

EXHIBIT P

Recycling Level and Allocation of Revenues from Sale of Recycled Materials

Contractor's Revenue Share	City's Revenue Share	Recycling Level Achieved
50.0%	50.0%	25.0-25+%
50.0%	50.0%	24.5-24.9%
47.0%	53.0%	24.0-24.4%
45.0%	55.0%	23.5-23.9%
40.0%	60.0%	23.0-23.4%
35.0%	65.0%	22.5-22.9%
30.0%	70.0%	22.0-22.4%
26.0%	74.0%	21.5-21.9%
26.0%	74.0%	21.0-21.4%
26.0%	74.0%	20.5-20.9%
26.0%	74.0%	20.0-20.4%
22.0%	78.0%	19.5-19.9%
18.0%	82.0%	19.0-19.4%
15.0%	85.0%	18.5-18.9%
12.0%	88.0%	18.0-18.4%
9.0%	91.0%	17.5-17.9%
6.0%	94.0%	17.0-17.4%
3.0%	97.0%	16.5-16.9%
0.0%	100.0%	Below 16.5%

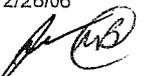


EXHIBIT Q

FAITHFUL PERFORMANCE BOND

KNOW ALL PERSONS BY THESE PRESENTS, that BAY COUNTIES WASTE SERVICES, INC., hereinafter called the PRINCIPAL, and

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

THE CONDITION OF THIS OBLIGATION IS SUCH THAT:

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

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

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

PROVIDED, however, that the SURETY shall not be liable (1) as respects to any
obligations related to said Contract occurring after two (2) years from the date of this
Bond, unless this Bond is extended, or (2) with respect to PRINCIPAL'S obligation to
procure a replacement performance bond, as provided for in Section 7.03 of the Contract.
This Bond may be extended beyond _____ , 2009 in the sole discretion of the
SURETY by means of a continuation certificate in form and substance satisfactory to
OBLIGEE signed at least ninety (90) days prior to _____ , 2009.

EXHIBIT Q

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

IN WITNESS WHEREOF, the Principal and Surety have executed this instrument as of this ____ day of _____, 2007.

(PRINCIPAL)

By: _____
Name: _____
Title: _____

(SURETY)

By: _____
Attorney-In-Fact
Name: _____

* * *

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



EXHIBIT Q-1

CONTINUATION CERTIFICATION

In consideration of the premium charged,

_____ hereby continues in force:

Bond #: _____

Dated: _____

In the amount of: Two Million Dollars (\$2,000,000)

on behalf of the City of Sunnyvale, for the period:

Beginning: _____

And Ending: _____ subject to all terms and conditions of said Bond, PROVIDED that the liability of: _____ (NAME OF SURETY)

shall not exceed in the aggregate the amount above written, whether the loss shall have occurred during the term of said bond or during any continuation or continuations thereof, or partly during said term and partly during any continuation or continuations thereof.

Signed and Sealed: _____ (date)

By: _____
Attorney-In-Fact

[ACKNOWLEDGEMENT]



EXHIBIT R

ARBITRATION OF DISPUTES ARISING UNDER SECTIONS 3.04 OR 10.20

1. Demand for Arbitration

If Contractor is dissatisfied with a decision of the City under Section 3.04 or Section 10.20, it shall serve a Demand for Arbitration on the City within sixty (60) days of that decision. The Demand for Arbitration shall describe the issues to be arbitrated and Contractor's contentions relating to those issues. The Demand shall be served on the City Manager with a copy delivered to the City Attorney.

2. Number and Qualifications of Arbitrators

The arbitration shall be conducted by a panel of three (3) arbitrators. One arbitrator shall be appointed by Contractor, one arbitrator shall be appointed by the City, and the third arbitrator shall be appointed by the other two arbitrators. The third arbitrator of the arbitration panel shall be an attorney licensed to practice within the courts of the State of California and shall be the "neutral arbitrator" referred to in California Code of Civil Procedure Section 1280(d). No member of the panel shall be an officer, employee, agent, or attorney of Contractor or the City, or an affiliate of Contractor. Alternatively, the parties may agree on a single arbitrator, in which case that arbitrator shall be the "neutral arbitrator".

3. Appointment

Within thirty (30) days after a Demand for Arbitration has been served, each party shall personally serve the other with notice of the names of the arbitrators they have selected.

The two arbitrators named by the parties shall select the third arbitrator within thirty (30) days. If they are unable to agree upon a third arbitrator, either party may request the Presiding Judge of the Superior Court in Santa Clara County to make the appointment.

4. Powers of Arbitrators; Conduct of Proceedings

- (a) Except as hereinafter provided, arbitrations shall be conducted under and be governed by the provisions of California Code of Civil Procedure, Sections 1282.2 through 1284.2 (hereinafter, collectively, "Code sections"), and arbitrators appointed hereunder shall have the powers and duties specified by the Code sections.
- (b) Unless waived in writing by the parties, the notice of hearing served by the neutral arbitrator shall not be less than 90 days.



- (c) The lists of witnesses (including expert witnesses), and the lists of documents (including the reports of expert witnesses) referred to in Code of Civil Procedure Section 1282.2 shall be mutually exchanged, without necessity of demand therefor, no later than sixty (60) days prior to the date of the hearing, unless otherwise agreed in writing by the parties.
- (d) The time for making the award shall be no later than twelve (12) months after service of the initial Demand for Arbitration, provided that such time may be waived or extended as provided in Code of Civil Procedure Section 1283.8.
- (e) The arbitrators shall not base their award on information not obtained at the hearing.
- (f) The provisions for discovery set forth in Code of Civil Procedure Section 1283.05 are incorporated into and made part of this contract, except that (1) leave of the arbitration panel need not be obtained for the taking of depositions, including the depositions of expert witnesses; (2) the provisions of Code of Civil Procedure Section 2037 *et seq.*, relating to discovery of expert witnesses, shall also be applicable to arbitration proceedings arising under this contract, except that the time period set forth in Section 2037(a) shall be deemed to be not later than sixty (60) days prior to the date for the hearing; and (3) all reports, documents, and other materials prepared or reviewed by any expert designated to testify at the arbitration shall be discoverable.
- (g) The arbitration award shall be in writing and determined by a majority of the members of the arbitration panel.
- (h) The arbitration panel jurisdiction and authority are limited to a determination of the Minimum Recycling Level (in the case of a dispute arising under Section 3.04) or the amount of compensation due to Contractor under this contract (in the case of a dispute arising under Section 10.20). The arbitration panel is not authorized, and does not have jurisdiction, to determine or award money damages against City, its officers, employees or agents.

5. Costs.

Each party shall pay the compensation and expense of the arbitrator which it appoints, as well as its own costs and attorneys' fees, expert and witness fees, and other expenses incurred in preparing and presenting its case. The compensation and expenses of the neutral arbitrator, rental of the hearing room, costs of a stenographic reporter, and other costs of the arbitration shall be divided equally between and paid equally by Contractor and City.



Exhibit S
Method for Calculating Recycling Percentage

The recycling level achieved by the Contractor will be calculated as shown below:

A = Tons of Municipal Solid Waste coming into the SMaRT Station for the month.
(*Note: Municipal Solid Waste does not include source separated yard trimmings, source separated curbside and public haul materials and materials delivered to the Buyback/Drop off Center. - See definition of Municipal Solid Waste in Exhibit A.)

B = Tons of Municipal Solid Waste placed in transfer trucks and hauled to the Kirby Canyon Landfill for disposal during the month.

C = Percent of incoming Municipal Solid Waste recovered during the month.

$$A-B/A = C$$

The following example shows how this formula will be used to calculate the recycling level achieved:

A = 200,000 tons

B = 145,000 tons

$$200,000 \text{ tons} - 145,000 \text{ tons} / 200,000 \text{ tons} = 27.5\% \text{ Recycled}$$

Exhibit T

Protocols for Waste Characterization Studies

1. Scope

1.1 The method describes the procedures for measuring the composition of unprocessed municipal solid waste (MSW) by employing manual sorting. The procedure applies to the determination of the mean composition of MSW based on the collection and manual sorting of a number of samples of waste over a selected period of time with a minimum of one week.

1.2 The procedures include those for collection of a representative sorting sample of unprocessed waste, manual sorting of the waste into individual waste components, data reduction, and reporting of results.

1.3 The method may be applied at landfill sites, waste processing and conversion facilities, and transfer stations.

2. Definitions

2.1 Sorting Sample: A 200 to 300 lb portion that is deemed to represent the characteristics of a vehicle load of MSW.

2.2 Unprocessed Municipal Solid Waste: Solid Waste in its discarded form, i.e., waste that has not been size reduced or otherwise processed.

2.3 Waste Component: A category of solid waste composed of materials of similar physical properties and chemical composition, which is used to define the composition of solid waste, e.g., ferrous, glass, newsprint, yard waste, aluminum, etc.

2.4 Solid Waste Composition or Waste Composition: The characterization of solid waste as represented by a breakdown of the mixture into specified waste components on the basis of mass fraction or of weight percentage.

2.5 Composite Item: An object in the waste that is composed of multiple waste components or dissimilar materials, such as disposable diapers, bi-metal beverage containers, electrical conductor composed of metallic wire encased in plastic insulation, etc.

3. Summary of Methods

3.1 The number of samples to be sorted is calculated based upon statistical criteria selected by the investigators.

3.2 Vehicle loads of waste are designated for sampling, and a sorting sample is collected from the discharged vehicle load.

3.3 The sorting sample is manually sorted into waste components. The weight fraction of each component in the sorting sample is calculated from the weights of the components.

3.4 The mean waste composition is calculated using the results of the composition of each of the sorting samples.

4. Significance and Use

4.1 Waste composition information has wide application and can be used for such activities as solid waste planning, designing waste management facilities, and establishing a reference waste composition for use as a baseline standard in facility contracts and in acceptance test plans.

4.2 The method can be used to define and report the composition of municipal solid waste through the selection and manual sorting samples of waste. Care should be taken to consider the source and seasonal variation of waste, where applicable.

4.3 After performing a waste composition analysis, laboratory analysis may be performed on representative samples of waste components or mixtures of waste components for purposes related to the planning, management, design, testing, and operation of resource recovery facilities.

5. Apparatus

5.1 Sufficient metal, plastic, or fiber containers for storing and weighing each waste component, labeled accordingly. For components that will have a substantial moisture content (e.g., food waste), metal or plastic containers are recommended to avoid absorption of moisture by the container and, thus, the need for a substantial number of weighings to maintain an accurate tare weight for the container.

5.2 A mechanical or electronic weigh scale with a capacity of at least 200 lb, and a precision of at least 0.1 lb.

5.3 Heavy-duty tarps, shovels, rakes, push brooms, dust pans, hand brooms, magnets, sorting table, first aid kit, miscellaneous small tools, traffic cones, traffic vests, leather gloves, hardhats, safety glasses, and leather boots.

6. Precautions

6.1 Review the precautions and procedures with the operating and sorting personnel prior to the conduct of the field activities.

6.2 Sharp objects such as nails, razor blades, hypodermic needles, and pieces of glass are present in solid waste. Personnel should be instructed of this danger and brush waste particles aside while sorting, as opposed to projecting their hands with force into the mixture. Personnel handling and sorting solid waste should wear appropriate protection. Appropriate protection includes heavy leather gloves, hardhats, safety glasses, and safety boots.

6.3 During the process of unloading waste from collection vehicles and of handling waste with heavy equipment, projectiles may issue from the mass of waste. The projectiles can include flying glass particles from breaking glass containers and metal lids from plastic and metal containers that burst under pressure when run over by heavy equipment. The problem is particularly severe when the waste handling surface is of high compressive strength, e.g., concrete. Personnel should be made aware of the danger and wear eye and head protection if in the vicinity of the collection vehicle unloading point, or in the vicinity of heavy equipment, or both.

6.4 Select a location for discharge of designated loads, manual sorting activities, and weighing operation that is flat, level, and away from the normal waste handling and processing areas.

6.5 Weigh storage containers each day, or more frequently if necessary, in order to maintain an accounting of the tare weight.

7. Calibration

7.1 All weigh scale equipment shall be calibrated according to the manufacturer's instructions. Take appropriate corrective action if the readings are different than the calibration weights.

8. Procedures

8.1 Secure a flat and level area for discharge of the vehicle load. The surface should be swept clean or covered with a clean, durable tarp prior to discharge of the load.

8.2 Position the scale on a clean, flat, and level surface and adjust the level of the scale if necessary. Check the accuracy and operation of the scale with a known (i.e., reference) weight.

8.3 Weigh all empty storage containers and record the tare weights.

8.4 Determine the number of sorting samples to be sorted. The determination is a function of the waste components to be sorted and the desired precision as applied to each component. Weights of 200 to 300 lb for sorting samples of unprocessed solid waste are recommended. The number of samples is determined using the calculation method described in section 9.1.

8.5 A comprehensive list of waste components for sorting is shown in Table A. A description of some of the waste component categories is given in Table B. Other waste components can be defined and sorted depending upon the purpose of the waste composition determination. The list in Table A is comprised of those components most commonly used to define and report the composition of solid waste. At a minimum, it is recommended that the complement of left-justified categories in Table A be sorted. Therefore, similar breakdowns of solid waste composition are available for purposes of comparison, if desired. Label the storage containers accordingly.

TABLE A. List of Waste Component Categories

Mixed Paper	Other Organics
High Grade Paper	Ferrous
Computer Printout	Cans
Other Office Paper	Other Ferrous
Newsprint	Aluminum
Corrugated	Cans
Plastic	Foil
PET Bottles	Other Aluminum
HDPE Bottles	Glass
Film	Clear
Other Plastic	Brown
Yard Waste	Green
Food Waste	Other Organics
Wood	

TABLE B. Description of Some Waste Component Categories

Category	Description
Mixed Paper	Office paper, computer paper, magazines, glossy paper, waxed paper, other paper not fitting categories of "Newsprint" and "Corrugated"
Newsprint	Newspaper
Corrugated	Corrugated medium, corrugated boxes or cartons, brown (kraft) paper (i.e., corrugated) bags
Plastic	All plastics
Yard Waste	Branches, twigs, leaves, grass, other plant material
Food Waste	All food waste except bones
Wood	Lumber, wood products, pallets, furniture
Other Organics/ Combustibles	Textiles, rubber, leather, other primarily burnable materials not included in the above component categories
Ferrous	Iron, steel, tin cans, bi-metal cans
Aluminum	Aluminum, aluminum cans, aluminum foil
Glass	All glass
Other organics/ Non-combustibles	Rock, sand, dirt, ceramics, plaster, non-ferrous non-aluminum metals (copper, brass, etc.), bones

8.6 Vehicles for sampling shall be selected at random during each day of the one-week sampling period, or so as to be representative of the waste stream as agreed to by the affected parties. With respect to random selection of vehicles, any method is acceptable that does not introduce a bias selection. An acceptable method is use of a random number generator. For a weekly sampling period of k days, the number of vehicles sampled each day shall be approximately n/k , where n is the total number of vehicle loads to be selected for determination of waste composition. A weekly period is defined to be 5 to 7 days.

8.7 Direct the designated vehicle containing the load of waste to the area secured for discharge of the load and collection of the sorting sample.

8.8 Direct the vehicle operator to discharge the load onto the clean surface in one contiguous pile, i.e., to avoid gaps in the discharged load. Collect any required information from the vehicle operator prior to the vehicle leaving the discharge area.

8.9 Using mechanical equipment, remove material longitudinally along one entire side of the discharged load, sufficient to form a mass of material which, on a visual basis, is at least four times the desired weight of the sorting sample (i.e., about 1,000 lb). Mix, cone and quarter this method of selection or a sequence agreed to by all affected parties, for the purpose of eliminating or minimizing biasing of the sample. If an oversize item (e.g., water heater) composes a large weight percentage of the sorting sample, add a notation on the data sheet and weigh it, if possible.

8.10 One sorting sample is selected from each collection vehicle load that is designated for sampling. All handling and manipulation of the discharged load, longitudinal sample, and sorting sample shall be conducted on previously cleaned surfaces. If necessary, remove the sorting sample to a secured manual sorting area. The sorting sample may be placed on a clean table for sorting for the convenience of the sorting personnel. The sorting area shall be a previously cleaned, flat, and level surface.

8.11 Position the storage containers around the sorting sample. From the sorting sample, empty all containers such as capped jars, paper bags, and plastic bags of their contents. Segregate each waste item and place it in the appropriate storage container.

8.12 In the case of composite items found in the waste, separate the individual materials where practical and place the individual materials into the appropriate storage containers. Where impractical, segregate and classify the composite item according to the following order:

8.12.1 If there are many identical composite items (e.g., plastic-sheathed aluminum electrical conductor), place them into the waste component containers corresponding to the materials present in the item and in the approximate proportions according to the estimated mass fraction of each material in the item.

8.12.2 If there are only a few of the identical composite item, place them in the storage container corresponding to the material which comprises, on a weight basis, the majority of the item (e.g., place bi-metal beverage cans in the ferrous container).

8.12.3 If composite items represent substantial weight percentages of the sorting sample, a separate category should be established, e.g., composite roofing shingles.

8.12.4 If none of the above procedures is appropriate, place the item(s) (or proportion it (them)) in the storage container labeled "Other Non-Combustible" or "Other Combustible" as appropriate.

8.13 Sorting continues until the maximum particle size of the remaining waste particles is approximately 0.5 in. At this point, apportion the remaining particles into the storage containers corresponding to the waste components represented in the remaining mixture. The apportionment shall be accomplished by making a visual estimate of the mass fraction of waste components represented in the remaining mixture.

8.14 Record the gross weights of the storage containers and of any waste items sorted but not stored in containers. The data sheet shown in Fig. 1 can be used to record gross weights as well as tare weights.

8.15 After recording the gross weights, empty the storage containers and weigh them again, if appropriate. Re-weighing is important and necessary if the containers become moisture-laden, e.g., from wet waste.

8.16 Clean the sorting site as well as the load discharge area of all waste materials.

9. Calculations

9.1 Number of 200 to 300 lb samples.

9.1.1 The number of sorting samples (i.e., vehicle loads) (n) required to achieve a desired level of measurement precision is a function of the component(s) under consideration, and the confidence level. The governing equation for n is:

$$n = (t^* s / e \bar{x})^2 \quad (1)$$

where t^* is the student t statistic corresponding to the desired level of confidence, s is the estimated standard deviation, e is the desired level of precision, and \bar{x} is the estimated mean.

All numerical values for the symbols are in decimal notation. For example, a value of precision (e) of 20% is represented as 0.2.

One sorting sample is chosen per vehicle load.

Figure 1, Waste Composition Data Sheet

Day/Date _____
 Site _____
 Weather _____

Collection Company _____
 Vehicle Type _____
 Route Number _____
 Recorded By _____

Component	Weight in Pounds			Percent of Total
	Gross	Tare	Net	
Mixed Paper				
High Grade Paper				
Computer Printout				
Other Office Paper				
Newsprint				
Corrugated				
Plastic				
PET Bottles				
HDPE Bottles				
Film				
Other Plastic				
Food Waste				
Wood				
Other Organics				
Ferrous				
Cans				
Other Ferrous				
Aluminum				
Cans				
Foil				
Other Aluminum				
Glass				
Clear				
Brown				
Green				
Other Inorganics				

Totals _____

Notes _____

Lab Sample Taken? Yes ___ No ___

Suggested values of s and of \bar{x} for waste components are listed in Table C. Values of t^* are given in Table D for 90% and 95% levels of confidence, respectively.

9.1.2 Estimate the number of samples (n') for the selected conditions (i.e., precision and level of confidence) and components using equation 1. For the purpose of estimation, select from Table D the t^* value for n - - for the selected level of confidence. Since the required number of samples will vary among the components for a given set of conditions, a compromise will be required in terms of selecting a sample size, i.e., the number of samples that will be sorted. The component that is chosen to govern the precision of the composition measurement (and therefore the number of samples required for sorting) is termed the "governing component" for the purpose of this method.

9.1.3 After determining the governing component and its corresponding number of samples (n_o), return to Table D and select the student t statistic (t^*_o) corresponding to n_o . Recalculate the number of samples, i.e., n' using t^*_o .

9.1.4 Compare n_o to the new estimate of n , i.e., n' , which was calculated for the governing component. If the values differ by more than 10%, repeat the calculations of 9.1.2 and 9.1.3.

9.1.5 If the values are within 10%, select the larger value as the number of samples to be sorted. Refer to Appendix A for a sample calculation of n .

9.2 Component Composition

9.2.1 The component composition of solid waste is reported on the basis of the mass fraction (expressed as a decimal) or percentage of waste component i in the solid waste mixture. The reporting is on the basis of wet weight, i.e., the weight of materials immediately after sorting.

9.2.2 The mass fraction of component i , mf_i , is defined and computed as:

$$mf_i = \frac{w_i}{\sum_{i=1}^j w_i} \quad (2)$$

where w_i is the weight of component i and j is the number of waste components. In those cases where a container is used to store and weigh the materials:

$$w_i = \text{gross weight} - \text{tare weight of container} \quad (3)$$

TABLE C. Values of Mean (\bar{x}) and of Standard Deviation (s) for Within Week Sampling to Determine MSW Component Composition^A

Component	Standard Deviation (s)	Mean (\bar{x})
Mixed Paper	0.05	0.22
Newsprint	0.07	0.10
Corrugated	0.06	0.14
Plastic	0.03	0.09
Yard Waste	0.14	0.04
Food Waste	0.03	0.10
Wood	0.06	0.06
Other Organics	0.06	0.05
Ferrous	0.03	0.05
Aluminum	0.004	0.01
Glass	0.05	0.08
Other Inorganics	0.03	<u>0.06</u>
		1.00

A) The tabulated mean values and standard deviations are estimates based on field test Data reported for municipal solid waste sampled during weekly sampling periods at several locations around the U.S.

② ✓

TABLE D. Values of t Statistics (t^*) as a Function of Number of Samples and Confidence Interval

No. of Samples (n)	90%	95%
2	6.314	12.706
3	2.920	4.303
4	2.353	3.182
5	2.132	2.776
6	2.015	2.571
7	1.943	2.447
8	1.895	2.365
9	1.860	2.306
10	1.833	2.252
11	1.812	2.228
12	1.796	2.201
13	1.782	2.179
14	1.771	2.160
15	1.761	2.145
16	1.753	2.131
17	1.746	2.120
18	1.740	2.110
19	1.734	2.101
20	1.729	2.093
21	1.725	2.086
22	1.721	2.080
23	1.717	2.074
24	1.714	2.069
25	1.711	2.064
26	1.708	2.060
27	1.706	2.056
28	1.703	2.052
29	1.701	2.048
30	1.699	2.045
31	1.697	2.042
36	1.690	2.030
41	1.684	2.021
46	1.679	2.014
51	1.676	2.009
61	1.671	2.000
71	1.667	1.994
81	1.664	1.990
91	1.662	1.987
101	1.660	1.984
121	1.658	1.980
141	1.656	1.977
161	1.654	1.975
189	1.653	1.973
201	1.553	1.972
-	1.645	1.960

APPENDIX A. ESTIMATE OF NUMBER OF SAMPLES FOR ANALYSIS

ASSUMPTIONS

1. Corrugated is selected as the governing component
2. A 90% confidence level is selected
3. A precision of 10% is desired

Therefore:

$$s = 0.06 \text{ (from Table C)}$$

$$\bar{x} = 0.14 \text{ (from Table C)}$$

$$e = 0.10$$

$$t^* (n - -) = 1.545 \text{ (from Table D)}$$

Using equation 1:

$$n = [t^* s / (e \bar{x})]^2$$

$$= \frac{[1.645 (0.06)]^2}{[0.1 (0.14)]}$$

$$= 50$$

$$= n_0$$

Referring again to Table D, for $n = 50$

$$t^{*90} (n = 50) = 1.677$$

and,

$$n = \frac{[1.677 (0.06)]^2}{[0.1 (0.14)]}$$

$$= 52$$

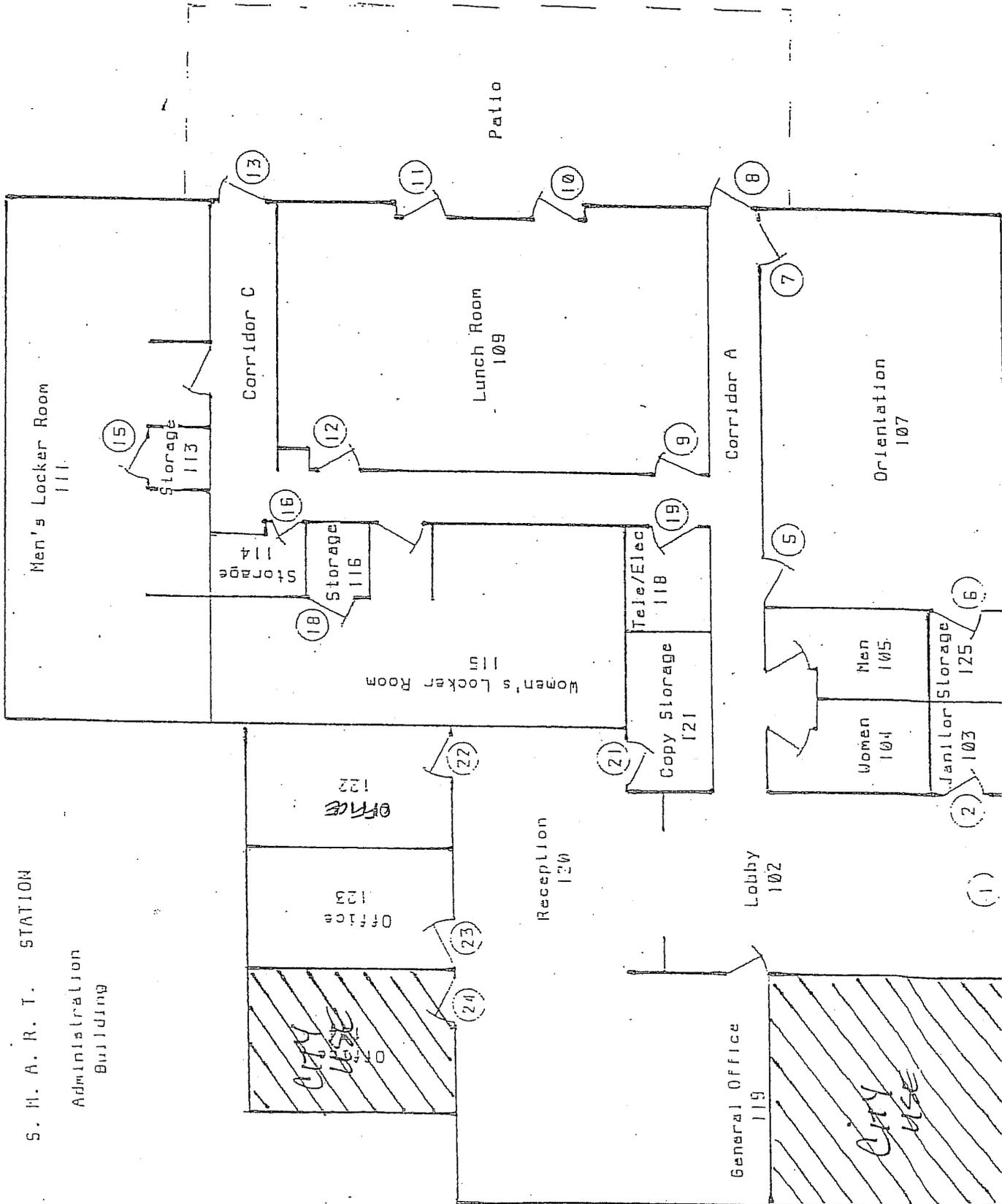
$$= n'$$

Since 52 (i.e., n') is within 10% of 50 (i.e., n_0), 52 samples should be selected for analysis.

EXHIBIT U

S. M. A. R. T. STATION

Administration Building



- (1)
- (2)
- (3)
- (4)
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- (22)
- (23)
- (24)

City of Sunnyvale Environmental Procurement Policy

Policy Purpose

The City of Sunnyvale finds that the preservation of natural resources, reduction of energy use and pollution, reduction of solid waste, and minimization of impact on the environment from City activities benefits all occupants of the City. It is the purpose of this policy to:

1. Help the City meet its current needs without compromising the ability of future generations to do the same.
2. Identify a simple, concise, environmentally sound, and cost-effective approach to environmental purchasing that all departments and divisions can easily implement.
3. Provide for the achievement of Action Statements 3.2B.2d and 3.2B.4a of the Solid Waste Sub-element which state, "Increase demand for recycled materials by advocating local state and federal legislation that will increase use of recycled content products."
4. Promote individual employee responsibility, provide Environmentally Preferable products and produce an operationally oriented, clearly written policy.

Policy Statement

It is the policy of the City of Sunnyvale, its employees and contractors, that when developing plans, drawings, work statements, and specifications, and in the evaluation of bids or proposals for the award of all contracts, for informal, formal, central, and decentralized purchases (including credit card, field purchase order, and petty cash purchases) environmentally preferable products and services shall be purchased, as defined by this section. Factors that will be considered when determining the environmentally preferable good or service include, but are not limited to:

- Minimization of virgin material use in product or service life cycle
- Maximization of recycled products used in product or service life cycle
- Environmental cost of entire product or service life cycle
- Reuse of existing products or materials in product or service life cycle
- Recyclability of product
- Toxicity reduction or elimination
- Elimination of uncertified hardwoods in product or service life cycle
- Ultimate disposal of product

All paper products purchased, including but not limited to, janitorial products, copier paper, offset paper, forms bond, computer printout paper, carbonless paper, file folders, envelopes, uncoated printing and writing paper, and specialized printing papers shall contain **no less than 30% postconsumer materials**, by weight, beginning July 1, 1999. The purchase of products that meet the standards above shall be allowed only if:

- The fitness and quality is equal to that of comparable non-environmentally preferable products.
- The product or service will do the job as well or better than the comparable non-environmentally preferable product or service and is compatible with City equipment.
- The cost of the Environmentally Preferable Product is not cost prohibitive in the judgment of the Purchasing Officer.
- Delivery or availability of the environmentally preferable product or service is comparable to that of the non-environmentally preferable alternative.

The Purchasing Officer shall, in cooperation with the Solid Waste Program Manager, develop administrative guidelines to implement this policy. The Purchasing Officer shall also:

- Ensure that purchasing documents, specifications, and contracting procedures do not discriminate against environmentally preferable goods and services.
- Establish standards for the purchase of environmentally preferable goods and services and raise or lower these standards to meet the objectives of this policy.
- Maintain a reference list of commonly purchased environmentally preferable products or services.
- Provide staff training in the purchase of environmentally preferable products and services.

Definitions:

Environmentally preferable means products or services that have a lesser or reduced effect on human health and the environment when compared with competing products or services that serve the same purpose. This comparison may consider raw materials acquisition, production, manufacturing, packaging, distribution, reuse, operation, maintenance, and disposal of the product or service.

Life Cycle Cost means the amortized annual cost of a product, including capital costs, installation costs, operating costs, maintenance costs, and disposal costs discounted over the lifetime of the product.

Life Cycle Assessment means the comprehensive examination of a product's environmental and economic aspects and potential impacts throughout its lifetime, including raw material extraction, transportation, manufacturing, use and disposal.

Certified Hardwoods means hardwoods that have been certified by the Forest Stewardship Council as responsibly harvested. This certification process ensures the protection of endangered tropical hardwoods from over harvesting.

Postconsumer Material means a material or finished product that has served its intended use and has been discarded for disposal or recovery, having completed its life as a consumer item. "Postconsumer material" is a part of the broader category of "recovered material".

Recovered Materials means waste materials and by-products which have been recovered or diverted from solid waste, but this term does not include those materials and by-products generated from, and commonly reused within, an original manufacturing process.

Recyclability means the ability of a product or material to be recovered from, or otherwise diverted from, the solid waste stream for the purpose of recycling.

Recycled Product means all materials, goods, and supplies, no less than 50 percent of the total weight of which consists of secondary and postconsumer waste with not less than 10 percent of its total weight consisting of postconsumer waste. These minimum percentages of secondary and postconsumer waste may change as industry availability changes.

Recycling means the series of activities, including collection, separation, and processing, by which products or other materials are recovered from the solid waste stream for use in the form of raw materials in the manufacture of new products, and includes the use of separated wood waste as fuel for producing heat or electrical power by combustion.

Virgin Material means any material occurring in its raw form. Virgin Material is used in the form of raw material in the manufacture of new products.

Waste Prevention means any change in the design, manufacturing, purchase or use of materials or products (including packaging) to reduce their volume or toxicity before they become municipal solid waste. Waste prevention also refers to the reuse of products or materials.

Waste Reduction means preventing or decreasing the amount of waste being generated through waste prevention, recycling, or purchasing recycled and environmentally preferable products.

 Integrated Pest Management Policy for City-Owned Facilities	Administrative Policy Manual Chapter 6 – Facilities & Equipment <i>Article 12</i>
	Attachments: <i>none</i>
Effective Date: November 2002	Responsible Department: Department of Public Works
Prior Version & Notes: <i>Prior Version: not available</i>	

Section 1. Purpose

This policy sets forth the guiding principles for development and implementation of Integrated Pest Management (IPM) on all City properties. The goals of the IPM policy and its implementation throughout the city are to:

- Create awareness among City staff of pest management techniques.
- Provide a means of educating all City departments to practice the most appropriate approach to managing pests on City properties.
- Reduce or minimize pesticide use on City properties.
- Eliminate adverse impacts to water quality (both in urban streams and South San Francisco Bay) due to pesticide usage.
- Prevent adverse impacts of pesticide usage on the quality of composted green waste.

Subd. 1. Background

The City's National Pollutant Discharge Elimination System (NPDES) permit from the California Regional Water Quality Control Board (NPDES Permit No. 01-024) requires that the City develop and implement a pesticide toxicity control plan to address urban stream impairment by pesticides. In particular, organophosphate-containing pesticides (e.g., Diazinon and chlorpyrifos) have been found to persist in the environment and cause water quality impairment of some South San Francisco Bay area urban creeks and streams. Also, the City is required to limit discharges of copper into South San Francisco Bay by its NPDES permit. Using non-chemical controls, biological controls, and less toxic chemicals instead of using copper-based and organophosphate pesticides to deal with pest problems will help reduce the impacts to urban streams and South San Francisco Bay.

Clopyralid is the very persistent active ingredient in a number of herbicides that can be used for weed control. Very small amounts of Clopyralid contained in green waste that is collected for composting will continue to be active and cause the finished compost product to adversely affect plants to which it is applied. However, Clopyralid is also a valuable herbicide for managing the noxious thistle family of weeds that may infest native grass areas and restoration projects. Restrictions on the collection of green waste for composting from Clopyralid-

treated areas are included in this policy to prevent the contamination of compost products produced at the SMaRT Station or other City facilities.

Section 2. Policy

Subd. 1. Definitions

The following definitions are used in this Article:

Biological control – The use of biological technologies to manage unwanted pests. Examples of this type of control include, but would not be limited to the use of pheromone traps or beneficial insect release for control of certain types of weeds or invasive insects in landscapes.

Cultural control - The use of IPM control methods such as grazing, re-vegetation and seeding or landscaping with competitive or tolerant species to manage unwanted weeds, rodents or plant diseases.

DPR - Department of Pesticide Regulations for the State of California's Environmental Protection Agency. DPR, in partnership with Federal Environmental Protection Agency (EPA) and County Department of Agriculture, oversees all issues regarding the registration, licensing and enforcement of laws and regulations pertaining to pesticides.

Environmental Stewardship - The strategic approach to pest management in which the IPM practitioners focus on preserving the natural integrity and health of the environment, including public safety, while recommending or applying pest management methods. Environmental Stewardship philosophy helps to create awareness of the Best Management Practices (BMPs) and their relationship to maintaining a healthy environment while conducting pest management activities.

Integrated Pest Management (IPM) – IPM is the strategic approach that focuses on long-term prevention of pests and their damage from reaching unacceptable levels by selecting and applying the most appropriate combination of available pest control methods. These include cultural, mechanical, biological and chemical technologies that are implemented for a given site and pest situation in ways that minimize economic, health and environmental risks.

Mechanical controls – The use of IPM control methods utilizing hand labor or equipment such as mowers, graders, weed-eaters, and chainsaws. Crack and crevice sealants and closing small entryways (i.e., around pipes and conduits) into buildings for insect and rodent management are also mechanical controls.

PCA – PCA or Pest Control Advisor is one licensed by the California Department of Pesticide Regulations according to Title 3, Article 5 of the California Code of Regulations. Only a licensed PCA, who is registered with the County Agricultural Commissioner may provide written pest control recommendations for agricultural pest management, including parks, cemeteries, golf courses, and rights-of-way.

Pesticides – Defined in Section 12753 of the California Food and Agricultural Code as any spray adjuvant, or any substance, or mixture of substances intended to be used for defoliating plants, regulating plant growth, or for preventing, destroying, repelling, or mitigating any pest, as defined in Section 12754.5 (of the Food and Agricultural Code), which may infest or be detrimental to vegetation, man, animals, or households, or be present in any agricultural or nonagricultural environment whatsoever. The term pesticide applies to herbicides, insecticides, fungicides, rodenticides and other substances used to control pests. Antimicrobial agents are not included in this definition of pesticides

QAL - Qualified Applicators License is a licensed applicator according to Title 3, Article 3 of the California Code of Regulations. This license allows supervision of applications that may include residential, industrial, institutional, landscape, or rights-of-way sites.

QAC - Qualified Applicators Certificate is a certified applicator of pesticides according to Title 3, Article 3 of the California Code of Regulations. Applications may include residential, industrial, institutional, landscape, rights-of-way sites.

Structural Pest Control Operator (Branch I, II or III) – A licensed applicator for pest control within buildings and homes according to the requirements of the Structural Pest Control Board of the California Department of Consumer Affairs.

Subd. 2. Integrated Pest Management (IPM) Policy

The City of Sunnyvale, including all departments and staff herein, and contractors providing pest control services on City property shall follow the City's IPM policy for the control or management of pests in and around City buildings and facilities, parks and golf courses, urban landscape areas, rights-of-way, and other City properties.

A. Pest Control Advisor (PCA)

Licensed PCAs will consider the options or alternatives listed below in the following order, before recommending the use of or applying any pesticide on City property:

- (1) No controls (e.g., tolerating the pest infestation, use of resistant plant varieties or allowing normal life cycle of weeds)
- (2) Physical or mechanical controls (e.g., hand labor, mowing, etc.)
- (3) Cultural controls (e.g., mulching, disking, alternative vegetation)
- (4) Biological controls (e.g., natural enemies or predators, goats)
- (5) Reduced-risk chemical controls (e.g., soaps or oils)

B. Pesticide Applicator (QAL, QAC, or Structural Pest Control Operator)

- (1) Those licensed or certified City staff and contractors employed by the City to control or manage pests will follow the IPM Best Management Practices and Standard Operating Procedures found in the City of Sunnyvale Urban Runoff Management Plan (URMP) Pest Management Control Program chapter.
- (2) Pesticide Applicators will use the most current IPM technologies available to ensure the long-term prevention or suppression of pest problems and to minimize negative impacts on the environment, non-target organisms, and human health.

C. All City Staff and Departments

- (1) City departments and staff will promote non-toxic and reduced-risk alternatives for structural and landscape pest control, seeking to use the most up to date IPM technologies and best management practices.
- (2) The City will provide education for all City staff regarding IPM practices. The Public Works Department/Environmental Division will also provide information to residents and special districts within the City regarding the IPM Policy and how it is being implemented. The City, through Public Works Department/Environmental Division activities, will establish a role model approach to encourage the use of IPM techniques for structural and landscaping pest management practices with residents, businesses, and special districts.

D. Pest Management Contractors Employed by the City

New contracts that are negotiated with pest management contractors doing work on City-owned property after January 9, 2003 will include requirements that the contractors follow the practices of the City's IPM Policy as described in the Sunnyvale Administrative Policy Manual and the Best Management Practices and Standard Operating Procedures of the Sunnyvale Urban Runoff Management Plan, Pest Management Control Program chapter.

E. City Property Leaseholders

- (1) The City shall use reasonable efforts to require the use of IPM practices as a part of new and renewed leases negotiated for City property after January 9, 2003.
- (2) City property leaseholders will be informed of the City's IPM Policy by Public Works Department staff and encouraged to use, whenever practical, the IPM Best Management Practices and Standard Operating Procedures described in the Sunnyvale Urban Runoff Management Plan.

Subd. 3. Pesticide Application

A. Who May Apply Pesticides

- (1) Only City employees or pest control contractors employed by the City who are authorized and trained to recommend or apply pesticides (i.e., hold PCA, QAL, QAC, or Structural Branch Operator I, II, or III certifications or licenses) may apply any pesticides to City property.
- (2) City employees who are not authorized and trained in pesticide application are prohibited from using any pesticides, including over-the-counter brands, in or around the work place. If insects or other pests are infesting a work area, contact Facilities Management (x7761) to arrange for a pest management contractor to apply the appropriate control methods.

B. Pesticides of Concern

- (1) City employees and/or contractors employed by the City who are trained to recommend or apply pesticides will not use organophosphate pesticides (e.g., those containing Diazinon and chlorpyrifos) or copper-based pesticides unless:
 - (a) Their use can be justified,
 - (b) Other approaches and techniques have been considered, and;
 - (c) Adverse water-quality impacts are eliminated.
- 2) Pesticides that contain Clopyralid are of concern because they are persistent and must not enter the green waste recycling/composting process. Therefore, City employees or pest control contractors employed by the City will not apply Clopyralid-containing pesticides to City property unless:
 - (a) Their use can be justified,
 - (b) Other approaches and techniques have been considered, and;
 - (c) Green waste (grass clippings, etc.) from areas where Clopyralid-containing pesticides are to be applied will not be collected for composting, but will be left on site to promote a healthy thatch layer.

C. Water Quality Management

- (1) When recommending pesticides for use or applying pesticides, the element of Environmental Stewardship must always be taken into consideration. City employees or pest control contractors employed by the City will select and apply IPM methods that will have the least impact on water quality and the environment.
- (2) City employees or pest control contractors employed by the City will always avoid applications of pesticides that directly contact water, unless the pesticide is registered under Federal and California law for aquatic use. Pesticides that are not approved for aquatic use will not be applied to areas immediately adjacent to water bodies where through drift, drainage, or erosion, there is a possibility of a pesticide being transported into surface water.

- (3) Discharges of pollutants from the use of aquatic pesticides to the waters of the United States require coverage under a NPDES permit. Those city employees or pest control contractors employed by the City who apply pesticides directly to waters of the United States will obtain a NPDES permit from the California State Water Quality Resources Control Board Region 2, prior to making any pesticide applications.

Subd. 4. Employee and Pest Control Contractor Training for PCA, QAL, QAC or Structural Pest Control Operators (Branch I, II, and III)

- A. All Pest Control Advisors and Applicators employed by the City or its pest control contractors will be licensed by the State of California Department of Pesticide Regulations (DPR) as a Pest Control Advisor or licensed Qualified Applicator.
- B. All other employees involved with pesticide applications as a normal part of their job duties and pest control contractors hired by the City will be trained as required by State of California DPR rules, the County Agricultural Commissioner, and/or the Structural Pest Control Board. They will work directly under the supervision of a licensed applicator.
- C. All City Departments that use pesticides on City property will provide annual training to all employees who apply pesticides as a normal part of their job duties on:
 - Pesticide Safety,
 - The City's IPM Policy, and
 - Appropriate BMPs and SOPs from the Sunnyvale Urban Runoff Management Plan, Pest Management Control Program chapter.

Subd. 5. Education and Outreach on the Sunnyvale IPM Policy and Implementation Plan

- A. The Public Works Department/Environmental Division, in participation with the Santa Clara Valley Urban Runoff Pollution Prevention Program, will continue with its existing program to encourage people who live, work, and/or attend school in Sunnyvale to:
 - (1) Obtain information on IPM techniques to control pests and minimize pesticide use;
 - (2) Use IPM technologies for dealing with pest problems; and
 - (3) Properly dispose of unused pesticides and their containers.
- B. The Public Works Department/Environmental Division will expand its current public outreach program on the topics described above to include:
 - (1) City employees who are not authorized to apply pesticides as a part of their normal job duties.
 - (2) Selected business owners (i.e. landscape gardeners and commercial pesticide applicators).

- (3) Special Districts that occur within the Sunnyvale city limits.
- (4) School District staff that may be involved with pest management.

Subd. 6. Reporting

- A. To provide details on the previous year's pesticide use on City-owned property, each City department and pest control contractor employed by the City will submit copies of their State of California Monthly Summary Pesticide Use Report (Form PR-ENF-060) to the Environmental Division Manager of the Public Works Department in January of each calendar year. This information is reported as a part of the City's NPDES Stormwater Permit Annual Report compiled by the Public Works Department/ Environmental Division.
- B. Each City department that applies pesticides will conduct an annual inventory by December of each calendar year to identify pesticides that are no longer legal or appropriate for applications per Federal, State, County, or City requirements. Results of the inventory will be reported to the Environmental Division Manager of the Public Works Department in January of each calendar year for the previous year's inventory. This information is reported as a part of the City's NPDES Stormwater Permit Annual Report compiled by the Public Works Department/ Environmental Division.
- C. Each City department that applies pesticides will conduct an annual review and evaluation process of the effectiveness of the City's IPM Policy, BMPs and SOPs. They will provide a written evaluation to the Environmental Division Manager of the Public Works Department in July of each year that discusses:
 - (1) New IPM techniques that could be used to improve results
 - (2) Staff training needs with a focus on the safe use, disposal, and storage of pesticides
 - (3) Suggested modifications to the City's IPM Policy, BMPs, and SOPs to ensure that the Policy and implementation plan continue to be effective.

Section 3. Roles and Responsibilities

It is the responsibility of all City departments, staff and contractors to adhere to the Integrated Pest Management Policy.

All City Departments that use pesticides

- Submit monthly summary pesticide use reports to the Environmental Division Manager.
- Conduct annual inventory of pesticides and report to Environmental Division Manager.
- Conduct annual review of the effectiveness of the City IPM and report results to Environmental Division Manager.

Public Works Department/Environmental Division

- Provides information to residents and special districts regarding the IPM and encourage the use of IPM techniques for structural and landscaping pest management practices.
- Encourages the use of IPM practices by City property leaseholders.
- Works with the Santa Clara Valley Urban Runoff Pollution Prevention Program to disseminate information about IPM techniques

Environmental Division Manager

- Receive monthly summary pesticide use reports from City departments and contractors
- Receive results of annual inventory and review of pesticides and processes from the city departments
- Compiles NPDES Stormwater Permit Annual Report

Facilities Management

- Arranges for pest management contractors in response to reports of insect or pest infestations.
- Provide information to the Environmental Division on the details (types and quantities) of pesticides used on City property by the contractors they hire.

SHAREHOLDERS AND OFFICERS

Achiro, Michael

Bortoli, Joanne

Button, Doug (Vice President/Human Resources)

Dobert, William (Chief Financial Officer)

Formosa, Paul

Fornesi, Ron

Gotelli, Richard

Macchiano, Anthony

Menner, Stephanie

Molinaro, Robert (Chief Executive Officer)

Nabhan, Jerry (Chief Operating Officer and General Manager)

Rossi, John

Stagnaro, Craig

Storti, Brian