



AGENDA

REGULAR CITY COUNCIL MEETING MAY 17, 2022 – 7:00 p.m.

Members:

Mayor Gabe Quinto

Mayor Pro Tem Lisa Motoyama • Councilmember Janet Abelson
Councilmember Paul Fadelli • Councilmember Tessa Rudnick

Join Via Zoom:

<https://us06web.zoom.us/j/87906223782?pwd=NWJMSTh1VTBtNWk2ejJwRDVhWnFIZz09>

Meeting ID: 879 0622 3782 **Password:** 809092
or Dial in: 1-408-638-0968

The City Council may continue to meet by teleconference, consistent with the Brown Act as amended by AB 361 (2021). Under the amended rules, the City will not provide a physical location for members of the public to participate in the teleconference meeting.

Members of the public can watch or listen to City Council meetings as follows:

1. Cable T.V. Broadcast on KCRT Channel 28
2. Livestream Online at www.el-cerrito.org/CouncilMeetingMaterials
3. Via Zoom using the meeting information listed above.

Each period for public comment will be announced. Public Comments may be submitted one of two ways:

- Via Zoom using the “[Raise Hand](#)” icon to request to speak. If joining by phone, dial *9 to "raise your hand", and when prompted by the host, *6 to unmute/mute.
- Via email to cityclerk@ci.el-cerrito.ca.us. Email must contain in the subject line **Public Comments – Not on the Agenda** or **Public Comments – agenda item #.**

To ensure City Council receives your written comments prior to taking action, they must be received by **4:00 p.m. the day of the meeting**. All written comments received by this deadline will be provided to the City Council and posted online in advance of the meeting.

Comments received after the deadline will be provided to the City Council and included with supplemental materials **after the meeting**. **No written comments will be read into the record.**

7:00 P.M. ROLL CALL – CONVENE REGULAR CITY COUNCIL MEETING

1. PLEDGE OF ALLEGIANCE TO THE FLAG OR OBSERVATION OF A MOMENT OF SILENCE

2. TELECONFERENCE AND PUBLIC COMMENT INSTRUCTIONS

3. COUNCIL/STAFF COMMUNICATIONS

Reports of closed session, commission appointments and informational reports on matters of general interest which are announced by the City Council and staff.

4. ORAL COMMUNICATIONS FROM THE PUBLIC

Remarks are typically limited to 3 minutes per person. The Mayor may reduce the time limit per speaker depending upon the number of speakers and may limit the total time for public comment to facilitate the completion of business on the agenda. Comments regarding non-agenda, presentation and consent calendar items will be heard first. Comments related to items appearing on the Public Hearing or Policy Matter portions of the Agenda will be heard prior to the City Council taking action on each item.

5. ADOPTION OF THE CONSENT CALENDAR

All items on the consent calendar shall be acted upon in one motion, unless a member of the City Council or staff request separate consideration.

A. Approval of Minutes

Action Proposed: Pass a motion to approve the minutes from the meetings of February 5, April 19, and March 3, 2022.

Contact: Holly M. Charléty, City Clerk, City Management

B. Proclamation in Recognition of the El Cerrito Ballet Center

Action Proposed: Pass a motion to approve a proclamation recognizing the El Cerrito Ballet Center for its contribution to the community of El Cerrito.

Contact: Holly M. Charléty, City Clerk, City Management

C. Letter of Support for Senate Bill (SB) 852

Action Proposed: At the request of Mayor Quinto, pass a motion to authorize the Mayor to sign a letter of support for SB 852 related to Climate Resilience Districts.

Contact: Holly Charléty, City Clerk, City Management

D. Letter of Opposition for Senate Bill (SB) 881

Action Proposed: At the request of Marin Clean Energy, pass a motion to authorize the Mayor to sign a letter in opposition to Senate Bill 881 related to Community Choice Associations and their ability to determine the best way to reach Greenhouse Gas (GHG) targets.

Contact: Holly M. Charléty, City Clerk, City Management

E. Letter of Support for Senate Bill (AB) 1944

Action Proposed: At the request of Mayor Quinto, pass a motion to authorize the Mayor to sign a letter of support for AB 1944 related to teleconferencing revisions to the Brown Act.

Contact: Holly Charléty, City Clerk, City Management

F. Authorize City Council and City Advisory Body Meetings to be Held Via Teleconference Pursuant to Assembly Bill 361 (AB 361)

Action Proposed: Adopt a resolution authorizing City Council and City Advisory Body meetings to be held via teleconference for a period of 30 days, and making related findings pursuant to AB 361.

Contact: Holly M. Charléty, City Clerk, City Management

G. Proposed Budget Amendments for Engineering Staff Augmentation Services

Action Proposed: Adopt a resolution authorizing amendments to the Fiscal Year 2021-22 budget for engineering staff augmentation services.

Contact: Yvetteh Ortiz, Public Works Director/City Engineer, Public Works Department

H. Make Findings and Approve Lease Purchase Agreements for Replacement Fire Engine

Action Proposed: Adopt a resolution approving and authorizing execution of agreements with First Capital Equipment Leasing Corp. for lease financing of a replacement fire engine and approving certain required findings.

Contact: Jose Castrejon, Interim Fire Chief; Michael Pigoni, Retired Fire Chief, Fire Department

6. PRESENTATIONS

A. Contra Costa Mosquito & Vector Control District Update (MVCD)

Action Proposed: Receive and file an overview of Contra Costa MVCD's annual report and current efforts, as well as the current vacancy for El Cerrito representation on the Board of Trustees.

Contact: Nola Woods, Public Affairs Director, MVCD

7. PUBLIC HEARINGS

A. Military Equipment Policy Ordinance

Policy posted 4/13/2022. Public hearing notice published 5/7/2022

Action Proposed: Conduct a public hearing, and upon conclusion, introduce by title and waive any further reading of an Ordinance adopting a Military Equipment Use Policy.

Contact: Paul Keith, Chief of Police, El Cerrito Police Department

B. Public Hearing on Master Fee Schedule Revisions for Fiscal Year 2022-23

Notice Published 5/7/2022 & 5/13/2022

Action Proposed: Conduct a public hearing, and upon conclusion adopt a resolution approving the Fiscal Year 2022-23 Master Fee Schedule.

Contact: Sandra Dalida, Finance Director/Treasurer, Finance Department

8. POLICY MATTERS

A. Proposed Agreement with East Bay Sanitary for the Provision of Solid Waste Collection Services

Action Proposed: Adopt a resolution authorizing the City Manager to execute the Agreement with East Bay Sanitary, Inc. for the Provision of Solid Waste Collection Services effective June 1, 2022.

Contact: Will Provost, Operations & Environmental Services Division Manager, Public Works Department; Yvetteh Ortiz, Public Works Director/City Engineer, Public Works Department

9. CITY COUNCIL LOCAL & REGIONAL LIAISON ASSIGNMENTS

Mayor and City Council communications regarding local and regional liaison assignments and committee reports.

10. ADJOURN REGULAR CITY COUNCIL MEETING

The next regularly scheduled City Council meeting is Tuesday, June 7, 2022 at 7:00 p.m.

The City of El Cerrito serves, leads and supports our diverse community by providing exemplary and innovative services, public places and infrastructure, ensuring public safety and creating an economically and environmentally sustainable future.

- Council Meetings can be heard live on FM Radio, KECG – 88.1 and 97.7 FM and viewed live on Cable TV - KCRT- Channel 28. The meetings are rebroadcast on Channel 28 the following Thursday and Monday at 12 noon, except on holidays. Live and On-Demand Webcast of the Council Meetings can be accessed from the City's website <http://www.el-cerrito.org/CouncilMeetingMaterials> and is streamed with closed caption. Copies of the agenda bills and other written documentation relating to items of business referred to on the agenda are on file and available for public inspection in the Office of the City Clerk, at the El Cerrito Library and posted on the City's website at www.el-cerrito.org prior to the meeting.
- In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the City Clerk, 510-215-4305. Notification 48 hours prior to the meeting will enable the City to make reasonable arrangements to ensure accessibility to this meeting. (28 CFR 35.102-35.104 ADA Title I).
- ***The Deadline for agenda items and communications*** is eight days prior to the next meeting by 12 noon, City Clerk's Office, 10890 San Pablo Avenue, El Cerrito, CA. Tel: 510-215-4305, email cityclerk@ci.el-cerrito.ca.us
- IF YOU CHALLENGE A DECISION OF THE CITY COUNCIL IN COURT, YOU MAY BE LIMITED TO RAISING ONLY THOSE ISSUES YOU OR SOMEONE ELSE RAISED AT THE COUNCIL MEETING. ACTIONS CHALLENGING CITY COUNCIL DECISIONS SHALL BE SUBJECT TO THE TIME LIMITATIONS CONTAINED IN CODE OF CIVIL PROCEDURE SECTION 1094.6.
- The City Council believes that late night meetings deter public participation, can affect the Council's decision-making ability, and can be a burden to staff. City Council Meetings shall be adjourned by 11:00 p.m., unless extended to a specific time determined by a majority of the Council.

EL CERRITO CITY COUNCIL DRAFT MINUTES

SPECIAL CITY COUNCIL MEETING SATURDAY, FEBRUARY 5, 2022 – 9:00 a.m.

Members:

Mayor Gabe Quinto

Mayor Pro Tem Lisa Motoyama • Councilmember Janet Abelson
Councilmember Paul Fadelli • Councilmember Tessa Rudnick

Join Via Zoom:

<https://us06web.zoom.us/j/89324100569?pwd=Q041SStpYkhqVlVWVWhGU005T0l3QT09>

Meeting ID: 893 2410 0569 **Password:** 423580
or Dial in: 1-408-638-0968

Pursuant to Executive Order N-29-20, teleconference restrictions of the Brown Act have been suspended, as well as the requirement to provide a physical location for members of the public to participate in the meeting.

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- Via email to cityclerk@ci.el-cerrito.ca.us. Email must contain in the subject line **Public Comments – agenda item #.**

To ensure City Council receives your written comments prior to taking action, they must be received by **3:00 p.m. Friday, February 4, 2022**. All written comments received by this deadline will be provided to the City Council and posted online in advance of the meeting.

Comments received after the deadline will be provided to the City Council and included with supplemental materials **after the meeting**. **No written comments will be read into the record.**

9:00 A.M. ROLL CALL - CONVENE SPECIAL CITY COUNCIL MEETING

Mayor Quinto called the meeting to order at 9:06 p.m.

Present: Mayor Quinto, Mayor Pro Tem Motoyama, Councilmember Abelson, Councilmember Fadelli, Councilmember Rudnick **Absent:** None

1. **PLEDGE OF ALLEGIANCE TO THE FLAG OR OBSERVATION OF A MOMENT OF SILENCE**

2. **ORAL COMMUNICATIONS FROM THE PUBLIC**

All persons wishing to speak should sign up with the City Clerk. Remarks are typically limited to 3 minutes per person and to items on the special meeting agenda only.

All written comments submitted prior to and during the meeting were posted online as supplemental materials and incorporated into the official meeting record. Written public comments for agenda item 3 were received from Sue and Paul Duncan, Gary Prost, Jim Dolgonas, Nick Zamorano, Michael Fischer, and Al Miller.

Oral Public Comments:

Cordell Hindler – commented on need for additional positions and desire to meet in person.

Howdy Goudey – spoke regarding increasing the level of priority for the city’s standing environmental strategic goal, prioritize climate action, emergency response, and increasing public engagement.

Buddy Akacic – commented on returning to in person meetings and social, emotional impacts of remote participation.

Sherry Drobner – commented on need to focus on equity and diversity, affordable housing, tenant protections, disaster preparedness, and public engagement

3. **STUDY SESSION - CITY COUNCIL PRIORITIES AND GOAL SETTING**

Action Proposed: Conduct a study session and provide staff direction on City Council's goals and priorities for Fiscal Year (FY) 2022-23.

- Review updated 10-year Forecast including FY 2020-21 year-end actuals
- Review and update on City staffing
- Discuss City Council Priorities for 2022
 - Review previous City Council direction
 - Review required tasks and projects for FY 2022-23 staff workplan
 - Short-term and long-term priorities and strategic goals

Contact: Karen Pinkos, City Manager, City Management

Presentation and Discussion: Presenters and staff responded to comments and questions raised by members of the council regarding environmental justice safety element, staffing coordination, non-budgeted items and grants, clarification of items funded and not yet funded, timing and effect on workplan items to the 10 year forecast, expected fiscal impact including staff time, expansive list of items to review, caution in adding new goals, ensuring a continuing stable budget, emergency services, separation of short term and long term priorities, 1 versus 2 year budget cycle, unfunded liability, Tax Revenue

Anticipation Note (TRAN), and current status of bond rating, timing of budget and next steps, review of council salaries.

Action: General direction provided included no priorities presented being removed; City Manager to look into additional grants, emergency services coordinator/public information officer position, financial sub-committee to work on 10-year forecast, and to work with the Financial Advisory Board (FAB) to review in greater depth. No formal action taken.

4. ADJOURN SPECIAL CITY COUNCIL MEETING

The special meeting adjourned at 11:44 a.m.

Gabe Quinto, Mayor

This is to certify that the foregoing is a true and correct copy of the minutes of the City Council meeting of February 5, 2022 as approved by the El Cerrito City Council.

Holly M. Charl  ty, MMC, City Clerk

EL CERRITO CITY COUNCIL DRAFT MINUTES

REGULAR CITY COUNCIL MEETING APRIL 19, 2022 – 7:00 p.m.

Members:

Mayor Gabe Quinto

Mayor Pro Tem Lisa Motoyama · Councilmember Janet Abelson
Councilmember Paul Fadelli · Councilmember Tessa Rudnick

Join Via Zoom:

<https://us06web.zoom.us/j/81090429321?pwd=dWF6ejdVUUR4Y05CY1dmVEQ4WERRdz09>

Meeting ID: 810 9042 9321 **Password:** 948884
or Dial in: 1-408-638-0968

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To ensure City Council receives your written comments prior to taking action, they must be received by **3:00 p.m. the day of the meeting**. All written comments received by this deadline will be provided to the City Council and posted online in advance of the meeting.

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7:00 P.M. ROLL CALL – CONVENE REGULAR CITY COUNCIL MEETING

Mayor Quinto called the meeting to order at 7:09 PM.

Present: Mayor Quinto, Mayor Pro Tem Motoyama, Councilmember Fadelli, Councilmember Rudnick **Absent:** Councilmember Abelson

1. PLEDGE OF ALLEGIANCE TO THE FLAG OR OBSERVATION OF A MOMENT OF SILENCE

2. TELECONFERENCE AND PUBLIC COMMENT INSTRUCTIONS

3. COUNCIL/STAFF COMMUNICATIONS

Reports of closed session, commission appointments and informational reports on matters of general interest which are announced by the City Council and staff.

City Manager Pinkos - provided an update on current health conditions, including public transportation mask mandate changes; announced the June 7, 2022 return to in person, hybrid Council meeting, placement of Financial Advisory Board Investment Policy recommendation on a future City Council agenda.

Councilmember Rudnick - announced vacancies on city Boards, Commissions, and Committees.

Councilmember Fadelli - shared response to complaints regarding bird droppings at Del Norte station; thanked donors for the July 4th efforts, reminder of upcoming Earth Day on April 22, 2022.

Mayor Pro Tem Motoyama- reported attendance at St. Peters Church prayer breakfast.

Mayor Quinto - reported attendance at St. Peters Church prayer breakfast; announced Contra Costa Mosquito Vector Control Mosquito Awareness Week, and the opportunity to represent the city on the Board of Trustees.

4. ORAL COMMUNICATIONS FROM THE PUBLIC

Remarks are typically limited to 3 minutes per person. The Mayor may reduce the time limit per speaker depending upon the number of speakers and may limit the total time for public comment to facilitate the completion of business on the agenda. Comments regarding non-agenda, presentation and consent calendar items will be heard first. Comments related to items appearing on the Public Hearing or Policy Matter portions of the Agenda will be heard prior to the City Council taking action on each item.

All written comments submitted prior to and during the meeting were posted online as supplemental materials and incorporated into the official meeting record. Written public comments for matters not on the agenda were received from Cordell Hindler, Ida Poberezovsky, Amei Papitto, Vanessa Warheit, Miguel Gravelle Izaguirre, Zach Weinstein, Aaron Isenstadt, Danielle Watters Westbrook, Shobit, Allison Cooper, Nick Brooks, Leslie D. Adams, Dave Weinstein (President of El Cerrito Trail Trekkers), and the Contra Costa County Mosquito and Vector Control District.

Oral Public Comments:

Miguel Gravelle, Zach Weinstein, Danielle Watters Westbrook, Ida Poberezovsky, Nick Brooks, Aaron Isenstadt, Amei Pepito, Vanessa Warheit, Shobit Singh, and Pamela Davis - provided comments in support of reducing the Police Department budget and investing in alternative social and mental health services in El Cerrito.

Dave Weinstein - commented against proposed development on the vacant property adjacent to the Hillside Natural Area.

John Stashik - commented on police officer staffing shortages, need for coverage and fast response, and not in favor of reductions to the Police Department budget.

Denise Sangster - commented on the lack of racism in the police department and in support of continuing to fully fund the Police Department.

5. ADOPTION OF THE CONSENT CALENDAR

All items on the consent calendar shall be acted upon in one motion, unless a member of the City Council or staff request separate consideration.

Moved/Seconded: Mayor Pro Tem Motoyama/Councilmember Rudnick **Action:** Approved item #A - D on the consent calendar as indicated below. **Ayes:** Mayor Quinto, Mayor Pro Tem Motoyama, Councilmember Fadelli, Councilmember Rudnick **Noes:** None **Absent:** Councilmember Abelson

A. Approval of Minutes

Action Proposed: Pass a motion to approve the minutes from the meetings of March 1, 15, and April 5, 2022.

Contact: Holly M. Charléty, City Clerk, City Management

Action: Approved minutes with the following modification to April 5, 2022 under Council Communications, correcting Mayor Pro Tem Motoyama comments from "will attend" to "attend".

B. Authorize City Council and City Advisory Body Meetings to be Held Via Teleconference Pursuant to Assembly Bill 361 (AB 361)

Action Proposed: Adopt a resolution authorizing City Council and City Advisory Body meetings to be held via teleconference for a period of 30 days, and making related findings pursuant to AB 361.

Contact: Holly M. Charléty, City Clerk, City Management

Action: Approved Resolution No. 2022-23

C. Amendment to Custodial Services Agreement with Universal Building Services

Action Proposed: Adopt a resolution authorizing the City Manager to extend the Recreation Department's custodial services agreement with Universal Building Services through the remainder of FY2021-22.

Contact: Christopher Jones, Recreation Director, Recreation Department
Action: Approved Resolution No. 2022-24

D. Parking Time Limit Modification in front of 11461 San Pablo Avenue

Action Proposed: Approve resolution authorizing the Public Works Director/City Engineer to install thirty-six (36) feet of green curb markings with a parking time limit of thirty (30) minutes in front of 11461 San Pablo Avenue.

Contact: Roland Lambert, Associate Engineer; Ana Bernardes, Engineering Manager/Senior Engineer; Yvetteh Ortiz, Public Works Director/City Engineer, Public Works Department

Action: Approved Resolution No. 2022-25

E. Accept the Annual Report on Landscape and Lighting Assessment District No. 1988-1 for Fiscal Year 2022-23, and Adopt a Resolution of Intention to Order Improvements; and Set the Public Hearing as May 3, 2022

Action Proposed: Accept the Engineer's Report specifying assessments for the Landscaping and Lighting Assessment District No. 1988-1 for Fiscal Year (FY) 2022-23 and adopt a Resolution of Intention to order improvements pursuant to the Landscape and Lighting Act of 1972, and set the time, date, and place of the public hearing as May 3, 2022 at 7:00 p.m.

Contact: Sandra Dalida, Finance Director/Treasurer, Finance Department

Moved/Seconded: Councilmember Fadelli/Mayor Pro Tem Motoyama

Action: Pulled from consent by Councilmember Fadelli. Approved Resolution 2022-26 with the request that Exhibit B be provided as a link in the future and not as a full printed listing of parcels. **Ayes:** Mayor Quinto, Mayor Pro Tem Motoyama, Councilmember Fadelli, Councilmember Rudnick **Noes:** None **Absent:** Councilmember Abelson

6. PRESENTATIONS

A. El Cerrito Public Protection Classification Report

Action Proposed: Receive and file a presentation on the updated El Cerrito Public Protection Classification (PPC) rating.

Contact: Michael Pigoni, Fire Chief, Fire Department

Presentation and Discussion: Presenters and staff responded to comments and questions raised by members of the council regarding if payment is required to conduct survey, and notifications needed to assist homeowners in getting better insurance rates.

Action: Received and filed.

B. RPTT Rebate Program Overview and Update

Action Proposed: Receive and file a presentation on the Real Property Transfer Tax (RPTT) Rebate Program

Contact: Keith Marks, Building Official; Melanie Mintz, Community Development Director, Community Development Department

Presentation and Discussion: Presenters and staff responded to comments and questions raised by members of the council regarding most utilized rebates, amount of money paid out in rebates, advertising of rebate program, need for a permit to qualify, and submission process, potential to add rebates to reduce fire risk through vegetation modification.

Action: Received and filed

7. PUBLIC HEARINGS

8. POLICY MATTERS

A. Purchase a Replacement Type I Fire Engine

Action Proposed: Approve a resolution to authorize the lease purchase of a replacement fire engine from Hi-Tech Emergency Vehicle Services of Oakdale, California through a cooperative purchase order process based on competitive bid proposals from the City of San Jose.

Contact: Michael Pigoni, Fire Chief; Jose Castrejon, Battalion Chief; Brian Cheshareck, Fire Captain/Paramedic, Fire Department

Presentation and Discussion: Presenters and staff responded to comments and questions raised by members of the council regarding increased costs for delaying purchase, process for using cooperative purchasing.

Public Comments:

All written comments submitted prior to and during the meeting were posted online as supplemental materials and incorporated into the official meeting record. Written public comments for this item were received from Jim Dolgonas, Nick Zamorano, Sue and Paul Duncan, and Gary Prost.

Oral Public Comments:

Denise Sangster - commented on potential equipment modification that could increase the speed for travel up the hill, and potential effects of supply chain issues.

Moved/Seconded: Councilmember Rudnick/Mayor Pro Tem Motoyama

Action: Approved Resolution 2022-27. **Ayes:** Mayor Quinto, Mayor Pro Tem Motoyama, Councilmember Fadelli, Councilmember Rudnick **Noes:** None **Absent:** Councilmember Abelson

B. Study Session on First Responder Fees

Action Proposed: Receive and discuss a report and presentation on implementing First Responder Fees for medical services provided by the Fire Department and provide direction to staff.

Contact: Michael Pigoni, Fire Chief, Fire Department; Karen Pinkos, City Manager, City Management

Presentation and Discussion: Presenters and staff responded to comments and questions raised by members of the council regarding administrative needs versus revenue benefits, cost of compassionate write-off, disproportionate affects on residents, ability to pay, due date of next update to the state auditor, potential pursuit of becoming a transport agency, use of narcotics on response calls.

Public Comments:

All written comments submitted prior to and during the meeting were posted online as supplemental materials and incorporated into the official meeting record. Written public comments for this item were received from Mary Ghidella, Sue and Paul Duncan, and Sherry Drobner.

Oral Public Comments:

Denise Sangster - spoke regarding prior requests to charge for service and in favor of moving forward with implementing fees.

John Stashik - spoke against charging for services that should be provided as a public service.

Rosa Esquivel - inquired about difference between fire and ambulance billing.

Action: Informal consensus reached to not pursue implementing fees.

9. CITY COUNCIL LOCAL & REGIONAL LIAISON ASSIGNMENTS *Mayor and City Council communications regarding local and regional liaison assignments and committee reports.*

Councilmember Rudnick - reported on attendance at Recyclemore meeting.

Mayor Quinto - reported upcoming trip to Washington DC representing Marin Clean Energy (MCE).

10. ADJOURN REGULAR CITY COUNCIL MEETING

The regular meeting adjourned at 9:47 p.m.

Gabe Quinto, Mayor

This is to certify that the foregoing is a true and correct copy of the minutes of the City Council meeting of April 19, 2022 as approved by the El Cerrito City Council.

Holly M. Charléty, MMC, City Clerk

EL CERRITO CITY COUNCIL DRAFT MINUTES

SPECIAL CITY COUNCIL MEETING MAY 3, 2022 – 5:00 p.m.

Members:

Mayor Gabe Quinto

Mayor Pro Tem Lisa Motoyama • Councilmember Janet Abelson
Councilmember Paul Fadelli • Councilmember Tessa Rudnick

Join Via Zoom:

<https://us06web.zoom.us/j/83662214953?pwd=Y2pxL1pwQ1JlekhDd1YwenJhS2hTQT09>

Meeting ID: 836 6221 4953 **Password:** 811152
or Dial in: 1-408-638-0968

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This meeting will not be broadcast or livestreamed online. Members of the public may join to provide public comment using the Zoom meeting information listed above. Following public comments, the City Council will convene to closed session and the meeting will be closed to the public.

Public Comments may be submitted one of two ways and are **limited to items on the special meeting agenda only:**

- Via Zoom using the “[Raise Hand](#)” icon to request to speak. If joining by phone, dial *9 to "raise your hand", and when prompted by the host, *6 to unmute/mute.
- Via email to cityclerk@ci.el-cerrito.ca.us. Email must contain in the subjectline **Public Comments – agenda item #.**

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5:00 PM ROLL CALL - CONVENE SPECIAL CITY COUNCIL MEETING

Mayor Quinto called the meeting to order at 5:05 p.m.

Present: Mayor Quinto, Mayor Pro Tem Motoyama, Councilmember Abelson, Councilmember Fadelli, Councilmember Rudnick **Absent:** None

1. PLEDGE OF ALLEGIANCE TO THE FLAG OR OBSERVATION OF A MOMENT OF SILENCE

2. ORAL COMMUNICATIONS FROM THE PUBLIC

All persons wishing to speak should sign up with the City Clerk. Remarks are typically limited to 3 minutes per person and to items on the special meeting agenda only.

None

3. CLOSED SESSION CONFERENCE WITH LABOR NEGOTIATORS

Pursuant to Government Code Section 54957.6

Agency Designated Representatives: Karen Pinkos, City Manager; Glenn Berkheimer, Labor Negotiator; Alexandra Orologas, Assistant City Manager; and Sky Woodruff, City Attorney.

Employee Organizations: United Professional Firefighters Local 1230; Service Employees International Union (SEIU) Local 1021; Public Safety Management Association (Battalion Chief, Fire Chief, and Police Management); and Management/ Confidential Employees.

Contact: Sky Woodruff, City Attorney, City Management

City Council convened to closed session at 5:06 p.m. No reportable action.

4. ADJOURN SPECIAL CITY COUNCIL MEETING

The special meeting adjourned at 6: 50 PM

Gabe Quinto, Mayor

This is to certify that the foregoing is a true and correct copy of the minutes of the City Council meeting of May 3, 2022 as approved by the El Cerrito City Council.

Holly M. Charl  ty, MMC, City Clerk

EL CERRITO CITY COUNCIL DRAFT MINUTES

REGULAR CITY COUNCIL MEETING MAY 3, 2022 – 7:00 p.m.

Members:

Mayor Gabe Quinto

Mayor Pro Tem Lisa Motoyama • Councilmember Janet Abelson
Councilmember Paul Fadelli • Councilmember Tessa Rudnick

Join Via Zoom:

<https://us06web.zoom.us/j/87402837373?pwd=Z0lmNGNNNTFSam5QMnhZOFZLN2VZZz09>

Meeting ID: 874 0283 7373 **Password:** 487345
or Dial in: 1-408-638-0968

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7:00 P.M. ROLL CALL – CONVENE REGULAR CITY COUNCIL MEETING

Mayor Quinto called the meeting to order at 7:01p.m.

Present: Mayor Quinto, Mayor Pro Tem Motoyama, Councilmember Abelson, Councilmember Fadelli, Councilmember Rudnick **Absent:** None

1. PLEDGE OF ALLEGIANCE TO THE FLAG OR OBSERVATION OF A MOMENT OF SILENCE

2. TELECONFERENCE AND PUBLIC COMMENT INSTRUCTIONS

3. COUNCIL/STAFF COMMUNICATIONS

Reports of closed session, commission appointments and informational reports on matters of general interest which are announced by the City Council and staff.

City Manager Pinkos - provided update on public health conditions, return to in-person with zoom option for Council meetings on June 7th, reviewed upcoming budget meetings including a special joint meeting with Financial Advisory Board on 5/24/2022 at 6:00 PM.

Councilmember Rudnick - reported attendance at Cal Cities Public Safety Policy Committee, announced upcoming Trail Trekkers Hillside Festival, spoke at holocaust memorial events put on by the Jewish Community Center of East Bay and City of Berkeley, and Jewish Family Children's Services.

Mayor Quinto - reported trip to Washington DC as member and representative of Marin Clean Energy (MCE); announced the passing of David McCord, El Cerrito Resident and Sierra Club member; and reported attendance at Cal Cities Environmental Policy Committee.

4. ORAL COMMUNICATIONS FROM THE PUBLIC

Remarks are typically limited to 3 minutes per person. The Mayor may reduce the time limit per speaker depending upon the number of speakers and may limit the total time for public comment to facilitate the completion of business on the agenda. Comments regarding non-agenda, presentation and consent calendar items will be heard first. Comments related to items appearing on the Public Hearing or Policy Matter portions of the Agenda will be heard prior to the City Council taking action on each item.

All written comments submitted prior to and during the meeting were posted online as supplemental materials and incorporated into the official meeting record. Written public comments for matters not on the agenda were received from Cordell Hindler and Al Miller; consent item #5I from Laureteen Brazil, SEIU 1021; and presentation item #6A from Sue and Paul Duncan.

Oral Public Comments:

Buddy Akacic – spoke regarding plans for a senior center and announced event at Albany Senior Seminar.

Jeff Levine - on behalf of East Bay Housing Organization (EBHO) spoke in support of Affordable Housing week proclamation and acknowledged work by the city in support of affordable housing.

Linda Cain - commented on seniors, May as Older American's month, and support of social and educational opportunities for seniors.

5. ADOPTION OF THE CONSENT CALENDAR

All items on the consent calendar shall be acted upon in one motion, unless a member of the City Council or staff request separate consideration.

Moved/Seconded: Councilmember Fadelli/Councilmember Abelson **Action:** Approved the consent calendar as indicated below. **Ayes:** Mayor Quinto, Mayor Pro Tem Motoyama, Councilmember Abelson, Councilmember Fadelli, Councilmember Rudnick **Noes:** None

A. Bike to Wherever Day Proclamation

Action Proposed: Approve a proclamation recognizing May 20, 2022 as Bike to Wherever Day in El Cerrito

Contact: Jennifer Bright, Management Assistant; Melanie Mintz, Community Development Director, Community Development Department

Action: Approved proclamation

B. National Public Works Week Proclamation

Action Proposed: Pass a motion approving a proclamation designating May 15 through 21, 2022 as National Public Works Week in El Cerrito and encouraging all residents, businesses, and community organizations to recognize the substantial contributions Public Works personnel make to protect our health, safety, and quality of life.

Contact: Yvetteh Ortiz, Public Works Director/City Engineer, Public Works Department

Action: Approved proclamation

C. Asian Pacific American Heritage Proclamation

Action Proposed: Pass a motion to approve a proclamation declaring the Month of May 2022 as Asian Pacific American Heritage Month in the City of El Cerrito.

Contact: Alexandra Orologas, Assistant City Manager, City Management

Action: Approved proclamation

D. Jewish American Heritage Month Proclamation

Action Proposed: Pass a motion to approve a proclamation declaring the Month of May 2022 as Jewish American Heritage Month in the City of El Cerrito.

Contact: Alexandra Orologas, Assistant City Manager, City Management

Action: Approved proclamation

E. Affordable Housing Month Proclamation

Action Proposed: Approve a Proclamation Declaring May as the 26th Annual East Bay Affordable Housing Month.

Contact: Aissia Ashoori, Housing Program Manager, Community Development Department

Action: Approved proclamation

F. Building Safety Month Proclamation

Action Proposed: Adopt a Proclamation recognizing May as Building Safety Month in El Cerrito.

Contact: Jennifer Bright, Management Assistant; Keith Marks, Building Official; Melanie Mintz, Community Development Director, Community Development Department

Action: Approved proclamation

G. Environmental Quality Committee Appointment Recommendation

Action Proposed: Approve an Environmental Quality Committee recommendation to appoint Eevelyn Mitchell to the Environmental Quality Committee, effective May 10, 2022.

Contact: Will Provost, Operations and Environmental Services Division Manager, Public Works Department; Yvetteh Ortiz, Public Works Director/City Engineer, Public Works Department

Action: Approved appointment

H. FY 2021-22 Third Quarter Cash and Investment Report

Action Proposed: Receive and file the City's Quarterly Investment Report for the Quarter ending March 31, 2022.

Contact: Sandra Dalida, Finance Director/City Treasurer

Action: Received and filed

I. Juneteenth National Independence Day as City Holiday

Action Proposed: Adopt a resolution establishing Juneteenth National Independence Day as a paid City Holiday for the City of El Cerrito.

Contact: Alexandra Orologas, Assistant City Manager, City Management

Action: Approved Resolution No. 2022-28

6. PRESENTATIONS

A. Proclamation Honoring Fire Chief Michael Pigoni in Retirement

Action Proposed: Pass a motion to approve a proclamation honoring Chief Michael Pigoni for his many years of service to the City of El Cerrito.

Contact: Karen Pinkos, City Manager, City Management

Oral Public Comments:

Sue Duncan - expressed thanks to the Chief for his service.

Moved/Seconded: Councilmember Rudnick/Mayor Pro Tem Motoyama
Action: Approved Proclamation **Ayes:** Mayor Quinto, Mayor Pro Tem Motoyama, Councilmember Abelson, Councilmember Fadelli, Councilmember Rudnick **Noes:** None

7. PUBLIC HEARINGS

A. Public Hearing regarding Fiscal Year 2022-23 Storm Drain Annual Report and method of collecting storm drain fees

Notice Published 4/23/22 & 4/29/22. 2/3 vote required to pass.

Action Proposed: Conduct a public hearing and upon conclusion adopt a resolution approving the Fiscal Year 2022-23 Storm Drain Annual Report and directing that Storm Drain Fees be collected on the property tax rolls.

Contact: Sandra Dalida, Finance Director/Treasurer, Finance Department; Yvetteh Ortiz, Public Works Director/City Engineer, Public Works Department

Public Hearing: Mayor Quinto opened the public hearing.

No public comments

Moved/Seconded: Councilmember Abelson/Councilmember Fadelli

Action: Closed the public hearing **Ayes:** Mayor Quinto, Mayor Pro Tem Motoyama, Councilmember Abelson, Councilmember Fadelli, Councilmember Rudnick **Noes:** None

Moved/Seconded: Mayor Pro Tem Motoyama/Councilmember Abelson

Action: Approved Resolution No. 2022-29 **Ayes:** Mayor Quinto, Mayor Pro Tem Motoyama, Councilmember Abelson, Councilmember Fadelli, Councilmember Rudnick **Noes:** None

B. Public Hearing to Confirm the Diagram and to Levy the Assessment for Fiscal Year 2022-23 for Landscape and Lighting Assessment District No. 1988-1

Notice Published 4/23/22

Action Proposed: Conduct a public hearing, and upon conclusion adopt a resolution setting the annual Landscape and Lighting Assessment for Fiscal Year (FY) 2022-23 as \$72 per single-family residential parcel, and as noted in the Engineer's Report for other classes of properties.

Contact: Sandra Dalida, Finance Director/City Treasurer, Finance Department; Yvetteh Ortiz, Public Works Director/City Engineer, Public Works Department

Presentation and Discussion: Presenters and staff responded to comments and questions raised by members of the council regarding reason the assessment has not been increased since its inception, city funds that supplement expenses, and the amount of general funds needed.

Public Hearing: Mayor Quinto opened the public hearing.

No public comments

Moved/Seconded: Councilmember Abelson/Mayor Pro Tem Motoyama
Action: Closed Public Hearing **Ayes:** Mayor Quinto, Mayor Pro Tem Motoyama, Councilmember Abelson, Councilmember Fadelli, Councilmember Rudnick **Noes:** None

Moved/Seconded: Councilmember Abelson/Mayor Pro Tem Motoyama
Action: Approved Resolution No. 2022-30 **Ayes:** Mayor Quinto, Mayor Pro Tem Motoyama, Councilmember Abelson, Councilmember Fadelli, Councilmember Rudnick **Noes:** None

8. POLICY MATTERS

A. Adoption of the 2022 City of El Cerrito Emergency Operations Plan

Action Proposed: Adopt a resolution to approve the 2022 City of El Cerrito Emergency Operations Plan, which is the foundation for disaster response and recovery operations and may be used as a reference and guidance document that outlines how the City complies with and implements the requirements of the California Emergency Services Act to protect the lives and property of the community.

Contact: Michael Pigoni, Fire Chief (Retired), Fire Department

Presentation and Discussion: Presenters and staff responded to comments and questions raised by members of the council regarding responsibilities regarding aide to Kensington, need for emergency services coordinator, current status of the Community Emergency Response Team (CERT) program, community engagement, potential public safety committee, department level standard procedures, expansion on next steps, additional cost analysis for training, coordination between Contra Costa and Alameda counties and school districts, role of public information officer, assignment of roles, community based training, and methods of delivering training.

Public Comments: All written comments submitted prior to and during the meeting were posted online as supplemental materials and incorporated into the official meeting record. Written public comments for this item were received from Donald Simon and Howdy Goudey.

Oral Public Comments:

Howdy Goudey - spoke regarding the work of Kensington Amateur Radio Operators and El Cerrito Ham Operators (KARO-ECHO) and the request to correct the reference in the policy to the group.

Don Simon - commented on the importance of the CERT program and need for specific policies.

Moved/Seconded: Councilmember Rudnick/Councilmember Fadelli **Action:** Passed a motion to direct staff to return with a future agenda item to explore creating a committee for public safety or consider revising the role of the Crime Prevention Committee. **Ayes:** Mayor Quinto, Mayor Pro Tem Motoyama, Councilmember Abelson, Councilmember Fadelli, Councilmember Rudnick **Noes:** None

Moved/Seconded: Councilmember Abelson/Mayor Pro Tem Motoyama **Action:** Approved Resolution No. 2022-31 **Ayes:** Mayor Quinto, Mayor Pro Tem Motoyama, Councilmember Abelson, Councilmember Fadelli, Councilmember Rudnick **Noes:** None

B. FY 2021-22 General Fund Budget Quarterly Update through March 2022

Action Proposed: Receive and file an update on City General Fund revenues and expenses for FY 2021-22 through March 2022.

Contact: Sandra Dalida, Finance Director/Treasurer, Finance Department

Presentation and Discussion: Presenters and staff responded to comments and questions raised by members of the council regarding frequency of reporting, confidence in cashflow, trending reports, reserve levels, inclusion of a line item on Real Property Transfer Tax (RPTT) data, and timeline for receipt of remaining American Rescue Plan Act (ARPA) funds.

Action: Received and filed

9. **CITY COUNCIL LOCAL & REGIONAL LIAISON ASSIGNMENTS** *Mayor and City Council communications regarding local and regional liaison assignments and committee reports.*

Mayor Quinto - reported attendance at Crime Prevention Committee meeting

10. **ADJOURN REGULAR CITY COUNCIL MEETING**

The regular meeting adjourned at 10:08 PM in memory of El Cerrito David McCourd.

Gabe Quinto, Mayor

This is to certify that the foregoing is a true and correct copy of the minutes of the City Council meeting of May 3, 2022 as approved by the El Cerrito City Council.

Holly M. Charl  ty, MMC, City Clerk

EL CERRITO CITY COUNCIL PROCLAMATION
Commending El Cerrito Ballet Center for its 65 Years of Dedicated Service to the
Children, Families, and Community of El Cerrito

WHEREAS, the El Cerrito Ballet Center was founded in 1957 by June Boblitt; and

WHEREAS, classes have been held at her home on Scott Street in El Cerrito, on San Pablo Avenue near the El Cerrito florist, and finally at St. John's Hall on Portola Drive; and

WHEREAS, June Boblitt trained with Raoul Pause, director of the Oakland Civic Ballet and Mary Conmee, an associate teacher of the Royal Academy of Dance (RAD), London England, which was founded in 1920 as an international training and examining organization; and

WHEREAS, June became a teaching member of the RAD, training and entering students in examinations. El Cerrito Ballet students also had the opportunity to participate in an annual theater performance; and

WHEREAS, Barbara Gabriel grew up in El Cerrito attending Castro Elementary School, Portola Junior High School and El Cerrito High School. At age six, she started ballet classes with June Boblitt, training and entering RAD children's and professional level examinations; and

WHEREAS, at 16 years old, Barbara began teaching children's ballet classes at EC Ballet Center under the direction of June Boblitt. At age 18 she became a teaching member of the RAD. Barbara attended 2 years at the University of California, Berkeley then danced full time for the next 5 years with a regional company, Dancers Repertory Theater, performing modern ballet programs at many East Bay and peninsula theaters under the direction of Jeannde Herst; and

WHEREAS, in 1979, Barbara became director of the El Cerrito Ballet Center, training and entering students in RAD exams for the next 20 years. She also provided a variety of performing opportunities for students with annual theater performances and an outreach program; and

WHEREAS, students from the El Cerrito Ballet Center presented live performances at preschools, elementary schools, seniors centers and assisted living residences throughout the Bay Area. The outreach program started as a short 20-minute program and developed into a 35-minute narrated Nutcracker program that has entertained school and senior audiences; and

WHEREAS, Barbara has taught ballet classes for over 50 years in El Cerrito. Beginning with June Boblitt, the EC Ballet Center has been a dance presence in El Cerrito for almost 65 years.

NOW THEREFORE, the City Council of the City of El Cerrito, does hereby commend El Cerrito Ballet Center for the many contributions and extends its sincere appreciation to June Boblitt and Barbara Gabriel for their devotion to the children, families, and community of El Cerrito over the past six decades.

Dated: May 17, 2022

Gabe Quinto, Mayor



May 18, 2022

The Honorable Bill Dodd
1021 O Street, Suite 6620
Sacramento, CA 95814

RE: SB 852 Climate Resilience Districts: - Sponsor and Support

Dear Senator Dodd:

On behalf of the City of El Cerrito City Council, I write to express our support for your Senate Bill 852 which would permit the establishment of local climate resilience districts to raise funds in order to plan and implement projects and programs to address climate change through mitigation and adaptation.

The effects of climate change are becoming more evident every day. The Intergovernmental Panel on Climate Change (IPCC) has said we are in a “code red” condition to take action to reduce the rate and extent of global warming in order to avoid a catastrophe. Scientists have calculated that 2021 was the sixth warmest year ever. The increasing frequency and severity of wildfire; extreme heat; extreme cold, snow, and rain; and drought are all manifestations of the influence of climate change.

California has taken a number of steps at the state level to respond to the climate crisis including AB 32 (Nunez) in 2006 to set up a cap-and-trade system to reduce greenhouse gas (GHG) emissions and SB 32 (Pavley) in 2016 to require that GHG emissions are reduced by 40% from 1990 levels by 2030 as well as many other pieces of legislation that address climate change in some manner. The 2021-22 state budget includes a \$15 billion package to address wildfire and forest resilience, drought and water resilience, and climate resilience over three years.

SB 852 fills a significant gap in the framework of tackling climate change. While important actions have been taken and resources allocated at the state level, it is local communities and governments that are on the front lines of meeting the challenge. Although some local governments have acted aggressively to meet this challenge, there is no systematic, sustained, and predictable source of funding and staffing at the local level to take on the planning and implementation of projects and programs to combat the effects and impacts of climate change.

SB 852 would permit cities, counties, or special districts, either alone or in combination, to establish climate resilience districts. The districts would be able to raise revenue through tax increment financing and voter-approved supplemental property taxes, property benefit assessments, or fees. The districts would have the authority to plan and

Page 2 of 2
SB 852 Support Letter
May 18, 2022

implement projects and programs to address climate change either through mitigation or adaptation.

This bill will give communities and regions the means to focus resources on the most urgent aspects of climate change as determined locally. The bill will also create the ability to channel local, state, federal, and private funds in a coordinated manner within a jurisdiction or across jurisdictional boundaries to have the greatest and most effective impact.

Thank you for your leadership in creating the ability for communities and governments to finance, plan, and implement projects and programs needed most at the local level to meet the climate crisis.

Sincerely,

Gabe Quinto, Mayor
City of El Cerrito

cc: City Manager
City Council



SB 852 – DODD

CLIMATE RESILIENCE FINANCING DISTRICTS

Summary

SB 852 would permit cities, counties, or special districts, either alone or in combination, to establish climate resilience districts. The districts would be able to raise revenue through tax increment funding, and voter approved supplemental property taxes, property benefit assessments, or fees. The districts would have the authority to plan and implement projects and programs to address climate change either through mitigation or adaptation.

Background

The effects of climate change are becoming more evident every day. The Intergovernmental Panel on Climate Change (IPCC) has said we are in a "code red" condition to take action to reduce the rate and extent of global warming in order to avoid a catastrophe. Scientists have calculated that 2021 was the sixth hottest year ever. The increasing frequency and severity of wildfire; extreme heat; extreme cold, snow, and rain; and drought in California and the world are all manifestations of the influence of climate change. California has taken a number of steps at the state level to respond to the climate crisis including AB 32 (Nunez) in 2006 to set up a cap and trade system to reduce greenhouse gas (GHG) emissions and SB 32 (Pavley) in 2016 to require that GHG emissions are reduced by 40% from 1990 levels by 2030 as well as many other pieces of legislation that address climate change in some manner. The 2021-22 state budget includes a \$15 billion package to address wildfire and forest resilience, drought and water resilience, and climate resilience over three years.

Existing Law

SB 379 (Jackson) from 2015 requires cities and counties to update the safety elements of their general plans to address climate adaptation and resilience strategies. SB 628 (Beall) from 2014 allows

cities and counties to establish local districts to promote economic development through the use of tax increment funding. No existing law addresses the creation of local districts for climate change.

This Bill

SB 852 fills a significant gap in the framework of addressing climate change. While important actions have been taken and resources allocated at the state level, it is local communities and governments are on the front line of meeting the challenge of climate change. While some local governments have acted aggressively to meet the challenge, there is no systematic, sustained, and predictable source of funding or staffing at the local level to tackle the planning and implementation of projects and programs to combat the effects and impacts of climate change. This bill will give communities and regions the means of establishing local entities which span jurisdictional lines and focus resources on the most urgent aspects of climate change as determined locally. This bill will also create the ability to channel local, state, federal, and private funds in a coordinated manner within a jurisdiction or across jurisdictional boundaries to have the greatest and most effective impact possible.

Support

Local Government Commission (sponsor)

Opposition

None on File

Contact

Les Spahnn: leslie.spahnn@sen.ca.gov.



Agenda Item No. 5.D.

May 18, 2022

The Honorable Senator Dave Min
1021 O Street, Suite 6710
Sacramento, CA 95814
via email

Re: SB 881 (Min) – OPPOSE

Dear Senator Min,

On behalf of the City of El Cerrito, I regretfully write in opposition of SB 881. The City of El Cerrito joined the Community Choice Aggregation, Marine Clean Energy (MCE), in 2015, in an effort to have more influence on how electricity is generated and to support a more swift transition to solar, wind, and other renewable energy sources. El Cerrito is proud to support their work to build a cleaner, greener California.

Demanding better from the California Public Utilities Commission (CPUC) regulated monopoly energy systems of the last century, Community Choice Associations (CCA) began to launch about a decade ago to give the power of choice to their communities. This forward-looking business model has developed more than 10,000 Megawatts (MW) of new, clean, energy power purchase agreements, catalyzed job growth associated with these developments, and accelerated California's clean energy transition. According to CalCCA, this includes developing 6,117 MW of new solar, 1,044 MW of new wind, 2,646 of new energy storage, 14 MW of new geothermal, and 7 MW of new biogas.¹ These developments have helped CCAs exceed the state's established targets for renewable and emissions-free power.

As currently written, Senate Bill (SB) 881 would hinder this entrepreneurial energy by stripping away the engine of these investments – autonomy and self-governance. It would leave CCA procurement authority subject to more significant oversight by the CPUC, which could actually impede climate progress. Just this past February, in its 2021 Preferred System Plan decision the CPUC ordered procurement with a higher carbon intensity than what CCAs are already procuring.² The unintended consequence of this bill would be to stifle innovation, potentially increase energy costs, and send the policy signal to CCAs to be more conservative with their investments, given increased uncertainty over their purchasing autonomy.

¹ <https://cal-cca.org/cca-impact/>

² D.22-02-004, issued February 14, 2022.

Page 2 of 2
Re: SB881 Oppose
5/18/2022

The City of El Cerrito supports bold statewide efforts to reduce greenhouse gas emissions across all sectors. Advocating for increased regulation makes more sense in the private sector, where profit margins are the only bottom line. However, CCAs are local government agencies, led by a set of local leaders elected by communities to represent various constituencies and who determine the CCA strategy based on the local community needs, resources, and opportunities.

While El Cerrito is proud to support effective, assertive climate policies, regrettably SB 881 stands to do more harm than good. We must respectfully oppose SB 881 and urge you to go back to the drawing board and work with community choice stakeholders to find a more effective, less disruptive solution to our most pressing climate needs.

Respectfully,

Sincerely,

Gabe Quinto, Mayor
City of El Cerrito

Cc: City Council
City Manager
Stephanie Chen, MCE

**Introduced by Senator Min
(Principal coauthor: Senator Becker)**

January 26, 2022

An act to amend Section 454.52 of the Public Utilities Code, relating to electricity.

LEGISLATIVE COUNSEL'S DIGEST

SB 881, as introduced, Min. Load-serving entities: integrated resource plans.

Under existing law, the Public Utilities Commission has regulatory authority over public utilities, including electrical corporations. Existing law requires the commission to adopt a process for each load-serving entity, defined as including electrical corporations, electric service providers, and community choice aggregators, to file an integrated resource plan and a schedule for periodic updates to the plan to ensure that load-serving entities accomplish specified objectives. Existing law requires each load-serving entity to prepare and file an integrated resource plan consistent with certain requirements on a time schedule directed by the commission and subject to commission review.

This bill would require the commission to require each load-serving entity to undertake sufficient procurement to achieve a diverse, balanced, and reliable statewide portfolio and realize specified electricity sector greenhouse gas emissions reductions, as provided.

Under existing law, a violation of the Public Utilities Act or any order, decision, rule, direction, demand, or requirement of the commission is a crime.

Because the provisions of this bill would be a part of the act and because a violation of an order or decision of the commission

implementing its requirements would be a crime, the bill would impose a state-mandated local program by creating a new crime.

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that no reimbursement is required by this act for a specified reason.

Vote: majority. Appropriation: no. Fiscal committee: yes.
State-mandated local program: yes.

The people of the State of California do enact as follows:

1 SECTION 1. Section 454.52 of the Public Utilities Code is
2 amended to read:

3 454.52. (a) (1) Beginning in 2017, and to be updated regularly
4 thereafter, the commission shall adopt a process for each
5 load-serving entity, as defined in Section 380, to file an integrated
6 resource plan, and a schedule for periodic updates to the plan, and
7 shall ensure that load-serving entities do the following:

8 (A) Meet the greenhouse gas emissions reduction targets
9 established by the State Air Resources ~~Board~~, *Board scoping plan*,
10 in coordination with the commission and the Energy Commission,
11 for the electricity sector and each load-serving entity that reflect
12 the electricity sector's percentage in achieving the economywide
13 greenhouse gas emissions reductions ~~of 40 percent from 1990~~
14 ~~levels by 2030; required pursuant to Division 25.5 (commencing~~
15 ~~with Section 38500) of the Health and Safety Code.~~

16 (B) Procure at least 60 percent eligible renewable energy
17 resources by December 31, 2030, consistent with Article 16
18 (commencing with Section 399.11) of Chapter 2.3.

19 (C) Enable each electrical corporation to fulfill its obligation to
20 serve its customers at just and reasonable rates.

21 (D) Minimize impacts on ratepayers' bills.

22 (E) Ensure system and local reliability on both a near-term and
23 long-term basis, including meeting the near-term and forecast
24 long-term resource adequacy requirements of Section 380.

25 (F) Comply with paragraph (1) of subdivision (b) of Section
26 399.13.

1 (G) Strengthen the diversity, sustainability, and resilience of
2 the bulk transmission and distribution systems, and local
3 communities.

4 (H) Enhance distribution systems and demand-side energy
5 management.

6 (I) Minimize localized air pollutants and other greenhouse gas
7 emissions, with early priority on disadvantaged communities
8 identified pursuant to Section 39711 of the Health and Safety Code.

9 (2) (A) The commission may authorize all source procurement
10 for electrical corporations that includes various resource types
11 including demand-side resources, supply side resources, and
12 resources that may be either demand-side resources or supply side
13 resources, taking into account the differing electrical corporations'
14 geographic service areas, to ensure that each load-serving entity
15 meets the goals set forth in paragraph (1).

16 (B) The commission may approve procurement of resource
17 types that will reduce overall greenhouse gas emissions from the
18 electricity sector and meet the other goals specified in paragraph
19 (1), but due to the nature of the technology or fuel source may not
20 compete favorably in price against other resources over the time
21 period of the integrated resource plan.

22 (3) In furtherance of the requirements of paragraph (1), the
23 commission shall consider the role of existing renewable
24 generation, grid operational efficiencies, energy storage, and
25 distributed energy resources, including energy efficiency, in
26 helping to ensure each load-serving entity meets energy needs and
27 reliability needs in hours to encompass the hour of peak demand
28 of electricity, excluding demand met by variable renewable
29 generation directly connected to a California balancing authority,
30 as defined in Section 399.12, while reducing the need for new
31 electricity generation resources and new transmission resources
32 in achieving the state's energy goals at the least cost to ratepayers.

33 (b) (1) Each load-serving entity shall prepare and file an
34 integrated resource plan consistent with paragraph (2) of
35 subdivision (a) on a time schedule directed by the commission and
36 subject to commission review.

37 (2) Each electrical corporation's plan shall follow the provisions
38 of Section 454.5.

39 (3) The plan of a community choice aggregator shall be
40 submitted to its governing board for approval and provided to the

1 commission for certification, consistent with paragraph (5) of
2 subdivision (a) of Section 366.2, and shall achieve the following:

3 (A) Economic, reliability, environmental, security, and other
4 benefits and performance characteristics that are consistent with
5 the goals set forth in paragraph (1) of subdivision (a).

6 (B) A diversified procurement portfolio consisting of both
7 short-term and long-term electricity and electricity-related and
8 demand reduction products.

9 (C) The resource adequacy requirements established pursuant
10 to Section 380.

11 (4) The plan of an electric service provider shall achieve the
12 goals set forth in paragraph (1) of subdivision (a) through a
13 diversified portfolio consisting of both short-term and long-term
14 electricity, electricity-related, and demand reduction products.

15 (c) (1) *The commission shall require each load-serving entity*
16 *to undertake sufficient procurement, in combination with other*
17 *load-serving entities, to achieve a diverse, balanced, and reliable*
18 *statewide portfolio and realize the electricity sector greenhouse*
19 *gas emissions reductions described in subparagraph (A) of*
20 *paragraph (1) of subdivision (a).*

21 (2) *The commission may assess penalties on any load-serving*
22 *entity that fails to satisfy its obligations pursuant to this section*
23 *and may authorize additional procurement to satisfy unmet needs*
24 *resulting from this failure. Any additional procurement to satisfy*
25 *unmet needs may occur pursuant to subdivision (b) of Section*
26 *454.51 with the costs allocated to the customers of the load-serving*
27 *entity that failed to meet its obligations.*

28 (e)

29 (d) To the extent that additional procurement is authorized for
30 the electrical corporation in the integrated resource plan or the
31 procurement process authorized pursuant to Section 454.5, the
32 commission shall ensure that the costs are allocated in a fair and
33 equitable manner to all customers consistent with Section 454.51,
34 that there is no cost shifting among customers of load-serving
35 entities, and that community choice aggregators may self-provide
36 renewable integration resources consistent with Section 454.51.

37 (d)

38 (e) To eliminate redundancy and increase efficiency, the process
39 adopted pursuant to subdivision (a) shall incorporate, and not
40 duplicate, any other planning processes of the commission.

1 (e)

2 (f) This section applies to an electrical cooperative, as defined
3 in Section 2776, only if the electrical cooperative has an annual
4 electrical demand exceeding 700 gigawatthours, as determined
5 based on a three-year average commencing with January 1, 2013.

6 SEC. 2. No reimbursement is required by this act pursuant to
7 Section 6 of Article XIII B of the California Constitution because
8 the only costs that may be incurred by a local agency or school
9 district will be incurred because this act creates a new crime or
10 infraction, eliminates a crime or infraction, or changes the penalty
11 for a crime or infraction, within the meaning of Section 17556 of
12 the Government Code, or changes the definition of a crime within
13 the meaning of Section 6 of Article XIII B of the California
14 Constitution.

O



Agenda Item No. 5.E.

May 18, 2022

The Honorable Cecilia Aguiar-Curry
Chair of the Local Government Committee
1020 N Street, Room 157
Sacramento, CA 95814

Re: Support for AB 1944 (Lee)

Dear Assemblymember Lee:

The City Council of the City of El Cerrito writes in strong support of AB 1944 (Lee). This bill would allow members of a local legislative body, upon majority vote, to waive the Brown Act requirements of publishing their private address on the meeting agenda and making this address open and accessible to members of the public.

AB 1944 ensures that should a member of a legislative body subject to the Brown Act choose to teleconference into a meeting without revealing their private address or making this address accessible to the public, livestreams of meetings are required and members of the public can address their elected officials either through a call-in or video option.

It is the responsibility of government to enhance opportunities for members of the public to make their voices heard in policy decisions that affect them. This bill would not only increase the ways in the public could participate in meeting, but could expand residents' interest in running for local elective office.

By allowing for more flexible remote participation outside of a declared state of emergency, this bill could increase democratic participation in local government. El Cerrito Councilmembers are not full-time, and therefore members often have full-time work commitments. This bill would provide more flexibility and reduce geographic and physical barriers that may impede on the ability to attend meetings. Opening up these restrictions could encourage more residents to consider running for elective office, as well as allow elected officials to expand their representation of our city with commitments to organizations such as League of California Cities or National League of Cities.

For these reasons, the El Cerrito City Council writes in strong support of AB 1944 (Lee).

Sincerely,

Gabe Quinto, Mayor
City of El Cerrito

cc: City Manager
City Council



AB 1944

ASSEMBLYMEMBER ALEX LEE

THIS BILL

This bill would allow members of a local legislative body, upon majority vote, to waive the Brown Act requirements of publishing their private address on the meeting agenda and making this address open to members of the public. It would also require a remote participation option for members of the public to address the body.

BACKGROUND

The Ralph M. Brown Act passed in 1953 requires local government business to be conducted at open and public meetings, except in certain limited situations. Existing law allows the legislative body of a local agency to use teleconferencing as long as a quorum of the members participate from locations within the boundaries of the agency's jurisdiction.

In order to teleconference, each teleconference location is required to be identified in the notice and agenda of the meeting, as well as be accessible to the public.

On March 2020, Governor Newsom issued Executive Order N-29-20 which waived the teleconference requirements for local agencies during the COVID-19 pandemic. This order has since expired.

AB 361 (Rivas, 2021) permits local agencies to continue to meet virtually and remotely during a state-declared emergency without having to meet a quorum and other requirements of teleconference meetings under the Brown Act. Local legislative bodies may continue to meet virtually pursuant to AB 361 until the end of the current state of emergency and during any future state of emergency up until January 1, 2024. The legislative body is required to take a majority vote every 30 days in order to continue allowing members to participate virtually without meeting existing Brown Act requirements.

PROBLEM

Given the last few years of the COVID-19 pandemic, many members of Brown Act bodies have participated remotely in official business, and have shown effective leadership while keeping themselves and their families healthy and safe. However, even with existing legislation, the protections are only in place during a declared state of

emergency. In addition, if there is no majority vote every 30 days, members who choose to teleconference are required to make private addresses publicly known and accessible.

Since there are many members of Brown Act bodies who have families that may be immunocompromised or may need to teleconference from a private location that cannot be made accessible to the public, there are still many concerns with existing legislation.

For example, if outside of the pandemic a local elected is teleconferencing from a hospital room after giving birth, she would be forced to either reveal the location she is teleconferencing from or make the room publicly available, or she would not be able to attend the meeting and partake in her official duties.

Another example is if a Planning Commissioner is immunocompromised, or has immunocompromised family members at home, they may choose to teleconference into meetings. However, they would be required to share their private home address and make it publicly accessible.

SOLUTION

AB 1944 would ensure that:

- Brown Act bodies can vote to allow their members to teleconference into a meeting without having to reveal private addresses or make private addresses accessible to the public, to continue performing their official duties
- Livestreams of meetings are required whenever members teleconference into meetings so the public has access to observe and participate in meetings
- Members of the public can address their elected officials either through a call-in or video option, ensuring that they are able to participate in government

SUPPORT

California State Association of Counties
League of California Cities
Rural County Representatives of California
Urban Counties of California
League of California Cities Latino Caucus
Association of California School Administrators
Association of California Healthcare Districts
California Association of Public Authorities for IHSS
Bay Area Air Quality Management District
California Charter Schools Association
California School Boards Association
Cities Association of Santa Clara County
California Special Districts Association
California Central Valley Flood Control Association
City of Cupertino
City of Lafayette
City of Mountain View
City of Redwood City
City of San José
City of Santa Clara
City of Sunnyvale
California Council of the Blind
Disability Rights California
Encina Wastewater Authority
First 5 Solano Children and Families Commission
Housing Contractors of California
Indivisible CA-37
Indivisible Sacramento
Indivisible San Francisco
Indivisible San Jose
Local Health Plans of California
Los Angeles Unified School District
Mendocino County Board of Supervisors
Monterey County
Peninsula Clean Energy
Sacramento Area Council of Governments
San Mateo County Transit District (SAMTRANS)
San Mateo County Transportation Authority
Silicon Valley Clean Energy
Silicon Valley Community Foundation
Solano County Board of Supervisors
Sonoma Clean Power
Stanislaus Council of Governments
State Association of County Retirement Systems
Town of Hillsborough
Transportation Agency for Monterey County
Transportation Authority of Marin
Tulare County Board of Supervisors
Tulare County
Upper San Gabriel Valley Municipal Water District

Gilroy City Councilmember Zach Hilton
Pinole Mayor Pro Tem Devin T. Murphy
Santa Clara School Board Member Vickie Fairchild
Santa Clara School Board Member Bonnie Lieberman
Seaside City Councilmember Jon Wizard
South San Francisco Councilmember James Coleman
San Bruno Park District Trustee Andriana Shea
Santa Ana City Councilmember Jessie Lopez
Sacramento City Councilmember Katie Valenzuela
South San Francisco Unified School District Board of Trustees John Baker
North Westwood Neighborhood Councilmember Andrew Lewis

CONTACT

Maria Montchal, Legislative Aide
Office of Assemblymember Alex Lee
916-319-2025 | Maria.Montchal@asm.ca.gov



AGENDA BILL

Agenda Item No. 5.F.

Date: May 17, 2022
To: El Cerrito City Council
From: Holly M. Charléty, City Clerk, City Management
Subject: Authorize City Council and City Advisory Body Meetings to be Held Via Teleconference Pursuant to Assembly Bill 361 (AB 361)

ACTION PROPOSED

Adopt a resolution authorizing City Council and City Advisory Body meetings to be held via teleconference for a period of 30 days, and making related findings pursuant to AB 361.

BACKGROUND/ANALYSIS

All meetings of the City Council and the City's other legislative bodies are open and public, as required by the Brown Act, so that any member of the public may attend, participate, and watch the City's legislative bodies conduct their business. On March 17, 2020, in response to the COVID-19 pandemic, Governor Newsom issued Executive Order N-29-20 suspending certain provisions of the Brown Act in order to allow local legislative bodies to conduct meetings telephonically or by other means in order to slow the spread of COVID-19. As a result of Executive Order N-29-20, staff set up virtual meetings for all City Council meetings and other City legislative bodies. On June 11, 2021, Governor Newsom issued Executive Order N-08-21, which, effective September 30, 2021, ended the provisions of Executive Order N-29-20 that allowed local legislative bodies to conduct meetings telephonically or by other means.

On September 16, 2021, the Governor signed Assembly Bill 361 ("AB 361") into law which provides the ability for legislative bodies to continue meetings via teleconferencing under specified conditions and includes a requirement that the legislative body make specified findings. AB 361 took effect upon the expiration of Executive Order N-29-20 on October 1, 2021. AB 361 allows a local agency legislative body to hold a meeting utilizing teleconferencing without complying with the standard teleconferencing requirements if certain conditions exist and the legislative body makes certain findings by a majority vote in order to use the bill's exemptions to the Brown Act teleconferencing rules. Any such findings are effective for a period of 30 days, after which such findings must again be declared in order to continue meeting under the provisions of AB 361.

To date, the City Council has adopted resolutions making the necessary findings for the period between October 5, 2021 through May 21, 2022. Staff is requesting that the City Council again adopt the proposed resolution, directing staff to continue facilitating all meetings of the City of El Cerrito and City Advisory Bodies pursuant to the requirements of AB 361 in order to better ensure the health and safety of the public. If adopted, this resolution would be in effect for the 30 day period of May 21, 2022 - June 19, 2022.

The attached resolution makes the findings to confirm the current conditions to allow teleconference meetings pursuant to AB 361 for the City Council and on behalf of all of the commissions and committees created by the City Council pursuant to Government Code section 54952(b). The attached resolution also authorizes hybrid meetings held both via teleconference and in-person. This resolution will allow members of the public to safely observe and participate in local government teleconference meetings during the continued pandemic.

If a meeting is held via teleconference, including a hybrid meeting, the following requirements apply under AB 361:

1. Notices and agenda requirements remain the same under the Brown Act;
2. No physical location is required for public attendance or public comment. However, the public must be able to access and participate in the meeting through a call-in or an internet-based service, and instructions for how to participate must appear in the posted notices or agenda;
3. Teleconference meetings must protect the statutory and constitutional rights of the parties and the public;
4. If there is any disruption of the call-in or internet-based service, the agency must suspend the meeting until the problem is fixed;
5. Legislative bodies may allow public comments to be submitted prior to a meeting but must also allow the public to participate in real time through call-in or internet-based service;
6. If an internet-based service requires registration through a third-party, individuals can be required to register with the third-party to participate in the meeting; and
7. When providing a public comment period, whether after each item or during a general comment period, a legislative body must allow reasonable time for members of the public to comment and must also include reasonable time for members to register with a third-party host if applicable.

In order to continue to hold teleconference or hybrid meetings, the City Council must continue to declare every 30 days that either (i) the state of emergency continues to directly impact the ability of the members to meet safely in person, or (ii) State or local officials continue to impose or recommend measures to promote social distancing.

As long as there is not a change in public health conditions, city staff is planning for the implementation of hybrid meetings for City Council beginning with the regular meeting scheduled on Tuesday, June 7, 2022. This meeting will allow City Council, staff, presenters, and members of the public to attend either in-person or via zoom.

Due to staffing resources and limitations of technology, staff is planning for the continuation of city board, commission and committee meetings via zoom with no in-person option for attendance.

STRATEGIC PLAN CONSIDERATIONS

This action is aligned with Goal E: Ensure the Public's Health and Safety.

ENVIRONMENTAL CONSIDERATIONS

This section is not applicable to this agenda item.

FINANCIAL CONSIDERATIONS

This section is not applicable to this agenda item.

LEGAL CONSIDERATIONS

The City Attorney has reviewed and legal considerations have been addressed.

Reviewed by:

A handwritten signature in blue ink, appearing to read "Karen Pinkos".

Karen Pinkos, City Manager

Attachments:

1. Resolution
2. Contra Costa County Recommendations for Safe Public Meetings

RESOLUTION 2022-XX

A RESOLUTION AUTHORIZING CITY COUNCIL AND CITY ADVISORY BODY MEETINGS TO BE HELD VIA TELECONFERENCE FOR THE 30-DAY PERIOD BEGINNING MAY 21, 2022 AND MAKING RELATED FINDINGS PURSUANT TO AB 361

WHEREAS, all meetings of the City of El Cerrito's legislative bodies are open and public, as required by the Brown Act, so that any member of the public may attend, participate, and watch the City's legislative bodies conduct their business; and

WHEREAS, in addition to the City Council, the City's legislative bodies include all boards, commissions, and committees created by the City Council pursuant to Government Code section 54952(b) (hereafter "Advisory Bodies"); and

WHEREAS, on March 4, 2020, the State of California declared a statewide emergency over the COVID-19 pandemic; and

WHEREAS, on March 10, 2020, the County of Contra Costa adopted Resolution 2020-92 declared a countywide emergency over the COVID-19 pandemic; and

WHEREAS, on March 13, 2020, the City Council adopted Resolution 2020-12 declaring a citywide emergency over the COVID-19 pandemic; and

WHEREAS, on March 17, 2020, the Governor signed Executive Order N-29-20 suspending certain provisions of the Brown Act in order to allow local legislative bodies to conduct meetings telephonically or by other means; and

WHEREAS, as a result of Executive Order N-29-20, staff set up teleconference meetings for all City Council meetings and all Advisory Body meetings; and

WHEREAS, on June 11, 2021, Governor Newsom issued Executive Order N-08-21 which ended the applicable provisions of Executive Order N-29-20 on September 30, 2021; and

WHEREAS, on September 16, 2021, the Governor signed AB 361 (2021) into law allowing legislative bodies to continue to conduct meetings via teleconferencing under specified conditions, including the requirement that the legislative body make specified findings. AB 361 (2021) took effect immediately; and

WHEREAS, AB 361 (2021) requires that, if a state of emergency remains active, or state or local officials have imposed or recommended measures to promote social distancing, the legislative body shall make findings that it reconsidered the circumstances of the state of emergency and that either the state of emergency continues to directly impact the ability of the members to meet safely in person, or state or local officials continue to impose or recommend measures to promote social distancing; and

WHEREAS, such conditions now exist in the City, specifically, a State of Emergency due to COVID-19 continues and on March 1, 2022, the Contra Costa County Health Officer issued updated recommendations for safely holding public meetings; and

WHEREAS, the Contra Costa County Health Officer's recommendations for safely holding public meetings include, but are not limited to, holding online meetings, as they present the lowest risk of virus transmission, and imposing social distancing measures for in-person meetings; and

WHEREAS, the Centers for Disease Control and Prevention ("CDC") continues to recommend physical distancing of at least 6 feet from others outside of the household; and

WHEREAS, since issuance of Executive Order N-08-21, the highly contagious Delta and Omicron variants of COVID-19 have emerged, causing an increase in COVID-19 cases throughout the State; and

WHEREAS, COVID-19 cases rates remain high with the Omicron variant being predominant, the City is concerned about the health and safety of all individuals who intend to attend City Council and Advisory Body meetings; and

WHEREAS, the City Council hereby finds, acting as a legislative body pursuant to Government Code section 54952(a) and for the benefit of City Advisory Body created by the City Council pursuant to Government Code section 54952(b), that the presence of COVID-19 and the Delta and Omicron variants would present imminent risks to the health or safety of attendees, staff, and members of the City Council and Advisory Bodies, should those bodies hold entirely in-person meetings, and that state or local officials continue to impose or recommend measures to promote social distancing; and

WHEREAS, teleconference meetings may include hybrid meetings, in which all or some members of the City Council or Advisory Body meet in person while others attend by teleconference, and members of the public are either allowed to participate only by teleconference or both in person and by teleconference ("hybrid meetings"). The purpose of hybrid meetings is to allow for multiple modes of attending meetings while reducing the risks of COVID-19, including the Delta and Omicron variants; and

WHEREAS, the City shall ensure that all City Council and City Advisory Body meetings subject to AB 361 (2021), including hybrid meetings, comply with the provisions required by AB 361 (2021) for holding teleconferenced meetings.

NOW THEREFORE, BE IT RESOLVED by the City Council of the City of El Cerrito that it hereby makes the following findings:

1. The above recitals are true and correct, and incorporated into this resolution.
2. In compliance with AB 361 (2021), and in order to continue to conduct teleconference meetings pursuant thereto, the City Council hereby finds that:
 - a. The City Council has considered the circumstances of the state of emergency; and

- b. The state of emergency, as declared by the Governor, and the local emergency proclaimed by the City Council, continue to directly impact the ability of the City Council and the Advisory Bodies, as well as staff and members of the public, from meeting safely in person; and
- c. The CDC and the Contra Costa County Health Officer continue to recommend social distancing due to COVID-19 and as a result of the presence of COVID-19 and the Delta and Omicron variants, meeting in person would present imminent risks to the health or safety of attendees, the members of City Council and the City's Advisory Bodies, and staff.

BE IT FURTHER RESOLVED that city staff is directed to facilitate any teleconference meetings of the City Council and City Advisory Bodies subject to AB 361 (2021), including any hybrid meetings, pursuant to the requirements of AB 361 (2021) in order to better ensure the health and safety of the public.

BE IT FURTHER RESOLVED that this resolution shall be in effect for the 30 day period of May 21, 2022 through June 19, 2022. The City Council may reconsider the circumstances necessitating this resolution within 30 days of the adoption of this resolution.

I CERTIFY that at a regular meeting on May 17, 2022, the City Council of the City of El Cerrito passed this Resolution by the following vote:

AYES:	COUNCILMEMBERS:
NOES:	COUNCILMEMBERS:
ABSTAIN:	COUNCILMEMBERS:
ABSENT:	COUNCILMEMBERS:

IN WITNESS of this action, I sign this document and affix the corporate seal of the City of El Cerrito on May _____, 2022.

Holly M. Charléty, City Clerk

APPROVED:

Gabe Quinto, Mayor



Recommendations for safely holding public meetings

Each local government agency is authorized to determine whether to hold public meetings in person, on-line (teleconferencing only), or via a combination of methods. The following are recommendations from the Contra Costa County Health Officer to minimize the risk of COVID 19 transmission during a public meeting.

1. Online meetings (i.e. teleconferencing meetings) are encouraged, where practical, as these meetings present the lowest risk of transmission of SARS CoV-2, the virus that causes COVID 19. This is particularly important when community prevalence rates are high. Our current trends as of April 15, 2022 in Covid-19 case rate and Covid-19 hospitalizations have plateaued at this time, but wastewater surveillance data and COVID-19 test positivity has been increasing. In addition to this, the predominant variant of Covid-19 being identified continues to be the Omicron variant, the impact of which on the spread of Covid-19 has shown to dramatically increase COVID-19 transmission.
2. If a local agency determines to hold in-person meetings, offering the public the opportunity to attend via a call-in option or an internet-based service option is recommended, when possible, to give those at higher risk of and/or higher concern about COVID-19 an alternative to participating in person.
3. A written safety protocol should be developed and followed. It is recommended that the protocol require social distancing, where feasible – i.e. six feet of separation between attendees; and consider requiring or strongly encouraging face masking of all attendees and encouraging attendees to be up-to-date on their COVID-19 vaccine.
4. Seating arrangements should allow for staff and members of the public to easily maintain at least six-foot distance from one another at all practicable times.
5. Consider holding public meetings outdoors. Increasing scientific consensus is that outdoor airflow reduces the risk of COVID-19 transmission compared to indoor spaces. Hosting events outdoors also may make it easier to space staff and members of the public at least 6 feet apart.
6. Current evidence is unclear as to the added benefit of temperature checks in addition to symptom checks. We encourage focus on symptom checks as they may screen out individuals with other Covid-19 symptoms besides fever and help reinforce the message to not go out in public if you are not feeling well.
7. Consider a voluntary attendance sheet with names and contact information to assist in contact tracing of any cases linked to a public meeting.

Revised 4-15-2022

Sefanit Mekuria

Sefanit Mekuria, MD, MPH
Deputy Health Officer, Contra Costa County





AGENDA BILL

Agenda Item No. 5.G.

Date: May 17, 2022
To: El Cerrito City Council
From: Yvetteh Ortiz, Public Works Director/City Engineer, Public Works Department
Subject: Proposed Budget Amendments for Engineering Staff Augmentation Services

ACTION PROPOSED

Adopt a resolution authorizing amendments to the Fiscal Year 2021-22 budget for engineering staff augmentation services.

BACKGROUND & ANALYSIS

The Senior Engineer/Engineering Manager left employment with the City of El Cerrito as of May 5, 2022. While the City is already advertising to fill this newly vacant position, the recruitment and hiring process could take approximately three months or longer. Given already reduced staffing levels in the Engineering Division of the Public Works Department, staff augmentation services are immediately needed to continue to provide core engineering services including engineering permits, utility coordination, development review, transportation engineering, and project and grant management.

The Public Works Department has several on-call engineering firms available to provide these services. The agreements with these firms, including contract authority, have previously been approved by City Council. In May 2018, the City Council authorized the City Manager to execute consulting services agreements with four firms to provide on-call engineering and project management services for three years with options to extend for an additional two years in an amount not to exceed \$200,000 per fiscal year for each agreement (Resolution 2018-34). Similarly, in April 2020, the City Council authorized the City Manager to execute consulting services agreements with five firms to provide on-call construction management services for an amount not to exceed \$250,000 per fiscal year (Resolution 2020-15).

City staff have requested preliminary proposals from two of these firms to provide staff augmentation services. To backfill staff and continue providing essential and time-sensitive engineering services, City staff estimates 32 hours per week for a nine-week period at an average hourly rate of \$185 for a total of \$53,280 through the end of June 2022. Although there will be some salary savings, the total personnel savings is estimated to be under \$9,000 (due to leave payouts for the previous employee), resulting in a total additional cost of \$44,300.

The position is funded through the General Fund and other special funds, therefore City staff is proposing additional expenditure appropriations in Fiscal Year (FY) 2021-22 from the Gas Tax Fund Balance in the amount of \$17,720 and from the General Fund Balance in the amount of \$26,580. Any additional costs for staff augmentation services beyond June 2022 will be included in the upcoming FY 2022-23 Budget.

STRATEGIC PLAN CONSIDERATIONS

The staff augmentation services are needed to continue providing essential and time-sensitive engineering services. As such, this item is consistent with Strategic Plan Goal A: Deliver exemplary government services and Goal D: Ensure the Public's Health and Safety.

ENVIRONMENTAL CONSIDERATIONS

This section is not applicable to this agenda item.

FINANCIAL CONSIDERATIONS

City staff is requesting approval to transfer a total of \$44,300 to increase the FY 2021-22 Public Works Department expenditure budget for costs associated with the proposed engineering staff augmentation services as follows:

- \$17,720 from the Gas Tax Fund Balance
- \$26,580 from General Fund balance

As of May 9, 2022, the Gas Tax Fund Balance was \$19,281.00 with only 64% of revenue of \$403,962 received fiscal year to date, with approximately \$150,000 remaining revenue to be received. The General Fund Balance as of the end of FY 2022 Third Quarter was \$627,926. There are sufficient funds available in both the Gas Tax Fund and the General Fund to cover the \$44,300 costs associated with the proposed engineering staff augmentation. The Finance Director has reviewed and confirmed available fund balances.

LEGAL CONSIDERATIONS

The City Attorney has reviewed and found legal considerations have been addressed.

Reviewed by:



Karen Pinkos, City Manager

Attachments:

1. Resolution

RESOLUTION NO. 2022-

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF EL CERRITO AUTHORIZING AMENDMENTS TO THE FISCAL YEAR 2021-22 BUDGET FOR ENGINEERING STAFF AUGMENTATION SERVICES

WHEREAS, the Senior Engineer/Engineering Manager left employment with the City of El Cerrito as of May 5, 2022, and while the City has begun a recruitment to fill the position, it is anticipated to remain vacant for three months or longer; and

WHEREAS, given already reduced staffing levels in the Engineering Division of the Public Works Department, staff augmentation services are immediately needed to continue to provide core engineering services including engineering permits, utility coordination, development review, transportation engineering, and project and grant management; and

WHEREAS, in May 2018, the City Council authorized the City Manager to execute consulting services agreements with four firms to provide on-call engineering and project management services for three years with options to extend for an additional two years in an amount not to exceed \$200,000 per fiscal year for each agreement (Resolution 2018-34); and

WHEREAS, similarly, in April 2020, the City Council authorized the City Manager to execute consulting services agreements with five firms to provide on-call construction management services for an amount not to exceed \$250,000 per fiscal year (Resolution 2020-15); and

WHEREAS City staff have requested preliminary proposal from two of these firms to provide staff augmentation services and estimate a cost of \$53,280 to backfill staff and continue providing essential and time-sensitive engineering services and this is offset by personnel cost savings of approximately \$9,000, resulting in a total additional cost of approximately \$44,300; and

WHEREAS amendments to the Fiscal Year (FY) 2021-22 budget are needed to cover the additional cost.

NOW THEREFORE, BE IT RESOLVED by the City Council of the City of El Cerrito that it hereby appropriates an additional \$17,720 from the Gas Tax Fund Balance and \$26,580 from the General Fund Balance as an increase to the FY 2021-22 Public Works Department budget.

BE IT FURTHER RESOLVED that this Resolution shall become effective immediately upon passage and adoption.

I CERTIFY that at a regular meeting on May 17, 2022 the City Council of the City of El Cerrito passed this Resolution by the following vote:

AYES: COUNCILMEMBERS:
NOES: COUNCILMEMBERS:
ABSTAIN: COUNCILMEMBERS:
ABSENT: COUNCILMEMBERS:

IN WITNESS of this action, I sign this document and affix the corporate seal of the City of El Cerrito on May _____, 2022.

Holly M. Charléty, City Clerk

APPROVED:

Gabe Quinto, Mayor



AGENDA BILL

Agenda Item No. 5.H.

Date: May 17, 2022
To: El Cerrito City Council
From: Jose Castrejon, Interim Fire Chief; Michael Pigoni, Retired Fire Chief, Fire Department
Subject: Make Findings and Approve Lease Purchase Agreements for Replacement Fire Engine

ACTION PROPOSED

Adopt a resolution approving and authorizing execution of agreements with First Capital Equipment Leasing Corp. for lease financing of a replacement fire engine and approving certain required findings.

BACKGROUND/ANALYSIS

On April 19, 2022, the El Cerrito City Council authorized the City Manager to execute a contract for the acquisition of a replacement fire engine and equipment through Resolution 2022-27. To provide the funds for that approved purchase, the City will enter into an equipment lease purchase agreement with Capital One Public Funding, LLC ("Capital One") and an escrow agreement with Capital One BOKF, NA, as escrow agent, both dated May 24, 2022.

The proposed financing contemplates the City entering into a 10-year equipment lease purchase agreement with Capital One Public Funding LLC in the amount of \$1,365,902 for the cost of a replacement engine and equipment. The amount of \$1,145,241.25 is financed at an interest rate of 3.339%. Annual payments on this agreement will be \$136,590.20 beginning in May 2023 and ending in May 2032. The form of the financing also calls for the City to enter into an escrow agreement pursuant to which Capital One will place funds with the escrow agent, and the escrow agent will release those funds to pay for the purchase of the replacement fire engine.

The proposed resolution would make findings required by Capital One and approve the lease financing agreement and escrow agreement and authorize the City Manager to execute both.

STRATEGIC PLAN CONSIDERATIONS

The approval of these contracts fulfills Goal B: Achieve Long-term Financial Sustainability and Goal E: Ensure the Public's Health and Safety.

ENVIRONMENTAL CONSIDERATIONS

This section is not applicable to this agenda item.

FINANCIAL CONSIDERATIONS

The total cost of the lease purchase agreement is \$1,145,241.25 spread across 10 years. The cost of the engine, \$1,067,828.47, is financed at an interest rate of 3.339%. The City will be required to make an annual payment of \$136,590.20 beginning on May 24, 2023 and every year thereafter until May 24, 2032.

LEGAL CONSIDERATIONS

The City Attorney has reviewed and approves of the terms of the lease financing.

Reviewed by:

A handwritten signature in blue ink, appearing to read "Karen Pinkos".

Karen Pinkos, City Manager

Attachments:

1. Resolution
2. Exhibit A to Resolution (Equipment Lease Purchase Agreement)
3. Exhibit B to Resolution (Escrow Agreement)

RESOLUTION 2022-XX

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF EL CERRITO APPROVING CERTAIN FINDINGS REQUIRED BY FIRST CAPITAL EQUIPMENT LEASING CORPORATION AND APPROVING AND AUTHORIZING EXECUTION OF AGREEMENTS FOR FINANCING THE PURCHASE OF A REPLACEMENT FIRE ENGINE IN AN AMOUNT NOT TO EXCEED \$1,145,241.25

WHEREAS, the City of El Cerrito, California (the "Lessee") is a political subdivision duly organized under the constitution and laws of the State of California; and

WHEREAS, it is hereby determined that a true and real need exists for the acquisition of a new fire pumper for use by Lessee's fire department (the "Equipment"); and

WHEREAS, it is necessary and desirable and in the best interest of the Lessee, as lessee, to enter into an Equipment Lease Purchase Agreement (the "Agreement") with Capital One Public Funding, LLC, as lessor (the "Lessor"), and certain related documents, for the purposes described therein, including the lease purchase of the Equipment in an amount not to exceed \$1,145,241.25 at an interest rate not to exceed 4% for ten (10) years; and

WHEREAS, on April 19, 2022 the City Council adopted Resolution 2022-27 authorizing the City Manager to execute a contract with Hi-Tech E.V.S. for the acquisition of a replacement fire engine; and

WHEREAS, First Capital Equipment Leasing Corporation requires a resolution approving the specific recitals included below as part of the approval of agreements for lease financing of a replacement fire engine.

NOW, THEREFORE, BE IT RESOLVED, that the City Council of the City of El Cerrito that it hereby makes the following findings and takes the following actions:

Section 1. The Agreement, attached hereto as Exhibit A, in substantially the same form as presented to this meeting, and the terms and performance thereof are hereby approved, and the City Manager (or designee) of the Lessee is hereby authorized to execute and deliver the Agreement on behalf of the Lessee, with such changes therein as shall be approved by such officer, such approval to be conclusively evidenced by such officer's execution thereof.

Section 2. The Escrow Agreement (the "Escrow Agreement"), attached hereto as Exhibit B, among the Lessee, the Lessor and the escrow agent named therein, in substantially the same form as presented to this meeting, and the terms and performance thereof are hereby approved, and the Escrow Agreement is hereby authorized to be executed and delivered on behalf of the Lessee by a duly authorized

officer of the Lessee, with such changes therein as shall be approved by such officer, such approval to be conclusively evidenced by such officer's execution thereof.

Section 3. The Lessee shall, and the officers, agents and employees of the Lessee are hereby authorized and directed to take such further action and execute such other documents, certificates and instruments as may be necessary or desirable to carry out and comply with the intent of this Resolution, and to carry out, comply with and perform the duties of the Lessee with respect to the Agreement and the Escrow Agreement, and to execute all documents related to the execution of the Agreement in accordance with the intent of the resolution..

Section 4. The Lessee has made certain capital expenditures in connection with the acquisition of the Equipment prior to the date hereof, and the Lessee expects to make additional capital expenditures in connection with the acquisition of the Equipment in the future. The Lessee intends to reimburse itself for all or a portion of such expenditures, to the extent permitted by law, with the proceeds of the Agreement to be delivered by the Lessee. The maximum principal amount of the Agreement expected to be delivered for the Equipment is not expected to exceed \$1,145,241.25.

Section 5. This Resolution shall take effect and be in full force immediately after its adoption by the governing body of the Lessee.

I CERTIFY that at a regular meeting on May 17, 2022 the City Council of the City of El Cerrito passed this Resolution by the following vote:

AYES:	COUNCILMEMBERS:
NOES:	COUNCILMEMBERS:
ABSTAIN:	COUNCILMEMBERS:
ABSENT:	COUNCILMEMBERS:

IN WITNESS of this action, I sign this document and affix the corporate seal of the City of El Cerrito on May _____, 2022.

Holly M. Charléty, City Clerk

APPROVED:

Gabe Quinto, Mayor

EQUIPMENT LEASE PURCHASE AGREEMENT

THIS EQUIPMENT LEASE PURCHASE AGREEMENT (the "Agreement"), is dated as of May 24, 2022, between **CAPITAL ONE PUBLIC FUNDING, LLC**, a limited liability company organized and existing under the laws of the State of New York, as Lessor ("Lessor"), and the **CITY OF EL CERRITO, CALIFORNIA**, a political subdivision existing under the laws of the State of California, as Lessee ("Lessee"), wherein the parties hereby agree as follows:

Section 1. Definitions. The following terms will have the meanings indicated below unless the context clearly requires otherwise:

"Agreement" means this Equipment Lease Purchase Agreement and any other schedule, exhibit or escrow agreement made a part hereof by the parties hereto, together with any amendments to this Agreement.

"Code" means the Internal Revenue Code of 1986, as amended.

"Commencement Date" is the date when the term of this Agreement and Lessee's obligation to pay rent commences, which date will be the earlier of (i) the date on which the Equipment is accepted by Lessee in the manner described in **Section 13**, or (ii) the date on which sufficient moneys to purchase the Equipment are deposited for that purpose with an escrow agent.

"Equipment" means the property described on the Equipment Schedule attached hereto as **Exhibit A**, and all replacements, substitutions, repairs, restorations, modifications, attachments, accessions, additions and improvements thereof or thereto.

"Event of Default" means an Event of Default described in **Section 35**.

"Issuance Year" is the calendar year in which the Commencement Date occurs.

"Lease Term" means the Original Term and all Renewal Terms, but ending on the occurrence of the earliest event specified in **Section 6**.

"Lessee" means the entity described as such in the first paragraph of this Agreement, its successors and its assigns.

"Lessor" means the entity described as such in the first paragraph of this Agreement, its successors and its assigns.

"Maximum Lease Term" means the Original Term and all Renewal Terms through the Renewal Term including the last Rental Payment Date set forth on the Payment Schedule.

"Net Proceeds" means the amount remaining from the gross proceeds of any insurance claim or condemnation award after deducting all expenses (including attorneys' fees) incurred in the collection of such claim or award.

"Original Term" means the period from the Commencement Date until the end of the fiscal year of Lessee in effect at the Commencement Date.

"Payment Schedule" means the schedule of Rental Payments and Purchase Price set forth on **Exhibit B**.

"Purchase Price" means the amount set forth on the Payment Schedule that Lessee may, at its option, pay to Lessor to purchase the Equipment.

"Renewal Terms" means the optional renewal terms of this Agreement, each having a duration of one year and a term co-extensive with Lessee's fiscal year.

"Rental Payment Dates" means the dates set forth on the Payment Schedule on which Rental Payments are due.

"Rental Payments" means the basic rental payments payable by Lessee pursuant to **Section 9**.

"State" means the State of California.

"Vendor" means the manufacturer of the Equipment as well as the agents or dealers of the manufacturer from whom the Equipment is or has been purchased, as listed on **Exhibit A**.

Section 2. Representations and Covenants of Lessee. Lessee represents, warrants and covenants for the benefit of Lessor as follows:

- (a) Lessee is a political subdivision duly organized and existing under the constitution and laws of the State. Lessee will do or cause to be done all things to preserve and keep in full force and effect its existence as a political subdivision. Lessee has a substantial amount of one or more of the following sovereign powers: (i) the power to tax, (ii) the power of eminent domain, and (iii) police power.
- (b) Lessee is authorized under the constitution and laws of the State to enter into this Agreement and the transaction contemplated hereby and to perform all of its obligations hereunder.
- (c) Lessee has been duly authorized to execute and deliver this Agreement by proper action and approval of its governing body at a meeting duly called, regularly convened and attended throughout by a requisite majority of the members thereof or by other appropriate official approval.
- (d) This Agreement constitutes the legal, valid and binding obligation of Lessee enforceable in accordance with its terms, except to the extent limited by applicable bankruptcy, insolvency, reorganization or other laws affecting creditors' rights generally.
- (e) No event or condition that constitutes, or with the giving of notice or the lapse of time or both would constitute, an Event of Default exists at the Commencement Date.
- (f) Lessee has, in accordance with the requirements of law, fully budgeted and appropriated sufficient funds for the current fiscal year to make the Rental Payments scheduled to come due during the Original Term and to meet its other obligations for the Original Term, and such funds have not been expended for other purposes.
- (g) Lessee has complied with such public bidding requirements as may be applicable to this Agreement and the acquisition by Lessee of the Equipment hereunder.
- (h) There is no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, public board or body, pending or threatened against or affecting Lessee, nor to the best knowledge of Lessee is there any basis therefor, wherein an unfavorable decision, ruling or finding would materially adversely affect the transactions contemplated by this Agreement or any other document, agreement or certificate which is used or contemplated for use in the consummation of the transactions contemplated by this Agreement or materially adversely affect the financial condition or properties of Lessee.
- (i) All authorizations, consents and approvals of governmental bodies or agencies required in connection with the execution and delivery by Lessee of this Agreement or in connection with the carrying out by Lessee of its obligations hereunder have been obtained.
- (j) The entering into and performance of this Agreement or any other document or agreement contemplated hereby to which Lessee is or is to be a party will not violate any judgment, order, law or regulation applicable to Lessee or result in any breach of, or constitute a default under, or result in the creation of any lien, charge, security interest or other encumbrance on any assets of Lessee or the Equipment pursuant to any indenture, mortgage, deed of trust, bank loan or credit agreement or other instrument to which Lessee is a party or by which it or its assets may be bound, except as herein provided.
- (k) The Equipment described in this Agreement is essential to the function of Lessee or to the service Lessee provides to its citizens. Lessee has an immediate need for, and expects to make immediate use of,

substantially all the Equipment, which need is not temporary or expected to diminish in the foreseeable future. The Equipment will be used by Lessee only for the purpose of performing one or more of Lessee's governmental or proprietary functions consistent with the permissible scope of Lessee's authority.

(l) Neither the payment of the Rental Payments hereunder nor any portion thereof is (i) secured by any interest in property used or to be used in a trade or business of a non-exempt person (within the meaning of Section 103 of the Code) or in payments in respect of such property or (ii) derived from payments in respect of property, or borrowed money, used or to be used in a trade or business of a non-exempt person (within the meaning of Section 103 of the Code). No portion of the Equipment will be used directly or indirectly in any trade or business carried on by any non-exempt person (within the meaning of Section 103 of the Code).

(m) Lessee will comply with all applicable provisions of the Code, including without limitation Sections 103 and 148 thereof, and the applicable regulations of the Treasury Department to maintain the exclusion of the interest components of Rental Payments from gross income for purposes of federal income taxation.

(n) Lessee will use the proceeds of this Agreement as soon as practicable and with all reasonable dispatch for the purpose for which this Agreement has been entered into. No part of the proceeds of this Agreement will be invested in any securities, obligations or other investments or used, at any time, directly or indirectly, in a manner which, if such use had been reasonably anticipated on the date of issuance of this Agreement, would have caused any portion of this Agreement to be or become "arbitrage bonds" within the meaning of Section 103(b)(2) or Section 148 of the Code and the applicable regulations of the Treasury Department.

(o) Lessee has never failed to pay payments coming due under any bond issue, lease purchase agreement or other indebtedness obligation of Lessee.

(p) The useful life of the Equipment will not be less than the Maximum Lease Term.

(q) The application, statements and credit or financial information submitted by Lessee to Lessor are true and correct and made to induce Lessor to enter into this Agreement and the escrow agreement, if any, and Lessee has experienced no material change in its financial condition since the date(s) of such information.

(r) Lessee has provided Lessor with audited financial statements through June 30, 2021. Lessee has experienced no material change in its financial condition or in the revenues expected to be utilized to meet Rental Payments due under this Agreement since June 30, 2021.

(s) Lessee shall pay the excess (if any) of the actual costs of acquiring the Equipment under the Agreement over the amount deposited by Lessor in the escrow fund, if any, established under any related escrow agreement and interest earnings thereon.

(t) Lessee agrees that proceeds of this Agreement shall be held in escrow by an escrow agent appointed by Lessor (or assignee thereof) and invested as directed by Lessor (or assignee thereof) within the authority granted by Section 53601(m) of the California Government Code.

(u) Lessee confirms that this Agreement will not be designated as a "qualified tax-exempt obligation" as defined in Section 265(b)(3)(B) of the Code.

Section 3. Certification as to Arbitrage. Lessee hereby represents as follows:

(a) The estimated total costs of the Equipment, together with any costs of entering into this Agreement that are expected to be financed under this Agreement, will not be less than the total principal portion of the Rental Payments.

(b) The Equipment has been ordered or is expected to be ordered within six months of the Commencement Date, and the Equipment is expected to be delivered and installed, and the Vendor fully paid, within eighteen months of the Commencement Date.

(c) Lessee has not created or established, and does not expect to create or establish, any sinking fund or other similar fund (i) that is reasonably expected to be used to pay the Rental Payments, or (ii) that may be used solely to prevent a default in the payment of the Rental Payments.

(d) The Equipment has not been and is not expected to be sold or otherwise disposed of by Lessee, either in whole or in major part, prior to the last maturity of the Rental Payments.

(e) To the best of our knowledge, information and belief, the above expectations are reasonable.

Section 4. Lease of Equipment. Lessor hereby demises, leases and lets the Equipment to Lessee, and Lessee rents, leases and hires the Equipment from Lessor, in accordance with the provisions of this Agreement, for the Lease Term.

Section 5. Lease Term. The Original Term of this Agreement will commence on the Commencement Date and will terminate on the last day of Lessee's current fiscal year. The Lease Term may be continued, solely at the option of Lessee, at the end of the Original Term or any Renewal Term for an additional Renewal Term up to the Maximum Lease Term. At the end of the Original Term and at the end of each Renewal Term until the Maximum Lease Term has been completed, Lessee will be deemed to have exercised its option to continue this Agreement for the next Renewal Term unless Lessee has terminated this Agreement pursuant to **Section 6** or **Section 31**. The terms and conditions during any Renewal Term will be the same as the terms and conditions during the Original Term, except that the Rental Payments will be as provided in the Payment Schedule.

Section 6. Termination of Lease Term. The Lease Term will terminate upon the earliest of any of the following events:

(a) the expiration of the Original Term or any Renewal Term of this Agreement and the nonrenewal of this Agreement in the event of nonappropriation of funds pursuant to **Section 8**;

(b) the exercise by Lessee of the option to purchase the Equipment under the provisions of **Section 31** and payment of the Purchase Price and all amounts payable in connection therewith;

(c) a default by Lessee and Lessor's election to terminate this Agreement under **Section 36**; or

(d) the payment by Lessee of all Rental Payments authorized or required to be paid by Lessee hereunder during the Maximum Lease Term.

Section 7. Continuation of Lease Term. Lessee currently intends, subject to the provisions of **Section 8** and **Section 12**, to continue the Lease Term through the Original Term and all of the Renewal Terms and to pay the Rental Payments hereunder. Lessee reasonably believes that legally available funds in an amount sufficient to make all Rental Payments during the Original Term and each of the Renewal Terms can be obtained. The responsible financial officer of Lessee will do all things lawfully within his or her power to obtain and maintain funds from which the Rental Payments may be made, including making provision for such Rental Payments to the extent necessary in each proposed annual budget submitted for approval in accordance with applicable procedures of Lessee and to exhaust all available reviews and appeals in the event such portion of the budget is not approved. Notwithstanding the foregoing, the decision whether or not to budget or appropriate funds or to extend this Agreement for any Renewal Term is solely within the discretion of the then current governing body of Lessee.

Section 8. Nonappropriation. Lessee is obligated only to pay such Rental Payments under this Agreement as may lawfully be made from funds budgeted and appropriated for that purpose during Lessee's then current fiscal year. In the event sufficient funds will not be appropriated or are not otherwise legally available to pay the Rental Payments required to be paid in the next occurring Renewal Term, as set forth in the Payment Schedule, this Agreement will be deemed to be terminated at the end of the then current Original Term or Renewal Term. Lessee agrees to deliver notice to Lessor of such termination at least 90 days prior to the end of the then current Original Term or Renewal Term, but failure to give such notice will not extend the Lease Term beyond such Original Term or Renewal Term. If this Agreement is terminated in accordance with this Section, Lessee agrees, at Lessee's cost and expense, to peaceably deliver the Equipment to Lessor at the location or locations specified by Lessor.

Section 9. Rental Payments. Lessee will pay Rental Payments, exclusively from legally available funds, in lawful money of the United States of America to Lessor in the amounts and on the dates set forth on the Payment Schedule, such payment to be made by wire or other form of electronic payment in accordance with written instructions provided by Lessor or, with Lessor's consent, by such other commercially reasonable method of payment. Rental Payments will be in consideration for Lessee's use of the Equipment during the fiscal year in which such payments are due. Any Rental Payment not received on or before its due date will bear interest at the rate of 10% per annum or the maximum amount permitted by law, whichever is less, from its due date.

In the event that it is determined that any of the interest components of Rental Payments may not be excluded from gross income for purposes of federal income taxation, Lessee agrees to pay to Lessor promptly after any such determination and on each Rental Payment Date thereafter an additional amount determined by Lessor to compensate Lessor for the loss of such excludability (including without limitation, compensation relating to interest expense, penalties or additions to tax), which determination shall be conclusive absent manifest error.

Section 10. Interest Component. As set forth on the Payment Schedule, a portion of each Rental Payment is paid as, and represents payment of, interest.

Section 11. Rental Payments To Be Unconditional. Except as provided in Section 8, the obligations of Lessee to make Rental Payments and to perform and observe the other covenants and agreements contained herein shall be absolute and unconditional in all events without abatement, diminution, deduction, set-off or defense, for any reason, including without limitation any failure by the Vendor to deliver the Equipment or otherwise perform any of its obligations for whatever reason, including bankruptcy, insolvency, reorganization or similar event with respect to the Vendor or under any Vendor agreement, disputes with Lessor or the Vendor with respect to the Equipment, any defects, malfunctions, breakdowns or infirmities in the equipment or any accident, condemnation or unforeseen circumstances.

Section 12. Rental Payments to Constitute a Current Expense of Lessee. The obligation of Lessee to pay Rental Payments hereunder will constitute a current expense of Lessee, are from year to year and do not constitute a mandatory payment obligation of Lessee in any fiscal year beyond the then current fiscal year of Lessee. Lessee's obligation hereunder will not in any way be construed to be an indebtedness of Lessee in contravention of any applicable constitutional, charter or statutory limitation or requirement concerning the creation of indebtedness by Lessee, nor will anything contained herein constitute a pledge of the general credit, tax revenues, funds or moneys of Lessee.

Section 13. Delivery, Installation and Acceptance of the Equipment. Lessee will order the Equipment, cause the Equipment to be delivered at the location specified on **Exhibit A** and pay any and all delivery costs in connection therewith. When the Equipment has been delivered and installed, Lessee will immediately accept the Equipment and evidence said acceptance by executing and delivering to Lessor an acceptance certificate in form and substance acceptable to Lessor. After it has been delivered, the Equipment will not be primarily moved from the location specified on **Exhibit A** without Lessor's consent, which consent will not be unreasonably withheld.

Section 14. Enjoyment of Equipment. Lessor hereby covenants to provide Lessee with quiet use and enjoyment of the Equipment during the Lease Term, and Lessee will peaceably and quietly have and hold and enjoy the Equipment during the Lease Term, without suit, trouble or hindrance from Lessor, except as otherwise expressly set forth in this Agreement.

Section 15. Right of Inspection. Lessor will have the right at all reasonable times during regular business hours to enter into and upon the property of Lessee for the purpose of inspecting the Equipment.

Section 16. Use of the Equipment. Lessee will not install, use, operate or maintain the Equipment improperly, carelessly, in violation of any applicable law or in a manner contrary to that contemplated by this Agreement. Lessee will obtain all permits and licenses, if any, necessary for the installation and operation of the Equipment. In addition, Lessee agrees to comply in all respects (including, without limitation, with respect to the use, maintenance and operation of each item of the Equipment) with all

applicable laws, regulations and rulings of any legislative, executive, administrative or judicial body; provided, however, that Lessee may contest in good faith the validity or application of any such law, regulation or ruling in any reasonable manner that does not, in the opinion of Lessor, adversely affect the interest of Lessor in and to the Equipment or its interest or rights under this Agreement.

Section 17. Maintenance of Equipment. Lessee agrees that it will, at Lessee's own cost and expense, maintain, preserve and keep the Equipment in good repair, working order and condition. Lessor will have no responsibility to maintain, or repair or to make improvements or additions to the Equipment. If requested to do so by Lessor, Lessee will enter into a maintenance contract for the Equipment with Vendor.

Section 18. Title to the Equipment. During the Lease Term, title to the Equipment and any and all additions, repairs, replacements or modifications will vest in Lessee, subject to the rights of Lessor under this Agreement; provided that title will thereafter immediately and without any action by Lessee vest in Lessor, and Lessee will immediately surrender possession of the Equipment to Lessor upon (a) any termination of this Agreement other than termination pursuant to **Section 31** or (b) the occurrence of an Event of Default. It is the intent of the parties hereto that any transfer of title to Lessor pursuant to this Section will occur automatically without the necessity of any bill of sale, certificate of title or other instrument of conveyance. Lessee will, nevertheless, execute and deliver any such instruments as Lessor may request to evidence such transfer. Lessee irrevocably designates, makes, constitutes and appoints Lessor and its assignee as Lessee's true and lawful attorney (and agent in-fact) with power, at such time of termination or times thereafter as Lessor in its sole and absolute discretion may determine, in Lessee's or Lessor's or such assignee's name, to endorse the name of Lessee upon any bill of sale, document, instrument, invoice, freight bill, bill of lading or similar document relating to the Equipment in order to vest title in Lessor and transfer possession to Lessor.

Section 19. Security Interest. To secure the payment of all of Lessee's obligations under this Agreement and to the extent permitted by law, Lessor retains a security interest constituting a first lien on the Equipment and on all additions, attachments and accessions thereto and substitutions therefor and proceeds therefrom. Lessee agrees to execute such additional documents in form satisfactory to Lessor, that Lessor deems necessary or appropriate to establish and maintain its security interest. Lessee agrees that financing statements may be filed with respect to the security interest in the Equipment.

Lessee will, at Lessee's expense, file an application for and obtain the first certificate of title for any Equipment constituting a vehicle, designating Lessee as owner and Lessor as first lienholder, and a certificate of registration issued in Lessee's name. Lessee will, at Lessee's expense, take such action as shall be necessary from time to time to avoid suspension or revocation of any certificates of title and to renew and maintain all certificates of registration. If Lessee is required to obtain any new certificate of title or of registration, Lessee will, at Lessee's expense and with written notice to Lessor of such action, obtain such new certificate of title or of registration in the form described above. Lessee will provide Lessor with all license, registration and vehicle identification numbers relating to each vehicle and will arrange for the registration and titling of all such vehicles. Lessee will notify Lessor of any changes to the certificate of registration or license plate within 10 days of such change.

As further security therefor, Lessee grants to Lessor a first priority security interest in the cash and negotiable instruments from time to time comprising the escrow fund, if any, established under any related escrow agreement and all proceeds (cash and non-cash) thereof, and agrees with respect thereto that Lessor shall have all the rights and remedies of a secured party.

Section 20. Personal Property. Lessor and Lessee agree that the Equipment is and will remain personal property. The Equipment will not be deemed to be affixed to or a part of the real estate on which it may be situated, notwithstanding that the Equipment or any part thereof may be or hereafter become in any manner physically affixed or attached to such real estate or any building thereon. Upon the request of Lessor, Lessee will, at Lessee's expense, furnish a waiver of any interest in the Equipment from any party having an interest in any such real estate or building.

Section 21. Liens, Taxes, Other Governmental Charges and Utility Charges. Lessee will keep the Equipment free and clear of all liens, charges and encumbrances, except those created under this Agreement. The parties to this Agreement contemplate that the Equipment will be used for a

governmental or proprietary purpose of Lessee and, therefore, that the Equipment will be exempt from all property taxes and other similar charges. If the use, possession or acquisition of the Equipment is found to be subject to taxation in any form, Lessee will pay all taxes and governmental charges lawfully assessed or levied against or with respect to the Equipment. Lessee will pay all utility and other charges incurred in the use and maintenance of the Equipment. Lessee will pay such taxes and charges as the same become due; provided that, with respect to any such taxes and charges that may lawfully be paid in installments over a period of years, Lessee will be obligated to pay only such installments that accrue during the Lease Term.

Section 22. Insurance. At its own expense, Lessee will maintain (a) casualty insurance insuring the Equipment against loss or damage by fire and all other risks covered by the standard extended coverage endorsement then in use in the State and any other risks reasonably required by Lessor in an amount at least equal to the then applicable Purchase Price of the Equipment, (b) liability insurance that protects Lessor from liability in all events in form and amount satisfactory to Lessor, and (c) workers' compensation coverage as required by the laws of the State; provided that, with Lessor's prior written consent, Lessee may self-insure against the risks described in clauses (a) and (b). All insurance proceeds from casualty losses will be payable as hereinafter provided. Lessee will furnish to Lessor certificates evidencing such coverage throughout the Lease Term upon acceptance of the Equipment.

All such casualty and liability insurance will be with insurers that are acceptable to Lessor, will name Lessor as a loss payee and an additional insured and will contain a provision to the effect that such insurance will not be cancelled or modified materially without first giving written notice thereof to Lessor at least ten days in advance of such cancellation or modification. All such casualty insurance will contain a provision making any losses payable to Lessee and Lessor, as their respective interests may appear.

Section 23. Advances. In the event Lessee fails to maintain the insurance required by this Agreement, pay taxes or charges required to be paid by it under this Agreement or fails to keep the Equipment in good repair and operating condition, Lessor may (but will be under no obligation to) purchase the required policies of insurance and pay the cost of the premiums on the thereof, pay such taxes and charges and make such Equipment repairs or replacements as are necessary and pay the cost thereof. All amounts so advanced by Lessor will become additional rent for the then current Original Term or Renewal Term. Lessee agrees to pay such amounts with interest thereon from the date paid at the rate of 10% per annum or the maximum permitted by law, whichever is less.

Section 24. Financial Information. Upon request, Lessee shall furnish or cause to be furnished to Lessor, at Lessee's expense, as soon as available after the close of each fiscal year, the audited financial statement of Lessee at the close of and for such fiscal year, all in reasonable detail, with supporting schedules, audited by and with the report of Lessee's auditor (the "Audit"), which may be in electronic .pdf format. In the event the Audit is filed on the MSRB's "EMMA" website, to satisfy this requirement Lessee may email a link to the posted Audit to Lessor. The electronic Audit or EMMA link may be sent to the following email address (or such other address as Lessor supplies to Lessee in writing): Yvonne2.foley@capitalone.com (Yvonne Foley). In the event that the Audit is not available, Lessee will furnish unaudited financial statements to Lessor in the manner described in this Section, and will then supply the Audit immediately upon the availability thereof.

Section 25. Release and Indemnification. To the extent permitted by law, Lessee will indemnify, protect and hold harmless Lessor from and against any and all liability, obligations, losses, claims and damages whatsoever, regardless of cause thereof, and expenses in connection therewith (including, without limitation, counsel fees and expenses and any federal income tax and interest and penalties connected therewith imposed on interest received) arising out of or as the result of (a) the entering into this Agreement, (b) the ownership of any item of the Equipment, (c) the manufacturing, ordering, acquisition, use, operation, condition, purchase, delivery, rejection, storage or return of any item of the Equipment, (d) any accident in connection with the operation, use, condition, possession, storage or return of any item of the Equipment resulting in damage to property or injury or death to any person or (e) the breach of any covenant herein or any material misrepresentation contained herein. The indemnification arising under this paragraph will continue in full force and effect notwithstanding the full payment of all obligations under this Agreement or the termination of the Lease Term for any reason.

Section 26. Risk of Loss. Lessee assumes, from and including the Commencement Date, all risk of loss of or damage to the Equipment from any cause whatsoever. No such loss of or damage to the Equipment nor defect therein nor unfitness or obsolescence thereof will relieve Lessee of the obligation to make Rental Payments or to perform any other obligation under this Agreement.

Section 27. Damage, Destruction, Condemnation; Use of Proceeds. If (a) the Equipment or any portion thereof is destroyed, in whole or in part, or is damaged by fire or other casualty, or (b) title to, or the temporary use of, the Equipment or any part thereof or the interest of Lessee or Lessor in the Equipment or any part thereof will be taken under the exercise of the power of eminent domain by any governmental body or by any person, firm or corporation acting under governmental authority, Lessee and Lessor will cause the Net Proceeds of any insurance claim or condemnation award to be applied to the prompt replacement, repair, restoration, modification or improvement of the Equipment, unless Lessee has exercised its option to purchase the Equipment pursuant to **Section 31**. Any balance of the Net Proceeds remaining after such work has been completed will be paid to Lessee.

Section 28. Insufficiency of Net Proceeds. If the Net Proceeds are insufficient to pay in full the cost of any repair, restoration, modification or improvement referred to in **Section 27**, Lessee will either (a) complete such replacement, repair, restoration, modification or improvement and pay any costs thereof in excess of the amount of the Net Proceeds, or (b) purchase Lessor's interest in the Equipment pursuant to **Section 31**. The amount of the Net Proceeds, if any, remaining after completing such repair, restoration, modification or improvement or after purchasing the Equipment will be retained by Lessee. If Lessee will make any payments pursuant to this Section, Lessee will not be entitled to any reimbursement therefor from Lessor nor will Lessee be entitled to any diminution of the amounts payable under **Section 9**.

Section 29. Disclaimer of Warranties. *LESSOR MAKES NO WARRANTY OR REPRESENTATION, EXPRESS OR IMPLIED, AS TO THE VALUE, DESIGN, CONDITION, MERCHANTABILITY OR FITNESS FOR PARTICULAR USE OR PURPOSE OF THE EQUIPMENT OR AGAINST INFRINGEMENT, OR ANY OTHER WARRANTY OR REPRESENTATION WITH RESPECT THERETO. IN NO EVENT SHALL LESSOR BE LIABLE FOR ANY ACTUAL, INCIDENTAL, INDIRECT, SPECIAL OR CONSEQUENTIAL DAMAGE IN CONNECTION WITH OR ARISING OUT OF THIS AGREEMENT OR THE EXISTENCE, FURNISHING, FUNCTIONING OR LESSEE'S USE OR MAINTENANCE OF ANY EQUIPMENT OR SERVICES PROVIDED FOR IN THIS AGREEMENT.*

Section 30. Vendor's Warranties. Lessee may have rights under the contract evidencing the purchase of the Equipment; Lessee is advised to contact the Vendor for a description of any such rights. Lessee hereby assigns to Lessor during the Lease Term all warranties running from Vendor to Lessee. Lessor hereby irrevocably appoints Lessee its agent and attorney-in-fact during the Lease Term, so long as Lessee will not be in default hereunder, to assert from time to time whatever claims and rights (including without limitation warranties) related to the Equipment that Lessor may have against the Vendor. Lessee's sole remedy for the breach of any such warranty, indemnification or representation will be against the Vendor, and not against Lessor. Any such matter will not have any effect whatsoever on the rights and obligations of Lessor with respect to this Agreement, including the right to receive full and timely payments hereunder. Lessee expressly acknowledges that Lessor makes, and has made, no representations or warranties whatsoever as to the existence or availability of such warranties by the Vendor.

Section 31. Purchase Option; Prepayment.

(a) Lessee will have the option to purchase the Equipment, upon giving written notice to Lessor at least 30 days before the date of purchase, at the following times and upon the following terms:

(i) On any Rental Payment Date, upon payment in full of the Rental Payment then due hereunder plus all other amounts due hereunder plus the then-applicable Purchase Price to Lessor; or

(ii) In the event of substantial damage to or destruction or condemnation (other than by Lessee or any entity controlled by or otherwise affiliated with Lessee) of substantially all of the Equipment, on the day Lessee specifies as the purchase date in Lessee's notice to Lessor of its exercise of the purchase option, upon payment in full of the Rental Payment and all other amounts then due hereunder plus (i) the Purchase Price designated on the Payment Schedule for such purchase date if such purchase date is a Rental Payment Date or the Purchase Price for the immediately preceding

Rental Payment Date if such purchase date is not a Rental Payment Date, and (ii) if such day is not a Rental Payment Date, an amount equal to the portion of the interest component of the Rental Payment scheduled to come due on the following Rental Payment Date accrued from the immediately preceding Rental Payment Date to such purchase date, computed on the basis of a 360-day year of twelve 30-day months.

(b) In the event monies remain in any escrow fund established under an escrow agreement, upon receipt by the escrow agent under such escrow agreement of a duly executed certificate of acceptance and payment request identified as the final such request, the remaining monies in such escrow fund shall, first be applied to all reasonable fees and expenses incurred by such escrow agent, if applicable, in connection with such escrow fund as evidenced by its statement forwarded to Lessor and Lessee; and, second be paid to Lessor, for application against the outstanding principal components of Rental Payments, including prepayment of Rental Payments hereunder, unless Lessor directs that payment of such amount be made in such other manner that, in the opinion of nationally recognized counsel in the area of tax exempt municipal obligations satisfactory to Lessor, will not adversely affect the exclusion of the interest components of Rental Payments from gross income for federal income tax purposes. If any such amount is applied against the outstanding principal components of Rental Payments, the Payment Schedule attached hereto will be revised accordingly.

On the final Lease Payment Date, Lessee will be deemed to have exercised its option to purchase the Equipment subject to this Agreement, without requirement for written notice, upon payment in full of the Lease Payments then due hereunder, plus all other amounts due hereunder and not yet paid.

Upon the exercise of the option to purchase set forth above, title to the Equipment will be vested in Lessee, free and clear of any claim by or through Lessor.

Section 32. Determination of Fair Purchase Price. Lessee and Lessor hereby agree and determine that the Rental Payments hereunder during the Original Term and each Renewal Term represent the fair value of the use of the Equipment and that the amount required to exercise Lessee's option to purchase the Equipment pursuant to **Section 31** represents, as of the end of the Original Term or any Renewal Term, the fair purchase price of the Equipment. Lessee hereby determines that the Rental Payments do not exceed a reasonable amount so as to place Lessee under a practical economic compulsion to renew this Agreement or to exercise its option to purchase the Equipment hereunder. In making such determinations, Lessee and Lessor have given consideration to (a) the costs of the Equipment, (b) the uses and purposes for which the Equipment will be employed by Lessee, (c) the benefit to Lessee by reason of the acquisition and installation of the Equipment and the use of the Equipment pursuant to the terms and provisions of this Agreement, and (d) Lessee's option to purchase the Equipment. Lessee hereby determines and declares that the acquisition and installation of the Equipment and the leasing of the Equipment pursuant to this Agreement will result in equipment of comparable quality and meeting the same requirements and standards as would be necessary if the acquisition and installation of the Equipment were performed by Lessee other than pursuant to this Agreement. Lessee hereby determines and declares that the Maximum Lease Term does not exceed the useful life of the Equipment.

Section 33. Assignment by Lessor. Lessor's interest in, to and under this Agreement and the Equipment may be assigned and reassigned in whole or in part to one or more assignees by Lessor without the necessity of obtaining the consent of Lessee; and such assignment, transfer or conveyance shall be made only to (i) an affiliate of Lessor or (ii) banks, insurance companies, trusts, custodians or other financial institutions or their affiliates, but no such assignment, transfer or conveyance shall be effective as against Lessee unless and until Lessor has delivered to Lessee written notice thereof that discloses the name(s) and address(es) of the assignee(s) or the Lease Servicer (as hereafter provided). Nothing herein shall limit the right of Lessor or its assignees to sell, assign or grant participation interests in this Agreement to one or more entities listed in (i) or (ii); provided that if such assignment is made pursuant to a participation, custodial or similar agreement under which multiple ownership interests in this Agreement are created, it shall establish a single entity, owner, servicer or other fiduciary or agent to act on behalf of all of the holders of such participation interests (herein referred to as the "Lease Servicer") with respect to the rights and interests of such holders hereunder, including the exercise of rights and remedies thereunder upon the occurrence of an event of default or an event of non-appropriation, and further including the maintenance of a register by which a record of the names and addresses of such holders as of any particular time is kept and agrees, upon request of Lessee, to

furnish such information to Lessee. Lessee will retain all notices of assignment as a register of all assignees and will make all payments to the assignee, assignees or Lease Servicer designated in such register. Lessee agrees to execute all documents, including notices of assignment and chattel mortgages or financing statements that may be reasonably requested by Lessor or any assignee to protect its interest in the Equipment and in this Agreement and agrees to the filing of financing statements with respect to the Equipment and this Agreement. Lessee will not have the right to and will not assert against any assignee any claim, counterclaim, defense, set-off or other right Lessee may have against Lessor.

Section 34. Assignment and Subleasing by Lessee. None of Lessee's right, title and interest in, to and under this Agreement and the Equipment may be assigned or encumbered by Lessee for any reason, except that Lessee may sublease all or part of the Equipment if Lessee obtains the prior written consent of Lessor and an opinion of nationally recognized counsel in the area of tax exempt municipal obligations satisfactory to Lessor that such subleasing will not adversely affect the exclusion of the interest components of the Rental Payments from gross income for federal income tax purposes. Any such sublease of all or part of the Equipment will be subject to this Agreement and the rights of Lessor in, to and under this Agreement and the Equipment.

Section 35. Events of Default Defined. Subject to the provisions of **Section 8**, any of the following will be "Events of Default" under this Agreement:

(a) Failure by Lessee to pay any Rental Payment or other payment required to be paid hereunder at the time specified herein;

(b) Failure by Lessee to observe and perform any covenant, condition or agreement on its part to be observed or performed, other than as referred to in **Section 35(a)**, for a period of 30 days after written notice, specifying such failure and requesting that it be remedied, is given to Lessee by Lessor, unless Lessor will agree in writing to an extension of such time prior to its expiration; provided, however, if the failure stated in the notice cannot be corrected within the applicable period, Lessor will not unreasonably withhold its consent to an extension of such time if corrective action is instituted by Lessee within the applicable period and diligently pursued until the default is corrected;

(c) Any statement, representation or warranty made by Lessee in or pursuant to this Agreement or its execution, delivery or performance will prove to have been false, incorrect, misleading or breached in any material respect on the date when made;

(d) Any provision of this Agreement will at any time for any reason cease to be valid and binding on Lessee, or will be declared to be null and void, or the validity or enforceability thereof will be contested by Lessee or any governmental agency or authority if the loss of such provision would materially adversely affect the rights or security of Lessor, or Lessee will deny that it has any further liability or obligation under this Agreement;

(e) Lessee will (i) apply for or consent to the appointment of a receiver, trustee, custodian or liquidator of Lessee, or of all or a substantial part of the assets of Lessee, (ii) be unable, fail or admit in writing its inability generally to pay its debts as they become due, (iii) make a general assignment for the benefit of creditors, (iv) have an order for relief entered against it under applicable federal bankruptcy law, or (v) file a voluntary petition in bankruptcy or a petition or an answer seeking reorganization or an arrangement with creditors or taking advantage of any insolvency law or any answer admitting the material allegations of a petition filed against Lessee in any bankruptcy, reorganization or insolvency proceeding; or

(f) An order, judgment or decree will be entered by any court of competent jurisdiction, approving a petition or appointing a receiver, trustee, custodian or liquidator of Lessee or of all or a substantial part of the assets of Lessee, in each case without its application, approval or consent, and such order, judgment or decree will continue unstayed and in effect for any period of 30 consecutive days.

Section 36. Remedies on Default. Whenever any Event of Default exists, Lessor will have the right, at its sole option without any further demand or notice, to take one or any combination of the following remedial steps:

(a) By written notice to Lessee, Lessor may declare all Rental Payments and other amounts payable by Lessee hereunder to the end of the then current Original Term or Renewal Term to be due;

(b) With or without terminating this Agreement, Lessor may enter the premises where the Equipment is located and retake possession of the Equipment or require Lessee at Lessee's expense to promptly return any or all of the Equipment to the possession of Lessor at a place specified by Lessor, and sell or lease the Equipment or, for the account of Lessee, sublease the Equipment, holding Lessee liable for the difference between (i) the Rental Payments and other amounts payable by Lessee hereunder plus the applicable Purchase Price, and (ii) the net proceeds of any such sale, lease or sublease (after deducting all expenses of Lessor in exercising its remedies under this Agreement, including without limitation, all expenses of taking possession, storing, reconditioning and selling or leasing the Equipment and all brokerage, auctioneers' and attorneys' fees) provided that the amount of Lessee's liability under this subparagraph (b) shall not exceed the Rental Payments and other amounts otherwise due hereunder plus the remaining Rental Payments and other amounts payable by Lessee to the end of the then current Original Term or Renewal Term;

(c) Lessor may provide written notice of the occurrence of an Event of Default to the escrow agent under any related escrow agreement, and the escrow agent shall thereupon promptly remit to Lessor the entire balance of the escrow fund established thereunder; and

(d) Lessor may take whatever other action at law or in equity may appear necessary or desirable to enforce its rights as the owner of the Equipment.

In addition, Lessee will remain liable for all covenants and indemnities under this Agreement and for all legal fees and other costs and expenses, including court costs, incurred by Lessor with respect to the enforcement of any of the remedies listed above or any other remedy available to Lessor.

Section 37. No Remedy Exclusive. No remedy herein conferred upon or reserved to Lessor is intended to be exclusive and every such remedy will be cumulative and will be in addition to every other remedy given under this Agreement or now or hereafter existing at law or in equity. No delay or omission to exercise any right or power accruing upon any default will impair any such right or power or will be construed to be a waiver thereof, but any such right and power may be exercised from time to time and as often as may be deemed expedient. In order to entitle Lessor to exercise any remedy reserved to it in this Agreement it will not be necessary to give any notice, other than such notice as may be required in this Agreement.

Section 38. Notices. All notices, certificates or other communications hereunder will be sufficiently given and will be deemed given when delivered or mailed by registered mail, postage prepaid, to the parties at the addresses immediately after the signatures to this Agreement (or at such other address as either party hereto will designate in writing to the other for notices to such party), to any assignee at its address as it appears on the register maintained by Lessee.

Section 39. Binding Effect. This Agreement will inure to the benefit of and will be binding upon Lessor and Lessee and their respective successors and assigns.

Section 40. Severability. In the event any provision of this Agreement will be held invalid or unenforceable by any court of competent jurisdiction, such holding will not invalidate or render unenforceable any other provision hereof.

Section 41. Entire Agreement. This Agreement constitutes the entire agreement between Lessor and Lessee.

Section 42. Amendments. This Agreement may be amended, changed or modified in any manner by written agreement of Lessor and Lessee. Any waiver of any provision of this Agreement or any right or remedy hereunder must be affirmatively and expressly made in writing and will not be implied from inaction, course of dealing or otherwise.

Section 43. Execution in Counterparts. This Agreement may be simultaneously executed in several counterparts, each of which will be an original and all of which will constitute but one and the same instrument.

Section 44. Captions. The captions or headings in this Agreement are for convenience only and in no way define, limit or describe the scope or intent of any provisions or sections of this Agreement.

Section 45. Applicable Law. This Agreement will be governed by and construed in accordance with the laws of the State.

Section 46. Electronic Transactions. The parties agree that the transaction described herein may be conducted and related documents may be stored by electronic means. Copies, telecopies, facsimiles, electronic files and other reproductions of original executed documents shall be deemed to be authentic and valid counterparts of such original documents for all purposes, including the filing of any claim, action or suit in the appropriate court of law.

Section 47. Role of Lessor. Lessor is acting solely for its own loan account and not as a fiduciary for Lessee or in the capacity of broker, dealer, placement agent, municipal securities underwriter, municipal advisor or fiduciary. Lessor has not provided, and will not provide, financial, legal (including securities law), tax, accounting or other advice to or on behalf of Lessee (including to any financial advisor or any placement agent engaged by Lessee) with respect to the structuring, issuance, sale or delivery of this Agreement. Lessor has no fiduciary duty pursuant to Section 15B of the Securities Exchange Act of 1934 to Lessee with respect to the transactions relating to the structuring, issuance, sale or delivery of this Agreement and the discussions, undertakings and procedures leading thereto. Each of Lessee, its financial advisor and its placement agent has sought and shall seek and obtain financial, legal (including securities law), tax, accounting and other advice (including as it relates to structure, timing, terms and similar matters and compliance with legal requirements applicable to such parties) with respect to this Agreement from its own financial, legal, tax and other advisors (and not from the undersigned or its affiliates) to the extent that Lessee, its financial advisor or its placement agent desires, should or needs to obtain such advice. The undersigned expresses no view regarding the legal sufficiency of its representations for purposes of compliance with any legal requirements applicable to any other party, including but not limited to Lessee's financial advisor or placement agent, or the correctness of any legal interpretation made by counsel to any other party, including but not limited to counsel to Lessee's financial advisor or placement agent, with respect to any such matters. The transactions between Lessee and Lessor are arm's length, commercial transactions in which Lessor is acting and has acted solely as a principal and for its own interest and Lessor has not made recommendations to Lessee with respect to the transactions relating to this Agreement.

Section 48. Lessee's Notice Filings Related to this Agreement for SEC Rule 15c2-12. In connection with Lessee's compliance with any continuing disclosure undertakings (each, a "Continuing Disclosure Agreement") entered into by Lessee on and after February 27, 2019, pursuant to SEC Rule 15c2-12 promulgated pursuant to the Securities and Exchange Act of 1934, as amended (the "Rule"), Lessor acknowledges that Lessee may be required to file with the Municipal Securities Rulemaking Board's Electronic Municipal Market Access system, or its successor ("EMMA"), notice that Lessee has incurred obligations under this Agreement and notice of certain subsequent events reflecting financial difficulties in connection with this Agreement. Lessee agrees that it shall not file or submit, or permit to be filed or submitted, with EMMA any documentation that includes the following unredacted sensitive or confidential information about Lessor or its affiliates: address and account information of Lessor or its affiliate, e-mail addresses, telephone numbers, fax numbers, names and signatures of officers, employees and signatories of Lessor or its affiliates, or any account information for any related escrow agreement, unless otherwise required for compliance with the Rule or otherwise required by law. Lessee acknowledges that Lessor is not responsible for Lessee's compliance or noncompliance with the Rule or any Continuing Disclosure Agreement.

[Signature page follows.]

IN WITNESS WHEREOF, Lessor and Lessee have caused this Agreement to be executed in their corporate names by their duly authorized officers as of the date first above written.

CAPITAL ONE PUBLIC FUNDING, LLC

By: _____
Name: Catherine DeLuca
Title: Vice President
Address: 1307 Walt Whitman Road, 3rd Fl.
Melville, NY 11747

CITY OF EL CERRITO, CALIFORNIA

By: _____
Name: Karen Pinkos
Title: City Manager
Address: 10890 San Pablo Avenue
El Cerrito, CA 94530

Please ...
SIGN HERE

CERTIFICATION

I, the undersigned, do hereby certify (i) that the officer of Lessee who executed the foregoing Agreement on behalf of Lessee and whose genuine signature appears thereon, is the duly qualified and acting officer of Lessee as stated beneath his or her signature and has been authorized to execute the foregoing Agreement on behalf of Lessee, and (ii) that the fiscal year of Lessee is from July 1 to June 30.

DATED: May 24, 2022.

By: _____
Name: Holly M. Charlety, MMC
Title: City Clerk

Please ...
SIGN HERE

EXHIBIT A To EQUIPMENT LEASE PURCHASE AGREEMENT

EQUIPMENT SCHEDULE

Equipment Description:

The Equipment consists of one (1) 2022 Hi-Tech Spartan Gladiator EMFD, 1,500 GPM Type 1 fire pumper for use by Lessee's fire department, together with any and all substitutions, replacements or exchanges therefor, and any and all insurance and/or proceeds thereof.

Equipment Location:

The Equipment will be primarily located at the following location:

Station 71
10900 San Pablo Avenue
El Cerrito, California 94503

Vendor:

The Vendor is Hi-Tech Emergency Vehicle Service, Inc., 44 W. Greger St., Oakdale, CA 95361.

This Equipment Schedule shall be deemed to be supplemented and amended by the descriptions of the Equipment included in the Certificate of Acceptance and Payment Requests submitted to Lessor for approval pursuant to the Escrow Agreement dated as of May 24, 2022, among Lessor, Lessee and BOKF, N.A., as escrow agent, which descriptions shall be deemed to be incorporated herein.

EXHIBIT B TO EQUIPMENT LEASE PURCHASE AGREEMENT

PAYMENT SCHEDULE

Principal Amount: \$1,145,241.25

Interest Rate: 3.339%

Rental Payments will be made in accordance with **Section 9** and this Payment Schedule.

Rental Payment Date	Total Rental Payment	Interest Portion	Principal Portion	Purchase Price *
5/24/2023	\$ 136,590.20	\$ 38,239.61	\$ 98,350.59	\$1,067,828.47
5/24/2024	136,590.20	34,955.68	101,634.52	964,161.26
5/24/2025	136,590.20	31,562.10	105,028.10	857,032.60
5/24/2026	136,590.20	28,055.21	108,534.99	746,326.91
5/24/2027	136,590.20	24,431.23	112,158.97	631,924.76
5/24/2028	136,590.20	20,686.24	115,903.96	513,702.72
5/24/2029	136,590.20	16,816.21	119,773.99	391,533.25
5/24/2030	136,590.20	12,816.96	123,773.24	265,284.55
5/24/2031	136,590.20	8,684.17	127,906.03	134,820.40
5/24/2032	<u>136,590.20</u>	<u>4,413.34</u>	<u>132,176.86</u>	0.00
Totals	<u>\$1,365,902.00</u>	<u>\$220,660.75</u>	<u>\$1,145,241.25</u>	

CITY OF EL CERRITO, CALIFORNIA

By: _____

Name: Karen Pinkos

Title: City Manager

Please ...
SIGN HERE

* Lessee's option to purchase is subject to provisions of Section 31 of the Agreement.

ESCROW AGREEMENT

LESSOR:
CAPITAL ONE PUBLIC FUNDING, LLC
1307 Walt Whitman Road, 3rd Floor
Melville, NY 11747

ESCROW AGENT:
BOKF, N.A.
200 N. Broadway, Suite 1710
St. Louis, MO 63102
Attention: Corporate Trust Department

LESSEE:
CITY OF EL CERRITO, CALIFORNIA
10890 San Pablo Avenue
El Cerrito, CA 94530

THIS ESCROW AGREEMENT (this "Escrow Agreement") dated May 24, 2022 is entered into by and among Capital One Public Funding, LLC ("Lessor"), the City of El Cerrito, California ("Lessee"), and BOKF, N.A. (the "Escrow Agent").

Lessor and Lessee have heretofore entered into that certain Equipment Lease Purchase Agreement dated May 24, 2022 (the "Agreement"). The Agreement contemplates that certain Equipment described therein (the "Equipment") is to be acquired from the vendor(s) or manufacturer(s) thereof.

After acceptance of the Equipment by Lessee, the Equipment is to be leased by Lessor to Lessee pursuant to the terms of the Agreement.

The Agreement contemplates that Lessor will deposit with the Escrow Agent cash in the amount of \$1,145,241.25, to be held in escrow by the Escrow Agent and applied on the express terms and conditions set forth herein. Such deposit, together with all interest and additions received with respect thereto (hereinafter, the "Escrow Fund"), is to be applied from time to time to pay certain costs of acquiring the Equipment (a portion of which may, if required, be paid prior to final acceptance of the Equipment by Lessee and, if requested by Lessee, to pay certain costs of entering into the Agreement).

The parties desire to set forth the terms on which the escrow is to be created and to establish the rights and responsibilities of the parties hereto.

NOW, THEREFORE, the parties agree as follows:

1. The Escrow Agent hereby agrees to serve as escrow agent upon the terms and conditions set forth herein. The Escrow Agent agrees that the Escrow Fund shall be held irrevocably in trust for the account and benefit of Lessee and Lessor and all interest earned with respect to the Escrow Fund shall accrue to the benefit of Lessee and shall be applied as expressly set forth herein.

To the limited extent required to perfect the security interest granted by Lessee to Lessor in the cash and negotiable instruments from time to time comprising the Escrow Fund, Lessor hereby appoints the Escrow Agent as its security agent, and the Escrow Agent hereby accepts the appointment as security agent, and agrees to hold physical possession of such cash and negotiable instruments on behalf of Lessor.

2. On such day as determined to the mutual satisfaction of the parties (the "Commencement Date"), Lessor shall deposit with the Escrow Agent cash in the amount of \$1,145,241.25 to be held by the Escrow Agent on the express terms and conditions set forth herein. The Escrow Agent agrees to accept the deposit of the Escrow Fund by Lessor, and further agrees to hold the amount so deposited together with all interest and other additions received with respect thereto in escrow on the express terms and conditions set forth herein.

3. The Escrow Agent shall at all times segregate the Escrow Fund into an account maintained for that express purpose, which shall be clearly identified on the books and records of the Escrow Agent as being held in its capacity as Escrow Agent. Securities and other negotiable instruments comprising the Escrow Fund from time to time shall be held or registered in the name of the Escrow Agent (or its

nominee). The Escrow Fund shall not, to the extent permitted by applicable law, be subject to levy or attachment or lien by or for the benefit of any creditor of any of the parties hereto (except with respect to the security interest therein held by Lessor).

4. Lessee hereby directs the Escrow Agent to invest the cash comprising the Escrow Fund from time to time in Qualified Investments (as hereinafter defined). Interest or other amounts earned and received by the Escrow Agent with respect to the Escrow Fund shall be deposited in and comprise a part of the Escrow Fund. No investment shall be made that would cause the Agreement to be deemed to be an arbitrage bond within the meaning of Section 148(a) of the Internal Revenue Code of 1986, as amended. For the purpose of this paragraph 4, the term "Qualified Investments" means the Federated Treasury Obligation Fund (TOTXX) or, in the event such fund is not at the time available, such other investments as Lessee may specify in writing, to the extent the same are at the time legal for investment of the funds being invested.

5. Lessor and Lessee hereby authorize the Escrow Agent to take the following actions with respect to the Escrow Fund:

a. From time to time, the Escrow Agent shall pay the vendor or manufacturer of the Equipment or Lessee or other payee upon receipt of the following: (i) a written request from Lessee (a "Certificate of Acceptance and Payment Request" in the form attached as **Exhibit A** to this Escrow Agreement duly executed by an Authorized Lessee Representative and approved for payment by Lessor by an Authorized Lessor Representative, (ii) the vendor(s) or manufacturer(s) invoice(s) specifying the acquisition price of the Equipment described in the Certificate of Acceptance and Payment Request, (iii) in the event that certain costs of entering into the Agreement are described in the Certificate of Acceptance and Payment Request, invoice(s) or other evidence specifying the amount(s) of such costs, and (iv) any additional documentation required by Lessor. The Escrow Agent has no duty to ascertain the correctness of any documents submitted in connection with any direction to disburse funds. An "**Authorized Lessee Representative**" shall be a person designated in the Incumbency Certificate attached hereto as **Exhibit B**, or on a subsequent Incumbency Certificate of Lessee received and acknowledged by Lessor and the Escrow Agent. An "**Authorized Lessor Representative**" shall be a person designated in the Certificate of Authorized Lessor Representatives" attached hereto as **Exhibit C**. Without limiting the foregoing, Lessor shall not be required to approve any such payment unless and until Lessee shall have provided or caused to be provided to Lessor (i) certificates of origin for titled vehicles in accordance with **Section 19** of the Agreement and satisfactory to Lessor and (ii) certificates of insurance evidencing coverage in accordance with **Section 22** of the Agreement and satisfactory to Lessor.

b. Upon receipt of a Certificate of Acceptance and Payment Request for payment of funds from the Escrow Fund, Lessor and the Escrow Agent may, but are not required to seek confirmation of such instructions by telephone call-back to any Authorized Lessee Representative designated on **Exhibit B** hereto, and Lessor and the Escrow Agent may rely upon the confirmations of anyone purporting to be such Authorized Lessee Representative. Notwithstanding the foregoing, Lessee agrees that neither the Escrow Agent nor Lessor shall have a duty to seek such confirmation, and shall have no liability for disbursement in accordance with the instructions contained in any Certificate of Acceptance and Payment Request submitted with signature of an Authorized Lessee Representative. The Escrow Agent shall confirm any Certificate of Acceptance and Payment Request by telephone call-back to the person or persons designated for verifying such draw requests on **Exhibit C** (such person verifying the request shall be different than the person initiating the request). Lessor and Lessee hereby confirm that any call-back performed by the Escrow Agent to verify a disbursement instruction pursuant to a Certificate of Acceptance and Payment Request submitted pursuant to this Section before release shall be made to Lessor only and the Escrow Agent shall have no obligation to call-back Lessee. The persons and telephone numbers for call-backs may be changed only in writing actually received and acknowledged by Lessor and the Escrow Agent. The parties to this Escrow Agreement acknowledge that such security procedure is commercially reasonable.

c. It is understood that Lessor, the Escrow Agent and the beneficiary's bank in any funds transfer may rely solely upon any account numbers or similar identifying number provided by any party hereto to identify (i) the beneficiary, (ii) the beneficiary's bank, or (iii) an intermediary bank.

d. In the event that Lessor provides to the Escrow Agent written notice of the occurrence of an Event of Default or a nonappropriation by Lessee under the Agreement, the Escrow Agent shall thereupon promptly remit to Lessor the entire balance of the Escrow Fund.

e. Upon receipt by the Escrow Agent of a duly executed Certificate of Acceptance and Payment Request identified as the final such request, the remaining monies in the Escrow Fund shall, *first* be applied to all reasonable fees and expenses incurred by the Escrow Agent, if applicable, in connection herewith as evidenced by its statement forwarded to Lessor and Lessee; and, *second* be paid to Lessor, for application against the outstanding principal components of Rental Payments (as defined in the Agreement), including prepayment of Rental Payments under the Agreement, as provided therein, unless Lessor directs that payment of such amount be made in such other manner directed by Lessor that, in the opinion of nationally recognized counsel in the area of tax-exempt municipal obligations satisfactory to Lessor, will not adversely affect the exclusion of the interest components of Rental Payments from gross income for federal income tax purposes. If any such amount is used to prepay principal, the Payment Schedule attached to the Agreement will be revised accordingly as specified by Lessor.

6. The reasonable fees and expenses of the Escrow Agent incurred in connection herewith shall be the responsibility of Lessor and are herein defined as the sum of \$1,200, for escrow services as described herein; plus any extraordinary expenses incurred by the Escrow Agent at the request of Lessor or Lessee.

7. The Escrow Agent shall have no liability for acting upon any written instruction presented by Lessee and Lessor in connection with this Escrow Agreement which the Escrow Agent in good faith believes to be genuine. Furthermore, the Escrow Agent shall not be liable for any act or omission in connection with this Escrow Agreement except for its own gross negligence, willful misconduct or bad faith. The Escrow Agent shall not be liable for any loss or diminution in value of the Escrow Fund as a result of the investment decisions made pursuant to Section 4, Qualified Investments at the direction of Lessee.

8. To the extent authorized by law, Lessee hereby agrees to indemnify and save the Escrow Agent harmless against any liabilities which it may incur in the exercise and performance of its powers and duties hereunder and which are not due to the Escrow Agent's gross negligence or willful misconduct. No indemnification will be made under this Section or elsewhere in this Escrow Agreement for damages arising solely out of gross negligence, willful misconduct or bad faith by the Escrow Agent, its officers, agents, employees, successors or assigns.

9. The Escrow Agent may at any time resign by giving at least 30 days' prior written notice to Lessee and Lessor, but such resignation shall not take effect until the appointment of the successor Escrow Agent. The substitution of another bank or trust company to act as Escrow Agent under this Escrow Agreement may occur by written agreement of Lessor and Lessee. In addition, the Escrow Agent may be removed at any time, with or without cause, by instrument in writing executed by Lessor and Lessee. Such notice shall set forth the effective date of the removal. In the event of any resignation or removal of the Escrow Agent, a successor Escrow Agent shall be appointed by an instrument in writing executed by Lessor and Lessee. Such successor Escrow Agent shall indicate its acceptance of such appointment by an instrument in writing delivered to Lessor, Lessee and the predecessor Escrow Agent.

Upon the effective date of resignation or removal, the Escrow Agent will transfer the Escrow Fund then held by it to the successor Escrow Agent selected by Lessor and Lessee.

10. This Escrow Agreement and the Escrow Fund established hereunder shall terminate upon receipt by the Escrow Agent of the written notice from Lessor specified in Section 5(d) or Section 5(e) hereof.

11. All notices hereunder shall be in writing, sent by certified mail, return receipt requested, or by mutually recognized overnight carrier addressed to the other party at its respective address shown on

page 1 of this Escrow Agreement or at such other address as such party shall from time to time designate in writing to the other parties; and shall be effective on the date or receipt.

12. This Escrow Agreement shall inure to the benefit of and shall be binding upon the parties hereto and their respective successors and assigns. No rights or obligations of the Escrow Agent under this Escrow Agreement may be assigned without the prior written consent of Lessor and Lessee. Lessor may at any time assign its rights, duties and obligations hereunder to an assignee who shall thereafter become the Lessor under this Escrow Agreement.

13. This Escrow Agreement constitutes the entire agreement between the parties hereto with respect to the subject matter hereof, and no waiver, consent, modification or change of terms hereof shall bind any party unless in writing signed by all parties.

14. The Escrow Agent may employ agents, attorneys and accountants in connection with its duties hereunder and shall not be liable for any action taken or omitted in good faith in accordance with the advice of counsel, accountants or other skilled persons.

15. This Escrow Agreement shall be governed by and be construed and interpreted in accordance with the internal laws of the State of California.

16. This Escrow Agreement may be executed in several counterparts, and each counterpart so executed will be an original. In addition, the parties agree that the transaction described herein may be conducted and related documents may be received, sent or stored by electronic means. Copies, telecopies, facsimiles, electronic files and other reproductions of original executed documents shall be deemed to be authentic and valid counterparts of such original documents for all purposes, including the filing of any claim, action or suit in the appropriate court of law.

17. The parties acknowledge that in order to help the United States government fight the funding of terrorism and money laundering activities, pursuant to Federal regulations that became effective on October 1, 2003 (Section 326 of the USA PATRIOT Act) all financial institutions are required to obtain, verify, record and update information that identifies each person establishing a relationship or opening an account. The parties to this Escrow Agreement agree that they will provide to the Escrow Agent such information as it may request, from time to time, in order for the Escrow Agent to satisfy the requirements of the USA PATRIOT Act, including but not limited to the name, address, tax identification number and other information that will allow it to identify the individual or entity who is establishing the relationship or opening the account and may also ask for formation documents such as articles of incorporation or other identifying documents to be provided.

[Signature page follows.]

IN WITNESS WHEREOF, the parties hereto have caused this Escrow Agreement to be duly executed as of the day and year first above set forth.

LESSOR:

CAPITAL ONE PUBLIC FUNDING, LLC

By: _____
Name: Catherine DeLuca
Title: Vice President

LESSEE:

CITY OF EL CERRITO, CALIFORNIA

By: _____
Name: Karen Pinkos
Title: City Manager



ESCROW AGENT:

BOKF, N.A.

By: _____
Name: Victor Zarrilli
Title: Senior Vice President

EXHIBIT A

CERTIFICATE OF ACCEPTANCE AND PAYMENT REQUEST

BOKF, N.A. (the "Escrow Agent"), as escrow agent under that certain Escrow Agreement dated May 24, 2022 (the "Escrow Agreement"), by and among the City of El Cerrito, California ("Lessee"), Capital One Public Funding, LLC ("Lessor") and the Escrow Agent, is hereby requested to pay from the Escrow Fund established and maintained thereunder, the amount set forth below to the named payee(s). The amount shown is due and payable under a purchase order or contract (or has been paid by and not previously reimbursed to Lessee). The equipment and costs described below are (i) part or all of the Equipment listed in the Equipment Schedule to that certain Equipment Lease Purchase Agreement dated May 24, 2022 (the "Agreement"), between Lessor and Lessee, or (ii) costs incurred in entering into the Agreement:

QUANTITY	DESCRIPTION OF EQUIPMENT OR FINANCING COST	AMOUNT	PAYEE*
----------	--	--------	--------

Lessee hereby certifies and represents to and agrees with Lessor as follows with respect to the Equipment described above: (i) the Equipment described above has been delivered and installed at the location(s) set forth in the Equipment Schedule; (ii) a present need exists for such Equipment which need is not temporary or expected to diminish in the near future; (iii) such Equipment is essential to and will be used by Lessee only for the purpose of performing one or more governmental functions of Lessee consistent with the permissible scope of Lessee's authority; (iv) the estimated useful life of such Equipment based upon the manufacturer's representations and Lessee's projected needs is not less than the term of lease with respect to such Equipment; (v) Lessee has conducted such inspection and/or testing of such Equipment as it deems necessary and appropriate and hereby acknowledges that it accepts such Equipment for all purposes as of the date of this Certificate; (vi) such Equipment is covered by insurance in the types and amounts required by the Agreement; (vii) no Event of Default or nonappropriation, as such terms are defined in the Agreement, and no event which with the giving of notice or lapse of time or both, would become an Event of Default or nonappropriation, has occurred and is continuing on the date hereof; and (viii) sufficient funds have been appropriated by Lessee for the payment of all rental payments due under the Agreement during Lessee's current fiscal year.

Based on the foregoing, Lessor is hereby authorized and directed to fund the acquisition of the Equipment set forth in the Agreement by paying, or causing to be paid, the manufacturer(s)/vendor(s), Lessee or other payee(s) the amounts set forth on the attached invoices from the Escrow Fund held under the Escrow Agreement in accordance with its terms.

The following documents are attached hereto and made a part hereof: (a) Original Invoice(s); and/or (b) Copies of Certificate(s) of Origin, when applicable, designating Lessor as lienholder if any part of the Equipment consists of motor vehicles, and evidence of filing.

IF REQUEST IS FOR REIMBURSEMENT, CHECK HERE ☐. Lessee paid an invoice prior to the commencement date identified in the Equipment Schedule and is requesting reimbursement for such payment. A copy of evidence of such payment together with a copy of Lessee's Declaration of Official Intent and other evidence that Lessee has satisfied the requirements for reimbursement set forth in Treas. Reg. 1.150-2 is hereby attached.

* If required, a current IRS Form W-9 for the payee is attached or an IRS Form W-9 has been previously submitted to the Escrow Agent.

IF REQUEST IS FINAL REQUEST, CHECK HERE ☐. Lessee hereby certifies that the items of Equipment described above, together with the items of Equipment described in and accepted by Certificates of Acceptance and Payment Requests previously filed by Lessee with Lessor constitutes all of the Equipment subject to the Equipment Schedule.

Date: _____, 20__.

Approved for Payment:

CAPITAL ONE PUBLIC FUNDING, LLC,
AS LESSOR

CITY OF EL CERRITO, CALIFORNIA,
AS LESSEE

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

EXHIBIT B

**INCUMBENCY CERTIFICATE REGARDING
AUTHORIZED LESSEE REPRESENTATIVES**

**ESCROW AGREEMENT
DATED AS OF MAY 24, 2022, BY AND AMONG
CAPITAL ONE PUBLIC FUNDING, LLC, AS LESSOR,
THE CITY OF EL CERRITO, CALIFORNIA, AS LESSEE, AND
BOKF, N.A., AS ESCROW AGENT**

The undersigned officer of the City of El Cerrito, California ("Lessee") hereby certifies that the persons listed below are each designated as an Authorized Lessee Representative of Lessee for the Escrow Agreement dated May 24, 2022 (the "Escrow Agreement"), among Lessee, Capital One Public Funding, LLC ("Lessor") and BOKF, N.A., as escrow agent (the "Escrow Agent"), including but not limited to initiating and approving transactions under the Escrow Agreement and confirming such approvals through call-backs from Lessor and the Escrow Agent relating thereto, all on behalf of Lessee. Each such person is the current holder of the office or title indicated, and the signature set forth opposite the name of each such authorized representative is the true and correct specimen of such person's signature:

Name/Title/Telephone/Email

Specimen Signature

Please ...
SIGN HERE

Karen Pinkos

Signature

Name

City Manager

Title

Telephone #

Email Address

Name/Title/Telephone/Email

Specimen Signature

Please ...
SIGN HERE

Michael Pigoni

Signature

Name

Fire Chief

Title

Telephone #

Email Address

Dated: May 24, 2022.

CITY OF EL CERRITO, CALIFORNIA

By: _____
Title: City Clerk

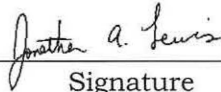
Please ...
SIGN HERE

EXHIBIT C
CAPITAL ONE PUBLIC FUNDING, LLC
AUTHORIZED LESSOR REPRESENTATIVES
FOR ESCROW AGREEMENTS

Name/Title/Telephone/Email

Jonathan A. Lewis
Name
President
Title
631-531-2824
Telephone #
Jonathan.lewis@capitalone.com
Email Address

Specimen Signature


Signature

☒ Initiate
☐ Verify transactions initiated by others

Name/Title/Telephone/Email

Drew Scrivener
Name
Senior Vice President
Title
631-776-3844
Telephone #
Drew.scrivener@capitalone.com
Email Address

Specimen Signature

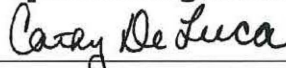

Signature

☒ Initiate
☐ Verify transactions initiated by others

Name/Title/Telephone/Email

Catherine DeLuca
Name
Vice President
Title
631-531-2802
Telephone #
Catherine.deluca@capitalone.com
Email Address

Specimen Signature


Signature

☐ Initiate
☒ Verify transactions initiated by others

Name/Title/Telephone/Email

Pauline Stochla
Name
Senior Associate
Title
631-776-3848
Telephone #
Pauline.stochla@capitalone.com
Email Address

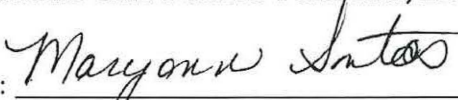
Specimen Signature


Signature

☐ Initiate
☒ Verify transactions initiated by others

The Escrow Agent is authorized to comply with and rely upon any notices, instructions or other communications believed by it to have been sent or given by the person or persons identified above, including without limitation, to initiate and verify funds transfers as indicated.

CAPITAL ONE PUBLIC FUNDING, LLC

By: 
Name: Maryann Santos
Title: Senior Vice President

2021

ANNUAL REPORT



CONTRA COSTA
**MOSQUITO
& VECTOR
CONTROL**
DISTRICT

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History

Historical records show Contra Costa County suffered from large populations of mosquitoes as early as 1772, when hordes of mosquitoes welcomed the first Europeans as they explored the San Francisco Bay Area.

More than 140 years later, in 1915, the California State Legislature passed a bill to provide for the formation, organization, and financing of mosquito abatement districts. In 1926, Contra Costa County citizens partnered with several waterfront industries to form a committee to address the need for mosquito control.

In 1927, the Contra Costa Mosquito Abatement District (CCMAD) began operations to control marsh mosquitoes in north central Contra Costa County. During the next 60 years, individual cities petitioned CCMAD to be included within the District's jurisdiction. By 1986, CCMAD became a countywide agency. In 1993, Contra Costa County transferred its rat and rabies risk reduction programs to CCMAD. Subsequently, the District changed its name to Contra Costa Mosquito & Vector Control District (District).

In 2021, as the COVID-19 pandemic (pandemic) continued, the District made necessary adjustments to continue to provide the essential services of protecting the people of Contra Costa County from vectors of disease or harm, while reducing the risk of COVID-19 transmission to District employees. District-wide safety procedures evolved as increasing scientific data regarding the pandemic helped to shape new local and statewide directives. And once safe and effective vaccines became available, the District's Board of Trustees approved a policy that all District employees be vaccinated against COVID-19. For 94 years, the District has remained steadfast in protecting public health from vector-borne diseases, and that commitment remains stronger than ever, even during a persistent and ever-changing pandemic.

1927-2021 94 Years of Service



Mosquitofish in a barrel

Date Unknown



Vector Control Technician Heidi Budge treats a catch basin to detect the presence of mosquitoes.

Mission Statement

The Contra Costa Mosquito & Vector Control District is a public health agency dedicated to protecting the community from mosquitoes and other vectors of disease.

PRINCIPLES

Established in 1927, the Contra Costa Mosquito & Vector Control District is committed to:

PUBLIC HEALTH

We use Integrated Vector Management (IVM) as our core approach to reducing risk to the community.

ENVIRONMENTAL STEWARDSHIP

We use materials and methods that meet or exceed all applicable regulatory requirements.

SCIENCE & TECHNOLOGY

We work diligently with the scientific community to ensure that our methods are scientifically sound and to advance the state of the art of our discipline.

PUBLIC EDUCATION

We educate and help our residents understand the role they play in assisting us in reducing the risk from vectors of disease.

SAFETY

We are committed to the safety of employees and the public through ongoing attention to facilities, equipment and training.

MANAGEMENT EFFECTIVENESS

We use management systems, protocols and methods that allow us to fulfill our mission in an efficient, transparent and fiscally responsible manner.

TEAMWORK & COLLABORATION

We believe that a productive work environment requires teamwork, active collaboration and clear and open communication within and across all entities to develop the future.



Independent Special District Classification

The Contra Costa Mosquito & Vector Control District is classified as an independent special district and is *not* part of Contra Costa County's governmental system. Contra Costa County encompasses the District's physical jurisdiction for mosquito and vector control. Special districts are:

- Formed by local residents to provide local services
- Sanctioned by the State of California Government Codes
- Often the most economical means of providing public service
- Independent agencies governed by a board of trustees
- Operated as nonprofit organizations
- Responsible directly to the people
- Accountable - Accessible - Efficient



Top Row Left to Right: Peggie Howell, President, Clayton; Peter Pay, Vice President, San Ramon; Daniel Pellegrini, Secretary, Martinez

Middle Row Left to Right: James Pinckney, Contra Costa County; Richard Ainsley, Ph.D., Pittsburg; Randall Diamond, Danville; Warren Clayton, Pinole; Michael Krieg, Oakley

Bottom Row Left to Right: Perry Carlston, Concord; James Murray, Walnut Creek; Kevin Marker, Orinda; Shiva Mishek, Richmond; and Jennifer Hogan, Pleasant Hill

Not pictured: Chris Cowen, Contra Costa County; Jim Fitzsimmons, Lafayette; James Frankenfield, Moraga; Thomas Minter, El Cerrito; Duylinh Nguyen, Hercules; Jon Elam, Brentwood; Darryl Young, Contra Costa County; and Lola Odunlami, Antioch

Board Vacancies: San Pablo

Contra Costa Mosquito & Vector Control District Personnel

Administration



Paula Macedo, D.V.M.,
Ph.D., General Manager



Maria Bagley, Administrative
Services Manager



Stacy Stark, Human
Resources and Risk
Manager



Nola Woods, Public Affairs Director;
Andrew Pierce, Public Information and
Technology Officer



Natalie Martini, Administrative Analyst II; Areej Al
Bahrani, Administrative Analyst I; and Wayne Shieh, IT
Systems Administrator

Scientific Programs



Steve Schutz, Ph. D., Scientific
Programs Manager



Eric Ghilarducci, Vector Ecologist II; Damien Clauson, Vector
Ecologist; Chris Miller, Biologist/Fish Program; Marie Cerda,
Laboratory Technician

Operations



Program Supervisors: David Wexler, Terry Davis, and Jeremy Shannon



Vector Control Inspectors: Felipe Carrilo, Joe Cleope, Patrick Vicencio, and David Obrochta



Vector Control Inspectors: Steve Fisher, Lawrence Brown, and Danielle Wisniewski



Vector Control Inspectors: Tim Mann, Jeremy Tamargo, Josefa Cabada, and Chris Doll



Vector Control Inspector: Brandon French
Vector Control Technicians: Miaja McCauley and Shaun Redman



Vector Control Technicians: Heidi Budge, Olivia Zaragoza, and Melvin Mariano

Not pictured: Jason Descans, Vector Control Inspector

District technicians and inspectors are certified through the Vector Control Certification Program of the California Department of Public Health.

Programs & Services

The District exists to reduce the risk of vector-borne disease or discomfort to the residents of Contra Costa County. The California Health and Safety Code defines a vector as, “any animal capable of transmitting the causative agent of human disease or capable of producing human discomfort or injury, including, but not limited to, mosquitoes, flies, mites, ticks, other arthropods, and rodents and other vertebrates.”

Many vectors are extremely mobile and can cause the greatest harm and discomfort away from their breeding site. Each potential vector has a unique life cycle and occupies a specific habitat.

Most District programs and services are funded by tax dollars and are therefore provided at no additional charge.

Integrated Vector Management

Mosquito and vector control is based on scientifically planned management tactics and control strategies that reduce the abundance of target pests in a timely manner. **Integrated vector management (IVM)** is a comprehensive program that incorporates several coordinated activities:

- **Vector Surveillance** — Investigating vector populations, vector habitats, and disease pathogens including trapping and laboratory analysis of vectors to evaluate populations and disease threats, and direct visual inspection of known or suspected vector habitats
- **Physical Control** — Managing vector habitat, especially through vegetation management, water control and maintenance or improvement of channels, tide gates, levees, and other water control facilities; the use of all-terrain vehicles, and maintenance of paths; and the use of trapping of vectors that pose a threat to public health and welfare
- **Public Education** — Encouraging reduction or prevention of vector habitats on private and public property through shared information
- **Biological Control** — Rearing and stocking “mosquitofish” *Gambusia affinis*; and possibly using other predators or pathogens of vectors
- **Chemical Control** — Applying bacterial products and selective insecticides to reduce populations of larval or adult mosquitoes and other invertebrate threats to public health, and rodenticides to control rats and other rodent threats to public health

Through the District’s IVM program, District employees conduct surveillance and control of the following vectors of disease and discomfort:

Mosquitoes

Contra Costa County is home to **23 different species of mosquitoes** that inhabit diverse ecological regions and utilize a range of water sources. Mosquitoes can transmit the pathogens that cause a variety of diseases including West Nile virus (WNV). Certain species of mosquitoes found in Contra Costa County can transmit malaria, WNV, St. Louis encephalitis (SLE), Western equine encephalomyelitis (WEE), and potentially other encephalitis viruses. Another species of mosquito is also capable of transmitting dog heartworm.

In addition to the ability to transmit disease, mosquitoes can cause human discomfort when the female mosquito bites to obtain blood. Physical reactions range from irritation in the area of the bite to severe allergic reactions or secondary infections resulting from scratching the irritated area. An abundance of mosquitoes can also cause economic losses, and loss of use or enjoyment of recreational, agricultural or industrial areas.

The District regularly surveys more than 10,000 acres of marshland along the waterfront, 60,000 acres of irrigated farmland in the eastern portion of the County, and numerous ponds, creeks and residential sources countywide. District employees also inspect residential and commercial properties for mosquito problems and provide recommendations for controlling mosquito populations.

Rats & Mice

Two introduced species of rats—the Norway rat and the roof rat—and the house mouse are present in Contra Costa County and are subjects of District action. In addition to being unsanitary, rats and mice can transmit a variety of organisms that can infect humans.

Rats are hosts to the worm that causes trichinosis in humans. Humans may become infected when they eat poorly cooked meat from a pig that has eaten an infected rat. Rat and mouse urine may contain the bacteria that cause leptospirosis, and their feces may contain salmonella bacteria. Bubonic plague and murine typhus may be transmitted by infected rat fleas. Rat bites may cause bacterial rat-bite fever or infection. Gnawing by rats and mice causes damage to woodwork and electrical wiring, resulting in damaged circuits and potential fires. Additionally, an abundance of rats and mice can cause economic losses, loss of use of public recreational areas and loss of the enjoyment of property.

District services for Contra Costa County residents or business owners include rat and mouse identification and advice for prevention and control. District employees provide valuable, detailed information, guidance and recommendations. They may also issue a formal, detailed report, upon request.

Skunks

Skunks can be beneficial to the environment because skunks are natural predators of rodents and may consume other garden pests including immature and adult beetles and crickets. Skunks are also one of the primary reservoirs and vectors of rabies in California. Because of extensive residential development near natural areas and their ability to live in close proximity to people, skunks pose a potential health risk.

In an effort to reduce risk of rabies transmission by reducing potential contact/conflicts between humans and skunks, the District works with homeowners to discourage skunks from visiting their property. District employees survey properties, provide guidance and recommendations and may loan live catch skunk traps if a skunk has created a den and is actively living on private property. Typically, an active skunk den may be found under a deck, shed, house or wood pile.

Yellowjackets

Yellowjackets are beneficial insects that eat garden pests and provide incidental pollination of crops through their daily foraging activities; however, ground-nesting yellowjackets can bite, have a painful sting, can fly moderate distances, are sometimes attracted to sweets and meats, and can be found throughout Contra Costa County. A single nest can lead to loss of use of public recreational areas, and loss of the enjoyment of property. More significantly, yellowjacket stings can result in anaphylactic shock and rapid death for the approximately 0.5 percent of the public with severe allergies.

The District provides control of ground-nesting yellowjackets only. Ground-nesting yellowjackets typically build nests in areas such as abandoned rodent burrows, the hollow areas near the root systems of shrubs, under railroad ties or under wood piles. Residents must locate and mark the nest before contacting the District for service. The District does not provide service for other species of yellowjackets, nor those that make their nests in structures.

Ticks

Of the four species of ticks that commonly bite people in Contra Costa County, only the Western black-legged tick (*Ixodes pacificus*) is known to transmit Lyme disease.

The District provides tick identification services to the public and medical personnel and educates the public on tick bite prevention and tick removal. People who are concerned

about possible Lyme disease infections should contact their physician. Information on Lyme disease testing of ticks may be found by visiting [Lyme disease Q & A](#). Several commercial laboratories will test ticks for the bacteria that causes Lyme disease for a fee. Visit [Tick Testing Labs](#) for more information.

Bees (European and Africanized Honey Bees)

All honey bees are beneficial insects that are essential for pollination of many native California crops and plants. If a bee swarm does not present an immediate threat, it is best to leave it alone. Honey bee swarms in Contra Costa County are most likely ordinary European honey bees in pursuit of a permanent home and are docile unless provoked. Both European and Africanized honey bees are non-aggressive in this stage as they are not protecting their honey nor their hive. The swarms typically move away in a day or two.

District services for bees are very limited. The District provides an inspection and education about bees. The District does not respond to bee stinging incidents. District employees treat bee swarms or hives that are a threat to people in public areas such as schools or shopping centers. The District does not treat bee hives that are in or on a structure or on private property. Because Africanized and European honey bee populations can interbreed and are physically indistinct, the District cannot conclusively determine whether bees are Africanized or European by visual inspection. If there is reasonable evidence, the District may coordinate with other agencies for genetic testing and identification.

Other Animals of Importance

Although certain animal species such as bats, ground squirrels, coyotes, raccoons, opossums, and fleas are not regularly controlled by the District, these animals play important roles in the transmission of rabies, plague, murine typhus, or Hantavirus, and may be surveyed for diseases. The District may provide education and consultation services to the public about disease risk associated with these vectors and appropriate measures to protect human health.

In extreme cases where the transmission of disease is likely, as with the other District integrated vector management activities, control efforts may be employed. Control of these animals is done in collaboration with the California Department of Public Health, Contra Costa Health Services, Contra Costa County Animal Services, Contra Costa County Department of Agriculture and other local, state and federal agencies.

Mosquito and Vector-Borne Disease Surveillance and Research

The District's laboratory staff conducts a comprehensive surveillance program for mosquitoes and the pathogens they can transmit, including West Nile virus (WNV), Western equine encephalomyelitis (WEE) and Saint Louis encephalitis (SLE) as part of California's statewide surveillance effort. The District also collaborates with the California Department of Public Health, the University of California and other state and federal agencies on studies intended to detect or predict new mosquito-borne diseases which might be introduced to Contra Costa County in the future. A virus native to Africa which first appeared in the US in 1999, WNV has been the most prominent mosquito-borne virus here in California since its arrival in 2003, with approximately 7,400 reported symptomatic cases and 360 deaths (the actual number of cases is probably much higher since only patients with the most severe form of the illness tend to be tested and diagnosed). Serious outbreaks of WEE and SLE occurred in California as recently as the 1950s and 1960s. Three human cases of SLE were reported in California in 2021 in Marin, Stanislaus, and Fresno Counties. The District last detected WEE activity in 1997, when two chickens at the District's flock in the Martinez waterfront area tested positive for antibodies. Occasional travel-related human cases of Zika, dengue and chikungunya viruses have been reported in Contra Costa County, but so far the District has not found evidence of local transmission of these diseases or of the mosquito species known to be capable of transmitting them.

The San Francisco Bay Area has also had a history of severe malaria outbreaks in the early part of the 20th century. Pioneering mosquito control efforts by Stanley Freeborn and others led to the eradication of malaria in California; however, international travel still occasionally brings people infected with malaria to our area, and *Anopheles* mosquitoes capable of transmitting the disease to others still occur here. The District works with the Contra Costa Department of Public Health to investigate and treat (if necessary) *Anopheles* mosquito breeding sites within the vicinity of reported human cases in order to prevent local disease transmission.

The District's Entomology Laboratory collects and analyzes the following types of information to help guide and plan effective and environmentally sound control of vectors and vector-borne diseases in Contra Costa County:

- Mosquito population surveillance
- Encephalitis virus surveillance
- Surveillance for other vector-borne diseases
- Identification of ticks and other biting arthropods
- Quality control and resistance monitoring for pesticide applications
- Research and special projects

Mosquito Population Surveillance

Mosquito surveillance is a key component of the District's IVM program. **23 different species of mosquitoes** are found in Contra Costa County, and each one is different in terms of its habitat, biting habits, ability to transmit disease, flight range and appropriate control methods. The District's surveillance program monitors larval and adult mosquito populations countywide to track changes over time and identify potential risk areas for nuisance or disease issues. This information is used by the District's operations program employees to plan and carry out efficient, effective and environmentally sound mosquito control strategies.

Larval Mosquito Surveillance

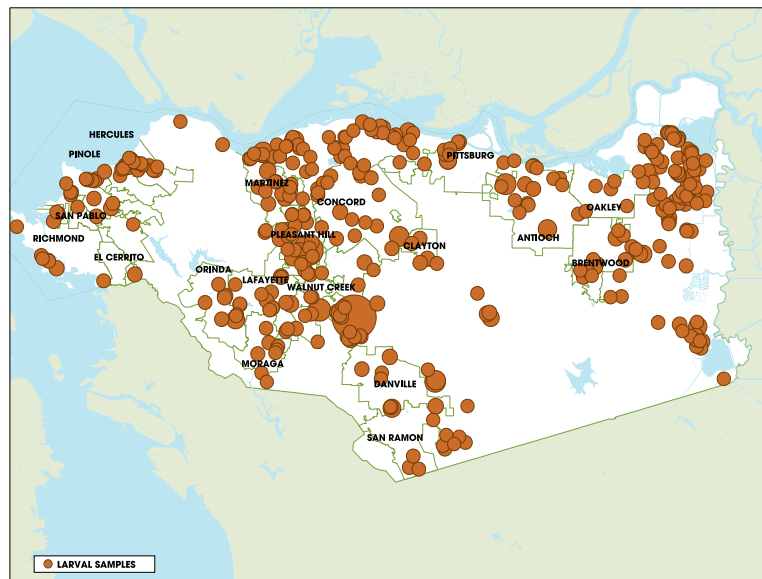
District personnel collect samples of mosquito larvae in the field daily and return them to the District's Laboratory for counting and identification. Treatment decisions can then be made, based upon species and density information in addition to other factors including habitat type, proximity to populated areas, and presence or absence of natural predators. The data are stored in a database which enables the District's laboratory staff to make comparisons with historical averages and to map larval populations by species. In 2021, laboratory staff counted and identified 16,079 mosquito larvae.



Scientific Programs Manager Steve Schutz, Ph.D. examines mosquitoes recently collected in traps from locations in Contra Costa County.

LARVAL SAMPLES BY SPECIES	
SPECIES	COUNT
<i>Culiseta incidens</i>	6,328
<i>Culex pipiens</i>	3,351
<i>Culex tarsalis</i>	3,023
<i>Aedes dorsalis</i>	1,020
<i>Culiseta inornata</i>	575
<i>Aedes nigromaculis</i>	475
<i>Aedes washinoi</i>	412
<i>Aedes melanimon</i>	309
<i>Aedes squamiger</i>	132
<i>Aedes vexans</i>	130
<i>Aedes sierrensis</i>	80
<i>Culex erythrothorax</i>	80
<i>Culex stigmatosoma</i>	76
<i>Culiseta particeps</i>	67
<i>Culex apicalis</i>	16
<i>Anopheles punctipennis</i>	4
<i>Anopheles franciscanus</i>	1
TOTAL	16,079

*Mosquito larvae identified in 2021
by species*



Locations of mosquito larval samples collected by the District in 2021

throughout the County and as many as 10-20 variable locations that are chosen based on other surveillance information (dead bird reports, mosquito complaints, field observations by District personnel, etc.). These traps collect both day and night-flying mosquitoes. District employees retrieve the traps and return them to the District lab while the mosquitoes are still alive so that lab employees can test them for WNV and other viruses. Counts can also be compared with regional averages to track population changes and target control activities.

Adult Mosquito Surveillance

The District utilizes two types of traps to monitor adult mosquito populations throughout the District's service area—New Jersey light traps and Carbon dioxide (CO₂) traps—at representative locations throughout Contra Costa County.

New Jersey light traps use light from a 2-watt LED bulb to attract night-flying mosquito species. The traps have light sensors which automatically turn them on at dusk and off at dawn and are operated year-round at 23 locations, some of which have been in use for 20 years or more. District employees pick up samples once a week and return them to the District laboratory for counting and species identification. Each week, current trap counts are compared to historical averages for different regions of the County to identify population trends that might require additional examination.

CO₂ traps are portable, battery-powered, and use dry ice to produce carbon dioxide gas, which is a powerful attractant for mosquitoes. In addition to the dry ice, there is also a small LED light to attract mosquitoes. District employees set the traps once per week and leave them overnight at 23 'fixed' locations



A New Jersey light trap hangs ready to trap adult mosquitoes. A 2-watt LED bulb attracts night-flying mosquitoes.

Adult Mosquito Abundance Trends

Although the District is able to monitor abundance of most of the mosquito species present in Contra Costa County, two species—the Western Encephalitis Mosquito, *Culex tarsalis*, and the Northern house Mosquito, *Culex pipiens*—are considered the most significant since they are the primary vectors of WNV and other encephalitis viruses such as SLE. Both species are widespread and abundant throughout the county. *Culex tarsalis* prefers clear water, and used to be more common in rural agricultural areas; however, in recent years it has become the most abundant species in abandoned or unmaintained swimming pools in residential neighborhoods. This mosquito may fly five miles or more from its larval habitat and so a single ‘bad’ pool can affect a large area. *Culex pipiens* prefers water containing high concentrations of organic material and is most common in sewer plants, dairy farm ponds and underground storm drains. This mosquito usually does not travel more than a few blocks from its larval ‘source’, but may be extremely widespread in residential neighborhoods during the summer due to over watering of lawns and other urban water runoff that keeps the storm drains constantly wet.



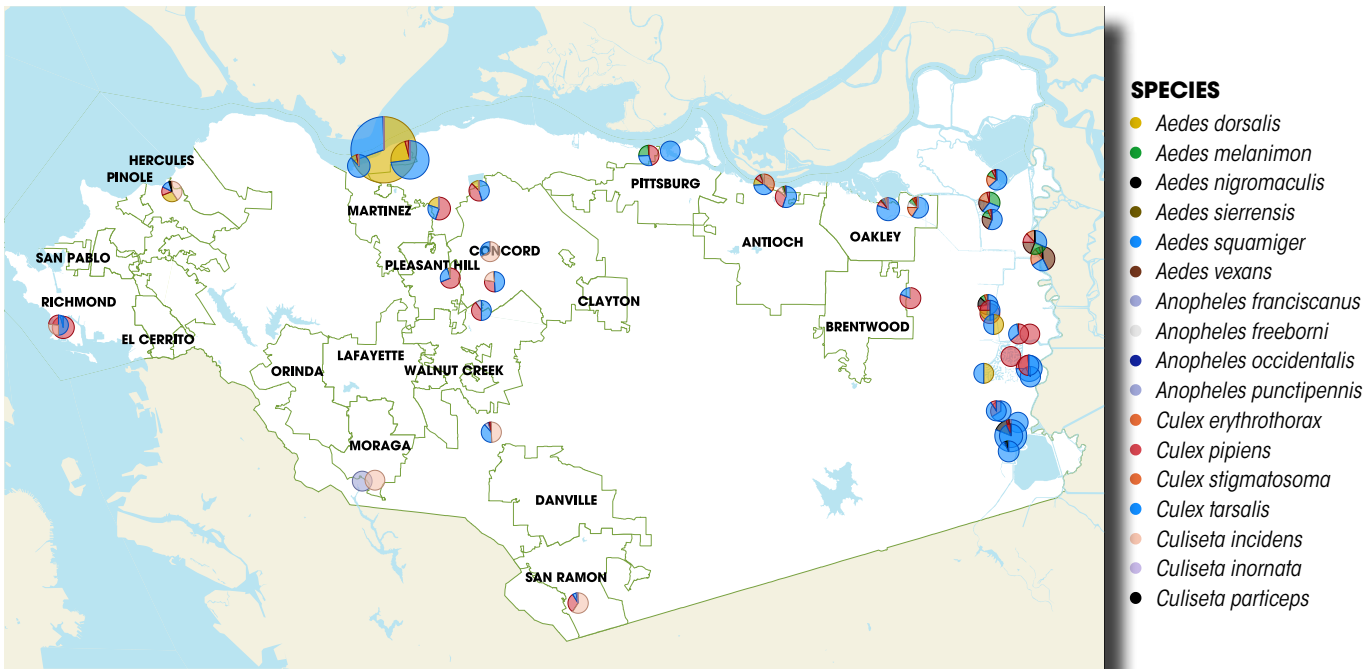
Vector Ecologist II Eric Ghilarducci examines mosquitoes collected from locations around Contra Costa County.

Rainfall was well below the ten-year average during 2021, and daily temperatures were mostly average or below average during the summer months. Countywide populations of *Culex pipiens* were above average for most of the season, while *Culex tarsalis* counts trended below average early and mid-season but were well above average towards the end due to limited access to some larval sources in waterfront industrial areas.

A total of nearly 44,000 adult mosquitoes were collected and identified in the District’s random and fixed-location traps in 2021.

ADULT SAMPLES BY SPECIES	
SPECIES	COUNT
<i>Culex tarsalis</i>	22,549
<i>Aedes dorsalis</i>	12,465
<i>Culex pipiens</i>	3,583
<i>Aedes melanimon</i>	1,172
<i>Aedes vexans</i>	1,005
<i>Culex erythrothorax</i>	853
<i>Aedes nigromaculis</i>	835
<i>Culiseta incidens</i>	575
<i>Culiseta inornata</i>	556
<i>Anopheles franciscanus</i>	150
<i>Anopheles freeborni</i>	62
<i>Culiseta particeps</i>	17
<i>Anopheles punctipennis</i>	17
<i>Culex stigmatosoma</i>	15
<i>Aedes sierrensis</i>	12
<i>Aedes washinoi</i>	8
<i>Anopheles occidentalis</i>	3
<i>Aedes squamiger</i>	2
TOTAL	43,879

Adult mosquitoes collected in all fixed and random traps by species, 2021

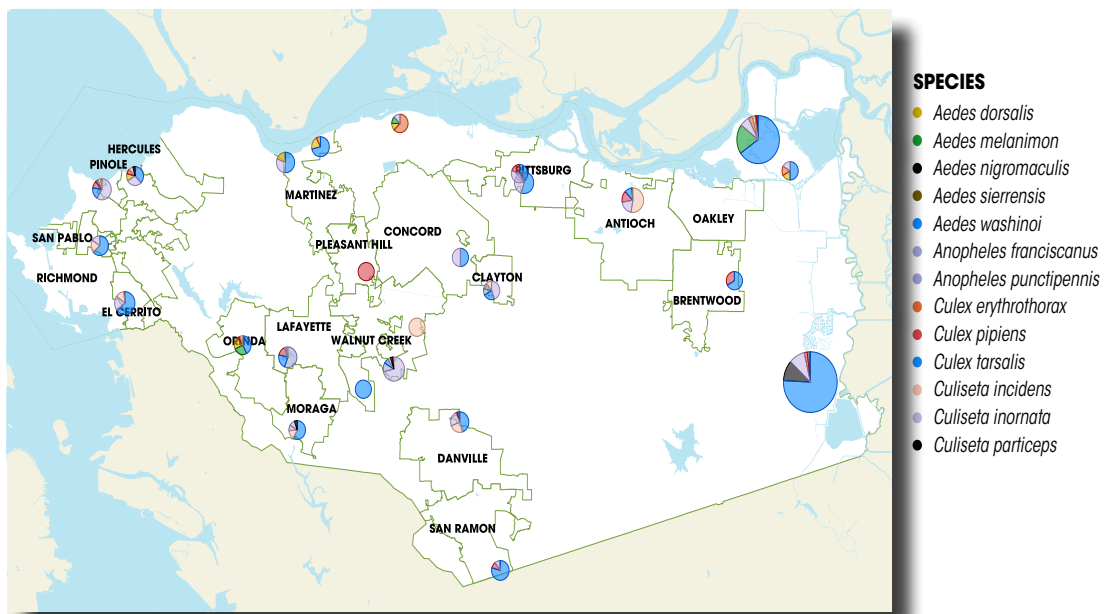


ADULT MOSQUITO SPECIES COLLECTED IN CO₂ TRAPS IN 2021

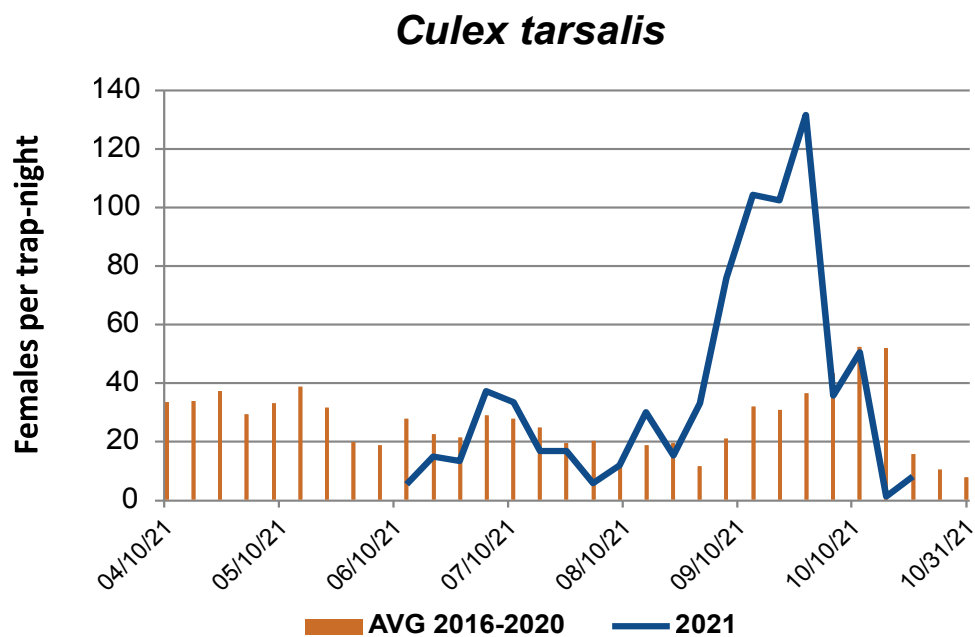
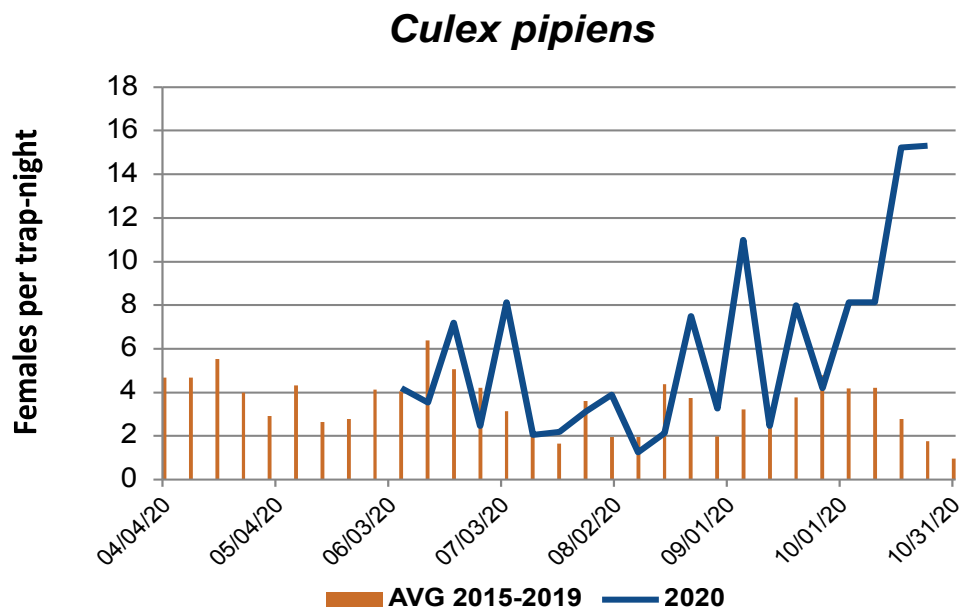
Fixed and random traps set throughout Contra Costa County capture mosquitoes for surveillance and control applications. *Culex tarsalis* and *Culex pipiens* are primary vectors of West Nile virus and other diseases. In this figure, the size of the circles is proportional to how many mosquitoes were collected.

ADULT MOSQUITOES SPECIES COLLECTED IN LIGHT TRAPS IN 2021

A 2-watt LED light attracts mosquitoes to the traps. Mosquitoes are then counted and identified to species to determine relative abundance and the risk of disease or nuisance to people. In this figure, the size of the circles is proportional to how many mosquitoes were collected.



Abundance of Vector Mosquito Species in Contra Costa County in 2021



Adult mosquito trap collections vs. 5 year average, 2021

Mosquito-borne Virus Surveillance

Mosquitoes collected in fixed location and random location CO₂ traps are tested for mosquito-borne viruses in batches, or 'pools' of between 10 and 50 individuals of a particular species. Samples are sent to the Davis Arbovirus Research Team (DART) laboratory at the University of California, Davis where they are tested for WNV, WEE, and SLE. This testing enables the District to determine areas of the County at risk for disease transmission and target our field employees and resources efficiently.

In 2021, 396 samples (14,415 mosquitoes) were tested and 8 samples were positive for WNV (7 *Culex tarsalis* and 1 *Culex pipiens*), between June 29th and September 20th. Virus detections were concentrated in East County, with four in Brentwood, 2 in Discovery Bay, and one each in Byron and Oakley. West Nile detections were below the 5-year average both regionally and statewide.

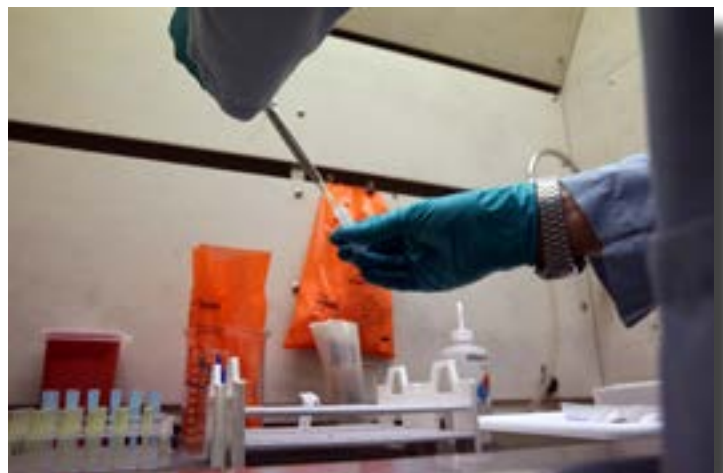


District Vector Ecologist II Eric Ghilarducci prepares a trap to capture adult mosquitoes.

Dead Birds

The dead bird surveillance program represents a very successful collaboration between the California Department of Public Health, the District and the residents of Contra Costa County. Members of the public report dead birds to the statewide WNV Call Center by phone (1-877-WNV-BIRD) or online at <http://west-nile.ca.gov>. Call Center operators screen the calls to determine whether the birds are suitable candidates for testing; if so, they are referred to the District to be collected. Although not all birds are candidates for testing, all reports are important since they are mapped and used to identify potential risk areas and to target additional surveillance (mosquito trapping and larval source inspections, for example).

Testing in 2021 was restricted to corvid (crow family) birds only (crows, ravens, jays, magpies). Although the District has occasionally found WNV positive birds of other species, corvids are the most highly susceptible and therefore represent the most sensitive indicators. During 2021, the WNV Call Center received 392 dead bird reports from Contra Costa County residents, which was a decrease from the 488 received in 2020. Of the birds reported in 2021, 37 were collected for testing and 4 tested positive for WNV, two of which were from Brentwood, one was from Martinez and one from San Pablo. Dead bird reports have been declining steadily since the beginning of the program in 2005, apparently due to a decline in public interest (birds still appear to be susceptible to the virus, since infection rates have fluctuated but have not shown a similar steady decline).



Scientific Programs Manager Steve Schutz, Ph.D. prepares a sample for WNV testing.

Sentinel Chickens

Chickens are naturally resistant to some mosquito-borne viruses and do not become ill, nor can they pass the virus back to mosquitoes, but they do develop antibodies that can be detected in lab tests. This makes them ideal 'sentinels' for detection of virus transmission. In 2021 the District started with a total of 24 chickens (six at each of four flock sites) within Contra Costa County. One flock was destroyed by predators early in the season. The District obtains new young chickens from a commercial chicken farm each spring to ensure that they have not been previously infected. District lab personnel collect blood samples twice a month from April through October and submit the samples to the California Department of Public Health's Viral and Rickettsial Disease Lab in Richmond to be tested for antibodies towards WNV, WEE and SLE viruses.



Chickens do not get sick from West Nile virus, but they develop antibodies to the virus. If antibodies are detected, then it's evidence of West Nile virus transmission in the area

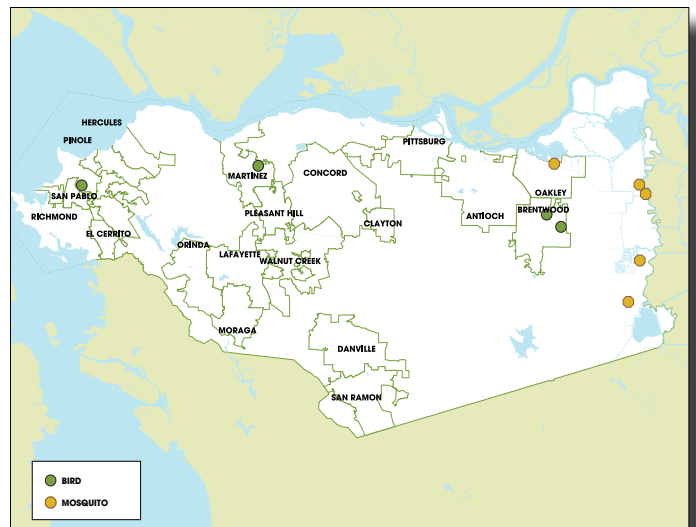
In 2021, none of the District's chickens tested positive for antibodies to WNV. Since chickens cannot pass the virus on to others, they are donated to charitable organizations for egg production or adopted by owners of the host properties at the end of each season.

Human and Equine Disease Cases

One locally acquired and two non-locally acquired human cases of WNV were reported in Contra Costa County for 2021. Due to patient confidentiality regulations, information on specific locations is not available. The vast majority of mild cases go untested and unreported since they may be asymptomatic or mistaken for 'the flu'.

Statewide, 142 human cases and 13 fatalities were reported in 40 counties in 2021, down from 240 cases and 15 fatalities reported the previous year. The California Department of Public Health reports that there are typically 30 to 70 non-neuroinvasive (West Nile fever) cases, most of which go unreported, for every reported case of neurological disease, so more than 6,000 Californians may have had West Nile virus infections in 2021, the vast majority of which were never diagnosed or reported.

No equine cases were reported in Contra Costa County by the California Department of Food and Agriculture; 13 positive horses from 8 counties were reported statewide. An effective vaccine for horses has been available for several years and the vast majority of cases involve unvaccinated horses. A human vaccine is not available.



Positive West Nile Virus Activity in Contra Costa County in 2021

2007 – 2021 SUMMARY OF ENCEPHALITIS VIRUS SURVEILLANCE

		2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Mosquito Samples	Samples Tested	721	729	814	536	484	468	454	652	622	495	550	709	454	471	396
	Total No. Mosquitoes	28,290	23,502	27,436	16,820	14,321	11,571	12,730	17,999	21,533	15,612	16,546	23,776	15,451	14,288	14,415
	West Nile Virus Positive	28	31	17	4	7	19	13	25	8	11	6	17	1	13	8
Chickens	Blood Samples Tested	669	851	717	773	600	590	631	598	609	571	624	554	527	270	232
	Total No. Chickens	50	50	50	50	50	50	50	50	50	50	50	50	50	24	18
	Seropositive	5	15	13	4	0	7	8	15	18	5	7	16	2	7	0
Dead Birds	Total Reported	2,042	2,227	1,221	923	1,057	1,816	1,377	1,355	912	861	692	711	321	488	392
	Total Tested	158	115	80	32*	74*	106*	123*	115*	49*	76*	58*	45*	23*	60*	37
	West Nile Virus Positive	29	88	45	8	43	66	68	44	11	33	19	17	1	22	4

*testing restricted to crows/ducks only

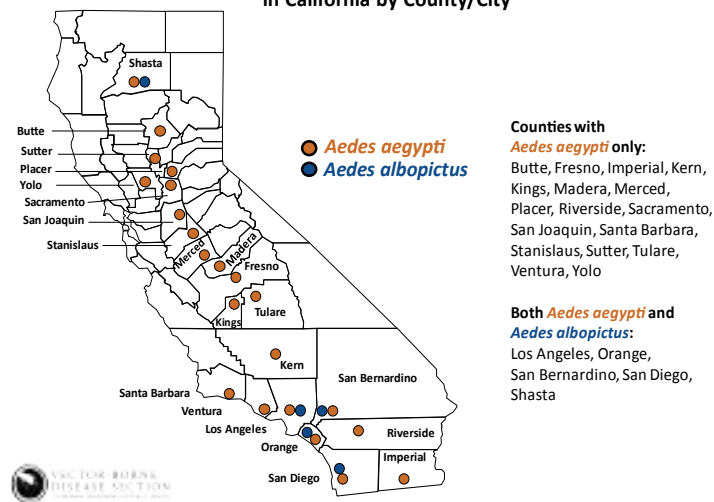
Invasive Mosquito Species

In addition to the non-native Asian tiger mosquito (*Aedes albopictus*), which has been established in parts of the Los Angeles basin since at least 2011, vector control districts in the Central Valley and Southern California have continued to report finding populations of the yellow fever mosquito, *Aedes aegypti*. During 2021, this species continued to expand its range northward, as far as Butte and Shasta counties. *Aedes notoscriptus*, the Australian backyard mosquito, has also been found in southern California although its range does not appear to be expanding as quickly. All of these species are similar in behavior, in that they are adapted to living around humans and lay their eggs in a wide variety of natural and artificial water containers. They are potential vectors of viruses that transmit human disease, including dengue virus, which has been on the increase worldwide, chikungunya virus, which spread

explosively throughout the Caribbean, Central and South America in 2014, and Zika virus, which spread rapidly in South and Central America in 2015. Travel-related cases of these viruses continue to be reported throughout the United States.

These mosquitoes are known for being difficult to control and for causing significant nuisance issues. So far, attempts to eradicate the new mosquito populations have met with limited success. Cases of chikungunya, dengue and Zika diagnosed in California residents returning from the affected areas raise the concern that the invasive mosquitoes may spread these viruses. So far, our surveillance program has not detected the presence of these species in Contra Costa County, although they are now at our eastern border.

***Aedes aegypti* and *Aedes albopictus* Mosquitoes in California by County/City**



Pesticide Resistance Monitoring

Mosquitoes and other insects always have the potential to develop resistance against the materials we use to control them (similar to antibiotic resistance in bacteria). Since all of the adulticide materials we have used in recent years come from a single related class of chemical compounds (natural pyrethrins and synthetic pyrethroids), which are widely used by homeowners and private pest control operators as well as by mosquito control programs, it is important to determine whether our local mosquito populations are still susceptible or whether we need to consider alternative control agents. In 2019, we tested *Culex tarsalis* collected from our waterfront area and determined that they are still fully susceptible to etofenprox, the active ingredient we are currently using most frequently. We maintain a colony of known susceptible *Culex tarsalis* which can be used as a baseline to compare against 'wild' mosquitoes.

Tick and Pest Identification and Information

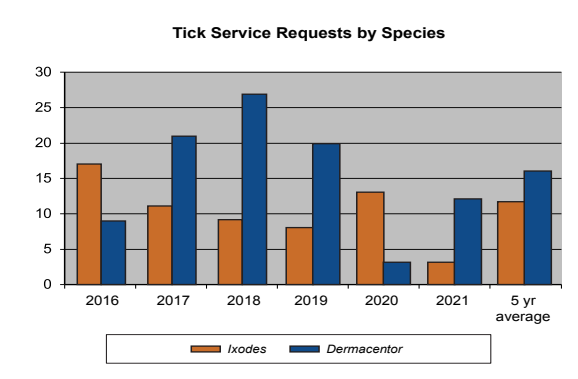
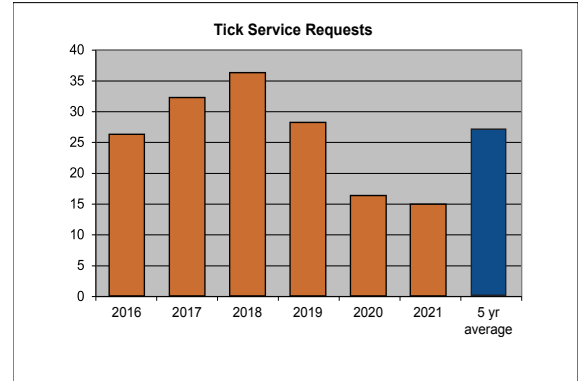
There are four species of common human-biting ticks in Contra Costa County:

- Western black-legged tick (*Ixodes pacificus*)
- Pacific Coast tick (*Dermacentor occidentalis*)
- American dog tick (*Dermacentor variabilis*)
- Brown dog tick (*Rhipicephalus sanguineus*)

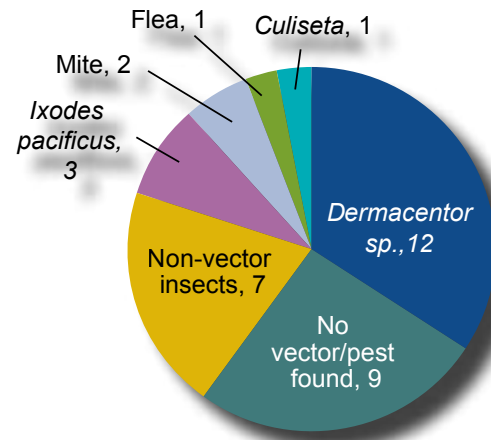
Lyme disease is a bacterial infection transmitted by the western black-legged tick (also known as the deer tick) and it can cause serious complications if not treated promptly.

District staff continues to identify ticks brought in by members of the public. Identification is important as only one of the four species of ticks that commonly bite people (western black-legged tick) transmits Lyme disease. People who are concerned about the possibility of being infected with Lyme disease should contact their physician.

In 2021, we continued to receive samples by mail and accepted limited walk-in samples when Covid-19 restrictions permitted. Of the 15 ticks identified by our staff, 3 were western black-legged ticks (*Ixodes pacificus*), the potential vector of Lyme disease and the remainder were dog ticks (*Dermacentor variabilis* and *D. occidentalis*).



As a courtesy to the public, the District's Laboratory staff also identifies samples of biting and stinging pests submitted by the public. In 2021, Laboratory staff responded to more than 35 such requests. Inquiries received via phone or email only (no samples received) are not currently being recorded in the District database.



Identifications by Laboratory staff in 2021.

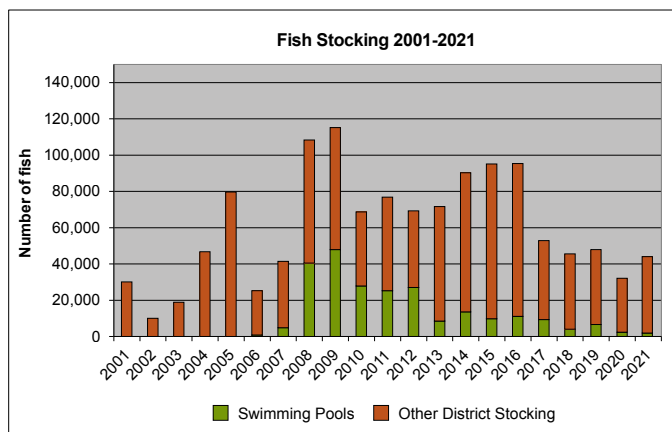
Biological Control and Fisheries Research

Known around the world as mosquitofish, *Gambusia affinis* are an effective biological control tool, as each surface feeding fish has the ability to eat multiple mosquito larvae, thus preventing them from developing into adult mosquitoes capable of biting and potentially spreading mosquito-borne illness. District employees place mosquitofish in water sources, in accordance with California Department of Fish and Wildlife regulations, to reduce the risk of mosquitoes.

The District's biologist facilitates the fish program. In 2021, District employees distributed 43,735 mosquitofish on residential properties and other closed sources of water compared to the 34,970 mosquitofish District employees distributed in 2020.



Mosquitofish (*Gambusia affinis*)



Fish Stocking 2000-2021

Mosquitofish Service Request

The District's mosquitofish service provides Contra Costa County residents with the opportunity to receive an inspection of any water features on the property. If a District employee determines mosquitofish are an appropriate solution to address mosquito issues on the property, the District employee will place the fish. In 2021, the District received 269 requests for mosquitofish service, compared to 332 requests the District received in 2020.

The service remains beneficial in that it enables District employees to confirm that the fish are being appropriately placed. It also provides an additional opportunity to educate residents on other ways to reduce the risk of mosquitoes.

Fisheries Research

While *Gambusia affinis* is the District's first choice for biological control, the District also conducts research on the potential use of California native fish species in mosquito control and environmental education. In 2021, the District continued several native fish projects, including spawning hardhead, and Sacramento perch.

District Operations

In 2021, the District implemented significant changes to its operations. Previously, District employees provided service based upon geographic zones based on distinct service programs. Over the years, this resulted in the District service area broken into roughly a dozen mosquito zones handling mosquito and yellowjacket program services, three rodent zones handling rat and mouse program services, and two skunk zones handling skunk program services. In 2021, the District's operational zones for mosquitoes, yellowjackets, and rats and mice were consolidated into 13 zones with slightly smaller geographic boundaries, and the previous skunk zones carried forward as before. This means a single District employee assigned within a geographic area now responds to resident requests for mosquito, yellowjacket, rats and mice service.

Additionally, the District's Operations program began testing and learning how to use a web-based data management system at the start of the year. The system was adopted and officially deployed midway through the year. This new system now allows operations personnel to visualize real-time information in geographic formats, create service requests, record data, and more while in the field utilizing mobile devices. This reduces the need for data entry and processing at the main District facilities, allowing field staff more time to address vector concerns throughout Contra Costa County.

Mosquito Control Operations

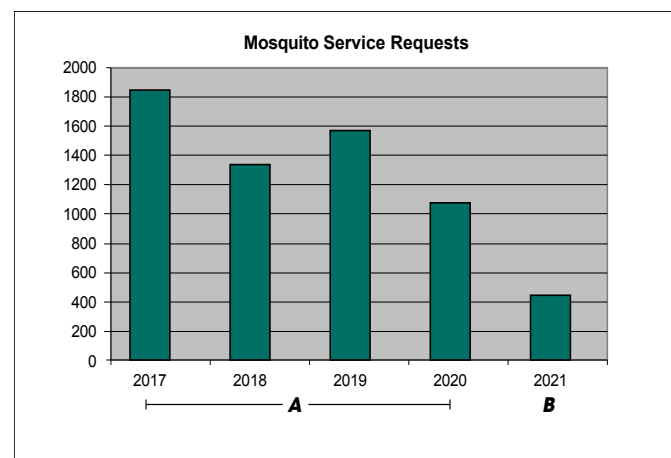
District employees work year-round to reduce the risk of mosquito-borne illness across the 716 square miles of Contra Costa County by preventing mosquitoes when possible and controlling mosquitoes when necessary to protect public health for 1.15 million county residents.

While responding to requests for mosquito services in 2021, District employees found many residents at home after making their requests, creating more opportunities to educate residents about how to prevent mosquito issues.

The District employees responded to 423 requests for mosquito service from Contra Costa County residents and performed 6,508 inspections and site visits across all programs. During 1,106 of those inspections and site visits, District employees confirmed mosquito production at the location.

Under the District's previous data management system, mosquito-related services (mosquito service, neglected

swimming pools, mosquitofish) were all initially categorized as "mosquito service requests." With the implementation of the District's new data management software, the way in which the public requests District services are more precisely categorized and represented. The perceived reduction in service requests in 2021 is actually a more accurate representation of instances when members of the public are experiencing mosquitoes on their property and seeking assistance from the District for that specific issue, rather than another mosquito-related service.



A: 2017-2020 Previous data collection system combined data from mosquito-related services within mosquito service requests.
B: 2021 New data management software separates mosquito program data for more efficient reporting.

Reducing the Risk of Mosquitoes Before Mosquitoes are Present

Mosquitoes can lay eggs on or near sources of standing water. Overgrown vegetation in creeks and other areas can stop water from flowing, creating potential mosquito sources. These areas of abundant plant life can present challenges to District employees while trying to gain access for mosquito control. The District regularly works with landowners and other responsible agencies to address overgrown vegetation and other conditions that are conducive to mosquito production or inhibit access by District personnel to mosquito sources.

Several species of mosquitoes present in Contra Costa County lay their eggs on the soil of pastures. These eggs hatch once these pastures are irrigated and, when irrigation water remains for an excessive amount of time allowing mosquito larvae and pupae to complete their lifecycle, they emerge as adults. The irrigated pasture mosquitoes (*Aedes*

nigromaculis) and (*Aedes melanimon*) are commonly found in these irrigated areas, bite aggressively during daylight hours, and can become major pests.

In 2021, excessive irrigation of pastures and agricultural areas in eastern Contra Costa County created significant sources of these mosquitoes, wreaking havoc on local residents. Significant efforts were made by the District to provide control, combined with consistent communication to landowners and tenants to modify their operations to reduce mosquito production on their properties through adjustments to the extent and timing of irrigation practices.

Early each year following the rainy season, temporary rainwater ponds and puddles can produce mosquitoes in many areas of the county. The freshwater mosquito (*Aedes washinoi*), the California salt marsh mosquito (*Aedes squamiger*), the inland floodwater mosquito (*Aedes vexans*), and the summer salt marsh mosquito (*Aedes dorsalis*) are common and can be abundant at certain times of the year and they will bite people and become a significant problem in certain locations. These mosquitoes are aggressive daytime-biting mosquitoes that are strong fliers and may bite people far away from their larval habitat; the California salt marsh mosquito, in particular, is known to fly up to 20 miles from its source. District employees performed inspections and treatment of these early-year sources known for past mosquito production as well as newly identified sources.

Creeks Channels and Pastures

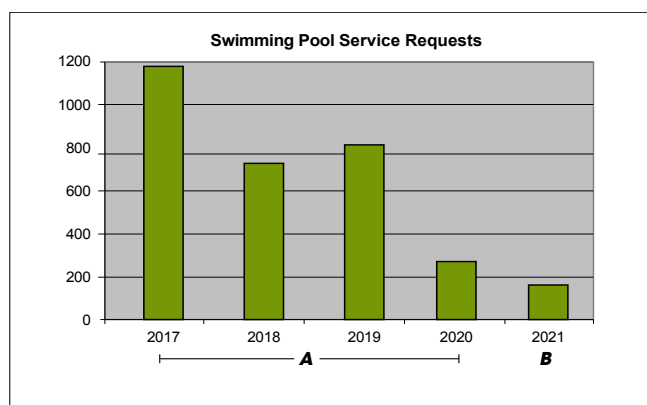
Below-average rainfall caused once-flowing water in areas including creeks and channels to slow and eventually leave pools of standing water, creating potential sources of mosquitoes. District employees worked to manage both nuisance and disease-carrying mosquitoes in these areas, finding them more accessible for inspection and treatment due to the efforts District employees made to clear vegetation from the area earlier in the year. District employees also inspect pastures, fields, and channels for mosquitoes that emerge after rainwater followed by continued irrigation. District employees work with landowners and recommend irrigation schedules and changes to work practices to reduce the likelihood of mosquito production.

Neglected Swimming Pools and the Risk of Mosquito-borne Disease

One neglected swimming pool has the potential to produce as many as 1 million mosquitoes and can put an entire neighborhood at risk of WNV, making neglected swimming

pool inspections a priority for mosquito prevention and control. The District refined and continued to implement our neglected swimming pool program. A District Program Supervisor became the primary point of contact to communicate and meet with residents and homeowners. When appropriate, the Program Supervisor will refer properties to District field personnel for mosquito inspection or control efforts. In 2021, the District received 150 requests for service regarding neglected swimming pools. The Program Supervisor sent letters explaining the District's pool program and expectations for compliance to 134 property owners. More than 60% of these requests were resolved without the need for a site visit by a District employee.

The District's previous data management system produced one request for neglected swimming pool service upon each request from the public, subsequently generating multiple service requests for one location if follow-up action or inspections were deemed necessary by District inspectors. The District's new data management software retains all relevant information and actions under a single identification number per location until the initial mosquito production situation is considered resolved. This provides insight into the apparent reduction in numbers of swimming pool service requests for 2021 compared to previous years. The District's Operations supervisors also hypothesize that many residents spending time at home during the ongoing pandemic could more readily address issues with swimming pools on their property over the last two years, further contributing to fewer neglected swimming pool service requests.



A: 2017-2020 Previous data collection system counted each visit to the same location as a new service request. B: 2021 New data management software assigns one service request number per location until the issue is resolved.

Vector Control Planning

Until a Program Supervisor took over these duties halfway through 2021, the Vector Control Planner (VCP) was the primary point of contact in the District's neglected swimming pool program. The VCP reviewed approximately 145 project proposals from local, county, state, and federal agencies for potential vector control concerns in 2021 and provided feedback as needed. The VCP also relayed maintenance concerns and guidance to private landowners and other agencies regarding mosquito production sources. Areas of concern for mosquito production included over irrigated agricultural land, ponds with overgrown vegetation restricting proper drainage, and devices designed to capture trash in stormwater drainage systems. Guidelines provided by the District brought some areas into compliance, benefiting property owners and neighbors concerned about mosquitoes. Other properties were ultimately referred to the District's Board of Trustees for abatement in order to bring them into compliance.

District Boats

The District has three boats for use in the mosquito program. The boats allow District employees to reach areas along the Contra Costa County shoreline that are not accessible from land, including the islands within Contra Costa County, and along the Delta. District employees also use the boats to conduct adult mosquito trapping which allows them to monitor adult mosquito populations in otherwise inaccessible areas.



One of the District's three boats for use in the mosquito program

UAS Program

The District's Unmanned Aircraft System (UAS), also known as a drone, allows for more efficient inspection of large agricultural and wetland areas that would take someone on foot many hours to completely inspect. The information gathered by the UAS helps the District plan appropriate treatment of specific areas of the county. In 2021, the UAS improved the District's ability to resolve and map sources that needed to be cleaned up or maintained.



The District drone helps District employees find a bioswale which can be a source of underground mosquito production.

Rats & Mice

The District provides an inspection and advice service to reduce the risk of rats and mice on residential and commercial properties within Contra Costa County. County residents can request service by phone or on the [District's website](#). The county is home to three rodent pest species that are considered common household pests: the black rat, which is also known as the roof rat (*Rattus rattus*), the Norway rat (*Rattus norvegicus*), and the house mouse (*Mus musculus*). These three species are commensal, which means they prefer to live in close proximity to humans. These species in particular are well established throughout Contra Costa County and all of California.

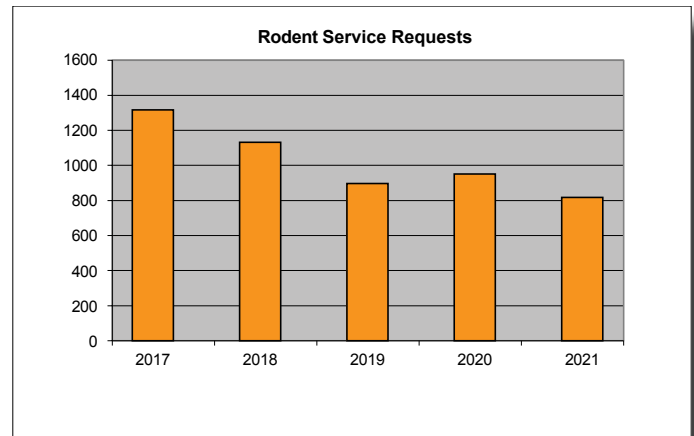
Preventing rats and mice is important because they can be vectors of disease. Worldwide, rats and mice have been associated with the spread of at least 35 diseases. They commonly spread disease through contamination of food that has come into contact with their urine, feces, or saliva. They are prolific breeders and may form large populations which can increase the likelihood of contamination. These commensal rodents can carry ectoparasites (fleas, mites, ticks, lice) capable of spreading murine typhus, plague, and bacteria in the *Bartonella* genus. Beyond potentially spreading diseases, they can also cause significant physical damage to a structure due to their gnawing behavior, possibly leading to economic loss. They also create a risk of structural fires because they have been known to gnaw on electrical wires.



A damaged vent screen can be an entry point into a home for mice.

During an inspection of a residential or commercial property, a District employee looks for evidence of potential sources of food and shelter, and how the rats or mice are gaining access to a home or business. Due to the ongoing pandemic, the District continued to limit inspections for rats and mice to exterior locations.

In 2021, there were 828 requests for rodent service, a 10.6 percent decrease compared to the number of requests the District received in 2020. The majority of the requests for rat and mouse service came from areas in central and west Contra Costa County, with 88 requests for service coming from Walnut Creek, followed by 87 from Richmond, 76 from Concord, 63 from Orinda, and 61 from El Cerrito.



Skunks and Rabies Risk Reduction

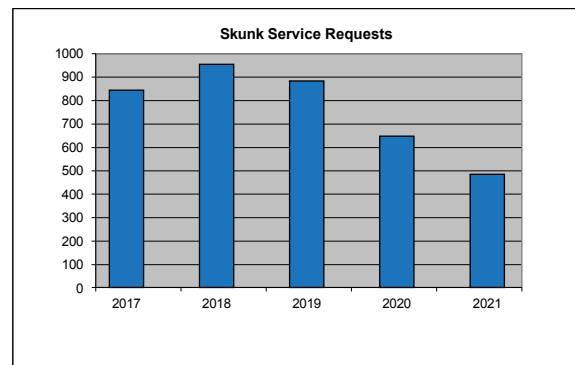
Skunks (*Mephitis mephitis*) are a natural part of our environment and can be beneficial as they consume many pest insects, such as beetle grubs and crickets. They are also predators of small mammals including rats and mice. Skunks, however, are one of the primary reservoirs and vectors of rabies in California. Skunks transmit the rabies virus through their saliva while biting other animals or humans. The rabies virus infects the central nervous system and can lead to death if left untreated. To reduce the risk of rabies, the District provides inspections and advice to county residents when skunks are believed to be on private property.

While providing the District's skunk service, District employees inform residents of appropriate measures to reduce contact with skunks and eliminate attractants on the property. Skunks are attracted to fallen fruit, birdseed, grubs in turf, and pet food left outdoors. Skunk populations thrive when they can find a consistent food source and suitable harborage located nearby. Skunks can establish dens in voids that exist under decks, porches, homes, sheds, and other ground-level locations. When skunks become established in close proximity to people it increases the possibility of human interaction and the potential for the spread of rabies.

The District's primary goal is to educate residents, landowners, agencies, school officials, and business owners on the permanent steps they can take to keep skunks from living nearby. District employees provide advice on how to prevent skunks from denning on the property including instructions on how to install wire mesh to block skunks from areas where they could potentially build a den.

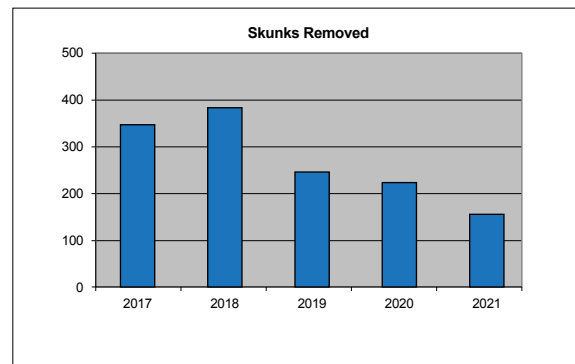
Skunk Service Requests

The District divides the county into two zones for skunk service with one vector control inspector assigned to each zone. District personnel continued providing skunk inspections in 2021 while following protocols in light of the continuing pandemic. In 2021, the District received 479 requests for skunk service, a 24.69% decrease compared to the number of requests received in 2020. District employees also removed 157 skunks from Contra Costa County properties, a 29.60% decrease over the number of skunks removed in 2020. This drop in service requests is believed to be, in part, the result of improvements many residents made to their residences while spending more time at home in 2020. Those repairs to their property reduced potential residential denning sites and potentially led to fewer interactions with skunks.



When a Non-Target is Trapped

When the District loans a live catch trap to a property owner, but an animal other than a skunk is caught, the animal is released on the property in accordance with the California Fish and Wildlife codes prohibiting the relocation of animals. In 2021, 33 animals were released compared to 76 in 2020.



Yellowjackets

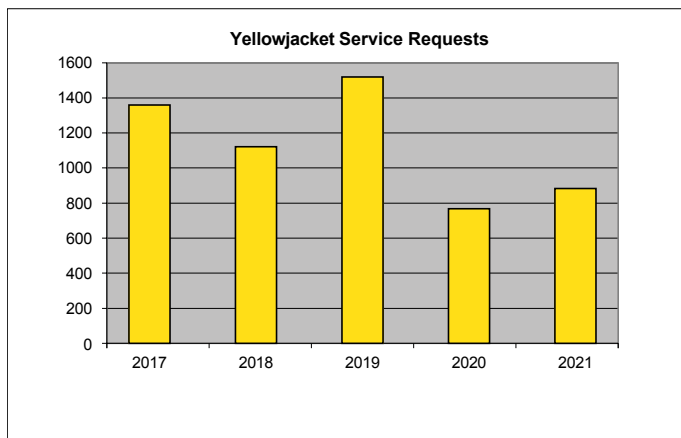
Yellowjackets pose a risk to public health because they have the ability to bite and sting multiple times, putting people, particularly those who suffer allergic reactions to stings and bites, at increased risk of injury.

Contra Costa County is home to four common species of yellowjackets including the western yellowjacket (*Vespula pensylvanica*) which builds nests underground—usually taking over abandoned rodent holes and subterranean voids. Other species build the familiar paper 'hornet's nests' in trees or on structures. All yellowjackets can be beneficial because they feed on other insects, but the ground-nesting species can become a threat to humans because the nests are harder to see, and they will also aggressively go after meats and sweets at barbecues and picnics. To protect the public from these biting and stinging wasps, the District provides inspections and treatment of yellowjacket ground nests.

The District received 876 requests for yellowjacket service in 2021, a 14 percent increase from the number of requests the District received in 2020. District employees treated 668 yellowjacket nests in 2021. The majority of the requests for yellowjacket service in 2021 came from cities near the Highway 24 corridor. 156 requests for the District's yellowjacket service were from Orinda, 142 from Walnut Creek, 122 from Lafayette, and 74 from Moraga.



District vector control technician Heidi Budge treats a ground-nesting yellowjacket nest in Contra Costa County.



Honey Bees

Honey bees are beneficial insects that are essential for the pollination of many crops, flowers, and other plants. Occasionally, Contra Costa County residents request ground-nesting yellowjacket service, but when District employees arrive, they find honey bees instead. In those cases, District employees provide inspection and education about honey bees. The District does not provide treatment of beehives nor do we respond to stinging incidents, but we do provide identification and information on honey bee biology and habitat. Residents who wish to have bees relocated are referred to local beekeepers who can remove the bees safely without killing them.

Honey bee swarms are groups of worker bees that leave their hive along with a queen to seek a place to start a new hive. Swarms look like a ball of bees clustered on a tree or a man-made structure. The bees in a swarm are not aggressive, as they are in search of a permanent home and are not protecting their honey nor their hive. Swarms typically move away in a day or two when they find a good location to build a hive (usually inside a hollow tree or other cavity). While the District does on occasion receive requests to relocate a bee swarm, District employees generally refer homeowners to a local beekeeper who can safely relocate the bees to a suitable location. The District will provide treatment for bee swarms or hives when they pose a potential threat to people in public areas such as schools or shopping centers. The District does not treat bee swarms that are in or on structures or private property.

In 2021, the District received 35 requests for bee service. The District previously referred to our program as an Africanized honey bee (AHB) program; however, because Africanized and European honey bee populations can interbreed and are physically indistinct, the District cannot conclusively determine whether bees are Africanized or European by visual inspection. If there is reasonable evidence, the District may coordinate with other agencies for genetic testing and identification.

Environmental Health

As has been described in this report, the District uses an Integrated Vector Management program (IVM) to guide the District's vector control decisions in an evidence-based manner that is environmentally respectful. When implementing a control program, the District continually evaluates the strengths, weaknesses, risks, and resource cost of each type of intervention to determine what combination in a given area is most appropriate for the current risk posed to public health from mosquitoes and the pathogens they transmit. To that end, the District follows a Programmatic Environmental Impact Report (PEIR) in conjunction with the District's IVM program. The District also receives oversight and is held accountable by filing for and receiving a National Pollutant Discharge Elimination System (NPDES) permit from US EPA. The NPDES permit is designed to address water pollution by regulating point sources that discharge pollutants to waters of the United States.

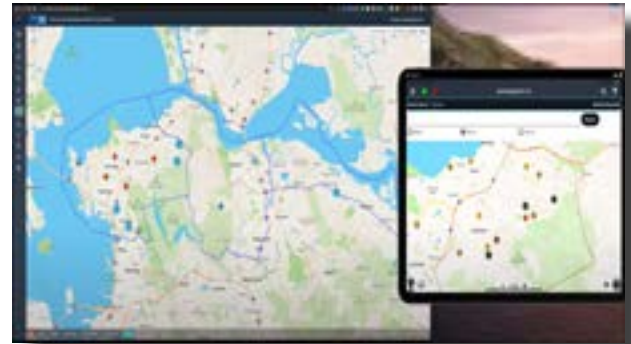
As part of the District's effort to be environmentally respectful, the District plays a collaborative role in the conservation and restoration of Bay Area wetlands, protection of endangered and threatened species, and promotion of biorational (low environmental impact) control methods in order to protect both human and environmental health.

In 2021, the District's VCP attended stakeholder meetings and provided appropriate feedback for various environmental restoration projects throughout Contra Costa County. The District also worked to ensure District compliance with state and local regulations regarding wastewater discharge, hazardous material storage, and waste tire disposal, helping to ensure the District reduces our environmental impact.

Training and Certification

Annual Training

Annual training for District employees is designed to ensure that District employees meet or exceed the requirements of all regulatory agencies with jurisdiction over the use of public health pesticides to reduce the risk of disease. In 2021, due to the ongoing pandemic, the District continued to employ online video training options. The virtual training sessions were designed to review the 23 known species of mosquitoes currently in Contra Costa County, provide instruction and updates on the current requirements and procedures for use of vector control products and equipment, as well as familiarize District personnel with new software and technologies. Proper training allowed District employees to continue to carry out their tasks safely, with confidence and expertise.



As the pandemic continued into 2021, the District conducted Annual Training using online presentations.

State Certification

District technicians and inspectors are certified through the Vector Control Certification Program of the California Department of Public Health. District employees maintain state certification for public health work in vector control to ensure that best practices are followed via continuing education and state-proctored testing. Areas of focus during state certification include safe and effective use of pesticides, biology and control of mosquitoes, and other invertebrates and vertebrates of public health significance. Certification is renewed every two years.



The California Department of Public Health oversees the California Vector Control Certification and Training Program.

Public Affairs

The public affairs department employees work closely with residents and news media to inform and educate about important health topics. In a typical year, staff members provide general and tailored presentations to various groups of 12 or more adults or school children. Public Affairs personnel also write articles, create videos, participate in social media interaction, and provide information at events, workshops, and community discussions.

Community Outreach

Community outreach is the mainstay of the District's public affairs department, with the goal of encouraging Contra Costa County residents to change behavior to reduce the risk of vector-borne disease. With more than 1.1 million residents who live and work within Contra Costa County's more than 716 square miles, public cooperation is imperative when it comes to preventing vector-borne disease.

The District's public affairs program is designed to educate residents about their important role in integrated vector management. The approach is diverse and uses specific tactics that are consistently evaluated for maximum and cost-effective impact.

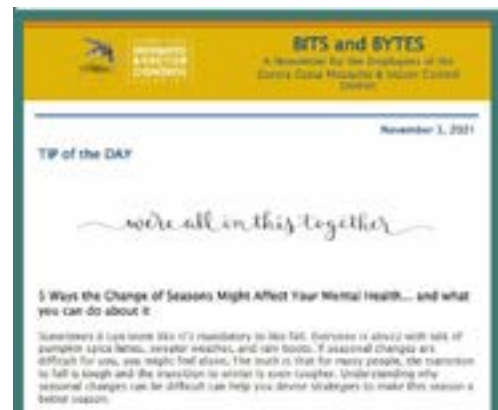
External Electronic Communication

Internet distribution of District publications is swift, succinct, and provides a sharable format making it a more efficient communication vehicle than traditional mail. As the pandemic continued into a second year, electronic communication remained a critically important communication tool.

The public affairs department publishes **News Releases**, **Adult Mosquito Control Notifications**, the **Mosquito Bytes Newsletter**, the **Bits and Bytes Employee Newsletter**, and this **annual report online**. Members of the public may subscribe to the District's publications. The District ended 2021 with 2853 total subscribers, a 5.78 percent increase over the total number of subscribers in 2020. Of the subscribers to the District's online publications, 25 percent opened the District's online publications through mobile devices and 75 percent accessed them through desktop computers.

Internal Electronic Communication

In 2021, the public affairs department continued to publish an electronic employee newsletter to disseminate important information to District employees and delivered directly into employees' email. The employee e-newsletter continues to serve as an important way to share timely information to District employees including changes in COVID-19 protocols, seasonal safety tips, and information on mindfulness which proved to be particularly useful during the stress of the second year of the pandemic.



The District's Employee Newsletter, "Bits and Bytes" continued to be a valuable communication tool.

Traditional Outreach

The public affairs department continued to use the "Back to Basics" advertising campaign on print and digital advertising vehicles for a second year. By using the artwork that features the District's specific services with the main message of Protecting Public Health since 1927, department staff were able to reiterate to Contra Costa County residents the important job District employees do to protect public health.



The District's "Back to Basics" advertising campaign emphasized the District's essential role of protecting public health.

Digital Billboard

The public affairs department purchased advertising on a digital billboard located on the eastbound side of Highway 4 in Pittsburg to feature the "Back to Basics" campaign from July through September. Caltrans estimated 155,000 vehicles passed by the sign per month, providing ample viewing opportunities for commuters. The District's message appeared as part of a slideshow that gave commuters eight seconds to view the message at a time while the sign was illuminated from 6 a.m. until midnight, seven days a week.

Internet Advertising

The public affairs department used Internet banner advertising to increase the District's visibility on websites visited by Contra Costa County residents. Five versions of the District's "Back to Basics" campaign appeared on a seasonal rotation for vector activity from skunks in January 2021 to mosquitoes and other vectors through the end of the year. The ads focused on the District's skunks service in January, followed by all of the District's services in June, mosquitoes in July and August, yellowjackets in September and October, rats and mice in November and skunks in December.



The District's Internet Advertising featured a seasonal rotation of vectors.

Print Advertising

The public affairs department continued to prioritize reaching all areas of Contra Costa County with the District's annual advertising campaign. While the use of Internet advertising allowed the District to reach residents all across Contra Costa County, print advertising allowed the District to focus on each region of the county.

To reach communities in western Contra Costa County, including Hercules; Rodeo; Pinole; El Sobrante; San Pablo, El Cerrito; and Richmond, the District purchased advertising in the Contra Costa Marketplace publication that sent physical copies to the residents in the specific cities listed. In eastern Contra Costa County, residents could see the District's print advertisements in the Brentwood Press which reached residents in Brentwood, Discovery Bay, Oakley, and Antioch. In central Contra Costa County, the cities of Martinez; Pacheco; Concord; Pleasant Hill; Walnut Creek; and Lafayette viewed the District's print advertising on the back of the County Connection buses. And in the southern section of I-680, the communities of Danville, Alamo, Blackhawk, and San Ramon

received the District's print advertising in the Your Town Monthly publication.



Presentations and Events

As the pandemic continued into a second year, public affairs department staff provided one virtual presentation to the California Special Districts Association as well as two in person presentations to community groups within Contra Costa County. The public affairs department also participated in the Heart of Oakley Festival, which was the first in person event for department staff since the pandemic began.



2021 Heart of Oakley Festival

Social Media

The District uses social media as a communication vehicle with the specific purpose of providing District messages and information to the public. The public affairs department uses Twitter and the District's Nextdoor business account to share current information including news releases, the District's e-newsletter, messaging about West Nile virus risk and seasonal specific vector information. In July 2021, the public affairs department opened a District Facebook account to continue the District's virtual outreach efforts. The additional characters allowed on each Facebook post provides the public affairs staff with the opportunity to share more information each time. Messaging included reminders to report dead birds, an explanation of changes to the District's mosquitofish program, helpful tips on reducing the risk of rats and mice, and updates on District hours due to holiday closings. During World Mosquito Day, social media posts encouraged residents to take precautions to reduce the risk of mosquito bites by dumping out standing water, using repellent at dawn and dusk when mosquitoes tend to be more active, and wearing long sleeves and long pants to reduce the risk of mosquito bites outdoors.



Facebook post for World Mosquito Day 2021

Training and Certification

Public affairs department staff attend continuing education sessions to maintain certification through the Vector Control Certification Program of the California Department of Public Health. Public affairs staff are certified in order to provide accurate information when advising the public regarding vector issues in person or through written materials.

Public affairs staff also received specific Public Relations training through the Public Relations Society of America (PRSA) in 2021. Public affairs staff completed and passed a certification exam to become certified in strategic communication. The subject matter included learning what constitutes the foundations of a strategic plan, the psychology behind creating strategic change, how to create goals and tactics that lead to measurable content, and how to communicate the results effectively. The skills learned are for the benefit of the District's internal and external communication.



Public Affairs Department staff became certified in Strategic Communication through PRSA in 2021.

Administration

The District's administration staff serve both the residents of Contra Costa County and District staff. Administration staff provide a wide range of supporting services including answering questions and entering service requests from residents; processing compliance reports for state and federal agencies; conducting payroll, accounts payable and receivable; and providing information to the District's governing body. The administration staff work closely with the District's general manager and Board of Trustees to help guide decision-making in order to promote legal, consistent and fair business practices and the appropriate use of resources throughout the District.

Due to the ongoing pandemic, all District meetings and training sessions remained virtual, while interactions with members of the public who came to the District building were minimal. With COVID precautions in place, administration staff were able to continue training on ways to improve efficiencies and increase productivity related to the department's responsibilities. With an emphasis on efficiency, the ongoing process of transferring documentation to digital formats continued in 2021.

As administration staff members are often the first District employees that members of the public encounter, whether in person or on the phone, the support and resources staff members provide to the public are important. So are the support and resources available to all District employees. To that end, the District established a new position in 2021, a Human Resources and Risk Manager who joined the District in late 2021.

Information Technology

The Information Technology division (IT) is responsible for all communication technology at the District including maintaining all aspects of the administration phone system, cell phones, computers, and internet services. The IT staff maintains multiple virtual servers and all employees' workstations with associated software. The IT administrator also programs and maintains specialized software programs such as the District's timesheet system and operational software, which was implemented early in 2021, and has the ability to integrate the District's online service requests and fieldwork data collection—all in real-time.



The District Building in Concord, California

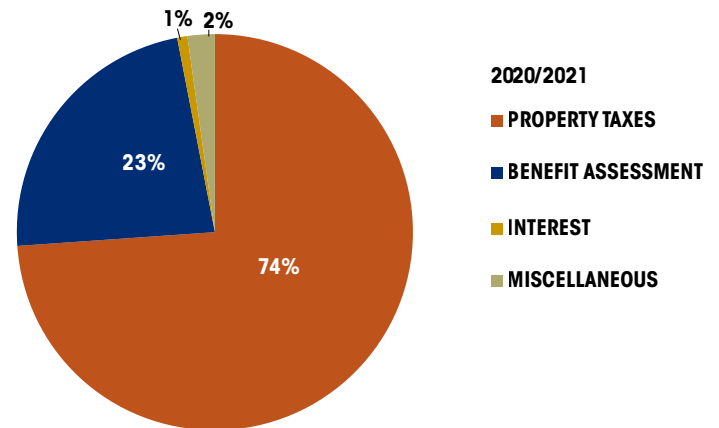
Financial Statement

The Contra Costa Mosquito & Vector Control District depends on property tax revenues and benefit assessment charges in Contra Costa County to fund District operations.

The District receives approximately 97% of its annual revenue from property taxes and benefit assessment. The breakdown is 74% of funding comes from property taxes to county parcels and 23% comes from a benefit assessment. This revenue stream rose approximately 1.1% in fiscal year 2020/2021 compared to the prior fiscal year. Contra Costa County property tax assessed values have continued to see increases, although at a slower pace over the past year, and the County has a relatively strong and stable housing market.

It is important to note above that local property taxes earmarked for the District can be diverted annually to the State of California's Educational Revenue Augmentation Fund (ERAF). Therefore, in 1996, the District implemented a countywide benefit assessment to replace these lost funds. This nominal annual charge varies among four zones in Contra Costa County according to benefit of District services and generates revenue that is used to provide mosquito and vector surveillance and control projects on the properties in Contra Costa County.

As mandated by government code, the District is annually audited by an outside firm. The firm **audits** the District's financial statements to obtain reasonable assurance that the financial statements are free of material misstatement, and that the District's financial statements conform to the generally accepted accounting principles (GAAP). They review the accounting principles used, all financial disclosures, and the overall financial statement presentation. The District annually receives an Unqualified Opinion, which is the best opinion bestowed.

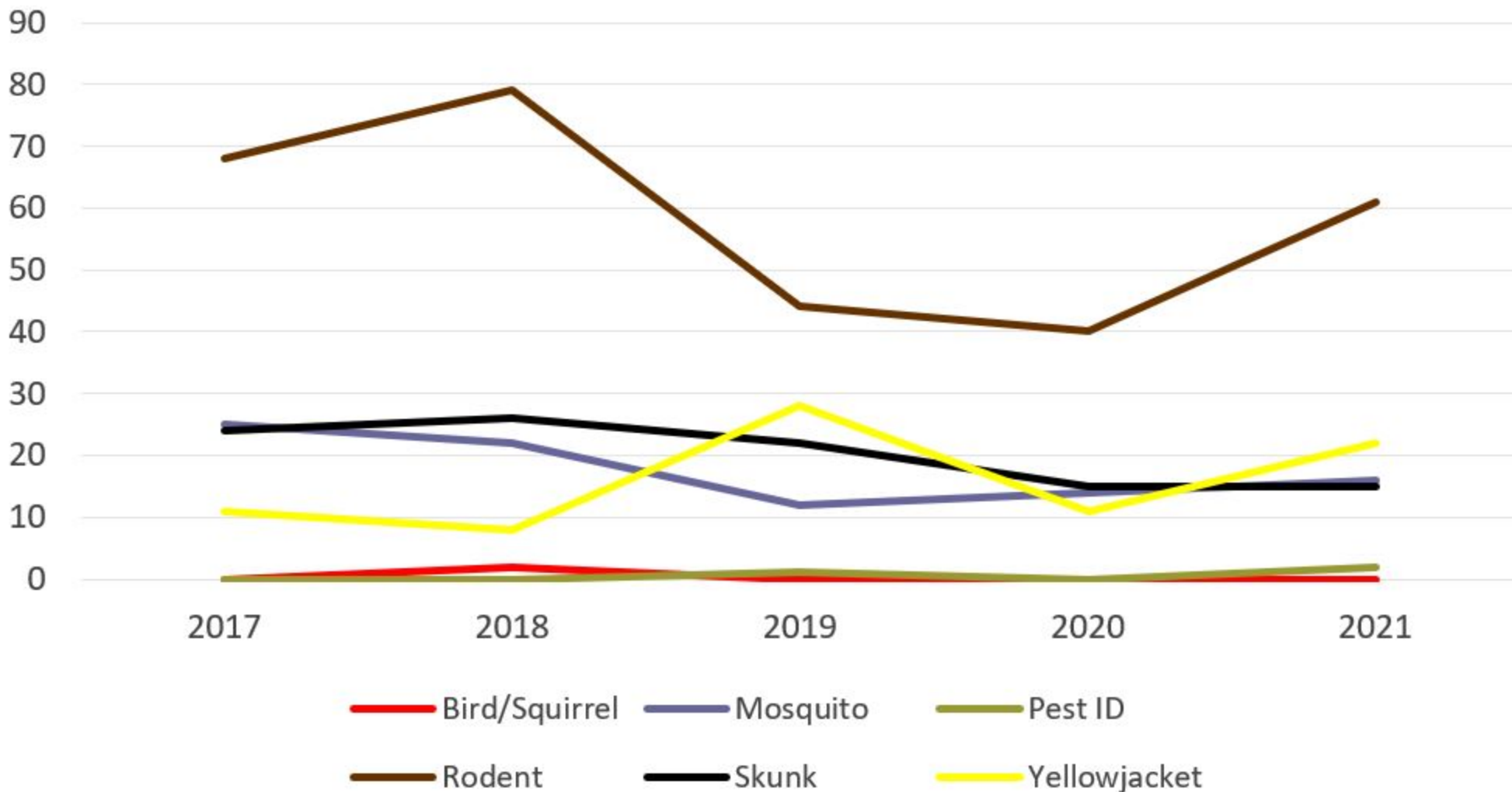


AUDITED FINANCIAL STATEMENTS		
REVENUES	2019/2020	2020/2021
Property Taxes	\$6,293,493	\$6,580,371
Benefit Assessment	2,054,797	2,062,943
Contracts	65,128	28,479
Interest	169,116	44,244
Miscellaneous	167,198	129,733
TOTAL REVENUES	\$8,749,732	\$8,845,770
EXPENDITURES	2019/2020	2020/2021
Salaries, Wages, Benefits	\$5,684,203	\$5,942,961
Operations	1,548,735	1,677,025
Capital	96,363	157,371
TOTAL EXPENDITURES	\$7,329,301	\$7,777,357
TRANSFER TO RESERVE	\$1,420,431	\$1,068,413



El Cerrito Service Requests 2017-2021

Agenda Item No. 6.A.
Attachment 2





Board of Trustees

- The Board of Trustees of the Contra Costa Mosquito & Vector Control District are officials appointed by their respective city councils to govern the Mosquito and Vector Control District knowledgeably and effectively.
- They serve without compensation but are provided with an allowance to defray expenses while on official business (not to exceed \$100 per month) in accordance with the [California Health and Safety Code Section 2030\(b\)](#).
- Trustees do not receive any type of benefits and serve for a term of two to four years.
- The [regular business meetings](#) are held on the second Monday of every other month starting in January.
- Meetings are held at the District office, [155 Mason Circle, Concord](#) at 7:00 p.m. The meetings are open to the public.

Protecting Public Health Since 1927

BOARD OF TRUSTEES

President [MICHAEL KRIEG](#) Oakley • Vice President [PERRY CARLSTON](#) Concord • Secretary [DANIEL PELLEGRINI](#) Martinez
Antioch [Vacant](#) • Brentwood [JON ELAM](#) • Clayton [PEGGIE HOWELL](#) • Contra Costa County [JIM PINCKNEY](#), [CHRIS COWEN](#) & [DARRYL YOUNG](#) • Danville [RANDALL DIAMOND](#)
El Cerrito [Vacant](#) • Hercules [DAMIAN WONG](#) • Lafayette [JAMES FITZSIMMONS](#) • Moraga [JAMES FRANKENFIELD](#) • Orinda [KEVIN MARKER](#) • Pinole [WARREN CLAYTON](#)
Pittsburg [RICHARD AINSLEY, PhD](#) • Pleasant Hill [JENNIFER HOGAN](#) • Richmond [Vacant](#) • San Ramon [PETER PAY](#) • San Pablo [Vacant](#) • Walnut Creek [JAMES MURRAY](#)



AGENDA BILL

Agenda Item No. 7.A.

Date: May 17, 2022
To: El Cerrito City Council
From: Paul Keith, Chief of Police, El Cerrito Police Department
Subject: Military Equipment Policy Ordinance

ACTION PROPOSED

Conduct a public hearing, and upon conclusion, introduce by title and waive any further reading of an Ordinance adopting a Military Equipment Use Policy.

BACKGROUND

Effective on January 1, 2022, the California State Legislature enacted a series of laws relating to the funding, acquisition, and use of military equipment by law enforcement agencies. The new laws, recorded in Government Codes 7070 through 7075, require that each Law Enforcement Agency begin the process of seeking approval of a Military Equipment Policy approved by their local governing body. The law requires that agencies receive approval of the policy before seeking funds for military equipment, acquiring military equipment, collaborating with another agency in the deployment or use of equipment, and using any new or existing military equipment.

ANALYSIS

The El Cerrito Police Department possesses equipment that may be considered military equipment, under the new state law. These items include:

- A small, commercially available flying drone equipped with a camera
- A Ford Transit commercial van, outfitted with a desk, chairs and cabinets used to manage incidents
- Four (4) specialty rifles
- Tear gas canisters
- Ten (10) projectile launch platforms and associated munitions.

These items are intended to provide Police Officers with advantages and alternatives to resolve criminal incidents. In the case of the flying drone, the equipment provides officers with the ability to take overhead photos of crime scenes and search areas for missing people or fleeing suspects. The command van provides officers with a dry and covered area to plan responses to in-progress incidents and major investigations. The specialty rifles offer capabilities not available to the general public, while the tear gas canisters allow for crowd control options in the case of dangerous or violent crowds. The projectile launch platforms, commonly known as bean bag or sponge round launchers, provide for less lethal means to resolve critical incidents. Together, these items add depth and flexibility to police responses that provide for the safety of officers and community members.

The police department makes purchases of large equipment items, like the Ford Transit Van, using state bid lists. In the case of items like the flying drone, staff members search available retailers for the most competitive price. Items such as projectile launch platforms and munitions are specialty items and staff evaluate prices from multiple vendors before making purchases, when possible.

State law and the proposed policy require staff to prepare an annual report on military equipment used by law enforcement agencies. This report includes equipment inventories, items purchased, their uses, and their costs. The law and the proposed policy also require the El Cerrito Police Department to hold an annual meeting to garner feedback on the use and purchase of military equipment. On April 13, 2022, the Police Department published the draft of this policy on the Police Department website.

STRATEGIC PLAN CONSIDERATIONS

This Ordinance serves to accomplish Goals A: Delivering Exemplary Government Services and E: Ensuring the Public's Health and Safety. A modern Police Department must possess the tools to deescalate violent situations, protect community members, and solve crime. At the same time, police departments must be transparent and engage with their communities on issues of great public interest.

ENVIRONMENTAL CONSIDERATIONS

This section is not applicable to this agenda item.

FINANCIAL CONSIDERATIONS

This ordinance is not seeking any new budget approvals. Future annual reports will include expected costs associated with new purchases of defined military equipment.

LEGAL CONSIDERATIONS

The City Attorney has reviewed the draft Ordinance and policy and found that legal considerations have been addressed.

Reviewed by:

A handwritten signature in blue ink, appearing to read "Karen Pinkos".

Karen Pinkos, City Manager

Attachments:

1. Ordinance
2. Policy and List of Equipment

ORDINANCE NO. 2022-XX

AN ORDINANCE OF THE CITY OF EL CERRITO ADOPTING A MILITARY EQUIPMENT USE POLICY

WHEREAS, on September 30, 2021, Governor Gavin Newsom signed into law Assembly Bill 481 relating to the use of military equipment by California law enforcement agencies; and

WHEREAS, Assembly Bill 481 seeks to provide transparency, oversight, and an opportunity for meaningful public input on decisions regarding whether and how military equipment is funded, acquired, or used by law enforcement agencies; and

WHEREAS, Assembly Bill 481, codified at California Government Code section 7070, et. seq., requires law enforcement agencies to obtain approval of the applicable governing body, by an ordinance adopting a “military equipment” use policy, at a regular meeting held pursuant to open meeting laws, prior to taking certain actions relating to the funding, acquisition, or use of military equipment. The term “military equipment” is defined in California Government Code section 7070 subdivision (c); and

WHEREAS, the El Cerrito Police Department is in possession of certain items of equipment that may qualify as “military equipment” under Assembly Bill 481; and

WHEREAS, Assembly Bill 481 requires that a law enforcement agency possessing and using such qualifying equipment prepare a publicly released, written, military equipment use policy; and

WHEREAS, Assembly Bill 481 allows the governing body of a city to approve the military equipment use policy for continued or future funding, acquisition, or use of military equipment within its jurisdiction only if it makes the specified determinations; and

WHEREAS, the military equipment use policy and supporting information must, upon adoption by ordinance, thereafter be reviewed and renewed by the governing body at least annually. The process for review and renewal is set forth in Section 4 of this ordinance.; and

WHEREAS, the proposed military equipment use policy has been prepared by the El Cerrito Police Department as “Military Equipment Funding, Acquisition and Use Policy” (sometimes hereafter referred to as “the Policy”); and

WHEREAS, the El Cerrito Police Department’s Military Equipment Funding, Acquisition and Use Policy was published on the El Cerrito Police Department’s internet website on April 11, 2022 in compliance with Government Code Section 7071 subdivision (b); and

WHEREAS, the El Cerrito Police Department’s Military and Equipment Funding, Acquisition and Use Policy was presented to City Council on May 17, 2022; and

WHEREAS, the El Cerrito Police Department’s Military Equipment Funding, Acquisition and Use Policy meets the requirements of California Government Code Section 7070 subdivision (d); and

WHEREAS, the City Council of the City of El Cerrito, having received the information required under Assembly Bill 481 regarding the El Cerrito Police Department's use of military equipment as defined in said law, and makes the specified determinations required under Government Code section 7071 subdivision (d), deems it to be in the interest of the City to approve the El Cerrito Police Department's Military Equipment Funding, Acquisition and Use Policy, which is attached to this ordinance.

NOW THEREFORE, THE CITY COUNCIL OF THE CITY OF EL CERRITO DOES HEREBY ORDAIN AS FOLLOWS:

Section 1: Incorporation of Recitals. The City Council finds that the above Recitals are true and correct and are incorporated herein by reference.

Section 2: Determinations. Based on the findings above, in addition to information provided to the City Council at the public meeting, the City Council determines as follows:

1. The El Cerrito Police Department's Military Equipment Funding, Acquisition and Use Policy, including the military equipment listed in an attachment to the Policy, is necessary because there are no reasonable alternatives that can achieve the same objectives of officer and civilian safety.
2. The El Cerrito Police Department's Military Equipment, Funding, Acquisition and Use Policy will safeguard the public's welfare, safety, civil rights, and civil liberties.
3. The military equipment identified in the El Cerrito Police Department's Military Equipment, Funding, Acquisition and Use Policy is reasonably cost effective compared to available alternatives that can achieve the same objectives of officer and civilian safety.
4. Prior military equipment uses by the El Cerrito Police Department complied with the military equipment use policy although it was not yet in effect at the time, or if prior uses did not comply with the accompanying military equipment use policy, corrective action has been taken to remedy non-conforming uses and ensure future compliance.

Section 3: Approval of Military Equipment Use Policy. The El Cerrito Police Department's Military Equipment Funding, Acquisition, and Use Policy setting forth the City's military equipment use policy is approved and adopted.

Section 4: Annual Review and Renewal of Military Equipment Use Policy.

- A. In compliance with Government Code section 7071(e), the City Council shall review this ordinance at least annually and vote on whether to renew this ordinance at a regular meeting. The City Council shall vote by resolution on whether to renew this ordinance and whether to approve amendments to the Military Equipment Funding, Acquisition, and Use Policy, including the list of military equipment attached to the Policy.
- B. The City Council shall determine, based on the annual military equipment report submitted pursuant to Government Code section 7072, whether each type of

military equipment identified in that report has complied with the standards for approval set forth in Section 2 of this ordinance and Government Code section 7071(d). The City Council's determination shall be set forth in the resolution referred to in subsection (A) above.

- C. If the City Council determines that a type of military equipment identified in that annual military equipment report has not complied with the standards for approval set forth in Section 2 of this ordinance and Government Code section 7071(d), the City Council shall either disapprove a renewal of the authorization for that type of military equipment or require modifications to the military equipment use policy in a manner that will resolve the lack of compliance. Disapproval of renewal of the authorization for a noncompliant type of military equipment and modifications to the Policy to resolve an identified lack of compliance shall be by the resolution referred to in subsection (A) above.
- D. If the City Council determines not to renew this ordinance, it shall do so by the adoption of an ordinance.

Section 5: Severability. If any section, subsection, sentence, clause or phrase of this chapter is for any reason held to be invalid or unconstitutional by a decision of any court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of this chapter. The city council hereby declares that it would have passed the ordinance codified in this chapter, and each and every section, subsection, sentence, clause or phrase not declared invalid or unconstitutional without regard to whether any portion of this chapter would be subsequently declared invalid or unconstitutional.

Section 6: Effective Date. This Ordinance shall take effect and be enforced thirty days after the date of its adoption. Prior to the expiration of fifteen days from the passage thereof, the ordinance or a summary thereof shall be posted or published as may be required by law, and thereafter the same shall be in full force and effect.

THE FOREGOING ORDINANCE was introduced at a regular meeting of the City Council on May 17, 2022 and passed by the following vote:

AYES:	Councilmembers
NOES:	Councilmembers
ABSENT:	Councilmembers
ABSTAIN:	Councilmembers

ADOPTED AND ORDERED published at a regular meeting of the City Council held on June 7, 2022 and passed by the following vote:

AYES:	Councilmembers
NOES:	Councilmembers
ABSENT:	Councilmembers
ABSTAIN:	Councilmembers

APPROVED:

Gabe Quinto, Mayor

ATTEST:

Holly M. Charléty, City Clerk

ORDINANCE CERTIFICATION

I, Holly M. Charléty, City Clerk of the City of El Cerrito, do hereby certify that this Ordinance is the true and correct original Ordinance No. (2022-XX) of the City of El Cerrito; that said Ordinance was duly enacted and adopted by the City Council of the City of El Cerrito at a meeting of the City Council held on the 7th day of June, 2022; and that said Ordinance has been published and/or posted in the manner required by law.

WITNESS my hand and the Official Seal of the City of El Cerrito, California, this ____
_____ day of June, 2022.

Holly M. Charléty, City Clerk

Military Equipment

707.1 PURPOSE AND SCOPE

The purpose of this policy is to provide guidelines for the approval, acquisition, and reporting requirements of military equipment (Government Code § 7070; Government Code § 7071; Government Code § 7072).

707.1.1 DEFINITIONS

Definitions related to this policy include (Government Code § 7070):

Governing body – The elected or appointed body that oversees the Department.

Military equipment – Includes but is not limited to the following:

- Unmanned, remotely piloted, powered aerial or ground vehicles.
- Mine-resistant ambush-protected (MRAP) vehicles or armored personnel carriers.
- High mobility multipurpose wheeled vehicles (HMMWV), two-and-one-half-ton trucks, five-ton trucks, or wheeled vehicles that have a breaching or entry apparatus attached.
- Tracked armored vehicles that provide ballistic protection to their occupants.
- Command and control vehicles that are either built or modified to facilitate the operational control and direction of public safety units.
- Weaponized aircraft, vessels, or vehicles of any kind.
- Battering rams, slugs, and breaching apparatuses that are explosive in nature. This does not include a handheld, one-person ram.
- Firearms and ammunition of .50 caliber or greater, excluding standard-issue shotguns and standard-issue shotgun ammunition.
- Specialized firearms and ammunition of less than .50 caliber, including firearms and accessories identified as assault weapons in Penal Code § 30510 and Penal Code § 30515, with the exception of standard-issue firearms.
- Any firearm or firearm accessory that is designed to launch explosive projectiles.
- Noise-flash diversionary devices and explosive breaching tools.
- Munitions containing tear gas or OC, excluding standard, service-issued handheld pepper spray.
- TASER® Shockwave, microwave weapons, water cannons, and long-range acoustic devices (LRADs).
- Kinetic energy weapons and munitions.
- Any other equipment as determined by a governing body or a state agency to require additional oversight.

El Cerrito Police Department

El Cerrito PD Policy Manual

Military Equipment

707.2 POLICY

It is the policy of the El Cerrito Police Department that members of this department comply with the provisions of Government Code § 7071 with respect to military equipment.

707.3 MILITARY EQUIPMENT COORDINATOR

The Chief of Police should designate a member of this department to act as the military equipment coordinator. The responsibilities of the military equipment coordinator include but are not limited to:

- (a) Acting as liaison to the governing body for matters related to the requirements of this policy.
- (b) Identifying department equipment that qualifies as military equipment in the current possession of the Department, or the equipment the Department intends to acquire that requires approval by the governing body.
- (c) Conducting an inventory of all military equipment at least annually.
- (d) Collaborating with any allied agency that may use military equipment within the jurisdiction of El Cerrito Police Department (Government Code § 7071).
- (e) Preparing for, scheduling, and coordinating the annual community engagement meeting to include:
 - 1. Publicizing the details of the meeting.
 - 2. Preparing for public questions regarding the department's funding, acquisition, and use of equipment.
- (f) Preparing the annual military equipment report for submission to the Chief of Police and ensuring that the report is made available on the department website (Government Code § 7072).
- (g) Establishing the procedure for a person to register a complaint or concern, or how that person may submit a question about the use of a type of military equipment, and how the Department will respond in a timely manner.

707.4 MILITARY EQUIPMENT INVENTORY

The following constitutes a list of qualifying equipment for the Department

[ECPD Military Equipment Report March 2022](#)

707.5 APPROVAL

The Chief of Police or the authorized designee shall obtain approval from the governing body by way of an ordinance adopting the military equipment policy. As part of the approval process, the Chief of Police or the authorized designee shall ensure the proposed military equipment policy is submitted to the governing body and is available on the department website at least 30 days prior to any public hearing concerning the military equipment at issue (Government Code § 7071). The military equipment policy must be approved by the governing body prior to engaging in any of the following (Government Code § 7071):

El Cerrito Police Department

El Cerrito PD Policy Manual

Military Equipment

- (a) Requesting military equipment made available pursuant to 10 USC § 2576a.
- (b) Seeking funds for military equipment, including but not limited to applying for a grant, soliciting or accepting private, local, state, or federal funds, in-kind donations, or other donations or transfers.
- (c) Acquiring military equipment either permanently or temporarily, including by borrowing or leasing.
- (d) Collaborating with another law enforcement agency in the deployment or other use of military equipment within the jurisdiction of this department.
- (e) Using any new or existing military equipment for a purpose, in a manner, or by a person not previously approved by the governing body.
- (f) Soliciting or responding to a proposal for, or entering into an agreement with, any other person or entity to seek funds for, apply to receive, acquire, use, or collaborate in the use of military equipment.
- (g) Acquiring military equipment through any means not provided above.

707.6 COORDINATION WITH OTHER JURISDICTIONS

Military equipment should not be used by any other law enforcement agency or member in this jurisdiction unless the military equipment is approved for use in accordance with this policy.

707.7 ANNUAL REPORT

Upon approval of a military equipment policy, the Chief of Police or the authorized designee should submit a military equipment report to the governing body for each type of military equipment approved within one year of approval, and annually thereafter for as long as the military equipment is available for use (Government Code § 7072).

The Chief of Police or the authorized designee should also make each annual military equipment report publicly available on the department website for as long as the military equipment is available for use. The report shall include all information required by Government Code § 7072 for the preceding calendar year for each type of military equipment in department inventory.

707.8 COMMUNITY ENGAGEMENT

Within 30 days of submitting and publicly releasing the annual report, the Department shall hold at least one well-publicized and conveniently located community engagement meeting, at which the Department should discuss the report and respond to public questions regarding the funding, acquisition, or use of military equipment.

707.9 COMPLAINT PROCESS

Members of the public may register complaints, feedback, or concerns or submit questions about the use of each specific type of military equipment in this policy by any of the following means:

Email: Investigations@ci.el-cerrito.ca.us

El Cerrito Police Department

El Cerrito PD Policy Manual

Military Equipment

Phone: (510) 215-4400

Mail: El Cerrito Police Department, Attn: Military Equipment Use Coordinator, 10900 San Pablo Ave., El Cerrito, CA 94530

The Department is committed to responding to complaints, feedback, concerns and/or questions received through any of the above methods in a timely manner.

Attachments

Equipment Report V3.pdf

**El Cerrito Police Department
Military Equipment Inventory
Policy 707
March 31, 2022**

Equipment Owned, Sought and/or Maintained by El Cerrito Police Department

Unmanned Aerial Vehicles – Govt. Code 7070(c)(1)

DJI Mavic Pro – Aerial Drone

Quantity: 1

Cost: \$1,300

Annual Maintenance: \$20

Description: Small, commercially available drone, equipped with a camera.

Description from the manufacturer's website: "The DJI Mavic Pro is DJI's smallest flying camera, featuring a fully stabilized camera, Intelligent Flight Modes, and Obstacle Avoidance inside a revolutionary folding design. It captures 4K videos and 12-megapixel videos."

Use: Overhead Photography and Searches

Lifespan: 3 years

Training/Certification Required: Federal Aviation Administration Certification, POST Unmanned Aircraft Systems Basic Pilots Course – 32 hours

Policy #607 – Unmanned Aerial Systems (UAS) Operations

DJI Mavic 2 Enterprise Advanced – Aerial Drone

Quantity Sought: 1

Cost: \$6,100

Annual Maintenance: \$100

Description: Small, commercially available drone, equipped with dual thermal and visual cameras.

Description from the manufacturer's website: "Capture accurate details in any mission with the Mavic 2 Enterprise Advanced – a highly versatile yet compact tool that packs a whole lot of performance upgrades. With high-resolution thermal and visual cameras, the M2EA supports up to 32X digital zoom and is capable of centimeter-level positioning accuracy with the RTK module. Provide incident commanders with accurate, real-time insights as missions unfold, empowering decisions to be made with confidence. Rapidly and remotely map, document, and preserve crime scenes, vehicle collisions, and more, while simultaneously keeping operators from harm's way."

Use: Overhead Photography and Searches

Lifespan: 5 years

Training/Certification Required: Federal Aviation Administration Certification, POST Unmanned Aircraft Systems Basic Pilots Course – 32 hours

Policy #607 – Unmanned Aerial Systems (UAS) Operations

Command and Control Vehicles – Govt. Code 7070(c)(5)

Ford Transit Panel Van – Incident Command Vehicle

Quantity: 1

Cost: \$52,000

Annual Maintenance: \$1,000

Description: Large, commercially available cargo van, outfitted with desk, chairs and cabinets.

Description from the manufacturer's website: "Ford Transit Cargo Van offers plenty of cargo space for installing racks and bins as well as convenient storage of tools, supplies, equipment and more."

Use: Planning and coordination space for major events, critical incidents, and major criminal investigations.

Lifespan: 10 years

Training/Certification Required: California Driver's License

Policy #704 – Vehicle Use

Specialized Firearms – Govt. Code 7070(c)(10)

Heckler and Koch MP5 Submachine Gun

Quantity: 2

Cost: \$2,000 each

Annual Maintenance: \$10

Description: Automatic sub-machinegun, 9mm caliber, stock configuration

Description from the manufacturer's website: "The 9 mm MP5 submachine gun uses the same delayed blowback operating system found on the famous HK G3 automatic rifle. Reliability, accuracy, ease of handling, simple maintenance, and safety — all the elements of HK excellence are highlighted on the MP5. Firing from the closed-bolt position in all modes of fire make MP5 submachine guns extremely accurate and controllable."

Use: Compact alternate weapon for SWAT Team members.

Lifespan: 25 years

Training/Certification Required: SWAT School – 80 hours, Tactical/Patrol Rifle Course – 24 hours

Policy #300 – Use of Force, Policy #306 – Firearms, Policy #417 Patrol Rifle

Gas Based Projectiles – Govt. Code 7070(c)(12)

Defense Technology Han-Ball CS (Tear Gas Canister)

Quantity: 8

Cost: \$20 each

Annual Maintenance: \$0

Description: Hand thrown Tear Gas Canister. Tear gas is a crowd control agent that causes irritation to the eyes, mouth, and skin.

Description from the manufacturer's website: "The Han-Ball™ CS Grenade is an outdoor use grenade expelling its payload in approximately 15-20 seconds. The rubber ball round has an overall size of 4.8 in. tall, including the fuse head, and 3.1 in. diameter. This launchable grenade holds approximately 1.6 oz. of active agent which is expelled through three ports around the equator of the ball."

Use: Crowd Control and Training for Academy Recruits

Lifespan: 5 years

Training/Certification Required: Chemical Munitions

Policy #300 – Use of Force, Policy #303 – Control Devices and Techniques, Policy #433 – First Amendment Assemblies

Projectile Launch Platforms and Munitions – Govt. Code 7070(c)(14)

Remington Model 870 Shotgun

Quantity: 6

Cost: \$1,075 each

Annual Maintenance: \$10

Description: Standard shotgun outfitted with orange stock, orange fore end, and sling.

Ammunition is Drag Stabilized Beanbag rounds.

Description from the manufacturer's website: "Pump-action shotgun design - the ultimate in strength, durability, silky-smooth bind-free action, and sleek classical lines"

Use: Less lethal impact weapon. Provides user the ability to deploy a kinetic weapon at a distance. Allows the user to remain behind cover or in a safe position while engaging actively violent and dangerous subjects.

Lifespan: 25 years

Training/Certification Required: Department Use of Force Training

Policy #300 – Use of Force, Policy #303 – Control Devices and Techniques, Policy #306 – Firearms, Policy #433 – First Amendment Assemblies

Defense Technology 1325 40mm Launcher

Quantity: 3

Cost: \$2,250

Annual Maintenance: \$10

Description: A single shot launcher for use with specialty munitions. Ammunition can be sponge, marking sponge, or pepper powder sponge rounds.

Description from the manufacturer's website: "Manufactured exclusively for Defense Technology®, the 40LMTS is a tactical single shot launcher that features an expandable ROGERS Super Stoc and an adjustable Integrated Front Grip (IFG) with light rail. The 40LMTS will fire standard 40mm less lethal ammunition, up to 4.8" in cartridge length."

Use: Less lethal impact weapon. Provides user the ability to deploy a kinetic weapon at a distance. Allows the user to remain behind cover or in a safe position while engaging actively violent and dangerous subjects.

Lifespan: 25 years

Training/Certification Required: Department Use of Force Training

Policy #300 – Use of Force, Policy #303 – Control Devices and Techniques, Policy #306 – Firearms, Policy #433 – First Amendment Assemblies

Defense Technology 1440 40mm 4-shot Launcher

Quantity: 1

Cost: \$4,000

Annual Maintenance: \$10

Description: A four shot launcher, for use with specialty munitions. Ammunition can be sponge, marking sponge, or pepper powder sponge rounds.

Description from the manufacturer's website: "Designed for riot and tactical situations, the Defense Technology® 1440 40mm Tactical 4-Shot Launcher is low-profile and lightweight, providing multi-shot capability in an easy to carry launcher. It features the Rogers Super Stoc™ expandable gun stock, an adjustable Picatinny mounted front grip, and a unique direct-drive system to advance the magazine cylinder."

Use: Less lethal impact weapon. Provides user the ability to deploy a kinetic weapon at a distance. Allows the user to remain behind cover or in a safe position while engaging actively violent and dangerous subjects.

Lifespan: 25 years

Training/Certification Required: Department Use of Force Training

Policy #300 – Use of Force, Policy #303 – Control Devices and Techniques, Policy #306 – Firearms, Policy #433 – First Amendment Assemblies

FN America 303 Mk2 Less-Lethal Launcher

Quantity Sought: 12

Cost: \$1,750 each

Annual Maintenance: \$50

Description: A 15 round, CO2 powered, launcher system. Primary ammunition is paint or OC based weighted projectiles. Equipped with a Patrol Optic. Not a firearm.

Description from the manufacturer's website: "Built from lightweight, rugged polymer and driven by a compressed CO₂ air tank, the FN 303® Mk2 upgrades FN's less lethal technology for today's officers, delivering increased accuracy with new, adjustable flip up metal sights and a MIL-STD 1913 top rail for optical or red dot sights. The fin-stabilized projectiles deliver optimum accuracy with maximum effectiveness and safety. Officers can quickly change from inert, marking, impact or irritant projectiles, with a clear view of the projectile type and remaining count in the magazine."

Use: Less lethal impact weapon. Provides user the ability to deploy a kinetic weapon at a distance. Allows user to remain behind cover or in a safe position while engaging actively violent and dangerous subjects.

Lifespan: 15 years

Training/Certification Required: Department Use of Force Training

Policy #300 – Use of Force, Policy #303 – Control Devices and Techniques, Policy #433 – First Amendment Assemblies

FN 303 Washable Paint Less-Lethal Projectiles

Quantity Sought: 450

Cost: \$4 each

Annual Maintenance: \$0

Description: A plastic weighted projectile containing washable paint.

Description from the manufacturer: "This projectile is intended for training and for marking suspects and objects with a washable colorant."

Use: Less lethal impact weapon. Provides user the ability to deploy a kinetic weapon at a distance. Allows the user to remain behind cover or in a safe position while engaging actively violent and dangerous subjects. The round also disburses washable paint at the point of impact, assisting officers with identifying violent subjects.

Lifespan: 5 years

Training/Certification Required: Department Use of Force Training

Policy #300 – Use of Force, Policy #303 – Control Devices and Techniques, Policy #433 – First Amendment Assemblies

FN 303 PAVA/OC Powder Less-Lethal Projectiles

Quantity Sought: 150

Cost: \$5 each

Annual Maintenance: \$0

Description: A plastic weighted projectile containing an irritant in the form of PAVA/OC powder. PAVA is an acronym for Pelargonic Acid Vanillylamide, a synthetic capsaicinoid, created from peppers.

OC is an acronym for Oleoresin Capsicum, a powder made from peppers.

Description from the manufacturer: "This projectile is intended as an irritant for individual suspects, point-specific targets, or small-area denial. The active ingredient is 0.5% PAVA/OC in a powder form for ease of storage, deployment, and clean-up."

Use: Less lethal impact weapon. Provides user the ability to deploy a kinetic weapon at a distance. Allows the user to remain behind cover or in a safe position while engaging actively violent and dangerous subjects. The round also disburses PAVA/OC powder at the point of impact, causing discomfort.

Lifespan: 5 years

Training/Certification Required: Department Use of Force Training

Policy #300 – Use of Force, Policy #303 – Control Devices and Techniques, Policy #433 – First Amendment Assemblies

Defense Technology 3027 Drag Stabilized Beanbag Round

Quantity: 200

Cost: \$5 each

Description: A 12-gauge round, holding a ballistic fiber bag containing lead shot as a projectile.

Description from the manufacturer's website: "The Drag Stabilized™ 12-Gauge Round is a translucent 12-Gauge shell loaded with a 40-Gram tear shaped bag made from a cotton and ballistic material blend and filled with #9 shot."

Use: Less lethal impact weapon. Provides user the ability to deploy a kinetic weapon at a distance. Allows the user to remain behind cover or in a safe position while engaging actively violent and dangerous subjects.

Lifespan: 5 years

Training/Certification Required: Department Use of Force Training

Policy #300 – Use of Force, Policy #303 – Control Devices and Techniques, Policy #306 – Firearms, Policy #433 – First Amendment Assemblies

Defense Technology 6325 Exact Impact Sponge

Quantity: 55

Cost: \$5 each

Description: A 40mm round, with a blue foam projectile.

Description from the manufacturer's website: "This lightweight, high-speed projectile consisting of a plastic body and sponge nose that is spin stabilized via the incorporated rifling collar and the 40 mm launcher's rifled barrel. The round utilizes smokeless powder as the propellant, and, therefore, have velocities that are extremely consistent. Used for Crowd Control, Patrol, and Tactical Applications."

Use: Less lethal impact weapon. Provides user the ability to deploy a kinetic weapon at a distance. Allows the user to remain behind cover or in a safe position while engaging actively violent and dangerous subjects.

Lifespan: 5 years

Training/Certification Required: Department Use of Force Training

Policy #300 – Use of Force, Policy #303 – Control Devices and Techniques, Policy #306 – Firearms, Policy #433 – First Amendment Assemblies

Defense Technology 6320 Direct Impact OC

Quantity: 6

Cost: \$5 each

Description: A 40mm round, with an orange foam projectile. Projectile contains orange marking and pepper powder.

Description from the manufacturer's website: "40 mm Direct Impact® Round. Lightweight, high-speed projectile consists of a plastic body and a crushable foam nose. The orange foam nose indicates that the round contains an OC powder."

Use: Less lethal impact weapon. Provides user the ability to deploy a kinetic weapon at a distance. Allows the user to remain behind cover or in a safe position while engaging actively violent and dangerous subjects. The round also disburses pepper powder at the point of impact, causing discomfort.

Lifespan: 5 years

Training/Certification Required: Department Use of Force Training

Policy #300 – Use of Force, Policy #303 – Control Devices and Techniques, Policy #306 – Firearms, Policy #433 – First Amendment Assemblies

Defense Technology 6326 Direct Impact Marking

Quantity: 11

Cost: \$5 each

Description: A 40mm round, with a green foam projectile. Projectile contains green marking powder.

Description from the manufacturer's website: "40 mm Direct Impact® Round. This lightweight, high-speed projectile consists of a plastic body and a crushable foam nose. The green foam nose indicates that the round contains a marking agent."

Use: Less lethal impact weapon. Provides user the ability to deploy a kinetic weapon at a distance. Allows the user to remain behind cover or in a safe position while engaging actively violent and dangerous subjects. The round also disburses green powder at the point of impact, assisting officers with identifying violent subjects.

Lifespan: 5 years

Training/Certification Required: Department Use of Force Training

Policy #300 – Use of Force, Policy #303 – Control Devices and Techniques, Policy #306 – Firearms, Policy #433 – First Amendment Assemblies

Military Equipment Not Owned, Sought or Maintained by the El Cerrito Police Department
Equipment Owned and/or Utilized by Law Enforcement Agencies with which the El Cerrito Police
Department Collaborates and/or Participates for Law Enforcement Purposes

Unmanned, Remotely Piloted, Powered Aerial or Ground vehicles – Govt. Code 7070(c)(1)

Various ground robots and aerial drones are deployed by agencies in the San Francisco Bay Area
Quantity: Outside Owned. Not owned or sought by the ECPD, unless otherwise noted in preceding section.

Cost: Unknown

Annual Maintenance: Unknown

Description: Remotely operated robotic vehicles of various types.

Use: Multiple. Aerial drones can be used for overhead photography and searches, including with infrared camera systems. Ground based drones can be used to search, remotely deliver, communicate, or retrieve items, and aid in bomb detection and disarming. Drones are typically used in situations which are too dangerous for humans, as in bomb disarming, or more cost effective than other methods, as in the use of an aerial drone instead of a helicopter.

Lifespan: Varies

Training/Certification Required: Dependent upon agency and drone type.

Policy 409 – Response to Bomb Calls, Policy #607 – Unmanned Aerial Systems (UAS) Operations

Mine-Resistant Ambush-Protected (MRAP) Vehicles or Armored Personnel Carriers - Govt. Code 7070(c)(2)

Various armored vehicles are deployed by agencies in the San Francisco Bay Area

Quantity: Outside Owned. Not owned or sought by the ECPD.

Cost: Unknown

Annual Maintenance: Unknown

Description: Large truck or Armored Personnel Carrier covered in bullet resistant material.

Use: Transportation of people and equipment in a gunfire protected vehicle. Protected approach during active shooter incident. Protected evacuation of civilians during active shooter incident. Sometimes used in conjunction with a SWAT team call out event.

Lifespan: Varies

Training/Certification Required: Dependent upon agency and vehicle type.

Policy #704 – Vehicle Use

Command and control vehicles that are either built or modified to facilitate the operational control and direction of public safety units - Govt. Code 7070(c)(5)

Various command vehicles are deployed by agencies in the San Francisco Bay Area

Quantity: Outside Owned. Not owned or sought by the ECPD unless otherwise noted in preceding section.

Cost: Unknown

Annual Maintenance: Unknown

Description: Van or Recreational Vehicle equipped with support equipment, often including chairs, desks, communications equipment, and computers. May contain a bathroom.

Use: Planning and coordination center during major incidents and disasters.

Lifespan: Varies

Training/Certification Required: Dependent upon agency and vehicle type.

Policy #704 – Vehicle Use, Policy #433 – First Amendment Assemblies,

Battering rams, slugs, and breaching apparatuses that are explosive in nature - Govt. Code 7070(c)(7)

Breaching Slugs are equipment used by SWAT teams.

Quantity: Outside Owned. Not owned or sought by the ECPD.

Cost: Unknown

Annual Maintenance: Unknown

Description: Projectile designed to defeat a lock.

Use: Open barricaded doors, gates, windows, or other points of entry, by a SWAT team. Entry using a breaching apparatus will typically be supported by a search warrant, but may be used in the event of an active shooter incident.

Lifespan: Varies

Training/Certification Required: POST Certified Training amongst outside agencies.

Policy #300 – Use of Force, Policy #306 – Firearms

Specialized firearms and ammunition of less than .50 caliber - Govt. Code 7070(c)(10)

Various rifles and accompanying ammunition are used by agencies in the San Francisco Bay Area.

Quantity: Outside Owned. Not owned or sought by the ECPD unless otherwise noted in preceding section.

Cost: Unknown

Annual Maintenance: Unknown

Description: Firearms that may be bolt-action, semi-automatic or automatic. May be equipped with a telescopic sight for high accuracy. An example could be a submachine gun or sniper rifle used by a SWAT team.

Use: Engage a target with lethal force when necessary and high precision is needed.

Lifespan: Varies

Training/Certification Required: POST Certified Training.

Policy #300 – Use of Force, Policy #306 – Firearms, Policy #417 Patrol Rifle

“Flashbang” grenades and explosive breaching tools, “tear gas,” and “pepper balls” - Govt. Code 7070(c)(12)

Various devices are used by SWAT teams in the San Francisco Bay Area.

Quantity: Outside Owned. Not owned or sought by the ECPD, unless otherwise noted in preceding section.

Cost: Unknown

Annual Maintenance: Unknown

Description: Varies. Distraction devices, irritant dispersal, breaching devices. May be deployed through a compressed air powered launcher or a handheld projectile.

Use: Distraction, irritation, or opening barricaded doors.

Lifespan: Varies

Training/Certification Required: Dependent upon agency and type.

Policy: Policy #300 – Use of Force, Policy #303 – Control Devices and Techniques, Policy #306 – Firearms, Policy #433 – First Amendment Assemblies

Long Range Acoustic Device (LRAD) - Govt. Code 7070(c)(13)

Long Range Acoustic Device (LRAD)

Quantity: Outside Owned. Not owned or sought by the ECPD.

Cost: Unknown

Annual Maintenance: Unknown

Description: Sound amplification device

Use: Communication during crowd control, civil emergencies, natural disasters, police incidents and evacuations. May also be used to sound a warning tone.

Lifespan: Varies

Training/Certification Required: Dependent upon agency and type.

Policy #433 – First Amendment Assemblies



AGENDA BILL

Agenda Item No. 7.B.

Date: May 17, 2022
To: El Cerrito City Council
From: Sandra Dalida, Finance Director/Treasurer, Finance Department
Subject: Public Hearing on Master Fee Schedule Revisions for Fiscal Year 2022-23

ACTION PROPOSED

Conduct a public hearing, and upon conclusion adopt a resolution approving the Fiscal Year 2022-23 Master Fee Schedule.

BACKGROUND

The Master Fee Schedule, which includes all City user fees, charges for services, and business license tax rates, is revised annually, as required by El Cerrito Municipal Code §4.01.010.

Adjustments to fees and charges for service are intended to cover changes in the City's cost of providing programs and services. Each year, changes in costs are analyzed and adjustments are proposed. In some cases, a proposed fee may not fully cover the cost of the program or services, but maintaining or reducing the fee may be necessary to maintain alignment with other cities and organizations that have comparable programs. Increases in fees must also be analyzed to be consistent with legal restrictions and regulatory guidelines.

The City's methodology used to formulate the proposed changes has been derived from the ABAG Consumer Price Indices and Consumer Price Index from the U.S. Bureau of Labor Statistics for the Western Metropolitan Area (San Francisco-Oakland-Hayward).

ANALYSIS

City staff have reviewed and proposed fees with a focus on cost recovery and decreasing subsidized costs as recommended in the State Auditor's Report. The FY 2022-23 Proposed Master Fee Schedule does not include any new fees or significant fee increases/decreases.

The FY 2022-23 proposed fee changes reflect an approximate increase of 4.0% for most fees, excluding fees governed by regulatory or other restrictions or allowable cost recovery recommendations. The primary adjustment factors are market conditions including competitive pricing, staffing changes, and/or re-evaluation of costs for services. Also, several fee line items have been moved to other fee sub-categories.

Attachment 2, FY 2022-23 Proposed Master Fee Schedule, details proposed fee changes, other adjustments, or movement/relocation of fees to other fee sub-categories.

STRATEGIC PLAN CONSIDERATIONS

The Master Fee Schedule is the basis for all City-wide fees and charges. Approving the attached resolution is consistent with Goal B: Achieve long-term financial sustainability by allowing the City to ensure that City-wide revenue meets the cost of providing City-wide services.

ENVIRONMENTAL CONSIDERATIONS

This section is not applicable to this agenda item.

FINANCIAL CONSIDERATIONS

The revenue generated by fees, charges for service, and business license taxes will be included in the City's FY 2022-23 proposed budget based on the Master Fee Schedule approved by the City Council.

LEGAL CONSIDERATIONS

Except for Development Fees, which will become effective 60 days after approval of this schedule, all fees listed in the Master Fee Schedule will become effective July 1, 2022, on the first day of the fiscal year.

As required by California Government Code §66018(a), the City is required to conduct a public hearing prior to adopting Planning, Building, and some other new fees or fee increases. Notification of this public hearing was completed in accordance with State law and the El Cerrito Municipal Code. Notice was emailed to individual/entities that have previously requested to be notified regarding development fees on May 3, 2022; publicly posted on May 4, 2022; and published in the West County Times on May 7 and May 13, 2022.

Reviewed by:



Karen Pinkos, City Manager

Attachments:

1. Resolution
2. Exhibit A - Proposed Master Fee Schedule 2022-23

RESOLUTION 2022-XX

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF EL CERRITO ADOPTING REVISIONS TO THE MASTER FEE SCHEDULE FOR FISCAL YEAR 2022-23

WHEREAS, El Cerrito Municipal Code Section 4.01.010 requires that prior to July 1st of each year, the City Council shall consider and adopt the schedule of all general and special fees and charges to be known as the Master Fee Schedule; and

WHEREAS, the City Council desires to update currently established fees to cover inflation and City costs, which form the basis for the majority of the changes, as well as to establish new fees in keeping with City Council policy direction; and

WHEREAS, utilizing a rounding factor provides ease to our customers and our staff in the payment of these fees; and

WHEREAS, the City's Municipal Code requires that Business License Taxes be revised based on the percent change from the February 1988 figure of 117.0 in the Revised Consumer Price Index for Urban Wage Earners and Clerical Workers for the San Francisco-Oakland Bay Area as published by the Department of Labor for the month of February prior to the fiscal year in which the rate adjustment is applicable; and

WHEREAS, market-driven fees and service charges are adjusted based on factors to keep those fees and charges comparable to those charged by entities providing similar services; and

WHEREAS, a public hearing has been noticed and held in accordance with Government Code Sections 6062a, 66016, 66017 and 66018.

NOW THEREFORE, BE IT RESOLVED that the City Council of the City of El Cerrito hereby adopts the fees and services charges in the Proposed Master Fee Schedule for the City of El Cerrito (as shown in Exhibit A), which is hereby attached and by this reference made a part hereof, for FY 2022-23.

BE IT FURTHER RESOLVED that the City Council of the City of El Cerrito hereby confirms the adjustments to the Business License Tax rates, also as appearing in the Master Fee Schedule.

BE IT FURTHER RESOLVED that the fees, charges, and taxes in the Proposed Master Fee Schedule will become effective on July 1, 2022, except for Development Fees, which will become effective 60 days after approval of this resolution, and Swim Center, Day and Overnight Camps, and Preschool Fees, which will become effective on September 1, 2022.

BE IT FURTHER RESOLVED that this resolution shall become effective immediately upon passage and adoption.

I CERTIFY that at a regular meeting on May 17, 2022 the City Council of the City of El Cerrito passed this Resolution by the following vote:

AYES:	COUNCILMEMBERS:
NOES:	COUNCILMEMBERS:
ABSTAIN:	COUNCILMEMBERS:
ABSENT:	COUNCILMEMBERS:

IN WITNESS of this action, I sign this document and affix the corporate seal of the City of El Cerrito on May _____, 2022.

Holly M. Charléty, City Clerk

APPROVED:

Gabe Quinto, Mayor

Citywide Services

Item	Description	Basis	Adopted	Proposed FY 2022-23			
			FY 2021-22	% Increase	\$ Increase	Total Fee Amount <i>(variance due to rounding)</i>	Comments
Printing, Reproduction, Documents							
1	Photocopies						
	Photocopies (8 1/2" x 14" or smaller)	per page	\$ 0.10	4.0%	\$ 0.01	\$ 0.11	
	Retrieval fee for Campaign Statements older than 5 years	per request	\$ 5.00	0.0%	\$ -	\$ 5.00	fixed rate set by FPPC
	Photocopies (larger than 8 1/2" x 14")	per page	\$ 0.22	4.0%	\$ 0.01	\$ 0.23	
	Photocopies, including mail & administrative costs		actual cost	actual cost	actual cost	actual cost	no change
	Application forms, information sheets	each	no cost	no cost	\$ -	\$ -	no change
2	Public Meeting Materials						
	City Council Meeting Materials (Agendas, Packets & Minutes)	copy charge per page + mailing cost	actual cost	actual cost	actual cost	actual cost	no change
	Other Board, Commission, and Committee Meeting Materials (Agendas, Packets & Minutes)	copy charge per page + mailing cost	actual cost	actual cost	actual cost	actual cost	no change
	Budget, Final or Proposed	each	\$ 144.00	4.0%	\$ 5.76	\$ 150	
	Business License Listing	each + photocopy charge above	\$ 39.00	4.0%	\$ 1.56	\$ 41	
	Comprehensive Annual Financial Reports (CAFRs)	each	\$ 125.00	4.0%	\$ 5.00	\$ 130	
	Economic Development Strategy & Action Plan	each	\$ 4.00	4.0%	\$ 0.16	\$ 4	
	Fire Investigative Reports	per page	\$ 0.18	4.0%	\$ 0.01	\$ 0.19	
	General Plan Environmental Impact Report (EIR), 1999	each	\$ 25.00	4.0%	\$ 1.00	\$ 26	
	General Plan, 1999	each	\$ 52.00	4.0%	\$ 2.08	\$ 54	
	Master Fee Schedule	each	\$ 9.00	4.0%	\$ 0.36	\$ 9	
	Parking Guidelines	each	\$ 4.00	4.0%	\$ 0.16	\$ 4	
	Redevelopment Plan	each	\$ 9.00	4.0%	\$ 0.36	\$ 9	
	Redevelopment Plan Environmental Impact Report (EIR)	each	\$ 21.00	4.0%	\$ 0.84	\$ 22	
	Redevelopment Implementation Plan	each	\$ 5.00	4.0%	\$ 0.20	\$ 5	
	Report on the Redevelopment Plan	each	\$ 9.00	4.0%	\$ 0.36	\$ 9	
	Subdivision Ordinance	each	\$ 4.00	4.0%	\$ 0.16	\$ 4	
	Zoning Map	each	\$ 5.00	4.0%	\$ 0.20	\$ 5	
	Zoning Ordinance	each	\$ 52.00	4.0%	\$ 2.08	\$ 54	
	Miscellaneous Bound Reports	per page	\$ 0.49	4.0%	\$ 0.02	\$ 1	
3	Maps						
	City Maps (First sheet includes search and restock cost per original searched.)	each	\$ 3.00	4.0%	\$ 0.12	\$ 3	
	Special Studies Maps, 11" x 17"	each	\$ 5.00	4.0%	\$ 0.20	\$ 5	
	Special Studies Maps, 36" x 54"	each	\$ 39.00	4.0%	\$ 1.56	\$ 41	
4	Subpoena Duces Tecum						
	per CA Evidence Code §1563	Based on Code	Based on Code	Based on Code	Based on Code	Based on Code	
5	Electronic Media						
	Electronic Media—CD-ROM Copy	per CD	\$ 9.00	4.0%	\$ 0.36	\$ 9	
	Electronic Media—DVD of Council Meeting	per DVD	\$ 17.00	4.0%	\$ 0.68	\$ 18	
6	Microfilm/Microfiche						
	Fee per sheet or total hourly cost, whichever is greater. This cost shall include supervision, overhead, equipment, hourly wages and fringe benefits of the employees involved.	per sheet	\$ 4.00	4.0%	\$ 0.16	\$ 4	
Miscellaneous Services and Charges							
1	Notary, Certification, Legal and Special Services						
	Notary Services for Non-City employees (Set by Calif. Secretary of State)	per notarization	\$ 15.00	\$ -	\$ -	\$ 15	State fixed rate
	Notary Services for City employees	per notarization	no cost	\$ -	\$ -	\$ -	no cost
	City Clerk Document Certification	each	\$ 6.00	4.0%	\$ 0.24	\$ 6	
	Legal Fees—Recovery of legal costs in lawsuits and other instances when the City could be entitled to reimbursement of legal costs.	labor and overhead	actual cost	actual cost	actual cost	actual cost	no change
	Special City services—For special services provided by City staff where special interest are served (other than the general public). Overhead charges for City-sponsored public events may vary from this policy.	pro-rated salary, 15-min increment	\$ 4.00	4.0%	\$ 0.16	\$ 4	
2	Finance Charges						
	Finance Charge on fees remaining unpaid for a period exceeding 30 days (unless the ordinance establishing the fee provides for a penalty in a different amount)	unpaid balance	1.5% per month	1.5% per month	no change	1.5% per month	no change
	Returned Check Fee	per check	\$ 26.00	0.0%	\$ -	\$ 26	no change
	Duplicate Business License Certificate	per copy	\$ 7.00	4.0%	\$ 0.28	\$ 7	
	Credit Card Transaction Fee	per transaction	actual cost	actual cost	actual cost	actual cost	no change
3	Business License-Related Fees						
	Business-Enrollment	per license	\$ 81.00	-100.0%	\$ (81.00)	\$ -	

Citywide Services

Item	Description	Basis	Adopted	Proposed FY 2022-23			
			FY 2021-22	% Increase	\$ Increase	Total Fee Amount (variance due to rounding)	Comments
	Business License Renewal	per license	\$ 26.00	-100.0%	\$ (26.00)	\$ -	
	Accessibility Compliance and Education Fee (State mandated SB-1186)	per license	\$ 4.00	-100.0%	\$ (4.00)	\$ -	
4	Parking Permits						
	1 to 3-year cycles	per year	\$ 36.00	4.0%	\$ 1.44	\$ 37.44	
	14-day Temporary Parking Permit	each	\$ 36.00	4.0%	\$ 1.44	\$ 37.44	
5	Use of Council Chambers (Government Agencies Only)	per meeting	\$ 42.00	4.0%	\$ 1.68	\$ 43.68	
6	Tobacco Retailer License Program Fees						
	Tobacco retailer license (initial license)	Per location	\$ 466.00	20.7%		\$ 484.00	
	Tobacco retailer license renewal	Per location	\$ 475.00	20.7%		\$ 484.00	
	Re-inspection fee (for non-compliant businesses)	Hourly	actual cost	actual cost	actual cost	actual cost	no change
7	Rent Registry						
	Rent Registry	per unit	\$ 40.00	4.0%	\$ 1.60	\$ 41.60	
8	Election Related Filing Fees						
	Citizen Initiative Petition Filing Fee (refunded if petition qualifies within one year of filing)	per filing	\$ 200.00	0.0%	\$ -	\$ 200.00	no change
9	Code Enforcement						
	Administration Citation Fee		\$ 19.00	0.0%	\$ -	\$ 19.00	no change

Police Department

Item	Description	Basis	Adopted	Proposed FY 2022-23			
			FY 2021-22	% Increase	\$ Increase	Total Fee Amount (variance due to rounding)	Comments
1	Services & Fees						
	Fingerprinting, Solicitor or other (plus Department of Justice Fees*)	per set	\$ 51	0.00%	\$ -	\$ 51	appointments are down; price not competitive; maintain current fee
	Citation Sign-offs—Resident	per citation	no cost	0.00%	\$ -	-	no change
	Citation Sign-offs—Non-Resident	per citation	\$ 25	0.00%	\$ -	\$ 25	no change
	VIN Verification	per verification	\$ 51	0.00%	\$ -	\$ 51	no change
	Alcohol Beverage Control One Day License	per letter	\$ 51	0.00%	\$ -	\$ 51	no change
	False Alarm Response (1st incident)	each	no cost	0.00%	\$ -	-	no change
	False Alarm Response (2nd through 5th incident)	each	\$ 92	0.00%	\$ -	\$ 92	no change
	False Alarm Response (6th and subsequent incidents)	each	\$ 198	0.00%	\$ -	\$ 198	no change
	Non-permitted Alarms	each	\$ 127	0.00%	\$ -	\$ 132	no change
	Vehicle Removal/Vehicle Release Fee [Towed vehicles abandoned or stored on a public street and vehicles towed pursuant to 14602.6; 14607.6; 22651(b),(d), (e), or (h) through (r); 22651.3, 22651.5, 22651.5 (a); 22652.5; 22658; 22660; or 22669 of the California Vehicle Code]	per release	\$ 161	2.75%	\$ 4.43	\$ 165	
	DUI Cost Recovery Fee* (\$1,000 maximum)	per 30 min increments	actual cost to max	actual cost to max	actual cost to max	actual cost to max	no change
	Firearm Storage Fee	initial	\$ 25	4.00%	\$ 1.00	\$ 26	
	Firearm Storage Fee	per day	\$ 1	0.00%	\$ -	\$ 1	no change
	Weapons Seizure, Storage & Return	each	\$ 206	0.00%	\$ -	\$ 206	no change
2	Reports, Photocopies & Records						
	Clearance Letter	each	\$ 26	0.00%	\$ -	\$ 26	no change
	Report Copy		\$ 7	0.00%	\$ -	\$ 7	no change
	Traffic Collision Report Copy	per report	\$ 7	0.00%	\$ -	\$ 7	no change
	Police Photographs, audio tapes & videotapes & CDs	actual cost + fee	\$ 36	0.00%	\$ -	\$ 36	no change
3	Permits						
	Concealed Weapons Permit (plus Department of Justice Fees*)	each	\$ 102.00	4.00%	\$ 4.08	\$ 106	no change
	Peddler/Solicitor Permit	each	\$ 414.00	0.00%	\$ -	\$ 431	no change
	Permit to Sell Firearms—Initial Permit	each	\$ 362.00	0.00%	\$ -	\$ 376	no change
	Permit to Sell Firearms—Annual Renewal	each	\$ 178.00	0.00%	\$ -	\$ 185	no change
	Taxi Permit Processing Fee	each	\$ 194.00	0.00%	\$ -	\$ 202	no change
	Taxicab Drivers Permit	each	\$ 90.00	0.00%	\$ -	\$ 94	no change
	Second-Hand Dealer's Permit	each	\$ 510.00	0.00%	\$ -	\$ 530	no change
	Bingo Permit	each	\$ 219.00	0.00%	\$ -	\$ 228	
	Alarm Permit - Residential and Commercial	each	\$ 34.00	2.86%	\$ 0.97	\$ 35	
	Alarm Permit Renewal	each	\$ 19.00	5.00%	\$ 0.95	\$ 20	
	Block Party Permit	each	\$ 49.00	0.00%	\$ -	\$ 49	no change
	Parade Permit	each	\$ 316.00	0.00%	\$ -	\$ 316	no change
	Street Closure Permit	each	\$ 87.00	0.00%	\$ -	\$ 87	no change
	* Determined by State of California		Determined by State	Determined by State	Determined by State	Determined by State	no change
4	Police Department Hourly Rates						
	Police Chief - ST	hourly	\$ 224.00	hourly rate	hourly rate	\$ 217	changes based on hourly rate
	Police Chief - OT	hourly	\$ 336.00	hourly rate	hourly rate	\$ 325	changes based on hourly rate
	Police Captain - ST	hourly	\$ 218.00	hourly rate	hourly rate	\$ 211	changes based on hourly rate
	Police Captain - OT	hourly	\$ 327.00	hourly rate	hourly rate	\$ 316	changes based on hourly rate
	Police Lieutenant - ST	hourly	\$ 186.00	hourly rate	hourly rate	\$ 184	changes based on hourly rate
	Police Lieutenant - OT	hourly	\$ 279.00	hourly rate	hourly rate	\$ 275	changes based on hourly rate
	Police Sergeant/Investigations Assignment-ST	hourly	\$ 158.00	hourly rate	hourly rate	\$ 151	changes based on hourly rate
	Police Sergeant/Investigations Assignment-OT	hourly	\$ 237.00	hourly rate	hourly rate	\$ 226	changes based on hourly rate
	Police Corporal - ST	hourly	\$ 127.00	hourly rate	hourly rate	\$ 120	changes based on hourly rate
	Police Corporal - OT	hourly	\$ 190.00	hourly rate	hourly rate	\$ 180	changes based on hourly rate
	Police Officer - ST	hourly	\$ 80.00	hourly rate	hourly rate	\$ 78	changes based on hourly rate
	Police Officer - OT	hourly	\$ 120.00	hourly rate	hourly rate	\$ 117	changes based on hourly rate
	Records Supervisor - ST	hourly	\$ 92.00	hourly rate	hourly rate	\$ 89	changes based on hourly rate
	Records Supervisor - OT	hourly	\$ 135.00	hourly rate	hourly rate	\$ 134	changes based on hourly rate
	Police Executive Assistant - ST	hourly	\$ 51.00	hourly rate	hourly rate	\$ 51	changes based on hourly rate
	Police Executive Assistant - OT	hourly	\$ 77.00	hourly rate	hourly rate	\$ 77	changes based on hourly rate
	Senior Records Specialist - ST	hourly	\$ 73.00	hourly rate	hourly rate	\$ 69	changes based on hourly rate
	Senior Records Specialist - OT	hourly	\$ 109.00	hourly rate	hourly rate	\$ 104	changes based on hourly rate
	Police Records Specialist - ST	hourly	\$ 62.00	hourly rate	hourly rate	\$ 56	changes based on hourly rate
	Police Records Specialist - OT	hourly	\$ 91.00	hourly rate	hourly rate	\$ 85	changes based on hourly rate
	Cadet - ST	hourly	\$ 23.00	hourly rate	hourly rate	\$ 23	changes based on hourly rate
	Cadet - OT	hourly	\$ 35.00	hourly rate	hourly rate	\$ 35	changes based on hourly rate
5	Parking Violation Fines						
	Violation	Section					
	Obstruction or interference with Officers	11.12.020	\$ 97.00	3.00%	\$ 2.91	\$ 100	
	Barriers & Signs	11.28.040b	\$ 91.00	4.00%	\$ 3.64	\$ 95	
	City Parking Lot	11.40.020	\$ 72.00	4.00%	\$ 2.88	\$ 75	
	Parking on Sidewalk or Curb Prohibited	11.40.030	\$ 71.00	4.00%	\$ 2.84	\$ 74	
	Vehicle Storage-Parking in excess of 72 hours	11.40.050a	\$ 80.00	4.00%	\$ 3.20	\$ 83	
	Vehicle Storage-Trailer Parked on Street Overnight	11.40.050c	\$ 72.00	4.00%	\$ 2.88	\$ 75	
	Vehicle Storage-Parking for the purpose of engaging in vehicle sale	11.40.050d	\$ 63.00	4.00%	\$ 2.52	\$ 66	
	Parking for Certain Purposes-On Street for Sale	11.40.060a	\$ 95.00	4.00%	\$ 3.80	\$ 99	
	Parking for Certain Purposes-on Street for Repairs	11.40.060b	\$ 80.00	4.00%	\$ 3.20	\$ 83	
	Parking for Certain Purposes-on Street when charging for washing/polishing	11.40.060c	\$ 80.00	4.00%	\$ 3.20	\$ 83	
	Parking Regulations in Certain Zones	11.40.070	\$ 80.00	4.00%	\$ 3.20	\$ 83	
	Angle and Parallel Parking Signs-Loading Clearance between Vehicle and Street	11.40.080b	\$ 72.00	4.00%	\$ 2.88	\$ 75	
	Angle and Parallel Parking Signs-Loading Clearance between other Street	11.40.090a	\$ 72.00	4.00%	\$ 2.88	\$ 75	
	Loading and Unloading-Angle to Curb	11.40.090b	\$ 72.00	4.00%	\$ 2.88	\$ 75	
	Grades-Wheels not Turned	11.40.100	\$ 80.00	4.00%	\$ 3.20	\$ 83	
	Emergency Parking Signs	11.40.130b	\$ 72.00	4.00%	\$ 2.88	\$ 75	
	Curb Markings	11.40.160b	\$ 72.00	4.00%	\$ 2.88	\$ 75	

Police Department

Item	Description	Basis	Adopted	Proposed FY 2022-23			
			FY 2021-22	% Increase	\$ Increase	Total Fee Amount (variance due to rounding)	Comments
	Bus Zone	11.40.190e	\$ 255.00	2.00%	\$ 5.10	\$ 260	
	Parking-Limited Time	11.40.210	\$ 72.00	4.00%	\$ 2.88	\$ 75	
	Parking-Prohibited during Certain Hours	11.40.230	\$ 72.00	4.00%	\$ 2.88	\$ 75	
	Parking-Prohibited at all Times	11.40.240	\$ 72.00	4.00%	\$ 2.88	\$ 75	
	Parking on Private Property	11.44.040	\$ 72.00	4.00%	\$ 2.88	\$ 75	
	Violations Designated-4 Hour Permit Parking	11.68.050a	\$ 92.00	4.00%	\$ 3.68	\$ 96	
	Any ECMC parking violation not listed above shall be subject to a civil penalty		\$ 72.00	4.00%	\$ 2.88	\$ 75	
6	Curfew Violation Fines					\$ -	
	Daytime (8:00 am - 2 pm) 1st offense		\$ 66.00	0.00%	\$ -	\$ 66.00	no change
	Daytime (8:00 am - 2 pm) 2nd offense within one year		\$ 131.00	0.00%	\$ -	\$ 131.00	no change
	Daytime (8:00 am - 2 pm) 3rd offense within one year of 2nd offense		\$ 260.00	0.00%	\$ -	\$ 260.00	no change
	Nighttime (10:00 pm - 5 am) 1st Offense		\$ 68.00	0.00%	\$ -	\$ 68.00	no change

Fire Department

Item	Description	Basis	Adopted FY 2021-22	Proposed FY 2022-23
1	Occupancy Inspection Fees			
	Fire Safety Inspection: Annual Inspection plus one (1) re-inspection	Each	\$ 295	\$ 295
	Educational Inspection-Public Schools (Group E): Annual Inspection plus one (1) re-inspection		N/C	N/C
	Educational Inspection-Private Schools (Group E): Annual Inspection plus one (1) re-inspection		\$ 295	\$ 310
	Hotels & Apartments (Group R-1): < 15 Units Annual Inspection plus one (1) re-inspection		\$ 195	\$ 195
	Hotels & Apartments (Group R-1): 15-99 Units Annual Inspection plus one (1) re-inspection		\$ 295	\$ 465
	Hotels & Apartments (Group R-1): 100-249 Units Annual Inspection plus one (1) re-inspection		\$ 443	\$ 610
	Hotels & Apartments (Group R-1): 250 or more Units Annual Inspection plus one (1) re-inspection		\$ 590	\$ 790
	Residential (R-3) Single Family Requested Fire Safety Inspection		Free	Free
	Day Care (Group R-3): Annual Inspection plus one (1) re-inspection		\$ 295	\$ 310
	Additional Reinspections		\$ 195	\$ 205
2	Operational Permits & Inspection Fees			
	Assembly Permit: Requires Fire Safety Inspection	Each	\$ 295	\$ 97
	Christmas Tree Lot Operation Permit		\$ 295	\$ 310
	Compressed Gas Permit: Requires Occupancy Inspection		\$ 148	\$ 97
	Demolition Permit: Includes pre and post inspections		\$ 590	\$ 620
	Dispense & Store Flammable Liquid Permit: Requires Occupancy Inspection		\$ 148	\$ 97
	Dry Cleaning Permit: Requires Fire Safety Inspection		\$ 148	\$ 97
	Fire Alarm Annual Inspection: Requires Occupancy Inspection		\$ 148	\$ 97
	Food Booth Permit		\$ 222	\$ 310
	Hood & Duct Annual Inspection: Requires Fire Safety Inspection		\$ 148	\$ 97
	Model Rocket Permit		Free	Free
	Repair Garage Permit: Requires Occupancy Inspection		\$ 295	\$ 97
	Open Burning Permit: Residential		Free	Free
	Open Flame in an Assembly Permit: Requires an Assembly Inspection		\$ 148	\$ 97
	Sprinkler & Standpipe Annual Inspection: Requires Occupancy Inspection		\$ 148	\$ 97
	Membrane Structure, Tent or Canopy Permit		\$ 295	\$ 316
	Underground Tank Removal Permit: Includes pre and post inspections		\$ 590	\$ 590
	Welding & Cutting Permit: Requires Occupancy Inspection		\$ 295	\$ 97
	Miscellaneous No- Action Permits		Free	Free
3	Plan Review			
	Preliminary Plan Review: Residential Remodel (1-2 family units)	Each	\$ 404	\$ 404
	Preliminary Plan Review: Residential/ADU (1-2 family units)		\$ 530	\$ 530
	Preliminary Plan Review: Commercial (including multi-family/apartment/condo/townhouse)		\$ 732	\$ 732
	New Construction Plan Check & One Site Inspection (< 4999 sq. ft.)		\$ 513	\$ 513
	New Construction Plan Check & Site Inspection (>5000 sq. ft., each add'l 1000 sq. ft.)		\$ 203	\$ 203
	Additional Site Inspections		\$ 195	\$ 195
	Fire Alarm System Plan Review: First 25 Devices		\$ 404	\$ 404
	Fire Alarm System Plan Review: each additional 25 Devices or Portion Thereof		\$ 126	\$ 126
	Fire Alarm System On Site Inspection: First 25 Devices		\$ 328	\$ 328
	Fire Alarm System Inspection: each additional 25 Devices or Portion Thereof		\$ 126	\$ 126
	Halon System Plan Review and One Field Inspection		\$ 454	\$ 454
	Hood & Duct Plan Review and One Field Inspection		\$ 454	\$ 454
	Medical Gas Plan Review and One Field Inspection		\$ 454	\$ 454
	Sprinkler System Plan Review: Residential- First 25 Heads (New or Modify 1 -2 family units)		\$ 404	\$ 404
	Sprinkler System Plan Review: Residential- Each Additional 25 Heads (New or Modify)		\$ 202	\$ 202
	Sprinkler Systems Field Inspections Residential: Rough in & Final - First 25 heads		\$ 328	\$ 328
	Sprinkler Systems Field Inspections Residential: Rough in & Final - Each Additional 25 heads		\$ 126	\$ 126
	Sprinkler System Plan Review: Commercial (New)- First 25 Heads (includes multi-family)		\$ 606	\$ 606
	Sprinkler System Plan Review: Commercial (New)- Each Additional 25 Heads or Portion Thereof		\$ 202	\$ 202
	Sprinkler Systems Field Inspections Commercial: First 25 heads		\$ 530	\$ 530
	Sprinkler Systems Field Inspections Commercial: Each Additional 25 heads		\$ 195	\$ 195
	Underground Review and Inspection		\$ 126	\$ 126

Fire Department

Item	Description	Basis	Adopted FY 2021-22	Proposed FY 2022-23
	Standpipe System Plan Review & Inspection		\$ 706	\$ 706
	Additional Risers		\$ 126	\$ 126
	Fire Pumps & Related Equipment Plan Review and Two Field Inspections (Acceptance)		\$ 454	\$ 454
	Hydrant Water Flow Test for Sprinkler Calculations (per Test)		\$ 195	\$ 195
	Emergency Responder Radio Communication System (ERRCS) Plan Review & Inspection		\$ 454	\$ 454
3.1	Vegetation Management			
	Vegetation Management Parcel Inspection and 1 reinspection	Each	Free	Free
	Additional Inspections		\$ 126	\$ 126
	Vegetation Abatement Fees		Actual Cost + 10%	Actual Cost + 10%
	Court Fees		Actual Cost + 10%	Actual Cost + 10%
4	CERT Classes			
5	CPR Classes - El Cerrito & Kensington Residents	Each	\$ 55	\$ 55
	First Aid - El Cerrito & Kensington Residents		\$ 55	\$ 55
	CPR Classes - Non- Residents		\$ 65	\$ 65
	First Aid - Non-Residents		\$ 65	\$ 65
	False Alarms			
	1 st False Alarm		\$ -	\$ -
	2-5 False Alarms in 12 Months		\$ 145	\$ 145
	6-10 False Alarms in 12 Months		\$ 182	\$ 182
	11 or Over False Alarms in 12 months		\$ 590	\$ 590
	Supplies Used		actual cost	actual cost
	Equipment Destroyed		actual cost	actual cost
6	Fire Department Hourly Rates			
	Fire Apparatus Response or Standby Charge per hour (Engine)	Per Hour	\$ 400	\$ 400
	Fire Apparatus Response or Standby Charge per hour (Truck)		\$ 500	\$ 500
	Fire Apparatus Response or Standby Charge per hour (Command)		\$ 200	\$ 200
	Fire Investigation per hour (plus costs)		\$ 397	\$ 397
	Fire Chief - ST		\$ 202	\$ 202
	Fire Chief - OT		\$ 303	\$ 303
	Battalion Chief - Training - ST		\$ 128	\$ 128
	Battalion Chief - Training - OT		\$ 192	\$ 192
	Battalion Chief - ST		\$ 134	\$ 134
	Battalion Chief - OT		\$ 201	\$ 201
	Captain-Fire Prevention - ST		\$ 126	\$ 126
	Captain-Fire Prevention - OT		\$ 189	\$ 189
	Captain-Paramedic - ST		\$ 119	\$ 119
	Captain-Paramedic - OT		\$ 178	\$ 178
	Captain - ST		\$ 109	\$ 109
	Captain - OT		\$ 163	\$ 163
	Engineer/Paramedic - ST		\$ 105	\$ 105
	Engineer/Paramedic - OT		\$ 158	\$ 158
	Engineer - ST		\$ 97	\$ 97
	Engineer - OT		\$ 146	\$ 146
	Firefighter/Paramedic - ST		\$ 71	\$ 71
	Firefighter/Paramedic - OT		\$ 106	\$ 106
	Firefighter - ST		\$ 55	\$ 55
	Firefighter - OT		\$ 82	\$ 82
	Fire Executive Assistant - ST		\$ 58	\$ 58
	Fire Executive Assistant - OT		\$ 87	\$ 87

Business License

**FY 2023
CPI-U Rate (Per
ECMC 4.32.381)**

Item	Description	Municipal Code Section	Code	Adopted FY 2021-22	Increase variance due to rounding 3.4%
	Business Enrollment	per license		\$81	\$84
	Business License Renewal	per license		\$27	\$28
	Accessibility Compliance and Education Fee	per license		\$4	\$4
	(State Mandated AB 1379)				
	Exemption Level (Casual and Fine Arts Teachers)	4.32.080			
	Business License Residential Rentals (10-000-4052-00-00)				
	Apt. Houses, Duplexes, In-laws & Single Family Units				
	Per Unit	4.32.260	260	\$119	\$123
	Business License All Others (10-000-4051-00-00)				
	a. Fixed Place of Business (Annual)				
	Employer Only	4.32.230	T23	\$333	\$344
	" + 1 employee	4.32.230	T23	\$333	\$344
	" + 2 employees	4.32.230	T23	\$381	\$394
	" + 3 employees	4.32.230	T23	\$429	\$444
	" + 4 employees	4.32.230	T23	\$478	\$494
	" + 5 employees	4.32.230	T23	\$526	\$544
	" + 6 employees	4.32.230	T23	\$574	\$594
	" + 7 employees	4.32.230	T23	\$623	\$644
	" + 8 employees	4.32.230	T23	\$671	\$694
	" + 9 employees	4.32.230	T23	\$719	\$743
	" + 10 employees	4.32.230	T23	\$768	\$794
	Each Additional Employee	4.32.231	T23	\$48	\$50
	b. Professional Offices (Annual)				
	Employer Only	4.32.231	231	\$404	\$418
	" + 1 employee	4.32.231	231	\$404	\$418
	" + 2 employees	4.32.231	231	\$453	\$468
	" + 3 employees	4.32.231	231	\$501	\$518
	" + 4 employees	4.32.231	231	\$550	\$568
	" + 5 employees	4.32.231	231	\$598	\$618
	" + 6 employees	4.32.231	231	\$646	\$668
	" + 7 employees	4.32.231	231	\$695	\$719
	" + 8 employees	4.32.231	231	\$743	\$768
	" + 9 employees	4.32.231	231	\$792	\$819
	" + 10 employees	4.32.231	231	\$839	\$868

Business License

**FY 2023
CPI-U Rate (Per
ECMC 4.32.381)**

Item	Description	Municipal Code Section	Code	Adopted FY 2021-22	Increase variance due to rounding 3.4%
	Each Additional Employee	4.32.231	231	\$48	\$50
	c. Contractors & Subcontractors				
	Quarterly	4.32.240	242	\$143	\$148
	Semiannually	4.32.240	241	\$240	\$248
	Annually	4.32.240	240	\$429	\$444
	d. Home Occupations (Annual)	4.32.245	245	\$240	\$248
	e. Casual Business				
	Quarterly	4.32.246	247	\$70	\$72
	Annually	4.32.246	246	\$282	\$292
	f. Delivery Vehicles (Per Vehicle)	4.32.251	250	\$191	\$197
	g. Fine Arts Teachers (Per Teacher)	4.32.255	255	\$77	\$80
	h. Hotels & Motels				
	Base Fee	4.32.270	270	\$476	\$492
	Plus, per Unit Fee	4.32.270	270	\$20	\$21
	i. Trailer Courts				
	Base Fee	4.32.280	280	\$476	\$492
	Plus, per Unit Fee	4.32.280	280	\$20	\$21
	j. Restaurants & Nightclubs	4.32.290	290	\$953	\$985
	k. Public Amusement				
	1. Amusement Rides & Shows				
	First Day	4.32.300	300	\$191	\$197
	Each Additional Day	4.32.300	300	\$96	\$99
	2. Billiards, Bagatelle, Pool Tables				
	Per Table, in Addition to Other Applicable	4.32.300	301	\$96	\$99
	3. Bowling Lanes				

Business License

**FY 2023
CPI-U Rate (Per
ECMC 4.32.381)**

Item	Description	Municipal Code Section	Code	Adopted FY 2021-22	Increase variance due to rounding 3.4%
	First Lane	4.32.300	302	\$505	\$522
	Each Additional Lane	4.32.300	302	\$50	\$52
	4a. Circus (=<4,000 seats)				
	First Day	4.32.300	303	\$1,430	\$1,479
	Each Additional Day	4.32.300	303	\$953	\$985
	4b. Carnival & Circus (>4,000 seats)				
	First Day	4.32.300	304	\$2,858	\$2,955
	Each Additional Day	4.32.300	304	\$1,905	\$1,970
	5. Motion Picture Theater & Plays				
	Quarterly	4.32.300	307	\$191	\$197
	Semiannually	4.32.300	306	\$383	\$396
	Annually	4.32.300	305	\$763	\$789
	6. Public Dance				
	Daily	4.32.300	308	\$143	\$148
	Quarterly	4.32.300	309	\$476	\$492
	7. Amusement Not Otherwise Defined				
	Educational - Daily	4.32.300	310	\$143	\$148
	Educational - Quarterly	4.32.300	311	\$476	\$492
	Noneducational - Daily	4.32.300	312	\$4,762	\$4,924
	I. Distribution and Circulation of Advertising Matter				
	Quarterly	4.32.310	313	\$476	\$492
	m. Amplification Vehicles (Per Day)	4.32.320	320	\$4,762	\$4,924
	n. Taxicabs (Per Vehicle)	4.32.330	330	\$286	\$296
	o. Auctioneer				
	Daily	4.32.340	340	\$240	\$248
	Annually	4.32.340	341	\$1,905	\$1,970

Business License

**FY 2023
CPI-U Rate (Per
ECMC 4.32.381)**

Item	Description	Municipal Code Section	Code	Adopted FY 2021-22	Increase variance due to rounding 3.4%
	p. Vehicle Parking Lot				
	Per Lot	4.32.345	342	\$384	\$397
	Plus per 100 square feet	4.32.345	342	\$39	\$40
	q. Pawnbroker and Check Casher	4.32.350	350	\$953	\$985
	r. Patrol Services				
	Employer Only	4.32.355	T35	\$333	\$344
	" + 1 employee	4.32.355	T35	\$333	\$344
	" + 2 employees	4.32.355	T35	\$381	\$394
	" + 3 employees	4.32.355	T35	\$429	\$444
	" + 4 employees	4.32.355	T35	\$478	\$494
	Each Additional Employee	4.32.355	T35	\$48	\$50
	s. Peddler & Solicitors				
	Quarterly	4.32.360	360	\$476	\$492
	Annually	4.32.360	361	\$1,905	\$1,970
	t. Ice Cream Vendor				
	Quarterly	4.32.365	366	\$155	\$160
	Annually	4.32.365	365	\$465	\$481
	u. Temporary Sales	4.32.375	375	\$401	\$415
	v. Bingo	4.32.300	652	\$63	\$65
	Pursuant to California Penal Code Section 326.5(l)1				
	w. Transient/Itinerant Vendor				
	Employer Only	4.32.010	T25	\$333	\$344
	" + 1 employee	4.32.010	T25	\$333	\$344
	" + 2 employees	4.32.010	T25	\$381	\$394
	" + 3 employees	4.32.010	T25	\$429	\$444
	" + 4 employees	4.32.010	T25	\$476	\$492
	" + 5 employees	4.32.010	T25	\$526	\$544
	" + 6 employees	4.32.010	T25	\$574	\$594
	" + 7 employees	4.32.010	T25	\$623	\$644
	" + 8 employees	4.32.010	T25	\$671	\$694

Business License

**FY 2023
CPI-U Rate (Per
ECMC 4.32.381)**

Item	Description	Municipal Code Section	Code	Adopted FY 2021-22	Increase variance due to rounding 3.4%
	" + 9 employees	4.32.010	T25	\$719	\$744
	" + 10 employees	4.32.010	T25	\$768	\$794
	Each Additional Employee	4.32.010	T25	\$48	\$50
Business License Gross Receipts (10-000-4053-000)					
	a. Coin-operated vending, amusement & Service Machines, Distributors				
	\$0-1,000	4.32.370	V01	\$50	\$52
	\$1,001-5,000	4.32.370	V02	\$74	\$77
	\$5,001-15,000	4.32.370	V03	\$150	\$155
	>\$15,001 per \$1,000	4.32.370	T04	\$10	\$10
	b. Coin-operated vending, amusement & Service Machines, Games of Skill				
	\$0-1,000	4.32.380	G01	\$50	\$52
	\$1,001-5,000	4.32.380	G02	\$74	\$77
	\$5,001-15,000	4.32.380	G03	\$150	\$155
	>\$15,001 per \$1,000	4.32.380	T05	\$10	\$10.00
	Adjustment Per Municipal Code: Feb % Change in CPI-U				
	CPI Urban Wage Earners and Clerical Workers				
	2022 Change is 3.4% 2021 Change is 2%				

Recreation

Item	Description	Basis	Adopted FY 2021-22	FY 2022-23 % Incr/ Decr	FY 2022-23 Proposed Fee	FY 2022-23 Comments
Facility Rentals						
1	Community Center					
	<i>Minimum Rental Time (Fri-Sun); 5 Hours</i>					
	<i>Maximum Advance Reservation: 12 Months Resident, Non-Profit or Co-Sponsored Group; 10 Months Non-Resident or Commercial; 12 months Annual Rentals.</i>					
	Main Social Hall					
	Resident (includes Skylight Room, Kitchen and Courtyard)	per hour	\$204.00	4.4%	\$213.00	
	Non-Resident/Commercial (includes Skylight Room, Kitchen and Courtyard)	per hour	\$255.00	4.3%	\$266.00	
	Optional Clean-Up Service (2 hours of 1 custodian after rental)	per event	\$153.00			incorporated below
	Additional Hours for Set-Up & Clean-Up Optional Clean-Up Service Additional Hours	per hour	\$82.00	4.9%	\$86.00	
	Deposit (credit card only)					
	Private	per event	\$648.00	4.0%	\$674.00	
	Non-Profit/City Co-Sponsored	per event	\$327.00			discount specified in Section 5
	Skylight, Garden and Tot Patio Rooms					
	Resident	per hour	\$77.00	5.2%	\$81.00	
	Non-Resident/Commercial	per hour	\$96.00	4.2%	\$100.00	
	Non-Profit/City Co-Sponsored	per hour	\$28.00			discount specified in Section 5
	Deposit (credit card only)	per event	\$111.00	4.5%	\$116.00	
	Craft Pool View Room/Courtyard					
	Resident	per hour	\$41.00	4.9%	\$43.00	
	Non-Resident/Commercial	per hour	\$51.00	5.9%	\$54.00	
	Deposit (credit card only)	per event	\$111.00	4.5%	\$116.00	
	Kitchen Use	per hour	\$54.00	5.6%	\$57.00	
	Alcohol Service Permit	per event	\$201.00	4.5%	\$210.00	
2	Group Picnic Areas					
	Cerrito Vista					
	Reservation—Resident	per day	\$221.00	4.1%	\$230.00	
	Reservation—Non-Resident	per day	\$276.00	4.3%	\$288.00	
	Volleyball Net and Ball Deposit	per day	\$51.00	5.9%	\$54.00	
	Arlington (large group area with tables & BBQ)					
	Spaces 4 & 5—Resident	per day	\$164.00	4.3%	\$171.00	
	Spaces 4 & 5—Non-Resident	per day	\$204.00	4.4%	\$213.00	
	Spaces 4, 5 & 6—Resident	per day	\$221.00	4.1%	\$230.00	
	Spaces 4, 5 & 6—Non-Resident/Commercial	per day	\$276.00	4.3%	\$288.00	
	Other Parks, picnic tables with BBQ pit					
	Resident	per day	\$88.00	4.5%	\$92.00	
	Non-Resident	per day	\$111.00	4.5%	\$116.00	
	Other Parks, picnic tables without BBQ pit					
	Resident	per day	\$74.00	4.1%	\$77.00	
	Non-Resident	per day	\$92.00	4.3%	\$96.00	
	Picnic Area Cleaning Deposit	per day	\$51.00	5.9%	\$54.00	
	Restroom Key (purchase or refundable deposit)	per key	\$23.00	4.3%	\$24.00	
	Picnic Sites Weekday Discount		15%			incorporated in section 5
3	Adult Programs Building Hana Gardens Senior Center					
	Midtown Activity Center Social Hall/Kitchen					
	Resident	per hour	\$110.00			
	Non-Resident, Commercial	per hour	\$136.00			
	Hana Gardens Senior Center					
	Combined Room - Resident	per hour	\$132.00	-18.9%	\$107.00	Room layout essentially means Hana Gardens can accommodate only around 50 people dining, similar to clubhouse. Change to match Rennovated Clubhouse fees below.
	Combined Room - Non-Resident/Commercial	per hour	\$165.00	-18.8%	\$134.00	match rennovated clubhouse rates
	Decoration/Clean-Up/Rehearsal Time (1-hour max. day of event)	per hour per rental	\$64.00	4.7%	\$67.00	
	Alcohol Service Permit	per event	\$193.00	4.1%	\$201.00	

Recreation

Item	Description	Basis	Adopted FY 2021-22	FY 2022-23 % Incr/ Decr	FY 2022-23 Proposed Fee	FY 2022-23 Comments
	Deposit	per event	\$332.00	4.2%	\$346.00	
4	Clubhouses					
	Minimum Rental Time (Sat-Sun); 3 hours (Arlington, Castro Side-A, Castro Side-B)					applies to any clubhouse available for rent
	Maximum Advance Reservation: 12 Months Resident, Non-Profit or Co-Sponsored Group; 10 Months Non-Resident or Commercial; 12 Months Annual Rentals					
	Private, Resident	per hour	\$82.00	4.9%	\$86.00	
	Private, Non-Resident	per hour	\$102.00	4.9%	\$107.00	
	Renovated Clubhouse Private, Resident	per hour	\$102.00	4.9%	\$107.00	
	Renovated Clubhouse Private, Non-Resident	per hour	\$128.00	4.7%	\$134.00	
	Clubhouse Weekday Discount	per hour	15%			moved to section 5
	Deposit	per event	\$245.00	4.1%	\$255.00	
	Alcohol Service Permit	per event	\$47.00	4.3%	\$49.00	
	Art Studio Instructor	per hour	\$43.00	4.7%	\$45.00	
5	Facility Rental Related Fees & Discounts					
	Transfer Fee - Rooms and Clubhouses	per date	\$51.00	5.9%	\$54.00	
	Transfer Fee - Picnics	per date	\$22.00	4.5%	\$23.00	
	Late Payment Fee	percent	15%	0.0%	15%	
	City Co-Sponsored Rental Fee Discount	percent	40%	0.0%	40%	
	Non-Profit Rental Fee Discount	percent	20%	0.0%	20%	
	Governmental Agency/School District Rentals (per WCCUSD Joint Use Agreement unless specified in separate agreement(s))	per event	Cost of Additional Staff (if needed)		Additional Direct Costs (if needed)	
	Business Hours Facility Rental Discount (Mon. - Thurs. 8:30am - 4:30pm, no holidays)	per hour	NEW		15%	
	Chair Rental—Non-Profit/Co-Sponsored	each	\$4.00	25.0%	\$5.00	
	Table Rental—Non-Profit/Co-Sponsored	each	\$7.00	14.3%	\$8.00	
6	Storage Fee - Co-Sponsored Groups Only					
	Small Locker	per year	\$365.00	4.1%	\$380.00	
	Medium Locker	per year	\$432.00	4.2%	\$450.00	
	Large Locker	per year	\$580.00	4.1%	\$604.00	
	Room/Small Clubhouse	per year	\$1,000.00	4.0%	\$1,040.00	
	Recreation Field/Sports Venue Rentals and Fees					
1	Tennis Courts (min. 1 hour rental)					
	Resident	per hour	\$10.00	0.0%	\$10.00	no fee increase but changing to min. 1 hour rentals
	Non-Resident	per hour	\$12.00	0.0%	\$12.00	no fee increase but changing to min. 1 hour rentals
	Tennis Club Co-Sponsored	per hour	\$7.25	-3.4%	\$7.00	changing to min. 1 hour rentals/market rate alignment
	Instruction Use	per hour	\$17.00	0.0%	\$17.00	no fee increase but changing to min. 1 hour rentals
	City Co-Sponsored Group Team Permit Fee	per season	\$26.00	7.7%	\$28.00	
	Tennis Transfer/Cancellation Fee	per hour	\$1.00	0.0%	\$1.00	
	Private Instructor Processing Fee (Tennis Certification and Insurance Required)	per year	\$28.00	7.1%	\$30.00	
	Light Surcharge (Cerrito Vista)	per hour	\$4.00	0.0%	\$4.00	no fee increase but changing to min. 1 hour rentals
2	Play Fields					
	Resident	per hour	\$31.00	3.2%	\$32.00	EC nearing top of range for comparisons. Currently cheaper to reserve as Non-Resident in Albany and other nearby cities
	Non-Resident	per hour	\$42.00	0.0%	\$42.00	Resident fee plus 25% surcharge
	Cerrito Vista Hardball Field (2 hr. minimum)—Resident	per hour	\$43.00	2.3%	\$44.00	Highest in the area
	Cerrito Vista Hardball Field (2 hr. minimum)—Non-Resident	per hour	\$54.00	1.9%	\$55.00	Resident fee plus 25% surcharge
	El Cerrito Co-Sponsored Youth Group	per hour	\$12.50	4.0%	\$13.00	
	Fine for violation of field policies and/or damaging fields when wet and or not playable or signs are posted.	per infraction	\$349.00	4.0%	\$363.00	
	Swim Center Programs/Fees * Effective 9/1/2021 September 1					
1	Adult Swim Fees					
	Lap Swim/Recreation/Family Swim					

Recreation

Item	Description	Basis	Adopted FY 2021-22	FY 2022-23 % Incr/ Decr	FY 2022-23 Proposed Fee	FY 2022-23 Comments
	30 Day Pass - Resident	per month- valid 30 days	\$93.00	3.2%	\$96.00	Back to 30 day pass
	30 Day Pass - Non-Resident	per month- valid 30 days	\$116.00	2.6%	\$119.00	Back to 30 day pass
	15-Swim Pass—Resident	per pass	\$93.00	3.2%	\$96.00	
	15-Swim Pass—Non-Resident	per pass	\$116.00	2.6%	\$119.00	
	Drop-In	per use	\$8.00	0.0%	\$8.00	already highest drop-in in the area
	Masters Swim Team					
	Drop-In	per use	\$12.00	0.0%	\$12.00	
	30 Day Pass - Resident	per month- valid 30 days	\$90.00	6.7%	\$96.00	
	30 Day Pass - Non-Resident	per month- valid 30 days	\$113.00	5.3%	\$119.00	
	Masters Plus—Any Masters Workout/Lap Swim 30 Days 1-Month Only (No quarterly discount)					"no quarterly discount" no longer applicable
	Monthly 30 Day Masters Plus Resident	per month- valid 30 days	\$129.00	5.4%	\$136.00	Back to 30 day pass
	Monthly 30 Day Masters Plus Non-Resident	per month- valid 30 days	\$162.00	4.9%	\$170.00	Back to 30 day pass
2	Recreation Parent & Child Swim/Splash Park/Tot Splash					
	Drop-in					
	Adult (18+)	per use	\$8.00	0.0%	\$8.00	already highest drop-in in the area
	Youth (1-17 years)	per use	\$5.00	0.0%	\$5.00	already highest drop-in in the area
	Splash Park Only & Tot Splash	per use	\$4.00	25.0%	\$5.00	raising to match youth price
	Non-Swimmer Fee	per use	\$4.00	25.0%	\$5.00	raising to match youth price
	Organized Groups (minimum of 15)	per child	\$4.00	25.0%	\$5.00	raising to match youth price
	30 Days					
	Youth—(1-17 years) Resident	valid 30 days	\$55.00	5.5%	\$58.00	
	Youth—(1-17 years) Non-Resident	valid 30 days	\$68.00	7.4%	\$73.00	
	Ten 15 Swim Pass (valid April through Oct.)					
	Youth Resident (1-17)	per pass	\$38.00	52.6%	\$58.00	changing from 10 to 15 punch to make same as adult pass
	Youth Non-Resident (1-17)	per pass	\$47.00	55.3%	\$73.00	changing from 10 to 15 punch to make same as adult pass
	Family Season Passes-					
	Family Season Pass (6/1-9/30) Resident (max 5 family members per address)	Valid Season	\$407.00			Not used, not offered by other pools
	Family Season Pass (6/1-9/30) Non-Res (max 5 family members per address)	Valid Season	\$459.00			Not used, not offered by other pools
	Additional Family Members (up to 3 additional)	Valid Season	\$31.00			Not used, not offered by other pools
	Additional Family Members (up to 3 additional) Non-Res	Valid Season	\$39.00			Not used, not offered by other pools
	Splash Park/Tot Splash Only Ten Swim Pass					
	Resident	per pass	\$28.00	10.7%	\$31.00	
	Non-Resident	per pass	\$35.00	11.4%	\$39.00	
3	Water Aerobics Deep/Shallow					
	Drop In	per use	\$12.00	0.0%	\$12.00	already highest drop-in in the area
	Ten Workout 10-Punch Pass - Resident	per pass	\$82.00	6.1%	\$87.00	
	Ten Workout 10-Punch Pass - Non-Resident	per pass	\$97.00	12.4%	\$109.00	
4	Swim Lessons					
	Private—Resident	per class	\$33.00	6.1%	\$35.00	
	Private—Non-Resident	per class	\$41.00	7.3%	\$44.00	
	Semi-Private - Resident	per class	\$56.00	5.4%	\$59.00	
	Semi-Private - Non-Resident	per class	\$70.00	5.7%	\$74.00	
	Youth Groups—Resident	per class	\$13.00	7.7%	\$14.00	
	Youth Groups—Non-Resident	per class	\$16.00	6.3%	\$17.00	

Recreation

Item	Description	Basis	Adopted FY 2021-22	FY 2022-23 % Incr/ Decr	FY 2022-23 Proposed Fee	FY 2022-23 Comments
	Teen/Adult & Special Arrangement Group Lesson—Resident	per class	\$14.00	7.1%	\$15.00	
	Teen/Adult & Special Arrangement Group Lesson—Non-Resident	per class	\$17.00	5.9%	\$18.00	
	Teen/Adult Group Lessons - Resident	per class	\$14.00	35.7%	\$19.00	lessons are 55 minutes in length, need to charge more than the standard 25 minute lesson
	Teen/Adult Group Lessons - Non-Resident	per class	\$17.00	41.2%	\$24.00	
5	Swimming Clubs, Teams & Meets					
	Pre-Swim Team (50 minutes, 4 days/week)					
	Resident	per hour	\$5.00			See Gators prices below
	Non-Resident	per hour	\$6.00			See Gators prices below
	El Cerrito High School Swim Team (February through May)	per season	\$3,000.00	4.0%	\$3,120.00	
	El Cerrito High School Swim Team (February through May) non-operating hours	per hour per staff	\$31.00	3.2%	\$32.00	should be same price as Lifeguard fee
	Gators Swim Club Team					
	One Swimmer - Resident	per hour	\$6.00	0.0%	\$6.00	prices have increased over the past year due to practice times, and will continue to increase
	One Swimmer - Non-Resident	per hour	\$7.00	0.0%	\$7.00	
	Each Additional Household Member Discount	monthly discount percent	10%	0.0%	10%	
6	Swim Center Rentals					
	Long-Term Pool Rentals	per lane/ per hour	\$16.00	6.3%	\$17.00	
	Lane Rental Fee	per lane/ per hour	\$21.00	0.0%	\$21.00	
	Emery G. Weed III Lap Pool-Resident, non-operating hours, practice time	per hour	\$153.00	4.6%	\$160.00	
	Emery G. Weed III Lap Pool-Non-Resident, non-operating hours, practice time	per hour	\$192.00	4.2%	\$200.00	
	Emery G. Weed III Lap Pool—Resident, non-operating hours, event rental	per hour	\$254.00	4.3%	\$265.00	
	Emery G. Weed III Lap Pool—Non-Resident/Commercial, non-operating hours, event rental	per hour	\$318.00	4.1%	\$331.00	
	Swim Center Rental Deposit (refundable)	per event	\$109.00	4.6%	\$114.00	
	Recreation Pool-Resident (1-50 people) (2-hour minimum)	per hour	\$178.00	4.5%	\$186.00	
	Recreation Pool-Non-Resident (1-50 people) (2-hour minimum)	per hour	\$223.00	4.5%	\$233.00	
	Recreation Pool-Resident (51-100 people) (2-hour minimum)	per hour	\$192.00	4.2%	\$200.00	
	Recreation Pool-Non-Resident (51-100 people) (2-hour minimum)	per hour	\$240.00	4.2%	\$250.00	
	Splash Park Rental-Resident (1-50 people) (2-hour minimum)	per hour	\$157.00	4.5%	\$164.00	
	Splash Park Rental-Non-Resident (1-50 people) (2-hour minimum)	per hour	\$195.00	5.1%	\$205.00	
	Splash Park Rental-Resident (51-100 people) (2-hour minimum)	per hour	\$168.00	4.2%	\$175.00	
	Splash Park Rental-Non-Resident (51-100 people) (2-hour minimum)	per hour	\$210.00	4.3%	\$219.00	
	Transfer Fee	per booking	\$51.00	5.9%	\$54.00	
	Picnic Area Rental During Recreation Swim (Splash Park Area & Swim Camp Lawn Area) Resident (11-20 people) - listed fee plus lifeguard rate below	per event	\$82.00	4.9%	\$86.00	\$86+\$32/hour
	Picnic Area Rental During Recreation Swim (Splash Park Area & Swim Camp Lawn Area) Non-Resident (11-20 people) - listed fee plus lifeguard rate below	per event	125% of Res Fee	0.0%	125% of Resident	
	Picnic Area rental during Recreation Swim (Swim Camp Lawn Area) Resident (11-15 people) - listed fee plus lifeguard rate below	per event	\$62.00	4.8%	\$65.00	\$65+\$32/hour
	Picnic Area rental during Recreation Swim (Swim Camp Lawn Area) Non-Resident (11-15 people) - listed fee plus lifeguard rate below	per event	125% of Res Fee	0.0%	125% of Resident	
	Lifeguard Fee	per hour	\$30.00	6.7%	\$32.00	
7	Miscellaneous Swim Center Fees					
	Auto-Debit Pass Discount	per month	5%	60.0%	8%	increasing discount to encourage more auto-debit usage
	Single Lane Program/Holiday Reservation Surcharge - Resident	per swim	\$2.00	50.0%	\$3.00	
	Single Lane Program/Holiday Reservation Surcharge - Non-Resident	per swim	\$4.00	25.0%	\$5.00	

Recreation

Item	Description	Basis	Adopted FY 2021-22	FY 2022-23 % Incr/ Decr	FY 2022-23 Proposed Fee	FY 2022-23 Comments
	Monthly Passes Pro-Rated for Remaining Days Based on Beginning Effective Date Only (proration will not be applied to the Admin Fee)	per pass				No longer needed, back to 30-day pass
Youth Programs						
1	Day Camps *Effective 9/1/2021 September 1					
	City Run Camp Resident (Price based on number of days up to 5 days, hours, special events, field trips, supplies needed)	See brochure for actual costs	\$20-\$500	10.0%	20-\$550	
	City Run Camp Non-Resident	125% of resident fee				
	Day Camp Deposit	per camp/week	\$35.00	14.3%	\$40.00	
	Day Camp Cancellation Fee	per camp/week	\$35.00	14.3%	\$40.00	Cancellation fee equal to camp deposit. Increased deposit/cancellation to discourage last minute cancellations and retain more revenue in cases of cancellation.
2	Overnight Camp *Effective 9/1/2021 September 1					
	Camper - Resident (price depends on staffing and rental costs, duration of session and other fixed costs)	per session	\$425-\$825	4%-4.8%	\$444-\$858	
	Camper Non-Resident	120% of resident fee				
	CIT/TILT Programs - Residents	per session	\$200- \$425	4.0%	\$208-\$442	
	CIT/TILT Programs - Non-Residents	120% of resident fee				
	Deposit	per week	\$159.00	4.4%	\$166.00	
3	Before/After School Childcare					
	5 day schedule, AM Care (~ 1.5 hours/day)	per month (10 Total)	\$289.00	9.0%	\$315.00	aligning with comparable programs, accounting for hard costs associated with program even though it is only 1.5 hours per day
	4 day schedule, AM Care (~1.5hours/day)	per month (10 Total)	\$254.00	9.1%	\$277.00	aligning with comparable programs, accounting for hard costs associated with program even though it is only 1.5 hours per day
	3 day schedule, AM Care (~1.5 hours/day)	per month (10 Total)	\$208.00	9.1%	\$227.00	aligning with comparable programs, accounting for hard costs associated with program even though it is only 1.5 hours per day
	2 day schedule, AM Care (~1.5 hours/day)	per month (10 Total)	\$150.00	9.3%	\$164.00	aligning with comparable programs, accounting for hard costs associated with program even though it is only 1.5 hours per day
	1 day schedule, AM Care (~1.5 hours/day)	per month (10 Total)	\$75.00	9.3%	\$82.00	aligning with comparable programs, accounting for hard costs associated with program even though it is only 1.5 hours per day
	5 day schedule, TK/Kinder Childcare (~ 4.25 hours/day)	per month (10 Total)	\$725.00	4.4%	\$757.00	
	4 day schedule, TK/Kinder Childcare (~4.25 hours/day)	per month (10 Total)	\$638.00	4.4%	\$666.00	
	3 day schedule, TK/Kinder Childcare (~4.25 hours/day)	per month (10 Total)	\$522.00	4.4%	\$545.00	
	2 day schedule, TK/Kinder Childcare (~4.25 hours/day)	per month (10 Total)	\$377.00	4.5%	\$394.00	
	1 day schedule, TK/ Kinder Childcare (~4.25 hours/day)	per month (10 Total)	\$189.00	4.2%	\$197.00	
	5 day schedule, Kindergarten Childcare (~ 4 hours/day)	per month (10 Total)	\$683.00	4.4%	\$713.00	
	4 day schedule, Kindergarten Childcare (~4 hours/day)	per month (10 Total)	\$601.00	4.3%	\$627.00	
	3 day schedule, Kindergarten Childcare (~4 hours/day)	per month (10 Total)	\$491.00	4.5%	\$513.00	
	2 day schedule, Kindergarten Childcare (~4 hours/day)	per month (10 Total)	\$355.00	4.5%	\$371.00	
	1 day schedule, Kindergarten Childcare (~4 hours/day)	per month (10 Total)	\$177.00	11.3%	\$197.00	

Recreation

Item	Description	Basis	Adopted FY 2021-22	FY 2022-23 % Incr/ Decr	FY 2022-23 Proposed Fee	FY 2022-23 Comments
	5 day schedule, 1 st - 6 th PM Care (~3.33 hours/day)	per month (10 Total)	\$591.00	5.1%	\$621.00	
	4 day schedule, 1 st - 6 th Care (3.33 hours/day)	per month (10 Total)	\$520.00	5.2%	\$547.00	
	3 day schedule, 1 st - 6 th PM Care (~3.33 hours/day)	per month (10 Total)	\$426.00	4.9%	\$447.00	
	2 day schedule, 1 st - 6 th PM Care (~3.33 hours/day)	per month (10 Total)	\$308.00	4.9%	\$323.00	
	1 day schedule, 1 st - 6 th PM Care (~3.33 hours/day)	per month (10 Total)	\$154.00	4.5%	\$161.00	
	4 day schedule, TK & Kinder Club (~1 hour/day)	per month (10 Total)	\$158.00			changing fee structure to daily rate below
	3 day schedule, TK & Kinder Club (~1 hour/day)	per month (10 Total)	\$129.00			changing fee structure to daily rate below
	2 day schedule, TK & Kinder Care (~1 hour/day)	per month (10 Total)	\$93.00			changing fee structure to daily rate below
	1 day schedule, TK & Kinder Club (~1 hour/day)	per month (10 Total) per day	\$47.00	-70.2%	\$14.00	per day rather than per month
4	Preschool *Effective 9/1/2021 September 1					
	4 day schedule, 3 hour program	per month	\$537.00	5.0%	\$564.00	
	3 day schedule, 3 hour program	per month	\$403.00	5.0%	\$423.00	
	3 day schedule, 4 hour program	per month	\$537.00	5.0%	\$564.00	
	2 day schedule, 3 hour program	per month	\$268.00	4.9%	\$281.00	
	2 day schedule, 4 hour program	per month	\$358.00	5.0%	\$376.00	
	1 day schedule, 3 hour program	per month	\$134.00	5.2%	\$141.00	
	1 day schedule, 4 hour program	per month	\$179.00	5.0%	\$188.00	
4	Other Fees					
	Before/After School & Preschool Programs - Non-Refundable Registration Fee	per registration	\$78.00	5.1%	\$82.00	
	Before/After School & Preschool Programs - Drop-In fee, under 3 hours program	per day/per program	\$22.00	9.1%	\$24.00	
	Before/After School & Preschool Programs - Drop-In fee, over 3 hours program	per day/per program	\$43.00	7.0%	\$46.00	
	Before/After School Program - Receives Reduced Lunch	discount	30%	0.0%	30.00%	
	Before/After School Program - Receives Free Lunch	discount	50%	0.0%	50.00%	
	Preschools - Non-Resident Rate	surcharge	20%	0.0%	20.00%	
	Preschools - Qualifies for City Scholarship - Residents	discount	25%	0.0%	25.00%	
	Preschools - Qualifies for City Scholarship - Non Resident	discount	Regular Resident Rate	0.0%	Regular Resident Rate	
	Fees can be adjusted proportionally due to substantial changes in program hours at the discretion of the Recreation Director	program hours				
	Fees can be adjusted proportionate to any mandated staff to child ratio changes at the discretion of the Recreation Director	staffing/ enhanced requirements				
	Preschools - Over 8 hours (full day)	monthly discount	10%	0.0%	10.00%	
	Before/After School & Preschool Fees Include 3% Admin Surcharge listed in "Other Fees & Discounts" Section					
	Adult Programs and Services					
	Respite Group—Resident	per month day	\$112.00	-73.2%	\$30.00	change to per day
	Respite Group—Non-Resident	per month day	\$139.00	-72.7%	\$38.00	change to per day
	Easy Ride Paratransit, each way	per trip	\$3.00	0.0%	\$3.00	funded by CC Tax Measure J
	City Run Day Trips Resident (Prices based on mileage, length of trip, admission rates, volunteer trip leader expenses and supplies needed, staff planning time)	see brochure for actual costs	\$15-\$200	0-25%	\$15-\$250	
	City Run Day Trips - Non-Resident	% of resident fee	125% of resident rate	0.0%	% of resident rate	
	Other Fees & Discounts					
1	Miscellaneous					
	Transfers, Cancellations (non-camp), and Late Payments (25% of fee, up to maximum and rounded to nearest dollar)	maximum charge per session	\$22.00	4.5%	\$23.00	

Recreation

Item	Description	Basis	Adopted FY 2021-22	FY 2022-23 % Incr/ Decr	FY 2022-23 Proposed Fee	FY 2022-23 Comments
	Late Pick-Up Fee (\$20 minimum + \$1.00 per minute)	minimum late pick-up fee	\$20.00	0.0%	\$20.00	
	Misc. Product Fee (depending on level of effort)	each + surcharge	Cost + 5%-20%		Cost + 5%-20%	
	Staff Total Cost (i.e. custodian, part time recreation leader, etc.)	per hour	Full Hourly Cost		Full Hourly Cost	
	Signage/Banner on Recreational Facilities (per policy)	per banner or sign/month	\$0 - \$50	0-50%	\$0 - \$75	
	Long Term Rental Discount - as determined by Recreation Director					
	Administrative Surcharge Fee for City Run Programs	per transaction	3%	0.0%	3.0%	
	Special Promotion/Marketing Fundraising Opportunities - as determined by Recreation Director					
	New Classes, Events, Field Trips, Leagues, Programs, Products, Uniforms, etc. as approved by Recreation Director					
	City Run Program (Price based on number of days and hours, cost of supplies, staff, and staff planning time)	per day/per program	\$5-\$200	0-4%	\$5-\$208	
2	Third Party Programs					
	The fees for all third party provided activities may vary based on contract negotiations & market rates at discretion of the Recreation Director					
	No Non-Resident Surcharges for El Cerrito School Based Enrichment Programs					
	Surcharge on Fee-Based Programs by Independent Contractor (4% of fee, up to maximum and rounded to nearest dollar)	maximum-charge per-session-percent of fee	\$13.00		3.5%	lowering percentage but removing price cap
	Optional Disabled and Senior Discount (independent contractors may choose to use discount and split discount with City) - for ages 60+, disabled patrons. Does not apply to fees in "Adult Programs and Services" section.	percent of fee	15%		15%	
3	Recreation Brochure Advertisements					
	Copy Ready, 1/8 page	each	\$200.00	0.0%	\$200.00	Price is notably higher than nearby cities
	Copy Ready, Quarter page	each	\$450.00	0.0%	\$450.00	Price is notably higher than nearby cities
	Copy Ready, Half page	each	\$750.00	0.0%	\$750.00	Price is notably higher than nearby cities
	Copy Ready, Full page	each	\$1,250.00	0.0%	\$1,250.00	Price is notably higher than nearby cities
	Full Year of Advertising (3 rECguide Issues)	Discount	15%	0.0%	15%	
	Graphic Preparation-Graphic Designer	Actual	Actual Cost		Actual Cost	

Public Works Department

Item	Description	Basis	Adopted	Proposed FY 2022-23			
			FY 2021-22	% Increase	\$ Increase	Total Fee Amount	Comments
Note: Citywide Fees apply. Credit Card Transaction Fees are per transaction.							
Grading							
1	Plan Check						
	50 to 10,000 CY (no permit required below 50 CY)	each	\$ 517.14	4.00%	\$ 20.69	\$ 537.83	Added missing information in Description column
	10,001 to 100,000 CY	each	\$ 718.08	4.00%	\$ 28.72	\$ 746.80	
	Add for each 10,000 CY above 100,000	10,000 CY	\$ 172.38	4.00%	\$ 6.90	\$ 179.28	
2	Permit Issuance	each	\$ 107.10	4.00%	\$ 4.28	\$ 111.38	
3	Permit Bond	per CY	\$ 5.10	4.00%	\$ 0.20	\$ 5.30	
4	Inspection (C.6 inspections separately listed in "Erosion & Clean Water Section")			4.00%	\$ -	\$ -	
	(No permit required below 50 CY)			4.00%	\$ -	\$ -	
	50 to 10,000 CY (up to 8 inspections; any additional inspections will be charged at hourly rate)	each	\$ 926.16	4.00%	\$ 37.05	\$ 963.21	
	10,001 to 100,000 CY (up to 15 inspections, add'l inspections will be charged at hourly rate)	each	\$ 1,862.52	4.00%	\$ 74.50	\$ 1,937.02	
	Add for each 10,000 CY above 100,000	10,000 CY	\$ 115.26	4.00%	\$ 4.61	\$ 119.87	
5	Grading Work Started Prior to Obtaining a Permit	Double the Plan Check, Permit Issuance Fee and Inspection Fee		4.00%	\$ -	\$ -	
Encroachments				4.00%	\$ -	\$ -	
1	Permit Issuance Fee (all permits except planting of street trees)	each	\$ 107.10	4.00%	\$ 4.28	\$ 111.38	
2	Permit Renewal Fee/Time Extension	each	\$ 53.38	4.00%	\$ 2.14	\$ 55.51	
3	Permit bond/deposit (except street tree permit)			4.00%	\$ -	\$ -	
	One-year maintenance bond for street cuts in the amount of the value of the work or as determined by City Engineer.	minimum	\$ 1,729.92	4.00%	\$ 69.20	\$ 1,799.12	
	Bond for concrete work, including curb, gutter and sidewalk drains. Deposit is equal to the value of the work or as determined by City Engineer. Deposit is returned upon passing final inspection for concrete work.	minimum	\$ 732.36	4.00%	\$ 29.29	\$ 761.65	
	One-year maintenance bond for storm drainage modifications equal to the value of the work or as determined by City Engineer.	minimum		N/A	N/A	N/A	Creating Minimum and Matching Item Above
4	Permit Types (also subject to the Issuance Fee (#2))						
	Concrete Flat Work or Under Sidewalk Drain - up to 500 s.f. (includes two inspections)	each	\$ 294.78	4.00%	\$ 11.79	\$ 306.57	
	ADD for each add'l 500 s.f.	500 s.f.	\$ 70.38	4.00%	\$ 2.82	\$ 73.20	
	Street cut or drainage modifications (< 10 C.Y. excavated) (includes two inspections)	each	\$ 320.28	4.00%	\$ 12.81	\$ 333.09	
	ADD for each add'l 10 CY.	10 CY	\$ 238.68	4.00%	\$ 9.55	\$ 248.23	
	Traffic Control Plan Review	each	\$ 264.18	4.00%	\$ 10.57	\$ 274.75	
	Work in Public Right-of-Way Started Prior to Obtaining a Permit	Double the Permit Issuance Fee and Inspection Fee		0.00%	\$ -	Double Permit Issuance Fee and Inspection Fee	No change
	Revocable Encroachment Permit/Hold Harmless Agreement	each	\$ 378.42	4.00%	\$ 15.14	\$ 393.56	
	Storage in Public ROW for Moving Pods and Portable Toilets (East Bay Sanitary dumpsters exempt; storage pods for residential moving exempt from bond deposit)	per two weeks	\$ 170.34	4.00%	\$ 6.81	\$ 177.15	
	Moratorium Street Restoration Fee for Street cuts not exceeding 5' x 5'; Restoration for street cuts larger than 5' x 5' on a moratorium street will be calculated by the City Engineer based on recent bid costs for annual City slurry seal projects	each	\$ 753.78	4.00%	\$ 30.15	\$ 783.93	
	Re-inspection/Additional Inspection (for reasons such as work not ready for a scheduled inspection, work done without an inspection, work partially completed or annual permit inspection)	each	\$ 81.60	4.00%	\$ 3.26	\$ 84.86	
	Traffic Striping Restoration -Thermoplastic Pavement Legends (includes removal and replacement and related contract work)	each	\$ 329.46	4.00%	\$ 13.18	\$ 342.64	
	Traffic Striping Restoration -Thermoplastic 4" Line (includes removal and replacement and related contract work)	LF	\$ 8.16	4.00%	\$ 0.33	\$ 8.49	
	Traffic Striping Restoration -Thermoplastic 12" Line (includes removal and replacement and related contract work)	LF	\$ 6.12	4.00%	\$ 0.24	\$ 6.36	
	Traffic Striping Restoration -Thermoplastic Detail 22 (includes removal and replacement and related contract work)	LF	\$ 4.08	4.00%	\$ 0.16	\$ 4.24	
	Pavement Marker Restoration - Caltrans Type AY Pavement Reflective Markers (includes replacement and related contract work)	each	\$ 8.16	4.00%	\$ 0.33	\$ 8.49	
	Utility Pole - Set, Relocate or Remove	each	\$ 285.60	4.00%	\$ 11.42	\$ 297.02	
	Temporary Construction Parking for vehicles that have commercial license plates and Limited Construction Equipment Storage (includes construction parking permit)	per week	\$ 265.20	4.00%	\$ 10.61	\$ 275.81	
	Annual Encroachment Permit for Utility Companies, Administrative Fee (In-lieu of Issuance Fee to be applied for annual utility permit agreements. Inspections are charged at the Additional Inspection rate.)	per year	\$ 452.88	4.00%	\$ 18.12	\$ 471.00	
	Transportation Permit - Per Calif. State Vehicle Code Section 35795	per trip	\$ 16.32	4.00%	\$ 0.65	\$ 16.97	

Public Works Department

Item	Description	Basis	Adopted	Proposed FY 2022-23			
				% Increase	\$ Increase	Total Fee Amount	Comments
			FY 2021-22				
Note: Citywide Fees apply. Credit Card Transaction Fees are per transaction.							
	Haul Route Impact Fees						
	For qualifying projects as determined by the City Engineer, Haul Route Fees are charged on the following costs per square yard of pavement per PCI point drop in each 500-foot long section of haul route. For haul routes in use for over one year, a PCI discount will be applied against the PCI change as listed below. If the Post-construction PCI is higher than the Pre-construction PCI, the PCI change shall be considered to be zero. The final PCI value will determine the category of the fee charged.						
	Arterial						
	100<pci<70		\$ 0.31	4.00%	\$ 0.01	\$ 0.32	
	69<pci<50		\$ 0.88	4.00%	\$ 0.04	\$ 0.91	
	49<pci<25		\$ 0.90	4.00%	\$ 0.04	\$ 0.94	
	24<pci<0		\$ 1.58	4.00%	\$ 0.06	\$ 1.64	
	Collector						
	100<pci<70		\$ 0.31	4.00%	\$ 0.01	\$ 0.32	
	69<pci<50		\$ 0.73	4.00%	\$ 0.03	\$ 0.76	
	49<pci<25		\$ 0.90	4.00%	\$ 0.04	\$ 0.94	
	24<pci<0		\$ 1.58	4.00%	\$ 0.06	\$ 1.64	
	Residential						
	100<pci<70		\$ 0.24	4.00%	\$ 0.01	\$ 0.25	Added missing entry/formula in Columns H-K
	69<pci<50		\$ 0.68	4.00%	\$ 0.03	\$ 0.71	
	49<pci<25		\$ 0.82	4.00%	\$ 0.03	\$ 0.85	
	24<pci<0		\$ 1.36	4.00%	\$ 0.05	\$ 1.42	
	PCI Discount						
	100<pci<70	2.2 pts/year	\$ —				This is part of the PCI point drop calculation and not a fee, and instead added the PCI point drop which is a fixed number in Column C
	69<pci<50	2.7 pts/year	\$ —				
	49<pci<25	3.3 pts/year	\$ —				
	24<pci<0	3.6 pts/year	\$ —				
	Newsrack Box Fee [Permit fee for permitted use of a box inside the specified newsrack location. The permit is valid for a three-year period and fee includes cost of administrative and maintenance expenses associated with the newsrack program. Permittee shall comply with box dimensions, style, and model as designated by the Public Works Director, see Municipal Code Section 13.60]	per box per permit period	\$ 170.34	4.00%	\$ 6.81	\$ 177.15	Added missing entry/formula in Columns H-K
Parking Controls							
1	Appeals						
	No Parking/Stopping Anytime Zones (includes two hours of Manager's time)	each	\$ 562.02	4.00%	\$ 22.48	\$ 584.50	Added missing entry/formula in Columns H-K
	Red curb marking next to residential driveway (Subject to City Engineer approval of Resident Request)	each	\$ 381.48	4.00%	\$ 15.26	\$ 396.74	
2	Temporary No Parking/Stopping Anytime Signs (Encroachment Permit Issuance Fee also applies)	each	\$ 7.14	4.00%	\$ 0.29	\$ 7.43	Added clarifying text to Description/Column B
3	Temporary Barricades						
	Pick-up/drop-off by City crew	per pick-up/drop-off	\$ 135.66	4.00%	\$ 5.43	\$ 141.09	
	Replacement	per barricade	\$ 104.04	4.00%	\$ 4.16	\$ 108.20	
Street Tree Permits							
1	Street Tree Planting by Property Owner (Includes planting permit, site approval, and planting inspection)	per 1-3 trees	\$ 52.53	4.00%	\$ 2.10	\$ 54.63	
	Street Tree Maintenance Bond - Required three-year refundable maintenance bond for when property owner plants new Street Trees to cover Staff time needed to rehabilitate or remove a tree that has not been properly maintained.	per tree, refundable after 3- year health verification	\$ 99.96	4.00%	\$ 4.00	\$ 103.96	
2	New Street Tree Planting and Related Work by City (Includes permit, one 15-gallon tree, planted, staked, and mulched, and comes with watering bag. Requires signed City Tree Care Agreement)	per tree	\$ 315.00	4.00%	\$ 12.60	\$ 327.60	
	Concrete Removal for Tree Well	per 16 s. f.	\$ 184.62	4.00%	\$ 7.38	\$ 192.00	
	Concrete Removal for Tree Well (per s.f. after first 16 s.f. removal)	per s.f.	\$ 12.24	4.00%	\$ 0.49	\$ 12.73	
	Maintenance to Establish New Tree - Three-year maintenance fee when City is establishing new tree without a City Tree Care Agreement, usually in case of mitigation for street tree removal and planting in a different location that the responsible property owner is not able to maintain.	per tree	\$ 816.00	4.00%	\$ 32.64	\$ 848.64	
3	Permit for Street Tree Pruning or Removal by Property Owner (includes inspection by Program Manager)	minimum	\$ 210.12	4.00%	\$ 8.40	\$ 218.52	
4	Bond for Street Tree Pruning, Protection, or Removal by Property Owner	minimum	\$ 255.00	4.00%	\$ 10.20	\$ 265.20	
5	Violation for Unauthorized Street Tree Pruning, Mutilation or Removal (i.e., work without a Permit)						
	0-5.99 inch	Tree Diameter @ 4.5 feet	\$ 500.00	0.00%	\$ -	\$ 500.00	no change
	6.0-11.99 inch	Tree Diameter @ 4.5 feet	\$ 750.00	0.00%	\$ -	\$ 750.00	no change
	12.0-17.99 inch	Tree Diameter @ 4.5 feet	\$ 1,000.00	0.00%	\$ -	\$ 1,000.00	no change
	18.0-23.99 inch	Tree Diameter @ 4.5 feet	\$ 1,500.00	0.00%	\$ -	\$ 1,500.00	no change

Public Works Department

Item	Description	Basis	Adopted	Proposed FY 2022-23			
				% Increase	\$ Increase	Total Fee Amount	Comments
			FY 2021-22				
Note: Citywide Fees apply. Credit Card Transaction Fees are per transaction.							
	24 inch and greater	Tree Diameter @ 4.5 feet	\$ 2,000.00	0.00%	\$ -	\$ 2,000.00	no change
Erosion and Clean Water							
1	Stormwater Pollution Prevention Construction Permit: C.6 Inspections (Permits for construction projects that require Stormwater Pollution Prevention, includes monthly inspection)						
	Less than 1-acre hillside site, requiring an erosion and sediment control plan		\$ 327.42	4.00%	\$ 13.10	\$ 340.52	
	More than an acre, requiring an erosion and sediment control plan		\$ 654.84	4.00%	\$ 26.19	\$ 681.03	
	Re- Inspections (Due to Fail in maintaining BMP's)		\$ 163.20	4.00%	\$ 6.53	\$ 169.73	
2	C.3 Fees for projects which create or replace more than 10,000 square feet of impervious surface			4.00%	\$ -	\$ -	
	Stormwater Control Plan Review/Approval (Collected by Planning Dept at initial submittal)	each	\$ 522.24	4.00%	\$ 20.89	\$ 543.13	
	Operations & Maintenance Plan Review/Approval (O&M Plan to include Maintenance Agreement and description of annual inspection fees) (Collected by Building Dept at plan check submittal)	per square feet of impervious surface	\$ 0.05	4.00%	\$ 0.00	\$ 0.05	
	Annual Inspection Fee-Collected by Public Works Department as described in Maintenance Agreement (Includes max of one field inspection. Additional re-inspection will be charged additional inspection fee)	up to 25,000 sf	\$ 428.40	4.00%	\$ 17.14	\$ 445.54	
	Annual Inspection Fee-Collected by Public Works Department as described in Maintenance Agreement	more than 25,000 sf	\$ 855.78	4.00%	\$ 34.23	\$ 890.01	
Miscellaneous							
1	Illicit Discharge Response / Hazardous Materials Spill Clean-Up - costs to include supervision, reporting, overhead, equipment, hourly wages and fringe benefits of the employees involved	per response, per day	\$ 1,260.00	4.00%	\$ 50.40	\$ 1,310.40	
2	Public Works Hourly Rates (for other Services Not Specified)						
	Public Works Director	hourly	\$ 301.92	4.00%	\$ 12.08	\$ 314.00	
	Management Assistant	hourly	\$ 107.10	4.00%	\$ 4.28	\$ 111.38	
	Engineering Manager/Senior Engineer	hourly	\$ 226.44	4.00%	\$ 9.06	\$ 235.50	
	Operations + Environmental Services Division Manager	hourly	\$ 216.24	4.00%	\$ 8.65	\$ 224.89	
	Programs Manager/Analyst	hourly	\$ 210.12	4.00%	\$ 8.40	\$ 218.52	
	Associate Engineer	hourly	\$ 176.46	4.00%	\$ 7.06	\$ 183.52	
	Maintenance Superintendent/Operations Supervisor	hourly	\$ 210.12	4.00%	\$ 8.40	\$ 218.52	
	Technician/Inspector	hourly	\$ 163.20	4.00%	\$ 6.53	\$ 169.73	
	Maintenance Worker / Recycling Maintenance Worker	hourly	\$ 135.66	4.00%	\$ 5.43	\$ 141.09	
	Admin Clerk Specialist	hourly	\$ 89.76	4.00%	\$ 3.59	\$ 93.35	
	Waste Prevention Specialist	hourly	\$ 138.72	4.00%	\$ 5.55	\$ 144.27	
3	Bid Protest Fee		\$ 540.60	4.00%	\$ 21.62	\$ 562.22	
4	Recycling + Environmental Services						
	Construction Waste Management Plan Review Fee	per plan review, inclusive of pre plan and post report	\$ 222.36	4.00%	\$ 8.89	\$ 231.25	
	Solid Waste Collection and Disposal Subscription Exemption Application Fee	per application	\$ 277.44	4.00%	\$ 11.10	\$ 288.54	
	Salvage Permit Application Fee	per application per year	\$ 44.88	0.00%	\$ -	\$ 44.88	no change
	Recycling + Environmental Resource Center Tour Fee	per tour, excluding free monthly tours	\$ 166.26	4.00%	\$ 6.65	\$ 172.91	
	Recycling Cart Cleaning Fee (64 and 96 gallon carts)	per cart	\$ 67.32	4.00%	\$ 2.69	\$ 70.01	
	Recycling Bin Cleaning Fee (1 and 2 cubic yard bins)	per bin	\$ 102.00	4.00%	\$ 4.08	\$ 106.08	
	Recycling Cart Replacement fee due to customer damage	per bin	\$ 77.50	4.00%	\$ 3.10	\$ 80.60	
	Extra Recycling Truck Pick Up due to customer fault	per pick-up	\$ 25.50	0.00%	\$ -	\$ 25.50	no change
	Waste Enclosure Padlock Replacement due to customer loss	per lock	\$ 15.00	0.00%	\$ -	\$ 15.00	no change
	Citywide Garage Sale Listing	per registration	\$ 25.00	0.00%	\$ -	\$ 25.00	no change
	Solid Waste Event Stands Rental (set of three - Recycling, Compost, and Garbage)	per event	\$ 51.00	4.00%	\$ 2.04	\$ 53.04	
	Solid Waste Event Stand Replacement	per stand	\$ 74.46	4.00%	\$ 2.98	\$ 77.44	
	Compost	per 5 gallons	\$ 1.00	0.00%	\$ -	\$ 1.00	no change
	Compact Fluorescent Bulb (CFL) Recycling *	per bulb	\$ 4.00	0.00%	\$ -	\$ 4.00	no change
	Fluorescent Tube Recycling *	per linear foot	\$ 0.64	4.00%	\$ 0.03	\$ 0.67	
	CFL & Tube Large Quantity (over 15 CFLs and/or 30 feet) Recycling	additional flat fee	\$ 13.25	4.00%	\$ 0.53	\$ 13.75	4% = \$13.78; rounded to \$13.75 for easier transactions
	Expanded Polystyrene drop off at Recycling Center ** (minimum cost \$2.00)	per pound (or 12 gallons by volume)	\$ 2.00	0.00%	\$ -	\$ 2.00	
	Sharps and Pharms Disposal*	per disposal	\$ 1.00	0.00%	\$ -	\$ 1.00	
	Misc. Product Fee***	per items			\$ -	\$ -	
	Cardboard, Paper, Books, Magazines, and Newspaper Recycling Drop-off - for amounts greater than 1 cubic yard ** (minimum charge \$7.50)	per cubic yard	\$ 7.50	4.00%	\$ 0.30	\$ 7.80	
*No cost for residents in RecycleMore service area. Proof of residency required							
** No cost for El Cerrito rate payers. City reserves the right to reject large quantities. Proof of residency required							
	***Includes market rate sale of salvaged materials plus processing fee						

Planning

Description	Basis	FY 2021-22	FY 2023
		Adopted	4%
San Pablo Avenue Specific Plan Design Review			
Tier 1 Residential and Non-Residential Projects (with or without signage)	each	\$2,273	\$ 2,363.92
Tier 1 Permanent Signs (only)	each	\$594	\$ 617.39
Tier 1 Sidewalk Sign Permit (only)	each	\$165	\$ 171.60
Tier 1 Temporary Sidewalk Seating/Temporary Outdoor Improvements	each	\$165	\$ 171.60
Tier 1 Temporary Sign and/or Banner	each	\$55	\$ 57.28
Tier 1/AUP Sidewalk Seating (off ROW)	each	\$606	\$ 630.12
AUP Sidewalk Seating (in ROW)	each	\$881	\$ 916.53
Tier 1 - Minor Projects (as determined by Planning Manager)	each	\$842	\$ 875.16
Tier 2 Residential and Non-Residential Projects - Up to 2,500 sqft	each	\$3,347	\$ 3,480.88
Tier 3 Residential and Non-Residential Projects - Up to 2,500 sqft	each	\$4,222	\$ 4,390.88
Tier 2 Residential and Non-Residential Projects - 2,501 - 10,000 sqft	each	\$8,830	\$ 9,183.20
Tier 3 Residential and Non-Residential Projects - 2,501 - 10,000 sqft	each	\$8,564	\$ 8,906.56
Tier 2 Residential and Non-Residential Projects - 10,001 – 40,000 sqft	each	\$14,472	\$ 15,050.88
Tier 3 Residential and Non-Residential Projects - 10,001 – 40,000 sqft	each	\$12,166	\$ 12,652.64
Tier 2 Residential and Non-Residential Projects - 40,001 – 100,000 sqft	each	\$18,748	\$ 19,497.92
Tier 3 Residential and Non-Residential Projects - 40,001 – 100,000 sqft	each	\$17,626	\$ 18,331.04
Tier 2 Residential and Non-Residential Projects - 100,001+ sqft base fee plus per hour of staff time	each	\$18,763.00 - after base fee depleted, project goes to hourly rate.	\$19,513.52 - after base fee depleted, project goes to hourly rate.
Tier 3 Residential and Non-Residential Projects - 100,001+ sqft base fee plus per hour of staff time	each	\$18,449.00 - after base fee depleted, project goes to hourly rate.	\$19,186.96 - after base fee depleted, project goes to hourly rate.
Tier 4 Residential and Non-Residential Projects - up to 10,000 sqft	each	\$10,326	\$ 10,739.04
Tier 4 Residential and Non-Residential Projects - 10,001 – 40,000 sqft	each	\$13,529	\$ 14,070.16
Tier 4 Residential and Non-Residential Projects - 40,001 – 100,000 sqft	each	\$19,829	\$ 20,622.16
Tier 4 Residential and Non-Residential Projects - 100,001+ sqft base fee plus per hour of staff time	each	\$21,592.00 - after base fee depleted, project goes to hourly rate.	\$22,455.68 - after base fee depleted, project goes to hourly rate.
Environmental Review (CEQA)			

Planning

Description	Basis	FY 2021-22	FY 2023
		Adopted	4%
Environmental Review - Specific Plan Environmental Checklist/Initial Study/Negative Declaration/Mitigated Negative Declaration/Environmental Impact Report	each		Consultant costs, plus City administrative fee (30% of consultant cost)
Environmental Review - Categorical Exemption	each	\$177	\$ 184.58
Notice of Exemption	each		County Clerk Filing Fees
General Plan and Zoning Ordinance			
General/Specific Plan and/or Amendment	each	\$19,675	\$ 20,461.77
Zoning Amendment	each	\$19,675	\$ 20,461.77
Subdivisions and Lot Adjustments			
Tentative Parcel Map 1-4 lots	each	\$7,339	\$ 7,632.46
Tentative Tract Map 5-10 lots	each	\$12,325	\$ 12,818.00
Tentative Tract Map 11-25 lots	each	\$14,789	\$ 15,380.54
Tentative Tract Map 26+ lots (base fee for 25 lot map + fee for additional lots over 25)	per lot	\$2,257	\$ 2,347.55
Final Map 1-4 lots	each	\$7,598	\$ 7,901.92
Final Map 5+ lots	each	\$8,639	\$ 8,984.98
Exception to Subdivision Ordinance	each	\$10,172	\$ 10,578.88
Lot Line Adjustment or Lot Merger	each	\$7,598	\$ 7,901.92
Certificate of Compliance	each	\$6,342	\$ 6,596.05
Planned Development			\$ -
Planned Development	each	\$40,323	\$ 41,935.55
Development Agreement	each	\$44,296	\$ 46,067.36
Development Fees			
Incentives Program Permit (Staff and Design Review Board review prior to application for Planning Commission action, does not include Use Permit Fee)	each	\$11,726	\$ 12,194.96
Accessory Dwelling Unit Permit	each	\$326	\$ 339.46
SB 9 Compliance Review	each		\$ 1,597.00
Home Occupation Permit	each	\$89	\$ 92.56
Zoning Clearance (Commercial)	each	\$573	\$ 595.92
Individual Business Sign Permit (as part of Master Sign Program)	each	\$89	\$ 92.29
Preliminary Review of Multi-Story Single Family Construction (RAD)	each	\$1,535	\$ 1,596.50
Unspecified or Research - hourly	per hour	\$227	\$ 236.56
Rebuild or Interpretation Letter	each	\$902	\$ 937.75
Fence Clearance	each	\$89	\$ 92.29
Residential Chicken Clearance	each	\$89	\$ 92.29
Honeybee Keeping Clearance	each	\$89	\$ 92.29
Goat Weed Abatement Permit	each	\$89	\$ 92.29
Unanimous Neighbor Consent Exception for Chickens and Bees	each	\$44	\$ 45.61
Zoning Information Form/Questionnaire	each	\$44	\$ 45.61
Permit Amendment/Time Extension	each		1/2 of current fee
Appeals - By nonapplicant	each	\$541	\$ 562.22
Appeals - By applicant	each		1/2 of current fee

Planning

Description	Basis	FY 2021-22	FY 2023
		Adopted	4%
Community Development Director	per hour	\$255	\$ 265.20
Planning Manager	per hour	\$196	\$ 203.67
Senior Planner	per hour	\$177	\$ 184.58
Assistant/Associate Planner	per hour	\$90	\$ 93.35
Massage Operator's Permit	each	\$544	\$ 565.41
Cannabis Operating Permit	Deposit account		as needed to cover cost of application
Inclusionary Zoning			
Inclusionary Zoning In-lieu Fee - 9 or more rental units	per habitable square foot	\$18	\$ 18.72
Inclusionary Zoning In-lieu Fee - 10 or more "for sale" units	per habitable square foot	\$22	\$ 22.88
Inclusionary Zoning In-lieu Fee for combined rental and "for sale" projects	To be determined by City Staff based on square footage of each type.		To be determined by City Staff based on square footage of each type.
Inclusionary Exemption-Extension-Application	per-project	\$1,200	\$ 1,248.00
Inclusionary Monitoring: Rental	annually per project	\$1,500	\$ 1,560.00
Inclusionary Monitoring: Ownership	per project	\$2,500	\$ 2,600.00
Inclusionary Housing Agreement	per project	\$700	\$ 728.00
Design Review and Signs			
Residential - 1 unit and projects deemed minor by Planning Manager	each	\$853	\$ 886.83
Residential - 2 - 4 units	each	\$3,089	\$ 3,212.10
Residential - 5 - 10 units	each	\$5,123	\$ 5,328.40
Residential - 11+ units	each	\$7,643	\$ 7,948.57
Nonresidential - 1 - 2,500 s.f.	each	\$1,891	\$ 1,966.72
Nonresidential - 2,501 - 10,000 s.f.	each	\$3,773	\$ 3,923.90
Nonresidential - 10,000+ s.f.	each	\$6,597	\$ 6,861.25
Administrative Design Review	each	\$1,891	\$ 1,966.72
Permanent signs conforming to sign regulations	each	\$594	\$ 617.39
Temporary signs	each	\$55	\$ 57.28
Sidewalk Sign Permit (only)	each	\$55	\$ 57.28
Variances			
Variance - Residential	each	\$4,861	\$ 5,055.77
Variance - Nonresidential	each	\$7,332	\$ 7,625.03
Miscellaneous			
Pre-Application Review Meeting with Staff	each		\$0
Pre-Application Study Session with Planning Commission or Design Review Board	each	\$4,072	\$ 4,234.71
Landscape Consultant or Design Consultant	each		Cost of consultant's time plus 30% administrative overhead
Document Library and Associated Fees			

Planning

Description	Basis	FY 2021-22	FY 2023
		Adopted	4%
Electronic Media-CD (of Plans etc.)	each	\$20	\$ 21.22
Laserfiche/Archiving	per page/sheet	\$3	\$ 3.18
Zoning Map	each	\$15	\$ 15.91
General Plan Map	each	\$15	\$ 15.91
Specific Plan	each	\$218	\$ 227.01
Urban Greening Plan	each	\$143	\$ 148.51
Active Transportation Plan	each	\$143	\$ 148.51
General Plan	each	\$50	\$ 51.98
Use Permits			
Use Permit Residential - 1 unit	each	\$1,990	\$ 2,069.62
Use Permit Residential - 2-4 units	each	\$3,334	\$ 3,467.76
Use Permit Residential - 5-10 units	each	\$4,226	\$ 4,394.89
Use Permit Residential - 11+ units	each	\$5,117	\$ 5,322.03
Use Permit Nonresidential - 1 - 2,500 s.f.	each	\$3,334	\$ 3,467.76
Use Permit Nonresidential - 2,501 - 10,000 s.f.	each	\$4,226	\$ 4,394.89
Use Permit Nonresidential - 10,000+ s.f.	each	\$5,117	\$ 5,322.03
Administrative Use Permit	each	\$1,099	\$ 1,142.48
Administrative Use Permit - Keeping Animals (Title 7)	each	\$1,000	\$ 1,039.58
Temporary Use Permit	each	\$1,000	\$ 1,039.58
Code Enforcement			\$
Administrative Citation Fee		\$19	\$ 19.36

Note: Fees are based on the City's Cost Allocation Study to cover the cost of processing applications for all projects. The Planning Manager may determine a project to be unusually complex or time consuming and require a deposit at the time of application for estimated staff and consultant costs. If a standard fee has previously been paid, additional deposits may be required to cover extraordinary costs resulting from unforeseen complexities, delays or extra meetings. Hourly staff costs are based on employee wages and benefits, overhead, equipment and supervision, as determined by the City's Cost Allocation Study. Charges for third-party consultants will equal actual contract costs plus 30% administrative charge.

Miscellaneous Building Permit Fees for Projects Requiring a Plan Review

Building permit fees include inspection and permit issuance. Plan review fees are calculated at a rate of 65 percent of the building permit fees and are in addition to the building permit fee The fees below are per each occurrence or unit unless otherwise noted and include any associated plumbing, electrical, and/or mechanical work. The following abbreviations are used: sq.ft. = square feet l.f. = linear feet KW = kilowatt electric kWth = kilowatt thermal				FY 2023 Increase/Decrease
		FY 2022 Adopted Fees		4%
PROJECT TYPES	FEE			
MISCELLANEOUS PROJECTS				
Standard Hourly Rate	\$175	\$179	\$	185.64
Antenna - residential HAM or CB	\$524	\$624	\$	648.96
Equipment Container/Building (Prefab) / Residential Elevators	\$682	\$903	\$	939.12
Free-standing cellular building, antenna, and building site	\$755	\$1,265	\$	1,315.60
New cellular antenna and supporting equipment added to existing site	\$316	\$322	\$	335.21
Light pole or telephone pole mounted cellular 5G equipment	\$202	\$206	\$	214.28
Awning or Canopy	\$333	\$461	\$	479.44
Commercial Coach (per unit)	\$333	\$602	\$	626.08
Commercial Vapor Recovery Systems	\$480	\$586	\$	609.44
Demolition – whole or partial when exterior walls are removed	\$335	\$342	\$	355.37
Demolition surcharge when PCB mitigation is involved	\$242	\$247	\$	256.71
Flagpole	\$304	\$365	\$	379.60
ACCESSORY STRUCTURES				
Accessory Structure/Storage shed of 200 sq.ft. or less – unfinished interior and no MEP	\$552	\$579	\$	602.16
Accessory Structure/Storage shed for each additional 100 sq.ft. > 200 sq.ft.	\$37	\$53	\$	55.12
Carport not exceeding 400 sq.ft.	\$450	\$657	\$	683.28
New Garage (detached or attached) 500 sq. ft. or less (unfinished inside and only 1 electrical circuit)	\$552	\$812	\$	844.48
New Garage (detached or attached) per additional 100 sq.ft. > 501 sq. ft.	\$101	\$160	\$	166.40
ACCESSORY DWELLING UNITS				
New attached or detached accessory dwelling units – each 300 sq.ft. or fraction thereof. Includes 1 kitchen and 1 bathroom.	\$991	\$1,481	\$	1,540.24
Conversion of existing space into an accessory dwelling unit – each 300 sq.ft. or fraction thereof. Includes 1 kitchen and 1 bathroom.	\$698	\$1,065	\$	1,107.60
New or conversion accessory dwelling units employing Universal Design will receive a 25% discount off the above ADU fees.				
ALTERATIONS/ADDITIONS/REPAIRS				
Room additions of 300 sq. ft. or less without engineered calculations without a kitchen or bathroom	\$816	\$1,071	\$	1,113.84
Room addition of 300 sq. ft. or less with engineered calculations without a kitchen or bathroom	\$962	\$1,141	\$	1,186.64
Room additions per additional 100 sq.ft. > 300 sq.ft. with or without engineered calculations.	\$220	\$286	\$	297.44
Residential remodel 300 sq. ft. or less without kitchen or bathroom remodel	\$588	\$859	\$	893.36
Each additional 100 sq. ft. of residential remodel > 300 sq.ft.	\$130	\$160	\$	166.40
Kitchen or bathroom remodel	\$480	\$679	\$	706.16
Each additional kitchen or bathroom remodel when work is done at the same time as the first	\$240	\$339	\$	352.56
New bathroom or kitchen added to existing dwelling or new/existing accessory structure	\$462	\$700	\$	728.00
New or remodel commercial bathroom	\$625	\$996	\$	1,035.84
Miscellaneous bathroom/kitchen repair involving only 1 fixture with plan review	\$304	\$310	\$	322.48
Foundation repair (non-engineered) of 100 linear feet or less	\$480	\$561	\$	583.44
Foundation repair (engineered) of 100 linear feet or less	\$552	\$757	\$	787.28
Each additional 100 lin. ft. foundation repair (engineered or non- engineered) exceeding the first 100 l.f..	\$101	\$160	\$	166.40
Commercial and residential interior partitions not exceeding 30 linear feet	\$333	\$428	\$	445.12
Each additional 30 lin. ft. of partition exceeding first 30 l.f.	\$101	\$103	\$	107.14
New masonry fireplace when allowed by BAAQMD	\$670	\$714	\$	742.56
Pre-fabricated metal fireplace that is EPA compliant	\$524	\$588	\$	611.52
Fireplace demolition	\$377	\$428	\$	445.12
Miscellaneous minor and structural repairs, alterations, dry rot/termite repairs of \$10,000 valuation or less and requiring plan review	\$450	\$681	\$	708.24
	Use			

Miscellaneous Building Permit Fees for Projects Requiring a Plan Review

Building permit fees include inspection and permit issuance. Plan review fees are calculated at a rate of 65 percent of the building permit fees and are in addition to the building permit fee The fees below are per each occurrence or unit unless otherwise noted and include any associated plumbing, electrical, and/or mechanical work. The following abbreviations are used: sq.ft. = square feet l.f. = linear feet KW = kilowatt electric kWth = kilowatt thermal				FY 2023
				Increase/Decrease
		FY 2022 Adopted Fees		
				4%
PROJECT TYPES	FEE			
Dry rot/termite damage, miscellaneous alterations, and structural repairs of greater than \$10,000 valuation must use Valuation Table as for new construction.	Valuation Table			
Residential Drainage - French Drain/Sump Pump	\$305	\$365	\$	379.60
Building permit fees include inspection and permit issuance. Plan review fees are calculated at a rate of 65 percent of the building permit fees and are in addition to the building permit fee The fees below are per each occurrence or unit unless otherwise noted and include any associated plumbing, electrical, and/or mechanical work. The following abbreviations are used: sq.ft. = square feet l.f. = linear feet KW = kilowatt electric kWth = kilowatt thermal				
PROJECT TYPES	FEE			
DECKS, BALCONIES, PATIOS, PORCHES				
New decks and balconies not exceeding 100 sq.ft.	\$405	\$551	\$	573.04
New decks and balconies not exceeding 500 sq.ft.	\$625	\$775	\$	806.00
Each additional 100 sq. ft. of new deck or balcony exceeding 500 sq. ft.	\$130	\$239	\$	248.56
Deck and balcony repairs of 100 sq. ft. or less	\$333	\$390	\$	405.60
Deck and balcony repairs over 100 sq.ft and less than \$10,000 valuation	\$450	\$614	\$	638.56
Deck and balcony repairs of greater than \$10,000 valuation must use the Valuation Table as for new construction.	Use Valuation Table			
Covered porch	\$231	\$453	\$	471.12
Patio or deck cover – wood or metal frame not exceeding 300 sq.ft.	\$442	\$459	\$	477.36
Each additional 300 sq.ft. of patio or deck cover exceeding 300 sq.ft.	\$138	\$141	\$	146.39
Patio room constructed of wood or metal frame not exceeding 300 sq.ft.	\$560	\$686	\$	713.44
Each additional 300 sq.ft. of patio room exceeding the first 300 sq.ft.	\$327	\$334	\$	346.88
ELECTRIC VEHICLE CHARGING				
Commercial electric vehicle charging station – one only	\$370	\$561	\$	583.44
Each Commercial EV charging station when 2 to 4 are installed at the same site	\$278	\$284	\$	294.90
Each Commercial EV charging station when 5 or more installed at the same site	\$185	\$189	\$	196.25
FENCES				
Fences or free-standing non-masonry walls 7 to 10 ft. high and not exceeding 100 linear feet	\$296	\$400	\$	416.00
Each additional 100 lin. ft. of 6 to 10 feet high non-masonry fences or free- standing walls exceeding the first 100 lin. ft.	\$113	\$125	\$	130.00
Fences or free-standing masonry walls less than 10 feet high and not exceeding 100 linear feet	\$597	\$812	\$	844.48
Each additional 100 lin. ft. of less than 10 feet high masonry free-standing fences or walls exceeding the first 100 lin. ft.	\$146	\$149	\$	154.88
RETAINING WALLS				
Retaining Wall: Standard Design Non-Engineered not exceeding 50 linear feet	\$406	\$526	\$	547.04
Each additional 50 l.f. non-engineered retaining wall exceeding 50 l.f.	\$101	\$129	\$	134.16
Retaining Wall: Engineered 3-10' High not exceeding 50 linear feet	\$625	\$890	\$	925.60
Each additional 50 l.f. eng. 3'-10' high retaining wall exceeding 50 l.f.	\$175	\$179	\$	185.64
Retaining Wall: Engineered over 10' High retaining wall not exceeding 50 l.f.	\$845	\$1,141	\$	1,186.64
Each additional 50 l.f. eng. over 10' high retaining wall exceeding 50 l.f.	\$248	\$258	\$	268.32
ROOFS				
Roof structure replacement not exceeding 100 sq.ft.	\$406	\$428	\$	445.12
Each additional 100 sq.ft. roof structure replacement exceeding 100 sq.ft.	\$75	\$97	\$	100.88
SEISMIC IMPROVEMENT				
Engineered or non-engineered seismic retrofit/structural strengthening	\$406	\$553	\$	575.12
Engineered or non-engineered seismic retrofit/structural strengthening when using Planset A or conforming to Existing Building Code appendix chapter A3	\$203	\$276	\$	287.04

Miscellaneous Building Permit Fees for Projects Requiring a Plan Review

Building permit fees include inspection and permit issuance. Plan review fees are calculated at a rate of 65 percent of the building permit fees and are in addition to the building permit fee The fees below are per each occurrence or unit unless otherwise noted and include any associated plumbing, electrical, and/or mechanical work. The following abbreviations are used: sq.ft. = square feet l.f. = linear feet KW = kilowatt electric kWth = kilowatt thermal				FY 2023
				Increase/Decrease
		FY 2022 Adopted Fees		4%
PROJECT TYPES		FEE		
SIGNS				
Structural Signs such as monument or large signs attached to a building, etc.	\$406	\$553	\$	575.12
Non-structural signs such as individual lettering attached to building, etc.	\$260	\$365	\$	379.60
Additional fee for each illuminated sign	\$75	\$77	\$	79.56
SOLAR ENERGY & BATTERY STORAGE				
Solar Photovoltaic up to 10 KW	\$300	\$250	\$	260.00
Solar PV each 10KW or fraction thereof over 10 KW	\$150	\$265	\$	275.60
Solar Thermal (solar water heating) up to 30 kWth	\$300	\$306	\$	318.24
Solar Thermal each 30kWth or fraction thereof over first 30 kWth	\$150	\$153	\$	159.12
Residential battery storage systems	\$260	\$265	\$	275.81
STORAGE RACKS				
Storage Racks: 0-5' high not exceeding 100 l.f.	\$260	\$365	\$	379.60
Storage Racks: Greater than 5 feet and up to 8 feet high not exceeding 100 l.f.	\$333	\$428	\$	445.12
Storage Racks: Greater than 8 feet high and not exceeding 100 l.f.	\$406	\$526	\$	547.04
Each additional 100 l.f. of storage regardless of height	\$101	\$129	\$	134.16
Building permit fees include inspection and permit issuance. Plan review fees are calculated at a rate of 65 percent of the building permit fees and are in addition to the building permit fee The fees below are per each occurrence or unit unless otherwise noted and include any associated plumbing, electrical, and/or mechanical work. The following abbreviations are used: sq.ft. = square feet l.f. = linear feet KW = kilowatt electric kWth = kilowatt thermal				
PROJECT TYPES		FEE		
SWIMMING POOLS, SPAS, HOT TUBS, SAUNAS				
Prefabricated Spa or Hot Tub	\$260	\$365	\$	379.60
Sauna or Steam Room added to existing or new/addition construction	\$377	\$491	\$	510.64
Swimming Pool - Residential	\$552	\$651	\$	677.04
Swimming Pool – Commercial not exceeding 800 sq. ft.	\$990	\$1,392	\$	1,447.68
Each additional 100 sq. ft. commercial pool exceeding 800 sq. ft.	\$130	\$160	\$	166.40
TENANT IMPROVEMENTS				
Office tenant improvements – minimum for T.I. not exceeding 500 sq. ft.	\$1,195	\$1,787	\$	1,858.48
Each additional 100 sq. ft. or fraction thereof of office T.I. exceeding 500 sq.ft.	\$102	\$156	\$	162.24
Retail tenant improvements – minimum for T. I. not exceeding 500 sq. ft.	\$1,340	\$1,928	\$	2,005.12
Each additional 100 sq.ft. or fraction thereof retail T.I. exceeding 500 sq.ft. and not exceeding 25,000 sq. ft.	\$65	\$113	\$	117.52
Each additional 100 sq.ft. or fraction thereof retail T.I. exceeding 25,000 sq.ft.	\$34	\$54	\$	56.16
Restaurant tenant improvement – minimum for T.I. not exceeding 750 sq.ft.	\$1,632	\$2,446	\$	2,543.84
Each additional 100 sq.ft. or fraction thereof restaurant T.I. exceeding 750 sq.ft.	\$115	\$199	\$	206.96
WINDOWS, SKYLIGHTS, DOORS				
New door cut into an existing wall	\$305	\$317	\$	329.68
First replacement window or sliding glass door -structural with exterior surface break-out and/or frame modification	\$305	\$317	\$	329.68
Each additional replacement structural window or sliding glass door when work is performed at the same time as the first	\$61	\$62	\$	64.71
Skylights: New or replacement not exceeding 10 sq.ft.	\$230	\$235	\$	243.98
Skylights: New or replacement and/or structural exceeding 10 sq.ft.	\$296	\$302	\$	314.00

Miscellaneous Building Permit Fees for Projects Not Requiring Plan Reviews

The following Building Permit fees unless otherwise noted are for projects that are not associated with or require plan review. Per hour fees are for each hour or fraction thereof unless otherwise noted.

	FY 2022 Adopted Fees	FY 2023 Increase/Decrease
		4%
sq.ft. = square feet min. = minimum		
MISCELLANEOUS PROJECTS/ITEMS		
Standard per hour rate for items not specifically covered in the fee schedule	\$158	\$ 164.42
Change-of or assigned-new address request	\$420	\$ 437.05
Earthquake mitigation inspection first hour	\$273	\$ 284.29
Earthquake mitigation inspection per hour after the first hour	\$158	\$ 164.42
Fire permit handling fee	\$105	\$ 109.26
Building permit renewal when within one year after expiration date		
Building permit renewal when after one year after expiration date		
Building permit re-inspection fee after 2 failed inspections of the same item(s)	\$158	\$ 164.42
Building permit re-inspection fee when nobody is on site for the inspection and it has not been cancelled ahead of the inspector's leaving the office.	\$158	\$ 164.42
Emergency non-scheduled emergency inspection call-out: per hour with a 4-hour minimum	\$158	\$ 164.42
Pre-arranged or scheduled after hours inspection paid in advance: per hour with a 2-hour minimum	\$158	\$ 164.42
Research – per half hour or fraction thereof	\$80	\$ 82.74
Minor revisions to issued, non-expired permits: per hour	\$261	\$ 271.56
Major revisions to issued non-expired permits: per hour with 3-hour min.	\$261	\$ 271.56
Additional plan review by consultant after the second re-check		
Additional plan review by City staff after 2 nd re-check: per hour	\$226	\$ 235.50
Supplemental plan review: per hour	\$226	\$ 235.50
Supplemental inspection or inspection request not related to an issued and active permit: per hour with one hour minimum	\$185	\$ 192.00
Soils review processing by City staff	\$105	\$ 109.26
Soils peer review by consultant		
FEMA flood zone review	\$589	\$ 612.08
New or replacement Certificate of Occupancy	\$263	\$ 273.69
Temporary Certificate of Occupancy: per 30-day period	\$263	\$ 273.69
ELECTRIC VEHICLE CHARGERS		
Residential electric vehicle level 1 or 2 charging station per each	\$267	\$ 277.68
MINOR REPAIRS AND ALTERATIONS		
Miscellaneous minor bathroom/kitchen repair – 1 fixture only	\$321	\$ 334.15
Miscellaneous minor repairs who PC and less than \$10,000 valuation	\$321	\$ 334.15
RE-ROOFS		
Miscellaneous roof repairs not exceeding 500 sq.ft.	\$321	\$ 334.15
Residential re-roof not exceeding 1,500 sq.ft.	\$426	\$ 443.41
Each additional 100 sq.ft. residential re-roof exceeding 1,500 sq.ft.	\$13	\$ 13.79
Commercial exceeding 5,000 sq.ft.	\$580	\$ 603.60

Miscellaneous Building Permit Fees for Projects Not Requiring Plan Reviews

The following Building Permit fees unless otherwise noted are for projects that are not associated with or require plan review. Per hour fees are for each hour or fraction thereof unless otherwise noted.

	FY 2022 Adopted Fees	FY 2023 Increase/Decrease
sq.ft. = square feet min. = minimum		4%
sq.ft. = square feet min. = minimum		
RE-ROOFS		
Commercial exceeding 5,000 sq.ft. and not exceeding 10,000 sq.ft.	\$812	\$ 844.40
Commercial exceeding 10,000 sq.ft. and not exceeding 20,000 sq.ft.	\$1,041	\$ 1,083.08
Commercial exceeding 20,000 sq.ft. and not exceeding 50,000 sq.ft.	\$1,348	\$ 1,402.38
Commercial exceeding 50,000 sq.ft. and not exceeding 100,000 sq.ft.	\$1,655	\$ 1,721.68
Commercial each 10,000 sq.ft. above 10,000 sq.ft.	\$273	\$ 284.29
SIDING AND STUCCO		
Siding new or replacement	\$350	\$ 363.85
Each additional 400 sq.ft. siding or fraction thereof over 400 sq.ft.	\$105	\$ 109.26
Stucco new or replacement	\$426	\$ 443.41
Each additional 400 sq.ft. stucco or fraction thereof over 400 sq.ft.	\$105	\$ 109.26
WINDOWS AND DOORS – NON-STRUCTURAL		
Door replacement not involving alterations to wall framing or exterior wall coverings	\$138	\$ 143.52
Window, sliding door, solar tube replacement – one only and no alterations to framing or exterior wall coverings	\$201	\$ 209.04
Multiple window, sliding door, solar tube replacements – first 5 with no alterations to framing or exterior wall coverings and all done at the same time	\$427	\$ 444.48
Multiple window, sliding door, solar tube replacements – each additional 5 or fraction thereof above the first 5 with no alterations to framing or exterior wall coverings and all done at the same time	\$78	\$ 80.62
RENTAL HOUSING INSPECTIONS		
Rental Housing Inspection: Single Family per unit	\$263	\$ 273.69
Rental Housing Inspection: Multi-family first unit	\$232	\$ 240.80
Rental Housing Inspection: Multi-family additional units after the first	\$132	\$ 136.84
Rental Housing Inspection: Reinspection after the first reinspection	\$80	\$ 82.74
Rental Housing Inspection: cancellation with less than 72-hour notice		
Rental Housing Inspection: late payment		
OTHER MISCELLANEOUS FEES AND ASSESSMENTS		
Document imaging of plans, calculations, and other supporting documents		
Continuing education		
Planning plan review when required		
Public Works review when required		
Public Works Engineering site inspection when required – per hour or fraction thereof		
Fire Department plan review when required		
SPA Specific Plan maintenance fee – Construction of new residential units		
SPA Specific Plan maintenance fee – Additions to existing non-residential buildings per additional sq.ft.		

Mechanical, Plumbing, Electrical (MPE Permit Issuance Fees)

The following permit fee tables are for all stand alone Mechanical, Plumbing, and/or Electrical work that is not included in new construction or other projects listed on the miscellaneous fee schedule.

The permit issuance fee is to be added to each mechanical, plumbing, and/or electrical permit in addition to the fees listed below:

		FY 2022-23	
		FY 2021-22 Adopted Fees	4%
MPE fees effective 7/1/2020 to 6/30/2021			
Item	Unit		
Permit Issuance Fee (applies to all MP&E permits)	each permit	\$132	\$ 137.28
MECHANICAL PERMIT FEES			
Stand alone Mechanical Plan Check	per hour or fraction thereof	\$232	\$ 240.80
Minimum Mechanical Permit for Miscellaneous Work	each	\$78	\$ 80.62
A/C (residential)	each	\$116	\$ 120.93
Furnaces (FAU, floor)	each	\$129	\$ 134.16
Heater (wall)	each	\$160	\$ 166.40
Appliance Vent/Chimney (only)	each	\$78	\$ 80.62
Refrigeration Compressor	each	\$116	\$ 120.93
Boiler - <2,000k BTU	each	\$129	\$ 134.16
Boiler - greater than 2,000k BTU	each	\$232	\$ 240.80
Chiller	each unit	\$116	\$ 120.93
Central Heating System - New (includes duct, gas piping, electric, etc.)	each	\$232	\$ 240.80
Fan Coil Unit	each	\$78	\$ 80.62
Heat Pump (package unit)	each	\$116	\$ 120.93
Heater (unit, radiant, etc.)	each	\$160	\$ 166.40
Air Handler w/ducts more to 10k CFM	each	\$78	\$ 80.62
Air Handler w/ducts more than 10k CFM	each	\$78	\$ 80.62
Duct Work only each outlet/register	each	\$40	\$ 41.37
Evaporative Cooler	each	\$78	\$ 80.62
Make-up Air System	each	\$116	\$ 120.93
Moisture Exhaust Duct (clothes dryer)	each	\$78	\$ 80.62
Variable Air Volume Box (including duct work)	each	\$116	\$ 120.93
Vent Fan (single duct)	each	\$78	\$ 80.62
Vent System	each	\$116	\$ 120.93
Exhaust Hood and Duct (residential)	each	\$78	\$ 80.62
Exhaust Hood - Type I (commercial grease hood)	each	\$154	\$ 160.18
Exhaust Hood - Type II (commercial steam hood)	each	\$116	\$ 120.93
Non-Residential Incinerator	each	\$385	\$ 399.92
Refrigerator Condenser Remote	each	\$232	\$ 240.80
Walk-In Box/Refrigerator Coil	each	\$116	\$ 120.93
Other Mechanical Inspections (min.1/2 hr increments or fraction thereof)	per hour	\$191	\$ 198.37

Mechanical, Plumbing, Electrical (MPE Permit Issuance Fees)

The following permit fee tables are for all stand alone Mechanical, Plumbing, and/or Electrical work that is not included in new construction or other projects listed on the miscellaneous fee schedule.

The permit issuance fee is to be added to each mechanical, plumbing, and/or electrical permit in addition to the fees listed below:

		FY 2022-23	
MPE fees effective 7/1/2020 to 6/30/2021		FY 2021-22 Adopted Fees	4%
Item	Unit		
PLUMBING / GAS PERMIT FEES			
Stand Alone Plumbing Plan Check	per hour or fraction thereof	\$232	\$ 240.80
Minimum Plumbing Permit for Miscellaneous Work	each	\$78	\$ 80.62
Fixtures (each three)	each 3 or fraction thereof	\$116	\$ 120.93
Gas System (one outlet)	one only	\$116	\$ 120.93
Gas System (first five outlets)	first five	\$154	\$ 160.18
Gas Outlets (each additional)	each above the first 5	\$26	\$ 26.52
Gas Test (stand alone or re-test)	each occurrence	\$116	\$ 120.93
Building Sewer	each	\$78	\$ 80.62
Grease Trap	each	\$116	\$ 120.93
Ejector Pump	each	\$116	\$ 120.93
Backflow Preventer (first five)	first five	\$116	\$ 120.93
Backflow Preventer (>5)	each above the first 5	\$26	\$ 26.52
Roof Drain - Rainwater System	each	\$78	\$ 80.62
Water Heater (new and replacements)	each	\$78	\$ 80.62
Water Pipe Repair/Replacement per dwelling unit	each	\$154	\$ 160.18
Water Service	each	\$78	\$ 80.62
Drain-Vent Repair/Alterations	each main or branch line	\$78	\$ 80.62
Drinking Fountain	each	\$78	\$ 80.62
Graywater Systems	each system	\$154	\$ 160.18
Swimming Pool Piping and Gas	each pool	\$232	\$ 240.80
Medical Gas System (each outlet)	each outlet	\$232	\$ 240.80
Sump Pump	each	\$116	\$ 120.93
Private Storm Drainage System (each inlet)	each inlet	\$78	\$ 80.62
Other Plumbing and Gas Inspections (min. 1/2 hr increments or fraction thereof)	per hour	\$191	\$ 198.37
ELECTRICAL PERMIT FEES			
Stand Alone Electrical Plan Check	per hour or fraction thereof	\$232	\$ 240.80
Minimum Electrical Permit for Miscellaneous Work	each	\$78	\$ 80.62
Single Phase Service (per 100 amps)	per 100 amps	\$78	\$ 80.62
Three Phase Service (per 100 amps)	per 100 amps	\$116	\$ 120.93
Electrical Subpanel with subfeed	each	\$78	\$ 80.62

Mechanical, Plumbing, Electrical (MPE Permit Issuance Fees)

The following permit fee tables are for all stand alone Mechanical, Plumbing, and/or Electrical work that is not included in new construction or other projects listed on the miscellaneous fee schedule.

The permit issuance fee is to be added to each mechanical, plumbing, and/or electrical permit in addition to the fees listed below:

MPE fees effective 7/1/2020 to 6/30/2021			FY 2022-23
			4%
Item	Unit	FY 2021-22 Adopted Fees	
15 or 20 amp circuits - first ten	first ten circuits	\$78	\$ 80.62
15 or 20 amp circuits - each additional	each add'l circuit > 10	\$13	\$ 13.79
25 to 40 amp circuits	each	\$78	\$ 80.62
50 to 175 amp circuits	each	\$78	\$ 80.62
200 amp and larger circuits	each	\$78	\$ 80.62
Temporary Service	each	\$78	\$ 80.62
Temporary Pole	each	\$78	\$ 80.62
Light Poles Commercial - first	first pole	\$321	\$ 333.84
Light Poles Commercial - additional	each add'l pole after the first	\$78	\$ 80.62
Pre-Inspection/consultation	each	\$116	\$ 120.93
Swimming Pool/Spa	each	\$155	\$ 161.24
Solar Photovoltaic Repairs	each	\$116	\$ 120.93
Generator Installation - Residential	each	\$356	\$ 370.24
Generator Installation - Commercial	each	\$517	\$ 537.68
Electrical Outlets (receptable & light fixture)	first ten	\$125	\$ 130.00
Electrical Outlets (each additional)	each add'l outlet after 1st 10	\$13	\$ 13.79
Other Electrical Inspections (min. 1/2 hr increments or fraction thereof)	per hour or fraction thereof	\$191	\$ 198.37

Additional Fees - Other Mandated Building Permits

				Proposed FY 2023	
				Increase/Decrease	
				%	\$
SMIP, CBSC, and STMP Fees are collected by, but not set by the City				Adopted FY 2021-22	
Construction Tax, ECMC 4.36.010	% of total permit fee	0.50%	0.51%	53.04%	
for new construction and additions					
Art in Public Places, ECMC 13.50	% of project cost	1%	1.02%	1.06%	
for projects \$250,000 or more					
Master Fee Schedule FY 2020-21					
Calif. Strong Motion Instrumentation Program					
SMIP	residential	const. value x .00013			
		(.50 minimum)			
	commercial	const. value x .00028			
		(.50 minimum)			
Calif. Building Standards Commission					
CBSC	\$1 - \$25,000 Permit Valuation	\$1	1.02	1.06%	
	\$25,001 - \$50,000	\$2	2.04	2.08%	
	\$50,001 - \$75,000	\$3	3.06	3.18%	
	\$75,001 - \$100,000	\$4	4.08	4.24%	
	Every \$25,000 or fraction above \$100,000	Add \$1			
Type of Fee	Unit Basis	Adopted FY2020-21			
West Contra Costa Transportation Advisory Committee, Subregional Transportation Mitigation Program (STMP)**	single family residential	per dwelling unit	\$5,744	5,881	9.80% \$ 6,457
	multi-family residential	per dwelling unit	\$2,829	2,897	9.80% \$ 3,181
	senior housing	per dwelling unit	\$1,551	1,588	9.80% \$ 1,744
	Hotel	per room	\$3,676	3,764	9.80% \$ 4,133
	Retail	per square foot	\$6.96	7.13	9.80% \$ 7.82
	Office	per square foot	\$9.21	9.43	9.80% \$ 10.35
	industrial	per square foot	\$5.87	6.01	9.80% \$ 6.60
	storage facility	per square foot	\$0.80	0.82	9.80% \$ 0.90
	Other* (as determined by Public Works)	per AM peak hour trip	\$7,762	7,948	9.80% \$ 8,727
Notes: *Applies to development projects that do not clearly conform to one of the defined residential or nonresidential categories and is likely to be applicable only in exceptional cases. In such cases, consult the STMP Administrative Guidelines.					
**STMP & TIF are increased yearly based on the San Francisco region February ENR Construction Cost Index (SFCCI) increase as compared to the prior February rate. Accessory Dwelling Units (ADU) are not required to pay STMP & TIF fees.					
Transportation Impact Fee (TIF) (as established by City Council Resolution No. 2018-70 on December 18, 2018 and Ordinance No. 2019-01 on January 15, 2019).					
TIF**	RESIDENTIAL				
	Single Family	per dwelling unit	\$3,543	3,628	9.80% \$ 3,984
	Multi-Family	per dwelling unit	\$2,479	2,539	9.80% \$ 2,788
	NONRESIDENTIAL				9.80% \$ -
	Commercial	per square foot	\$4.77	4.89	9.80% \$ 5.37
	Hotel/Motel	per square foot	\$3.90	3.99	9.80% \$ 4.38
	Office	per square foot	\$4.11	4.21	9.80% \$ 4.62
	Industrial	per square foot	\$2.59	2.65	9.80% \$ 2.91
	Other*	to be determined			

Note: * Applies to development projects that do not clearly conform to one of the defined residential or nonresidential categories and is likely to be applicable only in exceptional cases. In such cases, consult the Transportation Impact Fee Administrative Guidelines.

New Construction and Other Fees Based on Valuation

The following table is used to calculate permit (Issuance and Inspection) fees based on the valuation of all new residential, commercial, and industrial construction either not covered in or referenced by the Miscellaneous Building Permit Fee table. Valuation will be determined by the 1997 UBC Valuation Table and adjusted by the S.F. Bay Area Engineering News Record Construction Cost Index increase from 1997 to June 2020 or by actual contract price when the type of construction is not represented in the Valuation Table. Plan review is additional and is calculated at 65% of the established permit fee.

This schedule is effective 7/1/2022 to 6/30/2023

Valuation	Fee
\$1 to \$800	Minimum fee of \$136.24
\$801 to \$3,000	\$136.24 for the first \$800 plus \$12.11 for each additional \$100 valuation or fraction thereof, to and including \$3,000
\$3,001 to \$38,000	\$403.20 for the first \$3,000 plus \$53.65 for each additional \$1,000 valuation or fraction thereof, to and including \$38,000
\$38,001 to \$75,000	\$2,280.94 for the first \$38,000 plus \$39.71 for each additional \$1,000 valuation or fraction thereof, to and including \$75,000
\$75,0001 to \$150,000	\$3,748.19 for the first \$75,000 plus \$27.18 for each additional \$1,000 valuation or fraction thereof, to and including \$150,000
\$150,001 to \$750,000	\$5786.04 for the first \$150,000 plus \$21.74 for each additional \$1,000 valuation or fraction thereof, to and including \$750,000
\$750,000 to \$1,500,000	\$19,868.30 for the first \$750,000 plus \$18.44 for each additional \$1,000 valuation or fraction thereof, to and including \$1,500,000
\$1,500,001 to \$10,000,000	\$32,657 for the first \$1,500,000 plus \$15.79 for each additional \$1,000 valuation or fraction thereof, to and including \$10,000,000
\$10,000,001 and up	\$166,862. for the first \$10,000,000 plus \$7.06 for each additional \$1,000 valuation or fraction thereof

Building Valuation Table Data

The following building valuation data are based on the 1997 Uniform Building Code and adjusted with 1.835 S.F. Bay Area modifier based on ENR construction cost index 1997-2019

Occupancy/Type	per/sqft	FY 2021-22		FY 2022-23		Occupancy/Type	per/sqft	FY 2021-22		FY 2022-23		Occupancy/Type	per/sqft	FY 2021-22		FY 2022-23		Occupancy/Type	per/sqft	FY 2021-22		FY 2022-23	
		Incr/Decr		Incr/Decr				Incr/Decr		Incr/Decr				Incr/Decr		Incr/Decr							
APARTMENT BUILDINGS (R-2 OCC)		2.4%	New Fee	4.0%	New Fee	DWELLINGS R-3 OCC)		2.4%	New Fee	4.0%	New Fee	LIBRARIES (A-3 OCC)		2.4%	New Fee	4.0%	New Fee	RESTAURANTS (A-2, B OCC)		2.4%	New Fee	4.0%	New Fee
Type I-A or II-A*	245	5.88	250.88	10.04	260.92	Type V-B - Wood Frame	207	4.97	211.97	8.48	220.45	Type I-A or II-A	261	6.26	267.26	10.691	277.955	Type III-A	219	5.26	224.26	8.970	233.226
Type V-A Masonry (or Type III)	199	4.78	203.78	8.15	211.93	Type V-B - Wood Frame (Engrd)	228	5.47	233.47	9.34	242.81	Type II-A	191	4.58	195.58	7.823	203.407	Type III -B	211	5.06	216.06	8.643	224.707
Type V-B - Wood Frame	184	4.42	188.42	7.54	195.95	Type V-B - Masonry	217	5.21	222.21	8.89	231.10	Type II -B	182	4.37	186.37	7.455	193.823	Type V-A	200	4.80	204.80	8.192	212.992
Type I Basement Garage	84	2.02	86.02	3.44	89.46	Basements		0.00	0.00	0.00	0.00	Type III-A	202	4.85	206.85	8.274	215.122	Type V-B	192	4.61	196.61	7.864	204.472
Type V-A	201	4.82	205.82	8.23	214.06	Semi Finished	52	1.25	53.25	2.13	55.38	Type III -B	192	4.61	196.61	7.864	204.472						
						Unfinished	40	0.96	40.96	1.64	42.60	Type V-A	190	4.56	194.56	7.782	202.342						
												Type V-B	182	4.37	186.37	7.455	193.823						
Occupancy/Type	per/sqft	FY 2021-22		FY 2022-23		Occupancy/Type	per/sqft	FY 2021-22		FY 2022-23		Occupancy/Type	per/sqft	FY 2021-22		FY 2022-23		Occupancy/Type	per/sqft	FY 2021-22		FY 2022-23	
		Incr/Decr		Incr/Decr				Incr/Decr		Incr/Decr				Incr/Decr		Incr/Decr							
AUDITORIUMS (A-3 OCC)		2.4%	New Fee	4.0%	New Fee	FIRE STATIONS (Essential Services)		2.4%	New Fee	4.0%	New Fee	MEDICAL OFFICES (B OCC)		2.4%	New Fee	4.0%	New Fee	SCHOOLS (E OCC)		2.4%	New Fee	4.0%	New Fee
Type I or II-A	235	5.64	240.64	9.63	250.470	Type I-A or II-A	257	6.17	263.17	10.53	273.69	Type I-A or II-A*	268	6.43	274.43	10.98	285.41	Type I-A & B	250	6.00	256.00	10.24	266.24
Type II-B	170	4.08	174.08	6.960	181.040	Type II -B	159	3.82	162.82	6.51	169.33	Type IIA	207	4.97	211.97	8.48	220.45	Type II-A	170	4.08	174.08	6.96	181.04
Type III -A	179	4.30	183.30	7.330	190.630	Type III-A	185	4.44	189.44	7.58	197.02	Type II -B	197	4.73	201.73	8.07	209.80	Type III-A	182	4.37	186.37	7.45	193.82
Type III -B	170	4.08	174.08	5.880	152.960	Type III -B	177	4.25	181.25	7.25	188.50	Type III-A	224	5.38	229.38	9.18	238.55	Type III -B	175	4.20	179.20	7.17	186.37
Type V-A	171	4.10	175.10	7.000	182.100	Type V-A	173	4.15	177.15	7.09	184.24	Type III -B	209	5.02	214.02	8.56	222.58	Type V-A	171	4.10	175.10	7.00	182.11
Type V-B	160	3.84	163.84	6.550	170.390	Type V-B	164	3.94	167.94	6.72	174.65	Type V-A	202	4.85	206.85	8.27	215.12	Type V-B	163	3.91	166.91	6.68	173.59
												Type V-B	195	4.68	199.68	7.99	207.67						
Occupancy/Type	per/sqft	FY 2021-22		FY 2022-23		Occupancy/Type	per/sqft	FY 2021-22		FY 2022-23		Occupancy/Type	per/sqft	FY 2021-22		FY 2022-23		Occupancy/Type	per/sqft	FY 2021-22		FY 2022-23	
		Incr/Decr		Incr/Decr				Incr/Decr		Incr/Decr				Incr/Decr		Incr/Decr							
BANKS (B OCC)		2.4%	New Fee	4.0%	New Fee	CARE FACILITIES (R-4, R-2, R-3.1 OCC)		2.4%	New Fee	4.0%	New Fee	OFFICES (B OCC)**		2.4%	New Fee	4.0%	New Fee	SERVICE STATIONS (Special OCC)		2.4%	New Fee	4.0%	New Fee
Type I-A or II-A*	332	7.968	339.968	13.599	353.567	Type I-A or II-A	233	5.592	238.592	9.544	248.136	Type I-A or II-A*	240	5.76	245.76	9.83	255.59	Type II -B	151	3.62	154.62	6.18	160.81
Type II-A	245	5.880	250.880	10.035	260.915	Type II-A	233	5.592	238.592	9.544	248.136	Type II-A	160	3.84	163.84	6.55	170.39	Type III-A	157	3.77	160.77	6.43	167.20
Type II -B	237	5.688	242.688	9.708	252.396	Type II -B	181	4.344	185.344	7.414	192.758	Type II -B	153	3.67	156.67	6.27	162.94	Type V-A	134	3.22	137.22	5.49	142.70
Type III-A	270	6.480	276.480	11.059	287.539	Type III-A	197	4.728	201.728	8.069	209.797	Type III-A	174	4.18	178.18	7.13	185.30	Canopies	63	1.51	64.51	2.58	67.09
Type III -B	261	6.264	267.264	10.691	277.955	Type III -B	189	4.536	193.536	7.741	201.277	Type III -B	166	3.98	169.98	6.80	176.78						
Type V-A	245	5.880	250.880	10.035	260.915	Type V-A	190	4.560	194.560	7.782	202.342	Type V-A	162	3.89	165.89	6.64	172.52						
Type V-B	234	5.616	239.616	9.585	249.201	Type V-B	184	4.416	188.416	7.537	195.953	Type V-B	153	3.67	156.67	6.27	162.94						
												Type V-B	153	3.67	156.67	6.27	162.94						

The following building valuation data are based on the 1997 Uniform Building Code and adjusted with 1.835 S.F. Bay Area modifier based on ENR construction cost index 1997-2019



AGENDA BILL

Agenda Item No. 8.A.

Date: May 17, 2022
To: El Cerrito City Council
From: Will Provost, Operations & Environmental Services Division Manager,
Public Works Department; Yvetteh Ortiz, Public Works Director/City
Engineer, Public Works Department
Subject: Proposed Agreement with East Bay Sanitary for the Provision of Solid
Waste Collection Services

ACTION PROPOSED

Adopt a resolution authorizing the City Manager to execute the Agreement with East Bay Sanitary, Inc. for the Provision of Solid Waste Collection Services effective June 1, 2022.

BACKGROUND

History of Customer Satisfaction and Performance

East Bay Sanitary, Inc. (EBS) has provided solid waste collection services to residents and businesses in the City of El Cerrito (City) since 1942. The City's current Franchise Agreement (Agreement) with EBS was executed in 1997, has been amended seven times, and expires on December 31, 2025.

During the 80 years that EBS has provided service in the City, the company has been responsive and responsible, with high quality services offered to residents, businesses, and the City itself. The City and EBS have a long-standing relationship, with a good level of customer service, and the City recently conducted an overall positive performance review of hauler collection services.

In 2020, the City commissioned a performance review of EBS's operations that found EBS to be a reputable and responsive operator with every incentive to provide excellent service in El Cerrito. The final report detailing the outcomes of the performance review is included as Attachment 2. The report identified limited areas for improvement, all of which have been addressed since the review was completed.

In 2021, EBS conducted a customer satisfaction survey of its customers (with over 1,000 respondents) that found 89% of customers were either very satisfied (51%) or satisfied (38%) with EBS's garbage and organic waste collection services. No more than 4% of customers were dissatisfied or very dissatisfied with any of the survey questions regarding EBS's services. Comments in the survey have been duly considered (and largely addressed) via the negotiation of a new agreement with EBS.

Due to EBS's long working history with the City, and because EBS only serves the City of El Cerrito, there is an inherent focus on the City and intimate knowledge of its customer base. EBS is always ready and willing to provide information and data requested by the City – this is not always the case with other solid waste service providers.

Rationale for Negotiating a New Agreement with EBS.

Due to the fact that the current EBS Agreement expires on December 31, 2025, the City must arrange for ongoing garbage and organic waste collection, processing, and disposal services effective January 1, 2026. In securing such services, the City may negotiate a new agreement with EBS (the current Agreement allows for good faith negotiation for amendment and extension) or competitively procure a new agreement, or both. With over three years remaining in the current Agreement, the City still preserves the ability to proceed to a competitive procurement process for solid waste collection services if it does not approve a new agreement with EBS.

The City's interests in updating the terms and conditions of solid waste collection services with EBS are the result of the need to implement the requirements of Senate Bill (SB) 1383, Short-Lived Climate Pollutants: Organic Waste Methane Emissions Reductions, which took effect January 1, 2022 and is further described in the [November 16, 2021 Agenda Bill](#) regarding the ordinance amending the City's municipal code to implement it. While the City is responsible for ensuring compliance with the many requirements of SB 1383, certain key obligations such as procurement of new color-compliant carts, route inspections and outreach and education can be assigned to EBS. Securing EBS's fulfillment of those obligations now will put the City on the fast-track to full compliance with SB 1383.

The City and EBS have mutual interest in updating the terms and conditions of solid waste collection services via a new agreement. One of EBS's primary interests in a long-term agreement is to enable amortization of new truck and container purchases over a longer period of time and avoidance of "stranding" the value of such assets at the end of the current term. EBS is also interested in a long-term agreement in order to remain in business and to preserve the value of the company into the future.

EBS has proposed to continue providing solid waste collection services in the City via a long-term agreement that would provide the City with programs and services to comply with SB 1383, provide many service enhancements, improve customer service coordination with recycling services, immediately transition to use of renewable diesel for its collection vehicles, and arrange for the purchase and use of electric or zero emission collection vehicles at such time as it is technologically and economically feasible.

Negotiation Approach and Outcomes

City staff with the assistance of R3 Consulting Group Inc. (R3) negotiated the terms and conditions of the new Solid Waste Collection Services Agreement (Agreement) with EBS over many negotiation sessions since April 2021. EBS submitted a proposal for new services and term extension on July 28, 2021 (Attachment 3).

During negotiations, the City's objectives were to provide for a fully updated and modern form of agreement, secure programs and services for SB 1383 compliance, provide enhanced programs and services for El Cerrito's residents and businesses, and avoid increases in solid waste rates. City interests for service enhancements included large vegetation pick-ups to help with fire reduction measures, bulky item pick-up to help ameliorate illegal dumping, more regular service of public trash receptacles, and additional service enhancements for growing multi-family developments.

Finally, the City was seeking to arrange for ongoing garbage and organics collection, processing, and disposal services starting January 1, 2026, which must be secured either via extension of the current agreement with EBS, or via procurement of a new franchise agreement. All of the City's objectives were met and are included in the proposed Agreement, which is included as Attachment 4.

ANALYSIS

The proposed Agreement preserves all existing solid waste collection services provided by EBS, and enhances services provided to residents, businesses and the City. The subsections below provide an overview of the new terms and conditions included in the proposed Agreement.

Impacts to Rates

Via the proposed Agreement, EBS will provide the new programs and services without any change to its compensation methodology. As such, there will be no changes to solid waste collection rates resulting from execution of the proposed Agreement.

EBS's compensation will continue to be adjusted annually as it has since 2012, using the current methodology of compensating EBS for collection services, which includes annual adjustments to compensation based on a prescribed formula in which inflation indices for seven operational cost categories (e.g., fuel and labor) are weighted and calculated to result in an annual percentage adjustment to the revenue requirement. Changes in the revenue requirement result in proposed adjustments to rates to generate revenue sufficient to meet the revenue requirement.

The next such adjustment would not be proposed to be implemented until January 1, 2023 and would not include any new additional compensation to the company for the services provided under the proposed Agreement. Such annual adjustments are anticipated to be similar to adjustments in prior years, which have historically ranged from 1.5% to 3.6%.

SB 1383 Compliance Services

With no change to EBS's compensation, the proposed Agreement includes new programs and services to facilitate the City's compliance with SB 1383. These include:

1. **Universal Organic Waste Collection.** EBS will provide, at a minimum, collection of one 64-gallon organics container (collected once weekly) for all residential, commercial and multi-family customers in the City by June 1, 2022. With this change, all commercial and multi-family customers will receive a minimum level of organics service, thus incentivizing participation in the organics collection program and enabling universal compliance with the participation requirements of SB 1383. The 2022 solid waste rates approved by the City Council in December 2021 anticipated universal roll-out of organic waste collection services.
2. **New Garbage and Recycling Carts.** By April 1, 2023, EBS will provide all residential and commercial solid waste customers that use carts with new garbage and recycling carts meeting the color and labelling requirements of SB 1383. Garbage carts will be black or grey and recycling carts will be blue, meeting the new Statewide color standards established by SB 1383. The City will retain ownership of such carts upon termination of the Agreement. EBS will also paint all garbage, recycling, and organic waste collection bins to meet the SB 1383 color requirements.
3. **Cart and Container Labels.** EBS will provide durable, long-lasting labels on all collection carts and containers in the City (inclusive of garbage, recycling, and organic waste carts and containers) specifying what materials are allowed to be placed in each container and items that are prohibited.
4. **Compliance Reviews.** EBS will conduct annual reviews of commercial customers regarding compliance with SB 1383 requirements and will provide required reports to the City. This includes identification and reporting of any garbage customer that is not also subscribed to organic waste collection service (unless that customer has an approved waiver from the SB 1383 requirements).
5. **Contamination Audits / Route Reviews.** EBS will conduct annual reviews of its routes for prohibited contaminants, as required by SB 1383, and will provide required reports to the City.
6. **Education and Outreach.** EBS will provide outreach and education services, as required by SB 1383, that supplement the City's outreach and education efforts.
7. **SB 1383 Waivers.** Unless other arrangements are made by the City (i.e., via Memorandum of Understanding with RecycleMore), EBS will be responsible for the distribution, collection and evaluation of waiver applications as appropriate and provide the City with a recommendation to accept or deny waiver requests.

8. **Edible Food Recovery.** Unless other arrangements are made by the City (i.e., via Memorandum of Understanding with RecycleMore), EBS will identify and conduct outreach to edible food generators as required by SB 1383.
9. **Compost Procurement.** To assist the City in meeting the organic waste procurement requirements of SB 1383, EBS will provide the City with up to 480 cubic yards of compost annually, delivered to a location and on a schedule as agreed to with the City. The City may use this material for giveaways to residents and businesses or apply the compost to City parks and public spaces.
10. **Recordkeeping and Reporting.** SB 1383 requires the City to maintain detailed records relating to compliance with the regulations, and to report details to CalRecycle on a regular basis. Via the proposed Agreement, EBS will maintain detailed records and provide required reporting to the City.

Service Enhancements

Above and beyond the SB 1383 programs and services that EBS has committed to providing, the proposed Agreement also includes enhancements to solid waste services, which are summarized below.

1. **Expanded Bulky / Large Item Collection.** Currently, El Cerrito residents (those in residential developments four units and below) are able to receive annual collection of up to one and one half (1.5) cubic yards each of garbage and organic waste, for a total of three (3) cubic yards annually. Via the proposed Agreement, this amount will increase to eight (8) cubic yards annually, and will include large items, such as furniture.

Additionally, EBS will begin offering bulky / large item collection service to multi-family dwellings (those in residential developments five units and above). This will provide new solutions for responsible recycling and disposal of move-in/move-out waste from multi-family dwellings, thus helping to alleviate illegal dumping concerns in the City. Currently, most multi-family dwellings do not receive any bulky waste / large item service included in the base rates. This new service provides bulky waste / large item collection and removal services to all multi-family dwelling complexes (up to four large items or approximately 4 cubic yards annually for each unit, up to 20 units).

2. **E-waste / U-waste Collection Service.** Currently, the City's residents have the ability to request collection of electronic waste twice (2) annually. Via the proposed Agreement, this service is increased to three (3) times annually and will also include collection of universal waste (e.g., bulbs and batteries).
3. **Fire Prevention Clean-ups.** As a new service to assist the City in advancing fire safety, EBS will provide the City with up to twenty-four (24) collections of debris boxes from fire prevention clean-ups annually. This service will be performed on an on-call basis at the City's request.

4. **Illegal Dumping Clean-ups.** As a new service to assist the City in cleaning up illegally dumped materials, EBS will provide the City with up to fifty (50) illegal dumping clean-ups annually. This service will be performed on an on-call basis at the City's request. EBS will also report illegal dumping sightings throughout the City. Additionally, EBS will provide more frequent public (street) container collection service, which will also reduce the amount of visible solid waste in the public space.
5. **Back-up Recycling Collection Service.** EBS will provide the City with back-up drivers and collection vehicles in the event that the City experiences a service interruption and cannot provide scheduled recycling collection services. These services will be at hourly or daily rates as provided for in the proposed Agreement.
6. **Customer Service Enhancements.** EBS will procure and implement a new customer service management system by June 2023. This system will provide new benefits to EBS, the City and its customers, including the ability for the City and EBS to use one universal system (rather than the current two). EBS will provide the City with access to its customer service system for the purpose of better coordinating solid waste collection services for customers.
7. **Enhanced Reporting.** Finally, EBS will also be required by the Agreement to provide detailed quarterly and annual reports summarizing its fulfillment of programs and services. These include EBS's engagement with customers to fulfill the requirements of SB 1383, facts and figures related to EBS's operational and financial performance, and even EBS's implementation of environmental stewardship initiatives.
8. **Electric or Zero Emission Collection Vehicles.** EBS has committed to purchasing and using electric or zero emission collection vehicles at such time as the technology is viable and economically feasible. EBS will report to the City no less than annually on the status of the transition, and the City and EBS will, no less than annually, confer on the degree to which it is technically and economically feasible to transition some or all collection vehicles to electricity. If determined to be economically feasible, EBS will not be entitled to a change in its compensation for transitioning to electric collection vehicles; however, per the proposed Agreement, EBS will be entitled to a change in compensation for construction of a charging station, subject to the mutual agreement of the City and approval of the City Council. EBS will immediately transition to use of renewable diesel for its collection vehicles.

Services Provided by RecycleMore

As a member of RecycleMore (the West Contra Costa Integrated Waste Management Authority), the City may be provided with SB 1383 support services which RecycleMore would provide via a Memorandum of Understanding (MOU). The final MOU has not yet been executed; however, RecycleMore is planning to conduct some SB 1383 compliance activities that are also included in the proposed Agreement, that specifies EBS will complete the activities unless the City makes other arrangements. Those services include contamination audits / route reviews, edible food recovery outreach, and SB 1383 waivers, all of which EBS is agreeing to provide to the City at no change in compensation.

Including these terms in the proposed agreement affords the City greater flexibility in completing key SB 1383 compliance services, irrespective of RecycleMore's provision of these services. As such, this is an advantage to the City in that any future decision by RecycleMore not to continue providing said services would not involve additional negotiations for these services with EBS or another service provider. Moreover, since EBS is agreeing to engage in these activities at no change in compensation, the City will be seeking to opt-out of certain activities conducted by RecycleMore, with the effect of lowering the cost of SB 1383 compliance for El Cerrito rate payers.

Form of Agreement

The proposed Agreement fully updates and modernizes the terms and conditions of service with EBS. Modernizing the Agreement is an important consideration for the City, in that the proposed Agreement includes updated performance standards, insurance and performance bond requirements, and other protections that benefit the City in the event that EBS is sold to another company in the future.

If EBS is sold, the company would need to seek the City's consent to assignment of the Agreement. The new terms and conditions included in the proposed Agreement provide the City with discretion regarding its consent to assignment, as well as resources with which to conduct due diligence review of any proposed assignee.

Term of Agreement

In order to provide the SB 1383 programs and services and other service enhancements without changes to EBS's compensation, City staff and EBS are proposing a ten (10) year agreement with automatic one (1) year extensions. Though City staff and R3 originally proposed an eight (8) year term of agreement, EBS was not agreeable to that term length without increasing its compensation.

Agreements with automatic one-year extensions are common with small privately held solid waste companies like EBS, as they help with the ability to secure financing while also providing for greater financial stability than an agreement that winds down over time. This avoids increases in EBS compensation, achieves rate stability for the City's ratepayers, and provides the City and EBS with the flexibility to continue the long-term solid waste contracting relationship held for 80 years without the need to negotiate periodic amendments for extension (as has historically been the case). Such an

approach has been used by other cities when working with family-owned solid waste companies, including those providing service to the cities of Concord, San Rafael and Mill Valley.

With automatic one-year extensions, the Agreement will be extended by one year at the end of each contract year, such that the years until expiration of the agreement remains constant (e.g., 10 years). Annual renewals will cease when the City gives notice of non-extension, EBS sells the company, or when fifteen (15) annual renewals have occurred (for a maximum term of 25 years). Unlike most annually renewing solid waste agreements which can be in perpetuity, the proposed EBS agreement includes this maximum term length as a safeguard for the City.

Alternative to Proposed Agreement

The City needs to arrange for programs and services to achieve compliance with SB 1383. The City also needs to arrange for continued garbage and organic waste collection services upon expiration of the current EBS agreement.

If the City Council does not authorize the City Manager to execute the proposed Agreement with EBS, then the City will: a) need to provide for the required SB 1383 programs and services via other means, resulting in new costs and increases to solid waste rates, and b) conduct a competitive procurement for garbage and organic waste collection services commencing January 1, 2026. Both efforts will require commitment of resources, including additional staff hours and consultant time, and may result in increased expenses to the City and consequent increases in solid waste rates.

It should be noted that the results of a competitive procurement process cannot be predicted or guaranteed. While there would likely be interest from other solid waste service providers, uncertainty in the solid waste marketplace due to changing regulations (like SB 1383), changing recycling markets, and other factors (such as waste disposal commitments via the City's membership in RecycleMore) have resulted in proposals with higher rates in recent Bay Area competitive procurements.

Additionally, the Council should be aware that, if a competitive procurement process was conducted and a new agreement is awarded to another service provider, then there would be a period of transition from services provided by EBS to the new provider. Such transitions in solid waste service can be difficult at best, and result in service confusion and disruptions at worst. El Cerrito has no experience navigating such a transition, and thus entering into one would require committed resources in order to ensure a smooth transition.

Evaluation of Recycling Collection Operations and Outsourcing Feasibility

On January 19, 2021, the City Council approved entering into an agreement with R3 to complete an evaluation of recycling collection operations and the feasibility of outsourcing the curbside recycling collection program. While that evaluation has made major progress, with preliminary results indicating that the City of El Cerrito operates a high-performing and efficient curbside collection operation, additional steps need to be

taken to confirm a private operator could not conduct the services at a savings to the City. The adoption of the Ordinance (2021-05) implementing the requirements of SB 1383 in December 2021, and development of this Agreement to assure completion of required SB 1383 compliance activities, have been a primary focus of City staff over the past year. Staff anticipate the recycling and outsourcing evaluation will be able to be brought to a conclusion in Fiscal Year 2022-23. Regardless, the outcome of that evaluation does not necessitate delaying the execution of this Agreement for organics and solid waste collection services, including SB 1383 compliance activities. If the City determines that curbside recycling collection services should be outsourced and the City has an interest in having EBS provide these services, the proposed Agreement indicates that the City and EBS will meet and confer in good faith to discuss EBS's ability to provide these services, adjustments to this Agreement, and adjustments to EBS's compensation to implement such a change.

STRATEGIC PLAN CONSIDERATIONS

Authorizing the City Manager to execute the proposed Agreement with EBS will help fulfill the following City of El Cerrito Strategic Plan goals and objectives:

- Goal A: Deliver Exemplary Government Services by maintaining an emphasis on providing excellent customer service.
- Goal F: Foster Environmental Sustainability Citywide (Implement the City's Climate Action Plan, including reducing the amount of waste generated in El Cerrito). Specifically, the proposed Agreement will support high waste diversion rates and allow for implementation of SB 1383, which aims to directly reduce the emissions of short-lived climate pollutants and subsequently help mitigate the effects of climate change. It will also help reduce emissions by introducing the use of renewable diesel for collection vehicles and committing to purchase and use electric or zero emission vehicles as soon as technologically and economically feasible.

ENVIRONMENTAL CONSIDERATIONS

All jurisdictions in California are required by law to provide organics recycling services for their residents and businesses through mandates established in AB 989, AB 341, and AB 1826. Recent legislation, SB 1383, mandates higher recycling and composting compliance rates starting 2022. Reliable and proper disposal, processing, and diversion of solid waste is necessary to protect the health and welfare of the community and environment.

Pursuant to Title 14, the California Code of Regulations, Section 15378(b)(5) of the California Environmental Quality Act ("CEQA") guidelines, the proposed action is an administrative activity of the City that will not result in direct or indirect physical changes to the environment. Additionally, approval of the proposed Agreement does not require review under CEQA because it can be seen with certainty that there is no possibility that the activities described in the Agreement may have a significant effect on the environment.

FINANCIAL CONSIDERATIONS

Authorization of the Solid Waste Collection Services Agreement with EBS will maintain funding of the City's Franchise Fee. It will also preserve and enhance valuable solid waste collection services provided to the City, with no change in cost to the City.

LEGAL CONSIDERATIONS

The City Attorney has reviewed the proposed actions and found that legal considerations have been addressed.

Reviewed by:

A handwritten signature in blue ink, appearing to read "Karen Pinkos".

Karen Pinkos, City Manager

Attachments:

1. Resolution
2. EBS Performance Review August 2020
3. Extension Request July 2021
4. Proposed Franchise Agreement

RESOLUTION 2022-XX

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF EL CERRITO AUTHORIZING THE CITY MANAGER TO EXECUTE AN AGREEMENT FOR THE PROVISION OF SOLID WASTE COLLECTION SERVICES WITH EAST BAY SANITARY COMPANY, INC.

WHEREAS, the City of El Cerrito and East Bay Sanitary Company, Inc. (“the Company”) have entered into that certain Franchise Agreement dated September 2, 1997 (as amended, the “Franchise Agreement”); and

WHEREAS, the Franchise Agreement will expire on December 31, 2025, unless otherwise amended by the City and Company; and

WHEREAS, SB 1383 regulations necessitate that the City amends the Franchise Agreement to provide for immediate compliance with the regulations; and

WHEREAS, in 2020, the City conducted a review of the Company’s performance, which found the Company to be compliant with the terms and conditions of the Franchise Agreement; and

WHEREAS, in 2021, the Company conducted a customer satisfaction survey that found 89% of customers to be satisfied or very satisfied with the Company’s services; and

WHEREAS, the Integrated Waste Management Act of 1996 provides the ability for public agencies to decide whether to engage in a public procurement process or negotiate directly with a solid waste services provider; and

WHEREAS, the current Franchise Agreement states that the City and Company agree to meet in good faith to update the Franchise Agreement and modernize it; and

WHEREAS, the City and Company negotiated in good faith the terms of a new Agreement for the Provision of Solid Waste Collection Services; and

WHEREAS, the Company has agreed to provide new services for SB 1383 compliance, including universal provision of organics collection services, new garbage and recycling carts meeting color and labelling requirements, compliance reviews and contamination audits, outreach and education to customers, support for organics generation waivers, support for edible food recovery programs, and compliance recordkeeping and reporting; and

WHEREAS, the Company has agreed to provide enhanced services including operating and customer service enhancements, expanded bulky item collection for residential customers both single and multi-family, expanded electronic waste and universal waste collection services, support for fire prevention clean-ups, conducting illegal dumping clean-ups, back-up support to the City’s recycling collection operations, immediately transitioning to use of renewable diesel for its collection vehicles, and procuring electric or zero emission collection vehicles as soon as they are technologically and economically feasible ; and

WHEREAS, via the new Agreement, the Company is committing to continue working as a willing partner with the City to continually reduce the amount of waste sent to landfills and maximize reduction, reuse, recycling, and composting; and

WHEREAS, the term of the agreement will be for a ten (10) year period with automatic one (1) year extensions, as is common with small privately held solid waste companies, with annual renewals to cease when the City gives notice of non-extension, EBS sells the company, or when fifteen (15) annual renewals have occurred; and

WHEREAS, the ten (10) year term with automatic one (1) year extensions, avoids increases in EBS compensation stemming from the provision of additional services, achieves rate stability for the City's ratepayers, and provides the City and EBS with the flexibility to continue the long-term solid waste contracting relationship held for 80 years without the need to negotiate periodic amendments for extension (as has historically been the case); and

WHEREAS, rates for the provision of solid waste collection services will not increase as a result of approving the new Agreement, with increases in EBS compensation and solid waste rates to be adjusted annually based upon an agreed upon methodology that allows for increases based on a formula that reflects changes in operational costs (e.g., fuel and labor); and

WHEREAS, pursuant to Title 14 of the California Code of Regulations, Section 15378(b)(5), under the California Environmental Quality Act ("CEQA") guidelines, the proposed action is an administrative activity of the City that will not result in direct or indirect physical changes to the environment. Additionally, approval of the proposed Agreement does not require review under CEQA because it can be seen with certainty that there is no possibility that the activities described in the Agreement may have a significant effect on the environment.

NOW THEREFORE, BE IT RESOLVED that the City Council of the City of El Cerrito authorizes the City Manager to execute an Agreement for the Provision of Solid Waste Collection Services between City of El Cerrito and East Bay Sanitary Company, Inc. which provides for a ten-year term with a maximum of fifteen (15) annual one-year extensions for a maximum term of twenty-five (25) years.

BE IT FURTHER RESOLVED that this Resolution shall become effective immediately upon passage and adoption.

I CERTIFY that at a regular meeting on May 17, 2022 the City Council of the City of El Cerrito passed this Resolution by the following vote:

AYES:	COUNCILMEMBERS:
NOES:	COUNCILMEMBERS:
ABSTAIN:	COUNCILMEMBERS:
ABSENT:	COUNCILMEMBERS:

IN WITNESS of this action, I sign this document and affix the corporate seal of the City of El Cerrito on May 17, 2022.

Holly M. Charl  y, City Clerk

APPROVED:

Gabe Quinto, Mayor

1512 Eureka Road, Suite 220, Roseville, CA 95661
Tel: 916-782-7821 | Fax: 916-782-7824

2600 Tenth Street, Suite 424, Berkeley, CA 94710
Tel: 510-647-9674

August 5, 2020

Ms. Yvetteh Ortiz
Public Works Director
City of El Cerrito
10890 San Pablo Ave.
El Cerrito, CA 94530

Subject: Performance Review of EBS Solid Waste Operation – Final Report

Dear Ms. Ortiz,

R3 Consulting Group, Inc. (R3) is pleased to submit our final report of the performance review of East Bay Sanitary (EBS) under the Collections Service Agreement (Agreement) with the City of El Cerrito (City).

2020 Status Update of 2018 Performance Review

R3 conducted a performance review of EBS in 2018. The review covered a field and onsite review of EBS's managerial, administrative, and operational effectiveness and efficiency. The review also covered a contractual compliance and financial audit of 2017 data.

The City recently requested a status update on the key findings and associated recommendations from that 2018 Performance Review. R3 contacted EBS on July 7, 2020 to discuss the status of each of the recommendations since the conclusion of the performance review. Their responses are provided below:

1. Create subcategories within AS/400 that allow for easy querying of information. By doing so, it will alleviate the need to manually track a log of information while simultaneously allowing for the quick filtering of information for any given date range.
 - o EBS has since updated AS/400 to include subcategories for future querying of data upon City request. They have also since converted the system to a cloud server. EBS continues to explore alternative customer service platforms.
2. There is no field recommendation at this time, as the graffiti issue is being corrected by EBS. City should review field conditions by March 2019 to confirm that graffiti is being adequately managed.
 - o EBS does not have a paint booth, which limits the frequency of painting/repainting. However, EBS continues to take a proactive approach in correcting identified issues related to graffiti, as well as a reactive approach, as needed.
3. Develop a specific policy and protocol for pre- and post-trip inspections and implement a refresher training program for all employees to ensure that they understand the policy and protocol, and that all drivers are conducting the same standardized practice.

While pre-trip inspections are required for all commercial vehicles, full 5-minute brake tests are not. However, they are considered industry standard to meet heightened safety awareness. Drivers are inherently familiar with their vehicles and often assume that their refuse trucks are in working order, but verification of working order is paramount. The purpose of the brake test is to verify that the air brake, working brake, and emergency brake are all working effectively, which cannot be confirmed unless utilized.

- o EBS retrained all staff on proper pre- and post-trip inspections, and has continued to place an emphasis on safety. They also utilize a safety consultant to deliver monthly safety meetings, including full walk-around vehicle inspections and spill prevention measures.
- 4. Beginning with 2018 data, calculate and report annual OSHA Total Reportable Incident Rate (TRIR) (= injury frequency rate) and Days Away from Work, Job Restriction or Transfer (DART) Rates (+ injury severity rate) for EBS.
 - o EBS has the equations and periodically checks the status, but consistent review is unnecessary at this point in time. They have had two (2) vehicle accidents in the past year, and one (1) injury in the past four years.
- 5. Adopt the industry standard MPU minimum standard of one (1) MPU per 1,250 accounts.
Track and report MPUs daily.
Review daily any MPUs that occurred the day prior and root cause the issue via discussions with drivers and/or customers. The purpose is to prevent future misses by determining the root cause and adjusting accordingly.
 - o EBS incorporated the “1 per 1250” measure. Current figures are estimated at 1 MPU per 2000 accounts, which is well above expectations. EBS has not been as stringent on this as they could be and will conduct monthly reviews of going forward.
- 6. Create a system of e-filing for all maintenance work and scheduling that is accessible by other staff members. Under the current model, if the Fleet Manager is out of work for an extended period of time, it could be potentially damaging for the fleet operations of EBS.
 - o EBS conducted a thorough review of available fleet management software over the past year and a half and selected the one that best suits their operation. They committed to purchasing and implementing the software program by the end of the year (2020).
- 7. Going forward we recommend that EBS provide an updated reconciliation of actual franchise fee and IWM Fee payments to the calculated amounts due through the remaining term of the agreement to the City each year along with the January franchise fee payment.
- 8. Additionally, EBS has not conducted a customer survey, as required by the contract, since 2016. This item is still outstanding, but EBS has committed to addressing this issue through the distribution of billing inserts for the September 1, 2020 billings to customers.

Summary of Performance Review

Overall, EBS is a reputable and responsive operator with every incentive to provide excellent service in El Cerrito. Collections are conducted in a safe, courteous, and efficient manner; routing is sufficient in relation to customer needs; vehicle maintenance is regularly scheduled and performed; and the past three years of operating has resulted in only one recordable injury. EBS has offices in the City, a small span of control, and deep roots in the El Cerrito community spanning many decades. Though at its size EBS cannot achieve economies of scale that would be expected from large solid waste operators, the level of local and responsive customer service received is superior to that provided by those larger companies.

EBS is in compliance with most of the requirements of the Agreement, although there are a few items where EBS' performance requires improvement, and in response to which EBS is currently devising

corrective actions. We recommend that the City review EBS' implementation of these corrective actions early in 2019. These areas are not considered vital to the safety, customer service, and daily operation of EBS; while improvements in areas can and should be made, they do not represent material concerns about EBS' operations.

In review of special services, such as annual clean-ups, bulky pick-ups, and backyard collections, we discovered that EBS was not necessarily out of compliance, but rather compliance was not fully determinable due to limitations of EBS's customer data software. A recommendation was provided to EBS to incorporate subcategories into their customer database software in order to query such information and be able to provide more in-depth and accurate data in the future.

R3 understands that EBS intends to request consideration of an extension to the Agreement, and R3 is engaged by the City to provide support to the City in reviewing such a request. Based on the results of this performance review, we have no reservations about EBS' ability to continue to provide quality services to the City.

EBS Extension Request – Important City Considerations

With the EBS Franchise Agreement set to expire at the end of 2025, there are only a few years remaining during which the City will need to make decisions about whether to continue the Agreement with EBS or make other arrangements for its garbage and green waste collection services. At the very minimum, the City should make a determination about whether to extend the Agreement with EBS prior to the end of 2022, thereby allowing three full years to make other arrangements for service if the City so desires. However, there are a number of important reasons that the City and/or EBS may wish to seek an earlier decision regarding potential extension of the Agreement.

First, EBS currently amortizes the cost of new trucks over 10 years as a means of reducing the magnitude of annual rate increases. Since there are fewer than 10 years remaining on the Agreement, and if the Agreement is not extended, EBS and the City will need to determine how EBS should amortize the costs of new trucks that will be necessary in coming years. If EBS decreases the amortization timeframe to align with the 2025 expiration of the Agreement, then rates will need to increase more than they otherwise would. Alternatively, if EBS keeps the 10-year amortization period, it raises the question about how EBS would be compensated for any remaining capital value at the end of the Agreement. Finally, if EBS is not incentivized to purchase trucks necessary for replacement and growth, services could decline in the final years of the Agreement.

Second, the City will soon have the responsibility to implement SB 1383 (Short-Term Climate Pollutants) which requires new programs for organic waste services by 2020 and with ambitious goals through 2025. Though the EBS currently provides organics waste programs, there are many requirements of SB 1383 that will likely require amendments to the Agreement, and new responsibilities for both EBS and the City. Given the short time for implementation of this new law, it may behoove the City to secure terms and conditions with EBS that would ensure complete coverage of SB 1383 requirements prior to the 2020 implementation date.

Third, there are a number of current happenings in the solid waste and recycling marketplace that have bearing on the services the City and EBS provide to El Cerrito residents and businesses, and for which the City may wish to seek near-term solutions. Among these are:

- § The declining value of the recyclables marketplace, revenues from which have been used to offset the costs of the City's recycling collection programs in the past;

Ms. Yvetteh Ortiz

Performance Review of EBS of Solid Waste Operation – Final Report

August 5, 2020

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- § Opportunities to increase the cost-effectiveness of EBS garbage and green waste operations and City recycling operations by maximizing the economies of scale of the two operations;
- § Opportunities to restructure rates to ensure that rates are set to cover the cost of providing services, which is especially important in light of increasing State regulations on commercial and multi-family waste generators;
- § Opportunities to adopt new and emerging solid waste collection vehicle technologies, including electric/hybrid trucks;
- § Opportunities to reduce rates by addressing EBS's outstanding pension liability, a portion of which is paid by the rates; and
- § Opportunities to reduce rates overall and the rate-payer impacts for new programs necessary to implement State laws by extending the Agreement over a longer period of time.

For the reasons stated above, we believe that the City would be justified in considering an extension request from EBS in the near term. R3 looks forward to supporting the City in reviewing and negotiating the terms and conditions of an extension request from the company and has already prepared a draft "restated" agreement for the purposes of streamlining that process.

* * * * *

We appreciate the opportunity to submit our final report to the City. Should you have any questions regarding our proposal, or need any additional information please contact me by phone at (510) 292-0853 or by email at gschultz@r3cqi.com.

Sincerely,

R3 CONSULTING GROUP



Garth Schultz | Principal

Section 1: Executive Summary

Project Objective

To complete a performance review:

- § Evaluate the general reasonableness of EBS' solid waste operations for the City;
- § Ensure contractual obligations are being met;
- § Identify opportunities for improvement; and
- § Make recommendations for specific changes to operational processes.

The City's goals include:

- § Ensuring that EBS is operating in a safe and efficient manner;
- § Ensuring that EBS is meeting or exceeding expectations of the Agreement; and
- § Identifying areas of opportunity in which EBS can improve operational processes.

Summary of Approach

As part of our review, R3 conducted a wide range of tasks, including but not limited to:

- § Franchise Agreement Compliance Review;
- § Collection Operations Review;
- § Management and Administration Review;
- § Vehicle and Equipment Maintenance Review; and
- § Customer Service Review.

Background

The City has an exclusive Agreement with EBS for the collection of residential and commercial garbage and green waste, as well as debris box/roll off container collection services. Residential and commercial recycling services are provided by the City. EBS bills City residents and businesses for garbage and green waste collection services based on maximum rates established by resolution of the City Council. EBS is a family-owned business that only serves the City of El Cerrito and has done so for nearly seventy years. EBS provides the following services to the City:

- § Residential garbage and green waste collection;
- § Commercial garbage and green waste collection; and
- § Industrial (roll-off) garbage, green waste, recycling and construction and demolition debris collection.

The Agreement expires December 31, 2025. Subscription to garbage collection service within the City is mandatory and is billed every four months.

Findings and Recommendations

Compliance Assessment of East Bay Sanitary

EBS is doing many things well. Management and staff are qualified and experienced, and EBS appears to place a priority on customer service, which was evidenced during route observations (e.g. carts were returned upright, litter generated by collection activities was promptly cleaned up). While EBS is doing many things well, there are opportunities for improvement, including in each of the following areas:

- 1) **Graffiti** – Commercial bins were covered in graffiti, however EBS has begun to replace the old containers with freshly painted green colored bins. Condition of the commercial bins should be monitored periodically going forward to ensure graffiti is painted over as soon as possible.
- 2) **Uniform Pre-Trip Inspections** – EBS drivers conduct pre-trip inspections to varying degrees. One driver left the yard without walking around his vehicle, while the others did conduct a brief walk-around. No driver conducted a brake test. A five (5) minute brake test is recommended because it tests every aspect of braking, from the air brakes to the service brake, and ensures the vehicle is operating in the safest manner possible, which becomes crucial when the vehicle is fully loaded and on an incline.
- 3) **Electronic Maintenance Filing** – EBS does not utilize maintenance software to track work orders, which is understandable considering the size of the fleet versus the typical cost of the software. The concern, however, is regarding the fact that the Fleet Manager maintains all files and work orders manually. The filing system is effective and complete but could be problematic if the Fleet Manager is out for an extended period of time. Having electronic files in addition to (or in place of) the manual filing system would allow for anyone to access said files.
- 4) **Customer Satisfaction Survey** – EBS is obligated to conduct a customer satisfaction survey every three (3) years, starting in 2013. The 2016 survey has not yet been completed. EBS needs to be sure to provide the survey to for City review prior to finalizing the survey, and to be mindful of its obligations to include an improvement plan and report the results of the assessment and the improvement plan to the City once finalized.
- 5) **Sub-Categories in Customer Data Management AS/400 System** – EBS maintains all customer-related notes within each individual customer account. By creating categories and subcategories they will be able to query information, such as all customer complaints during a given period, and provide better overall customer service.

Key Findings and Recommendations

Contractual Compliance

Contractual Compliance of EBS was documented and tracked using a Microsoft Excel checklist (Attachment 1). The few areas of concern in which compliance was either questionable or non-existent can be easily remedied. The non-compliant areas are:

- § Complaint Resolution;
- § Unresolved Complaints; and
- § Dissatisfied Customers.

Each of the items listed above require a log or other method of record keeping. EBS does record complaint calls and records the data; however, the information is stored within the customer's account notes.

Recommendation:

- § Create subcategories within AS/400 that allow for easy querying of information. By doing so, it will alleviate the need to manually track a log of information while simultaneously allowing for the quick filtering of information for any given date range.

On-Site and Field Observations

EBS drivers are dedicated to customer service efforts. During a two-day onsite observation, there were no instances of post-collection litter on the ground in front of any customer residences, and the one time that debris fell from the cart during servicing, the driver got out and collected the material. Carts were returned upright and orderly after service.

Commercial containers were covered in graffiti; however, EBS is in the process of exchanging customer bins as they convert from yellow to green commercial containers.

Recommendation:

- § There is no field recommendation at this time, as the graffiti issue is being corrected by EBS. City should review field conditions by March 2019 to confirm that graffiti is being adequately managed.

Operations Review

The consideration of "safety first" is the industry standard, and the foundation of effective solid waste management operations. It impacts customer service, employee morale, operational costs, and other factors. Solid waste collectors have one of the most dangerous jobs in the country, consistently ranking in the top ten jobs with respect to the number of fatal injuries per 100,000 full-time employees; higher than both police and firefighters. Waste Management, Inc. and Republic Services, the two largest private solid waste management companies in the country, have dedicated considerable attention to safety, which has been reflected in significant improvements in their safety records over time.

As part of our review, R3 met with EBS management and reviewed various documents that were provided, including historical incidents of EBS property damage and workers' compensation claims. Driver training methods were evaluated and determined to be adequate. Drivers conduct routes in a safe and efficient manner, as evidenced by low accident and injury records.

A good safety program is proactive, takes into account the specific causes of driving accidents and worker injuries, and focuses training on addressing those underlying root causes. Our findings related to the lack of effective vehicle pre-trips, which are discussed below, highlight safety issues that should be City and EBS priorities.

1. Pre-Trips Are Not Being Done Consistently

Pre-trip inspections are required for the operation of commercial vehicles pursuant to federal law. During a pre-trip inspection, a driver completes a Driver Vehicle Inspection Report (DVIR) to record all findings positive and negative regarding the operation of a commercial vehicle. DVIRs no longer need to be kept in the vehicle itself, but are required to be completed daily, filed, and kept for no less than 3 months. The importance of a pre-trip inspection is to identify potential vehicle failures prior to the vehicle entering public roadways to reduce the risk of accidents as well as to avoid service interruptions.

As part of our review, R3 observed morning routines and dispatch operations over two days. The quality of pre-trip routines varied among drivers. One driver exited the yard without conducting a walk around to verify serviceability of the vehicle, while the other drivers conducted some standard pre-trip activities, including testing their hydraulics to ensure they were working, but not one driver conducted a brake test.

Recommendations:

- § Develop a specific policy and protocol for pre- and post-trip inspections and implement a refresher training program for all employees to ensure that they understand the policy and protocol, and that all drivers are conducting the same standardized practice.
- § While pre-trip inspections are required for all commercial vehicles, full 5-minute brake tests are not. However, they are considered industry standard to meet heightened safety awareness. Drivers are inherently familiar with their vehicles and often assume that their refuse trucks are in working order, but verification of working order is paramount. The purpose of the brake test is to verify that the air brake, working brake, and emergency brake are all working effectively, which cannot be confirmed unless utilized.

2. EBS Specific OSHA Form 300 and Other Safety Data

Tracking OSHA frequency rates, severity rates, and vehicle accidents is the industry standard. EBS vehicle accident and worker injury data allows for identifying and evaluating the root causes; such information was provided by EBS and was reviewed by R3. EBS has a great record of safety dating back to 2015. In the three-year period reviewed, there was only one instance of a driver missing time away from work. EBS' TRIR (Total Reportable Incident Rate) for the past three years is 2.09 (a score of zero is a perfect safety record).

Recommendations:

- § Starting with 2018 data:
- § Calculate and report annual OSHA Total Reportable Incident Rate (TRIR) (= injury frequency rate) and Days Away from Work, Job Restriction or Transfer (DART) Rates (+ injury severity rate) for EBS.
 - o Conduct root cause assessment of all accidents and injuries and track and report that data in support of specific actions to address primary causes of accidents and injuries.
 - o Track and monitor vehicle accident related benchmarks:
 - § Vehicle Accident Recordable Rate (VARR) – The number of operational hours between vehicle accidents – the higher the VARR, the better.

- § Property Accident Recordable Rate (PARR) – The number of operational hours between property accidents – the higher the PARR, the better.
- § Number of vehicle accidents and number of property accidents per 100,000 miles driven.¹

3. EBS Has a Scheduled Monthly Safety Training Program

EBS has a dedicated solid waste collection specific training program. A dedicated safety program is a best management practice, and a fundamental component of an effective solid waste management operation. An annual calendar of safety training and topics per session were reviewed by R3. All operations personnel are required to attend scheduled safety meetings and signatures proving attendance are documented on a sign-in sheet.

Recommendations:

- § None. EBS has minimal accident and/or injury occurrences and scheduled monthly training program was determined to be sufficient.

4. EBS Records Missed Pick-ups (MPUs) but Does Not Track Them

EBS has a missed pick-up policy where drivers return to the customer location if the request is received prior to the cut-off time for same day, or by noon the following day at the latest. The number of MPUs are tracked in terms of volume, but there is not a procedure to track them at a more detailed level. It is impossible to manage without being able to measure and installing a program for MPUs can not only aid EBS in managing misses, but assist in reducing unnecessary misses all together.

Recommendations:

- § Adopt the industry standard MPU minimum standard of one (1) MPU per 1,250 accounts.
- § Track and report MPUs daily.
- § Review daily any MPUs that occurred the day prior and root cause the issue via discussions with drivers and/or customers. The purpose is to prevent future misses by determining the root cause and adjusting accordingly.

Management and Administration

EBS is a small family-owned Company employing workers with sufficient industry knowledge. Due to the fact that the Company operates only within the City limits of El Cerrito, the number of staff including drivers, customer service representatives, supervisors and managements compared to the number of accounts is sufficient. The Company has very low turnover which provides stability, reliability, and meeting customer expectations.

¹ Track all vehicle accidents in detail including date, time, weather, location, type of accident, cause of accident, party at fault, etc. Review prior existing vehicle accident data, categorize, and evaluate as to type and cause to determine the most common types of accidents (e.g., backing, intersections, etc.) and establish associated training.

The Company conducts a customer service survey which have yielded positive responses; however, as noted previously, the Company has not conducted the customer service survey that was due in 2016.

Vehicle and Equipment Maintenance

Having collection vehicles that are safe, cost-effective to operate, and well-maintained is critical to EBS' ability to maintain a productive collection system. Ensuring that equipment replacement is funded to a level that provides for the optimal replacement collection vehicles should be a priority.

The Fleet Manager manually tracks all repair work (both scheduled and driver identified) within a filing cabinet in his office. Due to the size of the Company, this approach works; however, it is not ideal especially when the Fleet Manager is on vacation. If the Fleet Manager were not to be employed by the Company, re-establishing the maintenance record would be challenging.

Recommendation:

- § Create a system of e-filing for all maintenance work and scheduling that is accessible by other staff members. Under the current model, if the Fleet Manager is out of work for an extended period of time, it could be potentially damaging for the fleet operations of EBS.

Customer Service

EBS provides a level of service that is rare in the industry today. EBS is a family owned business with a staff of personnel that were born and raised within the limits of the City of El Cerrito, which has resulted in a wealth of intimate knowledge for the City itself and the customers that inhabit it. Technology and software utilized by EBS are sufficient to meet the needs of their customers and staff is trained appropriately. All calls were promptly answered (no more than three rings) during R3's customer service observation.

During the review EBS noted that Customers with service interruptions are often still serviced for recycling which not only creates an unnecessary customer service call and complaint, but often leads to customers continuing to avoid paying for services by contaminating the recycling cart with trash. It was also noted by both EBS and the City that coordination of in-the-field diversion audits and customer service around increasing diversion from landfill is challenging due to the fact that the City operates the separate recycling program. Both parties acknowledge that improved levels of communication and coordination would be ideal, and that current systems, roles and responsibilities lead to sometimes frustrating inefficiencies.

Recommendation:

- § Increase efforts by the City and EBS to formulate, implement, and maintain a system of communication and data exchange to ensure that both parties are working collaboratively.

Financial Compliance Assessment

R3 reviewed EBS' financial requirements including payment of franchise fees and Integrated Waste Management Fees (IWM Fee) to the City. Our review found minor discrepancies which should be corrected going forward.

Recommendation:

Going forward we recommend that EBS provide an updated reconciliation of actual franchise fee and IWM Fee payments to the calculated amounts due through the remaining term of the agreement to the City each year along with the January franchise fee payment.

Preparedness for SB 1383

R3 has prepared a summary of the actions that will likely be needed for the City and/or RecycleMore to take in order to be compliant with SB 1383. Some of the requirements of the regulations are more suited for EBS to complete, and R3 generally recommends that cities negotiate all of the SB 1383-related additional services as a part of a distinct contract negotiations process.

The SB 1383 regulations are not yet final; generally we expect that some of the requirements that are in the current draft of the regulations will be removed by the time the regulations are final. The City should be aware that:

- § CalRecycle expects some amount of financial and rate impacts for agencies to enact compliance;
- § The City will eventually be *required* to issue penalties for generators that are non-compliant with the regulations; and
- § CalRecycle is required by the regulations to find jurisdictions out of compliance regardless of good-faith effort if they do not comply with the requirements, with associated violations and penalties.

The City should note that nearly all the required programs need to be in place by January 1, 2022; the City should collect and prepare documentation that demonstrates compliance for a report due to CalRecycle early in 2022. This report will likely be completed by RecycleMore, as the reporting entity to CalRecycle.

Requirements that are best suited to EBS to complete include:

- § Offering organics service that includes food scraps to all commercial generators and ensure that organics are diverted as required by the law;
- § Completing quarterly route audits for contamination and preparing written notice in alignment with requirements;
- § Applying labels with a list of accepted materials to all containers;
- § Complying with container color requirements (black/gray for garbage, blue for recycling, green for organics) by 2032; and
- § Assisting in required annual customer education requirements by distributing newsletters.

Requirements that are best suited to the City or RecycleMore to complete include:

- § Perform monitoring, customer outreach, and site visits for generators required to subscribe to service (2 cubic yards of garbage service or higher), grant/track waivers granted in alignment with requirements, and issue notices of violation and assess penalties for generators not in compliance;
- § Procure minimum levels of compost, renewable natural gas, or both;
- § Meet minimum recycled content and recyclability standards for paper products;

- § Adopt enforceable ordinance in alignment with requirements;
- § Perform outreach to edible food generators and provide a list of edible food recovery organizations to these generators. Collect reports of donations received by food recovery organizations and compile information for CalRecycle; and
- § Register and educate self-haulers (other than residential) on requirement to source-separate organics, and collect annual reports of organics diverted by facility used.

Recommendations:

The City should be prepared to negotiate with EBS to ensure that services provided are in alignment with SB 1383 requirements. The City should be prepared to implement the requirements of the law, which may require additional revenue sources and staffing. The City should engage proactively with RecycleMore by identifying requirements that the City may request that RecycleMore assist and/or complete on behalf of the City and ensure that reports by the City are prepared in the format needed by RecycleMore to complete reporting to CalRecycle. Additionally, the City and EBS should be aware that the City's current anticipated growth in its commercial/multi-family dwelling sector (EBS estimates that one new additional commercial route will be necessary soon) will doubly impact the level of effort needed to comply with SB 1383 in that solid waste operations will simultaneously need to adapt to growth in accounts and overall waste collected while also responding the requirements of this new law.

Section 2: Performance Review

Franchise Agreement Compliance Review

Objective

Determine the extent to which EBS has complied with the applicable terms and conditions of its Agreement with the City.

Background

The Agreement specifies the various terms and conditions under which EBS is to operate its franchise. Those terms and conditions include:

- § Services to be provided
- § Insurance and bond requirements
- § Record keeping and audit/report requirements
- § Uniformity of collection vehicles
- § Customer service and complaint requirements
- § Various other operational and/or administrative requirements

Methodology

To assess the contractual compliance of EBS with the terms and conditions of the Agreement, R3 identified various items in the Agreement that require EBS to meet specific standards of performance, submit information and/or reports, and maintain active licenses and insurance, among other items. The listed requirements were tracked and documented via a Contract Compliance Checklist. We identified objective standards within the compliance checklist and classified each item according to the level of compliance, provided the information was reviewed. In cases where the compliance could not be positively or negatively classified, a designation of “compliance unknown” was prescribed.

Limitations

Our review covered the items identified in our proposal, but our approach and resources were focused on the issues determined to be most relevant to the City and its ratepayers.

Findings

EBS was found to be in compliance on each item in which reviewable data was provided. Services are performed in accordance with the contractual requirements of the Agreement. We discovered a few items where EBS was not necessarily out of compliance, but rather compliance was not fully determinable due to limitations of EBS’s customer data software.

- § Section 12.E: Annual Clean-Up
- § Section 19.E: Complaint Resolution
- § Section 19.F: Unresolved Complaints
- § Section 19.G: Dissatisfied Customers

The items listed above are technically non-compliant as the contract defines the requirement as maintaining a log of events for each category. However, EBS does document each customer conversation, transaction, and complaint/compliment within the individual customer account which R3 reviewed during a sample of 25 customer accounts chosen at random, during an interview with EBS' customer service manager. The issue lies in the current structure of the software and the inability to query specific information which can be remedied by creating sub-categories to identify wanted information in bulk. The querying upgrade to the customer data software would also alleviate the need for running logs of information because the data could be gathered at that moment for a given time period.

Additionally, EBS is non-compliant with Section 11: Customer Service Survey, as the survey due in 2016 has not yet been conducted.

Collection Operations Review

Objective

To ensure that EBS conducts proper driver and safety training, that they are staffed appropriately to run an effective and efficient collections operation, and to ensure that drivers are applying the learned training in the field and providing a level of service that meets customer expectations in a safe and effective manner while adhering to the requirements of the Agreement.

Background

EBS operates five residential collection routes 5 days per week. Three automated side-loaders are assigned to garbage and two vehicles are assigned to green waste collection (one automated side-loader and one semi-automated rear end loader).

EBS has one and a half commercial routes 5 days per week. The commercial collection vehicles are both rear end loaders and collect garbage. EBS runs one roll-off route but will run a second vehicle if needed.

The operation is so small that a designated route supervisor is not utilized. The morning launch is overseen by a lead driver and any non-maintenance related route and/or customer issues are handled by office personnel. All drivers are cross-trained on all equipment and routes.

Methodology

Our review of EBS's collection operations included field observations and staff interviews. The field observations included:

- § Witnessing pre-trips and morning launch routines;
- § Assessing the safety, methods, and practices of collection routes;
- § Observing the condition of carts and bins in the field;
- § Inspecting residential routes pre and post collection to evaluate the placement of carts, the condition of the carts, the cleanliness of the streets, and the physical condition streets, sidewalks, and trees;
- § Reviewing data, including routes and schedules, driver training manuals and records, organization titles and responsibilities, record of missed collections and provided customer notices, vehicle weight limits and tonnage reports;
- § Touring EBS's maintenance yard and shop, and the administrative office; and

- § Observing and reviewing customer data software and information recording process(es).

Limitations

Many commercial customers utilize carts rather than bins and store them indoors, which reduced the amount of commercial accounts reviewed for the purpose of subscription level verification to only bin services. The reason for the limitation is that commercial accounts are reviewed prior to a business opening, and/or after the business has closed for the day.

Findings

Our performance review found that EBS is not in line with the industry standard for collection services for manager to driver ratio. EBS is however effective in their operation and is safe in doing so, as referenced by their favorable OSHA 300 and 300A Report(s) where one incident was recorded over the last three years. Other findings include:

- § Although a route supervisor is typically desirable, EBS does not employ enough drivers to need one and collection operations are effective;
- § No occurrences of overweight vehicles were found for the prior 12 months;
- § The only instances of post-service litter on the ground were caused by City employed recycle collection drivers;
- § Standard holiday schedules are utilized with collection services being moved to the next day, including Saturday collection for Friday customers;
- § EBS has a great safety record and conducts regular safety meetings. Safety meetings occur monthly and all staff, including office personnel attend. One injury/incident was reported to OSHA during the past three years;
- § The condition of residential carts was superb with only two containers being identified for replacement due to damage. Commercial bins were an issue in regard to graffiti, but the containers themselves were in good working order. EBS is in the process of swapping out graffitied containers as they transition from yellow painted bins to green painted bins;
- § Cart lids were closed, and carts were upright after service was provided;
- § Vehicles were clean and in good working order. Signage is easy to read and includes the Company name, contact information, and vehicle number;
- § Subscription records are very accurate based on comparing printed customer service level route sheets to actual carts placed out for collection. The few instances in which a discrepancy was found, office personnel were quick to update the records in the customer data software; and
- § Roll-off driver(s) receive on average 4 hours of overtime per week due to an increase in demand from services provided to the City, which is roughly three times the number originally agreed to.
- § The City occasionally has issues coordinating with EBS to get roll-offs picked up. This is especially an issue with the tipping wall, which needs to be serviced every 48 hours and operates under a permit with regular inspections.
- § The City has noted inconsistent record keeping and logging at the tipping wall.

- § Roll-off carts that rust or develop holes should be fixed or removed more promptly to ensure the City stays in compliance with various stormwater permits.

Management and Administrative Review

Objective

To review EBS management and administrative structure to identify potential opportunities for improvement or recommendations for changing identified practices.

Background

EBS being a small family owned and operated collections Company, maintains an old school approach to many practices and procedures. Having vast routing software or maintenance tracking software is unnecessary for a small facility that would end up paying more for the programs than the return on investment would provide. The owner has overall responsibility for managing the operation and ensuring operations are conducted under the provisions of the Agreement. Office personnel share the responsibilities of maintaining customer accounts, billing, service requests, and everything else related to the business. EBS has a separate facility where all maintenance related activities are conducted, and the vehicles are stored.

Methodology

Our review of EBS's management and administration included:

- § Organizational structure, roles, and responsibilities;
- § Data tracking and reporting procedures;
- § Employee management policies and procedures; and
- § Staffing practices.

Findings

EBS's management and administrative structure was found to be reasonable and effective relative to their size. Specific findings include:

- § There appeared to be an acceptable number of management and staff to provide adequate customer service, maintenance, and education and outreach functions;
- § There is very low turnover and all employees have been on staff for at least five years;
- § Employees receive initial training when hired along with regular refresher training, including safety related training;
- § Employee feedback programs are very informal, and employees are comfortable approaching management with ideas and/or concerns;
- § Route observations are conducted mainly in a reactionary approach, as management can not necessary take a proactive stance due to time constraints; and
- § Pre-trips are conducted to varying degrees. R3 recommends installing an organized, or at least uniformed, practice so all drivers are aligned in their approach to pre-trip inspections.

Vehicle and Equipment Maintenance, Repair, and Replacement Review

Objective

To determine if EBS is maintaining vehicles and equipment in a safe operating condition.

Background

Fleet maintenance is a critical function of any collection operation. Having safe, operable vehicles consistently available is essential for conducting a safe and cost-effective operation as well as being able to provide quality customer service.

Methodology

Our review of EBS's maintenance operation included:

- § Observing the utilization, safety, and suitability of facilities and equipment;
- § Ensuring that routine maintenance procedures and scheduling for collection vehicles were appropriate;
- § Looking at pre-trip and post-trip practices;
- § Gauging the effectiveness of communication between drivers, maintenance staff, and front office staff; and
- § Inspection of historical Biennial Inspection of Terminus (BIT) results.

Findings

It appears that EBS keeps their vehicles in a safe operating condition and conducts driver-identified and routine maintenance and repairs regularly. Specific findings include:

- § EBS received a "Satisfactory" rating on the reviewed BIT inspections;
- § A typical 90-day preventative maintenance schedule is followed;
- § There is one spare truck for each line of business;
- § The maintenance tracking system utilized by EBS is in the form of manual notebooks and files maintained and managed by the Fleet Manager. The preventative maintenance schedule is tracked on a manual calendar as well. Although the system appears to be effective for the fleet operations of EBS, it is recommended that some form of digital record keeping dedicated to maintenance be implemented and utilized, as well as converting existing data into an electronic format. If there were a fire or the Fleet Manager were out for an extended period of time, it would be extremely problematic for the fleet operations of EBS;
- § Route drivers are legally required to complete a Driver's Vehicle Inspection Report (DVIR) each day that the vehicle is operated. The DVIR is an itemized checklist of truck parts that could pose a safety failure of the vehicle if it is operated. Part of the DVIR process includes pre and post trip inspections to ensure that all of the listed items are inspected and verified as functional and safe to operate. If a driver identifies any discrepancy during a pre-trip inspection s/he notes the issue on the DVIR; if the issue affects the safe operation of the vehicle, it is taken out of operation and

assessed by maintenance staff to be cleared prior to re-entering the fleet. Whenever a repair is conducted, the mechanic that completed the work signs off on the condition of the vehicle; and

- § EBS's vehicle replacement schedule consists of acquiring a new vehicle every two (2) years, while phasing out the oldest one of the same type. For example, if they purchase a new residential side-loader, it would replace the oldest residential side-loader and not a commercial front-end loader, in order to maintain the necessary vehicle ratio for adequate collection services in all lines of business.

Customer Service Review

Objective

To assess the adequacy of the current customer service functions and structure utilized by EBS, including:

- § Effectiveness of the customer service practices, including responsiveness and courteousness of EBS staff;
- § Appropriateness of installed policies, practices, and procedures (including staff training);
- § Methodologies for recording and addressing missed pick-ups;
- § Protocols for addressing customer complaints, including recurring missed pick-ups, broken containers, etc.;
- § Responding to calls from residential and commercial customers regarding inquiries for new service(s), including proactively signing customers up for recycling and organics services;
- § Establishing new customer accounts in the billing system;
- § Coordinating delivery of garbage, recycling, and organics carts and/or bins and confirming delivery;
- § Establishing appropriate service level and collection frequency for new accounts;
- § Establishing start-dates and service initiation for new accounts;
- § Establishing end-dates and service termination for closed accounts;
- § Receiving requests for bulky pick-up, scheduling collection, and completing collection on time;
- § How special billing arrangements for non-standard services are completed;
- § Resolving delinquent payment accounts;
- § Resolving billing inquiries, including billing complaints;
- § Generating and maintaining routing sheets and backyard/disabled lists; and
- § Customer account management.

Background

EBS's customer service functions are all operated out of their corporate office located at 1432 Kearney St in El Cerrito, California. The customer service operations of EBS consist of over-the-counter assistance for walk-in customers, a local phone number for call-ins, and an email (info@ebsan.com) posted on their Company website (www.ebsan.com) for those that wish to seek help electronically.

The customer service operation for EBS is aligned much like the rest of the Company operation(s), very linear, which allows for more flexibility of staff. Personnel at all levels of the Company engage in customer service efforts, which is a rare asset in today's industry. All personnel that assist customers have access to customer account data through EBS's customer service database (AS/400). Service requests and/or inquiries, container tracking, billing, routing, and all other account information is maintained through AS/400. Every time a customer makes contact with EBS, a note is added to the customer account with the nature of the discussion as well as the resolution, if applicable.

Customers of El Cerrito have a luxury in being able to call and speak with local representatives, as many hauling companies are trending towards the utilization of distant call centers that field incoming calls from multiple jurisdictions. EBS does not utilize an automated call tree during business hours but does utilize one via answering machine during non-business hours.

Methodology

R3 conducted interviews with EBS staff and observed day-to-day customer service activities and interactions. R3 reviewed the internal organization and processes for a wide range of customer service and billing functions, including:

- § Communication and information exchange between customer service, customers, and drivers;
- § EBS staff fielding customer calls and inquiries regarding services;
- § How new customer accounts are established in the billing system;
- § How customer accounts are routed or rerouted;
- § Coordination and confirmation of cart and/or bin delivery or recovery;
- § Addressing, resolving, and notating customer complaints; and
- § Establishing future service dates, including account start-dates and end-dates, bulky collection, etc.

Findings

R3 finds that EBS provides a level of service that is rare in the industry today. EBS is a family owned business with a staff of personnel that were born and raised within the limits of the City of El Cerrito, which has resulted in a wealth of intimate knowledge for the City itself and the customers that inhabit it. Technology and software utilized by EBS are sufficient to meet the needs of their customers and staff is trained appropriately. All calls were promptly answered (no more than three rings) during R3's customer service observation.

EBS sends a welcome letter with a brochure of services via email to every new account upon initiation of services. Additional information provided in the email includes cart set-out guidelines, recycling center hours and info, and "Pay Bill Online" instructions.

Customer calls are answered directly, and all inquiries and/or complaints are handled immediately. All contact with customers is documented in the customer service database under the specific customer account. R3 noted that EBS could benefit by adding categories to delineate call types which would allow them to query information to monitor data such as the most common complaint, frequency of complaints, etc. Customers call EBS requesting a container size upgrade when the problem can often be solved by an increase in frequency. City personnel should refer commercial customers to EBS customer service for assistance with collection services whenever possible.

Missed Pick-Ups (MPUs) refer to any service that is not collected on the scheduled day of service. EBS collects MPUs the same day that the call is received as long as there is a driver available to service the container. If an MPU cannot be serviced the same day that the call is received, it is collected no later than noon the following day.

Service interruptions are made when a customer fails to remit payment by a specified deadline. EBS sends a letter of notice and attempts to call the customer twice before services are interrupted. Internally, an interrupted is flagged in AS/400 with flashing red text at the top of the page that reads “STOPPED”. Customers with service interruptions are often still serviced for recycling which not only creates an unnecessary customer service call and complaint, but often leads to customers continuing to avoid paying for services by contaminating the recycling cart with trash.

Due to the fact that EBS is local and only operates within the City limits, it allows for greater flexibility. Most hauling companies have a backlog for services such as cart delivery/collection or bulky waste collection and only provide such services on the same day that residential carts are collected in that area. EBS however has no self-imposed limitations on special services and will provide such services regardless of residential cart collection.

The Company reporting that it may need to transition to a new customer service management system in the near future as a result of its current AS/400 system no longer being support. We recommend that EBS and the City discuss the possibilities with moving to such a system, including better integration of routing, customer data management, and customer service between both parties.

Section 3: Financial Compliance Assessment

Test of Subscribers

Objective

The purpose of this test is to allow R3 to determine the extent to which residential and commercial subscribers are billed correctly for the level of service provided, and if billings are consistent with the appropriate rate schedule.

Methodology

R3 conducted interviews with EBS management and staff to review and observe billing functions and processes. R3 also conducted:

- § A review of service levels and charges from a recent billing cycle to determine if the rates charged for the various service levels are consistent with the approved rate schedule;
- § A review of a recent billing cycle to determine if all rates charged were approved (e.g., were there any charges that were billed but were not listed on the approved rate schedule, such as finance charges, push/pull charges, etc.); and
- § Field audits of selected routes to compare the rates charged to various residential and commercial accounts to the level of service provided in the field. Limited identified discrepancies were documented. R3 also reviewed billing and route audit procedures practiced by EBS to verify service levels and correct billing errors.

Findings

EBS has a high level of accuracy in regard to service level billing. Commercial accounts observed during the week of route audits yielded zero discrepancies and residential accounts observed contained less than one percent of customers with incorrect container sizes. Customer accounts found to be incorrect were reported to EBS management at the end of each day and were immediately corrected. Work orders for container swaps were created for the next business day (each occurrence involved a customer with a larger container than they were being billed for, which did not require a billing credit).

Review of Rates Charged vs. Approved Rate Schedule

R3 obtained and reviewed a recent complete billing cycle provided by the Company covering all accounts, and compared the reported rates billed to the approved rate schedule. We reviewed more than 3,600 invoice entries and identified those for which the invoice amount did not directly tie to the associated rate for the listed service level. We then requested and reviewed a sample of those invoices. In reviewing the 2017 data, the only substantive issue identified was the incorrect billing of the IWM Fee to compactor accounts. The amount billed was \$76.00 per load versus the approved rate of \$78.25. In a number of cases we found that the amount billed was slightly less (e.g., \$0.01) than the approved rate.

Review of Rate Categories vs. Approved Rate Schedule

Attachment 2 provides a list of transaction codes. The Company reported that not all of these codes are in current use, however, we confirmed the use of a number of those codes that are not on the City's approved rate schedule, including:

- § Container Rent (included in the approved rate but not specifically identified);
- § Credit Card Fee;
- § Demurrage Charge;
- § Distance Charge (151-200 feet);
- § Fee-Website; and
- § Late Payment.

While such fees are not necessarily inappropriate, they are not listed on the approved rate schedule. We suggest the City review all such fees with EBS and determine which are to be approved, and list those as part of its approved rate schedule so that it is clear to all parties, which rates and fees EBS can charge.

Test of Franchise Fee Transactions

Objective

The purpose of this test is to determine if franchise fees were properly calculated in accordance with the terms of the franchise agreement. A statistically significant sample of franchise fee payments will be selected for the test period. Each selected transaction will be tested to verify that the calculation is based on the appropriate gross revenue and franchise fee percentage. The process will also include a verification of the number of residential and commercial subscribers for the months tested, by service level, to ensure that gross revenues were calculated correctly by EBS. Finally, we will compare the calculated franchise fee payment to the payment received by the City.

Background

Franchise Fee

EBS is required to pay the City a franchise fee of 15% on all gross revenues, with the exception of the approximately 50 accounts that it services in the City of Richmond and the revenue associated with the rental charges for debris boxes and commercial containers. When it comes to franchise fee payments the timing of the payments comes into play, as EBS is continually paying estimates and attempting to true-up the expense based on collected revenues a few times a year.

Integrated Waste Management Fee

In 1990 the City established the IWM Fee to cover Integrated Waste Services, including the City-run operations of the El Cerrito Recycling Center, curbside collection of recyclable materials, and other waste collection, reduction, recycling and environmental programs operated by the Operations + Environmental Services Division (OESD). The IWM fee is based on the size of residential and commercial carts (20, 35, 64-gallon), the size of commercial containers (1 or 2 yards), compactor cubic yardage, and the number of roll-off loads.

Methodology

Franchise Fee

For purpose of assessing the accuracy of EBS's franchise fee payments, R3 compared the actual franchise fee payments made to the City to the calculated required payments based on the revenues reported in EBS's financial statements for 2015, 2016 and 2017, adjusted for current year and prior year receivables to account for the timing of payments (e.g., franchise fee payments may not be collected in the year they are due).

Integrated Waste Management Fee

We reviewed EBS's Rate Code Fee Structure to verify the proper IWM fees had been entered. We then requested and reviewed EBS's Revenue Summary by Rate Code reports for each year of the three-year review period (2015-2017) and compared the reported IWM Surcharge Revenues collected for each of those three years to the reported City IWM payments. That analysis found that the reported City IWM payments tied to the reported IWM Surcharge Revenues for 2017 without exception and exceeded the reported IWM Surcharge Revenues by \$147 and \$242 for 2016 and 2015 respectively. We also discussed the testing and reconciliation of IWM fee revenues and payments conducted as part of EBS's annual audit and financial statement preparation with EBS's accounting firm (Armanino), and reviewed various related analyses conducted by Armanino.

Findings

Franchise Fee

That analysis found that EBS's franchise fee payments for 2015 through 2017 were \$6,713 less than they should have been. EBS's January 25, 2018 franchise fee payment however was for \$143,197 versus the year end accrual of \$133,467, resulting in a net overpayment of the 2017 franchise fee payment of \$9,730 in January 2018, for a net overpayment of \$3,017 for the three-year period as of January 2018.

Going forward we recommend that EBS provide an updated reconciliation of actual franchise fee payments to the calculated amounts due through the remaining term of the agreement to the City each year along with the January franchise fee payment.

Integrated Waste Management Fee

The City raised a concern that its annual projection of IWM Fees consistently exceeded the actual amounts remitted. In projecting IWM Fees the City uses the most recent data on residential cart subscription levels and commercial cubic yards. Projection of roll-off fees is based on annualizing year-to-date revenues. Table 1 below provides a comparison of the City's projected IWM Fees to EBS remitted IWM Fees. As shown, over the three-year period, EBS's remitted fees have averaged about 2% less than the City's projections.

Table 1
EBS Actual IWM Fee Payments Compared to City Projections

Year	City		EBS Payment	Variance		Over 120 Days Past Due
	Total	Revenue Requirement		EBS vs. City Total		
				\$	%	
2015	\$ 1,949,699	\$ 1,949,688	\$ 1,899,302	\$ (50,397)	-2.6%	
2016	\$ 2,126,596	\$ 2,125,160	\$ 2,071,502	\$ (55,095)	-2.6%	\$ 28,057
2017	\$ 2,214,657	\$ 2,216,805	\$ 2,201,764	\$ (12,893)	-0.6%	\$ 34,995
Totals	\$ 6,290,952	\$ 6,291,653	\$ 6,172,568	\$ (118,384)	-1.9%	

While the City's projections are not unreasonable as a starting point, they do not account for any migration to lower residential or commercial service levels, which may occur, or scheduled stops and starts, both of which would result in lower revenues and associated fees than provided for by the City's projections (all other factors the same). Additionally, bad debt, and stopped service for accounts that have not paid their bills would also result in lower actual versus projected IWM Fees. Table 1 also includes the reported 120 day past due amounts at the end of 2016 and 2017. While some of this revenue may get collected, bad debt represents a potential significant contributing factor to the variances the City has experienced between its projected IWM fees and EBS's IWM fee remittances.

While our review of the 2016 and 2017 data found that EBS appears to be accurately reporting the IWM fees it collects, we discovered that EBS:

- § Is currently charging an incorrect IWM fee of \$76.00 per debris box load rather than the correct rate of \$78.75; and
- § Is not charging IWM fees on extra services. In discussing this issue with EBS, it reported that many of the items that fall into the "extra service" category like cart cleaning, locking systems for carts or containers, large furniture items or appliances or mattresses are either not applicable to disposal or would require a discussion during the rate setting process to determine appropriate amounts. We recommend the City review if and how IWM fees should be applied to extra services.

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ATTACHMENT 1

Ref #	Item	Franchise Agreement Citation		Requirement	Information Request / Required Documentation	Notes	Compliance Assessment
		pg.#	Section				
COMPLIANCE REVIEW							
FRANCHISE AGREEMENT							
SECTION 4 - Franchise Fees							
1	Franchise Fees	5	4.A	paid bi-monthly, based on estimates of monthly gross revenue	record(s) of Franchise Fees paid between 2015-2017		Compliant
SECTION 7 - Collection & Processing of Reusable and Recyclable Materials							
2	Integrated Waste Management (IWM) Fee	10	7.E	Collected by Company and paid to City monthly	record(s) of IWM Fees paid between 2015-2017		Compliant
SECTION 8 - Collection & Transportation of Green Waste							
3	Christmas Tree Collection	11	8.B	collection of trees following holiday(s); terms TBD	record(s) of collected trees and terms of program		Compliant
SECTION 9 - Compliance with Laws and Regulations							
4	Compliance with all local, State, and Federal Laws	11	9.B	Compliance with all local, State, and Federal Laws	any reported law violations occurring between 2015-2017		Compliant
SECTION 11 - Company Provided Services							
5	Hours of Operation	12	12.B	No collection in residential areas prior to 6am	record(s) of any reported violations of service hours occurring between 2015-2017	R3 observations of morning launches	Compliant
6	Annual Clean-Up	12	12.E	each residence (of 4 units or less) is provided an annual clean-up	record(s) of annual clean-ups provided to residents between 2015-2017	Company tracks pick ups within customer software, but can't filter out specific services	Compliant
SECTION 13 - Surety and/or Cash Bond							
7	Surety/Cash Bond	15	13.A	Surety Bond in amount of \$25,000	copy of current Surety Bond or other relevant bonds required		Compliant
SECTION 15 - Hazardous Waste and Special Waste							
8	HHW Notification	17	15.B	notification of missed collection due to contaminated garbage or green waste	copy of notification tag(s) left for customers for missed collection of contaminated materials		Compliant
9	HHW Occurrences	17-18	15.C	must notify jurisdiction and other noted organizations in the event that hazardous or special waste(s) are deposited with general collection materials	report(s) of all occurrences in which other agencies were notified of contamination issues between 2015-2017	Company had zero instances in which HHW contamination occurred	Compliant
10	HHW Training	18	15.E	shall train all employees in all matters relating to hazardous and special wastes and must provide records to City	record(s) of all hazardous/special waste training to staff between 2015-2017		Compliant
SECTION 16 - Records, Reports & Audit							

ATTACHMENT 1

Ref #	Item	Franchise Agreement Citation		Requirement	Information Request / Required Documentation	Notes	Compliance Assessment
		pg.#	Section				
COMPLIANCE REVIEW							
FRANCHISE AGREEMENT							
11	Annual Audit	18	16.B	shall furnish City with an annual audit (within 120 days of the end of each year) prepared and certified by an independent certified public accounting firm chosen and approved by City	copies of annual audits provided to the City between 2015-2017		Compliant
SECTION 18 - Collection Equipment							
12	Vehicles	19	18.A	all vehicles uniformly painted and contain Company name, phone number, and vehicle number all visibly displayed on each vehicle	will review visible components on-site	reviewed during onsite visit	Compliant
13		19	18.B	annual list of all vehicles operating within city limits submitted to City	copy of list of vehicles between 2015-2017	list provided by company	Compliant
SECTION 19 - Local Business Office, Employee Identification, and the Resolution of Service Complaints							
14	Business Office	20	19.A	company must maintain a business office within the city limits	address of company's business office		Compliant
15	Business Office - After Hours	20	19.B	must provide customers the ability to leave a message during non-business hours	will verify via after hours phone call		Compliant
16	Employee Identification	21	19.C	All employees outside of the business office shall carry suitable identification establishing employment with the Company	copy of an employee's form of identification that satisfies the condition		Compliant
17	Complaint Resolution	21	19.E	responsible for resolving all customer complaints within 48 hours (except weekends and holidays)	record(s) of customer complaints, type of complaint, date of complaint, resolution, and date of resolution between 2015-2017	company does not maintain a complaint log; has no way to filter by type	Compliance Unknown
18	Unresolved Complaints	21	19.F	shall keep a log of all unresolved complaints	complaint logs between 2015-2017 that include name and address of complainant, date and time of complaint, nature of complaint, and summary of complaint	company does not maintain a complaint log; has no way to filter by type	Non-Compliant
19	Dissatisfied Customers	21	19.G	customer prompted City review of complaints, in which cost of resolving is due to City from Company	record(s), if any, of complaints that were escalated to the City and/or resulted in fees paid to City between 2015-2017	company does not maintain a complaint log; has no way to filter by type	Compliance Unknown
SECTION 21 - Indemnification							
20	Indemnification	24	21.A	proof of indemnification	copy of proof of indemnification		Compliant
SECTION 22 - Insurance							
21a	Insurance	25	22.C.1	General Liability: \$2,000,000 per occurrence	copies of current certificates of insurance		Compliant
21b		25	22.C.2	Automobile Liability: \$2,000,000 per accident			Compliant

ATTACHMENT 1

Ref #	Item	Franchise Agreement Citation		Requirement	Information Request / Required Documentation	Notes	Compliance Assessment
		pg.#	Section				
COMPLIANCE REVIEW							
FRANCHISE AGREEMENT							
21c		25	22.C.3	Employer's Liability: \$1,000,000 per accident			Compliant
SECTION 23 - General Provisions							
22	Street Damage	27	27.B	shall be responsible for any extraordinary damage to City's driving surfaces resulting from weight of Company vehicles	record(s) of reported damage to city streets and/or costs of repair between 2015-2017		Compliant
23	Property Damage	27	27.C	physical damage caused by Company to private or public property repaired/replaced by Company	record(s) of reported property damage and/or costs of repair between 2015-2017		Compliant

TRANS	CD	DESCRIPTION	ABBREVIATED	REVENUE	ACCOUNT#	DEPT	REVERSE	N/C	F/C	JRNL	PRT	
											R-4	DES I/CO
*00		CONVERTED \$BAL: CURRENT	CNV: CURR							SJ		
*30		CONVERTED \$BAL: OVER 30	CNV: OVR30							SJ		
*60		CONVERTED \$BAL: OVER 60	CNV: OVR60							SJ		
*90		CONVERTED \$BAL: OVER 90	CNV: OVR90							SJ		
BCR		BANKRUPTCY CREDIT	BANKRUPT CREDIT							SJ		
BDB		BANKRUPTCY DEBIT	BANKRUPT DEBIT							SJ		
BFW		BALANCE FORWARD	BALANCE FORWARD							SJ		
B01		DROP BOX PER DUMP CHARGE	BOX DUMP CHARGE							SJ		
B02		DROP BOX MONTHLY MINIMUM	BOX MINIMUM							SJ		
B03		BOX DEMURRAGE	DEMUARRAGE							SJ		
B04		COMPACTOR PER YARD CHARGE	COMP PER YARD							SJ		
B05		3-DAY WEIGHT MAX(TONS)	WGT MAX(TONS)							SJ		
B55		BOX RENT	BOX RENT							SJ		
CCC		CREDIT CARD Fee	Credit Card Fee							SJ		
C02		LSC CREDIT/MACHINE USE	LSC CREDIT							SJ		
ECR		CREDIT	CREDIT							SJ		
EDR		CHARGE	CHARGE							SJ		
EL		SPECIAL PICKUP	SPCL PCKUP							SJ		
EMC		MISCELANEOUS CHARGE	MISC CHG							SJ		
ENF		EXTRA SERVICE	EXTRA SERVICE	607.000						SJ		
ENS		ON LINE BANK CHK CHG	BNK CHK CHG							SJ		
EP		EXTRA PICKUP	EXTRA PCKUP							SJ		
ERC		CART REPLACEMENT CHARGE	CART REPLACE	746.000		11				SJ		
EWF		FEE - WEB SITE PAID	FEE WEB SITE							SJ		
EW0		WRITE OFF/BANKRUPTCY	WRITE OFF							SJ		
F01		LATE PAYMENT CHARGE	LATE CHG							SJ		
F02		LIEN PROCESS CHARGE	20% PENALTY							SJ		
H2B		BALANCE FORWARD CORRECTIO	BAL FWD CORRECT							SJ		
I01		EAST BAY SERVICE FEE	SERVICE FEE							SJ		
I02		IWM SURCHARGE	IWM S/C							SJ		
I03		DISPOSAL FEE	DISPOSAL FEE							SJ		
I04		CONTAINER RENT	CONTAINER RENT							SJ		
I05		DEMURRAGE	DEMURRAGE	607.000		14				SJ		
I52		DUMP CHARGE	DUMP CHARGE							SJ	1	
I53		DUMP, NO RETURN	DUMP, NO RETURN							SJ	1	
I54		TRIP/DISTANCE CHARGE	TRIP/DISTANCE							SJ		
I55		BOX RENT CHARGE	BOX RENT							SJ		
I56		MISC BOX CHARGE	MISC BOX CHG							SJ		
I57		CLEANING CHARGE	CLEANING CHARGE							SJ		
I58		MINIMUM CHARGE ADJUSTMENT	MIN CHG ADJ							SJ		
I59		CREDIT: DROP BOX	CREDIT: D/BOX							SJ		
PAD		ACH DEPOSIT	ACH DEPOSIT							CR		
PCC		CREDIT CARD PAYMENT	CREDIT CARD PAY							CR		
PIE		POSTED IN ERROR	POSTED IN ERROR							CR		
PMT		PAYMENT - THANK YOU	PAYMENT							CR		
PNS		ON LINE BANK CHECK	ONLINE BANK CHK							CR		
PRA		RETURNED ACH CREDIT	RETURNED ACH CR	730.000						CR		
PRC		RETURNED CHECK	RET'D CHK	730.000						CR		
PRF		CASH REFUND	CASH REFUND							CR		
PWS		PAYMENT AT WEB SITE	WEB SITE PAID							CR		
RCK		RETURNED CHECK CHARGE	RET CK CHG							SJ		
RPD		REFUND PAID	REFND PAID							SJ		
SC		SERVICE CREDIT	SERVICE CR							SJ		

TRANS	CD	DESCRIPTION	ABBREVIATED	REVENUE ACCOUNT#	DEPT	REVERSE	N/C	F/C	JRNL	R-4	PRT	I/CO
											DES	
SPF		Late Payment Fee	Late Pymnt Fee								SJ	
UCR		PAID ON ACCOUNT	PD ON ACCT								SJ	



P.O. BOX 1316 • EL CERRITO, CA 94530 • PHONE (510) 237-4321
CITY • COUNTY • GOVERNMENT CONTRACTORS

July 28, 2021

Will Provost
OESD Manager
10890 San Pablo Ave.
El Cerrito, CA 94530

Dear Mr. Provost,

It has been a pleasure to work with you and the City of El Cerrito over the past few weeks to reach a mutual understanding for the extension of the East Bay Sanitary Franchise agreement. During our last meeting, a list of service enhancements to be provided by East Bay Sanitary to the City and all customers was discussed as necessary items needed to ensure our continued working relationship. As requested, we have reviewed this list and have determined that nearly all can be provided without additional compensation to the Company. But rather than requesting an increase in revenue to cover the additional costs we are requesting a different term extension than has been offered. Following is a detailed list of all new service enhancements and reasoning for additional consideration of contract length.

New Initiatives

East Bay Sanitary (EBS) is fully committed to the City of El Cerrito and all of its residents. To demonstrate our commitment, we have compiled a list of initiatives that will enhance the partnership between EBS and El Cerrito and take us into the future as a green leader in California. East Bay Sanitary is committed to supporting El Cerrito, its businesses, and residents by providing a leadership role in promoting environmental quality and innovation while minimizing the environmental impacts of our customers and City activities as outlined in the in the City's mission. EBS is anxious to build on our partnership with El Cerrito in recycling and environmental issues. This will assist the city of El Cerrito in continuing to be on the forefront of the recycling/diversion movement and a leader in responsible waste management.

Initiative	Explanation/Benefits
Increase/Expand the Food Waste Diversion Program under 1383	- East Bay Sanitary will work with the city of El Cerrito and its commercial customers to increase the food waste diversion program. - EBS will work with residents to expand the current food waste programs and increase diversion in an effort to reach the 75% diversion threshold State goal of 2022. - EBS will increase awareness through outreach and education. - Provide updated containers and labeling to all customers in line with SB1383 guidance. - Monitor waste streams for contamination and assist with enforcement of city codes. - Provide reporting under the Recyclist system.

Expand eWaste Program to include uWaste	- In addition to providing customers with twice a year eWaste pickup, the company will increase this program to 3 times per year and include Universal Waste (uWaste) as well at no additional charge further enhancing our excellent customer service. - We will market this service enhancement through our new website and with announcements in our regular bills. - uWaste includes items like fluorescent lamps, CRT's, instruments that contain mercury, batteries.
Bulky Items Service Enhancement and Fire Prevention cleanups	- To assist in dealing with illegal dumping in the city of El Cerrito, EBS will expand twice annual free cleanups to include bulky items, mattresses, and appliances to all individually billed multi-family accounts. - EBS will also assist the city with Fire Prevention cleanups by providing additional containers as needed for green waste cleanup in areas deemed to be a fire hazard. - We will market this service enhancement through our new website and with announcements in our regular bills.
Expand/Update City Services	- EBS will assist the city in keeping El Cerrito clean by working with the city to identify, update and improve monitoring of city cans located in El Cerrito. - EBS will provide RERC/TS with drop box service at current levels. - EBS will work with the city to enhance illegal dumping cleanups on an on-call basis. - EBS will make available back-up vehicles and drivers for collection routes. If drivers are available, they will be provided to the city at specific hourly rate. As this is an important partnership with the city, EBS requests that this provision is mutual so that recycling drivers can be provided to EBS when needed as well. - Procure compost for city giveaway.
Code enforcement	To ensure compliance with organic diversion requirements under SB1383, EBS pledges to work with the city to inspect and document violations, this includes but is not limited to the following: adjusting the number of site visits as necessary in a given time frame, opening of bin/can lids, documenting through photo evidence, providing said evidence to the city enforcement officer.
Develop new Customer Service portal	- EBS will work with the city to provide a new "customer service platform" which will include a city portal with access to specific needs. - EBS will also work to make available real time customer service day routing information including stopped accounts.
Replace the Current Fleet of Waste and City Service Vehicles with Zero Emission Vehicles (ZEV) *	- To reduce carbon emissions that exceed California's clean fleet requirements, EBS will work with El Cerrito to replace the current fleet of waste service vehicles with ZEV's as technology becomes available. Until infrastructure is in place renewable diesel, when available, will be procured. - EBS will coordinate with the city in finding or constructing a suitable Electric Recharging location for all the vehicles currently operated in the city. - In order to offset the increased depreciation cost of ZEV's, EBS is requesting an annual renewable contract to minimize customer rate impact.
Commercial Organic Collection *	- EBS will provide the first organic 64-gallon cart to all commercial customers inclusive in one monthly rate. - Currently 207 commercial accounts do not have organic service and under the current rate structure, collection of these carts represents \$150k in service revenue. EBS will forgo this additional income in consideration of obtaining an annual renewable contract.

*Items – Additional consideration for contract length expansion below.

Contract Extension Terms

In an effort to manage costs and provide rate salability for El Cerrito rate payers, East Bay Sanitary is working with city staff and council to reach a mutually desirable extension of the franchise agreement for the collection of garbage and green waste in the city of El Cerrito by providing the city with the following:

1. Universal Commercial Collection Rate

Under the current EBS contract, Commercial & Multi-family green waste 64-gallon cans serviced once a week represent ~\$73,000 of the company's total operating revenue. EBS is suggesting lowering the cost for existing commercial green waste customers to \$19 a month (will be added to monthly Solid Waste Collection rate) and adding the same to the 217 non subscribing commercial customers under universal green waste commercial service. By doing so, EBS is ensuring current operating revenue to cover organic disposal costs and forgoing additional revenue which could be allowed under the current contract. Under the current contract rate structure, the addition of 217 new organic collection accounts would represent an additional \$150,000 in company revenue (~5% increase in revenue) that EBS would forgo for consideration of a 10-year annual renewable franchise extension.

Another alternative would be to spread the organic fee to multi-family units as well. Currently there are 325 multifamily customers in El Cerrito, of which 282 receive organic collection free of charge and 42 that do not subscribe. If EBS combined the Multifamily customers (325) and the Commercial customers (309), for a total of 634 the monthly cost for organic collection would be \$10 a month (to be added to monthly Solid Waste Collection rate) for universal service. Like the previous alternative, this would not generate any new revenue for EBS and only maintain status quo.

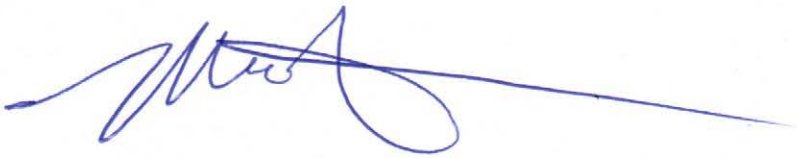
2. Electric Vehicle Replacement & Vehicle Depreciation Cost

In the coming years vehicles costs are going to increase significantly due to current California EV legislation and regulations under the California Air Resources Board (CARB). EBS has analyzed and prepared the CARB ZEV vehicle replacement schedule below. EBS believes that a 10-year annual renewable contract is the best option for minimizing the upcoming substantial depreciation expenses for the rate payers by depreciating all new equipment purchases over 10 years rather than over the remaining contract terms as offered. Please note that this schedule does not include infrastructure costs such as transformers/substations and battery backups, with costs needed to support Electric Vehicles under CARB's new regulations estimated at between \$200k to \$500k per vehicle. Current technology does not allow for a full route to be serviced with EV's. If technology doesn't improve, additional trucks that may be needed are not included in this analysis either.

Equipment Replacement Sch	Cost									
Renewable Diesel Collection - Org	\$	330,000.00								
EV Box Truck and charging station	\$	900,000.00								
EV Collection Vehicle and charging station	\$	950,000.00								
New additional depreciation										
Annual Depreciation Schedule	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
Current Contract	\$ 165,000.00	\$ 165,000.00								
Proposed 8 year extension	\$ 33,000.00	\$ 33,000.00	\$ 33,000.00	\$ 161,571.43	\$ 161,571.43	\$ 351,571.43	\$ 351,571.43	\$ 351,571.43	\$ 826,571.43	\$ 826,571.43
Proposed annual renewable 10 year	\$ 33,000.00	\$ 33,000.00	\$ 33,000.00	\$ 123,000.00	\$ 123,000.00	\$ 218,000.00	\$ 218,000.00	\$ 218,000.00	\$ 313,000.00	\$ 313,000.00
EBS Fleet										
2 box trucks										
8 Collection vehicles										
Percentage of Fleet that Must be ZEV	10%	25%	50%	75%	100%					
Box trucks, vans, two-axle buses, yard trucks	2025	2028	2031	2033	2035					
Work trucks (e.g. refuse), day cab tractors, three-axle buses	2027	2030	2033	2036	2039					
Sleeper cab tractors and specialty vehicles	2030	2033	2036	2039	2042					

We look forward to partnering with the city in order to meet 1383 compliance goals and continuing to provide the customers of El Cerrito the same level of excellent service, as we have done for nearly 80 years. In order to keep meeting the expectations of the city, enact 1383 provisions, comply with CARB ZEV rules and obtain capital financing for the expansion necessary to meet these goals we are requesting a 10-year annual renewable contract extension in order to amortize these foreseen costs and minimize the expense to our customer base. Please do not hesitate to contact East Bay Sanitary and or the company's consultant (Armanino LLP) if you need further information.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Mark Figone', with a long horizontal line extending to the right.

Mark Figone

President

East Bay Sanitary Company

AGREEMENT

FOR THE PROVISION OF

SOLID WASTE COLLECTION SERVICES

Executed Between the

City of El Cerrito and East Bay Sanitary, Inc.

June 1, 2022

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This Agreement is effective as of June 1, 2022 ("Effective Date"), and is between the City of El Cerrito, a charter city of the State of California, referred to as "City" and East Bay Sanitary Co., Inc. referred to as "Contractor". This Agreement supersedes all prior Agreements between the City and Contractor, with the exception of the Street Sweeping Agreement, dated November 25, 2014.

Now, therefore, in consideration of the mutual covenants, agreements and consideration contained in this Agreement, City and Contractor agree as follows:

Article 1. Definitions

For the purpose of this Collection Services Agreement, referred to as "Agreement", the definitions contained in this Article apply unless otherwise specifically stated. When not inconsistent with the context, words used in the present tense include the future, words in the plural include the singular, and words in the singular include the plural.

1.01 AB 341. "AB 341" means State of California Assembly Bill No. 341 approved October 5, 2011. AB 341 requires businesses, defined to include commercial or public entities that generate more than 4 cubic yards of commercial Solid Waste per week or residential dwellings of five (5) units or more, to arrange for Recycling services.

1.02 AB 827. "AB 827" means State of California Assembly Bill No. 827 approved October 02, 2019. AB 827 requires businesses that are mandated to recycle under AB 341 ("MCR") and/or mandated to recycle Organic Waste under AB 1826 ("MOR") or SB 1383 and that provide customers access to the business, to provide customers with a Recycling bin and/or Organic Waste collection bin for those waste streams that is visible, easily accessible, and adjacent to each Garbage Container.

1.03 AB 939. "AB 939" or "The Act" means "The California Integrated Waste Management Act of 1989" codified in part in Public Resources Collection §§ 40000 et seq, as it may be amended and as implemented by the regulations of the California Department of Resources Recycling and Recovery (CalRecycle), or its successor agency.

1.04 AB 1594. "AB 1594" means State of California Assembly Bill No. 1594 approved September 28, 2014. AB 1594 provides that as of January 1, 2020, the use of Green Waste as Alternative Daily Cover does not constitute diversion.

1.05 AB 1826. "AB 1826" means State of California Assembly Bill No. 1826 approved September 28, 2014. AB 1826 requires each jurisdiction, on and after January 1, 2016, to implement an Organic Waste recycling program to divert from the landfill Organic Waste from businesses. Each business meeting specific Organic Waste or Solid Waste generation thresholds phased in from April 1, 2016, to January 1, 2020, is required to arrange for Organic Waste recycling services.

1.06 AB 3036. "AB 3036" means State of California Assembly Bill No. 3036 approved September 27, 2018. AB 3036 prohibits a County, City, District, or local government agency from subjecting the hauling of certain byproducts from the processing of food or beverages to an exclusive agreement, contract, license, or permit.

1.07 Agreement. "Agreement" means this written agreement between the City and the Contractor covering the work to be performed and all contract documents attached to the agreement and made a part thereof.

1.08 Agreement Administrator. "Agreement Administrator" means the Public Works Director, or designee, designated to administer and monitor the provisions of the Agreement.

1.09 Agreement Year. "Agreement Year" means each twelve (12) month period from May 1 to April 30 during the term of this Agreement.

1.10 Applicable Law. "Applicable Law" means all laws, regulations, rules, orders, judgments, decrees, permits, approvals, or other requirement of any federal, state, county, city, and local governmental agency having jurisdiction over the collection and disposition of Garbage, Organic Waste, and Construction and Demolition Waste.

1.11 Assignee. "Assignee" means any person, company or corporation to whom the rights and obligations of this Agreement are transferred pursuant to Article 32

1.12 Bin. "Bin" means a container designed or intended to be mechanically serviced by a commercial Collection Vehicle. It shall be designed to hold from one (1) to two (2) cubic yards of material with the lid properly closed.

1.13 Biohazardous or Biomedical Waste. "Biohazardous or Biomedical Waste" means any waste which may cause disease or reasonably be suspected of harboring pathogenic organisms; included is waste resulting from the operation of medical clinics, hospitals, and other facilities processing wastes which may consist of, but are not limited to, human and animal parts, contaminated bandages, pathological specimens, hypodermic needles, sharps, contaminated clothing and surgical gloves.

1.14 Business Day. "Business Day" means any Monday through Friday, excluding any Holidays.

1.15 Calendar Year. "Calendar Year" means each twelve (12) month period from January 1 to December 31.

1.16 California Code of Regulations. "California Code of Regulations" or "CCR" means the State of California Code of Regulations. CCR references in this Agreement are preceded with a number that refers to the relevant Title of the CCR (e.g., "14 CCR" refers to Title 14 of CCR).

1.17 Cart. "Cart" means a receptacle with a rated capacity of at least twenty (20) and not more than sixty-four (64) gallons, having a hinged tight-fitting lid and wheels, that is provided by the Contractor, approved by the City, and used by Service Recipients for collection, accumulation, and removal of Solid Waste from commercial, industrial, or residential premises in connection with Collection Services.

1.18 CERCLA. "CERCLA" means the Comprehensive Environmental Response, Compensation and Liability Act of 1980, 42 U.S.C. Sections 9601 and following, as may be amended and regulations promulgated thereunder.

1.19 Change in Control. "Change in Control" means when Mark Figone and/or Cara Figone and/or their lineal descendants shall cease to have the power, directly or indirectly, to control the management, operation and policies of the Contractor, whether through the ownership of a majority of voting securities, as trustee, by contract or otherwise.

169 1.20 Change in Law. "Change in Law" means any of the following events or conditions which
170 has a material and adverse effect on the performance by either party of its obligations under this
171 Agreement (except for payment obligations), or on the siting, design, permitting, acquisition, construction,
172 equipping, financing, ownership, possession, management operation or maintenance of the operating
173 assets or providing the Collection Services or other matters to which Applicable Law applies:

174 A. the enactment, adoption, promulgation, issuance, modification, or written change
175 of or in Applicable Law, including but not limited to new or adjusted fees and charges imposed by the State
176 of California or the U.S. Federal government, directly related to the collection, handling, processing,
177 Recycling or disposal of Garbage, Organic Waste, or C&D, or the enactment, adoption, promulgation,
178 issuance, modification, or written change in administrative or judicial interpretation on or after Effective Date
179 of any Applicable Law;

180 B. the order or judgment of any Governmental Body, on or after the Effective Date, to
181 the extent such order or judgment is not the result of willful or negligent action, error or omission or lack of
182 reasonable diligence of the City or of the Contractor, whichever is asserting the occurrence of a Change in
183 Law; provided, however, that the contesting in good faith or the failure in good faith to contest any such
184 order or judgment shall not constitute or be construed as such a willful or negligent action, error or omission
185 or lack of reasonable diligence; or

186 C. the denial of an application for, delay in the review, issuance or renewal of,
187 suspension, termination, interruption or imposition of a new or more stringent condition in connection with
188 the issuance, renewal or failure of issuance or renewal on or after the Effective Date of any Legal
189 Entitlement to the extent that such denial, delay, suspension, termination, interruption, imposition or failure
190 materially and adversely interferes with the performance of this Agreement, of and to the extent that such
191 denial, delay, suspension, termination, interruption, imposition or failure is not the result of willful or
192 negligent action, error or omission or a lack of reasonable diligence of the City or of the Contractor,
193 whichever is asserting the occurrence of a Change of Law; provided, however, that the contesting in good
194 faith or failure in good faith to contest any such denial, delay, suspension, termination, interruption,
195 imposition or failure shall not be construed as such a willful or negligent action, error or omission or lack of
196 reasonable diligence.

197 1.21 City. "City" means the City of El Cerrito, California.

198 1.22 City Facility(ies). "City Facility(ies)" means any building or other site owned or leased by
199 the City.

200 1.23 City Manager. "City Manager" means the City Manager of the City of El Cerrito, or his or
201 her designated representative, or any employee of the City who succeeds to the duties and responsibilities
202 of the City Manager. All references in this Agreement to City Manager mean "City Manager or designee".

203 1.24 City Service Recipient. "City Service Recipient" means any City Facilities that utilize Bins,
204 Carts, or Roll-Off Containers for the accumulation and set-out of Solid Waste. City Service Recipients
205 are the properties set forth in Exhibit 1 and may be modified by written notice to Contractor by the City.

206 1.25 Collection. "Collection" means the process whereby Residential, Commercial, Roll-off, and
207 City Garbage, Organic Waste, and Construction & Demolition Waste are removed and delivered to a

Disposal Facility, Organic Waste Processing Facility, C&D Processing Facility, or other Solid Waste facility as appropriate.

1.26 Container. "Container" means a Bin, Cart, or Roll-Off Container that is approved by the Agreement Administrator for use by Service Recipients for Collection Services under this Agreement.

1.27 Collection Services. "Collection Services" means all services provided by this Agreement.

1.28 Commercial Collection Service. "Commercial Collection Service" means ongoing regularly scheduled collection of Commercial Garbage and Commercial Organic Waste by Contractor from Commercial Service Recipients and the delivery of that Garbage to a Disposal Facility and/or Organic Waste to an Organic Waste Processing Facility.

1.29 Commercial Garbage. "Commercial Garbage" means Garbage originating from Commercial Service Recipients.

1.30 Commercial Organic Waste. "Commercial Organic Waste" means Organic Waste originating from Commercial Service Recipients.

1.31 Commercial Service Recipient. "Commercial Service Recipient" means a firm, partnership, proprietorship, joint-stock company, corporation, or association, whether for-profit or nonprofit, strip mall, industrial facility, or a Multi-Family Residential Dwelling, or as otherwise defined in 14 (CCR) Section 18982(a)(6). A Multi-Family Residential Dwelling that consists of five (5) or more units is a Commercial Business for purposes of this Agreement.

1.32 Collection Vehicle. "Collection Vehicle" means a licensed vehicle that is approved by the Agreement Administrator for use by Contractor for the collection and hauling of Garbage or Organic Waste.

1.33 Compactor. "Compactor" means any Container which has a compaction mechanism, whether stationary or mobile. Compactors are most typically Roll-off Containers but may also be Bins.

1.34 Compost. "Compost" means the product resulting from the managed and controlled biological decomposition of Organic Waste that is Source Separated from Garbage, or which is separated at a centralized facility.

1.35 Composting. "Composting" means the controlled and monitored process of converting Organic Waste into Compost.

1.36 Construction and Demolition Waste or C&D. "Construction and Demolition Waste" or "C&D" means Solid Waste consisting of waste building materials, packaging, and rubble resulting from construction, remodeling, repair and demolition operations on pavements, houses, Commercial buildings, and other structures.

1.37 Construction and Demolition Waste (or C&D) Processing Facility. "Construction and Demolition Waste Processing Facility" or "C&D Processing Facility" means a State permitted Solid Waste facility which accepts and processes C&D and designated by the City as the destination for C&D Collected pursuant to the terms of this Agreement.

1.38 Contamination. "Contamination" means all of the following: (i) materials placed in the Recycling Container that are not identified as acceptable Source Separated Recyclable Materials for the Recycling Container; (ii) materials placed in the Organic Waste Container that are not identified as acceptable Source Separated Organic Waste; (iii) materials placed in the Landfill Container that are

acceptable Source Separated Recyclable Materials or Organic Waste that can be placed in the Recycling Container and/or acceptable Source Separated Organic Waste; and (iv) Excluded Wastes placed in any Container, Bin, Cart or Compactor.

1.39 Contractor. "Contractor" means the entity that has obtained from the City this Agreement to provide Collection Services.

1.40 Contractor's Compensation. "Contractor's Compensation" means the compensation to Contractor via payment of Service Rates by Service Recipients as set forth in Section 4.01 and compensation for Service Charges as set forth in Exhibit 3.

1.41 CPI All Other. "CPI All Other" means the Consumer Price Index for All Urban Consumers: All Items in San Francisco-Oakland-Hayward, CA (CBSA), 1982-1984=100, Not Seasonally Adjusted (CUURA422SA0) published by the U.S. Bureau of Labor Statistics ("BLS"). If the index described in the preceding sentence is discontinued, the successor index with which it is replaced shall be used for subsequent calculations. If no successor index is identified by the BLS, the index published by BLS that is most comparable to the discontinued index shall be used.

1.42 Dispose or Disposal. "Dispose" or "Disposal" means the final disposition of Garbage at a permitted Landfill or other permitted Solid Waste Disposal Facility, as defined in California Public Resources Code 40192.

1.43 Disposal Facility. "Disposal Facility" means a State permitted Solid Waste facility which accepts Garbage for landfill Disposal and designated by the City as the destination for Garbage collected by Contractor pursuant to the terms of this Agreement.

1.44 Edible Food. "Edible Food" means food intended for human consumption, or as otherwise defined in 14 CCR Section 18982(a)(18). For the purposes of this Agreement or as otherwise defined in 14 CCR Section 18982(a)(18), Edible Food is not Solid Waste if it is recovered and not discarded. Nothing in this Agreement or in 14 CCR, Division 7, Chapter 12 requires or authorizes the recovery of Edible Food that does not meet the food safety requirements of the California Retail Food Code.

1.45 Edible Food Recovery. "Edible Food Recovery" means actions to collect and distribute food for human consumption that otherwise would be disposed, or as otherwise defined in 14 CCR Section 18982(a)(24).

1.46 Effective Date. "Effective Date" means the date designated in the Agreement as the effective date. If no such date is indicated, it shall mean the date on which the Agreement is signed and delivered by the last of the parties to sign and deliver.

1.47 Electronic Waste or E-Waste. "Electronic Waste" or "E-Waste" means electronic equipment such as stereos, televisions, computers, VCR's and other similar items.

1.48 Excluded Waste. "Excluded Waste" means hazardous substances, Hazardous Waste, infectious waste, designated waste, waste that is volatile, corrosive or infectious, medical waste, regulated radioactive waste, and toxic substances or material that facility operator(s), which receive materials from the City, reasonably believe(s) would, as a result of or upon acceptance, transfer, processing, or 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 or accepted at the facility by permit

conditions, waste that in the City's reasonable opinion would present a significant risk to human health or the environment, cause a nuisance or otherwise create or expose the City to potential liability; but not including de minimis volumes or concentrations of waste of a type and amount normally found in Solid Waste after implementation of programs for the safe collection, processing, recycling, treatment, and disposal of batteries and paint in compliance with Sections 41500 and 41802 of the Public Resources Code. Excluded Wastes do not include used motor oil and filters, household batteries, Universal Wastes, and/or latex paint when such materials are defined as allowable materials for collection through the City's collection programs and the Service Recipient has properly placed the materials for collection pursuant to instructions provided by the Contractor.

1.49 Exempt Waste. "Exempt Waste" means Biohazardous or Biomedical Waste, Hazardous Waste, sludge, automobiles, automobile parts, boats, boat parts, boat trailers, internal combustion engines, lead-acid batteries, dead animals, and those wastes under the control of the Nuclear Regulatory Commission.

1.50 Food Waste. "Food Waste" means all edible or inedible food such as, but not limited to, fruits, vegetables, meat, poultry, seafood, shellfish, bones, rice, beans, pasta, bread, dairy, coffee grounds, and eggshells. Food Waste excludes fats, oils, and grease when such materials are Source Separated from other Food Waste. Food Waste includes food soiled paper, including paper plates, paper cups, napkins, paper bags, and any other items as determined by the City.

1.51 Franchise Fee. "Franchise Fee" means a payment that Contractor has voluntarily agreed to pay to City in consideration of the exclusive rights granted by the City under this Agreement. City and Contractor acknowledge and agree that the amount of the Franchise Fee is the result of bona fide, arms-length negotiations between City and Contractor. Contractor further acknowledges and agrees that the amount of the Franchise Fee represents Contractor's independent determination of the market value of the exclusive rights granted by City under this Agreement based upon its knowledge of the amount of fees paid by comparable businesses in the relevant geographic area for comparable exclusive rights. Contractor is not required by this Agreement or any City ordinance, resolution, or regulation to charge the Franchise Fee to Service Recipients. Because the Franchise Fee represents a cost to Contractor in performing services pursuant to this Agreement, Contractor may, in its sole discretion, include an amount equal to the Franchise Fee in Contractor's Compensation.

1.52 Garbage. "Garbage" means those elements of the Solid Waste stream designated for Disposal, and excludes Hazardous Waste, Universal Waste, Excluded Wastes, materials designated as Organic Waste or for Recycling or materials which have been separated for Reuse.

1.53 Garbage Collection Service. "Garbage Collection Service" means the Collection of Garbage from Service Recipients for delivery to a permitted Disposal facility.

1.54 Green Waste. "Green Waste" means Solid Waste consisting of any vegetative waste generated from the maintenance or alteration of residential, commercial, or industrial premises including, but not limited to, grass clippings, leaves, tree trimmings, prunings, brush, weeds, flowers, herbs, and Holiday Trees.

1.55 Gross Revenue. "Gross Revenue" means all monetary amounts actually collected or received by Contractor for the provision of Collection Services pursuant to this Agreement, excepting

revenues derived from Bin rentals as listed in the Contractor's audited financial statements. Gross Revenue shall include all receipts from Service Recipients including Service Rates, late charges, Contamination charges, Overage charges, and all charges listed in Exhibit 3, including an amount equal to the Franchise Fee, in the event that Contractor elects to include an amount equal to the Franchise Fee in Contractor's Compensation.

1.56 Hazardous Waste. "Hazardous Waste" means a waste, or combination of wastes as defined by Code of Federal Regulations, Title 40.

1.57 Holiday. "Holiday" means Christmas Day and New Year's Day.

1.58 Household Hazardous Waste. "Household Hazardous Waste" means that waste resulting from products purchased by the general public for household use which, because of its quantity, concentration or physical, chemical or infectious characteristics, may pose a substantial known or potential hazard to human health or the environment when improperly treated, disposed or otherwise managed, or, in combination with other Solid Waste, may be infectious, explosive, poisonous, caustic, toxic, or exhibit any of the characteristics of ignitability, corrosivity, reactivity, or toxicity as per California Code of Regulations Title 22, Division 4.5, Chapter 11, Section 66261.3

1.59 Integrated Waste Management or IWM Fee. "Integrated Waste Management Fee" or "IWM Fee" means the fee set by resolution of the City Council and paid by Service Recipients for the City's provision of its integrated waste management services.

1.60 Large Items. "Large Items" means Solid Waste consisting of discarded White Goods, furniture, tires, carpets, mattresses, and similar large items which do not fit in a regular Container and require special handling due to their size but can be collected and transported without the assistance of special loading equipment (such as forklifts or cranes) and without violating Collection Vehicle load limits. It does not include abandoned automobiles and other vehicles, nor does it include items defined as Exempt Waste.

1.61 Non-Collection Notice. "Non-Collection Notice" means a form developed and used by Contractor, as approved by City, to notify Service Recipients of the reason for non-collection of materials set out by the Service Recipient for Collection by Contractor pursuant to this Agreement.

1.62 Organic Waste. "Organic Waste" means Solid Waste containing material originated from living organisms and their metabolic waste products, including, but not limited to Food Waste, Green Waste, nonhazardous wood waste, and food-soiled paper waste that is mixed in with Food Waste, organic textiles and organic carpets, lumber, wood, paper products, printing and writing paper, manure, biosolids, digestate, and sludges or as otherwise defined in 14 CCR Section 18982(a)(46).

1.63 Organic Waste Collection Service. "Organic Waste Collection Service" means the Collection of Organic Waste from Service Recipients for delivery to an Organic Waste Processing Facility.

1.64 Organic Waste Processing Facility. "Organic Waste Processing Facility" means a State permitted Solid Waste facility which accepts and processes Organic Waste and designated by the City as the destination for Organic Waste Collected pursuant to the terms of this Agreement.

1.65 Overage. "Overage" means excess Garbage and Organic Waste (i) placed inside a Container that prevents the lid on the Container from being completely closed (i.e., lid remains open

greater than 45-degrees) or excess materials placed on top of or around a Container and (ii) could potentially result in excess materials spilling/dislodging during collection activity by Contractor's Collection Vehicles.

1.66 Premises. "Premises" means any land or building in the City where Garbage or Organic Waste is generated or accumulated.

1.67 Recyclable Materials. "Recyclable Materials" means Solid Waste consisting of any material which retains useful properties and can be reclaimed after the production or consumption process.

1.68 Recycling. "Recycling" means the process of collecting, sorting, cleansing, treating and/or marketing Recyclable Materials that would otherwise be disposed of in a landfill. The collection, transportation or disposal of Solid Waste not intended for, or capable of, reuse is not Recycling.

1.69 Residential Collection Service. "Residential Collection Service" means ongoing regularly scheduled collection of Residential Garbage and Residential Organic Waste by Contractor from Residential Service Recipients and the delivery of that Residential Garbage to a Disposal Facility and/or Organic Waste to an Organic Waste Processing Facility.

1.70 Residential Garbage. "Residential Garbage" means Garbage originating from Residential Service Recipients.

1.71 Residential Organic Waste. "Residential Organic Waste" means Organic Waste originating from Residential Service Recipients.

1.72 Residential Service Recipient. "Residential Service Recipient" means any Premises in the Service Area comprised of one (1) to four (4) dwelling units.

1.73 Residue. "Residue" means Solid Waste that is not diverted from landfill disposal after it has been delivered to an Organic Waste Processing Facility for processing for diversion from landfill disposal. Residue does not include Organic Waste that is processed for diversion but has no available markets.

1.74 Reuse. "Reuse" occurs when an item of the Solid Waste stream is reused in its manufactured form without reprocessing. Reusable materials include but are not limited to clothing, indoor and outdoor furnishings, clean fill dirt, architectural detailing, art and art supplies, books and antiques.

1.75 Roll-off Collection Service. "Roll-off Collection Service" means Collection Service provided by Contractor in Roll-off Containers.

1.76 Roll-off Container. "Roll-off Container" means a large container with a capacity of ten (10), twenty (20), thirty (30), or forty (40) cubic yards that is loaded onto a specialized Collection Vehicle.

1.77 Roll-off Service Recipient. "Roll-off Service Recipient" means a Service Recipient receiving Roll-off Collection Service.

1.78 SB 1383. "SB 1383" means Senate Bill 1383, the Short-lived Climate Pollutant Reduction Act of 2016.

1.79 SB 1383 Regulations. "SB 1383 Regulations" means or refers to, for the purposes of this Agreement, the Short-Lived Climate Pollutants: Organic Waste Reduction regulations developed by

CalRecycle and adopted in 2020 that created 14 CCR, Division 7, Chapter 12 and amended portions of regulations of 14 CCR and 27 CCR.

1.80 Service Area. "Service Area" means that area within the city limits of the City of El Cerrito designated by City as the Service Area.

1.81 Service Rate(s). "Service Rate(s)" means the maximum rates authorized by this Agreement, as confirmed by resolution of the City Council, and paid by Service Recipients to Contractor for provision of Collection Services. Service Rates are the means of payment of Contractor's Compensation, which includes compensation for any and all expenses associated with delivery and tipping of Garbage at the Disposal Facility, Organic Waste at the Organic Waste Processing Facility, and C&D at the C&D Processing Facility.

1.82 Service Recipient. "Service Recipient" means Residential Service Recipients, Commercial Service Recipients, Roll-off Service Recipients, and City Service Recipients.

1.83 Solid Waste. "Solid Waste" has the same meaning as defined in Public Resources Code Section 40191, which defines Solid Waste as all putrescible and nonputrescible solid, semisolid, and liquid wastes, including Garbage, trash, refuse, paper, rubbish, ashes, industrial wastes, demolition and construction wastes, abandoned vehicles and parts thereof, discarded home and industrial appliances, dewatered, treated, or chemically fixed sewage sludge which is not hazardous waste, manure, vegetable or animal solid and semi-Solid Wastes, and other discarded solid and semi-Solid Wastes, with the exception that Solid Waste does not include any of the following wastes: Hazardous waste, as defined in the Public Resources Code Section 40141; Radioactive waste regulated pursuant to the State Radiation Control Law (Chapter 8 (commencing with Section 114960) of Part 9 of Division 104 of the Health and Safety Code); Medical waste regulated pursuant to the State Medical Waste Management Act (Part 14 (commencing with Section 117600) of Division 104 of the Health and Safety Code). Untreated medical waste shall not be disposed of in a Solid Waste landfill, as defined in Public Resources Code Section 40195.1. Medical waste that has been treated and deemed to be Solid Waste shall be regulated pursuant to Division 30 of the Public Resources Code.

1.84 Source Separated. "Source Separated" means materials that have been kept separate from the Solid Waste stream, at the point of generation, for the purpose of additional sorting or processing in order to return them to the economic mainstream in the form of raw material for new, Reused, or reconstituted products, which meet the quality standards necessary to be used in the marketplace, or as otherwise defined in 14 CCR Section 17402.5(b)(4). For the purposes of this Agreement, Source Separated shall include separation of waste and materials into different containers for the purpose of complying with this Agreement.

1.85 Term. "Term" means the time period or duration of this Agreement.

1.86 Universal Waste or U-Waste. "Universal Waste" or "U-Waste" means hazardous wastes, including, but not limited to, electronic devices, fluorescent lamps, cathode ray tubes, instruments that contain mercury, batteries, and many other items, as determined by the California Department of Toxic Substance Control pursuant to the California Code of Regulations (Title 22 Universal Waste Rule).

439 1.87 Waste Reporting System. "Waste Reporting System" means an online/digital data system
440 designated by the City for recording and documenting outreach, customer service, site visits, service
441 levels, weights and volumes by waste stream, and field issues for compliance, and reporting purposes.

442 1.88 White Goods. "White Goods" means enamel-coated major appliances, such as washing
443 machines, clothes dryers, hot water heaters, stoves, and refrigerators.

444 1.89 Work Day. "Work Day" means any day, Monday through Saturday, that is not a Holiday.

445 1.90 Wood waste. "Wood waste" means Solid Waste consisting of stumps, large branches, tree
446 trunks, and wood pieces or particles that are generated from the manufacturing or production of wood
447 products, harvesting, processing or storage of raw wood materials, or construction and demolition
448 activities.

449 Article 2. Term of Agreement

450 2.01 Term. The term of this Agreement shall begin on June 1, 2022, and extend through May
451 31, 2032.

452 2.02 Automatic Annual Extension of Term. Provided that Contractor is in compliance with the
453 terms and conditions of this Agreement, the Term shall be annually extended for one (1) additional
454 Agreement Year on April 30, 2023, and on April 30 of each succeeding year.

455 2.03 Notice of Non-Extension. The automatic annual extension of Term described in Section
456 2.02 above may be terminated by either party in its sole discretion, without cause, by providing written
457 notice to the other party (a "Notice of Non-Extension") prior to such annual extension. Such Notice shall be
458 effective on April 30 of the Agreement Year in which the Notice is provided and will only terminate the
459 automatic annual extension described in Section 2.02.

460 2.03 An assignment of this Agreement pursuant to Article 32 shall automatically trigger the non-
461 extension of the Term of this Agreement pursuant to Section 2.03 above, with the Notice of Non-Extension
462 date being the same as the effective date of the assignment of the Agreement. The City may, in its sole
463 discretion, allow the automatic annual extension of this Agreement to continue after an assignment of this
464 Agreement. In the event that the City exercises its discretion to allow the automatic annual extension of this
465 Agreement to continue, it shall provide written notice to the Assignee.

466 2.04 Maximum Term. Notwithstanding Section 2.02 above, the maximum Term of this
467 Agreement shall be twenty-five (25) years through April 30, 2047.

468 2.05 Extension to Maximum Term. On or around May 1, 2036, and provided that Contractor is
469 in compliance with the terms and conditions of this Agreement, the parties shall meet and confer in good
470 faith to determine whether to extend to the maximum Term referenced in Section 2.04 above. In considering
471 whether to extend the maximum Term, the parties shall also conduct a review of the Agreement to
472 determine whether amended or new terms and conditions are needed.

473 Article 3. General Conditions

474 3.01 Grant of Exclusive Agreement. City hereby grants to Contractor, on the terms and
475 conditions set forth herein, the exclusive right and privilege to collect, remove and dispose of, in a lawful
476 manner, Garbage and Organic Waste accumulating in the City's Service Area that are required to be

accumulated and offered for collection to the Contractor in accordance with the City's Municipal Code, for the Term of and within the scope set forth in this Agreement.

3.02 Exclusions to Exclusivity.

3.02.1 Specialized Materials. If Contractor is unable or unwilling to collect and process for diversion of specialized materials, including, but not limited to, Organic Waste, metals, construction and demolition debris, laboratory waste, pallets and others, and which a third party is able to re-use or recycle, Service Recipients shall have the right to engage the third-party recycler to collect and recycle those source-separated materials provided that the diversion is verified by the City and the third party obtains a City business license.

3.02.2 Byproducts of Food and Beverage Processing. Under AB 3036 (2018), certain byproducts from the processing of food or beverages from agricultural or industrial sources, provided they are source-separated and used as animal feed, are exempted from this Agreement. Entities requesting exemption must apply to the City and be any of the following: registered pursuant to Section 110460 of the Health and Safety Code or be exempted from registration pursuant to Section 110480 of the Health and Safety Code or be a beer manufacturer as defined in Section 23012 of the Business and Professions Code, or a distilled spirits manufacturer, as defined in Section 23015 of the Business and Professions Code.

3.02.3 Donated Solid Waste. This Agreement shall not prohibit any Service Recipient from donating Organic Waste or Large Items to youth, civic or charitable organizations qualified as such pursuant to Federal law. Organic Waste or Large Items donated pursuant this section must be Source Separated at a premises.

3.02.4 Gardening or Landscape Services. This Agreement shall not prohibit a gardening, landscaping, or tree trimming company from removing Green Waste from a premises as an incidental part of a total service offered by that company. This section shall not apply to removal of Green Waste from a premises by a gardening, landscaping, or tree trimming company that is providing a hauling service separately and not as an incidental part of a total service.

3.02.5 Sale or Donation of Organic Waste. This Agreement shall not prohibit any person from selling Organic Waste or giving Organic Waste away to persons or entities other than Contractor. However, in either instance: (1) the Organic Waste must be Source Separated from and not mixed with other Solid Waste; and (2) the seller/donor may not pay the buyer/donee any consideration for collecting, processing or transporting such Organic Waste. A discount or reduction in the price for collection, disposal and/or Recycling services for any form of un-segregated or segregated Solid Waste is not a sale or donation of Organic Waste and does not qualify for this exception. However, once Organic Waste has been placed in the Container and the Container set out for Collection, the Organic Waste become the property of Contractor.

3.03 Contractor Payments to City.

3.03.1 Franchise Fee. Contractor shall pay the City a Franchise Fee equal to fifteen percent (15%) of Gross Revenue. The amount of the Franchise Fee may be adjusted by mutual agreement of the City and Contractor through a written amendment to this Agreement. Contractor shall make monthly payments of the Franchise Fee to the City. Contractor shall calculate and pay the Franchise Fee based on Gross Revenue received from Service Recipients. Contractor shall reconcile Franchise Fee payments to the City for Gross Revenue received during the City's fiscal year (July 1 through June 30) by August 30 of each

Calendar Year. In the event that the City and Contractor agree to an adjustment to the amount of the Franchise fee during the term of this Agreement, Contractor may, in its sole discretion, include an amount equal to the adjustment in Contractor's Compensation.

3.03.2 Integrated Waste Management Fee. Contractor shall collect Integrated Waste Management Fees (IWM Fees) on its bills. The IWM Fees billed on Contractor's bills shall be those set by City Council resolution. Contractor shall make monthly payments of collected IWM Fees to the City. Contractor shall pay IWM Fees based on IWM Fee payments received from Service Recipients each calendar month. Contractor shall reconcile IWM payments to the City for IWM Fee payments received from Service Recipients during the City's fiscal year (July 1 through June 30) by August 30 of each Calendar Year.

3.03.3 Remittances. Franchise Fee and IWM Fees remittances to the City will be accompanied by a report, prepared in a format acceptable to City Manager, setting forth the basis, and calculations used for computing the amount paid to the City. The figures used shall be taken from the general books of account of the Contractor. All supporting documentation must be retained by the Contractor.

(a) If the Franchise Fee and IWM Fees remittances to the City are not paid by the date set by this Agreement, then in addition to the fees, the Contractor shall pay a penalty as specified in Exhibit 2, except to the extent that such lateness is due to uncontrollable circumstances, as defined in Section 19.06 of this Agreement.

(b) In addition, the Contractor shall pay interest on all unpaid fees at the rate of six (6) percent per annum or the prime (lending) rate, whichever is higher but not to exceed the maximum legal rate, from the date the fees were due and payable to the date actually paid.

(c) If the delay is due to uncontrollable circumstances, Contractor must request approval in writing from the City Manager at least ten (10) business days prior to the date on which fees and reports are due. City shall contact Contractor within five (5) business days of receiving request for submission delay as to whether delay shall be permitted.

3.03.4 Taxes and Utility Charges. The Contractor shall pay all Taxes lawfully levied or assessed upon or in respect of the operating assets or the Collection Services, or upon any part thereof or upon any revenues necessary for the operation of the operating assets and the provision of the Collection Services, when the same shall become due.

3.03.5 Disputes. In the event of any disputes between the Contractor and the City with respect to the fees described in Section 3.03, the City shall provide the Contractor with written objection within 365 days of the receipt of the remittance report described in Section 3.03.3, indicating the reason the report is disputed and providing all reasons then known to the City for its objection to or disagreement with such amount. If any such amount is adjusted in the City's favor pursuant to agreement, mediation, legal proceeding, or otherwise, the Contractor shall pay the amount of such adjustment to the City, with interest pursuant to Section 3.03.3(b) above from the date such disputed amount was due to the City to the date of payment in full of such amount. Nothing contained in this subsection shall limit the authority of any authorized office of the City or any other governmental agency to raise a further objection to any amount billed by the Contractor pursuant to an audit conducted pursuant to Applicable Law. If the Contractor prevails in the dispute, the Contractor shall have the right to recover from the City the overage paid.

3.04 Service Standards. Contractor must perform all Collection Services under this Agreement in a thorough and professional manner while meeting the minimum performance and diversion standards included herein.

3.05 Labor and Equipment. Contractor must provide and maintain all labor, equipment, tools, facilities, and personnel supervision required for the performance of Contractor's obligations under this Agreement. Contractor must always have sufficient backup equipment and labor to fulfill Contractor's obligations under this Agreement. No payment for Contractor's Collection Services or for Contractor's supply of labor, equipment, tools, facilities or supervision will be provided or paid to Contractor by any Service Recipient except as expressly provided by this Agreement.

3.06 Holiday Service. Contractor is not required to provide Collection Services or maintain office hours on Christmas Day and New Year's Day. In any week in which one of these Holidays falls on a Work Day, Collection Services for the Holiday and each Work Day thereafter will be delayed one Work Day for the remainder of the week with normally scheduled Friday Collection Services being performed on Saturday. Service Recipients subscribed to Saturday service would still receive Saturday service.

3.07 Inspections. The City has the right to inspect Contractor's facilities or Collection Vehicles and their contents at any reasonable time while operating inside or outside the City.

3.08 Commingling of Materials. Contractor may not at any time commingle Garbage, Organic Waste or C&D pursuant to this Agreement with any other material type Collected by Contractor, without the express prior written authorization of the Agreement Administrator.

3.09 Contamination. Contractor must offer Service Recipients the correct combination of Cart and Bin sizes and collection frequency beyond the minimum service requirements as necessary, that matches their unique service needs to reduce Contamination of Recyclable Materials and Organic Waste. Contractor is only required to collect Organic Waste if it has been separated by the Service Recipient from Garbage and Recyclable Materials. Contractor agrees to provide outreach and support to Service Recipients. Additionally, Contractor's route collection personnel will report to Contractor's supervisors if they observe potential Contamination problems, and/or insufficient collection capacity. For purposes of determining if Organic Waste are deemed to be contaminated, if, by visual inspection, Organic Waste is commingled with three percent (3%) by volume of Garbage or Recyclable Materials, then Organic Waste will be deemed to be contaminated and Contractor may take the following steps.

3.09.1 First and Second Occurrence. For the first and second occurrence within any one Calendar Year of Contamination for a particular container (i.e., Organic Waste), Contractor must collect the contaminated container (as Garbage) and must affix a City-approved Contamination Violation Notice that meets the requirements of 14 CCR Section 18995.1(a)(4) to the contaminated container which contains instructions on the proper procedures for sorting Organic Waste and Recyclable Materials. Contractor must also notify the Service Recipient by phone, U.S. mail, e-mail, and in person (which may be a container tag or door hanger), that for the third and subsequent incidents of excess Contamination, the Service Recipient may be charged a Contamination charge for the Collection of the contents of the contaminated Container per Exhibit 3 and Contractor may increase the Container size or require an additional Container. Contractor's representative must also contact the Service Recipient by phone, U.S. mail, e-mail, or in person (which may be a container tag) to ensure that they have the appropriate level of service for proper collection of Organic

Waste. Contractor must also document all Contamination issues in the Waste Reporting System and provide digital/visual documentation to the Service Recipient that clearly documents the Service Recipient's on-going Contamination problems.

3.09.2 Third and Subsequent Occurrences. For the third and subsequent occurrence within any one Calendar Year of Contamination of Organic Waste, Contractor will provide a Contamination Violation Notice that contains instructions on the proper procedures for setting out Recyclable Materials or Organic Waste. Contractor must collect the contaminated Container as Garbage and may charge the Service Recipient a Contamination charge. For any Contamination charge being billed, Contractor must provide digital/visual documentation to the Service Recipient that clearly documents the Service Recipient's on-going Contamination problems. Contractor may increase the Container size, require locking Containers, or increase collection frequency, and impose a Contamination charge on the account for a period of six months or until the Service Recipient has demonstrated no Contamination for a period of three consecutive months. Contractor must document Contamination issues and charges in the Waste Reporting System and notify City within five (5) Business Days if Contractor increases the Container size, requires locking Containers, increases collection frequency for excessive Contamination, or imposes the Contamination charge to the account. City will consult with Contractor and consider, and pursue as applicable, appropriate legal remedies against offending Service Recipients in order to secure discontinuance of the Contamination.

3.09.3 Tracking Occurrences of Contamination. Each Contamination occurrence is tracked annually per Calendar Year, and resets at the start of each Calendar Year if Contamination occurrences are not active and consecutive. Where Contamination is occurring, and occurrences are consecutive and unremedied, their count shall continue across Calendar Years until remedy occurs. In this case, once a Service Recipient has demonstrated no Contamination for a period of three consecutive months the tracking calendar will reset.

3.09.4 Disputes Over Contamination Charge. If a Service Recipient disputes a Contamination charge (which must be within 30 days of them being charged), Contractor will temporarily halt any Contamination charge and/or increased Container size and/or collection frequency and Contractor may request a ruling by the Agreement Administrator to resolve the dispute. During the pendency of any request, Contractor may restore Container size, quantity, or collection frequency to the prior levels. A request by Contractor to the Agreement Administrator to rule on any such dispute must be filed within ten (10) Business Days of Contractor's halting of Contamination charge and must include written documentation and digital/visual evidence of ongoing overall problems. The Agreement Administrator may request a meeting (in person or video conference or phone) with both the Service Recipient and Contractor to resolve the dispute. Following such a meeting, the Agreement Administrator will rule on the dispute within ten (10) Business Days, and the decision on resolving the dispute between Contractor and Service Recipient will be final. If the ruling is in favor of the Service Recipient, Contractor will credit the disputed Contamination charges. If the ruling is in favor of Contractor, Contractor may charge Service Recipient the prior halted Contamination charge resulting from increasing the Container size or collection frequency.

3.10 Overage and Correction Procedures. Contractor shall provide the Service Recipients the correct combination of Containers and collection frequency that matches each Service Recipient's unique service needs to enable clean, efficient, and cost-effective collection of Garbage and Organic Waste. City and Contractor agree that overflow of Garbage or Organic Waste that is not properly in the Service

Recipient's Containers may negatively impact public health and safety. If a Service Recipient is found to habitually overflow Container(s), i.e., lid will not close, Contractor may take the steps as listed below to correct Service Recipient's on-going overflow of material.

3.10.1 Prior Arrangements. If a Service Recipient has made prior arrangements with Contractor for collection of Garbage or Organic Waste Overages, Contractor must collect such Overages as arranged, and may bill the Service Recipient an Overage charge as set forth in Exhibit 3.

3.10.2 No Prior Arrangements. If a Service Recipient has not made prior arrangements with Contractor for collection of an Overage, (i) Contractor may collect such Overage at no additional charge as a courtesy, (ii) Contractor may not collect the Overage and leave a Non-Collection Notice explaining the reason for non-collection of the Overage, or (iii) Contractor may collect the Overage and charge the Service Recipient an Overage charge.

3.10.3 Disputes Over Container Overage Charges. Any disputes regarding Overage charges shall follow the same process as for Contamination charges, as described in Section 3.09.4, above.

3.11 Ownership of Materials. Except as provided otherwise under Applicable Law, title to Garbage and Organic Waste will pass to Contractor at such time as said materials are set out for Collection.

3.12 Ownership of Carts and Bins. Ownership of Garbage and Organic Waste Carts and Bins shall rest with Contractor, except that ownership of Carts and Bins in the possession of a Service Recipient at the expiration of this Agreement shall rest with City. At the time of transfer of such Carts and Bins, Contractor will be reimbursed for the net book value of Garbage and Organic Waste Carts and Bins being transferred. Ownership of Recyclable Material Carts shall rest with the City. At its sole discretion, City may elect not to exercise its rights with regards to this Section and in such case the Carts shall remain the property of Contractor upon termination of this Agreement. In this event Contractor shall be responsible for removing all Carts and Bins in service from the Service Area and reusing or Recycling the Carts and Bins.

3.13 Container Cleaning. Contractor shall provide for cleaning of Containers, including Carts, Bins, and Roll-off Containers as requested by Service Recipients or the City per the charges listed in Exhibit 3. There shall be no cost to the City for the cleaning of containers in use at City facilities.

3.14 Spillage and Litter. Contractor may not litter premises in the process of providing Collection Services or while its Collection Vehicles are on the road. Contractor must transport all materials Collected under the terms of this Agreement in such a manner as to prevent the spilling or blowing of such materials from Contractor's Collection Vehicles. Contractor must exercise all reasonable care and diligence in providing Collection Services so as to prevent spilling or dropping of Garbage or Organic Waste and must immediately, at the time of occurrence, clean up such spilled or dropped Garbage or Organic Waste.

3.14.1 Contractor is not responsible for cleaning up sanitary conditions caused by the carelessness of the Service Recipient; however, Contractor must clean up any material or residue that is spilled or scattered by Contractor or its employees.

3.14.2 Equipment oil, hydraulic fluids, spilled paint, or any other liquid or debris resulting from Contractor's operations or equipment repair must be covered immediately with an absorbent material and removed from the street surface. Contractor must document spillage and notify City's stormwater compliance coordinator within two (2) hours of any spills resulting from Contractor's operations or equipment.

When necessary, Contractor must apply a suitable cleaning agent and cleaning technique to the street surface to provide adequate cleaning as approved by the City's stormwater compliance coordinator to be compliant with the City's stormwater permit.

3.14.3 The above paragraphs notwithstanding, Contractor must clean up any spillage or litter caused by Contractor within two (2) hours upon notice from the City. If City deems necessary, Contractor must engage third-party environmental clean-up specialist to remove any equipment oil, hydraulic fluids, or any other liquid or debris that remains on street after Contractor's own clean-up efforts. If clean-up is not conducted to satisfaction of City, City has right to engage environmental clean-up specialist to perform additional clean-up work at the expense of Contractor.

3.14.4 In the event where damage to City streets is caused by a hydraulic fluid spill (i.e., any physical damage in excess of a simple cosmetic stain caused by the spill), Contractor shall be responsible for all repairs to return the street to the same condition as that prior to the spill. Contractor shall be responsible for all clean-up activities related to the spill. Repairs and clean-up shall be performed in a manner satisfactory to the City and at no cost to the City.

3.14.5 To facilitate immediate cleanup, Contractor's Collection Vehicles must always carry sufficient quantities of absorbent materials along with a broom and shovel.

3.15 Regulations and Record Keeping. Contractor must comply with emergency notification procedures required by applicable laws, regulatory requirements, and other sections of this Agreement. All records required by regulations must be maintained at Contractor's office.

3.16 Additions and Deletions. Contractor must provide Collection Services described in this Agreement to new Service Recipients in Contractor's Service Area within five (5) Work Days of receipt of notice from the new Service Recipient or the City to begin such Service.

3.17 Annexation. If during the term of this Agreement, additional territory within or adjacent to the Contractor's Service Area is acquired by City through annexation, subject to the requirements of Public Resources Code section 49520, Contractor agrees to provide Collection Services in such annexed area in accordance with the provisions set forth in this Agreement. Such Collection Services must begin within five (5) Work Days of receipt of written notice from City, subject to Collection Container availability. Contractor may not begin Collection Service without written authorization from City.

3.18 Section 18988.1 and 18988.2 Compliance. Contractor is responsible for delivery of all Garbage, Organic Waste and C&D to properly permitted Disposal Facilities, transfer stations, Organic Waste Processing Facilities, and C&D Processing Facilities as designated by the City. Failure to comply with this provision will result in the levy of an Administrative Charge or Penalty as specified in Exhibit 2 and may result in Contractor being in default under this Agreement. Contractor shall comply with its obligations under this Agreement and the obligations that by operation of law are imposed upon it directly pursuant to the SB 1383 Regulations.

3.19 Organic Waste Processing Facility. Contractor must deliver all Organic Waste Collected pursuant to this Agreement to a fully permitted Organic Waste Processing Facility that has been selected by the City. All expenses related to Organic Waste processing will be the sole responsibility of Contractor. Failure to comply with this provision constitutes default under this Agreement. City has the right to designate the Organic Waste Processing Facility and Contractor's Compensation shall be adjusted to reflect any

increase or decrease in Contractor's costs resulting from the City's exercise of flow control rights. Contractor must ensure that the Organic Waste Collected pursuant to this Agreement is not delivered to a Disposal Facility.

3.20 Disposal Facility. Except as set forth below, all Garbage Collected as a result of performing Garbage Collection Services must be transported to, and disposed of, at the Disposal Facility that has been selected by the City. All expenses related to Garbage Disposal are responsibility of Contractor. Failure to comply with this provision constitutes default under this Agreement. City has the right to designate the Disposal Facility and Contractor's Compensation shall be adjusted to reflect any increase or decrease in Contractor's costs resulting from the City's exercise of flow control rights.

Article 4. Contractor's Compensation and Billing

4.01 Contractor's Compensation. Contractor shall be due an annual Contractor's Compensation for provision of Collection Services, which Contractor shall retain from its collection of Service Rates for Collection Services. Contractor's Compensation amount shall be calculated annually in accordance with Section 4.02 and Exhibit 4 to this Agreement. Annual Contractor's Compensation set per Exhibit 4 shall also be adjusted annually per a balancing adjustment calculated based on over or under collection of revenues from collection of Service Rates for Collection Services compared to Contractor's Compensation as set for such Calendar Year. For example, adjusted Contractor's Compensation as set for Calendar Year 2020 was \$4,764,353 and Contractor's collection of revenues from Services Rates for Collection Services during Calendar Year 2020, based on Contractor's audited financial statement, was \$4,866,026, yielding over-collection of revenues from Service Rates for Collection Services of \$101,673. That over-collection was credited to Contractor's Compensation as set for Calendar Year 2022 (calculated per the methodology in Section 4.02 and Exhibit 4 to be \$5,070,115) yielding an adjusted Contractor's Compensation of \$4,968,441 due to Contractor in 2022. Contractor's Compensation for Calendar Year 2023 would likewise be calculated based on 2022 Contractor's Compensation of \$5,070,155 times the Annual Indexed Adjustment per Section 4.02 and Exhibit 4, plus the difference between the 2021 adjusted Contractor's Compensation of \$4,717,975 and the actual Service Rate Revenue for Collection Services for Calendar Year 2021 per the Contractor's audited financial statements. Example calculation table for annual Contractor's Compensation and adjustments is shown below.

	2020	2021	2022
<i>Percentage Increase to Contractor's Compensation (Per Section 4.02)</i>	3.72%	1.64%	2.49%
EBS Annual Revenue Requirement for Garbage and Organic Waste Collection and Franchise Fees	\$ 4,867,115	\$ 4,946,936	\$ 5,070,115
Under (Over) Balancing From 2 years prior	\$ (102,763)	\$ (228,961)	\$ (101,673)
Adjusted Contractor's Compensation after Over (Under) Balancing	\$ 4,764,353	\$ 4,717,975	\$ 4,968,441
Service Rate Revenue for Collection Services per Contractor's Audited Financial Statements	\$ 4,866,026		
Actual Revenues Over (Under) Adjusted Contractor's Compensation	\$ 101,673		

746 4.02 Annual Indexed Adjustment to Contractor's Compensation. Beginning on January 1, 2023,
747 and annually thereafter, Contractor shall, subject to compliance with all provisions of this Section, be eligible
748 for an annual adjustment to Contractors' Compensation via an Indexed Adjustment calculated in
749 accordance with Exhibit 4 to this Agreement. On or before October 1, 2022, and annually thereafter during
750 the Term of this Agreement, Contractor shall deliver to City its application for adjustment to its
751 Compensation, including required financial information and the calculated Indexed Adjustment to
752 Contractor's Compensation. Such financial information shall be in the format as may be mutually agreed
753 on between the City and Contractor. Contractor's failure to provide the financial information shall not
754 preclude the City from applying the Indexed Adjustment using the prior year's financial data, or pro forma
755 data if no prior year financial data is available, if that application would result in a negative adjustment to
756 Contractor's Compensation. If Contractor fails to submit the financial information required by October 1, the
757 City at its sole and reasonable discretion, may consider a late request for the Indexed Adjustment.

758 4.03 Detailed Compensation Review. City reserves the right to conduct a detailed review of
759 Contractor's Compensation no more frequently than every three years. Contractor reserves the right to
760 request a detailed Contractor's Compensation review if variance arises in total actual costs as compared
761 to total indexed costs by greater than 5% in any year. The methodology to be followed, including
762 allowable and non-allowable expenses and expense limitations, is included in Exhibit 5. Contractor shall
763 pay the cost of the review that will be an allowable expense to be recovered during the following year and
764 then removed from Contractor's Compensation.

765 4.04 Extraordinary Adjustment to Contractor's Compensation. If a Change in Law occurs after
766 the Effective Date that City and Contractor agree increases Contractor's allowable costs of operation, then
767 City and Contractor shall negotiate in good faith a reasonable and appropriate adjustment to Contractor's
768 Compensation sufficient to offset Contractor's increased allowable costs of operation resulting from the
769 Change in Law. As an exception to the preceding sentence, Contractor shall not be entitled to an adjustment
770 in Contractor's Compensation with respect to the first \$50,000 of increased costs incurred by Contractor
771 resulting from the Change in Law. The Parties may negotiate and agree on the amount of Contractor's
772 Compensation adjustment pursuant to this Section 4.04 without a Detailed Compensation Review pursuant
773 to Section 4.03. Contractor shall bear the burden of justifying to City any adjustment due to a Change in
774 Law and shall bear its own costs of preparing its request for an adjustment and supporting documentation.
775 City may request from Contractor such further information as it reasonably deems necessary to fully
776 evaluate Contractor's request and make its determination whether Contractor has satisfied its burden,
777 which determination shall not be unreasonably withheld. City shall notify Contractor of its determination
778 within ninety (90) calendar days of receipt of the written request and all other additional information
779 reasonably requested by City. Any such change will be implemented on the following January 1st, or within
780 any other time frame agreed upon between City and Contractor. The City Council shall consider
781 Contractor's request and, based upon the information submitted, confirm whether the adjustment in
782 Contractor's Compensation has been justified as necessary to offset Contractor's increased allowable costs
783 of operation resulting from the Change in Law. The adjustment shall be memorialized in a written
784 amendment to this Agreement.

785 4.05 Performance Standards for Adjustments to Contractor's Compensation. To be eligible for
786 an Indexed Adjustment to Contractor's Compensation under Section 4.02, a detailed Compensation

adjustment under Section 4.03, or an extraordinary adjustment under Section 4.04, Contractor must cure any material default under Article 23 of this Agreement for which City has provided notice to Contractor.

4.06 Billing and Collection Services. Contractor may bill Service Recipients up to the maximum Service Rates authorized by this Agreement, as confirmed by City Council resolution, and other charges per Exhibit 3. Contractor is responsible for the billing and collection of payments for all Service Rates, IWM Fees, and other charges.

4.06.1 Production of Invoices. The Contractor shall prepare, mail or electronically transmit, and collect bills (or shall issue written receipts for cash payments) for services under this Agreement in advance but no less than three (3) times per year. Billing shall not be permitted more than 15 days prior to the initiation of collection service period. Bills shall not be subject to late notification or charges until 30 days following the closing day of the service period. Contractor shall include e-mail address on all billing notices and shall accept payment by check, credit card or electronic fund transfer, with no fees payable by the Service Recipient or bill payor. Contractor shall make credit card or electronic fund transfer payment known and available on its website and on all paper or electronic bills. Billings shall include sufficient space on the statement to accommodate up to 35 typed characters as specified by the City. Where it has been determined that a Service Recipient has overpaid for service for any reason, Contractor must provide the Service Recipient a credit against future invoices or a refund (where the account is closing or as selected by the Service Recipient, and where the refund amount exceeds the lesser of the regular invoicing amount or \$200) within thirty (30) days of such determination.

4.06.2 Delinquent Service Accounts. Contractor shall be entitled to payment of Service Rates and IWM Fees, and other charges from the Service Recipients. In the event of nonpayment from a Service Recipient, the Contractor may temporarily stop collection as of the second scheduled collection day after the payment due date until payment has been secured, or until the City Manager authorizes a waiver or exemption from Collection Services as provided for in the City's Municipal Code. Prior to stopping Collection Services, the Contractor shall individually notify the Service Recipient in writing or by phone that service will be stopped if payment is not secured. If payment is not secured after thirty (30) days from the payment due date, the Contractor shall notify the City Manager in writing of the failure to pay and the date that Collection Service was stopped. Upon notification, the City Manager will investigate whether the lack of Collection Service constitutes a nuisance as defined in Chapter 8.34 of the City's Municipal Code or whether a waiver or exemption from Collection Service as provided for in the Municipal Code is allowable. The City Manager may require the Contractor to continue to provide Collection Services for occupied residences or businesses and may pursue nuisance abatement pursuant to Chapter 8.34 of the City's Municipal Code. Any cost recovery of abatement costs, as authorized pursuant to Chapter 8.34 of the City's Municipal Code, shall not be recoverable by recording a lien or special assessment against the parcel of land on which the nuisance is or was maintained. Contractor shall provide the City with, and shall post on its website, a written procedure through which a Service Recipient may contest billings.

4.06.3 Contractor must report to the Agreement Administrator, bi-monthly, all Service Recipients who have received Collection Service and whose account is over ninety (90) days past due. The Contractor may discontinue service to a Service Recipient who is delinquent in paying for Collection Services rendered no earlier than 60 days after the last day of the billing period or that date on which the billing for the service period is delivered to the Service Recipient, whichever is later. For this purpose,

delivery of the billing shall include the date such billing is deposited by to Contractor into the U.S. Mail or delivered electronically. The Contractor shall notify the Service Recipient and the City Manager in writing of its intent to discontinue service not less than 10 business days before such discontinuation shall occur.

4.07 Service Rates. Contractor's Compensation is paid to Contractor solely based on collection of Service Rates from Service Recipients. The City and Contractor will annually meet and confer to prepare recommended adjustments to Service Rates that will meet the Contractor's Compensation for the coming Calendar Year. The adjustments to the Service Rates are subject to consideration by the City Council to confirm that they are consistent with this Agreement and meet the Contractor's Compensation for the following Calendar Year. The City Council's determination regarding the proposed adjustments to the Service Rates will be made by resolution of the City Council.

4.08 Procedures in Event of Invalidation of Adjustments to Service Rates. In the event that City is unable by operation of Applicable Law to confirm a proposed adjustment to the Service Rates, or some or all of the Service Rates are disallowed by operation of Applicable Law, Contractor will have the right, within thirty (30) days after notice of any such inability to confirm or invalidation of a Service Rate adjustment, to request, in writing, that City negotiate in good faith regarding alternative adjustments to Service Rates and reductions in programs, services, or fees to compensate for any negative impact from the unconfirmed or invalidated Service Rate adjustment. If City fails to commence negotiations in good faith or negotiations are not completed within forty-five (45) days following the date of receipt of Contractor's request, either party may terminate this Agreement no earlier than one hundred and eighty (180) days after written notice to the other.

Article 5. Diversion

5.01 Warranties and Representations. Contractor warrants that it is aware of and familiar with City's Solid Waste system, and that it has the ability to provide sufficient programs and Collection Services designed to ensure City will meet or exceed the diversion requirements as set forth in this Article 5, as well as the diversion requirements of the Applicable Laws (including, without limitation, amounts of Solid Waste to be diverted, time frames for diversion, and any other requirements) (including AB 939, AB 341, AB 1826, AB 1594, SB 1016, and SB 1383, and all amendments and related subsequent legislation), and that it will do so within Contractor's Compensation as stipulated in this Agreement.

5.02 Mutual Cooperation. City and Contractor will reasonably cooperate in good faith with all efforts by each other to meet City's diversion and other compliance requirements imposed by AB 939, AB 341, AB 1826, AB 1594, SB 1016, and SB 1383 and other Applicable Laws, and to meet Contractor's obligations under this Article 5. In this regard, City's obligations include, without limitation, making such petitions and applications as may be reasonably requested by Contractor for time extensions in meeting diversion goals, or other exceptions from the terms of Applicable Laws, and to agree to authorize such changes to Contractor's Organic Waste, or Garbage programs as may be reasonably requested by Contractor in order to achieve the minimum requirements of this Article 5.

5.03 Guarantee. Except for programs currently required by Applicable Law but not set forth in this Agreement, or programs Contractor is expressly instructed by City not to implement, or Collection Services which a Service Recipient refuses to accept, Contractor shall implement the diversion programs set forth in this Agreement such that: (i) Contractor and City will at all times be in compliance with the requirements of the Applicable Laws applicable to them including specifically AB 939, AB 341, AB 1826,

AB 1594, SB 1016, and SB 1383, and (ii) City will meet or exceed the diversion requirements (including, without limitation, amounts of Solid Waste to be diverted, time frames for diversion, and any other requirements) set forth in this Article 5 and the Applicable Laws including AB 939, AB 341, AB 1826, AB 1594, SB 1016, and SB 1383, and all amendments thereto. In this regard Contractor agrees that it will, in addition to any other Agreement requirement, at its sole cost and expense:

5.03.1 Assist City in responding to inquiries from CalRecycle or any other regulatory agency.

5.03.2 Assist City in applying for any extension, including under Public Resources Code section 41820, if so directed by City.

5.03.3 Assist City in any hearing conducted by CalRecycle, or any other regulatory agency, relating to City's compliance with the Applicable Laws including AB 939, AB 341, AB 1826, AB 1594, SB 1016, and SB 1383.

5.03.4 Provide City with other technical assistance as may be needed to comply with the Applicable Laws including AB 939, AB 341, AB 1826, AB 1594, SB 1016, and SB 1383.

5.03.5 Be responsible for and pay any fees, fines, penalties or other costs imposed against City by CalRecycle, and indemnify and hold harmless City from and against any fines, penalties, or other liabilities, levied against it for violation of the diversion requirements, set forth in the Applicable Laws, including AB 939, AB 341, AB 1826, AB 1594, SB 1016, and SB 1383, or for violation of any other provision of the Applicable Laws, arising from or in any way related to Contractor's performance of its obligations under this Agreement, provided, however, that all of Contractor's obligations under this Article 5 shall be subject to the provisions of Section 40059.1 of the Public Resources Code.

Article 6. Residential Services

6.01 Conditions of Service. Except as set forth below, Contractor must provide Residential Collection Services to all Residential Service Recipients in the Service Area. Residential Collection Services are governed by the following terms and conditions.

6.02 Weekly Service. Weekly Residential Collection Services include one (1) 32-Gallon Garbage Cart (with the option to downsize to a 20- or upsize to a 64-Gallon Garbage Cart) and one (1) 64-Gallon Organic Waste Cart as part of the base Residential Collection Service. The actual configuration of Garbage and Organic Waste Cart sizes shall be at the option of the Service Recipient. Contractor shall provide all Residential Service Recipients with at least one (1) 64-Gallon Organic Waste Cart by June 1, 2022.

6.03 Curb Service. Contractor must provide Residential Collection Service to all Residential Service Recipients in the Service Area whose Residential Garbage is properly containerized in Garbage Carts, Organic Wastes are properly containerized in Organic Waste Carts where the Garbage and Organic Waste carts have been placed within six (6) feet of the curb, swale, paved surface of the public roadway, closest accessible roadway, or other such location agreed to by Contractor and Service Recipient, that will provide safe and efficient accessibility to Contractor's Collection crew and Collection Vehicle.

906 6.04 On-Premises Service. Notwithstanding any term or definition set forth in this Agreement,
907 Contractor must provide Collection of Residential Garbage and Organic Waste on the Residential Service
908 Recipients premises, including side or rear yard, as follows and at no additional Cost to the Service
909 Recipient.

910 6.04.1 Residential Service Recipients where all adult Service Recipients residing
911 therein have disabilities that prevent them from setting their Garbage or Organic Waste Cart at the curb
912 for Collection, and if a request for on-premises service has been made.

913 6.04.2 Residential Service Recipients where all adult Service Recipients residing
914 therein have medical or physical conditions that prevent them from setting their Garbage or Organic
915 Waste Cart at the curb for Collection, as determined by the City and agreed by the Contractor, and if a
916 request for on-premises service has been made.

917 6.04.3 Contractor must provide on-premises Collection Service on the same Work Day
918 that curbside Collection would otherwise be provided to the Residential Service Recipient.

919 6.05 Frequency and Scheduling of Service and Hours of Collection. Residential Collection
920 Service must be provided a minimum one (1) time per week on a scheduled route basis. Residential
921 Collection Service must be scheduled so that all Service Recipients receive Garbage Collection Service
922 and Organic Waste Collection Service on the same Work Day. Residential Collection Service must be
923 provided, commencing no earlier than 6:00 a.m. and terminating no later than 7:00 p.m., Monday through
924 Friday, except for Holidays. The City has the right, in coordination with the Contractor, to determine that the
925 Residential Collection Service commence no earlier than 7:00 a.m. The hours, day, or both of Collection
926 may be extended due to uncontrollable circumstances or conditions with the prior verbal or written consent
927 of the Agreement Administrator.

928 6.06 Manner of Collection. The Contractor must provide Residential Collection Service with as
929 little disturbance as possible and must leave any Garbage or Organic Waste Carts in an upright position
930 and with the lid closed at the same point it was Collected without obstructing alleys, roadways, driveways,
931 sidewalks or mail boxes. Contractor's employees providing Residential Collection Service must follow the
932 regular walk for pedestrians while on private property and may not trespass nor cross property to the
933 adjoining premises unless the occupant or owner of both properties has given permission. Care should be
934 taken to prevent damage to property, including flowers, shrubs, and other plantings.

935 6.07 Non-Collection. Contractor is not required to Collect any Residential Garbage that is not
936 placed in a Garbage Cart. In the event of non-collection, Contractor will follow the steps set forth in Section
937 3.11. Contractor is not required to Collect Organic Waste if the Service Recipient does not segregate the
938 Organic Waste from Garbage or Recyclable Materials. Furthermore, Contractor is not required to Collect
939 Organic Wastes that are contaminated through commingling with Garbage or Recyclable Materials.
940 Contractor will address Contamination in accordance with Section 3.09.

941 6.08 Carts. Contractor shall procure and supply all Residential Service Recipients with new
942 Garbage and Recyclable Materials Carts by April 1, 2023. All Garbage, Organic Waste and Recyclable
943 Materials Carts must meet the color and labelling requirements of 14 CCR 18984 (a)-(c). Specifically,
944 Garbage Carts must be black or grey, Organic Waste Carts must be green, and Recyclable Materials Carts
945 must be blue, and with all such Cart colors subject to pre-approval by the City. Labels on all Carts must be

946 durable long-lasting labels placed on the Cart lids and must specify what materials are allowed to be placed
947 in each container and items that are prohibited container Contamination for each container, subject to pre-
948 approval by the City. Contractor shall continue to procure and supply sufficient Carts as necessary to meet
949 the needs of all Residential Service Recipients for the duration of the Agreement. Contractor shall not be
950 entitled to or eligible for any change in Contractor's Compensation for any expenses related to the Carts
951 purchased pursuant to the first sentence in this Section. Depreciation and interest expenses for all Carts
952 purchased by Contractor pursuant to the first sentence in this Section shall not be included in the amounts
953 of depreciation and interest used for the purposes of determining any Annual Indexed Adjustment to
954 Contractor's Compensation per Section 4.02 nor for the purposes of a Detailed Compensation Review per
955 Section 4.03. City shall directly reimburse Contractor for the following costs associated with the Recyclable
956 Materials Carts (but not the Garbage Carts or Organic Waste Carts) purchased pursuant to the first
957 sentence of this Section: assembly and distribution, reclamation of existing carts for recyclable materials,
958 taxes, and freight. Contractor shall provide City with an invoice showing actual amounts paid for costs to
959 be reimbursed by City pursuant to the immediately preceding sentence.

960 6.09 Cart Exchange. Upon notification to Contractor by City or a Service Recipient that a change
961 in the size of a Cart is requested, Contractor must deliver such Cart to such Service Recipient within five
962 (5) Work Days.

963 6.10 Cart Replacement. Contractor's employees must take care to prevent damage to Carts by
964 unnecessary rough treatment. However, any Cart damaged by the Contractor must be replaced by
965 Contractor, at Contractor's expense, within five (5) Work Days at no cost or inconvenience to the Service
966 Recipient.

967 6.10.1 Upon notification to Contractor by City or a Service Recipient that the Service
968 Recipient's Cart(s) has been stolen or damaged beyond repair through no fault of Contractor, Contractor
969 must deliver a replacement Cart(s) to such Service Recipient within five (5) Work Days. Contractor must
970 maintain records documenting all Cart replacements occurring and report through the Waste Reporting
971 System.

972 6.10.2 Each Service Recipient is entitled to the replacement of one (1) lost, destroyed,
973 or stolen Cart every ten (10) years during the term of this Agreement at no cost to the Service Recipient.
974 Except in the case of a Cart that must be replaced because of damage caused by Contractor or in the case
975 where Contractor elects to replace a Cart rather than repair it on-site, Contractor may bill the Service
976 Recipient for the cost of those replacements in excess of one (1) per type of Cart per Service Recipient in
977 a ten (10) year period, in accordance a Cart Replacement charge per Exhibit 3.

978 6.10.3 Contractor understands and agrees that this provision is intended to be applied
979 on a per Cart type, individual Service Recipient basis and accordingly each Service Recipient could receive
980 up to two (2) replacement Carts, one (1) of each type, every ten (10) years during the term of the contract.

981 6.11 Cart Repair. Contractor is responsible for the repair of Carts, including but not be limited
982 to, hinged lids, wheels and axles. Within five (5) Work Days of notification by the City or a Service Recipient
983 of the need for such repairs, Contractor must repair the Cart or if necessary, remove the Cart for repairs
984 and deliver a replacement Cart to the Service Recipient.

6.12 Additional Cart Request. Upon notification to the Contractor by City or a Service Recipient that additional Carts for Garbage or Organic Waste are requested, Contractor shall deliver such Carts to such Service Recipient within five (5) Work Days. Contractor shall also notify the City of any Service Recipient requests for additional Recycling Carts.

6.13 Holiday Tree Collection. Contractor must Collect Holiday Trees set out at the curb for Collection during the three-week period beginning December 26th each year during the term of this Agreement. Contractor must deliver the Collected Holiday Trees to the Organic Waste Processing Facility. This annual service will be provided at no additional charge to the Service Recipient. Contractor is not required to divert Holiday Trees with tinsel, flocking or ornaments.

6.14 Large Item Collection Service. Contractor must provide Large Item Collection Service to all Residential Service Recipients in the Service Area whose Large Items have been placed within six (6) feet of the curb, swale, paved surface of the public roadway, closest accessible roadway, or other such location agreed to by Contractor and Service Recipient, that will provide safe and efficient accessibility to Contractor's Collection crew and Collection Vehicle. Up to two (2) times per Calendar Year each Residential Service Recipient is entitled to receive Large Item Collection amounting to a combined annual maximum of the equivalent of (a) eight (8) cubic yards of uncontainerized Garbage or Organic Waste, or (b) eight (8) Large Items, or (c) twenty-five (25) 32-gallon bags at no additional cost and expense. For subsequent collection in any Calendar Year, the Contractor may bill the Service Recipient the charge per Exhibit 3.

6.14.1 Frequency of Service. Large Item Collection Service will be provided on the next regular Collection day if the request is received at least two (2) Work Days in advance of the next regular Collection day. The Service Recipient may not commingle Large Items with Garbage.

6.14.2 Large Items Containing Freon. In the event Contractor Collects Large Items that contain Freon, Contractor must handle such Large Items in a manner such that the Large Items are not subject to regulation as Hazardous Waste under applicable State and Federal laws or regulations.

6.14.3 Maximum Reuse and Recycling. Contractor must dispose of Large Items collected from Service Recipients pursuant to this Agreement in accordance with the following hierarchy:

6.14.3.1 Reuse as is (where energy efficiency is not compromised).

6.14.3.2 Disassemble for reuse or Recycling.

6.14.3.3 Recycle.

6.14.3.4 Disposal.

6.14.4 Disposal of Large Items. Contractor may not landfill such Large Items unless the Large Items cannot be reused or recycled.

6.14.5 City Direction of Large Items. City reserves the right to direct Contractor to take specific types of Large Items Collected pursuant to this Section to designated sites not more than twenty (20) miles from City Hall for the purpose of reuse or Recycling at no cost. Contractor has no obligation to dispose of the Large Item Residue remaining at the directed site or sites after scavengers and recyclers have removed reusable or recyclable Large Items.

6.15 E-waste and U-waste Collection Service. Contractor shall provide Residential Service Recipients with three (3) times annual collection of E-waste and/or U-waste at no additional cost or expense.

Article 7. Commercial Services

7.01 Conditions of Service. Except as set forth below, Contractor must provide Commercial Collection Services to all Commercial Service Recipients in the Service Area. This service is governed by the following terms and conditions.

7.02 Provision of Service. Contractor must provide Commercial Garbage Collection Service and Commercial Organic Waste Collection Service to all Commercial Service Recipients in the Service Area whose Garbage and Organic Waste are properly containerized in Containers. Contractor must offer Garbage Carts in 20-, 32- and 64-gallon sizes and Organic Waste Carts in 32- and 64-gallon sizes. Contractor must offer Garbage Bins in 1 and 2-cubic yard sizes and 1-cubic yards for Organic Waste Bins. The size of the container and the frequency (above the once weekly minimum) of collection will be determined between the Service Recipient and Contractor. However, the size and frequency must be sufficient to provide that no Garbage or Organic Waste need be placed outside the Container. The base Garbage Collection Service will include Commercial Organic Waste Collection Service as described below.

7.03 Size and Frequency of Service. Commercial Collection Service must be provided as deemed necessary and determined between Contractor and the Commercial Service Recipient, but such service must be received no less than one (1) time per week. The size of Garbage and Organic Waste Containers and the frequency (above the minimum) of Collection will be determined between the Commercial Service Recipient and Contractor. However, size and frequency must be sufficient to provide that no Garbage or Organic Waste need be placed outside the Containers. Service Recipients may own and provide their own Compactor provided that the Service Recipient is completely responsible for its proper maintenance, and such Compactor is of a type that is compatible with Contractor's equipment. All other Containers used by Service Recipients must be owned and supplied by Contractor.

7.04 Organic Waste Collection Service. Contractor shall provide all Commercial Service Recipients with one (1) 64-Gallon Organic Waste Cart by June 1, 2022. Additional Organic Waste Cart or Bin service may be requested by the Service Recipient, subject to Service Rates for those additional Containers. To be exempted from Commercial Organic Waste Collection Service, Service Recipient must apply for waiver per the City's Municipal Code. All such waiver applications must be reported in the Waste Reporting System and approved by the City.

7.04.1 Organic Waste - Improper Procedure. Contractor is not required to Collect Organic Waste if the Service Recipient does not separate the Organic Waste from Garbage and Recyclable Materials. Furthermore, Contractor is not required to collect Organic Waste that is contaminated through commingling with Garbage or Recyclable Materials. To address Contamination, Contractor must follow the steps set forth in Section 3.09.

7.04.2 Additional Organic Waste Containers. Contractor must provide additional Organic Waste Containers to Service Recipients at Service Rates for those additional Containers, provided that additional Containers are used by Service Recipients for the purposes of setting out additional Organic Waste for regular weekly Organic Waste Collection Service

1062 7.04.3 Compliance with AB 1826 and SB 1383. Contractor will develop and maintain its
1063 Commercial Organic Waste Collection Service in a manner designed to assist City and Service Recipients
1064 to achieve and maintain compliance with AB 1826 and SB 1383. Contractor will notify non-exempt covered
1065 Commercial Service Recipients of the requirements to comply with the law annually starting July 1, 2022
1066 and as requested by the City thereafter.

1067 7.05 Hours of Collection. Commercial Collection Service must be provided, commencing no
1068 earlier than 5:00 a.m., and terminating no later than 7:00 p.m., Monday through Saturday, except for
1069 Holidays. There will be no Commercial Collection Service on Sundays. The hours, day, or both of Collection
1070 may be extended due to uncontrollable circumstances or conditions with the prior verbal or written consent
1071 of the Agreement Administrator. The City has the right, in coordination with the Contractor, to determine
1072 that the Commercial Collection Service commence no earlier than 6:00 a.m.

1073 7.06 Accessibility. Contractor must Collect all Containers that are readily accessible to
1074 Contractor's crew and Collection Vehicles and not blocked.

1075 7.07 Manner of Collection. Contractor must provide Commercial Collection Service with as little
1076 disturbance as possible and must leave any Container at the same point it originally located without
1077 obstructing alleys, roadways, driveways, sidewalks or mail boxes.

1078 7.08 Non-Collection. Contractor is not required to Collect any Commercial Garbage that is not
1079 placed in a Garbage Container unless such Commercial Garbage is outside the Garbage Container
1080 because of Overage. In the event of non-collection or Overage, Contractor must follow the steps as set
1081 forth in Section 3.10.

1082 7.09 Carts. Contractor shall procure and supply all Commercial Service Recipients that
1083 subscribe to Cart service with new Garbage and Recyclable Materials Carts by April 1, 2023. All Garbage,
1084 Organic Waste and Recyclable Materials Carts must meet the color and labelling requirements of 14 CCR
1085 18984 (a)-(c). Specifically, Garbage Carts must be black or grey, Organic Waste Carts must be green, and
1086 Recyclable Materials Carts must be blue, and with all such Cart colors subject to pre-approval by the City.
1087 Labels on all Carts must be durable long-lasting labels placed on the Cart lids and must specify what
1088 materials are allowed to be placed in each container and items that are prohibited container Contamination
1089 for each container, subject to pre-approval by the City. Contractor shall continue to procure and supply
1090 sufficient Carts as necessary to meet the needs of all Commercial Service Recipients for the duration of
1091 the Agreement. Contractor shall not be entitled to or eligible for any change in Contractor's Compensation
1092 for any expenses related to the Carts purchased pursuant to the first sentence in this Section. Depreciation
1093 and interest expenses for all Carts purchased by Contractor pursuant to the first sentence in this Section
1094 shall not be included in the amounts of depreciation and interest used for the purposes of determining any
1095 Annual Indexed Adjustment to Contractor's Compensation per Section 4.02 nor for the purposes of a
1096 Detailed Compensation Review per Section 4.03. City shall directly reimburse Contractor for the following
1097 costs associated with the Recyclable Materials Carts (but not the Garbage Carts or Organic Waste Carts)
1098 purchased pursuant to the first sentence of this Section: assembly and distribution, reclamation of existing
1099 carts for recyclable materials, taxes, and freight. Contractor shall provide City with an invoice showing actual
1100 amounts paid for costs to be reimbursed by City pursuant to the immediately preceding sentence.

1101 7.10 Bins. Contractor must make commercially reasonable efforts to distribute newly painted
1102 and labelled Bins to all Commercial Service Recipients in the Service Area that subscribe to Garbage,
1103 Organic Waste and Recycling Bin service by December 1, 2022 with such Bins meeting the color and
1104 labelling requirements of 14 CCR 18984 (a)-(c). All Garbage and Organic Waste Bins must display
1105 Contractor's name and Contractor's customer service telephone number and website and all Recycling
1106 Bins must display City's name and City's customer service telephone number and website. Garbage and
1107 Organic Waste Bins must be free of dents and painted as needed to maintain an orderly appearance
1108 throughout the term of the Agreement, but not less frequently than once every three years. Garbage and
1109 Organic Waste Bins may be subject to periodic, unscheduled inspections by City and determination as to
1110 sanitary condition will be made by City. Contractor shall continue to procure and supply sufficient Garbage
1111 and Organic Waste Bins as necessary to meet the needs of all Commercial Service Recipients for the
1112 duration of the Agreement. Contractor shall not be entitled to or eligible for any change in Contractor's
1113 Compensation for any expenses related to the Bins purchased pursuant to the first sentence in this Section.
1114 Depreciation and interest expenses for all Bins purchased or upgraded by Contractor pursuant to the first
1115 sentence in this Section shall not be included in the amounts of depreciation and interest used for the
1116 purposes of determining any Annual Indexed Adjustment to Contractor's Compensation per Section 4.02
1117 nor for the purposes of a Detailed Compensation Review per Section 4.03.

1118 7.11 Container Exchange. Upon notification to Contractor by City or a Service Recipient that a
1119 change in the size of their Containers is required, Contractor must deliver such Containers to such Service
1120 Recipient within five (5) Work Days.

1121 7.12 Container Replacement. Contractor's employees must avoid damage to Containers by
1122 unnecessary rough treatment. Any Container damaged by the Contractor must be replaced by Contractor,
1123 at Contractor's expense, within five (5) Work Days at no cost or inconvenience to the Service Recipient.

1124 7.12.1 Upon notification to Contractor by City or a Service Recipient that the Service
1125 Recipient's Cart(s) has been stolen or damaged beyond repair through no fault of Contractor, Contractor
1126 must deliver a replacement Cart(s) to such Service Recipient within five (5) Work Days. Contractor must
1127 maintain records documenting all Cart replacements occurring and report through the Waste Reporting
1128 System.

1129 7.12.2 Each Commercial Service Recipient is entitled to the replacement of one (1) lost,
1130 destroyed, or stolen Garbage and Organic Container every ten (10) years during the term of this Agreement
1131 at no cost to the Service Recipient. Accordingly, Contractor may bill the Service Recipient for the cost of
1132 those replacements in excess of one (1) Garbage and Organic Container per Commercial Service Recipient
1133 during the term of the Agreement, in accordance with the Container Replacement charge per Exhibit 3.
1134 Contractor must deliver a replacement Container to such Service Recipient within five (5) Work Days.

1135 7.13 Container Repair. Contractor is responsible for repair of Containers. Within five (5) Work
1136 Days of notification by City or a Service Recipient of the need for such repairs, Contractor must repair the
1137 Container or if necessary, remove the Container for repairs and deliver a replacement Container to the
1138 Service Recipient. Container repair also includes the removal of graffiti from the Container.

1139 7.14 Large Item Collection Service. Contractor must provide Large Item Collection Service to all
1140 Commercial Service Recipients in the Service Area that 1) include dwelling units and 2) whose Large Items
1141 have been placed within six (6) feet of the curb, swale, paved surface of the public roadway, closest

1142 accessible roadway, or other such location agreed to by Contractor and Service Recipient, that will provide
1143 safe and efficient accessibility to Contractor's Collection crew and Collection Vehicle.

1144 7.14.1 General. Each Commercial Service Recipient that includes dwelling units is
1145 annually entitled to receive Large Item Collection of up to a combined annual maximum of the equivalent
1146 of (a) four (4) Large Items, or (b) twelve (12) 32-gallon bags of Garbage per dwelling unit for up to twenty
1147 (20) units at no additional cost and expense. The Contractor may bill the Service Recipient a charge per
1148 Exhibit 3 for Large Item Collection Service in excess of the annual amounts listed in this Section 7.14,
1149 provided that Contractor provides notice to the Commercial Service Recipient in advance of scheduling and
1150 providing Large Item Collection Service that would be subject to a charge.

1151 7.14.2 Frequency of Service. Large Item Collection Service will be provided to
1152 Commercial Service Recipients that include dwelling units within ten (10) Work Days of a request from the
1153 Commercial Service Recipient. The Service Recipient may not commingle Large Items with Garbage, and
1154 the Service Recipient may not use Large Item Collection Service as a supplement to regular Garbage or
1155 Organic Waste Collection Service.

1156 7.14.3 Contractor shall work with the property manager of each eligible Commercial
1157 Service Recipient to arrange for a Large Item Collection at a designated location within the Commercial
1158 Service Recipient on the scheduled Collection date. Only the property manager or other designated
1159 representative of an eligible Commercial Service Recipient may request and schedule Large Item
1160 Collection, not tenants.

1161 7.14.4 Contractor shall, in coordination with the City, develop and implement a program
1162 whereby eligible Commercial Service Recipients can notify their tenants of the availability of the Large Item
1163 Collection Service, and instructing the tenants to request Large Item Collection service through the property
1164 manager or other designated representative of the Commercial Service Recipient.

1165 7.14.5 Large Items Containing Freon. In the event Contractor Collects Large Items that
1166 contain Freon, Contractor must handle such Large Items in a manner such that the Large Items are not
1167 subject to regulation as Hazardous Waste under applicable State and Federal laws or regulations.

1168 7.14.6 Maximum Reuse and Recycling. Contractor must dispose of Large Items collected
1169 from Service Recipients pursuant to this Agreement in accordance with the following hierarchy:

1170 7.14.6.1 Reuse as is (where energy efficiency is not compromised).

1171 7.14.6.2 Disassemble for reuse or Recycling.

1172 7.14.6.3 Recycle.

1173 7.14.6.4 Disposal.

1174 7.14.7 Disposal of Large Items. Contractor may not landfill such Large Items unless the
1175 Large Items cannot be reused or recycled.

1176 7.14.8 City Direction of Large Items. City reserves the right to direct Contractor to take
1177 specific types of Large Items Collected pursuant to this Section to designated sites not more than twenty
1178 (20) miles from City Hall for the purpose of reuse or Recycling at no cost. Contractor has no obligation to

1179 dispose of the Large Item Residue remaining at the directed site or sites after scavengers and recyclers
1180 have removed reusable or recyclable Large Items.

1181 Article 8. Roll-off Services

1182 8.01 Conditions of Service. Except as set forth below, Contractor must provide Roll-off
1183 Services to Service Recipients in the Service Area requesting such service. Roll-off Collection Services
1184 are governed by the following terms and conditions. Contractor has the exclusive right and obligation to
1185 provide Roll-off Service in the City.

1186 8.02 Frequency and Scheduling of Service and Hours of Collection. Roll-off Service is a non-
1187 regular temporary service and is scheduled and provided on the request of a Service Recipient in
1188 coordination with the Contractor. Roll-off Service is not a substitute for regular Residential or Commercial
1189 Collection Services. Roll-off Collection Service must not commence earlier than 6:00 a.m. and terminating
1190 no later than 7:00 p.m., Monday through Saturday, except for Holidays.

1191 8.03 Manner of Collection. The Contractor must provide Roll-off Collection Service with as little
1192 disturbance as possible and must leave any Roll-off Containers in a designated accessible location meeting
1193 the requirements of the City and the Service Recipient without obstructing alleys, roadways, driveways,
1194 sidewalks or mailboxes. Contractor's employees providing Roll-off Collection Service must follow the
1195 regular walk for pedestrians while on private property and may not trespass nor cross property to the
1196 adjoining premises unless the occupant or owner of both properties has given permission. Care should be
1197 taken to prevent damage to property, including flowers, shrubs, and other plantings. Contractor is
1198 responsible for cleaning up any Garbage, Organic Waste, or C&D Waste that spills from any Roll-off
1199 Container during provision of Roll-off Collection Service.

1200 8.04 Roll-off Containers. Contractor is responsible for ensuring that its Roll-off Containers are
1201 well maintained, durable, safe, and labelled in accordance with Container contents. Any Roll-off Containers
1202 that may contain liquids shall be leak proof.

1203 Article 9. City Services

1204 9.01 Conditions of Service. Collection Services provided to City shall be governed by the
1205 following terms and conditions.

1206 9.02 Contractor shall provide Garbage and Organic Waste Collection Services to all City Service
1207 Recipients set forth in Exhibit 1 (and where applicable, subject to the conditions in this section), where the
1208 Containers are not blocked and are accessible by Contractor's Collection Vehicles. The frequency of
1209 collection may be designated by the City, but not to exceed six (6) times per week per container. City may
1210 change the City Service Recipients receiving service, and the container volume and collection frequency
1211 provided to any City Service Recipient, by written notice to Contractor.

1212 9.03 Contractor shall receive written permission from the City before placing any Containers on
1213 City owned property for service, except that no such permission shall be needed to place Containers at
1214 locations specified for such Containers in Exhibit 1.

1215 9.04 Contractor shall limit the number of trips and the path of travel for Collection Vehicles in
1216 City parking lots.

1217 9.05 Public Area Garbage and Organic Waste Collection. At no additional cost or expense to
1218 the City, Contractor shall provide Garbage and Organic Waste Collection Service from Containers placed
1219 at the public-right-of-way locations designated by the City in Exhibit 6, in Containers provided by the City.
1220 Garbage and Organic Waste Containers shall be serviced on a regular schedule of no less than one (1)
1221 day per week, and up to five (5) days per week for high usage areas, or as-needed basis as directed by the
1222 City, to avoid any Overage of Garbage or Organic Waste.

1223 9.06 Clean-Up Services. Within two (2) Work Days of a request from the Agreement
1224 Administrator, Contractor shall provide Roll-off Containers to support City's requested clean-up services in
1225 the Service Area. City shall be responsible for loading or arranging for loading of each Roll-off Container.
1226 Contractor shall collect, transport and deliver collected Garbage and Organic Waste to a Disposal Facility
1227 or Organic Waste Processing Facility, as appropriate given the characteristics of the load. Contractor shall
1228 deliver, and collect, transport and process the Garbage and/or Organic Waste from up to twenty-four (24)
1229 Roll-off Containers each Calendar Year at no charge to the City. Contractor shall provide written notice to
1230 the Agreement Administrator when twenty (20) such services have been provided. Contractor and City
1231 agree that Contractor shall not exceed twenty-four (24) such services except by written approval of the City.

1232 9.07 Clean-up of Downed Trees. Within one (1) Work Day of a request from the Agreement
1233 Administrator, Contractor shall provide Roll-off Containers to support City's clean-up and removal of
1234 downed trees that result from natural events (storms, high winds etc.) in the Service Area. City shall be
1235 responsible for loading or arranging for loading of each Roll-off Container. Contractor shall collect, transport
1236 and deliver said Organic Waste to an Organic Waste Processing Facility. Contractor shall deliver, and
1237 collect, transport and process Organic Waste from up to ten (10) Roll-off Containers each Calendar Year
1238 at no charge to the City. Contractor shall provide written notice to the Agreement Administrator when eight
1239 (8) such services have been provided. Contractor and City agree that Contractor shall not exceed ten (10)
1240 such services except by written approval of the City.

1241 9.08 City Fire Prevention Clean-ups. Within four (4) Work Days of a request from the Agreement
1242 Administrator, Contractor shall provide Roll-off Containers to support City's fire prevention efforts.
1243 Contractor shall collect, transport and deliver said Organic Waste to an Organic Waste Processing Facility.
1244 Contractor shall deliver, and collect, transport and process Organic Waste from up to twenty-four (24) Roll-
1245 off Containers each Calendar Year at no charge to the City. Contractor shall provide written notice to the
1246 Agreement Administrator when twenty (20) such services have been provided. Contractor and City agree
1247 that Contractor shall not exceed twenty-four (24) such services except by written approval of the City.

1248 9.09 City Roll-off Collection Service. Contractor shall provide Roll-off Collection Services to the
1249 City facilities locations identified in Exhibit 7. Contractor shall provide City with the prioritization of Roll-off
1250 Collection Service that it provides to other Service Recipients, and at the minimum sizes and frequencies
1251 of collection identified in Exhibit 7. Contractor will provide Roll-off Collection Service to the City within 36
1252 hours of request. Contractor may request a meet and confer with the City to add Roll-off routing capacity if
1253 needed service levels increase such that additional routing is needed to meet this service expectation.

1254 9.10 Abandoned Garbage/Illegal Dumping Reporting. When conducting service within the City,
1255 Contractor shall direct its Collection Vehicle drivers to report to Contractor sightings of illegal dumping of
1256 Garbage or Organics Waste by recording: (i) the addresses of any Service Recipient where Garbage,
1257 Recyclable Material, and/or Organic Waste is accumulating; and (ii) the address, or other location

description at which Garbage, Recyclable Material, and/or Organic Waste has been dumped. Contractor shall report to the City sightings and the recorded address within two (2) Work Days.

9.11 Abandoned Garbage/Illegal Dumping Clean-up. At City's direction, Contractor shall collect, transport and process dumped items from up to fifty (50) illegal dumping clean-up requests per year at no additional charge to City. Contractor shall respond to clean up items within one (1) Work Day. Contractor shall provide written notice to the Agreement Administrator when forty (40) such services have been provided. Contractor and City agree that Contractor shall not exceed fifty (50) such services except by written approval of the City.

9.12 City-Sponsored Events Service. Upon request by the City, Contractor shall provide Garbage and Organic Waste Containers and Collection Services at up to five (5) City-Sponsored Events annually at no cost to the City.

9.13 Large Item Collection Service. Contractor shall collect Large Items, including E-Waste and Universal Waste, from City Service Recipients as listed on Exhibit 1 on an on-call basis on the same terms and conditions as are provided to Residential Service Recipients.

Article 10. Back-up Recycling Collection Services

10.01 Back-up Recycling Collection Service by Contractor Collection Vehicle driven by Contractor Driver. Contractor shall, upon request by the City, provide back-up Collection Vehicles to be driven by a Contractor driver(s), to provide collection of Recyclable Materials, subject to compliance with all applicable collective bargaining agreements and the availability of said Collection Vehicles accompanied by Contractor drivers. The provisions of this Agreement pertaining to liability and insurance shall apply to Contractor's Collection Vehicles and drivers while provided to the City under this Section 10.01. Upon such a request by the City, Contractor shall coordinate with the City to provide the Collection Vehicles and Contractor drivers for back-up collection of Recyclable Materials and shall do so in a manner meeting the Collection Service expectations contained in this Agreement. Contractor will be compensated by City for provision of the back-up Collection Vehicles and Contractor drivers based upon the charges listed in Exhibit 3. The City and Contractor may enter into a separate agreement regarding use of the Contractors drivers if necessitated by applicable collective bargaining agreements.

10.02 Contractor shall also, upon request by the City, provide back-up Collection Vehicles for use by City drivers to provide collection of Recyclable Materials, subject to the availability of said Collection Vehicles. Upon such a request by the City, Contractor shall coordinate with the City to provide Collection Vehicles for use by City drivers for back-up collection of Recyclable Materials and shall do so in a manner meeting the Collection Service expectations contained in this Agreement. Contractor will be compensated by City for provision of back-up Collection Vehicles based upon the charges listed in Exhibit 3. The City and Contractor shall enter into a separate agreement to address allocation of liability and application of insurance related to City driver use of Contractor's back-up Collection Vehicles. City and Contractor may enter into a separate agreement regarding Contractor's providing back-up Collection Vehicles to provide such collection of Recyclable Materials.

Article 11. Collection Routes

11.01 Service Routes. Contractor must provide City with and publicly display on its website maps precisely defining Collection routes, together with the days and the times at which Collection will regularly commence. Contractor shall update such maps on its website within four (4) Work Days of any change in Collection routes.

11.02 Service Route Changes. Contractor must submit to City, in writing, any proposed route change (including maps thereof) not less than sixty (60) calendar days prior to the proposed date of implementation. Contractor may not implement any route changes without the prior review of the Agreement Administrator. If the change will change the Collection day for a Service Recipient, Contractor must notify those Service Recipients in writing of route changes not less than thirty (30) days before the proposed date of implementation.

11.03 Collection Route Audits. City reserves the right to conduct audits of Contractor's Collection routes. Contractor must cooperate with City in connection therewith, including permitting City employees or agents, designated by the Agreement Administrator, to ride in the Collection Vehicles to conduct the audits. Contractor has no responsibility or liability for the salary, wages, benefits or worker compensation claims of any person designated by the Agreement Administrator to conduct such audits.

11.04 Route Map Update. Contractor must revise the Service Recipient route maps to show the addition of Service Recipients added due to annexation and must provide such revised maps to the Agreement Administrator as requested.

Article 12. Minimum Performance Standards

12.01 Administrative Charges and Penalties. Administrative charges and penalties as detailed in Exhibit 2 may be assessed on the Contractor by the City pursuant to this Agreement. Charges and penalties will be adjusted by the change in the CPI All Other a maximum of one time annually.

12.02 Billing/Financial Audit and Performance Reviews. Contractor shall review its billings to all Service Recipients. The purpose of the review is to determine that the amount which the Contractor is billing each Service Recipient is correct with regard to the level of service (i.e., frequency of collection, size of container, location of container) and Service Rates and charges in effect at the time. The Contractor shall review Service Recipient accounts not less than every two (2) years and provide a written certification to the City that all such billing is correct. The documentation of the review, as well as verification that any errors have been corrected should be provided to the City within thirty (30) days of Contractor's completion of the billing review.

12.02.1 Selection and Cost. City may conduct billing audit, financial audit and performance reviews (together, "reviews") of Contractor's performance at any time during the term of this Agreement. The reviews will be performed by the City or a qualified firm under contract to City. City will have the final responsibility for the selection of the firm. City may conduct reviews at any time during the term of the Agreement. City and Contractor agree to each pay fifty percent (50%) of the cost of the audits and performance reviews.

12.02.2 Purpose. The reviews will be designed to verify that billings have been properly calculated and they correspond to the level of service received by the Service Recipient, verify that

Contractor is correctly billing for all Collection Services provided, Franchise Fees, Integrated Waste Management Fees required under this Agreement have been properly calculated and paid to City, verify Contractor's compliance with the reporting requirements and performance standards of this Agreement, verify the diversion percentages reported by Contractor, and verify any other provisions of the Agreement. City (or its designated consultant) may utilize a variety of methods in the execution of this review, including, but not limited to, analysis of relevant documents, on-site and field observations, and interviews. City (or its designated consultant) will review and document the items in the Agreement that require Contractor to meet specific performance standards, submit information or reports, perform additional services, or document operating procedures, that can be objectively evaluated. This information will be documented and be formatted in a "compliance checklist" with supporting documentation and findings tracked for each of the identified items. City (or its designated consultant) may review the customer service functions and structure utilized by Contractor. This may include Contractor's protocol for addressing complaints and service interruption procedures. Complaint logs may be reviewed, along with procedures and systems for tracking and addressing complaints. On-site and field observations by City (or its designated consultant) may include, but are not necessarily limited to:

1. Interviews and discussions with Contractor's administration and management personnel;
2. Review and observation of Contractor's customer service functions and structure;
3. Review of public education and outreach materials;
4. Interviews and discussions with Contractor's financial and accounting personnel;
5. Interviews with route dispatchers, field supervisors and managers;
6. Interviews with route drivers;
7. Interviews with Collection Vehicle maintenance staff and observation of maintenance practices; and
8. Review of on-route Collection Services, including observation of driver performance and collection productivity and visual inspection of residential routes before and after collection to evaluate cart placement and cleanliness of streets.

12.02.3 Contractor's Cooperation. Contractor shall cooperate fully with the review and provide all requested data, including operational data, financial data and other data reasonably requested by City within fifteen (15) Work Days of the request.

12.02.4 Additional Billing/Financial Audit and Performance Review. In the event that the Billing/Financial Audit and Performance Review concludes that Contractor is not in compliance with all terms and conditions of this Agreement and such non-compliance is material, Contractor is subject to administrative charges and penalties as described in Exhibit 2 as well as reimbursement to the City for the full cost of the audit plus any underpayments discovered during the Audit. Additionally, City may conduct an Additional Billing Audit and Performance Review to ensure that Contractor has cured any such area of non-compliance. Contractor will be responsible for the cost of any such Additional Billing/Financial Audit and Performance Review for a maximum cost of Fifty Thousand Dollars (\$50,000) to be adjusted by the annual change in the CPI All Other a maximum of one time annually.

12.02.5 City Requested Program Review. City reserves the right to require Contractor to periodically conduct reviews of the Residential and Commercial Garbage and Organic Waste collection programs, provided that such reviews are reasonable and can be accomplished at no additional cost to Contractor and without interfering with Contractor's operations. Such reviews could assess one or more of

the following performance indicators: average volume of Organic Waste per setout per Service Recipient, participation level, Contamination levels, etc. Prior to the program evaluation review, City and Contractor will meet and discuss the purpose of the review and agree on the method, scope, and data to be provided by Contractor.

Article 13. Collection Equipment

13.01 Equipment Specifications. All equipment used by Contractor in the performance of Collection Services under this Agreement must be of a high quality and meet all Federal, State, and local regulations and air quality standards. Collection Vehicles must be designed and operated so as to prevent collected materials from escaping from the Collection Vehicles. Hoppers must be closed on top and on all sides with screening material to prevent collected materials from leaking, blowing or falling from the Collection Vehicles. All Collection Vehicles and Containers must be watertight and must be operated so that liquids do not spill during Collection or in transit.

13.01.1 Collection Vehicles. Contractor shall make commercially reasonable efforts to operate primary Collection Vehicles that do not exceed ten (10) years from the date of manufacture, except for backup and Roll-off Collection Vehicles. Contractor must notify City of a need to use any Collection Vehicle exceeding ten (10) years from the date of manufacture as a primary Collection Vehicle. Such notification must accompany documentation demonstrating that such Collection Vehicle is in good operating condition, meets required safety and emissions standards, and is free of leaks. Collection Vehicles must use renewable diesel. During the Term, to the extent required by law, Contractor shall provide its Collection Vehicles to be in full compliance with all Applicable Laws, including State and Federal clean air requirements that are adopted or proposed to be adopted, including, but not limited to, the California Air Resources Board Heavy Duty Engine Standards as currently proposed to be contained in California Code of Regulations, title 13, sections 2020 et seq., the Federal EPA's Highway Diesel Fuel Sulfur regulations and all other applicable air pollution control laws. Collection Vehicles used for Collection of Large Items may not use compactor mechanisms or mechanical handling equipment that may damage reusable goods or release Freon or other gases from pressurized appliances.

13.01.2 Fleet Planning. Contractor will work with the City to replace Contractor's current Collection Vehicles (as inventoried pursuant to Section 13.06) with Collection Vehicles that will reduce carbon emissions. As of the Effective Date of this Agreement, Contractor will fuel all diesel Collection Vehicles with renewable diesel.

13.01.3 Electric or Zero Emission Collection Vehicles. At such time as it is technologically and economically feasible, and unless a "Notice of Non-Extension" has previously been provided by either party per Section 2.03, Contractor shall purchase electric or other zero emission Collection Vehicles and procure electricity or other fuel from qualifying sources to support procurement goals. City and Contractor shall proactively take such steps as are necessary to plan for, and upon City direction, execute transition of the Contractor's Collection Vehicles to reliance on electricity or other zero emission technologies as a fuel source. Contractor shall report to the City no less than annually on the status of the transition. The City and Contractor shall, no less than annually, confer on the degree to which it is technologically and economically feasible to transition some or all Collection Vehicles to electricity or other zero emission technology. In determining whether it is economically feasible to transition Collection Vehicles per this Section, the City and Contractor shall review and evaluate Contractor's current and historical finances and profitability compared

to the targeted Operating Ratio listed in Exhibit 5. The transition to electric or other zero emission Collection Vehicles will be economically feasible when the cost, including depreciation and interest, of each such proposed electric or other zero emission Collection Vehicle that is in excess of the cost, including depreciation and interest, of a conventional diesel Collection Vehicle is projected, taking into account Contractor's projected revenue and other net operating costs, exclusive of Pass-Through Costs and Non-Allowable Costs, and without a Compensation adjustment, to achieve an Operating Ratio of ninety and one-half percent (90.5%) or less. Upon a determination by the City that it is technologically and economically feasible to transition some or all Collection Vehicles to electricity or other zero emissions technology, Contractor shall proceed to purchase and operate such vehicles on a schedule mutually agreed to by Contractor and City, and Contractor shall only be entitled to or eligible for a change in Contractor's Compensation for the cost, including depreciation and interest, of replacement diesel Collection Vehicles but not for the excess cost, including depreciation and interest, of transitioning to electric or zero emission Collection Vehicles. For the purposes of determining any Annual Indexed Adjustment to Contractor's Compensation per Section 4.02, and for the purposes of conducting any Detailed Compensation Review per Section 4.03, depreciation and interest expenses for all Collection Vehicles purchased by Contractor pursuant to this Section shall not include any amounts of depreciation and interest above the amounts that would have been incurred had Contractor replaced Collection Vehicles with diesel Collection Vehicles and not transitioned to electric or zero emission Collection Vehicles per this Section. Contractor shall be entitled to a change in Contractor's Compensation for construction of an electric charging or other fueling station, subject to the mutual agreement of the City and Contractor and approval of the City Council. Contractor will coordinate with the City in finding or constructing a suitable charging or other fueling station for Contractor's electric or other zero emission Collection Vehicles.

13.01.4 Collection Vehicle Size Limitations / Overweight Vehicle Charge. Contractor may not use any Collection Vehicle in violation of weight limitations in Applicable Law. The Contractor may exceed the Collection Vehicle size limitation for a limited time due to extraordinary circumstances or conditions with the prior written consent of the Agreement Administrator. The limited time may not exceed 120 days. Contractor must report all instances of overweight Collection Vehicles to City quarterly and as part of its Annual Reports to the City. Contractor may be assessed administrative charges as specified in Article 12 as a result of exceeding an overweight Collection Vehicle rate of five percent (5.00%) in any Calendar Year during the term of the Agreement, except to the extent resulting from extraordinary circumstances, as described below. The overweight Collection Vehicle rate will be calculated as the total number of overweight Collection Vehicle instances during the Calendar Year, divided by the total number of Collection Vehicle loads transported during the Calendar Year. Prior to collecting administrative charges for overweight Collection Vehicles, the City shall afford Contractor a reasonable opportunity to provide the Agreement Administrator documentation of the extraordinary circumstance that caused the overweight Collection Vehicles. Extraordinary circumstances in this particular case include, but may be limited to, heavy rains or high winds that caused excess Green Waste to be generated, rain to accumulate in open Containers, or normal Collection routes to be delayed or shortened to extreme weather conditions. The Agreement Administrator shall have authority to consider Contractor's documentation and uphold and collect the assessed charge, to reduce the charge, or waive and dismiss the charge. The Agreement Administrator shall also have the authority to waive charges in advance of an anticipated, or in response to an actual, emergency event.

13.01.5 Registration; Inspection. All Collection Vehicles used by Contractor in providing Collection Services under this Agreement, except those Collection Vehicles used solely on Contractor's premises, are to be registered with the California Department of Motor Vehicles. In addition, each such Collection Vehicle must be inspected by the California Highway Patrol in accordance with Applicable Law. Within two (2) Work Days of a request from the Agreement Administrator, Contractor must provide City a copy of its Collection Vehicle maintenance log and any safety compliance report, including, but not limited to, any report issued under California Vehicle Code sections 34500 and following, as well as the biennial "BIT" inspections conducted by the California Highway Patrol.

13.01.6 Safety Markings. All Collection equipment used by Contractor must have appropriate safety markings including, but not limited to, highway lighting, flashing and warning lights, clearance lights, and warning flags. All such safety markings must be in accordance with the requirements of the California Vehicle Code, as may be amended from time to time.

13.01.7 Vehicle Signage and Painting. Collection Vehicles must be painted and numbered without repetition and must have Contractor's name, Contractor's customer service telephone number, website and the number of the Collection Vehicle painted in letters of contrasting color, at least four (4) inches high, on each side and the rear of each Collection Vehicle. No advertising is permitted other than the name of Contractor, its logo and registered service marks, except promotional advertisement of the Organic Waste programs, which is encouraged. City to approve any promotional material of the Organic Waste Programs affixed to or painted on Contractor's Collection Vehicles and may require such promotion to be utilized from time to time in order to encourage correct Recycling, reduce Contamination, and provide relevant education. Contractor must repaint all Collection Vehicles during the term of this Agreement on a frequency as necessary to maintain a positive public image as reasonably determined by the Agreement Administrator, but not less often than once every five years beginning January 1, 2023.

13.02 Vehicle Certification. For each Collection Vehicle used in the performance of Collection Services under this Agreement, Contractor must obtain a certificate of compliance (smog check) issued pursuant to Part 5 of Division 26 of the California Health and Safety Code (Section 43000 and following) and regulations promulgated thereunder and/or a safety compliance report issued pursuant to Division 14.8 of the California Vehicle Code (Section 34500 and following) and the regulations promulgated thereunder, as applicable to the Collection Vehicle. Contractor must maintain copies of such certificates and reports and must make such certificates and reports available for inspection upon request by the Agreement Administrator.

13.03 No later than January 1, 2023, Contractor must submit to the Agreement Administrator verification that each of the Contractor's Collection Vehicles has passed the California Heavy Duty Vehicle Inspection. Thereafter, Contractor must cause each Collection Vehicle in Contractor's Collection fleet to be tested annually in the California Heavy Duty Inspection Program and must, upon request, submit written verification to City within ten (10) Work Days of the completion of such test. Contractor may not use any Collection Vehicle that does not pass such inspection.

13.04 Equipment Maintenance. Contractor must maintain Collection equipment in a clean condition and in good repair at all times. All parts and systems of the Collection equipment must operate properly and be maintained in a condition satisfactory to City. Contractor must wash all Collection Vehicles at least once a week.

13.05 Maintenance Log. Contractor must maintain a maintenance log for all Collection Vehicles. The log must at all times be accessible to City by physical inspection upon request of Agreement Administrator, and must show, at a minimum, each Collection Vehicle Contractor assigned identification number, date purchased or initial lease, dates of performance of routine maintenance, dates of performance of any additional maintenance, and description of additional maintenance performed.

13.06 Equipment Inventory. On or before July 1, 2022 Contractor shall provide to City an inventory of Collection Vehicles and major equipment used by Contractor for Collection or transportation and performance of Collection Services under this Agreement. The inventory must indicate each Collection Vehicle by Contractor assigned identification number, DMV license number, the age of the chassis and body, type of fuel used, the type and capacity of each Collection Vehicle, the number of Collection Vehicles by type, the date of acquisition, the decibel rating and the maintenance and rebuild status. Contractor must submit to the Agreement Administrator, either by e-mail, an updated inventory annually to the City or more often at the request of the Agreement Administrator. Each inventory must also include the tare weight of each Collection Vehicle as determined by weighing at a certified scale used by Contractor. Each Collection Vehicle inventory must be accompanied by a certification signed by Contractor that all Collection Vehicles meet the requirements of this Agreement.

13.07 Reserve Equipment. Contractor shall have available to it, at all times, reserve Collection equipment which can be put into service and operation within one (1) hour of any breakdown. Such reserve equipment must correspond in size and capacity to the equipment used by the Contractor to perform the contractual duties.

Article 14. Contractor's Office

14.01 Contractor's Office. Contractor shall maintain an office or call center where calls, emails and complaints can be received within the City. Such office must be equipped with enough telephones that all Collection Service-related calls received during normal business hours are answered by an employee. The office must have responsible persons in charge during Collection hours and must be open during such normal business hours, 7:30 a.m. to 3:30 p.m. on Monday through Friday. Contractor must provide either a local or toll-free telephone number that connects to the call center, and a telephone answering service or mechanical device to receive Service Recipient inquiries during those times when the office is closed. Calls received after normal business hours must be addressed the next Work Day morning.

14.02 Emergency Contact. Contractor must provide the Agreement Administrator with an emergency phone number where the Contractor can be reached outside of the required office hours.

14.03 Multilingual/TDD Service. Contractor's service and emergency telephone numbers must be accessible by a local (City) phone number or toll-free number. Contractor shall also maintain service and emergency telephone numbers accessible by teletypewriter (TTY) devices, including cellphone and smartphone. The service telephone number(s) shall be listed in the telephone directories covering City's boundaries and must be under Contractor's name in the commercial and residential listings. Contractor's service and emergency numbers, including TTY numbers, shall be available through an online search and listed on the Contractor's website. Contractor must at all times maintain the capability of responding to telephone calls in English and such other languages as City may direct. Contractor must at all times maintain the capability of responding to telephone calls through Telecommunications Device for the Deaf (TDD) Services.

1541 14.04 Service Recipient Calls. During office hours, Contractor must maintain a telephone
1542 answering system capable of accepting at least five (5) incoming calls at one time. Contractor must record
1543 all calls including any inquiries, service requests and complaints into a customer service log. All incoming
1544 calls will be answered at the local office or call center within 5 rings. Any call “on-hold” in excess of 1.5
1545 minutes must have the option to remain “on-hold” or request a “call-back” from a customer service
1546 representative. Contractor’s customer service representatives must return Service Recipient calls and
1547 emails. For all phone messages left before 3:00 p.m., all “call backs” must be attempted a minimum of one
1548 time prior to 3:00 p.m. on the day of the call. For messages left after 3:00 p.m., all “call backs” must be
1549 attempted a minimum of one time prior to noon the next Work Day. Contractor must make minimum of three
1550 (3) attempts within one (1) Work Day of the receipt of the call. If Contractor is unable to reach the Service
1551 Recipient on the next Work Day, Contractor must send a postcard or email to the Service Recipient on the
1552 second Work Day after the call was received, indicating that the Contractor has attempted to return the call.
1553 Email messages must be responded to within one (1) Work Day.

1554 14.05 Customer Service. All service inquiries and complaints will be directed to Contractor. A
1555 representative of Contractor must be available to receive the complaints during normal business hours.
1556 Contractor is required to maintain a Customer Service Management System for handling of complaints
1557 received by the Contractor or City for Collection Services provided by this Agreement. All service complaints
1558 will be handled by Contractor in a prompt and efficient manner. Complaints must be addressed and resolved
1559 within three (3) Work Days. In the case of a dispute between Contractor and a Service Recipient, the matter
1560 will be reviewed, and a decision made by the Agreement Administrator. By June 1, 2023, Contractor will
1561 utilize a new Customer Service Management System to maintain a record of all inquiries and complaints in
1562 a manner prescribed by City. The Customer Service Management System shall also provide for City’s
1563 access to it and include, but not be limited to, the functionalities listed below:

- 1564 14.05.1 Real time identification of service days and routing.
- 1565 14.05.2 Identification of stopped accounts and generation of daily stop lists.
- 1566 14.05.3 Service Recipient address and contact information.
- 1567 14.05.4 Tracking of Containers by address and service location.
- 1568 14.05.5 Tracking of Garbage, Organic Waste and Recycling routes and service days.
- 1569 14.05.6 Tracking of Container deliveries, late-set outs and missed pickups.
- 1570 14.05.7 Creation of route sheets and delivery lists for Garbage, Organic Waste and
1571 Recycling routes.
- 1572 14.05.8 Notations for any special services, on-premises services, or special conditions for
1573 any Service Recipient.
- 1574 14.05.9 Documentation of any Service Recipient site visits conducted by Contractor or City.
- 1575 14.05.10 Documentation of all Contamination or Overages.
- 1576 14.05.11 Allow for attachment of photos, notices, other documentation in a Service
1577 Recipients account.

Waste Containers, and Garbage Containers). Each inspection shall involve lifting the Container lid and observing the contents but shall not require Contractor to disturb the contents or open any bags. If Contractor observes Contamination Contractor shall follow the provisions outlined in Section 3.09. Contractor may select the Containers to be inspected at random, or (if mutually agreed with the City) by any other method not prohibited under the SB 1383 regulations. Contractor will also collect photographic documentation during route reviews. For the avoidance of doubt, Contractor shall not be required to annually inspect every Container on a route. Contractor shall include the results of each Route Review in its next regularly scheduled report to City as required by Section 17.

<u>Route Size (# Garbage accounts/ week)</u>	<u>Minimum Number of Containers</u>
Less than 1,500	25
1,500-3,999	30
4,000-6,999	35
7,000 or more	40

15.04 Compliance Reviews. At least once annually, beginning in 2022, Contractor shall review the records of its Commercial Service Recipients in the City that are subscribed for at least two (2) cubic yards per week of combined Garbage, Organic Waste and Recyclable Materials service, to determine whether those Commercial Service Recipients are subscribed for Organic Waste collection service or have an applicable waiver. Contractor shall include the results of each compliance review in its quarterly reports to the City, as required by Section 17.

15.05 Site Visits. Based on Contractor's Compliance Reviews of the list of Commercial Service Recipients requiring site visit compiled in accordance with Section 15.04 above, Contractor shall conduct an annual site visit to each Commercial Service Recipient in the City that is determined to not be subscribed to Organic Waste Collection Service and is not eligible for a waiver. During the site visits, Contractor shall encourage those businesses to sign up for SB 1383 compliant Organics Waste Collection Service and provide educational material about SB 1383's requirements. Contractor will also collect photographic documentation during all site visits. The Contractor shall conduct no less than 30 in-depth, in-person, diversion site visits per quarter.

15.06 Education and Outreach. Prior to July 1, 2022, and annually thereafter, Contractor shall provide the information listed below to all Service Recipients under the Agreement. This information will be provided, at a minimum, through print and electronic media, on the Contractor's website, and may also be provided through workshops, meetings and/or on-site visits. Contractor shall collaborate with the City in the development of solid waste brochures for residential and commercial Service Recipients and split the cost (50/50) to design and print all solid waste brochures. The Contractor also agrees to attach a full-service brochure to each residential cart in the City, at the City's discretion, beginning at the earliest in Calendar Year 2022 and at a maximum of every three years thereafter, with the costs not being included in Contractor's Compensation. Contractor shall provide Commercial Service Recipients with interactive assistance such as employee trainings, in a virtual or in-person format, when Organic Waste Collection Service is added, or upon request.

15.06.1 Information on the Service Recipient's requirements to properly separate Organic Waste and Recyclable Materials into appropriate Containers.

15.06.2 Information on methods for: the prevention of Organic Waste generation, recycling Organic Waste on-site, sending Organic Waste to community composting, and any other local requirements regarding Organic Waste.

15.06.3 Information regarding the methane reduction benefits of reducing the landfill disposal of Organic Waste, and the methods of Organic Waste recovery contemplated by the Agreement.

15.06.4 Information regarding how to recover Organic Waste.

15.06.5 Information related to the public health and safety and environmental impacts associated with the landfill disposal of Organic Waste.

15.07 Waivers. Unless other arrangements have been made by the City, Contractor shall be responsible for the distribution, collection and evaluation of waiver applications as appropriate and provide the City a recommendation to accept or deny waiver requests. Contractor shall develop waiver application forms and shall provide them to the City for its approval prior to use. Contractor shall evaluate requests for exemption or waiver from SB 1383 requirements on the basis of physical space or de minimis generation and provide the City with periodic recommendations and supporting documentation to deny or approve waivers, including a site visit and re-evaluation at least every five years as required by the SB 1383 Regulations.

15.08 Edible Food Recovery. Unless other arrangements have been made by the City, Contractor shall provide the City with a list of Tier One commercial edible food generators located in the City by April 1, 2023 and annually thereafter. Contractor shall provide the City with a list of Tier Two commercial edible food generators located within their jurisdiction by January 1, 2024 and annual thereafter. Tier One and Tier Two edible food generators are defined in El Cerrito Municipal Code Chapter 8.12.010. Unless other arrangements have been made by the City, Contractor shall provide educational materials to Service Recipients discovered to be out of compliance with the SB 1383 Regulations requirements (e.g., Tier 1 or 2 generator not donating edible food, insufficient interior containers, etc.) and report a list of such Service Recipients as well as actions taken to the City on a periodic basis.

15.09 Compliance Plan. Contractor, at its own expense, must prepare, submit and implement an annual (Calendar Year) Compliance Plan ("Plan"), which will guide Contractor's work efforts. This Plan will include measures to meet diversion targets, increase diversion, and increase participation of Service Recipients in Recycling and Organic Waste programs, and should target certain materials or "problem" areas, including Recycling and Organic Waste sorting and Contamination, within Contractor's Service Area where improvements can be maximized. Planned outreach and education services, and outreach materials should be included as part of the Plan and updated annually. Targets of outreach should be based on local Solid Waste trends from data obtained by both the City and Contractor, and other reputable sources. Contractor will maintain current and state-of-the-art public outreach and education services throughout the term of this Agreement by providing outreach materials to Service Recipients electronically (via email and social media) in addition to print. Contractor must submit first year draft Plan to the City by September 1, 2022. City will review and provide revisions to draft Plan within thirty (30) days of receipt. Contractor must revise and submit final Plan to City by December 1, 2022. The Compliance Plan must include the following:

15.09.1 City-specific website. Contractor shall maintain a City-specific website that fully explains the Contractor's Collection Services and Service Rates, the diversion options available, and allows Service Recipients to submit service changes, inquiries, complaints or queries. The website must describe and promote the use of the available Recyclable Materials and Organic Waste services in the City. Contractor's local website must provide information specific to the City's programs. Contractor will ensure that information provided on the website is maintained and up to date. Content will include proper container set out, educational materials, newsletters and program descriptions. Contractor's website shall include all information required in SB 1383 18985.1 (a), including the list of edible food recovery services 18985.2 (a).

15.09.2 Available Services Notice and Information. At least annually Contractor must publish and distribute (by mail and electronically) a notice to all Service Recipients regarding the full range of services offered by Contractor and City. The notice must contain at a minimum (i) clear descriptions of the materials to be Collected, (ii) procedures for setting out materials, (iii) the days when Garbage Collection Services and Organic Waste Collection Services will be provided, (iv) Contractor's local customer service phone number, (v) instructions on the proper filling of Containers, (vi) instructions as to what materials may or may not be placed in Recyclable Materials or Organic Waste Containers, (vii) how to select container sizes to maximize diversion, (viii) participation in Recycling and Organic Waste programs, (ix) the charges for Overage and Contamination in the event of non-compliance, (x) the availability of on-premises Collection Services, including the availability of no-charge on-premises Collection Services for qualified persons, (xi) Large Items Collection Services; and other services described in this Agreement at the direction of the City. The notice must be provided in English, and other languages as directed by the City, and must be distributed by Contractor no later than October 1 of each year. The Notice shall meet all requirements of SB 1383 18985.1 (a).

15.09.3 Education and Outreach Materials. Contractor must implement public education and outreach in conformance with applicable laws (e.g., SB 1383, AB 1826, AB 827, AB 939, AB 341, AB 1594, etc.) and in coordination with the City. Contractor shall attend public events and host booths to promote education and awareness. Contractor will work with City to identify which special events will be attended. Contractor, together with City, shall work with local media to ensure information on new programs, events, Recycling, Organic Waste etc. is communicated to the community. Contractor shall use a variety of options such as local paper, news, websites, Homeowners Associations, schools and civic groups to distribute information and education about City Solid Waste programs, and events. Contractor shall distribute educational material to Service Recipients a minimum of once a quarter by mail or electronically. These materials should include tips on Recycling properly, use of Organic Waste containers, Composting, battery and electronics education, prevention of Contamination issues, proper Container placement, resource information, and HHW education.

15.09.4 Service Recipient Personnel Training. Contractor shall advise and educate appropriate personnel (management, employees, janitors, etc.) with Commercial Service Recipients on methods and recommendations to decrease landfilling including best practices for Source Separation. Annually and during new staff on-boarding, Contractor shall train customer service representatives and account managers/recycling coordinators serving Organic Waste Service Recipients in the City on the SB 1383 requirements, SB 1383 Regulations as they may be revised from time to time, and on resources available to assist in compliance. Trainings may be in a virtual or in-person format. The Contractor shall establish annual customer service and recycling training for all personnel with the objective of providing

consistent high-level customer service. The Contractor shall provide a copy of the proposed training materials annually, no later than January 31 of each year along with documentation of all staff who received the prior year's training.

15.10 Contractor shall expend at least twenty-five thousand dollars (\$25,000) per year (as adjusted annually by the CPI All Other) for development and subsequent implementation of the Plan, which may include the annual subscription cost for the Waste Reporting System and consultants but may not include direct personnel or benefit costs associated with the Contractor's staff designated pursuant to Section 15.01.

15.11 Tri-Annual Customer Satisfaction Assessment and Survey. The Contractor shall establish a tri-annual customer satisfaction assessment and survey, with the first tri-annual survey completed by December 31, 2024. The customer satisfaction assessment will include an improvement plan, and the Contractor shall report the results of the assessment and the improvement plan to the City once finalized. The Contractor shall submit a draft of the survey to the City for approval by April 1 of each year that the survey is to be conducted.

Article 16. Emergency Service

16.01 Revised Services During an Emergency. In the event of a major storm, earthquake, fire, natural disaster, pandemic, or other such event, the Agreement Administrator may grant the Contractor a variance from regular routes and schedules, which will not be withheld unreasonably. As soon as practicable after such event, Contractor must advise the Agreement Administrator when it is anticipated that normal routes and schedules can be resumed. The Agreement Administrator will make an effort through the various outreach media to inform the public when regular Collection Services may be resumed. The clean-up from some events may require that Contractor hire additional equipment, employ additional personnel, or work existing personnel on overtime hours to clean debris resulting from the event. Contractor will receive additional compensation, above the normal Contractor's Compensation contained in this Agreement, to cover the costs of rental equipment, additional personnel, overtime hours and other documented expenses based on the charges per Exhibit 3, provided Contractor has first secured written authorization and approval from City through the Agreement Administrator. City will be given equal priority and access to resources as with other jurisdictions held by Contractor or its affiliates.

16.02 Disaster Recovery Support. In the event of a tornado, major storm, earthquake, fire, natural disaster, or other such event, Contractor agrees to provide disaster recovery support to a reasonable degree, upon request by Agreement Administrator. This may include additional hauling of debris, temporary storage of debris where feasible, additional disposal, use of different transfer and disposal facilities, and documentation of debris type, weight, and diversion. Contractor should follow protocol laid out in the Contra Costa County or City Disaster Debris Plans, as applied to Solid Waste hauling and handling.

Article 17. Record Keeping and Reporting Requirements

17.01 Record Keeping.

17.01.1 Accounting Records. Contractor must maintain full, complete and separate financial, statistical and accounting records, pertaining to cash, billing, and provisions of all Collection Services, prepared on an accrual basis in accordance with generally accepted accounting principles. Such records will be subject to audit, copy, and inspection. Gross receipts derived from provision of the Collection

Services will be recorded as revenues in the accounts of Contractor. The Contractor shall keep and preserve, during the Term of this Agreement, and for a period of not less than four (4) years following expiration or other termination hereof, full, complete and accurate records, including all cash, billing and disposal records, as indicated in the Agreement.

17.01.2 City reserves the right to request audited, reviewed, or compiled financial statements prepared by an independent Certified Public Accountant, or as may be provided by Contractor or its parent company. In the event that Contractor does not maintain separate financial or accounting records prepared specifically for Collection Services provided under this Agreement, Contractor may use industry standard allocation methods to provide financial information as applicable to the service provided under this Agreement.

17.01.3 Material Records. Contractor must maintain records of the quantities of (i) Residential and Commercial Garbage Collected and disposed under the terms of this Agreement, (ii) Organic Waste by type, Collected, purchased, processed, sold, donated or given for no compensation, and residue disposed under the terms of this Agreement.

17.01.4 Other Records. Contractor must maintain all other records reasonably related to provision of Collection Services, whether or not specified in this Agreement.

17.02 Monthly Report of Franchise Fee and Integrated Waste Management Fee Payments. Contractor must submit a monthly report of Franchise Fee and Integrated Waste Management Fee Payments within thirty (30) days of the end of each month. The monthly payment report must include an accounting of Contractor's Gross Revenue received during the preceding month, and the calculated Franchise Fee payment. It must also include an accounting of receipts of Integrated Waste Management Fees paid by Service Recipients.

17.03 Quarterly Reports. Contractor must submit quarterly reports no later than 5 p.m. pacific time on the last day of the month following the end of the prior quarter (January – March, April – June, July – September, October – December). Quarterly reports must be provided electronically using software acceptable to the City. If the last day of the month falls on a day that City is closed or a Holiday, then the report will be due on the next Work Day.

17.04 Annual Reports. Contractor must submit annual reports no later than 5 p.m. PT on April 1, 2023 and each April 1st thereafter for the previous Calendar Year. If April 1st falls on a day that City is closed, then the report will be due on the next Work Day. Annual reports must be submitted in hard copy and must also be provided electronically in software acceptable to the City.

17.05 Report Format. All reports to be submitted in a format approved by the City and in a format specified by the City and must at minimum include the details listed in Exhibit 8.

Article 18. Nondiscrimination

18.01 Nondiscrimination. In the performance of all work and Collection Services under this Agreement, Contractor may not discriminate against any person based on such person's race, sex, color, national origin, religion, marital status, immigration status, disability, or sexual orientation or gender identity. Contractor must comply with all applicable local, State and Federal laws and regulations regarding nondiscrimination, including those prohibiting discrimination in employment.

Article 19. Quality of Performance of Contractor

19.01 Intent. Contractor acknowledges and agrees that one of City's primary goals in entering into this Agreement is to ensure that the Collection Services are of the highest caliber, that Service Recipient satisfaction remains at the highest level, that maximum diversion levels are achieved, and that materials Collected are put to the highest and best use to the extent possible.

19.02 Service Supervisor. Contractor must assign a qualified supervisor to be in charge of the Collection Service within the Service Area and must provide the name of that person in writing to the Agreement Administrator within thirty (30) days prior to the Effective Date, and at any time the person in that position changes. The supervisor must be physically located in the Service Area and available to the Agreement Administrator through the use of telecommunication equipment at all times that Contractor is providing Collection Services. In the event the supervisor is unavailable due to illness or vacation, Contractor must designate an acceptable substitute who will be available and who has the authority to act in the same capacity as the supervisor.

19.03 Agreement Manager. Contractor must designate an Agreement Manager and must provide the name of that person in writing to City within thirty (30) days prior to the Effective Date and any time the person in that position changes. The Agreement Manager must be available to the City through the use of telecommunications equipment at all times that Contractor is providing Collection Services in the Service Area. The Agreement Manager must provide City with an emergency phone number where the Agreement Manager can be reached outside of normal business hours.

19.04 Administrative Charges and Penalties. Quality performance by the Contractor is of primary importance. In respect of this, Contractor agrees to pay City administrative charges and penalties as per Exhibit 2 should Contractor fail to meet its responsibilities under this Agreement. Should Contractor be in breach of the requirements set forth in this Agreement, it is mutually understood and agreed that the public will necessarily suffer damages and that such damages, from the nature of the default in performance will be extremely difficult and impractical to fix. City finds, and the Contractor agrees, 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 will 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 this 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) 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.

19.05 Procedure for Review of Administrative Charges. The Agreement Administrator may assess administrative charges and penalties as specified in Article 12 pursuant to this Agreement monthly. As needed during the term of this Agreement, the Agreement Administrator will issue a written notice to

Contractor ("Notice of Assessment") of the administrative charges assessed and the basis for each assessment.

19.05.1 The assessment will become final unless, within ten (10) calendar days of the date of the notice of assessment, Contractor provides a written request for a meeting with the City Manager to present evidence that the assessment should not be made.

19.05.2 The Agreement Administrator will schedule a meeting between Contractor and the City Manager as soon as reasonably possible after timely receipt of Contractor's request.

19.05.3 The City Manager will review Contractor's evidence and render a decision sustaining or reversing the administrative charges as soon as reasonably possible after the meeting. Written notice of the decision will be provided to Contractor.

19.05.4 In the event Contractor does not submit a written request for a meeting within ten (10) calendar days of the date of the Notice of Assessment, the Agreement Administrator's determination will be final.

19.05.5 City's assessment or collection of administrative charges will not prevent City from exercising any other right or remedy, including the right to terminate this Agreement, for Contractor's failure to perform the work and services in the manner set forth in this Agreement.

19.06 Uncontrollable Circumstances.

19.06.1 If either party is prevented from or delayed in performing its duties under this Agreement by circumstances beyond its control, whether or not foreseeable, including, without limitation, acts of terrorism, landslides, lightning, forest fires, storms, floods, severe weather, freezing, earthquakes, other natural disasters, the threat of such natural disasters, pandemics (or threat of same), quarantines, civil disturbances, acts of the public enemy, wars, blockades, public riots, strikes, lockouts, or other labor disturbances, acts of government or governmental restraint (including but not limited to public health orders by Contra Costa County or State officials) or other causes, whether of the kind enumerated or otherwise, that are not reasonably within the control of the affected party, then the affected party will be excused from performance hereunder during the period of such disability.

19.06.2 If either party is prevented from or delayed in performing its duties under this Agreement by circumstances beyond its control, as defined in this Article 19, such failure of or delay in performance shall not constitute a default or breach. The party prevented or delayed shall perform the duty as soon as practicable after the circumstance preventing or delaying service has abated.

19.06.3 A party prevented from or delayed in performing its duties under this Agreement by circumstances beyond its control shall provide the other party with notice immediately upon learning that it will be prevented from or delayed in performing the duty.

Article 20. Performance Bond

20.01 Performance Bond. No later than the Effective Date, Contractor must furnish to City, and keep current, a performance bond, for the faithful performance of this Agreement and all obligations arising hereunder in an amount of one and one half million dollars (\$1,500,000) and satisfy the requirements listed below.

1925 21.03.5 If Contractor maintains higher limits than the minimum shown above, the City
1926 requires and shall be entitled to coverage for the higher limits maintained by the Service Provider. Any
1927 available insurance proceeds in excess of the specified minimum limits of insurance and coverage shall be
1928 available to the City.

1929 21.04 Deductibles and Self-Insured Retention. Any deductibles or self-insured retention must be
1930 declared to City's risk manager. Should City form a reasonable belief that Contractor may be unable to pay
1931 any deductibles or self-insured retentions, Contractor must procure a bond guaranteeing payment of losses
1932 and related investigations, claim administration and defense expenses in an amount specified by City's risk
1933 manager.

1934 21.05 Requirements for All Contractor Insurance Policies.

1935 21.05.01 General Liability, Automobile and Environmental Liability Coverage. Contractor's
1936 general liability, automobile, and environmental liability policies required by this Agreement shall contain
1937 the following:

1938 1. City, its officers, employees, agents and contractors are to be covered as
1939 additional insureds as respects: Liability arising out of activities performed by, or on behalf of, Contractor;
1940 products and completed operations of Contractor; premises owned, leased or used by Contractor; and
1941 automobiles owned, leased, hired or borrowed by Contractor. The coverage must contain no special
1942 limitations on the scope of protection afforded to City, its officers, employees, agents and contractors.

1943 2. Contractor's insurance coverage must be primary insurance as respects
1944 City, its officers, employees, agents and contractors. Any insurance, or self-insurance maintained by City,
1945 its officers, employees, agents or contractors will be in excess of Contractor's insurance and will not
1946 contribute with it.

1947 3. Any failure to comply with reporting provisions of the policies will not
1948 affect coverage provided to City, its officers, employees, agents, or contractors.

1949 4. Coverage must State that Contractor's insurance will apply separately to
1950 each insured against whom claim is made or suit is brought, except with respect to the limits of the
1951 insurer's liability.

1952 21.05.02 All Coverage. Each insurance policy required by this Agreement must be
1953 endorsed to state that coverage may not be canceled except after thirty (30) calendar days (ten (10) days
1954 in the event of cancellation for non-payment) prior written notice has been given to City. Moreover,
1955 Contractor will not order the cancellation of any required insurance policy or change in insurance policy
1956 limits without thirty (30) days prior written notice to City by Contractor.

1957 21.06 Acceptability of Insurers. Insurance is to be placed with insurers having an A.M. Best rating
1958 of A-/VII or better.

1959 21.07 Verification of Coverage. Contractor must furnish City with certificates of insurance and
1960 with original endorsements affecting coverage required by this Agreement. The certificates and endorsement
1961 for each insurance policy are to be signed by a person authorized by that insurer to bind coverage on its
1962 behalf. Contractor must furnish City with a new certificate of insurance and endorsements on each renewal
1963 of coverage or change of insurers.

1964 21.07.1 Proof of insurance must be mailed to the following address or any subsequent
1965 address as may be directed by the City:

1966 City of El Cerrito Public Works Department
1967 Attn: Operations + Environmental Services Division Manager
1968 10890 San Pablo Avenue
1969 El Cerrito, CA 94530

1970 21.08 Modification of Insurance Requirements. The insurance requirements provided in this
1971 Agreement may be modified or waived by City's risk manager, in writing, upon the request of Contractor if
1972 City's risk manager determines such modification or waiver is in the best interest of City considering all
1973 relevant factors, including exposure to City.

1974 21.09 Rights of Subrogation. All required insurance policies must preclude any underwriter's
1975 rights of recovery or subrogation against City with respect to matters related to Contractor's performance of
1976 its obligations under this Agreement, with the express intention of the parties being that the required
1977 insurance coverage protects both parties as the primary coverage for any and all losses covered by the
1978 above-described insurance. Contractor must ensure that any companies issuing insurance to cover the
1979 requirements contained in this Agreement agree that they will have no recourse against City for payment or
1980 assessments in any form on any policy of insurance. The clauses 'Other Insurance Provisions' and 'Insured
1981 Duties in the Event of an Occurrence, Claim or Suit' as it appears in any policy of insurance in which City is
1982 named as an additional insured will not apply to City.

1983 21.10 Failure to maintain insurance. Should Contractor fail to obtain or maintain insurance as
1984 required by this Agreement, Contractor shall have 7 days to cure the defect, during which time City shall
1985 have the option, but not the obligation to, at Contractor's sole expense: (i) hire replacement Collection
1986 Services to perform Contractor's tasks until insurance coverage is resumed; or (ii) obtain replacement
1987 insurance coverage during said cure period. Should Contractor fail to correct this defect, City shall have the
1988 option to terminate this Agreement immediately.

1989 Article 22. Hold Harmless and Indemnification

1990 22.01 Hold Harmless. Contractor releases and shall hold City, its elected officials, officers,
1991 agents, employees and volunteers harmless from all of Contractor's claims, demands, lawsuits, judgments,
1992 damages, losses, or injuries and from all liability to Contractor, to Contractor's employees, to Contractor's
1993 contractors or subcontractors, or to the owners of Contractor's firm, which damages, losses, injuries or
1994 liability occur during the work or Collection Services required under this Agreement, or performance of any
1995 activity or work required under this Agreement.

1996 22.02 Defense and Indemnity of Third-Party Claims/Liability. Contractor shall indemnify, defend
1997 with legal counsel reasonably approved by City, and hold harmless City, its officers, officials, employees and
1998 volunteers ("City indemnitee") from and against all liability including, but not limited to, loss, damage,
1999 expense, or cost (including without limitation reasonable legal counsel fees, expert fees and all other costs
2000 and fees of litigation) of every nature arising out of or in connection with Contractor's negligence,
2001 recklessness or willful misconduct in the performance of work hereunder or its failure to comply with any of
2002 its obligations contained in this Agreement, except such loss or damage which is caused by the active
2003 negligence or willful misconduct of City. Should conflict of interest principles preclude a single legal counsel
2004 from representing both City and Contractor, or should City otherwise find Contractor's legal counsel

unacceptable, then Contractor shall reimburse City its costs of defense, including without limitation reasonable legal counsel fees, expert fees and all other costs and fees of litigation. The Contractor shall promptly pay City any final judgment rendered against City (and its officers, officials, employees and volunteers) with respect to claims determined by a trier of fact to have been the result of Contractor's negligence, recklessness or willful misconduct in the performance of work hereunder or its failure to comply with any of its obligations contained in this Agreement. It is expressly understood and agreed that the foregoing provisions are intended to be as broad and inclusive as is permitted by the law of the State of California and will survive termination of this Agreement.

22.02.1 Contractor's obligations under this section apply regardless of whether or not such claim, charge, damage, demand, action, proceeding, loss, stop notice, cost, expense, judgment, civil fine or penalty, or liability was caused in part or contributed to by a City Indemnitee. However, without affecting the rights of City under any provision of this Agreement, Contractor shall not be required to indemnify and hold harmless City for liability attributable to the active negligence or willful misconduct of City, provided such active negligence or willful misconduct is determined by agreement between the parties or by findings of a court of competent jurisdiction. In instances where City is shown to have been actively negligent or guilty of or willful misconduct and where City's active negligence or willful misconduct accounts for only a percentage of the liability involved, the obligation of the Contractor will be for that entire portion or percentage of liability not attributable to the active negligence or willful misconduct of City.

22.03 Nonwaiver. City does not waive, nor shall be deemed to have waived, any indemnity, defense or hold harmless rights under this section because of the acceptance by City, or the deposit with City, of any insurance certificates or policies described in Article 21.

22.04 Diversion Indemnification. Subject to the requirements of Public Resources Code section 40059.1, which will control in the event of any conflict with the provisions of this Section, Contractor agrees to protect and defend City Indemnitees with counsel selected by Contractor and approved by City, to pay all attorneys' fees, and to indemnify and hold City Indemnitees harmless from and against all fines or penalties imposed by the California Integrated Waste Management Board if the diversion goals specified in California Public Resources Code section 41780, as it may be amended, are not met by City with respect to the materials Collected by Contractor and if the lack in meeting such goals is attributable to the failure of Contractor to implement and operate the diversion programs or undertake the related activities required by this Agreement. In the event CalRecycle provides an administrative process to challenge the imposition of a compliance order or a fine or fines, Contractor will be responsible for engaging any consultants or attorneys necessary to represent City in any challenge. All consultants and attorneys engaged hereunder are subject to the agreement of City and Contractor.

22.05 Hazardous Substances Indemnification. Contractor agrees to indemnify, defend (with counsel reasonably approved by City), protect and hold harmless the City Indemnitees from and against any and all Claims of any kind whatsoever paid, suffered or incurred by or against the City Indemnitees resulting from any repair, cleanup, removal action or response action undertaken pursuant to CERCLA, the Health & Safety Code or other similar Federal, State or local law or regulation, with respect to Solid Waste or Household Hazardous Waste Collected and Disposed of by Contractor. The foregoing indemnity is intended to operate as an agreement pursuant to Section 107(e) of CERCLA and Section 25364 of the Health &

Safety Code to defend, protect, hold harmless and indemnify the City Indemnitees from all forms of liability under CERCLA, the Health & Safety Code or other similar Federal, State or local law or regulation.

22.06 Release Regarding Articles XIIC and XIID of the California Constitution. City intends to comply with all applicable laws concerning the Service Rates. Upon thorough analysis, the parties have made a good faith determination that the Service Rates for the Collection Services provided under this Agreement are not subject to California Constitution Articles XIIC and XIID because, among other reasons, such services are provided by a private corporation and not by City, Service Rates are calculated pursuant to the terms of this Agreement to provide Contractor's Compensation, the City does not impose Service Rates on any Service Recipient or property, the receipt of Collection Services is voluntary and not required of any property within City, and any owner or Service Recipient of property within City has the opportunity to avoid the Collection Services available under this Agreement either through self-hauling or use of property in such a manner that Solid Waste is not generated. Accordingly, and subject to Section 4.08, Contractor agrees to hold harmless and release the City Indemnitees from and against any and all claims Contractor may have against the City Indemnitees resulting in any form from the Service Rates or in connection with the application of California Constitution Article XIIC and Article XIID to the imposition, payment or collection of the Service Rates. This Section will survive the expiration or termination of this Agreement for Claims arising prior to the expiration or termination of this Agreement.

22.07 Consideration. It is specifically understood and agreed that the consideration inuring to Contractor for the execution of this Agreement consists of the promises, payments, covenants, rights and responsibilities contained in this Agreement.

22.08 Obligation. This Agreement obligates Contractor to comply with the foregoing indemnification and release provisions; however, the collateral obligation of providing insurance must also be complied with as set forth in this Agreement.

22.09 Exception. Notwithstanding other provisions of this Agreement, Contractor's obligation to indemnify, hold harmless and defend City, its officers and employees will not extend to any loss, liability, penalty, damage, action or suit arising or resulting solely from acts or omissions constituting active negligence, willful misconduct, breach of this Agreement, or violation of law on the part of City, its officers or employees.

22.10 Damage by Contractor. If Contractor's employees or subcontractors cause any injury, damage or loss to City property, including but not limited to City streets or curbs, excluding normal wear and tear, Contractor shall reimburse City for City's cost of repairing or replacing such injury, damage or loss. Such reimbursement is not in derogation of any right of City to be indemnified by Contractor for any such injury, damage or loss. With the prior written approval of City, Contractor may repair the damage at Contractor's sole cost and expense. Any injury, damage or loss to private property caused by the negligent or willful acts or omissions of Contractor to private property must be repaired or replaced by Contractor at Contractor's sole expense. Disputes between Contractor and its Service Recipients or private property owners as to damage to private property are civil matters and complaints of damage will be referred to Contractor as a matter within its sole responsibility and as a matter within the scope of Article 22.

Article 23. Default of Agreement

23.01 Termination. City may terminate this Agreement, except as otherwise provided below in this Section, by giving Contractor thirty (30) calendar days' advance written notice, to be served as provided in this Agreement, upon the happening of any one of the following events:

23.01.1 Contractor voluntarily takes the benefit of any present or future insolvency statute, or makes a general assignment for the benefit of creditors, or files a voluntary petition in bankruptcy (court) or a petition or answer seeking an arrangement for its reorganization or the readjustment of its indebtedness under the Federal bankruptcy laws or under any other law or statute of the United States or any State thereof, or consents to the appointment of a receiver, trustee or liquidator of all or substantially all of its property; or

23.01.2 By order or decree of a court, Contractor is adjudged bankrupt or an order is made approving a petition filed by any of its creditors or by any of the stockholders of Contractor, seeking its reorganization or the readjustment of its indebtedness under the Federal bankruptcy laws or under any law or statute of the United States or of any State thereof, provided that if any such judgment or order is stayed or vacated within sixty (60) calendar days after the entry thereof, any notice of default will be and become null, void and of no effect; unless such stayed judgment or order is reinstated in which case, such default will be deemed immediate; or by, or pursuant to, or under the authority of any legislative act, resolution or rule or any order or decree of any court or governmental board, agency or officer having jurisdiction, a receiver, trustee or liquidator takes possession or control of all or substantially all of the property of Contractor, and such possession or control continues in effect for a period of sixty (60) calendar days; or

23.01.3 Contractor has defaulted, by failing or refusing to pay in a timely manner the administrative charges or other monies due to City and such default is not cured within thirty (30) calendar days of receipt of written notice by City to do so; or

23.01.4 Contractor has defaulted by allowing any final judgment for the payment of money owed to City to stand against it unsatisfied and such default is not cured within thirty (30) calendar days of receipt of written notice by City to do so; or

23.01.5 In the event that the monies due to City under Section 23.01.3 above or an unsatisfied final judgment under Section 23.01.4 above is the subject of a judicial proceeding, Contractor will not be in default if the sum of money is bonded. All bonds must be in the form acceptable to the City Attorney; or

23.01.6 Contractor has defaulted, by failing or refusing to perform or observe the terms, conditions or covenants in this Agreement, including the maintenance of a performance bond in accordance with Article 20, or any of the rules and regulations promulgated by City pursuant thereto or has wrongfully failed or refused to comply with the instructions of the Agreement Administrator relative thereto and such default is not cured within thirty (30) calendar days of receipt of written notice by City to do so, or if by reason of the nature of such default, the same cannot be remedied within thirty (30) calendar days following receipt by Contractor of written demand from City to do so, Contractor fails to commence the remedy of such default within such thirty (30) calendar days following such written notice or having so commenced fails thereafter to continue with diligence the curing thereof (with Contractor having the burden of proof to demonstrate (a) that the default cannot be cured within thirty (30) calendar days, and (b) that it is proceeding with diligence to cure such default, and such default will be cured within a reasonable period of time). However,

notwithstanding anything contained herein to the contrary, for the failure of Contractor to provide Collection Services for a period of three (3) consecutive Work Days, City may secure Contractor's records on the fourth (4th) Work Day in order to provide interim Collection Services until such time as the matter is resolved and Contractor is again able to perform pursuant to this Agreement; provided, however, if Contractor is unable for any reason or cause to resume performance at the end of thirty (30) calendar days all liability of City under this Agreement to Contractor will cease and this Agreement may be terminated by City.

23.02 Violations. Notwithstanding the foregoing and as supplemental and additional means of termination of this Agreement under this Article, in the event that Contractor's record of performance shows that Contractor has defaulted in the performance of any of the covenants and conditions required herein to be kept and performed by Contractor three (3) or more times in any twelve (12) month period, and regardless of whether the Contractor has corrected each individual condition of default, Contractor will be deemed a "habitual violator", will be deemed to have waived the right to any further notice or grace period to correct, and all such defaults will be considered cumulative and collectively will constitute a condition of irredeemable default. City will thereupon issue Contractor a final warning citing the circumstances therefor, and any single default by Contractor of whatever nature, subsequent to the occurrence of the last of such cumulative defaults, will be grounds for immediate termination of this Agreement. In the event of any such subsequent default, City may terminate this Agreement upon giving of written final notice to Contractor, such cancellation to be effective upon the date specified in City's written notice to Contractor, and all contractual fees due hereunder plus any and all charges and interest will be payable to such date, and Contractor will have no further rights hereunder. Immediately upon the specified date in such final notice Contractor must cease any further performance under this Agreement.

23.03 Effective Date. In the event of any of the events specified above, and except as otherwise provided in such subsections, termination will be effective upon the date specified in City's written notice to Contractor and upon such date this Agreement will be deemed immediately terminated and upon such termination, except for payment for Collection Services rendered up to and including the date of termination, all liability of City under this Agreement to Contractor will cease, and City will have the right to call the performance bond and will be free to negotiate with other contractors for the operation of interim and long-term Collection Services. Contractor must reimburse City for all direct and indirect costs of providing any interim Collection Services as a result of Contractor's default in this Agreement.

23.04 Termination Cumulative. City's right to terminate this Agreement is cumulative to any other rights and remedies provided by law or by this Agreement.

23.05 Alternative Service. Should Contractor, for any reason, except the occurrence or existence of any of the events or conditions set forth in Section 19.06 [Uncontrollable Circumstances], refuse or be unable for a period of more than forty-eight (48) hours, to Collect a material portion or all of the Garbage, Organic Waste and C&D which it is obligated under this Agreement to Collect, and as a result, Garbage, Organic Waste and C&D should accumulate in City to such an extent, in such a manner, or for such a time that the City Manager, in the reasonable exercise of the City Manager's discretion, should find that such accumulation endangers or menaces the public health, safety or welfare, then City will have the right to enter into an agreement with another Solid Waste Collection enterprise to Collect any or all Garbage, Organic Waste and C&D which Contractor is obligated to Collect pursuant to this Agreement. City must provide twenty-four (24) hours' prior written notice to Contractor during the period of such event, before contracting

with another Solid Waste Collection enterprise to Collect any or all Garbage, Organic Waste and C&D that Contractor would otherwise collect pursuant to this Agreement for the duration of period during which Contractor is unable to provide such services. In such event, Contractor must undertake commercially reasonable efforts to identify sources from which such substitute Collection Services are immediately available and must reimburse City for all of its expenses for such substitute Collection Services during period in which Contractor is unable to provide Collection Services required by this Agreement.

Article 24. Modifications to the Agreement

24.01 City-Directed Change. City has the power to make changes in this Agreement to impose new rules and regulations on Contractor under this Agreement relative to the scope and methods of providing Collection Services as may from time-to-time be necessary and desirable for the public welfare. The size of Containers specified herein are designed to meet the requirements of the State's mandates including AB 341, AB 1826 and SB 1383. City reserves the right to redirect Garbage, Organic Waste, and C&D to alternate Solid Waste facilities and change the designated sizes of Carts and/or Bins in accordance with any such changes. City will give the Contractor notice of any proposed change and an opportunity to be heard concerning those matters.

24.02 Recycling Collection. City has the power to direct Contractor to undertake Collection of Recyclable Materials from Service Recipients. City and Contractor agree to meet and confer in good faith regarding City's potential interest in such a change to the Collection Services provided by this Agreement, Contractor's ability to provide the requested services, adjustments to this Agreement, and adjustments to Contractor's Compensation that would be requested to implement such a change.

24.03 Adjustments to Contractor's Compensation for a City-Directed Change. In the event of any City-directed change, Contractor shall be entitled to an adjustment to Contractor's Compensation using the procedure described in Exhibit 5. The scope and method of providing Collection Services as referenced herein will be liberally construed to include procedures, operations and obligations, financial or otherwise, of Contractor. In the event that City and Contractor cannot agree on an adjustment to Contractor's Compensation resulting from a City-directed change within six months of the change request, or other period as agreed upon by both parties, City and Contractor agree to submit the proposed change to Contractor's Compensation to binding arbitration as described in Section 24.05.

24.04 Change in Law. City and Contractor understand and agree that the California Legislature has the authority to make comprehensive changes in Solid Waste Collection legislation, and that these and other changes in Applicable Law in the future which mandate certain actions or programs for counties, municipalities or Contractor may require changes or modifications in some of the terms, conditions or obligations under this Agreement. Contractor agrees that the terms and provisions of the City of El Cerrito Municipal Code, as it now exists or as it may be amended in the future, will apply to all of the provisions of this Agreement and the Service Recipients of Contractor located within the Service Area. In the event any future change in Federal law or regulations, State or local law or regulation, or the City Code materially alters the obligations of Contractor, then Contractor may request a change in Contractor's Compensation. Nothing contained in this Agreement will require any party to perform any act or function contrary to law. City and Contractor agree to enter into good faith negotiations regarding modifications to this Agreement which may be required in order to implement changes in the interest of the public welfare or due to a Change in Law.

2204 In the event that City and Contractor agree to a modification to this Agreement to implement changes in the
2205 interest of the public welfare or due to a Change in Law, but they cannot agree on an adjustment to
2206 Contractor's Compensation resulting therefrom, City and Contractor agree to submit the proposed change
2207 to Contractor's Compensation to binding arbitration as described in Section 24.05.

2208 24.05 Arbitration. Arbitration shall be conducted by a single arbitrator. If, within twenty (20) days
2209 from the receipt of a request to arbitrate (or such longer period mutually agreed to by the parties), the parties
2210 are unable to agree on an arbitrator, then a single arbitrator shall be appointed pursuant to the Commercial
2211 Arbitration Rules of the American Arbitration Association, which shall govern any arbitration requested under
2212 this provision. Each party shall bear its own costs and expenses of any arbitration, including its attorneys'
2213 fees. Notwithstanding the immediately preceding sentence subsequent to a Change in Control, the prevailing
2214 party in any arbitration will be entitled to recover from the opposing party all of the prevailing party's costs
2215 and expenses, including reasonable attorneys' fees. Each party shall pay one-half of the costs of the
2216 arbitrator, regardless of whether there has been a Change in Control.

2217 Article 25. Legal Representation

2218 25.01 It is acknowledged that each party was, or had the opportunity to be, represented by
2219 counsel in the preparation of and contributed equally to the terms and conditions of this Agreement and,
2220 accordingly, the rule that a contract will be interpreted strictly against the party preparing the same will not
2221 apply due to the joint contributions of both parties.

2222 Article 26. Conflict of Interest

2223 26.01 Contractor is unaware of any City employee or official that has a financial interest in
2224 Contractor's business. During the term of this Agreement and/or as a result of being awarded this
2225 Agreement, Contractor shall not offer, encourage or accept any financial interest in Contractor's business
2226 by any City employee or official.

2227 Article 27. Contractor's Personnel

2228 27.01 Contractor shall make information about wage rates, benefits and job classifications of
2229 Contractor's employees available to the City prior to any subsequent procurement for the Collection Services
2230 provided hereunder.

2231 27.02 Contractor must employ and assign qualified personnel to perform all services required
2232 under this Agreement. Contractor is responsible for ensuring that its employees comply with all Applicable
2233 Laws related to their employment and position.

2234 27.03 City may request the transfer of any employee of Contractor who materially violates any
2235 provision of this Agreement, or who is wanton, negligent, or discourteous in the performance of their duties
2236 under this Agreement.

2237 27.04 Contractor's field operations personnel are required to wear a clean uniform shirt bearing
2238 Contractor's name. Contractor's employees, who normally come into direct contact with the public, including
2239 drivers, must bear some means of individual photographic identification such as a name tag or identification
2240 card.

2241 27.05 Each driver of a Collection Vehicle must at all times carry a valid California driver's license
2242 and all other required licenses for the type of Collection Vehicle that is being operated.

2243 27.06 Each driver of a Collection Vehicle must at all times comply with all applicable State and
2244 Federal laws, regulations and requirements.

2245 27.07 Contractor's employees, officers, and agents may not identify themselves or in any way
2246 represent themselves as being employees or officials of City.

2247 Article 28. Exempt Waste

2248 28.01 Contractor is not required to Collect or dispose of Exempt Waste but may offer such
2249 services. All such Collection and disposal of Exempt Waste is not regulated under this Agreement, but if
2250 provided by Contractor must be in strict compliance with all Applicable Laws.

2251 Article 29. Independent Contractor

2252 29.01 In the performance of Collection Services pursuant to this Agreement, Contractor is an
2253 independent contractor and not an officer, agent, servant or employee of City. Contractor will have exclusive
2254 control of the details of the services and work performed and over all persons performing such services and
2255 work. Contractor is solely responsible for the acts and omissions of its officers, agents, employees,
2256 contractors and subcontractors, if any. Neither Contractor nor its officers, employees, agents, contractors or
2257 subcontractors will obtain any right to retirement benefits, Workers Compensation benefits, or any other
2258 benefits which accrued to City employees and Contractor expressly waives any claim to such benefits.

2259 Article 30. Laws to Govern

2260 30.01 The law of the State of California governs the rights, obligations, duties and liabilities of
2261 City and Contractor under this Agreement and govern the interpretation of this Agreement.

2262 Article 31. Consent to Jurisdiction

2263 31.01 The parties agree that any litigation between City and Contractor concerning or arising out
2264 of this Contract must be filed and maintained exclusively in the Superior Courts of Contra Costa County,
2265 State of California, or in the United States District Court for the Northern District of California to the fullest
2266 extent permissible by law. Each party consents to service of process in any manner authorized by California
2267 law.

2268 Article 32. Assignment

2269 32.01 No interest in this Agreement may be assigned, sold or transferred, either in whole or in
2270 part, by Contractor without the prior written consent of the City which the City may grant or refuse in its
2271 reasonable discretion. The Contractor shall promptly notify the City in writing at least one hundred twenty
2272 (120) days in advance of the proposed closing of any such proposed assignment, sale or transfer. The
2273 Contractor is encouraged to notify the City as soon as possible of any proposed assignment, sale or transfer.
2274 In the event that the City Council approves of any assignment, sale or transfer, said approval shall not relieve
2275 Contractor of any of its obligations or duties under this Agreement unless this Agreement is modified in
2276 writing to that effect.

2277 32.02 Any such assignment, sale or transfer made by the Contractor without the consent of the
2278 City shall be null and void and the attempted assignment, sale or transfer shall constitute a material breach
2279 of this Agreement and give the City grounds to terminate this Agreement upon written notice to the
2280 Contractor, and upon such termination, all liability of the City under this Agreement to the Contractor shall
2281 cease, and the City (1) shall have the right to call the performance bond; and (2) shall be free to negotiate
2282 with other Solid Waste Collection enterprises to provide Solid Waste Collection Services; and (3) shall have
2283 the right to award an agreement for such services to the enterprise of its choice. For purposes of this section,
2284 "assignment, sale or transfer" shall include, but not be limited to:

2285 32.02.1 A sale, exchange or other transfer to a third party of outstanding common stock of
2286 the Contractor which results in a Change in Control.

2287 32.02.2 A sale to a third party of all or substantially all of the Contractor's assets dedicated
2288 to providing Collection Services required by this Agreement.

2289 32.02.3 Any subcontracting of the Contractor's Collection Services required by this
2290 Agreement.

2291 32.02.4 Any dissolution, reorganization, consolidation, merger, recapitalization, stock
2292 issuance or re-issuance, voting trust, pooling agreement, escrow arrangement, liquidation or other
2293 transaction that results in a Change in Control.

2294 32.02.5 Any combination of the foregoing (whether or not related or contemporaneous
2295 transactions) which has the effect of a Change in Control.

2296 32.02.6 Any assignment by operation of law, including insolvency or bankruptcy,
2297 assignment for the benefit of creditors, writ of agreement for an execution being levied against this
2298 Agreement, appointment of a receiver taking possession of Contractor's property, or transfer occurring in a
2299 probate proceeding that results in a Change in Control.

2300 32.03 The Contractor acknowledges that this Agreement involves rendering a vital service to the
2301 City's residents and businesses, and that the City has selected the Contractor to perform the Collection
2302 Services specified herein based on:

2303 32.03.1 The Contractor's experience, skill and reputation for conducting its Solid Waste
2304 management operations in a safe, effective and responsible fashion, at all times in keeping with applicable
2305 local, state and federal environmental laws, regulations and best management practices.

2306 32.03.2 The Contractor's financial resources to maintain the required equipment and to
2307 support its indemnity obligations to City under this Agreement. The City relied on each of these factors,
2308 among others, in choosing the Contractor to perform the Collection Services to be rendered by the
2309 Contractor under this Agreement.

2310 32.04 The City is concerned about the possibility that an assignment, sale or transfer could result
2311 in significant increases in the costs of Collection Services relative to the costs promised by Contractor that
2312 were a material inducement to City to enter into this Agreement, as well as a change in the quality of service.
2313 Accordingly, the following standards have been set to ensure that any assignment, sale or transfer shall
2314 result in continued quality of service and that the Assignee has the ability to provide Collection Services
2315 without significant increases in costs. At a minimum, no request by the Contractor for the City's consent to

2316 an assignment, sale or transfer need be considered by the City unless and until the Contractor has met the
2317 requirements of this Article 32.

2318 32.05 The Contractor shall reimburse the City for its reasonable, documented expenses for
2319 attorneys and other consultants engaged by the City to investigate the suitability of any proposed Assignee,
2320 and to review and finalize any documentation required as a condition for approving any such assignment. In
2321 furtherance of the Contractor's obligation to the City upon notice by the Contractor of its intention to assign
2322 its rights hereunder the Contractor shall pay the City the sum of one hundred thousand dollars (\$100,000)
2323 as a refundable deposit of such expenses of the City. This amount shall be adjusted by the annual change
2324 in the CPI All Other a maximum of one time annually. The City shall refund to the Contractor any portion of
2325 the deposit that the City does not use for the purposes authorized by this Section 32.05.

2326 32.06 The Contractor shall furnish the City with audited financial statements of the proposed
2327 Assignee's operations for the immediately preceding three (3) operating years.

2328 32.07 The Contractor shall furnish the City with satisfactory proof:

2329 32.07.1 That the proposed Assignee has at least ten (10) years of Solid Waste
2330 management experience including the handling of Solid Waste, Recyclable and Organic Materials on a scale
2331 equal to or exceeding the scale of operations conducted by the Contractor under this Agreement;

2332 32.07.2 That in the last five (5) years, neither the proposed Assignee nor any of its affiliates
2333 have suffered significant major citations or other charges from any federal, state or local agency having
2334 jurisdiction over its operations due to any significant failure to comply with state, federal or local
2335 environmental laws and that the Assignee has provided the City with a complete list of such citations and
2336 charges;

2337 32.07.3 That the proposed Assignee has conducted its operations in a reasonably
2338 environmentally safe and conscientious fashion;

2339 32.07.4 That the proposed Assignee has conducted its Solid Waste management practices
2340 in good faith and substantial compliance with sound management practices, including all federal, state and
2341 local laws regulating the collection and disposal of Solid Waste, including Hazardous Wastes; and

2342 32.07.5 That the proposed Assignee can fulfill the terms of this Agreement in a timely, safe
2343 and effective manner without material changes in the quality of Collection Services or materials increases in
2344 the costs of providing them, in the form of any other available information required by City.

2345 32.08 To assist the City in determining whether to provide consent to an assignment, sale, or
2346 transfer, the City may request from the Assignee (directly or through Contractor) reasonable documentation
2347 of Assignee's understanding of and ability and plan to perform the obligations proposed to be assumed by
2348 Assignee under the Agreement. To assist the City in determining whether to consent to an assignment, sale,
2349 or transfer the City may also require one or more representatives of the Assignee to meet in person to
2350 demonstrate to the City's reasonable satisfaction that the Assignee understands and intends and has the
2351 ability to perform the obligations intended to be assumed under this Agreement.

2352 32.09 Under no circumstances shall the City be obliged to consider any proposed assignment,
2353 sale or transfer by the Contractor if the Contractor is in material breach of any provision of this Agreement
2354 at the time of the request or at any time during the period of consideration of the request. The City will provide

the Contractor with a reasonable opportunity to be heard before the City Manager and the opportunity to correct any such claimed failure of performance or material breach.

32.10 In the event that City approves an assignment, sale or transfer, the Assignee shall not be entitled to request any adjustment in Contractor's Compensation other than as provided under this Agreement.

32.11 Contractor shall provide an annual written update to the City by October 1 of each year detailing the Contractor's plans, actions, accomplishments and next steps with respect to its internal succession planning. Contractor shall meet with the City on request to discuss details of the Contractor's succession planning efforts.

Article 33. Compliance with Laws

33.01 In the performance of this Contractor, Contractor must comply with all Applicable Laws, including, without limitation, the El Cerrito Municipal Code.

33.02 City shall provide written notice to Contractor of any planned amendment of the El Cerrito Municipal Code that would substantially affect the performance of Contractor's Collection Services pursuant to this Agreement. Such notice must be provided at least thirty (30) calendar days prior to the City Council's approval of such an amendment.

Article 34. Permits and Licenses

34.01 Contractor shall obtain, at its own expense, all permits, and licenses required by law or ordinance and maintain same in full force and effect throughout the term of this Agreement. Contractor must provide proof of such permits, licenses or approvals and must demonstrate compliance with the terms and conditions of such permits, licenses and approvals upon the request of the Agreement Administrator.

34.02 The Contractor must have a valid City of El Cerrito Business License throughout the term of the Agreement.

Article 35. Waiver

35.01 Waiver by City or Contractor of any breach for violation of any term covenant or condition of this Agreement will not be deemed to be a waiver of any other term, covenant or condition or any subsequent breach or violation of the same or of any other term, covenant or condition. The subsequent acceptance by City of any fee, tax, or any other monies which may become due from Contractor to City will not be deemed to be a waiver by City of any breach for violation of any term, covenant or condition of this Agreement.

Article 36. Prohibition Against Gifts

36.01 Contractor represents that Contractor is familiar with City's prohibition against the acceptance of any gift by a City officer or designated employee. Contractor may not offer any City officer or designated employee any gifts prohibited by the City.

Article 37. Point of Contact

37.01 The day-to-day dealings between Contractor and City will be between Contractor and the Agreement Administrator.

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Article 38. Notices

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38.01 Except as provided in this Agreement, whenever either party desires to give notice to the other, it must be given by written notice addressed to the party for whom it is intended, at the place last specified and to the place for giving of notice in compliance with the provisions of this Section. For the present, the parties designate the following as the respective persons and places for giving of notice:

2397

As to the City:

2398

Public Works Director

2399

City of El Cerrito Public Works Dept.

2400

10890 San Pablo Avenue

2401

El Cerrito, CA 94350

2402

Telephone: (510) 215-4385

2403

email: yortiz@ci.el-cerrito.ca.us

2404

As to the Contractor:

2405

President

2406

East Bay Sanitary Co., Inc.

2407

1432 Kearney St.

2408

El Cerrito, CA 94350

2409

Telephone: (510) 237-4321

2410

email: markfigone@ebsan.com

2411

2412

38.02 Notices will be effective when received at the address as specified above. Changes in the respective address to which such notice is to be directed may be made by written notice.

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38.03 Notice by City to Contractor of a Collection or other Service Recipient problem or complaint may be given to Contractor orally by telephone at Contractor's local office with confirmation sent to Contractor through the Customer Service System by the end of the Work Day.

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Article 39. Transition to Next Contractor

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39.01 In the event Contractor is not awarded an extension or new contract to continue to provide Collection Services following the expiration or early termination of this Agreement, Contractor will cooperate fully with City and any subsequent contractors to assure a smooth transition of Collection Services described in this Agreement. Such cooperation will include but not be limited to transfer of computer data, files and tapes; providing routing information, route maps, Collection Vehicle fleet information, and list of Service Recipients; providing a complete inventory of all Containers; providing adequate labor and equipment to complete performance of all Collection Services required under this Agreement; taking reasonable actions necessary to transfer ownership of Carts and Bins, as appropriate, to City; including transporting such containers to a location designated by the Agreement Administrator; coordinating Collection of materials set out in new containers if new containers are provided for in subsequent Agreements and providing other reports and data required by this Agreement.

Article 40. Contractor's Records

40.01 Contractor shall keep and preserve, during the Term of this Agreement, full, complete, and accurate financial and accounting records, pertaining to cash, billing and disposal transactions for the Service Area, prepared on an accrual basis in accordance with generally accepted accounting principles. These records and reports are necessary for the City to properly administer and monitor the Agreement and to assist the City in meeting the requirements of the Act. The Contractor shall keep and preserve, during the Term of this Agreement, and for a period of not less than four (4) years following expiration or other termination hereof or for any longer period required by law, full, complete and accurate records as indicated in the Agreement.

40.02 Any records or documents required to be maintained pursuant to this Agreement must be made available for inspection or audit, at any time during regular business hours, upon written request by the Agreement Administrator, the City Attorney, City Auditor, City Manager, or a designated representative of any of these officers. Copies of such documents will be provided to City electronically, available to City for inspection at the local Contractor office, or an alternate site if mutually agreed upon.

40.03 Contractor acknowledges that City is legally obligated to comply with the California Public Records Act ("CPRA"). City acknowledges that Contractor may consider certain records, reports, or information contained therein, ("Records") which Contractor is required to provide to City under this Agreement, to be of a proprietary or confidential nature. In such instances, Contractor will inform City in writing of which records are considered propriety or confidential and shall identify the statutory exceptions to disclosure provided under the CPRA that legally permit non-disclosure of the Records. At such time as City receives a request for records under the CPRA or Federal Freedom of Information Act ("FOIA") or a subpoena or other court order requesting disclosure of the Records, City will notify Contractor of the request, subpoena or order and of City's obligation and intent to provide a response within ten (10) calendar days. Contractor shall within five (5) calendar days either: (i) consent in writing to the disclosure of the Records; or (ii) seek and obtain, at Contractor's sole cost and expense, the order of a court of competent jurisdiction staying or enjoining the disclosure of the Records. If Contractor fails to timely respond, then City may proceed to disclosure the Records in which event Contractor agrees to the disclosure and waives and releases City of any liability for the disclosure of the Records.

40.04 Where City has reason to believe that such records or documents may be lost or discarded in the event of the dissolution, disbandment or termination of Contractor's business, City may, by written request or demand of any of the above-named officers, require that custody of the records be given to City and that the records and documents be maintained in City Hall. Access to such records and documents will be granted to any party authorized by Contractor, Contractor's representatives, or Contractor's successor-in-interest.

Article 41. Entire Agreement

41.01 This Agreement and the attached Exhibits constitute the entire Agreement and understanding between the parties with respect to the subject matter hereof, and the Agreement will not be considered modified, altered, changed or amended in any respect unless in writing and signed by the parties.

2466 **Article 42. Severability**

2467 42.01 If any provision of this Agreement or the application of it to any person or situation is to any
2468 extent held invalid or unenforceable, the remainder of this Agreement and the application of such provisions
2469 to persons or situations other than those as to which it is held invalid or unenforceable, will not be affected,
2470 will continue in full force and effect, and will be enforced to the fullest extent permitted by law.

2471 **Article 43. Right to Require Performance**

2472 43.01 The failure of City at any time to require performance by Contractor of any provision of this
2473 Agreement will in no way affect the right of City thereafter to enforce same. Nor will waiver by City of any
2474 breach of any provision of this Agreement be taken or held to be a waiver of any succeeding breach of such
2475 provision or as a waiver of any provision itself.

2476 **Article 44. Headings**

2477 44.01 Headings in this document are for convenience of reference only and are not to be
2478 considered in any interpretation of this Agreement.

2479 **Article 45. Exhibits**

2480 45.01 Each Exhibit referred to in this Agreement forms an essential part of this Agreement. Each
2481 such Exhibit is a part of this Agreement, and each is incorporated by this reference.

2482 **Article 46. Attorney's Fees**

2483 46.01 In the event that arbitration or litigation is brought by a party in connection with this
2484 Agreement, each party shall bear its own costs and expenses, including, without limitation, attorneys' fees.
2485 Notwithstanding the immediately preceding sentence subsequent to a Change in Control, in the event that
2486 either party brings arbitration or litigation in connection with this Agreement, the prevailing party will be
2487 entitled to recover from the opposing party all costs and expenses, including reasonable attorneys' fees,
2488 incurred by the prevailing party in the exercise of any of its rights or remedies under this Agreement or the
2489 enforcement of any of the terms, conditions, or provisions of this Agreement.

2490 **Article 47. Effective Date**

2491 47.01 This Agreement will become effective when it is properly executed by City and Contractor
2492 and Contractor will begin Collection Services under this Agreement as of June 1, 2022.

2493

2494 IN WITNESS WHEREOF, City and Contractor have executed this Agreement on the respective date(s)
2495 below each signature.

2496 CITY OF EL CERRITO

CONTRACTOR

2497 A Charter Law City

2498 By: _____

By: _____

2499 Karen Pinkos, City Manager

Mark Figone, President

2500

2501

2502 ATTEST: _____

By: _____

2503 Holly M. Charl  ty, City Clerk

Name

2504 APPROVED AS TO FORM

2505 City Attorney

2506 By: _____

Secretary, Assistant Secretary, Financial Officer, Asst.
2507 Treasurer

2508 Sky Woodruff

2509

2510
2511

Exhibit 1
City Service Recipients

2512 Contractor shall provide no-cost Garbage and Organic Waste Collection Services for the
2513 following City Service Recipients.

Location	Service Level	Frequency
1. Arlington Park	(1) 1 Cubic Yard (CY) bin for garbage (1) 64-gallon for green waste	Once Per Week Pickup
2. Cerrito Vista Park	(1) 1 CY bin for garbage	Once Per Week Pickup
3. Community Center	(1) 1 CY bin for garbage (3) 64-gallon carts for green waste	Once Per Week Pickup
4. El Cerrito Library	(2) 64-gallon carts for garbage (2) 64-gallon carts for green waste	Once Per Week Pickup
5. City Hall	(1) 1 CY bin for garbage (1) 64-gallon cart for green waste	Once Per Week Pickup
6. Public Safety Building	(1) 2 CY bin for garbage (1) 64-gallon cart for green waste	Once Per Week Pickup
7. Fire Station #72	(2) 64-gallon carts for garbage (1) 64-gallon cart for green waste	Once Per Week Pickup
8. Corporation Yard	(2) 64-gallon carts for garbage (2) 64-gallon carts for green waste	Once Per Week Pickup
9. Recycling Center	(1) 64-gallon cart for garbage (1) 64-gallon cart for green waste	Once Per Week Pickup
10. Casa Cerrito	(1) 64-gallon cart for garbage (1) 64-gallon cart for green waste	Once Per Week Pickup

2514 **NOTE:** Exhibit 1 may be adjusted from time to time, as needed, to include all premises owned,
2515 operated, or maintained by the City.

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Exhibit 2

Administrative Charges and Penalties

Item		Amount if Not Cured in 30 Days	If Cured in 30 Days
a.	Failure to respond to each complaint within three (3) Work Days of receipt of complaint.	\$100 per incident per Service Recipient.	
b.	Failure to maintain call center hours as required by this Agreement.	\$100 per day.	-0-
c.	Failure to submit to City all reports by the deadlines required under the provisions of this Agreement.	\$100 per day.	-0-
d.	Failure to include all parts of quarterly and annual reports specified Exhibit 8.	\$100 per day.	-0-
e.	Failure to submit to City all payments by the deadlines required under the provisions of this Agreement.	1% of the total amount due if fees are 1 – 10 days late; and 10% of the total amount due if fees are more than 10 days late.	
f.	Failure for Collection Container to be compliant with specifications of this Agreement.	\$50.00/each Collection Container not compliant.	-0-
g.	Failure for Collection Container to be compliant with SB 1383 labeling requirements.	\$50.00/each Collection Container not compliant.	-0-
h.	Failure to display Contractor's name and customer service phone number on Collection Vehicles.	\$100 per incident per day.	-0-
i.	Failure to Collect a missed collection Container by close of the next Work Day upon notice to Contractor, that exceeds twenty (20) in any Calendar Year.	\$1,000 per Calendar year, plus \$10 per incident per day.	-0-
j.	Failure to repair or replace damaged Containers within the time required by this Agreement, that exceeds twenty (20) in any Calendar year.	\$1,000 per Calendar year, plus \$10 per incident per day.	
k.	Failure to maintain collection hours as required by this Agreement.	\$100 per day.	-0-
l.	Failure to have Contractor personnel in Contractor-provided uniforms.	\$25 per day per employee.	-0-

Item		Amount if Not Cured in 30 Days	If Cured in 30 Days
m.	Failure of Contractor to follow Contamination and Overage procedures as set forth in this Agreement.	\$100/day for failure to implement correction plan.	Submit for approval to City and implement plan of correction to City within 30 days.
n.	Vehicle fluid leak incidents from Contractor Collection Vehicles in excess of three (3) during a calendar year.		\$5000 per incident in excess of three (3)
o.	Failure of Contractor to provide proof of performance bond as required by this Agreement	Agreement Default	\$500 per day
p.	Failure of Contractor to provide proof of insurance as required by this Agreement	Agreement Default	\$500 per day
q.	Failure to Collect holiday trees on Collection Days.	\$25 per day.	-0-
r.	Failure to commence service to a new Service Recipient within seven (7) days after order.	\$150 per day	-0-
w.	Failure to initially respond to a Service Recipient complaint within one (1) business day.	\$50.00 per failure to resolve Service Recipient compliant or request	-0-
t.	Failure to conduct the required tri-annual customer satisfaction assessment and survey and report the results to the City.	\$1,000	-0-
u.	Failure to conduct any of the required quarterly in-depth diversion site visits within each calendar quarter.	\$50	-0-
v.	Failure to provide Roll-off hauling service from the City of El Cerrito Recycling and Environmental Resource Center and Corporation Yard within 2 working days of the service being requested.	\$250	-0-
w.	Failure to return containers to original service location with lids closed.	\$50	-0-
x.	Failure to comply with State and Federal vehicle weight limitations.	\$200 per incident after twenty-five (25) such incidents per quarter.	-0-

Item		Amount if Not Cured in 30 Days	If Cured in 30 Days
y.	Failure to use City designated Disposal Facility, Organics Waste Facility, and C&D Processing Facility and failure to comply with Section 3.18.	\$100/ton	-0-
z.	Disposal of Organic Waste in the Disposal Facility without first obtaining the required permission of the City.	\$1,000 per load.	-0-
aa.	Failure to deliver to Service Recipients new Garbage, Organic Waste, and Recyclable Materials Carts meeting color and labelling requirements by the date specified in this Agreement.	\$1,000 plus \$50/day	-0-
bb.	Failure to be in compliance with the terms and conditions of the Agreement pursuant to Section 12.02.4.	\$5,000	-0-

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Exhibit 3 Service Charges

Services charges will be adjusted by the change in the CPI All Other a maximum of one time annually. Amounts listed with an asterisk (*) may fluctuate based on market prices except for labor hours which may fluctuate based on labor agreements; the Contractor shall notify the City of any adjustments to these prices a maximum of one time annually.

Service Charge Type	Charge Per Unit
Standard Service Charges	
Contaminated Container Charge (Per Article 3)	\$25.00
Overage Charge (Per Article 3)	\$25.00
Cart Cleaning (Per Article 3)	\$25.00
Bin Cleaning (Per Article 3)	\$50.00
Roll-off Cleaning (Per Article 3)	\$100.00
Cart / Bin Replacement Charge (Per Articles 6 and 7)*	\$65.00 / \$1,000.00
Additional Large Item Collection Charge (Per Articles 6 and 7)	Per Extra Service Rates Below
Back-up Recycling Collection Services Charges (Per Article 10) and Emergency Service Charges (Per Article 16)	
– Collection Vehicle per day*	\$360.00
– Driver per Hour / Overtime*	\$152.00 / \$174.00
– Driver per Day / Overtime*	\$889.00 / \$1065.00
Extra Service Charges (Services and Charges per Service Recipient Request)	
Extra Solid Waste Collection Services	
Return for Service Charge (if Container not set out)	\$25.00
Extra 15-gal bag of Garbage or Organic Waste	\$6.35
Extra 20-gal bag of Garbage or Organic Waste	\$8.45
Extra 30-gal bag of Garbage or Organic Waste	\$12.65
Extra 64-gal bag of Garbage or Organic Waste	\$26.95
Extra 1/2 CU YD (4 x 30-gal bags)	\$42.50
Extra CU YD (8 x 30-gal bags)	\$85.00
Extra Dump on 1 YD Container	\$110.50

Service Charge Type	Charge Per Unit
Extra Dump on 2 YD Container	\$196.05
Additional Services	
Toilet (Seat & Water Tank)*	\$75.00
Sofa up to 7FT / Sofa Bed*	\$60.00 / \$80.00
Stuffed Chair / Lazy Boy / Recliner*	\$60.00
Twin / Full – Mattress or Box Spring*	\$60.00
Queen / King – Mattress or Box Spring*	\$65.00
Baby Crib Mattress*	\$20.00
TV / Computer Monitor*	\$150.00
Dishwasher / Washer / Dryer / Stove*	\$100.00
Water Heater *	\$80 /+\$10 per gal
Refrigerator / Freezer / AC Unit*	\$125.00
Area Rug 5ft and up*	\$20.00 - \$40.00
Office Chair*	\$20.00
Office Desk*	\$20.00 - \$50.00
Patio Furniture (Tables/Chairs)*	\$50.00 - \$90.00
Dining Table / Chairs*	\$50.00 - \$90.00
L-Shape Sectional*	\$60.00 - \$150.00
Bedframe (Head/Footrest + Railing)*	\$50.00 - \$90.00
Bookshelves / End Tables / Nightstands*	\$40.00 - \$90.00
Exercise Equipment*	\$100.00 - \$150.00
Kitchen Cabinets / Sink / Windows*	\$50.00 - \$150.00
Lock and Key Set for Carts or Containers	\$30.00
Locking System Installation on Containers	\$150.00

2526

Exhibit 4

Annual Indexed Adjustment to Contractor's Compensation

The Contractor shall provide the City with annual audited financial statements no later than July 1 of each year. The City and Contractor agree that Contractor's Compensation will be adjusted annually based on the Refuse Rate Index (RRI) methodology described in this Exhibit 4, subject to City Council confirmation that the proposed adjustments comply with the RRI calculation methodology. The process and timing of proposed Contractor's Compensation adjustments based upon the RRI calculation methodology shall be as described in the last paragraph of this Exhibit 4.

Refuse Rate Index (RRI) Calculation Methodology

Contractor's Compensation for the following Calendar Year (e.g., 2023) shall be adjusted annually by multiplying the Contractor's Compensation for the current Calendar Year (e.g., \$5,070,115 for 2022) by the calculated Index Rate Adjustment Factor that shall equal:

One (1)
Plus
[(Union Salaries and Wages Adjustment Factor x Union Salaries and Wages Expense Percentage)
Plus
(Non-Union Salaries and Wages Adjustment Factor x Non-Union Salaries and Wages Expense Percentage)
Plus
(Diesel Fuel Adjustment Factor x Diesel Fuel Expense Percentage)
Plus
(Vehicle Maintenance Adjustment Factor x Vehicle Maintenance Expense Percentage)
Plus
(All Other Adjustment Factor x All Other Expense Percentage)
Plus
(Depreciation and Interest x Depreciation and Interest Expense Percentage)]

Where:

Union Salaries and Wages Adjustment Factor shall be the applicable annual adjustment to the wages and benefits specified in the Contractor's then applicable Collective Bargaining Agreement. The Union Salaries and Wages Expense Percentage used to calculate each annual adjustment shall be established each year based on the actual percentages of those expense items as reported in the Contractor's prior year audited Financial Statement.

Non-Union Salaries and Wages Adjustment Factor shall be equal to the CPI All Other annual adjustment to the wages and benefits for non-union employees. The Non-Union Salaries and Wages Expense Percentage used to calculate each annual adjustment shall be established each year based on the actual percentages of those expense items as reported in the Contractor's prior year audited Financial Statement.

Diesel Fuel Adjustment Factor shall be the average annual percentage change in US Energy Information Administration Weekly Retail Gasoline and Diesel Prices (https://www.eia.gov/dnav/pet/pet_pri_gnd_dcus_sca_m.htm) for each of the prior 12 months, as of August of the Current Year. Diesel Fuel Expense Percentage shall be the percentage of the Contractor's total operating expenses that are related to diesel fuel expenses.

Vehicle Maintenance Adjustment Factor shall be the average annual percentage change in the Consumer Price Index (Series ID CUURS49BSA0) for each of the prior 12 months, as of August of the Current Year. All Other Expense Percentage shall be the percentage of the Contractor's total operating expenses that are related to expenses for all other operating categories not otherwise addressed in this Exhibit 4.

Depreciation and Interest Adjustment Factor shall set based on the Contractor's actual depreciation and interest expenses for the current year compared to the prior year. Depreciation and Interest Expense Percentage shall be the percentage of the Contractor's total operating expenses that are related to depreciation and interest expenses.

The table below provides the actual RRI calculation which was used to adjust Contractor's Compensation for Calendar Year 2022.

Item #	Category	Data Source	RATE YEAR 2022				
			Percent Change ⁽¹⁾	Category Costs	Category Weight ⁽²⁾	Weighted Percentage Change ⁽³⁾	Adjusted Category Costs
1	Union Labor	The applicable annual adjustment to the wage rates and benefits specified in the Company's applicable Union Agreement	2.59%	\$989,289	27.26%	0.71%	\$1,014,917
2	Non-Union Labor	Series ID: CUURS49BSA0 All items in San Francisco-Oakland-Hayward, CA, all urban consumers, not seasonally adjusted	2.55%	\$832,336	22.94%	0.58%	\$853,557
3	Diesel Fuel	California No 2 Diesel Ultra Low Sulfur (0-15 ppm) Retail Prices (Dollars per Gallon) http://www.eia.gov/dnav/pet/pet_pri_gnd_dc_us_sca_m.htm	3.14%	\$101,504	2.80%	0.09%	\$104,687
4	Vehicle Maintenance	Series ID: pcu333924333924 Industrial truck, trailer and stacker mfg.	3.75%	\$125,557	3.46%	0.13%	\$130,269
5	All Other	Series ID: CUURS49BSA0 All items in San Francisco-Oakland-Hayward, CA, all urban consumers, not seasonally adjusted	2.55%	\$1,429,975	39.40%	1.00%	\$1,466,434
6	Depreciation and Interest	Set to actual	-0.66%	\$150,292	4.14%	-0.03%	\$149,297
7	Pension Liability Funding	No annual adjustment to Pension Funding Liability - Existing rates set to generate \$45,885 annually.	0.00%	\$0	0.00%	0.00%	\$0
RRI				\$3,628,952	100.00%	2.49%	\$3,719,161

⁽¹⁾ Assumes these are the percentage changes in the indices from year to year.

⁽²⁾ Assumes the categories represent these percentages as a total of CONTRACTOR'S operating costs.

⁽³⁾ Represents the product of Percentage Change x Category Weight.

Negative Adjustment Factor

In any year that the calculated RRI results in a negative number, there shall be no adjustment to the Contractor's Compensation. Instead, the negative number shall be added to the result of the subsequent year's calculated RRI. The result shall be an Adjusted RRI that shall be used to calculate the Contractor's Compensation adjustment for that subsequent year.

RRI Exceeding Five Percent

In the event that the calculated RRI exceeds five percent (5%), that calculated adjustment will be used to adjust the Contractor's Compensation for the next year as provided for in the above methodology. However, in such a case the City or Contractor has the option to require that a detailed review of the Contractor's revenues and expenses be conducted the following year (as per Exhibit 5) in lieu of the RRI adjustment process for determining an appropriate Contractor's Compensation adjustment for the next year.

Request for RRI Compensation Adjustment

The Contractor shall submit to the City its Request for RRI Compensation adjustment by October 1 of each year. That Request shall provide support for the calculated RRI and shall show the proposed Contractor's Compensation for the next Calendar Year as the product of the then current year Contractor's Compensation times the RRI. The City shall have the opportunity to review and adjust the Contractor's RRI Compensation Adjustment calculations to ensure mathematical accuracy and adherence to the terms and conditions of this Agreement. The City shall use its best efforts to obtain City Council confirmation of adjustments to Service Rates sufficient to meet Contractor's Compensation by

2614 January 1 of the next year. However, the City shall not seek City Council confirmation of any retroactive
2615 adjustments to compensate the Contractor for any delay in confirming the Service Rates.

Exhibit 5

Detailed Compensation Review

General

In the event that either City or Contractor requests a Detailed Compensation Review, as provided for in Section 4.03, the Detailed Compensation Review shall be based on evidence or data presented by City or Contractor contained within the audited financial statements for the preceding complete Calendar Year for the services required by this Agreement.

Overview of Detailed Compensation Review Process

The Detailed Compensation Review process is as follows:

1. Identify the reason(s) for the Detailed Compensation Review request.
2. Establish the actual financial results for the prior Calendar Year, which shall consist of all franchised revenues and expenses as reported in Contractor's Annual Audited Financial Statement. It is expected that any revenues and/or expenses attributed to non- franchised services shall be clearly reported in the Annual Audited Financial Statement along with the basis used to assign or allocate such revenues and expenses.
3. Make any appropriate adjustments to the actual costs to account for non- allowable costs and/or to exclude or reduce any costs that were not reasonably and necessarily incurred in the performance of the services provided in accordance with the Agreement.
4. Calculate the adjustment required to achieve a revenue that will, in turn, result in a 90.5% (ninety- and one-half percent) targeted Operating Ratio.
5. Complete and submit a Detailed Compensation Review application.

Detailed Compensation Review Application

In support of a Detailed Compensation Review, Contractor shall prepare a Detailed Compensation Review application (hereinafter "Application") that shall be submitted to the other Party no later than August 1. The Application shall include:

1. The reason(s) for the Application.
2. Line-item revenue and expenses for the franchised services as reported in Contractor's Annual Audited Financial Statement.
3. Variance analyses of revenues and expenses for the prior five years, along with explanations for significant variances.
4. Calculated revenue requirement based upon the current Operating Ratio.
5. The Contractor shall depreciate all trucks and containers over 10-years or greater for the duration of the Term.
6. Requested adjustment to Contractor's Compensation required to achieve a revenue that will, in turn, result in a 90.5% (ninety- and one-half percent) targeted Operating Ratio.

Operating Ratio

"Operating Ratio" means the ratio, expressed as a percentage, of the net operating costs actually incurred by Contractor, exclusive of Pass-Through Costs and Non- Allowable Costs, divided by Contractor's net income, as produced by the Service Rates and Service Charges that are applied to the services provided under this agreement.

Pass-Through Costs

"Pass-Through Cost" means a cost to which no element of overhead, administrative expense, or profit is added. Pass-Through Costs shall include:

- Franchise fees.
- All processing and disposal (tip fees) costs incurred by Contractor.

Franchise Fees may be included at Contractor's discretion as an element of costs for calculating Contractor's Compensation, however these expenses shall not be included in any costs used as

2663 a basis for calculating or determining Operating Ratio. Processing and disposal tip fees are not
2664 included in Contractor's Compensation.

2665 **Compensation for Pension Liability**

2666 The City agrees that, when Contractor's Compensation is calculated, compensation for the
2667 Contractor's then-unfunded pension liability will be 78.5% of actual, pending managerial review
2668 of the pension fund and investment strategy. The Contractor agrees that compensation for the
2669 Contractor's then-unfunded pension liability shall not exceed \$45,885 per year, until a time when
2670 the pension becomes fully funded; upon full funding of the pension liability, or a Change in Control,
2671 the amount will be removed Contractor's Compensation.

Exhibit 6

Public Area Garbage and Organic Waste Collection Locations and Frequencies

Location	Service Frequency
11. San Pablo Avenue (northern city limits to southern city limits) Trash receptacles on both sides of street including at transit shelters	5 times/week
12. Ohlone Greenway (northern city limits to southern city limits) Trash receptacles located at cross streets (e.g., Central Ave., Fairmount Ave., Stockton Ave.)	3 times/week
13. El Cerrito High School Area Trash receptacles located on Ashbury Avenue between Fairmount Ave. and Stockton Ave.	3 times/week
14. Hillside Natural Area - can at King Court entrance, can at Schmidt Entrance	3 times/week
15. Miscellaneous Locations: • Lincoln Ave at Clayton Ave. • Moeser Lane at Sea View Dr. • Moeser Lane at Shevlin Dr. • 6510 Stockton Avenue	3 times/week

NOTE: Exhibit 6 locations and collection frequencies may be adjusted by City from time to time, as needed.

Exhibit 7

City Roll-off Service Facilities, Locations and Service Levels

Contractor shall provide Roll-off Container Collection Service as needed for all Roll-off Container service requests from the City of El Cerrito Recycling and Environmental Resource Center and Corporation Yard. Tipping Wall Roll-off Containers located at the City's Corporation Yard Tipping Wall shall be maintained in good condition and free of leaks. Contractor shall pick up containers at the Recycling Center and Tipping Wall following all standard operating procedures required under the facility's solid waste, stormwater, and other operating permit(s).

Location	Container/Service	Service Frequency
1. El Cerrito Recycling Center	20-40 Cubic Yard containers for Recyclable Materials delivered to processing facilities within 35 miles of City Hall, as directed by City.	Minimum service level of 3 days per week, with 1-2 pickups occurring each day, for a total of 3-6 pickups per week.
2. El Cerrito Corporation Yard and Tipping Wall	20 Cubic Yard containers, including separated material streams for landfill disposal, green waste, and street sweep spoils.	Minimum service level of 3 days per week, with 1-2 pickups occurring each day, for a total of 3-6 pickups per week.

NOTE: Exhibit 7, including Roll-off Container collection types and service frequency may be adjusted by City from time to time, as needed.

Exhibit 8

Reporting

The City reserves the right to require reasonable changes to the content and/or format of this and any and all other reports that the Contractor is required to provide to the City. The City also reserves the right to require the Contractor to provide any other information that it deems necessary for effectively administering its franchise with the Contractor in a complete and timely manner, with the understanding that determination of additional information does not impose addition costs on the Contractor. Reports shall be submitted in electronic format, with all numeric information submitted in Excel. Contractor must furnish City with any additional reports as may reasonably be required, such reports to be prepared within a reasonable time following the reporting period.

Contractor will provide reasonable assistance to City in preparing annual reports to CalRecycle (the "Electronic Annual Report" or EAR), including but not limited to supplying required data for preparation of the reports, and completing all required data input in the Waste Reporting System. In the event that CalRecycle requires City to report an Implementation Schedule to comply with AB 341, AB 1826, SB 1383, SB 1594 and other Applicable Laws, Contractor will provide assistance to City in preparing a report, including Contractor's policies and procedures related to compliance with AB 341, AB 1826, SB 1383, and other Applicable Laws and how Recycling or Organic Waste are collected, a description of the geographic area, routes, list of addresses served and a method for tracking Contamination, copies of route audits, copies of notice of Contamination, copies of notices, violations, education and enforcement actions issued, and copies of educational materials, flyers, brochures, newsletters, website, and social media.

Quarterly Reports

Contractor shall submit Quarterly Reports to the City. Quarterly Reports to the City must include:

1. Compliance Reviews. Contractor shall report the date that compliance reviews were conducted, the name and title of each person that conducted the reviews. Contractor shall report the results of the review (i.e., Contractor's findings as to whether the Service Recipients reviewed are subscribed for Organic Waste collection service, have an applicable waiver, or neither) and any relevant evidence supporting such findings (e.g. account records). Contractor shall provide copies of any educational materials issued pursuant to such reviews. Contractor shall report to the City all Service Recipients discovered to be out of compliance with the SB 1383 Regulations, including a list of the service recipients, the type of violation, actions taken to educate those Service Recipients, and contact information for those Service Recipients. This includes identifying Residential and Commercial accounts that are subscribed to Garbage collection service but that are not subscribed Organic Waste Container collection service. Contractor must also provide the following information separately for both AB 341 and AB 1826, including:
 - The total number of non-exempt Commercial Service Recipients that fall under the AB 341 or AB 1826 thresholds, and the total number of those non-exempt Commercial Service Recipients that are not subscribed to Commercial Organic Waste Collection Service.
 - A summary of the type of follow-up outreach that was provided to those non-exempt Commercial Service Recipients that are not subscribed to Commercial Organic Waste Collection Service.
2. Route Reviews. Contractor shall report the date that route reviews were conducted, the name and title of each person that conducted the reviews, a list of the account names and

addresses covered by the review, and a description of each route reviewed, including Contractor's route number. Contractor shall also provide details regarding the results of the reviews (i.e., the addresses where any prohibited Container Contaminants were found), and any photographs taken.

3. Contamination. To the extent required by Applicable Law, the quarterly report must include a summary of all instances of qualifying Contamination under the procedures in Section 3.09. This summary must include the total number of accounts where Contamination occurred, the total number of Contamination Violation Notices issued by Contractor to Service Recipients, a list of accounts where such notices occurred, and the total number of instances where Container size or Collection frequency was increased specifically due to Contamination. Within twenty (20) Work Days of request by City, Contractor will provide copies of the Contamination Violation Notices and the digital documentation of Contamination. The quarterly report must include each Service Recipient incurring a charge for Contamination in the previous quarter. Contractor shall provide a description of Contractor's process for determining the level of Container Contamination under the Agreement. Contractor shall provide documentation relating to observed prohibited Container Contaminants, whether observed during Route Reviews or otherwise. Contractor shall provide copies of the form of each notice issued to Service Recipients for prohibited Container Contaminants, as well as, for each such form, a list of the Service Recipients to which such notice was issued, the date of issuance, the Service Recipient's name and service address, and the reason for issuance (if the form is used for multiple reasons). This information will also be provided monthly to any other government entity approved by the City, including but not limited to RecycleMore. Contractor shall report the number of times notices were issued to Service Recipients for prohibited Container Contaminants and the number of Containers where the contents were disposed due to observation of prohibited Container Contaminants.
4. Collection Overage Charges. The quarterly report must include each Service Recipient incurring a fee charge for an Overage in the previous quarter.
5. Service Recipient Complaints Log. The quarterly report must include the Service Recipient call log collected from the previous quarter, including a summary of the type and number of complaints and their resolution.
6. Missed Pickups. The quarterly report must include a summary of each Service Recipient receiving a missed pickup in the previous quarter along with a description or the reason for the missed pickup.
7. Non-Collection. The quarterly report must include a summary of each Service Recipient receiving a Non-Collection Notice in the previous quarter along with a description for the Non-Collection Notice.
8. On-hold Accounts. The quarterly report must include each Service Recipient that was not billed in the previous quarter due to vacation hold, vacancy etc.

Annual Reports

Contractor shall submit Annual Reports to the City. Annual reports to City must include:

1. Compliance. Contractor must document education and outreach conducted, public event participation, school visits, compliance notices mailed, site visits to meet the requirements of SB 1383, service level audits completed, information distributed, and media used, and community events hosted. This must include public education activities undertaken during the year, including distribution of bill inserts, collection notification tags, community information and events, tours and other activities related to the provision of Collection Services. Contractor shall also provide copies of all outreach and education information (including flyers, brochures, newsletters, invoice messaging, website and social media postings, emails, and other electronic messages), including the date the information was disseminated or the direct contact made. For website and social media postings, this shall

be the date posted. Contractor must report the total number of Commercial Service Recipients serviced and the number of containers, container sizes and frequency of collection for Garbage and Organic Waste for each non-exempt Commercial Service Recipient.

2. Tonnage and Service Data. Contractor must annually report the number of unique Residential Service Recipient accounts serviced and the number of unique Commercial Service Recipient accounts serviced, tonnage of Garbage and Organic Waste collected and processed for diversion broken down by Container type. Quantities should be broken down by Residential, Commercial, and City Service Collection Services.
3. Financial Report. Contractor must prepare an annual Financial Report for submittal to the City. At a minimum, the Financial Report must include the number of Residential Service Recipients, Commercial Service Recipients provided with Collection Services by Service Type, container size, frequency of service and current billing Service Rates including any additional service charges, the Contractor's gross billing and amount collected for each type of Service Recipient.
4. Container and Vehicle Inventory. An updated complete inventory of Containers by type and size, and an updated complete inventory of Collection Vehicles including for each Collection Vehicle: Collection Vehicle number, route number, date purchased, Collection Vehicle type, tare weight, license plate number, fuel type and Collection Vehicle make and model.
5. Overweight Vehicles. The annual report must include a summary total of all instances of overweight Collection Vehicles. This summary must include the number of overweight Collection Vehicle instances expressed as a percentage of the total number of Collection Vehicle loads transported.
6. Environmental Stewardship. Contractor must describe all environmental management policies and activities related to Collection Service, including the use of alternative fuel Collection Vehicles, reduction of air emissions and wear and tear on the City's streets, use of recycled products throughout operations, use of 100% renewable energy at buildings and facilities owned or operated by the Contractor, internal Source Separation and Reuse protocol, water and resource conservation activities within facilities (design, construction and operation), compliance with laws governing e-waste, HHW, and u-waste, and use of non-toxic products when possible.

5097459.2



SUPPLEMENTAL AGENDA MATERIALS

REGULAR CITY COUNCIL MEETING

May 17, 2022

(Revised May 18, 2022)

PUBLIC COMMENT INDEX

1. Public Comments received

Agenda Item 6A – Contra Costa Mosquito & Vector Control District Update (MVCD)

1. Presentation

Agenda Item 7A – Military Equipment Policy Ordinance

1. Presentation

Agenda Item 7B – Public Hearing on Master Fee Schedule Revisions for Fiscal Year 2022-23

1. Corrections to Exhibit A to Resolution
2. Presentation

Agenda Item 8A – Proposed Agreement with East Bay Sanitary for the Provision of Solid Waste Collection Services

1. Presentation



SUPPLEMENTAL AGENDA MATERIALS PUBLIC COMMENT INDEX

REGULAR CITY COUNCIL MEETING

May 17, 2022

(Revised May 18, 2022)

The following Public Comments were **received by 4:00 p.m. 5/17/2022**, were provided directly to City Councilmembers in advance of the meeting, and were posted online as supplemental materials at www.el-cerrito.org/CouncilMeetingMaterials

Public Comments – Items Not on the Agenda

1. Cordell Hindler
2. Annie Wright
3. **Peter P**

Agenda Item 7A – Military Equipment Policy Ordinance

1. Michael Freeman
2. **Cindy McPherson**

From: [Cordell Hindler](#)
To: [City Clerk](#)
Subject: public comments- Not on the Agenda
Date: Thursday, May 12, 2022 8:44:17 PM

Good Evening Mayor Quinto, Council Members and Staff, I have some Comments for the Record

1. IFor the June 21st Agenda, the Council Should invite Lavonna Martin to provide an Update on Homelessness
2. Also to Have Tim Haile to Provide an Update on Electric Vehicle Charging Station

Sincerely
Cordell

From: Annie Wright [REDACTED]
Sent: Tuesday, May 17, 2022 2:52 PM
To: City Clerk
Subject: Fwd: CITY COUNCIL AGENDA MAY 17, 2022, ITEM 12. A (Resolution Approving an Updated Agreement with Contra Costa County Animal Services Department)
Attachments: CCC Civil Grand Jury Report.pdf; Vol 1 - Contra Costa County Animal Services Final Report (02-21-18).pdf; Vol 2 - Contra Costa County Animal Services Final Report Appendix (02-21-18) Redacted (1).pdf

(Attachments on file with the City Clerk and available upon request)

Subject: PUBLIC COMMENTS NOT ON AGENDA, MAY 17, 2022, CITY COUNCIL MEETING

Dear Mayor Quinto, City Manager Pinkos, Council Members: Ms. Abelson, Mr. Fadelli, Ms. Motoyama and Ms. Rudnick,

As Contra Costa County residents, taxpayers and animal advocates, we are very concerned for the welfare of Contra Costa County pets, including dogs, owned cats, homeless community cats and wildlife.

Director Beth Ward has proposed her City-County Animal Services Agreement which has been sent to the eighteen incorporated Cities. The Agreement is below the basic standard of care in practice by shelters across the country, many of them serving much smaller populations with a fraction of CCAS's budget. This agreement should consider citizens' needs and humane best practices for animal services and care.

Over 1,000 citizens have sent letters to their City Officials objecting to this Agreement.

This Agreement does not outline these critical shelter services:

Quantify Spay/Neuter and Trap, Neuter, Return (TNR)

Public Education Program

Adoption Program

Adequate cat foster care program to ensure cats and dogs get out of the shelter.

Services for Injured Wildlife

Mobile Van Events: Adoptions and Spay/Neuter, Vaccinations

Successful Foster Care System

Coordinated transfer to Rescues

Animal redemption program that reduces the number of animals returned to the shelter.

Pet Retention Program

Adoption guidelines to ensure animals are adopted into safe cruelty free homes

Joint City-County Collaboration Committee

Scope of Services states, “Calls made to the County for services that are not provided by the County pursuant to this Agreement will be referred back to the City and the City is responsible for determining the next appropriate action.”

Shelter and Emergency Veterinary Service:

The agreement states providing shelter services as required by the California Penal Code Section 597.1. The code addresses misdemeanors committed against animals in the field. Thus, citing of CA PC 597.1 as the governing law overseeing shelters is not applicable and inappropriate.

The agreement also states emergency veterinary services would be accordance with California Penal Code 597(f). However, this narrow definition should not be the only basis of emergency veterinary services.

A Coordinated Pet Retention, Transfer Partner and Adoption programs with assigned staff is required at the shelter. These positions were not included in this agreement, but promise in the fee increase letter.

Injured Wildlife:

In many areas of the county, wildlife such as deer, are being injured by cars, spiked fences, etc. It is inhumane to allow wildlife to suffer for hours or days without being euthanized. Citizens often attend to injured wildlife as resources are unavailable. Contact with wildlife is a potential public safety risk (possible injury, exposure to diseases, etc.) and these interactions can be traumatic.



Contra Costa Animal Services eliminated services for all live wildlife calls in October 2020 - presumably because of budget restrictions. That same year CCAS had a **1.9 million dollar surplus that went back into the County general fund**. These services included humanely euthanizing or transporting injured wildlife to Lindsay Wildlife Hospital. This agreement has a

substantial increase in cities funds, however these services are not being reinstated as promised by Beth Ward. Animal Service is referring all calls to the Department of Fish and Game, which are unable to attend to most calls.

Field Officer Response:

The levels of response times are inadequate putting animal lives and people in danger. Example is an "At Large" dog and the potential risks of endangerment to itself, other animals, people and causing traffic accident injuries and fatalities.

Budget:

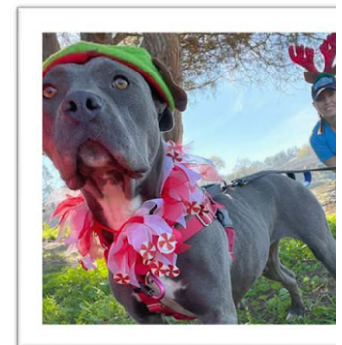
CCAS presented to Contra Costa County's Public Protection Committee an annual 4.1 million general fund contribution, while the City fees increase every year.

CCAS presented the slide "Looking Ahead" to the Board of Supervisors on April 12, 2022. The increased City fees contribute toward non mandated services and these services should be included in the City-County agreement. The slide states an increase of spay and neuters to 47% in FY 21-22, however during the Board of Supervisors' meeting, the director stated the 47% increase of spay and neuter is "projected" not from Fiscal year 2021/22.

Looking Ahead

10

- Low-Cost Spay & Neuter Services
 - Target at risk populations based on shelter population impacts and community-based needs
 - Increase public spay neuter services through onsite and ABF programs by 47% over FY 21/22
- Low-Cost Vaccination & Microchip Clinics
 - Target areas in highest need through onsite clinic by doubling our number of clinic hours per week
 - Creating opportunities East, West and Central county areas through a community focused clinic
- Licensing Programs
 - Create an RFP to identify an efficient and effective system to support our community residents to process their animal licensing, while increasing our animal licensing compliance by 5% to help reunite more lost pets with their families



The cities are contributing to these field and shelter staff positions, and they should be included in the Agreement. CCAS'S Budget Presentation slide:

FY 2022/23 Personnel and Service Improvements

7

Field Services

- Add 1.0 FTE Field Services Sergeant for increased Animal Services Officer (ASO) beat coverage, improved response time to dangerous animal cases, improved public support, and training.
- Add 1.0 FTE Field Utility Worker to reduce response times for the pickup of deceased animals, while allowing resumption of deceased domesticated animal pick-up on private property and deceased wildlife from private property per the County fee schedule for property owners.

Shelter Services

- Add 2.0 FTE Animal Care Coordinators to enhance life saving programs serving County Residents, such as the Pet Assistance, Transfer Partner and Adoption programs.
- Add 1.0 FTE Medical Supervisor to focus on strengthening S/N and Vaccine clinic services.
- Add 1.0 FTE Registered Veterinary Technician to expand clinic services

February 22, 2022, Board of Supervisors (BOS) response to the Grand Jury Investigation into Animal Services: Contra Costa County Board of Supervisors responded to the investigation and agreed there is a need to improve animal services throughout the County. **The BOS stated “a new service agreement with the cities” will bring a greater level of service throughout the County.**

The Grand Jury Recommendation states “The County Board of Supervisors request that CCAS apply for Measure X funding to lower the projected increased financial cost to CCAS-contracted cities and to support additional low-cost spay and neuter services.” At the Board of Supervisors’ meeting on February 22, 2022, clarification was given regarding **Measure X funds being a general tax and Animal Services could have received Measure X funds**, however the County decided not to pursue this funding despite the magnitude of advocacy efforts by concerned citizens. In an email dated October 19, 2021, **County Finance Staff States:** “Regarding Animal Services – ... **highly unlikely Measure X will be available now or in the future. Plan is to continue to pursue additional city funding”...**

In addition to the many deficiencies in this agreement, the reduction of services has exacerbated the overpopulation of cats and dogs causing a community crisis.

Low-cost spay/neuters have been halted for two-years and were reinstated in March 2022. However, CCAS quickly reached their three month capacity for spay/neuter appointments.

Most of the recommended rescue groups providing low-cost spay/neuters on CCAS' website are no longer viable.

The Return to Field Program for community cats needs to be brought back and revised to minimize compromising the cats' health.

There has been a 5-6 week waitlist for the Community Cat Program's trap-neuter-return spay/neuters surgeries. Thirty-two appointments per week is inadequate.

Euthanasia for Animals:

The Director has documented that if the additional fees are not agreed: "The population of sheltered animals would have to be controlled significantly through euthanasia for animals with treatable conditions outside of the Department's veterinary scope of services and financial resources".

However, the Haden law states that the animal be released to a nonprofit animal rescue or adoption organization in certain circumstances. Therefore, a robust transfer program should be implemented at the shelter and in this agreement.

In August 2020, the Board of Supervisors voted in favor of a recommendation by Animal Services Director, Beth Ward, to close the Pinole Shelter to consolidate services at the Martinez Shelter. This decision was part of a savings measure approved to close a \$35 million budget deficit for fiscal year 20-21. There were on-going budget issues and the Shelter closure was considered for years. Covid-19 should not be the scapegoat for the demise of the Pinole Shelter, which has been a devastating loss for West County. The photos below were taken on April 20, 2022. Potential adopters and pet owners looking for their lost pet or to surrender them, are met with a Temporarily Closed sign.





In 2017, Animal Services hired the firm Citygate Associates to perform a cost analysis of the County's animal services operations for the contracted cities. This report cost the cities and county over \$100,000 dollars, paid from the Animal Services Budget.

Citygate recommended to evaluate all contracted services for effectiveness and cost efficiency, to revise the current City-Animal Services agreement, review current shelter practices to ensure maximum use of shelter space and maximum customer access to the Pinole and Martinez shelters. Most of these recommendations are not reflected in the agreement.

Citygate summarized: In the nearly 10 years since 2008, the Department has experienced reduced staffing, chronic vacancies, budget cuts, retention problems, recruitment problems, and turnover in key leadership personnel. This succession of organizational change has left the agency with a significant loss of institutional knowledge and the need to rebuild and retool.

We highly recommend reading the Citygate Report, as well as the investigative, Grand Jury Report conducted in 2020-2021, attached below.

The agreement is below the basic standard of care in practice by shelters across the country. We urge the cities to revise the agreement to be a mutually agreeable, **Joint City-County Collaboration**. We agree that increased city funding is needed. A well-written humane agreement is required, outlining services and reinstating eliminated ones. City representatives, rescue groups and community members should to be involved with creating a new agreement.

Thank you for your careful consideration of these serious issues affecting the welfare of our pet population, Cities and residents of Contra Costa County.

Respectfully yours,
Annie Wright
ARC (Animal Rights Coalition)
Contra Costa County, California



From: [Peter P](#)
To: [City Clerk](#)
Subject: Public Comment, Not on Agendas
Date: Tuesday, May 17, 2022 6:31:54 PM

I am glad that the City of El Cerrito is preparing for July 4 celebrations. With Covid now behaving like a common cold, it is time that we start to live our normal life.

But last time I checked, our city is still under pandemic emergency and with it, the eviction moratorium which is in contradiction to state law AB 2179. While our city's eviction moratorium ties to emergency declaration and seems to have no end, AB2179 only extends eviction protection to the end of June, 2022 for people not paying their rent before the end of March, 2022. It specifically allows eviction for those not paying rent on and after April 1, 2022.

The reasons behind allowing eviction after April 1, 2022 is obvious as the State ends rental assistance program by the end of March 2022. Forbidding eviction without providing rent assistance would violate the taking clause of the 5th Amendment of the United State Constitution which reads: "Nor shall private property be taken for public use, without just compensation".

The clause is intended to uphold the principle that the government should not single out isolated individuals to bear excessive burdens, even in support of an important public good.

El Cerrito City's eviction moratorium beyond April 1, 2022 does just that —Taking private property for public use without just compensation because the city does not have the money nor the intention to compensate housing providers who are single out to bear excessive burden to house deadbeat tenants.

CAA is suing Alameda county which has the same eviction moratorium policy as El Cerrito. We don't know the outcome yet, but I would venture to say that CAA has a good cause. If CAA wins, Alameda county would have to pay out a lot of money.

There's a good chance that the City of El Cerrito might get sued too if the city insists on violating the taking clause of the 5th Amendment by extending the eviction moratorium without providing rent assistance. If that happens, the costs of attorney's fees and damages to the housing providers would be too much for our city to bear.

So I am pleading here to our city council members to end the eviction moratorium for the sake of the 5th Amendment of US constitution and for our city's financial integrity.

From: [M.064 Freeman](#)
To: [City Clerk](#)
Subject: Military Equipment Hearing
Date: Tuesday, May 17, 2022 10:09:42 AM

Dear El Cerrito City Council Members,

I am an El Cerrito resident and ACLU volunteer very concerned about good government, democracy and human rights. That is why I am concerned about the potential for increased use of military and surveillance equipment in our community.

I strongly support the opinions expressed in the message below which was signed by numerous organizations including American Civil Liberties Union Foundation of Northern California, American Friends Service Committee, Council on American-Islamic Relations, California chapter, Bend the Arc: Jewish Action California, Ella Baker Center for Human Rights, Indivisible East Bay, Media Alliance and many others.

I urge you to read about the many concerns listed below. Most of them are relevant to what is being proposed in El Cerrito. It is important that the policy that is created in El Cerrito addresses all of those concerns.

Thank you.

Sincerely,
Michael Freeman
El Cerrito, CA

We write as community, civil rights and service organizations in California to urge you to fully implement California's new state law on military equipment used by law enforcement in the state. AB 481 addresses police use of tank-like armored vehicles, assault rifles, tear gas, rubber bullets, drones, and other equipment frequently experienced as military by community members.

We are concerned that dozens of use policies and ordinances proposed so far under the legislation are incomplete and fall far short of the transparency needed for civilian decisions about the large range and volume of military equipment used by police and sheriff departments across the state.[1] We urge you to ensure that military equipment policies meet the standards set by AB 481 and do not undermine the transparency and oversight by elected officials that are a central goal of AB 481.[2] Specifically, we make the following recommendations:

Law enforcement must not force “emergency” ordinances on governing bodies, which have 180 days to act on proposed use policies. AB 481 requires law enforcement agencies to submit policies for military equipment by May 1, 2022, but permits governing bodies 180 days after submission to deliberate and decide on the policies; after 180 days, law enforcement would not be able to use the equipment (if governing bodies reject the policies or take no action). Some departments, however, have misled governing bodies and pushed through emergency measures.

Proposed policies must be publicly posted for at least 30 days before a public hearing, to allow the public and elected officials to review what are often technical and lengthy documents. This window for action by elected officials between 30 days and 180 days after publication offers ample time for communities and governing bodies to recommend changes and to schedule a hearing on revised policies.

Proposed policies frequently don’t define authorized uses as required by AB 481 for several types of equipment. Many proposed policies state that equipment may be authorized for situations that “include but are not limited to” a listing of situations. The phrase “not limited to” makes the list of authorized uses meaningless, since it suggests that authorized uses are limitless. The vagueness of these statements will make it difficult if not impossible to determine whether a particular use of the equipment complies with the policies.

Policies complying with AB 481 should describe uses that are not authorized. For example, if use of drones for criminal investigations is not authorized without a warrant; if use of rubber bullets and chemical agents is not authorized when young children, elderly or other vulnerable persons are present, or for crowd control, without a serious threat to life or bodily harm; if use of the armored vehicle for arresting a suspect is not authorized without consideration of alternatives. Most proposed policies to date fail to set such limits on authorized use.

Military equipment policies must incorporate new state limitations, contained in AB 48, on the use of chemical agents such as tear gas and rubber bullets – considered military equipment under AB 481 - for crowd control. AB 48 prohibits the use of chemical agents, such as tear gas, and kinetic impact rounds in crowd control situations, except “if the use is objectively reasonable to defend against a threat to life or serious bodily injury,” which is a high standard. [3] Yet dozens of policies reviewed for this letter did not effectively incorporate these limitations into their proposed military equipment policies.

Assault rifles are not “standard issue service weapons” and require use policies. Assault rifles

owned by law enforcement agencies, such as AR15 rifles, are expressly included in AB 481, as weapons defined in the state assault weapons ban legislation. AB 481 only excepts weapons covered by the assault weapon ban that are “standard issue service weapons.” (Section 7070 (c)10) Some agencies claim that their assault rifles are “standard issue service weapons,” and therefore exempt from AB 481. Yet these agencies’ existing policy manuals reinforce categorizing assault rifles as non-standard-issue. Accepting assault rifles as “standard issue” firearms that are not subject to AB 481’s transparency and oversight provisions would reinforce militarization of policing across the state.

Military equipment policies should clearly define procedures for documenting the use of military equipment – not only uses of force - to meet AB 481’s report requirements. AB 481 requires law enforcement agencies that receive approval for use of military equipment to publish an annual report on “how equipment was used and the purpose of its use,” summaries of complaints and audits, and the quantity of any military equipment the agency intends to acquire. (Section 7072) Yet many agencies do not document the use of military equipment, do not do so separately from non-military equipment, or document only uses of force. Making militarization of policing transparent requires reporting on deployments visible to the community, not just when a weapon was fired. Policies should clearly state to whom deployments will be reported and how records will be kept.

Adequate enforcement of military equipment policies requires ordinances with a private right of action. AB 481 relies heavily on the vigilance of elected officials to ensure that military equipment policies conform to AB 481 and that agencies comply with the policies as adopted. If agencies violate AB 481 or the adopted policies, community members have little recourse. For these reasons, the ordinance adopted by a governing body that approves a military equipment policy should include a private right of action to ensure compliance.[4]

We urge you to fully comply with AB 481’s provisions for transparency and community-input on military equipment used by law enforcement, and to reject proposed use policies that do not comply with this legislation, increase risks of harm, or fail to guarantee civil liberties. We hope you will listen to concerns about militarized policing from members of your community, and we stand ready to work with you to ensure full compliance with AB 481.

From: [M 064 Freeman](#)
To: [City Clerk](#); [Paul Fadelli](#); [Gabe Quinto](#); [Janet Abelson](#); [Tessa Rudnick](#); [Lisa Motoyama](#)
Cc: [El Cerrito Progressives](#)
Subject: More issues with the Proposed Military Equipment Policy
Date: Tuesday, May 17, 2022 10:16:14 AM

Dear City Council Members,

I have asked an experienced associate to examine El Cerrito's Proposed Military Equipment Policy and he has identified the following additional thoughts and concerns.

"The City Council has 180 days from the date that ECPD published the policy (April 13) to take action; in the interim, ECPD can use the equipment as before. The Council should not be hurried, and should schedule a hearing for more community participation - and potentially delegate it to a committee (whether that's a good idea is something community members can say).

None of the equipment policies specify authorized uses, procedures required to use it, or independent oversight authority, as required by AB 481's definition of a use policy.

The policy discusses a couple *submachine guns* owned by the Department, but, again, with little specificity about authorized uses.

The policy for 'less lethal' launchers and munitions - chemical agents and impact projectiles - doesn't conform to AB 48's limitations on their use for crowd control, which are very restrictive (AB 48, different from AB 481, was also enacted just this year).

The policy omits mention of assault rifles such as AR-15s, though I suspect that El Cerrito PD has them. If they do have them, the only exemption for including them in the military equipment policy is if they are considered "standard issue service weapons." If they are "standard issue," that raises a series of questions about militarization. But if they are not (i.e. foot patrol and bike patrol officers don't carry them), then they should be included in the policy, including information about the number, cost, etc. This is something Council members should ask.

The policy authorizes use of militarized gear owned by other departments - probably by the Contra Costa County Sheriff, but it could be any Bay Area law enforcement agency - including MRAP tank-like vehicles, LRAD 'sound cannons', and assault rifles. While the policy restricts other agencies from using this equipment in ways not authorized by El Cerrito's policy (a good thing), the proposed El Cerrito policy for this gear still lacks specificity."

Thank you,
Michael Freeman
El Cerrito

From: [Cindy McPherson](#)
To: [City Clerk](#)
Subject: Public comment - Agenda Item 7A - May 17
Date: Tuesday, May 17, 2022 8:08:38 PM

Dear El Cerrito City Council Members,

I am an El Cerrito resident who values good government, democracy and human rights. That is why I am concerned about the potential for increased use of military and surveillance equipment in our community.

I strongly support the opinions expressed in the message below which was signed by numerous organizations including American Civil Liberties Union Foundation of Northern California, American Friends Service Committee, Council on American-Islamic Relations, California chapter, Bend the Arc: Jewish Action California, Ella Baker Center for Human Rights, Indivisible East Bay, Media Alliance and many others.

I urge you to read about the many concerns listed below. Most of them are relevant to what is being proposed in El Cerrito. It is important that the policy that is created in El Cerrito addresses all of those concerns.

Thank you.

Cindy McPherson
El Cerrito, CA

We write as community, civil rights and service organizations in California to urge you to fully implement California's new state law on military equipment used by law enforcement in the state. AB 481 addresses police use of tank-like armored vehicles, assault rifles, tear gas, rubber bullets, drones, and other equipment frequently experienced as military by community members.

We are concerned that dozens of use policies and ordinances proposed so far under the legislation are incomplete and fall far short of the transparency needed for civilian decisions about the large range and volume of military equipment used by police and sheriff departments across the state.[1] We urge you to ensure that military equipment policies meet the standards set by AB 481 and do not undermine the transparency and oversight by elected officials that are a central goal of AB 481.[2] Specifically, we make the following recommendations:

(1) Law enforcement must not force "emergency" ordinances on governing bodies, which

have 180 days to act on proposed use policies. AB 481 requires law enforcement agencies to submit policies for military equipment by May 1, 2022, but permits governing bodies 180 days after submission to deliberate and decide on the policies; after 180 days, law enforcement would not be able to use the equipment (if governing bodies reject the policies or take no action). Some departments, however, have misled governing bodies and pushed through emergency measures.

(2) Proposed policies must be publicly posted for at least 30 days before a public hearing, to allow the public and elected officials to review what are often technical and lengthy documents. This window for action by elected officials between 30 days and 180 days after publication offers ample time for communities and governing bodies to recommend changes and to schedule a hearing on revised policies.

(4) Proposed policies frequently don't define authorized uses as required by AB 481 for several types of equipment. Many proposed policies state that equipment may be authorized for situations that "include but are not limited to" a listing of situations. The phrase "not limited to" makes the list of authorized uses meaningless, since it suggests that authorized uses are limitless. The vagueness of these statements will make it difficult if not impossible to determine whether a particular use of the equipment complies with the policies.

(5) Policies complying with AB 481 should describe uses that are not authorized. For example, if use of drones for criminal investigations is not authorized without a warrant; if use of rubber bullets and chemical agents is not authorized when young children, elderly or other vulnerable persons are present, or for crowd control, without a serious threat to life or bodily harm; if use of the armored vehicle for arresting a suspect is not authorized without consideration of alternatives. Most proposed policies to date fail to set such limits on authorized use.

(6) Military equipment policies must incorporate new state limitations, contained in AB 48, on the use of chemical agents such as tear gas and rubber bullets – considered military equipment under AB 481 - for crowd control. AB 48 prohibits the use of chemical agents, such as tear gas, and kinetic impact rounds in crowd control situations, except "if the use is objectively reasonable to defend against a threat to life or serious bodily injury," which is a high standard.[3] Yet dozens of policies reviewed for this letter did not effectively incorporate these limitations into their proposed military equipment policies.

(7) Assault rifles are not "standard issue service weapons" and require use policies. Assault rifles owned by law enforcement agencies, such as AR15 rifles, are expressly included in AB 481, as weapons defined in the state assault weapons ban legislation. AB 481 only excepts weapons covered by the assault weapon ban that are "standard issue service weapons." (Section 7070 (c)10) Some agencies claim that their assault rifles are "standard issue service weapons," and therefore exempt from AB 481. Yet these agencies' existing policy manuals

reinforce categorizing assault rifles as non-standard-issue. Accepting assault rifles as “standard issue” firearms that are not subject to AB 481’s transparency and oversight provisions would reinforce militarization of policing across the state.

(8) Military equipment policies should clearly define procedures for documenting the use of military equipment – not only uses of force - to meet AB 481’s report requirements. AB 481 requires law enforcement agencies that receive approval for use of military equipment to publish an annual report on “how equipment was used and the purpose of its use,” summaries of complaints and audits, and the quantity of any military equipment the agency intends to acquire. (Section 7072) Yet many agencies do not document the use of military equipment, do not do so separately from non-military equipment, or document only uses of force. Making militarization of policing transparent requires reporting on deployments visible to the community, not just when a weapon was fired. Policies should clearly state to whom deployments will be reported and how records will be kept.

(9) Adequate enforcement of military equipment policies requires ordinances with a private right of action. AB 481 relies heavily on the vigilance of elected officials to ensure that military equipment policies conform to AB 481 and that agencies comply with the policies as adopted. If agencies violate AB 481 or the adopted policies, community members have little recourse. For these reasons, the ordinance adopted by a governing body that approves a military equipment policy should include a private right of action to ensure compliance.[4]

We urge you to fully comply with AB 481’s provisions for transparency and community-input on military equipment used by law enforcement, and to reject proposed use policies that do not comply with this legislation, increase risks of harm, or fail to guarantee civil liberties. We hope you will listen to concerns about militarized policing from members of your community, and we stand ready to work with you to ensure full compliance with AB 481.

From: [Cindy McPherson](#)
To: [City Clerk](#)
Subject: Public comments - Agenda item 7A - May 17
Date: Tuesday, May 17, 2022 8:09:58 PM

Dear City Council Members,

I was a volunteer with the American Friends Service Committee in examining use policies across the state in regards to the implementation of AB 481, to reduce the militarization of our police. Our lead at AFSC, John Lindsay-Poland, reviewed EC's policy, and I want to raise to you the following concerns. I encourage you to take the time to improve the policy to be thoughtful about creating safety in El Cerrito and reasons for trust in the community with our law enforcement.

(1) **"The City Council has 180 days from the date that ECPD published the policy (April 13) to take action; in the interim, ECPD can use the equipment as before. The Council should not be hurried, and should schedule a hearing for more community participation** - and potentially delegate it to a committee (whether that's a good idea is something community members can say).

(2) None of the equipment policies specify authorized uses, procedures required to use it, or independent oversight authority, as required by AB 481's definition of a use policy.

(3) The policy discusses a couple *submachine guns* owned by the Department, but, again, with little specificity about authorized uses.

(4) The policy for 'less lethal' launchers and munitions - chemical agents and impact projectiles - doesn't conform to AB 48's limitations on their use for crowd control, which are very restrictive (AB 48, different from AB 481, was also enacted just this year).

(5) The policy omits mention of assault rifles such as AR-15s, though I suspect that El Cerrito PD has them. If they do have them, the only exemption for including them in the military equipment policy is if they are considered "standard issue service weapons." If they are "standard issue," that raises a series of questions about militarization. But if they are not (i.e. foot patrol and bike patrol officers don't carry them), then they should be included in the policy, including information about the number, cost, etc. This is something Council members should ask.

(6) The policy authorizes use of militarized gear owned by other departments - probably by the Contra Costa County Sheriff, but it could be any Bay Area law

enforcement agency - including MRAP tank-like vehicles, LRAD 'sound cannons', and assault rifles. While the policy restricts other agencies from using this equipment in ways not authorized by El Cerrito's policy (a good thing), the proposed El Cerrito policy for this gear still lack specificity."

Thank you,
Cindy McPherson
El Cerrito

Contra Costa Mosquito & Vector Control District

Protecting Public Health Since 1927

Nola Woods

Public Affairs Director



District Facts

Special District: Independent

General Manager: Paula Macedo

Personnel: 29

Operational Jurisdiction: 716 square miles/ 1.15 million people

District Facts

Vector: any insect or other animal that can transmit disease or cause discomfort to people

Mission Statement: The Contra Costa Mosquito & Vector Control District is a public health agency dedicated to protecting the community from mosquitoes and other vectors of disease.

District Trustees

Board of Trustees: 22 Trustees representing cities and County at Large

El Cerrito Trustee:
Vacant



2019 District Trustees Photo

District Trustees

Board of Trustees: Represent the best interests of your community, ensure the delivery of essential local services and infrastructure, and faithfully serve the public good while upholding the law.

Source: CSDA Board Member Handbook

District Trustees

- Appointed by respective City Councils or the County Board of Supervisors for a term of two to four years
- Serve without compensation but are provided with an allowance (not to exceed \$100 per month) to defray expenses while on official business
- Regular business meetings are held on the second Monday of every other month starting in January at the District office, 155 Mason Circle in Concord
- Meetings have been virtual since 2020, but are going to be hybrid beginning in June
- Meetings are open to the public



Annual Report

District Services:

Mosquitoes

Rats/mice

Yellowjackets

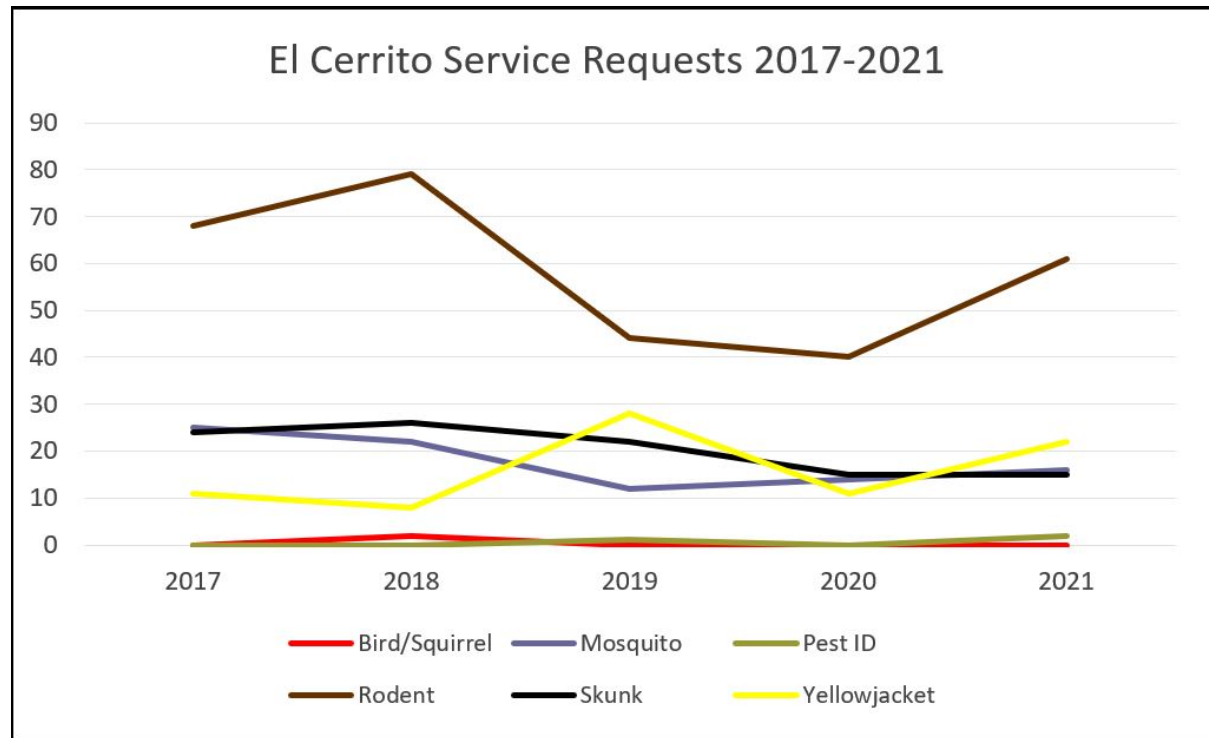
Skunks

Ticks



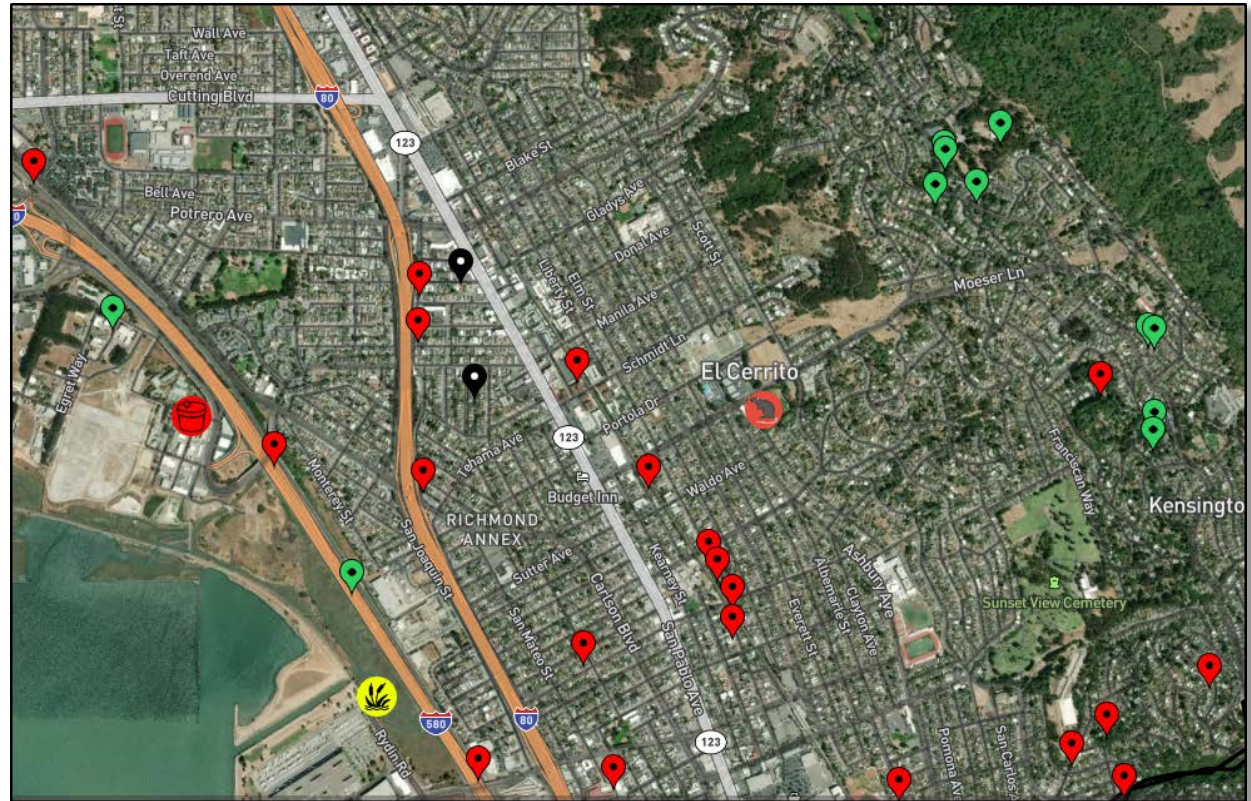
District Services in El Cerrito

Service Requests 2017-2021



District Services in El Cerrito

Known Sources of Vector Activity



Thank you!

QUESTIONS?

Contra Costa Mosquito & Vector Control District



155 Mason Circle, Concord
www.ContraCostaMosquito.com





El Cerrito Police

Military Equipment Policy

Paul Keith – El Cerrito Police

May 17, 2022



Military Equipment Policy

Mandated by State Law
(Government Code 7070 -7075)

All Military Equipment Owned,
Used or Sought

Council Approval of Department
Policy

Approval by Ordinance

Military Equipment Policy Process

Inventory of Equipment

Draft Policy created by ECPD and Lexipol
Law Group

30 Day Public Review Period

Council Approves through Ordinance
Process

Annual Public Meetings and Approval

Categories of Equipment

Vehicles

Firearms

Entry Devices (battering rams, flash bang devices)

Specialty Launchers and Projectiles

Crowd Control Devices

Questions or Comments





El Cerrito Police

Military Equipment Policy

Paul Keith – El Cerrito Police

May 17, 2022





Revisions to published Master Fee Schedule
(Exhibit A to the Resolution)

Agenda Item No. 7.B.

Agenda Packet Page Reference	Section	Item	FY 22 Adopted Fee	Proposed Fee Published	Corrected Proposed Fee	Comments
Page 138	Photocopies	Photocopies (8 1/2 x 14 or smaller) per page	0.10	0.11	0.10	No fee rate change.
Page 138	Photocopies	Photocopies (larger than 8 1/2 x 14) per page	0.22	0.23	0.25	Round to easier collection
Page 138	Tobacco Retailer License Program Fees	Tobacco Retailer License (initial license)	\$466	\$466	\$485	Set by ordinance, revised to correct fee
Page 138	Tobacco Retailer License Program Fees	Tobacco Retailer License Renewal	\$475	\$475	\$439	Set by ordinance, revised to correct fee
Page 165	Solar Energy & Battery Storage	Solar Photovoltaic up to 10KW (State mandated)	\$250	\$260	\$250	Set by state mandate, cannot increase
Page 165	Solar Energy & Battery Storage	Solar PV each 10KW or fraction thereof over 10KW (State mandated)	\$250 + \$15 per KW	\$275.60	\$250 + \$15 per KW	Set by state mandate, cannot increase
Page 167	Rental Housing Inspections	Cancellation with less than 72-hour notice	50% of the Assessed Fee	Blank	50% of the Assessed Fee	Was left blank in published schedule (no change)
Page 167	Rental Housing Inspections	Late Payment	10% of fees	Blank	10% of fees	Was left blank in published schedule (no change)
Page 167	Miscellaneous Fees and Assessments	Document imaging of plans, calculations and other supporting documents	\$3 per page	Blank	\$3 per page	Was left blank in published schedule (no change)
Page 167	Miscellaneous Fees and Assessments	Continuing education	\$5/permit	Blank	\$5/permit	Was left blank in published schedule (no change)
Page 167	Miscellaneous Fees and Assessments	Planning plan review when required	20% of combined building inspection and plan review fee with a min. \$192 charge	Blank	20% of combined building inspection and plan review fee with a min. \$192 charge	Was left blank in published schedule (no change)
Page 167	Miscellaneous Fees and Assessments	Public Works review when required	20% of combined building inspection and plan review fee with a min. \$223 charge	Blank	20% of combined building inspection and plan review fee with a min. \$223 charge	Was left blank in published schedule (no change)
Page 167	Miscellaneous Fees and Assessments	Public Works Engineering site inspection-when required (per hour or fraction thereof)	\$223	Blank	\$223	Was left blank in published schedule (no change)
Page 167	Miscellaneous Fees and Assessments	Fire Department Plan Review when required	See Fire fee schedule	Blank	See Fire fee schedule	Was left blank in published schedule (no change)
Page 167	Miscellaneous Fees and Assessments	SPA Specific Plan Maintenance Fee- Construction of new residential units	\$206	Blank	\$206	Was left blank in published schedule (no change)
Page 167	Miscellaneous Fees and Assessments	SPA Specific Plan Maintenance Fee- Additions to Existing non-residential buildings per additional sq.	\$0.19	Blank	\$0.19	Was left blank in published schedule (no change)

FY 2022-23 Master Fee Schedule Revisions



Action Proposed

Conduct Public hearing and upon conclusion adopt a resolution approving the FY 2022-23 Master Fee Schedule.

- 1. Addendum to Exhibit A - Proposed Master Fee Schedule details**
 - **Updates for Community Development**
 - **Updates for Tobacco Retailer License Program Fees**
- 2. Master Fee Schedule is basis for all City-wide fees and charges and is consistent with the City's goal to achieve long-term financial sustainability.**
- 3. The revenue generated by fees, charges for services and business license taxes will be included in the City's FY 2022-23 proposed budget based on the Master Fee Schedule approved by City Council.**
- 4. Strategy and approach**
 - **Remain consistent with applicable legal/regulatory restrictions and guidelines.**
 - **Consider Consumer Price Index from the U.S. Bureau of Labor Statistics for the Western Metropolitan Area as one factor during the cost review for providing programs and services.**
 - **Analyze costs to decrease City subsidies as recommended in the State Auditor's Report.**
 - **Maintain/reduce fees as necessary to align with other cities and organizations with comparable programs; and/or in some instances as in the Recreation Dept, the fee rate may be increased to offset costs of higher-level staff support.**
 - **In FY 2021-22, the Fire Dept had significant fee increases and the FY 2022-23 proposed fee changes are primarily based on inspection times for various categories.**
 - **Community Development plans to conduct an all-inclusive development fee study given rise in construction costs.**
- 5. No new fees are proposed and generally a 4.0% increase is proposed as reflected in Exhibit A.**



Proposed Collection Services Agreement with East Bay Sanitary Company

Effective June 1, 2022

Presentation to City Council
May 17, 2022

R3
CONSULTING
GROUP, INC.



Agenda

- History of Customer Satisfaction and Performance
- Rationale for Negotiating a New Agreement
- Negotiation Approach and Outcomes
- SB 1383 Compliance Services
- Service Enhancements
- Electric or Zero Emission Vehicles
- No Change in Compensation
- Form of Agreement
- Term of Agreement
- Alternatives to Proposed Agreement

El Cerrito's Solid Waste Services

**Integrated Waste
Management (IWM):**
Curbside Recycling,
Recycling Center &
Related Services



East Bay Sanitary (EBS):
Garbage and Organic
Waste Collection

RecycleMore and Republic: Post-Collection Services



History of Customer Satisfaction and Performance



EBS has provided solid waste collection service in the City since 1942



EBS only provides service in the City and is incentivized to respond to City needs



EBS has its main offices located in the City, which is a rarity for solid waste contractors today



In 2020, a performance review of EBS was completed, highlighting good performance



In 2021, EBS conducted a customer satisfaction survey, which found 89% of customers satisfied or very satisfied with services



EBS has consistently been a good partner to the City and the El Cerrito community

Rationale for Negotiating a New Agreement

- The City needs to implement new programs and services for compliance with SB 1383 in 2022
- The City has other interests in securing other service enhancements (multi-family dwellings, illegal dumping, etc.)
- The current Agreement expires December 31, 2025
- EBS has an interest in lengthening the term for cost-effective capitalization of assets
- The current Agreement provides for the City to negotiate a modernized and updated form of agreement
- State law provides the flexibility to negotiate with current contractor or proceed to competitive procurement
- Positive history of partnership, customers satisfaction and performance means negotiation is the best first step
- The City retains time to proceed to competitive procurement if the new agreement is not approved

Negotiation Approach and Outcomes

- Good faith negotiations were initiated in April 2021
- EBS submitted proposal for new services and term extension in July 2021
- Negotiation meetings proceeded through April 2022
- City's objectives were to:
 - Secure programs and services for SB 1383 compliance
 - Provide enhanced programs and services to ratepayers
 - Secure support for fire fuel reduction measures
 - Secure additional illegal dumping clean-up resources
 - Secure bulky/large item services for residents
 - Secure continued collection services after term expiration
 - Secure discretion and resources in the event of future EBS sale
 - Secure fully updated and modernized form of agreement
 - Avoid increases in solid waste rates
- All of the City's objectives were met during the negotiation process

New SB 1383 Compliance Services

- Universal Organic Waste Collection Service
- New Carts and Labels for Garbage (Gray) and Recycling (Blue)
 - EBS will cover all costs for recycling cart purchase, except some miscellaneous costs (e.g., taxes and freight)
- Compliance Reviews
- Contamination Audits / Route Reviews
- Education and Outreach / Compliance Waivers
- Edible Food Recovery Support
- Compost Procurement
- Record Keeping and Reporting



New Service Enhancements

- Expanded Bulky / Large Item Collections (including multi-family dwellings)
- Expanded E-waste / U-waste Collections
- Fire Prevention Clean-ups
- Illegal Dumping Clean-ups
- Back-up Recycling Collection Service
- Customer Service Enhancements
- Enhanced Reporting
- Immediate Transition to Renewable Diesel



Electric or Zero Emission Collection Vehicles

- EBS is required to purchase electric or zero emission collection vehicles at no change in its compensation when technologically and economically feasible
- Technologic Feasibility
 - Electric vehicles in use or on order in other communities are test vehicles
 - It is not yet technologically feasible for regular route operations in El Cerrito
 - Most likely use will be for commercial routes, possibly requiring two trucks per route
 - Hilly residential routes are unlikely candidates for electric vehicles
 - City and EBS will meet annually to review technologic feasibility

Electric or Zero Emission Collection Vehicles

- Economic Feasibility
 - A primary objective of proposed Agreement was to avoid increasing EBS's compensation and customer rates
 - Proposed Agreement requires EBS to purchase electric or zero emission vehicles instead of conventional diesel if it can do so while achieving target profitability
 - EBS will receive no change in compensation for the difference between the cost of electric/zero emission vehicles and conventional diesel
 - If City desires implementation of electric or zero emission vehicles above what can be accomplished without increase in compensation or rates, City may direct EBS to do so given approval of an associated change in compensation
 - Change in EBS compensation will likely be needed for fueling / charging station

No Change in Compensation

- There will be no change in EBS's 2022 compensation from approval of new agreement and no change to the compensation approach / structure
- Annual index-based compensation adjustments will continue as per current agreement, with the next being January 1, 2023
- Index-based adjustments have ranged from 1.5% to 3.6% since 2014, for an average of 2.74% per year
- City or EBS may call for a detailed review of compensation as per current Agreement
- The bottom line is that customer rates will not change as a result of approving new agreement

Form of Agreement

- New agreement is fully updated and modernized to meet current solid waste, regulatory and legal standards and expectations
- New agreement includes detailed performance standards, administrative penalties, reporting requirements, indemnification and insurance provisions
- New agreement provides for City discretion in the event of a future assignment to another contractor, with resources to review request for assignment
- If EBS is ever sold the terms and conditions of the new agreement will help ensure that the City continues to receive quality service in the future

Term of Agreement

- Initial 10-year term through May 31, 2032
- Automatic annual one-year extensions thereafter
 - Key to securing new services without changing EBS's compensation
 - Common approach for agreements with small family-held solid waste operators
 - Provides rate stability to ratepayers, financial security and ability to EBS
 - Provides City and EBS with flexibility to continue long-term contracting relationship without the need to negotiate periodic amendments
- Automatic annual extensions will cease
 - If City gives written notice
 - If EBS sells the company
 - After 15 annual renewals have occurred

Alternatives to Proposed Agreement

- The City needs to arrange for programs and services to comply with SB 1383
- The City needs to arrange for continued garbage and organic waste collection services starting January 1, 2026
- If the Council does not authorize the proposed Agreement
 - Providing required SB 1383 programs and services will be more costly
 - City will need to undertake competitive RFP process
- Both efforts will require commitment of staff and consultant resources, and may result in increased expenses and increases in solid waste rates
- Outcomes of a competitive RFP process cannot be guaranteed
- Transitioning to a new services provider can be difficult and costly

Conclusion and Recommended Action

- EBS has a long history of customer satisfaction and performance working as a partner with the City
- The proposed agreement will secure many valuable services
 - SB 1383 compliant programs and services
 - New collection programs for bulky waste, illegal dumping, and more
 - Enhanced customer service
 - Renewable diesel
 - Future electric / zero emission vehicles
- There will be no change in solid waste rates resulting from proposed agreement
- Staff recommends adoption of a resolution authorizing City Manager to execute the proposed Agreement with EBS effective June 1, 2022



Questions and Comments