AGREEMENT
BETWEEN
THE CITY OF ALAMEDA
AND
WASTE MANAGEMENT OF ALAMEDA COUNTY
FOR
TRANSFER AND DISPOSAL OF SOLID WASTE

JULY 2017
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# TABLE OF CONTENTS

**ARTICLE 1. GRANT AND ACCEPTANCE OF AGREEMENT** ............................................. 2
1.1 Grant and Acceptance of Agreement ................................................................. 2
1.2 Obligations of Both Parties .................................................................................. 2
1.3 City Obligations .................................................................................................... 3

**ARTICLE 2. TERM OF AGREEMENT** ................................................................. 3
2.1 Term and Option to Extend .................................................................................. 3
2.2 Conditions to Effectiveness of Agreement ......................................................... 3

**ARTICLE 3. SCOPE OF AGREEMENT** ............................................................... 4
3.1 Summary Scope of Services ................................................................................ 4
3.2 Limitations to Scope ........................................................................................... 5
3.3 Use of Approved Facilities .................................................................................. 5
3.4 Capacity Assurance ............................................................................................ 5
3.5 No Limitation on City Diversion Programs ....................................................... 6
3.6 No Tonnage Obligation; Only Compensation .................................................... 7
3.7 Subcontractors, Affiliates, Related Party Entities .............................................. 7
3.8 Transfer of Ownership and Responsibility for Delivered Material ..................... 7
3.9 City Contract Manager ....................................................................................... 7
3.10 Cooperation with City or County ...................................................................... 8
3.11 Carbon Offset Credits ....................................................................................... 8
3.12 City-Directed Changes to Scope ..................................................................... 9

**ARTICLE 4. TRANSFER AND DISPOSAL SERVICES** ....................................... 10
4.1 General ............................................................................................................... 10
4.2 Transfer and Transport Operations ................................................................... 10
4.3 Disposal Operations ........................................................................................... 11
4.4 Vehicle Weighing ............................................................................................... 12
4.5 Provision of Emergency Services ..................................................................... 13
4.6 Closure and Post-Closure of Approved Disposal Facility ................................. 13

**ARTICLE 5. STANDARD OF PERFORMANCE** ............................................. 13
5.1 Days and Hours of Operation ............................................................................ 13
5.2 Facility Turnaround Times ................................................................................ 14
5.3 Rejection of Excluded Waste ............................................................................ 14
5.4 Personnel .......................................................................................................... 15
5.5 Permits ............................................................................................................... 16
5.6 Safety ............................................................................................................... 16
5.7 Right to Enter Facility and Observe Operations ............................................... 16
5.8 Closure and Post-Closure of Approved Disposal Facility ................................. 17
5.9 Alternative Facilities ......................................................................................... 17
5.10 Delivery to Non-Approved Facilities Prohibited ............................................. 18
5.11 Transport Equipment ....................................................................................... 19
ARTICLE 6. RECORD KEEPING AND REPORTING .......................................................... 19
  6.1 Record Keeping and Audit of Records ......................................................... 19
  6.2 Report Submittal Requirements ................................................................. 21
  6.3 Reporting .................................................................................................. 21

ARTICLE 7. FEES ................................................................................................. 22
  7.1 City Right to Establish Fees ...................................................................... 22
  7.2 Payment Schedule and Late Fees .............................................................. 22

ARTICLE 8. CONTRACTOR’S COMPENSATION AND PER-TON RATE SETTING ... 22
  8.1 General .................................................................................................... 22
  8.2 Remittances to Contractor ...................................................................... 23
  8.3 Per-Ton Rate(s) ....................................................................................... 23
  8.4 Per-Ton Rate Adjustments ...................................................................... 25
  8.5 Extraordinary Rate Adjustments ............................................................. 26

ARTICLE 9. INDEMNITY, INSURANCE, AND PERFORMANCE BOND .................. 27
  9.1 Indemnification ......................................................................................... 27
  9.2 Insurance ................................................................................................ 28
  9.3 Performance Bond .................................................................................. 31
  9.4 Guaranty .................................................................................................. 31

ARTICLE 10. DEFAULT AND REMEDIES ............................................................ 31
   10.1 Events of Default ................................................................................. 31
   10.2 Right to Terminate Upon Event of Default ........................................... 33
   10.3 City’s Remedies in the Event of Default .............................................. 33
   10.4 Possession of Records upon Termination ............................................. 34
   10.5 City’s Remedies Cumulative; Specific Performance ............................ 34
   10.6 Performance Standards and Liquidated Damages ............................... 34
   10.7 Excuse from Performance .................................................................. 36
   10.8 Right to Demand Assurances of Performance ..................................... 37

ARTICLE 11. REPRESENTATIONS AND WARRANTIES OF THE PARTIES ........ 38
   11.1 Contractor’s Corporate Status ............................................................. 38
   11.2 Contractor’s Corporate Authorization .................................................. 38
   11.3 Agreement Will Not Cause Breach ....................................................... 38
   11.4 No Litigation ....................................................................................... 38
   11.5 No Adverse Judicial Decisions ............................................................ 38
   11.6 No Legal Prohibition ......................................................................... 39
   11.7 Contractor’s Ability to Perform ........................................................... 39

ARTICLE 12. OTHER AGREEMENTS OF THE PARTIES .................................... 39
   12.1 Relationship of Parties ....................................................................... 39
   12.2 Compliance with Law ......................................................................... 39
   12.3 Governing Law .................................................................................... 39
   12.4 Jurisdiction ......................................................................................... 39
   12.5 Binding on Successors ..................................................................... 39
12.6 Assignment ............................................................................................................... 40
12.7 No Third Party Beneficiaries.................................................................................... 41
12.8 Waiver ...................................................................................................................... 41
12.9 Notice Procedures..................................................................................................... 41
12.10 Representatives of the Parties ............................................................................... 42

ARTICLE 13. MISCELLANEOUS AGREEMENTS......................................................... 43

13.1 Entire Agreement .................................................................................................... 43
13.2 Section Headings .................................................................................................... 43
13.3 References to Laws .................................................................................................. 43
13.4 Amendments ........................................................................................................... 43
13.5 Severability ............................................................................................................. 43
13.6 Counterparts .......................................................................................................... 43
13.7 Exhibits ................................................................................................................... 43

LIST OF EXHIBITS

A. Definitions
B. Guaranty Agreement
C. Performance Bond
D. Contractor’s Statement of Interest
E. Labor Agreement(s)
AGREEMENT
BETWEEN
CITY OF ALAMEDA
AND
WASTE MANAGEMENT OF ALAMEDA COUNTY
FOR
TRANSFER AND DISPOSAL OF SOLID WASTE

THIS AGREEMENT is made and entered into as of September 6, 2017, between the City of Alameda, California, a political subdivision of the State of California (hereinafter "City"), and Waste Management of Alameda County, Inc., (hereinafter referred to as the "Contractor").

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

WHEREAS; the Legislature of the State of California, by enactment of the California Integrated Waste Management Act of 1989 (AB 939) (California Public Resources Code Section 40000 et seq.), and various ensuing legislation, has declared that it is in the public interest to authorize and require local agencies to make adequate provisions for Solid Waste Collection within their jurisdiction;

WHEREAS; the State of California has found and declared that the amount of refuse generated in California, coupled with diminishing Disposal capacity and potential adverse environmental impacts from landfilling and the need to conserve natural resources, have created an urgent need for State and local agencies to enact and implement an aggressive integrated waste management program. The State has, through enactment of the AB 939, AB 341, AB 1826, AB 1594, SB 1016, SB 1838, and other related legislation directed the responsible State agency, and all local agencies, to promote Diversion and to maximize the use of feasible waste reduction, re-use, Recycling, and Composting options in order to reduce the amount of refuse that must be Disposed;

WHEREAS; pursuant to California Public Resources Code Section 40059(a)(2), the City has determined that the public health, safety, and well-being require that an exclusive right be awarded to a qualified company to provide for safe Transfer, Transport, and Disposal of Solid Waste;

WHEREAS; the City further declares its intent to approve and maintain reasonable Per-Ton Rates for the Transfer, Transport, and Disposal of Solid Waste;

WHEREAS; the City has determined that Contractor, by demonstrated experience, reputation and capacity, and demonstrated ability to accept all governmentally-mandated responsibilities associated with Transfer and Disposal facility operations and Closure and Post-Closure of Disposal facilities, is qualified to provide for the Acceptance, Transfer, and Disposal of Solid Waste at appropriate places of
Transfer and Disposal; and, therefore, desires that Contractor be engaged to perform such services on the
basis set forth in this Agreement;

WHEREAS; the City and Contractor have attempted to address conditions affecting their performance of
services under this Agreement but recognize that reasonably unanticipated conditions may occur during
the Term of this Agreement that will require the Parties to meet and confer to reasonably respond to such
changed conditions; and,

NOW, THEREFORE, in consideration of the mutual promises, covenants, and conditions contained in this
Agreement and for other good and valuable consideration, the Parties agree as follows:

ARTICLE 1. GRANT AND ACCEPTANCE OF AGREEMENT

1.1 Grant and Acceptance of Agreement

Through this Agreement, the City grants to Contractor the exclusive right and privilege to Transfer,
Transport, and Dispose of all Solid Waste Collected in the Service Area by the Franchised Collector, and
that is Delivered by the Franchised Collector, except as expressly provided in this Agreement. This
Agreement and scope of this franchise shall be interpreted to be consistent with Applicable Law, now and
during the Term of the Agreement. If future judicial interpretations of current law or new laws,
regulations, or judicial interpretations limit the ability of the City to lawfully contract for the scope of
services in the manner and consistent with all provisions as specifically set forth herein, Contractor agrees
that the scope of the Agreement will be limited to those services and materials that may be lawfully
included herein and that the City shall not be responsible for any lost profits or losses claimed by
Contractor to arise out of limitations to the scope or provisions of the Agreement set forth herein. In such
an event, it shall be the responsibility of Contractor to minimize the financial impact of such future judicial
interpretations or new laws and the Contractor may meet and confer with City and may petition for a Rate
adjustment pursuant to Section 8.5.

1.2 Obligations of Both Parties

In addition to the specific performance required under the Agreement:

A. Contractor shall use its reasonable commercial efforts to enforce its rights under this Agreement
   by the Contractor's identification and documentation of violations of the Agreement by third
   parties.

B. Contractor and City shall provide timely notice to the other Party of a failure or perceived failure
   to perform any obligations under this Agreement, and each shall have access to information
   demonstrating the Party's failure or perceived failure to perform.

C. Contractor and City shall provide timely access to the City Contract Manager and the Contractor's
   designated representative as applicable, and complete and timely responses to requests of the
   other Party.

D. Contractor and City shall provide timely notice of matters that may affect either Party's ability to
   perform under the Agreement.
1.3 City Obligations

City obligations are limited to the following.

A. Provide for Delivery of Solid Waste. The City shall, at all times, direct all Solid Waste that is Collected in the Service Area by the Franchised Collector, and that is intended by the City for Disposal to be Delivered to the Approved Transfer Facility.

B. Excluded Waste. The City shall direct its Franchised Collector to implement an Excluded Waste screening, identification, and prevention protocol. City shall prohibit its Franchised Collector from knowingly delivering Excluded Waste to the Approved Transfer Facility.

C. Adjustment of Per-Ton Rates. The City shall ensure that Contractor’s Per-Ton Rates are adjusted as provided in Article 8.

The Parties acknowledge that the City will not physically Deliver Solid Waste to the Approved Facilities, except for Solid Waste that is Delivered by a City Department to the Approved Transfer Facility. Instead, the Franchised Collector will carry out such deliveries. The Parties further acknowledge that the Franchised Collector, with the exception of Per-Ton Rates for City-Hauled Solid Waste paid by the City for Transfer, Transport, and Disposal of City-Hauled Solid Waste, will pay the Per-Ton Rates for Solid Waste it Delivers to the Approved Transfer Facility. The Contractor acknowledges that the City has no ability to direct Self Haulers to use the Approved Facilities and does not contractually control the Franchised Collector’s delivery of residue from its processing activities to the Approved Facilities. In no case shall any Solid Waste be Delivered by the City or the Franchised Collector directly to the Approved Disposal Facility.

ARTICLE 2. TERM OF AGREEMENT

2.1 Term and Option to Extend

The Term of this Agreement shall commence October 1, 2017 (Commencement Date) and continue in full force for a period of ten (10) years, through and including September 30, 2027, unless the Agreement is extended in accordance with this Section or terminated pursuant to Section 10.2. Beginning with the Effective Date, Contractor shall perform all activities necessary to ensure it can provide the full services required by this Agreement on the Commencement Date.

Except as provided below in this Section 2.1, the Term of this Agreement may be extend for up to five (5) years in increments of at least three (3) months or more in the sole discretion of the City for a total Term not to exceed fifteen (15) years. Should the City choose to extend this Agreement, both Parties shall meet and confer no later than one (1) year prior to the expiration of this Agreement to determine and specify the duration and terms of such extension.

Notwithstanding the above, City may, at its sole discretion and with a six (6) month notice, require Contractor to enter into a one (1) year extension of the Agreement without changes to its material provisions.

2.2 Conditions to Effectiveness of Agreement

The obligation of City to permit this Agreement to become effective and to perform its undertakings provided for in this Agreement is subject to the satisfaction of all the conditions below, each of which may be waived, in written form, in whole or in part by City.
A. **Accuracy of Representations.** The Contractor's representations and warranties made in Contractor's Statement of Interest and Article 11 of this Agreement are true and correct on and as of the Effective Date.

B. **Furnishings of Insurance and Performance Bond.** Contractor has furnished evidence of the insurance and performance bond required by Article 9 that is satisfactory to the City.

C. **Absence of 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, agency or instrumentality decided, pending or threatened against Contractor wherein an unfavorable decision, ruling or finding, in any single case or in the aggregate, would:

1. Materially adversely affect the performance by Contractor of its obligations hereunder;
2. Adversely affect the validity or enforceability of this Agreement; or,
3. Have a material adverse effect on the financial condition of Contractor, or any surety or entity guaranteeing Contractor's performance under this Agreement.

D. **Permits Furnished.** Contractor has provided City with copies of all permits necessary for operation of the Approved Facilities owned or operated by Contractor or Subcontractor for use under the terms of this Agreement.

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**ARTICLE 3. SCOPE OF AGREEMENT**

**3.1 Summary Scope of Services**

The Contractor shall be responsible for the following:

A. Acceptance of Solid Waste Delivered to the Approved Transfer Facility by the Franchised Collector and City Departments;

B. Transport of Solid Waste from the Approved Transfer Station to the Approved Disposal Facility;

C. Disposal of Solid Waste at the Approved Disposal Facility;

D. Performing all other services required by this Agreement including, but not limited to, record keeping and reporting pursuant to Article 6;

E. Furnishing all labor, supervision, equipment, materials, supplies, and all other items and services necessary to perform its obligations under this Agreement;

F. Obtaining and maintaining all permits and regulatory approvals necessary to perform the services specified in the Agreement;

G. Paying all expenses related to provision of services required by this Agreement including, but not limited to, taxes, regulatory fees, City fees, and utilities, and Closure and Post-Closure costs of the Approved Disposal Facility;

H. Receiving proceeds from the Per-Ton Rates as the only compensation for provision of services under this Agreement;

I. Performing or providing all services specified in this Agreement at all times in accordance with Applicable Laws and the specified requirements of this Agreement; and,
J. Performing or providing all services specified in this Agreement at all times in accordance with best industry practices with due diligence.

The enumeration and specification of particular aspects of service, labor, or equipment requirements shall not relieve Contractor of the duty to perform all other tasks and activities necessary to fulfill its obligations under this Agreement, regardless of whether such requirements are enumerated elsewhere in the Agreement, unless excused in accordance with Section 10.7.

3.2 Limitations to Scope

The scope of this Agreement does not include Acceptance, Transfer, or Disposal of the following:

A. Solid Waste generated in the City which is not Collected by the City or its Franchised Collector.
B. Solid Waste generated outside of the City.
C. E-Waste, Universal Waste, Hazardous Waste, and sharps Collected by the Franchised Collector under the terms of its agreement with the City.
D. Other material Collected by the Franchised Collector targeted for Diversion including, but not limited to Recyclable Materials, Organic Materials, and Construction and Demolition Debris.
E. Other material Collected by the Franchised Collector but excluded from the definition of Solid Waste.
F. Residue resulting from Processing of materials generated in the Service Area.

3.3 Use of Approved Facilities

The Contractor, without constraint and as a free-market business decision in accepting this Agreement, agrees to use the Approved Transfer Facility and the Approved Disposal Facility for the purposes of Transfer and Disposal of all Solid Waste Delivered by the Franchised Collector and City Departments under the terms of this Agreement. Such decision by Contractor in no way constitutes a restraint of trade notwithstanding any Change in Law regarding flow control limitations or any definition thereof.

Contractor shall maintain accurate records of the quantities of Solid Waste Delivered to and Accepted at the Approved Transfer Facility and the Approved Disposal Facility and shall cooperate with City and any regulatory authority in any audits or investigations of such quantities.

3.4 Capacity Assurance

Contractor warrants that as of the Commencement Date it has sufficient capacity at the Approved Transfer Facility to Accept, Transfer, and Transport all Solid Waste Delivered by the Franchised Collector and City Departments throughout the Term, and that it shall maintain that Acceptance, Transfer, and Transport capacity through the Term.

Contractor warrants that as of the Commencement Date it has sufficient capacity at the Approved Disposal Facility to Dispose of all Solid Waste Delivered by the Franchised Collector and City Departments throughout the Term, and that it shall maintain that Disposal capacity through the Term.

Contractor shall be responsible for reasonably estimating the quantity of capacity that it shall be required to provide to Transfer, Transport, and Dispose of all Solid Waste Delivered by the Franchised Collector and City Departments over the Term of the Agreement. The City makes no representations, and is under no
obligation, regarding the quantity or composition of the Solid Waste Delivered to the Approved Transfer
Station by the Collection Company and City. In the event the City disagrees with the Contractor’s estimate
of the quantity of capacity required to meet its obligations under this Agreement or the Contractor’s
estimate of available Disposal facility capacity, the dispute shall be resolved in accordance with
procedures described in Section 8.17.

If at any time during the Term or an extension Contractor fails to provide the capacity needed to fulfill its
obligations under this Agreement, the City may assess Liquidated Damages for each Ton of the City’s Solid
Waste that the Contractor does not Accept, Transfer, Transport, and/or Dispose in accordance with
Section 10.6.B.

3.5 No Limitation on City Diversion Programs

The City maintains programs to reduce the amount of waste intended for Transfer and Disposal. It is the
City’s intent to continue to improve, develop, and enhance existing programs as well as to implement new
programs and services throughout the Term as it deems necessary to meet or exceed mandated Diversion
program requirements and goals established by AB 939 and subsequent federal, State, County, or local
legislation including, but not limited to the State 75 percent Recycling goal established in AB 341, the
programmatic requirements of AB 1826, Organic Materials Diversion goals established in SB 1838, and
Recyclable Materials and Organic Materials program requirements of Alameda County Waste
Management Authority Mandatory Recycling Ordinance 2012-01. Contractor acknowledges that the
characterization and quantity of materials Delivered to the Approved Transfer Facility and Approved
Disposal Facility will change over the Term and may over time be significantly different than that as of the
Commencement Date of the Agreement.

Nothing in this Agreement shall prevent, penalize, or impede, in any manner, the City from continuing
programs, altering programs, or developing new programs that have the effect of reducing or increasing
the amount of Solid Waste Collected and Delivered to the Approved Transfer Facility by the Franchised
Collector and City Departments, including the City’s right to arrange Processing of Collected Solid Waste
in lieu of Delivery to the Approved Transfer Facility for Disposal at the Approved Disposal Facility.

Contractor also recognizes that the quantity and composition of Solid Waste will also change over the
Term of the Agreement depending on the level of participation from the residents and businesses in
Collection and Diversion programs, the ongoing commitment of the City to Diversion of Solid Waste and
achievement of its zero waste goal, as well as external factors such as the economy, actual composition
of the waste stream, growth in the residential sector and changes in demographic conditions, number and
types of new businesses, product design and packaging, collection and processing technology, changes in
federal and State legislation and regulations, and more.

However, in the event City directs Processing of Solid Waste by a third party for purposes of Diverting
recoverable elements thereof, instead of Delivery to the Approved Transfer Facility for Disposal at the
Approved Disposal Facility, City shall cause the third party processor to Deliver the actual Residue (or an
equivalent quantity of material) from the processing of the City’s Solid Waste to the Approved Transfer
Facility or Approved Disposal Facility. The delivery of Residue or equivalent quantity of Residue by the
third party processor shall occur on a monthly basis. The City will provide documentation to Contractor
to evidence that equivalent Tons of all Residue from the Processed Solid Waste are delivered to the
Approved Transfer Facility or Approved Disposal Facility.
3.6 No Tonnage Obligation; Only Compensation

A. **No Tonnage Obligation.** This Agreement neither expresses nor implies City commitment to cause Delivery of any minimum tonnage of Solid Waste to the Approved Facilities or Alternative Facilities, or corresponding compensation for undelivered minimum Tonnages in the form of “put-or-pay” payments.

B. **Only Compensation.** The then-current Per-Ton Rate as provided in Article 8, as adjusted, shall be the only form of compensation due Contractor for services provided under this Agreement. Per-Ton Rates shall not be adjusted for any changes in the characterization of, quantity of, or other changes to Solid Waste Contractor receives. Nor shall any action, or lack of action by City regarding the availability of Solid Waste for Transfer and Disposal provide Contractor the opportunity for an adjustment to the Per-Ton Rate(s).

3.7 Subcontractors, Affiliates, Related Party Entities

Contractor shall not engage any Subcontractors without the prior written consent of City Contract Manager. If the Contractor plans to engage Subcontractors, Affiliates, or related party entities in the provision of services, Contractor shall submit a written request to the City seeking approval of such Subcontractors, Affiliates, or related party entities, and shall obtain written approval from City Contract Manager thirty (30) days prior to its plans to use such party. Such request shall include a description of Contractor’s plans, name and qualifications of party, and an explanation of any potential impacts related to the quality, timeliness, or cost of providing services under this Agreement.

3.8 Transfer of Ownership and Responsibility for Delivered Material

Once Solid Waste is Delivered by the Franchised Collector and City Departments and Accepted by Contractor at the Approved Transfer Facility, full ownership and the right to possession of the Solid Waste shall transfer to the Contractor. All benefits and liabilities resulting from ownership and possession of the Solid Waste shall accrue to Contractor except as provided in Section 3.11.

Responsibility for Excluded Waste that has been Accepted by the Contractor shall remain with the Contractor as provided in Section 5.3.

3.9 City Contract Manager

City has designated the City Contract Manager to be responsible for monitoring and administration of this Agreement. The City Contract Manager shall be the City Manager or his/her designee. Contractor shall meet and confer with the City Contract Manager to resolve differences of interpretation and implement and execute the requirements of this Agreement in an efficient, effective, manner that is consistent with the stated objectives of this Agreement.

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

In the event of dispute between the City Contract Manager and the Contractor regarding the interpretation of or the performance of services under this Agreement, the City Contract Manager’s determination shall be conclusive except where such determination results in a material impact to the...
Contractor's revenue and/or cost of operations. In the event of such material impact to the Contractor,
Contractor may appeal the determination of the City Contract Manager to the City Council, whose
determination shall be conclusive. For the purposes of this Section, "material impact" is an amount equal
to or greater than one-quarter of one percent (0.25%) of Contractor's annual Gross Receipts for the most-
recently completed twelve- (12-) month period under this Agreement. Should Contractor disagree with a
determination of the City Manager or designated City Contract Manager or City Council, it shall have the
right to present its claim in a court of competent jurisdiction as described in Section 12.4.

3.10 Cooperation with City or County

The Contractor shall with no added compensation cooperate with the City, its agent, and/or Alameda
County and/or its agent, or any State regulatory authority and/or its agent if the City or County or State
regulatory authority seek to collect data, perform field work, and/or evaluate and monitor Diversion
program results through characterization of Solid Waste, including providing reasonably requested data,
allowing visits to the Approved Facilities, and allowing use of Contractor-designated areas of the Approved
Facilities as needed to perform Solid Waste characterizations.

Contractor shall also cooperate with City and/or County or State regulatory authority by providing
requested data and review and otherwise assisting with any reporting and/or investigations related to the
California Department of Resources Recycling and Recovery (CalRecycle) Disposal Reporting System or
Origin Report Studies, AB 341, AB 901, AB 939, AB 1594, AB 1826, SB 1061, SB 1383, and Alameda County
Waste Management Authority Mandatory Recycling Ordinance 2012-01, by providing documentation
deemed reasonably necessary by the City Contract Manager, the County, or State regulatory authority.

3.11 Carbon Offset Credits

For purposes of this Section, "Environmental Benefits" are carbon offset credits, Renewable Energy
Certificates (RECS), Renewable Identification Numbers (RINs), greenhouse gas emission reduction credits,
and other government-issued environmental, energy, or transportation related credits. Environmental
Benefits do not include byproducts of waste material, such as landfill gas, processed landfill gas, fuel,
electricity, compost, or recyclable material.

"Applicable Environmental Benefits" are defined for purposes of this Section as Environmental Benefits
that:

1. Directly and exclusively result from Contractor investments planned and made after the Effective
   Date of this Agreement;
2. Are not related to the use of transportation fuel or vehicles using the fuel;
3. Are received by Contractor during the term of this Agreement; and
4. Are based on (i) the relative convertible Tonnage of Solid Waste Delivered to the Altamont Landfill
   by City in relation to all other convertible tons received at Altamont Landfill, and (ii) residency
   period of City Solid Waste within Altamont Landfill required before such material results in
   Environmental Benefits.

Contractor shall notify City within 90 days of learning that it has or will receive Applicable Environmental
Benefits. The Parties shall meet and confer to determine a fair City share of profits generated solely from
the Applicable Environmental Benefits, after Contractor is paid its margins and return on capital
investment.
3.12 City-Directed Changes to Scope

A. **General.** City may meet and confer with Contractor to establish the scope of any additional services (including, but not limited to, performance of Processing and material recovery activities) or modification to existing services (including, but not limited to, use of the Approved Facilities) to be provided under this Agreement. Contractor’s Per-Ton Rate shall be increased or decreased, as appropriate, to give effect to these adjustments.

B. **Proposal for Modification of Services.** Within thirty (30) calendar days of City’s request for a proposal (or longer period as agreed by the Parties), Contractor shall present its proposal to modify existing services. At a minimum, the proposal shall contain a complete description of the following:

1. Methodology to be employed (changes to equipment, manpower, staffing, etc.).
2. Equipment to be utilized (equipment number, types, capacity, age, etc.)
3. Labor requirements (changes in number of employees by classification).
4. Estimate of the impact of the service modification (increased Diversion Tonnage, reduced costs, increased public service, etc.).
5. Projection of the financial requirements and results of the program’s operations, as agreed by the Parties.
6. Other information reasonably requested by the City.

C. **City’s Review.** Within ninety (90) calendar days of receiving the Contractor’s proposal (or longer period as agreed by the Parties), the City shall review and comment on, and approve or disapprove of the modification to the scope of services.

The City may request the assistance of an independent third party to review the proposal. The reasonable costs of such review shall be paid by the Contractor if the modification to the scope of services is initiated by the Contractor or by the City if the modification to the scope of services is initiated by the City. The cost of such review shall be estimated in advance of the work, and provided to the Contractor for comment and agreement to pay. Contractor’s refusal to pay the reasonable cost of review of a Contractor-initiated proposal shall be grounds for City rejection of such proposal.

The City may request from the Contractor operating and business records reasonably required to verify the reasonableness and accuracy of the impacts associated with a modification to the scope of services. Contractor shall fully cooperate with the City’s request and provide City and its agent(s) copies of or access to Contractor’s records.

D. **Approval of Modification to Scope of Services.** Upon City approval or determination, City will issue a notice approving the modification to the scope of service and documenting any change to the Contractor’s Per-Ton Rates and/or approved change to Contractor’s obligations hereunder. The Parties shall prepare a written amendment to the Agreement documenting any and all changes resulting from the modification to the scope of services. No adjustment in Contractor’s Per-Ton Rates, change in Contractor’s obligations, or change in scope of services shall become effective absent such City approval or determination.

E. **City’s Right to Permit Others to Provide Services.** Contractor acknowledges and agrees that City may permit Persons other than Contractor to provide such services not otherwise contemplated under this Agreement. If Contractor and City cannot agree on terms and conditions of such
services in thirty (30) calendar days from the end of the City’s review period described in Section
C above, Contractor acknowledges and agrees that the City may permit Persons other than
Contractor to provide such services at a location other than the Contractor’s Approved Facilities.
If other Persons provide services and such services warrant new requirements for Contractor’s
operations that will increase Contractor’s costs, Parties shall agree to an adjustment to
Contractor’s Per-Ton Rates for the increased services. For example, if additional services
performed by other Persons require Contractor to operate on Sundays to receive Residue, Parties
shall negotiate and agree to an adjustment to Per-Ton Rates.

F. Extension of Time Periods. The City and Contractor may mutually agree to extend any specified
time periods for submittal of proposal or review due to the complexity of the scope of service
modification under consideration, the time needed for the review or approval, or for other
reasonable reasons.

ARTICLE 4. TRANSFER AND
DISPOSAL SERVICES

4.1 General
Contractor shall perform the services described in this Article 4. Failure of Agreement to specifically
require an act necessary to perform the service does not relieve Contractor of its obligation to perform
such act. To the extent any of the services specified in Article 4 are provided by a City-approved
Subcontractor, the requirements of Article 4 shall pertain.

4.2 Transfer and Transport Operations
Contractor shall provide Transfer services at the Approved Transfer Facility and provide Transport to the
Approved Disposal Facility in accordance with Applicable Laws and regulations, best industry practice, due
diligence and specification, and other requirements of this Agreement. In addition, Contractor shall
comply with the following service specifications:

A. Operating, managing, and maintaining the Approved Transfer Facility including all buildings,
scales, roads, and utilities.
B. Providing and maintaining staffing levels and expertise as necessary or required to ensure safe
and lawful operation at all times, and as provided in Section 5.4.
C. Providing, operating, and maintaining all equipment, rolling stock, and supplies necessary for
operations and maintenance, including providing redundancy in case of equipment failure, power
outage, etc.
D. Operating and maintaining the scale house and scale system and weighing Solid Waste Delivered
to the Approved Transfer Facility by the Franchised Collector and City Departments in accordance
with Section 4.4 of the Agreement.
E. Directing on-site traffic to appropriate unloading areas and providing a safe working environment
for Approved Transfer Facility users, visitors, and employees.
F. Accepting Solid Waste Delivered by the Franchised Collector and City Departments from the
Service Area.
4.3 Disposal Operations

Contractor shall provide Disposal services at the Approved Disposal Facility in accordance with Applicable Laws and regulations, best industry practice, due diligence and specification, and other requirements of this Agreement. In addition, Contractor shall comply with the following service specifications:

A. Operating, managing, and maintaining the Approved Disposal Facility including all buildings, scales, roads, and utilities.

B. Operating, managing, and maintaining the Solid Waste fill areas, including the placement, burying, and compaction of Solid Waste in the refuse fill areas; stockpiling, placement, and compaction of daily cover, intermediate cover, and final cover; management of fill operations with regard to fill sequencing, side slopes configuration, and working face location and configuration.

C. Providing and maintaining staffing levels and expertise as necessary or required to ensure safe and lawful operation at all times, and as provided in Section 5.4.

D. Providing, operating, and maintaining all equipment, rolling stock, and supplies necessary for operations, Closure, Post-Closure, and environmental monitoring.

E. Operating and maintaining the scale house and scale system and weighing Solid Waste Delivered from the Approved Transfer Facility in accordance with Section 4.4 of this Agreement.

F. Accepting Delivery of Solid Waste from the Approved Transfer Facility.

G. Directing on-site traffic to appropriate unloading areas and providing a safe working environment for Approved Disposal Facility users, visitors, and employees.

H. Safely managing the Solid Waste Transported to the Approved Disposal Facility.

I. Implementing an Excluded Waste screening, identification, and prevention protocol as provided in Section 5.3.

J. Operating, maintaining, and managing liquids ("leachate") and landfill gas management systems, groundwater monitoring and management systems, storm water drainage and control systems, treatment facilities, buildings, on-site roadways, utilities, and any other required Facility elements.

K. Conducting required or prudent Closure and Post-Closure activities as provided in Section 5.8.

M. Contractor may, at its sole discretion, use Solid Waste for Beneficial Reuse in compliance with Applicable Law.

4.4 Vehicle Weighing

Contractor is solely responsible for ensuring accurate weighing of all materials entering and leaving the Approved Facilities.

A. Facility Scales. Contractor shall maintain State-certified motor vehicle scales in accordance with Applicable Law. All scales shall be linked to a centralized computer recording system at the Approved Facilities to record weights for all incoming and outgoing materials. Contractor shall provide backup generator(s) capable of supplying power to the scales in the event of a power outage. Contractor shall promptly arrange for use of substitute portable scales should its usual scales not be available for whatever reason. Pending substitution of portable scales, Contractor shall as necessary estimate the Tonnages of Solid Waste Delivered to and Transported from the Approved Facilities, on the basis of Delivery vehicle and Transfer trailer volumes, tare weights, and/or other available facility weight records. These estimates shall take the place of actual weights while scales are inoperable, and shall be identified as estimates in electronic records and reporting. Contractor shall upon City request, weigh and provide tare weights for City vehicles should City Departments directly Deliver Solid Waste to the Approved Transfer Facility for Disposal.

B. Tare Weights for Franchised Collector Vehicles. Within thirty (30) days prior to the Commencement Date, Contractor shall coordinate with the Franchised Collector to ensure that all Collection vehicles used by Franchised Collector to Deliver Solid Waste to the Approved Transfer Facility are weighed to determine unloaded (“tare”) weights. Contractor and Franchised Collector shall electronically record the tare weight, identify vehicle as Franchised Collector owned, and provide a distinct vehicle identification number for each vehicle. Contractor shall provide City with a report listing the vehicle tare weight information upon request. Contractor shall promptly coordinate with Franchised Collector to weigh additional or replacement Collection vehicles prior to Franchised Collector placing them into service. Contractor shall check tare weights at least annually, or within fourteen (14) Days of a City request, and shall retare vehicles immediately after any major maintenance service. Upon request, Contractor shall also provide tare weights for City Department vehicles in the same manner described in this subsection for Franchised Collector vehicles.

C. Tare Weights for Contractor Vehicles. Within thirty (30) days prior to the Commencement Date, Contractor shall ensure that all Transfer Vehicles used by Contractor to Deliver Solid Waste to the Approved Disposal Facility are weighed to determine unloaded (“tare”) weights. Contractor shall electronically record the tare weight, identify vehicle as Contractor owned, and provide a distinct vehicle identification number for each vehicle. Contractor shall provide City with a report listing the vehicle tare weight information upon request. Contractor shall promptly weigh additional or replacement Transfer Vehicles prior to placing them into service. Contractor shall check tare weights at least annually, or within fourteen (14) days of a City request, and shall retare vehicles immediately after any major maintenance service.

D. Testing. Contractor shall test and calibrate all scales in accordance with Applicable Law, but at least every twelve (12) months or upon City request.

E. Records. Contractor shall maintain computerized scale records and reports that provide information including date of receipt, inbound time, inbound and outbound weights of vehicles,
vehicle identification number, as further provided in Section 6.1. Contractor shall also maintain
computerized scale records and reports providing historical vehicle tare weights for each vehicle
and the date and location for each tare weight recorded.

F. **Upon-Request Reporting.** If vehicle receiving and unloading operations are recorded on video
cameras at the Approved Facilities, Contractor shall make those videos available for City review
during the Facility’s operating hours, upon request of the City, and shall provide the name of the
driver of any particular load if available.

**4.5 Provision of Emergency Services**

Contractor shall provide emergency services, at the City’s request, in the event of major accidents,
disruptions, or natural calamities. Contractor shall be capable of providing emergency services within
twenty-four (24) hours of notification by the City or as soon as is reasonably practical in light of the
circumstances. Contractor shall be compensated for emergency services, which exceed the Contractor’s
obligations under this Agreement including, but not limited to, obligations related to facility receiving
hours, the types and quantities of permitted materials accepted at the Approved Facilities, the nature of
material Recovery activities, and Transfer, Transport, and Disposal requirements, in accordance with
procedures for a City-directed change in scope (pursuant to Section 3.1.2) although the adjustment to
Contractor’s Compensation may be a retroactive adjustment if the City authorizes emergency services
before the change in scope procedures can be followed.

**4.6 Closure and Post-Closure of Approved Disposal Facility**

Contractor shall safely manage the Approved Disposal Facility in compliance with Applicable Law not only
during normal facility operating period, but also during the Approved Disposal Facility Closure and Post-
Closure period(s) (including fulfillment of State funding requirements). Contractor acknowledges that it
is solely responsible for: (i) the appropriate Closure and Post-Closure activities of the Approved Disposal
Facility; and, (ii) the establishment and funding of any reserve funds required by Applicable Law for the
purposes of providing funds for the payment of costs of Closure of the Approved Disposal Facility (or any
cell within the Approved Disposal Facility) or Post-Closure activities relating to the Approved Disposal
Facility. Without limitation, in no event shall the City or Franchised Collector be responsible for paying any
deficiencies in such required reserves. In addition, the City or Franchised Collector shall have no
responsibility to make any payments in the event that actual Closure and Post-Closure costs relating to
the Approved Disposal Facility exceed the amounts reserved by the Contractor for such purposes.

**ARTICLE 5. STANDARD OF PERFORMANCE**

**5.1 Days and Hours of Operation**

A. **Approved Transfer Facility.** Contractor shall operate the Approved Transfer Facility for the
receipt of the Solid Waste from Franchised Collector and City Departments in accordance with the
days and hours of operation set forth below, except for Holidays. At a minimum, Contractor shall
allow for Delivery and Acceptance of Solid Waste by Franchised Collector and City Departments
Monday through Friday from Monday through Friday 5:00 a.m. to 9:30 p.m. and 5:00 a.m. to 5:00
p.m. on Saturdays. Contractor may not reduce the hours or total number of hours for Delivery
and Acceptance of Solid Waste from Franchised Collector and City Departments without prior
written approval of the City, except for reductions required by a change in a Permit subsequent
to the Commencement Date in which case Contractor shall maximum every effort to provide the City a minimum of sixty (60) days written notice of such an anticipated modification.

B. **Approved Disposal Facility.** Contractor shall operate the Approved Disposal Facility for the receipt of the City’s Solid Waste in accordance with the days and hours of operation set forth below. At a minimum, Contractor shall provide for Delivery and Acceptance of Solid Waste from the Approved Transfer Facility Monday through Friday from 6:00 a.m. to 4:00 p.m. and 4:00 a.m. to 12:30 p.m. on Saturdays

C. **Expanded Hours of Operation.** Should the City or Contractor request that the Approved Transfer Facility be open additional hours than current operating hours for a temporary or emergency situation, Contractor shall accommodate the request provided it is within the parameters of the Approved Transfer Facility’s permitted hours. In such case, Contractor shall be compensated for the extended operating hours at the rate specified in Section 8.3, which shall be adjusted annually in accordance with Section 8.4. If such additional compensation exceeds ten thousand dollars ($10,000), then Contractor may require that it be paid within thirty (30) days of the City’s receipt of the invoice for the service.

If the City requests that operating hours be expanded or modified for an extended period time or for the remaining Term, such a change shall be handled in accordance with procedures for a City-directed change in scope (pursuant to Section 3.12).

D. **Change in Hours Subject to Approval.** Contractor may not reduce the hours or total number of hours for Delivery and Acceptance of Solid Waste at the Approved Transfer Facility without prior written approval of the City, except for reductions required by a change in a Permit subsequent to the Commencement Date in which case Contractor shall make every effort to provide the City a minimum of sixty (60) Days written Notice of such an anticipated modification.

### 5.2 Facility Turnaround Times

Contractor shall maintain a maximum weekly average vehicle turnaround time of twenty (20) minutes for Franchised Collector and City Department Delivery of Solid Waste to the Approved Transfer Facility. Maximum average vehicle turnaround time shall be the elapsed time from entering to leaving the Approved Transfer Facility property. Upon City request, Contractor shall provide the City reports or access to electronic scale house system records that provide the City information to determine vehicle turnaround times based on documented entry time at the entry scale house and documented facility exit time. The Contractor acknowledges that the City may also use GPS (global positioning system) records provided by the Franchise Collector for collection vehicles to calculate turnaround time or conduct on-site surveys of performance to verify compliance with the average vehicle turnaround time performance standard herein.

### 5.3 Rejection of Excluded Waste

A. **Inspection Program and Training.** Contractor shall develop a load inspection program for the Approved Facilities that includes the following components: (i) personnel and training; (ii) load checking activities; (iii) management of wastes; and, (iv) record keeping and emergency procedures. Contractor’s load checking personnel shall be trained in: (i) the effects of Hazardous Substances on human health and the environment; (ii) identification of prohibited materials; and, (iii) emergency notification and response procedures.

B. **Inspection.** Contractor shall use best industry practices to detect and reject Excluded Waste in a uniform manner and shall not knowingly Accept Excluded Waste at the Approved Facilities.
Contractor shall comply with the inspection procedure contained in its Permit requirements. Contractor shall promptly modify that procedure to reflect any changes in Permits or Applicable Law.

C. Excluded Waste Handling and Costs. Contractor shall arrange for or provide handling, transportation, and delivery to a facility permitted in accordance with Applicable Law of all Excluded Wastes detected at the Approved Facilities. Contractor is solely responsible for making those arrangements or provisions and for all costs thereof, subject to the remedies available under Section 5.3.D below.

D. Detection Prior to Acceptance. If Contractor identifies Excluded Waste Delivered from the Service Area to the Approved Transfer Facility by the Franchised Collector prior to Acceptance, Contractor shall notify the Franchised Collector who shall collect, transport, and Recycle or Dispose of that Excluded Waste and/or remediate any contamination resulting at the Approved Transfer Facility from it at Franchised Collector’s expense.

E. Detection Following Acceptance. If Contractor identifies Excluded Waste Delivered from the Service Area to the Approved Transfer Facility by the Franchised Collector following Acceptance, and is able to verify such Excluded Waste was delivered by the Franchised Collector, Franchised Collector shall collect, transport, and Recycle or Dispose of that Excluded Waste and/or remediate any contamination resulting at the Approved Transfer Facility at Franchised Collector’s expense.

5.4 Personnel

A. General. Contractor shall furnish such qualified personnel as may be necessary to provide the services required by this Agreement in a safe and efficient manner. Contractor shall designate at least one (1) qualified employee as City’s primary point of contact with Contractor who is principally responsible for Transfer and Disposal operations and resolution of service requests and complaints who shall be available telephonically at all times Transfer and Disposal operations are taking place.

B. Driver Qualifications. All drivers must have in effect a valid license, of the appropriate class, issued by the California Department of Motor Vehicles. Contractor shall use the Class II California Department of Motor Vehicles employer “Pull Notice Program” to monitor its drivers for safety.

C. Safety Training. Contractor shall provide suitable operational and safety training consistent with Applicable Law for all of its employees who operate vehicles or equipment at, or in conjunction with the Approved Facilities. Contractor shall train its employees to identify, and to not Accept Excluded Waste. Upon the City Contract Manager’s request, Contractor shall provide a copy of its safety policy and safety training program, the name of its safety officer, and the frequency of its trainings.

D. Labor Agreements. Contractor shall be solely responsible for its labor arrangements. Any labor agreements for staffing at the Approved Facilities shall be included as Exhibit E and future modification shall be submitted to the City. The Contractor shall, as applicable provide full copies of the labor agreements including any and all amendments, extensions, renewals, or other forms of modification.

E. Subcontractor Obligations. Subcontractors shall be required to comply with the obligations stated in this Section 5.4.
5.5 Permits

A. Securing Permits. Contractor is solely responsible for obtaining and maintaining, at Contractor’s sole cost, all Permits required under Applicable Law to perform the services required by this Agreement. Contractor shall provide City copies of Permits and all documents submitted in application for said Permits for the Approved Facilities within ten (10) days of City request. In its monthly report or more frequently, as necessary, Contractor shall inform City of Contractor’s status of securing the issuance, revision, modification, extension, or renewal of Permits including those at its or any Subcontractor’s or Affiliate’s Alternative Facilities. Contractor shall inform City at least fifteen (15) days prior to application, of its intent to apply for any Permit authorized or required under Applicable Law regarding services performed under this Agreement. Within ten (10) days following City’s request, Contractor shall provide the City with copies of any applications or other correspondence that the Contractor submits in connection with securing Permits.

B. Compliance with Permits. Contractor shall comply with all Permits or environmental documents, including any mitigation measures related to the operation and maintenance of the Approved Facilities at no additional cost to the City. Contractor shall demonstrate compliance with the terms and conditions of Permits within ten (10) days of City request. Contractor shall provide City with all documentation verifying compliance with Permit conditions that is provided to the permitting authority at the same time such is provided to the permitting authority. Contractor is solely responsible for paying any fines or penalties imposed for noncompliance with or violation of Permits or failure to obtain Permits.

5.6 Safety

The Contractor shall conduct the operations of the Approved Facilities in a safe manner, in accordance with Applicable Law, and in accordance with the insurance requirements of Section 9.2. In particular, Contractor shall construct and maintain all roads at the Approved Transfer Facility to which Franchised Collector and City Departments Deliver Solid Waste as necessary and required for such vehicles to safely and efficiently access and use the Approved Transfer Facility. Contractor shall direct on-site traffic to appropriate unloading areas and provide a safe working environment for Approved Facilities’ users, visitors, and employees. Contractor shall provide necessary signs and personnel to assist drivers to proper unloading areas. Contractor shall maintain all signs at the Approved Facilities in a clean and readable condition. The Contractor shall provide and maintain signs for the convenience of Persons using the Approved Facilities and to facilitate safe and efficient traffic flow at the Approved Facilities.

5.7 Right to Enter Facility and Observe Operations

The City and its designated representative(s) reserve the right to enter, observe, and inspect and compliance test the Approved Facilities during operations; meet with Approved Facilities manager(s) or his or her representatives at any time, provided that the City and its representatives comply with Contractor’s reasonable safety and security rules and do not interfere with operations at the Approved Facilities. Contractor is obligated to allow entry of City staff or their designated representative(s) to the Approved Facilities, and to allow for representatives to conduct observations, inspections, studies, or surveys.

Upon City direction, Contractor shall make Approved Facilities personnel available to accompany City employees or representatives on inspections. Contractor shall ensure that its employees cooperate with the City and respond to the City’s reasonable inquiries. Contractor shall facilitate observation and inspection at the Approved Facilities upon three (3) Business Days of receiving a City request.

City of Alameda/Waste Management
July 2017 16 Transfer and Disposal Agreement
If the facility manager or his or her representative is not at the Approved Facilities when the City or its designated representative(s) visit without prior announcement, staff of the Approved Facilities may limit the visit of the City or its designated representative to a portion of the Approved Facilities property. In that event, Contractor shall arrange for City or its designated representative(s) to return for a visit of the complete facility within twenty four (24) hours of the City’s visit.

5.8 Closure and Post-Closure of Approved Disposal Facility

Contractor shall safely operate, maintain, and manage (including fulfillment of State funding requirements) the Approved Disposal Facility in compliance with Applicable Law not only during the Term but also thereafter until and during the Approved Disposal Facility Closure and Post-Closure period(s).
Contractor is solely responsible, operationally and financially, for: (i) The appropriate Closure and Post-Closure activities of the Approved Disposal Facility; and, (ii) The establishment and funding of any reserve funds required by Applicable Law for the purposes of providing funds for the payment of costs of Closure of the Approved Disposal Facility (or any cell within the Approved Disposal Facility) or Post-Closure activities relating to the Approved Disposal Facility. City shall be in no way responsible for paying any deficiencies in necessary or required reserves. In addition, City shall be in no way responsible should Contractor costs for Closure and Post-Closure relating to the Approved Disposal Facility exceed the amounts reserved by Contractor for that purpose. This obligation survives expiration or termination of this Agreement.

5.9 Alternative Facilities

A. Purpose. In order to ensure uninterrupted service should Contractor for any reason be unable to provide services at the Approved Transfer Facility and/or Approved Disposal Facility, the Contractor shall make available the following Alternative Disposal Facilities: Redwood Landfill and Recycling Center (located at 8950 Redwood Highway, Novato, CA), and/or the Kirby Canyon Recycling and Disposal Facility (located at 910 Coyote Creek Golf Drive, Morgan Hill, CA), both of which are owned and operated by Affiliates. Contractor’s arrangements for Alternative Disposal Facilities is subject to review by the City upon City request.

B. Alternative Transfer Facility Arrangements. Contractor has not identified an alternative Transfer Facility for use in the event the Approved Transfer Facility is unable to provide for Delivery of Solid Waste. In such case, the City may direct the Franchise Collector and City Departments to haul Solid Waste to one of Contractor’s Alternative Disposal Facilities. If Franchise Collector and City Departments haul Solid Waste more than fifteen (15) miles in collection vehicles, the City will need to confirm compliance with the “15-mile rule” pursuant to Policy 4.5.2 of the December 2011 Alameda County Integrated Waste Management Plan (CoIWMP). Contractor acknowledges that direct hauling of materials by the Franchise Collector and City Departments to one of the Alternative Disposal Facilities requires significant operational changes that may be challenging and costly to implement. For this reason, the City may, in its sole discretion, direct any or all of the Solid Waste, which is to be Delivered to the Approved Facilities pursuant to this Agreement, to an alternative Transfer Facility selected by the City, and to an alternative Disposal Facility if the City-selected alternative Transfer Facility is unable to deliver Solid Waste to the Approved Disposal Facility or Alternative Disposal Facilities.

C. Alternative Disposal Facility Arrangements. Alternative Disposal Facility arrangements must ensure that Franchised Collector and City Departments or Contractor, as applicable, can Deliver or Transport Solid Waste to an Alternative Disposal Facility within two (2) Business Days of Contractor or City notice of need to use such Alternative Disposal Facility. Contractor shall ensure
that Alternative Disposal Facilities are able to accept Solid Waste on a continuous basis for no less than thirty (30) Days. Should Contractor use of the Alternative Disposal Facilities exceed thirty (30) Days, City may require Contractor to provide additional reasonable assurances of the Alternative Disposal Facilities ability to accept Solid Waste on an ongoing basis under the terms of this Agreement. Contractor may request and City may, at its discretion, grant a change in an Alternative Disposal Facility owned and operated by Contractor or an Affiliate, or owned and/or operated by a third party with the third party’s prior written consent.

D. Contractor Responsibility for Additional Cost. If Contractor is unable to, or chooses not to provide for Delivery of Solid Waste to the Approved Transfer Facility, Transport of Solid Waste from the Approved Transfer Facility to the Approved Disposal Facility, and/or and Disposal of Solid Waste at the Approved Disposal Facility for reasons other than those specified in Section 10.7, Contractor shall provide immediate notice to City and Franchised Collector of its need to use an Alternative Facility. In such case, Contractor shall be solely responsible for incremental differences in cost due to per-Ton fees charged at the Alternative Facility(ies) and any additional transportation costs incurred by Franchised Collector and City Departments in hauling and Delivering Solid Waste to the Alternative Facility(ies) and any additional costs incurred by Contractor for Transporting Solid Waste from the Approved or Alternate Transfer Facility to the Approved or Alternative Disposal Facility. Such added expense is not subject to adjustment as provided in Section 8.5. The obligation of Contractor under this paragraph to pay incremental differences in costs shall be applicable in the event Solid Waste is delivered to Alternative Disposal Facilities and/or in the event the City exercises its right under Section 5.9.B to direct Solid Waste to an alternative Transfer Facility and alternative Disposal Facility.

E. City Responsibility for Additional Cost. If Contractor is unable to provide for Delivery of Solid Waste at the Approved Transfer Facility, Transport of Solid Waste from the Approved Transfer Station to the Approved Disposal Facility, and/or Disposal of Solid Waste at the Approved Disposal Facility for a reason specified in Section 10.7, Contractor shall provide immediate notice to City and Franchised Collector of its need to use an Alternative Facility(ies). City shall be responsible for incremental differences in cost between the cost to Deliver Solid Waste to the Approved Facility(ies) and the cost to Deliver Solid Waste to the Alternative Facility(ies) including incremental cost differences between the per-Ton fees charged at the Alternative Facility(ies), transportation costs incurred by Franchised Collector and City Departments in hauling and Delivering Solid Waste to the Alternative Transfer or Disposal Facility, and transport cost incurred by the Franchised Collector as provided in Article 8. The incremental costs shall not include profit on Contractor’s costs. Such added expense shall be subject to an extraordinary Rate adjustment as provided in Section 8.5, although the adjustment to Contractor’s compensation may be a retroactive adjustment if the City authorizes use of Alternative Facility(ies) before the extraordinary Rate adjustment procedures can be followed.

F. City Right to Terminate. If the Contractor is unable to use the Approved Transfer Facility and/or Approved Disposal Facility for an extended period of time, for a reason other than an event specified in Section 10.7, the City may, at its sole discretion, terminate this Agreement as provided in accordance with Section 10.2.

5.10 Delivery to Non-Approved Facilities Prohibited

Should Contractor Transport and Deliver Solid Waste to a facility other than an Approved Facility or an Alternative Facility as provided in Section 5.9 without prior City approval, the City may assess Liquidated Damages in accordance with Section 10.6.
5.11 Transport Equipment

A. General. Contractor shall be responsible for acquisition, supply, operation, repair, and replacement of all vehicles, storage and/or Transport containers, loading equipment, and other necessary equipment for Transportation of Solid Waste from the Approved Transfer Facility to the Approved Disposal Facility. Tractors and trailers shall be kept clean, shall be thoroughly washed on the exterior at least once every week, and shall be thoroughly cleaned with pressurized water at least once per year. The tractors and trailers shall be repainted and/or refurbished so that they present a reasonably acceptable appearance to the City. The Contractor’s name and truck identification number shall be clearly marked on all vehicles that travel off the Approved Transfer Facility.

B. Transport Permits. Contractor shall secure and maintain all permits required by Applicable Law for Transporting Solid Waste. Contractor shall supply the City with copies of any such permits (including current permits or renewals thereof) promptly upon request.

C. Driver Qualifications. All transfer truck drivers shall be trained and qualified in the operation of Transfer vehicles and must have in effect a valid license, of the appropriate class, issued by the California Department of Motor Vehicles. Contractor shall use California Department of Motor Vehicles employer pull notice program to monitor their drivers for safety.

ARTICLE 6. RECORD KEEPING AND REPORTING

6.1 Record Keeping and Audit of Records

A. Tons Delivered by Franchised Collector and City Departments. Contractor shall maintain daily electronic accounting of Tons of Solid Waste Delivered to the Approved Transfer Facility by each incoming Franchised Collector vehicle and each City Department vehicle at each then-current Per-Ton Rate including, but not limited to, all vehicle data required by Section 4.4.E.

B. Tons Transported by Contractor. Contractor shall also maintain daily electronic records for all Solid Waste Transported from one Approved Facility to another, by vehicle and time. Upon demand, the Contractor shall permit the City Contract Manager to examine and audit the books of account of the Contractor at any and all reasonable times for the purpose of verifying Contractor’s performance under this Agreement.

C. Tons Transported by Companies in Debris Boxes. Contractor recognizes that Construction and Demolition Debris generated in the City may only be collected by the Franchised Collector and other companies that have obtained a permit from the City for Construction and Demolition Debris collection. Contractor shall record Debris Box loads accepted at the Approved Facilities containing materials generated in the City and shall record the party delivering the Debris Box. Contractor shall also post, on a sign in clear view of all customers of the Approved Transfer Facility, the City’s requirement that a permit is required for companies delivering Construction and Demolition Debris generated in the City in Debris Boxes to the Approved Transfer Facility.

D. Other Records. Contractor shall maintain accounting, statistical, operational, and other records related to its performance as necessary to provide reporting demonstrating compliance with this Agreement. The Contractor shall maintain complete financial statements and accounting records for operations under this Agreement sufficient to allow for independent verification of Contractor’s ability to continue providing service through the Term.
E. City Right to Examine. Upon request, the Contractor shall allow the City Contract Manager to examine all data supporting Contractor’s invoices for services provided under this Agreement. Such request shall be made at reasonable times and with reasonable notice. City reserves the right to produce any such documents examined to any State or local regulatory or permitting authority upon request.

F. Extraordinary Adjustment. In the event that an extraordinary Rate adjustment is considered pursuant to Section 8.5, such records shall be subject to review in accordance with appropriate professional standards, and inspection, for the primary purpose of reviewing changes in costs to the Contractor attributable to the extraordinary Rate adjustment request, at any reasonable time by an independent third party. The selection of the independent third party as well as the scope of work for such review shall be approved in advance by the City Contract Manager. The independent reviewer shall provide any and all drafts of its review to the City and the Contractor. The Party requesting the extraordinary Rate adjustment review shall bear the cost of the review.

G. Retention of Records. Unless otherwise required in this Article and in Section 4.4.E, and as expressly provided in subsection G below, Contractor shall retain all records and data required to be maintained by this Agreement for the Term of this Agreement plus three (3) years after its expiration or earlier termination. Records and data shall be in chronological and organized form and readily and easily interpreted. Upon request, any such records shall be retrieved in a timely manner by Contractor and made available to the City Contract Manager. Contractor shall maintain adequate record security to preserve records from events that can be reasonably anticipated such as a fire, theft, and an earthquake. Electronically-maintained data and records shall be protected and backed-up. The Contractor shall provide, within one hundred twenty (120) days of a request by the City Contract Manager, complete independently audited financial statements from the Guarantor for the prior calendar year, including its balance sheet, statement of revenues and expenses, and statement of changes in cash position, and provide such financial statements to the City Contract Manager.

H. CERCLA Data. City’s ability to defend itself against Comprehensive Environmental Response, Compensation and Liability Act (CERCLA), and related litigation is a matter of great importance. For this reason, City regards as paramount its ability to prove where Collected Solid Waste is taken for Transfer and Disposal. Contractor shall maintain records regarding quantities, on-site location, and timing of Acceptance and Transfer at the Approved Transfer Facility and Disposal at the Approved Disposal Facility. This provision shall survive the expiration or earlier termination of this Agreement. Contractor shall maintain these records for a minimum of ten (10) years beyond expiration or earlier termination of the Agreement. Contractor shall provide these records to City (upon request or at the end of the record retention period) in an organized and indexed manner rather than destroying or disposing of them.

I. Compilation of Information for State and County Purposes. Contractor shall compile, record, and report information on Solid Waste Delivered to and Accepted at the Approved Transfer Facility and Transported to and Disposed of at the Approved Disposal Facility Station and other information, which the City, State, and/or County of Alameda may reasonably request or require to meet requirements of AB 341, AB 901, AB 939, AB 1594, AB 1826, SB 1061, and SB 1383, and which the City and/or County of Alameda may reasonably request to meet requirements of Alameda County Waste Management Authority Mandatory Recycling Ordinance 2012-01.
6.2 Report Submittal Requirements

Contractor shall submit monthly and quarterly reports within thirty (30) calendar days after the end of the calendar month or quarter, as applicable. Contractor shall submit annual reports no later than forty-five (45) calendar days after the end of each calendar year or after the end of each Rate Period, at the City’s option. Monthly, quarterly, and annual reports shall, at a minimum, include all data and information as described in Section 6.3, and shall be provided in Word and Excel.

Contractor may propose report formats. The format of each report shall be approved by the City Contract Manager and such approval shall not be unreasonably withheld. City Contract Manager may, from time to time during the Term, review and request changes to Contractor’s report formats and content and Contractor shall not unreasonably deny such requests.

Contractor shall submit (via mail and/or e-mail at the City’s option) all reports to the City Contract Manager.

City reserves the right to require Contractor to provide additional reports or documents as City Contract Manager reasonably determines to be required for the administration of this Agreement or compliance with Applicable Law.

6.3 Reporting

Reports shall be submitted monthly and shall include, at a minimum the following:

A. Total number of vehicle loads Delivered by Franchised Collector and City Departments to the Approved Transfer Facility listed separated for Franchise Collector and City Departments and in total.

B. Totals Tons for all vehicle loads Delivered by Franchised Collector and City Departments to the Approved Transfer Facility listed separated for Franchise Collector and City Departments and in total.

C. Average Tons per vehicle load Delivered by Franchised Collector to the Approved Transfer Facility.

D. Date, time, route number, Franchised Collector or City Department truck number, and reason for Contractor rejection of any Delivered vehicle loads.

E. Total Tons of Solid Waste Delivered by Contractor from the Approved Transfer Facility for Disposal at the Approved Disposal Facility.

F. Listing of all Debris Box loads, delivery date, Tonnage of each load, and name of company delivering each load (when available).

Each monthly report shall be formatted to show the previous months for the year-to-date with quarterly totals. The December report (if annual reporting is on a calendar year basis) or September report (if annual reporting in on a Rate Period basis) shall also discuss any issues, plans, and concerns related to the use of the Approved Facilities during the past year and anticipated for the following year, including but not limited to, additional services provided or available, actual or anticipated need for use of Alternative Facilities, regulatory issue or concerns, permit and regulatory violations, etc.
ARTICLE 7. FEES

7.1 City Right to Establish Fees

City retains the right to establish fees on Transfer, Transport, and/or Disposal activities, and to adjust such fees during the Term of this Agreement. Such fees shall be established and adjusted as part of the governmental component of the then-applicable Per-Ton Rate as provided in Section 8.4 C.

7.2 Payment Schedule andLate Fees

At the end of each month, during the Term of this Agreement, Contractor shall as applicable remit to City all fees established pursuant to Section 7.1 for the previously completed month as described in this Article. Such fees shall be remitted to City and sent or delivered to the City Contract Manager. If such remittance is not paid to City on or before the last day of the month, all fees due shall be subject to a delinquency penalty of two percent (2%), which attaches on the first day of delinquency. The delinquency penalty shall be increased an additional two percent (2%) for each additional month the payment remains delinquent.

Each monthly remittance to City shall be accompanied by a statement listing the amount of each fee paid; calculation of each fee; and, statement of Gross Receipts, presenting calculations separately for Franchised Collector Tonnage and City Department Tonnage and in total. City Contract Manager may, at any time during the Term, request a detailed vehicle and Tonnage data supporting the calculation of Gross Receipts for each Rate Period.

City Contract Manager may, at any time during the Term, perform an audit of Contractor’s payment of fees. Contractor shall cooperate with the City Contract Manager in any such audit. Should City or its agent perform this review and identify errors in payment of fees valued at one (1) percent or more of Gross Receipts, Contractor shall, in addition to compensating City for lost fees, reimburse the City’s cost of the review.

ARTICLE 8. CONTRACTOR’S COMPENSATION AND PER-TON RATE SETTING

8.1 General

Contractor’s Compensation for performance of all its obligations under this Agreement shall be Per-Ton Rates, paid to the Contractor by the Franchised Collector and City Departments in exchange for Transfer, Transport, and Disposal services provided. Contractor’s Compensation provided for in this Article shall be the full, entire, and complete compensation due to Contractor pursuant to this Agreement for all labor, equipment, materials and supplies, taxes, insurance, bonds, overhead, operations, profit, government fees, and all expenses Contractor deems necessary to perform all the services required by this Agreement in the manner and at the times prescribed. Nothing herein shall obligate City or Franchised Collector to provide any compensation to Contractor beyond Per-Ton Rates, and there shall be no obligation placed on the City General Fund.

If Contractor’s actual costs, including any fees or payments due to City, are more than the Per-Ton Rates and/or more than Gross Receipts received under this Agreement, Contractor shall not be compensated for the difference in actual costs and actual Per-Ton Rates or Gross Receipts except to the extent the City grants an extraordinary Rate adjustment request pursuant to Section 8.5. If Contractor’s actual costs are
less than the actual Per-Ton Rates or actual Gross Receipts, Contractor shall retain the difference provided that Contractor has paid City fees pursuant to Article 7.

Under this Agreement, Contractor shall have the right and obligation to charge and collect from the Franchised Collector and City Departments (except as provided in Section 8.3.D), Per-Ton Rates approved by the City, for Tonnage Delivered to the Approved Transfer Facility by the Franchised Collector and City Departments. The Per-Ton Rates approved by the City for Rate Period One are based on the Contractor’s Statement of Interest and are presented in Section 8.4.

### 8.2 Remittances to Contractor

Each month, within five (5) Business Days after the last day of the preceding month, Contractor shall provide to the Franchised Collector and each City Department an invoice (with a copy of the invoice to City’s Director of Public Works) detailing the total Tons Delivered to and Accepted at the Approved Transfer Facility from the Service Area by the Franchised Collector or City Departments, and the resulting moneys owed to Contractor, based on the then-current Per-Ton Rates multiplied by the Tons of Solid Waste Accepted at the Approved Transfer Facility. Within fifteen (15) working days after the last day of the preceding month, the Franchised Collector and City Departments shall remit to Contractor payment each month equaling actual Tons of Solid Waste Delivered to and Accepted at the Approved Transfer Facility by the Franchised Collector or City Departments, multiplied by the then-current Per-Ton Rate. Contractor shall cooperate with the Franchised Collector and City Departments as needed to calculate and/or reconcile remittance amounts.

### 8.3 Per-Ton Rate(s)

A. **General.** The City shall be responsible for approving Per-Ton Rate(s) as described in this Article. Each Per-Ton Rate shall have two components: (i) the Contractor component; and (ii) the governmental component; the sum of which shall equal the total Per-Ton Rate. The “Contractor component” of the Rates reflects the Contractor’s compensation for the service provided under this Agreement and is separated into three subcomponents for Transfer, Transport, and Disposal services. The “governmental component” reflects government fees and taxes assessed on a per-Ton basis in connection with providing the services required under this Agreement, which are specifically itemized in subsection B below.

B. **Rate(s) for Rate Period One.** Per-Ton Rate(s) for Rate Period One were determined by Contractor and City based on Contractor’s Statement of Interest and were approved by City resolution on or before the execution of the Agreement. The Per-Ton Rate(s) for Rate Period One shall be effective from the Commencement Date of this Agreement (October 1, 2017) through September 30, 2018. Per-Ton Rate(s) for Rate Period One is presented in the following table.
<table>
<thead>
<tr>
<th>Contractor Component</th>
<th>Applicability to Transfer or Disposal Facility</th>
<th>$ per Ton Rate for Approved Facilities</th>
<th>$ per Ton Rate for Approved Facilities for Extended Hours (pursuant to Section 5.1)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Transfer component</td>
<td>Transfer</td>
<td>$17.33</td>
<td>See hourly rate below</td>
</tr>
<tr>
<td>Transport component</td>
<td>---</td>
<td>$23.77</td>
<td>$25.54</td>
</tr>
<tr>
<td>Disposal component</td>
<td>Disposal</td>
<td>$25.55</td>
<td>$29.49</td>
</tr>
<tr>
<td>Total Contractor component</td>
<td></td>
<td>$66.65</td>
<td>$55.03</td>
</tr>
</tbody>
</table>

**Government component**

1. Davis Street Fees - City of San Leandro Mitigation (Franchise) Fee  
   Transfer  
   $1.36*  
   $1.36*

2. Davis Street Fees - San Leandro Business Tax  
   Transfer  
   $1.73  
   $1.73

3. Davis Street Fees - Alameda LEA  
   Transfer  
   $0.38  
   $0.38

4. CIWMB AB 1220 Fee  
   Disposal  
   $1.40  
   $1.40

5. LEA Fee (Alameda County Environmental Health Department)  
   Disposal  
   $0.38  
   $0.38

6. Alameda County Business License Fee  
   Disposal  
   $0.95  
   $0.95

7. Alameda County "Measure D" Fee  
   Disposal  
   $8.23  
   $8.23

8. Alameda County Waste Management Authority Fee  
   Disposal  
   $4.34  
   $4.34

9. Alameda County Waste Management Authority HHW Fee  
   Disposal  
   $2.15  
   $2.15

10. County Planning Department Fee  
    Disposal  
    $0.11  
    $0.11

11. County Planning Transportation Fee  
    Disposal  
    $0.01  
    $0.01

12. County Open Space Fee  
    Disposal  
    $1.91  
    $1.91

13. State Water Board Fee  
    Disposal  
    $0.05  
    $0.05

**Total government component**  
$23.00  
$23.00

**Total Per-Ton Rate**  
$89.65  
$78.03

**Approved Transfer Facility Emergency Services Rate ($ per hour)**  
---  
$765.00

*All government taxes and fees are assessed on a per-Ton basis for all Tons Delivered unless otherwise noted. The $1.36 per Ton City of San Leandro Mitigation (franchise) fee is an estimate. It shall be adjusted to reflect the actual fee effective on July 1, 2017.
C. **City-Hauled Per-Ton Rate.** For Rate Period One, City-Hauled Per-Ton Rate(s) shall be equal to the government component of the Per-Ton Rate specified in Section 8.3.B for the first seven hundred fifty (750) Tons of City-Hauled Solid Waste Delivered to and Accepted at the Approved Transfer Station. For Tonnage in excess of the Tonnage threshold, the City-Hauled Per-Ton Rate shall be equal to the total Per-Ton Rate specified in Section 8.3.B. For subsequent Rate Periods, the Tonnage threshold shall be eight hundred twenty-five (825) Tons per year. In the event that total Tonnage Delivered to and Accepted at the Approved Transfer Station declines by fifty percent (50%) or more from the Tonnage Delivered in Rate Period One, this Tonnage threshold shall be reduced by the same percentage amount. For example, if total Tonnage in Rate Period Four (e.g., 16,200) is sixty percent (60%) less than Tonnage Delivered in Rate Period One (e.g., 27,000 Tons), the Tonnage threshold shall be reduced to 495 Tons per year (e.g., 825 Tons per year x 16,200 / 27,000).

8.4 **Per-Ton Rate Adjustments**

Per-Ton Rate(s) for all Rate Periods following Rate Period One shall be adjusted annually commencing October 1, 2018, in accordance with this Section 8.4.

A. **Definitions.** For the purposes of this Section 8.4, the following terms shall be defined as follows:

"Annual Percentage Change" means the Average Index Value of an index for the twelve- (12-) month period ending April of the then-current Rate Period minus the Average Index Value for the twelve- (12-) month period ending April of the most-recently completed Rate Period, divided by the Average Index Value for the twelve- (12-) month period ending April of the most-recently completed Rate Period. The Annual Percentage Change shall be rounded to the nearest thousandth (1,000th).

"Average Index Value" means the sum of the monthly index values during the twelve- (12-) month period ending in April divided by twelve (12) (in the case of indices published monthly) or the sum of the bi-monthly index values divided by six (6) (in the case of indices published bi-monthly).

For example, if the Contractor is preparing its Rate application for Rate(s) to be effective for Rate Period Two, the Annual Percentage Change in CPI shall be calculated as follows: [(Average CPI for May 2017 through April 2018) − (Average CPI for May 2016 through April 2017)] / (Average CPI for May 2016 through April 2017).

B. **Contractor Component.** The Contractor component of the Per-Ton Rate(s) shall be adjusted on:

(i) the basis of one hundred percent (100%) of the Annual Percentage Change in the CPI, or (ii) five percent (5%), whichever is less.

If said CPI is discontinued, it shall be replaced by the CPI which most closely approximates the original category as determined by the U.S. Bureau of Labor Statistics.

C. **Governmental Component.** The governmental component of the Per-Ton Rate(s) shall be adjusted upward or downward to reflect the actual changes in governmental fees and/or other elements of the governmental component, which are outside the control of Contractor and are not a factor in applying the five percent (5%) cap as provided in subsection B. Governmental fees for Rate Period One are presented in the table in Section 8.3.
D. **Total Adjusted Per-Ton Rates.** The Total Adjusted Per-Ton Rate(s) shall be calculated as the sum of the adjusted Contractor component, as calculated in subsection B above, and the adjusted governmental component, as calculated in subsection C above.

E. **Per-Ton Rate Adjustment Application.** Annually on June 1, Contractor shall submit to the City Contract Manager an application requesting the adjustment of Per-Ton Rate(s) for the coming Rate Period via email that includes a letter request the summarizes the requested Per-Ton Rate adjustment and editable Microsoft Excel file that presents all supporting schedules, formulas, and calculations. For example, on June 1, 2018, Contractor shall submit its Rate adjustment application for the adjustment of Per-Ton Rates to be effective October 1, 2018 (i.e., Rate Period Two).

Such application shall include the Per-Ton Rate adjustment calculations in accordance with Section 8.4.A through 8.4.D; and an updated Per-Ton Rate table.

City shall evaluate Contractor’s application for mathematical accuracy and consistency with the requirements of the Agreement, and shall have the ability to require changes to the application prior to approval on the basis of the application’s mathematical inaccuracy or failure to comply with the procedures defined in the Agreement. Upon City Contract Manager’s agreement that the calculations are consistent with the requirements of this Agreement and are mathematically accurate, the Per-Ton Rate adjustment (if any) will be approved by City Contract Manager.

### 8.5 Extraordinary Rate Adjustments

It is understood that the Contractor accepts the risk for changes in cost of providing services and/or quantities and composition of materials Delivered to the Approved Facilities, and therefore the extraordinary adjustments to Per-Ton Rates shall be limited to a Change in Law, a City-directed change in scope or services, or City failure to ensure Delivery. If a Change in Law or City-directed change in scope (pursuant to Section 3.12) occurs, the Contractor may petition City for an adjustment to the Per-Ton Rates in excess of the annual adjustment described in Section 8.4.

Contractor shall prepare an application for the extraordinary Per-Ton Rate adjustment calculating the net financial effect on its operations (both increases and decreases of costs) resulting from the Change in Law or City-directed Change in Scope, clearly identifying all assumptions related to such calculations and providing the underlying documentation supporting the assumptions. The application shall provide all information requested by City Contract Manager specific to the nature of the request being made. City Contract Manager shall evaluate the application for reasonableness. As part of that review, the City Contract Manager may request access to the financial statements and accounting records required to be maintained by the Contractor (pursuant to Article 6) in order to determine the reasonableness of the Contractor’s application. Should the Contractor not grant such access, then the City may rely on the Contractor’s Statement of Interest and other information available to it as the basis for making reasonable assumptions regarding what those accounting and financial records would have shown and therefore the reasonableness of the Contractor’s application. Contractor shall pay all reasonable costs incurred by the City, including the costs of outside accountants, attorneys, and/or consultants, in order to make a determination of the reasonableness of the requested Rate adjustment.

In the event of such an application for extraordinary Per-Ton Rate adjustment, it is understood that the City or Contractor, as the case may be, shall have the burden of demonstrating the reasonableness of the requested adjustment.
The Contractor may appeal the decision of the City Contract Manager to the City Council, which shall then make the final determination as to whether an adjustment to the Per-Ton Rates will be made, and if a Per-Ton Rate adjustment is permitted, the amount of the adjustment. With respect to an extraordinary Per-Ton Rate adjustment requested by the City Contract Manager, the City Council shall then make the final determination as to whether an adjustment to the Per-Ton Rates will be made, and if an adjustment is permitted, the amount of the adjustment.

ARTICLE 9. INDEMNITY, INSURANCE, AND PERFORMANCE BOND

9.1 Indemnification

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

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

In the event that Contractor negligently or willfully mishandles Excluded Waste in the course of carrying out its activities under this Agreement, Contractor shall at its sole expense promptly take all investigatory and/or remedial action reasonably required for the remediation of such environmental contamination. Prior to undertaking any investigatory or remedial action, however, Contractor shall first obtain City’s approval of any proposed investigatory or remedial action. Should Contractor fail at any time to promptly take such action, City may undertake such action at Contractor’s sole cost and expense, and Contractor shall reimburse City for all such expenses within thirty (30) calendar days of being billed for those expenses, and any amount not paid within that thirty (30) calendar day period shall thereafter be deemed delinquent and subject to the delinquent fee payment provision of Section 7.3. These obligations are in addition to any defense and indemnity obligations that Contractor may have under this Agreement. The provisions of this Section shall survive the termination or expiration of this Agreement. Contractor’s duties under this subsection extend to any claims arising from Solid Waste Disposal and all other services provided under the terms of this Agreement at the Approved Facilities including, but not limited to, claims arising under Comprehensive Environmental Response, Compensation and Liability Act (CERCLA).

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

D. Related to AB 939, AB 341, AB 901, AB 1826, AB 1594, SB 1016, and SB 1383. Contractor’s duty to defend and indemnify herein includes all fines and/or penalties imposed by CalRecycle if the
requirements of AB 939, AB 341, AB 901, AB 1826, AB 1594, SB 1016, or SB 1383 are not met by
the City due to Contractor failure to submit scheduled reports or City-requested information in a
timely manner.

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

If, at any time, a Per-Ton Rate adjustment determined to be appropriate by both City (which
determination shall not be unreasonably withheld) and Contractor to compensate Contractor for
increases in costs as described in this Agreement cannot be implemented for any reason,
Contractor shall be granted the option to negotiate with City, in good faith, a reduction of services
equal to the value of the Per-Ton Rate adjustment that cannot be implemented. If City and
Contractor are unable to reach agreement about such a reduction in services, then Contractor
may terminate this Agreement upon one hundred eighty (180) calendar days prior written notice
to City, in which case the Contractor and City shall each be entitled to payment of amounts due
for contract performance through the date of termination but otherwise will have no further
obligation to one another pursuant to this Agreement after the date of such termination. Should a
court of competent jurisdiction determine that the Contractor cannot charge and/or increase
its Per-Ton Rates for charges related to Franchise Fees, other City fees or payments to City, and
governmental fees and charges, Contractor shall reduce the Per-Ton Rates by a corresponding
amount, providing said fees, Per-Ton Rates and/or charges disallowed by the court are not related
to the cost of providing service hereunder and had been incorporated in the Per-Ton Rates
charged by Contractor.

Nothing herein is intended to imply that California Constitution, Articles XIII C or XIII D, apply to the
Per-Ton Rates established for services provided under this Agreement. Moreover, at its election
in its sole discretion, City may conduct a majority protest proceeding under California
Constitution, Article XIII D prior to granting any Per-Ton Rate adjustment. Any successful protest
to a Rate adjustment shall be considered a Change in Law and will be addressed by the provisions
of this Section.

This provision (i.e., Section 9.1) shall survive the expiration or earlier termination of this
Agreement and shall not be construed as a waiver of rights by City to contribution or indemnity
from third parties.

F. Survival of Provisions. Section 9.1 will survive the expiration or earlier termination of this
Agreement and shall not be construed as a waiver of rights by City to contribution or indemnity
from third parties.

9.2 Insurance

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

B. Coverages and Requirements. During the Term of this Agreement, Contractor/Subcontractor
shall at all times maintain, at its expense, the following coverages and requirements. The
comprehensive general liability insurance shall include broad form property damage insurance.
1. **Minimum Coverages.** Insurance coverage shall be with limits not less than the following:

   - **Commercial General Liability** – $10,000,000 combined single limit per occurrence for bodily injury, personal injury, and property damage.
   - **Automobile Liability** – $10,000,000 combined single limit per accident for bodily injury and property damage (include coverage for hired and non-owned vehicles).
   - **Workers’ Compensation** – Statutory Limits/Employers’ Liability – $1,000,000/accident for bodily injury or disease.
   - **Blanket Fidelity/Crime Policy** – $500,000 per event covering the City for any and all acts including, but not limited to, dishonesty, forgery, alteration, theft, disappearance, and destruction (inside or outside).
   - General Liability and Auto Liability Limits of insurance may be satisfied by a combination of primary and umbrella or excess insurance.

2. **Additional Insured.** City, its officers, agents, employees, and volunteers shall be named as additional insured on all but the workers’ compensation and Blanket Fidelity/Crime Policy coverages.

3. Said policies shall remain in force through the life of this Agreement and, with the exception of professional liability coverage, shall be payable on a “per occurrence” basis unless City’s Risk Manager specifically consents in writing to a “claims made” basis. For all “claims made” coverage, in the event that the Contractor/Subcontractor changes insurance carriers, Contractor/Subcontractor shall purchase “tail” coverage or otherwise provide for continuous coverage covering the Term of this Agreement and not less than three (3) years thereafter. Proof of such “tail” or other continuous coverage shall be required at any time that the Contractor/Subcontractor changes to a new carrier prior to receipt of any payments due.

4. The Contractor/Subcontractor shall declare all aggregate limits on the required coverage are in place before commencing performance of this Agreement and are available throughout the performance of this Agreement.

   Each insurance policy required by this clause shall be endorsed to state that coverage shall not be canceled by either party, except after thirty (30) days’ prior written notice (10 days for non-payment) by certified mail, return receipt requested, has been given to the City. If Contractor’s insurer refuses to provide this endorsement, Contractor shall be responsible for providing written notice to the City that coverage will be canceled thirty (30) days after the date of the notice or ten (10) days for non-payment.

5. The deductibles or self-insured retentions are for the account of Contractor/Subcontractor and shall be the sole responsibility of the Contractor/Subcontractor.

6. Contractor shall furnish the City with original certificates and amendatory endorsements effecting coverage required by this clause. The endorsements should be on insurance industry forms, provided those endorsements or policies conform to the contract requirements. All certificates and endorsements are to be received and approved by the City before work commences. “The City reserves the right to require complete copies of all required insurance policies, including endorsements evidencing the coverage required by these specifications. The Contractor shall be allowed to redact information that it considers confidential.”
The Certificate with endorsements and notices shall be mailed to: City of Alameda, Attention: City of Alameda, Risk Manager, 2263 Santa Clara Avenue, Alameda, CA, 94501.

Insurance is to be placed with insurers with a current A.M. Best's rating of no less than A-VII, unless otherwise approved by City Risk Manager.

7. The policies shall cover all activities of Contractor/Subcontractor, its officers, employees, agents and volunteers arising out of or in connection with this Agreement.

8. For any claims relating to this Agreement, the Contractor/Subcontractor's insurance coverage shall be primary, including as respects City, its officers, agents, employees, and volunteers. Any insurance maintained by City shall apply in excess of, and not contribute to, coverage provided by Contractor/Subcontractor's liability insurance policy.

9. The Contractor/Subcontractor shall waive, by evidenced endorsement to the policy, all rights of subrogation against City, its officers, employees, agents, and volunteers.

C. Endorsements. Prior to the Effective Date pursuant to this Agreement, Contractor/Subcontractor shall furnish City Contract Manager with certificates or original endorsements reflecting coverage required by this Agreement. The certificates or endorsements are to be signed by a Person authorized by that insurer to bind coverage on its behalf. All certificates or endorsements are to be received by, and are subject to the approval of, City Risk Manager before work commences.

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

E. Workers' Compensation. Contractor/Subcontractor shall provide workers' compensation coverage as required by State law, and prior to the Effective Date pursuant to this Agreement, Contractor/Subcontractor shall file the following statement with City.

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

"Contractor agrees to include in their subcontract the same requirements and provisions of this agreement including the indemnity and insurance requirements to the extent they apply to the scope of the Subcontractor's work. Subcontractors hired by Contractor agree to be bound to Contractor and City in the same manner and to the same extent as Contractor is bound to City under the Contract Documents. Subcontractor further agrees to include these same provisions with any Sub-subcontractor. A copy of the Contract/Agreement and Insurance Provisions will be furnished to the Subcontractor. The Contractor shall require all Subcontractor's to provide a valid certificate of insurance and the required endorsements included in the agreement prior to commencement of any work and will provide proof of compliance to the City."

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

City of Alameda/Waste Management

July 2017  30  Transfer and Disposal Agreement
9.3 Performance Bond

Within seven (7) calendar days of the City's notification to Contractor that the City has executed this Agreement, Contractor shall file with the City a bond, payable to the City, securing the Contractor's performance of its obligations under this Agreement and such bond shall be renewed annually if necessary so that the performance bond is maintained at all times during the Term. The principal sum of the bond shall be Two Million Dollars ($2,000,000), which shall be adjusted every three (3) years, commencing with Rate Period Three, to equal three (3) months of the prior Rate Period's annual Gross Receipts. The bond shall be executed as surety by a corporation authorized to issue surety bonds in the State of California that has a rating of A or better in the most recent edition of Best's Key Rating Guide, and that has a record of service and financial condition satisfactory to the City. The bond shall be in the form attached as Exhibit C.

As an alternative to the performance bond required above, at City's option, Contractor may deposit with City a fully prepaid irrevocable letter of credit for at least the duration of the Rate Period for which the letter of credit is deposited. Such letter of credit shall be in the amount of Two Million Dollars ($2,000,000). The form of the letter of credit and the issuer of the letter of credit are subject to the approval of City's Risk Manager and the City Attorney. Nothing in this Section 9.3 shall in any way obligate City to accept a letter of credit in lieu of the performance bond.

City shall have the right to draw against the faithful performance bond or the letter of credit in the event of a breach or default of Contractor or the failure of Contractor to perform fully any obligation under this Agreement. Within five (5) days of receipt of notice from City, Contractor shall renew or replace such sums of money as needed to bring the faithful performance bond or letter of credit current.

9.4 Guaranty

Concurrently with execution of this Agreement, Contractor shall furnish a Guaranty of its performance under this Agreement, in the form of Exhibit B, properly executed by USA Waste of California, Inc., a California corporation.

ARTICLE 10. DEFAULT AND REMEDIES

10.1 Events of Default

All provisions of the Agreement are considered material. Each of the following shall constitute an event of default.

A. Fraud or Deceit. Contractor practices, or attempts to practice, any fraud or deceit upon the City.

B. Insolvency or Bankruptcy. 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. Contractor fails to provide or maintain in full force and affect the Workers' Compensation, liability, or indemnification coverage as required by this Agreement.

D. Violations of Regulation. 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 or default of this Agreement shall be deemed to have occurred.
 Violations of Applicable Law. Contractor violates Applicable Law relative to this Agreement.

Failure to Perform Direct Services. Contractor ceases to provide Transfer or Disposal services as required under this Agreement for a period of two (2) consecutive calendar days or more, for any reason within the control of Contractor.

Failure to Pay or Report. Contractor fails to make any payments to City required under this Agreement or fails to provide City required information, reports, and/or records in a timely manner as provided for in the Agreement.

Acts or Omissions. Any other act or omission by Contractor which violates the terms, conditions, or requirements of this Agreement, AB 939 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.

False, Misleading, or Inaccurate Statements. Any representation or disclosure made to the City by Contractor in connection with or as an inducement to entering into this Agreement, or any future amendment to this Agreement, which proves to be false or misleading in any material respect as of the time such representation or disclosure is made, whether or not any such representation or disclosure appears as part of this Agreement; and, any Contractor-provided report containing a misstatement, misrepresentation, data manipulation, or an omission of fact or content explicitly defined by the Agreement, excepting non-numerical typographical and grammatical errors.

Seizure or Attachment. There is a seizure of, attachment of, or levy on, some or all of Contractor’s operating equipment, including without limits its equipment, maintenance or office facilities, approved Transfer Facility, approved Disposal Facility, or any part thereof.

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

Criminal Activity. Contractor, its officers, managers, or employees are found guilty of criminal activity related directly or indirectly to performance of this Agreement or any other agreement held with the City.

Assignment without Approval. Contractor transfers or assigns this Agreement without the expressed written approval of the City as provided in Section 12.6.

Failure to Provide Proposal or Implement Change in Service. Contractor fails to provide a proposal for new services or changes to services or fails to implement a change in service as requested by the City as specified in Section 3.12.

Failure to Perform Any Obligation. Contractor fails to perform any obligation established under this Agreement.

City shall provide Contractor written notice of default within seven (7) calendar days of the occurrence of default or within seven (7) calendar days of the City’s first knowledge of the Contractor’s default, whichever occurs first.

City of Alameda/Waste Management

July 2017 32 Transfer and Disposal Agreement
10.2 Right to Terminate Upon Event of Default

Contractor shall be given ten (10) Business Days from written notification by City to cure any default which, in the City Contract Manager’s sole opinion, creates a potential public health and safety threat.

Contractor shall be given ten (10) Business Days from written notification by City to cure any default arising under subsections C, E, F, I, J, and K in Section 10.1 provided, however, that the City shall not be obligated to provide Contractor with a notice and cure opportunity if the Contractor has committed the same or a directly related type of breach/default within a twenty-four (24) month period and has failed to demonstrate that it implemented and maintained operational changes necessary to address the issue.

With regard to defaults arising under subsection E, more than one notice of violation (NOV), or similar regulatory violation, within a twenty-four (24) month period will not qualify as type of breach/default for which City may terminate without notice and cure opportunity, unless Contractor has failed to implement any remedial measures regarding such violations.

Contractor shall be given thirty (30) calendar days from written notification by City to cure any other default (which is not required to be cured within ten (10) Business Days).

Notwithstanding the above, City may suspend, and if necessary terminate the Agreement immediately upon awareness of serious public health or safety concerns; or if for any reason the Contractor is unable to use the Approved Transfer Facility or Approved Disposal Facility for an extended period of time, the City may, at its sole discretion, terminate this Agreement.

10.3 City’s Remedies in the Event of Default

In the event of Contractor’s default, City maintains following remedies:

A. Waiver of Default. City may waive any event of default or may waive Contractor’s requirement to cure a default event if City determines that such waiver would be in the best interest of the City. City’s waiver of an event of default is not a waiver of future events of default that may have the same or similar conditions.

B. Suspension of Contractor’s Obligation. City may suspend Contractor’s performance of its obligations if Contractor fails to cure default in the time frame specified in Section 10.2 until such time the Contractor can provide assurance of performance in accordance with Section 10.8.

C. Liquidated Damages. City may assess Liquidated Damages for Contractor’s failure to meet specific performance standards pursuant to Section 10.6.

D. Termination. In the event that Contractor should default and subject to the right of the Contractor to cure, in the performance of any provisions of this contract, and the default is not cured for any default within in ten (10) calendar days if the default creates a potential public health and safety threat or arises under Section 10.1.C., E, F, I, J, or K, or otherwise thirty (30) calendar days after receipt of written notice of default from the City, then the City may, at its option, terminate this Agreement and/or hold a hearing at its City Council meeting to determine whether this Agreement should be terminated. In the event City decides to terminate this Agreement, the City shall serve twenty (20) calendar days written notice of its intention to terminate upon Contractor. In the event City exercises its right to terminate this Agreement, the City may, at its option, upon such termination, either directly undertake performance of the services or arrange with other Persons to perform the services with or without a written
agreement. This right of termination is in addition to any other rights of City upon a failure of Contractor to perform its obligations under this Agreement.

Contractor shall not be entitled to any Per-Ton compensation for services authorized hereunder from and after the date of termination.

E. **Other Available Remedies.** City's election of one (1) or more remedies described herein shall not limit the City from any and all other remedies at law and in equity including injunctive relief, etc.

**10.4 Possession of Records upon Termination**

In the event of termination for an event of default, the Contractor shall furnish City Contract Manager with immediate access to all of its business records, including without limitation, proprietary Contractor computer systems, related to its Transfer and Disposal operations.

**10.5 City's Remedies Cumulative; Specific Performance**

City's rights to terminate the Agreement under Section 10.2 and to take possession of the Contractor’s records under Section 10.4 are not exclusive, and City’s termination of the Agreement and/or the imposition of Liquidated Damages shall not constitute an election of remedies. Instead, these rights shall be in addition to any and all other legal and equitable rights and remedies which City may have.

By virtue of the nature of this Agreement, the urgency of timely, continuous, and high quality service; the lead time required to effect alternative service; and, the rights granted by City to the Contractor, the remedy of damages for a breach hereof by Contractor is inadequate and City shall be entitled to injunctive relief (including but not limited to specific performance).

**10.6 Performance Standards and Liquidated Damages**

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

B. **Service Performance Standards; Liquidated Damages for Failure to Meet Standards.** The Parties further acknowledge that consistent, reliable Transfer and Disposal services are of utmost importance to City and that City has considered and relied on Contractor’s representations as to its quality of service commitment in awarding the Agreement to it. The Parties recognize that some quantified standards of performance are necessary and appropriate to ensure consistent and reliable service and performance. The Parties further recognize that if Contractor fails to achieve the performance standards, or fails to submit required documents in a timely manner,
City and its residents and businesses will suffer damages, and that it is, and will be, impractical and extremely difficult to ascertain and determine the exact amount of damages which City will suffer. Therefore, without prejudice to City's right to treat such non-performance as an event of default under this Section, the Parties agree that the Liquidated Damages amounts established below in Section 10.6.C of this Agreement and the Liquidated Damage amounts therein represent a reasonable estimate of the amount of such damages considering all of the circumstances existing on the Effective Date of this Agreement, including the relationship of the sums to the range of harm to City that reasonably could be anticipated and the anticipation that proof of actual damages would be costly or impractical.

Contractor agrees to pay (as Liquidated Damages and not as a penalty) the amounts set forth in Section 10.6.C.

Before assessing Liquidated Damages, City shall give Contractor notice of its intention to do so. The notice will include a brief description of the incident(s) and non-performance. City may review (and make copies at its own expense) all information in the possession of Contractor relating to incident(s) and/or non-performance. City or Contractor may, within ten (10) Business Days after issuing the notice, request a meeting with the other party. The parties may present evidence of performance or non-performance in writing and through testimony of its employees and others relevant to the incident(s). City Contract Manager will provide Contractor with a written explanation of their determination on each incident(s) and non-performance prior to authorizing the assessment of Liquidated Damages under this Section 10.6. The decision of City Contract Manager shall be final and Contractor shall not be subject to, or required to exhaust, any further administrative remedies.

C. Amount. The Parties desire to minimize the time and cost involved in monitoring Contractor's performance under this Agreement, particularly with regard to the assessment of Liquidated Damages. For this reason, the Parties have agreed that the City may assess Liquidated Damages if Contractor fails to meet any of the performance standards identified in the table below and such Liquidated Damages shall be in the amounts identified.

<table>
<thead>
<tr>
<th>Specific Performance Measure</th>
<th>Definition</th>
<th>Acceptable Performance Level</th>
<th>Liquidated Damage Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Late Report</td>
<td>Each occurrence of a report, as required under Section 6.3 to this Agreement, being submitted after the due date. Reports shall be considered late until they are submitted in a complete and accurate format.</td>
<td>Less than seven (7) calendar days after report due date</td>
<td>$250/Day</td>
</tr>
<tr>
<td>Failure to Maintain or Provide Access to Records</td>
<td>Each occurrence of City Contract Manager requesting information required to be maintained by Contractor where Contractor fails to provide such information.</td>
<td>Less than seven (7) calendar days after report due date</td>
<td>$500/Event</td>
</tr>
<tr>
<td>Misleading/Inaccurate Reporting</td>
<td>Each occurrence of Contractor providing misleading or otherwise inaccurate information or reporting to City under or in regard to this Agreement. Typographical, cell reference, mathematical, and/or logic errors shall not be considered legitimate excuses from this requirement, nor shall ignorance.</td>
<td>No acceptable failure level</td>
<td>$500/Event</td>
</tr>
<tr>
<td>Specific Performance Measure</td>
<td>Definition</td>
<td>Acceptable Performance Level</td>
<td>Liquidated Damage Amount</td>
</tr>
<tr>
<td>-----------------------------</td>
<td>-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------</td>
<td>------------------------------</td>
<td>--------------------------</td>
</tr>
<tr>
<td>Contractor Failure to Accept Solid Waste</td>
<td>Inability of Contractor to Accept Solid Waste at the Approved Transfer Facility Delivered by Franchised Collector or City Departments or to Accept Solid Waste from the Service Area at the Approved Disposal Facility for any reason other than an event of force majeure, and without prior arrangement for use of an Alternative Facility[ies].</td>
<td>No acceptable failure level</td>
<td>$500/ton</td>
</tr>
<tr>
<td>Contractor Failure to use Approved Facilities</td>
<td>Failure of Contractor to Deliver Solid Waste to the Approved Disposal Facility or City-approved Alternative Facility.</td>
<td>No acceptable failure level</td>
<td>$500/ton</td>
</tr>
<tr>
<td>Failure to Maintain Operating Hours</td>
<td>Failure of Contractor to maintain operations of Approved Facilities on the days and during the hours defined in Section 5.1.</td>
<td>No acceptable failure level</td>
<td>$500/hour</td>
</tr>
<tr>
<td>Failure to Meet Maximum Vehicle Turnaround Time</td>
<td>Failure of Contractor to meet the maximum average vehicle turnaround time of twenty (20) minutes specified in Section 5.2.</td>
<td>No acceptable failure level</td>
<td>$100/vehicle/incident</td>
</tr>
</tbody>
</table>

D. Amount. City may assess Liquidated Damages for each calendar day or event, as appropriate, that Contractor is determined to be liable in accordance with this Agreement in the amounts specified in this Section 10.6, subject to annual adjustment described below.

E. Timing of Payment. Contractor shall pay any Liquidated Damages assessed by City within ten (10) Business Days of the date the Liquidated Damages are assessed, or within ten (10) days after the decision of the City Contract Manager following the meeting described in Section 10.6(B), whichever is later. However, such payment shall be made no later than ninety (90) days following City assessment. If they are not paid within the ten (10) Business Days period, City may proceed against the performance bond required by the Agreement, order the termination of the rights granted by this Agreement, or all of the above.

10.7 Excuse from Performance

The Parties shall be excused from performing their respective obligations hereunder and from any obligation to pay Liquidated Damages if they are prevented from so performing by reason of floods, earthquakes, other acts of nature, war, civil insurrection, riots, acts of any government (including judicial action), and other similar catastrophic events which are beyond the control of and not the fault of the Party claiming excuse from performance hereunder. In the case of labor unrest or job action directed at a third party over whom Contractor has no control, the inability of Contractor to provide services in accordance with this Agreement due to the unwillingness or failure of the third party to: (i) provide reasonable assurance of the safety of Contractor's employees while providing such services; or, (ii) make reasonable accommodations with respect to point of Delivery, time of Acceptance, or other operating circumstances to minimize any confrontation with pickets or the number of Persons necessary to perform
Transfer and Disposal services shall, to that limited extent, excuse performance. The foregoing excuse shall be conditioned on Contractor's cooperation in performing Transfer and Disposal services at different times and in different locations. Further, in the event of labor unrest, including but not limited to strike, work stoppage or slowdown, sickout, picketing, or other concerted job action conducted by the Contractor's employees or directed at the Contractor, or a subsidiary, the Contractor shall not be excused from performance, but may with City approval direct Solid Waste to an Alternative Facility as provided in Section 5.9.E.

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

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

The partial or complete interruption or discontinuance of Contractor's services caused by one (1) or more of the events described in this Article shall not constitute a default by Contractor under this Agreement. Notwithstanding the foregoing, however, if Contractor is excused from performing its obligations hereunder for any of the causes listed in this Section for a period of thirty (30) calendar days or more, City shall nevertheless have the right, in its sole discretion, to terminate this Agreement by giving ten (10) Business Days' notice to Contractor, in which case the provisions of Section 10.4 shall apply.

10.8 Right to Demand Assurances of Performance

The Parties acknowledge that it is of the utmost importance to City and the health and safety of all those members of the public residing or doing business within City who will be adversely affected by interrupted waste management service, that there be no material interruption in services provided under this Agreement.

If Contractor: (i) is the subject of any labor unrest including work stoppage or slowdown, sick-out, picketing, or other concerted job action (except to the extent excused under Section 10.8); (ii) appears in the reasonable judgment of City to be unable to regularly pay its bills as they become due; or, (iii) is the subject of a civil or criminal judgment or order entered by a Federal, State, or regional or local agency for violation of an Applicable Law, and City believes in good faith that Contractor's ability to perform under the Agreement has thereby been placed in substantial jeopardy, City may, at its sole option and in addition to all other remedies it may have, demand from Contractor reasonable assurances of timely and proper performance of this Agreement, in such form and substance as City believes in good faith is reasonably necessary in the circumstances to evidence continued ability to perform under the Agreement. If Contractor fails or refuses to provide satisfactory assurances of timely and proper performance in the form and by the date required by City, such failure or refusal shall be an event of default for purposes of Section 10.1.
ARTICLE 11. REPRESENTATIONS AND WARRANTIES OF THE PARTIES

The Parties, by acceptance of this Agreement, represent and warrant the conditions presented in this Article.

11.1 Contractor's Corporate Status
Contractor is a corporation duly organized, validly existing and in good standing under the laws of the State. It is qualified to transact business in the State 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.

11.2 Contractor's Corporate Authorization
Contractor has the authority to enter this Agreement and perform its obligations under this Agreement. The Board of Directors of Contractor (or the shareholders, if necessary) has taken all actions required by law, its articles of incorporation, its bylaws, or otherwise, to authorize the execution of this Agreement. The Person signing this Agreement on behalf of Contractor represents and warrants that they have authority to do so. This Agreement constitutes the legal, valid, and binding obligation of the Contractor.

11.3 Agreement Will Not Cause Breach
To the best of Contractor's and City's knowledge after reasonable investigation, the execution or delivery of this Agreement or the performance by either Party of their obligations hereunder does not conflict with, violate, or result in a breach: (i) of any Applicable Law; or, (ii) any term or condition of any judgment, order, or decree of any court, administrative agency or other governmental authority, or any agreement or instrument to which Contractor or City is a party or by which Contractor or any of its properties or assets are bound, or constitutes a default hereunder.

11.4 No Litigation
To the best of Contractor's and City'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, agency or instrumentality decided, pending or threatened against either Party wherein an unfavorable decision, ruling or finding, in any single case or in the aggregate, would:

A. Materially adversely affect the performance by Party of its obligations hereunder;
B. Adversely affect the validity or enforceability of this Agreement; or,
C. Have a material adverse effect on the financial condition of Contractor, or any surety or entity guaranteeing Contractor's performance under this Agreement.

11.5 No Adverse Judicial Decisions
To the best of Contractor's and City's knowledge after reasonable investigation, there is no judicial decision that would prohibit this Agreement or subject this Agreement to legal challenge.
11.6 No Legal Prohibition
To the best of each Party’s knowledge, after reasonable investigation, there is no Applicable Law in effect on the date that Party signed this Agreement that would prohibit the performance of either their obligations under this Agreement and the transactions contemplated hereby.

11.7 Contractor’s Ability to Perform
Contractor possesses the business, professional, and technical expertise to perform all services, obligations, and duties as described in and required by this Agreement including all Exhibits thereto. Contractor possesses the ability to secure equipment, facility, and employee resources required to perform its obligations under this Agreement.

ARTICLE 12. OTHER AGREEMENTS OF THE PARTIES

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

12.2 Compliance with Law
Contractor shall at all times, at its sole cost, comply with all Applicable Laws, permits, and licenses of the United States, State, County of Alameda, and City 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.

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

12.4 Jurisdiction
Any lawsuits between the Parties arising out of this Agreement shall be brought and concluded in the courts of Alameda County in 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 Alameda County.

12.5 Binding on Successors
The provisions of this Agreement shall inure to the benefit to and be binding on the successors and permitted assigns of the Parties.
12.6 Assignment

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

A. City Consent Required. Contractor shall not assign its rights or delegate or otherwise transfer any or all of its obligations under this Agreement to any other Person without the prior written consent of City which may be withheld with or without cause at City’s sole discretion. City may refuse to consent to a proposed assignment unless it is satisfied that the proposed assignee is ready, willing, and able to provide services in a manner equal to or better than Contractor. Any assignment made in violation of this Section 12.6A shall be void and the attempted assignment shall constitute a Contractor default.

B. Assignment Defined. For the purpose of this Section, “assignment” shall include, but not be limited to, (i) a documentary assignment of Contractor’s interest in, and obligations under, this Agreement; (ii) a sale, exchange, or other transfer to a third Party of substantially all of Contractor’s assets dedicated to service under this Agreement; (iii) a sale, exchange, or other transfer of over thirty percent (30%) of outstanding common stock of Contractor to a Person who is not a shareholder as of the Effective Date; (iv) any dissolution, reorganization, consolidation, merger, re-capitalization, stock issuance or reissuance, voting trust, pooling agreement, escrow arrangement, liquidation, or other transaction which results in a change of ownership or control of Contractor; (v) any assignment by operation of law, including insolvency or bankruptcy, an assignment for the benefit of creditors, a writ of attachment for an execution being levied against this Agreement, appointment of a receiver taking possession of Contractor’s property, or transfer occurring in the event of a probate proceeding; and, (vi) any combination of the foregoing (whether or not in related or contemporaneous transactions) which has the effect of any such transfer or change of ownership, or change of control of Contractor.

C. Consent Requirements. No request by Contractor for consent to an assignment need be considered by City unless and until Contractor has met the following requirements:

1. Contractor shall pay City its reasonable expenses for attorneys’ fees, consultants’ fees, and other costs of investigation 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. With its written request for consideration of assignment, Contractor shall submit a non-refundable deposit to City in the amount of one hundred fifty thousand dollars ($150,000) to provide City funding for its review of the assignment;

2. Contractor shall be granted no opportunity to review or approve proposed agents of the City associated with assignment process;

3. Contractor shall furnish City with audited financial statements of the proposed assignee’s operations for the immediately preceding three (3) operating years. City, following review of financial health of the assignee, may require provision of additional performance surety, insurance, or secured Closure/Post-Closure funding;
4. Contractor shall furnish City with satisfactory proof: (i) that the proposed assignee has at least ten (10) years of Solid Waste Transfer and Disposal 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 been the subject of any administrative or judicial proceedings initiated by a Federal, State, or local agency having jurisdiction over its operations due to an alleged failure to comply with Federal, State, or local laws or that the proposed assignee has provided City with a complete list of such proceedings and their status; (iii) that the proposed assignee conducts its operations in a safe and environmentally conscientious manner; (iv) that the proposed assignee conducts its operations in accordance with sound Solid Waste management practices in full compliance with all Federal, State, and local laws regulating the Transfer and Disposal of Solid Waste and all Applicable Laws; (v) of any other information required by City to ensure the proposed assignee can fulfill the terms of this Agreement in a timely, safe, and effective manner;

5. Any permitted assignee must assume Contractor’s responsibilities under this Agreement; and,

6. Should City consent to the assignment, Contractor shall make an assignment payment to the City in the amount of two percent (2%) of the annual Gross Receipts for the services provided under this Agreement for the most recently completed calendar year.

D. No Obligation to Consider. City will not be obligated to consider a proposed assignment if Contractor is in default.

E. Retention of Records. Assignment of the Agreement in no way relieves Contractor of its record retention responsibilities under Section 6.1, nor of any and all other Contractor obligations that survive the Agreement.

12.7 No Third Party Beneficiaries

This Agreement is not intended to, and will not be construed to, create any right on the part of any third party to bring an action to enforce any of its terms.

12.8 Waiver

The waiver by either Party of any breach or violation of any provisions of this Agreement shall not be deemed to be a waiver of any breach or violation of any other provision nor of any subsequent breach of violation of the same or any other provision. The subsequent acceptance by either Party of any monies which become due hereunder shall not be deemed to be a waiver of any pre-existing or concurrent breach or violation by the other Party of any provision of this Agreement.

12.9 Notice Procedures

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

A. If communications to the City are notices of legal action or request for public information, such communication shall be directed to:
City Clerk
City of Alameda
City Hall
2263 Santa Clara Avenue
Alameda, CA 94501

With a copy to:
City Manager
City of Alameda
City Hall
2263 Santa Clara Avenue
Alameda, CA 94501

All other communications shall be directed to:
City Contract Manager
City of Alameda
City Hall
2263 Santa Clara Avenue
Alameda, CA 94501

If to Contractor:
Area Vice President, Northern California/Nevada Area
Waste Management of Alameda County, Inc.
172 98th Avenue,
Oakland CA 94603

B. The address to which communications may be delivered may be changed from time to time by a notice given in accordance with this Section. Notice shall be deemed given on the day it is personally delivered or, if mailed, three (3) calendar days from the date it is deposited in the mail.

12.10 Representatives of the Parties

References in this Agreement to the “City” shall mean the City’s elected body and all actions to be taken by City except as provided below. The City may delegate, in writing, authority to the City Contract Manager and/or to other City officials and may permit such officials, in turn, to delegate in writing some or all of such authority to subordinate officers. The Contractor may rely upon actions taken by such delegates if they are within the scope of the authority properly delegated to them. The City Contract Manager shall be the City Manager or his/her designee.

The Contractor shall, by the Effective Date, designate in writing a responsible officer who shall serve as the representative of the Contractor in all matters related to the Agreement and shall inform City in writing of such designation and of any limitations upon his or her authority to bind the Contractor. City may rely upon action taken by such designated representative as actions of the Contractor unless they are outside the scope of the authority delegated to him/her by the Contractor as communicated to City.
ARTICLE 13. MISCELLANEOUS AGREEMENTS

13.1 Entire Agreement
This Agreement is the entire agreement between the Parties with respect to the subject matter hereof and supersedes all prior and contemporaneous oral and written agreements and discussions. Each Party has cooperated in the drafting and preparation of this Agreement and this Agreement shall not be construed against any Party on the basis of drafting. This Agreement may be amended only by an agreement in writing, signed by each of the Parties hereto.

13.2 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.

13.3 References to Laws
All references in this Agreement to laws and regulations shall be understood to include such laws as they may be subsequently amended or recodified, unless otherwise specifically provided herein.

13.4 Amendments
This Agreement may not be modified or amended in any respect except in writing signed by the Parties.

13.5 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.

13.6 Counterparts
This Agreement may be executed in counterparts, each of which shall be considered an original.

13.7 Exhibits
Each of the Exhibits identified as Exhibit “A” through “E” is attached hereto and incorporated herein and made a part hereof by this reference. In the event of a conflict between the terms of this Agreement and the terms of an Exhibit, the terms of this Agreement shall control.
IN WITNESS WHEREOF, City and Contractor have executed this Agreement as of the day and year first above written.

Waste Management of Alameda County, Inc.

Date: 7/5/2017

Barry Skolnick
President

CITY OF ALAMEDA

A Municipal Corporation

Jill Keimach
City Manager

Date: 9/12/17

APPROVED AS TO FORM:

Printed Name: Liam Garland
Title: Acting Public Works Director
Date: 8/31/17

ATTEST:

Lara Weisiger
City Clerk
Date: 9/10/17

Approved as to Form

Andrico Q. Penick
Assistant City Attorney

City of Alameda/Waste Management

Transfer and Disposal Agreement

July 2017 44
EXHIBIT A
DEFINITIONS

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

"AB 341" means the California Jobs and Recycling Act of 2011 (Chapter 476, Statutes of 2011 [Chesbro, AB 341]), also commonly referred to as "AB 341", as amended, supplemented, superseded, and replaced from time to time.

"AB 901" means the California Disposal and Recycling reporting requirements of 2015 (Chapter 746, Statutes of 2015 [Gordon, AB 901]), also commonly referred to as "AB 901", as amended, supplemented, superseded, and replaced from time to time.

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

"AB 1594" means the 2014 act to amend Sections 40507 and 41781.3 of the Public Resources Code, relating to solid waste (Chapter 719, Statutes of 2014 [Williams, AB 1594]), also commonly referred to as "AB 1594", as amended, supplemented, superseded, and replaced from time to time.

"AB 1826" means the Organic Waste Recycling Act of 2014 (Chapter 727, Statutes of 2014 [Chesbro, AB 1826]), also commonly referred to as "AB 1826", as amended, supplemented, superseded, and replaced from time to time.

"Accept" or "Acceptance" (or other variations thereof) means the transfer of ownership of Solid Waste from the Franchise Collector to the Contractor upon Delivery to the Approved Transfer Facility.

"Affiliate" means all businesses (including corporations, limited and general partnerships and sole proprietorships) which are directly or indirectly related to Contractor by virtue of direct or indirect Ownership interest or common management. They shall be deemed to be "Affiliated with" Contractor and included within the term "Affiliates" as used herein. An Affiliate shall include: (i) a business in which Contractor has a direct or indirect Ownership interest, (ii) a business, which has a direct or indirect Ownership interest in Contractor and/or (iii) a business, which is also Owned, controlled or managed by any business or individual which has a direct or indirect Ownership interest in Contractor. For the purposes of this definition, "Ownership" means ownership as defined in the constructive ownership provisions of Section 318(a) of the Internal Revenue Code of 1986, as in effect on the date here, provided that ten percent (10%) shall be substituted for fifty percent (50%) in Section 318(a)(2)(C) and in Section 318(a)(3)(C) thereof; and Section 318(a)(5)(C) shall be disregarded. For purposes of determining ownership under this paragraph and constructive or indirect ownership under Section 318(a), ownership interest of less than ten percent (10%) shall be disregarded and percentage interests shall be determined on the basis of the percentage of voting interest of value which the ownership interest represents.

"Agreement" means this Agreement between City and Contractor, including all exhibits, and any future amendments hereto.
"Alternative Daily Cover (ADC)" means CalRecycle-approved materials other than soil used as a temporary overlay on an exposed landfill face. Generally, these materials must be processed so that they do not allow gaps in the face surface, which would provide breeding grounds for insects and vermin.

"Alternative Facility(ies)" means the Disposal facilities proposed by Contractor and approved by City for use in the event that the Approved Disposal Facility is unavailable for use. As of the Effective Date, the Alternative Disposal Facilities are (1) Redwood Landfill, located at 8950 Redwood Highway, Novato, CA 94945, which is owned and operated by Redwood Landfill, Inc., a subsidiary of Guarantor, and, (2) Kirby Canyon Landfill, located at 910 Coyote Creek Golf Drive, Coyote (in San Jose), CA 95037, which is owned and operated by Waste Management of California, Inc.

"Alternative Intermediate Cover (AIC)" means CalRecycle-approved materials other than soil used at a landfill on all surfaces of the fill where no additional Solid Waste will be deposited within one hundred eighty (180) days. Generally, these materials must be processed so that they do not allow gaps in the face surface, which would provide breeding grounds for insects and vermin.

"Applicable Law" means all Federal, State, County, and local laws, regulations, rules, orders, judgments, degrees, permits, approvals, or other requirement of any governmental agency having jurisdiction over the Transfer, Transport, and Disposal of Solid Waste that are in force on the Effective Date and as may be enacted, issued or amended during the Term of this Agreement.

"Approved Transfer Facility" means the Davis Street Transfer Station, at 2615 Davis Street, San Leandro, CA 94577, which is owned and operated by Contractor.

"Approved Disposal Facility" means the Altamont Landfill at 10840 Altamont Pass Road, which is owned and operated by Contractor.

"Beneficial Reuse" means use of material for beneficial reuse which shall include, but not be limited to, the following: Alternative Daily Cover, Alternative Intermediate Cover, final cover foundation layer, liner operations layer, leachate and landfill gas collection system, construction fill, road base, wet weather operations pads and access roads, and soil amendments for erosion control and landscaping.

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

"Change in Law" means any of the following events or conditions that has a material and adverse effect on the performance by the Parties of their respective obligations under this Agreement (except for payment obligations, or City Diversion decisions or obligations that have the effect of reducing the relative tonnages of Solid Waste available for Disposal):

a. The enactment, adoption, promulgation, issuance, modification, or written change in administrative or judicial interpretation of any Applicable Law on or after the Effective Date that Contractor can demonstrate, through the process described in Section 8.5, increases Contractor’s cost of performing under this Agreement; or,

b. The order or judgment of any governmental body, on or after the Effective Date, to the extent such order or judgment is not the result of willful or negligent action, error or omission or lack of reasonable diligence of City or of the Contractor, whichever is asserting the occurrence of
EXHIBIT A
DEFINITIONS

a Change in Law; provided, however, that the contesting in good faith or the failure in good
faith to contest any such order or judgment shall not constitute or be construed as such a
willful or negligent action, error or omission or lack of reasonable diligence.

"City" means the City of Alameda, a municipal corporation, and all the territory lying within the municipal
boundaries of the City as presently existing or as such boundaries may be modified during the Term.

"City Contract Manager" means the City representative specified in Section 3.9, who is the City's main
point of contact for this Agreement.

"City Departments" means organizational departments or diversions of the City, each of which may
Deliver Solid Waste to the Approved Transfer Facility.

"City-Hauled" means Delivery of Solid Waste to the Approved Transfer Station by City Departments in
City owned and operated vehicles.

"City-Hauled Per-Ton Rate" means the per-Ton amount, established under Article 8 of this Agreement,
to be charged City Departments by Contractor for Transfer, Transport, and Disposal of City-Hauled Solid
Waste at the Approved Facilities.

"Closure" means the mandated activities stipulated in Applicable Law and required to be conducted
following conclusion of Disposal activities at the Approved Disposal Facility or any portion of the Approved
Disposal Facility such that Post-Closure activities can commence, including but not limited to all planning,
design, regulatory approvals, plan implementation, construction, and monitoring.

"Collect or Collection (or any variation thereof)" means the action of the Franchise Collector in collecting
Solid Waste from within the Service Area for Delivery to the Approved Transfer Facility.

"Commencement Date" means the date specified in Section 2.1 on which Contractor shall begin to
provide the Transfer, Transport, and Disposal services required by this Agreement.

"Composting or Compost (or any variation thereof)" includes a controlled biological decomposition of
organic materials yielding a safe and nuisance free compost product.

"Construction and Demolition Debris (C&D)" includes discarded building materials, packaging, debris,
and rubble resulting from construction, alteration, remodeling, repair or demolition operations on any
pavements, excavation projects, houses, commercial buildings, or other structures, excluding Excluded
Waste.

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

"Contractor" means Waste Management of Alameda County, Inc., organized and operating under the
laws of the State and its officers, directors, employees, agents, companies, related-parties, affiliates,
subsidiaries, and Subcontractors.

"Contractor's Compensation" means the monetary compensation received by Contractor in return for
providing services in accordance with this Agreement as described in Article 8.
EXHIBIT A
DEFINITIONS

"Contractor’s Statement of Interest" means the statement of interest submitted to City by Contractor on
November 10, 2016 for provision of Solid Waste Transfer, Transport, and Disposal services and certain
supplemental written materials, which are included as Exhibit I to this Agreement and are incorporated
by reference.

"County" means the County of Alameda.

"CPI" means the Consumer Price Index, All Urban Consumers (All Items), for the San Francisco/Oakland
Metropolitan Area as published by the U.S. Department of Labor, Bureau of Labor Statistics ("Index"),
Series ID: CUURA422SA0.

"Debris Box" means an open-top container with a capacity of six (6) to fifty (50) cubic yards used to
Transport Solid Waste and Construction and Demolition Debris that is serviced by a roll-off truck.

"Delivered" or "Delivery" (or other variations thereof) means the action of the Franchise Collector or City
departments in bringing Solid Waste to the Approved Transfer Facility for Transfer, Transport, and
Disposal.

"Designated Waste" means non-Hazardous Waste which may pose special Disposal problems because of
its potential to contaminate the environment and which may be Disposed of only in Class II Disposal
Facilities or Class III Disposal Facilities pursuant to a variance issued by the California Department of Health
Services. Designated Waste consists of those substances classified as Designated Waste by the State, in
California Code of Regulations Title 23, Section 2522 as may be amended from time to time.

"Disposal or Dispose (or any variation thereof)" means the final disposition of Solid Waste intended for
placement in a Disposal Facility.

"Disposal Facility" means a facility for ultimate Disposal of Solid Waste.

"Diversion (or any variation thereof)" means activities which reduce or eliminate the amount of Solid
Waste to be Disposed including, but not limited to, Recycling and Composting of Source Separated
Materials and Processing of Solid Waste.

"Effective Date" means the date on which the latter of the two Parties signs this Agreement.

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

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

"Federal" means belonging to or pertaining to the Federal government of the United States.

"Food Scraps" means those food-related discarded materials that will decompose and/or putrefy including: (i) all kitchen and table food waste; (ii) animal or vegetable waste that is generated during or results from the storage, preparation, cooking or handling of food stuffs; (iii) discarded paper that is contaminated with Food Scraps; and, (iv) fruit waste, grain waste, dairy waste, meat, and fish waste. Food Scraps are a subset of Organic Materials.

"Franchised Collector" means Alameda County Industries AR, Inc. that entered into an exclusive franchise agreement with the City, entitled "Franchise Agreement between the City of Alameda and Alameda County Industries AR, Inc. for Solid Waste, Recyclable Materials and Organic Materials Services", dated July 3, 2002.

"Generator" means any Person whose act or process produces Solid Waste as defined in the Public Resources Code, or whose act first causes Solid Waste to become subject to regulation.

"Gross Receipts" shall mean total cash receipts collected by the Contractor from the Franchised Collector and City Departments for the provision of services pursuant to this Agreement, without any deductions.

"Guarantor" means USA Waste of California, Inc.

"Hazardous Substance" means any of the following: (a) any substances defined, regulated or listed (directly or by reference) as "Hazardous Substances", "hazardous materials", "Hazardous Wastes", "toxic waste", "pollutant" or "toxic substances" or similarly identified as hazardous to human health or the environment, in or pursuant to: (i) the Comprehensive Environmental Response, Compensation and Liability Act (CERCLA) of 1980, 42 USC §9601 et seq. (CERCLA); (ii) the Hazardous Materials Transportation Act, 49 USC §1802, et seq.; (iii) the Resource Conservation and Recovery Act, 42 USC §6901 et seq.; (iv) the Clean Water Act, 33 USC §1251 et seq.; (v) California Health and Safety Code §§25115-25117, 25249.8, 25281, and 25316; (vi) the Clean Air Act, 42 USC §7901 et seq.; and, (vii) California Water Code §13050; (b) any amendments, rules or regulations promulgated there under to such enumerated statutes or acts currently existing or hereafter enacted; and, (c) any other hazardous or toxic substance, material, chemical, waste or pollutant identified as hazardous or toxic or regulated under any other Applicable Law currently existing or hereinafter enacted, including, without limitation, friable asbestos, polychlorinated biphenyl's (PCBs), petroleum, natural gas, and synthetic fuel products, and by-products.

"Hazardous Waste" means all substances defined as Hazardous Waste, acutely Hazardous Waste, or extremely Hazardous Waste by the State in Health and Safety Code §25110.02, §25115, and §25117 or in the future amendments to or recodifications of such statutes or identified and listed as Hazardous Waste by the U.S. Environmental Protection Agency (EPA), pursuant to the Federal Resource Conservation and
EXHIBIT A
DEFINITIONS

Recovery Act (42 USC §6901 et seq.), all future amendments thereto, and all rules and regulations promulgated thereunder.

“Holidays” are defined as New Year’s Day, Thanksgiving Day, and Christmas Day.

“Household Hazardous Waste” or “HHW” means Hazardous Waste generated at residential Premises within the City. HHW includes, but is not limited to: paint, stain, varnish, thinner, adhesives, auto products such as old fuel, used motor oil, used oil filter, batteries, household batteries, fluorescent bulbs, tubes, cleaners and sprays, pesticides, fertilizers and other garden products, needles, syringes, and lancets.

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

“Liquidated Damages” means the amounts due by Contractor for failure to meet specific quantifiable standards of performance as described in Section 10.6.

“Organic Materials” means Yard Trimmings and Food Scraps.

“Owner” means the Person(s) holding legal title to real property and/or any improvements thereon, and shall include the Person(s) listed on the latest equalized assessment roll of the County Assessor.

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

“Permits” means all federal, State, county, City, other local and any other governmental unit permits, orders, licenses, approvals, authorizations, consents and entitlements that are required under Applicable Law to be obtained or maintained by any Person with respect to services performed under this Agreement, as renewed or amended from time to time.

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

“Per-Ton Rate” or “Rate” means the per-unit compensation owed Contractor for each Ton of Solid Waste Delivered by the Franchise Collector or City Department as payment for all services provided under this Agreement, and as adjusted annually as provided in Article 8.

“Post-Closure” means the mandated activities stipulated in Applicable Law requiring long-term monitoring and maintenance of the Approved Disposal Facility, or of any portion of the Approved Disposal Facility that has been fully Closed in compliance with Applicable Law.

“Processing” means to prepare, treat, or convert through some special method.

“Rate” means Per-Ton Rate.

“Rate Period” means a twelve (12) month period, commencing October 1 and concluding September 30.
EXHIBIT A
DEFINITIONS

“Recyclable Materials” include, but are not be limited to: newspaper (including inserts, coupons, and store advertisements); mixed paper (including office paper, computer paper, magazines, junk mail, catalogs, brown paper bags, brown paper, paperboard, paper egg cartons, telephone books, grocery bags, colored paper, construction paper, envelopes, legal pad backings, shoe boxes, cereal, and other similar food boxes yet excluding paper tissues, paper towels, paper with plastic coating, paper contaminated with food, wax paper, foil-line paper, Tyvex non-tearing paper envelopes); chipboard; corrugated cardboard; glass containers of any color (including brown, clear, and green glass bottles and jars); aluminum (including beverage containers and small pieces of scrap metal); steel, tin or bi-metal cans; mixed plastics such as plastic containers (no. 1 to 7); and, bottles including containers made of HDPE, LDPE, or PET.

“Recycle or Recycling” means the process of sorting, cleansing, treating, and reconstituting at a Processing Facility materials that would otherwise be Disposed of at a landfill for the purpose of returning such materials to the economy in the form of raw materials for new, reused, or reconstituted products.

“Residue” means those materials which, after Processing, are Disposed rather than Recycled due to either the lack of markets for materials or the inability of the Processing Facility to capture and recover the materials.

“SB 1016” means Per Capita Disposal Management Act (Chapter 343, Statutes of 2008 [Wiggins, SB 1016]) also commonly referred to as “SB 1016”, as amended, supplemented, superseded, and replaced from time to time.


“Self Haul” means the collection and transportation of Solid Waste by the owners or occupants of a residential or commercial premises located in the City.

“Service Area” means the physical area encompassed by the jurisdiction of the City, in which the Franchised Collector provides Collection service.

“Solid Waste” means solid waste as defined in California Public Resources Code, Division 30, Part 1, Chapter 2, §40191 and regulations promulgated hereunder. Excluded from the definition of Solid Waste are Excluded Waste, C&D, Source Separated Recyclable Materials, Source Separated Organic Materials, and radioactive waste. Notwithstanding any provision to the contrary, Solid Waste may include de minimis volumes or concentrations of waste of a type and amount normally found in residential Solid Waste after implementation of programs for the safe Collection, Recycling, treatment, and Disposal of Household Hazardous Waste in compliance with Section 41500 and 41802 of the California Public Resources Code as may be amended from time to time. Solid Waste includes salvageable materials only when such materials are included for Collection in a Solid Waste Container, or when Solid Waste is directed by City for Processing. For the purposes of this Agreement, Solid Waste is inclusive of street sweeping debris that City intends for Disposal.

“Source Separated” means the segregation, by the Generator, of materials designated for separate Collection for some form of Recycling, Composting, recovery, or reuse.

City of Alameda/Waste Management

July 2017

A-7

Transfer and Disposal Agreement, Exhibit A
"State" means the State of California.

"Subcontractor" means a Party, approved by the City who has entered into a contract, express or implied, with the Contractor for the performance of an act that is necessary for the Contractor's fulfillment of its obligations for providing service under this Agreement. Vendors providing materials and supplies to Contractor shall not be considered Subcontractors.

"Term" means the Term of this Agreement, including extension periods if granted, as provided for in Article 2.

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

"Transfer(ing)" (or other variations thereof) means receiving, Accepting, and managing Solid Waste at the Approved Transfer Facility from Franchised Collector's vehicles and from City Departments' vehicles and loading the Solid Waste into Transfer Vehicles.

"Transfer Facility" means a Facility that receives and temporarily stores materials, and then places the materials into larger trailers for Transport to a Processing facility or Disposal Facility.

"Transfer Vehicle" means a tractor and trailer designed to haul Solid Waste from the Approved Transfer Facility to the Approved Disposal Facility.

"Transport", "Transportation" means use of a Transfer Vehicle to haul Solid Waste by road from the Approved Transfer Facility to the Approved Disposal Facility.

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

"Yard Trimmings" means discarded materials excepting Food Scraps that will decompose and/or putrefy, including, but not limited to, green trimmings, grass, weeds, leaves, prunings, branches, dead plants, brush, tree trimmings, dead trees, small pieces of unpainted and untreated wood, and other types of organic waste. Yard Trimmings are a subset of Organic Materials.
EXHIBIT B
GUARANTY AGREEMENT

THIS GUARANTY (the "Guaranty") is given as of the [_____] day of [___________], 2017, by USA Waste of California, Inc., ("Guarantor"), to the CITY OF ALAMEDA, a California municipal corporation ("City").

THIS GUARANTY is made with reference to the following facts and circumstances:

A. Waste Management of Alameda County, Inc. ("Contractor") is a corporation organized under the laws of the State of California, all of the issued and outstanding stock of which is owned by Guarantor.

B. Guarantor is a corporation organized under the laws of the State of Delaware.

C. Contractor and City have negotiated an Agreement for Transfer and Disposal of Solid Waste (such agreement, as it may be amended, modified or waived from time to time, the "Agreement"), under which Contractor is to provide specified services to City. A copy of this Agreement is attached hereto and incorporated herein by this reference.

D. It is a requirement of the Agreement, and a condition to City's entering into the Agreement, that Guarantor guaranty Contractor's performance of the Agreement.

E. Guarantor is providing this Guaranty to induce City to enter into the Agreement.

NOW, THEREFORE, in consideration of the foregoing, Guarantor agrees as follows:

1. Guaranty of the Agreement. Guarantor hereby irrevocably and unconditionally guarantees to City the complete and timely performance, satisfaction and observation by Contractor of each and every term and condition of the Agreement which Contractor is required to perform, satisfy or observe. In the event that Contractor fails to perform, satisfy or observe any of the terms or conditions of the Agreement, Guarantor will promptly and fully perform or cause performance by a third party, satisfy or observe them in the place of the Contractor. Guarantor hereby guarantees prompt payment to City of each and every sum due from Contractor to City under the Agreement, as and when due from time to time, and the prompt performance of every other task and duty required to be performed by the Contractor under the Agreement.

2. Guarantor's Obligations Are Absolute. The obligations of the Guarantor hereunder are direct, immediate, absolute, continuing, unconditional and unlimited and, with respect to any payment obligation of Contractor under the Agreement, shall constitute a guarantee of payment and not of collection, and are not conditioned upon the genuineness, validity, regularity or enforceability of the Agreement.

3. Waivers and Subordination. The Guarantor shall have no right to terminate this Guaranty or to be released, relieved, exonerated or discharged from its obligations under Section 1 hereof for any reason whatsoever, including, without limitation: (1) the insolvency, bankruptcy, reorganization or cessation of existence of the Contractor; (2) any amendment, modification or waiver of any provision of the Agreement or the extension of its Term; (3) the actual or purported rejection of the Agreement by a trustee in bankruptcy, or any limitation on any claim in bankruptcy resulting from the actual or purported
EXHIBIT B
GUARANTY AGREEMENT

termination of the Agreement; (4) any waiver, extension, release or modification with respect to any of the obligations of the Agreement guaranteed hereunder or the impairment or suspension of any of City's rights or remedies against Contractor; or (5) any merger or consolidation of the Contractor with any other organization, or any sale, lease or transfer of any or all the assets of the Contractor.

The Guarantor hereby waives any and all rights, benefits and defenses under California Civil Code Sections 2809, 2815, 2819, 2845, 2849 and 2850, and all other rights permitted to be waived by Section 2856(a) including, without limitation, the right to require City to (a) proceed against Contractor, (b) proceed against or exhaust any security or collateral City may hold now or hereafter hold, or (c) pursue any other right or remedy for Guarantor's benefit, and agree that City may proceed against Guarantor for the obligations guaranteed herein without taking any action against Contractor or any other guarantor or pledgor and without proceeding against or exhausting any security or collateral City may hold now or hereafter hold. City may unqualifiedly exercise in its sole discretion any or all rights and remedies available to it against Contractor or any other guarantor or pledgor without impairing City's rights and remedies in enforcing this Guarantee.

The Guarantor hereby waives and agrees to waive at any future time at the request of City, to the extent now or then permitted by applicable law, any and all rights which the Guarantor may have or which at any time hereafter may be conferred upon it, by statute, regulation or otherwise, to avoid any of its obligations under, or to terminate, cancel, quit or surrender this Guaranty. Without limiting the generality of the foregoing, it is agreed that the occurrence of any one or more of the following shall not affect the liability of the Guarantor hereunder: (a) at any time or from time to time, without notice to the Guarantor, the time for Contractor's performance of or compliance with any of its obligations under the Agreement is extended, or such performance or compliance is waived; (b) the Agreement is modified or amended in any respect; (c) any other indemnification with respect to Contractor's obligations under the Agreement or any security therefor is released or exchanged in whole or in part or otherwise dealt with; (d) any assignment of the Agreement is effected which does not require City's approval; or (e) any termination or suspension of the Agreement arising by reason of a default by Contractor.

The Guarantor hereby expressly waives diligence, presentment, demand for payment or performance, protest and all notices whatsoever, including, but not limited to, notices of non-payment or non-performance, notices of protest, notices of any breach or default, and notices of acceptance of this Guaranty. If all or any portion of the obligations guaranteed hereunder are paid or performed, Guarantor's obligations hereunder shall continue and remain in full force and effect in the event that all or any part of such payment or performance is avoided or recovered directly or indirectly from City as a preference, fraudulent transfer or otherwise, irrespective of (a) any notice of revocation given by Guarantor or Contractor prior to such avoidance or recovery, or (b) payment in full of any obligations then outstanding.

The Guarantor expressly subordinates and waives its rights to subrogation, reimbursement, contribution or indemnity with respect to performance by Guarantor of the obligations of Contractor guaranteed hereby, until such time as City receives payment or performance in full of all such obligations.

4. Term. This Guaranty is not limited to any period of time, but shall continue in full force and effect until all of the terms and conditions of the Agreement have been fully performed by Contractor, and Guarantor shall remain fully responsible under this Guaranty without regard to the acceptance by
EXHIBIT B
GUARANTY AGREEMENT

City of any performance bond or other collateral to assure the performance of Contractor's obligations under the Agreement. Guarantor shall not be released of its obligations hereunder so long as there is any claim by City against Contractor arising out of the Agreement based on Contractor's failure to perform which has not been settled or discharged.

5. **No Waivers by City.** No delay on the part of City in exercising any rights under this Guaranty or failure to exercise such rights shall operate as a waiver of such rights. No notice to or demand on Guarantor shall be a waiver of any obligation of Guarantor or right of City to take other or further action without notice or demand. No modification or waiver by City of any of the provisions of this Guaranty shall be effective unless it is in writing and signed by City and by Guarantor, nor shall any waiver by City be effective except in the specific instance or matter for which it is given.

6. **Attorney's Fees.** In addition to the amounts guaranteed under this Guaranty, Guarantor agrees to pay actual attorney's fees and all other costs and expenses incurred by City in enforcing this Guaranty, or in any action or proceeding arising out of or relating to this Guaranty, including any action instituted to determine the respective rights and obligations of the parties hereunder.

7. **Governing Law; Jurisdiction.** This Guaranty is and shall be deemed to be a contract entered into in and pursuant to the laws of the State of California and shall be governed and construed in accordance with the laws of California without regard to its conflicts of laws rules for all purposes, including, but not limited to, matters of construction, validity and performance. Guarantor agrees that any action brought by City to enforce this Guaranty may be brought in any court of the State of California and Guarantor consents to personal jurisdiction over it by such courts. Guarantor appoints the following person as its agent for service of process in California:

   USA Waste of California, Inc.
   General Counsel
   1001 Fannin Street
   Houston, TX 77002

8. **Severability.** If any portion of this Guaranty is held to be invalid or unenforceable, such invalidity shall have no effect upon the remaining portions of this Guaranty, which shall be severable and continue in full force and effect.

9. **Binding on Successors.** This Guaranty shall inure to the benefit of City and its successors and shall be binding upon Guarantor and its successors, including a successor entity formed by a merger or consolidation, a transferee of substantially all of its assets, and its shareholders in the event of its dissolution or insolvency.

10. **Authority.** Guarantor represents and warrants that it has the corporate power to give this guaranty, that its execution of this Guaranty has been authorized by all necessary action under its Articles of Incorporation and by-laws, and that the person signing this Guaranty on its behalf has authority to do so.

11. **Notices.** Notice shall be given in writing, deposited in the U.S. mail, registered or certified, first class postage prepaid, addressed as follows:
EXHIBIT B
GUARANTY AGREEMENT

To City: City Clerk
City of Alameda
2263 Santa Clara Avenue
Alameda, CA, 94501

With a copy to City Contract Manager and City Attorney at the same address.

To Guarantor: USA Waste of California, Inc.
General Counsel
1001 Fannin Street
Houston, TX 77002

The parties may change the address to which notice is to be sent by giving the other party notice of the change as provided in this Section.

IN WITNESS WHEREOF, Guarantor has executed this Guaranty on the day and year first above written.

USA Waste of California, Inc.

By: __________________________
    Devina Rankin
    Treasurer

By: __________________________
    Courtney Tippy
    Secretary
EXHIBIT C
PERFORMANCE BOND

KNOW ALL PERSONS BY THESE PRESENTS, that ___________________, hereinafter called the PRINCIPAL, and ____________________________, a corporation duly organized under the laws of the State of ____________________________, having its principal place of business at ____________________________, in the State of ____________________________, and authorized to do business as an admitted surety insurer in the State of California, regulated by the California Insurance Commissioner and with a financial condition and record of service satisfactory to the City of Alameda, hereinafter called the SURETY, are held and firmly bound to the City of Alameda, a municipal corporation in the State of California, hereinafter called the OBLIGEE, in the sum of Two Million Dollars ($2,000,000.00) lawful money of the United States, for the payment of which, well and truly to be made, we bind ourselves, our heirs, executors, administrators and successors, jointly and severally, firmly by these presents.

THE CONDITION OF THIS OBLIGATION IS SUCH THAT:

WHEREAS, the PRINCIPAL has entered into a Contract with the OBLIGEE for Transfer and Disposal Services ("Contract") and said PRINCIPAL is required under the terms of said Contract to furnish a bond of faithful performance of said Contract.

NOW, THEREFORE, if the PRINCIPAL shall well and truly perform and fulfill all of the undertakings, covenants, terms and agreements of said Contract, and any modification thereto made as therein provided, at the time and in the manner therein specified, then this obligation shall become null and void, otherwise it shall be and remain in full force and virtue.

The SURETY, for value received, hereby agrees that no change, extension of time, alteration or addition to the terms of the Contract or to the work to be performed thereunder, or the specifications incorporated therein shall impair or affect its obligations on this bond, and it hereby waives notice of any such change, extension of time, alteration or addition to the terms of the Contract or to the work or to the specifications.

PROVIDED, however, that the SURETY shall not be liable (1) as respects to any obligations related to said Contract occurring after two (2) years from the date of this Bond, unless this Bond is extended, or (2) with respect to PRINCIPAL'S obligation to procure a replacement performance bond, as provided for in Section 9.3 of the Contract. This Bond may be extended beyond _____________, 2019 in the sole discretion of the SURETY by means of a continuation certificate in form and substance satisfactory to OBLIGEE signed at least ninety (90) days prior to _____________, 2019.

In the event suit is brought upon this Bond by the OBLIGEE and the OBLIGEE is the prevailing party, the SURETY shall pay, in addition to the sums set forth above, all costs incurred by the OBLIGEE in such suit, including reasonable attorneys' fees to be fixed by the court.
EXHIBIT C
PERFORMANCE BOND

IN WITNESS WHEREOF, the Principal and Surety have executed this instrument as of this ___ day of _____________, 2017.

__________________________
Insert company name
(PRINCIPAL)

By: _______________________
Insert name
Insert title

__________________________
(SURETY)

By: _______________________
Attorney-In-Fact

Name: _______________________

* * *

Note: To be considered complete, both the principal and surety must sign this performance bond. In addition, the surety's signature must be acknowledged by a notary public and a copy of the surety's power of attorney must be attached.
City of Alameda

REQUEST FOR NON-BINDING STATEMENTS OF INTEREST FOR POST-COLLECTION SOLID WASTE SERVICES

10 NOVEMBER 2016

Presented to
City of Alameda
2263 Santa Clara Avenue
Alameda, CA 94501
(510) 747-7400 Phone

Presented by
Waste Management of Alameda County, Inc.
172 98th Avenue,
Oakland CA 94603
(510) 613-2158 Phone
November 10, 2016

Ms. Tracy Swanborn, P.E.  HF&H Consultants, LLC
201 N. Civic Drive, Suite 230
Walnut Creek, CA 94596

Dear Ms. Swanborn,

Waste Management of Alameda County, Inc. (WMAC) the proposing legal entity identified as a corporation, is pleased to submit this Statement of Interest for Transfer, Processing and Disposal Services for the City of Alameda.

WMAC brings more than 80 years of experience in Alameda County. Utilizing our Altamont Landfill located in Livermore, CA and Davis Street Transfer Station and Processing Facilities (Davis Street) located in San Leandro, CA, residents and businesses of the City of Alameda can feel confident that their non-recyclable materials are handled in an environmentally safe and reliable manner.

Under this proposal, WMAC offers the City of Alameda the opportunity to be associated with the Altamont landfill, a Class II and Class III sub-title D Municipal Solid Waste (MSW) landfill, whose commitment to environmental stewardship extends to protecting the natural beauty and ecological diversity of our site. The Altamont is an active participant in the national Wildlife Habitat Council’s Habitat Management Certification program. By utilizing the Altamont Landfill and Davis Street, the Alameda Community will feel comfortable knowing their municipal solid waste will go to a facility that meets and exceeds all regulatory requirements and has good relationships with its surrounding community and neighbors. In fact, WMAC has been providing uninterrupted disposal and processing services to the City of Alameda for more than 15 years. As we already accept the City’s municipal solid waste, an Environmental Impact Report (EIR) that is normally required under CEQA, is not warranted as environmental impacts have been studied and mitigated.

WMAC understands the City of Alameda’s zero waste goals and consequently is pleased to include in its proposal a processing solution that aims to maximize the City’s diversion efforts. Our new processing solution provides a safety net for diversion. We recognize that not all customers can participate in three-bin, source separated programs due to space constraints and other issues. The Organics Material Recovery Facility (OMRF) provides a diversion infrastructure to recover recyclable and organics materials found in streams from these customers. Capturing organics from this material stream guarantees diversion from the landfill and higher reuse as compost after it has been processed in the Covered Aerated Static Pile Composting (CASP) System located at the Altamont landfill. In our rate proposal forms, the City will find a range of rates for processing of mixed materials that will allow the City to maximize its diversion efforts. We anticipate that mixed materials will be able to be diverted at 65% allowing the City to meet its zero waste diversion goals. Additionally, WMAC has provided an analysis, for use by the City, that depicts the potential increases needed to residential, commercial and industrial rates if the City chooses the option of processing mixed materials. It is important to highlight that overall increases would range between 10-16.7% which seems very reasonable for meeting world class diversion performance.
The enclosed proposal represents our Transfer, Processing and Disposal portion of an integrated sustainability solution program, which is designed to assist the City of Alameda meet or exceed its diversion goals, by incorporating best practices and best available technology unmatched by any other waste company.

We welcome the opportunity to highlight our proposal that will play an important role in the City's long-term diversion and sustainability goals.

Sincerely,

Barry Skolnick
President
Waste Management of Alameda County, Inc.
# TABLE OF CONTENTS – TRANSFER, PROCESSING AND DISPOSAL SERVICES

<table>
<thead>
<tr>
<th>Section</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>COVER LETTER</td>
<td>ii</td>
</tr>
<tr>
<td>TABLE OF CONTENTS</td>
<td>iii</td>
</tr>
<tr>
<td>1. EXECUTIVE SUMMARY</td>
<td>TAB 1</td>
</tr>
<tr>
<td>2. COMPANY DESCRIPTION</td>
<td>TAB 2</td>
</tr>
<tr>
<td>3. POST-COLLECTION SOLID WASTE SERVICES</td>
<td>TAB 3</td>
</tr>
<tr>
<td>4. KEY TERMS AND CONDITIONS OF FUTURE AGREEMENT</td>
<td>TAB 4</td>
</tr>
<tr>
<td>ATTACHMENT A – PROPOSAL FORMS</td>
<td>TAB 5</td>
</tr>
<tr>
<td>• Rate Proposal Form</td>
<td></td>
</tr>
<tr>
<td>• Secretary’s Certificate</td>
<td></td>
</tr>
<tr>
<td>• Non-Collusion Affidavit</td>
<td></td>
</tr>
<tr>
<td>• Iran Contracting Certification Act</td>
<td></td>
</tr>
<tr>
<td>ATTACHMENT B – FINANCIAL STATEMENT</td>
<td>TAB 6</td>
</tr>
<tr>
<td>OTHER ATTACHMENTS</td>
<td>TAB 7</td>
</tr>
</tbody>
</table>
1. Executive Summary

Waste Management of Alameda County, Inc. (WMAC), is pleased to submit this Non-Binding Statements of Interest for Post-Collection Solid Waste Services for the City of Alameda.

As the leading provider of recycling and comprehensive waste management services in North America, Waste Management serves nearly 20 million municipal, commercial, industrial, and residential customers through a network of 367 collection operations, 355 transfer stations, 134 recycling plants/MRFs, 273 active landfill disposal sites, 137 landfills under post-closure care, 111 landfill gas to energy facilities, and the largest fleet of alternative-fuel vehicles in the industry. Waste Management’s national experience and expertise directly benefit the City of Alameda.

Building upon this vast knowledge and experience, WMAC brings more than 100 years of experience in Alameda County. WMAC provides the City of Alameda with the most environmentally progressive option for processing and disposing of its waste. In fact, WMAC has been providing uninterrupted disposal and processing services to the City of Alameda for more than 15 years. As we already accept the City’s municipal solid waste, an Environmental Impact Report (EIR) that is normally required under CEQA, is not warranted as environmental impacts have been studied and mitigated and all CEQA approvals obtained.

Working closely with StopWaste, WMAC has been a leader in developing state-of-the-art processing and diversion facilities at the Davis Street Transfer Station and Resource Recovery Complex (Davis Street), formerly Oyster Bay landfill. In 2011, WMAC built the City of San Leandro’s first LEED Gold industrial building to collect and transfer organic materials for composting. In 2012, WMAC upgraded the dry waste/construction and demolition Materials Recovery Facility (MRF) to meet the County’s high diversion goal of less than 10 percent readily recyclable materials going to the landfill. Today, WMAC is in the process of building an Organics MRF, designed as a last resort to extract organics and stray recyclables from the trash that customers may have overlooked when utilizing the three-cart system. As a community partner, our goal is to help local jurisdictions and the County of Alameda meet their diversion goals. WMAC has invested in excess of $200M to transform the former Oyster Bay Landfill into one of the leading resource recovery facilities in the country. The facility also includes electric charging stations for site and employee vehicles as well as a dedicated natural gas fueling station that delivers renewable, near-zero carbon fuel generated from landfill gas at the Altamont landfill.

From Davis Street to the Altamont Landfill, the City of Alameda’s trash will travel in natural-gas fueled transfer trucks. At the Altamont Landfill, a dedicated CNG fueling station delivers bio-fuel derived from Alameda County’s trash in the landfill, closing the loop on the trash to reduce GHG and particulate emissions along the 580 and 880 corridors.

The Altamont Landfill complements our environmentally progressive processing and diversion operations at Davis Street. The state-of-the-art Subtitle D compliant landfill located near Livermore, CA features the world’s largest landfill gas to natural gas plant along with a landfill gas to electricity plant that allows the Altamont to operate off the grid and deliver green electricity back to the grid to power the equivalent of 8,000 homes annually. Even tippers at the Altamont run on renewable bio-fuel.
WMAC provides the City of Alameda with the most environmentally progressive option for disposing of its waste. The Altamont Landfill meets or exceeds all federal, state, and local requirements for landfill management and is regulated by the Central Valley Regional Water Quality Control Board, Bay Area Air Quality Management District, CalRecycle, Alameda County Department of Environmental Health as the Lead Enforcement Agency (LEA) and the Alameda County Community Development Agency (Planning Department). The Altamont also works with a community monitor committee that monitors the site’s activities on behalf of residents, the Cities of Livermore and Pleasanton.

Our pledge to the residents and businesses of the City of Alameda is to be your environmental services solution provider, ensuring safe, effective and efficient Transfer, Processing and Disposal operations. With WMAC, our Alameda customers will have an engaged community partner and we will continue to provide world class Transfer, Processing and Disposal services for decades to come. We are truly part of the community in how we do business. We take pride in our community and civic involvement and are committed to outreach and media efforts to keep residents informed about what is taking place at the Altamont and Davis Street. Our facilities enjoy excellent relationships with our community neighbors, we have a high level of knowledge of local concerns and history, and our facilities not only meet all regulatory requirements but in many aspects, exceed minimum standards.

WMAC is dedicated to the proper handling and increased diversion of waste. Each of our Bay Area landfills are engineered to protect the environment and meets or exceeds all federal, state and local regulations. Each of these landfills feature an extensive network of ground water monitoring wells,Subtitle D compliant liner systems, leachate collection and removal systems and landfill gas vacuum extraction systems to capture and control landfill gas emissions. Protection of ground water is also a priority and all our landfills have superior and proven leachate collection and control systems in place.

We are confident that our response will provide you with a behind-the-scenes view into why WMAC, through strategic planning and partnerships with the City of Alameda, is the only company that can deliver superior service to Alameda residents and businesses.

Wildlife Habitat Protection
Nearly 1,000 acres at the Altamont Landfill are designated as wildlife preserve under a Habitat Conservation Easement with federal and state agencies and actively managed as wildlife habitat. The property serves as a habitat for several threatened, special-status species, like the California red-legged frog, California tiger salamander, Western burrowing owl, and San Joaquin kit fox. The national Wildlife Habitat Council certified the Altamont Landfill a Wildlife Habitat at Work Facility in 2003.

Carbon Footprint Reduction
WMAC has one of the lowest carbon footprints of any landfill. Due to its extensive landfill gas capture system for reuse as a renewable energy, the Altamont has a documented landfill gas capture rate in excess of 90 percent, using the US EPA-approved Tunable Diode Laser (TDL) technology. The US EPA estimates the average landfill has a 75 percent capture rate. In addition, the conversion of landfill gas to liquefied natural gas (LNG), produces nearly 13,000 gallons a day or near-zero carbon fuel to power nearly 300 Waste Management trucks operating in California. This eliminates nearly 30,000 metric tons of GHG and reduces reliance on nearly 2.5 million gallons of fossil fuel per year.
Resource Recovery
WMAC actively promotes waste diversion at its MRF’s and landfills. It employs state-of-the-art technology to separate materials at its dry waste and Construction and Demolition (C&D) MRFs. Our facilities have the potential to divert 200 tons of construction debris per day along with 175 tons of green waste. The Altamont Landfill is constructing a covered aerobic static pile (CASP) composting facility for green and food waste in 2017 and it will be the first large scale composting facility in Alameda County. We have the experience as we successfully built a CASP at the Redwood Landfill in Marin County in 2014. The CASP design allowed us to triple output capacity while reducing traditional windrow composting emissions. Ton per ton, the CASP system reduces traditional windrow composting emissions by 80 percent.

Organics Material Recovery Facility (OMRF)
The Organics Material Recycling Facility (OMRF) represents Phase 1 of our future improvements at Davis Street. Construction began in March 2016 and completion is expected in the first Quarter of 2018. The OMRF will be a 61,400-square foot building that will receive between 1,000 to 1,300 TPD of waste from Single Family Residential, Multi-Family Residential and Commercial generators. Incoming materials will be received at the OMRF and tipped on the floor, pre-sorted and delivered to the OMRF via conveyors or vehicles. We anticipate a 65% diversion rate from materials processed in the OMRF.

In Conclusion
We believe the combined services of the Altamont Landfill and Davis Street is unmatched by any other potential provider.

WMAC’s Transfer, Processing and Disposal proposal is field tested and ready for implementation on day one of the new contract. Our integrated infrastructure offers peace of mind, years of experience and proven environmental leadership. Working together, we can change how residents and customers view the act of waste diversion and recycling for a cleaner, safer and more sustainable environment.

Awarding WMAC the privilege to serve the City of Alameda not only means reliable, cost-effective, and sustainably minded environmental services, but a long-term partnership that can drive diversion and improve quality of life for residents and the business community over the next 10 and years to come.
2. Company Description

A. Business Structure

1. Confirm that proposer is authorized to do business in California;
   Waste Management of Alameda County, Inc. (WMAC) is a California corporation authorized to do business in California.

2. Identify the legal entity(ies) that would execute the Future Agreement and any guarantee. State whether each entity is a sole proprietorship, partnership, corporation, joint venture, or other form of legal entity. Describe the relationship of the proposer to the executing entity(ies). If the proposer is a joint venture, describe the circumstances under which the entities have collaborated before; Waste Management of Alameda County, Inc. (WMAC) would execute the Future Agreement. USA Waste of California, Inc. owns 100% of WMAC's stock and would execute a guarantee. Both entities are corporations.

3. State the number of years the entities have been organized and doing business under this legal structure;
   Waste Management of Alameda County, Inc. is a California corporation organized in 1920. USA Waste of California, Inc. is a Delaware corporation organized in 1993.

4. Identify other entities with common ownership and/or management; and,

<table>
<thead>
<tr>
<th>Common Ownership/Management</th>
<th>Common Management</th>
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<tbody>
<tr>
<td>Anderson Landfill, Inc.</td>
<td>Capital Sanitation Company</td>
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<tr>
<td>Antelope Valley Recycling and Disposal Facility, Inc.</td>
<td>Refuse, Inc.</td>
</tr>
<tr>
<td>Azusa Land Reclamation, Inc.</td>
<td>Reno Disposal Co.</td>
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<tr>
<td>Cal Sierra Disposal</td>
<td>Waste Management of California, Inc.</td>
</tr>
<tr>
<td>California Asbestos Monofill, Inc.</td>
<td>Waste Management of Nevada, Inc.</td>
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<tr>
<td>Coast Waste Management, Inc.</td>
<td>Modesto Garbage Co.</td>
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<tr>
<td>Guadalupe Rubbish Disposal, Inc.</td>
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<tr>
<td>High Mountain Fuels, Inc.</td>
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<tr>
<td>Kirby Canyon Holdings, LLC</td>
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<td>Liquid Waste Management, Inc.</td>
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<td>Looney Bins, Inc.</td>
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<tr>
<td>Moor Refuse, Inc.</td>
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<tr>
<td>Nu-Way Live Oak Reclamation, Inc.</td>
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<tr>
<td>Redwood Landfill, Inc.</td>
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<tr>
<td>Common Ownership/Management</td>
<td>Common Management</td>
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<td>----------------------------------------------------------------</td>
<td>---------------------------</td>
</tr>
<tr>
<td>Thermal Remediation Solutions, L.L.C.</td>
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<tr>
<td>Valley Garbage and Rubbish Company, Inc.</td>
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<tr>
<td>Waste Management Recycling and Disposal Services of California, Inc.</td>
<td></td>
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<tr>
<td>WM LNG, Inc.</td>
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</tbody>
</table>

5. Describe all services to be performed by subcontractors or affiliated companies, and identify each subcontractor by full name and principal business address.
Not Applicable

B. Qualifications

As the leading provider of recycling and comprehensive waste management services in North America, Waste Management serves nearly 20 million municipal, commercial, industrial, and residential customers through a network of 367 collection operations, 355 transfer stations, 134 recycling plants/MRFs, 273 active landfill disposal sites, 137 landfills under post-closure care, 111 landfill gas to energy facilities, and the largest fleet of alternative-fuel vehicles in the industry. Waste Management's national experience and expertise directly benefit the City of Alameda.

In California, Waste Management has a total of 10 Landfills, 22 Transfer Stations and 7 Material Recovery Facilities. To name a few examples, we provide disposal and processing services to the cities of Oakland, Hayward and Castro Valley. We are proud to be the current service provider to the City of Alameda.

Environmental Protection
WMAC is dedicated to the proper handling and increased diversion of waste. Each of our Bay Area landfills is engineered to protect the environment and meets or exceeds all federal, state and local regulations. Altamont Landfill is a Class II and Class III landfill that features an extensive network of wells and vacuum extraction systems to capture and control landfill gas emissions. Protection of ground water is also a priority and Altamont Landfill has superior and proven leachate collection and control systems in place.

Greenhouse Gas Capture Rate
Landfill gas, comprised of half methane and half carbon dioxide is a greenhouse gas created from the naturally occurring decay of organic materials in the landfill. WMAC has one of the highest capture rates in the industry — in excess of 90% at each of its Bay Area landfills.

WMAC utilizes US Environmental Protection Agency-approved Tunable Diode Laser (TDL) technology to document Bay Area landfill gas capture rates. The U.S. EPA generally considers a 75% capture rate as typical in the industry.
Community Involvement
As a publicly traded company, Waste Management operates with transparency. We work closely with our Local Enforcement Agencies (LEA) as well as surrounding communities to ensure we are good neighbors and stewards of the environment. In Santa Clara County, we established the Kirby Canyon Land Conservation Trust to preserve one of the Bay Area’s few remaining serpentine-soil ecosystems. At the Redwood Landfill in Marin County, we privately funded and constructed an overcrossing above Highway 101 in 2006. The Altamont Landfill supports Alameda County recycling programs along with East County area open space and Livermore community arts programs.

Wildlife Habitat Protection

Under the Conservation Easement, the Altamont Landfill has fully funded an endowment in the amount of $1.28 M. This endowment provides funding to ensure the Conservation Easement is properly managed in perpetuity. Currently, the National Fish and Wildlife Foundation is the trustee of the endowment on behalf of the California Department of Fish and Wildlife.

The Altamont Landfill also sold the western portion of the facility property to the California Department of Water resources to establish a 100-acre raw water reservoir for eastern Alameda County. This reservoir acts as the future supply for new drinking water treatment facilities planned for the Livermore area by the Alameda County Zone 7 Water Agency. Through programs like the Conservation Easement, grassland management, and water resource projects, the Altamont Landfill is protecting species and enhancing wildlife recreation.
Waste Management MRFs & Landfills in the Bay Area

Waste Management has a total of 10 Landfills, 22 Transfer Stations and 7 Material Recovery Facilities in California.

Bay Area Facilities:

**Altamont Landfill** 10840 Altamont Pass Road, Livermore, CA 94550  
925-455-7300  
Public Hours: M – F, 6 am – 4 pm  

**Davis Street MRF, Recycling & Transfer Station** 2615 Davis Street, San Leandro, CA 94577  
510-563-4200  
Hours: M – F, 7 am – 5 pm, Sat., 8 am – 4 pm  
Accepted Materials: Appliances, Carpets, Construction & Demolition Debris, Dirt & Concrete, Electronics, Mattresses, Municipal Solid Waste, Tires, Organic Materials

**Guadalupe Landfill and C&D Recovery Facility** 15999 Guadalupe Mines Road, San Jose, CA 95120  
408-268-1670  
Hours: M – F, 8am – 4pm  
Accepted Materials: Construction & Demolition Debris, Municipal Solid Waste

**Kirby Canyon Recycling & Disposal Facility** 910 Coyote Creek Golf Drive, Morgan Hill, CA 95037  
408-779-2206  
Hours: M – F, 5am – 4pm & Sat, 6am – 1 pm  
Accepted Materials: Construction & Demolition Debris,

**Redwood Landfill & Recycling Center** 8950 Redwood Hwy, Novato, CA 94945  
415-892-2851  
Hours: M – F, 7am – 3pm and Sat, 8 am – 3:30 pm  
Accepted Materials: Municipal Solid Waste, Construction & Demolition Debris, Organic Materials, Appliances, Non-friable Asbestos
Bay Area Facilities

Service Area:
Alameda, Contra Costa, San Joaquin, Marin, San Francisco, Santa Clara & Sonoma Counties.

Diversion Services:

Landfill Gas to LNG
We are closing the loop on Alameda’s waste at the Altamont Landfill, capturing landfill gas ("LFG") for beneficial reuse, displacing foreign fossil fuel and eliminating greenhouse gases. Each day, the Altamont Landfill converts LFG to LNG, producing an average of 13,000 gallons of clean-burning fuel to power nearly 300 Waste Management vehicles in California. California Air Resources Board ("CARB") recognizes this closed-loop fuel as the lowest carbon fuel available. Altamont bio-methane is estimated to eliminate 30,000 metric tons of CO2 annually and displace 2.5M gallons of foreign fossil fuel. In Alameda County, we help to fuel our fleet of transfer trucks travelling between Davis Street and the Altamont Landfill, as well as more than 100 collection vehicles with Altamont bio-methane.

Environmental Awards:

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<thead>
<tr>
<th>Award Name</th>
<th>Year</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>East Bay (CA) Clean Cities Clean Air Champion Award</td>
<td>2009</td>
<td>The Clean Air Champion Award is presented annually by the Coalition to individuals or organizations demonstrating innovation and commitment to alternative fuels and petroleum displacement in the East Bay Area of California. Clean Cities is sponsored by the U.S. Department of Energy</td>
</tr>
<tr>
<td>US EPA Landfill Methane Outreach Award</td>
<td>2010</td>
<td>Project of the Year for innovation in generating renewable energy and reducing GHG emissions</td>
</tr>
<tr>
<td>Compressed Gas Association Environmental Recognition Program Award</td>
<td>2010</td>
<td>The award recognizes CGA members for Environmental Excellence and is presented annually to any facility, team, or individual in the compressed gas industry who has demonstrated environmental excellence through environmental accomplishments. The program also enables CGA to identify and share good environmental practices as well as promote environmental awareness and improvements within companies and the industry</td>
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</table>
Environmental Awards (Continued):

<table>
<thead>
<tr>
<th>Award Name</th>
<th>Year</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Governor’s Environmental &amp; Economic Leadership Award</td>
<td>2010</td>
<td>The Governor’s Environmental and Economic Leadership Award Program is California’s highest environmental honor. The program recognizes individuals, organizations, and businesses that have demonstrated exceptional leadership and made notable, voluntary contributions in conserving California’s precious resources, protecting and enhancing our environment, building public-private partnerships and strengthening the State’s economy.</td>
</tr>
<tr>
<td>Climate Change Business Journal Business Achievement Award</td>
<td>2010</td>
<td>Technology Merit award in the Transportation Category</td>
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<tr>
<td>Biofuels Digest Top 50</td>
<td>2011</td>
<td>50 Hottest Companies in Bioenergy</td>
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<tr>
<td>Game Changer of the Year</td>
<td>2011</td>
<td>California Legislature Assembly Resolution recognized the Altamont Landfill’s important contribution to the State’s clean technology industry, advancing California’s leadership in clean technology research and development</td>
</tr>
<tr>
<td>Top 10 Best Corporate Citizen, Services Category</td>
<td>2012</td>
<td>Known as the world’s top corporate responsibility ranking based on publicly-available information and recognized as one of America’s top three most-important business rankings</td>
</tr>
<tr>
<td>Top Waste &amp; Disposal Company World &amp; North America Indexes</td>
<td>2012</td>
<td>DJSI World includes the 10% best-in-class economic, environmental and social performers among the world’s 2,500 largest companies.</td>
</tr>
</tbody>
</table>

Wildlife Habitat Certification:
- Guadalupe Recycling & Disposal Facility
- Altamont Landfill & Resource Recovery
- Kirby Canyon Recycling & Disposal Facility

Waste Management
Transfer, Processing and Disposal Services
Company Description
C. Key Personnel

City of Alameda

Barry Skolnick
Area Vice-President

Bill Spence
Director of Recycling

Ken Lewis
Director of Landfill Operations

Alex Oseguera
Vice President & GM

David Stratton
Controller

Tianna Nouro
Environmental Protection Manager

Rich Spediacci
District Manager
Davis Street

Marcus Netz
District Manager
Altamont Landfill

Vanessa Barberis
Primary Contract Manager

Erika-Alexandra Solis
Diversion Manager

Brian Tarte
Operations Manager

Barry Skolnick, Area Vice President (AVP),
Northern California/Nevada Area
510-613-2112
bskolnic@wm.com

Barry Skolnick moved to WMAC’s Oakland Office to become the Area Vice President in 2009. He joined Waste Management in 2002, bringing more than 14 years of industry experience as a former owner and operator of several waste and recycling companies. Barry oversees the fiscal operations of a market area that spans from Fort Bragg to Monterey and east to the Nevada High Sierras. The region is home to several small, medium and large hauling companies, transfer stations and landfills with an employee base of approximately 2,200.

Barry’s responsibilities include:

- Review and approval of all Northern California/Nevada Area contracts
- Oversees performance of operations, maintenance, customer service, and all transfer stations and landfills serving the Area
- Manages strategic planning and capital improvements for all Area locations
Alex Oseguera, Vice President and General Manager, Northern California/ Nevada Area
209-333-5613
aoseguer@wm.com

Alex Oseguera brings 25 years of progressive experience with Waste Management to the City of Alameda. He joined the company in 1991, serving in several capacities and locales, including Area Vice President for the Sacramento/Nevada Area, Director of Operations for the Sacramento Area, District Manager for the Lodi and Santa Clara facilities, Director of Operations for Waste Management’s Mexican operations based in Mexico City, and Assistant Division Manager in Santa Ana, California. Alex and his team have received several coveted Waste Management honors, including “Best Market Area in the West” for 2006, 2007, and 2010.

Alex’s responsibilities include:

- Manages government relations and public affairs
- Provides strategic guidance for contract service offerings
- Assists in managing strategic planning and capital allocation for all Area locations

Ken Lewis, Director Landfill Operations
510-613-2158
klewis@wm.com

Ken Lewis is the Director of landfill facility operations in the California Bay Area. His oversight includes all landfill, recycling, composting, and mulch operations, which occur at these facilities. He has over 20 years of experience in the industry, including civil and geotechnical engineering. He first joined Waste Management 15 years ago as an engineer before transitioning to management of operations. Prior to joining Waste Management, Mr. Lewis was a design and engineer consultant with EMCOM and other consulting companies.

Marcus Nettz, Sr. District Manager, Altamont Landfill & Resource Recovery Facility
925-455-7372
MNettzi@wm.com

Marcus Nettz is the Sr. District Manager of the Altamont Landfill & Resource Recovery Facility. Mr. Nettz has more than 22 years of experience in the areas of business operations, waste management, project management and project controls.
Brian Tarte, District Operations Manager, Altamont Landfill & Resource Recovery Facility
925-455-7308
btarte@wm.com

Mr. Tarte has three years of experience in the industry, and 7 years of experience in operations leadership and development. He began his career with Waste Management at the Altamont Landfill & Resource Recovery Facility as part of the 18-month WM Corporate Disposal Operations Management Trainee (DOMT) program. While completing the training program, Mr. Tarte was also an acting Operations Manager. After completing the DOMT program in August of 2015, he remained at the Altamont Landfill and was promoted to the position of District Operations Manager in June of 2016.

Vanessa Barberis, Contract Manager, Altamont Landfill & Resource Recovery Facility and Davis Street Transfer Station
209-321-5962
vbarberi@wm.com

Vanessa Barberis holds a bachelor’s degree in environmental studies and a master’s degree in environmental science. Vanessa joined the WM team in 2010 after moving back to California from New York City where she was Assistant Manager for Sim’s Municipal Recycling. Her tenure with WM began as a Sales Coordinator for Waste Management of Alameda County from 2010 – 2011, before she became an Education Specialist working with school districts in Northern California. In 2013 Vanessa joined the Public Sector Team where she has expanded her role to managing city franchise agreements, and worked on projects such as implementing CA AB341 & AB1826 programs throughout Northern California.

Tianna Nourot, Environmental Protection Manager, Northern California and Nevada
925-455-7325
tnourot@wm.com

Ms. Nourot is the Environmental Protection Manager for Waste Management’s Northern California and Nevada Area. Beginning her career in consulting, Ms. Nourot has over ten years of experience in environmental compliance and permitting activities. At the Altamont Landfill, Ms. Nourot manages environmental programs and policies, works with the Local Enforcement Agency and other regulatory bodies as well as handles permitting of the Altamont’s renewable energy facilities and other resource recovery facilities.
Richard Spediacci, Sr. District Manager,  
Davis Street Transfer Station  
510-563-4277  
rspediac@wm.com

Rich Spediacci, Sr. District Manager of Davis Street Transfer Station  
Mr. Spediacci joined Waste Management in 1994, bringing 23 years of waste and recycling  
experience on the residential, commercial, processing and transferring lines of business  
Rich oversees overall operations at the 53-acre Davis Street facility including safety,  
customer service, maintenance, capital projects, and daily operations. Both personally and  
professionally, Rich embraces making connections in the community. Most recently, he  
graduated from the San Leandro Leadership program.

Osvaldo Jauregui, MRF Manager II,  
Davis Street Transfer Station  
510-714-9172  
510-563-4299  
ojauregui@wm.com

Osvaldo Jauregui has more than 23 years of experience working at Waste  
Management. He began as an entry-level laborer and has continually expanded his  
role within the company. Mr. Jauregui is responsible multiple Material Recovery  
Facilities at the Davis Street Transfer Station. Mr. Jauregui has been part of Davis  
Street's revolutionary growth over the last 2 decades. He has graduated from Waste Management Leadership  
Academy, San Leandro Leadership Academy, and is an avid member of the Steering Committee for the San  
Leandro Chamber of Commerce.

Erika-Alexandra Solis,  
Construction & Demolition Diversion Manager,  
Davis Street Transfer Station  
510-563-4214  
esolis3@wm.com

Erika Solis began her career with Waste Management at the Davis Street Transfer  
Station in 2014, where she was responsible for the direct supervision of the C&D  
Material Recovery Facility. She is currently the Construction & Demolition Diversion  
Manager working with local Bay Area cities and independent contractors to meet  
diversion and sustainability goals.
D. Past Performance Record

1. Litigation and Regulatory Actions. Describe past and pending civil, legal, regulatory, and criminal actions (including arrests, indictments, litigation, grand jury investigations, etc.) now pending or that have occurred in the past three years against key personnel, proposing entity, its parent company, and all subsidiaries owned by proposing entity.

The Company is unable to respond to certain aspects of the City’s request because it does not track certain categories of information in a centralized manner and the necessary research would be would be overly burdensome. We have made a good faith effort to respond to the criteria, but certain information is excluded from the scope of our review or response, such as non-litigation matters (including those for which arbitration or mediation arose as a form of dispute resolution), third party personal injury and property damage claims, which are covered and managed by the Company’s insurers and the former insurers of acquired entities, workers’ compensation matters, and routine debt collection matters. Additionally, our response is limited to matters in our Northern California market area. Regarding criminal actions, we did not include traffic code violations. Regarding “regulatory actions”, our response is limited to environmental Notices of Violations and OSHA matters which resulted in payment of penalties; matters involving Davis Street Transfer Station and Altamont Landfill are provided in a separate schedule below.

<table>
<thead>
<tr>
<th>Matter Name</th>
<th>Jurisdiction</th>
<th>WM Close Date</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>California Sport Fishing Protection Alliance v. BLT Enterprises of Sacramento, Inc.</td>
<td>Fed. Dist. Ct. - E.D. Cal.</td>
<td>2013</td>
<td>Implementation of settlement agreement settling citizen suit alleging violations of federal Clean Water Act and California general permit for storm water discharges. WM was not a party to the lawsuit, but inherited the settlement through WM’s acquisition of the BLT recycling facility. Matter settled, but open due to ongoing implementation of settlement terms.</td>
</tr>
<tr>
<td>Young, David K. and Margarita M. Young, Trustees of the Young 2003 Irrevocable Trust v. Waste Management of Alameda County, Inc.</td>
<td>San Mateo County</td>
<td>2014</td>
<td>Apartment building owners alleged they were charged for services they did not receive. Matter settled.</td>
</tr>
<tr>
<td>Waste Management of Alameda County, Inc. v. City of Oakland, City Council of Oakland; City Administrator of Oakland; the Public Works Department for the City of Oakland, and Does 1-100 inclusive</td>
<td>Alameda County</td>
<td>2014</td>
<td>Litigation as it relates to the City of Oakland, and others, regarding a RFP. Voluntarily dismissed.</td>
</tr>
<tr>
<td>Case Name</td>
<td>Court/County</td>
<td>Year</td>
<td>Description</td>
</tr>
<tr>
<td>-----------</td>
<td>--------------</td>
<td>------</td>
<td>-------------</td>
</tr>
<tr>
<td>Waste Management of Alameda County, Inc. v. City and County of San Francisco, The San Francisco Board of Supervisors; The San Francisco Department of the Environment; Melanie Nutter, in her official capacity as the Director of the San Francisco Department of the Environment; and Does 1-100, inclusive (Recology San Francisco</td>
<td>San Francisco County</td>
<td>N/A</td>
<td>Challenge to the City and County of San Francisco's disposal contract award to Recology.</td>
</tr>
<tr>
<td>CalRecycle v. USA Waste of California, Inc.</td>
<td></td>
<td>N/A</td>
<td>Alleged violations of California Beverage Container Recycling and Litter Reduction Act for five violations payment and recordkeeping requirements for California recyclable commodity credits. Matter pending.</td>
</tr>
<tr>
<td>Case Description</td>
<td>County</td>
<td>Date</td>
<td>Description</td>
</tr>
<tr>
<td>---------------------------------------------------------------------------------</td>
<td>--------------</td>
<td>------------</td>
<td>---------------------------------------------------------------------------------------------------------------------------------------------</td>
</tr>
<tr>
<td>xxxx v. USA Waste of California, Inc.; WM Resources, Inc.; Waste Management of</td>
<td>San Joaquin</td>
<td>N/A</td>
<td>Former employee alleging discrimination and wage violations. Matter pending.</td>
</tr>
<tr>
<td>California, Inc.; and Ruben Angulo</td>
<td>County</td>
<td></td>
<td></td>
</tr>
<tr>
<td>xxxx v. USA Waste of California, Inc., a California Corporation; Waste</td>
<td>Sacramento</td>
<td>N/A</td>
<td>Former employee alleging discrimination and wage violations. Matter pending.</td>
</tr>
<tr>
<td>Management of California, Randy Tessonie, Individually; Jay Stratton,</td>
<td>County</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Individually.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>In re USA Waste of California, Inc. dba Cal Sierra Disposal - Cal-OSHA</td>
<td>Cal-OSHA</td>
<td>10/8/2014</td>
<td>Cal-OSHA citation alleging failure to record a recordable injury in OSHA Form 300 log within seven days of injury. Citation was vacated based on additional information provided by Waste Management showing no violation.</td>
</tr>
<tr>
<td>Inspection No. 316702752</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
2. Payment of Fines, Penalties, Settlements, or Damages. Provide a statement disclosing any and all fines, penalties (including liquidated damages or administrative fees), settlements, or damages of any kind paid by proposer, its parent company and subsidiaries, to public agencies in the past seven years. For each payment, list the amount the company has paid, the name of the jurisdiction to which damages were paid, and the event(s) which triggered the damages. Identify what personnel and/or policy changes the company made in response to such incidents (e.g., terminated or reassigned employees involved, new process protocols, etc.).

Our response is limited to matters in our Northern California market area.

<table>
<thead>
<tr>
<th>Public Agency</th>
<th>Payment</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Oro Loma Sanitary District</td>
<td>$49,150</td>
<td>Dispute relating to reporting delays and errors. There was no payment to the District, but WMAC did increase its public education budget, and also made staffing adjustments to prevent future issues. Settled in 2016.</td>
</tr>
<tr>
<td>Oro Loma Sanitary District</td>
<td>$24,000</td>
<td>District alleged WMAC failed to collect certain missed pickups within the allowed time. There was no payment to the District, but WMAC did increase its public education budget. Settled in 2014.</td>
</tr>
<tr>
<td>Oro Loma Sanitary District</td>
<td>$26,100</td>
<td>District alleged WMAC failed to deliver containers within the allowed time. There was no payment to the District, but WMAC did increase its public education budget. Settled in 2015.</td>
</tr>
<tr>
<td>Oro Loma Sanitary District</td>
<td>$14,700</td>
<td>District alleged WMAC failed to collect certain missed pickups within the allowed time. There was no payment to the District, but WMAC did increase its public education budget. Settled in 2013.</td>
</tr>
<tr>
<td>City of Livermore</td>
<td>$400,000</td>
<td>The City of Livermore claimed WMAC breached its collection franchise agreement with the City by failing to provide an audited financial statement for the final year of the agreement to pay additional franchise fees related to the handling of certain materials. WMAC claimed the City under compensated the Company for its handling of certain materials and failed to pay increased costs associated with government fees and to reimburse Company for an overpayment of franchise fees. Settled in 2012.</td>
</tr>
<tr>
<td>North Port of Oakland</td>
<td>Settlement terms confidential</td>
<td>WMAC, City of Oakland and City of Alameda reached a settlement in 2010 regarding alleged contamination emanating from a closed inert materials landfill operated by WMAC’s predecessor company in the 1950s. Settled in 2010.</td>
</tr>
</tbody>
</table>

WMAC is not relying on a subcontractor(s) to provide the transfer, transportation, processing, and/or disposal services.
E. Labor Arrangements

W MAC has existing labor agreements with Local 70 (Teamsters), Local 6 (Landfill Operators) and Local 1546 (Machinists). We do not intend to enter into labor agreements with additional unions. These agreements are available upon request by the City.

Labor Peace
Labor peace is essential to the daily receipt of residual waste from City of Alameda and other Alameda County municipalities. The relationship between our employees at the Altamont Landfill and Davis Street has improved over the last 10 years and will continue to improve into the future. Our employees are proud of the Altamont Landfill and celebrate its innovation and accomplishments. When governmental officials throughout the world tour our landfill, W MAC employees are involved, engaged and directly responsible for our facility's reputation and success.

Strong Labor Relationships
Our relationship with our employees remains strong. W MAC employees at the Altamont Landfill have the highest average hourly wage and best compensation package of any landfill in northern California, including Alameda County's Vasco Road landfill. Additionally, with an average tenure of 20 years, employees at the Altamont Landfill and Davis Street are among the most knowledgeable, best-qualified landfill workforce in the industry. Altamont employees are fully engaged around site and operational excellence and improvement.

Employee Engagement
Our Senior District Managers, Marcus Nettz and Rich Spediacci, continue to champion employee engagement with employee roundtable meetings, employee events, weekly safety meetings and ongoing employee skip-level discussions. Continuous collaboration, best management practices and idea sharing among our landfill/transfer station and unionized employees are a hallmark of the Altamont Landfill and Davis Street and a testament to our management philosophy. Employee grievances are rare, but we manage them immediately and equitably with the Unions' Business Agents.

Safety Culture
Workplace safety at the Altamont Landfill and Davis Street is top priority for W MAC, the Unions, and our landfill employees. W MAC employees and management staff lead safety meetings. Resulting in workplace accidents being almost non-existent. The Altamont Landfill has had one OSHA recordable injury since 2013. We attribute our Safety success over the past three years to:

- Our partnership with all our employees and the Unions,
- Our Safety Committee is comprised of our landfill employees with a mission to minimize workplace safety concerns and unsafe behavior; and,
- Our employees adopting a Zero tolerance for unsafe behavior.

Benefits to the City of Alameda
The Altamont landfill and Davis Street are committed to Labor Peace and fairly balancing the needs of our employees, our customers and our financial viability. A continued partnership with the landfill and transfer station assures the City minimal transition in 2017 and continuity in providing service to the City.
F. Financial Information

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

The Board of Directors and Stockholders of Waste Management, Inc.

We have audited the accompanying consolidated balance sheets of Waste Management, Inc. (the “Company”) as of December 31, 2015 and 2014, and the related consolidated statements of operations, comprehensive income, cash flows, and changes in equity for each of the three years in the period ended December 31, 2015. These financial statements are the responsibility of the Company’s management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the consolidated financial position of Waste Management, Inc. at December 31, 2015 and 2014, and the consolidated results of its operations and its cash flows for each of the three years in the period ended December 31, 2015, in conformity with U.S. generally accepted accounting principles.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States), Waste Management, Inc.’s internal control over financial reporting as of December 31, 2015, based on criteria established in Internal Control-Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (2013 framework) and our report dated February 18, 2016 expressed an unqualified opinion thereon.

/s/ ERNST & YOUNG LLP

Houston, Texas
February 18, 2016
WASTE MANAGEMENT, INC.
CONSOLIDATED BALANCE SHEETS
(In Millions, Except Share and Par Value Amounts)

<table>
<thead>
<tr>
<th></th>
<th>December 31, 2015</th>
<th>December 31, 2014</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>ASSETS</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td>$39</td>
<td>$1,307</td>
</tr>
<tr>
<td>Accounts receivable, net of allowance for doubtful accounts of $25 and $30, respectively</td>
<td>1,549</td>
<td>1,587</td>
</tr>
<tr>
<td>Other receivables</td>
<td>545</td>
<td>350</td>
</tr>
<tr>
<td>Parts and supplies</td>
<td>92</td>
<td>106</td>
</tr>
<tr>
<td>Other assets</td>
<td>120</td>
<td>176</td>
</tr>
<tr>
<td><strong>Total current assets</strong></td>
<td>2,345</td>
<td>3,526</td>
</tr>
<tr>
<td>Property and equipment, net of accumulated depreciation and amortization of $16,420 and $15,968, respectively</td>
<td>10,665</td>
<td>10,657</td>
</tr>
<tr>
<td>Goodwill</td>
<td>5,984</td>
<td>5,740</td>
</tr>
<tr>
<td>Other intangible assets, net</td>
<td>477</td>
<td>440</td>
</tr>
<tr>
<td>Investments in unconsolidated entities</td>
<td>360</td>
<td>408</td>
</tr>
<tr>
<td>Other assets</td>
<td>588</td>
<td>526</td>
</tr>
<tr>
<td><strong>Total assets</strong></td>
<td>$20,419</td>
<td>$21,297</td>
</tr>
<tr>
<td><strong>LIABILITIES AND EQUITY</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Current liabilities:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Accounts payable</td>
<td>$721</td>
<td>$740</td>
</tr>
<tr>
<td>Accrued liabilities</td>
<td>1,064</td>
<td>1,180</td>
</tr>
<tr>
<td>Deferred revenues</td>
<td>472</td>
<td>475</td>
</tr>
<tr>
<td>Current portion of long-term debt</td>
<td>253</td>
<td>1,090</td>
</tr>
<tr>
<td><strong>Total current liabilities</strong></td>
<td>2,510</td>
<td>3,485</td>
</tr>
<tr>
<td>Long-term debt, less current portion</td>
<td>8,728</td>
<td>8,345</td>
</tr>
<tr>
<td>Deferred income taxes</td>
<td>1,391</td>
<td>1,338</td>
</tr>
<tr>
<td>Landfill and environmental remediation liabilities</td>
<td>1,584</td>
<td>1,531</td>
</tr>
<tr>
<td>Other liabilities</td>
<td>839</td>
<td>709</td>
</tr>
<tr>
<td><strong>Total liabilities</strong></td>
<td>15,052</td>
<td>15,408</td>
</tr>
<tr>
<td>Commitments and contingencies</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Equity:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Waste Management, Inc. stockholders' equity:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Common stock, $0.01 par value; 1,500,000,000 shares authorized; 630,282,461 shares issued</td>
<td>6</td>
<td>6</td>
</tr>
<tr>
<td>Additional paid-in capital</td>
<td>4,827</td>
<td>4,585</td>
</tr>
<tr>
<td>Retained earnings</td>
<td>6,939</td>
<td>6,888</td>
</tr>
<tr>
<td>Accumulated other comprehensive income (loss)</td>
<td>(127)</td>
<td>23</td>
</tr>
<tr>
<td>Treasury stock at cost, 183,105,326 and 171,745,077 shares, respectively</td>
<td>(6,300)</td>
<td>(5,636)</td>
</tr>
<tr>
<td><strong>Total Waste Management, Inc. stockholders' equity</strong></td>
<td>5,345</td>
<td>5,866</td>
</tr>
<tr>
<td>Noncontrolling interests</td>
<td>22</td>
<td>23</td>
</tr>
<tr>
<td><strong>Total equity</strong></td>
<td>5,367</td>
<td>5,889</td>
</tr>
<tr>
<td><strong>Total liabilities and equity</strong></td>
<td>$20,419</td>
<td>$21,297</td>
</tr>
</tbody>
</table>

See notes to Consolidated Financial Statements.
WASTE MANAGEMENT, INC.
CONSOLIDATED STATEMENTS OF OPERATIONS
(In Millions, Except per Share Amounts)

<table>
<thead>
<tr>
<th></th>
<th>2015</th>
<th>2014</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating revenues:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Service revenues</td>
<td>$11,887</td>
<td>$12,646</td>
<td>$12,566</td>
</tr>
<tr>
<td>Tangible product revenues</td>
<td>1,074</td>
<td>1,350</td>
<td>1,417</td>
</tr>
<tr>
<td>Total operating revenues</td>
<td>12,961</td>
<td>13,996</td>
<td>13,983</td>
</tr>
<tr>
<td>Costs and expenses:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Operating costs:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cost of services</td>
<td>7,281</td>
<td>7,856</td>
<td>7,880</td>
</tr>
<tr>
<td>Cost of tangible products</td>
<td>950</td>
<td>1,146</td>
<td>1,232</td>
</tr>
<tr>
<td>Total operating costs</td>
<td>8,231</td>
<td>9,002</td>
<td>9,112</td>
</tr>
<tr>
<td>Selling, general and administrative</td>
<td>1,343</td>
<td>1,481</td>
<td>1,468</td>
</tr>
<tr>
<td>Depreciation and amortization</td>
<td>1,243</td>
<td>1,292</td>
<td>1,333</td>
</tr>
<tr>
<td>Restructuring</td>
<td>15</td>
<td>82</td>
<td>18</td>
</tr>
<tr>
<td>Goodwill impairments</td>
<td>82</td>
<td>(170)</td>
<td>464</td>
</tr>
<tr>
<td>(Income) expense from disposi tions, asset impairments (other than goodwill) and unusual items</td>
<td>10,916</td>
<td>11,669</td>
<td>12,904</td>
</tr>
<tr>
<td>Income from operations</td>
<td>2,045</td>
<td>2,299</td>
<td>1,079</td>
</tr>
<tr>
<td>Other income (expense):</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Interest expense, net</td>
<td>(385)</td>
<td>(466)</td>
<td>(477)</td>
</tr>
<tr>
<td>Loss on early extinguishment of debt</td>
<td>(555)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Equity in net losses of unconsolidated entities</td>
<td>(38)</td>
<td>(53)</td>
<td>(34)</td>
</tr>
<tr>
<td>Other, net</td>
<td>(7)</td>
<td>(29)</td>
<td>(74)</td>
</tr>
<tr>
<td>Income before income taxes</td>
<td>1,060</td>
<td>1,751</td>
<td>494</td>
</tr>
<tr>
<td>Provision for income taxes</td>
<td>308</td>
<td>413</td>
<td>364</td>
</tr>
<tr>
<td>Consolidated net income</td>
<td>752</td>
<td>1,338</td>
<td>130</td>
</tr>
<tr>
<td>Less: Net income (loss) attributable to noncontrolling interests</td>
<td>(1)</td>
<td>40</td>
<td>32</td>
</tr>
<tr>
<td>Net income attributable to Waste Management, Inc.</td>
<td>$ 753</td>
<td>$ 1,298</td>
<td>$ 98</td>
</tr>
<tr>
<td>Basic earnings per common share</td>
<td>$ 1.66</td>
<td>$ 2.80</td>
<td>$ 0.24</td>
</tr>
<tr>
<td>Diluted earnings per common share</td>
<td>$ 1.65</td>
<td>$ 2.79</td>
<td>$ 0.21</td>
</tr>
<tr>
<td>Cash dividends declared per common share</td>
<td>$ 1.54</td>
<td>$ 1.50</td>
<td>$ 1.46</td>
</tr>
</tbody>
</table>

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(In Millions)

<table>
<thead>
<tr>
<th></th>
<th>2015</th>
<th>2014</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Consolidated net income</td>
<td>$ 752</td>
<td>$ 1,338</td>
<td>$ 130</td>
</tr>
<tr>
<td>Other comprehensive income (loss), net of taxes:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Derivative instruments, net</td>
<td>9</td>
<td>1</td>
<td>12</td>
</tr>
<tr>
<td>Available-for-sale securities, net</td>
<td>(150)</td>
<td>(124)</td>
<td>(68)</td>
</tr>
<tr>
<td>Foreign currency translation adjustments</td>
<td>2</td>
<td>(12)</td>
<td>15</td>
</tr>
<tr>
<td>Other comprehensive income (loss), net of taxes</td>
<td>(150)</td>
<td>(131)</td>
<td>(39)</td>
</tr>
<tr>
<td>Comprehensive income</td>
<td>602</td>
<td>1,207</td>
<td>91</td>
</tr>
<tr>
<td>Less: Comprehensive income (loss) attributable to noncontrolling interests</td>
<td>(1)</td>
<td>40</td>
<td>32</td>
</tr>
<tr>
<td>Comprehensive income attributable to Waste Management, Inc.</td>
<td>$ 603</td>
<td>$ 1,167</td>
<td>$ 59</td>
</tr>
</tbody>
</table>

See notes to Consolidated Financial Statements.
WASTE MANAGEMENT, INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS
(In Millions)

<table>
<thead>
<tr>
<th>Years Ended December 31</th>
<th>2015</th>
<th>2014</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash flows from operating activities:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Consolidated net income</td>
<td>$ 752</td>
<td>$ 1,338</td>
<td>$ 130</td>
</tr>
<tr>
<td>Adjustments to reconcile consolidated net income to net cash provided by operating activities:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Depreciation and amortization</td>
<td>1,243</td>
<td>1,292</td>
<td>1,333</td>
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<tr>
<td>Deferred income tax (benefit) provision</td>
<td>30</td>
<td>(118)</td>
<td>(149)</td>
</tr>
<tr>
<td>Interest accrual on landfill liabilities</td>
<td>89</td>
<td>88</td>
<td>87</td>
</tr>
<tr>
<td>Interest accrual on and discount rate adjustments to environmental remediation liabilities and recovery assets</td>
<td>1</td>
<td>14</td>
<td>(10)</td>
</tr>
<tr>
<td>Provision for bad debts</td>
<td>36</td>
<td>42</td>
<td>39</td>
</tr>
<tr>
<td>Equity-based compensation expense</td>
<td>72</td>
<td>65</td>
<td>58</td>
</tr>
<tr>
<td>Excess tax benefits associated with equity-based transactions</td>
<td>(15)</td>
<td>(5)</td>
<td>(10)</td>
</tr>
<tr>
<td>Gain on disposal of assets</td>
<td>(18)</td>
<td>(35)</td>
<td>(21)</td>
</tr>
<tr>
<td>Goodwill impairments</td>
<td>—</td>
<td>—</td>
<td>—</td>
</tr>
<tr>
<td>Gain on disposal of assets and unusual items and other</td>
<td>87</td>
<td>(137)</td>
<td>535</td>
</tr>
<tr>
<td>Equity in net losses of unconsolidated entities, net of dividends</td>
<td>42</td>
<td>42</td>
<td>34</td>
</tr>
<tr>
<td>Loss on early extinguishment of debt</td>
<td>555</td>
<td>—</td>
<td>—</td>
</tr>
<tr>
<td>Change in operating assets and liabilities, net of effects of acquisitions and divestitures:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Accounts receivable</td>
<td>(178)</td>
<td>(268)</td>
<td>44</td>
</tr>
<tr>
<td>Other current assets</td>
<td>16</td>
<td>(19)</td>
<td>(7)</td>
</tr>
<tr>
<td>Other assets</td>
<td>7</td>
<td>22</td>
<td>4</td>
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<tr>
<td>Accounts payable and accrued liabilities</td>
<td>(112)</td>
<td>117</td>
<td>(27)</td>
</tr>
<tr>
<td>Deferred revenues and other liabilities</td>
<td>(97)</td>
<td>(117)</td>
<td>(94)</td>
</tr>
<tr>
<td>Net cash provided by operating activities</td>
<td>2,498</td>
<td>2,331</td>
<td>2,455</td>
</tr>
<tr>
<td>Cash flows from investing activities:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Acquisitions of businesses, net of cash acquired</td>
<td>(554)</td>
<td>(35)</td>
<td>(724)</td>
</tr>
<tr>
<td>Capital expenditures</td>
<td>(1,233)</td>
<td>(1,151)</td>
<td>(1,271)</td>
</tr>
<tr>
<td>Proceeds from divestitures of businesses and other assets (net of cash received)</td>
<td>145</td>
<td>2,253</td>
<td>138</td>
</tr>
<tr>
<td>Net receipts from restricted trust and escrow accounts</td>
<td>51</td>
<td>19</td>
<td>71</td>
</tr>
<tr>
<td>Investments in unconsolidated entities</td>
<td>(20)</td>
<td>(33)</td>
<td>(33)</td>
</tr>
<tr>
<td>Other</td>
<td>3</td>
<td>(58)</td>
<td>(81)</td>
</tr>
<tr>
<td>Net cash provided by (used in) investing activities</td>
<td>(1,608)</td>
<td>995</td>
<td>(1,900)</td>
</tr>
<tr>
<td>Cash flows from financing activities:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>New borrowings</td>
<td>2,337</td>
<td>2,817</td>
<td>2,232</td>
</tr>
<tr>
<td>Debt repayments</td>
<td>(2,764)</td>
<td>(3,568)</td>
<td>(2,037)</td>
</tr>
<tr>
<td>Premiums paid on early extinguishment of debt</td>
<td>(555)</td>
<td>—</td>
<td>—</td>
</tr>
<tr>
<td>Common stock repurchases</td>
<td>(600)</td>
<td>(600)</td>
<td>(239)</td>
</tr>
<tr>
<td>Cash dividends</td>
<td>(695)</td>
<td>(693)</td>
<td>(683)</td>
</tr>
<tr>
<td>Exercise of common stock options</td>
<td>77</td>
<td>93</td>
<td>132</td>
</tr>
<tr>
<td>Excess tax benefits associated with equity-based transactions</td>
<td>15</td>
<td>5</td>
<td>10</td>
</tr>
<tr>
<td>Acquisitions of and distributions paid to noncontrolling interests</td>
<td>(1)</td>
<td>(125)</td>
<td>(59)</td>
</tr>
<tr>
<td>Other</td>
<td>31</td>
<td>(1)</td>
<td>(3)</td>
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<tr>
<td>Net cash used in financing activities</td>
<td>(2,155)</td>
<td>(2,072)</td>
<td>(687)</td>
</tr>
<tr>
<td>Effect of exchange rate changes on cash and cash equivalents</td>
<td>(3)</td>
<td>(5)</td>
<td>(4)</td>
</tr>
<tr>
<td>Increase (decrease) in cash and cash equivalents</td>
<td>(1,268)</td>
<td>1,249</td>
<td>(136)</td>
</tr>
<tr>
<td>Cash and cash equivalents at beginning of year</td>
<td>1,307</td>
<td>58</td>
<td>194</td>
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<tr>
<td>Cash and cash equivalents at end of year</td>
<td>$ 39</td>
<td>$ 1,307</td>
<td>$ 58</td>
</tr>
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</table>

See notes to Consolidated Financial Statements.
WASTE MANAGEMENT, INC.
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
(In Millions, Except Shares in Thousands)

<table>
<thead>
<tr>
<th></th>
<th>Common Stock Shares</th>
<th>Additional Paid-In Capital</th>
<th>Retained Earnings</th>
<th>Accumulated Other Comprehensive Income (Loss)</th>
<th>Treasury Stock Shares</th>
<th>Noncontrolling Interests</th>
</tr>
</thead>
<tbody>
<tr>
<td>Balance, December 31, 2012</td>
<td>$6,675</td>
<td>630,282</td>
<td>$4,549</td>
<td>$6,879</td>
<td>$193</td>
<td>$321</td>
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<tr>
<td>Consolidated net income</td>
<td>130</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other comprehensive income</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Good, net of taxes</td>
<td>(39)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash dividends declared</td>
<td>(683)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Equity-based compensation transactions, including dividend equivalents, net of taxes</td>
<td>216</td>
<td></td>
<td>47</td>
<td>(5)</td>
<td>5,461</td>
<td>174</td>
</tr>
<tr>
<td>Common stock repurchases</td>
<td>(239)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Distributions paid to noncontrolling interests</td>
<td>(59)</td>
<td></td>
<td></td>
<td></td>
<td>(9)</td>
<td>(1)</td>
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<tr>
<td>Other</td>
<td>1</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Balance, December 31, 2013</td>
<td>$6,000</td>
<td>630,282</td>
<td>$4,596</td>
<td>$6,289</td>
<td>$134</td>
<td>$201</td>
</tr>
<tr>
<td>Consolidated net income</td>
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<td></td>
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</tr>
<tr>
<td>Other comprehensive income</td>
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<td></td>
<td></td>
</tr>
<tr>
<td>Good, net of taxes</td>
<td>(131)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash dividends declared</td>
<td>(693)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Equity-based compensation transactions, including dividend equivalents, net of taxes</td>
<td>195</td>
<td></td>
<td>79</td>
<td>(6)</td>
<td>3,779</td>
<td>122</td>
</tr>
<tr>
<td>Common stock repurchases</td>
<td>(600)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Distributions paid to noncontrolling interests</td>
<td>(34)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>(34)</td>
</tr>
<tr>
<td>Acquisitions of noncontrolling interests and disposals of interest in Waste Management</td>
<td>(180)</td>
<td></td>
<td></td>
<td></td>
<td>90</td>
<td>(238)</td>
</tr>
<tr>
<td>Other</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Balance, December 31, 2014</td>
<td>$5,880</td>
<td>630,282</td>
<td>$4,385</td>
<td>$6,688</td>
<td>$23</td>
<td>$23</td>
</tr>
<tr>
<td>Consolidated net income</td>
<td>752</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other comprehensive income</td>
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<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Good, net of taxes</td>
<td>(150)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash dividends declared</td>
<td>(695)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Equity-based compensation transactions, including dividend equivalents, net of taxes</td>
<td>171</td>
<td></td>
<td>62</td>
<td>(1)</td>
<td>3,457</td>
<td>116</td>
</tr>
<tr>
<td>Common stock repurchases</td>
<td>(600)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Distributions paid to noncontrolling interests</td>
<td>(1)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>(1)</td>
</tr>
<tr>
<td>Other</td>
<td>1</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Balance, December 31, 2015</td>
<td>$5,340</td>
<td>630,282</td>
<td>$4,027</td>
<td>$6,089</td>
<td>127</td>
<td>22</td>
</tr>
</tbody>
</table>

See notes to Consolidated Financial statements.

A complete Financial Statement is attached as Attachment B.
2. POST COLLECTION SOLID WASTE SERVICES

A. Transfer station
B. Disposal Services
C. Processing services
D. Capacity guarantee

A. Transfer - Davis Street Transfer Station

Identify the transfer facility location, owner, and operator.
The Davis Street Resource Recovery Complex is owned and operated by Waste Management of Alameda County, Inc.

![Image of Davis Street Transfer Station]

Davis Street Transfer Station
2615 Davis Street
San Leandro, California 94577

State the permitted throughput on a daily basis including peak volumes and/or other relevant permit requirements.
Davis Street has a throughput capacity of 5,200 tons per day, 1.535 million tons per year and 5,761 vehicle trips per day. Davis Street is currently operating at 61% of its permitted capacity and has sufficient permitted capacity to manage the City of Alameda’s volume. In fact, WMAC has been providing uninterrupted disposal and processing services to the City of Alameda for more than 15 years. As we already accept the City's municipal solid waste, an Environmental Impact Report (EIR) that is normally required under CEQA, is not warranted as environmental impacts have been studied and mitigated.

Identify operating hours and days and specifically indicate if the facility can accept materials seven days per week as the City may want to expand collection services in the future beyond the current six day per week collection schedule.

Days and Hours of Operation:
WMAC Vehicles and Non WMAC Commercial Vehicles: MSW Transfer - 24 hours/day, 7 days/week
Public: Monday – Friday, 7am – 5pm; Saturday: 8am – 4pm; Sunday: Closed
The facility is able to be open 7 days per week under mutually agreeable terms with the City of Alameda.

Describe any facility modifications or permit changes that will be required to accommodate the City's solid waste and present a timeline for accomplishing the required actions.
There is no need for facility modifications or permit changes to meet the City's transfer, process and disposal needs. In terms of MSW processing, Davis Street anticipates to finish building its organics material recycling facility (OMRF) in 2018.
Highlight additional capabilities or unique features, if any, of the operations and maintenance activities and facility.

Additional Capabilities or Unique Features – Davis Street Campus

<table>
<thead>
<tr>
<th>Processing Facility</th>
<th>Benefits</th>
<th>Targeted Materials</th>
</tr>
</thead>
<tbody>
<tr>
<td>Organics Transfer Building</td>
<td>Greatly increased MFD and commercial clean organics systems. Increase participation in residential Organics program</td>
<td>Food materials/green materials</td>
</tr>
<tr>
<td>Dry Materials MRF</td>
<td>Improved targeted materials collection for dry mixed materials and C&amp;D</td>
<td>Recyclables</td>
</tr>
<tr>
<td>Organics MRF</td>
<td>Recovery Technology</td>
<td>Recyclables and organics</td>
</tr>
<tr>
<td>Davis Street Transfer Station</td>
<td>Safely transfer un-useable residue after processing at facilities above</td>
<td>MSW, Residue</td>
</tr>
</tbody>
</table>

The Davis Street Material Resource Recovery and Transfer Station (Davis Street) located at 2615, Davis Street, San Leandro, CA sits on the former Oyster Bay Landfill, reusing 52 acres for reuse, recovery, recycling and diversion via four distinct recycling facilities designed for unique material streams.

Davis Street also provides the public with additional drop-off facilities for diversion, including the Public Area Material Recovery Facility, the Reuse Drop-off Facility, the E-waste, White Goods and Bulky Drop-off Facility and Yard Trimmings Drop-Off. These materials are processed for highest reuse.

Davis Street provides immediate diversion capabilities to help reach the City's zero waste goals. With the addition of the Organics Material Recovery Facility (OMRF), which is fully permitted and capitalized, the City of Alameda will begin to benefit from higher diversion immediately enabling the City to reach its goals. WMAC offers processing technologies and upgrades with no transition headaches or other worries. In our rate proposal forms, the City will find a range of rates for processing of mixed materials that will allow the City to maximize its diversion efforts. We anticipate that mixed materials will be able to be diverted at 65% allowing the City to meet its zero waste diversion goals. Additionally, WMAC has provided an analysis, for use by the City that depicts the potential increases needed to residential, commercial and industrial rates if the City chooses the option of processing mixed materials. It is important to highlight that overall increases would range between 10-16.7 percent, which seems very reasonable for meeting excellent diversion performance.

Description of Facilities:
Organics Transfer Building
WMAC finished construction on the Organics Transfer Building in September 2011 to bring food scraps and organics transfer operations under a roof. The LEED-certified building helps to eliminate vectors and container odors through its state-of-the-art bio filtration system. The building allows for speedy, efficient transfer of organics utilizing Davis Street's fleet of Natural Gas-fueled trucks, fueled from methane captured by the Altamont Landfill's LNG facility.
Dry Waste and C&D MRF
This high diversion 845 TPD mixed waste facility effectively recovers materials such as wood and concrete. The Dry Waste and C&D MRF will work integrally with the Organics Material Recovery Facility (OMRF) ensuring that no materials from our commercial and residential customers go to the landfill without preprocessing.

WM Earth Care will utilize the recovered wood for mulch and remaining wood will be used for biomass. We will utilize concrete asphalt and other inert recovered in the construction of the OMRF and other projects on site at Davis Street. When demand on site ends, the Altamont will use these materials for road building. The Dry Waste and C&D facility is conveniently located on site at Davis Street making it an easy destination for collection crews hauling mixed materials.

Organics Material Recovery Facility (OMRF)
The Organics Material Recovery Facility (OMRF) functions parallel to the Dry Waste and C&D MRF for the organics-rich volumes collected from customers not able to source separate organics.

If chosen by the City, Mixed Materials delivered to Davis Street can be processed at the OMRF to capture all readily recyclable or compostable materials and divert them from disposal.

The system provides a safety net for diversion. We recognize that not all customers can participate in three-bin, source-separated programs due to space constraints or other issues. The OMRF provides diversion infrastructure to recover recyclable and organics materials found in streams from these customers. Capturing organics from this material stream guarantees diversion from the landfill and higher reuse as compost after it has been processed in the CASP at the Altamont Landfill.

The facility uses world-class, state of the art, dimensional and size automate separation protocols, with an emphasis on recovering items with the most value, including plastic and metal containers. It then processes the organics fractions into two streams to be composted in different grades and processes.

Covered Aerated Static Pile Composting (CASP) System
The 500 TPD CASP systems will process plant debris and plant debris combined with food scraps. Organic materials will be placed into bunkers 180’ x 30’ x 12’ high. The CASP pad is capable of withstanding heavy equipment traffic and scraping; graded to drain for collection of storm water and leachate and equipped with leachate collection and aeration piping. Once placed in the bunkers, Altamont staff will cover the material with geotextile or finished compost. For the next two months, air will pump continuously through the pile to ensure it is kept aerobic. The collected air will pass through a bio-filter for air emissions and odor-control purposes. After the active composting phase is complete, the compost will be moved to the curing/storage area for finishing and then screened resulting in compost or other products such as mulch through WM EarthCare.

New transfer facility. For proposed development of a new transfer facility:
Waste Management of Alameda County, Inc. currently operates a fully permitted and operational transfer facility.

Transportation arrangements. Describe the approach to transporting the solid waste to the disposal site including the need, if any, to purchase new vehicles, the type of fuel used by the vehicles; average solid waste tons per load; use of subcontracted labor (if any), etc.

- Possum bellies will be utilized to transport materials from our Davis Street facility to the Altamont Landfill. At the Altamont Landfill, mechanical tippers will be utilized to empty transfer trailers.
- Vehicles and tippers will utilize CNG will utilize alternative fuels.
- Average solid waste tons per load is 22.5 tons.
- Unionized labor will be utilized.
B. Disposal - Altamont Landfill

Identify the transfer facility location, owner, and operator.
The Altamont Landfill is owned and operated by Waste Management of Alameda County, Inc.

The Altamont Landfill is the best choice for handling the proposed volume of Mixed Materials from the City of Alameda. By any number of measures, including GHG emissions and the local in-County location, our innovative site is a perfect complement in Alameda’s journey to zero waste. The landfill is located in rural, eastern Alameda County—North of Livermore, California—in Altamont Gap, and has been in operation since 1980. The facility is permitted to accept commercial waste 24 hours per day, 7 days per week. The 24-hour service offering provides Alameda maximum flexibility, and our Altamont Landfill offers enough daily capacity to ensure we do not exceed daily limits.

Altamont Landfill
10840 Altamont Pass Road
Livermore, California 94550

Capacity
The Altamont Landfill can guarantee both daily and annual waste disposal capacity for the City of Alameda’s disposal tons for the next 15 years. The Altamont Landfill has a permitted daily capacity of 11,150 tons and a remaining site life capacity of more than 40,000,000 tons. Given Altamont’s projected disposal volumes of 1,000,000 tons on average annually (which includes the City of Alameda’s MSW tons), WMAC guarantees enough daily and annual capacity for the City of Alameda disposal volumes to fulfill the requirements of the 15-year contract period.

In fact, WMAC has been providing uninterrupted disposal and processing services to the City of Alameda for more than 15 years. As we already accept the City’s municipal solid waste, an Environmental Impact Report (EIR) that is normally required under CEQQA, is not warranted as environmental impacts have been studied and mitigated.

Operating Times
The Altamont Landfill accepts materials Monday through Friday from 6:00 AM to 4:00 PM and Saturday from 4:00 AM to 12:30 PM. The facility is able to be open 7 days per week under mutually agreeable terms with the City of Alameda.

Expansion and/or Permit Modifications
There is not a need for facility modifications or permit changes to meet the City’s transfer, process and disposal needs. The Altamont Landfill site life capacity provides for an estimated 40 years of remaining waste disposal capacity, inclusive of the City of Alameda and other contract disposal volumes.

Unique Features
Altamont Provides Value to the City of Alameda and Alameda County
Revenue Generation
The Altamont Landfill generates funds for Alameda County’s HHW collection program and Open Space purchasing program.
Ecological Sustainability
WMAC, through its predecessor, Oakland Scavenger, sited and built the Altamont Landfill to serve the City and Alameda County with superior material recovery, diversion and disposal capabilities. Today, we continue to offer the infrastructure and on-going experience to manage Alameda’s materials within Alameda County—an environmentally preferable solution to transporting Alameda’s materials out of county. The Altamont Landfill has the lowest GHG emissions, the lowest environmental impact, and among the highest diversion programs in the Bay Area. The Altamont also has all the necessary CEQA and environmental entitlements to manage the City’s residuals.

Adoption of County Landfill Bans
The Altamont operates in full compliance with the County’s ban on green materials bound for waste, enabling Alameda to comply with the spirit of zero waste.

Renewable Energy
Landfill gas is a domestic, renewable clean energy source. The Altamont Landfill harnesses this resource for beneficial reuse rather than simply flaring it. Since 1987, the Altamont Landfill has been producing clean electricity from landfill gas. Today, California utilities and businesses rely on the Altamont to help them meet AB 32 renewable energy portfolio standards. With a bio-methane capture rate in excess of 90%, the Altamont far exceeds the U.S. EPA estimate of an average of 75% capture rate by landfills nationally.

We are putting this resource back to work. The landfill gas (LFG) to liquefied natural gas (LNG) conversion plant is powered by the electricity generated at the landfill—a complete closed-loop environment.

A recent CARB Title V inspection for surface landfill gas emission concentrations above 500 parts per million (ppm) showed readings that did not exceed 20 ppm. We are committed to capturing this renewable energy source for the betterment of our host community, Alameda County, and the communities we serve powering our trucks on this clean-burning fuel. Waste Management is the only company that does not require ANY permit revisions, CEQA, mitigation, fees and/or approvals to continue accepting Alameda’s residuals. Additionally, unlike other proposed landfills, movement of residual waste from Davis Street to the Altamont Landfill does not cross major toll bridges.

Our staff updates all permits with regulatory agencies and maintains excellent communications with regulators. The Altamont Landfill’s permits allow for the unfettered acceptance of all materials covered in the contract under consideration. Our site manages hourly limits by ensuring quick turn around and working with customers to provide service at all hours. WMAC owns 2,324 acres in the isolated Altamont Hills in Eastern Alameda County. Of this, 2,098 acres are within the permitted facility boundary. The remainder is open space and wetlands/wildlife habitat. Altamont Landfill is a permitted non-hazardous Class II and Class III solid waste Subtitle D-approved landfill.

The types of wastes accepted includes all non-hazardous solid and semi solid wastes, which include Class II and Class III wastes, C&D wastes, non-friable asbestos, contaminated soil, sludges, ashes from household burning, and various special wastes.
C. Processing

Identify the transfer facility location, owner, and operator.
The Organics Material Recovery Facility (OMRF) is located at the Davis Street Resource Recovery Complex and it is owned and operated by Waste Management of Alameda County, Inc.

OMRF
2615 Davis Street
San Leandro, California
94577

State the permitted throughput on a daily basis including peak volumes and/or other relevant permit requirements.
The proposed OMRF will represent a dramatic shift from business-as-usual material sorting to a state-of-the-art, advanced sorting system capable of processing up to 300,000 tons per year of MSW. When complete in 2018, the OMRF will be the largest, highest-capacity; most automated, highest-recovery, and most integrated MSW processing facility in the world.

Identify operating hours and days and specifically indicate if the facility can accept materials seven days per week as the City may want to expand collection services in the future beyond the current six day per week collection schedule.
Days and Hours of Operation:
Receiving: WM can receive materials 24 hours/day, 7 days/week
Processing: WM can process materials Monday – Saturday, 4am to 11:59pm
Closed to public.

Describe any facility modifications or permit changes that will be required to accommodate the City’s solid waste and present a timeline for accomplishing the required actions.
The Organics Material Recycling Facility (OMRF) is Phase 1 of our improvements. Construction began in March 2016 and completion is expected in the first Quarter of 2018. The OMRF will be a 61,400-square foot building that will receive between 1,000 to 1,300 TPD of waste from Single Family Residential, Multi-Family Residential and Commercial generators. Incoming materials will be received at the OMRF and tipped on the floor, pre-sorted and delivered to the OMRF via conveyors or vehicles. The OMRF will be a self-automated material recovery facility that includes screening, air separation and optical sorting technology. The material will go through a series of steps to size material in 5 size ranges (12” plus, 6-12”, 2½–6”, 2½–4”, and 0-2½”). These steps include separation by density, 2D and 3D separation, and final separation with optical sorters. Any residual material will be conveyed back to the Transfer Building via a conveyor system. This system will remove recyclable and inorganic material to prepare feedstock for onsite composting.

Highlight additional capabilities or unique features, if any, of the operations and maintenance activities and facility.
The OMRF will incorporate a 4-track parallel processing system that will enable Waste Management to extract additional diversion volumes, much of it food and other organic wastes that are not captured with the existing mechanical and manual sorting systems. Assuming our detailed analysis is accurate, the OMRF is targeting 65% diversion—97,500 TPY per shift of operation. The OMRF has been designed and will be constructed by Bulk Handling Systems (BHS), a global leader in bulk material conveyance.
Capable of handling 100 tons per hour, the proposed system begins processing the MSW stream once trucks deliver the waste to the facility’s tipping floor, where large and bulky objects will be removed manually. From there, the MSW stream will be routed to the first component of the proposed processing system, the de-bagger. Here, a slow-speed shredder will open any bags in the incoming stream to liberate their contents. Next, the system will route the MSW to a screening system that will sort the waste into four distinct streams by size. The screening system will filter the waste stream by size.

The fines and small fraction sizes will be conveyed to the existing organics processing center where it will be composted. Non-compostable material in the fines will be sorted and removed during pre-composting and post-composting conditioning. The remaining medium and large fraction will follow parallel tracks through the OMRF that further screen and sort the waste stream. Parallel tracks will allow for high-precision sorting as the equipment can be calibrated for a narrow size range. Each track includes:

- Magnetic Screening: to sort ferrous and non-ferrous metals
- Density Separation: to sort paper, plastic, inerts and other high density materials
- Optical Separation: to remove paper, glass, plastic and wood by type

Material that remains after the parallel tracks will be disposed of at the landfill.

D. Capacity Guarantee
A Capacity guarantee at the Altamont Landfill and Davis Street Transfer Station is also backed by a company with unparalleled financial strength. Waste Management is continuously making investments to improve the sustainability, longevity, and value of our operations. Currently, the Altamont Landfill pays over $17M in annual fees that fund recycling, the household hazardous waste (HHW) program, open space, programs that benefit the City of Alameda.

Letter of Commitment to Guarantee Capacity
As the District Manager of the Altamont Landfill, I, Marcus Nettz, attest to the fact and certify that the Altamont can guarantee both daily and annual waste disposal capacity for the City of Altamont disposal tons for the next 15 years. The Altamont Landfill has a permitted daily capacity of 11,150 tons and a remaining site life capacity of more than 40,000,000 tons. Given Altamont’s projected disposal volumes of 1,000,000 tons on average annually (which includes City of Alamedas MSW tons), WMAC guarantees enough daily and annual capacity for the City of Alameda disposal volumes to fulfill the requirements of the 30-year contract period. The Altamont Landfill site life capacity provides for an estimated 40 years of remaining waste disposal capacity, inclusive of the City of Alameda and other contract disposal volumes.

Marcus Nettz, II/Senior District Manager

Name/Title

Date

06 November 2016

Signature
Permits and Regulatory Compliance

1. Provide contact names for regulatory agencies that monitor the facility's(ies') compliance with applicable local, state, and federal laws and regulations including name of the regulatory agency, contact person's title, and telephone number.

   **Alameda County Environmental Health (Davis Street and Altamont LF)**
   Office of Solid/Medical Waste
   Arthur R. Surdilla, Sr. REHS
   510-567-6868

   **RWQCB**
   Davis Street only:
   1515 Clay St
   Suite 1400
   Oakland, CA 94612
   (510) 622-2300

   Altamont LF only:
   WDRs Compliance and Enforcement Unit
   Paul Sanders, P.G.
   Engineering Geologist
   11020 Sun Center Drive, Suite 200
   Rancho Cordova, CA 95670
   916-464-4817

   **Air District (Davis Street and Altamont LF)**
   Carol Allen
   Supervising Air Quality Engineer, Engineering
   415-749-4702

2. Identify any recent, significant notices of violation, and/or enforcement actions or orders against the site in the past seven years and the status of each.

<table>
<thead>
<tr>
<th>Site</th>
<th>Jurisdiction</th>
<th>WM Close Date</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Davis Street Transfer Station</td>
<td>Cal-OSHA</td>
<td>N/A</td>
<td>High Hazard Unit Citations. The company is disputing violations issued during inspection No. 1123961.</td>
</tr>
<tr>
<td>Waste Management of Alameda County, Inc.</td>
<td>Cal-OSHA</td>
<td>N/A</td>
<td>Citation and Notification of Penalty for alleged violations of California safety regulations for failing to equip rear-end loading vehicles with shielding to prevent flying particles or substances.</td>
</tr>
<tr>
<td>Waste Management of Alameda County, Inc.,</td>
<td>Cal-OSHA</td>
<td>2016</td>
<td>Cal-OSHA regulatory citation for alleged failure to provide driver fatigue procedures in WM’s Injury &amp; Illness Protection Program.</td>
</tr>
<tr>
<td>Location</td>
<td>Agency</td>
<td>Year</td>
<td>Description</td>
</tr>
<tr>
<td>--------------------------------</td>
<td>----------</td>
<td>------</td>
<td>---------------------------------------------------------------------------------------------------------------------------------------------</td>
</tr>
<tr>
<td>Altamont Landfill</td>
<td>Cal-OSHA</td>
<td>2012</td>
<td>On May 7, 2010, a transfer truck driver fell from a ladder mounted to the ground causing injuries. Penalty $70.</td>
</tr>
<tr>
<td>Davis Street Transfer Station, Inspection No. 1123961</td>
<td>Cal-OSHA</td>
<td>2016</td>
<td>WMAC employee was injured by a L90 loader at Davis Street Transfer while working as a spotter/traffic director. Various citations issued to a total of $25,750.</td>
</tr>
<tr>
<td>Altamont Landfill</td>
<td>RWQCB</td>
<td>N/A</td>
<td>WM notified Water Board that liquid hazardous waste was disposed into one of the site's two solidification basins that a customer notified in error under a previous approved non-hazardous waste profile. The customer tested similar liquid remaining at their facility resulting in concentrations of chromium and nickel above RERA hazard levels. No additional liquid has been added or removed from that solidification basin. Report will be submitted by 11/15/16 and should be closed thereafter.</td>
</tr>
</tbody>
</table>

**Facility Violations**

- On August 13, 2009, CalRecycle issued an NOV for methane exceedances in gas-monitoring probes. The methane has since been proven to be naturally occurring, and not landfill related.
- On January 1, 2010, the LEA issued an NOV for a methane exceedance in a gas-monitoring probe. The methane has since been proven to be naturally occurring, and not landfill related.
- On September 30, 2010, Alameda County Department of Environmental Health (CUPA) issued an NOV for minor-correction items noted during a CUPA inspection related to signage and gas cylinder storage.
- On September 29, 2011, the LEA issued an NOV for contamination in construction and demolition fines used for solidification.
- On May 3, 2012, CVRWQCB issued an NOV for a leachate spill. Leachate did not leave the property, but did enter a storm water conveyance channel.
- On August 20, 2013, BAAQMD issued an NOV for gasoline coating not meeting new standards.
- On November 11, 2013 CUPA issued an NOV for improper labeling and required plan revisions.
- On April 11, 2014, CVRWQCB issued an NOV for failure to submit plans prior to initiation of rough grading work at the start of Fill Area 2 construction.
- On August 1, 2014, CVRWQCB issued an NOV for acceptance of two loads of herbicide-contaminated groundwater for solidification/disposal. The waste was incorrectly profiled by the customer as non-hazardous.
On September 25, 2014, the LEA issued an NOV after a customer informed Altamont that a portion of a load profiled as non-friable asbestos contained friable asbestos. The NOV was removed after an October 16, 2014 LEA inspection when the LEA was informed that the location of the disposal was recorded, and that gas well drilling or installation would be avoided in that area.

On July 7, 2015, CalRecycle issued an NOV for violations related to a plan submittal and methane detected at greater than 5% in two gas probes during an inspection. The methane has since been proven to be naturally occurring, and not landfill related. Altamont is awaiting a letter from CalRecycle formally rescinding the NOV.

On April 18, 2016, CVRWQCB issued two NOVs, one for volatile organic compound (VOC) detection in a groundwater well, and one for not taking a 5-year Constituent of Concern sample from Basin B in 2015. Both are currently being contested by Altamont. The groundwater well that had the VOC detection was already under remediation by ALRRF, and a 5-year COC sample was not taken from Basin B in 2015 because the basin did not discharge in 2015. A sample was taken in March 2016, when the basin discharged during a rain event.

On August 10, 2016, the LEA issued an NOV for not submitting an updated 5-Year Permit Review application by an LEA-imposed June 28, 2016 deadline. Altamont staff met with LEA staff on July 21, 2016 to explain we were working on a Waste Discharge Requirements (WDR) update with CVRWQCB, and needed to incorporate those changes into the 5-Year Permit Review update. Nothing could be submitted to the LEA until September 30, 2016, after the WDR was finalized. The NOV was rescinded when ALRRF submitted updated 5-Year Permit Review documents on September 30, 2016.

E. Emergency Services
In the event of an emergency, WMAC will provide available airspace for the City’s solid waste volumes at one of the following landfills:

- Redwood Landfill – Novato, California (36 miles)
- Guadalupe Landfill – San Jose, California (53.3 miles)
- Kirby Canyon Landfill – Morgan Hill, California (57.1 miles)

Because WMAC owns and operates each of these sites, we are able to offer this contingency immediately upon determination that the primary landfill is unavailable. If necessary, we would also consider a special rail haul to our Lockwood Landfill in Sparks, Nevada.

WMAC emergency backup landfills have the capacity to handle emergency volumes from the City of Alameda if the Altamont Landfill is not available. Additionally, WMAC owns two (2) Class I disposal facilities that can accommodate this type of material in case of a major accident, disruption or natural calamity.

Emergency Response Training
The following agencies are notified in case of an emergency:

- Alameda Co. Fire Department
- Alameda Co. Sheriff’s Department
- Alameda Co. Health Department
- Alameda Co. Office of Emergency Services
- Pleasanton Urgent Care
- Valley Memorial Hospital

Each employee receives emergency response training as part of the initial orientation. This training includes, but is not limited to, topics such as emergency alarm systems, evacuation, spills, and fire prevention, and other topics common to the facility. Those personnel assigned to specific duties beyond evacuation receive special training as emergency coordinators, first responders to fires, spill releases, etc. Training for employees is also provided on an annual basis.
Contingency Plan
Formal drills/practices are conducted at least once each year beyond those conducted in each work area on a periodic basis through departmental training. Outside agencies are occasionally invited to participate in the drill/practices.

- The following equipment is also available on-site:
- First aid kits
- Telephone
- 2-way radios
- Site wide alarm system
- Self-contained breathing Apparatus
- Trained First aid/CPR personnel
- Portable fire extinguishers
- Truck mounted water spray system
- Automatic sprinklers
- Decontamination equipment/stations
- Additional information can be found in the Site’s Emergency Response Plan/Contingency and Spill Prevention Control and Countermeasure Plans.

3. KEY TERMS AND CONDITIONS FOR FUTURE AGREEMENT

If the City selects a service provider that offers both transfer and disposal services, one agreement will be developed that encompasses all of the service obligations. If, however, different service providers are selected for transfer and disposal services, the City will enter into separate agreements with each provider for their respective services. The City anticipates that the key terms of the transfer and disposal agreement(s) will include the requirements listed below. The terms and conditions of the final agreement(s) will be negotiated.

Yes, accepts this condition.

Key Terms of the Future Transfer and Disposal Agreement

- Commencement of services on October 1, 2017 for a minimum term of 10 years with up to 5 years of possible extensions for a maximum duration of 15 years.

Yes, accepts this condition.

- Guaranteed capacity on a daily basis six days per week (Monday through Saturday) to accept all solid waste delivered to the transfer station by the City's franchise collection contractor and to accept all solid waste delivered to the landfill by the City's transfer services contractor, with preference to accommodate acceptance of materials seven days per week;

Yes, accepts this condition. Will need to discuss and negotiate terms if seven-day service is requested.
Acknowledgement that the City will not guarantee a minimum volume of solid waste and that the City will have the right to promote and implement waste prevention and diversion programs and to modify collection and processing practices to achieve its own goals and policies as well as to comply with County and State requirements, which will likely result in reductions in solid waste volumes;

Yes, accepts this condition.

Guaranteed per-ton rate for transfer, transportation, and disposal services, subject to a simple, annual index adjustment of the base contractor costs and adjustment of per-ton government fees to keep pace with actual fees;

Yes, accepts this condition.

Use of alternative fuel vehicles for facility operations and transportation of solid waste to the disposal facility (transfer services only);

Yes, accepts this condition. In fact, WMAC already operates a CNG transfer fleet.

Provision of emergency services, at the City's request, in the event of major accidents, disruptions, or natural calamities within twenty-four (24) hours of notification by the City or as soon thereafter as is reasonably practical in light of the circumstances. Compensation for emergency services, which are beyond the scope of the agreement, will be provided.

Yes, accepts this condition.

In the first year of the Agreement, the rate charged to the City for City-hauled solid waste shall be equal to the government component of the transfer and disposal rate for the first 750 tons of City-hauled solid waste disposed. For tonnage disposed in excess of the tonnage threshold, the City-hauled solid waste rate shall be equal to the transfer and disposal rate. Annually, the tonnage threshold shall be increased by 10% not to exceed 825 tons per year.

Will need to discuss language in contract especially as to how this term is affected if volumes significantly reduce.

Monthly and annual reporting;

Yes, accepts this condition.

Obligation to allow for the City's inspection of the facility and audit of records;

Modify. Will need to discuss the type of records to be audited at the facility that specifically pertain to the City of Alameda contract.

Compliance with performance standards and payment of liquidated damages for failure to comply where standards shall include, but not be limited to: acceptance of materials on a daily basis; provision of sufficient capacity; minimum operating hours; use of unauthorized facilities; minimum delivery vehicle turnaround times; and regular reporting; and,

Modify. Will need to discuss and review language as it pertains to liquidated damages.
Compliance with insurance, indemnification and other general provisions typical of agreements in the Bay Area for transfer and disposal services.

Yes, accepts this condition with the caveat that requirements mentioned above are attainable and WM will need to review the indemnification language.

**Key Terms of the Future Processing Agreement**

If the City selects a service provider to provide solid waste processing services, parties will negotiate the key terms and conditions of the agreement. If the service provider is also selected to provide transfer and/or disposal services, the City anticipates that the agreement will encompass all services. The processing agreement will include items similar to those presented in Section 3.5 for transfer and disposal services and additional provisions related to processing operations, residue management, materials marketing, and more. Processing services, if desired by the City, may commence on October 1, 2017 or at a later date. The term of the agreement may be different than the term of the transfer.

Yes, accept this condition.
ATTACHMENT A – PROPOSAL FORMS

- Rate Proposal Form
- Secretary’s Certificate
- Non-Collusion Affidavit
- Iran Contracting Certification Act
# Rate Proposal Form

**ATTACHMENT: PROPOSAL FORMS**

Rate Proposal for Post-Collection Solid Waste Services ($/ton)  
(Valid September 1, 2017 through August 31, 2018)

<table>
<thead>
<tr>
<th>Contractor Component</th>
<th>A</th>
<th>B</th>
<th>C</th>
<th>D</th>
<th>E</th>
<th>F</th>
</tr>
</thead>
<tbody>
<tr>
<td>Transfer Rate</td>
<td>$20.33</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>Disposal Rate</td>
<td>$13.00</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>Processing Rate</td>
<td>$20.33</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>Transportation services</td>
<td>$20.33</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Disposal services</td>
<td>$28.00</td>
<td></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>Disposal services</td>
<td>$23.05</td>
<td></td>
<td></td>
<td></td>
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<td></td>
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<tr>
<td>Total contractor component</td>
<td>$42.83</td>
<td></td>
<td></td>
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</tr>
<tr>
<td><strong>Government Component</strong></td>
<td></td>
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<td></td>
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<td></td>
</tr>
<tr>
<td>1. Davis Street Fees - City of San Leandro Mitigation (Franchise Fee)</td>
<td>$1.29</td>
<td></td>
<td></td>
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<td></td>
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<tr>
<td>2. Davis Street Fees - San Leandro Business Tax</td>
<td>$1.73</td>
<td></td>
<td></td>
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<tr>
<td>3. Davis Street Fees - Alameda LEA</td>
<td>$0.38</td>
<td></td>
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<tr>
<td>5. Local Enforcement Agency (ACSWM) Tax</td>
<td>$0.38</td>
<td></td>
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<tr>
<td>6. Business License (County) Fee</td>
<td>$0.95</td>
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<tr>
<td>7. &quot;Measure D&quot; Fee</td>
<td>$2.23</td>
<td></td>
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<tr>
<td>8. Alameda County Waste Management Authority Facilities Fee</td>
<td>$4.34</td>
<td></td>
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</tr>
<tr>
<td>9. Alameda County Waste Management Authority Household Hazardous Waste Fee</td>
<td>$2.15</td>
<td></td>
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<tr>
<td>10. County Planning Department Fee</td>
<td>$0.11</td>
<td></td>
<td></td>
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<td></td>
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</tr>
<tr>
<td>11. County Planning Transportation Fee</td>
<td>$0.01</td>
<td></td>
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</tr>
<tr>
<td>12. County Open Space Fee (OUP)</td>
<td>$0.34</td>
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<tr>
<td>13. State Water Board Fee</td>
<td>$0.09</td>
<td></td>
<td></td>
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</tr>
<tr>
<td><strong>Subtotal government component</strong></td>
<td>$18.46</td>
<td></td>
<td></td>
<td></td>
<td></td>
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</tr>
<tr>
<td><strong>Total proposed rate</strong></td>
<td>$23.73</td>
<td>$42.83</td>
<td>$0.00</td>
<td>$22.84</td>
<td>$0.00</td>
<td>$0.00</td>
</tr>
<tr>
<td><strong>Transportation Rate ($ / Hour)</strong></td>
<td>$145.41</td>
<td></td>
<td></td>
<td>$139.54</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Average tons per load (ton)</strong></td>
<td>22.5</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Average vehicle turnaround time at facility (minutes)</strong></td>
<td>15</td>
<td>20</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

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**Note A:**

Processing Rate Per Ton  
Subject to receiving sufficient tons for 2 shifts  
Assumes all City of Alameda MSW tons flowed controlled to Davis St Transfer Station.  
Does not include franchise fees which are to be treated as pass through costs.  
Government fees increases to be treated as pass through costs.

---

Based upon WM’s estimate of the City of Alameda’s annual MSW tons and franchised revenues by line of business, we have estimated the annual processing rate increase for customers. Percentage increases may be reallocated between lines of business upon mutual agreement by City and WM.

- **Residential Customers:** 8.4% to 12.5%
- **Commercial Customers:** 12.29% to 18.8%
- **Roll Off Customers:** 24.51% to 37.5%
- **All Customers:** 10.92% to 16.7%
Secretary’s Certificate

ATTACHMENT: PROPOSAL FORMS

SECRETARY’S CERTIFICATE

STATEMENT OF INTEREST FOR
POST-COLLECTION SOLID WASTE SERVICES FOR
THE CITY OF ALAMEDA

1. David Stratton  
   (Name of Secretary)

certify that I am the secretary
of the corporation named herein; that Barry Skolnick  
   (Name of Person Signing Proposal)

Proposal on behalf of the corporation, was then President  
   (Title of Person Signing Proposal)

said corporation; that said Proposal is within the scope of its corporate powers and was duly signed for
and on behalf of said corporation by authority of its governing body, as evidenced by the attached true
and correct copy of the _____________________________.
   (Name of Corporate Document)

By: ____________________________ (signature)

Name: David Stratton  
   (printed name)

Title: Secretary

Date: 10/29/16
ATTACHMENT: PROPOSAL FORMS

NON-COLLUSION AFFIDAVIT

Proposer’s Name Waste Management of Alameda County, Inc.

FOR: STATEMENT OF INTEREST FOR
POST-COLLECTION SOLID WASTE SERVICES
CITY OF ALAMEDA

Proposer declares under penalty of perjury under the laws of the State of California that this SOI (proposal) is not made in the interest of or on behalf of any undisclosed person, partnership, company, association, organization or corporation; that such proposal is genuine and not collusive or sham; that said Proposer has not directly or indirectly induced or solicited any other Proposer to put in a false or sham proposal and has not directly or indirectly colluded, conspired, connived, or agreed with any Proposer or anyone else to put in a sham proposal, or that anyone shall refrain from submitting a proposal; that said Proposer has not in any manner directly or indirectly sought by agreement, communication, or conference with anyone to fix the proposal price of said Proposer or of any other Proposer, or to fix any overhead, profit, or cost or rate element of such proposal price, or of that of any other Proposer, or to secure any advantage against the public body awarding the Contract of anyone interested in the proposed Contract; that all statements contained in such proposal are true, and further, that said Proposer has not directly or indirectly submitted his proposal price or any breakdown thereof, or the contents thereof, or divulged information or data relative thereto, or paid and will not pay any fee in connection therewith, to any corporation, partnership, company, association, organization, proposal depository, or to any member or agent thereof, or to any other individual except to any person or persons as have a partnership or other financial interest with said Proposer in this general business.

The above Non-Collusion Affidavit is part of the proposal. Signing this SOI on the signature page thereof shall also constitute signature of this Non-Collusion Affidavit.

Proposers are cautioned that making a false certification may subject the certifier to criminal prosecution.
ATTACHMENT
IRAN CONTRACTING CERTIFICATION

CONTRACTOR'S IRAN CONTRACTING ACT CERTIFICATION

Pursuant to Public Contract Code Section 2200 et seq., ("Iran Contracting Act of 2010"), Contractor certifies that:

1. Contractor is not identified on the list created by the California Department of General Services ("DGS") pursuant to California Public Contract Code Section 2203(b) as a Person engaging in investment activities in Iran; and
2. Contractor is not a financial institution that extends twenty million dollars ($20,000,000) or more in credit to another Person, for 45 days or more, if that Person will use the credit to provide goods or services in the energy sector in Iran and is identified on the DGS list made pursuant to Section 2203(b).

As used herein, "Person" shall mean a "Person" as defined in Public Contract Code Section 2202(e).

I, the official named below, CERTIFY UNDER PENALTY OF PERJURY, that I am duly authorized to legally bind the Contractor to this Certification, which is made under the laws of the State of California.

Waste Management of Alameda County, Inc. (Company Name)

By: ____________________________  [Signature]

Name: Barry Skelnick  [Printed Name]

Title: President

Date: 10-29-16
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### Rate Proposal Form

**ATTACHMENT: PROPOSAL FORMS**

Rate Proposal for Post-Collection Solid Waste Services ($/ton)
(Valid September 1, 2017 through August 31, 2018)

<table>
<thead>
<tr>
<th>A</th>
<th>B</th>
<th>C</th>
<th>D</th>
<th>E</th>
<th>F</th>
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<tr>
<td>Contractor Component</td>
<td>Transfer Rate</td>
<td>Disposal Rate</td>
<td>Processing Rate</td>
<td>Combined Transfer and Landfill Rate</td>
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<th>Government Component</th>
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<tr>
<td>1. Davis Street Fees - City of San Leandro Mitigation (Franchise) Fee</td>
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<td>2. Davis Street Fees - San Leandro Business Tax</td>
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<td>3. Davis Street Fees - Alameda LEA</td>
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<tr>
<td>4. California Integrated Waste Management Board (AB1220) Fee</td>
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<tr>
<td>5. Local Enforcement Agency (ACSWMD) Fee</td>
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<tr>
<td>6. Business License (County) Fee</td>
</tr>
<tr>
<td>7. &quot;Measure D&quot; Fee</td>
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<tr>
<td>8. Alameda County Waste management Authority Facilities Fee</td>
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<td>9. Alameda County Waste Management Authority Household Hazardous Waste Fee</td>
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<tr>
<td>10. County Planning Department Fee</td>
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<tr>
<td>11. County Planning Transportation Fee</td>
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<td>12. County Open Space Fee (CUP)</td>
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<td>13. State Water Board Fee</td>
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<td>Subtotal government component</td>
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<td>Total proposed rate</td>
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<tr>
<td>Transportation Rate ($ / hour)</td>
</tr>
<tr>
<td>Average tons per load (tons)</td>
</tr>
<tr>
<td>Average vehicle turnaround time at facility (minutes)</td>
</tr>
</tbody>
</table>

Note A: Assumes all City of Alameda MSW tons flowed controlled to Davis St Transfer Station.

Based upon WMF's estimate of the City of Alameda's annual MSW tons and franchised revenues by line of business, we have estimated the annual processing rate increase for customers. Percentage increases may be reallocated between lines of business upon mutual agreement by City and WM.

- Residential Customers: 8.4% to 20.8%
- Commercial Customers: 12.2% to 18.8%
- Roll Off Customers: 24.8% to 37.9%
- All Customers: 10.9% to 16.7%

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Transfer, Processing and Disposal Services
Attachment A – Rate Proposal Form
AGREEMENT BETWEEN
TEAMSTERS LOCAL 70
AND
WASTE MANAGEMENT OF ALAMEDA COUNTY

September 17, 2009

Preamble

THIS AGREEMENT, covering the period July 1, 2007 through June 30, 2017, by and between WASTE MANAGEMENT OF ALAMEDA COUNTY, INC. and all divisions thereof; and applicable sub-companies thereof, party of the first part hereafter referred to as the “Employer” (except for such work as is excluded by law), and THE BROTHERHOOD OF THE TEAMSTERS LOCAL NO. 70, hereinafter referred to as the “Union.”

It is acknowledged that the Employer is a wholly-owned subsidiary of Waste Management, Inc., which in turn owns and/or controls other business operations within its corporate structure. In the event the business operations covered by this Agreement are assigned to any such affiliate, the appropriate name will be substituted as the “Employer,” but the provisions of this Agreement shall continue to be applicable to the work covered by this Agreement. It is understood and agreed that this Collective Bargaining Agreement is applicable only to those operations and employees of the Employer which are covered hereunder and which are located within Alameda County, California.

The separate Recycling Agreement previously in effect between the Employer and the Union has been incorporated into this Agreement. The rights of the recycling employees and their employment terms and conditions shall be as defined in this Agreement.

ARTICLE 1  EMPLOYMENT OF UNION MEMBERS

Section 1.  Recognition:  The Employer recognizes the Union as the exclusive bargaining representative for all employees covered by this Agreement.

Section 2.  Union Security:  It shall be a condition of employment that any employee covered by this Agreement shall apply for union membership on or by the completion of his thirtieth (30th) day of employment. Such employee shall then be eligible for membership in the Union and shall maintain his membership in good standing as a condition of continued employment.

All employees covered by this Agreement must maintain their membership in the Union in good standing as a condition of continued employment. The Employer shall discharge any employee covered by this Agreement within seven (7) days after receipt of written notice from the Union that said employee has not become or remained a member in good standing. This section will be administered in a manner conforming with all legal requirements.
ARTICLE 2 HIRING PROCEDURE

Section I. Hiring Hall Standards: Waste Management of Alameda County and the Union recognize the necessity of having available at all times a supply of competent employees with experience in the scavenger industry in the geographical area.

A. There shall be a Pool of casuals established to cover absentees. This Pool shall consist of not more than 9% of the workforce excluding casuals. The purpose of the Casual Pool is to break in on garbage and recycling collection routes, and shall be used in filling unscheduled vacancies and/or vacation relief for residential recycling before notifying the Union or its Hiring Hall. The list of Pool casuals will be mutually agreed to between the Company and the Union.

Casual pool employees will be required to pay the current Hiring Hall fee for any month in which they work. The Union will provide signed authorizations for each employee in connection with Article 27.

Except in case of emergency, the Company shall advise the Union three (3) working days in advance of the name of any person that the Company intends to add to or delete from the casual pool list. Except upon objection by the Union for good cause shown, the Company shall be free to make such additions or depletions upon completion of the three (3) working day period.

B. Whenever the Employer requires pool or regular workers, he shall notify the Union or its Hiring Hall, stating the location, the type of work to be performed and the number of workers required.

C. The Union or its Hiring Hall will refer applicants to the Employer by written referral slip. Such referral shall be on a non-discriminatory basis and shall not be influenced or affected by considerations of union membership, bylaws, rules, regulations, constitutional provisions, or any other aspect of union policies or requirements. The Hiring Hall will comply with the following procedures in making such referrals.

1. The Union or its Hiring Hall shall maintain a single list of applicants for jobs, which shall be in the order or sign-ups.
2. Referrals shall be made in the order of sign-ups on the foregoing list.
3. The Union and its Hiring Hall shall have forty-eight (48) hours after notice from the Employer to nominate and refer applicants for pool or regular positions.
4. The Employer shall not have the right to reject any applicant except for reasonable and non-discriminatory grounds, but the Employer can be made to justify his action.
5. If the Employer calls the Union or its Hiring Hall for a particular worker by name who has previously been employed by the Employer and such worker is available for employment, he shall be dispatched to the Employer regardless of his position on the list.

6. In the event that the Union or its Hiring Hall is unable to furnish applicants, the Employer shall then have the right to obtain employees from any other available source providing that such employees, prior to employment, must obtain a proper written referral from the Union.

D. The foregoing procedures shall be exclusively followed in hiring. Violations of the above article shall afford the Brotherhood of Teamsters, Local 70, the right to take appropriate action under the grievance procedure or to take economic action, notwithstanding any other provisions in this Agreement.

ARTICLE 3  SHOP STEWARDS

The Employer recognizes the right of the Local Union to appoint or to elect job stewards and alternates from the Employer’s seniority lists. The authority of job stewards and alternates so designated by the Local Union shall be limited to and shall not exceed, the following duties and activities:

A. The investigation and presentation of grievances with his Employer or the designated company representative in accordance with the provisions of the collective bargaining agreement.

B. Shall be authorized to check the dues books or cards of other employees and the referral slips of all new employees.

C. The transmission of such messages and information, which shall originate with, and are authorized by the Local Union, or its officers, provided such messages and information:

1. Have been reduced to writing, or;

2. If not reduced to writing, are of a routine nature and do not involve work stoppages, slow-downs, refusal to handle goods or any other interference with the Employer’s business.

Job Stewards and alternates have no authority to take strike action, or any other action interrupting the Employer’s business except as authorized by official action of the Local Union. The Employer recognizes these limitations upon the authority of job stewards and their alternates and shall not hold the Union liable for any unauthorized acts. The Employer in so recognizing such limitations shall have the authority to impose proper discipline, including discharge, in the event the shop steward has taken unauthorized strike action, slow down or work stoppage in violation of this Agreement.

9/17/2009
Stewards shall be permitted reasonable time to investigate, present and process grievances on the company property without loss of time or pay during his regular working hours; and where mutually agreed to by the Union and the Employer, off the property or other than during his regular schedule without loss of time or pay.

In addition to the foregoing stewards and alternate, or Assistant Stewards, there shall be one Company-wide Chief Steward to be elected by the Union. He shall be called in on all grievances and/or disputes that are not settled or resolved by the regular Stewards; and if not resolved at that point, he will also be present with the appropriate Union Officials in the further resolving of the dispute or grievances and shall participate in all negotiations.

There shall be no form of discrimination or unfair treatment of any Shop Steward for upholding Union principles or conditions of this Agreement.

ARTICLE 4 PROTECTION OF RIGHTS

Section 1. Prohibition of Strikes and Lockouts: There shall be no strikes or lockouts during the term of this Agreement except as expressly permitted by Article 13 and Article 14, Section 3 of this Agreement. Nothing in this provision shall be interpreted or applied to affect or otherwise diminish the exercise of the rights provided in Article 4 of this Agreement. However, the Union shall not institute a strike or other work stoppage at a Company facility in Alameda County in support of a union or that union's position in the absence of a primary, sanctioned picket line arising out of the union's dispute with the Company.

Section 2. Picket Line: The parties recognize that the Employer is contractually obligated to collect and dispose of all garbage and other waste materials produced within the communities which it serves. The contractual obligations involve the public health and safety.

The parties also recognize the right of employees to decide for themselves whether to go through or work behind a picket line.

It is therefore agreed that it shall not be a violation of this Agreement and it shall not be cause for discharge or disciplinary action or permanent replacement in the event an employee refuses to enter upon any property involved in a labor dispute or refuses to go through or work behind any primary picket line, including the primary picket line of Union party to this Agreement, and including primary picket lines at the Employer's places of business that are sanctioned by Teamsters Joint Council No. 7.
ARTICLE 5  SENIORITY AND LAYOFFS

Section 1.  Establishing Seniority: Seniority shall be attained following the third (3rd) calendar month of employment. Upon obtaining seniority, his seniority date shall be his first day of employment and the individual shall be considered a regular employee.

Section 2.  Seniority Lists: The Employer shall maintain a Master Seniority List of all employees covered by this Agreement and such list shall be numbered in numerical order commencing with the most senior employee. Correct copies shall be posted at each division and mailed to the union at intervals of not less than six (6) months; provided that the Employer will add new hires to the posted lists as they occur. Copies shall be delivered to the Union on an alternating basis, first an alphabetical list, and second a seniority order list, which includes name, address, telephone number, hire date, birth date and social security number.

Benefit entitlement of all employees for the purpose of vacation accruals under this Agreement shall be determined by the employee’s original date of hire with the Employer.

Effective July 1, 1993, the seniority rosters of both the Oakland Scavenger Company “garbage collection” and “recycling” bargaining units were merged.

For purposes of exercising seniority on positions under this Agreement, employees hired or working under the Recycling Agreement prior to July 1, 1993 shall have an established date of July 1, 1993. Their original date of hire shall determine seniority rights of recycling employees in relation to other recycling employees.

Recycling employees with a seniority date of July 1, 1993 may not be displaced/bumped by Solid Waste employees, likewise Solid Waste employees with seniority date prior July 1, 1993 may not be displaced/bumped by Recycling employees.

The merged garbage collection and Recycling seniority roster shall identify an employee’s established bidding rights date as well as their seniority date.

Section 3.  Application of Seniority: In the reduction of forces due on the slackness of work, the last employee hired shall be the first employee laid off, and in re-hiring, the last employee laid off shall be the first employee re-hired until the list of former employees is exhausted. Seniority shall be considered broken by:

A. Discharge for just cause;
B. Resignation—any resignation under this Agreement must be made in the presence of a business agent or shop steward;
C. Thirty-six (36) consecutive months of unemployment;
D. Failure to report without just cause to a recall lay-off or unauthorized absence within three (3) days excluding Saturdays, Sundays and holidays. Authorized leaves of absence or temporary lay-offs shall not interrupt the continuity of seniority.

Section 4. Notice of Lay-Off: The Employer shall not lay off any seniority employees without proper justification and shall give one week prior notification of such lay-off to the Union. All seniority employees are to be given written notice and notice posted on a bulletin board of impending lay-offs, not later than one week prior to the effective date of the commencement of such lay-offs.

Section 5. Rules for Voluntary Layoff: During any periods during which seniority employees are on layoff full-time, seniority employees will be granted voluntary layoffs in one (1) week increments. The Union shall establish a system for distribution of voluntary layoff when the applicants exceed the number of weeks available.

An employee requesting a voluntary layoff must make such request at least two (2) weeks in advance. Before a request can be granted, there must be a trained and qualified laid off employee who is available to work in place of the employee wishing to take a voluntary layoff. Any employee granted a voluntary layoff must be available for immediate recall if needed, provided he is not out of town. This provision for voluntary layoffs may be eliminated altogether if the Company demonstrates significant operational problems.

Section 6. Rehire Procedure: In the event of a lay-off, an employee so laid off shall be restored to duty according to seniority provided he reports to the call of the Employer which shall be communicated to the employee at his last known address (as filed with the Employer) by telephone and certified mail, and to the Local Union by telephone and certified mail, and reports for duty within seventy-two (72) hours exclusive of Saturdays, Sundays or holidays from the time of the dispatch of said call. The giving of said call shall fulfill the obligation of the Employer under the provisions of this Agreement. If at the time the employee is laid off he is notified in writing of the time and place to return to work the Employer need not make the telephone call or send the certified mail to the employee.

Laid off garbage employees shall be entitled to casual daily work before casual pool employees can be used. The Company will make work available by seniority and by telephone notification as soon as the need arises. They will be paid the rate provided for in Article 6, Section 1. All benefits for any classification worked by laid off garbage men will be at the higher garbage level. Laid off regular employees will also be used for scheduled absences. Laid off employees may elect to be on lay off, however, they will retain all seniority rights including bidding rights.

Section 7. Filling All Positions: Seniority shall be adhered to in filling positions under this Agreement. Employees working other classifications under the jurisdiction of this Agreement shall be given reasonable trial on the basis of seniority to qualify for such positions. During such trial period, the employee will be compensated at the highest classification actually worked.
Section 8.  Bidding:

A.  Bidding:  All jobs and classifications will be subject to a direct bid.  Wherever a permanent vacancy occurs, it shall be posted at each barn on a mutually acceptable form for a period of five (5) working days.  At the conclusion of the posting period, the Employer shall award the position to the qualified bidder with the greatest seniority.  License requirements must be met prior to the conclusion of the bidding period.  The position vacated by the successful bidder shall be posted in the same manner.

B.  Bidding Procedure:  Bid forms are to be in triplicate form and must be filled out completely by the bidder.  The bidder must place the white copy in the Company-wide bid box and the pink copy in the Local Steward’s box.  The bidder may retain the yellow copy.

It is the responsibility of the bidder to obtain all information related to position(s) and rate(s) of pay for position(s) prior to bidding on the position(s).

A person may bid while on vacation.  If the person is out of town on vacation, the person may bid by contacting the Chief Steward or responsible Company official or Local Steward to request that a bid be submitted for that person.  To be effective this must be done prior to the collection of bids, and in the presence of the Chief Steward or Local Steward and a Company official.

Bid cancellation forms must be obtained from a manager, be signed by the employee, and placed in the bid box prior to the expiration of the bid.

The Chief Steward shall be responsible for collecting all Company-wide bids from each location every Monday, and processing bids with the designated Company official to determine successful bidder(s).  The designated Company official shall be responsible for posting all bid notices and awards on bulletin boards.

C.  Determining Seniority in Tiebreaker Situations:  In the event of a tie in seniority between employees with seniority dates prior to June 30, 2003, bidding for the same position, the tie shall be broken alphabetically by last name.  In the event of a tie between employees with seniority dates of June 30, 2003, or later, bidding for the same position, the tie shall be broken by drawing lots.  When bidding for the same position, the 1993 recycle employees shall use their original date of hire in relation to each other to determine the person with the greatest seniority.

D.  Seniority In Assignment Of Commercial Work In Drop Box/Roll Off Work:

The parties are in agreement in principle that seniority rights should prevail in the assignment of commercial work in drop box/roll off work.  The parties will negotiate appropriate rules and practices to implement this principle, recognizing that there are practical problems to resolve to ensure that the work will be handled efficiently.  Negotiations for this purpose will, from time to time, be instituted
upon thirty (30) days written notice from the Union. If mutually acceptable procedures are not in place within sixty (60) days after such negotiations begin, the matter shall be referred to Article 14, Grievance Procedure.

E. **Drop Box Vacation Relief Drivers:** Drop box vacation relief drivers shall be obtained by Company-wide bid. Bid vacation relief drop box drivers' primary duties are to cover drop box vacation relief assignment and other vacancies; their own vacation selections shall be obtained from the drop box vacation choice list provided, however, any employees obtaining a bid position in drop box for vacation relief purposes shall under all circumstances be the first person relieved of that position in the event of reductions in drop box division.

F. **Disqualifications:** The Employer will not disqualify an employee from holding down a higher paid classification except for just cause.

G. The Employer will reject the bid of any employee who has successfully bid within the previous eight (8) month period, except when the Employer opens a new classification or operation, openings for premium jobs such as Drop Box and Transfer, or in changes of operations such as the 1996 Oakland changes, and in the application of Article 5, Section 8(I).

H. There is no eight (8) month limitation or any limitation for the purpose of bidding into premium positions such as Transfer/Drop Box driving positions. However, there is an eight (8) month limitation for bidding from a premium position to any classification other than a premium position.

I. The eight (8) month limitation in this Agreement shall be waived regarding changes in operation similar to the 1996 Oakland change. Application of seniority in these situations will be determined by the Union.

J. **Incapacitated Driver or Helper:** Any employee who through no fault of his own is no longer able to perform his work with the company shall be permitted to bid pursuant to Article 5, Section 8 without completing the eight (8) month waiting period.

K. Any employee displaced from his division shall have the first right of return to that division subject to the application of seniority among those affected employees. If a displaced employee bids to a permanent bid, he forfeits his right to return to the prior district.

L. Employees holding down bid jobs or permanent assignments may relinquish their jobs, subject to mutual agreement between the Company and the Union, but in so doing will be placed in the workers' Pool, provided a vacancy exists.

M. **Casual Pool/Probationary Employee Bidding:**

1. Non-seniority employees are prohibited from bidding on Company-wide bids.
2. Company-wide bids with no successful bidders shall be re-posted waiving the eight (8) month limitation. In the event there is no successful bidder, the bid will be offered to probationary employees. All probationary employees shall be called together by the Company and the Union for an explanation of procedures and options available to them for such vacancies. In the event there are no probationary employees, the most junior casual pool employee will be assigned the bid.

3. Where two or more people have the same date of hire, seniority order will be determined by drawing lots. The seniority order that results from the drawing of lots shall determine the seniority order for all future competitive bidding.

4. For the purposes of acquiring seniority, when a probationary employee accepts a position offered to them pursuant Article 5, Section 8(m)(2), their effective seniority date shall be set as of the date he or she assumes that position. No person shall lose seniority because of delay. This shall not impact the probationary period set forth in Article 5, Section 1.

5. If a person accepts a position, he or she may not relinquish that position voluntarily for a period of eight (8) months. If he or she relinquishes the position, he or she will lose his or her advanced seniority.

6. When a bidder occupies the position, he or she will receive the full effective rate of pay.

Section 9. Job Seniority in Reassignment: Twenty (20) working days in a thirty (30) day period will establish seniority in a classification except for temporary or seasonal jobs, vacation relief, covering temporary leaves of absence, or covering absences in the Head Route Driver classification. Employees awarded a bid under this provision shall be paid at the higher rate of pay for their recently awarded bid as of the date they physically occupy the new bid and begin performing the work assigned the newly awarded bid. If an employee may be delayed by the Company in assuming a recently awarded bid for more than three (3) weeks, the Company shall notify the person awarded the bid, the Business Agent and Chief Steward.

An employee does not gain seniority in a classification except on a permanent bid.

Once an employee has established seniority in a classification and is reassigned to a lower paid classification, he shall continue to be compensated at the higher wage scale. However, when an employee at his own request is placed in a lower paid classification, he shall be paid at the rate of the lower classification. If the re-assignment is as a result of a layoff and through the displacement process the junior employee's final assignment is to work recycling, that employee may elect to be laid off. They will be paid the rate provided for in Article 6, Section 1. These reassignments wage applications do not apply to the everyday operation of the business. Regardless of which job the reassigned garbage employee works, he will maintain the higher garbage benefits.

Section 10. Route Disputes: Serious complaints pertaining to personal disputes or accusations of deliberate malingering and causing a hardship to fellow employees on any
given route will be submitted to a grievance panel comprised of an equal number of Management and Union officials and attended by both the division shop steward and chief steward. Upon majority vote of the panel, an employee may be taken off his bid, relocated or placed in the “Pool.”

Section 11. Temporary Vacancies:

A. 1. All temporary vacancies on garbage collection routes shall be covered by assignment from the pool within the division wherein the vacancy occurs. If no one accepts, it shall be assigned to the most junior qualified employee. Pool employees are expected to accept assigned work in conformity with their seniority.

2. Employees must complete their assignment to temporary vacancies unless they bid on to a permanent job.

3. When the temporary vacancy has been fulfilled, the employee shall be returned to the Pool in the Division from which he came. If another employee has been assigned to that Pool to fill his place, that person shall return to the Pool in the Division from which he came.

B. Each division can establish one residential and one front-end loader commercial pool, however, 98th Avenue may combine East Oakland, West Oakland and Central Division into one residential pool and one front-end loader commercial pool.

Each person in the front-end loader commercial pool will be given primary responsibility to back up specific routes, and shall be assigned first to fill vacancies on those routes. If more than one back up route is available, the person may exercise his seniority to choose between routes. Otherwise vacancies shall be offered according to seniority. Backup drivers will work in the division residential pool if not needed for backup positions.

The existing pool bid positions at 98th Avenue shall be dovetailed.

C. Employees not on bid jobs and covering various assignments will be recognized as “Pool” employees.

D. Vacation relief vacancies will be awarded by seniority choice from among the “Pool” employees of the terminal or location wherein such vacancy occurs except for drop box drivers and front end loader drivers.

E. Seniority will be adhered to in classification assignments within the “pool” in each division or terminal, subject to drivers license restrictions and availability. Choice of assignments from the pool will be made fifteen (15) minutes before the starting times as provided for in Article 6, Section 5(D) and employees arriving after that time will take any work that remains as they appear.
F. Seniority will be adhered to in the reassignment of employees to other terminals provided they are qualified and have been provided appropriate training. Training slots will be based on seniority.

Section 12. Casual Pool Employees: Casual Pool employees that gain seniority shall not be guaranteed five (5) days of employment a week but they shall be given employment preference over non-seniority casual pool employees.

A. Casual pool employee will be assigned to work within one of the three (3) divisions—Livermore, 98th Avenue and Fremont.

1. After acquiring seniority, casual pool employees may move to an open casual pool position at another Division. Subsequent moves to another Division shall be limited to three (3) month intervals.

2. Assignments of casual pool employees within a Division will be by seniority for employees who have attained seniority.

B. The entry level position shall be the casual pool.

C. Casual Pool employees shall be paid and receive benefits as provided for in this Agreement. All seniority pool employees will be paid the rate provided for in Article 6, Section 1 for all paid time off, such as paid vacation and paid sick leave.

Section 13. Franchise Agreement:

A. In the event the Employer is awarded a franchise or contract by any government entity located within Alameda County for the performance of work that would be covered by this Agreement if performed by the Employer, said work shall be covered by this Agreement upon its acquisition by the Employer. If such work was performed immediately prior to the award by employees represented by the Union, the following shall be applicable:

1. The Employer will accept and hire the workforce previously performing the work to the extent required, and in accordance with seniority.

2. Pre-existing seniority of said employees will be recognized by the Employer.

3. Seniority employees who are disadvantaged because of the franchise or contract award shall be for a period of thirty-six (36) months after the actual implementation date of such work shall be entitled to exercise their seniority to obtain higher paid, full time or bid positions.

4. The provisions stated above shall also be applicable to any franchises or contract awarded to any company affiliated with the Employer through
common ownership and/or control at either the corporate or management level.

5. Provided such other employer has adopted this language at its first Collective Bargaining Agreement opening following ratification of this agreement.

B. In the event the Employer or any City or other governmental entity with which the Employer has a franchise agreement exercises a right under the franchise agreement that affects or may affect the job security of employees covered by this agreement, or the terms and conditions of employment of such employees, the Employer shall promptly give written notice thereof to the Union. The Employer agrees to provide the Union with all relevant information relating to the issues between the Employer and the governmental entity involved. Nothing in the franchise agreement, however, nor in any modification or amendment thereto shall diminish or excuse the obligations of the Employer under this Agreement.

The provisions and procedures stated in this Section shall also apply to any review proceeding instituted by a governmental entity under a franchise agreement inquiring into the performance of the Employer under the franchise agreement, and/or the quality of the Employer's work under such agreement.

Section 14. Integrated Seniority: In the event of the sale, transfer or merger of companies, one or both of which are parties to this Agreement, the employees of the company or companies party to this Agreement will establish seniority in the new operation by integration based upon the original date of hire recognized by the last Employer. Such integration is to apply where the company operations or terminals involved in the sale, transfer or merger are entirely within the territorial jurisdiction of one Local Union covered by this Agreement.

Section 15. Collection Route Structure:

A. Except when modified, as provided for in Article 5, Section 15c, the Employer will maintain the manning levels on existing garbage collection routes and supplement them when needed.

B. Short Handed Or Unmanned Trucks: Trucks/routes are not to be worked shorthanded. In the event a truck/route is short-handed or there is an open assignment, the existing practices shall apply. The parties will develop written guidance as soon as practicable after the signing of the Agreement. If a route truck is shorthanded, the driver in charge shall call the division office. The first two route trucks in that division to finish their routes shall be assigned to help the shorthanded truck, and they shall immediately go with their full crew to assist the shorthanded truck. The same two trucks (or workers) within a group and classification shall not be sent a second time until all other trucks (or workers) within that group and classification have had a turn helping shorthanded trucks. Any employee who fails to respond to such an assignment shall be subject to
disciplinary action. No member of the crew shall be relieved of duty until the
employee in charge has called in that his route has been completed. Employees
who complete their bid and/or regular assignment and are then reassigned to
perform any other available work, including short-handed or unmanned trucks,
shall be paid the overtime rate for such work. Employees are required to proceed
to their designated disposal site and reassignment shall begin as of the time the
employee checks in at the disposal site or when otherwise directed to
reassignment duties.

C. The Employer further agrees that he will not substantially increase the workload
of any employee, substantially alter its operation, or cause a reduction forces
without prior discussion with the employees who are directly affected and written
notification to the Union, with reasons for the manpower adjustment, and all
pertinent information related to such change on an ongoing basis until the change
is complete. Such notification shall be given at least thirty (30) days in advance
of the anticipated change. Should the notification be of a reduction in a work
crew on a given route which would necessitate a route restructure, the Union will
designate a route restructure committee consisting of not more than six (6)
employees. The committee will meet with company designees within seven (7)
days to discuss the planned adjustments. Such meetings shall take place at the
beginning of the shift or upon completion of the route. The company may there
under implement any changes or adjustments within the stated time limits. The
combined route restructure committee will also be utilized to correct any overly
heavy routes. Should there be a disagreement on the route restructure including a
claim of overly heavy routes such dispute may be grieved.

D. The Employer shall not adjust the number of employees permanently assigned to
a route as a result of bidding the "Head Route Driver" classification, without prior
consultation and explanation to the affected employees and the Union,
establishing reasonable justification for the manpower adjustment.

Such consultation and notification shall be at least thirty (30) days prior to the
anticipated change. Replacements will be provided to cover all temporary
absences so as not to cause temporary reductions in the number of employees on
established garbage collection routes.

E. Supplemental or special request work of more than four (4) cubic yards will be
referred to the Employer and handled by job trucks. Violation of the above will
not be permitted even if the violation is condoned by all employees on the route.

F. "Forgots"—The Company shall use its best efforts to ensure that no employee is
needlessly required to pick up forgots or alleged forgots after the employee has
left the area of his route, provided the employee has called in upon the completion
of his route.
ARTICLE 6       MINIMUM DAILY RATES

Employees will be paid at the highest paid classification worked on that day.

Section 1.        Classifications and Rates of Pay

A. Drivers, Transfer Truck  
Drivers, Front End Loader  
Drivers, "Single Man Truck"  
Drivers, Semi Drivers,  
Utility "B" Employees,  
Hostlers, Cat and/or Barko  
Operators, Curbside  
Residential, Green Waste/  
Yard Waste, Toter Delivery  $212.00

B. Head Route Drivers "red  
Circled" pursuant to  
Article 6, Section 1  $225.36

C. Head Route Drivers,  
Automated Drivers  $226.00

D. Drivers for bulky items  
and "white goods" only  $212.00

E. Utility and Utility "A"  $212.00

F. Curbside Residential  
Recycling Collection  
Drivers, Helpers, Medical  
Waste  $192.00

G. Helpers "red circled"  
pursuant to Article 6  
Section 1  $218.00*

H. Port-O-Let Drivers (Tanker  
Drivers 10% Premium),  
Casuals, first six months  
(thereafter, the classification  
rate for the classification  
worked)

*Moved to "All Classification" rate as of 7/1/2008

The following table is for illustrative purposes only and is not intended by the parties to modify the daily guarantee:
Effective July 29, 2007, the wage rates for each classification shall be as follows:

<table>
<thead>
<tr>
<th>Classification</th>
<th>Hourly Rate</th>
<th>Overtime Rate</th>
<th>Daily Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Driver – Red-Circle</td>
<td>$28.17</td>
<td>$42.26</td>
<td>$225.36</td>
</tr>
<tr>
<td>Head Route Driver, Automated Driver</td>
<td>$28.25</td>
<td>$42.38</td>
<td>$226.00</td>
</tr>
<tr>
<td>Recycle Driver/Helper, Medical Waste</td>
<td>$24.00</td>
<td>$36.00</td>
<td>$192.00</td>
</tr>
<tr>
<td>Helper – Red-Circle</td>
<td>$27.26</td>
<td>$40.89</td>
<td>$218.08</td>
</tr>
<tr>
<td>Utility/Sweeper</td>
<td>$26.50</td>
<td>$39.75</td>
<td>$212.00</td>
</tr>
<tr>
<td>Casual/New Hire</td>
<td>$21.20</td>
<td>$31.80</td>
<td>$169.60</td>
</tr>
</tbody>
</table>

Effective July 1, 2008, the wage rates for each classification shall be as follows:

<table>
<thead>
<tr>
<th>Classification</th>
<th>Hourly Rate</th>
<th>Overtime Rate</th>
<th>Daily Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>All Classifications except Automated Driver, Recycle Driver and Casual/New Hire</td>
<td>$27.90</td>
<td>$41.85</td>
<td>$223.20</td>
</tr>
<tr>
<td>Automated Driver</td>
<td>$28.81</td>
<td>$43.22</td>
<td>$230.48</td>
</tr>
<tr>
<td>Recycle Driver; Medical Waste</td>
<td>$25.81</td>
<td>$38.72</td>
<td>$206.48</td>
</tr>
<tr>
<td>Casual/New Hire</td>
<td>$22.10</td>
<td>$33.15</td>
<td>$176.80</td>
</tr>
</tbody>
</table>

Effective July 1, 2009, the wage rates for each classification shall be as follows:

<table>
<thead>
<tr>
<th>Classification</th>
<th>Hourly Rate</th>
<th>Overtime Rate</th>
<th>Daily Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>All Classifications except Automated Driver, Recycle Driver and Casual/New Hire</td>
<td>$28.85</td>
<td>$43.28</td>
<td>$230.80</td>
</tr>
<tr>
<td>Automated Driver</td>
<td>$29.30</td>
<td>$43.95</td>
<td>$234.40</td>
</tr>
<tr>
<td>Recycle Driver; Medical Waste</td>
<td>$27.90</td>
<td>$41.85</td>
<td>$223.20</td>
</tr>
<tr>
<td>Casual/New Hire</td>
<td>$23.05</td>
<td>$34.58</td>
<td>$184.40</td>
</tr>
</tbody>
</table>

Effective July 1, 2010, the wage rates for each classification shall be as follows:
9/17/2009

<table>
<thead>
<tr>
<th></th>
<th>Hourly Rate</th>
<th>Overtime Rate</th>
<th>Daily Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>All Classifications except</td>
<td>$29.83</td>
<td>$44.75</td>
<td>$238.64</td>
</tr>
<tr>
<td>Casual/New Hire</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Effective July 1, 2011, the wage rates for each classification shall be as follows:

<table>
<thead>
<tr>
<th></th>
<th>Hourly Rate</th>
<th>Overtime Rate</th>
<th>Daily Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>All Classifications except</td>
<td>$30.84</td>
<td>$46.26</td>
<td>$246.72</td>
</tr>
<tr>
<td>Casual/New Hire</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

The following is applicable to all calculations referenced herein:

I. Effective August 1, 2009, the Casual/New Hire rate shall be as follows:

  0 to 6 calendar months employment: 80% of the then current All Classification rate
  7 to 12 calendar months employment: 85% of the then current All Classification rate
  13 to 18 calendar months employment: 90% of the then current All Classification rate
  19 to 24 calendar months employment: 95% of the then current All Classification rate
  25 calendar months forward: 100% of the then current All Classification rate

J. Existing Red Circled Head Route Drivers shall receive 6% above the All Classification rate

K. From July 1, 2008, through July 1, 2011, all of the above charts are calculated at a CPI rate of 3.4%. If the consumer price index provided for in the agreement exceeds 3.4%, then the rates referenced herein shall be increased accordingly. Beginning July 1, 2012 through July 1, 2016, the applicable CPI rate will be 2.7%. If the consumer price index provided for in the agreement exceeds 2.7%, then the rates referenced herein shall be increased accordingly.

L. The Casual/New Hire rate does not apply once the employee begins his or her twenty-fifth calendar month of employment.

Section 2. General Provisions Applicable to Wages

A. Employees will be paid at the highest paid classification worked on that day.
B. Any employee employed pursuant to the Garbage Agreement hired on or before the ratification date of the 1995 Extension Agreement shall be "red-circled" for the duration of his employment with the Company in the hourly rate applicable to his classification prior to the 1995 Extension Agreement. This red-circled rate shall be the hourly rate applicable to his/her classification as subsequently increased pursuant to the hourly wage increases effective November 20, 1995, and thereafter and by the COLA adjustments described below.

Section 3. Shift Premium: Ten percent (10%) over the basic hourly wage rate shall be paid for all work performed by employees assigned to night shifts. For all intents and purposes, such premium shall apply to all periods of time paid for but not worked (for example: vacations, holidays, sick leave, jury duty, funeral leave) that would have occurred during an employee's period of night shift employment.

Section 4. Job Descriptions

A. Collection Route Driver—Drives, loads and unloads semi-automated trucks on curbside residential routes.

B. Automated Trucks—Drives, loads, and unloads automated curbside residential truck or garbage and recycling or green waste in combination on curbside residential collection routes.

C. Head Route Driver—Shuttles garbage collection truck from house to house on multi-man route and collects garbage and refuse; responsible for truck and route; collects money on special jobs and transmits payment for regular services when offered by customers; supervises crew daily on route; drives truck to and from landfill or transfer station; and washes out inside of truck box.

D. Helper—Collects garbage and refuse and shuttles truck from house to house.

E. Single-Man Truck Driver—Drives drop box, front end loader, bin truck, cherry picker, or works as combination driver.

F. Driver—Drives garbage, green waste or recycling truck on non-established route (e.g., job trucks, etc.); collects garbage and refuse and hauls to and from dump, transfer station, recycling depot, or other destinations.

G. Commercial/Industrial Recycle Driver—Drives, loads and unloads recycle truck on assigned routes established for commercial and/or industrial recycling.

H. Multi-Family—Drives, loads and unloads truck on collection routes consisting primarily, although not exclusively, of multi-family units.

I. Green Waste Driver—Drives, loads and unloads truck on assigned collection routes established for collection of green waste/yard waste.

J. Curbside Residential Recycle Driver—Drives, loads and unloads residential
recycle truck on assigned routes established for curbside residential recycling.

K. **Medical Waste Driver**—Drives, picks up and delivers, loads and unloads, medical waste products and shuttles medical waste products to disposal processing areas and/or plants.

L. **Bin or Toter Delivery**—Drives, loads and unloads toters and/or bins, does incidental repair and maintenance as part of toter and/or bin service. A driver’s day is complete when the deliveries and pickup are finished. Repair and maintenance are not to be imposed when a driver’s daily work is complete.

M. **Transfer Truck Driver**—Drives garbage, green waste or recycling truck between Transfer Station and Disposal or Recycling site and operates trucks in or related to Transfer Station as directed.

N. **Semi Driver**—Drives tractor trailer, truck and trailer between Company facilities, landfills or other locations or as directed.

O. **Hostler**—Moves trucks in Transfer Station or other site, or may be required on an emergency basis to drive garbage trucks between Transfer Station and Disposal or recycle site.

P. **Operator**—Operates tractor, Barko Crane and Loaders used for cleaning the tipping floor pursuant to his bid. Works in Transfer Station and performs emergency work as required on the Davis Street Landfill.

Q. **Utility “A”**—Primarily assigned to work inside the main Transfer Station building and adjacent areas. Directs traffic at the site, does salvage and general maintenance of the site, operates power sweeper and other power equipment used for the purpose of cleaning (including use of loader to clean tipping floor.) Will be trained to operate as a temporary backup, equipment used by the operator.

R. **Utility “B”**—Combination job of Utility “A” and Operator.

S. **Utility**—General utility work. Drives power sweeper. Dumps bins at Transfer Station Site. Cleans loading bays and wash rack. General cleanup inside and outside Transfer Station Site. Relieves Utility “A.”

**Section 5. Hours of Work and Starting Times:** (All Employees except Transfer Truck Drivers, Utility and Operators):

A. Eight (8) hours of work shall constitute the regular straight time working day. These hours shall be worked consecutively and shall include a paid meal period of not less than one-half (1/2) hour. Regular employees working any part of a day shall receive a full day’s pay. Such daily guarantee shall apply to any day worked including Saturdays, Sundays or Holidays.

B. 1. For all intents and purposes covered in this Agreement, the normal work
week shall be Monday through Friday, and the Employer does so guarantee all regular employees five (5) days of employment exclusive of Saturdays, Sundays or holidays during each week of employment. Time paid for but not worked shall satisfy the five (5) day guarantee work week.

2. There shall be one Utility "B" employee. His work week shall be Thursday through Monday. The Utility "B" job is a combination Operator and Utility "A." On Saturday and Sunday he is an Operator. On Monday, Thursday, and Friday he is a Utility "A" employee. But his Operator duties take precedence over Utility "A." The rate of pay is Operator. If there is work on Saturday, Sunday or a holiday, employees will be assigned the same as the Monday through Friday schedule.

C. Each employee's work day shall commence at the time his truck is scheduled to leave its barn. Starting schedules for each shift shall be fixed by the Employer at 3:00 a.m., 3:30 a.m., 4:00 a.m., 4:30 a.m., 5:00 a.m., 5:30 a.m., 6:00 a.m., 6:30 a.m., and 7:00 a.m. Second shift will be 11:00 a.m., 11:30 a.m., 12:00 p.m., 12:30 p.m., 1:00 p.m., 1:30 p.m. and 2:00 p.m., except that the Employer may start Drop Box Drivers at 4:00 p.m. to cover specials on Drop Box loads. Third shift starting time for Drop Box Drivers shall be 9:00 p.m. or such time as mutually agreed upon. A 10% premium shall be applicable to any night shift for Drop Box Drivers, and the number of such drivers shall be no more than 20% of the drivers in this classification. The starting time for Cannery drivers shall be 5:00 a.m. for the day shift of eight (8) straight time hours and 5:00 p.m. for the night shift of eight straight time hours.

Upon thirty (30) days written notice by either party to the other, the starting times set forth in this Section may be reviewed and changed by mutual agreement.

The scheduled shift shall not be changed except upon at least seven (7) days notice. No employee shall start at different hours during the same work week. No employee shall be permitted to start or perform work prior to this scheduled starting time.

D. The starting time for employees who are regularly assigned to the pool will be consistent with their bid, which shall correspond with the starting time of the classification for which the pool is established unless they are directed to report to work at a different time because of an emergency situation without seven (7) days prior days prior notice.

E. All employees shall be allowed two fifteen (15) minute rest periods per shift.

F. Drivers with Helpers remaining on route who make a trip to an unloading site during the mid-portion of their shift shall not take their meal period until they return to their route. Drivers with or without Helpers may take their meal and rest periods at any reasonable point to or from their route or between their route and an unloading site.
Section 6. Meal and Rest Breaks

The parties recognize and agree that meal and rest breaks are important to promote safety and a productive, rewarding work environment. At the same time, the Company and the Union recognize that employees' desire and require a certain degree of flexibility in scheduling, and that this level of flexibility also promotes safety and a productive, rewarding work environment.

Employees whose work assignment is more than five (5) hours in a day must take a paid meal period within the first six (6) hours of work. Employees whose work assignment is more than ten (10) hours per day must take a second thirty (30) minute paid meal period. Where a second meal period is required, it should be taken to the extent practicable near the tenth hour of work, but no later than the twelfth hour.

An employee and the Employer may not agree to a waiver of any meal or rest periods except that an employee may request to waive his second meal period if (1) he has completed his work day after more than ten hours but fewer than twelve hours and (2) has not been required to work mandatory overtime. The employee may not leave work without taking the second meal period unless he records the waiver on [whatever document workers are required to daily record their activities] An employee cannot waive his second meal period unless he has taken his first. If waived, the meal period is unpaid.

Employees shall be authorized, and must take, a paid rest period of at least fifteen (15) minutes for every four (4) hours worked. For example, where a work assignment takes twelve (12) hours or longer, the employee will be entitled to a fifteen (15) minute rest period for each four-hour period worked. An employee may combine one or both rest periods with his or her thirty minute meal break.

Because meal and rest periods are important in promoting safety and productivity, it is important that employees follow the meal and rest period policy. Violations of the meal and rest period policy will subject an employee to discipline under the terms outlined in this Article.

Discipline for violation of the meal and rest period policy shall be on a rolling twelve (12) month basis with occurrences being removed from an employees' record when they are twelve (12) months old. This program shall not become part of any other disciplinary proceedings, but will be subject to Article 14 - Grievance Procedure. Discipline may be as follows:

At 3 occurrences – verbal warning
At 4 occurrences – written warning
At 5 occurrences – one-day suspension
At 7 occurrences – discharge

All benefits shall continue during suspensions under this Article.
Section 7. Starting Times, Shifts and Meal Periods for Transfer Truck Drivers, Operators, and Utility Employees:

A. Eight (8) hours of work shall constitute the regular straight time work day. These hours shall be worked consecutively and shall include a paid meal period of not less than one-half (1/2) hour and two fifteen (15) minute paid rest periods.

B. For Altamont runs only, all rest periods and meal period for transfer truck drivers will be taken at Davis Street Transfer Station, pursuant to past practice, where the employer shall provide proper facilities. The first rest period will be taken at the completion of first transfer loop. The half hour meal period will be taken at the completion of the second transfer loop, and the second rest period will be taken at the completion of the third transfer loop. No stops will be made other than those outlined above except for what will be required at the Landfill for tipping of loads or in case of an emergency breakdown.

C. Starting time for the day shift for each Transfer Truck, shall be fixed by Employer, at various time intervals between 3:30 a.m. and not later than 8:00 a.m. Transfer Truck Drivers will be assigned their starting time on the basis of seniority choice beginning with the earliest starting time on each shift. Starting time for the Second Shift shall be between 1:30 p.m. and 4:30 p.m. The Employer shall have the right to establish a night shift for Transfer Drivers upon sixty (60) days notice upon a reasonable showing by the Employer that operational needs require the shift. A 10% premium shall be applicable to any night shift. The number of night shift Transfer Drivers shall be limited to the number which is necessary and appropriate to such operational needs. All employees not reporting to work due to illness or disability will be required to report to the Employer thirty (30) minutes prior to their starting time, in accordance with Article 6, Section 7, but not later than 5:00 a.m.

D. Drivers whose work begins and/or ends at the Altamont Landfill, or any destination that requires the driver to pass the Altamont Landfill, may request in order of seniority and shall be granted his right to have his truck domiciled and to punch in and punch out at that location; provided, however, by mutual agreement the Employer may limit the number of drivers who are permitted to begin and end their shifts at the Altamont Landfill as operational needs shall reasonably require.

E. Upon thirty (30) days written notice by either party to the other, the starting times set forth in this Section may be reviewed and changed by mutual agreement.

The scheduled shift shall not be changed except upon at least seven (7) days notice. No employee shall start at different hours during the same work week. No employee shall be permitted to start or perform work prior to this scheduled starting time.

F. Due to weekly and seasonal variation and the uncertainty in the volume of solid waste that will be delivered to the transfer station, the number of regular drivers
that are needed to transport the material to the Landfill may vary. The Employer
upon twelve (12) hours notice and adhering to the seniority practices outlined in
this agreement may either increase or decrease the number of qualified regular
transfer truck drivers needed to transport the material to the Landfill.

If the number of regular transfer truck driver positions is decreased, those drivers
with least seniority will report to the 98th Avenue Pool for work assignment at the
Pool's starting time.

If the number of regular transfer truck driver positions is increased, the last driver
to be relieved of his or her seniority position will be the first to be reassigned to a
regular transfer truck driving position if such recall is within eighteen (18)
months.

Section 8. Inability To Report To Work (All Employees)

A. If an employee is unable to report to work he shall so report to the Employer by
5:00 a.m. or 30 minutes prior to his starting time (whichever is earlier), at the
latest, or for swing or graveyard shift employees, at the latest 30 minutes before
the start of the swing or graveyard shift. Employees who fail to report that they
will be absent or who are tardy, shall be subject to the absence and tardiness
program.

B. Reporting Late. An employee who reports to work anytime up to one (1) hour
after his regularly scheduled start time shall be put to work, but such employee's
work day shall begin as of the time the employee clocks in. An employee who
reports to work between one (1) and two (2) hours after his regularly scheduled
start time may be sent home without pay unless the Employer is short of workers
to perform the available bargaining unit work planned for that day. In the event
the Employer is short workers, the late employee shall be put to work and his
work day shall begin as of the time the employee clocks in. An employee who
reports to work more than two (2) hours after his starting time shall be sent home
without pay. An employee who is sent home for reporting late may not use any
form of paid leave to cover the absence from work. The Absence and Tardiness
Program, set forth in Article 16 of the Agreement, shall apply to any employee
reporting late for work except that employees who notify the Employer at least
fifteen (15) minutes prior to their regular start time that they will be late shall not
be subject to Article 16 until after the third notification.

C. Employees returning to work after absence due to illness or disability and who
have a 5:30 a.m. or later starting time must report to the Company prior to 5:00
a.m. on the day of return. All others must call 30 minutes prior to their starting
times on the day of return. If the employee has been off work due to disability,
an unrestricted doctor's release for the work regularly performed by the employee
must be provided to his manager before commencing work. Employees who are
ill at the end of a vacation period must report as required above if they will not be
able to return to work except when utilizing paid days off available to them in this agreement.

Section 9. Overtime:

A. 1. Time and one-half (1-1/2) shall be paid for all work performed prior to regular starting time and after regular quitting time. Time and one-half (1-1/2) the normal daily rate shall be paid for all Saturdays and holidays worked. Regular employees working Saturdays or holidays shall receive such overtime pay over and above their normal weekly guarantee. Double (2) times the normal daily rate shall be paid for all Sundays worked. The Utility "B" employee will be paid for the sixth (6th) day at time and one-half (1 1/2) and the seventh (7th) day at double (2) time.

2. Employees who complete their bid and/or regular assignment and are then reassigned to perform any other available work, including short-handed or unmanned trucks, shall be paid the overtime rate for such work. Employees are required to proceed to their designated disposal site and reassignment shall begin as of the time the employee checks in at the disposal site or when otherwise directed to reassignment duties.

3. For Transfer Truck Drivers, a sign-up list will be posted by 10:30 a.m. for the fifth (5th) load and initialed by drivers wishing to work overtime by the start of the fourth (4th) load. The Company may cancel overtime scheduling before the fifth load starts for just cause.

B. Weekend and Premium Day Rotation: Weekend and premium day overtime shall be performed by employees working the jobs wherein the overtime occurs. All other weekend and premium day overtime will be distributed within each division or terminal among all employees desiring to work such overtime in the manner outlined herein. The Employer shall post a current seniority list of all employees at each terminal or division, and employees desiring to work weekend and premium day overtime shall indicate by means of a check mark or initial on this list whether or not they desire to work such overtime. It will be the employee's responsibility to have the overtime list marked on the Friday of the week preceding the week in which such overtime might be available. Employees absent on the work day prior to the overtime day, regardless of the reason, shall not be eligible to work that day and shall be subject to qualification and license restrictions. Seniority rotation of overtime shall be set up for the distribution of overtime days in the following classifications.

At all times overtime wheels will be organized according to seniority.

1. Special weekend routes and job trucks on overtime days will be distributed among the collection route employees and pool employees. In the above classification, there will be a Head driver for each truck of two (2) or more men.
2. Drop Box Drivers’ overtime days will be equally distributed among all the drop box drivers of a division that desire such overtime.

3. Front-end Loaders—For each “Front-end Loader” driver within a division, there shall be bid, within that division, a “Front-end Loader” backup driver who shall be located in the division’s worker’s “Pool.” This backup driver shall cover periods of absence and shall be included in the rotation of overtime days with the “Front-end Loader” drivers.

4. Paperstock Trucks, Semi-Trucks and Six-Day Routes will cover their own overtime work.

5. For special weekend work which cannot be filled within the Division where the work occurs, there will be a Company-wide bid of members in each Division for helpers and drivers, and work will be assigned equally among all Divisions.

6. Transfer Truck Drivers will rotate their own overtime work. A sign-up list for weekend work shall be posted by noon Wednesday and must be initialed by the end of the fourth (4th) load Thursday. The Company may cancel weekend overtime scheduling up to the start of the fourth (4th) load Friday for just cause.

7. Operators and Utility “A” employees will rotate their own overtime work, respectively.

No employee may be placed on more than one overtime rotation list unless the parties mutually agree. However, an employee on vacation relief assignment will be entitled to work the weekend or premium day overtime of the employee he is replacing, but may not participate in his original rotation list until his return.

Employees who sign the premium day rotation list and thereafter fail to report for duty will lose their next rotation opportunity.

Section 10. Special or Emergency Work: Employees called to report to work to perform special jobs on an unscheduled or emergency basis at overtime or premium rates will be paid for not less than four (4) hours of work.

Section 11. Overtime for garbage collection routes (except automated or semi-automated routes utilizing carts) will be on a voluntary basis, except as provided in Article 5, Section 15(B) or in the event of breakdowns, natural disasters, inclement weather, or unusual delays on the route.

The Company recognizes that eight (8) hours constitutes a normal working day.

For other routes than the above, the Company will consider and attempt to adjust the routes of those employees who are not desirous of overtime in favor of those drivers who are.
Section 12. The parties agree to modify the portion of Article 6, Section 49 11(B) referring to “automated or semi-automated routes utilizing carts” and Curbside Residential Recycling routes. It is the intent of the Company to structure such routes so that they may be completed within eight (8) hours under normal working conditions when performed by a trained and experienced employee working at a normal pace.

In the event a dispute arises with respect to whether a route is so structured, the dispute shall be submitted to a committee comprised of two individuals selected by the Union and two individuals selected by the Company. The committee shall investigate the controversy, and shall have authority to make a final and binding determination by majority vote. If a committee decision is not reached within thirty (30) days, either party shall have the right to refer the dispute for resolution under the grievance procedure of the agreement. In the event of a determination reached in the grievance procedure that the route is not structured in accordance with the foregoing, or within 90 days after reference of the question to the grievance procedure, whichever comes first, the employee may refuse to work overtime on such route without being subject to discipline if the route is not modified.

This section shall not be applicable to existing work that was obtained by competitive bid on or before July 1, 2001 for the duration of those City contracts, or to Port-O-Let and WMI Services. Based on mutual agreement this section may be modified to the extent necessary to obtain future competitive bids.

ARTICLE 7 COST OF LIVING ADJUSTMENT

A cost of living allowance shall be granted beginning on July 1, 2008, and July 1 of each year thereafter during the term of this agreement and any extension thereof, in accordance with Article 6, Section 1 and the following:

A. The amount of the cost of living allowance shall be determined on the basis of the Consumer Price Index (CPI) for the San Francisco/Oakland/San Jose Metropolitan Area (All urban consumers, 1982-1984 = 100), published by the Bureau of Labor Statistics, U.S. Department of Labor, and referred to herein as the "Index."

D. The percentage increase in the Index cited above shall be applied to the total of each individual's classification straight time hourly wage rate among full-time seniority employees, in the year in which the increase allowance is to be given. From July 1, 2008 through July 1, 2011, for all classifications, unless otherwise specified, in no case shall the annual cost of living percentage increase be less than three point four percent (3.4%). From July 1, 2008 through July 1, 2011, in no event shall such annual percentage increase to be paid be less than three point four percent (3.4%) or more than twelve percent (12%). From July 1, 2012 through July 1, 2016, for all classifications, unless otherwise specified, in no case shall the annual cost of living percentage increase be less than two point seven percent (2.7%). From July 1, 2012 through July 1, 2016, in no event shall such annual percentage increase to be paid be less than two point seven percent (2.7%)
or more than twelve percent (12%).

C. In the event that the Index ceases to be published and there is no successor thereto, the Union and the Employer shall agree upon and implement a comparable formula to be substituted for the Index. If the parties reach a deadlock in such negotiations the issue shall be subject to Article 14 (Grievance Procedure).

D. In the event the Employer for any reason opens its franchise agreement with any district or municipality covered by this agreement for negotiation of an increase in service rates or otherwise to increase the Employer’s compensation for the services it performs, the Union shall have the right, upon written notice to the Employer, to open this agreement to negotiate changes in its economic provisions. It is the intent of this provision that such economic provisions will be increased correspondingly to provide bargaining unit employees with their fair and appropriate share of the Employer’s increased revenue. If the parties are unable to agree upon such economic increases within sixty (60) days after the increase authorized by the change in the franchise agreement either party shall have the right to take economic action in support of its position.

ARTICLE 8 WORK JURISDICTION

Section 1. Only persons working under the jurisdiction of this Agreement shall:

A. Drive trucks, trailers, vans or other vehicles used to perform the work within the geographical coverage of this Agreement

B. Load and unload and carry load to and from vehicles in (a) above.

Section 2. The following work at yards, transfer stations, recycling facilities, landfills, extension of the pit, or any other property where the Employer performs work within the Union’s jurisdiction shall be performed only by employees working under the jurisdiction of this Agreement.

A. Handling and/or processing of recyclable materials, including wood and fiber materials;

B. Operation of all equipment involved in moving and or processing recyclable materials.

Exceptions: The above description of work jurisdiction does not include manual sorting of recyclable materials other than green waste, or the operation of a machine directly involved in the production process relating to hand sorting work, or the operation of earth moving equipment directly used in land-filling cover.

Section 3. Bargaining unit work shall include all job assignments hereafter performed by employees covered by this Agreement, and such additional work assignments as are heretofore assigned to such employees. Bargaining Unit work as
defined in this Article shall be performed only by bargaining unit employees covered by the Agreement, and shall not be subcontracted or otherwise performed by any other person, including non unit employees of the Employer or any other employer with which the Employer is affiliated through common ownership and/or control either at the corporate or management level. Bargaining unit work shall also include any additional work hereafter assigned to the bargaining unit not now performed by bargaining unit employees. With respect to any such newly acquired work (for example, without limitation, non-franchise work, new geographical areas, hazardous material handling, transportation and disposal, or environmental cleanup) the parties shall negotiate the terms and conditions of employment, including wages that shall be made applicable.

Section 4. Recyclable materials originating in Alameda County as well as originating outside Alameda County but brought into Alameda County by bargaining unit employees shall be taken to facilities operated by the Employer for handling and processing. All outbound material, whether raw, sorted processed or in the form of a finished product shall be hauled by drivers working under this Agreement. Exceptions to this requirement may be permitted with respect to loads for customers who dictate the hauling arrangements, or other situations where the Employer does not control the designation of the hauler, and then only upon written letters of understanding executed by both parties.

Section 5. In the event of the introduction of any new or changed method of refuse disposal or collection that impacts the working conditions of bargaining unit employees, including changes that require special training, either party may reopen this Agreement on thirty (30) days written notice and request re-negotiation of matters dealing with work jurisdiction, wages, and hours of work. Upon failure of the parties to agree on such re-negotiations either party shall be permitted all lawful economic and/or legal recourse to support their request for revisions.

Section 6. Any work in Alameda County may only be performed by employees and trucks domiciled in Alameda County.

Section 7. No employees working under this Agreement will be required to do maintenance or mechanical work, repairs on trucks or tire changing.

Section 9. Green waste handling and processing at Davis Street Transfer Station and the future transfer station servicing the Tri-Cities shall be the exclusive jurisdiction of Teamsters Local 70; excluding sorting and manual processing, and excluding on-site processing for the purpose of landfill cover at Tri-Cities or the Altamont.

ARTICLE 9 VACATIONS

Section 1.

A. Employees with one (1) year and less than five (5) years of service with the Employer shall receive two (2) weeks of vacation with pay each year.
Employees with five (5) years and less than ten (10) years of service shall receive three (3) weeks of vacation with pay each year.

Any employee who has ten (10) years of service or more, regardless of his anniversary date shall receive four (4) weeks vacation with pay each year.

Employees with twenty (20) or more years of service with the Employer shall be allowed five (5) weeks of vacation with pay.

Employees with twenty-five (25) or more years of service with the Employer shall be allowed six (6) weeks of vacation with pay.

B. Vacation pay shall be computed at ten percent (10%) over and above the employee's normal rate of pay. His normal rate of pay shall be that of his permanent assignment immediately prior to his vacation period.

Section 2. Pro-rated Vacations:

A. Any employee who dies, is laid off, terminated or otherwise severs his employment with his Employer for any reason prior to the completion of his vacation year will be paid for all earned vacation. Pro-rated earned vacation to be computed proportionate to what he is entitled to by virtue of his years of service.

B. Seniority shall be considered in choice of vacation periods within each facility or division of the Employer.

Section 3. All accrued vacation pay is to be paid to the employee at the completion of his last shift prior to the commencement of his vacation.

Whenever possible and when desired by the employee, he may stagger or spread his vacation period throughout the year. However, in no case shall any portion of a vacation be less than one (1) week, except as provided in Section 9.

Section 4. Vacation periods are not to be arbitrarily assigned to any employees and the period will be from January to December. The formula for how many employees to be permitted to take vacation per week will be limited to the seniority list by classification of each facility or division. The total amount of accrued vacation weeks, per list, will be divided by fifty-two (52) weeks and rounded off to the next highest whole number and that number will be the amount of employees allowed to take vacation per week. There will be no change in the way employees are presently grouped for vacation scheduling purposes.

Only if requested by a substantial number of employees and thereafter voted upon and approved, the vacation selection process agreed to in the 1994 negotiations and withdrawn by the Union will be effectuated if ratified by the employees and would be implemented at the next vacation selection.

Section 5. It is agreed by both parties to this Agreement that each employee must
take his accrued vacation each year and that no arrangement to work for additional compensation during his earned vacation will be allowed, except where mutually agreed upon by the Employer and the Union.

Section 6. The Employer and an employee may agree on a change in the vacation period of such employee after the vacation schedule has been posted, provided it does not affect the vacation period of any other employee on the vacation schedule based upon seniority. In the event a bid vacation week becomes available for any reason, another employee may exercise his seniority to fill that week.

Section 7. Any employee called into the military service shall be paid for pro-rated vacation earned.

Section 8. Vacation list shall be posted not later than January 1st of each year. Vacation shall not be postponed and made accumulative from year to year.

Section 9. Employees eligible for three (3) or more weeks of vacation can elect to take one (1) week of vacation in increments of at least one (1) full day (eight (8) hours). This option has to be made at time of vacation selection. The rules regarding the use of these days will be the same as floating holidays. If an employee does not use these vacation days by the end of January, they will be cashed out.

Section 10. Front-End Loader Drivers and their backups in each division shall have their own vacation list.

Section 11. Effect of Leaves on Vacation and Holidays: Time off in excess of fourteen (14) working days in a calendar month due to an approved leave of absence other than illness or injury shall cause an employee to lose vacation credit for that month.

All regular employees off due to an on-the-job injury shall accumulate vacation rights, uninterrupted for a period of one (1) year and any holiday pay during the month the regular employee was off due to an on-the-job injury.

All regular employees off due to an illness or off-the-job injury shall accumulate vacation rights, uninterrupted for a period of one (1) year and any holiday pay during the month the regular employee was off due to an illness or off-the-job injury.

ARTICLE 10 HOLIDAYS

The following days have been agreed upon as paid holidays:

- New Years Day
- Labor Day
- President’s Day
- Columbus Day
- Martin Luther King Day
- Thanksgiving Day
- Memorial Day
- Christmas Day

9/17/2009
Fourth of July

*Employee’s Birthday

The employee shall have the option of taking a day off with pay on the Monday or Friday of the week in which his birthday occurs in lieu of a day off on his birthday.

The employee must exercise his option at least one week before the commencement of the week in which the birthday falls. If exercise of the option would unreasonably interfere with the Employer’s operations, the employees who are to make the change will be determined by seniority.

Each employee who has at least one (1) year of seniority shall be eligible to observe a paid floating holiday. At least one (1) week before the commencement of the week in which the holiday is to be observed, the employee shall notify the Employer of his selection. If observance on the day selected would unreasonably interfere with the Employer’s operations, the employees who are to observe the day will be determined by seniority.

If an employee makes his floating holiday/vacation day selection at least thirty (30) days in advance, he will not be guaranteed that holiday/vacation day until fourteen (14) days in advance based upon seniority.

One paid floating holiday may be taken by each eligible employee during each twelve month period.

Section 1. An employee qualifying for holiday pay shall receive one (1) days straight time pay over and above the weekly guarantee except when a holiday should fall during the course of a normal work week. Except for drop box, the employee shall work on that holiday and he shall receive a day’s pay at the time and one-half (1 ½) rate in addition to his holiday pay. New Year Day, Thanksgiving Day and Christmas Day, when occurring during the course of the normal work week, shall be worked on Saturday, for regular five (5) day routes, including support operations but excluding drop box. Employees who call in sick on this mandatory Saturday or holiday falling during the normal work week will be charged a sick day, which shall be paid for at the employee's straight-time rate.

Section 2. If one of the above-mentioned holidays falls on a Sunday, it shall be recognized as falling on the following Monday.

Holidays falling on Saturday shall be recognized as Saturday and shall be paid for at the straight-time rate if no work is performed.

Section 3. To be eligible for holiday pay, employees must have established seniority prior to the holiday. Probationary employees shall be entitled to holiday pay upon attainment of seniority, retroactive to their seniority date.

Any seniority employee who works, is on vacation or on paid sick leave during a calendar month shall be entitled to holiday pay for that month.
Employee on extended regular leaves of absence during an entire calendar month shall be ineligible for holiday pay for that month.

**ARTICLE 11 HEALTH AND WELFARE**

Section 1. The Employer, subject to this Agreement, shall pay into East Bay Drayage Drivers Security Fund the amount necessary to maintain all the benefits (Health and Welfare, including Major Medical, Dental, Pharmaceutical, Vision Care, Group Life Insurance, Retiree Benefits, Wage Continuation, etc.) in effect January 1, 2001, at a cost to be determined actuarially by the Trust Fund. Maintenance of Benefits shall be in accordance with the provisions outlined below.

The Employer shall execute a subscriber agreement required of all participating employers and thereby bind itself under the Trust Agreement of the designated fund subject to the terms hereof.

The Health and Welfare Plan shall be identified as PLAN 1980.

Section 2. Such payments shall be made in addition to all wages and other compensation provided for in this Agreement and such payments shall be made without any deduction for any purpose whatsoever. Such payments shall be due on the first day of the calendar month and shall be paid not later than the tenth (10th) day of the same month.

Section 3. Posting Notice. The Employer shall post on the employees' bulletin board a duplicate copy of the reporting form sent to the Administrator's Office. of payment made to the Health and Welfare Fund on behalf of the employees at the time payments are made. Such copies shall be supplied by the Administrative Office.

Section 4. An employee is eligible for coverage during the current month upon completion of ten (10) days of employment in the previous calendar month. For all purposes under this section, time paid for but not worked, such as vacation, sick leave, holiday and funeral pay, etc. shall be computed as time worked.

Section 5. If a seniority employee is absent because of an on-the-job injury, the Employer shall continue to pay the required contributions until such employee returns to work. However, such contributions shall not be paid for a period of more than twelve (12) months beginning with the first month after contribution for active employment ceases.

If a seniority employee is absent because of an illness or off-the-job injury, the Employer shall continue to pay the required contributions until such employee returns to work. However, such contributions shall not be paid for a period of more than twelve (12) months beginning with the first month after contribution for active employment ceases.

Employees on leave shall make suitable arrangements for continuation of Health and Welfare payments consistent with the Health and Welfare policy, if he or she so desires.
or request discontinuance of his or her Health and Welfare before the leave is approved by both the Employer and the Union.

Section 6. Maintenance of Benefits. The Employer shall maintain the benefits herein described in accordance with the following guidelines:

A. The Employer shall make regular contributions to maintain the costs of Health and Welfare Plan 1980.

B. The Employer shall pay such increase in contribution as may be established from time to time by the Trustees in order to maintain Plan 1980 in effect during the term of this Agreement.

C. Nothing in this Article of the Agreement shall prevent the parties from terminating the Health and Welfare plans herein provided for, and selecting a comparable, although not identical Health and Welfare program, subject to membership ratification.

ARTICLE 12 PENSIONS

Section 1. Employer Contributions: The Employer shall contribute to the Western Conference of Teamsters Pension Trust Fund, the provisions of which the undersigned parties agree to accept and to abide by the rules and regulations established or as may be established by the Trustees of such Trust fund, the applicable sum as listed below for each employee covered by this Agreement who is on the payroll of the Employer at any time during such week:

Effective July 1, 2007 – $6.62 per hour ................. $264.80 weekly

Effective July 29, 2007, the Company’s contribution to the Fund on behalf of employees shall increase $0.38, to $7.00 per hour. On July 1st of each successive contract year during the term of the agreement, annual increases in Company contributions to the Fund shall be determined on the basis of the Consumer Price Index (CPI) for the San Francisco/Oakland/San Jose Metropolitan Area (All urban consumers, 1982-1984 = 100), published by the Bureau of Labor Statistics, U.S. Department of Labor, and referred to herein as the “Index.” plus two percent (2%), but in no event less than a total of five point four percent (5.4%) The percentage increase in the CPI each year shall be computed on the basis of the percentage increase for the 12-month period between February of the prior year and February of the same year.

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9/17/2009
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* The chart above is based on the assumption that the annual CPI is three point four percent (3.4%) or less each year. In the event the CPI exceeds three point four percent (3.4%) in any year of this contract, then the pension contribution increase will be calculated using that CPI amount plus two percent (2%). Thus, the chart above shows only the guaranteed minimum increase each year.

In the event that the Index ceases to be published and there is no successor thereto, the Union and the Employer shall agree upon and implement a comparable formula to be substituted for the Index. If the parties reach a deadlock in such negotiations the issue shall be subject to Article 14 (Grievance Procedure).

In addition, the Union may, at its discretion, but subject to member ratification, divert wages for the purpose of increasing pension contributions.

Contribution shall be made for all employees from the first compensable hour of employment.

The Employer agrees to remit these monies to the appropriate area Administrative Office by the date designated by that office, and monies received after that date shall be considered delinquent.

There shall be no other pension fund under this Agreement or Agreements supplemental hereto, with the exception of the Supplemental Income 401(k) Plan, a plan intended to conform to the requirements of Internal Revenue Code Section 401(k) for certain tax exempt, employee contributory plans. The Employer's obligations to the Supplemental Income 401(k) Plan are limited to the timely execution of the Plan's Subscriber Agreement and the timely payment of that portion of their wages that employees elect to pay into the Plan.

**Rule of "84":** Effective October 1, 1991, the contribution to the Western Conference of Teamsters Pension Trust Fund was increased by thirteen cents (.13) per hour to provide the Program for Enhanced Early Retirement (PEER). This increase was added to the contribution rate in effect at that time and paid in accordance with Article 12 of the 1989-1993 Labor Agreement. Effective July 1, 2001, the total contributions to the Western
Conference of Teamsters Pension Trust Fund will be $5.34 per hour, which shall include thirty-five cents (.35) per hour to provide for the Program for Enhanced Early Retirement and will not be taken into consideration for benefit accrual purposes under the Plan. In any future increases, the additional contribution for PEER must at all times be 6.5% of the basic contribution and cannot be decreased or discontinued at any time.

Section 2. Payments During Period of Absence: If an employee is absent because of illness or off-the-job injury and notifies the Employer of such absence, the Employer shall continue to make the required contributions for a period of twelve (12) months after contribution for active employment ceases. If an employee is injured on the job, the Employer shall continue to pay the required contributions until such employee returns to work; however, such contribution shall not be paid for a period of more than twelve (12) months beginning with the first month after contribution for active employment ceases. If an employee is granted a leave of absence, the Employer shall collect from said employee, prior to the leave of absence becoming effective, sufficient monies to pay the required contributions into the Pension Fund during the period of absence. However, the acceptance of such monies and the level of benefits provided shall be at the sole discretion of the Board of Trustees.

Section 3. Definition of Regular Employee: A regular employee, for purposes of this Article only, shall be any employee on the regular seniority list. From the effective date of this contract going forward if a regular employee works thirteen or more days within a calendar month, the required pension contribution will be the amount applicable to a months’ work. From the effective date of this contract going forward, if a regular employee works any part of a week but less than thirteen days, the required pension contribution will be the applicable weekly minimum set forth above for the week(s) in which the employee worked. Time paid for but not worked (for example: holiday, vacation pay, paid sick leave, funeral leave, jury duty, etc.) shall be counted as days worked for the purpose of this section.

Section 4. Action for delinquent contributions may be instituted by the Local Union or the Area Conference or Trustees. Employers who are delinquent must also pay all attorney’s fees and cost of collection.

Section 5 Posting Notice: The Employer shall post on employee’s bulletin board a duplicate copy of reporting form sent to the Administrator’s Office of payments made to the Western Conference of Teamsters Pension Trust Fund on behalf of the employees at the time payments are made.

ARTICLE 13 HEALTH AND WELFARE, PENSION, PAYROLL AND DUES DELINQUENCIES

Notwithstanding anything herein contained, in the event any Employer is delinquent at the end of a period in the payment of his contribution to the Health and Welfare or Pension Fund or Funds, required to be paid under this Agreement or any supplement hereto, in accordance with the rules and regulations of the Trustees of such Funds, after the proper official of the Union has given five (5) days’ written notice, excluding
Saturday, Sundays and holidays, to the Employer of such delinquency in payment, the employees or the Union shall have the right to take any legal or economic action they see fit against such Employer to collect such delinquent amounts. Whether or not such action is taken, the Employer shall be liable to the employees for any and all benefits under any health and welfare plan which the employee would have received if the Employer had not been delinquent in the payment of such contributions. The employee shall have the right to bring legal action to obtain payment of such benefits. In any such action, the Employer shall pay the court costs and a reasonable attorney's fee.

The parties further agree that in the event the Employer fails to make payroll and/or submit union dues for the bargaining unit, the Union may, within five (5) days' written notice as described above, take any legal or economic action they see fit against the Employer to collect such delinquent amounts.

ARTICLE 14 GRIEVANCE PROCEDURE

Section 1. Conciliation: A grievance by any employee, the Union or the Company, shall be limited to any controversy, complaint or misunderstanding arising as to the interpretation or observance of any of the provisions of this Agreement.

Except as outlined in Section 2(b), all grievances, money claims and disputes must be reduced to writing within forty-five (45) days of the occurrence of the matter upon which the grievance, claim or dispute is based, or within forty-five (45) days of the date on which the grievance party had knowledge, or should have had knowledge by the exercise of reasonable diligence, of the occurrence giving rise to the grievance, claim or dispute.

The grievance procedure is intended to be the primary forum for resolutions of any grievance, money claim or dispute arguably covered by the collective bargaining agreement, and the exclusive forum to the fullest extent permitted by law. Either party to the Agreement may request the grievance panel to decide any question of contract interpretation or practice in connection with litigation or administrative proceedings to which the Company or the Union is a party, whether or not the other party to those proceedings is also a party to this Agreement, and such interpretation shall be as effective for the purpose of those proceedings as if the interpretation were written into the body of the Agreement.

The employee may discuss any grievance with his Shop Steward, Chief Steward and Supervisor. If a settlement cannot be reached, the Business Agent of the Union and the Chief Steward and the Employer shall discuss said grievance. If it is not resolved at this point, it shall be reduced to writing and submitted to a formal grievance panel comprised of two (2) representatives of the Union, other than the Business Agent of the Terminal and two (2) representatives of the Employer, other than the representative presenting the case. Grievances filed before the tenth (10th) of the month must be heard at that same month's grievance panel. Grievances filed on or after the tenth (10th) of the month may be heard at that same month's grievance panel or referred to the grievance panel scheduled for the following month. This grievance panel shall convene monthly at 1:00 p.m. on the last Tuesday of the month.
Grievances that remain unresolved or deadlocked by the two (2) and two (2) grievance panel must be submitted within 36 days to a grievance panel which shall include two (2) representatives from the Union and one (1) selected by the Union, who is not an official of Teamsters Local No. 70 and two (2) representatives of the Employer and a third person to be selected by the Employer. This 3+3 Panel shall automatically be scheduled at 9:00 a.m. on the last Tuesday of the following month’s 2+2 Panel.

Grievances that are not filed and processed within the above time limits shall be forfeited and not be given further consideration, except disciplinary cases which have been timely filed shall automatically move to the next step as provided for in this Article.

The time limits provided for herein may be waived by mutual agreement.

For deadlocked disputes under this section, the selection of the arbitrator for a decision shall be made by the parties within a reasonable period of time not to exceed thirty (30) days after the deadlock. The method of selection of the arbitrator shall be as provided in Section 3. In the event a discharge or suspension grievance is deadlocked, either party may refer the matter to an arbitrator as provided for in Article 14, Section 3 of this Agreement.

The grievance panel shall have the power to make reasonable rules for the conduct of the hearing and for other procedural matters, and it shall have the power to retain continuing jurisdiction over grievances, including jurisdiction that extends beyond the term of the present agreement. If jurisdiction is retained, each party may make substitutions for any of its representatives who for any reason, are unable or unwilling to continue to serve. Upon the request of either party, the grievance panel may postpone indefinitely the presentation and deliberation on any matter before it while retaining jurisdiction. Such requests shall be given special consideration where the issues giving rise to the grievance, other than as they relate to interpretation and enforcement of the collective bargaining agreement, are or are anticipated to be the subject of litigation in another forum.

Grievance panel members shall use their independent judgment in resolving grievances and shall not be directed by their principals how to vote in particular cases provided, however, that in disputes involving high level policy issues of importance to either party this prohibition shall not be applicable. In all cases, however, factual disputes (disputes as to the facts or events leading to the filing of the grievance) shall be resolved (or deadlocked) by the panel.

The steward for the terminal where the grievance occurs shall attend the hearing of the grievance.

Section 2. Handling of Discharges or Suspensions: Any case pertaining to a discharge or suspension shall be handled as follows:

A. In all cases except proven theft, proven intoxication, possession of firearms, personal violence, or proven gross insubordination each having occurred on the
job, or knowingly driving company vehicles without a current and valid license of the class required by law, an employee to be discharged shall be allowed to remain on the job without loss of pay unless and until the discharge is sustained under the grievance procedure. In addition to the occasions described above when an employee may be removed from the job without awaiting final disposition of his/her grievance, such immediate removal shall be available to the Employer in serious or safety sensitive cases by mutual agreement of the Union and the Employer. Where the Employer removes an employee from the job and the case is submitted to arbitration, the Employer may not divulge to the arbitrator the removal and the accrued time off. If such information is divulged by the Employer or Employer representatives this breach shall be an independent basis for a back pay claim regardless of the final disposition of the case. In the event an employee is discharged and immediately removed from work, and it is determined in grievance and/or arbitration that the employee’s conduct was not an offense for which immediate removal from the job is permitted, the employee shall be awarded back pay for the time he was off work up to the time of the decision, irrespective of the penalty that is imposed, if any, for the offense.

In suspension cases, the employee shall be allowed to remain on the job without loss of pay unless and until the suspension is sustained under the grievance machinery, except where the employee appears for work without a current and valid drivers license as required for duties which the employee is expected to perform.

B. Within ten (10) days of the occurrence of the alleged cause for discharge or suspension, excluding Saturdays, Sundays and holidays, the individual Employer shall give written notice by certified mail to the employee and to the Local Union of its decision to discharge or suspend the employee and such notice shall set forth the reason or reasons for the discharge or suspension. If the individual Employer fails to give such notice within the specified ten (10) day period, the right to discharge or suspend for that particular reason shall be waived, but this shall not preclude the Employer from introducing as evidence, should a subsequent discharge or suspension occur, any reason or reasons to substantiate unsatisfactory work performance arising out of circumstances which occurred during the twelve (12) month period immediately preceding the date of discharge or suspension notice. However, in order for any such reason to be introduced by the Employer as evidence, the Employer must have given specific written notice by certified mail to the employee and to the Union of the circumstances giving rise to such reason within ten (10) days, excluding Saturdays, Sundays and holidays, of the occurrence of the circumstances. Such written notice may be submitted for consideration by the grievance panel in cases in which the Employer has given the employee a notice of discharge or suspension and such notice shall not be subject to economic action by either the Union or the Employer. If the Union does not file with the Company written protest of the individual Employer’s action within fourteen (14) days, from the date of receipt of the Employer’s notice, the right to protest such discharge or suspension shall be waived.
C. If the grievance panel reaches a deadlock on a discharge or suspension either party may submit the matter to an impartial arbitrator for final decision. The selection of the arbitrator for a decision in discharge cases shall be made by the parties within a reasonable period of time not to exceed thirty (30) days after the deadlock. The method of selection of the arbitrator shall be as provided in Section 3.

Section 3. Selection of an Arbitrator: Representatives from the Union and the Company will attempt to agree to selection of an arbitrator, but if they cannot agree, the following procedure will be utilized. A list of arbitrators shall be obtained at the earliest possible date by the grievance panel from the San Francisco Office of the Federal Mediation and Conciliation Service. The grievance panel shall decide which arbitrators on this list shall serve as arbitrators, and a single arbitrator, for each individual case, shall be selected from such approved list.

After a toss of a coin to decide which party shall move first, the Employer members of the panel and the Union members of the panel shall alternately strike one name from the list until one name remains, and such person shall be the arbitrator for determination of the case. The next to last name stricken shall be the alternate arbitrator to serve in the event that the first arbitrator is not available, and if such alternate is not available to serve within the time so specified above, the next to last name stricken shall become the alternative arbitrator and so on.

In all cases, a decision of the grievance panel or the arbitrator shall be final and binding upon the parties. In the event either party contends the other has failed to comply with a decision of the arbitrator within the time limits specified by the arbitrator, the grieved party may give thirty (30) days' written notice to the breaching party, giving the breaching party the opportunity to comply. In the event of a continued failure to comply after thirty (30) days' written notice, the grieved party may take any legal or economic action it sees fit to obtain compliance.

Section 4. Limitations of Arbitrator's Authority: The Employer and the Union agree that the Arbitrator shall not have any authority to add to, subtract from, change or modify any provision of this Agreement, the parties' letters of agreement, or past practices. The Arbitrator shall be authorized only to interpret the existing provisions of this Agreement, the parties' letters of agreement and past practices, and shall apply them to the specific facts of the complaint or dispute and to determine whether a violation has occurred based on the facts, the evidence and the testimony presented by both parties.

Section 5. The Compensation of the Arbitrator: The compensation of the Arbitrator, as well as the cost of any court reporter and hearing room, shall be shared by the Employer and the Union, with the Employer bearing 75% of the above costs and the Union bearing the remaining 25%.

Section 6. It is recognized by the parties that the Union has agreed to forego its right provided in earlier agreements to take economic action in support of its position in certain
deadlocked grievances. The Company, in turn, has given its commitment not to abuse the grievance procedure. Both parties have agreed that the grievance procedure shall not be used to eliminate, circumvent or eradicate the rights possessed by either party under this Agreement, letters of agreement, or past practices, all of which embody the parties’ contractual relationship.

ARTICLE 15 SICK LEAVE

Section 1. Effective January 1, 2010, all seniority employees shall accumulate twelve (12) days of sick leave with pay each year at the rate of 1 day per month.

Section 2. Anniversary date for sick leave shall be established as of January 1 of each year.

Section 3. New employees shall accumulate sick leave beginning their first day of employment on a pro rate basis at a rate of 1 day per month up to a maximum of twelve (12) days of sick leave each year. Accumulated sick leave will not be available for use before the employee establishes seniority. Once the employee establishes seniority, he or she shall be allowed to use accumulated sick leave and shall continue to accumulate sick leave each month on a pro rata basis until the following January 1st. Effective that January 1st, the employee will accumulate sick leave in accordance with Section 1.

Section 4. Sick leave shall be taken as paid personal time off, or cashed out as provided for in Section 9.

Section 5. Any employee who has sick leave credit and is drawing disability insurance or workers’ compensation shall, at his or her request, be paid the difference between such benefit payments and his or her straight time earnings for such time such benefit payments are made. These payments shall be charged against the employee’s sick leave credit. The request for this procedure shall be made by the employee in writing.

It is the employee’s option to utilize sick leave (paid days off) during the seven (7) day waiting period for SDI or three (3) day waiting period for workers’ compensation. If the employee utilizes sick leave, the employee’s sick leave benefits will be fully integrated with other benefits available to him or her such that at no time will the employee be paid more than his or her regular compensation.

Section 6. Sick leave will be paid only upon request by the employee, and only in eight (8) hour increments, except as provided for in Section 5.

Section 7. In the event of a disabling injury on the job, an employee shall be entitled to a full day’s pay.

Section 8. Employees who desire to accumulate leave may accumulate twelve (12) days respectively per year, up to a maximum of forty-eight (48) days of paid sick leave carryover after January 30 of each year in lieu of the cash payment provided for in Section 9 below.

9/17/2009
Section 9. Unused sick leave shall be paid once each year to each full-time regular employee in cash at the current daily rates, in an amount not to exceed twelve (12) days or by mutual agreement between the Employer and the employee as paid time off to be taken at a time mutually agreed upon. The cash payoff shall occur in the last pay period in January of each year, at the effective rate. On resignation, discharge or death, an employee or his estate shall collect cash payment for all unused accumulated sick leave.

ARTICLE 16 ABSENCE AND TARDINESS PROGRAM

Section 1. It is the purpose of the program to administer and reduce the level of absence and tardiness.

This program will be maintained on a rolling twelve (12) month basis with occurrences being removed from an employee's record when they are twelve (12) months old. This program shall not become part of any other disciplinary proceedings, but will be subject to Article 14 —Grievance Procedure.

Sick time is administered per Article 15. All absences in excess of sick days accrued are considered unexcused absences unless a doctor's notice from a medical doctor is provided by the employee demonstrating otherwise, or the occurrence is considered an excused absence as defined below. Notice from a medical doctor can be provided up to three (3) times in a rolling twelve (12) month period. All notices from doctors must be provided demonstrating that the employee visited the doctor prior to his/her date of return to work.

Absence and tardiness will be put into two (2) categories—excused and unexcused. Any continuous incident of absenteeism shall count as one (1) occurrence.

Effective January 15, 2005, discipline may be as follows:

- At 2 occurrences – verbal warning
- At 3 occurrences – written warning
- At 4 occurrences – two week suspension (10 days)
- At 5 occurrences – thirty day suspension (4 weeks)
- At 6 occurrences – discharge
- All benefits shall continue during suspensions under this Article.

A continued pattern of Monday or Friday absences will subject any employee to discipline under this provision, but discipline shall not be more severe than that which would occur for similar infractions regarding occurrences.

A. UNEXCUSED ABSENCES

1. Any absence not covered herein.

2. Any tardiness under 10 minutes – 1/4 occurrence and any tardiness in excess of 10 minutes – 1/2 occurrence except unusual delays excused by management.
3. Employees are allowed to be late three (3) times per twelve (12) months before any occurrence for tardiness is assessed.

B. EXCUSED ABSENCES
1. Occupational injury.
2. All contractual time off.
3. Court or administrative appearance.
5. Maternity leave.
6. Illness with doctor’s slip – after the third illness with a doctor’s slip and thereafter, each illness will count as an unexcused occurrence.
7. Chronic illnesses will be considered excused and reviewed jointly by the Union and the Company when necessary.
8. Leaves requested beforehand and granted.
9. Participating in the affairs of Labor at the request of an official of Local 70.
10. Qualifies for SDI or Workmen’s Compensation.
11. The Company need not be consistent in its application of this program. Exceptions for non-discipline may include, but not be limited to, such things as unusual circumstances, tenure, work history.

Calls to report absences shall be subject to the following: Calls received after starting time will count as ¼ occurrence. Calls to report absences received one (1) hour after starting time until close of business that day will count as ½ occurrence. Calls received after close of business will be considered “no call/no show” which will count as 1 occurrence. The stipulations contained in this paragraph are in addition to any determination of excused or unexcused, as outlined in this Article.

ARTICLE 17 LEAVE OF ABSENCE

Section 1. Approved Leave: Any employee desiring leave of absence from his employment shall give ten (10) days' written permission from the Local Union. Except as otherwise provided for in this Article, leaves of absence shall be for thirty (30) day periods and shall be granted by the Employer on the basis of one thirty day period for each three (3) years of seniority. Extensions to the above leaves of absence can only be secured by written permission from both the Local Union and the Employer. Regular leaves of absence as may be granted may not exceed a maximum period of six (6) months. During an approved leave of absence, the employee shall not engage in gainful
employment in the same industry. Any employee who has utilized his right to a leave of absence as spelled out above will not be entitled to another leave of absence, except for medical reasons, for a period of three (3) years. Leaves of five (5) days or less do not require Union approval. Extensions of approved leaves of absence when requested during the course of a leave of absence require the approval of both the Employer and the Union. The number of employees granted leaves of absence shall be limited so as not to pose an encumbrance to the Employer’s business.

An employee who is unable to work because of sickness or injury shall be deemed to be on a leave of absence. Such leave shall not exceed three (3) years except with the written consent of the Union and the Employer.

A leave of absence as above provided for shall not result in the loss of seniority rights.

Employees going on leaves of absence are expected to maintain their membership in the Union in good standing.

An employee selected, elected, or appointed to a full-time Union office shall be granted a leave of absence, without loss of seniority, for the length of his/her term of office which shall be automatically renewed for each succeeding term of office. Such term shall expire thirty (30) days after the employee leaves such office. Short term leaves of absence shall also be given to Union members other than full-time employees of the Union upon request for the purpose of participating in Union business, including serving on the Union’s negotiation team and for attendance at Union Executive Board meetings. The length of such short-term leaves shall be agreed upon by the parties. The Union shall give notice to the Employer regarding temporary leaves.

An employee may be granted a leave of absence for the purpose of serving or working in civic affair endeavors or in non-profit organizations and for such additional purposes and for such time period as may be agreed between the District Manager of the Employer and the Union’s Business Agent. The granting of any leave hereunder shall not establish a precedent nor cause the Employer to grant any other requested leave of absence in the future.

Section 2. Effect on Vacation and Holidays:
Time off in excess of fourteen (14) working days in a calendar month due to an approved leave of absence other than illness or injury shall cause an employee to lose vacation credit for that month.

All regular employees off due to an on-the-job injury shall accumulate vacation rights, uninterrupted for a period of one (1) year and any holiday pay in the month the regular employee begins leave due to an on-the-job injury.

All regular employees off due to an illness or off-the-job injury shall accumulate vacation rights, uninterrupted for a period of one (1) year and any holiday pay in the month the regular employee begins leave due to an illness or off-the-job injury.
Section 3. Health and Welfare When On Leave:
The employee shall make suitable arrangements for continuation of Health and Welfare payments consistent with the Health and Welfare policy, if he or she so desires, or request discontinuance of his Health and Welfare before the leave is approved by both the Employer and the Union.

ARTICLE 18 TRANSITIONAL WORK PROGRAM

The Employer and the Union recognize the significant adverse impact of work-related injuries on the Company and its employees. Therefore, the parties agree that the Employer will implement a mandatory transitional work program ("T2R Program") for employees covered by the Agreement, who are injured while at work ("Injured Workers"). The Employer agrees that the T2R Program must be applied and be made available to all Injured Workers. Except as set forth herein, the T2R Program is not intended to replace any provision of the California Labor Code (CLC) that addresses Workers' Compensation.

Section 1. The Employer will work closely with its Third Party Administrator (TPA) to ensure every Injured Worker receives access to timely, appropriate medical care. The Employer agrees that the Injured Worker will have the right to designate his or her primary treating physician ("PTP"). Such designation must be submitted in writing to the management official designated by the Employer prior to the employee suffering a compensable injury. But in any event, after 30 days from the date the injury is reported, the employee may elect to be treated by a physician of his or her own choice or at a facility of his or her own choice.

Section 2. A PTP may be an individual physician or a medical group composed of physicians operating a multi-specialty medical practice providing medical services. In the event the Injured Worker's PTP refers the Injured Worker to another physician or medical provider ("Secondary Treater"), the Employer will comply with all of the Secondary Treater's recommendations that do not contradict or conflict with the PTP's recommendation, or which are not rejected by the PTP. An Injured Worker shall have no more than one PTP at a time. The parties agree that the right of employees covered by this contract to designate a PTP is independent of any right to designate a PTP that may be granted employees under the CLC and that employees covered by this contract will retain the right to designate a PTP regardless of whether such right exists under the CLC.

Section 3. The PTP designated by the employee must be the employee's regular physician, who has previously provided treatment to the employee, who retains the employee's medical records and history, be licensed under the California Business and Professional Code, and agree in writing to serve as the employee's PTP.

Section 4. The PTP pre-designation shall not apply to the initial treatment in emergency situations, where the nature of the injury, location of the accident, or distance of the pre-designated PTP makes resort to the PTP impractical.
Section 5. Where the Injured Worker's PTP, or, where appropriate, Agreed Medical Examiner (AME) or Qualified Medical Examiner ("QME"), releases an Injured Worker to return to work with temporary medical restrictions that prevent him from performing his usual job, the Employer will offer the Injured Worker T2R Program work.

Section 6. The Employer will not ask the Injured Workers to perform work beyond the medical restrictions imposed by the PTP or, where appropriate, AME or QME. Neither the Employer nor the TPA will contact the injured workers PTP, either as part of a Utilization Review process or otherwise, for the purpose of coercing or pressuring the PTP to release the Injured Worker to return to work, impose particular temporary medical restrictions or modify temporary medical restrictions. No representative of either the Employer or the TPA will accompany the Injured Employee, in any fashion, on visits to the PTP. Nothing herein is intended to prevent the Employer or the TPA from contacting the PTP in order to clarify prescribed medical treatment or temporary medical restrictions. Objections to a PTP's prescribed medical treatment or restrictions shall be handled in accordance with the CLC. An Injured Worker, at his own initiative, may request his Nurse Case Manager to accompany him to a visit or visits with the PTP.

Section 7. The Injured Workers performing T2R Program work will not perform bargaining unit work, including job descriptions set forth in Article 6, Section 4 and any past practices relating thereto, without the express consent of the Union. An Injured Worker shall be covered by the terms of the collective bargaining agreement. Nothing in this Article will be used by either party as evidence to advance or resist a claim of work jurisdiction under Article 8 of the Agreement.

Section 8. T2R Program work will be designed to provide a meaningful benefit to the Employer, and will not be demeaning, punitive, or imposed for the purpose of discouraging Injured Workers from exercising their rights under the California Labor Code.

Section 9. Any Injured Worker who is offered, but refuses, T2R Program work will be disqualified from receiving further temporary disability benefits, but will not be subject to any other discipline under the contract. A refusal to participate in the T2R Program shall not become part of any other disciplinary proceedings under the contract. The duration of this disqualification will be limited to the injury giving rise to the particular offer of T2R Program work and shall not apply to subsequent injuries. This does not prevent the Injured Worker from being disqualified from receiving temporary disability benefits in the event the Injured Worker is subsequently injured and again refused T2R work.

Section 10. In accordance with Section 9 of this Article, an Injured Worker who refused T2R Program work may opt back into the T2R Program one time. If the Injured Worker thereafter refuses T2R Program work for the same injury, the Injured Worker shall not be allowed to return to work until he receives a full release to return to work. At
no time shall the Injured Worker who refuses T2R Program work be qualified for temporary disability benefits.

Section 11. It is the intent of the parties that T2R Program work is temporary, and will not be available indefinitely. T2R Program work will, therefore, not continue beyond one (1) year, unless extended by mutual agreement between the Injured Worker and the Employer, in order to temporarily accommodate an Injured Worker’s specific documented medical needs.

ARTICLE 19 JURY DUTY AND COMPANY WITNESS

Section 1. Any employee scheduled for jury duty shall be automatically temporarily re-scheduled as a day shift employee.

Section 2. An employee who is summoned and reports for jury duty shall receive his regular daily rate of pay for each day for which he reported for jury duty and on which he would normally have worked. For each such day, the employee must submit to the Employer written proof from the court that the employee reported for and served on jury duty on that date.

Section 3. Company Witness: In case an employee is subpoenaed as a company witness and for company related case in any court, he shall be reimbursed for all time lost and expenses incurred.

ARTICLE 20 FUNERAL LEAVE

In the event of the death of an employee's parent, grandparent, spouse, child, mother-in-law, father-in-law, brother, sister, step-children or step-parents, the employee will be granted a leave of absence with pay from the day of death until and including the day of the funeral not exceeding three (3) work days; or in the event the funeral occurs outside the State of California, five (5) work days. Funeral leave is not compensable when an employee is off on a leave of absence, vacation, holiday, sick leave, workers compensation, state disability, jury duty or bona fide lay-off. The purpose of funeral leave payment is to enable the bereaved employee to attend the funeral.

ARTICLE 21 GENERAL PROVISIONS

Section 1. Equipment—Upkeep—Cleaning: On July 1st of each year, all employees shall be granted credit for a new garbage collection can. When requested by the employee, provided he has given his division manager one (1) month's prior notice, such cans shall be equipped with wheels, the method of distribution and allocation of such cans shall be as agreed to between the employer and the Union by a separate letter of agreement which shall be posted on all employees' bulletin boards. Any disputes arising out of this section shall be referred to the grievance procedure.

A. Protective Clothing: Each employee shall be given a maximum of twelve (12) pairs of gloves per year at the rate of two (2) pairs every second month, except
that gloves for transfer truck drivers, operators, and utility classifications will be provided only as needed. Effective October 1st of each year the employee may elect whether the gloves will be of leather or rubber. The Employer shall provide each employee with a set of rain apparel (including jacket and trousers) September 1st of each year. Hats shall be provided as required, limited to one (1) hat per year. The Employer shall provide all employees with five (5) high visibility t-shirts in April of each year and five (5) high visibility sweatshirts in October of each year.

The Employer shall provide each regular bid transfer station hostler, operator, and utility classification employee a maximum of two (2) pairs of coveralls per year as needed.

A company approved leather work boot with puncture resistant sole and six inch (6") high laced top shall be mandatory and all employees will be required to wear same. It will be the responsibility of each employee to equip himself with such footwear, and the Employer shall reimburse each employee annually in the amount of One Hundred Forty Two ($142.00) to be paid in the last pay period in January 2010 and once each year thereafter. The amount of the boot allowance will be increased each year based on the previous year's percentage of increase pursuant to the COLA provision contained in Article 7. The Employer will make available one or more sources for employees to purchase work boots at a discounted price.

The Employer further agrees that each and all of the items spelled out in this Section should bear the Union label of the American Federation of Labor.

Section 2. Time Clock: Procedure for recording time is subject to review by the parties.

Section 3. Company Meetings: No employee shall be required to attend a company meeting on his own time.

Section 4. Leasing and Independent Contractors: There shall be no leased equipment with operators allowed. The Company is free to lease equipment, but all operators and work performed under this contract shall be bargaining unit work and subject to all the provisions of this Agreement.

Section 5. Pay Period: The members of the Union shall be paid weekly for their labor. No more than one (1) week's wages shall be withheld. A regular weekly payday shall be established provided that if such payday falls on a paid holiday, the preceding work day shall be payday. Friday is hereby established as the regular weekly payday.

Section 6. Money Receipt: Employees handling money shall account for and remit to the Employer money so collected at the completion of the day's work. The Employer shall give the employee a receipt for monies so paid in or the employee will not be held responsible for the money.
Employees working under the Helper’s classification shall not be required to collect money.

Section 7. Maintenance of Sanitary Facilities: The Employer shall maintain washing and toilet facilities at all barns and shall keep the same in a clean and orderly condition in accordance with State laws and regulations.

Section 8. Telephone Calls: All employees shall be reimbursed for money spent for telephone calls involving Company business. Particulars of all phone calls must be itemized and settled weekly with payments by cashier or other authorized office employee.

Section 9. Inspection Privileges: Authorized agents of the Union shall have access to the Employer’s establishment during working hours for the purpose of adjusting disputes, investigating working conditions and ascertaining that the Agreement is being adhered to.

Section 10. Physical Examination: Any Employer who required the employee to take a physical examination must bear the cost of said examination and must compensate the employee for time involved in taking the examination at the employee’s regular rate of pay. DOT physicals shall be at not less than two (2) hours pay.

Section 11. Bulletin Board: The Company shall supply and install suitable bulletin boards at each barn or starting point for the posting of Union business and communications. The bulletin boards shall be locked and only the Union’s Designated Business Agent, Chief Shop Steward and their designees as well as a mutually agreed upon Company representative shall have keys to the Union’s bulletin board.

The Employer shall also have locked boards for copies of the master seniority list, health and welfare and pension payments and other Company and Union business. A separate bulletin board shall be for bids and awards of bids only.

Any Company bulletins or work rules posted must be in both English and any other languages, whenever desirable and approved by the Local Union.

Section 12. Payroll Check Stubs: All payroll check stubs must have all items deducted, recorded for the employee’s record. Overtime hours must be itemized separately from straight-time hours. The Employer shall furnish, on request by the employee, the total gross earnings to date.

Section 13. Transportation: When an employee uses his own transportation, he will be compensated for his travel at the then-current Internal Revenue Service mileage reimbursement rate.

Seniority will be adhered to in the reassignment of employees to other terminals provided they are qualified.
Section 14. Heavy Lifting: Employees are not required to lift unusually heavy loads or loads in excess of weight limits spelled out in city ordinances, or in any other way required to do work that may be injurious to their health. When an employee encounters a garbage can that is exceptionally heavy (loaded with concrete blocks, bricks, etc.) he will be furnished help. The combined weight of the container and contents shall not exceed seventy-five (75) pounds.

Notices indicating city ordinance weight limitations will be made available and placed on cans of customers that violate the weight restrictions. If a customer repeatedly refused to conform to the weight limitations, the employee will be permitted to refuse to service that account, provided that the employee has first notified the employee in charge of the route.

Customer's garbage placed in fifty-five (55) gallon drums will not be picked up.

Section 15. Change of Address: The employees shall be obligated to report any change of address or telephone number to his Employer. The Employer shall post a notice in all divisions designating its representative for purposes of this section.

Section 16. Profane Language: The employees shall be treated with dignity and respect, and the Union and the Company shall not tolerate the use of profanity or extreme vulgarity.

Section 17. GPS Evidence: GPS evidence alone shall not be sufficient to support a termination or a suspension of more than two (2) days. GPS evidence may be considered, however, in cases involving terminations and/or longer periods of suspension where such discipline is supported by corroborative evidence and is consistent with the applicable provisions of Article 14 (Grievance Procedure). Nothing in this provision, however, shall be applied in a manner that alters the progressive disciplinary plan provided for in Appendix A (Life Critical Rules).

Section 18. Missed Pick Ups: Missed pick ups will not impact employee eligibility for a safety bonus.

Section 19. Industrial Injury: The Employer shall report to the Union any industrial injury which has been reported to the Employer. Said notice shall be furnished to the Union at the same time the Employer reports the injury to its Workmen's Compensation Insurance Carrier. In the event the Employer is self-insured for purposes of Workmen's Compensation, then such notice shall be given to the Union within five (5) days after the injury has been reported to the Employer.

ARTICLE 22 SAFETY regulations

Safety, Incentive, and Retraining Program

Section 1. The Employer will observe all State and Federal safety regulations pertaining to vehicles and the health and safety of his employees.
If the Company is called to investigate a report that an employee may have been exposed to an injurious chemical substance, the Company will provide the Union and the Employee a written statement of its findings.

The Union and the Employer shall establish a Safety Committee which will make recommendations relating to on-the-job injuries, accidents, and potential hazards. Initially, the Committee shall consist of one member selected by the Union and one member selected by the Employer, provided that the Committee may recommend that its membership be increased.

The members of the Committee shall be appointed by the Employer and the Union and shall include the Chief Steward. Any condition found to be a grave hazard will immediately be brought to the attention of a responsible employer official and corrected. No driver or helper shall be discharged, suspended or otherwise disciplined for refusing to violate traffic laws, overloading regulations or other regulations of the State Vehicle Code.

Section 2. The parties are committed to the principle that safety and the avoidance of accidents shall have the highest priority in the Employer's operations. It is recognized that both the Employer and the Union must cooperate in taking all reasonable steps to avoid accidents that are costly to the Employer and that are frequently the cause of injury to the employees as well as others. It is accordingly the intent of the Employer to maintain ongoing training and retraining programs, to educate employees in the proper methods of operating equipment, to promote the importance of the "Safety First" rule, and otherwise to communicate with employees concerning the importance of safe work practices. The Union endorses these efforts.

The purpose of the safety program is to improve safety and reduce the number of accidents, and shall not be considered a part of the disciplinary provisions of this Agreement for misconduct. The corrective procedures provided herein are for the purpose of eliminating unsafe practices and accidents and are to be administered independently of the Employer's authority to discipline for misconduct and shall not be considered for any purpose in disciplinary cases except as provided below. In administering this program the Employer shall take into consideration such matters as the difficulties encountered by drivers in congested areas, problems in gaining accessibility to containers, as well as the safety record of the driver. Employees are not subject to termination for safety violations except in cases where the particular behavior of the employee would independently constitute just cause for termination without regard to the fact that property damage or personal injury has occurred.

Penalties for violations of safety rules shall be as follows:

A. First Accident Review incident with employee and counseling

B. Second Accident Monitor driving habits by supervisor

Page 49 of 70
9/17/2009

riding with employee and up to one day suspension at the Employer’s Option

C. Third Accident

Further intense training and up to two days suspension at the Employer’s option

D. Fourth accident and thereafter

Suspension of up to one week with incremental increases of the same duration up to two (2) weeks for additional accidents at the Employer’s option

E. After fifth accident

Up to thirty day suspension or other discipline as the grievance procedure may determine

The foregoing corrective penalties shall be expunged from the employee’s record twelve (12) months from date of occurrence. Disputes concerning fault for accidents shall be held in abeyance and not proceed through the grievance procedure unless the accident(s) is used by the Company as the basis for a suspension or discharge.

It is understood and agreed that the foregoing penalties shall not be applicable to failures to comply with safety rules that do not result in an accident involving property damage or personal injury. Nor shall these penalties apply to accidents that occur during training, unless the conduct that caused the accident was egregious. Discipline for accidents shall be imposed only where the employee is at fault.

An injury is not an accident.

In addition to the foregoing, the Union recognizes the right of the Employer to continue and to expand or modify the incident program for safe driving currently in existence. The parties are in agreement that employees should be rewarded for exemplary records of safe driving. The parties shall evaluate the results of such programs from time to time, and consult with respect to methods to make them more effective.

Section 3. Incidents. Notwithstanding the above, incidents are events that result in damage due to the typical operational hazards of the job, unless the conduct that caused the incident was egregious. One factor in determining whether the conduct was egregious is the amount of damage done. Incidents include situations where a vehicle and/or equipment come into contact with mailbox posts, basketball hoops, tree limbs, enclosures, containers and carts, etc.

The Company may respond to such incidents by counseling and/or riding with the employee to monitor and correct safety habits in order to lessen their frequency. In the event an employee has more than three incidents within a 12-month period, each additional incident shall be subject to the disciplinary system for misconduct. Discipline for incidents shall be imposed only where the employee is at fault. Accidents and
incidents are not to be combined. Further, an incident may not be the triggering event for discharge under the progressive disciplinary system for misconduct.

Section 4. Life Critical Rules: Any violation of the Life Critical Rules set forth in Appendix A may result in discipline as listed in Appendix A.

ARTICLE 23 COMMERCIAL DRIVER'S LICENSE

Section 1. License Requirements: No employee or applicant for employment shall be required to possess a chauffeur's license unless such license be required by law for the type of work actually performed by the employee. In any such case, a classification of chauffeur's license higher than that imposed by law shall not be required.

The Employer shall pay for the cost of any physical examination required by the employer or applicable law for a driver to continue to operate a vehicle in a classification to which he is then assigned or if required by the Employer, and shall not pay less than two (2) hours for any routine physical examination.

If the employee's license is suspended, the Company shall instruct the employee to report for work with the required license, and upon his failure to do so, the Company will file a grievance for unauthorized absenteeism under Article 14. The grievance panel shall determine the appropriate discipline based upon all the circumstances of the case.

ARTICLE 24 DISCRIMINATION:

Section 1. Union Activities: No employee shall be discharged or discriminated against for Union activities or for upholding Union principles.

Section 2. Non-Disabling Handicap: At no time while this contract is in force shall an Employer discharge, suspend or discipline any employee solely by reason of his having incurred a non-disabling physical handicap, provided a physician mutually agreed upon certifies in writing that he is physically able to perform his duties.

Section 3. Blacklisting: The Employer shall not in any way establish, create or become a party to a blacklist which may have as a purpose, prevention or interference with the obtaining of employment by a member of the Union with any Employer or company.

Section 4. Fair Employment: Neither the Employer, the Union nor any employee hereunder shall discriminate against any employee or applicant for employment because of the person's race, religion, color, national origin, marital status, age, ancestry, physical or mental disability, medical condition (cancer related, as defined in Section 12926 of the California Government Code), gender (except as bona fide occupational qualification), pregnancy (except as bona fide occupational qualification), special disabled veteran or handicap to the extent provided by law, or status as a veteran of the Vietnam War era. The Employer will not pay wages benefits or conditions of employment less than those established by this Agreement.
In this Agreement, reference to the male gender shall include the female gender, and reference to the female gender shall include the male gender.

ARTICLE 25: MAINTENANCE OF STANDARDS

Section 1. The Employer agrees that all conditions of employment in his individual operation relating to wages, hours of work and overtime differentials shall be maintained at not less than the highest standards in effect at the time of the signing of this Agreement, and the conditions of employment shall be improved wherever specific provisions for improvement are made elsewhere in this Agreement. It is agreed that the provisions of this Section shall not apply to inadvertent or bona fide errors made by the Employer or the Union in applying the terms and conditions of this Agreement, if such error is corrected within ninety (90) days from the date of error. Any disagreement between the Local Union and the Employer with respect to the matter shall be subject to the grievance procedure. Notwithstanding anything provided in this paragraph to the contrary, the regular working hours shall be as provided in this Agreement.

This provision does not give the Employer the right to impose or continue wages, hours and working conditions less than those contained in this Agreement.

Section 2. Extra Contract Agreements: The Employer agrees not to enter into any agreement or contract with his employees, individually or collectively, which in any way conflicts with the terms and provisions of this Agreement. Any such agreement shall be null and void.

Section 3. New Equipment: Where new types of equipment and/or operations for which rates of pay are not established by this agreement are put into use within operations covered by this Agreement, rates and starting times governing such operation shall be subject to negotiations between the parties. Rates agreed upon or awarded shall be effective as of the date equipment is put into use.

ARTICLE 26 MANAGEMENT RIGHTS

The Company shall have the exclusive rights to manage the company in a manner that will result in greater profits and fuller utilization of its employees. Such rights will include abilities to plan, to determine services to be tendered, to purchase equipment of its choice, to adjust necessary shifts, to maintain order, to promote employees, to determine whom it shall hire and to create a safe working environment, as well as all normal prerogatives of management. These named rights shall in no way conflict with express provisions of this Agreement.

ARTICLE 27 TRANSFER OF COMPANY TITLE OR INTEREST

Section 1. This Agreement shall be binding upon all parties hereto, their successors, administrators, executors and assigns. In the event the operations covered by this Agreement, in whole or in part, are sold, leased, subcontracted or otherwise assigned by the Employer, a condition of any such transaction shall be that the operation so transferred shall continue to be covered by this Agreement, and that the successor will
agree in writing to recognize the Union, adopt this Agreement, and employ bargaining unit employees to the extent required in accordance with their seniority.

Section 2. In the event the Employer fails to require the purchaser, the transferee or lessee to sign this contract or to otherwise assume the obligations of this contract, the Employer shall be liable to the Union and to the employees covered for all damages sustained as a result of such failure. When the purchaser, transferee or lessee signs this Agreement or otherwise assumes its obligations, the Employer shall be under no further liability to the Union or to the employees by reason of this Article.

ARTICLE 28 DUES CHECK OFF

Upon receipt of a written assignment and authorization signed by a regular employee, on an appropriate legally acceptable form furnished by the Union, the Employer agrees to deduct monthly from the first check of such employee in each calendar month and pay to the Union his regular monthly dues and/or uniform assessments.

Casual pool employees will be required to pay the current Hiring Hall fee for any month in which they work. The Union will provide signed authorizations for each employee in accordance with the above.

Remittance of these monies to the Union shall be made once a month, prior to the fifteenth (15th) day of the calendar month for which such deductions are made, and a list of employees for whom payment is made and their social security numbers shall accompany such payment.

Deductions of dues shall in all cases be made from the first day in each calendar month immediately following the date of signing of such authorization. In the event the dues or uniform assessments were not withdrawn from an employee prior to his going on vacation, the Employer shall remit for the employee such monies as are due and deduct it from his next regular paycheck.

Receipts for dues or uniform assessments paid shall be mailed to the Employer, who will be charged with their proper distribution.

The Union at its option may require that the Company deduct dues on a weekly basis rather than the monthly basis set forth above, provided that the Union must give the Company ninety (90) days' prior notice of its intent and discuss and agree with the Company on a mutually acceptable procedure for accomplishing this intent.

Section 1. Drive: The Employer agrees to deduct from the paycheck of all employees covered by this Agreement voluntary contributions to DRIVE, or alternatively such other Political Action Committee of the Union's designation. Such contributions shall be deducted pursuant to the written authorizations of the contributing employees on a weekly basis for all weeks worked. The phrase "weeks worked" excludes any week other than a week in which the employee earned a wage. The Employer shall transmit to DRIVE National Headquarters or to the Political Action Committee designated by the
Union as the case may be, on a monthly basis in one check the total amount deducted along with the name of each employee on whose behalf a deduction is made, the employee’s social security number and the amount deducted from the employee’s paycheck. Transmittals shall be made to DRIVE until and unless the Union notifies the Employer in writing to discontinue such transmittals and to transmit the deductions instead to the Political Action Committee it designates. The International Brotherhood of Teamsters shall reimburse the Employer annually for the Employer’s actual cost for the expense incurred in administering the weekly payroll deduction plan, except that such reimbursement shall be made by the Union in the event it designates a Political Action Committee to which the transmittals are to be made.

ARTICLE 29 DRUG AND ALCOHOL TESTING

Section 1. Preamble:

The parties have arrived at this Agreement as a means toward compliance with the workplace drug and alcohol testing regulations issued by the U.S. Department of Transportation, as well as for non-DOT reasonable suspicion drug and alcohol testing.

This Agreement shall be the sole governing guideline and apply to drug and alcohol testing as required by DOT Regulations. The standards set by DOT shall be the only ones adopted. In the event that DOT ceases mandated drug and alcohol testing this agreement shall only apply to reasonable suspicion testing which would be applicable to all employees.

Any reference to drug testing shall include alcohol testing unless it is explicitly excluded.

The parties recognize that the procedures set forth herein may be modified if future federal legislation dictates it.

This Article has to be in conformity with Article 14, Grievance Procedure. The sole exception will be that positive tested employees subject to suspension or discharge will be taken off the job.

TABLE OF CONTENTS

Employees Who Must Be Tested 55
Medical Review Officer 55
Substances to Be Tested 56
Types of Testing Required 58
Random Testing 60
Abbreviation Definitions:

ACOEM = American College of Occupational and Environmental Medicine
BAT = Breath Alcohol Technician
BAC = Breath Alcohol Concentration
DHHS = Department of Health and Human Services
DOT = Department of Transportation
EBT = Evidential Breath Testing
MRO = Medical Review Officer
NHTSA = National Highway Traffic Safety Administration
NIDA = National Institute of Drug Abuse
SAP = Substance Abuse Professional
TAP = Teamsters Assistance Program
WMAC = Waste Management of Alameda County

Section 2. Employees Who Must Be Tested:

Waste Management employees who are subjected to drug and alcohol testing under the Department of Transportation (DOT) mandate shall be the only employees required to be tested pursuant to such regulations. In addition, all employees shall be subject to drug and alcohol testing based upon reasonable suspicion.

The company may drug or alcohol test for pre-employment.

Except as otherwise specified, all testing will be at the Employers expense and time spent traveling to the clinic and testing will be paid time.

Section 3: Medical Review Officer

The Medical Review Officer (MRO) will be an independent doctor of osteopathy or licensed physician, who is responsible for receiving laboratory results of urine tests generated by the drug testing program.

The MRO shall be a licensed A.C.O.E.M. physician who has knowledge of substance abuse disorders, and has appropriate medical training and resources to interpret and
evaluate a confirmed positive drug test result utilizing the individual's medical history and other bio-medical information. The MRO should (1) review and interpret positive drug screen results, (2) examine possible medical explanations when a confirmed positive test could have resulted from a legally prescribed or over-the-counter drug, (3) conduct interviews with employees prior to completing a confirmed positive test investigation, (4) maintain a record-keeping system for drug test results.

All urine test results must be sent to the MRO, and positive test results must first be communicated to the employee in accordance with the following before being forwarded to the Employer. The MRO must provide an opportunity for the employee to discuss a positive test result. If the MRO is unable to contact the employee, the MRO shall so advise the designated Manager, who shall instruct the employee to immediately contact the MRO. Should the employee not contact the MRO within five (5) business days after the notification by the MRO, the MRO shall report the laboratory result to the employer. The employer has the ability to place an employee on leave with pay until contact is made and a test result is rendered to the employer. The MRO shall be authorized to request that the original specimen be re-analyzed to determine the accuracy of the reported test result.

If the MRO determines that there is a legitimate medical explanation for a confirmed positive drug test result, the MRO shall report the test result to the Employer as a negative. A second test may be requested as outlined under "Split Sample Procedures."

The employee shall be reimbursed for any lost pay and benefits if taken out of service based upon a positive test result which is negated by the second test.

When a grievance is filed as a result of a positive drug test, the Employer shall obtain from the laboratory its record relating to the drug test. Such information is to be furnished to the Local Union as soon as possible.

Section 4: Substance To Be Tested

Testing of urine specimens shall be performed to detect the presence of five controlled substances.
- Marijuana
- Cocaine
- Phencyclidine (PCP)
- Amphetamines (including methamphetamines)
- Opiates (including heroin)

A. Screening Test:

The initial test uses an immunoassay to determine levels of drugs or drug metabolites. The following initial cutoff levels shall be used when screening specimens to determine whether they are negative for these five drugs or drug classes:

9/17/2009
<table>
<thead>
<tr>
<th>Substance</th>
<th>Initial Test Level (ng/ml)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Marijuana Metabolites</td>
<td>.50</td>
</tr>
<tr>
<td>Cocaine Metabolites (Benzolecgonine)</td>
<td>300</td>
</tr>
<tr>
<td>Opiate Metabolites</td>
<td>*2,000</td>
</tr>
<tr>
<td>Codeine, Morphine &amp; 6-acetylmorphine (6-AM)</td>
<td></td>
</tr>
<tr>
<td>Phencyclidine</td>
<td>25</td>
</tr>
<tr>
<td>Amphetamines</td>
<td>1,000</td>
</tr>
</tbody>
</table>

*25 ng/ml is immunoassay specific for free morphine. Quantitative values for morphine or codeine at 15,000 ng/mL or above must be reported.

Alcohol testing will be performed on an evidential breath testing (EBT) device approved by National Highway Traffic Safety Administration (NHTSA) and conducted by a breath alcohol technician (BAT).

Any test result of less than .02 alcohol concentration will be considered a negative. Any level of .02 concentration or greater requires a confirmation test.

These substances and test levels are subject to change by the Department of Health and Human Services as advances in technology or other considerations warrant.

B. Confirmatory Test:
All urine specimens identified as positive on the initial test shall be confirmed using gas chromatography/mass spectrometry (GC/MS) techniques at the cutoff values listed.

Confirmation test for alcohol is to be conducted by a BAT using an EBT that points out the results, date and time, a sequential test number and the serial number of the EBT. There must be a fifteen (15) minute deprivation period between the initial test and the confirmation test and no more than twenty (20) minutes.

The following cutoff levels shall be used to confirm the presence of drugs or drug metabolites:
<table>
<thead>
<tr>
<th>Substance</th>
<th>Confirmatory Test Level (ng/ml)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Marijuana Metabolite</td>
<td></td>
</tr>
<tr>
<td>Delta-9-Tetrahydrocannabinol-9-carboxylic acid (THC)</td>
<td>15</td>
</tr>
<tr>
<td>Cocaine Metabolite (Benzoylecgonine)</td>
<td>150</td>
</tr>
<tr>
<td>Opiates:</td>
<td></td>
</tr>
<tr>
<td>Morphine</td>
<td>2,000</td>
</tr>
<tr>
<td>Codeine</td>
<td>2,000</td>
</tr>
<tr>
<td>6-acetylmorphine (6-AM)</td>
<td>*10</td>
</tr>
<tr>
<td>Phencyclidine</td>
<td>25</td>
</tr>
<tr>
<td>Amphetamines:</td>
<td></td>
</tr>
<tr>
<td>Amphetamine</td>
<td>500</td>
</tr>
<tr>
<td>Methamphetamine</td>
<td>**500</td>
</tr>
</tbody>
</table>

* Test for 6-AM in the specimen. Conduct this test only when specimen contains morphine at a concentration greater than or equal to 2000 ng/mL.

** Specimen must also contain amphetamine at a concentration greater than or equal to 200 ng/mL.

If the confirmation test is negative, the sample will be considered to have passed and no further action will be taken.

The laboratory used for drug screen and confirmation testing will be certified by the Department of Health and Human Services (DHHS).

Section 5. Types of Testing Required

Testing procedures will be performed as part of pre-employment practices, after defined DOT reportable accidents, on the basis of reasonable suspicion, unannounced testing pursuant to DOT regulations or the Parties return to work agreement, and under DOT mandated random testing. Any employee refusing to submit to testing will be regarded as having tested positive for both alcohol and drugs. The refusal will be regarded as being at the highest level identified in this Article and also subject to the ramifications of this Article.

A. Pre-Employment Testing:

Controlled substance and/or alcohol testing may be part of Waste Management’s
pre-qualification conditions for employment.

Employment candidates will be advised that pre-employment testing will be conducted to determine the presence of controlled substances and/or alcohol.

B. Reasonable Suspicion Testing:

Upon reasonable suspicion, WMAC will require an employee to be tested for the use of controlled substances or alcohol.

Reasonable suspicion is defined as an employee’s observable action, appearance, conduct, speech and breath odor that clearly indicates the need for a fitness-for-duty medical evaluation.

The employee’s conduct must be witnessed by at least two (2) supervisors, if available, but no less than one (1). The witness(es) must have received training from the Teamsters Assistance Program (T.A.P.) in observing a person’s behavior to determine if a medical evaluation is required. When the supervisor confronts an employee suspected of being under the influence, a shop steward should be made available if requested. If no steward is present, the employee may select another hourly paid employee to represent him.

Documentation of the employee’s conduct shall be prepared and signed by the witness(es) within 24 hours of the observed behavior. A copy will be sent to the local union as soon as possible if disciplinary action is taken by the company and grieved by the Union.

In the case of reasonable suspicion testing, it is Waste Management’s responsibility to ensure that the employee is transported as soon as possible to a collection site with a bargaining unit employee if the steward is not available.

At the time the urine specimen is collected, the employee may opt to also give a blood sample which must be given within 30 minutes of the urine sample. If the employee takes this option, the blood sample must confirm positive presence for the substance confirmed in the urine test. If no positive is confirmed in the blood specimen, the employee will be given a warning letter and offered an opportunity for rehabilitation if necessary. All costs associated with such blood specimens shall be paid by the employee if such sample tests positive. An employee testing positive will be subject to discharge.

If the DOT ceases its mandate of drug/alcohol testing, reasonable suspicion testing as provided herein will remain intact and enforceable.

C. Post-Accident Testing:

Following a reportable accident, the employee will be required to submit to drug and alcohol testing, as required under Federal DOT regulations, if there is: 1) a fatality, 2) the employee receives a citation for a moving traffic violation and
there is injury that requires treatment away from the scene of the accident, 3) the
employee receives a citation for a moving traffic violation and any vehicle
involved in the accident must be towed from the scene of the accident. Alcohol
testing will be required after accidents under the above conditions and the
employees are required to submit to such testing as soon as possible, but no later
than eight (8) hours following the accident. Drug testing will be required after
accidents under the above conditions and drivers are required to submit to such
testing as soon as possible, but no later than thirty-two (32) hours. Employees
testing positive will be subject to discharge.

D. Non-DOT-Reasonable Suspicion:

In the event an employee (not covered by DOT) is tested based upon reasonable
suspicion, such test will be performed under the same procedures as outlined
above.

A positive test result shall be considered a dischargeable offense.

Section 6. Random Testing

The procedures used to randomly select employees for drug testing will be in compliance
with the Department of Transportation Regulations.

Employees selected for DOT mandated random drug and alcohol testing, will be notified
of testing in person or by telephone. Testing must be conducted just before, during or
after an employee's work day. Testing dates and times are unannounced.

For random drug testing, effective January 1, 1995, the amounts of testing per year must
equal at least 50% of all subjected employees.

For random alcohol testing the amounts of testing per year must equal at least 25% of all
subjected employees.

Unannounced drug and alcohol testing of employees will be computer generated by the
Employer's third party consortium. The procedure for selection may be reviewed by the
Local Union upon request.

Section 7. Positive Test Results From Random Testing

A. Drugs:

Employees who have tested positive in a random DOT drug test will have a
maximum of fifteen (15) calendar days to enroll and receive treatment in the
Teamsters' Assistance Program or another qualified drug assistance program a
greed to by the Employer and the Union. Waste Management, Inc. will follow the
guidance of the Substance Abuse professional on follow-up testing as part of
rehabilitative after-care protocol. DOT mandated unannounced testing will be
computer generated. Should an employee that has been found to have a positive test refuse to enroll and complete a drug assistance program, that employee will be subject to discharge.

Approved Aftercare program's will be followed and completed by the employee. The Parties will develop a return-to-work agreement.

It is the intent and expectations of the parties to this agreement that TAP or other drug/alcohol program to which referral is made will normally and routinely recommend, providing that funding is available, thirty day residence treatment in the absence of special and exceptional circumstances that justify less extensive treatment.

A "return to work" agreement shall be entered into, by the Company and the Union as well as the involved employee following the latter’s completion of rehabilitation treatment. The “return to work” agreement may provide for additional testing in accordance with, but not beyond, the requirements of DOT regulations. No discipline may be imposed by the Company as to testing requirements under the “return to work” agreement applicable to the time period following 12 months of its execution. Nothing herein, however, shall prohibit discipline provided for or allowed by the Company's drug and alcohol policies as contained in this agreement that are not related to the “return to work” agreement.

Employees who have tested positive a second time within five (5) years of the first positive test will be subject to discharge. After the five year period employees will be granted further leaves of absence as described under “Rehabilitation and Testing After Returning to Duty.”

B. Alcohol:

1. Pre-Shift Testing:
   First Positive Test
   .02 to .0399 BAC—out of service for twenty-four (24) hours and written warning.
   .04 to .0799 BAC—three day suspension and SAP counseling.
   .08 BAC and higher—subject to discharge.
   
   Second Positive Test
   .02 to .0399 BAC—three day suspension and SAP counseling.
   .04 BAC and higher—subject to discharge.
Third Positive Test

.02 BAC and higher—subject to discharge.

2. Testing During and After Shift:
   First Positive Test

   .02 to .0399 BAC—three day suspension and SAP counseling.

   .04 BAC and higher—subject to discharge.

Second Positive Test

   .02 to .0399 BAC—ten-day suspension and SAP counseling.

   .04 BAC and higher—subject to discharge.

Third Positive Test

   .02 BAC and higher—subject to discharge.

Pre-shift testing and testing during and after shift shall be combined for progressive discipline purposes.

Progressive discipline for positive alcohol random results will be in conformity to the twelve (12) month time limitations outlined in Article 14.

Section 8. Rehabilitation and Testing After Returning to Duty

Employees who have tested positive and are subjected to a rehabilitation program will have a maximum of fifteen (15) calendar days to enroll and receive treatment in TAP. A leave of absence for the prescribed length for such treatment shall be granted but will be limited to two (2) leaves of absence. Should an employee refuse to enroll and complete a drug/alcohol assistance program, after it was deemed necessary by a SAP, that employee will be subject to discharge. In addition, any employee may voluntarily enter an assistance program prior to commission of a drug/alcohol related offense.

The length of aftercare programs will be determined by the negotiating parties to this agreement and may include unannounced testing. The number of unannounced testings shall not exceed the numbers determined by DOT. The employee shall comply with the prescribed after care program and the parties return to work agreement.

After such a leave, further evidence of drug or alcohol abuse will be grounds for termination. While on such leave, and for the first month only, the employee shall accrue those benefits provided employees who are unavailable for work due to injury or illness occurring on the job, i.e., pension, health and welfare, vacation, holidays and sick leave (integrated with SDI where appropriate). Funeral leave and jury duty shall not be
payable. No benefits shall be accrued during any extension though the employee may pay for his own health and welfare coverage under Article 11, Section 5

Section 9. Preparation For Urine Drug Testing

WMAC, in conjunction with it's sample collection clinic, and its laboratories shall develop a clear, well documented procedure for collecting, shipping and keeping records, for urine specimens.

A. Prerequisites:
Upon arrival at the collection site, an employee must provide the collection agent with:

- Photo identification.
- An authorization form for urinalysis drug screening.

Each collection site will have a supply of forms.

If the employee arrives without the above-listed items, the collection agent should contact company representative.

B. Control Procedures:

The collection agent verifies the identity of the employee.

The employee signs the consent form and the collection agent signs as a witness.

A standard DOT-approved urine custody and control form will be supplied by the appropriate laboratory. This form must be used by all collection facilities.

The employee enters his or her social security number in the space labeled "Employee I.D. No. or Social Security No." After the donor dates and initials the custody and control form, the collection agent will sign in the space provided.

- The collection agent insures that the form contains the Employer name and address.
- The collection agent ensures that the form contains the Medical Review Officer name and address.
- The collection agent specifies which drugs the specimen is to be tested for by checking the appropriate box.
- The collection agent specifies the reason for testing by checking the appropriate box.
- The collection agent will be provided with a copy of this Agreement.
Upon completion of sample collection a copy of the chain of custody from is sent to the MRO.

C. Collection Procedures:

No unauthorized personnel will be allowed in any area of the collection site. Only one controlled substances testing collection procedure will be conducted at a time and the specimens can only be handled by the collection site person.

The employee being tested should remove any outer garments, such as coats, jackets, hats or scarves, and should leave any personal belongings (purse or briefcase) with the collection agent. If the employee requests it, the collection agent shall provide the employee a receipt for his or her belongings. The employee may retain his or her wallet.

The employee shall remain in the presence of the collection agent and shall not have access to any water fountain, faucet, soap dispenser, cleaning agent or other materials which could be used to adulterate the specimen.

The collection agent provides the employee with a new unused collection cup after random selection of the sealed kit.

The employee will provide his or her specimen in a stall or otherwise partitioned area that allows for privacy.

The employee shall hand the specimen to the collection agent. The specimen shall remain in the sight of both the collection agent and the employee at all times. The collection agent then shall determine that the container contains at least forty-five (45) milliliters of urine. If the individual is unable to provide forty-five (45) milliliters of urine, the collection agent shall direct the individual to drink fluids and, after a reasonable time, not to exceed two (2) hours, again attempt to provide a complete sample using a fresh specimen container. The original specimen shall be discarded.

Employee being tested is allowed up to three (3) hours to produce a specimen of sufficient volume (45 ml). During the three (3) hour period, the individual is allowed to consume not more than forty (40) ounces of fluid. The three (3) hour rule starts when the individual informs the collection site person that he/she is unable to provide a specimen.

If after the three (3) hour period, the individual is still unable to produce a specimen of sufficient volume, the testing shall be discontinued and the Employer shall be so notified. The Employer shall then refer the individual for medical evaluation to determine whether or not the inability to produce a sample is due to a genuine medical problem or if it constitutes a refusal to test.

Procedures for urine collection will follow DOT guidelines to ensure an individual's privacy. A collection agent who has reason to believe that a
specimen has been adulterated, which includes conduct clearly and unequivocally indicating an attempt to substitute or adulterate the sample, e.g. abnormal urine color or urine temperature outside the acceptable range, will require the employee to provide another specimen under direct observation by a same gender collection agent. The entire procedure should be repeated including initiation of a new chain-of-custody form and separate packaging for shipping.

The collection agent shall document any unusual behavior or appearance on the urine custody-and-control form.

Specimen handling (from one authorized individual or place to another) will always be conducted using chain-of-custody procedures. Every effort must be made to minimize the number of people handling specimens.

D. Split Sample Procedure:

There will be a split sample procedure utilized. When a test kit is received by a laboratory, a thirty (30) ml sealed urine specimen bottle shall be removed immediately for testing. The shipping container with the remaining sealed bottle shall be immediately placed in secure storage.

The employee's urine specimen will be poured into two (2) containers in the presence of the employee. One (1) container must be filled with no less than thirty (30) ml of urine. Urine in excess of the first thirty (30) ml shall be placed in the second container. Both shall be sealed and then forwarded to a DHHS approved laboratory for testing. If an employee is told that the first sample tested positive, the employee may, within seventy-two (72) hours of receipt of actual notice, request that the urine specimen in the second container be forwarded by the first laboratory to another independent and unrelated, DHHS approved laboratory of the parties' choice for GCMS confirmatory testing of the presence of the drug. All costs associated with the second test shall be paid by the employee. Disciplinary action can only take place after the second laboratory confirms the presence of the drug. However, the employee may be taken out of service once the first laboratory reports a positive finding while the second test is being performed. If the second laboratory report is negative, the employee will be reimbursed for all lost time.

E. Specimens Shipping Preparations:

After measuring temperature and visibly inspecting the urine specimen, the collection agent should tighten and seal the specimen shipping container.

The collection agent places a security label (initialed and dated by the employee) over the bottle cap, overlapping the bottle sides.

The collection agent places the urine specimen in the sealable pocket of the specimen bag and then seals the bag.
The collection agent places the sealed specimen bag in the shipping box and seals the box with the tape provided.

The employee receives a copy of the urine custody and control form.

The company will use United Parcel Service or Airborne for transportation of specimens whenever possible.

ARTICLE 30   GENERAL SAVINGS CLAUSE

Section 1. Any provision of this Agreement between Waste Management of Alameda County and the Brotherhood of Teamsters, Local No. 70, adjudged to be unlawful by a final decision of a Tribunal or a Court of competent jurisdiction, shall be treated for all purposes as null and void; but all other provisions shall continue in full force and effect, except as provided hereinafter in this covenant. Both parties agree that in the event any provisions are rendered inoperative by the foregoing processes, the same is to be immediately re-negotiated so as to remove objectionable features.

Section 2. If any portion of the wage increases or fringe benefit improvements agreed upon by the parties, may not be put into effect because of applicable legislation, Executive Orders or Regulations dealing with Wage and Price Stabilization, then such wage increases or improved fringe benefits, or any part thereof, including any retroactive requirement thereof, shall become effective at such time, in such amounts, and for such periods, retroactively and prospectively, as will be permitted by law at anytime during the life of this Agreement and any extension thereof. This shall be applicable upon expiration, termination or relaxation of controls, or upon specific approval granted in a any applications made by the parties to the Secretary of the Treasury of the Cost of Living Council.

ARTICLE 31   TERM OF AGREEMENT

This Agreement shall be in full force and effect from July 1, 2007 to and including June 30, 2017 and shall continue from year to year thereafter, unless written notice of desire to cancel or terminate the Agreement is served by either party upon the other at least sixty (60) days prior to the date of expiration.

In the event of an inadvertent failure by either party to give the notice set forth in this Article, such party may give such notice at any time prior to the termination or automatic renewal of this Agreement. If a notice is given in accordance with the provisions of this section, the expiration date of this Agreement shall be the sixty-first (61st) day following such notice.

At the Union's option this Agreement may be extended at five year intervals subject to ratification of the membership and agreement of the Company.
9/17/2009

IN WITNESS WHEREOF, we have set our hands and seals this _____ day of ____________, 2009.

FOR THE UNION:

TEAMSTERS LOCAL 70

[Signature]

FOR THE COMPANY:

[Signature]

SUBJECT TO MEMBERSHIP RATIFICATION
APPENDIX A - LIFE CRITICAL RULES

Any violation of the Life Critical Rules may result in discipline as listed below, irrespective of whether property damage or personal injury is involved.

1. First offense within 12-month period – three day suspension in accordance with the grievance procedure.

2. Second offense within 12-month period – two week suspension in accordance with the grievance procedure.

3. Third offense within 12-month period – the driver may be discharged in accordance with the grievance procedure. In determining whether discharge is appropriate, the Employer shall take into consideration the driver’s tenure and safety record as well as the type of equipment being operated.

LIFE CRITICAL RULES

1. Backing a vehicle with someone on the riding step: Never drive in reverse unless all helpers are visible and no helpers are on the riding step(s).

2. Safely securing the vehicle: Never climb in, on or under a vehicle without safely securing the vehicle. This includes walking or placing any part of your body under a raised tailgate, body or hoist.

3. Seat Belt: Seat belts are required and are to be used for every passenger in the truck. Drivers are not to leave the yard without a seat equipped with a seat belt for everyone in the truck. Drivers are to use seat belts when traveling to and from disposal sites and to and from the route.

4. Tipping Floor Policy: A helper is not permitted out of the cab in the Tipping Area. Only the driver can exit the truck in the work zone.

5. Parking Brake Operation: Drivers operating WM Vehicles must apply the parking brakes when parking.

6. Backing a dual drive vehicle from the right side: Never back without motorized mirrors, rear camera and swivel mounted monitor, if equipped with same.

7. Exceeding the speed limit posted or set by policy for the following:
   a. School Zone. Drivers must observe the posted speed limit in school zones as required by law.
   b. Riding Step. Do not allow personnel to ride outside of the cab if the truck is traveling over 10 mph/16 km/h or traveling farther than 2/10th of a mile/1/4 kilometer (approximately two city blocks).
c. Stand-Up Right-Side Driving. When in the stand-up right-side drive position, never operate the truck over 25 mph/30 kph and never travel greater than 0.25 of a mile or 0.40 of a kilometer between stops.

8. Zigzagging: Zigzagging is operating the vehicle back and forth or side to side against the flow of traffic. Zigzagging is permitted when it is approved in advance. The Employer will maintain a list of exemptions. Exemptions shall be noted on route books.

9. Double Siding: Double siding is not an alternative to zigzagging. Double siding is permitted, however, when it is approved in advance. The Employer will maintain a list of exemptions. Exemptions shall be noted on route books.

10. Modifying or Disabling Safety Devices: It is prohibited to change, disable, disconnect or modify safety equipment. Manufacturer's approval must be obtained before any changes are made in the use or design of the equipment. Authorized and specially trained technicians must perform the work.

APPENDIX B

WAGE EQUALIZATION

From July 29, 2007 through July 1, 2011, all bargaining unit employees shall receive a minimum wage increase of 3.4%. The first such increase shall be effective July 29, 2007 and thereafter on July 1, through July 1, 2011. For some classifications and employees, wages will be further adjusted as set forth in Appendix B for the purpose of equalizing wages.

The July 29, 2007 rates above represent both wage rate increases and a cost-of-living adjustment, and further represent the parties' attempts to equalize the Driver, Automated Driver, Recycle Driver/Helper, Helper and Utility Sweeper wage rates over the life of this collective bargaining agreement. To accomplish this objective, in the first year, the Casual/New Hire rate moves to $21.20 per hour. The Driver, Utility A&B and Operator classification shall receive a $1.45 per hour total increase. The total increases for the Automated Driver, Recycle Driver/Helper, Helper and Utility Sweeper classifications vary due to the attempt to equalize those rates over the life of the contract, with current Automated Drivers temporarily red-circled at $28.25 per hour.

Effective July 1, 2008, all classifications with the exception of Automated Driver, Recycle Driver, and Helper classifications shall receive a cost of living adjustment pursuant to terms of the cost of living provision in the parties' agreement, and then adjusted further by $0.50 per hour as part of the parties' effort to equalize wage rates. The Automated Driver classification shall be increased in accordance with the cost of living provision in the parties' agreement, less $0.40 per hour, as part of the effort to equalize wage rates. The Recycle Driver classification shall be increased in accordance with the cost of living provision in the parties' agreement, and then adjusted further by
$1.00 per hour, again as part of the effort to equalize wage rates. The Helper classifications shall be increased to equal the Driver rate. For all classifications, unless otherwise specified, in no case shall the annual cost of living percentage increase be less than 3.4%.

Effective July 1, 2009, all classifications with the exception of Automated Driver and Recycle Driver shall receive a cost of living adjustment pursuant to terms of the cost of living provision in the parties' agreement. The Automated Driver classification shall be increased in accordance with the cost of living provision in the parties' agreement, less $0.50 per hour, as part of the effort to equalize wage rates. The Recycle Driver classification shall be increased in accordance with the cost of living provision in the parties' agreement, and then adjusted further by $1.00 per hour, again as part of the effort to equalize wage rates. For all classifications, unless otherwise specified, in no case shall the annual cost of living percentage increase be less than 3.4%.

Effective July 1, 2010, all classifications with the exception of Automated Driver and Recycle Driver shall receive a cost of living adjustment pursuant to terms of the cost of living provision in the parties' agreement. The Automated Driver classification shall be increased in accordance with the cost of living provision in the parties' agreement, less $0.20 per hour, as part of the effort to equalize wage rates. The Recycle Driver classification shall be increased in accordance with the cost of living provision in the parties' agreement, and then adjusted further by $1.10 per hour, again as part of the effort to equalize wage rates. For all classifications, unless otherwise specified, in no case shall the annual cost of living percentage increase be less than 3.4%.

Effective July 1, 2011, all classifications shall receive a cost of living adjustment pursuant to the terms of the cost of living provision in the parties' agreement, but in no case shall the annual cost of living percentage increase be less than 3.4%.

Beginning July 1, 2012 until July 1, 2016, the applicable CPI rate will be 2.7%. If the consumer price index provided for in the exceeds 2.7%, then the rates referenced herein shall be increased accordingly.
INTERNATIONAL BROTHERHOOD OF TEAMSTERS UNION LOCAL 70 AND
WASTE MANAGEMENT OF ALAMEDA COUNTY, INC

LETTER OF UNDERSTANDING

Waste Management of Alameda County, Inc. ("the Company") and the International Brotherhood of Teamsters Union Local 70 ("the Union") (collectively, "the Parties") are parties to a collective bargaining agreement set to expire on June 30, 2012. The Parties desire to modify that agreement, specifically the provision regarding health and welfare contained in Article 11 and Appendix C.

The Parties have agreed to modify their collective bargaining agreement to eliminate the accrual of any health insurance "bank" and to require the Company to pay the full cost of employee health and welfare under the collective bargaining agreement until that Agreement's expiration, unless otherwise negotiated by the parties. This letter of Understanding shall supersede those portions of the Parties' original term sheet executed on July 29, 2007 relating to health and welfare and the health insurance "bank". The Parties have agreed to modify the language contained in the Parties' collective bargaining Agreement at Article 11, Section 6 and the "Addendum Regarding the Operation of the Health and Welfare Bank" at Appendix C so as to eliminate the bank and the required 12% contributions and to substitute an agreement that the Employer pay the full cost of employee health and welfare insurance.

The Parties agree, however, that monies have accrued in the bank that was established in July 2007 in accordance with the Parties' term sheet. Since July 29, 2007 and as of July 31, 2009, certain sums have accrued in the bank. The Company agrees that upon execution of this letter and ratification of the modified Agreement by the membership, the Bank shall be terminated and the Company shall pay $1,554,961.00 ("Funds") as lawfully directed by the Union. No interest shall accrue on the Funds from July 31, 2009, through the date the Funds are distributed as directed by the Union. The Union will provide counsel and agrees to indemnify and hold the Employer harmless from all claims, demands, suits or other forms of liability that may arise against the Employer on account of payment of the Funds.

Executed this 21st day of August 2009, in Oakland, California.

[Signatures]

WASTE MANAGEMENT OF ALAMEDA COUNTY, INC.

[Signature]

INTERNATIONAL BROTHERHOOD OF TEAMSTERS UNION LOCAL 70

[Signature]
LETTER OF UNDERSTANDING

In the event that either Recology, Inc. f/k/a Norcal ("Norcal") or Republic Services, Inc. ("Republic"), including any former Allied Waste facilities continuing to operate following the merger of Republic Services and Allied Waste, bids on the waste franchise for the City of Oakland, the Union agrees that it will not offer or agree to economic terms with either Norcal or Republic that are more favorable than those contained in the collective bargaining agreement in effect between Waste Management of Alameda County, Inc. ("Waste Management") and Teamsters Local 70 at the time that bids are submitted. In the event the Union agrees to more favorable economic terms with either Norcal or Republic, Waste Management will be entitled to utilize those same economic terms in bidding for the Oakland franchise. For purposes of this letter of understanding, "economic terms" includes wages, health & welfare contributions, pension contributions and vacation pay. This agreement shall not apply in the event the City of Oakland establishes a prevailing wage for garbage and waste collection as a part of any franchise agreement.

Executed on this 31st day of August 2009, in Oakland, California

[Signature]
WASTE MANAGEMENT OF ALAMEDA COUNTY, INC.

[Signature]
TEAMSTERS LOCAL 70
INTERNATIONAL BROTHERHOOD OF TEAMSTERS UNION LOCAL 70 AND
WASTE MANAGEMENT OF ALAMEDA COUNTY, INC

LETTER OF UNDERSTANDING

Waste Management of Alameda County, Inc. ("the Company") and the International Brotherhood of Teamsters Union Local 70 ("the Union") (collectively, "the Parties") are parties to a collective bargaining agreement set to expire on June 30, 2017. The Parties have agreed that a new system of break-in rates will take effect on September 30, 2009. All bargaining unit members hired on or after September 30, 2009 shall be subject to the break-in rates set forth in Article 6.1 and the corresponding seniority provisions set forth in Article 5.1 of the Parties’ CBA.

Pursuant to this Letter of Understanding, nine applicant and/or newly-hired bargaining unit members will be subject to the following contractual seniority and contractual break-in provisions. These nine employees referenced below, provided the applicant(s) are hired within two (2) years of the date of this Letter of Understanding, shall attain seniority following the third (3rd) calendar month of employment. Upon obtaining seniority, his seniority date shall be his first day of employment and the individual shall be considered a regular employee. Additionally, these employees shall receive 80% of the then-applicable driver rate for the first six months of their employment. Upon completion of six months of employment, these employees shall be paid 100% of the then-applicable driver rate. The names of the employees are as follows:

- Juan Diaz
- Eric Bridges
- Anthony Capra
- Chris Perry
- Randy Null
- Jonathan Neves
- Phillip Elizalde
- Jacob Cervantes
- Robert Moore

Executed this 31st day of August 2009, in Oakland, California.

[Signature]

WASTE MANAGEMENT OF
ALAMEDA COUNTY, INC.

[Signature]

INTERNATIONAL BROTHERHOOD OF
TEAMSTERS UNION LOCAL 70
WASTE MANAGEMENT OF ALAMEDA COUNTY

and

MACHINISTS AUTOMOTIVE TRADES DISTRICT
LODGE NO. 190 OF NORTHERN CALIFORNIA

International Association Of Machinists And Aerospace Workers

EAST BAY AUTOMOTIVE MACHINISTS LOCAL 1546

JULY 1, 2012 – JUNE 30, 2018
# TABLE OF CONTENTS

<table>
<thead>
<tr>
<th>SECTION</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>SECTION 1. WORK JURISDICTION AND UNION SECURITY</td>
<td>1</td>
</tr>
<tr>
<td>SECTION 2. SCOPE OF MANAGEMENT RIGHTS</td>
<td>3</td>
</tr>
<tr>
<td>SECTION 3. EQUAL EMPLOYMENT</td>
<td>3</td>
</tr>
<tr>
<td>SECTION 4. ASSIGNABILITY CLAUSE</td>
<td>4</td>
</tr>
<tr>
<td>SECTION 5. SENIORITY</td>
<td>4</td>
</tr>
<tr>
<td>SECTION 6. DISCHARGE OF EMPLOYEES</td>
<td>5</td>
</tr>
<tr>
<td>SECTION 7. LEAVE OF ABSENCE</td>
<td>5</td>
</tr>
<tr>
<td>SECTION 8. STRIKES AND PICKET LINES</td>
<td>6</td>
</tr>
<tr>
<td>SECTION 9. PERSONS PROHIBITED AND CONTRACT WORK</td>
<td>6</td>
</tr>
<tr>
<td>SECTION 10. GENERAL PROVISIONS</td>
<td>7</td>
</tr>
<tr>
<td>SECTION 11. VACATIONS</td>
<td>9</td>
</tr>
<tr>
<td>SECTION 12. HOLIDAYS</td>
<td>10</td>
</tr>
<tr>
<td>SECTION 13. FUNERAL LEAVE</td>
<td>11</td>
</tr>
<tr>
<td>SECTION 14. JURY DUTY</td>
<td>11</td>
</tr>
<tr>
<td>SECTION 15. SICK LEAVE</td>
<td>12</td>
</tr>
<tr>
<td>SECTION 16. GRIEVANCE PROCEDURE AND ARBITRATION</td>
<td>12</td>
</tr>
<tr>
<td>SECTION 17. GUARANTEED WORKWEEK AND HOURS</td>
<td>13</td>
</tr>
<tr>
<td>SECTION 18. OVERTIME</td>
<td>15</td>
</tr>
<tr>
<td>SECTION 19. EMERGENCY CALL BACK TIME</td>
<td>15</td>
</tr>
<tr>
<td>SECTION 20. MINIMUM HOURLY WAGE GUARANTEE</td>
<td>16</td>
</tr>
<tr>
<td>SECTION 21. APPRENTICESHIP</td>
<td>17</td>
</tr>
<tr>
<td>SECTION 22. WORKING FOREMEN</td>
<td>19</td>
</tr>
</tbody>
</table>
WASTE MANAGEMENT OF ALAMEDA COUNTY

and

MACHINISTS AUTOMOTIVE TRADES DISTRICT LODGE NO. 190
OF NORTHERN CALIFORNIA

International Association of Machinists and Aerospace Workers

THIS AGREEMENT between WASTE MANAGEMENT OF ALAMEDA COUNTY and the MACHINISTS AUTOMOTIVE TRADES DISTRICT LODGE NO. 190 OF NORTHERN CALIFORNIA, International Association of Machinists and Aerospace Workers, is made and entered into this 1st day of July, 2012. The parties agree as follows:

SECTION 1. WORK JURISDICTION AND UNION SECURITY

1.1 The Employer hereby recognizes the Union as the collective bargaining representative for all employees of Waste Management of Alameda County who are working or may perform work at the following Waste Management of Alameda County facilities: 98th Avenue, Altamont Landfill, Davis Street Transfer Station, and Tri-Cities Recycling & Disposal. This agreement applies to the work being performed at these facilities even if the facility or work is moved within Alameda County or the facility name is altered or changed.

1.2 Work Jurisdiction of Machinists Automotive Trades District Lodge No. 190 of Northern California: This Union has jurisdiction over all of the following classifications: Journeyman Heavy Equipment Mechanic, Heavy Equipment Utility Person, Journeyman Trailer Technician, Parts Person, Journeyman Compactor Repair Person, Journeyman Truck Technician, Journeyman Plant Maintenance Technician, Plant Maintenance Technician, Journeyman Site Maintenance Technician, Journeyman Electrical Technician, Journeyman Truck Welder/Fabricator Technician, Welder - Container Technician, MRF Utility, Utility/Fueler/General Cleanup Person, Painter, any work described in the job descriptions located in Addendum A or being performed by the above classifications, and any additional classifications that the parties agree to add during the duration of the contract.

1.3 Notwithstanding any other provision of this Agreement, the Company and the Union agree as follows: The Company shall have the right to perform container, drop box and/or compactor repair at any of its outlying facilities. In addition, the Company shall have the right without limitation to subcontract the work of painting containers, drop boxes and/or compactors assigned to outlying facilities.

Exceptions to the painting of containers, drop boxes and/or compactors for non-outlying facilities will be for retrofit of the paint facilities or when environmental standards present a financial burden for the Company to bring the paint booth to environmental compliance. Any employees who are displaced will be relocated to another position without loss of pay.
On breakdowns of equipment, the Company will send mechanical shop employees to perform the necessary repairs or make adjustments in accordance with past practice.

1.4 Only members in good standing in the Union shall be retained in employment. For the purpose of this Section “members in good standing” shall be defined to mean employees in the Union who tender the periodic dues and initiation fee uniformly required as a condition of acquiring or retaining membership. Non-members of the Union hired by the Employer must complete membership affiliation on or immediately following the thirtieth (30th) day of employment and the Union agrees to accept said non-members into membership on the same terms and conditions generally applicable to other members. Upon written notice from the Union of failure on the part of any individual to complete membership in the Union as above required, or of failure to tender periodic dues to the Union, the Employer shall, within seven (7) days of notice, discharge said employee.

1.5 Dues Check-off: At the option of the Union, the Employer agrees to deduct monthly from the wages of each employee covered by this agreement, uniform initiation fees and periodic dues owing to the Union as a result of membership therein, upon the individual written authorization for such deductions. Such authorizations shall comply with the provisions of Section 302 of the Labor-Management Relations Act of 1947, as amended and shall be deposited with and held by the Employer.

Deductions shall be made from the employee’s first paycheck of each month and shall be remitted to the Financial Secretary of the Union not later than the 25th day of the month in which the deduction occurs.

The Union agrees to indemnify and hold harmless the Employer from any and all claims by reason of deductions made and remitted to the Union in accordance with authorizations and monthly statements.

1.6 The Employer agrees that when a new employee is hired, the employee shall immediately report to the Union for the purpose of informing the Union that he has been hired and intends to assume employment. To implement this procedure, the Employer shall provide the necessary form, as provided by the Union, to the new employee for submission to the Union. The Union agrees to furnish each person so reporting with written evidence to be filed by such employee with the Employer and the shop steward.

1.7 When the Employer needs additional employees, he shall give the Union equal opportunity with all other sources to refer suitable applicants for employment; but the Employer shall not be required to hire those referred by the Union or any other particular source.

1.8 If there are technological changes in the industry that would result in major changes in work in the shop, the Company and the Union will discuss the impact of such changes.
SECTION 2. SCOPE OF MANAGEMENT RIGHTS

2.1 Except as specifically abridged, delegated, granted, or modified by this agreement, it is agreed that nothing in this agreement shall limit the Company in the exercise of its function of management, such as the right to direct the working force, to hire, to promote, transfer, discipline, suspend or discharge for cause, to lay off employees for lack of work, to require employees to observe Company rules and regulations, to decide the number and location of its plants, products to be manufactured or purchased, the methods and schedules of production, including the means and processing of manufacturing and subcontracting work, provided that nothing herein shall be construed as authorizing violation of this agreement.

2.2 It is expressly agreed and understood, however, that the provisions of this Section shall not be so construed as to deprive the Union of its right to submit to the grievance procedure provided in Section 16 hereof, any dispute with reference to order of layoff, suspension or discharge, promotion or transfer of employees within the bargaining unit.

2.3 The Employer shall notify the Union in writing of the reason for the discharge of any regular employee and when practical, such notification shall be made within twenty-four (24) hours. However, the right to discharge is in no way contingent upon such notification.

SECTION 3. EQUAL EMPLOYMENT

3.1 The Company and the Union subscribe to the principle of equal employment opportunity. Accordingly, neither the Company nor the Union shall discriminate, nor cause, nor attempt to cause, the other to discriminate, harass or retaliate against any individual with respect to such individual’s compensation, terms, conditions or privileges of employment in violation of any applicable State or Federal law; provided, however, that the above prohibitions with respect to age are limited in accordance with Federal law, State law or other governmental regulations.

3.2 The Company and the Union agree that the intent of this Section is to restate California and Federal law with respect to equal employment opportunity. Should any provision of this agreement at any time during its life, be found in conflict with California or Federal equal opportunity laws, as such laws may be amended by legislation or interpreted by any appellate court, then such provision shall continue in effect only to the extent permissible under the applicable law, with the right extended to either party to this agreement to negotiate with respect to the conflicting provision. Nothing in this Agreement shall be construed to prevent, preclude or inhibit the Company’s compliance with the Americans with Disabilities Act.
SECTION 4. ASSIGNABILITY CLAUSE

4.1 This agreement shall be binding on the successors and assigns of the parties hereto. No provisions, terms or obligations herein contained shall be modified, altered or changed in any respect whatsoever by any consolidation, merger, sale, transfer or assignment, in part or in whole by either party hereto; or affected in any respect whatsoever by any change of any kind in the method of operation, legal staff, ownership, or management of either party hereto; or by any change geographically or otherwise, within the jurisdictional area of Machinists Automotive Trades District No. 190 of Northern California in the location of the place of business of either party hereto.

4.2 Employees, members of the Union, shall not suffer any loss of benefits of any description as a result of any change or transfer of ownership as described in the foregoing. Any benefits accruing to them as a result of this agreement shall continue and be adhered to by any succeeding Employer or management.

SECTION 5. SENIORITY

5.1 Definition: Company seniority under this Agreement shall be defined as the length of unbroken service with the Employer. Classification seniority shall be defined as the entry date of an employee into any classification in which the employee has held seniority. An employee shall have one (1) Company seniority date and shall have classification seniority for every classification in which he/she has held seniority during the current period of unbroken service with the Employer.

5.2 In the event that it becomes necessary for the Employer to reduce the number of employees in any classification, such employees shall be laid off according to classification seniority. An employee laid off from his/her classification shall be permitted to return to a previously held classification in accordance with the foregoing principles.

5.3 In the event the Employer increases the number of employees, such employees previously laid off shall be restored to employment by reversing the procedure contained in Section 5.2.

5.4 Seniority Lists: Seniority lists corrected to December 1 and prepared by the Employer shall be posted in each shop or facility on January 1 of each year and shall be supplemented each three (3) months thereafter in the event of any changes, and such lists will be subject to correction under protest by the Union. If no complaint is made within thirty (30) days of posting, the list as published will be deemed correct. This shall not apply to typographical errors. Any employee on leave of absence or layoff due to injury, illness or lack of work at the time of posting of the list shall have a period of fifteen (15) days from the date of his return to service to file a protest.

5.5 Except as otherwise provided in this agreement, new employees shall be regarded as probationary employees for the first sixty (60) working days of their employment, and there shall be no responsibility on the part of the Employer for the re-employment of probationary
employees if they are discharged or laid off during this period. Probationary employees have no right or recourse to the grievance procedure. If retained in the services of the Employer after the probationary period, the names of such employees shall then be placed on the seniority list in their respective classifications as of the date of hire. By mutual agreement, the probationary period may be extended for up to thirty (30) days for any new employee on a one-time basis.

5.6 If an employee transfers from one classification to another, there shall be a ninety (90) day probationary period. During this period the Employer may transfer the employee as it finds advisable back to the employee's original classification.

5.7 Selection of vacation dates shall be made by location, department and classification with preference given to employees on the basis of classification seniority under this agreement.

5.8 The Employer and the Union shall meet and discuss, and can agree to, reassignment of an employee without resorting to the bidding procedure of Section 17 and without reference to seniority in cases of personal hardship or similar special circumstances, and any such agreement shall be binding upon all persons employed under this agreement. The parties may agree that such reassignment will be reviewed on a periodic basis. Such reassignment will not be subject to the grievance procedure. Vacancies created by reassignment shall be filled according to seniority.

5.9 Accumulation of Seniority: Seniority rights of an employee will be retained while he/she is laid off or unable to work because of non-work related illness or injury for a period not to exceed one (1) year, or two (2) years in the case of work-related injury. Any leave exceeding one (1) year for non-work related illness or injury, or two (2) years for work-related injury, results in an immediate loss of seniority and termination of the employee.

SECTION 6. DISCHARGE OF EMPLOYEES

6.1 The right to discharge any person in his employ for just cause, and to designate the number of persons necessary to the performance of any particular task or service, shall be the prerogative of the Employer.

6.2 The Union shall have the right to protest any such discharge providing such protest shall be presented in writing to the Employer within five (5) days, exclusive of Saturdays, Sundays and holidays after the notification of discharge; and if not presented within such period, the right of protest shall be waived.

6.3 No employee covered by this agreement shall be discharged or discriminated against because of membership in the Union.

SECTION 7. LEAVE OF ABSENCE

7.1 The Employer may, in writing, grant the employee a leave of absence not to exceed ninety (90) days. Such leaves may be extended by agreement between the parties to this agreement. The Employer shall notify the Union of all leaves in excess of five (5) working days.
Absence of an employee because of illness or injury does not constitute a leave of absence under this Section.

7.2 An employee returning from an authorized leave of absence or extension thereof will be returned to the job held when the leave was granted. If the job no longer exists, the employee may exercise his seniority.

7.3 An employee on leave of absence who engages in gainful employment will be subject to termination, unless such employment was agreed to in writing by the Employer and Union.

7.4 A leave of absence as provided for in this Section shall not result in the loss of seniority. Any employee on leave of absence shall not be considered to be on the payroll of the Employer during the period of the leave.

The employee shall make suitable arrangements for continuation of health and welfare payments before the leave is approved by both the Union and the Employer, unless otherwise provided for in existing trust agreements.

SECTION 8. STRIKES AND PICKET LINES

8.1 The Union and its members and the employees covered by this Agreement agree that they will not, either collectively or individually, during the term of this Agreement, cause, permit, condone, sanction or participate in any strike, sympathy strike, slowdown, curtailment of or refusal to work, picketing, recognition of picket lines, or any other activity, which would tend to interfere with the orderly operations of the Employer's business. The Employer agrees that there shall be no lockout during the term of this Agreement.

8.2 Participation by any employee or employees in any act or acts violating the provisions of paragraph 8.1 of this Section in any way will subject such employee or employees to disciplinary action, including discharge.

8.3 However, it shall not be a violation of paragraph 8.1 of this Section, and employees shall not be subject to discipline under paragraph 8.2, if an employee or employees refuse to cross a lawful primary picket line by a different bargaining unit that is sanctioned by the Labor Body or Labor Council having jurisdiction to grant such a sanction.

SECTION 9. PERSONS PROHIBITED AND CONTRACT WORK

The Employer agrees that any and all persons not members of the Union or not hired in accordance with the provisions of this agreement shall be prohibited from performing any kind of work being performed or previously performed or capable of being performed by members of the Union employed by Waste Management of Alameda County, such work being bargaining unit work as defined in Section 1, where to do so would cause the lay-off of any bargaining unit employee on the seniority list of Waste Management of Alameda County. It is not the intent of this provision to deprive bargaining unit employees of overtime work.
SECTION 10. GENERAL PROVISIONS

10.1 The Employer shall comply with State or Federal safety and health laws where applicable, and shall maintain safe and sanitary conditions in all operations including adequate ventilating systems where necessary, clean restrooms and facilities. Safety equipment and safety wearing apparel required by the Employer shall be furnished by the Employer at no cost to the employee, except for the grinding of prescription lenses.

The Employer shall provide face shields, goggles and other safety equipment, including welder’s leather gloves, which are deemed necessary for the safety of its employees. Employees are required to properly utilize all safety equipment provided by the Employer and failure to do so will subject the employee to disciplinary action.

Industrial Accidents: All occupational injuries, no matter how slight, must be reported by the employee to the employee’s immediate supervisor and the shop steward at the time the injury occurs. An employee injured on the job, which injury does not permit his continuing to work, shall be paid for the balance of the shift.

In the event of an industrial accident of such nature that does not require an employee to discontinue work, but does necessitate further treatment by the doctor at various intervals, the employee shall be compensated at his regular rate of pay for all time required for treatments during the employee’s regular working hours. The number of treatments required shall be determined by the doctor designated by the Employer for the employee in accordance with California State Law.

10.2 Coveralls: Coveralls will be furnished and laundered by the Company, and each employee shall receive a clean pair of coveralls daily.

10.3 Tool Insurance: In consideration for the fact that employees are required to furnish their own hand tools, it is agreed that:

The Employer shall be responsible for replacement in kind of an employee’s tools including tool boxes or rollaways stolen from the premises of the Employer by reason of illegal breaking and entering, or by reason of fire in the Employer’s premises at any time. This does not provide for reimbursement or replacement of tools lost through pilferage or misplacement during working hours.

It is agreed that this Section shall be applicable where an employee is transporting his tools from one company location to another company location and where there is a police report verifying the theft and that the vehicle containing the tools was broken into.

The Union agrees that the Employer has the right to institute reasonable rules for the purpose of providing protection against unwarranted claims under this Section. These rules shall include, but not be limited to, requirements for tool inventories, audit of tool inventories, restrictions on the removal of tools from the Employer’s premises and proper safeguarding of tools by employees.

Misuse or abuse of the foregoing provisions shall be considered cause for discharge.
The Employer shall furnish all tools, instruments and equipment (other than tools normally defined as hand tools) such as: all power tools, impact wrenches, taps, dies, chisels, files, easyouts, drills, engine overhaul and machine shop equipment, all testing equipment of any description, torque wrenches and gauges of any kind; jack (floor and other types), creepers, light cords, flashlights and batteries and any and all wrenches, sockets, and ratchets in excess of three-quarter (3/4) inch drive or one and one-quarter (1-1/4) inch in size.

10.4 Bulletin Board: The Employer agrees to furnish and maintain a bulletin board on which the Union will be allowed suitable space.

10.5 Boot Allowance: The Employer shall reimburse each employee $200.00 annually for Company approved safety shoes. For Heavy Equipment Technicians and MRF mechanics working at the Altamont Landfill and Davis Street, the Employer will reimburse up to $300.00 annually for Company approved safety shoes. Employees shall be required to submit proof of purchase to be reimbursed.

10.6 Shop Stewards: The Union shall notify the Employer in writing of its selection of authorized shop stewards, and the Employer agrees to recognize stewards so designated. The Employer shall allow the steward a reasonable amount of time to process grievances at the shop level during his/her regular shift provided that the Steward received prior approval from the Steward’s immediate Supervisor to engage in this activity. It is understood that such prior approval shall not be unreasonably withheld.

10.7 (a) Meal Periods: Employees who are scheduled to work more than five (5) hours in a day must take an unpaid meal period of at least, but not longer than, thirty (30) minutes within their first (1st) five (5) hours of work. Employees who work in excess of five (5) hours but less than six (6) hours may voluntarily waive their meal period, and will be presumed to have done so if the meal period is not taken. Employees who are scheduled to work more than ten (10) hours per day are provided a second (2nd) thirty (30) minute unpaid meal period. An employee may choose not to take this second (2nd) meal period so long as the employee took the first (1st) meal period and finishes his or her shift within twelve (12) hours. If an employee does not take a second (2nd) meal period in such circumstances, it is presumed that he or she waived that meal period. If an employee is unable to finish his or her shift within twelve (12) hours, the employee must take the second (2nd) unpaid thirty (30) minute meal period. Where a second (2nd) meal period is required, it should be taken to the extent practicable near the tenth (10th) hour of work.

(b) Rest Periods: Employees shall be authorized, and must take, a paid rest period of at least, but not longer than, fifteen (15) minutes for every four (4) hours worked or major fraction thereof. As far as practicable, employees must take the rest period within the middle of each four (4) hour increment.

(c) Recording Time: Employees must record their actual time worked. Depending upon an Employee's position and location, work time may be recorded by computer, handwritten documents or on pre-printed time sheets. Each employee is responsible for maintaining his or her own time record. Employees should record the time work begins and ends, as well as the beginning and ending time of each meal period. Employees must also record any departure from work for any non-work-related reason.
Should an Employee fail to record his or her time, or should a known error occur, the matter should be reported to a supervisor. Employees may not mark, erase, or make changes on time cards. Altering, falsifying, and/or tampering with time records, or recording time on another Employee's time record is prohibited.

(d) Notification: If circumstances do not permit an Employee to take his or her meal (or rest period), it is the Employee's duty and responsibility to notify his or her supervisor that he or she was not permitted to take a meal (or rest) period.

(e) Arbitration: Any complaint arising in connection with the application or interpretation of this Article, including but not limited to claims regarding alleged missed meal and rest periods and alleged payments is therefore subject to the grievance and arbitration procedure set forth in Section 16 of this Agreement.

Nothing in this Section shall prohibit the Employer from modifying its policy consistent with applicable state law.

10.8 Joint Labor Management Meetings: The Shop Stewards and Union Business Representative shall meet on a quarterly basis with the maintenance managers to discuss work related matters and concerns. The quarterly meetings shall not be held if the Company and Union agree the meeting is not necessary for that quarter.

A Shop Steward shall be paid for the travel time to and from the meeting and for time actually spent attending the meeting provided that the time claimed for payment is during the Steward’s regular scheduled work shift.

SECTION 11. VACATIONS

11.1 Employees who have been employed for a period of one (1) year shall be entitled to one (1) week of vacation with pay.

Employees who have been employed for a period of two (2) years shall be entitled to two (2) weeks’ vacation with pay.

Employees who have been employed for a period of five (5) years shall be entitled to three (3) weeks’ vacation with pay.

Employees who have been employed for a period of ten (10) years shall be entitled to four (4) weeks’ vacation with pay.

Employees who have been employed for a period of twenty (20) years shall be entitled to five (5) weeks’ vacation with pay.

Employees who have been employed for a period of twenty-five (25) years shall be entitled to six (6) weeks’ vacation with pay.

11.2 The Employer shall reserve the right to designate the number of employees who may be on vacation at one time. Vacation bids shall be posted January 1 through January 31 and
bidding shall be by seniority to include January of the following year. By February 15 of each year, the Employer will post a calendar with the results of the bid process at the appropriate locations. If an employee fails to bid for vacation, the Employer may schedule employees for vacation.

11.3 Whenever a holiday falls during an employee’s vacation, he shall receive an additional day’s pay.

11.4 Vacation checks shall be issued on the payday prior to the scheduled vacation.

11.5 Employees on leave of absence due to illness or injury shall continue to accrue seniority for purposes of vacation for the period of such absence up to a maximum of twelve (12) months.

11.6 All employees shall use a minimum of two (2) weeks of their accrued vacation during each calendar year. All unused vacation shall be paid out at the end of each calendar year. The Employer shall make a reasonable effort to accommodate employees’ vacation requests. Employees with at least two (2) weeks of accrued vacation, may be allowed to take one week of accrued vacation in single full day increments provided they receive approval from their supervisor at least two (2) weeks in advance.

11.7 An employee who terminates for any reason prior to earning a full vacation shall be paid a pro rata vacation on the following basis per full month worked in a calendar year (January 1st to December 31st) as follows:

<table>
<thead>
<tr>
<th>Length of Employment</th>
<th>Pro rata Vacation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Less than one year</td>
<td>1/12 of one week’s pay</td>
</tr>
<tr>
<td>One to two years</td>
<td>1/12 of two weeks’ pay</td>
</tr>
<tr>
<td>Two to five years</td>
<td>1/12 of three weeks’ pay</td>
</tr>
<tr>
<td>Five to ten years</td>
<td>1/12 of four weeks’ pay</td>
</tr>
<tr>
<td>Ten to twenty years</td>
<td>1/12 of five weeks’ pay</td>
</tr>
<tr>
<td>Twenty years or more</td>
<td>1/12 of six weeks’ pay</td>
</tr>
</tbody>
</table>

SECTION 12. HOLIDAYS

12.1 The following holidays shall be observed and recognized as legal holidays and there shall be no deduction in the employee’s wages for same:

NEW YEAR’S DAY  COLUMBUS DAY
PRESIDENTS DAY  THANKSGIVING DAY
MEMORIAL DAY  CHRISTMAS DAY
FOURTH OF JULY  THREE FLOATING HOLIDAYS
LABOR DAY  EMPLOYEE’S BIRTHDAY

Floating Holidays: These days shall be taken on days mutually agreeable between the employee and the Company. If an employee is required to work on these holidays, he shall receive, in addition to his regular wages, the applicable overtime rate of pay in accordance with Section 18. These floating holidays shall be used in the year they are accrued, or they will be
cashed out and paid to the employee at the end of each contract year. New employees shall be eligible for their first floating holiday after their first four (4) months of employment. Employees will be eligible for the second and third floating holidays after eight (8) months of employment.

**Employee’s Birthday:** An employee must have been employed one (1) year before being eligible for the employee’s birthday.

12.2 All employees shall be paid their regular straight time rate of pay for the legal holidays in this agreement, although no work is performed by employees on said holidays, whether or not any such holiday falls on a regular work day.

12.3 The holidays will be paid only if the employee: (1) has been a regular actively working full-time or part-time employee of the Employer for fifteen (15) days immediately prior to the holiday and (2) has worked his regular workday immediately preceding and immediately following the holiday, unless he has been excused by the Employer under any paid time off provisions of this agreement, with the exception of sick leave. However, employees may use paid sick time in conjunction with a holiday and not be denied holiday pay one time per contract year. If the employee worked sometime during the thirty (30) day period prior to the holiday, he will receive holiday pay notwithstanding absence the workday before or the workday following, where such absence is due to an on-the-job injury, verified by a doctor’s certificate.

12.4 Holidays occurring on Sunday will be observed on the following Monday.

**SECTION 13. FUNERAL LEAVE**

13.1 In the event of a death in the family (father, mother, father-in-law, mother-in-law, wife, husband, brother, brother-in-law, sister, sister-in-law, grandparents, grandchildren, child or foster child and those relationships generally called “step”, providing persons in such relationships have lived or have been raised in the family home and have continued an active family relationship) an employee shall, upon request, be granted such time off with pay as is necessary to make arrangements for the funeral and attend same (or make a bona fide effort to attend) not to exceed three (3) regularly scheduled working days if the funeral is 400 miles or less from the employee’s regular work site, or five (5) regularly scheduled working days if the funeral is more than 400 miles from the employee’s regular work site. This provision does not apply if the death and the funeral occurs during the employee’s paid vacation or while the employee is on leave of absence, layoff, or paid sick leave.

13.2 The Employer may require reasonable proof of the employee’s eligibility for benefits.

**SECTION 14. JURY DUTY**

14.1 An employee who is summoned and reports for jury duty shall receive the difference between jury pay and his regular daily rate of pay for each day for which he reported for jury duty and on which he would normally have worked. Such payment shall be limited to a maximum of thirty (30) days during any contract year.
14.2 In the event an employee is released from jury duty at a time which will permit him to return to work, he shall be obligated to return to work unless specifically excused by the Employer.

14.3 Time spent serving on a jury shall not be used in computing overtime.

SECTION 15. SICK LEAVE

15.1 This benefit will help in replacing the Employee’s daily wage when disabled because of accident or illness. The benefit is payable in addition to any State Disability or Worker’s Compensation payments.

15.2 Newly hired Employees shall not be eligible for sick leave until they have completed their probationary period. Thereafter, between the end of their probationary period and the beginning of the next contract year (July 1 of any year), they shall earn sick leave at one-half (1/2) day per month. In the event an employee’s accumulated sick leave by July 1 includes a fractional day, that fractional day shall be rounded to the nearest full day. This provision applies to probationary employees only.

15.3 Sick leave must be used on any day when an employee’s reason for being absent from a regularly scheduled workday is sickness within the meaning of this section.

15.4 Each employee will be entitled to seven (7) sick leave days (56 hours) each contract year to be used when Disability Plan benefits are not available (i.e., not accident or hospitalization). Unused sick leave, up to a maximum of twenty-four (24) days (192 hours), may be accumulated and carried over to the following year. Days accumulated at the end of any year in excess of twenty-four (24) days (192 hours) will be cashed out at the end of the contract year and paid within a reasonable period of time thereafter.

SECTION 16. GRIEVANCE PROCEDURE AND ARBITRATION

16.1 Both the Employer and the Union agree that the following procedure shall be followed in the adjustment or settlement of all grievances and differences of opinion regarding the interpretation or application of this agreement. All grievances, in order to be considered timely and eligible for further processing, must be presented in writing to the Employer within fifteen (15) days from knowledge by the employee or the Union of the act or omission giving rise to the grievance.

16.2 All grievances shall be settled in accordance with the following grievance procedure:

16.3 Any dispute that cannot be adjusted amicably by the parties to this agreement shall be submitted in writing to the board of adjustment within ten (10) days after the Union Business Representative and the Employer Representative have failed to adjust the dispute or grievance.
16.4 The board of adjustment shall consist of no more than two (2) representatives of the Union and no more than two (2) representatives of the Employer. The board will meet on a set designated day each month. If there are no grievances to hear, the board will not meet. A majority vote of the board of adjustment on any issue shall be final and binding upon both parties to the agreement. The board of adjustment shall have no power to add to, to subtract from, or to modify in any way the terms of this agreement.

16.5 Arbitration: In the event that the board of adjustment fails to reach a decision on any dispute which has been considered, either party may refer the matter to arbitration by submitting the grievance to a third party. The intention to arbitrate must be made in writing within fifteen (15) days following the board of adjustment decision. The third party shall be chosen mutually by the Employer and the Union. In the event that the Employer and the Union are unable to agree upon the selection of a third party within ten (10) days, the Federal Mediation and Conciliation Service shall be petitioned to submit a panel of five (5) arbitrators. Each of the parties shall delete the names of two (2) of the panel and the remaining arbitrator shall decide the issue.

16.6 The arbitrator shall not have the power to add to, subtract from or modify the terms of this agreement. The Company and the Union agree to share equally the expense of arbitration.

16.7 The findings, recommendations and the decisions of the board of adjustment or the arbitrator shall be final and binding upon the parties signatory to the agreement.

16.8 The grievance procedure and arbitration provided for herein shall constitute the sole and exclusive method of determining settlements between the parties of any and all grievances herein defined.

16.9 Any time specified herein shall not include any time on any Saturday, Sunday or holiday.

16.10 Prior discipline for work rule, policy and procedure violations (except Life Critical Rules) that is older than eighteen months shall not be used by the Employer in imposing future discipline; however this provision shall not lessen the most recent level of discipline administered to the employee by the Employer.

SECTION 17. GUARANTEED WORKWEEK AND HOURS

17.1 Workweek: The workweek shall consist of five (5) consecutive eight (8) hour days or shifts or four (4) ten (10) hour consecutive days or shifts. All 4/10 day shifts shall include at least one weekend day off. All employees shall be guaranteed forty (40) hours pay at their shift rate of pay unless they, of their own volition, do not work their regular shift hours. With regard to four (4) day/ten (10) hour shifts, such shifts must be offered to Employees on a voluntary basis. Any unfilled 4/10 shifts within a classification may be filled by the Employer using inverse seniority to a maximum of twenty-five (25%) of all shifts within a classification.

Paid holidays occurring within an employee’s regular scheduled workweek shall be counted as part of the guarantee, and as a day (or days) worked for overtime purposes.
All work shifts shall consist of eight (8) or ten (10) consecutive hours of work (exclusive of lunch period).

17.2 Employees shift times shall be as follows::

17.2.1 The starting time of the regular days’ work for employees shall be between 5:00 a.m. and 10:59 a.m.

17.2.2 The starting time of the swing shift shall be between 11:00 a.m. and 7:59 p.m. For swing shift work, employees shall receive an extra one dollar ($1.00) per hour.

17.2.3 The starting time of the graveyard shift shall be between 8:00 p.m. and 4:59 am. For graveyard shift work, employees shall receive an extra one dollar and twenty-five cents ($1.25) per hour.

17.3 When employees are assigned to a specific shift (day shift, swing shift or graveyard shift) and are given a designated starting time prior to the beginning of a regular scheduled starting time shift (above), the employees shall be paid pre-shift overtime at the applicable overtime pay in Section 18 “Overtime” in the collective bargaining agreement.

Except as otherwise provided herein, employees shall be given five (5) working days’ notice when their assigned specific workweek shift is changed.

17.4 Shift Bidding: Employees by seniority classification, subject to qualifications, shall have the right to bid on all jobs and/or shifts including outlying repair facilities of the Employer. An employee who is transferred pursuant to a bid shall not be permitted to bid again for eight (8) months. Bid positions will be filled as soon as practical, but not to exceed thirty (30) days from announcement of the successful bidder. The Company has committed to bid non-standard work schedules in accordance with this Section, with assignment, if necessary, by reverse seniority.

Selection from such bidders shall be on the basis of seniority, where the following factors are relatively equal: experience, test results and demonstrated skill and ability.

Journeyman Truck Technician and Journeyman Heavy Equipment Mechanic vacancies shall be available for internal job bidding. However, selection for such vacancies shall be at the discretion of the Employer based on the Employers’ determination as to whether any bidders) is (are) qualified. Where two or more bidders meet the Employer’s qualification criteria, selection will be based upon seniority provided that the following factors are relatively equal: experience, test results, and demonstrated skill and ability. Only those employees who have worked the Journeyman Truck Technician and Journeyman Trailer Technician and above (excluding parts room positions) for at least two (2) years shall be eligible to bid on Journeyman vacancies.

Job or shift bid preference, as well as shift start time, shall be posted when vacancies occur. The Employer may assign shift assignment by seniority only for vacation relief, illness or temporary leaves of absences (not to exceed thirty (30) days).
An employee's bid start time may be moved by up to two (2) hours within the same shift without the need to re-bid the assignment. If the start time is moved by more than two (2) hours (or to another shift) the employee holding the affected position may use his seniority and qualifications as stated in detail above to displace a less senior employee and the remaining vacant position shall be subject to bid as set forth above.

In relation to Section 17.4, any employee shall not be prevented from submitting an upgrade bid within eight (8) months of having been awarded a shift bid.

17.5 In the event of a disabling injury on the job, the employee shall receive full pay for the balance of his shift.

SECTION 18. OVERTIME

18.1 All work in excess of eight (8) or ten (10) hours in one day shall be paid for at the overtime rate of pay of one and one-half (1-1/2) times the regular straight time rate of pay for the first three (3) hours and double time thereafter. Work performed on the seventh (7th) day of any workweek shall be paid for at double time.

18.2 When employees are requested to work on their sixth (6th) day of any work week they shall receive one and one-half (1-1/2) times their shift rate of pay and be guaranteed four (4) hours. If held beyond four (4) hours they shall be guaranteed eight (8) hours’ work or pay. Double time shall be paid for all hours worked beyond eight (8) hours.

18.3 Overtime work on regular working days shall be offered first to the employee assigned to uncompleted work at the end of a shift. Overtime on Saturdays, Sundays and Holidays shall be assigned to employees within the classification and at the same location where the overtime occurs. In the event there are insufficient volunteers to perform the work, the Employer will be permitted to assign the work to qualified employees in reverse order of seniority. The maximum number of employees that may be required to work on any holiday shall be eighty percent (80%) of the employees at any location, except that the maximum “at Altamont Landfill and Davis Street Transfer Station shall be sixty percent (60%), and not to exceed eighty percent (80%) by classification at the 98th Avenue facility only. The Employer will not be required to offer or assign the overtime to employees not assigned to the shop where the work is to be performed.

18.4 When employees working a Monday through Friday workweek are requested to work on Sunday, they shall be guaranteed four (4) hours’ work and shall be paid two (2) times their regular straight time rate of pay.

18.5 All overtime shall be approved and/or directed by the Maintenance Manager, or by the Shop Foreman in the event of the Maintenance Manager’s absence. Unauthorized overtime shall result in progressive discipline.

SECTION 19. EMERGENCY CALL BACK TIME

19.1 An employee who is called back to work after the completion of his normal shift shall be paid a minimum of four (4) hours at time and one-half (1-1/2) his straight time rate of pay.
SECTION 20. MINIMUM HOURLY WAGE GUARANTEE

20.1 Effective upon ratification, all employees covered by this Agreement shall receive a one thousand five hundred ($1,500) dollar bonus upon successful ratification.

Effective July 1, 2013, employees in the Journeyman Truck Mechanic classification shall receive a $1.00 increase to their applicable straight time hourly rate.

Effective July 1, 2014, employees in the Journeyman Truck Mechanic classification shall receive a $1.00 increase to their applicable straight time hourly rate.

Effective July 1, 2015, employees in the Journeyman Truck Mechanic classification shall receive a $1.00 increase to their applicable straight time hourly rate.

Effective July 1, 2016, employees in the Journeyman Truck Mechanic classification shall receive a $1.50 increase to their applicable straight time hourly rate.

Effective July 1, 2017, employees in the Journeyman Truck Mechanic classification shall receive a $1.50 increase to their applicable straight time hourly rate.

All other classifications shall receive the same percentage increase to their applicable wage rate.

<table>
<thead>
<tr>
<th>Classification</th>
<th>Effective July 1, 2013</th>
<th>Effective July 1, 2014</th>
<th>Effective July 1, 2015</th>
<th>Effective July 1, 2016</th>
<th>Effective July 1, 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Journeyman Truck Technician</td>
<td>$36.50</td>
<td>$37.50</td>
<td>$38.50</td>
<td>$40.00</td>
<td>$41.50</td>
</tr>
<tr>
<td>Journeyman Truck Welder/Fabricator Technician</td>
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<td>$37.50</td>
<td>$38.50</td>
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<td>Journeyman Heavy Equipment Mechanic</td>
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<td>$38.50</td>
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<td>$41.50</td>
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<tr>
<td>Journeyman Plant Maintenance Technician</td>
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<td>$38.50</td>
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</tr>
<tr>
<td>Journeyman Compactor Repair Person</td>
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<td>$38.50</td>
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<tr>
<td>Journeyman Site Maintenance</td>
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<td>Parts Lead</td>
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<tr>
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<td>$24.16</td>
<td>$25.11</td>
<td>$26.06</td>
</tr>
</tbody>
</table>
Employees who qualify as Master Journeyman Truck Technician shall receive additional per hour premium above their applicable straight time hourly rate as per the ASE Letter of Understanding attached hereto. Employees who qualify as Master Journeyman Heavy Equipment Mechanic shall receive an additional three dollars ($3.00) per hour premium above their applicable straight time hourly rate.

Employees who are temporarily assigned to a higher paying job classification shall receive the higher rate of pay for a minimum of four (4) hours. If time actually worked in such higher paying classification exceeds four (4) hours, the employee will then receive the higher rate of pay for the entire day.

SECTION 21. APPRENTICESHIP

21.1 Nothing in this Section shall preclude the Employer from advancing employees internally using the progression in Section 20. Nothing in this Section shall be constructed to prevent temporary upgrades.

21.2 The Employer and the Union agree that all apprenticeship programs for occupations covered under this Agreement shall be governed by written apprenticeship standards approved and registered by the Administrator of Apprenticeship in accordance with the Shelley-Maloney Apprentice Labor Standards Act of 1939, as amended.

21.3 Joint Apprenticeship Committees formed under these apprenticeship standards shall be charged with the responsibility of administering apprenticeship programs for mechanical, body and fender, painter, and parts apprentices.

21.4 Parts apprentice programs shall be established for a three-year term and all other apprentice programs shall be established for a four-year term.

21.5 Apprentice agreements shall obligate the Employer to provide on-the-job training. Apprentices must be trained under the direct supervision of a journeyman at all times. After an Apprentice has served a ninety (90) day probationary period, he shall not be advanced, retarded, or terminated without prior consultation and consent of the Joint Apprenticeship Committee.

21.6 Cancellation of Apprentice Agreements: Joint Apprenticeship Committees for good and sufficient reason may provide for the recommendation to the Administrator of Apprenticeship of immediate cancellation of an Apprentice Agreement.

Notification by the Joint Apprenticeship Committee to the Employer to terminate an employee shall be final and binding on the parties to this Agreement, and shall not be subject to the grievance procedure of this Collective Bargaining Agreement. Action to enforce this portion of this Agreement may be brought by the Union, the Employer, or Joint Apprenticeship Committee.

21.7 Apprentice Training Fund: The Employer agrees to pay, effective on the first day of the month, the following sums per month for each employee working in a classification within the jurisdiction of Machinists Automotive Trades District Lodge No. 190 into an Apprentice Training Fund. Payment will be due for each employee who is on the payroll of the Employer as
of the first calendar day of each month. The Employer further agrees and consents to become signator to the Trust Document and be bound by any and all provisions thereof.

Apprentice Training Fund Monthly Contributions

Effective March 1, 2013  $11.75
Effective July 1, 2013  $13.50
Effective July 1, 2014  $15.25
Effective July 1, 2015  $17.00
Effective July 1, 2016  $18.75
Effective July 1, 2017  $20.50

21.8 Minimum Wage Rates of Apprentices: Mechanical Apprentices shall be paid not less than the following percentage of journeyman minimum wage rates:

1st six months of employment  50%
2nd six months of employment  55%
3rd six months of employment  60%
4th six months of employment  65%
5th six months of employment  70%
6th six months of employment  75%
7th six months of employment  80%
8th six months of employment  90%

Thereafter, Journeyman's rate of pay.

Parts Apprentices shall be paid not less than the following percentage of the Senior Parts Technician Wage rates:

1st six months of employment  50%
2nd six months of employment  55%
3rd six months of employment  60%
4th six months of employment  70%
5th six months of employment  80%
6th six months of employment  90%

Thereafter, Journeyman's rate of pay.

The above percentages shall apply to apprentices hired after the effective date of this agreement. All apprentices indentured before the effective date of this agreement shall continue to be paid in accordance with the prior agreement.

21.9 Effective dates of Pay Increases: The semi-annual pay increases herein provided shall become effective January 15 and July 15 of each year of the indenture period. To provide uniformity, all Apprentices shall be assigned arbitrarily a first date of indenture as follows:
Those hired April 15 through October 14 shall be assigned July 15 as a first date of indenture.

Those hired October 15 through April 14 shall be assigned January 15 as a first date of indenture.

21.10 Percentage Increases Affecting Apprentices: Semi-annual percentage increases shall be paid to all apprentices on the 15th day of January and July of each year.

SECTION 22. WORKING FOREMEN / PARTS LEAD

22.1 An employee designated by the Company to be a “working foreman” shall receive ten percent (10%) above the minimum wage rate for journeymen.

22.2 The Company may establish or discontinue Lead/Foreman positions for shifts as the needs of the business require. The Company will post an opening for a Lead/Foreman and award the position based on its judgment as to the employee's qualifications including seniority, safety record, communication skills, attendance and documented performance with seniority being the deciding factor where qualifications are equal. However, the final decision on filling the Lead position shall be at the Company's discretion. The Company will not exercise its' discretion in an unlawful or arbitrary manner. A Lead Person may be removed from his/her position at the discretion of the Company. The Company will not exercise its’ discretion in an unlawful or arbitrary manner.

22.3 When only one Parts Person performs the duties of a Parts Person at a location, this position will be designated as a Parts Lead (formerly Parts Manager). When more than one Parts Person performs these duties at a location, the Company shall designate one as a Parts Lead and the other as a Parts Person. The Parts Lead shall be entitled to a premium for hours worked in accordance with Section 20. The Parts Lead performs the duties of the Parts Manager description found in the 2001-2007 contract.

22.4 In order to receive either of the above premiums, the employee must be designated as a Parts Lead or “working foreman” for a minimum of four (4) hours.

SECTION 23. HEALTH AND WELFARE

23.1 Employees shall participate in the Automotive Industries Welfare Fund pursuant to its Trust Agreement, which Trust Agreement, together with any amendments thereto, shall be incorporated into this Agreement. In addition to daily wage rates set forth above, the Employer agrees effective upon ratification to pay the monthly premium for the Automotive Industries Welfare Fund for each eligible employee and the employee’s dependents for the purpose of providing Health and Welfare including Medical, Dental, Orthodontics, Vision Care, Prescription Drugs, $50,000 Life Insurance, Retiree's Health and Welfare and the A & S Disability Plan. Retiree’s Health and Welfare contributions will cease effective March 1, 2013.

The current total monthly premium is One Thousand Three Hundred Fifty One Dollars and Fifty Cents ($1,351.50). Effective upon ratification, Employees will pay One Hundred Ten Dollars ($110.00) per month toward the monthly health and welfare premium.
Effective September 1, 2013, the Employer will pay the first six (6%) percent of any increase above the Employer’s prior year cost and the Employee shall pay the remaining increase if any, in addition to the $110.00 per month contribution currently being paid or a total of $120 dollars, whichever is greater.

Effective September 1, 2014, the Employer will pay the first six (6%) percent of any increase above the Employer’s prior year cost and the Employee shall pay the remaining increase if any, in addition to the prior year’s employee contribution or $130.00 whichever is greater.

Effective September 1, 2015, the Employer will pay the first six (6%) percent of any increase above the Employer’s prior year cost and the Employee shall pay the remaining increase if any, in addition to the prior year’s employee contribution or $140.00 whichever is greater.

Effective September 1, 2016, the Employer will pay the first six (6%) percent of any increase above the Employer’s prior year cost and the Employee shall pay the remaining increase if any, in addition to the prior year’s employee contribution or $150.00 whichever is greater.

Effective September 1, 2017, the Employer will pay the first six (6%) percent of any increase above the Employer’s prior year cost and the Employee shall pay the remaining increase if any, in addition to the prior year’s employee contribution or $160.00 whichever is greater.

The above employee contributions shall be a pro-rated weekly pre-tax deduction from wages pursuant to the Company’s IRS Section 125 plan. Employees shall be required to sign a written authorization permitting the pro-rated weekly deductions.

In the event that the total premium increase is less than $10.00 in any given year, the amount of the employee contribution in that year shall not increase.

23.2 It is understood and agreed that in connection with the aforementioned group Health and Welfare Program, the Employer will observe administrative and eligibility regulations as set forth in the Joint Memorandum signed and executed by the joint parties thereto, dated July 1, 1956.

23.3 The Employer agrees to sign the required Subscribers Agreements to the Trust, which are incorporated into this agreement by reference thereto.

23.4 If any regular employee under this agreement is granted a leave of absence without pay in excess of thirty (30) days, his name may be deemed to have been removed from the payroll of the Employer, and the Employer for the purposes of this insurance shall not be obligated to make payments on behalf of such employee into the Trust Fund during the period of such leave. The insurance may be continued for a maximum period of three (3) months provided the necessary premium for such insurance is paid by the employee.

SECTION 24. RETIREE MEDICAL

In addition to the payments for health and welfare benefits described in Section 23, above, the Employer agrees to contribute for each eligible employee a maximum of eighty-nine dollars ($89) per month for this Agreement effective July 1, 2012, ninety-nine dollars ($99) per
month effective March 1, 2013, one hundred and nine dollars ($109) effective July 1, 2013, one hundred and nineteen dollars ($119) effective July 1, 2014, one hundred and twenty-nine dollars ($129) effective July 1, 2015, one hundred and thirty-nine dollars ($139) effective July 1, 2016, and one hundred and forty-nine dollars ($149) effective July 1, 2017 to the Machinists Retiree Investment Trust, for the purpose of providing retiree health and welfare benefits. The Employer agrees to be bound by the terms of the Trust Agreement of the Machinists Retiree Investment Trust and to sign the standard subscriber agreement, if any, required by that Trust for an Employer to participate. Subject to the terms of this Section 24, the sole obligation of the Employer shall be to make the contributions described herein on a timely basis.

SECTION 25. PENSION TRUST FUND

25.1 By reference there is attached hereto and made a part hereof as a condition of this agreement, the Automotive Industries Pension Plan, covering members of affected Unions coming under the scope of this agreement and amendments hereto, identified as the subscriber agreement.

Effective July 1, 2012 and for the life of this Agreement, the Employer agrees to pay to the Pension Trust Fund the sum of Nine Hundred Fifty Dollars and Eighty-Seven Cents ($950.87) per month per employee subject to the increases set forth below in 25.4 which shall constitute the Maximum Pension Contribution under this Agreement.

25.2 The Employer shall transmit said Pension premiums to the Joint Trust Fund on the first day of each month and in no event later than the 20th day of said month.

25.3 There is further attached hereto and made a part hereof, Employer Subscriber Agreement, Addendum C, that simultaneously will be executed by all parties covered upon the execution of this collective bargaining agreement governing the Pension Program.

25.4 Effective January 1, 2013, due to the status of the Automotive Industries Pension Plan, the Employer will pay up to an additional $35.00 per month per employee to the Plan.

Effective January 1, 2014, due to the status of the Automotive Industries Pension Plan, the Employer will pay up to an additional $36.75 per month per employee to the Plan.

Effective January 1, 2015, due to the status of the Automotive Industries Pension Plan, the Employer will pay up to an additional $38.59 per month per employee to the Plan.

Effective January 1, 2016, due to the status of the Automotive Industries Pension Plan, the Employer will pay up to an additional $40.51 per month per employee to the Plan.

Effective January 1, 2017, due to the status of the Automotive Industries Pension Plan, the Employer will pay up to an additional $42.55 per month per employee to the Plan.

25.5 Should the Employer make any Excess Pension Related Payments, as defined below, the Employer shall recover, by means of an offset, the amount of any and all such Excess Pension Related Payments by electing, at the Employer's sole discretion, any, all, or any combination of the following: (a) unilaterally reducing any future increases in wage rate(s) set
forth in Section 20, and (b) unilaterally reducing then current wage rates set forth in Section 20
The aggregate value of any such reduction(s) will be equal to the value of the Excess Pension
Related Payments, as determined by the Employer, and such offsetting may continue until such
time as the Employer has recovered all such amounts.

25.6 As used herein, "Excess Pension Related Payments" means any amounts paid by
the Employer to the Automotive Industries Pension Plan, a third party or governmental entity
that arises from, or relates to, the Employer's participation in the Automotive Industries Pension
Plan, that is in excess of the Maximum Pension Contribution as set forth above, irrespective of
whether such amount is paid as a result of (a) a request for increased contributions from the
Automotive Industries Pension Plan, (b) operation of law, (c) demand from a third party, or (d) at
the election of the Employer.

SECTION 26. CALIFORNIA MACHINISTS 401(k) PLAN

It is agreed that employees may voluntarily participate in the California Machinists
401(k) Plan by means of payroll deduction. The Employer's sole obligations thereunder shall be
limited to (1) making those payroll deductions which have been properly authorized in writing
by individual employee participants, and (2) forwarding salary deferral contributions which have
been payroll-deducted on behalf of employee participants to the 401(k) Plan Administrator. The
Employer shall make no contributions to the Plan and shall have no other obligations thereunder
other than those expressly stated above, notwithstanding any amendment to the Plan Document
stating otherwise.

It is agreed that the form and amount of payroll deductions permitted under this
agreement, notwithstanding anything to the contrary contained in the Plan Document or any
subsequent amendment thereto, shall be made weekly based on full percentage points of the
employee participant's weekly gross pay. The Union shall indemnify and hold harmless the
Employer against any or all suits, claims or obligations that may arise by reason of the
application of the provisions of this Section.

SECTION 27. ALCOHOL AND DRUG USE

27.1 In accordance with the Omnibus Transportation Employee Testing Act of 1991,
that requires alcohol and drug testing of safety-sensitive employees, the Drug and Alcohol
Testing rules of Federal Highway Administration (FHWA), the Department of Transportation
(DOT) Drug and Alcohol Testing Procedures of 1995 and the implementing regulations (49 CFR
Part 40) issued for all persons required to maintain a commercial driver's license (CDL) and
safety-sensitive employees will be required to submit to pre-employment, post-accident,
reasonable suspicion, random and return to duty and follow up tests.

27.2 The Union and the Employer have agreed to comply with the Waste Management,
Inc. Alcohol and Drug Abuse Policy and Random Testing Program which is in effect at the time
this agreement is signed, and as may be modified from time to time by the Employer during the
term of this Agreement. If modifications are made copies will be sent to the Union, and the
Employer will meet with the Union upon request to discuss.
SECTION 28. EFFECTIVE AND ANNIVERSARY DATE

28.1 This agreement shall be in full force and effect upon execution, to and including June 30, 2018, and shall continue in full force and effect thereafter unless written notice of desire to modify or terminate the agreement is served by either party upon the other at least sixty (60) days prior to date of expiration.

28.2 During such sixty (60) day period, negotiations shall be held looking toward a settlement of this agreement. Any changes arrived at shall become effective upon the anniversary date of this agreement.

28.3 Pending the resolving of the desired changes under consideration, the provisions of the expiring term shall continue in effect as the operative agreement of the parties.

There shall be no cessation of work or lockout during negotiations.

IN WITNESS WHEREOF, the parties hereto set their hands and seals by their respective officers duly authorized to do so this 21st day of May, 2013.

FIRST PARTY:

WASTE MANAGEMENT OF ALAMEDA CO.

By ________________________________

By ________________________________

By ________________________________

By ________________________________

SECOND PARTY:

MACHINISTS AUTOMOTIVE TRADES DISTRICT LODGE NO. 190 OF NORTHERN CALIFORNIA, International Association of Machinists and Aerospace Workers, AFL-CIO

By ________________________________

By ________________________________

By ________________________________

By ________________________________
ADDENDUM “A”

JOB DESCRIPTIONS

Master Journeyman Heavy Equipment

The Master Journeyman Heavy Equipment Mechanic will possess the knowledge and proficiency to diagnose and repair all types of heavy equipment used by the company including but not limited to crawler tractors, forklifts, rubber tire loaders and cranes, all support and utility vehicles.

Must have excellent troubleshooting skills.

Must be an efficient problem solver.

Must be able to work independently.

Must be able to use electronic diagnostic software.

Must be able to adequately rig any type of heavy equipment and components for repair or setup.

Must have outstanding understanding or systems operation for all types of heavy equipment.

Must have a complete understanding of all electrical components.

Must have complete understanding of hydraulic systems including pilot operating systems, electronic over hydraulic systems and pneumatic over hydraulic systems.

Must be able to competently troubleshoot and repair all types of engines and power trains on all types of heavy equipment.

Must be able to operate Stick and MIG welder vertically and overhead efficiency.

The Master Journeyman Heavy Equipment Mechanic will possess the ability to repair, tune-up and rebuild any gasoline or diesel engine with proficiency and dependability according to manufacturer’s standards.

The Master Journeyman Heavy Equipment Mechanic will be asked to perform any of the duties of the Journeyman Heavy Equipment Mechanic.

The Master Journeyman Heavy Equipment Mechanic will test-operate and authenticate repairs on equipment after repairs are made.

The Master Journeyman Heavy Equipment Mechanic will maintain his/her work area in a clean, efficient and safe manner, assist in the general cleanup of the shop and surrounding areas.
(1) The Master Journeyman Heavy Equipment Mechanic will be responsible for the accurate initiation and completion or repair orders, including all WM paperwork.

(2) The Master Journeyman Heavy Equipment Mechanic will be responsible for the accurate initiation and completion of company work orders, and documents related to fleet maintenance as prescribed by State and Federal regulations as well as Waste Management policy and procedures.

(3) The Master Journeyman Heavy Equipment Mechanic will work well with limited or no supervision exercising knowledge of acceptable conditions prescribed by State and Federal regulations as well as company policies and procedures.

(4) The Master Journeyman Heavy Equipment Mechanic will possess a high degree of knowledge and proficiency in repairing steering, suspension, brake systems (air and hydraulic air systems, frame, axle, electrical and hydraulic systems).

(5) The Master Journeyman Heavy Equipment Mechanic will possess the ability to repair and rebuild accessory components with proficiency and dependability according to manufacturer’s recommended policies and specifications.

(6) The Master Journeyman Heavy Equipment Mechanic will possess the ability to perform repairs and rebuild transmissions, differentials and drive train components with proficiency and dependability according to manufacturer’s recommended policies, procedures and specifications.

(7) Employees who are Master Journeyman Heavy Equipment Mechanics hired on or after July 1, 2007 will at all times possess a valid commercial license with the required endorsements as prescribed by the California Department of Motor Vehicle that would enable the road test of any vehicle for the diagnosis or verification of repair that is in the possession of the company. Employees who are Master Journeyman Heavy Equipment Mechanics hired before July 1, 2007 are encouraged, but not required, to hold their Class B CDL.

(8) The Journeyman Master Heavy Equipment Mechanic will work on other duties as assigned by the Supervisor.
Journeyman Truck Technician

The Journeyman Truck Technician will possess the knowledge and proficiency to diagnose and repair or rebuild collection and support vehicle components including, but not limited to, the rebuild and diagnoses of gasoline and diesel engines, automatic and manual transmissions, differential, drive train components, steering systems, suspension systems, air and hydraulic brake systems, frame, axle and electrical systems, preventative maintenance inspections and repairs.

(1) The Journeyman Truck Technician will be able to diagnose, repair or rebuild collection body operational systems including, but not limited to: Hydraulic valves, cylinders, hose, electrical and air controls systems, the fabrication and welding of body components.

(2) The Journeyman Truck Technician will possess the ability to perform emergency repairs in the field as needed as needed.

(3) The Journeyman Truck Technician will work with limited or no supervision exercising knowledge of acceptable conditions as prescribed by State and Federal regulations as well as Waste Management policy and procedures.

(4) The Journeyman Truck Technician will be responsible for the accurate initiation and completion of company work orders, and documents related to fleet maintenance as prescribed by State and Federal regulations as well as Waste Management policy and procedures.

(5) The Journeyman Truck Technician will maintain his/her work area in a clean, efficient and safe manner and assist in the general clean-up of the shop and surrounding areas.

(6) The Journeyman Truck Technician will at all times possess a valid commercial license with the required endorsements as prescribed by the California Department of Motor Vehicle that would enable the road test of any vehicle for the diagnosis or verification of repair that is in the possession of the company.

(7) The Journeyman Truck Technician will work on other duties as assigned by the Supervisor.
Journeyman Truck Welder / Fabricator Technician

The Journeyman Truck Welder / Fabricator Technician will possess the knowledge and proficiency to be able to repair or rebuild collection body operational systems including, but not limited to, hydraulic valves, cylinders, hose, electrical and air controls systems, the fabrication and welding of body components.

(1) The Journeyman Truck Welder / Fabricator Technician will possess the ability to perform emergency repairs in the field as needed.

(2) The Journeyman Truck Welder / Fabricator Technician will work with limited or no supervision exercising knowledge of acceptable conditions as prescribed by State and Federal regulations as well as Waste Management policy and procedures.

(3) The Journeyman Truck Welder / Fabricator Technician will be responsible for the accurate initiation and completion of company work orders, and documents related to fleet maintenance as prescribed by State and Federal regulations as well as Waste Management policy and procedures.

(4) During times when fabrication work is not available, the Journeyman Truck Welder / Fabricator Technician shall perform other duties as directed by the Supervisor.

(5) The Journeyman Truck Welder / Fabricator Technician will maintain his/her work area in a clean, efficient, and safe manner and assist in the general clean-up of the shop and surrounding areas.

(6) The Journeyman Truck Welder / Fabricator Technician will possess within one year of obtaining this classification, certification of his/her welding abilities in Stick and Mig by an accredited certification program.

(7) The Journeyman Truck Welder / Fabricator Technician will work on other duties as assigned by the Supervisor.
Journeyman Plant Maintenance Technician

The Journeyman Plant Maintenance Technician will possess the knowledge and proficiency to diagnose and repair material recycling equipment and various facility machinery that support the plant in accordance with WM and manufacturers recommended policy and procedures.

The Journeyman Plant Maintenance Technician will possess the ability to repair and/or install any site electrical, air and plumbing system on the site according to code.

The Journeyman Plant Maintenance Technician will possess the ability to repair and/or install structural equipment that meets all state and federal regulations.

The Journeyman Plant Maintenance Technician will possess the ability to install, inspect and/or modify compactors to OSHA and ANSI specifications.

The Journeyman Plant Maintenance Technician will possess the ability to fabricate structural and machinery parts that support the plant.

The Journeyman Plant Maintenance Technician will work with the manufacturers during the installation of new equipment and warrantable repairs.

The Journeyman Plant Maintenance Technician will work with limited or no supervision exercising knowledge of acceptable conditions as prescribed by State and Federal regulations as well as Waste Management policy and procedures.

1. The Journeyman Plant Maintenance Technician will be responsible for the accurate initiation and completion of company work orders, and documents related to fleet maintenance as prescribed by State and Federal regulations as well as Waste Management policy and procedures.

2. The Journeyman Plant Maintenance Technician will maintain his/her work area in a clean, efficient and safe manner and assist in the general clean-up of the shop and surrounding areas.

3. The Journeyman Plant Maintenance Technician will possess within one year of obtaining this classification, certification of his welding abilities in Stick and Mig by an accredited certification program.

4. The Journeyman Plant Maintenance Technician will work on other duties as assigned by the Supervisor.
JOURNEYMAN SITE MAINTENANCE

(1) Possess the knowledge and proficiency to diagnosis and repair any site operational system with dependability according to the manufacturer’s recommended policies, procedures and specifications.

(2) Possess the ability to repair and rebuild accessory components with proficiency and dependability according to the manufacturer’s recommended policies, procedures and specifications.

(3) Possess the ability to repair and/or install any site electrical, air and plumbing system on the site according to code regulations.

(4) Possess the ability to repair, modify, and fabricate metal structures on the site according to code regulations.

(5) Work with outside contractors and vendors on special projects as directed.

(6) Possess the ability to instruct other mechanics and assist them in completing repair assignments.

(7) Ensure that all repairs and site related structures meet OSHA and ANSI specifications.

(8) Works well with limited supervision exercising knowledge of acceptable conditions as prescribed by company policies and procedures.

(9) Be responsible for the accurate initiation of repair orders with all the required areas filled in, labor and operations detailed and time recorded by system codes.

(10) Maintain his/her work area in a clean, efficient and safe manner. Assist in the general clean-up of the shop and surrounding areas.

(11) Must possess a current CA Class C driver license at all times.
Journeyman Compactor Repair Person

The Journeyman Compactor Repair Person will possess the ability to perform all maintenance, modifications, welding and repairs to compactors, containers and drop boxes in accordance with established policy and procedures.

The Journeyman Compactor Repair Person will possess the ability to install, inspect and/or modify compactors to OSHA and ANSI specification.

The Journeyman Compactor Repair Person will work with limited or no supervision exercising knowledge of acceptable conditions as prescribed by State and Federal regulations as well as Waste Management policy and procedures.

The Journeyman Compactor Repair Person will be responsible for the accurate initiation and completion of company work orders, and documents related to fleet maintenance as prescribed by State and Federal regulations as well as Waste Management policy and procedures.

The Journeyman Compactor Repair Person will maintain his/her work area in a clean, efficient and safe manner and assist in the general clean-up of the shop and surrounding areas.

The Journeyman Compactor Repair Person will possess within one year of obtaining this classification, certification of his welding abilities in Stick and MIG by an accredited certification program.

The Journeyman Compactor Repair Person will work on other duties as assigned by the Supervisor.
**Journeyman Electrical Technician**

- Must have knowledge of how to install, troubleshoot, repair, design, construct, test, calibrate, adjust, modify replacement parts and service all types of electrical and electronic equipment such as: gauges and measuring devices, VFDs, PLC's, low and high voltage power distribution systems, rectifier equipment and measuring and testing equipment.

- Diagnose and correct problems and proactively seek elimination of wastes and failures.

- Interface with design and engineering, to assure efficient installations and repairs to maintain equipment documentation integrity.

- Perform and document preventative maintenance checks, inspections and repairs.

- Use PLCs, other microprocessor based equipment and computer software as required for equipment maintenance, troubleshooting and modification.

- Interpret electrical drawings, single lines and schematics.

- Interpret specification sheets and technical literature for electrical components (digital and analog) for the purpose of installation and/or troubleshooting.

- Mark up prints to accurately reflect equipment current condition.

- Perform layout, assembly and wiring of component parts for installation, replacement and repair of systems and equipment.

- Diagnosis and install fractional horsepower motors.

- Erect and remove ladders and scaffolding used in connection with work.

- Plan working procedures using prints, manuals, diagrams, drawings, schematics and electrical codes; keep records and logs, enter and retrieve data via VDT.

- Conduct and record tests such as. but not limited to. ultrasonic inspection. infrared. vibration analysis, temperature and resistance surveys.

- Perform required rigging, incidental welding such as but not limited to lugs, welding brackets, panels to columns, conduit clamps.

- Operate transportation and material handling equipment as required.

- Organize and maintain work areas, tools and equipment for clean, efficient and orderly operations.

- Use reliability tools and information systems to collect, document and analyze data and equipment performance to resolve problems to the root cause.
- Use computerized maintenance management systems to write work orders based on equipment needs, log work hours, document equipment condition and status, and requisition parts.

- Perform all work also performed by Journeyman Truck Technicians
Journeyman Heavy Equipment Mechanic

(1) The Journeyman Heavy Equipment Mechanic will possess the knowledge and proficiency to repair and maintain heavy equipment used by the company including but not limited to crawler tractors, forklifts, rubber tire loaders and cranes, all support and utility vehicles. Any gasoline and diesel engine, automatic and manual transmission, differentials, drive train components, accessory components, steering systems, suspension systems, air and hydraulic brake systems, frame axle, and electrical system.

(2) The Journeyman Heavy Equipment Mechanic will be able to remove and install hydraulic cylinders, valves, hoses, electrical and air control systems. Limited welding repair or fabrication of body components.

(3) The Journeyman Heavy Equipment Mechanic will be able to rig any type of Heavy Equipment and components and must be able to remove and install any part of component.

(4) The Journeyman Heavy Equipment Mechanic will work well with limited or no supervision exercising knowledge of acceptable conditions prescribed by State and Federal regulations as well as company policies and procedures.

(5) The Journeyman Heavy Equipment Mechanic will be responsible for the accurate initiation and completion of repair orders.

(6) The Journeyman Heavy Equipment Mechanic will maintain his/her work area in a clean, efficient and safe manner, assist in the general cleanup of the shop and surrounding areas.

(7) Employees in the Journeyman Heavy Equipment Mechanic classification will at all times possess a valid commercial license with the required endorsements as prescribed by the California Department of Motor Vehicle that would enable the road test of any vehicle for the diagnosis or verification of repair that is in the possession of the company. Employees in this classification who were hired before July 1, 2007 will not be prohibited from promotion to a Journeyman H.E. Mechanic for loss of Class B license due to medical disqualification. Employees promoted or hired without a Class B license will have 6 months to get possession.

(8) The Journeyman Heavy Equipment Mechanic will, at times, be asked to perform any of the duties of a classification below that of a Journeyman Heavy Equipment Mechanic.

(9) Possess the knowledge and proficiency to repair any site operational system with dependability according to the manufacturer’s recommended policies, procedures and specifications.

(10) Work with outside contractors and vendors on special projects as directed.
(11) Perform all operations as described and outlined in the company’s P.M. forms as they relate to each specific type of equipment.

(12) Be responsible to perform all P.M. inspections in accordance with Company and Manufacturer guidelines.

(13) Maintain his/her work area in a clean, efficient and safe manner. Assist in the general clean-up of the shop and surrounding areas.

(14) Be responsible for the scheduling of equipment into the shop for inspection and the maintenance of the P.M. board ensuring its accuracy and completeness.

(15) Perform the daily service required on heavy equipment in accordance with policies and procedures.

(16) Test drives units and prepares equipment for repairs.

(17) Be responsible for properly blocking and securing all types of equipment on site.

(18) Be able to operate all pieces of heavy equipment enough to authenticate service issues.

(19) Be responsible for labor party used to prepare or clean machines for routine services.

(20) The Journeyman Heavy Equipment Mechanic will work on other duties as assigned by the Supervisor.

(21) After successfully completing 4200 worked hours in this classification the employee is eligible for the Master Journeyman Heavy Equipment Mechanic bid only upon review of skills and performance competency. If the Mechanic is found to be unqualified at this time the next assessment will be given in 180 days.
Heavy Equipment General Mechanic:

(1) The H.E. General Mechanic will possess the ability to diagnose and repair or replace any truck and/or trailer, support or utility vehicle or heavy equipment component/machinery pertaining to, but not limited to: Any gasoline and diesel engine, automatic and manual transmission, differentials, drive train components, accessory components, steering systems, suspension systems, air and hydraulic brake systems, frame, axle, and electrical system.

(2) The H.E. General Mechanic will be able to diagnose, repair or rebuild: Hydraulic cylinders, valves, hoses, electrical and air control systems, limited welding repair or fabrication of body components.

(3) The H.E. General Mechanic will be able to diagnose and repair material recycling facility equipment, systems, and machinery.

(4) The H.E. General Mechanic will work well with limited supervision exercising knowledge of acceptable conditions as prescribed by State and Federal regulations as well as Company policies and procedures.

(5) The H.E. General Mechanic will possess the ability to instruct or assist other mechanics or H.E Utility Technicians with the completion of their assignments.

(6) The H.E. General Mechanic will be responsible for the accurate initiation and completion of repair orders.

(7) The H.E. General Mechanic will maintain his work area in a clean, efficient and safe manner and assist in the general clean-up of the shop and surrounding areas.

(8) The H.E. General Mechanic will possess a current and valid class of license with the required endorsements as prescribed by the California Department of Motor Vehicles that would enable the road test of any vehicle, for the purpose of diagnosis or verification of repair that is in the possession of the Company.

(9) The H.E. General Mechanic will, at times, be asked to perform any of the duties of a classification below that of a H.E. General Mechanic.

(10) The H.E. General Mechanic will be eligible for Journeyman H.E. Mechanic classification after 650 hours of OJT and 50 hours class/online training. The H.E. General Mechanic will be subject to biannual reviews on skills and performance levels.

(11) Upon completion of training the H.E. Mechanic will be given a final review and assessment to verify competency.
**Journeyman Trailer Technician**

The Journeyman Trailer Technician will possess the knowledge and proficiency to diagnose and repair trailer chassis and bodies up to and including repairing and refurbishing.

The Journeyman Trailer Technician will possess the knowledge and proficiency in repairing suspensions, brake systems (air and hydraulic), air systems, frame, axle and hydraulic systems.

The Journeyman Trailer Technician will work with limited or no supervision exercising knowledge of acceptable conditions as prescribed by State and Federal regulations as well as Waste Management policy and procedures.

1. The Journeyman Trailer Technician will be responsible for the accurate initiation and completion of company work orders, and documents related to fleet maintenance as prescribed by State and Federal regulations as well as Waste Management policy and procedures.

2. The Journeyman Trailer Technician will maintain his/her work area in a clean, efficient and safe manner and assist in the general clean-up of the shop and surrounding areas.

3. Employees in the Journeyman Trailer Technician classification hired on or after July 1, 2007 will at all times possess a valid commercial license with the required endorsements as prescribed by the California Department of Motor Vehicle that would enable the road test of any vehicle for the diagnosis or verification of repair that is in the possession of the company. Employees in this classification who were hired before July 1, 2007 are encouraged, but not required, to hold their Class B CDL.

4. The Journeyman Trailer Technician will possess within one year of obtaining this classification, certification of his welding abilities in Stick, Tig and Mig by an accredited certification program.

5. The Journeyman Trailer Technician will work on other duties as assigned by the Supervisor.
Parts Person

The Parts Person will possess the knowledge and proficiency to operate a parts department in accordance with established policy and procedures, but not limited to:

The management of inventory levels, the issuance of purchase orders to vendors, the tracking of parts used by technicians, tracking of all inbound and outbound parts including tires and the pick-up of parts when necessary and any other tasks assigned by the supervisor.

The Parts Person will adhere to all WM National Account Programs per established policy and procedures.

The Parts Person will be responsible for performing two annual parts inventories following established policy and procedures.

The Parts Person will be responsible for identifying and disposing of obsolete and inactive inventory under the supervision of the Fleet Manager.

The Parts Person will work with limited or no supervision exercising knowledge of acceptable conditions as prescribed by State and Federal regulations as well as Waste Management policy and procedures.

The Parts Person will be responsible for the accurate initiation and completion of company work orders, and documents related to fleet maintenance as prescribed by State and Federal regulations as well as Waste Management policy and procedures.

The Parts Person will maintain his/her work area in a clean, efficient and safe manner and assist in the general clean-up of the shop and surrounding areas.

The Parts Person will work on other duties as assigned by the Supervisor.
H.E. Utility Person

The Heavy Equipment Utility position shall be an entry-level Heavy Equipment position designed to enable the employee to develop the skills necessary to progress to the H.E General Mechanic classification.

(1) Able to do daily service on all types of Heavy Equipment with 40 hrs. of documented on the job training.

(2) Assist the H.E. General Mechanic in repairs and services.

(3) Able to properly run all service equipment on site with 10 hours of documented training.

(4) Must possess the same tools of a H.E. General Equipment Mechanic within 4500 hours worked.

(5) Able to prepare equipment for repair or service with 20 hours of documented training.

(6) Able to properly clean all power train components on any piece of Heavy Equipment.

(7) As directed by Supervisor be responsible for clean-up of area under the responsibility of the Maintenance Department.

(8) Assist in clean-up in the shop and surrounding areas.

(9) Able to fill oil reservoirs and drain evacuation system from lube bays and service trucks with 8 hours of documented training.

(10) Able to learn proper rigging techniques with some on-site training.

(11) After successfully completing 4200 worked hours in this classification the employee is eligible for H.E. General Mechanic bid only upon review of skills and performance competency. If the Mechanic is found to be unqualified at this time the next assessment will be given in 180 days.

(12) Documented evaluation will take place bi-annually to insure correct progression.

(13) It is understood between the parties that the employee in the H.E. Utility classification whose skills do not improve sufficiently to want an increase may be held up in progression schedule.

(14) The Heavy Equipment Utility Person will work on other duties as assigned by the Supervisor.
**Plant Maintenance Technician**

The Plant Maintenance Technician will possess the knowledge and proficiency to assist in the repair and/or installation of material recycling equipment and various facility machinery that support the plant in accordance with WM and manufacturers recommended policy and procedures.

The Plant Maintenance Technician will, under the supervision of the Journeyman Plant Maintenance Technician, assist in the repair and/or installation of any site electrical, air and plumbing system on the site according to code.

The Plant Maintenance Technician will, under the supervision of the Journeyman Plant Maintenance Technician, assist in the repair and/or installation of structural equipment that meets all state and federal regulations.

The Plant Maintenance Technician will, under the supervision of the Journeyman Plant Maintenance Technician, assist in installation, inspection and/or modification of compactors to OSHA and ANSI specifications.

The Plant Maintenance Technician will possess the ability to fabricate structural and machinery parts that support the plant.

The Plant Maintenance Technician will work with the manufacturers during the installation of new equipment and warrantable repairs.

The Plant Maintenance Technician will work with limited or no supervision exercising knowledge of acceptable conditions as prescribed by State and Federal regulations as well as Waste Management policy and procedures.

The Plant Maintenance Technician will be responsible for the accurate initiation and completion of company work orders, and documents related to fleet maintenance as prescribed by State and Federal regulations as well as Waste Management policy and procedures.

The Plant Maintenance Technician will maintain his/her work area in a clean, efficient and safe manner and assist in the general clean-up of the shop and surrounding areas.

The Plant Maintenance Technician will possess within one year of obtaining this classification, certification of his welding abilities in Stick and MIG by an accredited certification program.

The Plant Maintenance Technician will work on other duties as assigned by the Supervisor.
Welder — Container Technician

The Welder Container Technician will possess the ability to perform all maintenance, modifications, welding and repairs to containers and drop boxes in accordance with established policy and procedures.

The Welder Container Technician will work with limited or no supervision exercising knowledge of acceptable conditions as prescribed by State and Federal regulations as well as Waste Management policy and procedures.

The Welder Container Technician will be responsible for the accurate initiation and completion of company work orders, and documents related to fleet maintenance as prescribed by State and Federal regulations as well as Waste Management policy and procedures.

The Welder Container Technician will maintain his/her work area in a clean, efficient and safe manner and assist in the general clean-up of the shop and surrounding areas.

The Welder Container Technician will possess within one year of obtaining this classification, certification of his welding abilities by an accredited certification program.

The Welder Container Technician will work on other duties as assigned by the Supervisor.
**Painter**

The Painter will possess the ability to perform the preparation and painting of containers and drop boxes in accordance with established policy and procedures.

The Painter will work with limited or no supervision exercising knowledge of acceptable conditions as prescribed by State and Federal regulations as well as Waste Management policy and procedures.

The Painter will be responsible for the accurate initiation and completion of company work orders, and documents related to fleet maintenance as prescribed by State and Federal regulations as well as Waste Management policy and procedures.

The Painter will maintain his/her work area in a clean, efficient and safe manner and assist in the general clean-up of the shop and surrounding areas.

The Painter will work on other duties as assigned by the Supervisor.
MRF Utility Person

(1) Lube Bearings

(2) Check & Adjust Fluid Levels in Hydraulic Equipment

(3) Blow Out/Off & Clean Equipment to include MCC’s, Motors, Compressors, Coolers, Etc.

(4) Visually Inspect Equipment & Report Deficiencies

(5) Empty Belly Pans & Tail/Head Pulley Bearing Covers

(6) Remove Wire & Debris from Shift and Rollers. Assist Screen Cleaners when needed.

(7) Assist Journeyman Mechanics in a Journeyman Capacity with an appropriate upgrade in Pay-scale for the Time Period

(8) Perform PM’s in accordance with Waste Management Policy
**Fueler/Utility/General Cleanup Person**

As directed by the Supervisor, the Fueler/Utility/General Cleanup Person is responsible for the fueling of trucks and adding all necessary fluids.

As directed by the Supervisor, the Fueler/Utility/General Cleanup Person is responsible for the washing of trucks, equipment, machinery, buildings or any area under the responsibility of the Maintenance Department.

As directed by the Supervisor, the Fueler/Utility/General Cleanup Person is responsible for the washing and steaming out of all containers, toters, compactors and drop boxes.

The Fueler/Utility/General Cleanup Person is responsible for the general clean-up of all areas under the responsibility of the Maintenance Department.

The Fueler/Utility/General Cleanup Person is responsible for ensuring there is no standing water in containers or drop boxes.

The Fueler/Utility/General Cleanup Person will work with limited or no supervision exercising knowledge of acceptable conditions as prescribed by State and Federal regulations as well as Waste Management policy and procedures.

The Fueler/Utility/General Cleanup Person will maintain his/her work area in a clean, efficient and safe manner and assist in the general clean-up of the shop and surrounding areas.

The Fueler/Utility/General Cleanup Person will work on other duties as assigned by the Supervisor.
ADDENDUM B

ATTENDANCE AND TARDINESS POLICY

PURPOSE

The purpose of this addendum is to clarify the PROGRESSIVE DISCIPLINARY ACTION in regards to paragraph F. under the heading of EXCUSED ABSENCES dated August 3, 1992.

TARDINESS/EARLY OUTS

Employees are expected to have punched in and be at their work station ready for work not later than their scheduled starting time, whether for a regular shift, an overtime shift or an authorized early start.

3rd Tardy/Early Out - Verbal Warning—signed by the employee (acknowledgement only) and documented to the employee’s file.

4th Tardy/Early Out - Written Warning—which shall be signed for by the employee (receipt only), with copies to the Union and employee’s personnel file.

5th Tardy/Early Out - Suspension—which shall be documented and signed by the employee (receipt only) with copies to the Union and employee’s personnel file.

6th Tardy/Early Out* - Termination of Employment—which shall be documented, with copies to the employee, Union and employee’s personnel file.

*Note: Due to an employee’s length of service and other mitigating circumstances the General Manager may elect to grant another suspension before Termination.

You are expected to punch in and/or out within seven (7) minutes of your scheduled start and/or stop time. Early and/or late punch-ins will be considered unauthorized overtime and will result in the above-listed progressive discipline.

ABSENTEEISM

Any period of one (1) or more consecutive days of related absence due to personal illness, injury or absence due to State or Federal F.M.L.A. will be considered as a single occurrence under this policy. Consecutive days of absence for all other reasons will be considered as a separate occurrence for each day of such absence. The following progressive disciplinary action will commence after all sick leave is exhausted. The following shall be recognized even if the employee still has sick leave available: unexcused absences on mandatory workdays will count as an occurrence.

1st Occurrence - Verbal Warning—signed by the employee (acknowledgement only) and documented to the employee’s file.
2nd Occurrence — Written Warning—which shall be signed for by the employee (receipt only), with copies to the Union and employee’s personnel file.

3rd Occurrence — Suspension—which shall be documented and signed by the employee (receipt only), with copies to the Union and employee’s personnel file.

4th Occurrence — Termination of Employment—which shall be documented, with copies to the employee, Union and employee’s personnel file.

*Note: Due to an employee’s length of service and other mitigating circumstances the General Manager may elect to grant another suspension before Termination.

If an employee, as a result of an additional absence, moves to the next progressive discipline step before the Company has had the opportunity to formally discipline the employee at the prior step, the rules of this policy will always apply, and the next progressive discipline step will be administered.

The policy will be maintained on a rolling twelve (12) month basis.

Failure to report for scheduled work (including recall from layoff) for three (3) consecutive days (excluding Saturdays, Sundays and Holidays) without having called in by the end of the shift of the third day, shall be considered a voluntary quit.
ADDENDUM C

RED-CIRCLED EMPLOYEES

The parties have met in good faith and expressly agree that this Letter of Understanding shall be attached to and become part of the parties' Collective Bargaining Agreement ("Agreement") effective upon execution until its expiration as set forth in Section 28 of the parties' Agreement.

The parties have agreed to revise the job classifications in the collective bargaining agreement listed in Addendum A. However, the parties have agreed that the following employees who were classified as "PM Technicians" under the expired 2001-2007 collective bargaining agreement will not be reclassified in the new contract but will remain classified as "PM Technician":

- Jeffrey Ramun
- Dan Urone

In addition, the following employees will remain in the classifications below:

- Alfredo Aguayo - Painter/Utility
- Todd Crane - General Mechanic
- Art Gasper - Container Repair
- Ivan Yell - Container Repair

Employees hired after contract ratification will not be eligible for placement in the PM Technician, Painter/Utility, General Mechanic, or Container Repair classifications. The job descriptions for these classifications as described in the parties' expired 2001 — 2007 collective bargaining agreement are attached hereto as Appendix 1. The parties agree that these classifications shall no longer exist and no new employees shall be placed in these classifications.

The employees named above shall receive the same annual wage increases under the contract as other employees and shall be eligible, if qualified, to move into different job classifications if they demonstrate the ability to perform in a different classification. A table containing the wage rates for the individuals listed above is attached to this letter as Appendix 2.
IN WITNESS WHEREOF, the parties hereto have set their hands and seal this 21st day of May, 2013.

WMAC

Signature

Print name: Larry Stockton 5/21/2013
Print Title: President

Machinists Local 1546

Signature

Print name: Donald P. Castello 5/21/13
Print Title: Sr. Area Director
APPENDIX 1 — JOB DESCRIPTIONS

PREVENTIVE MAINTENANCE TECHNICIAN ("PM Tech"):

Possess the knowledge and proficiency to perform all the operations as outlined in the established Preventive Maintenance policies and procedures with dependability.

Perform all operations as described and outlined in the Company’s P.M. forms as they relate to each specific type of equipment,

Possess the ability to perform minor repair operations such as replacing light bulbs, adjusting brakes, etc.

Be responsible to perform all P.M. inspections in accordance with Company, C.H.P. and safety standards.

Be responsible for the accurate initiation of repair orders with all the required areas filled in, parts used by system codes, labor operations detailed and time recorded by system codes.

Maintain his work area in a clean, efficient and safe manner. Assist in the general clean-up of the shop and surrounding areas.

Be responsible for the scheduling of equipment into the shop for inspection and the maintenance of the P.M. board ensuring its accuracy and completeness.

Perform the daily service required on heavy equipment in accordance with policies and procedures.

Test drive units after servicing or repairs.

Pick up and deliver parts as required.

Maintain his/her work area in a clean, efficient and safe manner. Assist in the general clean-up of the shop and surrounding areas.

GENERAL MECHANIC:

The General Mechanic will possess the ability to diagnose and repair or replace any truck and/or trailer, material recycling facility (MRF) system, support or utility vehicle or heavy equipment component/machinery pertaining to, but not limited to: Any gasoline and diesel engine, automatic and manual transmission, differentials, drive train components, accessory components, steering systems, suspension systems, air and hydraulic brake systems, frame, axle, and electrical system.

The General Mechanic will be able to diagnose, repair or rebuild collection body operational systems including, but not limited to: Hydraulic cylinders, valves, hoses, electrical
and air control systems, radar, on board scale and closed circuit TV systems, limited welding repair or fabrication of body components.

The General Mechanic will be able to diagnose and repair material recycling facility equipment, systems and machinery.

The General Mechanic will work well with limited supervision exercising knowledge of acceptable conditions as prescribed by State and Federal regulations as well as Company policies and procedures.

The General Mechanic will possess the ability to instruct or assist other mechanics or P.M. Technicians with the completion of their assignments.

The General Mechanic will be responsible for the accurate initiation and completion of repair orders.

The General Mechanic will maintain his work area in a clean, efficient and safe manner and assist in the general clean-up of the shop and surrounding areas.

The General Mechanic will possess a current and valid class of license with the required endorsements as prescribed by the California Department of Motor Vehicles that would enable the road test of any vehicle, for the purpose of diagnosis or verification of repair, that is in the possession of the Company.

The General Mechanic will, at times, be asked to perform any of the duties of a classification below that of a General Mechanic.

**CONTAINER REPAIR PERSON:**

Possess the knowledge and proficiency to perform all maintenance, modification, welding and repair operations of manufactured containers in accordance with established policies and procedures with dependability.

Possess the ability to straighten and align containers in accordance with manufacturer's specifications.

Works well with limited supervision exercising knowledge of acceptable conditions as prescribed by Company policies and procedures.

Be responsible for the accurate initiation of repair orders with all the required areas filled in, parts used by system codes, labor operations detailed and time recorded by system codes.

Maintain his work area in a clean, efficient and safe manner. Assist in the general clean-up of the shop and surrounding areas.

Perform minor welding on trucks as directed.
PAINTER/UTILITY:

Be responsible for the painting and cleaning/washing of containers, drop boxes and compactors.

Maintain his/her work area in a clean, efficient and safe manner.
APPENDIX 2

WAGE TABLE FOR RED-CIRCLED EMPLOYEES

<table>
<thead>
<tr>
<th>Classification</th>
<th>Effective July 1, 2013</th>
<th>Effective July 1, 2014</th>
<th>Effective July 1, 2015</th>
<th>Effective July 1, 2016</th>
<th>Effective July 1, 2017</th>
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<td>$34.80</td>
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<tr>
<td>General Mechanic</td>
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<td>$34.93</td>
<td>$35.86</td>
<td>$37.26</td>
<td>$38.66</td>
</tr>
</tbody>
</table>
ADDENDUM D

MNPL CHECKOFF

IT IS AGREED AND UNDERSTOOD that WASTE MANAGEMENT will allow voluntary employee contributions by payroll deduction to the Machinists Non-Partisan Political League using the following form:

MNPL POLITICAL CHECK-OFF AUTHORIZATION

I, ___________________________, Social Security No. ______________________,
hereby authorize and direct __________________________,_____________________
to deduct weekly/monthly from my wages the sum of $_____________________and
forward this amount to the Treasurer of the Machinists Non-Partisan Political
League at 9000 Machinists Place, Upper Marlboro, MD 20772-2687.

I have executed this wage deduction authorization voluntarily without any coercion, duress, or intimidation, and none of the monies deducted are a part of my dues or membership fees to the Local Union. This authorization and the making of payments to MNPL are not conditions of membership in the Union or of employment with the Company, and I understand that the money will be used by MNPL to make contributions and expenditures in connection with Federal, State and local elections.

______________________________
(Employee’s Signature)

Date

FOR THE EMPLOYER: FOR THE UNION:

WASTE MANAGEMENT MACHINISTS AUTOMOTIVE TRADES
DISTRICT LODGE NO. 190 OF NORTHERN
CALIFORNIA, for and on behalf of East Bay
Automotive Machinists Lodge No. 1546

Dated: 5/21/17 Dated: 5/24/13
ADDENDUM E

WELDING CERTIFICATION

The parties have met in good faith and expressly agree that this Letter of Understanding shall be attached to and become part of the parties’ Collective Bargaining Agreement (“Agreement”) effective upon execution until its expiration as set forth in Section 28 of the parties’ Agreement.

The parties have agreed that employees who perform welding must be certified on a regular basis. For employees who perform welding, the parties have agreed that the certification procedure will be as follows:

Classifications: Employees in the following classifications must obtain welding certification:

- Journeyman Trailer Technician
- Journeyman Plant Maintenance Technician
- Plant Maintenance Technician
- Journeyman Truck Welder/Fabricator Technician
- Welder - Container Technician
- Journeyman Compactor Repair Person

Procedure: The Company will arrange for certification through Laney College or a similar accredited institution. Certification, when approved by the Company, may also be obtained by instruction or training on the job by Company-approved vendors. Employees will be reimbursed for the cost of the certification exam. Upon request of the employee, the Company agrees to identify refresher training and/or seminars and to otherwise reasonably assist the employees in passing the required certifications.

Current employees must obtain the required certifications for their job class by current ratification date or six months from the date of contract ratification, whichever is later. New hires must obtain their certification by the completion of their probationary period.

Certification Requirements: Employees must be tested and certified on the following areas:

- Mild Steel, MIG, and Arc, depending on job classification requirements.
- Overhead and vertical welds
- Groove and fillet welds
- ¼” and ½” Mild steel
- TIG certification for Journeyman Trailer Technician classification.
The parties have agreed that failure to obtain and/or maintain current certifications may lead to disciplinary action.

IN WITNESS WHEREOF, the parties hereto have set their hands and seal this 21st day of ______, 2013.

WMAC

Signature

Print Name: Barry, 5/21/13
Print Title: Print Title

Machinists Local 516

Signature

Print Name: Donald D. Castello, 5/21/13
Print Title: Print Title

-54-
ADDENDUM F

COMMERCIAL DRIVERS LICENSE

The parties have met in good faith and expressly agree that this Letter of Understanding shall be attached to and become part of the parties’ Collective Bargaining Agreement ("Agreement") effective upon execution until its expiration as set forth in Section 28 of the parties’ Agreement.

The parties have agreed that all employees in the following classification shall hold their Class B CDL:

- Journeyman Truck Technician

The parties have also agreed that all employees hired on or after the date of contract ratification in the following classifications shall hold their Class B CDL:

- Journeyman Trailer Technician
- Journeyman Heavy Equipment Mechanic
- Apprentices (as necessary)

Current employees in these four classifications who were hired before the date of ratification are encouraged, but not required, to hold their Class B CDL.

The parties have agreed that the following shall apply to all employees required to hold their CDL.

**Hands-On Practice:** Hands-on practice for the driving exam will be completed in the yard during non-working hours. The Company shall provide current employees in the Journeyman Truck Technician classification up to four hours of instruction with the Company’s Driver Training staff.

**Medical Certification:** Employees must obtain their required medical certification for their CDL. It shall be obtained during working hours.

**Written Test:** Employees must arrange to take the written test during non-work hours, or take unpaid time off.

**Driving Test:** The Company will provide a commercial vehicle and arrange for its delivery to the testing site. Employees must arrange to take the driving test during non-work hours, or take unpaid time off.

**Cost:** The Company will reimburse current employees for CDL permit and license fees.
The parties have agreed that current employees required to obtain their CDL must obtain their license by September 1, 2013. All new hires must possess or obtain their CDL by the conclusion of their probationary period. Failure to obtain and/or maintain a current CDL may lead to disciplinary action.

IN WITNESS WHEREOF, the parties hereto have set their hands and seal this 26th day of May 2013.

WMAC

[Signature]

Print Name: Barry Cuple 5/21/2013

Print Title: Prov. Dir.

Machinists Local 1845

[Signature]

Print Name: Ronald V. Crescetti 5/24/13

Print Title: Sr. Area Director
ADDENDUM G

LETTER OF UNDERSTANDING REGARDING DIRECTOR OF PARTS

Waste Management of Alameda County (hereinafter “Employer”) and Machinists Automotive Trades District Lodge No. 190 Of Northern California, Local No. 1546 (collectively the “Union”) hereby agree to the following Letter of Understanding as it relates to the Parties’ collective bargaining agreement ("Agreement").

The Company intends to establish a Parts Director to oversee and direct the management of the parts rooms across the entire Market Area, establishing policy and procedure, minimum and maximum qualities and insuring standardization and efficiency with regards to purchases, warranty and the tracking of our spend.

The Parties agree that a new position will be posted and both eligible union and nonunion employees may apply. The Union agrees to meet with the Company to discuss overlap of duties, if any, between the new Director of Parts position and the Parts lead/Parts person covered by the contract. However, these discussions shall not prevent or delay the establishment of the new Director of Parts position which shall not be covered by the collective bargaining agreement.

This understanding shall be incorporated into the parties’ current collective bargaining agreement and shall remain a term of the parties’ agreement unless modified in writing by the parties.

This understanding is executed on the dates set forth below.

Waste Management of Alameda County

Date: 5/21/2013

Machinists Automotive Trades District Lodge No. 190 Of Northern California, Local No. 1546

Date: 6/24/2013
ADDENDUM H

LETTER OF UNDERSTANDING REGARDING
ENHANCED ASE CERTIFICATION

Waste Management of Alameda County (hereinafter “Employer”) and Machinists Automotive Trades District Lodge No. 190 Of Northern California, Local No. 1546 (collectively the “Union”) hereby agree to the following Letter of Understanding as it relates to the parties’ collective bargaining agreement ("Agreement").

Upon successful completion of the below ASE's a 5% increase will be granted to their base rate of pay. These serve as the gateway as they must be successfully completed first.

T2 - Diesel Engines (prerequisite for L2)
T6 - Electrical/Electronic Systems (prerequisite for L2)
L2 - Medium/Heavy Vehicle Electronic Diesel Engine Diagnostic Specialist
E2 - Electrical/Electronic Systems Installation and Repair
F1 - Alternate Fuels

In addition, after successful completion of each subsequent ASE listed below, an additional increase of 1% of their base pay will be granted.

T1 - Gasoline Engines
T3 - Drive Trains
T4 - Brakes
T5 - Suspensions and Steering
T7 - Heating, Ventilation and A/C
T8 - Preventive Maintenance Inspection

This premium above the contract rate will continue as long as the employee obtains the certifications in three months. Failure to maintain them will result in removal of the increases. Should any of the gateway ASE’s not be maintained, the entire premium will be removed until such certifications are restored.

The cost to register and take the test to attain the above ASE’s will be reimbursed upon successful completion. The employee will submit an expense report for reimbursement which will include verification of successful completion, or recertification.

This understanding shall be incorporated into the parties’ current collective bargaining agreement and shall remain a term of the parties’ agreement unless modified in writing by the parties.
This understanding is executed on the dates set forth below.

Waste Management of Alameda County

Date: 5/24/2013

Machinists Automotive Trades District Lodge No. 190 Of Northern California, Local No. 1546

Date: 5/24/13
ADDENDUM I

LETTER OF UNDERSTANDING REGARDING TOOL ALLOWANCE

Waste Management of Alameda County (hereinafter “Employer”) and Machinists Automotive Trades District Lodge No. 190 Of Northern California, Local No. 1546 (collectively the “Union”) hereby agree to the following Letter of Understanding as it relates to the Parties’ collective bargaining agreement ("Agreement").

The parties have agreed that all eligible employees shall receive a tool allowance as follows:

Effective June 1, 2013 all eligible employees employed on June 1, 2013 shall receive a tool allowance in the gross amount of $500.00.

Effective January 1, 2014 all eligible employees employed on January 1, 2014 shall receive a tool allowance in the gross amount of $500.00.

This understanding shall be incorporated into the parties' current collective bargaining agreement and shall remain a term of the parties’ agreement unless modified in writing by the parties.

This understanding is executed on the dates set forth below.

Waste Management of Alameda County

[Signature]
Date: 5/21/2013

Machinists Automotive Trades District Lodge No. 190 Of Northern California, Local No. 1546

[Signature]
Date: 5/21/13
ADDENDUM J

LETTER OF UNDERSTANDING REGARDING
JOURNEYMAN ELECTRICAL TECHNICIAN WAGES

During the course of negotiations for the 2012-2018 contract, the parties agreed to create a new position of Journeyman Electrical Technician.

As of the ratification date of this Agreement, no wage rate was established for this classification. Prior to the Employer hiring anyone for this classification, the parties agree to negotiate a wage rate for this classification which will be incorporated into this Labor Agreement.

Waste Management

[Signature]

Print Name: Barry Solnick

Print Title: President

Date: 5/21/2017

Machinists Local 1546

[Signature]

Print Name: Donald D. Crescio

Print Title: Sr. Area Director

Date: 5/21/2013
COLLECTIVE BARGAINING AGREEMENT

Between

WASTE MANAGEMENT OF ALAMEDA COUNTY, Inc.

And

WAREHOUSE UNION LOCAL NO. 6, ILWU

June 6, 2013 – June 5, 2018
## TABLE OF CONTENTS

<table>
<thead>
<tr>
<th>SECTION</th>
<th>Title</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>RECOGNITION</td>
<td>1</td>
</tr>
<tr>
<td>2</td>
<td>SENIORITY AND JOB BIDDING</td>
<td>3</td>
</tr>
<tr>
<td>3</td>
<td>DISCHARGE</td>
<td>4</td>
</tr>
<tr>
<td>4</td>
<td>STEWARD</td>
<td>5</td>
</tr>
<tr>
<td>5</td>
<td>BUSINESS AGENT</td>
<td>5</td>
</tr>
<tr>
<td>6</td>
<td>HOLIDAYS</td>
<td>5</td>
</tr>
<tr>
<td>7</td>
<td>MINIMUM WORK DAYS</td>
<td>6</td>
</tr>
<tr>
<td>8</td>
<td>MEAL AND REST PERIODS</td>
<td>7</td>
</tr>
<tr>
<td>9</td>
<td>DISABLED PERSONS</td>
<td>8</td>
</tr>
<tr>
<td>10</td>
<td>NO DISCRIMINATION</td>
<td>8</td>
</tr>
<tr>
<td>11</td>
<td>NO STRIKES OR LOCKOUTS</td>
<td>8</td>
</tr>
<tr>
<td>12</td>
<td>WAGES</td>
<td>8</td>
</tr>
<tr>
<td>13</td>
<td>WORK DAY, WORKWEEK AND OVERTIME</td>
<td>9</td>
</tr>
<tr>
<td>14</td>
<td>VACATIONS</td>
<td>10</td>
</tr>
<tr>
<td>15</td>
<td>HEALTH AND WELFARE</td>
<td>12</td>
</tr>
<tr>
<td>16</td>
<td>PENSION</td>
<td>13</td>
</tr>
<tr>
<td>17</td>
<td>SICK BENEFIT ALLOWANCE</td>
<td>14</td>
</tr>
<tr>
<td>18</td>
<td>BEREAVEMENT LEAVE</td>
<td>15</td>
</tr>
<tr>
<td>19</td>
<td>GRIEVANCE COMMITTEE</td>
<td>16</td>
</tr>
<tr>
<td>20</td>
<td>NEW PROCESSES &amp; NEW MACHINES</td>
<td>16</td>
</tr>
<tr>
<td>21</td>
<td>UNION OFFICIALS' SENIORITY</td>
<td>17</td>
</tr>
<tr>
<td>22</td>
<td>BULLETIN BOARDS</td>
<td>17</td>
</tr>
<tr>
<td>23</td>
<td>MILITARY SERVICE</td>
<td>17</td>
</tr>
<tr>
<td>24</td>
<td>MISCELLANEOUS PROVISIONS</td>
<td>17</td>
</tr>
<tr>
<td>25</td>
<td>TRANSPORTATION</td>
<td>18</td>
</tr>
<tr>
<td>26</td>
<td>MANAGEMENT RIGHTS</td>
<td>18</td>
</tr>
<tr>
<td>27</td>
<td>SEVERANCE PAY</td>
<td>18</td>
</tr>
<tr>
<td>28</td>
<td>LEAVE OF ABSENCE</td>
<td>19</td>
</tr>
<tr>
<td>29</td>
<td>SCOPE OF AGREEMENT AND SEPARABILITY OF PROVISIONS</td>
<td>19</td>
</tr>
<tr>
<td>30</td>
<td>SUBCONTRACTING</td>
<td>20</td>
</tr>
<tr>
<td>31</td>
<td>DURATION OF AGREEMENT</td>
<td>20</td>
</tr>
</tbody>
</table>
AGREEMENT

THIS AGREEMENT, entered into and made effective this 6th day of June 2013, is by and between the WASTE MANAGEMENT OF ALAMEDA COUNTY for the following Divisions: Altamont Landfill, Davis Street Transfer Station, and Tri-Cities Landfill, hereinafter referred to as the Company, and the WAREHOUSE UNION LOCAL NO. 6, ILWU, hereinafter referred to as the Union. The terms of this Agreement as herein stated are the sole terms of agreement between the respective parties.

WITNESSETH

SECTION 1. RECOGNITION

(a) The Company recognizes the Union as the exclusive representative for the purpose of collective bargaining for all Site Maintenance employees, Utility Operators, Collectors, and Heavy Equipment Operators, employed at the Company’s landfill at 10840 Altamont Pass Road, Livermore and for Local 6 Utility-salvage employees (as described in the Transfer Station Addendum dated January 12, 1981) and collectors at the Company’s transfer station at 2615 Davis Street, San Leandro, excluding supervisors, guards, and watchmen.

(b) All work performed in the collective bargaining unit, as covered by the classifications listed in the Schedules attached, and in the Transfer Station Addendum, and all employees performing such work, shall be covered by this Agreement.

(c) Membership in the Union on or after thirty (30) days following the beginning of employment or the effective date of this Agreement, whichever is later, shall be a condition of employment to the extent consistent with the law.

(d) The Company and the Union recognize the desirability of providing continued employment in the industry, and the necessity of having available at all times a supply of competent employees in the various types of work covered by this Agreement.

To provide such continued employment, the Company agrees to give preference of employment to applicants who have previous experience in the industry in the San Francisco Bay Area, by reason of having been previously employed in this industry within the past two years in a classification in this industry, or persons who are presently employed who may become unemployed during the life of the Agreement.

The Company recognizes that it has been the practice for such persons to offer themselves for employment through the Union’s offices and consequently, for the purpose of assuring maximum harmonious relations and in order to obtain the best qualified, employees covered by this Agreement, the Company agrees that in hiring to fill all vacancies or new positions in any classifications carrying the basic minimum rate, they shall first notify the offices of the Union. The Union will have forty-eight (48) hours to furnish competent persons for the work required. In addition the Company will work with the Union in performing an outreach to obtain a diverse ethnic and gender candidate pool in an attempt to meet the Company’s Affirmative Action
Goals. The Company will provide at least annually an Affirmative Action Program report on the underutilized area and the outreach goals for the Company to be in compliance.

In the event the offices of the Union are unable to furnish competent persons satisfactory to the Company within forty-eight (48) hours, the Company may hire from outside sources. The Company retains the right to reject any job applicant referred by the Union's offices or other outside sources if the individual cannot provide appropriate employment documentation or is unable to complete the employment application and paperwork, or is otherwise unacceptable to the Company. The Company nor the Union shall discriminate against any applicant because of the person's race, religion, color, national origin, sex, marital status, age or handicap to the extent provided by law, status as a veteran, union activities, or lack of union activities.

The Union will make a good faith effort to provide a diverse qualified candidate resource pool within the Union's Offices dispatch practices.

Should the Company utilize an applicant and orientation process the Company will contact the Union at least forty-eight (48) hours before the day of employment for the hiring hall referrals. There shall be no obligation to compensate such individuals unless and until they are actually put to work and then they will receive 2 hours pay minimum for the application and orientation process. All candidates applying for employment at the employer site will complete an application but be referred to the Union's offices during business hours to be dispatched back to the Company. The Company will notify the Union via fax of said employee name(s) prior to sending these individuals to the Union's offices.

The Union shall maintain proper registration facilities for applicants for employment to make themselves available for job opportunities, and shall conduct such registration facilities without discrimination either in favor of or against prospective employees by reason of membership in or non-membership in the Union. Selection of applicants for referral to jobs shall be on a nondiscriminatory basis and shall not be based on, or in any way affected by, Union membership, bylaws, rules, regulations, constitutional provisions, or requirements. From such registration facilities the Union shall first dispatch to the Company upon its request any unemployed person who has worked previously for an employer in this industry in the San Francisco Bay Area, or for an employer in some other area in the same industry whom the Company may consider particularly suitable for the job. If no such person is specified by the Company in requesting referrals from the Union, then the Union shall dispatch persons for referral in accordance with the preference requirements set forth above.

The Union agrees that any employee secured through its offices or otherwise employed in accordance with the terms of this Section and who is acceptable to the Company shall not be withdrawn from his job because he is not a book member of the Union, or for the purpose of replacing him by someone else, and that no employee shall be threatened, intimidated, or otherwise encouraged to terminate his employment.

Subject to the above the Union undertakes to fill all orders for the same classification of work in order of their receipt, and agrees that neither the Union offices nor the procedure therein shall be used or devised to discriminate against, intimidate, or coerce the Company. Company representation may visit such Union offices at any time to observe and examine their operation.
and complaints concerning the operation of such Union offices and concerning violations of the
above undertaking shall be adjudicated in accordance with Section 19.

The parties to this Agreement shall post in places where notices to employees and applicants for
employment are customarily posted a copy of this Section, and any and all other provisions
relating to the functioning of the hiring arrangement provided in this Agreement.

(e) The Company and the Union agree to use the following language for payroll deduction of
Union dues:

The undersigned employee of Waste Management of Alameda
County, hereby authorize and direct the said Company to deduct
on my first payday of each month from any wages now or hereafter
due me, and pay to Warehouse Union Local 6, ILWU, my
membership dues and initiation as a member of that organization.
I agree to hold the Company harmless from loss from any
judgment of a court of competent jurisdiction and from any order
of the Labor Commissioner or other agency of government in
connection with or arising from any deductions made pursuant to
this assignment. No other assignment or order exists in connection
with this transaction. This assignment shall be irrevocable for a
period of one year from the date hereof and shall remain in full
force and effect thereafter until revoked in writing by the
undersigned.

Dated:

Employee’s Signature

Steward’s Signature

SECTION 2. SENIORITY AND JOB BIDDING

(a) In reduction of forces due to slackness of work, the last employee hired shall be the first
employee laid off, and in rehiring, the last employee laid off shall be the first employee rehired,
until the list of former employees is exhausted. Seniority shall not apply to any employee until
he has been employed for sixty-five (65) days (520 straight-time hours worked) accumulated
within a period of twelve (12) consecutive months.

When a job position is eliminated, the lowest seniority person within that classification at the job
site will be assigned to the next highest paying classification at the job site occupied by the least
senior employee in that classification, for which they have the qualification by virtue of prior
service. The employee shall have more seniority than at least one of the employees currently in
the classification to which the person is being assigned. If this assignment results in an excess
employee in a classification at the job site then the same method for assignment as set forth
above to a lower classification shall apply at the job site. If at the end of this assignment process
at one job site, there is an excess employee(s) in the Site Maintenance classification, then the excess employee(s) shall be able to bump the least senior person within that classification from the seniority list and the least senior employee within the classification will be laid off pursuant to the layoff procedure outlined in the paragraph above.

If the eliminated job is re-established at that same job site within six months, the employee who formerly held that position shall be reinstated to the re-established position unless that employee successfully bid on another position within the six-month period.

(b) Seniority shall be terminated by:

(1) Discharge for cause.

(2) Resignation.

(3) Twenty four consecutive months of unemployment.

(c) Permanent vacancies shall be filled by seniority bid. Whenever a permanent vacancy occurs, a bid notice shall be posted at each landfill and transfer station on a mutually acceptable form for a period of seven (7) calendar days. At the conclusion of the posting period, the Company shall award the position to the most senior qualified bidder. Each bidder must qualify to do the work prior to the conclusion of the bidding period. The position vacated by the successful bidder shall be posted in the same manner. Site Maintenance vacancies shall be bid the same as any other vacancies under this section 2(c).

(d) The Company will reject the bid of any employee who has successfully bid within the previous eight (8) month period, except where the employee bids into a classification having a higher base rate of pay. Employees will not be permitted to bid into lower paid classifications except in cases of personal hardship.

(e) In determining upgrades, the Company shall consider the qualification (ability to do the job) of the eligible employees who are working at the time the upgrade is to occur. If in the judgment of the Company, the qualifications of the eligible employees are equal then seniority shall prevail.

(f) At the close of the bid the successful bidder will receive their rate of pay for the new position no later than twenty-one (21) days from the bid close. The Company will make reasonable efforts to expedite a transition in operations to allow the employees to transfer to the new bid position.

SECTION 3. DISCHARGE

(a) The Company shall have the right to discharge any employee for absenteeism, dishonesty, insubordination, intoxication, possession or use of illegal drugs, incompetence, willful negligence, or failure to observe Company safety and house rules and regulations which must be conspicuously posted and a copy provided to the Union.
(b) If an employee feels he has been unjustly discharged, he shall have the right to appeal his case to the Grievance Committee. Any such appeal, in order to be considered timely and eligible for processing, must be submitted in writing to the employee's supervisor within ten (10) working days of the date of discharge. In the case the discharge is found to be unjustifiable by the Grievance Committee, the Grievance Committee may order payment for lost time or reinstatement with or without payment for lost time.

(c) Any discharged employee shall, upon request, be furnished the reason for his discharge in writing.

(d) All complaints regarding discharges shall be given preference over any other matter pending between the parties.

(e) An employee who has no disciplinary action during the prior eighteen (18) months of employment will not have his prior discipline record taken into consideration when determining the appropriate level of disciplinary action for a current offense.

(f) The Company shall furnish the Chief Steward, the Site Steward and the Union Business Agent a written copy of any disciplinary action. Notice may be provided by electronic mail or by facsimile.

SECTION 4. STEWARD

A Steward shall be provided for each location, such Steward shall be designated by the Union. The Union shall provide the Company with a list of Stewards and assistants and provide updates when appropriate. The parties agree that the Company shall not be obligated to recognize an employee as a Steward if the individual has not been designated as a Steward in writing by the Union. The duty of the Steward shall be to report to the Union any grievances which may arise and which cannot be adjusted on the job. It is understood and agreed that the Steward shall have no power to order any changes.

SECTION 5. BUSINESS AGENT

The business agent or qualified representative of the Union shall be allowed to talk with the employees on the job for the purpose of ascertaining whether this Agreement is being observed by the parties hereto, or to assist in adjusting grievances. This privilege shall be exercised so that no time is lost to the company unnecessarily. The Union representative shall notify the Site Manager or his designee of his presence before proceeding to speak with employees. The Union understands and agrees that its representatives must comply with all Company safety rules while on Company premises.

SECTION 6. HOLIDAYS

(a) There shall be eleven (11) paid holidays - New Year's Day, President's Day, Memorial Day, Fourth of July, Labor Day, Veteran's Day, Thanksgiving Day, the day after Thanksgiving, the last working day before Christmas, Christmas Day, and a floating holiday. For each paid holiday, employees shall be paid eight (8) hours at the straight-time rate when not worked. The
floating holiday shall be observed on a date mutually agreed to by the Company and the individual employee.

(b) All eligible employees will receive one additional holiday for the employee’s birthday effective June 1, 2002. This additional holiday will be taken during the workweek in which the employee’s birthday falls with prior approval for the specific day with the employee’s supervisor. If the employee elects to work this day and waives taking the day off, the employee will be paid an additional eight (8) hours for working the holiday at a straight time rate.

(c) To be eligible for paid holidays, the employee must have been on the payroll a minimum of three (3) months and must work the scheduled work day immediately preceding the holiday or the first scheduled work day immediately following the holiday, and shall receive holiday pay provided such employees have worked one or more days during the seven (7) calendar days immediately preceding the holiday or worked one or more days during the seven (7) calendar days immediately following said holiday.

(d) If any named holiday in this Agreement falls on a Saturday, it shall at the option of the Company on each such occasion, be celebrated on such Saturday or on the Friday immediately preceding. If Friday is selected, all the provisions of this Section shall apply to such Friday, and if Saturday is selected, all the provisions of this Section shall apply to such Saturday, including eight (8) hours’ straight time pay to qualified employees not required to work on such a Saturday.

If any named holiday in this Agreement falls on a Sunday, it shall at the option of the Company on each such occasion, be celebrated on such Sunday or on the Monday immediately following. If Monday is selected, all the provisions of this Section shall apply to such Monday, and if Sunday is selected, all the provisions of this Section shall apply to such Sunday, including eight (8) hours’ straight time pay to qualified employees not required to work on such a Sunday.

(e) Any work performed on the named holidays in this Agreement shall be paid for at the rate of one and one-half (1 - 1/2) times the straight time rate in addition to the applicable holiday pay for the eligible employee.

SECTION 7. MINIMUM WORK DAYS

(a) The workweek shall be Sunday through Saturday. Upon reporting for work, each employee shall be guaranteed eight (8) hours work or pay on the employee’s regularly scheduled work days and on all holidays. For purposes of this Agreement, an employee’s “work day” begins on the day the employee is scheduled to begin work.

(b) Each employee shall be guaranteed four (4) hours’ work or pay if called to work on a non-scheduled workday.

(c) Casual employees shall be guaranteed eight (8) hours’ pay or the remainder of the regular workday from the time they report.

(d) When the Employer closes any day other than national disaster or other reason outside of the employers control, i.e., Easter Sunday, resulting in the employee losing the eight (8) hours
guarantee for that regular scheduled work day, as in section 7(a), affected employees will have the option to work one (1) of their regular scheduled days off during that pay period at a straight time rate.

SECTION 8. MEAL AND REST PERIODS

(a) MEAL PERIODS AND REST PERIODS

(1) **Meal Periods:** Employees who are scheduled to work more than five (5) hours in a day must take an unpaid meal period of at least, but not longer than, thirty (30) minutes within their first (1st) five (5) hours of work. Employees who work in excess of five (5) hours but less than six (6) hours may voluntarily waive their meal period, and will be presumed to have done so if the meal period is not taken. Employees who are scheduled to work more than ten (10) hours per day are provided a second (2nd) thirty (30) minute unpaid meal period. An employee may choose not to take this second (2nd) meal period so long as the employee took the first (1st) meal period and finishes his or her shift within twelve (12) hours. If an employee does not take a second (2nd) meal period in such circumstances, it is presumed that he or she waived that meal period. If an employee is unable to finish his or her shift within twelve (12) hours, the employee must take the second (2nd) unpaid thirty (30) minute meal period. Where a second (2nd) meal period is required, it should be taken to the extent practicable near the tenth (10th) hour of work.

(2) **Rest Periods:** Employees shall be authorized, and must take, a paid rest period of ten minutes for every four (4) hours worked. As far as practicable, employees must take the rest period within the middle of each four (4) hour increment.

(3) **Recording Time:** Employees must record their actual time worked. Depending upon an Employee’s position and location, work time may be recorded by computer, handwritten documents or on pre-printed time sheets. Each employee is responsible for recording his or her own time record in the manner required by the Employer. Employees should record the time work begins and ends, as well as the beginning and ending time of each meal period. Employees must also record any departure from work for any non-work-related reason. Should an Employee fail to record his or her time, or should a known error occur, the matter should be reported to a supervisor. Employees may not mark, erase, or make changes on time cards. Altering, falsifying, and/or tampering with time records, or recording time on another Employee’s time record is prohibited and subject to disciplinary action, up to and including termination.

(4) **Notification:** If circumstances do not permit an Employee to take his or her meal (or rest period), it is the Employee's duty and responsibility to notify his or her supervisor that he or she was not permitted to take a meal (or rest) period. Employees may not combine breaks and/or the meal period without the express permission of the Company. If employees are worked over five (5) hours without a meal, all time in excess of five (5) hours shall be paid at one and one-half times the straight time or overtime rate.

(5) **Arbitration:** Any complaint arising in connection with the application or interpretation of this Article, including but not limited to claims regarding alleged missed meal
and rest periods and alleged payments is therefore subject to the grievance and arbitration procedure set forth in Article 7 of this Agreement. The Arbitrator may award remedies under this Agreement and under applicable State and Federal laws.

SECTION 9. DISABLED PERSONS

A person whose earning capacity is or shall become limited because of age, physical or mental disability, or other infirmity, may be employed or placed on light work at a wage below the minimum established by this Agreement, subject to the approval in each instance of the Company and the Union. Both the Company and the Union agree to observe the provisions of this Agreement in accordance with the American’s with Disabilities Act for those employers covered by the Act.

SECTION 10. NO DISCRIMINATION

There shall be no unlawful discrimination or unlawful harassment of any kind because of race, religion, color, national origin, sex, marital status, age, disability, status as a veteran, or union activities against a member of the Union by the Company or any one employed by the Company in accordance with applicable federal and state laws. Reference in this Agreement to employees in either gender (male or female) shall apply equally to employees of both genders.

SECTION 11. NO STRIKES OR LOCKOUTS

(a) The Union and its members and the employees covered by this Agreement agree that they will not, either collectively or individually, during the term of this Agreement, cause, permit, condone, sanction or participate in any strike, sympathy strike, slow-down, curtailment of or refusal to work, picketing, recognition of picket lines, or any other activity, which would tend to interfere with the orderly operations of the Employer’s business. The Employer agrees that there shall be no lockout during the term of this Agreement.

(b) Participation by any employee or employees in any act or acts violating the provisions of paragraph (a) of this Section in any way will subject such employee or employees to disciplinary action, including discharge.

(c) However, it shall not be a violation of paragraph (a) of this Section and employees shall not be subject to discipline under paragraph (b) above if an employee or employees voluntarily refuse to cross a lawful primary picket line of a different bargaining unit that is sanctioned by Warehouse Union Local No. 6 and by the Labor Body or Labor Council having jurisdiction to grant such a sanction.

SECTION 12. WAGES

(a) Wages shall be paid in accordance with the schedule attached hereto.

(b) If an employee is required to work on a higher rated job for one (1) hour or more he shall receive that job rate for all work performed on the higher rated job.
SECTION 13. WORK DAY, WORKWEEK AND OVERTIME

(a) Work performed in excess of eight (8) consecutive work hours in one day or in excess of forty (40) work hours in one week shall be paid at one and one half (1 1/2) times the regular straight time rate, provided the employee works all of his scheduled hours. Work required to be performed prior to the employee’s scheduled starting time and after his scheduled quitting time shall be paid at one and one half (1-1/2) times the regular straight time rate. There shall be no pyramiding or accumulating of overtime pay.

(b) One and one-half (1-1/2) times the regular straight time rate shall be paid for all hours worked on the sixth (6th) day of work in any work week. Two (2) times the regular straight time rate shall be paid for all hours worked on the seventh (7th) day of work in any work week. For purposes of computing overtime, each holiday, whether worked or not, shall be considered a day worked.

(c) If an employee is absent with just cause, such day or days of absence, if paid, shall be counted as days worked for the purpose of determining his rate of pay on a sixth (6th) or seventh (7th) day during the workweek.

(d) Work schedules shall be posted not later than the end of the day shift on Thursday for the following workweek. Such schedules shall not be changed except in case of unexpected situations or by mutual agreement of the parties.

(e) Shifts are defined as follows: A day shift is a shift with a starting time at any time from 4:00 A.M. to 9:59 A.M. A swing shift is a shift with a starting time at any time from 10:00 A.M. to 6:59 P.M. A graveyard shift is a shift with a starting time at any time from 7:00 P.M. to 3:59 A.M.

Job positions shall be bid by shift and the position posted for bid shall not indicate a position start time.

At its sole discretion, the Company shall determine the starting times for all shifts.

At its sole discretion the Company shall determine the scheduled starting times for all positions within a classification and within the shift. Starting times will be assigned by seniority on the shift and by classification.

(f) The Company shall recall laid off employees if the Company and the Union agree that the remaining employees are worked excessively so that employees on layoff could be sufficiently utilized if recalled.

(g) There shall be a shift premium of One Dollar ($1.00) per hour worked for employees whose regular starting time is from 10:00 a.m. to 6:59 p.m. There shall be a shift premium of One Dollar and Fifty Cents ($1.50) per hour worked for employees whose regular starting time is from 7:00 p.m. to 3:59 a.m.
SECTION 14. VACATIONS

(a) Every employee who on the most recent anniversary date of his employment shall have been in the service of the Company for a period of one (1) year or more and shall have worked a minimum of one thousand (1,000) straight-time hours within the twelve (12) month period immediately preceding such anniversary date, shall be entitled to a vacation as follows:

Two (2) weeks of vacation with pay if he/she shall have been in the service of the Company for a period of one (1) year or more but less than five (5) years prior to such anniversary date.

Three (3) weeks of vacation with pay if he/she shall have been in the service of the Company for a period of five (5) years or more but less than ten (10) years prior to such anniversary date: provided, however, that the Company may require that no more than two (2) weeks of such three (3) week vacation be taken any one time.

Four (4) weeks' vacation with pay if he/she shall have been in the service of the Company for a period of ten (10) years or more prior to such anniversary date: provided however, that the Company may require that no more than two (2) weeks of such four (4) week vacation be taken at any one time.

Five (5) weeks' vacation with pay if he/she shall have been in the service of the company for a period of twenty (20) years or more prior to such anniversary date: provided however, that the Company may require that no more than two (2) weeks of such five (5) week vacation be taken at any one time.

Six (6) weeks' vacation with pay if he/she shall have been in the service of the Company for a period of twenty-five (25) years or more prior to such anniversary date: provided however, that the Company may require that no more than two (2) weeks of such six (6) week vacation be taken at any one time.

For the purposes of this Section, years of service shall mean years of unbroken seniority with the Company which shall in no event be calculated from a date prior to the time the employee actually commenced working for the Company.

(b) In computing straight-time hours as that term is used in this Section and in relation to life insurance, all hours worked by the employee for the Company shall be counted, but each premium or overtime hour worked shall count as only one (1) straight-time hour. Paid holidays shall be counted toward satisfying the foregoing one thousand (1,000) straight-time hour eligibility requirement. Time lost not to exceed three hundred (300) hours as a result of an accident – as recognized by the Workers’ Compensation Board – suffered during the course of employment shall be considered as time worked under the provisions of this Agreement. Paid vacation hours in the previous anniversary year shall count as qualifying hours in determining an employee’s entitlement to vacation and sick leave.

(c) For employees who have been in the service of the Company for more than one (1) year and who fail to qualify for a full vacation, vacation benefits shall be pro-rated in accordance with
the following schedule. (There is to be no prorating of vacation benefits for hours worked during the first three (3) months of employment.) An employee who is terminated or laid off with more than three (3) months and less than one (1) years’ service shall be entitled to vacation pay computed from the third (3rd) month of service and prorated to one (1) year’s service. An employee with more than one (1) year’s service who fails to qualify for a full vacation shall receive pro-rated vacation pay computed from the employee’s anniversary date of employment, based on years of service and pro-rated to length of service. Prorating shall be based on one-twelfth (1/12) of vacation eligibility for each month of one hundred and fifty (150) hours service.

Time off for vacation pursuant to the foregoing prorating provision shall be allowed only in full-week units. If the application of this provision results in an employee being credited with less than five (5) full days’ vacation, the amount of the employee’s vacation credit shall be paid in cash but the employee shall not be entitled to vacation time off. Similarly, if the application of this provision results in an employee being credited with more than five (5) but less than ten (10), or more than ten (10) but less than fifteen (15) days of vacation, the employee will be scheduled for a five (5) or ten (10) day vacation as the case may be and will be paid the excess allowance in cash.

Employees qualifying for prorated vacation whose seniority and employment is terminated for any reason shall receive in cash the prorated vacation for which they are eligible at the time of termination.

(d) For the purposes of this Section, one (1) week’s pay shall mean straight-time pay for the regularly scheduled workweek at the time the vacation is taken, but in no event more than forty-eight (48) times the straight-time hourly rate of pay, nor less than forty (40) times the straight-time hourly rate of pay. If an employee works six (6) days a week during at least twenty-six (26) weeks of his/her employment year, he/she shall be paid forty-eight (48) times his/her straight-time hourly rate for each week of said vacation; if he/she fails to work six (6) days a week during at least twenty-six (26) weeks he/she shall be paid forty (40) times his/her straight time hourly rate for each week of said vacation.

(e) Subject to the Transfer Station Addendum, preference of vacation date shall be given to employees according to their seniority rating as reasonably possible. Employees shall be given, insofar as practical, two (2) weeks’ notice of the date upon which their vacation period will commence.

(f) The vacation must be taken within the current year, that is, it may not be accumulated to be used later in the following year.

(g) No employee shall have the privilege of drawing the vacation pay and continuing to work in lieu of taking the vacation.

(h) Vacation pay shall be given to employees at the commencement of their vacation, upon one (1) week’s prior request.

(i) Employees who earn a minimum of three (3) weeks’ vacation in a calendar year will have the option to take one (1) week vacation in one (1) day increments. Such days must be approved at least two (2) weeks in advance by the employee’s supervisor except for bona fide
emergencies. Requests will be granted based on operational needs, and on a first come first serve basis. All such days must have been utilized prior to December 31st, with unused floating vacation days being paid to the employee in January.

(j) A vacation schedule shall be posted in a conspicuous place at a designated time each year. All eligible employees covered by this Agreement must indicate their preference of vacation time by seniority during the designated vacation selection period. Employees not indicating a preference for their vacation time during the aforementioned period may be assigned a vacation period by the Employer. Employees will not be permitted to select a vacation during a period prior to their becoming eligible for the vacation. The Employer has the right to determine the number of employees who will be on vacation in any one work week.

SECTION 15. HEALTH AND WELFARE

(a) The Health and Welfare plan known as the Teamsters Management Trust Health Plan shall apply in full to eligible employees covered under this Agreement.

Beginning on the first of the month following ratification of this Agreement, all eligible employees shall enroll in the Teamsters Management Trust Health Plan ("the Plan"). Beginning on the first of the month following ratification of this Agreement, the Employer agrees to pay to the Plan the current total monthly premium of $1,265.87 per month per employee on behalf of each eligible employee.

Employees eligible for coverage shall be required to make the following weekly contributions toward the total monthly premium:

Ratification: $35 per week
First anniversary: $40 per week
Second anniversary: $45 per week
Third anniversary: $50 per week
Fourth anniversary: $55 per week.

(b) In addition to the required employee contributions set forth above, should the cost of the plan increase throughout the term of this Agreement, the Employer will pay the first 6% of any increases to the Employer’s monthly cost from the prior year. Any increases above 6% shall be borne by the employee and shall be effective upon the effective date of the increase.

Employees shall be required to sign a written authorization permitting the weekly deductions.

For the purpose of this Article, an eligible employee is one who has completed his or her probationary period and works or is paid eighty (80) hours in a calendar month.
(c) Extended Healthcare Coverage

Any employee whose eligibility for regular coverage ceases because of layoff, and who at the time of such layoff has two (2) or more years of seniority with the Company, shall at the expense of the Fund and without any contribution from the Company be granted four (4) additional months of hospital-medical, dental care, prescription drug and vision care coverage’s under the plans which are in effect as to the employee at the time of layoff.

An employee eligible for regular coverage who by virtue or having two (2) or more years’ seniority with the Company at the time of the employee’s layoff who receives extended coverage from the Trust Fund, shall not be eligible for more than four (4) months of such extended coverage in any twelve (12) month period irrespective of the number, frequency, or length of the employee’s layoff periods. If the cost to the Fund of extended coverage for laid off employees, as herein provided, becomes excessive in the opinion of either the Union or the Fund, the provisions for extended coverage shall be subject to renegotiation at the request of either party.

Any employee having seniority pursuant to this Agreement and who by reason of disability is unable to work, shall remain eligible for regular coverage and the employee’s coverage shall continue for a maximum of (9) months. For the first three (3) months of the disability or for as long as the terms of the Trust Plan provide, the Trust shall be exclusively responsible for the expense of maintaining coverage for the employee. Thereafter, provided the employee remains on disability, the employee shall remain eligible for coverage for an additional consecutive six (6) months and the Employer shall be responsible for paying the entire monthly premium for that period to maintain such coverage for the employee. The Company shall have the right to require a doctor’s certificate or other reasonable proof of disability.

SECTION 16. PENSION

The Company adopts and agrees to be bound by that certain pension agreement made and entered into the 2nd day of July 1982, and Appendix thereto regarding Hospital-Medical Care for Retired Pensioners, as amended and extended between the Industrial Employers and Distributors Association and Warehouse Union Locals 6 and 17, ILWU, however will make contributions as follows:

(a) **Contribution Rates:** For bargaining unit employees who had eighty (80) or more hours of service in the preceding calendar month, the Employer agrees to make the following maximum monthly contributions:

Effective at Ratification: $753.86 per month

In future years of the agreement, the Employer agrees to make the following maximum monthly contributions:

- July 1, 2013:  $805.85 per month
- July 1, 2014:  $857.84 per month
- July 1, 2015:  $883.83 per month
July 1, 2016: $909.83 per month

(b) Contribution Rate: The Company agrees to make the following maximum hourly pension contributions to employees who work less than eighty (80) hours per month in the preceding calendar month:

Execution: $4.35 per hour

In future years of the Agreement, the Employer agrees to make the following maximum hourly contributions:

July 1, 2013: $4.65 per hour
July 1, 2014: $4.95 per hour
July 1, 2015: $5.10 per hour
July 1, 2016: $5.25 per hour

(c) Should the plan increase the amount of the required Employer contribution on or after July 1, 2017 and if this Agreement is still in effect, the Employer shall pay the required increase but shall not be obligated to pay further increases required by the fund unless and until a new collective bargaining agreement is negotiated.

(d) Effective upon ratification of this agreement, the parties recognize that the Employer's contribution to the Pensioners Hospital and Medical Trust is $0.00. Should the Employer's required contribution to the Pensioners Hospital and Medical Trust increase throughout the Agreement, any said increases which would result in the Employer's total pension contribution being in excess of the amounts set forth in Sections (a) and (b) of this Section shall be allocated from employee's wages.

SECTION 17. SICK BENEFIT ALLOWANCE

(a) Every employee covered by this Agreement who has been continuously employed by the Company for a period of at least one (1) year shall thereafter be entitled to ten days (eighty straight-time hours) sick leave per contract year. A doctor's certificate or other reasonable proof of illness may be required by the Company if the employee's illness results in absence from work for more than three (3) consecutive days. Such sick leave with pay shall be applicable only in cases of bona fide illness or accident.

Sick leave pay shall commence with the first day. Sick leave for the period between an employee's first anniversary date and the commencement of the following contract year (June 1) shall be pro-rated.

(b) For the purposes of this paragraph, full pay shall mean pay for the regular daily schedule of working hours for those days the employee would have worked had the disability not occurred, calculated at straight-time or one-half such amount.
(c) If an employee is absent the day before or the day after a holiday due to a bona fide illness or accident, said holiday shall be considered a work day’s absence.

(d) Unused sick leave, up to a maximum of twenty-five (25) days, may be accumulated and carried over from year to year. Days accumulated at the end of any year in excess of twenty-five (25) days shall be paid to the employee as a cash bonus. In no event shall the twenty-five (25) days or any portion thereof be convertible to cash bonus. In the event that an active employee has not used all of his accrued sick leave at the time of death or retirement as defined by the Industrial Employers and Distributors Association, the Company agrees to pay the employee’s sick pay accumulated but not used.

(e) **Job Injuries.** Whenever an employee who has been injured on the job and has returned to work is requested by the employee’s treating doctor compensation doctor to leave work to report for treatment during working hours, he shall be allowed time off up to two (2) hours for such treatment without loss of pay.

(f) In industrial injury or disability cases, Workers' Compensation or Unemployment Disability benefits and sick benefit allowances shall be paid separately, but in the event Workers’ Compensation payments or Unemployment Disability payments, cover all or part of the period during which sick benefit allowances are paid, the sum of the two shall not exceed the sick benefit payable for said period, and the unused portion of accumulated sick leave will continue to be credited to the employee. Integration of sick leave benefits with Workers’ Compensation or Unemployment Disability payments is to be automatic; the Company may not waive integration, and any employee entitled to Workers’ Compensation or Unemployment Disability payments must apply therefore- (in order that the principle of integration may be applied) before sick benefits are payable.

**SECTION 18. BEREAVEMENT LEAVE**

In the event of a death in the immediate family of an employee who has one or more years of seniority with the Company, he/she shall, upon request, be granted time off with pay to make arrangements for the funeral, attend the funeral and to bereave the death. The bereavement leave shall not exceed three (3) regularly scheduled working days if the employee does not travel outside of the state of California, or the bereavement leave will be five (5) regularly scheduled working days to afford the employee the time to travel outside of the state of California to attend the funeral or make arrangements for the funeral. In the case where a funeral is out of state but the employee does not travel out of state to attend the funeral but needs time off for the bereavement the employee will be afforded three (3) regular scheduled working days off for the bereavement.

If the bereavement occurs while an employee is on vacation, the employee may choose one of the following two options. Provided that the employee notifies the Company as soon as possible but not later than twenty-four (24) hours before the end of his/her scheduled vacation, the employer may extend his/her vacation three (3) or five (5) days depending on the bereavement leave for which the employee qualifies; or the employee may receive three (3) or five (5) additional vacation days, depending on the type of bereavement leave for which the employee qualifies, to be taken at a later date agreed upon with the employee’s supervisor.
For the purpose of this provision, the immediate family shall be restricted to father, mother, brother, sister, spouse, child(ren), grandparents, grandchild(ren), brother-in-law, sister-in-law, mother-in-law, father-in-law, grandparents-in-law and step family. The Company may require reasonable proof of the deceased’s relationship to the employee.

SECTION 19. GRIEVANCE COMMITTEE

(a) Both parties agree that all disputes concerning the interpretation or application of this Agreement shall be processed in the following manner. Within ten (10) calendar days from the time the dispute in question occurred, the employee, the site/shift steward and a representative of the Company will meet in order to attempt to resolve the matter on an oral basis. Upon conclusion of this meeting, if the grieving party is not satisfied with the results, the grieving party must submit a written grievance within ten (10) calendar days following this meeting.

Both parties agree to have a monthly meeting to address all grievances. A committee shall be formed which shall to consist of three (3) representatives designated by the Company and three (3) employees of the Company designated by the Union.

In the event the committee is unable to agree on any matter submitted to it, the grieving party may decide to proceed to arbitration.

The decision to arbitrate shall be made within thirty (30) calendar days following the last grievance hearing and shall be made in writing by the grieving party to the other party. If the grieving party requests arbitration the parties shall attempt to select an arbitrator in forty-five (45) days after the request to arbitrate and at this meeting the parties shall mutually agree on an arbitrator. Each party to any case submitted to arbitration shall bear the expense of preparing and presenting its own case, including witnesses, and shall pay one half (1/2) of the charges of the American Arbitration Association and of the arbitrator incurred in the arbitration of the case.

By mutual agreement the parties may extend any deadline in this section. Failure to comply with any of the time requirements of this section shall result in a waiver of the grievance.

(b) All complaints involving or concerning pay—ayment or compensation shall be filed in writing and no adjustments shall be retroactive for more than ninety (90) days in such cases, but only complaints involving or concerning payment or compensation under the terms of this Agreement and written agreements and supplementary agreements may be considered by the Grievance committee. The Arbitrator shall have no authority to alter, amend, add to or subtract from the terms of this Agreement.

SECTION 20. NEW PROCESSES & NEW MACHINES

The Company shall notify the Union in advance of any permanent layoff of seniority employees which is going to result from the installation of new machinery or new processes in order that the impact of such layoff upon the employees may be discussed.
SECTION 21. UNION OFFICIALS’ SENIORITY

Any employee who now holds office or who shall hereafter be elected or officially appointed to office in the Union, which office requires his/her absence from the service of the Company, shall be granted a leave of absence therefore without loss of seniority entitling him/her upon retirement from such office to reinstatement consistent with this seniority; provided, however, that such leave of absence shall not extend beyond the term of this Agreement, unless extended by mutual consent.

SECTION 22. BULLETIN BOARDS

The Company shall provide a reasonable number of bulletin boards in places reasonably accessible to the employees covered by this Agreement for the purpose of posting notices of official Union business, such as, times and places of meetings.

SECTION 23. MILITARY SERVICE

Any employee on the seniority list of the employer covered by this Agreement who enters the military service of the United States of America shall be granted all seniority and reemployment rights required by and in accordance with applicable federal law.

SECTION 24. MISCELLANEOUS PROVISIONS

(a) Any employee who has one (1) or more years' seniority with the Company and has qualified for his/her initial vacation, if called and reporting for jury duty, will be entitled to the difference between jury duty pay and his/her regular daily rate of pay for each day of jury service up to the maximum of fourteen (14) working days during any twelve (12) consecutive months.

(b) Except as permitted by this Agreement, any wages now being paid above minimums provided for herein shall not be reduced for any cause. Any past practice, as that term is interpreted and applied by an Arbitrator pursuant to this Agreement, shall be recognized by the parties. In the event of a dispute with regard to the interpretation and/or application of this Section, either party may file a grievance under Section 19 of the Agreement.

(c) The Employer will furnish each employee with two (2) pairs of gloves every three (3) months plus an annual boot allowance of one hundred twenty-five dollars ($125.00) in January of each year. Employees are required at all times while working to wear safety/work boots acceptable to the Employer. The condition, type and minimum safety requirements of the employee's boots must also be acceptable to the Employer. For all new hires the Company shall purchase their first set of boots up to a maximum of one hundred twenty-five dollars ($125.00).

(d) The Company shall provide each employee who works outdoors one set of rain apparel (including jacket and trousers) between June and September each year. Rain hats shall be provided as required, limited to one (1) hat per year. The Company will require the return of apparel previously issued upon termination of employment or prior to issuing new gear.
(e) Where employees are exposed to excessive noise or dust, the Company will provide ANSI-approved dust masks and ear protection. Safety gear lost or abused will be replaced by the employee.

(f) All benefits including vacation pay, holidays, sick leave, jury duty and funeral leave shall be paid at the higher of: (a) the employee’s regular classification rate or (b) the rate of the classification in which the employee is working or is scheduled to work when the above benefits are scheduled to be paid, provided that the employee has been working in this classification for not less than fifteen (15) working days during the immediately preceding sixty (60) working days.

(g) When an employee is off work for any reason, other than scheduled vacation, on a leave of absence the employee upon return to work if the return date was unknown must notify their shift supervisor at least twenty-four (24) hours prior to start of the schedule shift. If an employee does not notify their supervisor at least twenty-four (24) hours prior and they appear for work and no work is available the employee will be sent home without pay for the day.

SECTION 25. TRANSPORTATION

When an employee is required to use his/her personal vehicle to drive from one disposal site to another, he/she will be compensated for his/her travel at the then-current mileage reimbursement rate set by the Internal Revenue Service.

SECTION 26. MANAGEMENT RIGHTS

The Union recognizes the Company’s inherent and traditional right to manage its business, to establish reasonable work rules and require their observance. The Company shall have the right to direct the working force in the performance of their work assignments, including the assignment of jobs and equipment, promotions and demotions, as well as to regulate the general working conditions and the efficiency of the operations. The Company will make every attempt to distribute the work in each classification fairly and equally. The rights of the Company in the operations of its business are unlimited except as it may be expressly and specifically restricted by the provisions of this Agreement, and this Agreement is the sole agreement between the parties.

SECTION 27. SEVERANCE PAY

In the event of a facility shutdown or permanent layoff resulting from the introduction of new machinery or new process, the Company agrees to provide each employee so affected with one weeks’ pay for each year of service with the Company.

In the event of a facility shutdown because of relocation or liquidation, either in whole or in part, but not from loss or termination of a service contract, the Company agrees to provide each employee so affected with one (1) week’s pay for each year of service with the Company.

Severance pay provisions shall not apply to employees who are offered employment at comparable pay and benefits at other positions or locations within a fifty (50) mile radius by the Company, any parent or subsidiary, or successor to them.
The Company shall provide four (4) months of health and welfare benefits which include hospital, medical, dental, prescription, vision, and life insurance to each employee receiving severance pay effective the first month following severance from the job.

Employees are required to execute a release of claims including a waiver of recall rights to receive the above compensation.

The Union agrees to waive any and all rights to effects bargaining under the National Labor Relations Act and/or the collective bargaining agreement regarding economics and has waived its right to file grievances and/or administrative charges arising out of any facility shutdown or permanent layoff.

SECTION 28. LEAVE OF ABSENCE

(a) Any employee desiring a leave of absence from his/her employment shall secure written permission for the Company who shall send a copy to the Union by certified mail within ten (10) days of the commencement of the leave. The decision of the Company on granting or refusing to grant a leave of absence or extension thereof shall be final and conclusive and shall not be subject to the grievance procedure of this Agreement. Except as otherwise provided in this Section the maximum leave of absence shall be for thirty (30) days and may be extended for like period. Family and Medical Leaves of Absence shall be granted to employees in accordance with Company Policy, which Policy shall be in compliance with the Family and Medical Leave Act of 1993 and applicable state law.

(b) Written permission for such extended periods shall be secured from the Company with a copy of the extension to the Union. The first approved leave of absence plus approved extended leaves of absence shall not exceed a maximum time period of six (6) months. During an approved leave of absence the employee shall not engage in gainful employment unless authorized to do so by the written permission. The Company may terminate any employee who violates the terms and conditions of the written permission for leave or extension thereof.

(c) Notwithstanding the above, employees shall be provided leaves of absence as required by applicable federal and/or state and/or local laws.

SECTION 29. SCOPE OF AGREEMENT AND SEPARABILITY OF PROVISIONS

(a) Scope of Agreement. Except as otherwise specifically provided herein, this Agreement, the Transfer Station Addendum dated January 12, 1981, the Joint Agreement Resolution of Jurisdictional Disputes dated January 12, 1981, and the July 12, 2005, No Strike/No Lockout Letter of Understanding fully and completely incorporate the understanding of the parties hereto and constitute the sole and entire agreement between the parties on any and all matters subject to collective bargaining. Neither party shall, during the terms of this Agreement, demand any change therein, nor shall either party be required to bargain with respect to any matter. Without limiting the generality of the above, both parties in their own behalf waive any right to demand of the other any negotiating, bargaining, or change during the life of this Agreement with respect to pensions, retirement, health and welfare, annuity or insurance plans, or respecting any questions of wages, hours, or any other terms or conditions of employment: provided that
nothing herein shall prohibit the parties from changing the terms of this Agreement by mutual agreement.

(b) **Separability of Provisions.** Should any section, clause or provision of this Agreement be declared illegal by final judgment of a court of competent jurisdiction, such invalidation of such section clause or provision shall not invalidate the remaining portion hereof, and such remaining portions shall remain in full force and effect for the duration of this Agreement.

Upon such invalidation, the parties agree immediately to meet and negotiate substitute provisions for such parts or provisions rendered or declared illegal or an unfair labor practice. In the event the parties are unable to agree upon substitute provisions, the dispute may at the request of either the Company or the Union be referred to arbitration for settlement pursuant to the provisions of Section 19 hereof, but the power of the arbitrator shall be restricted and limited to determining a substitute provision to provide the same specific objective and purpose of the provision rendered or declared illegal.

(c) **Unlawful Action Not Required.** The parties agree that neither will willfully require the other to do or perform any act prohibited by law.

**SECTION 30. SUBCONTRACTING**

The parties agree that the Employer will not subcontract existing bargaining unit work, where to do so would cause the layoff of bargaining unit employees. The Employer agrees to discuss its plan to subcontract work with the Union prior to the commencement of such subcontracting.

**SECTION 31. DURATION OF AGREEMENT**

This Agreement shall be effective upon execution, except for those provisions of the Agreement which have been assigned other effective dates as herein above set forth and shall remain in full force and effect to and including June 5, 2018, and shall continue thereafter from year to year unless at least sixty (60) days prior to the fifth day of June 2018, or to the fifth day of June of any subsequent year either party shall file written notice with the other of its desire to amend, modify, or terminate this Agreement.

**WAREHOUSE UNION, LOCAL 6, ILWU**

By: [Signature]
[Date]

Business Agent

By: [Signature]
[Date]

**WASTE MANAGEMENT OF ALAMEDA COUNTY, Inc.**

For Its Divisions: Altamont Landfill, Davis Street Transfer Station

By: [Signature]
[Date]

By: [Signature]
[Date]
SCHEDULE "A"

The following wage rates shall apply to employees covered by this Agreement:

<table>
<thead>
<tr>
<th></th>
<th>Ratification (base hourly rate)</th>
<th>1st anniversary</th>
<th>2nd anniversary</th>
<th>3rd anniversary</th>
<th>4th anniversary</th>
</tr>
</thead>
<tbody>
<tr>
<td>HEO (Primary HEO III)</td>
<td>$29.05</td>
<td>$29.70</td>
<td>$30.35</td>
<td>$31.00</td>
<td>$31.65</td>
</tr>
<tr>
<td>Collector (Scalehouse Attendant)</td>
<td>$27.63</td>
<td>$28.28</td>
<td>$28.93</td>
<td>$29.58</td>
<td>$30.23</td>
</tr>
<tr>
<td>Utility (Primary HEO II)</td>
<td>$27.28</td>
<td>$27.93</td>
<td>$28.58</td>
<td>$29.23</td>
<td>$29.88</td>
</tr>
<tr>
<td>Site Maintenance II (Laborer) (employees employed at ratification)</td>
<td>$22.75</td>
<td>$23.40</td>
<td>$24.05</td>
<td>$24.70</td>
<td>$25.35</td>
</tr>
</tbody>
</table>

Site Maintenance employees hired after ratification of this Agreement shall be paid as follows:

<table>
<thead>
<tr>
<th></th>
<th>Ratification</th>
<th>1st anniversary</th>
<th>2nd anniversary</th>
<th>3rd anniversary</th>
</tr>
</thead>
<tbody>
<tr>
<td>Site Maintenance I (entry level)</td>
<td>$13.00</td>
<td>$13.50</td>
<td>$13.50</td>
<td>$13.50</td>
</tr>
</tbody>
</table>

New Hires: Employees hired after ratification of this Agreement into classifications other than Site Maintenance or promoted into such classifications shall be paid the following percentage of the full wage rates set forth above based on continued, active service with the Employer or, in the case of a promotion, continued active service in the new higher job classification.

<table>
<thead>
<tr>
<th>Date of Hire-5 months</th>
<th>6 months -10 months</th>
<th>11-15 months</th>
<th>16-20 months</th>
<th>21-25 months</th>
<th>26 months and thereafter</th>
</tr>
</thead>
</table>

21
<table>
<thead>
<tr>
<th></th>
<th>Ratification (base hourly rate)</th>
<th>1st anniversary</th>
<th>2nd anniversary</th>
<th>3rd anniversary</th>
<th>4th anniversary</th>
</tr>
</thead>
<tbody>
<tr>
<td>HEO (Primary HEO III)</td>
<td>$0.65</td>
<td>$0.65</td>
<td>$0.65</td>
<td>$0.65</td>
<td>$0.65</td>
</tr>
<tr>
<td>Collector (Scalehouse Attendant)</td>
<td>$0.65</td>
<td>$0.65</td>
<td>$0.65</td>
<td>$0.65</td>
<td>$0.65</td>
</tr>
<tr>
<td>Utility (Primary HEO II)</td>
<td>$0.65</td>
<td>$0.65</td>
<td>$0.65</td>
<td>$0.65</td>
<td>$0.65</td>
</tr>
<tr>
<td>Site Maintenance II (Laborer) (employees employed at ratification)</td>
<td>$0.65</td>
<td>$0.65</td>
<td>$0.65</td>
<td>$0.65</td>
<td>$0.65</td>
</tr>
</tbody>
</table>

In no event will any employee who is promoted to a higher job classification receive a reduction in pay.

Employees employed upon the ratification of this agreement earning above the wage rates set forth above shall receive increases as set forth below, which shall be effective for hours worked beginning the first day of the first pay period following ratification:

The Company shall utilize the Site Maintenance employees to perform all site maintenance duties within the company property lines governed by this agreement. The Company shall not utilize subcontract labor for litter picking services within the company property limits unless mutually agreed to by the Company and the Union.

**Lead Person:** Depending on the needs of the business, the Company has the right to designate a "lead person." The designation of a "lead person" may be for any increment of time (i.e., one hour, one day, one week etc.) The Company will consider seniority, qualifications and skill in filling the position, but the final decision on filling the position shall be at the Company’s discretion.
It is understood that an employee may not be placed in a Site Maintenance Lead Person position unless that employee has completed at least one year of employment. An employee may not be placed in a Lead Person position for any other classification unless the employee has at least two years of employment with the Company.

The Lead Person shall receive $1.00 per hour above his or her base rate for performing the Lead Person duties during the period the employee is designated as a “Lead”.

**Heavy Equipment Operator:** Employees who are promoted to Heavy Equipment Operator shall receive no change in pay during the first six (6) months from commencement of training. Pay increases shall be granted at 6-month intervals thereafter to 90%, 95%, and 100%, respectively, of the rate of pay for Heavy Equipment Operator. This provision shall not operate to reduce the rate of pay for any promoted employee.
AGREEMENT FOR TRAINING OF HEAVY EQUIPMENT OPERATORS AND THE BIDDING OF PERMANENT HEO VACANCIES

Within twelve (12) weeks of the ratification of the parties’ collective bargaining agreement the Company shall request applications once a year from employees who wish to be trained as heavy equipment operators. Applications must be submitted within seven (7) days of the Employer posting a notice that it is accepting applications. The Company will post the names of the interested employees within ten (10) working days of the end of the posting period. This list will be valid for twelve (12) months from the posting of the names. Employees who have worked for at least three (3) months during the last two years as a Utility Operator or Collector for the Company shall be given first priority for training. Such employees shall be offered training in seniority order. Training for the HEAVY EQUIPMENT OPERATOR position shall be conducted by the Company with the assistance of qualified employees who are Local 6 members. Employees shall be trained on an as needed basis and shall be selected for training based on seniority.

The District Manager shall decide whether an employee is qualified to be a heavy equipment operator. A qualified Local 6 operator/employee, as selected by the Union, shall be present to observe the administering of the qualification exam to selected employees. The participation of the observer shall not delay the administering of the exam. The reasonable qualifying criteria will be provided to the employees and the Union prior to the commencement of selection for training. Any changes to such criteria shall be posted for the employees and provided to the Union prior to being implemented. A copy of the criteria will be provided to any applicant upon request. If qualified after training, these employees shall be required to perform as relief or fill-in HEAVY EQUIPMENT OPERATORS as may be directed by the Company. If not qualified, the employee may have one additional opportunity to apply for further HEO training, but may not apply for at least twenty four (24) months from the initial disqualification. Employees may be disqualified for longer periods of time by mutual agreement of the parties. The Company shall provide written notification of disqualification to both the employee and the Union. If the Union disagrees with the Company’s determination that an employee is not qualified it may file a grievance pursuant to Section 19 of the parties’ collective bargaining agreement.

Permanent vacancies for HEAVY EQUIPMENT OPERATOR shall be bid and filled in accordance with Section 2(c) of the Collective Bargaining Agreement. The bid notice shall be posted at each location on the same day, with a copy given to a steward at each site and a copy mailed to the Union at the beginning of the posting period. If there is no qualified bidder during the posting period, the Company shall so notify the Union. Should there be no qualified bidder for any such vacancy, the job may be filled by the Company by requiring the least senior qualified employee to fill the vacancy or by hiring from outside the Company. However, the Company may only hire from outside where it has attempted to train four (4) employees within the previous (12) months and offered the above qualification exam to employees with experience and knowledge of heavy equipment operation from prior employment.

Any employee hired from outside, as stated above, shall hold only the classification of HEO and Site Maintenance until such time he successfully bids into another classification under this Agreement.
LETTER OF UNDERSTANDING

Waste Management of Alameda County (hereinafter "Employer") and the ILWU Local 6 (collectively the "Union") hereby agree to the following Letter of Understanding as it relates to the parties' collective bargaining agreement ("Agreement") which expires on June 5, 2018.

During their most recent negotiations the parties agreed that provided the Company’s last best and final offer is ratified no later than June 15, 2013, the Company will offer a bonus in the amount of $2500 (subject to applicable state and federal wage deductions and withholdings) to each employee employed as of the date of ratification. Should the offer not be ratified by June 15, 2013, the Company will withdraw the lump sum bonus offer.

The Parties have further agreed that the bonus amount set forth above is not to be added to, or included in, the employees' regular hourly rate for purposes of overtime, pension or eligibility for vacation, sick, health and welfare benefits or any other benefit covered by the parties' Agreement.

This understanding shall be incorporated into the parties' current collective bargaining agreement and shall remain a term of the parties' agreement unless modified in writing by the parties.

This understanding is executed on the dates set forth below.

WAREHOUSE UNION, LOCAL 6, ILWU

By: [Signature] 3/26/14
Business Agent

By: [Signature] 3/4/14

WASTE MANAGEMENT OF ALAMEDA COUNTY, Inc.
For Its Divisions: Altamont Landfill and Davis Street Transfer Station

By: [Signature] 3/26/14

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WASTE MANAGEMENT OF ALAMEDA COUNTY AND
RECYCLE AMERICA ALLIANCE, LLC

AND

WAREHOUSE UNION LOCAL NO. 6, ILWU

AGREEMENT
WASTE MANAGEMENT OF ALAMEDA COUNTY
AND
WAREHOUSE UNION LOCAL NO. 6, ILWU
THIS AGREEMENT, made and entered into effective this 31st day of October 2104 is by and between WASTE MANAGEMENT OF ALAMEDA COUNTY, RECYCLE AMERICA ALLIANCE, LLC performing work at 2615 Davis Street, San Leandro, California hereinafter referred to as the Company, and the WAREHOUSE UNION LOCAL No. 6, ILWU, hereinafter referred to as the Union. The terms of this Agreement as herein stated are the sole terms of agreement between the respective parties.

WITNESSETH

SECTION 1. RECOGNITION

(a) The Company recognizes the Union as the exclusive representative for the purpose of collective bargaining for all Recycling Sorters/Material Handlers and Recycling Equipment Operators employed at 2615 Davis Street, San Leandro, California.

(b) All work performed in the sorting, handling and processing of mixed or segregated recyclable materials, as covered by the classifications listed in the Schedule A attached (except Recycling Truck Drivers who unload and sort recyclables and operate a lift truck and other equipment as an integral part of their collation operations), and all employees performing such work, shall be covered by this Agreement. Work performed in sorting, handling and processing by Drivers of recyclables obtained from curbside collections are not covered by this Agreement.

(c) Membership in the Union on or after thirty (30) days following the beginning of employment or the effective date of this Agreement, whichever is later, shall be a condition of employment to the extent consistent with the law.

(d) The Company and the Union recognize the desirability of providing continued employment in the industry, and the necessity of having available at all times a supply of competent employees with experience in the various type of work covered by this Agreement. To provide such continued employment, the Company agrees to give the San Francisco Bay Area, by reason of having been employed within the past two years in a classification in this industry, or persons who are presently employed who may become unemployed during the life of this Agreement.

The Company recognizes that it has been the practice for such workers to offer themselves for employment through the Union's offices and consequently, for the purpose of assuring maximum harmonious relations and in order to obtain the best qualified employees covered by this Agreement, the Company agrees that in hiring to fill all vacancies or new positions in any classifications carrying the basic minimum rate, they shall hire through the offices of the Union, provided the Union shall be able to furnish competent and experienced persons for the work required. The Company retains the right to reject any job applicant referred by the Union, provided that neither the Company nor the Union shall discriminate against any applicant because of the person's race, religion, color, national origin, sex, marital status, age or handicap to the extent provided by law, status is a veteran of the Vietnam War Era, union activities, or lack of union activities. In the event the offices of the Union are unable to furnish competent and experienced workers satisfactory to the Company within twenty-four (24) hours, the Company may hire from outside sources. For all other classifications, the Company may
apply to the Union for referral of applicants subject to the rules and regulations set forth in this Section, or may hire elsewhere.

The Union shall maintain proper registration facilities for application for employment to make themselves available for job opportunities, and shall conduct such registration facilities without discrimination either in favor of or against prospective employees by reason of membership in or non-membership in the Union. Selection of applicants for referral to jobs shall be on a nondiscriminatory basis and shall not be based on, or in any way affected by, Union membership, bylaws, rules, regulations, constitutional provisions, or requirements. From such registration facilities the Union shall first dispatch to the Company upon its request any unemployed person who has worked previously for an employer in this industry in the San Francisco Bay Area, or for an employer in some other area in the same industry whom the Company may consider particularly suitable for the job. If no such person is specified by the Company in requesting referrals from the Union, then the Union shall dispatch persons for referral in accordance with the preference requirements set forth above.

The Union agrees that any employee secured through its offices or otherwise employed in accordance with the terms of this Section and who is acceptable to the Company shall not be withdrawn from his job because, he is not a book member of the Union, or for the purpose of replacing him by someone else, and that no employee shall be threatened, intimidated, or otherwise encouraged to terminate his employment.

Subject to the above the Union undertakes to fill all orders for the same classification of work in order of their receipt, and agrees that neither the Union offices nor the procedure therein shall be used or devised to discriminate against, intimidate or coerce the Company. Company representatives may visit such Union offices at any time to observe and examine their operation, and complaints concerning the operation of such Union offices and concerning violations of the above undertaking shall be adjudicated in accordance with Section 19, Grievance Committee.

The parties to this Agreement shall post in places where notices to employees and applicants for employment are customarily posted a copy of this Section, and any and all other provisions relating to the functioning of the hiring arrangement provided in this Agreement.

(e) The Company and the Union agree to use the following language for payroll deduction of Union dues:

I, the undersigned employee of Waste Management of Alameda County, hereby authorize and direct the said Company to deduct on my first payday of each month from my wages now or hereafter due me, and pay to Warehouse Union Local 6, ILWU, my membership dues and initiation as a member of that organization. I agree to hold the Company harmless from loss from any judgment of a court of competent jurisdiction and from any order of the Labor Commissioner or other agency of government in connection with or arising from any deductions made pursuant to this assignment. No other assignment or order exists in connection with this transaction. This assignment shall be irrevocable for a period of one year from
the date hereof and shall remain in full force and effect thereafter until revoked in writing by the undersigned.

Date: ___________________________ Employee's Signature

______________________________
Steward's Signature

(f) Should the Company utilize an application and orientation process, the Company will contact the Union at least 24 hours before the day of employment for the Hiring Hall referrals. The Company commits to pay 4 hours' compensation to such individuals who actually report for their first day of employment. Applicants seeking employment through the Employer shall be referred to the Hiring Hall.

SECTION 2. SENIORITY AND JOB BIDDING

(a) In reduction of forces due to slackness of work, the last employee hired shall be the first employee laid off and in rehiring, the last employee laid off shall be the first employee rehired, until the list of former employees is exhausted, provided the senior employees to be retained or recalled are capable and have demonstrated the ability to perform, the available work. Seniority shall not apply to any employee until he has been employed for sixty-five (65) days (520 straight-time hours worked) accumulated within a period of twelve (12) consecutive months.

(b) Seniority and employment shall be terminated by:

(i) Discharge for cause.

(ii) Resignation.

(iii) Is not in active employment for a period of twelve (12) months due to layoff, or eighteen (18) months in the case of work-related or nonwork-related disability, provided that employees on leave for a work-related disability shall have their seniority restored if they are released to return to work and are able to perform the essential functions of their job, with or without reasonable accommodation, within a period of thirty-six (36) months following the start of their work-related disability leave.

(iv) Is laid off and fails to report to work within 72 hours after having been recalled by certified mail (which shall be deemed a quit).

(v) Failure to report to work for three consecutive work days without approval.

(c) Whenever a permanent vacancy occurs, a bid notice shall be posted for a period of five (5) working days. At the conclusion of the posting period, the Company shall award the
position by seniority, provided that the employee to be selected must be capable and must have demonstrated the ability to perform the work. Any employee awarded a job bid under this Section shall not be permitted to bid again for twelve (12) months.

SECTION 3. MANAGEMENT RIGHTS

The Union recognizes the Company's inherent and traditional right to manage its business, to establish reasonable work rules and to require their observance. The Company shall have the right to direct the working force in the performance of their work assignments, including the assignment of jobs and equipment, promotions and demotions, as well as to regulate the general working conditions and the efficiency of operations. The right of the Company in the operations of its business is unlimited except as it may be expressly and specifically restricted by the provisions of this Agreement, and this Agreement is the sole agreement between the parties.

SECTION 4. DISCHARGE

(a) The Company shall have the right to discharge any employee for absenteeism, dishonesty, insubordination, illicit substance abuse, incompetence, willful negligence, or failure to observe Company safety and house rules and regulations which must be conspicuously posted.

(b) If an employee feels he has been unjustly discharged, he shall have the right to appeal his case to the Grievance Committee. Such appeal must be filed in writing by the Union within five (5) working days from the date of discharge or suspension. In case the discharge is found to be unjustifiable by the Grievance Committee, the Grievance Committee may order payment for lost time or reinstatement with or without payment for lost time.

(c) Any discharged employee shall, upon request, be furnished the reason for his discharge in writing.

(d) All complaints regarding discharges shall be given preference over any other matter pending between the parties, and a written decision shall be given within ten (10) days.

(e) Warning letters that are more than twelve (12) months old will not be taken into consideration for future disciplinary purpose.

SECTION 5. STEWARD

Two (2) Union Stewards shall be permitted, such Stewards to be selected by employees on the job. The duty of the Steward shall be to report to the Union any grievance which may arise and which cannot be adjusted on the job. It is understood and agreed that the Steward shall have no power to order any changes.

SECTION 6. BUSINESS AGENT

The Business Agent or qualified representative of the Union shall be allowed to talk with the employees on the job for the purpose of ascertaining whether this Agreement is being
observed by the parties hereto, or to assist in adjusting grievances. This privilege shall be exercised so that no time is lost to the Company unnecessarily.

SECTION 7. HOLIDAYS

(a) There shall be seven (7) paid holidays New Year's Day, Memorial Day, Fourth of July, Labor Day, Thanksgiving Day, Christmas Day and one Floating Holiday, for which new employees become eligible after one (1) year of employment. For each paid holiday, employees shall be paid eight (8) hours at the straight-time rate when not worked.

(b) To be eligible for paid holidays, the employee must have been on the payroll a minimum of three (3) months and must work the scheduled work day immediately preceding the holiday and the first scheduled work day immediately following the holiday, and shall receive no pay for the holiday if he fails to report for work when scheduled to do so. Employees otherwise entitled to holiday pay but who are absent due to layoff on either the last, regular working day immediately preceding the holiday or on the first regular working day following the holiday shall receive holiday pay provided such employees have worked one or more days during the seven (7) calendar days immediately preceding the holiday or worked one or more days during the seven (7) calendar days immediately following said holiday.

(c) If any named holiday in this Agreement falls on a Saturday, it shall at the option of the Company on such occasion be celebrated on such Saturday or on the Friday immediately preceding. If Friday is selected, all the provisions of this Section shall apply to such Friday, and if Saturday is selected, all the provisions of this Section shall apply to such Saturday, including eight (8) hours' straight time pay to qualified employees not required to work on such Saturday.

(d) Any work performed on the named holidays in this Agreement shall be paid for at the rate of one and one-half (1-1/2) times the straight or overtime rate, as the case may be provided that an employee who is entitled to pay for any such holiday if not worked shall receive such holiday pay in addition to the overtime rate to which he is entitled for working.

SECTION 8. MINIMUM WORK DAYS

(a) Employees who report to work at their scheduled starting time shall be guaranteed six (6) hours work or pay.

(b) Casual employees shall be guaranteed the lesser of four (4) hours' pay or the remainder of the regular work day from the time they report.

SECTION 9. MEAL PERIODS

(1) Meal Periods: Employees who are scheduled to work more than five (5) hours in a day must take an unpaid meal period of at least, but not longer than, thirty (30) minutes within their first (1st) five (5) hours of work. Employees who work in excess of five (5) hours but less than six (6) hours may voluntarily waive their meal period, and will be presumed to have done so if the meal period is not taken. Employees who are scheduled to work more than ten (10) hours per day are provided a second (2nd) thirty (30) minute unpaid meal period. An employee may
choose not to take this second (2nd) meal period so long as the employee took the first (1st) meal period and finishes his or her shift within twelve (12) hours. If an employee does not take a second (2nd) meal period in such circumstances, it is presumed that he or she waived that meal period. If an employee is unable to finish his or her shift within twelve (12) hours, the employee must take the second (2nd) unpaid thirty (30) minute meal period. Where a second (2nd) meal period is required, it should be taken to the extent practicable near the tenth (10th) hour of work.

If employees are worked over five (5) consecutive hours without a meal, all time in excess of five (5) hours shall be paid at one and one-half (1-1/2) times the straight or overtime rate, as the case may be.

(2) Rest Periods: Employees shall be authorized, and must take, a paid rest period of at least, but not longer than, fifteen (15) minutes for every four (4) hours worked. As far as practicable, employees must take the rest period within the middle of each four (4) hour increment.

(3) Recording Time: Employees must record their actual time worked. Depending upon an Employee’s position and location, work time may be recorded by computer, handwritten documents or on pre-printed time sheets. Each employee is responsible for recording his or her own time record. Employees should record the time work begins and ends, as well as the beginning and ending time of each meal period. Employees must also record any departure from work for any non-work-related reason. Should an Employee fail to record his or her time, or should a known error occur, the matter should be reported to a supervisor. Employees may not mark, erase, or make changes on time cards. Altering, falsifying, and/or tampering with time records, or recording time on another Employee’s time record is prohibited and subject to disciplinary action, up to and including termination.

(4) Notification: If circumstances do not permit an Employee to take his or her meal (or rest period), it is the Employee’s duty and responsibility to notify his or her supervisor that he or she was not permitted to take a meal (or rest period). Employees may not combine breaks and/or the meal period without the express permission of the Company. The Employer shall not unreasonably deny an employee’s request to combine his break and meal period providing it does not interfere with or disrupt the daily operations.

(5) Arbitration: Any complaint arising in connection with the application or interpretation of this Article, including but not limited to claims regarding alleged missed meal and rest periods and alleged payments is therefore subject to the grievance and arbitration procedure set forth in Section 20 of this Agreement. The Arbitrator may award remedies under this Agreement and under applicable State and Federal laws.

SECTION 10. HANDICAPPED PERSONS

A person whose earning capacity is or shall become limited because of age, physical or mental handicap, or other infirmity, may be employed or placed on light work at a wage below the minimum established by this Agreement, subject to the approval, in each instance, of the Company and the Union.

SECTION 11. NO DISCRIMINATION
There shall be no discrimination of any kind because of race, religion, color, national origin, sex, marital status, status as a veteran of the Vietnam War era, or Union activities against any member of the Union by the Company or any one employed by the Company in accordance with applicable Federal and State laws, and to the extent prohibited by applicable State and Federal law there shall be no discrimination because of age or handicap.

SECTION 12. NO STRIKES—NO LOCKOUTS

(a) The Union and its members and the employees covered by this Agreement agree that they will not, either collectively or individually, during the term of this Agreement, cause, permit, condone, sanction or participate in any strike, sympathy strike, slow-down, curtailment of or refusal to work, picketing, recognition of picket lines, or any other activity, which would tend to interfere with the orderly operations of the Employer's business. The Employer agrees that there shall be no lockout during the term of this Agreement.

(b) Participation by any employee or employees in any act or acts violating the provisions of paragraph (a) of this Section in any way will subject such employee or employees to disciplinary action, including discharge.

(c) However, it shall not be a violation of paragraph (a) of this Section and employees shall not be subject to discipline under paragraph (b) above if an employee or employees voluntarily refuse to cross a lawful primary picket line of a different bargaining unit that is sanctioned by Warehouse Union Local No. 6 and by the Labor Body or Labor Council having jurisdiction to grant such a sanction.

The Employer agrees that all pending legal action by the Employer against Local 6 stemming from the 2007 Local 6 will be withdrawn by the Employer and considered settled with each party to bear its own costs, so long as Local 6 agrees to same.

SECTION 13. WAGES

(a) Wages shall be paid in accordance with the schedules attached hereto.

(b) If an employee is required to work on a higher rated job for one (1) hour or more (aggregated during the employee's shift), he shall receive that job rate for all work performed on the higher rate job.

SECTION 14. WORK DAY, WORKWEEK AND OVERTIME

(a) Work performed in excess of eight (8) consecutive work hours in one day or in excess of forty (40) work hours in one (1) week shall constitute overtime. The day shift shall start between 4:00 a.m. and 9:59 a.m. for all employees and all other operations required to be performed prior to the employee's scheduled starting time and after his scheduled quitting time shall be paid at the overtime rate. There shall be no pyramid or accumulating of overtime pay.
(b) The overtime rate shall be one and one-half (1-1/2) times the straight time rate for all hours worked over eight (8) consecutive hours daily and for all hours worked on the sixth (6th) day of work. Double time shall be paid for all work required to be performed on the seventh (7th) day of work. For purposes of computing overtime, each holiday shall be considered as a day worked.

(c) If an employee is absent with just cause, such day or days of absence, if paid, shall be counted as days worked for the purpose of determining his rate of pay on a sixth (6th) or seventh (7th) day during the workweek.

(d) Daily overtime shall be assigned to the employees who are scheduled to perform the work at the affected location (i.e., C &D MRF, DSR, and PAM.). If the daily overtime assignment cannot be filled, available daily overtime will be offered by seniority within the classification. When there is available weekend overtime work, senior qualified employees will be assigned the overtime at their regularly scheduled time and location. If no such work is available at their regular time or location, employees may exercise their seniority to work in any position within their classification that they are qualified to perform.

SECTION 15. VACATIONS

(a) Every employee who on the most recent anniversary date of his employment shall have been in the service of the Company for a period of one (1) year or more and shall have worked a minimum of 1,000 straight-time hours within the twelve (12) month period immediately preceding such anniversary date, shall be entitled to a vacation as follows:

Two (2) weeks of vacation with pay if he shall have been in the service of the Company for a period of one (1) year or more but less than five (5) years prior to such anniversary date.

Three (3) weeks of vacation with pay if he shall have been in the service of the Company for a period of five (5) years or more but less than fifteen (15) years prior to such anniversary date; provided, however, that the Company may require that no more than two (2) weeks of such three (3) week vacation be taken at any one time.

Four (4) weeks' vacation with pay if he shall have been in the service of the Company for a period of fifteen (15) years or more prior to such anniversary date; provided however, that the Company may require that no more than two (2) weeks of such four (4) week vacation be taken at any one time.

(b) For the purposes of this Section, years of service shall mean years of unbroken seniority with the Company which shall in no event be calculated from a date prior to the time the employee actually commenced working for the Company.

(c) In computing straight-time hours as that term is used in this Section and in relation to life insurance, all hours worked by the employee for the Company shall be counted, but each premium or overtime hour worked shall count only one (1) straight-time hour. Paid holidays shall be counted toward satisfying the foregoing 1,000 straight-time hour eligibility requirement. Time lost not to exceed 300 hours as a result of an accident as recognized by the Workers' Compensation Bond suffered during the course of employment shall be considered as
time worked under the provisions of this Agreement. Paid vacation hours in the previous anniversary year shall count as qualifying hours in determining an employee's entitlement to vacation and sick leave.

(d) For employees who have been in the service of the Company for more than one (1) year and who fail to qualify for a full vacation, vacation benefits shall be prorated in accordance with the following schedule. There is to be no proration of vacation benefits for hours worked during the first three (3) months of employment. An employee who is terminated or laid off with more than three (3) months and less than one (1) year's service shall be entitled to vacation pay computed from date of hire and prorated to one (1) year's service. With more than one (1) year's service, he shall receive prorated vacation pay computed from his last anniversary date of employment, based on years of service and prorated to length of service without reference to qualifying hours. Proration shall be based on 1/12 of vacation eligibility for each month of 150 hours of service.

Time off for vacation pursuant to the foregoing proration provision shall be allowed only in full-week units. If the application of this provision results in an employee being credited with less than five (5) full days' vacation, the amount of the employee's vacation credit shall be paid in cash but the employee shall not be entitled to vacation time off. Similarly, if the application of this provision results in an employee being credited with more than five (5) but less than ten (10), or more than ten (10) but less than fifteen (15) days of vacation the employee will be scheduled for a five (5) or ten (10) day vacation as the case may be and will be paid the excess allowance in cash.

Employees qualifying for pro-rata vacation whose seniority and employment is terminated for any reason shall receive in cash the pro-rata vacation for which they are eligible at the time of termination.

(e) For the purposes of this Section, one week's pay shall mean straight-time pay for the regularly scheduled workweek at the time the vacation is taken, but in no event more than forty eight (48) times the straight-time hourly rate of pay, nor less than twenty (20) times the straight-time hourly rate of pay.

(f) Preference of vacation date shall be given to employees according to their seniority rating as reasonably possible. Employees shall be given, insofar as practical, two (2) weeks' notice of the date upon which their vacation period will commence.

(g) The vacation must be taken with the current year, that is, it may not be accumulated to be used later in the following year.

(h) Vacation pay shall be given to employees at the commencement of their vacation, upon two (2) days' prior request.

SECTION 16. HEALTH AND WELFARE

(a) **Life Insurance.** The Company shall make monthly contributions to the ILWU Warehouseman's Welfare Fund for each eligible employee as required to provide a $15,000 term
life insurance policy with a non-occupational accidental death and dismemberment rider. Eligibility will be determined as in (d) below.

(b) Once an employee has become eligible for life insurance coverage, his life insurance shall remain in effect so long as he is covered by the same employer for hospital-medical-dental care pursuant to the terms of this contract, but the Employer shall otherwise be under no obligation to furnish such insurance for the employee after his employment is terminated or while the employee is laid off or is on leave of absence.

(c) In addition to life insurance coverage in (a) above, the individual shall have the right to continue his life insurance for the term of his seniority if he pays the premium himself.

(d) (1) Eligibility for Regular Coverage. Any employee who completes eighty (80) straight-time hours of paid-for employment in any calendar month shall for the following calendar month be eligible for and covered by a hospital-medical program, dental program, prescription drug plan, and by a vision care plan; provided, however, that if with respect to the hospital-medical program the employee has selected Plan B, then in any instance in which the employee is absent from active work because the employee is hospital-confined when the employee's insurance would otherwise take effect, the effective date of the employee's insurance shall be deferred until the employee returns to active work; provided further that as to any employee who has selected Plan B, the employee's dependents who are hospitalized on the day they would become covered will not be covered until released from hospital care.

Eligibility for regular coverage shall be terminated by:

(A) Failure to complete eighty (80) straight-time hours of paid-for employment in any calendar month;

(B) Discharge; or

(C) Voluntary resignation;

and coverage is terminated on the last day of the month in which such eligibility for regular coverage ceases.

In calculating eligibility for regular coverage, paid vacation, paid holiday, paid sick leave and paid funeral leave shall count as time worked.

Any employee whose eligibility for regular coverage ceases because of layoff, and who at the time of such layoff has two (2) or more years of seniority with the Company, shall at the expense of the Fund and without any contribution from the Company be granted four (4) additional months of hospital-medical, dental care, prescription drug and vision care coverage under the plans which are in effect as to the employee at the time of layoff.

Any employee having seniority pursuant to Section 7 of this Agreement and who by reason of disability is unable to work, shall remain eligible for regular coverage and the employee's coverage shall continue at the expense of the Company for the term of the employee's disability, not to exceed a maximum of twelve (12) months from the occurrence of the disability.
The Company shall have the right to require a doctor's certificate or other reasonable proof of disability.

(e) Effective upon ratification the Company shall pay the monthly rate for eligible employees provided by the ILWU Warehouseman's Welfare Fund ("Fund") for tiered coverage.

1) Effective upon ratification, covered employees shall pay thirty-five dollars ($35) per month toward the applicable health insurance premium under this section. Said amount shall be deducted pro-rata from an employee's check on a weekly basis.

2) Effective November 1, 2015, covered employees shall pay forty-five dollars ($45) per month toward the applicable health insurance premium under this section. Said amount shall be deducted pro-rata from an employee's check on a weekly basis.

3) Effective November 1, 2016, covered employees shall pay fifty-five dollars ($55) per month toward the applicable health insurance premium under this section. Said amount shall be deducted pro-rata from an employee's check on a weekly basis.

4) Effective November 1, 2017, covered employees shall pay sixty-five dollars ($65) per month toward the applicable health insurance premium under this section. Said amount shall be deducted pro-rata from an employee's check on a weekly basis.

5) Effective November 1, 2018, employees shall pay seventy-five dollars ($75.00) per month toward the applicable health insurance premium under this section. Said amount shall be deducted pro-rata from an employee's check on a weekly basis.

6) Effective November 1, 2019, employees shall pay eighty-five dollars ($85.00) per month toward the applicable health insurance premium under this section. Said amount shall be deducted pro-rata from an employee's check on a weekly basis.

In addition to the required employee contributions set forth above, should the cost of the plan increase throughout the term of the Agreement, the Employer will pay the first 6% of any increases to the Employer’s monthly cost from the prior year. Any increases above 6% shall be borne by the employee and shall be effective the same date as the applicable increase to the plan cost.

The above employee contributions shall be deducted on a pre-tax basis from the employee's earnings pursuant to the Company's IRS Section 125 plan. The Company shall pay an administrative fee as established by the Trustees of the ILWU Warehouseman's Welfare Fund in addition to the amount stipulated to be paid for each eligible employee as stated in the preceding paragraph.

(f) There shall be a choice between two (2) hospital-medical plans. One plan (Plan A) shall be such as the Kaiser Foundation Health Plan or as may be selected by the Union, and the other (Plan B) shall be a free choice plan under which the employee will be able to select their own physician or surgeon and their own hospital. In those geographical areas when Plan A is not available, such employees are entitled only to Plan B. The carrier of Plan B, the carrier of
the dental plan and the carrier(s) of the prescription drug plan(s) and vision care plan(s) shall be jointly selected by the Fund and the Union.

Each employee who is eligible for regular coverage may make an election as to whether to change coverage to Plan A or Plan B on August 15 of each year, any change to be effective September 1 of the same year. Employees who become eligible for regular coverage after the effective date of this agreement shall make their choice upon becoming eligible and may have a like choice on August 15 of each subsequent year.

Duplicate coverage will be avoided on both Plan A and Plan B, and the Company may make suitable arrangements with the carriers on both Plan A and Plan B for the avoidance of such duplicate coverage.

(g) **Casual Coverage:** Employees who are not eligible for regular coverage shall for the purposes of this Section be called "casual employees." The Company will pay a stipulated sum for each straight-time hour worked, by such casual employees (and for each straight-time hour worked by employees who are working as casualties while on extended coverage), such sum per hour to be computed to the nearest one-fourth (1/4) cent by dividing by 173.3 the monthly contribution required for regular coverage. Such hourly sum shall be collected by the Fund each month.

These funds will first be used for the purpose of providing extended coverage under the provisions of this Section. Any balance remaining will constitute Fund reserves, the application of which will, from time to time, be determined by the Trustees.

The sums so collected by the Fund may be combined with like sums collected from non-Fund employers if necessary to effect any application which is agreed upon, provided that monies paid by such other employers with respect to such casuals shall be at rates not less than the same rate as is paid by the Fund members for each hour worked.

The Company may if the Company wishes, place a casual employee under regular monthly coverage upon commencement of employment or prior to the employee's eligibility date for regular coverage, in which event the required hourly contribution for such casual employee shall cease upon the date on which such regular coverage is made effective for the employee.

An employee eligible for regular coverage who by virtue of having two (2) or more years' seniority with the Company at the time of the employee's layoff receives extended coverage from the Trust Fund, shall not be eligible for more than four (4) months of such extended coverage in any twelve (12) month period irrespective of the number, frequency, or length of the employee's layoff periods. If the cost to the Fund of extended coverage for laid off employees, as herein provided, becomes excessive in the opinion of either the Union or the Fund, the provisions for extended coverage shall be subject to renegotiation at the request of either party.

(h) **Hospital-Medical-Dental Plan Delinquencies.** If the trustees of the Fund through which the hospital-medical-dental, prescription drug, vision care benefits and life insurance benefits are to be administered for employees covered by this Agreement determine that the Company Subscriber to any such Fund is in default (i.e., delinquent) for forty-five (45) or more days in the payment of any amount or amounts due said Fund from said Company, the
Trustees may notify such Company by certified or registered mail, return receipt requested, of such delinquency and shall at the same time send a copy of said notice to the Union. Such notice shall specify the amount of the delinquency together with any other amounts which have been assessed and remain unpaid.

If after the expiration of fifteen (15) days from the mailing of such notice to the Company, the full unpaid amount specified in said notice has not been paid in full to the Fund, the Union may give five (5) days' written notice by certified or registered mail, return receipt requested (excluding Saturdays, Sundays and holidays) to the delinquent Company of such delinquency in payments; and if at the conclusion of said five (5) days the amount of such delinquency has not been paid in full to the Fund, then, and notwithstanding anything otherwise contained in this Agreement, the Union shall have the right to take such legal or economic action as it may determine against the Company to collect such delinquent amount. Furthermore, the delinquent Company shall be liable to their employees for any and all benefits under the hospital-medical prescription drug plan, vision care plan, and life insurance plan to which the employee would have been entitled if the Company had not been delinquent in the payment of such contributions. As an additional remedy, the employee shall have the right in addition to all other rights above set forth, to bring legal action against such delinquent Company to obtain payment of such benefits. In any legal action, such Company shall bear all court costs together with reasonable attorney's fees in such amount as the court in such action may determine.

If the Union elects to strike such Company in accordance with this provision the right to strike shall terminate as soon as the Company has paid said delinquency.

SECTION 17. PENSION PLAN

Employees who have completed their ninety (90) day probationary period shall be eligible to participate in the "Waste Management Pension Plan for Collective Bargaining Unit Employees" under the terms of said Plan.

SECTION 18. SICK BENEFIT ALLOWANCE

(a) Every employee covered by this Agreement who has been continuously employed by the Company for a period of at least one (1) year shall thereafter be entitled to five (5) days (forty (40) straight-time hours) sick leave with pay per contract year. A doctor's certificate or other reasonable proof of illness may be required by the Company if the employee's illness results in absence from work for more than three (3) consecutive days, or in cases of repetitive absences. Such sick leave with pay shall be applicable only in cases of bona fide illness or accident. Sick leave pay shall commence with the first day. Sick leave for the period between an employee's first anniversary date and the commencement of the following contract year (June 1) shall be pro-rated.

(b) For the purposes of this paragraph, full pay shall mean pay for the regular daily Schedule of working hours for those days the employee would have worked had the disability not occurred, calculated at straight-time or one-half such amount.
(c) If an employee is absent the day before or the day after a holiday due to \textit{bona fide} illness or accident, said holiday shall be considered a work day's absence.

(d) Unused sick leave may be accumulated from year to year to a maximum of twenty-five (25) days which, together with the employee's current year's allowance, may result in a maximum sick benefit allowance of thirty (30) days (240 hours).

(e) Job Injuries. Whenever an employee who has been injured on the job and has returned to work is requested by the Company's compensation doctor to leave work to report for treatment during working hours, he shall be allowed time off up to two (2) hours for such treatment without loss of pay.

(f) In industrial injury or disability cases, Workers' Compensation or Unemployment Disability (UCD) benefits and sick benefit allowances shall be paid separately, but in the event Workers' Compensation payments or Unemployment Disability payments cover all or part of the period during which sick benefit allowances are paid, the sum of the two shall not exceed the sick benefit payable for said period, and the unused portion of accumulated sick leave will continue to be credited to the employee. Integration of sick leave benefits with Workers' Compensation or Unemployment Disability payments is to be automatic; the Company may not waive integration, and any employee entitled to Workers' Compensation or Unemployment disability payments must apply therefore (in order that the principle of integration may be applied) before sick benefits are payable.

(g) In the event that an employee has not used all of his accrued sick leave at the time of retirement or death, the employee shall be entitled to a day's pay for each of the employee's unused sick leave days at the employee's classification rate of pay for eight (8) hours. For the purpose of this provision, retirement is defined as the voluntary resignation of an employee over the age of sixty-five (65) with over twenty (20) continuous years of employment with the Company.

(h) In the event that Paid Sick Leave is a benefit mandated by city, county, state or federal regulation employees will receive the agreed upon paid sick leave or the mandated paid sick leave, whichever is the greater, unless the applicable law contains an exception for collectively bargained for agreements.

\textbf{SECTION 19. FUNERAL LEAVE}

In the event of a death in the immediate family of an employee who has one or more years of seniority with the Company, he shall, upon request, be granted such time off with pay as is necessary to make arrangements for the funeral and attend same, not to exceed three (3) regularly scheduled working days if the funeral is in California and five (5) days if outside of California. This provision does not apply if the death occurs during the employee's paid vacation, or while the employee is on leave of absence, layoff or sick leave, and does not apply to death resulting from earthquake or war.

For the purposes of this provision, the immediate family shall be restricted to father, mother, brother, sister, spouse, child, grandparents, grandchildren, mother-in-law and father-in-law. At
the request of the Company, the employee shall furnish a death certificate and proof of relationship.

Funeral leave applies only in instances in which the employee attends the funeral, or is required to make funeral arrangements, but is not applicable for other purposes such as settling the estate of the deceased.

SECTION 20. GRIEVANCE COMMITTEE

(a) There shall be an informal first step of the grievance procedure with discussions between the aggrieved employees, the Shop Steward if requested by the employee, and the supervisor. If the grievance is not resolved during this first step, the grievance shall be reduced to writing. In order to be considered timely and eligible for consideration or processing, the written grievance must be submitted by the employee to his Supervisor within twenty (20) days of the occurrence of the facts giving rise to the grievance. All complaints involving or concerning payment or compensation shall be filed in writing and no adjustments shall be retroactive for more than ninety (90) days in such cases, but only complaints involving or concerning payment or compensation under the terms of this Agreement and written agreements and supplementary agreements may be considered by the Grievance Committee.

(b) A Committee shall be appointed by the Company to consist of not more than two (2) representatives designated by the Company and not more than two (2) employees of the Company designated by the Union. This committee shall take up all grievances or disputes concerning the interpretation or application of this Agreement. In the event the Committee is unable to agree on any matters submitted to it, the question or questions in dispute may, subject to the following requirements, be submitted to an Arbitrator selected by mutual agreement of the Parties. If the Parties cannot agree on an Arbitrator, the Federal Mediation and Conciliation Service shall be requested to supply a panel of seven (7) Arbitrators who are registered with the National Academy of Arbitrators. From this panel, the Party requesting arbitration shall strike three (3) names and so notify the other Party. The other Party shall then strike three (3) names, and the name remaining shall be the Arbitrator who hears the case. Each Party to any case submitted to arbitration shall bear the expense of preparing and presenting its own case, including witnesses, and shall pay one-half (1/2) of the charges of the Arbitrator. The Arbitrator shall not have the authority to change, add to, delete, alter or modify any of the terms or provisions of this Agreement. The decision of the Arbitrator shall be final and binding upon both Parties to this Agreement and bargaining unit employees.

(c) The Company and the Union shall in good faith use their best efforts to expedite the handling and processing of all grievances through the procedure in order to achieve a speedy resolution of all grievances. No grievance mall be eligible for processing to arbitration and shall be deemed null and void unless:

1. The Party requesting Arbitration has served a formal written Request for Arbitration on the other Party within thirty (30) days from the date the Grievance Committee met (and failed to resolve the grievance), and
(2) The Party requesting arbitration has in good faith worked toward the timely selection of an Arbitrator and the scheduling of an arbitration hearing.

SECTION 21. NEW PROCESSES AND NEW MACHINES

The Company shall notify the Union in advance of any permanent layoff of seniority employees which is going to result from the installation of new machinery or new processes in order that the impact of such layoff upon the employees may be discussed.

SECTION 22. UNION OFFICIALS' SENIORITY

Any employee who now holds office or who shall hereafter be elected or officially appointed to office in the union, which office requires his absence from the service of the Company, shall be granted a leave of absence thereof without loss of seniority entitling him upon retirement from such office to reinstatement consistent with this seniority; provided, however, that such leave of absence shall not extend beyond the term of this Agreement, unless extended by mutual consent.

SECTION 23. BULLETIN BOARDS

The Company shall provide a reasonable number of bulletin boards in places reasonably accessible to the employees covered by this Agreement for the purpose of posting notices of official Union business, such as, times and places of meetings.

SECTION 24. MILITARY SERVICES

Any employee covered by this Agreement who has seniority, and who during the period of this Agreement serves on behalf of or is inducted into the land, air or naval forces of the United States of America, whether voluntarily or by government order, shall be accorded all rights and benefits as required by applicable law and Company policy.

SECTION 25. MISCELLANEOUS PROVISIONS

(a) Any employee who has one (1) or more years' seniority with the Company and has qualified for his initial vacation, if called and reporting for jury duty, will be entitled to the difference between jury duty pay and his regular daily rate of pay for each day of jury service up to the maximum of seven (7) working days during any twelve (12) consecutive months.

(b) The Employer will furnish each employee with two pairs of gloves, every three (3) months.

(c) In the event that the Employer requires employees to wear a safety boot meeting Employer's specifications, seniority employees will be reimbursed up to $125 per year for the cost of such boots.
(d) The Oakland Living Wage Ordinance shall be inapplicable to the provisions of this Agreement, provided that the total cost of wages and benefits contained herein exceeds the total cost of the wage and benefit requirements in the Ordinance.

(e) The Company commits to support and participate in the FMCS Labor Relations Training Program for designated Company and Union Representatives.

(f) The Employer will furnish each employee with two (2) aprons every three months.

SECTION 26. LEAVE OF ABSENCE

(a) Any employee desiring a leave of absence from his employment shall secure written permission from the Company who shall send a copy to the Union by certified mail within ten (10) days of the commencement of the leave. The decision of the Company on granting or refusing to grant a leave of absence or extension thereof shall be final and conclusive and shall not be subject to the grievance procedure of this Agreement. Except as otherwise provided in this Section, the maximum leave of absence shall be for thirty (30) days and may be extended for like period.

(b) Written permission for such extended periods shall be secured from the Company with a copy of the extension to the Union. The first approved leave of absence plus approved extended leaves of absence shall not exceed a maximum time period of six (6) months. During an approved leave of absence the employee shall not engage in gainful employment unless authorized to do so by the written permission. The Company may terminate any employee who violates the terms and conditions of the written permission for leave or extension thereof.

SECTION 27. SCOPE OF AGREEMENT AND SEPARABILITY OF PROVISIONS

(a) Scope of Agreement. Except as otherwise specifically provided herein, this Agreement fully and completely incorporates the understanding of the parties hereto and constitutes the sole and entire agreement between the Parties on any and all matters subject to collective bargaining. Neither party shall, during the terms of this Agreement, demand any change therein, nor shall either party be required to bargain with respect to any matter. Without limiting the generality of the above, both parties in their own behalf waive any right to demand of the other any negotiating, bargaining, or change during the life of this Agreement with respect to Pensions, Retirement, Health and Welfare, Annuity or Insurance Plans, or respecting any questions of wages, hours, or any other terms or conditions of employment; provided that nothing herein shall prohibit the parties from changing the terms of this Agreement by mutual agreement.

(b) Separability of Provisions. Should any section, clause or provision of this Agreement be declared illegal by final judgment of a court of competent jurisdiction, such invalidation of such section, clause or provision shall not invalidate the remaining portion hereof, and such remaining portions shall remain in full force and effect for the duration of this Agreement.
Upon such invalidation, the parties agree immediately to meet and negotiate substitute provisions for such parts or provisions rendered or declared illegal or an unfair labor practice. In the event the parties are unable to agree upon substitute provisions, the dispute may at the request of either the Company or the Union be referred to arbitration for settlement pursuant to the provisions of Section 19 hereof, but the power of the arbitrator shall be restricted and limited to determining a substitute provision to provide the same specific objective and purpose of the provision rendered or declared illegal.

(c) Unlawful Action Not Required. The parties agree that neither will willfully require the other to do or perform any act prohibited by law.

SECTION 28. DURATION OF AGREEMENT

This Agreement shall be effective October 31, 2014, except for those provisions of the Agreement which have been assigned other effective dates as herein above set forth and shall remain in full force and effect to and including June 30, 2020 and shall continue thereafter from year to year unless at least sixty (60) days prior to June 30, 2020, or to June 30 of any subsequent year either party shall file written notice with the other of its desire to amend, modify or terminate this Agreement.

WAREHOUSE UNION, LOCAL 6, ILWU

By: John A. Miller
Date: 1/23/2015

By: [Signature]
Date: 1/21/15

WASTE MANAGEMENT OF ALAMEDA COUNTY, INC.

By: [Signature]
Date: [Signature]

By: [Signature]
Date: [Signature]
SCHEDULE "A"

*The following wage rates shall be effective for the classifications below for hours worked beginning the first day of the first payroll period following ratification and the switch to the tiered health and welfare approach and on the other dates specified below. The below wage rates are contingent on the Union’s switch to the Step/Tier Health and Welfare approach and the demographics contained in the document provided to the Company with regard to employee participation and acceptance of Company proposed Health and Welfare language as prepared in the June 10, 2013 offer to Union.

<table>
<thead>
<tr>
<th>CLASSIFICATION</th>
<th>Ratification</th>
<th>Ratification</th>
<th>1/1/2015</th>
<th>7/1/2015</th>
<th>7/1/2016</th>
<th>7/1/2017</th>
<th>7/1/2018</th>
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<td>$1.48*</td>
<td>Ratification Bonus as described below**</td>
<td>$0.50</td>
<td>$1.39</td>
<td>$1.39</td>
<td>$1.39</td>
<td>$1.39</td>
<td>$0.90</td>
</tr>
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<td>Recycling Sorter/Material Handler</td>
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<td>$13.99</td>
<td>$14.49</td>
<td>$15.88</td>
<td>$17.27</td>
<td>$18.66</td>
<td>$20.05</td>
<td>$20.94</td>
</tr>
<tr>
<td>Screen Cleaner; Traffic Control; Quality/Baler Check; Audit Control</td>
<td>$13.76</td>
<td>$15.24</td>
<td>$15.74</td>
<td>$17.13</td>
<td>$18.52</td>
<td>$19.91</td>
<td>$21.30</td>
<td>$22.19</td>
</tr>
</tbody>
</table>

**The Company agrees to provide all employees employed on the date of ratification with the following ratification bonus so long as the contract is ratified within two (2) weeks of today and is done so on the first vote:

- Employed prior to 1/1/12                     $1,500.00
- Employed after 1/1/12 but by 1/1/14           $1,000.00
  Employed after 1/2/14 to date of ratification $500.00

Employees promoted into the Recycling Equipment Operator classification shall be paid $1.00 less than the contract rate for the first six (6) months and $.50 for the second six (6) months and paid the contract rate after twelve (12) months.

The Company may implement, modify or discontinue a Productivity and Commodity Bonus Program which would be paid in addition to the contractual hourly wage rates.
**Shift Differential** — Seventeen cents ($0.17) and twenty-two cents ($0.22) per hour shall be paid to employees assigned to work the Swing Shift or Night Shift, respectively. For purposes of this Section, the Swing Shift includes any shift beginning between 10:00 a.m. and 7:59 p.m.; and the Night Shift includes any shift beginning between 8:00 p.m. and 3:59 a.m.

**Lead Person** — The Company may establish or discontinue Lead Person positions in its discretion. The Company will post an opening for a Lead Person position and award the position based on its judgment as to the employee's qualifications including seniority, safety record, communication skills, leadership, attendance and documented performance with seniority being the deciding factor where qualifications are equal. However, the final decision on filling the Lead position shall be at the Company's discretion. The Company will not exercise its discretion in an unlawful or arbitrary manner. The Lead Person shall receive one dollar and twenty-five cents ($1.25) per hour above the base rate for performing the Lead Person duties. A Lead Person may be removed from his/her position at the discretion of the Company. Employees selected to relieve the designated Lead Person shall receive the above applicable premium for all hours worked in relief of the designated Lead Person. Sorter leads, if any, shall receive an additional $0.25 above their applicable rate.

**Foreperson** — The Company may establish or discontinue Foreperson positions. The Company will post an opening for a Foreperson position if in the judgment of the Company business needs require such a position. The Company will consider seniority, qualifications, and skill in filling the positions, but the final decision on filling the position shall be at the Company's discretion.

The Foreperson position shall receive two dollars ($2.00) per hour above the base rate for performing the Foreperson duties.

The above proposal dated October 29, 2014 shall be available for ratification through November 15, 2014. However if the proposal is not ratified by that date, or is rejected by the union prior to that date, it shall be rescinded and the Company's offer dated October 22, 2014 shall be the Company's last, best and final offer.

If the above proposal is successfully ratified, the parties have agreed to a return to work agreement (“Amnesty”) for all strike related activities by the union, the employer, and for all company employees represented by ILWU Local 6. Amnesty shall include, but not be limited to, the waiver of all ULPs, grievances, lawsuits and other claims that may be brought by the Union, its members or the Company. This shall include discipline initiated for strike related activity by Company employees as well fines and/or discipline that may or may not be leveled by the Union against Local 6 members who chose to cross the picket line or engaged in other alleged union misconduct.
WAREHOUSE UNION, LOCAL 6, ILWU

By: __________________________

Date: _________________________

By: Fred Liles

Date: 1/21/15

By: __________________________

Date: _________________________

By: __________________________

Date: _________________________

WASTE MANAGEMENT OF ALAMEDA COUNTY, INC.

By: __________________________

Date: 4/27/05
COLLECTIVE BARGAINING AGREEMENT

Between

WASTE MANAGEMENT OF ALAMEDA COUNTY

And

WAREHOUSE UNION LOCAL NO. 6, ILWU

APRIL 8, 2013 THROUGH April 7, 2018
TABLE OF CONTENTS

AGREEMENT .................................................................................................................. 1

SECTION 1. RECOGNITION AND JURISDICTION ......................................................... 1

SECTION 2. SENIORITY .................................................................................................. 2

SECTION 3. MANAGEMENT RIGHTS ............................................................................... 4

SECTION 4. DISCHARGE ............................................................................................... 5

SECTION 5. STEWARD ................................................................................................... 6

SECTION 6. BUSINESS AGENT .................................................................................... 6

SECTION 7. HOLIDAYS .................................................................................................. 6

SECTION 8. HOURS ........................................................................................................ 7

SECTION 9. NEW PROCESSES & NEW EQUIPMENT .................................................... 9

SECTION 10. MILITARY SERVICE ............................................................................... 9

SECTION 11. TRANSPORTATION ............................................................................... 9

SECTION 12. NON DISCRIMINATION ........................................................................... 9

SECTION 13. HEALTH & SAFETY ............................................................................. 10

SECTION 14. VACATION ............................................................................................ 10

SECTION 15. SICK BENEFIT ALLOWANCE .............................................................. 12

SECTION 16. HEALTH AND WELFARE ................................................................... 12

SECTION 17. PENSION ............................................................................................... 13

SECTION 18. WAGES AND JOB CLASSIFICATIONS .................................................... 14

SECTION 20. GRIEVANCE PROCEDURE ................................................................. 16

SECTION 21. BULLETIN BOARDS ............................................................................ 18

SECTION 22. LEAVE OF ABSENCE ......................................................................... 18

SECTION 23. MEDICAL OR DENTAL APPOINTMENTS ........................................... 18

SECTION 24. JURY DUTY PAY .................................................................................. 19
AGREEMENT
WASTE MANAGEMENT OF ALAMEDA COUNTY
AND
WAREHOUSE UNION LOCAL NO. 6. ILWU

THIS AGREEMENT, made and entered into effective this 8th day of April 2013 and is by
and between WASTE MANAGEMENT OF ALAMEDA COUNTY for its districts
referenced in Section I (a) below, hereinafter referred to as the Company, and the
WAREHOUSE UNION LOCAL No. 6, ILWU, hereinafter referred to as the Union. The
terms of this Agreement as herein stated are the sole terms of agreement between the
respective parties.

WITNESSETH

SECTION 1. RECOGNITION AND JURISDICTION

(a) The provisions of this Agreement shall apply to the following bargaining
unit.

All full-time and regular part-time office clericals, including customer service
representatives (CSRs), lead. CSRs, payroll clerks, cash processing clerks, accounts
payables clerks, collections clerks, accounts receivable clerks, operations, clerks,
dispatch clerks, maintenance clerks, switchboard operators, receptionists, data entry
clerks and mail room clerks employed by the Employer at its facilities as follows: Waste
Management of Alameda County, 172 98th Avenue, Oakland, CA; Davis Street
SMART, 2615 Davis Street, San Leandro, CA; 22770 Main Street, Hayward, CA; and
Altamont Landfill and Recycling Center, 10840 Altamont Pass Road, Livermore, CA
excluding all managerial employees, administrative assistants, scale clerks, systems
operators, gas plant technicians, field technicians, claims coordinators, inside and
outside sales persons, dispatchers, temporary employees on the payroll of another
employer, all other employees, guards and supervisors as defined in the Act.

Any existing work covered by this Agreement, transferred or moved to another facility of
the Employer within Alameda County (and including Valley Waste in Walnut Creek),
shall be covered by this Agreement.

(b) Membership in the Union on or after the thirty-first (31st) day following the
beginning of employment of employees covered by this Agreement, or the effective date
of this Agreement or the date upon which this Agreement is executed, whichever is the
later, shall be required as a condition of employment tender of the Union's periodic dues
and the initiation fees uniformly required as a condition of acquiring or retaining such
membership, shall, for the purposes of this Section, be considered membership in the
Union.

(c) The Company and the Union agree to use the following language for
payroll deduction of Union dues:
I, the undersigned Employee of Waste Management of Alameda County, hereby authorize and direct the said Company to deduct on my first payday of each month from my wages now or hereafter due me, and pay to Warehouse Union Local 6, ILWU, my membership dues and Initiation as a member of that organization. I agree to hold the Company harmless from loss from any judgments of a court of competent jurisdiction and from any order of the Labor Commissioner or other agency of government in connection with or arising from any deductions made pursuant to this assignment. No other assignment or order exists in connection with this transaction. This assignment shall be irrevocable for a period of one year from the date hereof and shall remain in full force and effect thereafter until revoked in writing by the undersigned.

Date: ____________________________   ____________________________

Employee's Signature

__________________________________________________________________________

Steward’s Signature

(d) The Employer upon written request of the Union shall discharge any employee, after seven (7) calendar days after receipt of such notice, who fails to tender the periodic dues and/or initiation fees uniformly required by the Union as a condition of acquiring or retaining membership in the Union. If the Union has notified the Employer in writing prior of the expiration of the seven (7) days, that the employee has paid the amounts owing, the discharge shall not take place.

(e) The Union agrees to indemnify and hold the Employer harmless from any and all suits, claims, demands, judgments or any other form of liability that may arise out of or by reason of the application of the provisions of this Section.

SECTION 2. SENIORITY

(a) New employees shall be regarded as probationary employees until they have completed sixty-five (65) working days of actual work within a six-month period. Probationary employees shall have no seniority, and may be laid off or discharged with or without cause in the sole discretion of the Employer. Upon successful completion of the probationary period, the employee shall be placed on the seniority list, according to his/her last date of hire within the bargaining unit. Employee hired on the same day shall be listed in alphabetical order. Probationary employees shall receive health and welfare benefits after 90 calendar days of employment and shall receive no other benefits under this agreement (see Section 15(a) for sick leave eligibility), with the exception of the rate of pay provided. A regular employee shall be defined as an employee who has completed his/her probationary period and who has therefore acquired seniority.
(b) An employee shall forfeit any right to seniority and the employee's name shall be removed from the seniority list and employment terminated, in the event the employee:

(1) Quits/retires;

(2) Is discharged;

(3) Is absent from work three (3) consecutive working days without prior notification to and authorization from the Employer (which shall be deemed a quit);

(4) Is not in active employment for a period of eighteen (18) months due to layoff, or eighteen (18) months in the case of work-related or nonwork-related disability, provided that employees on leave for a work-related disability shall have their seniority restored if they are released to return to work and are able to perform the essential functions of their job, with or without reasonable accommodation, within a period of thirty-six (36) months following the start of their work-related disability leave.

(5) Is laid off and fails to report to work within seventy-two (72) hours after having been recalled by certified mail (which shall be deemed a quit).

(c) In the event of a reduction in force, bargaining unit employees will be laid off from the affected classification on the basis of seniority, so long as the remaining employees are capable of performing the remaining work. An employee laid off from his/her classification shall have the option at the time of a layoff to displace the least senior employee provided the senior employee (with training as maybe appropriate) possesses the qualifications and ability to proficiently perform the available work. The employee will be provided a minimum sixty (60) days training and an evaluation period when they transfer to a new classification. In rehiring, the last employee laid off shall be the first employee rehired so long as the employee is capable of performing the available work subject to the training above. During the training period the trainee shall receive written feedback regarding their progress, and shall meet with their supervisor and review the evaluation. The presence of a shop steward shall be explicitly offered at the evaluation review.

(d) Employees are required to notify the Company of their present address or of any change in their post office address and telephone number. The Employer shall be fully entitled to rely on same, and no employee will receive consideration who fails to receive any notice provided by this Agreement because of his failure to comply with this provision.

(e) In the event of a permanent vacancy in a bargaining unit position, the Employer will post the position for not less than five (5) working days. The position shall be posted on all Local 6 bulletin boards at all sites and a copy given to the Shop
Steward at the time of posting. The position will be awarded by the Employer based on its judgment as to the employee’s qualifications, ability and seniority with seniority being the deciding factor where job qualifications and ability are equal. Employees who have been suspended within the past nine (9) months shall not be eligible to bid for a vacant position. An employee who is awarded a job vacancy under this provision shall not be permitted to utilize the job bidding procedure again for eight (8) months.

In the event that the Employer awards a vacant position to an applicant who has less seniority than another applicant or applicant(s), the Employer agrees to verbally explain to any of the more senior applicants the reason(s) why that applicant was not selected for the vacant position.

Should the Employer determine an employee is unable to satisfactorily perform his or her job duties during the first ninety days in his or her new position, the Employer shall have the right to return an employee to his or her prior job position, provided the Employer provides the employee with at least one written evaluation during that period.

(f) Scheduled part-time employees are those employees employed to work thirty (30) hours or less per week. Part-time employees shall not acquire or accrue seniority, nor shall they be eligible for any of the fringe benefits contained in this Agreement unless and until said employee works at least six hundred (600) hours in a twelve (12) month period at which time the part-time employee shall be eligible for pro-rated benefits. Scheduled part-time employees will not displace existing regular full-time bargaining unit positions and will be laid off before any regular full-time employees provided the regular full-time employee accepts the work schedule provided at the time of the lay-off.

(g) At the time a position is vacant the company will fill the positions in accordance with Section 2(e) and if there are no successful bidders then the position will be posted within Waste Management. If the vacancy is posted to external outreach sources the company will send notification of the open position to the Local 6 Business Agent, so that the Union may recommend prospective candidates.

(h) In the event a bargaining unit employee accepts a position with the Company that is outside the bargaining unit he/she shall lose all accumulated seniority under this Agreement.

SECTION 3. MANAGEMENT RIGHTS

(a) The Union recognizes the Company’s inherent and traditional right to manage its business, to establish reasonable work rules and to require their observance. The Company shall have the right to direct the working force in the performance of their work assignments, including the assignment of jobs and equipment promotions and demotions, as well as to regulate the general working conditions and the efficiency of operations. The right to determine the location and extent of its operations and their commencement expansion, relocation, curtailment or discontinuance in whole or in part the right to control productivity; the right to determine
the schedule of work and of operations, including the right to require employees to work overtime; the right to determine the job content and requirements of any job or classification; the right to determine the number and qualifications of employees needed by the Employer at any time and the number and qualifications of employees who shall operate on any given job, operation or unit of equipment; the right to subcontract bargaining unit work; the right to monitor employee performance and to utilize electronic monitoring, including audio and video recording devices but will not conflict with the privacy protections afforded by State and Federal law, the right to establish and reestablish standards of quality and quantity relating to employee performance; the right of access to all computer terminals, files, desks, and lockers, and the right to have bargaining unit work performed by supervisors and others outside the bargaining unit with no intent to displace available bargaining unit employees from regular positions. The above enumeration is by way of example and is not a limitation and the right of the Company in the operations of its business is unlimited except as it may be expressly and specifically restricted by the provisions of this Agreement, and this Agreement is the sole agreement between the parties.

(b) The failure of the Employer to exercise any function, power or right reserved or retained by it, or the exercise of any power, function or right in a particular manner, shall not be deemed a waiver of the right of the Employer to exercise such power, function, authority or right, or to preclude the Employer from exercising the same in some other manner, so long as it does not conflict with an express provision of this Agreement.

SECTION 4. DISCHARGE

(a) The Company shall have the right to discharge any employee for absenteeism, dishonesty, insubordination, illicit substance abuse, incompetence, willful negligence, or failure to observe Company safety and house rules and regulations, which must be conspicuously posted.

(b) If an employee feels he/she has been unjustly discharged, he/she shall have the right to appeal his/her case to Step 3 of the Grievance Procedure. Such appeal must be filed in writing by the Union within ten (10) working days from the date of discharge or suspension. In case the discharge is found to be unjustifiable, payment for lost time, or reinstatement with or without payment for lost time maybe a mutual resolution of the Grievance or may be ordered by an Arbitrator.

(c) Any discharged employee shall be furnished the reason for his/her discharge in writing. All copies of discharges and suspensions will be forwarded to Local 6 by Certified Mail.

(d) All complaints regarding discharges shall be given preference over any other matter pending between the Parties, and a written decision shall be given within ten (10) days.
(e) The Company shall forfeit the right to discharge, suspend or discipline any employee for a particular offense if no action has been taken within fourteen (14) days of the Company’s knowledge of the occurrence of the offense and the employee’s involvement. This paragraph (e) shall be inapplicable in cases of fraud, theft and criminal conduct.

(f) An employee who has no disciplinary action during the prior twelve (12) months, will not have their prior discipline record taken into consideration when determining the appropriate level of disciplinary action for a current offense.

SECTION 5. STEWARD

A Steward shall be provided for each location, such Steward to be selected by employees on the job. The duty of the Steward shall be to report to the Union any grievances which may arise and which cannot be adjusted on the job. It is understood and agreed that the Steward shall have no power to order any changes.

SECTION 6. BUSINESS AGENT

The Business Agent or other elected official of the local union shall be allowed to talk with the employees for the purpose of ascertaining whether this Agreement is being observed or to assist in adjusting grievances, and any discussions shall take place in non-work areas. Any discussions or meetings requested during the work time of any employee must be arranged in advance with the Department Manager. This privilege shall be exercised so that no time is lost to the Company unnecessarily. The Union representative shall notify the manager or his/her designee before or upon coming to Company property and shall sign the Company Visitor Register and comply with other security procedures upon arrival.

SECTION 7. HOLIDAYS

(a) There shall be ten (10) paid holidays: New Year’s Day, Martin Luther King Jr. Day (effective January 1, 2014), Memorial Day, July 4th, Labor Day, Thanksgiving, Christmas, and three (3) Floating Holidays. For each paid Holiday, employees shall be paid eight (8) hours at the straight-time rate. All work performed on a Holiday will be assigned on a rotational seniority basis by classification. Such time worked will be compensated at the rate of double time and a half the basic rate of pay. The Floating Holidays shall be observed on a date mutually agreed to by the Company and the Individual employee.

(b) Notice of work on any of the above holidays shall be given at least five (5) working days prior to the holiday, except in unusual emergencies.

(c) To be eligible for Holiday Pay, an employee must:

(1) have completed their probationary period;
(2) be a scheduled full-time/part-time employee covered by this Agreement: and

(3) have worked the last scheduled working day before and the first scheduled working day after the holiday.

(d) In the event a holiday falls during the vacation period of an otherwise eligible employee, that employee shall be entitled to Holiday Pay for each holiday occurring during the employee’s vacation, provided the employee works the last scheduled working day before and the first scheduled working day after the vacation.

SECTION 8. HOURS

(a) The normal work week for full-time employees shall consist of forty (40) hours worked in four (4) or (5) days, with a one half (1/2) to one (1) hour unpaid lunch.

Part-time employee’s workweek shall consist of a consistent schedule of less than thirty (30) hours. Part-time employees will be paid a minimum of four (4) hours straight time rate in any given workday.

(b) MEAL PERIODS AND REST PERIODS

(1) Meal Periods: The Employer will schedule Employee meal periods. Employees who are scheduled to work more than five (5) hours in a day must take an unpaid meal period of at least, but not longer than, thirty (30) minutes within their first (1st) five (5) hours of work but in no event less than three (3) hours after the start of their shift. Employees who work in excess of five (5) hours but less than six (6) hours may voluntarily waive their meal period, and will be presumed to have done so if the meal period is not taken. Employees who are scheduled to work more than ten (10) hours per day are provided a second (2nd) thirty (30) minute unpaid meal period. An employee may choose not to take this second (2nd) meal period so long as the employee took the first (1st) meal period and finishes his or her shift within twelve (12) hours. If an employee does not take a second (2nd) meal period in such circumstances, it is presumed that he or she waived that meal period. If an employee is unable to finish his or her shift within twelve (12) hours, the employee must take the second (2nd) unpaid thirty (30) minute meal period. Where a second (2nd) meal period is required, it should be taken to the extent practicable near the tenth (10th) hour of work.

Nothing in this Section shall prohibit the Employer from modifying its policy in order to comply with changes in applicable State law.

(2) Rest Periods: Employees shall be authorized, and must take, a paid rest period of at least, but not longer than, fifteen (15) minutes.
for every four (4) hours worked. As far as practicable, employees must take the rest period within the middle of each four (4) hour increment.

(3) Recording Time: Employees must record their actual time worked. Each employee is responsible for recording his or her own time record. Employees should record the time work begins and ends, as well as the beginning and ending time of each meal period. Employees must also record any departure from work for any non-work-related reason. Should an Employee fail to record his or her time, or should a known error occur, the matter should be reported to a supervisor. Employees may not mark, erase, or make changes on time records. Altering, falsifying, and/or tampering with time records, or recording time on another Employee’s time record is prohibited and subject to disciplinary action, up to and including termination.

(4) Notification: If circumstances do not permit an Employee to take his or her meal (or rest period), it is the Employee’s duty and responsibility to notify his or her supervisor that he or she was not permitted to take a meal (or rest) period. Employees may not combine breaks and/or the meal period without the express permission of the Company. The Employer shall not unreasonably deny an employee’s request to combine his break and meal period providing it does not interfere with or disrupt the daily operations.

(5) Arbitration: Any complaint arising in connection with the application or interpretation of this Article, including but not limited to claims regarding alleged missed meal and rest periods and alleged payments is therefore subject to the grievance and arbitration procedure set forth in Section 20 of this Agreement. The Arbitrator may award remedies under this Agreement and under applicable State and Federal laws.

(c) All time worked in excess of forty (40) hours per week shall be paid for at the rate of time and one half (1 ½) the regular straight time hourly rate of pay. One and one half (1 ½) times the regular straight time hourly rate shall be paid on a daily basis for all work performed in excess of the eight (8) hour workday or the ten (10) hour workday. Employees who work seven (7) consecutive days in any work week shall be paid two (2) times the regular straight time hourly rate of pay for all hours worked on such seventh (7) day. There shall be no duplication or pyramiding of overtime payments under this Agreement.

(d) Employees are required to work overtime in accordance with the needs of the business, with reasonable advance notice.
(e) The Employer may implement start times upon one (1) week notice to the affected employee, except in case of emergencies. Employees are required to be at their workstation ready for work not later than their scheduled start time.

All paid time off will be counted as time worked and calculated as straight time for purposes of vacation, sick leave, holiday and seniority accruals.

(f) Upon reporting for work at their scheduled starting time, each regular full-time employee shall be guaranteed eight (8) hours work or pay on the employee’s regularly scheduled work days, including scheduled working holidays, unless the employee leaves early.

(g) Each regular full-time employee reporting for work on time as scheduled shall be guaranteed four (4) hours work or pay if called to work on a non-scheduled work day, unless the Employee leaves early.

SECTION 9. NEW PROCESSES & NEW EQUIPMENT

The Company shall notify the Union three (3) weeks in advance of any permanent lay-off of seniority employees which is going to result from the installation of new equipment or new processes in order that the impact of such lay-off upon the Employees may be discussed.

SECTION 10. MILITARY SERVICE

Any employee covered by this Agreement who has seniority, who during the period of this Agreement is inducted into the land, air or naval forces of the United States of America, whether voluntarily or by government order, shall be accorded all rights provided under the Veteran’s’ Reemployment Rights Act.

SECTION 11. TRANSPORTATION

When an employee is required by the Company to use their personal vehicle to perform authorized Company business or travel between facilities of the employer, the employee will be compensated for mileage from their regular job location to the new site and return at the applicable IRS rate per mile.

SECTION 12. NON DISCRIMINATION

The Company and the Union, agree that in the administration of this agreement there will be no discrimination by the Company or the Union because of an employee’s race, creed, sex, religion, national origin, disability, age or union activity within the meaning of applicable state and federal laws. Nothing in this Agreement shall be construed to prevent, preclude or inhibit the Company’s compliance with Americans with Disabilities Act.
SECTION 13. HEALTH & SAFETY

The Employer shall make every effort to provide and maintain safe working conditions and industrial health protection for employees. All work performed will be in compliance with all safety standards and OSHA regulations. Because the Labor Department has given the State of California the authority to regulate and enforce Industrial safety as permitted by the Occupational Safety and Health Act, Employer agrees to abide by the regulations outlined by CAL OSHA.

SECTION 14. VACATION

(a) Each regular full-time employee, not in their first year of employment, who as of January 1st has been employed by the Employer for one (1) full calendar year or more and who has worked a minimum of one thousand (1,000) straight time hours during the preceding calendar year shall be entitled to a paid vacation in accordance with the following:

<table>
<thead>
<tr>
<th>Years of Service</th>
<th>Vacation</th>
</tr>
</thead>
<tbody>
<tr>
<td>One (1) year</td>
<td>Two (2) weeks</td>
</tr>
<tr>
<td>Six (6) years</td>
<td>Three (3) weeks</td>
</tr>
<tr>
<td>Fifteen (15) years</td>
<td>Four (4) weeks</td>
</tr>
<tr>
<td>Twenty (20) years</td>
<td>Five (5) weeks</td>
</tr>
</tbody>
</table>

For the purpose of this Section, years of service shall mean calendar years (January 1 through December 31) of unbroken seniority with the Company which shall in no event be calculated from a date prior to the time the employee actually commenced working for the Company.

(b) For new employees during an employee's first year of employment, the employee shall not be eligible for vacation accrual until the completion of their probationary period. The employee is eligible to utilize vacation accruals for the first year on January 1st. Upon the completion of the probationary period the employee shall be entitled to vacation accrual back to date of hire. Accrual will be based on eighty (80) hours divided by fifty-two (52) pay periods or (1.538 hours per pay period). The employee must work a minimum of one hundred and fifty (150) hours in any calendar month. All paid time will be counted.

(c) In computing straight-time hours as that term is used in this Section, all hours worked by the employee for the Company shall be counted, but each premium or overtime hour worked shall count as only one (1) straight-time hour. All paid time will be counted toward satisfying the foregoing 1,000 straight-time hour eligibility requirement. Time lost, not to exceed 300 hours as a result of an accident, as recognized by the Workers' Compensation board, suffered during the course of employment shall be considered as time worked under the provisions of this Agreement. Paid vacation hours in the previous anniversary year shall count as qualifying hours in determining an employee's entitlement to vacation.
(d) For employees who have not been in the service of the Company for more than one (1) year and who fail to qualify for a full vacation, vacation benefits shall be pro-rated in accordance with the following schedule. During the employee’s probationary period there is no accrual of vacation until the employee completes the probationary period and the pro-ration will be as specified in Section 14(b) above. An employee who is terminated or laid off prior to the completion of the probationary period will not be entitled to vacation pay.

(e) Time off for vacation pursuant to the foregoing pro-ratio provision shall be allowed only in full week units. If the application of this provision results in an employee being credited with less than five (5) full days vacation, the employee shall have the option to either use their vacation credit or be paid it. Similarly, if the application of this provision results in an employee being credited with more than five (5) but less than ten (10), or more than ten (10) but less than fifteen (15) days of vacation, the employee will be scheduled for a five (5) or ten (10) day vacation as the case may be and will be paid the excess allowance cash.

(f) Upon termination or separation of employment for any reason, employees who have worked for the Company for more than one year and who are otherwise eligible to accrue vacation shall be paid a pro-rata share of accrued vacation the employee would otherwise earned at the end of the calendar year. The amount of Pro-rata vacation is to be computed as follows: Divide the number of hours an employee would be eligible for by years of service by 52 (weeks in the calendar year) and multiply that number by the number of pay periods worked during the calendar year prior to the separation date of employee.

(g) Vacation pay shall be based on an employee’s straight time hourly rate of pay at the time the vacation is taken, and shall be paid on the basis of forty (40) hours for each week of vacation.

(h) Vacation pay will be paid on the last regular pay day preceding the employee’s vacation.

(i) An employee’s vacation must be taken within the calendar year within which the employee has become eligible for the vacation. Vacation may not be carried over into the following calendar year.

(j) In scheduling vacations, consideration will be given to the vacation time preference of employees and to their seniority within each location of the Employer, with the Employer making the final determination as to the number of employees within any Department and location that may be on vacation at any time.

(k) No employee shall have the privilege of drawing the vacation pay and continuing to work in lieu of taking the week.

(l) Employees shall have the option to take up to forty (40) hours of vacation pay in four hour increments. Of the forty (40) hours stated above, Employees may take up to four (4) hours of vacation in two (2) hour increments. Such days must be
approved at least one (1) week in advance by the employee’s Supervisor. All such days must have been utilized or scheduled prior to November 1st, with unused days being paid to the employee by December 15.

SECTION 15.   SICK BENEFIT ALLOWANCE

(a) Every employee covered by this Agreement who has been continuously employed by the Company for a period of at least one (1) year shall thereafter be entitled to nine (9) days (72 straight-time hours) sick leave with pay per calendar year. Sick leave pay shall commence with the first day of absence. Sick leave for the period between an employee's first anniversary date and the commencement of the following calendar year (January 1) shall be pro-rated.

(b) Paid sick leave is an emergency benefit designed to relieve hardship and shall only be applicable in the case of absences necessitated by bona fide illness or injury. Employees are required to report absences to their immediate supervisor as soon as possible, but not later than thirty (30) minutes prior to their scheduled starting time.

(c) Unused sick leave, up to a maximum of thirty-six (36) days, may be accumulated and carried over from year to year. Days accumulated at the end of the year in excess of thirty-six (36) days will be paid and employees also can request days in excess of fifteen (15) days to be paid in accordance with IRS regulations.

(d) Sick leave shall be Integrated with the Employee’s Workers, Compensation and State Disability Benefits, but the sum of the two shall not exceed a normal straight time days pay for the employee. Such integration shall be automatic. Only the amount paid by the Employer shall be deducted from the employee’s earned sick leave.

(e) Job injury: Whenever an employee who has been injured on the job and has returned to work is requested by the Company’s compensation doctor to leave work to report for treatment during working hours, he/she shall be allowed time off up to two (2) hours for such treatment without loss of pay.

(f) By January 15th of each year, the Company shall give every employee a statement setting forth the balance of their accumulated sick days.

(g) In the event that an active employee has not used all of his accrued sick leave at the time of voluntary termination, lay-off, or retirement as defined by the Industrial Employers and Distributors Association or death, the Company agrees to pay the employee’s sick pay accumulated but not used.

SECTION 16.   HEALTH AND WELFARE

(a) The Company will offer its group Health Plan benefits to all full-time employees following completion of ninety (90) calendar days of employment. Employees and dependents may participate in the Company provided health plan on
the same basis as other members of the group plan. The Company reserves the right to amend or modify any part of the Company health plan, including the plan provider and employee contributions, but will not do so unless the plan is likewise amended or modified for non-bargaining unit members. Any plan increases/decreases during the life of this Agreement may result in increases/decreases to individual employee contributions but said increases/decreases shall be the same as the increases/decreases for other non-bargaining unit members in the Company plans.

(b) Any employee who can establish, to the satisfaction of the Company, coverage under another health insurance plan comparable to the coverage of the Company's plan, will be entitled to waive insurance coverage by the Company and receive in place of such insurance coverage the monthly opt-out payment received by non-bargaining unit members under the Company plans. Proof of alternative insurance must be provided annually. Should an employee under this program desire to re-enter the Company's plan, such employee will be subject to the normal eligibility requirements of the Company's plan.

SECTION 17. PENSION

Effective upon execution of this Agreement, the Company agrees to make contributions into the Industrial Employers and Distributors Association Pension Trust Fund for each as set forth in Sections (a) and (b) of this Article.

(a) Maximum Monthly Contribution Rates: For bargaining unit employees who had eighty (80) or more hours of service in the preceding calendar month, the Employer agrees to make the following maximum monthly contributions:

Effective at Ratification: $753.86 per month

In future years of the agreement, the Employer agrees to make the following maximum monthly contributions:

July 1, 2013: $805.85 per month
July 1, 2014: $857.84 per month
July 1, 2015: $883.83 per month
July 1, 2016: $909.83 per month

(b) Maximum Hourly Contribution Rate: The Company agrees to make the following maximum hourly pension contributions to employees who work less than eighty (80) hours per month in the preceding calendar month:

Execution: $4.35 per hour

In future years of the agreement, the Employer agrees to make the following maximum hourly contributions:
July 1, 2013: $4.65 per hour
July 1, 2014: $ 4.95 per hour
July 1, 2015: $5.10 per hour
July 1, 2016: $5.25 per hour

(c) Should the plan increase the hourly or monthly amount of the required Employer contribution on or after July 1, 2017 and if this Agreement is still in effect, the Employer shall pay the required increase but shall not be obligated to pay further increases required by the Fund unless and until a new collective bargaining agreement is negotiated.

(d) Effective upon ratification of this agreement, the parties further recognize that the Employer's contribution to the Pensioners Hospital and Medical Trust is $0.00. Should the Employer's required contribution increase throughout the Agreement, any said increases which would result in the Employer's total pension contribution be in excess of the amounts set forth in Sections (a) and (b) of this Section shall be allocated from employee's wages.

SECTION 18. WAGES AND JOB CLASSIFICATIONS

(a) The chart below lists the new hourly wage rates for each employee classification listed upon ratification of this Agreement

<table>
<thead>
<tr>
<th>Job title</th>
<th>Ratification (April 8, 2013)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Multi-lingual CSR</td>
<td>$21.24</td>
</tr>
<tr>
<td>Multi-lingual CSSR</td>
<td>$21.74</td>
</tr>
<tr>
<td>Cash Processing</td>
<td>$19.24</td>
</tr>
<tr>
<td>CSR</td>
<td>$19.24</td>
</tr>
<tr>
<td>CSSR</td>
<td>$19.74</td>
</tr>
<tr>
<td>Dispatch Clerks</td>
<td>$19.24</td>
</tr>
<tr>
<td>Payroll</td>
<td>$19.24</td>
</tr>
<tr>
<td>Service Machine</td>
<td>$19.24</td>
</tr>
<tr>
<td>Position</td>
<td>Rate</td>
</tr>
<tr>
<td>-----------------------------</td>
<td>--------</td>
</tr>
<tr>
<td>Collections Clerk</td>
<td>$18.74</td>
</tr>
<tr>
<td>Maintenance Clerk</td>
<td>$18.74</td>
</tr>
<tr>
<td>Operations Clerk</td>
<td>$18.74</td>
</tr>
<tr>
<td>Accounts Payable</td>
<td>$21.47</td>
</tr>
<tr>
<td>Receptionist/Switchboard</td>
<td>$18.24</td>
</tr>
<tr>
<td>Mailroom Clerk</td>
<td>$17.24</td>
</tr>
<tr>
<td>Data Entry</td>
<td>$16.74</td>
</tr>
</tbody>
</table>

In future years of this agreement, increases to the rates set forth above shall be as follows:

<table>
<thead>
<tr>
<th>Date</th>
<th>April 8, 2014</th>
<th>October 8, 2014</th>
<th>April 8, 2015</th>
<th>October 8, 2015</th>
<th>April 8, 2016</th>
<th>October 8, 2016</th>
<th>April 8, 2017</th>
<th>October 8, 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Wage Rate</td>
<td>$0.25/hour</td>
<td>$0.25/hour</td>
<td>$0.25/hour</td>
<td>$0.25/hour</td>
<td>$0.35/hour</td>
<td>$0.35/hour</td>
<td>$0.35/hour</td>
<td>$0.35/hour</td>
</tr>
</tbody>
</table>

(b) New hires will be paid 90% of the applicable wage rates for the first six months of employment. Thereafter, new hires shall be paid at 100% of the applicable rates set forth in Section 18(a).

(c) All current employees earning above the base hourly wage rates set forth in Section 18(a) shall receive an increase of $1.00 per hour at ratification. In future years of the agreements, employees shall receive an annual increase in their existing hourly rate as set forth below:

<table>
<thead>
<tr>
<th>Date</th>
<th>April 8, 2014</th>
<th>October 8, 2014</th>
<th>April 8, 2015</th>
<th>October 8, 2015</th>
<th>April 8, 2016</th>
<th>October 8, 2016</th>
<th>April 8, 2017</th>
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</tr>
</thead>
<tbody>
<tr>
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<td>$0.25/hour</td>
<td>$0.25/hour</td>
<td>$0.25/hour</td>
<td>$0.35/hour</td>
<td>$0.35/hour</td>
<td>$0.35/hour</td>
<td>$0.35/hour</td>
</tr>
</tbody>
</table>

(d) Any employee designated as “lead” shall receive a $1.50 per hour premium to their applicable wage rate. The “lead” premium shall apply to all hours paid to the employee. An employee designated as a “trainer” shall receive a $1.25 per hour premium to their applicable base wage rate. The “trainer” premium shall apply only to hours actually worked while performing the duties of a trainer.

(e) Any employee who transfers or moves to another job classification shall receive the applicable base hourly rate for that job classification. However, if prior to
transferring or moving job classifications, the employee was earning a premium above his or her classification's applicable rate as set forth above, the employee will continue to receive said "premium" above the applicable base wage rate.

Section 19       FUNERAL LEAVE

In the event of a death in the immediate family of an employee who has seniority with the Company, the employee shall, upon request, be granted such time off with pay as is necessary to make arrangements for the funeral and/or attend same, not to exceed three (3) consecutive regularly scheduled working days, or five (5) consecutive regular scheduled working days for attending a funeral outside the State of California, ending with the day following the date of the funeral. This provision does not apply if the death occurs while the employee is on leave of absence or lay off. For the purposes of this provision, the immediate family shall be restricted to father, mother, brother, sister, spouse, child, foster child, grandparents, grandchildren, mother-in-law, father-in-law, brother-in-law, sister-in-law, step children, step parents, or individual for whom the employee has assumed the rights, duties and responsibilities as their appointed legal guardian. At the request of the Company, the employee shall furnish proof of death, relationship and attendance at the funeral. Funeral leave applies only in instances in which the employee attends the funeral or is required to make funeral arrangements.

SECTION 20.       GRIEVANCE PROCEDURE

(a) For the purpose of this Agreement, the term "grievance" is defined as a dispute between the Employer and any employees or the Union regarding the interpretation of any express provision of this Agreement or any question of fact arising out of any alleged violation of an express provision of this Agreement which is not otherwise excluded from this grievance procedure.

(b) Should any grievance arise under and during the term of this Agreement, the employees, the Union and the Employer shall observe the following procedure:

Step 1. Within ten (10) working days of the occurrence of a grievance, attempts at settlement will be made in the first instance by the employee concerned and the immediate Supervisor, in the presence of the Shop Steward if the employee so desires. Failing settlement, the aggrieved employee shall submit the grievance within ten (10) working days to the Department Manager, in writing, indicating the facts, the provision(s) of the Agreement concerned and the relief sought, and shall date and sign it.

Step 2. A conference will be held between the Shop Steward, the aggrieved employee, and the Department Manager within five (5) working days. Failing settlement, the grievance shall be referred by the Shop Steward to the
Department Manager in writing within five (5) working days from that conference.

Step 3. A conference will be held between a Local 6 Business Representative, the aggrieved employee and the Shop Steward and the Department Manager involved within ten (10) working days. The Company will submit a written response to the Union at this meeting or within five (5) working days. In the event there is no agreement upon the settlement of the grievance, the matter may be referred to arbitration by serving a written request for arbitration on the other party within thirty (30) days of the conference in Step 3.

Step 4. If the Union and the Employer cannot mutually agree on an arbitrator, the Federal Mediation and Conciliation Service shall be requested to submit a panel of seven (7) established arbitrators who are registered with the National Academy of Arbitrators. The requesting party shall first strike three (3) names from the panel submitted by the Federal Mediation and Conciliation Service and the other party shall then strike three (3) additional names from the list.

(c) Grievances must be initiated and advanced from one step to the next in accordance with the foregoing procedure and time limits, or the grievance shall be null and void, and waived for all purposes. Any time limit may be extended by mutual written consent of the Employer and the Union.

(d) The arbitrator selected shall have no power or authority to amend, alter or modify this Agreement, but shall be limited to deciding whether or not a violation of its express terms has been committed. The arbitrator shall have no power or jurisdiction to consider any alleged practice or oral understanding which existed prior to April 1, 1999 which is not incorporated in writing as part of this Agreement. The decision of the arbitrator shall be final and binding on employees, Union, and the Company, provided such decision shall be within the scope and terms of this Agreement and shall not add to, subtract from, alter or change the scope and terms of this Agreement.

(e) The expenses of the representatives appointed by the Union, its witnesses and other representatives shall be paid by the Union, and the expenses of the representatives appointed by the Employer, its witnesses and other representatives shall be paid by the Employer. Any expenses incurred by and the fees of the neutral arbitrator shall be borne equally by the Parties. Any transcript of the proceeding which is taken, shall be paid for by the party requesting same, except the other party shall pay the cost of its own copy.
SECTION 21. BULLETIN BOARDS

The Employer shall provide a bulletin board at each Employer location in places reasonably accessible to the employees covered by this Agreement for the purpose of posting notices indicating times and places of Union meetings and social events, as well as benefit information.

SECTION 22. LEAVE OF ABSENCE

(a) Family, medical, and pregnancy leaves shall be granted in accordance with applicable laws.

(b) Medical verification of illness, injury, or pregnancy may be requested by the employer.

(c) During an approved leave of absence the employee shall not engage in gainful employment unless authorized to do so by written permission. The Employer may terminate any employee who violates the terms and conditions of the written permission for leave or extension thereof.

(d) In order to qualify for illness or injury leaves of absence, an employee must be receiving State Disability Insurance or Workers' Compensation Insurance to the extent permitted by State and Federal Law. The employee shall abide by all State and Federal laws pertaining to Leaves of Absence.

(e) The Employer may at its discretion grant requests for leave of absence based upon good and compelling cause for reasons other than those listed above. Extensions of leaves of absence may likewise be approved at the Employer's discretion. The denial of any request may be appealed by the employee (accompanied by the Steward or Business Agent if desired by the employee) to the General Manager for final determination.

(f) Medical Leaves: If you are on unpaid leave for twenty-six (26) weeks or less, upon return from medical leave, you will be returned to the same or an equivalent position with no loss in seniority. For medical leaves in excess of twenty-six (26) weeks, the Company will use reasonable efforts to hold the same or an equivalent position until you can return to work. However, the Company reserves the right to fill the position. If it becomes necessary to fill the position, the Company will recognize the employee's seniority for the next position for which the employee is qualified and has similar pay and status.

SECTION 23. MEDICAL OR DENTAL APPOINTMENTS

Medical or dental appointments shall be made outside of work time where possible, and if not possible, during the first two (2) hours of the day's shift or the last two (2) hours of the day's shift whenever possible, and may be deducted from accumulated sick leave. As much advance notice as possible, but at least three (3) work days advance notice
shall be given to the immediate supervisor; but excluding emergency cases with appropriate documentation provided by the employee.

SECTION 24. JURY DUTY PAY

Any employee required to report for jury duty, shall be paid the difference between jury duty pay and their regular straight time wage up to a maximum of twenty-five (25) working days in any year of the Agreement, subject to verification of jury service and the amount of compensation received. An employee released from jury service prior to the midpoint of the shift will return to work to finish the shift. Any employee who is placed in "on call" status for jury service shall report to work, being released from work if called that day to active jury service. The employee shall cooperate to lose the least amount of work time as possible. Company will not deduct jury duty pay if it remains under ten ($10) dollars per day of jury service.

SECTION 25. NO STRIKES -- NO LOCKOUTS

(a) The Union and its members and the employees covered by this Agreement agree that they will not, either collectively or individually, during the term of this Agreement, cause, permit, condone, sanction or participate in any strike, sympathy strike, slow-down, curtailment of or refusal to work, picketing, recognition of picket lines, or any other activity, which would tend to interfere with the orderly operations of the Employer's business. The Employer agrees that there shall be no lockout during the term of this Agreement.

(b) Participation by any employee or employees in any act or acts violating the provisions of paragraph (a) of this Section in any way will subject such employee or employees to disciplinary action, including discharge.

(c) However, it shall not be a violation of paragraph (a) of this Section and employees shall not be subject to discipline under paragraph (b) above if an employee or employees voluntarily refuse to cross a lawful primary picket line by a different bargaining unit that is sanctioned by Warehouse Union Local 6 and the Labor Body or Labor Council having jurisdiction to grant such a sanction.

SECTION 26. TEMPORARY EMPLOYEES

(a) The Company shall notify the Union of each temporary employee before the temporary employee begins to perform bargaining unit work.

(b) Temporary employees will not displace existing full-time bargaining unit positions, and will be laid off before any regular bargaining-unit employees. Any vacated bargaining-unit position will not be filled permanently with a temporary employee, but will be filled with a bargaining-unit employee through job bidding.

(c) At no time shall the total number of temporary employees, excluding up to two (2) temporary employees covering for employees on medical leave, exceed eight percent (8%) of the total of bargaining-unit employees. A temporary position shall be
posted for seniority bid after period of six (6) months; unless the temporary employee is a replacement for a regular employee who is on extended medical leave.

(d) However, except for a temporary employee working on a special project or covering for an employee on medical leave, a temporary employee shall begin working under this Agreement as a probationary employee after ninety (90) days of work as a temporary employee in a nine (9) month period. Upon completion of the probationary period, all hours worked shall count toward such employee’s seniority under this Agreement. Only hours worked in the bargaining unit will count, not hours worked as a temporary employee.

SECTION 27. PAYDAY AND PAYROLL DEDUCTIONS

Office employees are paid weekly on Friday. If the scheduled payday falls on a holiday, employees are paid on the preceding work day. All paychecks include a statement of earnings and deductions on the check stub. Only payroll deductions required by law are made from paychecks, unless the employee has authorized other deductions.

SECTION 28. UNION OFFICIAL SENIORITY

Any employee who is elected or appointed to full-time office in the Union, which office requires their absence from the service of the Company, shall be granted a leave of absence therefore without loss of seniority entitling them upon retirement from such office to reinstatement consistent with this seniority, provided, however, that such leave of absence shall not extend beyond the term of this Agreement, unless extended by mutual consent.

SECTION 29. Termination of Operations

In the event of a facility shutdown or permanent layoff resulting from the introduction of new machinery or new process, the Company agrees to provide each employee so affected with one week’s pay for each year of service with the Company.

In the event of a facility shutdown because of relocation or liquidation, either in whole or in part, but not from loss or termination of a service contract, the Company agrees to provide each employee so affected with one (1) week’s pay for each year of service with the Company.

Severance pay provisions shall not apply to employees who are offered employment at comparable pay and benefits at other positions or locations within a fifty (50) mile radius by the Company, any parent or subsidiary, or successor to them.

The Company shall provide each eligible employee with a lump sum payment in the amount equivalent to six (6) months of the Company’s monthly health and welfare contribution cost under this Agreement. Should employees wish to continue health and welfare coverage, employees shall be eligible for COBRA coverage provided the employee meets all requirements of the plan for continued coverage.
Employees are required to execute a release of claims including a waiver of recall rights to receive the above compensation.

The Union agrees to waive any and all rights to effects bargaining under the National Labor Relations Act and/or the collective bargaining agreement regarding economics and has waived its right to file grievances and/or administrative charge arising out of any facility shutdown or permanent layoff.

SECTION 30 SCOPE OF AGREEMENT AND SEPARABILITY OF PROVISIONS

(a) Scope of Agreement: Except as otherwise specifically provided herein, this Agreement fully and completely incorporates the understanding of the Parties hereto and constitutes the sole and entire agreement between the Parties on any and all matters subject to collective bargaining. Neither Party shall, during the term of this Agreement demand any change therein, nor shall either party be required to bargain with respect to any matter. Without limiting the generality of the above, both Parties in their own behalf waive any right to demand of the other any negotiating, bargaining, or change during the life of this Agreement with respect to Pensions, Retirement, Health and Welfare, Annuity or Insurance Plans, or respecting any questions of wages, hours, or any other terms or conditions of employment provided that nothing herein shall prohibit the parties from changing the terms of this Agreement by mutual agreement.

(b) Separability of Provisions: Should any section, clause or provision of this Agreement be declared illegal by final judgment of a court of competent jurisdiction, such invalidation of such section, clause or provision shall not invalidate the remaining portion hereof, and such remaining portions shall remain in full force and effect for the duration of this Agreement.

Upon such invalidation, the Parties agree immediately to meet and negotiate substitute provisions for such parts or provisions rendered or declared illegal or an unfair labor practice. In the event the Parties are unable to agree upon substitute provisions, the dispute may at the request of either the Company or the Union be referred to arbitration for settlement pursuant to the provisions of Section 19 hereof, but the power of the arbitrator shall be restricted and limited to determining a substitute provision to provide the same specific objective and purpose of the provision rendered or declared illegal.

(c) Unlawful Action Not Required: The Parties agree that neither will willfully require the other to do or perform any act prohibited by law.

SECTION 31 DURATION OF AGREEMENT

This Agreement shall be effective upon ratification and shall remain in full force and effect to and including April 8, 2013 through April, 2018 and shall continue thereafter from year to year unless at least sixty (60) days prior to April 7, 2018 or to the seventh (7th) date of April of any subsequent year, either party shall file written notice with the other of its desire to amend, modify, or terminate this Agreement.
WAREHOUSE UNION LOCAL 6, ILWU

By: ______________________________
   Fred Pecker, Secretary Treasurer

Date: __________________

By: ______________________________
   Jose Nunez, Business Agent

Date: __________________

By: ______________________________
   Anjanette Livingston, Chief Steward

Date: __________________

WASTE MANAGEMENT OF ALAMEDA COUNTY

By: ______________________________
   Barry Skolnick, Area Vice President
LETTER OF UNDERSTANDING

Waste Management of Alameda County (hereinafter “Employer”) and the WAREHOUSE UNION LOCAL No. 6, ILWU (collectively the “Union”) hereby agree to the following Letter of Understanding as it relates to the parties' collective bargaining agreement ("Agreement") dated April 8, 2013 – April 7, 2018.

During their most recent negotiations, the parties agreed that should employees ratify the collective bargaining agreement by April 7, 2013, the Employer shall pay each employee employed as of the ratification date a one-time lump sum ratification bonus of $2,000 per eligible employee.

The parties have agreed that the above amounts shall be paid only to employees who are employed by the Employer on the date of ratification. The Parties have further agreed that the above amount is a one-time lump sum payment and is not to be added to, or included in, the employees' regular hourly rate for purposes of overtime and shall not constitute "hours paid" for purposes of pension or for any other benefits set forth in the parties’ agreement.

This understanding is agreed to, and executed on the dates set forth below.

WAREHOUSE UNION LOCAL 6, ILWU

By: ________________________________
    Fred Pecker, Secretary Treasurer

Date: ______________________________

By: ________________________________
    Jose Nunez, Business Agent

Date: ______________________________

By: ________________________________
    Anjanette Levingston, Chief Steward

Date: ______________________________

WASTE MANAGEMENT OF ALAMEDA COUNTY

By: ________________________________
    Barry Skolnick, Area Vice President
CERTIFICATE OF LIABILITY INSURANCE

1/1/2018

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFER NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER
LOCKTON COMPANIES
5647 SAN FELIPE, SUITE 320
HOUSTON TX 77057
866-260-3538

REVISION NUMBER: XXXXXXX

COVERAGES

CERTIFICATE NUMBER: 3694277

CITY OF ALAMEDA
Risk Management

3694277

CERTIFICATE HOLDER

Lucretia Aki, City Risk Manager

ACORD 25 (2016/03)

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POLICY NUMBER: HDO G27860825

COMMERCIAL GENERAL LIABILITY

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ADDITIONAL INSURED – OWNERS, LESSEES OR CONTRACTORS (FORM B)

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

SCHEDULE

Name of Person or Organization: ANY OWNER, LESSEE OR CONTRACTOR WHOM YOU HAVE AGREED TO INCLUDE AS AN ADDITIONAL INSURED UNDER A WRITTEN CONTRACT, PROVIDED SUCH CONTRACT WAS EXECUTED PRIOR TO THE DATE OF LOSS.

(If no entry appears above, information required to complete this endorsement would be shown in the Declarations as applicable to this endorsement.)

WHO IS AN INSURED (Section II) is amended to include as an insured the person or organization shown in the Schedule, but only with respect to liability arising out of "your work" for that insured by or for you.

CG 20 10 11 85  Copyright, Insurance Services Office, Inc., 1984

Attachment Code: D446557
Master ID: 1306000, Certificate ID: 3694277

CITY OF ALAMEDA
Risk Management

Lucretia Akt, City Risk Manager 8-8-17
ADDITIONAL INSURED ENDORSEMENT

<table>
<thead>
<tr>
<th>Named Insured Waste Management, Inc.</th>
<th>Endorsement Number</th>
</tr>
</thead>
<tbody>
<tr>
<td>Policy Symbol MMT</td>
<td>14</td>
</tr>
<tr>
<td>Policy Number H09052884</td>
<td>01/01/2017 TO 01/01/2018</td>
</tr>
<tr>
<td>Effective Date of Endorsement</td>
<td></td>
</tr>
</tbody>
</table>

Issued By (Name of Insurance Company)
ACE American Insurance Company

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

THIS ENDORSEMENT MODIFIES INSURANCE PROVIDED UNDER THE FOLLOWING:

MOTOR CARRIER COVERAGE FORM

Schedule

Name of Person or Organization: any person or organization whom you have been required to include as an additional insured under contract or agreement

WHO IS AN INSURED (Section II) is amended to include as an additional "insured" the person or organization shown in the Schedule, but only with respect to their liability arising out of the ownership, maintenance or use of a covered "auto" being operated by or on behalf of the Named Insured.

MS-11111 (0115) Copyright 2011 Page 1 of 1

CITY OF ALAMEDA
Risk Management

Lucretia Akil, City Risk Manager