

ORO LOMA SANITARY DISTRICT

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GENERAL MANAGER
lason Warner

June 6, 2011

Mike Bakaldin Director of Public Works City of San Leandro 835 East 14th Street San Leandro, CA 94577-3767

Dear Mike:

As you are aware, the City of San Leandro (City) and Oro Loma Sanitary District (District) entered into an agreement (March 21, 2006) for refuse, green waste and recycling services in the area of the City commonly referred to as the "L3 Area", where said services are provided by the District though its franchise agreement with Waste Management of Alameda County (WMAC). Section I of the agreement provides that the District will take no action to extend the WMAC franchise beyond September 1, 2012 (or September 1, 2014, if the option to extend is exercised), without first providing written notification to the City at least one year prior to taking any action.

This letter serves as formal notification, as required by section I, that the District has initiated discussions to potentially renew its contract with WMAC prior to the current expiration date of September 1, 2012.

As part of the discussions with WMAC, the District will make best efforts to incorporate additional service levels, as requested by the City. I expect that we will continue our recent discussions related to these requests.

Please call me at (510) 276-4700 if you have any questions. I look forward to working with you in our existing partnership and mutual service to the community.

Sincerely,

Jason Warner General Manager