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Our girls are impressed by the complexity of the Altamont Landfill, the environmental and energy benefits provided to Alameda County, and the various role women play in creating a healthier environment for our community.

– Molly Larkin, Program Coordinator
TechBridge





Mythbusters, the locally produced Discovery Channel program, and other educational groups use the Altamont Landfill for their programs free of charge.



2. EXECUTIVE SUMMARY

Not to exceed two (2) single-sided pages. Proposers must highlight the major elements of the proposer's qualifications and proposal, including a brief description of the proposer's facilities to be used. All information should be provided in a concise manner.

Waste Management of Alameda County (WMAC) appreciates this opportunity to provide the City of Oakland with this visionary disposal solutions proposal. Our proposal builds on WMAC's service to the City over the past 32 years and offers a safe and environmentally sound repository for Oakland's residual materials, while focusing on offering economically dynamic, ecologically sustainable, and socially equitable benefits as evidenced in our proposal.

As the incumbent, WMAC is the only company that has completed CEQA and the environmental impact study that allows Oakland tons to be sent through the Davis Street Transfer Station and Recycling Facility and on to the Altamont Landfill immediately. The Altamont Landfill's existing available capacity and permits ensures there will be no interruption in service or delays in accepting the City's residual tons.

Key Proposal Components



Waste Management Provides the Most Economically Dynamic Disposal Solution

The City of Oakland, like other municipalities, is struggling with financial challenges. Budget cuts, loss of tax revenue, hiring freezes, decreased property values, and increasing pressure from constituents are forcing some difficult decisions. As the largest and most financially stable company in the industry, Waste Management, Inc. provides the most protection and future viability to Oakland.

Revenue Protection, \$17M annually. The Altamont Landfill is a resource to the community at large. Annually, the landfill generates approximately \$17 million in fees to support Alameda County recycling programs and local open space and community arts programs. The loss of Oakland volumes to the Altamont Landfill would result in lost revenue to Alameda County and to the City of Oakland.

Endowment Fund Provides, \$1.2M. Under the Conservation Easement, the Altamont Landfill will fund an endowment in the amount of \$1.2M over the next five years, providing funding to manage the Conservation Easement in perpetuity. Currently, the National Fish and Wildlife Foundation is the trustee of the endowment on behalf of the California Department of Fish and Game. The National Wildlife Habitat Council certified the Altamont Landfill a Wildlife Habitat at Work Facility in 2003.

Buy Oakland Strategy - The Oakland-based LF expenditures at the Altamont facility will increase by WMAC's pledged 30%, and will be +\$1M per year due to our Outreach program. The City of Oakland's continued economic development is crucial to both the City and WMAC's long-term success (see Economic Report in Appendix B), and we are dedicated to ensuring Oakland continues to prosper. To assist in this effort, we have developed an internal "Buy Oakland Strategy"—described later in this proposal. We aim to increase our spending with City of Oakland businesses and organizations by 30% at Altamont.

Protection of Jobs. In the event of a reduction in disposal volume, landfill activity and construction would decline, directly affecting our employees, local construction firms, and the local economy. The loss of Oakland's disposal tons would result in a minimum of a 30% workforce reduction.



Waste Management is Oakland's Most Ecologically Sustainable Choice

WMAC provides Oakland with the most environmentally progressive option for disposing of its waste. Our Altamont Landfill offers the most technologically advanced capabilities to contain or beneficially reuse the resources deposited, while simultaneously protecting the health, safety, and welfare of the commu-

nity. The Altamont Landfill is the only proposed Alameda County landfill and will have the least environmental impact to Oakland and its surrounding environment. Features include:

Current and Planned Waste Diversion Activities. We currently employ a number of waste diversion activities at the Altamont Landfill including recovery of clean C&D debris, “white goods,” tire recycling, and beneficial reuse of LFG. WMAC is developing three new facilities for waste diversion and resource recovery at the Altamont Landfill that will minimize the disposal of unprocessed organics.

One of the Lowest Carbon Footprint Landfills in the world. Due to Altamont’s extensive landfill gas capture system for reuse as a renewable energy, the Altamont Landfill GHG emissions are 85% less than similar landfills (/ton basis).

Zero Waste Ready. WMAC understands that as an environmental leader, the City is now ready to take its existing program to the next level and is committed to achieving zero waste and reducing its current 185,000 tons of material disposed to 145,000 tons of material recycled, reused, or transformed for beneficial use.



Waste Management is Invested in the Safety, Equity, and Well-Being of Our A Local Team and Customers

Waste Management ensures social equity in our communities through living wages, strong labor relationships, fees for Open Space, commitment to safety, endowments, and community partnerships.

Strong Employee Engagement. Our relationship with labor and our employees remains strong and continues to improve. Our Altamont Landfill employees have the highest average hourly wage and best compensation package of any landfill in Northern California. Additionally, our Altamont Landfill employees, with an average tenure of 19 years, are the some of the most knowledgeable and best-qualified landfill staff in the industry. Our staff is fully engaged around site and operational excellence.

Safety. At WMAC, safety is a core value and a cornerstone of operational excellence. At the Altamont Landfill, we hold ourselves to the highest standards for the protection of our customers, our employees, the communities we serve, and the environment we share.

Community Synergies and Partnerships. WMAC is an active participant in the community. As a part of the community, we rely on strong partnerships with local businesses, civic groups and non-profits.



Internal Synergies and Rate Stability Realized through One Exclusive Service Provider

By selecting WMAC as the exclusive service provider for Service Groups 1, 2 and 3, the City of Oakland benefits from communication and operational synergies, including cost stabilization for residents and businesses. Through open lines of communication, we can more thoroughly review operational and customer issues and quickly deliver solutions that address the root cause.

In Summary

The key proposal elements outlined above and explained in more detail throughout our proposal are aligned with, and complement, the City of Oakland’s pledges. Continuing to contract with Waste Management not only means reliable, cost-effective, and sustainable environmental services, but a long-term partnership that will provide solutions, generate revenue, and improve the quality of life for Oakland and the surrounding communities over the next 20 years. For an overview of WMAC’s proposed solutions, please see our video on the attached DVD.



QUALIFICATIONS

The City of Oakland hosted a two-day Clean Tech conference, where Waste Management of Alameda County received the first annual Grow California Game Changer Award for its clean energy initiatives.





This company is not only good at what they do, they believe and act on a philosophy of immersing themselves in a community where they work and give back in an effective way.

– Dale Eldridge Kaye, President/CEO
Livermore Valley Chamber of Commerce



3. QUALIFICATIONS

3.1 KEY STAFF PERSONS

Include proposer's Contract Manager assigned to the City. Proposers must identify each person and provide resumes and job responsibilities for key staff proposed for the service identified herein. Of key importance to the City is demonstrated experience in providing Disposal Services and coordination with the haulers and City staff.

As the City's partner for over a generation, WMAC has provided Oakland with the most environmentally progressive option for disposing of its waste, by offering a facility with the most technologically advanced capabilities that drive environmental, sustainable programs. The aim of the approach is to manage all aspects of the landfill and gas collection as a resource to be maximized and not just a series of compliance requirements. Consider the following:

- Maximizing waste compaction through the use of Wheels Up and GPS technology, resulting in smaller exposed footprints and fugitive emissions
- Minimizing GHG emissions through a number of aggressive practices, focusing on fugitive emissions and managing cradle-to-grave environmentally superior, and high-technology waste containment systems:
 - Traffic and fugitive dust mitigation, including automated and ample scale capacity, minimum measured turnaround times, drop and hook trailer capacity (spending less time in cue or idling)
 - Minimize exposed waste beyond permit requirements through aggressive daily cover
 - Build permeable, reclaimed shredded tire zones within the waste mass to ensure high-efficiency gas flow and collection
 - Maximizing well field capture of gas, utilizing over 175 vertical gas wells, expertly located by 3D modeling
 - Aggressive well replacement and maintenance protocol, ensuring wells stay dry and are not watered in. They remain active due to use of liquid injection vaults and vapor destruction in landfill gas flares

All this results in one of the most efficient gas collection system in the industry. We also:

- Preserve natural habitat for endangered species
- Ensure social equity in our communities through living wages and fees for Open Space, the arts, and recycling initiatives, all in Alameda County

Furthermore, WMAC is the only company that offers the experience of being the sole handler of the City's material, ensuring our familiarity with the City's unique needs and challenges. WMAC alone can positively impact and contribute to Oakland's zero waste goals by providing the City additional benefits, including expertise in resource extraction, diversion strategies, diversion programs and education and environmental stewardship, all combined with an incomparable familiarity with the City.

At the heart of every operation are our employees. We have 65 employees working at the Altamont Landfill, with an average of 19 years of service. Our employees bring focused leadership, years of solid

waste experience, and most importantly, commitment to innovative technology that will ensure Oakland reaches its zero waste goals. For additional detail, please see Appendix H for complete resumes.

OAKLAND'S DEDICATED CONTRACT MANAGER



Greg Lammers
Sr. Manager of Public Affairs
Phone: 916 294 4084
glammers@wm.com

Greg Lammers will serve as the interim Contract Manager for the City of Oakland. Mr. Lammers has extensive experience interacting with government administration as well as elected officials, and knows the importance of addressing issues in a timely, thorough, and responsive manner. Upon contract award, he will oversee the coordination of the recruiting process with the City to hire a dedicated contract manager.

The dedicated Contract Manager for the City of Oakland will serve as the primary point of contact for all issues between the City and WMAC. S/he will maintain direct contact with operations at all levels to ensure any service issues are addressed immediately. Working with the City of Oakland, the duties and responsibilities will be clearly delineated to ensure seamless transfer of responsibilities from Mr. Lammers to the dedicated Contract Manager.

Greg Lammers, the Northern California/Nevada Area Senior Manager for Public Affairs and Compliance will serve as the interim Contract Manager for the City of Oakland. Upon contract award, Greg will work with the City to identify desired candidate qualifications and coordinate the recruiting process to select the best possible candidate.

Greg brings extensive experience to his new role as the Area Senior Manager for Public Affairs and Compliance. He joined Waste Management in 1986, following a career with IBM. Over the past 26 years Greg developed a reputation as a respected team leader with the ability to engage employees and customers alike to implement new programs and drive measurable results. Most recently, Greg managed acquisitions and alternative energy initiatives for Waste Management in the western United States. In his new role, Greg will oversee Franchise Agreements and the contract compliance team with the goal of fostering open dialogs with our municipalities and implementing service excellence to achieve theirs and the County of Alameda's diversion goals.

Responsibilities Include

- Manages contract negotiations with the City of Oakland
- Acts as interim contract manager for the new City of Oakland contract(s)
- Oversees contract compliance team to ensure compliance, optimum diversion, stellar customer service, timely and accurate reporting and transparent communications with municipalities
- Manages monthly franchise payment to the City of Oakland

OAKLAND LEADERSHIP

WMAC's leadership has years of experience in all aspects of the waste and recycling industry. Their formidable industry knowledge, combined with years of experience handling Oakland's materials, and a commitment to exceeding the needs of the City will ensure a successful disposal agreement.



Barry Skolnick
Northern California/Nevada Area VP
Phone: 510 613 2112
bskolnic@wm.com

Barry Skolnick has been with Waste Management since 2002 and has been involved in the waste industry for over 10 years. In his capacity as Area Vice President, Barry oversees the fiscal operations of a market area that spans from Fort Bragg to Monterey and east to the Nevada High Sierras. The region is home to several small, medium and large hauling companies, transfer stations and landfills with an employee base of about 2,200 men and women and a wide range of career opportunities—from truck drivers to recycling operators, mechanics and heavy equipment operators to accountants, engineers, customer service representatives and many others who form a well-oiled environmental service team. Prior to joining Waste Management, Barry owned and operated several waste and recycling companies. He knows the business inside and out.

Barry works from our headquarters at 98th Avenue in Oakland where he manages strategic planning and capital improvements for all the market area locations. He oversees the performance of all operations including collections, processing, maintenance, customer service, and all transfer stations and landfills serving the City of Oakland.



David Tucker
Director of Community & Public Relations
Phone: 510 613 2142
dtucker2@wm.com

David Tucker comes to Waste Management with many years of experience in the government and community relations arena. David began his career in government and community relations as a Field Representative with the California State Assembly and later as a Government and Community Relations Representative for Kaiser Permanente. He later served as a District Director for a member of the U.S. House of Representative and most recently as Division Manager of Local Government and Community Relations for the San Francisco Bay Area Rapid Transit District.

Mr. Tucker has been with Waste Management of Alameda County, Inc. for 8 years and is a member of several Bay Area civic and business board of directors.

Mr. Tucker will monitor Waste Management's franchise agreement with the City of Oakland to ensure stellar performance and customer service. He will also develop and implement strategic communica-

tions, fostering strategic alliances and relationships with area elected officials, as well as support community organizations through charitable contributions and volunteer efforts.



Ken Lewis
Director Landfill Operations
 Phone: 510 613 2158
kLewis@wm.com

Ken Lewis is the Director of landfill facility operations in the California Bay Area. His oversight includes all landfill, recycling, composting and mulch operations that occur at these facilities. He has over 20 years of experience in the industry, including civil and geotechnical engineering. He first joined Waste Management 15 years ago as an engineer before transitioning to management of operations. Prior to joining Waste Management, Mr. Lewis was a design and engineer consultant with EMCOM and other consulting companies.

ALTAMONT LEADERSHIP



Marcus Netz
Sr. District Manager, Altamont Landfill
 Phone: (925) 455-7323
mnetz@wm.com

Marcus Netz is the Sr. District Manager of the Altamont Landfill & Resource Recovery Facility. Mr. Netz has more than 19 years of experience in the areas of business operations, waste management, project management and project controls.



Enrique Perez
Operations Manager , Altamont Landfill & Resource Recovery Facility
 Phone: 925 455 7347
pperez@wm.com

Mr. Perez has four years of experience in the industry. He began his career with Waste Management at the Davis Street Transfer Station in 2008 where he was responsible for the direct supervision of the C&D Material Recovery Facility. In 2009, Mr. Perez transferred to Guadalupe Landfill and Material Recovery Facility in San Jose, CA where he was responsible for the operational oversight of the Landfill and Material Recovery Facility. During this period, Mr. Perez has applied his skills and education acquired from his studies at California State University of Northridge where he obtained a B.S. Degree in Systems and Operations Management. Mr. Perez also completed the Waste Management Landfill Manager Training Program in 2011.



Tianna Nourot
Environmental Protection Manager, Northern California and Nevada
Phone: 925 455 7325
tnourot@wm.com

Ms. Nourot is the Environmental Protection Manager for Waste Management's Northern California and Nevada Area. Beginning her career in consulting, Ms. Nourot has over ten years of experience in environmental compliance and permitting activities. At the Altamont Landfill, Ms. Nourot manages environmental programs and policies, works with the Local Enforcement Agency and other regulatory bodies as well as handles permitting of the Altamont's renewable energy facilities and other resource recovery facilities.



Rebecca Jewell
Recycling Programs Manager, Davis Street Transfer Station
Phone: 510 563 4214
rjewell@wm.com

Rebecca Jewell began as the Recycling Programs Manager at Davis Street Transfer Station for Material Recovery & Transfer in 2006, after 10 years in the nonprofit sector. Ms. Jewell's recycling experience came during her three years as Volunteer Manager at the Society of St. Vincent de Paul of Alameda. There, she helped with the recycling efforts of the community thrift, and shaped two creative reuse programs. At Davis Street, Ms. Jewell is responsible for communicating with DSTS partners about the facility, and opportunities for recycling and providing education. Her background in the nonprofit sector and focusing on reuse and recycling with various populations has made her an effective Recycling Program Manager. She currently volunteers on the Alameda County Recycling Board; The Northern California Recycling Association and the San Leandro Chamber of Commerce program, Careers in Industrial Technology introducing San Leandro high school seniors to career options available within the City of San Leandro.

3.2 REFERENCES

Proposers must provide a minimum of three (3) municipalities that the City may contact to conduct a reference check. The proposer must be providing or have provided similar services under a long term disposal contract to the municipality within the last five (5) years.

References should include a summary of why they selected us if applicable - relate to the three value props and overarching goals of Oakland. Altamont provides economically dynamic, locally controlled, unionized, environmentally sound, green, healthy. Note the value that our customers saw in guaranteed space, locking in price, environmental protection, env footprint, etc.

With a disposal capacity of 45 years beginning in 2015, many Alameda County jurisdictions have come to rely on the Altamont Landfill for an ecologically sustainable, socially equitable, safe and economically dynamic residual solution—all at the best value. Thus, each of the references listed below have selected WMAC and the Altamont Landfill as their long-term partner.

Ecologically Sustainable - Alignment with Zero Waste Communities

The award-winning Altamont Landfill is internationally recognized for its sustainable practices and leadership in facility management. An early adopter of green energy technology, the Altamont Landfill hosts the world’s most successful LFG to LNG plant as well as an LFG to electricity power plant and an array of windmills. Communities with progressive zero waste initiatives—such as Berkeley, Castro Valley, Emeryville and Albany—selected the Altamont based on our alignment with and support of their zero waste goals and initiatives.

Socially Equitable - Community Partner

The Altamont facility continues to be a resource to the community at large. Annually, the landfill generates millions of dollars in fees to support Alameda County recycling programs and local Open Space and community arts programs. Our facility also serves as a classroom. The Alameda County National Resource Conservation Service, along with federal and state officials, uses the site to train staff in protected species wildlife-sampling methods. School fieldtrips help students learn first-hand about the importance of recycling at home and the roles landfills play in managing waste.

Economically Dynamic - Continued Investment in Oakland and County

A capacity guarantee at the Altamont Landfill is also backed by a company with unparalleled financial strength. Waste Management is continuously making investments to improve the sustainability, longevity, and value of our operations. Currently, the Altamont Landfill pays over \$17M in annual fees that fund recycling, the household hazardous waste (HHW) program, open space, programs that benefit the County of Alameda and Oakland.

Claire Griffing, Sustainability Coordinator, City of Albany

We attribute our success [of reaching 83% diversion] to the collaboration between WMAC and our staff and citizens.

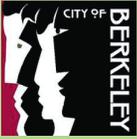
Safety - “Altamont Leading the Industry in Safety Performance”

Our customers, including Oakland, often cite safety as an important benefit in their partnership with Waste Management. Safety is a core value of ours, and a cornerstone of operational excellence. This

philosophy is embedded in the way we work, the decisions we make and the actions we take. With more than 65 employees and an average of 250 trucks coming in and out of the facility every day, we fully recognize our responsibility to protect our employees, our communities and our customers.

Our references speak for themselves, these communities have partnered with WMAC based on our commitment to the environment, local and regional support systems, established local presence, and financial strength, which make us the most sustainable solution at the best value. (See Table 1)

Table 1. Disposal References

City Name	Contact	Contract Information	Contract Start Date	Contract Expiration
 City of Berkeley	Ken Etherington Division Manager, Solid Waste Management	1201 Second Street Berkeley, CA 94710 510 981 6350 reuse@ci.berkeley.ca.us	2011	2017
 City of Albany	Claire Griffing, Sustain- ability & Transportation Coordinator	1000 San Pablo Avenue Albany, CA 94706 Phone: 510 528 5754 cgriffing@albanyca.org	1920	2031
 City of Emeryville	Peter Schultze-Allen Environmental Programs Analyst	1333 Park Avenue Emeryville, CA 94608 510 596 3728 pschultze-allen@emeryville.org	1980	2030
 Castro Valley Sanitary District	Roland Williams General Manager	21040 Marshall Street Castro Valley, CA 94546 510 537 0757 roland@cvsan.org	1941	2029

3.2.1 CUSTOMER ENDORSEMENTS

WMAC has provided the City of Berkeley with disposal solutions since 2007. The term of the agreement expires on February 28, 2017.

Ken Etherington

The Altamont Landfill offered the best environmental disposal option as well as the most innovative reuse of existing waste.

On March 22, 2005, Berkeley’s City Council unanimously approved a zero waste resolution—one of the first in the nation. Goals were set to meet 75% waste reduction by 2012 and zero waste by 2020.

When the City went out to bid for landfill services, it selected WMAC's Altamont Landfill for its commitment to environmental stewardship. The City of Berkeley valued Altamont's state-of-the-art disposal services—including paved roads, a truck wash system, lined Subtitle D cell, and a gas extraction system that results in near-zero carbon fuel to power our transfer trucks between Davis Street Transfer Station and the Altamont.

Richard Battersby, Director, East Bay Clean Cities

Powering vehicles with clean-burning fuel made from local residents' waste is the essence of Zero Waste. Creating a healthier environment for the benefit of the greater community is the true measure of corporate responsibility. The City of Oakland and its residents stand to benefit from the environmental stewardship and commitment of Waste Management for years to come.

In 2009, the East Bay Clean Cities Coalition, a local advocate for clean energy under direct charter by the U.S. Department of Energy, awarded WMAC and the Altamont Landfill with a Clean Air Champion Award for their leadership in displacing petroleum consumption and reducing carbon emissions in the community. With the closed-loop fuel source at Altamont, it is estimated that 30,000 tons of CO₂ and 2.5 million gallons of foreign fossil fuels are displaced annually.

Molly Larkin, Program Coordinator, Techbridge

Our girls are impressed by the complexity of the Altamont Landfill, the environmental and energy benefits provided to Alameda County, and the various roles women play in creating a healthier environment for our community.

WMAC is proud to partner with Techbridge, a non-profit organization based in Oakland, to help achieve its goal of inspiring young ladies to discover a passion for technology, science and engineering. At the Altamont Landfill, the young ladies are treated to hands-on activities, interactive presentations, and tours to show first-hand the magnitude of materials managed each day and to inspire them to reduce, reuse, recycle, and compost. "This experience helps reinforce Oakland's goals of zero waste."

Claire Griffing, Sustainability Coordinator, City of Albany

Lowering GHG emissions with locally-produced fuel helps our City to achieve the greenhouse gas emissions reduction goals set forth by our Climate Action Plan.

The City of Albany has worked closely with WMAC for more than 30 years. At 83%, its diversion rate is the highest in Alameda County.

3.2.2 LETTERS OF RECOMMENDATION



Solid Waste Management

November 8, 2012

City of Oakland
Office of Public Works Agency
250 Frank H. Ogawa Plaza, Suite 4313
Oakland, CA 94612

Dear Colleague:

I understand the City of Oakland has released an RFP for disposal services. I am writing to let you know that the City of Berkeley performed an RFP for landfill services and picked Waste Management's Altamont Landfill as the provider. The company responded with a full package of environmental services that was required in the Scope of Service in the RFP.

The Altamont Landfill offered the best environmental disposal option as well as the most innovative reuse of existing waste. With the lined Subtitle D cell and gas extraction system to its paved roads and truck wash system, the company provided state-of-the-art disposal services. While the City of Berkeley transports its own MSW directly to Altamont, our Evaluation Committee was pleased to see Waste Management's use of transfer trucks fueled by natural gas derived from the Altamont Landfill. In addition to the near zero carbon emissions, it is an innovative solution for the existing waste in the landfill.

We felt Altamont Landfill had the most advanced environmental controls and was in alignment with the City's Zero Waste plan. The company continues to provide quality service.

Best regards,

Ken Etherington, Division Manager
City of Berkeley
Solid Waste Management Division

1201 Second Street, Berkeley, CA 94710 Tel: 510.981.6350 TDD: 510.981-6314 Fax: 510.981-6360
E-mail: reuse@ci.berkeley.ca.us



City of Albany

1000 SAN PABLO AVENUE · ALBANY, CALIFORNIA 94706

510-528-5710

FAX: 510-528-5797

November 13, 2012

City of Oakland
Office of Public Works Agency
250 Frank H. Ogawa Plaza, Suite 4313
Oakland, CA 94612

To Whom It May Concern:

The City of Albany has worked closely with Waste Management of Alameda County (WMAC) for more than 30 years, and is pleased to recommend the company to the City of Oakland. WMAC has been a consistent partner in helping the City achieve its waste reduction goals. During our contract, Albany residents and businesses have achieved an 83 percent diversion rate, the highest in the county. We attribute our success to the collaboration between WMAC and our staff and citizens.

The City maintains an excellent working relationship with WMAC staff. In particular, I would like to highlight our Contract Compliance Representative Jason Silva. Mr. Silva is consistently responsive, thorough, and professional. We have received such exceptional service from by Mr. Silva that we specifically expressed he continue as our primary WMAC point person.

In addition, Rebecca Parnes, Recycling Coordinator for WMAC, provides Albany schools and commercial customers with dedicated outreach. We have been impressed by her ability to address a variety of audiences – from preschool students to custodial staff to business owners – all with patience and grace. She is both professional and personable. Thanks to her initiative, Albany has already achieved 100% compliance with AB 341.

Working with WMAC also provides the City the opportunity to benefit from their state-of-the-art facilities. Their sorting capabilities at the Davis Street Transfer Station provide the City unmatched diversion capacity. They have also been willing to initiate innovative collection programs, such as the City's new curbside collection program for CFLs, household batteries and cell phones.



City of Albany

1000 SAN PABLO AVENUE · ALBANY, CALIFORNIA 94706

510-528-5710

FAX: 510-528-5797

excellent service.

We are also impressed by WMAC's commitment to natural gas vehicles and innovation in powering these vehicles with fuel made from landfill gas. Lowering GHG emissions with locally-produced fuel helps our City to achieve the greenhouse gas emissions reduction goals set forth by our Climate Action Plan.

Please feel free to contact me at (510) 528-5754 or cgriffing@albanyca.org with any questions you may have.

Sincerely,

Claire Griffing

Sustainability & Transportation Coordinator, City of Albany

**CITY OF EMERYVILLE**

INCORPORATED 1896

1333 PARK AVENUE
EMERYVILLE, CALIFORNIA 94608-3517

TEL: (510) 596-4300 FAX: (510) 450-7831

November 9, 2012

City of Oakland
Office of Public Works Agency
250 Frank H. Ogawa Plaza, Suite 4313
Oakland, CA 94612

Dear Colleague:

In response to a request from Waste Management of Alameda County staff, the City of Emeryville is writing a letter summarizing the new multi-family programs and services implemented as part of our new waste management collection and disposal franchise agreements entered into in December of 2010 and relating how the transition to the new service and programs occurred.

Emeryville shares many of the multi-family service challenges, albeit on a smaller scale, as Oakland. In our sole-source negotiations with Waste Management, we developed a number of programs that are helping us reach and service this population. Our goal is to increase participation by delivering convenient services. WMAC staff have been meeting with every of our approximate 100 multi-family property owners to offer the following services at no additional charge:

- Compostables and Recyclables collection,
- Right sizing of Trash containers,
- Labeling of indoor and outdoor containers and signage,
- Bulky item collection: curbside collection or roll-off bin, as space and vehicle logistics permit,
- Battery collection: curbside collection or through a mail-back kit option,
- Compact florescent lamps collection: through a mail-back kit option.

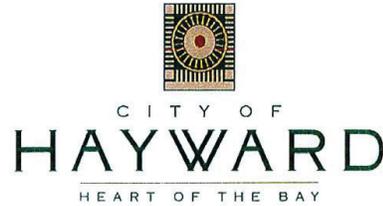
Waste Management's staff worked with City staff to produce brochures and other materials for multi-family services. The website they designed and host for the City (Emeryville.wm.com) has also included that information. We have been able to stretch our Public Education budget using Waste Management's in-house graphic design team while continuing to use an Emeryville printer to produce all our materials.

Waste Management staff have done a commendable job on our Multi-Family programs. We believe that achieving the goals of the City's Climate Action Plan related to our Multi-Family residents is firmly within our reach working with Waste Management of Alameda County.

Best regards,

Patrick D. O'Keeffe
City Manager

cc: Karen Hemphill, Assistant to the City Manager
Peter Schultze-Allen, Environmental Programs Analyst



November 15, 2012

City of Oakland
Office of Public Works Agency
250 Frank H. Ogawa Plaza, Suite 4313
Oakland, CA 94612

To Whom It May Concern:

The purpose of this letter is to recommend the services of Waste Management. The City of Hayward renewed its collection and disposal contract with Waste Management in 2007. One of the City's primary objectives has been to expand commercial recycling participation in order to further increase our diversion rate.

Waste Management successfully instituted a "Wet/Dry" routing system that immediately generated higher diversion among businesses and multi-family complexes. The ability to process the dry materials for recycling at the Davis Street Transfer Station made this approach possible. Since 2007, Waste Management has expanded and improved its recycling infrastructure at Davis Street facility. The company's investment in the processing facilities at their transfer station has proven to be a valuable asset to the City of Hayward.

We continue to see a steady increase in our diversion rates and appreciate Waste Management's prompt initiation of services to properties covered by the mandatory recycling ordinance proposed by the Alameda County Waste Management Authority. We are pleased with Waste Management's service.

Should you have any questions, please feel free to contact me at (510) 583-4720.

Sincerely,



Alex Ameri
Director of Public Works
Utilities & Environmental Services

**DEPARTMENT OF PUBLIC WORKS
UTILITIES & ENVIRONMENTAL SERVICES**

777 B Street • Hayward • CA • 94541-5007
Tel: 510-583-4700 • Fax: 510-583-3610 • Website: www.hayward-ca.gov



November 16, 2012

City of Oakland
Office of Public Works Agency
250 Frank H. Ogawa Plaza, Suite 4313
Oakland, CA 94612

To Whom It May Concern:

The East Bay Clean Cities Coalition, a local advocate for clean energy under direct charter by the U.S. Department of Energy, enthusiastically supports Waste Management of Alameda County and the Altamont Landfill for their leadership in displacing petroleum consumption and reducing carbon emissions in our communities.

Waste Management received our 2009 Clean Air Champion Award, given annually to individuals or organizations demonstrating innovation and commitment to alternative fuels and petroleum displacement for its pioneering efforts to convert landfill gas into nearly 13,000 of liquefied natural gas daily at the Altamont Landfill. This closed-loop fuel source is estimated to eliminate 30,000 tons of CO₂ annually and displace 2.5 million gallons of foreign fossil fuel, by capturing methane that would normally be burned off or escape into the atmosphere and converting it into a vehicle fuel. The near-zero carbon fuel produced is then used to power 300 collections vehicles. A testament to Waste Management's commitment to Alameda County and Northern California is its role in securing more than \$15.5 in corporate capital, technology partnerships and grants to fund the project. Waste Management has also taken an active leadership role in educating community leaders and the general public about the positive benefits of clean fuels.

Noteworthy too is Waste Management's investment in a fueling infrastructure to support its growing fleet of natural gas vehicles in Alameda County. The 98th Avenue fueling complex is an impressive operation and we eagerly await the ribbon-cutting of the Altamont Landfill fueling station to support 24 transfer trucks that travel along I-580 four times a day. Another fueling station is planned for its Davis Street facility in 2013. Each will deliver Altamont bio-fuel.

Powering vehicles with clean-burning fuel made from local residents' waste is the essence of Zero Waste. Creating a healthier environment for the benefit of the greater community is the true measure of corporate responsibility. The City of Oakland and its residents stand to benefit from the environmental stewardship and commitment of Waste Management for years to come.

I welcome the opportunity to discuss the outstanding merits of the Altamont Landfill and Waste Management with you further. Please feel free to contact me at (530) 752-9666 or rebattersby@ucdavis.edu.

Sincerely,

Richard E. Battersby
Director

1282 Shelby Drive, Fairfield, CA 94534
(530) 752-9666 phone (530) 752-9668 fax
www.cleancitieseastbay.org

LIVERMORE VALLEY
CHAMBER OF
COMMERCE



Celebrate Enterprise

City of Oakland
Office of Public Works Agency
250 Frank H. Ogawa Plaza, Suite 4313
Oakland, CA 94612

To Whom It May Concern:

As the CEO of the Livermore Valley Chamber of Commerce, I have worked with the Waste Management Team for nine years. They have been members of this Chamber since the 1960's. I have never worked with a team who had a more valuable connection to the community.

Not only did they do an amazing job as a business, we became friends with their team – the entire community counted them as friends - their commitment was obvious on a daily basis. Waste Management employees worked with our office giving us tips for running a green business. They checked for recycling requirements and ultimately we were certified as a green business.

As a corporate sponsor of the Chamber, Waste Management allowed us to expand our programs which include a Hispanic Business Council, a film commission and an innovation initiative called Innovation Tri-Valley, that has become a state wide model. In fact, when we write about innovation, we often include Waste Management programs.

Waste Management has had a representative on our ambassador board for years, welcoming new businesses and volunteering for numerous events around the city. They have donated to many non-profits such as Las Positas College and Good News Bears.

This company is not only good at what they do, they believe and act on a philosophy of immersing themselves in a community where they work and give back in an effective way.

Sincerely,

Dale Eldridge Kaye
President/CEO
Livermore Valley Chamber of Commerce

2157 First Street, Livermore, CA 94550-4543 *ph* (925) 447-1606 *fax* (925) 447-1641 www.livermorechamber.org



November 28, 2012

City of Oakland
Office of Public Works Agency
250 Frank H. Ogawa Plaza, Suite 4313
Oakland, CA 94612

To Whom It May Concern:

I am writing to enthusiastically recognize the Altamont Landfill and Waste Management of Alameda County staff for the exceptional hands-on learning experiences provided to Techbridge participants. Techbridge, a non-profit organization based in Oakland, is designed to inspire girls to discover a passion for technology, science and engineering. In our after-school programs, we emphasize real world learning and encourage girls to consider pursuing careers in science, technology, and engineering. The Altamont Landfill and Waste Management of Alameda County staff are true partners in supporting our organization's mission.

Our girls are impressed by the complexity of the Altamont Landfill, the environmental and energy benefits provided to Alameda County, and the various roles women play in creating a healthier environment for our community. They hear from female engineers, recycling advocates, communications specialists, and environmental protection staff as well as heavy equipment operators. Girls are treated to hands-on activities, interactive presentations, and a tour of the facilities. Seeing first-hand the magnitude of materials managed at the landfill each day, the girls are inspired to learn how they can reduce, reuse, recycle and rot. The majority of our programs are based in Oakland public schools, and this experience helps to reinforce Oakland's goals of zero waste.

One middle school girl who attended the field trip last year reflected "I learned so much about the engineers who designed the equipment that take the bad gasses out of the landfill and convert them into gas to power garbage trucks. I also learned how important it is to be eco-friendly."

Techbridge hopes the City of Oakland will continue to utilize this important local resource for its disposal needs. Please feel free to contact me at mlarkin@techbridgegirls.org or (510) 777-9170 ext. 305 with any further questions. Thank you for your consideration.

Best regards,

Molly Larkin
Program Coordinator



BROTHERHOOD OF TEAMSTERS LOCAL UNION NO. 70 ALAMEDA COUNTY, CALIFORNIA

Auto Truck Drivers, Line Haulers, Car Haulers and Helpers

Affiliated with the International Brotherhood of Teamsters

To whom this may concern

Teamsters Local 70 on behalf of its members would like to say "Thank You" for allowing us the opportunity to continue serving the City of Oakland.

While recent history seems to take us back to the 2007 Lockout many things have changed. The Union continues to believe that Labor peace is essential to the daily delivery of services to the residents of Oakland but the relationship between Local 70 and Waste Management of California, Inc. (WMAC) has changed considerably since the July Lockout of 2007. Changes in leadership in January 2009 resulted in a new attitude in labor and management relationships.

Since 2009, there have been numerous meetings and ongoing dialogue and negotiations. Those efforts led to WMAC and the Union ratifying and extending the current agreement through June 30th 2017. This provided significant changes to improve health and safety. The emphasis since the execution of the CBA has been efforts to structurally and culturally change the relationship between parties.

The commitment has been top down and reflects the open dialogue between Area Vice President Barry Skolnick and myself (Felix Martinez). Weekly meetings and quarterly shop steward meetings to discuss operations and employee concerns have led to vast improved relations getting away from the "us against them".

Management has engaged employees by:

- Listening to employees through surveys and round table discussions.
- Valuing employees opinions by making them part of the solution.
- Holding the management team accountable for following and implementing terms of the CBA.
- Numerous site improvements at 98th and the Davis Street locations.
- Frontline employees voiced the opinions on the type and design of new trucks.
- Meet regularly on improving customer service and hard to service stops.

The City of Oakland will benefit from this relationship. WMAC and the Union are committed to Labor Peace. A continued partnership assures Oakland a minimal transition in 2015. Our members have serviced the City for over a half a century and have familiarity and expertise to continue to meet the needs and challenges of Oakland's Zero Waste Initiatives. Our Members and employees of WMAC are a known quality and assure the Oakland community of their commitment to customer service and service excellence.

400 Roland Way
Oakland, CA 94621-0170
ibt70@teamsterslocal70.org

www.teamsterslocal70.org

Main: 800.243.1350
Office: 510.569.9317
Fax: 510.569.1906





BROTHERHOOD OF TEAMSTERS LOCAL UNION NO. 70
ALAMEDA COUNTY, CALIFORNIA
Auto Truck Drivers, Line Haulers, Car Haulers and Helpers

Affiliated with the International Brotherhood of Teamsters

WMAC has demonstrated a willingness to work into the future. With their considerable investments to facilities and further processing to help achieve a "True" Oakland Zero waste initiative.

Thank You.



Felix Martinez
Business Agent



Marty Frates
Secretary-Treasurer

400 Roland Way
Oakland, CA 94621-0170
ibt70@teamsterslocal70.org

www.teamsterslocal70.org



Main: 800.243.1350
Office: 510.569.9317
Fax: 510.569.1906

City of Alameda California



January 2, 2013

Scott Johnson
Assistant City Administrator
One Frank H. Ogawa Plaza
Third Floor
Oakland, CA 94612

Dear Mr. Johnson:

I understand the City of Oakland will be evaluating the Altamont Landfill under a RFP for disposal services. I am writing to recommend your continued use of this world-class facility. It is an important resource that meets our collective goals for diversion through lowered carbon footprint and highest reuse. The City of Alameda recently extended its contract with Waste Management for a Five-Year Period until September 30, 2017.

The entire Green Corridor and the residents along the 580 exchange to the Altamont Landfill benefit from Waste Management's use of natural gas vehicles powered with bio-methane produced at the Altamont. We are the only community in the country that has closed the loop on our waste to lower our carbon footprint and produce a domestic fuel source. As members of StopWaste.org, we should rely on local service providers that invest in our environment, community and service infrastructure. Waste Management has been an environmental and service leader to our cities and county.

Thank you for your consideration. If you wish to discuss my recommendation further, please feel free to contact me.

Best regards,

John A. Russo
City Manager

JR:mk

Office of the City Manager
2263 Santa Clara Avenue, Room 320
Alameda, California 94501-4477
510.747.4700 Office • Fax 510.747.4704 • TDD 510.522.7538

3.3 CONFLICT OF INTEREST STATEMENT

Proposers must warrant that no gratuities have been or will be offered or given by the proposer, or any agent or representative of the proposer, to any officer or employee of the City or any participant in the selection of a proposer to furnish the services described herein in order to secure a favorable treatment regarding the evaluation, grading, and contract award process.

Please see Disposal Form 9 in Section 6 of this proposal. Waste Management of Alameda County, Inc., warrants no gratuities have been, or will be, offered or given by itself (or any agent or representative thereof) to any officer or employee of the City, or any participant in the selection of a proposer to furnish the services described in this proposal, in order to secure a favorable treatment regarding the evaluation, grading, and contract award process.

3.4 LITIGATION HISTORY

The proposer must provide a history for the last ten (10) years of all claims settlements, arbitrations, litigation proceedings, and civil actions involving One Hundred Thousand Dollars (\$100,000) or more, and all criminal actions in which the company, its parent company, subsidiaries, all partners, or principals were involved. For each case, the proposer must provide the following:

- *The name of the claim, arbitration, litigation or action;*
- *The amount at issue or the criminal charges alleged; and*
- *The resolution of the case.*

The proposer must also provide details of any current or threatened legal actions in California against the proposer or its parent company, subsidiaries, all partners, principals, or joint venture company (ies) by a governmental entity contracting with the proposer or its parent company for services relating to solid waste management, or against such a government entity by the proposer or its parent company or joint venture company (ies). For each action, the proposer must provide the following:

The name of the action;

- *The court in which the action is pending;*
- *The action number; and*
- *The amount at issue.*

The proposer shall provide a list of all enforcement actions taken against it during the last five (5) years by any regulatory agency such as, but not limited to, the United States Environmental Protection Agency, Air Quality Management District or a Local Enforcement Agency under the California Integrated Waste Management Act. The list shall include the name of the regulatory agency and the date of the enforcement action. The proposer shall inform the City if it has had a permit, franchise, license, entitlement or business license that has been revoked or suspended in the last five (5) years.

The proposer must list any liquidated damages, administrative fines, charges, or assessments that total Ten Thousand Dollars (\$10,000) or greater in any one (1) calendar year during the last five (5) years that have been paid by the proposer to a public agency as a result of disposal services provided by proposer. The list shall include the name of the public agency, the date and amount of the liquidated damages, administrative fines, charges, or assessments, and the reason the public agency assessed the liquidated damages, administrative fines, charges, or assessments. The proposer must list any claims against a bid, proposal, or performance bond and the results and failure to receive a bid, proposal, or performance bond, or any contractual defaults or termination in the last twenty (20) years.

Waste Management of Alameda County, Inc. owns facilities throughout Alameda County, including its hauling company, located at 172 98th Avenue in Oakland; the Davis Street Transfer Station and Recycling Facility, located in San Leandro; and the Altamont Landfill, located in Livermore, California. Our Alameda County operations employ 764 men and women. We believe our litigation and regulatory history is appropriate given the size of our company and the complexity of our industry.

Our parent company, Waste Management, Inc., has been named to the Ethisphere Institute's list of "World's Most Ethical Companies" for five years running (<http://www.ethisphere.com/wme/>). Ethisphere is a think-tank dedicated to the research and promotion of best practices in global governance, business ethics, compliance and corporate responsibility. Please find our litigation history attached in Appendix E. The chart provided lists lawsuits filed and served in the past 10 years involving the proposer, Waste Management of Alameda County, Inc., and involving \$100,000 or more. There are no criminal actions to report from the past decade for the proposer, its immediate parent company, USA Waste of California, Inc., or the proposer's subsidiary, WM LNG, Inc.

For the complete listing of our litigation history in response to this requirement, please see Appendix E.



QUALIFICATIONS

We have a dedicated group of employees who are committed to both the environment and one another. Among 68 employees, the average tenure is 19 years.

– Marcus Netz III, District Manager
The Altamont Landfill





I was the third woman to become a heavy equipment operator. Customers are still surprised to see a woman, but I am respected as an equal by my co-workers.

– Heather Chu
25-year Waste Management Employee



4. STATEMENT OF FINANCIAL QUALIFICATIONS

The proposer must provide copies of audited financial statements for the entity that is proposed to sign the Disposal Services Contract for the most recent three (3) fiscal years. Audited financial statements should include: balance sheet, income statement, cash flow statement, footnotes, and subsidiary schedules. In the event that a proposer does not have audited financial statements, three (3) years of business tax returns, with supporting schedules, may be provided on an exception basis. However, tax returns are not an alternative to providing audited financial statements; if the proposer has audited financial statements, those must be provided. □ If the entity that will sign the Disposal Services Contract has a parent company or is proposing a joint venture, the parent company or joint venture company (ies) must also provide audited financial statements for the most recent three (3) fiscal years. The parent company must provide a statement indicating its intent and means to provide financial assurance of performance. If the entity that will sign the Disposal Services Contract has been in existence less than three (3) years, the proposer must provide sufficient financial data to substantiate, to the satisfaction of the City, the proposer's financial capability and viability of the entity.

Based on our financial capabilities and strong income statement, balance sheet, free cash flow, and strong financial metrics, Waste Management of Alameda County is able to provide all services included in the Disposal Service Group, as well as all equipment required in the performance of work. We have demonstrated our commitment and financial strength through our long-term partnerships and investments over the last 30 years, including over \$50M in capital for infrastructure to support the City of Oakland's zero waste plans.

Long-Term Partner - Expanding Altamont's Capacity

Our predecessor, Oakland Scavenger, completed CEQA to site the Altamont more than 30 years ago. To ensure capacity well into the future, we recently completed further environmental review. Fill Area 2 provides all necessary capacity for the City of Oakland volumes beyond the 2035 sunset of this contract, as well as the 10-year extension period. This more recent work was accomplished without public financing or municipal bonds, reflecting WMAC and our parent company's commitment to the City of Oakland and our partnership for years to come.

Economically Dynamic - Investing over \$50M in Infrastructure in the Green Corridor

Our financial commitment to Oakland and the Green Corridor extends beyond the numbers. We are determined to bring new job growth, additional ingenuity, and an enhanced environmental partnership to Oakland. The following pages contain Waste Management's most recent audited financial statements. The financial stability reflected in this data—paired with our unparalleled experience with the City's unique needs—serves as the foundation upon which WMAC will continue to build the programs and infrastructure to support the City of Oakland's goals.

Despite the recent economic downturn, WMAC has invested over \$50M in enhancements and innovation. We directed significant capital toward projects in the Bay Area's Green Corridor, in particular the facilities at 98th Ave in Oakland and Davis Street. (See Table 2)

Table 2. WMAC Facility Investment Exceeds \$50 Million

Facilities	2009 (\$)	2010 (\$)	2011 (\$)	2012 (\$)
WMAC Hauling				
Trucks & Containers	2,000,000	2,000,000	2,000,000	2,000,000
Facility Improvements	50,000	50,000	50,000	50,000
Technology	0	0	0	0
Davis Street				
SS MRF Upgrades	1,500,000	250,000	250,000	400,000
Dry Waste MRF Upgrades	1,000,000	1,000,000		
New Public Area MRF			1,500,000	
Davis Street Master Plan	150,000			
Green Waste Building			11,000,000	
Heavy Equipment	350,000		350,000	350,000
Tractors & Trailers	400,000	400,000	400,000	400,000
Altamont Landfill				
WM-Linde LFG-LNG/CNG	15,000,000			
Landfill construction	1,000,000	1,000,000	1,000,000	1,000,000
Facility Improvements	250,000	250,000	250,000	250,000
Equipment	250,000	250,000	250,000	250,000
Technology	250,000	250,000	250,000	250,000
Total	22,200,000	5,450,000	17,300,000	4,950,000
Total Investment: = \$50,000,000				

Ecologically Sustainable - “Embracing the Zero Waste Challenge”

Molly Larkin, Program Coordinator, Techbridge Regarding the program’s partnership with WMAC and Altamont Landfill

The experience helps reinforce Oakland’s goals of zero waste.

In November of 2012, our parent company, Waste Management Inc., released its 2012 Sustainability Report, entitled “Embracing the Zero Waste Challenge.” This report documents our company’s progress toward increasingly transforming waste into reusable resources. Please see an overview of our 2012 Sustainability Report in Appendix C. As our company aligns around this mission, our Corporate Board of Directors has approved and adopted a resolution to provide the necessary capital required for WMAC to support the City of Oakland’s zero waste goals. Our entire organization is aligned around meeting Oakland’s diversion goals. As illustrated in the section below, Waste Management’s financial capabilities—including a strong income statement, balance sheet, free cash flow, and strong financial metrics enable WMAC to provide new technologies, expanded state-of-the-art processing facilities, education

and outreach programs (utilizing the creative talents of Oaklandish and the expertise of Cascadia) to realize the Zero Waste goal.

These investments will result in a variety of accomplishments: new low-emission CNG trucks, new fueling stations delivering near-zero carbon fuel created from landfill gas at the Altamont, and new diversion and processing equipment at Davis Street to name just a few. Furthermore, these investments will support local construction companies, create new jobs at WMAC hauling and Davis Street and provide Sales & Use taxes to our state and local communities at a time when sales tax dollars are declining in Alameda County.

Per the requirements of this RFP, on the following page, WMAC has provided a letter from Waste Management, Inc.'s Vice President and Treasurer, Devina Rankin, affirming WMAC and Waste Management, Inc.'s financial commitment to the City under this contract.

4.1 AUDITED FINANCIAL STATEMENTS

Waste Management of Alameda County, Inc. is a wholly owned subsidiary of Waste Management, Inc., a Delaware corporation. WMAC's financial data is rolled into the Waste Management corporate statements provided on the following pages.

As the largest environmental, publicly traded company in North America, the market capitalization valuation of Waste Management exceeds \$15.1 billion dollars, with an approximate enterprise valuation of \$28.2 billion dollars. Waste Management has approximately 464 million shares outstanding. With a strong balance sheet and operating cash flows, the company self-finances capital investments, avoiding leveraging risks that may be associated with other companies. The initial capital investment that Waste Management will make to support Service Group 1, 2 and 3 represents approximately 5.5% of anticipated yearly operating cash flow. This significant capital investment by Waste Management reflects our commitment to the partnership with Oakland and providing viable zero waste solutions. In addition, Waste Management offers Oakland the highest degree of financial stability and security.

WASTE MANAGEMENT, INC.
CONSOLIDATED BALANCE SHEETS
(In Millions, Except Share and Par Value Amounts)

	December 31,	
	2011	2010
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 258	\$ 539
Accounts receivable, net of allowance for doubtful accounts of \$29 and \$26, respectively	1,631	1,510
Other receivables	144	146
Parts and supplies	153	130
Deferred income taxes	78	40
Other assets	115	117
Total current assets	2,379	2,482
Property and equipment, net of accumulated depreciation and amortization of \$15,308 and \$14,690, respectively	12,242	11,868
Goodwill	6,215	5,726
Other intangible assets, net	457	295
Investments in unconsolidated entities	637	471
Other assets	639	634
Total assets	\$22,569	\$21,476
LIABILITIES AND EQUITY		
Current liabilities:		
Accounts payable	\$ 838	\$ 692
Accrued liabilities	1,129	1,100
Deferred revenues	470	460
Current portion of long-term debt	631	233
Total current liabilities	3,068	2,485
Long-term debt, less current portion	9,125	8,674
Deferred income taxes	1,884	1,662
Landfill and environmental remediation liabilities	1,404	1,402
Other liabilities	698	662
Total liabilities	16,179	14,885
Commitments and contingencies		
Equity:		
Waste Management, Inc. stockholders' equity:		
Common stock, \$0.01 par value; 1,500,000,000 shares authorized; 630,282,461 shares issued . . .	6	6
Additional paid-in capital	4,561	4,528
Retained earnings	6,721	6,400
Accumulated other comprehensive income	172	230
Treasury stock at cost, 169,749,709 and 155,235,711 shares, respectively	(5,390)	(4,904)
Total Waste Management, Inc. stockholders' equity	6,070	6,260
Noncontrolling interests	320	331
Total equity	6,390	6,591
Total liabilities and equity	\$22,569	\$21,476

See notes to Consolidated Financial Statements.

WASTE MANAGEMENT, INC.
CONSOLIDATED STATEMENTS OF OPERATIONS
(In Millions, Except per Share Amounts)

	Years Ended December 31,		
	<u>2011</u>	<u>2010</u>	<u>2009</u>
Operating revenues:			
Service revenues	\$11,852	\$11,371	\$11,093
Tangible product revenues	<u>1,526</u>	<u>1,144</u>	<u>698</u>
Total operating revenues	<u>13,378</u>	<u>12,515</u>	<u>11,791</u>
Costs and expenses:			
Operating costs (exclusive of depreciation and amortization shown below):			
Cost of services	7,254	6,854	6,620
Cost of tangible products	<u>1,287</u>	<u>970</u>	<u>621</u>
Total operating costs	8,541	7,824	7,241
Selling, general and administrative	1,551	1,461	1,364
Depreciation and amortization	1,229	1,194	1,166
Restructuring	19	(2)	50
(Income) expense from divestitures, asset impairments and unusual items ..	<u>10</u>	<u>(78)</u>	<u>83</u>
	<u>11,350</u>	<u>10,399</u>	<u>9,904</u>
Income from operations	<u>2,028</u>	<u>2,116</u>	<u>1,887</u>
Other income (expense):			
Interest expense	(481)	(473)	(426)
Interest income	8	4	13
Equity in net losses of unconsolidated entities	(31)	(21)	(2)
Other, net	<u>(4)</u>	<u>5</u>	<u>1</u>
	<u>(508)</u>	<u>(485)</u>	<u>(414)</u>
Income before income taxes	1,520	1,631	1,473
Provision for income taxes	<u>511</u>	<u>629</u>	<u>413</u>
Consolidated net income	1,009	1,002	1,060
Less: Net income attributable to noncontrolling interests	<u>48</u>	<u>49</u>	<u>66</u>
Net income attributable to Waste Management, Inc.	<u>\$ 961</u>	<u>\$ 953</u>	<u>\$ 994</u>
Basic earnings per common share	<u>\$ 2.05</u>	<u>\$ 1.98</u>	<u>\$ 2.02</u>
Diluted earnings per common share	<u>\$ 2.04</u>	<u>\$ 1.98</u>	<u>\$ 2.01</u>
Cash dividends declared per common share	<u>\$ 1.36</u>	<u>\$ 1.26</u>	<u>\$ 1.16</u>

See notes to Consolidated Financial Statements.

WASTE MANAGEMENT, INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS
(In Millions)

	Years Ended December 31,		
	2011	2010	2009
Cash flows from operating activities:			
Consolidated net income	\$ 1,009	\$ 1,002	\$ 1,060
Adjustments to reconcile consolidated net income to net cash provided by operating activities:			
Depreciation and amortization	1,229	1,194	1,166
Deferred income tax (benefit) provision	198	154	(94)
Interest accretion on landfill liabilities	84	82	80
Interest accretion on and discount rate adjustments to environmental remediation liabilities and recovery assets	23	8	(30)
Provision for bad debts	44	41	48
Equity-based compensation expense	45	36	30
Net gain from disposal of assets	(24)	(22)	(13)
Excess tax benefits associated with equity-based transactions	(8)	(9)	(4)
Effect of (income) expense from divestitures, asset impairments and unusual items	10	(1)	83
Equity in net losses of unconsolidated entities, net of dividends	31	20	2
Change in operating assets and liabilities, net of effects of acquisitions and divestitures:			
Receivables	(110)	(159)	29
Other current assets	(23)	47	(4)
Other assets	28	(3)	20
Accounts payable and accrued liabilities	65	(57)	51
Deferred revenues and other liabilities	(132)	(58)	(62)
Net cash provided by operating activities	<u>2,469</u>	<u>2,275</u>	<u>2,362</u>
Cash flows from investing activities:			
Acquisitions of businesses, net of cash acquired	(867)	(407)	(281)
Capital expenditures	(1,324)	(1,104)	(1,179)
Proceeds from divestitures of businesses (net of cash divested) and other sales of assets	36	44	28
Net receipts from restricted trust and escrow accounts	107	48	196
Investments in unconsolidated entities	(155)	(173)	(21)
Other	18	(14)	7
Net cash used in investing activities	<u>(2,185)</u>	<u>(1,606)</u>	<u>(1,250)</u>
Cash flows from financing activities:			
New borrowings	1,201	908	1,749
Debt repayments	(503)	(1,112)	(1,335)
Common stock repurchases	(575)	(501)	(226)
Cash dividends	(637)	(604)	(569)
Exercise of common stock options	45	54	20
Excess tax benefits associated with equity-based transactions	8	9	4
Distributions paid to noncontrolling interests	(59)	(45)	(50)
Other	(46)	18	(50)
Net cash used in financing activities	<u>(566)</u>	<u>(1,273)</u>	<u>(457)</u>
Effect of exchange rate changes on cash and cash equivalents	1	3	5
Increase (decrease) in cash and cash equivalents	(281)	(601)	660
Cash and cash equivalents at beginning of year	539	1,140	480
Cash and cash equivalents at end of year	<u>\$ 258</u>	<u>\$ 539</u>	<u>\$ 1,140</u>

See notes to Consolidated Financial Statements.



October 4, 2012

Garrett Fitzgerald
City of Oakland Public Works Agency
Environmental Services Division, Zero Waste Program
250 Frank H Ogawa Plaza, Suite 5301
Oakland, CA 94612-2034

Dear Mr. Fitzgerald,

There have been no material changes in the company's financial position since the last audited financial statements.

Sincerely,

A handwritten signature in black ink, appearing to read 'James C. Fish, Jr.', is written over the typed name and title below.

James C. Fish, Jr.
EVP and Chief Financial Officer
Waste Management, Inc.

4.2 CFO STATEMENT OF NO MATERIAL CHANGE

In addition to the audited financial statements, the proposer must provide a statement from the Chief Financial Officer indicating that there has been no material change in the financial circumstances of the proposing entity (or its parent company or owners if they are providing financial assurance of performance) since the date of the last audited financial statements.

4.3 PROOF OF REQUIRED FINANCING

Financing of the services and equipment will be the sole responsibility of the successful proposer. Each proposer must demonstrate that it can provide the required financing from either 1) internally generated funds, or 2) commitments from external sources. The City reserves the right to require submission by the proposer, at no cost to the City, of an opinion by a Certified Public Accountant with regard to the financial status of such proposer, including ownership of, or interest in, equipment and facilities prior to award of a Service Contract.

Waste Management Holdings, Inc. is the parent company of Waste Management of Alameda County, Inc.. WMAC and its predecessor, Oakland Scavenger Company, have operated continuously in Oakland since the early 1900s.

Waste Management prides itself on:

- Ability to self-finance capital required to provide zero waste solutions
- Continued Investments in safety programs
- Long term customer relationships

Waste Management is the largest, most financially stable company in the industry and provides the most protection and future viability to the City of Oakland. Its California companies have never defaulted on their contract obligations. WMAC is able to offer financial security to the City of Oakland for the implementation of the complex

and multifaceted zero waste services under all three of the City's Zero Waste RFPs.

The company's financial strength and balance sheet is public, strong, and stable, allowing WMAC to continue making major investments in our Alameda County environmental facilities to meet Oakland's goals. Among the investments approved to meet the new services required in the RFP, are:

- Installation of a Covered Aerated Static Pile (CASP) and Reclaimable Anaerobic Composting (RAC) facility to process commercial organics at the Altamont Landfill
- Construction of a Mixed Materials Recovery Facility (MMRF) at Davis Street to achieve maximum diversion
- Purchase of 96 natural gas vehicles dedicated to Oakland collections

Financial Security

Waste Management's revenue in 2011 was \$13.3 billion with an asset base in excess of \$22.5 billion. The company has a strong cash flow and an extensive line of credit. In its most recent report, Standard & Poor's Ratings Services assigned its 'BBB' rating to Waste Management Inc.'s proposed \$350 million senior unsecured notes due in 2014, guaranteed by its wholly-owned subsidiary Waste Management Holdings Inc. At the same time, Standard & Poor's affirmed its existing ratings on Waste Management, including the 'BBB' corporate credit rating. The outlook is stable. The ratings also incorporate expectations

that management will maintain good liquidity, pursue a moderate financial policy, and allocate capital in a disciplined manner.

“The ratings on Houston, Texas-based Waste Management reflect its position as the largest solid waste management firm in the U.S. and Canada, providing integrated services to about 20 million residential, municipal, commercial, and industrial customers, and an overall satisfactory financial profile,” said Standard & Poor’s credit analyst, Roman Szuper.

For additional information regarding Waste Management financial capabilities, please consult the references listed below.

Financial References

- Bank Reference: Mr. Tim Laurion, Vice President, Bank of America, 100 Fleet Street, Boston, MA 02110, 617 434 9689
- Trade Reference: Marathon Equipment Company, Attn: Richard Bassett, Credit Manager, P.O. Box 1798, Vernon, AL 35592, 800 633 8974, ext 1142
- Equipment Reference: Ms. Teri Ault, Controller, Houston Mack Sales and Service, Inc., 5216 North McCarty, Houston, Texas 77013, 713 673 1444, ext 1215

4.4 LABOR AGREEMENTS

If Disposal Services will be provided under existing labor agreements, the proposer must provide a copy of each agreement. If the proposer intends to enter into any labor agreements related to the provision of Disposal Services, the proposer must describe the nature of the agreements and when they will be implemented.

Waste Management of Alameda County has provided the existing labor agreements with Local 70 (Teamsters), Local 6 (Landfill Operators) and Local 1546 (Machinists) in Appendix E. Currently WMAC is engaged in contract negotiations with Local 6 and Local 1546. We do not intend to enter into labor agreements with additional unions.

Labor Peace

Labor peace is essential to the daily receipt of residual waste from Oakland and other Alameda County municipalities. The relationship between our employees at the Altamont Landfill has improved over the last five years and will continue to improve into the future. Our employees are proud of the Altamont Landfill and celebrate its innovation and accomplishments. When governmental officials from around the world tour our landfill, WMAC employees are involved, engaged and directly responsible for our facility’s reputation and success.

Strong Labor Relationships

Although we are in contract negotiations with Local 6 and Local 1546, our relationship with our employees remains strong. WMAC employees at the Altamont Landfill have the highest average hourly wage and best compensation package of any landfill in Northern California, including Alameda County’s other landfill. Additionally, with an average tenure of 19 years, employees at the Altamont Landfill are among

the most knowledgeable, best-qualified landfill workforce in the industry. Altamont employees are fully engaged around site and operational excellence and improvement.

Employee Engagement

Our Senior District Manager, Marcus Nettz, continues to champion employee engagement with employee roundtable meetings, employee events, weekly safety meetings and ongoing employee skip-level discussions. Continuous collaboration, best management practices and idea sharing among our landfill and machinist employees are a hallmark of the Altamont Landfill and a testament to our management philosophy. Employee grievances are rare, but we manage them immediately and equitably with the Unions' Business Agents.

After having discussions with our employees, WMAC has made improvements to the landfill's working environment, including the renovation of employee facilities in 2010 and 2011. In 2013, WMAC will construct a new break room on top of the Altamont Landfill to ensure our employees are able to take breaks and lunches in a timely manner. Based on the feedback from employee roundtable discussions and involvement, WMAC continues to improve our facility, ensuring a safe and comfortable workplace.

Safety Culture

Workplace safety at the Altamont Landfill is top priority for WMAC, the Unions, and our landfill employees. WMAC employees and management staff lead safety meetings. Workplace accidents have been almost non-existent. The Altamont Landfill has not had an OSHA Recordable injury in 2012. We attribute our Safety success over the past four years to:

- Our partnership with all of our employees and the Unions,
- Our Safety Committee is comprised of our landfill employees with a mission to minimize workplace safety concerns and unsafe behavior; and,
- Our employees adopting a Zero tolerance for unsafe behavior.

Benefits to Oakland

The Altamont landfill is committed to Labor Peace and fairly balancing the needs of our employees, our customers and our financial viability. A continued partnership with the Altamont landfill assures Oakland minimal transition in 2015 and continuity in providing service to the City's residence and businesses. Our management team at the Altamont landfill and our employees have serviced the City for 32 years and have the familiarity and expertise to continue to meet the needs and challenges of Oakland's Zero Waste initiatives. Our management team and frontline employees are a known quality and assure the Oakland community of their commitment to customer service and excellence.