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December 7, 2021

HONORABLE CITY COUNCIL Oakland, California

Subject: City of Oakland v. California Waste Solutions, Does 1-20

Case No. RG17853559

City Attorney File No. X04391

(Department of Public Works – Breach of Contract)

President Fortunato Bas and Members of the City Council:

Pursuant to Section 401 of the Charter, the City Attorney has prepared and requests your approval of a resolution authorizing compromise and settlement of the above-entitled claim for the sum of \$1.7 Million Dollars (\$1,700,000.00), over a period of four years, payable to Buchalter Law firm on behalf of California Waste Solutions.

This action arises out of disputes between the City of Oakland and California Waste Solutions concerning the Recycling Contract, including disputes regarding the rate California Waste Solutions ("CWS") was entitled to charge for the service of bringing plastic recycling carts to the curbside for collection for multi-family dwellings and regarding whether CWS was entitled to a unit count adjustment under the Recycling Contract to reimburse CWS the monetary difference between an estimated and actual unit count.

The City Attorney's Office has determined it is in the best interest of the City to settle the case by agreeing to the following:

- CWS will refund all overcharges to multi-family dwelling owners for the service of bringing recycling carts to the curbside for collection, totaling approximately \$ 6 Million;
- The Residential Recycling Collection Services Agreement ("Recycling Agreement") between the City and CWS will be amended to reduce the current rate of approximately \$187.57 per cart to approximately \$34.22 per cart, subject to adjustments provided under the contract; and

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• The City will pay CWS approximately \$1.7 Million over a period of four years and reduce CWS' costs under the agreement by approximately \$1.5 Million over the remaining 15-year life of the Recycling Agreement.

Respectfully submitted,

BARBARA J. PARKER

City Attorney

Assigned Attorney: Christina Lum