

### Key Recology Agreement Provisions

<b>Provision</b>	<b>Current Agreement</b>	<b>Proposed Agreement</b>
Term	8.5 years (expires October 2021).	10 years (expire October 2031). Current contract term was set to expire concurrent with SMaRT and Disposal agreements. 10 years is more in line with industry standards for equipment depreciation purposes.
City Facilities - Recycling	Includes service of public trash containers (e.g., downtown cans).	Add service of public recycling containers. City does not currently utilize public recycling containers, but may be required to by SB 1383 regulations.
Recycling Center Operation	Accepts at drop-off a number of hard to recycle items not collected curbside (e.g., film plastic).	Update list, some items are no longer accepted due to market conditions.
Diversion Incentive or Requirements	Provides for additional payment based on exceeding diversion goals of multi-family and commercial organics and recycling.	Evaluate diversion incentive requirements. Diversion incentive has not been earned in the first 6 years of the agreement.
Discount For Finished Compost	Allows City to purchase finished compost at discount price.	Evaluate discount amount and quantities in context of SB 1383 procurement requirements.
Pilot Programs	Requires full cooperation on a residential food scraps pilot.	Modify to require full cooperation in a future pilot to test incentives to reduce garbage collection, or any other pilot the City might wish to do.
Litter and Spill Abatement	Requires minimization and cleanup of litter and spills caused by collection activities.	Add additional best management practices to ensure compliance with stormwater regulations.
Vehicle Identification	Specifies information to be placed on each vehicle (e.g., company name, vehicle ID number).	Add provision of sign board holders to allow public education signage.
Cost Allowance Indices	Defines indices to be used to allow cost increases in certain categories (e.g., fuel).	Review and update all indices to ensure they are current and still desirable.

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Methodology for Calculating Allowable Expenses	Two methodologies are detailed, one for years when expenses are reviewed based on actual costs and years when they are based on indices.	The methodologies and allowable expenses will be reviewed, but no major changes are anticipated.
Utility Billing	Requires coordination between service records and City utility billing records.	Add provisions for tightening the exchange process between City and Recology, and Recology internal procedures.
Faithful Performance Bond	Required bond amount is \$500,000.	Consider an increase in required bond.
Indemnification	Indemnifies the City against any fines issued by CalRecycle and the Local Enforcement Agency for failure to comply with laws and regulations.	Review to ensure new SB 1383 regulations are included.