

---

1512 Eureka Road, Suite 220, Roseville, CA 95661  
Tel: 916-782-7821 | Fax: 916-782-7824

2600 Tenth Street, Suite 411, Berkeley, CA 94710  
Tel: 510-647-9674

---

627 S. Highland Avenue, Suite 300, Los Angeles, CA 90036  
Tel: 323-559-7470

---

February 17, 2016

Cliff Feldman, Recycling Programs Manager  
SBWMA/RethinkWaste  
610 Elm Street, Suite 202  
San Carlos, CA 94070

**Subject: Proposal for Collection Services and Facility Operations Reports, Tonnage, Data and Customer Service Systems Auditing Project for 2015**

Dear Mr. Feldman:

R3 Consulting Group, Inc. (R3) is pleased to submit our attached Statement of Qualifications; Work Proposal; List of Staff, Hourly Rates & Cost Proposal; and Implementation Schedule for the above referenced project to the South Bayside Waste Management Authority (RethinkWaste). If selected for this engagement, R3 is committed to providing RethinkWaste with a high-quality work product that builds upon the information and knowledge that we gained during the review that we conducted last year.

## Firm Background and Qualifications

Established in 2002, R3 is a solid waste management consulting firm that has been in business for 14 years. ***We work exclusively for municipal agencies*** responsible for solid waste management – we do not work for private solid waste management service providers. One of R3's core services is assisting public agencies, like RethinkWaste, that manage private sector service providers with review of the operations, finances and reporting of those service providers. We believe that our qualifications and ability to conduct a high-quality review for RethinkWaste is most effectively demonstrated by our successful performance conducting the same review for the past two years, and producing a quality work product on time and within budget. We learned a great deal from those reviews and bring to this engagement an effective understanding of the operations, internal systems, controls and reports for both Recology and SBR, which will allow us to undertake a similar comprehensive review, but with an enhanced focus.

## Project Team

The primary project team for this engagement will be David Pinter and me, with support from R3 associates as required throughout the project. I am an engineer and Principal with R3 and have more than 25 years of operational and consulting experience. I am currently assisting the City of Santa Rosa with a performance review of its franchise hauler, and I also managed R3's 2013 and 2014 Reviews of Collection Services and Facility Operations Reports, Tonnage, Data and Customer Service Systems Auditing for RethinkWaste.

Mr. Cliff Feldman  
February 17, 2016  
Page 2 of 2

Mr. Pinter has particular expertise conducting financial and rates analyses, and will serve as the Project Manager for this engagement. He is currently managing our hauler performance review for the City of Rolling Hills Estates and regularly conducts indexed and detailed rate reviews for jurisdictions throughout California. Mr. Pinter previously assisted RethinkWaste with its 2013 and 2014 Reviews of Collection Services and Facility Operations Reports, Tonnage Data and Customer Service Systems.

## Project Approach

Our project team learned a great deal about the inner workings of Recology and SBR data tracking systems during the past two years' audits. During those audits, we became familiar with SBR's "PC Scales" tonnage tracking system as well as Recology's internal "TQR4 reports" customer service and operations ticketing software. Based on our prior reviews, we have recommended improvements to SBR and Recology general reporting contents, Recology customer service center call coding and complaint documentation processes, and Recology billing audit data tracking. Our review this year will include assessing the extent to which Recology and SBR have implemented the recommendations resulting from our prior two reviews.

Building upon our prior reviews, our first step in this year's project will be to thoroughly review our previous work papers and schedule a conference call with RethinkWaste staff. The goal of that initial coordination will be to discuss the findings and recommendations from the prior reviews, and refine our specific project approach so that our efforts are focused on the items of most importance to RethinkWaste and result in the most useful information. We will then conduct a comprehensive and methodical review following our Audit Work Plan.

\* \* \* \* \*

We appreciate the opportunity to submit a proposal to RethinkWaste. Please don't hesitate to call me at (916) 782-7821 or email me at [wschoen@r3cgi.com](mailto:wschoen@r3cgi.com) if you have any questions about our proposal, or need any additional information.

Sincerely,

**R3 CONSULTING GROUP**



William Schoen | Principal

### Attachments:

- Attachment 1 – Statement of Qualifications
- Attachment 2 – Work Proposal
- Attachment 3 – List of Staff, Hourly Rates & Cost Proposal
- Attachment 4 – Implementation Schedule

## Statement of Qualifications

R3 regularly assists jurisdictions like RethinkWaste with reviewing and auditing various aspects of their franchised haulers and contracted facility operators. Our most relevant qualification is that we successfully performed the same review for RethinkWaste for the past two years, on time and within budget. We have a very good understanding of the operations and reports for both Recology and SBR. The analysis we conducted as part of the past two reviews was documented in detail in our work papers, and will serve as a starting point for this year's review. For this engagement, we intend to build upon that understanding and the analysis and findings of that project to most effectively focus our efforts for this review. The major tasks required for this engagement are listed below, along with a summary of R3's related experience and qualifications.

**Testing the Completeness & Mathematical Accuracy of Recology and SBR Reports** – R3 routinely assesses the completeness and mathematical accuracy of franchised hauler and contract facility operator reports, rate adjustment applications, program proposals and other documentation. Assessing the completeness and mathematical accuracy of the information provided by the contracted entity is one of the first tasks we perform as part of the associated reviews. We recently reviewed the completeness and mathematical accuracy of hauler reports as part of a Quarterly Report Auditing Project for five jurisdictions in the Sacramento Region, and have conducted similar audits and reviews for those jurisdictions over the past five years. We also recently assisted the City of San Jose with its annual rate adjustment process for its franchise commercial hauler, Republic Services, that involved a review of the completeness and mathematical accuracy of its rate adjustment application, and recently completed a review of the completeness and mathematical accuracy of Republic's allocation of City and non-City tons.

**Reviewing & Assessing the Accuracy and Consistency of Recology and SBR Tonnage Data** – Reviewing the accuracy of tonnage data is a task that R3 routinely performs as part of our Contract Compliance Reviews and Contract Report Audits. As part of those reviews, we tie reported tonnage data to supporting documentation, and test any associated allocation methodologies for mathematical accuracy and logical consistency. We recently assessed the accuracy and consistency of allocated and directly assigned tonnage data for five (5) jurisdictions in the Sacramento Region, as discussed above. Also, our recent Contract Compliance Review for the City of Fairfield included the auditing of reported tonnages, as have many of our other Contract Compliance Reviews and related auditing projects.

**Reviewing Recology Reported Customer Service Data** – Qualifications required for this task are similar in many ways to the auditing of tonnages, liquidated damages and various other tasks associated with this engagement. Internal controls need to be reviewed for reasonableness and consistency, and reported data tied back to the supporting documents to determine the validity and accuracy of that data. In addition to our reviews of customer service data conducted for RethinkWaste, we have reviewed customer service data and the integrity of the internal systems that generate that data as part of our Contract Compliance Reviews. Review of customer service data, similar to that required for this engagement, is one of the tasks that we conducted for the City of Fairfield as part of our prior Contract Compliance Review. We have also provided similar customer service reviews as part of many of the Contract Compliance Reviews conducted for various clients listed below under "Reviewing Recology Billing Audits."

**Reviewing Recology & SBR Liquidated Damages/Performance Incentive and Disincentive Payments** – R3 reviews the potential assessment of liquidated damages and performance incentive payments as part of our Contract Compliance Reviews, as well as annual rate adjustments where there are related

performance incentive and disincentive payments. We recently assisted a major jurisdiction with its review of potential liquidated damages against one of its franchised haulers related to the quantity and quality of material it was delivering for processing. As part of that process, R3 reviewed and analyzed relevant background documents and correspondence, documented contractual requirements, and identified and documented tonnages collected and their disposition specific to the associated liquidated damages. That process included reconciling detailed supporting documentation to the data reported in the hauler's Monthly Reports for purposes of establishing the basis and accuracy of the Monthly Report information.

**Reviewing Recology Billing Audits** – R3 conducts billing audits and reviews contractor-required billing audits as part of our Contract Compliance Review projects and other projects involving billing system reviews. We have conducted billing audits and similar reviews for many jurisdictions including the cities of Barstow, Citrus Heights, Cotati, Dublin, El Cerrito, Petaluma, Pomona, Redlands, Sacramento, Salinas, San Leandro, Santa Barbara, Windsor and Woodland and El Dorado, Napa and Plumas counties. We also recently assisted the City of Fresno with a review of the accuracy of its billings, potential operational improvements and economic efficiencies related to the billing of residential accounts.

**Developing Meaningful Recommendations for Improvement** – An important aspect of this engagement is to identify appropriate recommendations to improve the tracking and/or reporting of information by Recology and SBR, as well as enhancements to internal controls and procedures. Our prior two reviews have included a total of 16 recommendations. One of the first tasks of this review will be to assess the extent to which Recology and SBR have addressed those applicable recommendations. Developing meaningful recommendations to assist our clients with more effectively administering their contracts, obtaining better data for planning, and generally supporting the enhancement of their solid waste management system is something that we focus on as part of all of our engagements. As a demonstration of our ability to develop meaningful recommendations, we reference our recent Long Range Planning efforts for RethinkWaste and the recommendations presented for improving Recology's reporting in support of more effectively operating and administering its commercial recycling outreach program.

# Work Proposal

## Project Approach

R3 takes an organized, systematic, and comprehensive approach when conducting audits of the type RethinkWaste is requesting. Upon authorization to proceed, R3 will develop an Audit Work Plan. This 2015 Audit Work Plan will be based on our proposed Scope of Work provided below and our audits conducted for RethinkWaste in the past two years, with specific enhancements to reflect the findings of those prior audits, including an expanded focus to provide for additional review of key issues. The objective of the Audit Work Plan is to describe all aspects of the detailed review to ensure that all required tasks are accounted for and to provide a specific “road map” for the review process. Once the Work Plan has been completed, each task will be assigned to a specific project team member with a specific schedule and work product. Work paper documentation guidelines will also be established to ensure consistent supporting documentation of all required tasks. The Project Manager will then monitor Work Plan progress relative to the established schedule and make any necessary adjustments to complete the required tasks in a timely manner. Preliminary draft task deliverables will be reviewed by the Project Manager and other team members prior to submittal to RethinkWaste. The results of the audit will be documented in our work papers, including all analyses conducted in support of the audit and copies of all supporting documentation. R3 project staff will be available to discuss and respond to questions or other issues related to the audit throughout the process, and will provide status updates on a bi-weekly basis (or more frequently if requested) throughout the duration of the project.

## Scope of Work

The project tasks below have been numbered and organized so as to correspond directly with the services requested in RethinkWaste’s RFP. Our approach to each project task will begin with a review of the findings and recommended adjustments of the previous year’s audit.

### Task 1      Audit Project Kick-off Meetings

Upon receiving “Authorization to Proceed” from RethinkWaste staff, R3 will schedule kick-off meetings with RethinkWaste and contractor staff. Prior to the meetings, R3 will review the work papers from our prior audit and schedule a conference call with RethinkWaste staff. R3 anticipates attending one kick-off meeting at SBR’s facility and one kick-off meeting at Recology’s office. The kick-off meetings will allow the R3 project team, RethinkWaste staff, and contractor staff to discuss the Audit Work Plan, project goals and objectives, deliverable due dates, and also address the findings and recommendations from last year’s audit. For the kick-off meetings, R3 will provide meeting agendas, as well as separate requests for information to be issued to each of the contractors.

In addition to the in-person kick-off meetings, R3 project team members will be available to provide status updates via conference call throughout the duration of the project.

Task 1 will include:

- Prior to the kick-off meetings, preparing and sending separate requests for information to the contractors (Recology and SBR) to provide background on topics to be discussed at the respective meetings.

- Requesting a narrative of Recology and SBR's step-by-step procedures for allocating tons and identifying variances from the prior year.
- Preparing an agenda and scheduling a meeting with RethinkWaste and the contractors to discuss the goals and objectives of the audit and to reach agreement on the roles and responsibilities of RethinkWaste, the contractors and consultant.
- Discussing the content of the final report and reaching agreement on a project timeline, including deliverable due dates for information needed from the contractors.
- Preparing a summary of the meeting for RethinkWaste and including revisions as requested.

## Task 2      Verify Completeness and Mathematical Accuracy of 2015 Quarterly and Annual Report(s)

R3 will verify that Recology's and SBR's 2015 quarterly/annual reports are complete, mathematically accurate, and logically consistent. Reporting requirements are specified in Article 9 (Record Keeping and Reporting) of Recology's franchise agreements and Article 9 (Contractor Records/Reports) of SBR's operating agreement.

Task 2 will include:

- Confirming quarterly and annual reports submitted by the contractors contain complete information (broken down by month) for each of the reporting categories required in accordance with Article 9.06 of the Recology Franchise Agreement(s) and Article 9.5 of the SBR Operating Agreement.
- Verifying the mathematical accuracy of the calculations contained in the reports.
  - Requesting missing information from the appropriate contractor.

## Task 3      Interview Contractors to Determine Sources of Reported Data

R3 will interview SBR and Recology staff to determine the sources of reported data and the process for inputting and handling data. This will include all reported tonnage data, customer service data, and liquidated damage, incentive, and disincentive occurrences. To the extent feasible, R3 will attempt to conduct these interviews on the same date as the project kick-off meetings described in Task 1 above.

Task 3 will include:

- Meeting with contractors to discuss the source documents used to populate each section of their quarterly reports.
- Tracing at least one data point of each section to verify the documents stated to be the source do in fact tie to the data point.
  - If data does not tie, R3 will request clarification until the ultimate source documents have been accurately determined and obtained.

## Task 4      Verify Accuracy of Tonnage Data Reported Quarterly by Recology

R3 will verify the accuracy of quarterly tonnage data reported by Recology in 2015. Recology's quarterly tonnage data is based on Monthly Tonnage Reports that allocate franchised tonnages among each of the member agencies for the following categories:

- Commercial;
- Multi-Family Dwelling (MFD);
- Roll-Off; and
- Residential.

The Monthly Tonnage Report figures are electronically linked to data reported in supporting workbook spreadsheets for solid waste targeted recyclables and organic materials, all of which contain hard-coded inputs (i.e., are not electronically linked to the supporting data source). Each spreadsheet reports tonnages for the following categories:

- Single-Family (Residential);
- Multi-Family (MFD);
- Commercial;
- Agency Facilities (Commercial);
- Drop Box (Commercial);
- Venues and Events (Commercial);
- On-Call Single-Family (Residential);
- On-Call Multi-Family (MFD); and
- On-Call Agency Facilities (Commercial).

As part of this task, R3 will gather supporting documentation to test the calculation and application of Recology’s tonnage allocation methodology in each category of the tonnage report spreadsheets.

Task 4 will include:

- Testing at one month for each Member Agency (covering all twelve months during the year) of the tons reported and verifying the amounts tie to the supporting documents.
 

**Note: We have decreased the proposed testing for this task from two months to one month for each member agency to allow us to reduce the project budget. We are making this proposal because the more detailed testing conducted each of the past two years found only minor discrepancies in the allocated tonnages (less than 1 ton each).**
- Testing the accuracy of supporting documentation.
  - Testing the accuracy of Recology’s tonnage allocation methodology. Documents may include tonnage reports, customer account data, list of vehicles assigned to which routes, etc.
  - Reviewing the reasonableness of the tonnage allocation methodology.
- Verifying accuracy of tonnage allocation for each Member Agency – monthly, quarterly and annual totals.
  - Determining if tons reported by Recology consistently tie to SBR scale system records and requesting explanations for variances.

## Task 5      Verify Accuracy of Customer Service Data Reported

R3 will verify the accuracy of customer service data reported by Recology in 2015. In Section D of their quarterly and annual reports, Recology reports customer service data (i.e., “Inquiry, Service Request and Complaint Data”) in the following categories:

- Single Family Initial Missed Pick-Up Complaints
- Single-Family Missed Pick-Up Collection Events\*
- Excessive Noise\*
- Discourteous Behavior\*
- Property Damage\*
- Spills\*
- On-Call Bulky Item Collection
- Extra/Overage Requests
- Recycling Tote-Bag Requests
- Information Requests
- Billing Concerns

- \* *Categories marked above with an asterisk have associated Liquidated Damages and/or Performance Incentives and Disincentives. As such, the accuracy of these reporting items will also be reviewed as part of R3's review of Recology Liquidated Damages/Performance Incentive and Disincentive payments (Task 6 below).*

For all customer service items with associated Liquidated Damages and/or Performance Incentives and Disincentives, R3 will test Recology's reported number of "occurrences" for each item for all months of 2015.

For the remaining items above with no associated Liquidated Damages or Performance Incentives and Disincentives, R3 will test two (2) months of data for each Member Agency (covering all months of the year) to verify that the reported number of "occurrences" ties to the supporting documents.

Task 5 will include:

- Testing at least two separate months for each Member Agency (covering all twelve months during the year) of customer service data reported and verifying that data ties to the supporting documents.
  - If variances are found, R3 will test additional months to determine the discrepancy. For example, R3 will verify that the amount of missed pickups reported in Belmont in January ties to the supporting documentation.
- Testing that Recology customer service representatives (CSR) statistics reported annually tie to the supporting call center reports.
- Testing the accuracy of CSR's coding calls.
  - R3 will take a statistically valid sampling (minimum of 380 for each month) of CSR transactions (for specific call types) from 2 different months and verify that each transaction has been properly coded. This will entail reading the CSR's comments and verifying they match the coding used to generate the statistics reported quarterly.
- Extrapolating all identified customer service data discrepancies to the entire RethinkWaste service area for 2015 in order to project the actual correct customer service data totals, and associated Liquidated Damages and/or Performance Incentives and Disincentives.

## Task 6      **Verify Accuracy of Liquidated Damages, Incentive, and Disincentive Payments**

R3 will verify the accuracy of Recology's calculated liquidated damages, incentive and disincentive payments. Provisions for liquidated damages and performance incentives/disincentives are provided in Attachment J and Attachment I of Recology's franchise agreements, respectively. Calculations of each liquidated damage and performance incentive/disincentive item are provided by Recology as part of their quarterly and annual reports, with the exception of the Incentive/Disincentive for diversion, which is only calculated as part of the annual report.

Task 6 will include:

- Verifying that liquidated damages, incentive, and disincentive payments have been properly calculated and tie to the events reported.
  - Requesting explanations for any discrepancies.
- Verifying and explaining Recology's procedures to identify and report events which would trigger liquidated damages and performance incentives/disincentives.



## Task 7 Verify Accuracy of In-Bound Tonnage Data Reported

R3 will verify the accuracy of in-bound tonnage quantities reported by SBR. Currently all incoming franchised vehicles (Recology) and Member Agency Vehicles, as well as self-haul C&D/Inert loads, are weighed on SBR's scales when those loads enter the facility. All other self-haul loads are not weighed and are charged based on estimated volume and material type.

Task 7 will include:

- Verify SBR's reported data (from franchised services) is consistent with Recology's reports.
- Verify all other SBR tonnage is also accurate.
  - Sample various tons reported for each Member Agency and verify the amounts tie to the supporting documents.
- Verify liquidated damages payments have been properly calculated in accordance with the Operating Agreement and tie to the reported events.
  - Request explanations for any discrepancies.
- Verify and explain SBR's procedures to identify and report events which would trigger liquidated damages.

## Task 8 Draft Report

Based on the results of Tasks 1 through 7 above, R3 will prepare a draft report that includes preliminary audit findings and recommendations for review with RethinkWaste and the contractors. Our proposed project budget includes one (1) in-person meeting to review the draft report's findings and recommendations.

Task 8 will include:

- Preparing a draft report of preliminary findings and recommendations.
  - Providing an explanation of the auditing process and data analyzed.
  - Providing a detailed analysis supporting findings and recommendations.
  - The preliminary findings and recommendations will include recommendations for revised reporting and tracking documents and additional written procedures for administering and enforcing the Franchise Agreement(s) and Operating Agreement.
  - Including the monetary impact of the preliminary findings and recommendations. For example, if the call center coding is determined to be done inaccurately, then the monetary results of extrapolating the error rate will be quantified.
- Including the results of any third party or RethinkWaste customer service call center monitoring work in the report.
  - Details will be included as an appendix with the highlights captured in the body of the report. The scope of the information to include in the report will be provided by RethinkWaste.
- Meeting with RethinkWaste to review the preliminary findings.
  - Conducting additional analysis per feedback from RethinkWaste.
- Meeting with RethinkWaste and contractors to review the preliminary findings.
- Reviewing and discussing contractor's comments and any additional information requested.

- Based on comments and/or additional information provided, R3 will perform additional analyses and adjust the preliminary findings (if warranted) to ensure that all matters have been satisfactorily reviewed.

## Task 9 Final Report



Based on comments and any additional information provided by RethinkWaste and the contractors, R3 will prepare and issue a final report. If necessary, this task will include a “draft” final report and a final report. Following the issuance of the final report, R3 staff will be available to attend one (1) meeting of the RethinkWaste Board to present the audit’s findings and recommendations, upon request.

Task 9 will include:

- Preparing and distributing a “draft” final report documenting the findings and recommendations.
- Providing the report for review by RethinkWaste and contractors. The report will include:
  - A matrix summarizing pertinent sections of the Franchise Agreement(s) and Operating Agreement regarding record keeping, data management, and reporting; how the contractor(s) performed in regard to each sections (providing qualitative and quantitative support); and, any recommendations for revised procedures.
  - A narrative of findings and recommendations regarding the reasonableness and accuracy of the Member Agency tonnage allocations by SBR and Recology.
  - A similar narrative regarding Recology CSR call coding.
- Reviewing comments and facilitating follow-up discussion with RethinkWaste and potentially the contractors.
- Revising the draft report to include necessary final revisions, and issuing the final report.
- Attending a meeting of the RethinkWaste Board to present the findings upon request.

## Attachment 3 | List of Staff, Hourly Rates & Cost Proposal

### List of Staff

William Schoen	Principal, Project Director	
David Pinter	Project Manager	

### Hourly Rates

R3 2016 BILLING RATES AND CHARGES	
Category	Hourly Rate
Principal	\$190 per hour
Project Manager	\$150 per hour
Associate Analyst	\$100 per hour
Administrative Support	\$75 per hour
REIMBURSABLE COSTS (Included in hourly rates)	
Consultants/Subcontractors	Direct cost
Lodging and meals	Direct cost
Travel — Private or company car	\$0.54 per mile
Travel — Other	Direct cost
Delivery and other expenses	Direct cost

### Payments

Unless otherwise agreed in writing, fees will be billed monthly at the first of each month for the preceding month and will be payable within 30 days of the date of the invoice.

# Cost Proposal

R3 will complete our proposed work scope for a total not-to-exceed budget of **\$34,816** as shown in the table below. This amount includes all overhead costs and expenses for all tasks.

Task #	Description	W. Schoen Principal	D. Pinter (Project Manager)	Associate Analyst	Cost	Hours
		\$ 190.00	\$ 150.00	\$ 100.00		
<b>Task 1</b>	Audit Project Kick-off Meetings	2	8	8	\$ 2,380	18
	<i>Status Meetings and Conference Calls</i>	2	4	4	\$ 1,380	10
<b>Task 2</b>	Verify Completeness and Mathematical Accuracy of 2014 Quarterly and Annual Report(s)	2	24	20	\$ 5,980	46
<b>Task 3</b>	Interview Contractors to Determine Sources of Reported Data	2	8	2	\$ 1,780	12
<b>Task 4</b>	Verify Accuracy of Tonnage Data Reported Quarterly by Recology	2	24	24	\$ 6,380	50
<b>Task 5</b>	Verify Accuracy of Customer Service Data Reported	2	22	16	\$ 5,280	40
<b>Task 6</b>	Verify Accuracy of Liquidated Damages, Incentive, and Disincentive Payments	2	22	14	\$ 5,080	38
<b>Task 7</b>	Verify Accuracy of In-Bound Tonnage Data Reported	2	16	16	\$ 4,380	34
<b>Task 8</b>	Draft Report	2	20	12	\$ 4,580	34
	<i>Meet with RethinkWaste and Contractors to Review Findings</i>	2	4	-	\$ 980	6
<b>Task 9</b>	Final Report	2	8	2	\$ 1,780	12
	<i>Presentation of findings at RethinkWaste Board meeting</i>	2	4	-	\$ 980	6
<b>Total Hours</b>		<b>24</b>	<b>164</b>	<b>118</b>		<b>306</b>
<b>Total Cost <sup>(1)</sup></b>		<b>\$ 4,560</b>	<b>\$ 24,600</b>	<b>\$ 11,800</b>	<b>\$ 40,960</b>	
<b>15% Discount</b>					<b>\$ 6,144</b>	
<b>Final Budget</b>					<b>\$ 34,816</b>	

<sup>(1)</sup> Includes all overhead costs and expenses.

**Late Reporting Liquidated Damages:** \$100/day

## Implementation Schedule

Our projected implementation schedule for this engagement is provided in the table below. To effectively manage this engagement and provide the City with immediate access to a decision maker, William Schoen, a Principal with R3, will serve as Project Director. David Pinter will serve as Project Manager and will also be available to respond to RethinkWaste’s requests and questions. Both will be actively involved in all phases of the project and will maintain ongoing contact with RethinkWaste staff. Progress will be monitored relative to the work scope and schedule established below and any necessary adjustments will be made to complete the required tasks in a timely manner.

Task #	Description	Projected Date of Completion
<b><i>"Authorization to Proceed" received from RethinkWaste (assumes receipt of Annual Reports from contractors by March 1)</i></b>		<b>March 1, 2016</b>
<b>Task 1</b>	Audit Project Kick-off Meetings	Week of March 7, 2016
<b><i>All required supporting documentation received from contractors.</i></b>		<b>March 11, 2016</b>
<b>Task 2</b>	Verify Completeness and Mathematical Accuracy of 2015 Quarterly and Annual Report(s)	<b>March – April 2016</b> (Tasks 2 through 7 completed concurrently)  Biweekly status updates provided to RethinkWaste, and correspondence with contractors conducted as necessary.
<b>Task 3</b>	Interview Contractors to Determine Sources of Reported Data	
<b>Task 4</b>	Verify Accuracy of Tonnage Data Reported Quarterly by Recology	
<b>Task 5</b>	Verify Accuracy of Customer Service Data Reported	
<b>Task 6</b>	Verify Accuracy of Liquidated Damages, Incentive, and Disincentive Payments	
<b>Task 7</b>	Verify Accuracy of In-Bound Tonnage Data Reported	
<b><i>Meet with RethinkWaste/contractors to review findings</i></b>		
<b>Task 8</b>	Draft Report	April 22, 2015
<b><i>Receive comments on Draft Report from RethinkWaste/contractors</i></b>		<b>April 29, 2016</b>
<b>Task 9</b>	Final Report	May 13, 2016
<b><i>Presentation of findings at RethinkWaste Board meeting</i></b>		<b>As scheduled by RethinkWaste</b>

The projected implementation schedule provided here is dependent on timely receipt of data and comments from RethinkWaste and the contractors. If R3 becomes aware of any delays that potentially affect any of the completion dates listed here, R3 will immediately notify RethinkWaste staff and work towards resolving the delays.