

## RecycleSmart Franchise Agreement Extension with Republic Services

RecycleSmart's franchise agreement with Republic Services includes the option for RecycleSmart to exercise a two-year extension of the agreement (2025-2027). RecycleSmart has opted to extend the franchise in large part because it is significantly more cost efficient to exercise this option than to go out to bid at this time.

RecycleSmart is investing in service improvements for rate payers. Republic Services will be compensated for the following expenditures conditioned on demonstrated, objective, and agreed-upon improvements in performance, specific to missed collections, that return service quality and reliability:

- Five substitute drivers
- One route supervisor
- One operations manager
- One dispatcher
- One customer care manager
- Four customer service representatives
- One Recycling Coordinator (commercial and multifamily)
- Additional ongoing training for truck technicians

In addition to these service improvements, Republic's compensation was increased in 2023 due to the following factors:

- 6% CPI
- Labor costs, materials handling and equipment depreciation

The RecycleSmart Board of Directors prioritized the following service-related measures in the franchise extension:

- RecycleSmart will condition certain future costs submitted by Republic through their annual rate application on missed collections data. RecycleSmart will monitor reports of missed collections and open routes.
- Republic Services shall have sufficient back-up trucks and vehicles and retain technicians and on-going training to improve fleet reliability.
- Effective March 1, 2023, Republic Services shall provide a credit in an amount equal to one quarter of a subscriber's monthly bill for each call from the subscriber (or RecycleSmart staff on behalf of the subscriber) to Republic Services resulting from a failure to collect one or more franchised materials (cart or bin) that have been properly set out for collection on the scheduled collection day and not collected by the end of the following business day.
- Republic's customer service representatives are required to be well-educated on the procedure and requirement to issue a credit for missed collections.

The next franchising process will begin in 2023, which allows RecycleSmart time to arrange for services that are the best value for ratepayers, and gather input from our communities and stakeholders, prior to implementation in early 2027.



### **How to request a service credit.**

**Residents, businesses, schools and multifamily property owners/managers;**

Please call Republic Services at (925) 685-4711 to request a service credit if a cart and/or bin was not serviced on the regularly scheduled service day and was not collected by the end of the following business day.

If your request or complaint is not resolved by Republic Services, please contact RecycleSmart at (925) 906-1801 or email [authority@recyclesmart.org](mailto:authority@recyclesmart.org).

For more information, please visit [RecycleSmart.org](https://www.RecycleSmart.org) or refer to the Rate Year 9 FAQs.