

May 16, 2022

Mr. Louie Pellegrini
Vice President
Alameda County Industries, Inc.
601 Aladdin Avenue
San Leandro, CA 94577

RE: FOURTEENTH AMENDMENT TO FRANCHISE AGREEMENT

Dear Mr. Pellegrini:

This letter is the Fourteenth Amendment (the "Amendment") to the Franchise Agreement for Solid Waste, Recyclables, and Green Waste Services between the City of San Leandro and Alameda County Industries, Inc., dated February 1, 2000, as previously amended (the "Agreement"). For good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the City of San Leandro and Alameda County Industries, Inc. (the "Parties"), hereby agree as follows:

1. Effective July 1, 2022, the definition of "Multi-Family Residence" in Article 1 of the Agreement is amended to read as follows"

"Multi-Family Residence "Multi-Family Residence" means any Residential complex, building or structure, or portion thereof, other than a Single-Family Residence, used for residential purposes irrespective of whether residence therein is transient, temporary or permanent and having five (5) or more distinct living units. Such Multi-Family Residences shall have an adequate volume of centralized Solid Waste, Recyclable Materials, and Organic Materials Collection service for all units on the Premises which are billed to one (1) Owner (or their designated representative) at one (1) address."

2. Effective July 1, 2022, Section 4.7(D) of the Agreement is amended to read as follows:

"D. Point of Pickup. The Customers shall accumulate Solid Waste and Green Waste at locations which are mutually agreed upon by the Customer and the Contractor and which are convenient for collection by the Contractor. Where mutual agreement is not reached, the City Representative shall designate the location. The Contractor shall offer to Collect Solid Waste and Green Waste from Carts at a centralized location selected by Owner including Curbside, backyard or sideyard locations."

3. Effective July 1, 2022, Section 4.8(D) of the Agreement is amended to read as follows:

"D. Point of Pickup. Multi-Family Residence Customers shall accumulate Recyclable Materials at locations which are mutually agreed upon by the Customer and the Contractor. Where mutual agreement is not reached, the City Representative shall designate the location(s). The

Contractor shall offer to Collect Recyclable Materials from Carts at a centralized location selected by Owner including Curbside, backyard or sideyard locations.”

4. Effective July 1, 2022, Section 7.1(4) of the Agreement is amended to read as follows:
“4. The Contractor shall give the Customers thirty (30) days’ notice of any rate adjustment.”
5. Effective July 1, 2022, Alameda County Industries is authorized to implement a 5.69% increase on all rates. The increase includes:
 - .80% increase to conduct education, outreach, and reporting requirements as mandated by state law SB 1383 (see Attachment A);
 - .16% increase for incremental labor increases at the Material Recovery Facility as specified in Amendment Eleven and Twelve of the Agreement;
 - 1.11% net decrease for recycling revenue share as specified in Amendment Ten of the Agreement; and
 - 5.84% increase for annual rate adjustment process as specified in Amendment Ten of the Agreement.
6. Except as amended hereby, the Agreement (including all previously approved amendments) shall remain in full force and effect.

Please indicate Alameda County Industries, Inc.’s acceptance of this Amendment by signing and returning to me a copy of the Amendment.

Very truly yours,

Frances Robustelli
City Manager

Accepted by Alameda County Industries, Inc.

Louie Pellegrini, Vice President

Scope of Work and Budget Chart – SB 1383 Compliance Items for ACI

Activity	Brief Description	Compliance Deadline	Cost
Initial costs for data transfer to Recyclist from Tower	<ul style="list-style-type: none"> Estimate assumes similar fields will be maintained for data transfer that we have generated in our other service areas, as to minimize costs for this item. Fields that will need to be set include identifying customer types, verifying data equivalents for generators, and co-aligning service codes with the fields populating in Recyclist. 	June 2022	Initial only \$2,500
Design compliant cart and bin labels	<ul style="list-style-type: none"> Process would include creating cart hot-stamps, IMLs and bin labels for the various sizes of carts and bins. Labels will need to be sized separately for each size of bin or cart. It is estimated to take approximately 5 hours per bin and cart size or 55 hours total. All label artwork will be provided to the City for approval prior to printing and distribution. 	Fall 2022	Initial only \$11,000
Cost to produce an SB 1383 compliant cart tag	<ul style="list-style-type: none"> For the Courtesy and Non-collection Notice, it is important to create a different tag for each material stream. The estimate time for this task is 15 hours to design and this cost includes printing for an initial supply. 	Fall 2022	\$5,600 initially; \$5,600 annually plus escalator
Total cost for executed annual route review	<ul style="list-style-type: none"> The draft methodology for how the route review will be conducted is included in Exhibit 3. Assumptions included in this estimate will need to be reviewed by the City and costs may change based any modifications made. It is presumed that all 3 streams will be audited at each site included in the route review and that the entire process will take approximately 20-30 minutes per site. This includes time for travel, gaining access to the bins/carts, conducting the audit, and recording the findings. 	Fall 2022	Anticipated to be handled by existing ACI staff, no additional costs
Design and distribute SB 1383 door-hangers	<ul style="list-style-type: none"> Design, print and distribute. Door hanger - with links to website for more information Intro budget would be for single-family and multi-family but the doorhanger could be modified for use as a commercial brochure as well 	Fall 2022 and annually	\$12,000 initially; \$12,000 annually

Activity	Brief Description	Compliance Deadline	Cost
Adding 0.5 Sustainability Specialist	<ul style="list-style-type: none"> In order to fully implement 1383, it will be necessary to add 0.5 assigned to San Leandro to the existing 0.5 Specialist to be 1 FTE 	No later than Jan 2023	Initially and annually plus escalator \$52,000
Annualized cost for Record Keeping and Reporting	<ul style="list-style-type: none"> 0.25 FTE assigned for these tasks. 	No later than Jan 2023	\$44,000 initially and annually plus escalator
	Total Costs	Initial Costs for 2022: \$127,100	Estimated annual after this: \$113,600