

**CONSENT TO CONDITIONS REQUIRED FOR TRANSFER OF THE RESIDENTIAL
SOLID WASTE FRANCHISE FROM ELMER'S TO WASTE MANAGEMENT.**

RECITALS

- A. Waste Management of Oregon, Inc., an Oregon corporation (WM), provides residential solid waste collection services in the City of Portland (City) under a Residential Solid Waste Collection Franchise Agreement with the City.
- B. Elmer's Sanitary Services, LLC, an Oregon limited liability company (Elmer's), also provides residential solid waste collection services in the City under a Residential Solid Waste Collection Franchise Agreement with the City.
- C. WM has entered into an agreement to purchase Elmer's and take over its Franchise Agreement with the City. The Franchise Agreement requires that the City provide prior written consent of a franchise transfer via ordinance for a transfer to be effective.
- D. The Franchise Agreement provides that the City may condition the transfer upon such conditions as it deems appropriate. In conducting its due diligence prior to authorizing the transfer, the City's Bureau of Planning and Sustainability (BPS) raised concerns with WM about WM's customer service with its existing customers.
- E. To have confidence that WM will have the capacity to serve new customers as a result of a transfer from Elmer's to WM, BPS is requiring that WM consent to the conditions set forth in this Consent to Conditions Required for Transfer of the Residential Solid Waste Franchise from Elmer's to Waste Management (Consent).

In consideration of the promises in this Consent, NOW, THEREFORE, WM agrees as follows:

CONSENT TO CONDITIONS

- 1. WM will offer employment to all existing Elmer's employees. WM will provide a summary to BPS of which employees accepted the offer of employment, including what their former and new roles will be.
 - a. Due Date: Effective date of Franchise Transfer
- 2. WM will mail postcards to all Elmer's customers with all information required by the City.
 - a. Due Date: Two weeks prior to franchise transfer effective date.
- 3. During a transition period of no less than 90 days or until such time as inquiries markedly decrease in volume, WM will staff three customer service representatives at the WM Portland office to support all Elmer's customer inquiries including service questions, billing, and account changes. WM will provide a direct phone number to these representatives to all Elmer's customers.
 - a. Due Date: Effective date of Franchise Transfer
- 4. Beginning in December 2023, WM will submit a monthly customer complaint log to the City in substantially the form previously provided to the City during their due diligence, pursuant to BPS Residential Solid Waste Administrative Rule 3.2 E.6.d, within 15 business days of the end of each month. The rule requires franchisees to log all

complaint calls and the franchisee's response in a log that includes the date, time, address, summary of the complaint, and method of resolution. This log must include customer contacts through phone, chat, email, or other means. The logs must identify and categorize the issue(s) in each instance, including missed collections, dropped carts, bill discrepancies or errors or disputes, customer service concerns such as hold times, chat function, phone bot function, or other topic where a customer expresses concern or dissatisfaction, when noted by the customer experience agent.

- a. Due Date: Monthly beginning December 21st, 2023.
5. WM will provide BPS with complaint logs for calendar year 2022 and for January 2023 through November 2023.
 - a. Due Date: December 21st, 2023.
6. Beginning in December 2023, WM will submit a monthly report on Average Speed of Answer (ASA) for residential customers calling from the City of Portland, reflecting the time a caller waits to reach a customer service agent (CSA) after being placed in the queue through the Interactive Voice Response system. The report will include the number of customer calls WM receives each week separated into the following ASA categories: less than 3 minutes; 3-15 minutes; and 15+ minutes.
 - a. Due Date: Monthly within 15 business days of the end of the month, beginning December 21st, 2023.
7. For 2023 and as requested going forward, WM will provide a report identifying occasions on which WM assessed a financing fee or a fee for extra services and other charges. Upon request, WM will provide the City additional information on individual charges.
 - a. Due Date: January 23rd, 2024 and as requested going forward.
8. WM will track (beginning December 2023), and provide a report to the City if requested, the turnaround times to call customers who have left a message.
 - a. Due Date: Anytime following the effective date of the franchise transfer upon request by BPS.
9. WM must waive any late fees or surcharges for late payments from former Elmer's customers during the 180 days following WM's acquisition of the Elmer's franchise.
 - a. Due Date: Effective date of Franchise Transfer until 180 days later.
10. If requested by BPS, WM will pay for a randomized billing audit and review, to be conducted by BPS or its designee.
 - a. Due Date: Anytime following transfer upon request by BPS.
11. WM will provide information to customers that ensures they are able to easily understand and navigate through the Interactive Voice Response system, including easy access to a live customer service representative. This information will be available on the WM webpage and mailers and may be required by the City in other locations where the WM phone number is posted.
 - a. Due Date: Two weeks prior to effective date of the franchise transfer.
12. WM will hire at least one customer-service lead FTE dedicated to Portland area customers, and at the city's request, allocate additional staff as needed to comply with City's administrative rules and customer service requirements.

Due Date: Within two months of effective date of Franchise Transfer.

This staff person will:

- a. Not be expected to receive direct calls from Portland callers.
- b. Be able to field calls or emails escalated by WM CSRs or City of Portland staff for Portland callers whose issues may be more complex, who are repeat callers, callers whose issues have not been immediately resolved, or who are calling to complain.
- c. Call or email customers and callers directly, at the request of City staff or WM CSRs to resolve issues.
- d. Be empowered to work closely with all CSRs, CSR manager, and Operations Manager to troubleshoot, resolve, and prevent customer service problems of all types.
- e. Initially this employee may be based outside the Portland area, but by July 1, 2024, will be based in the Portland area as a key part of the WM team serving our community, similar to an Operations manager, and Municipal affairs staff. This staff person may be a hybrid employee but must be able to work at WM's Portland operations site, and able to meet in-person with City staff on relatively short notice any business day, and to observe WM service conditions in the field as needed.

13. As required under the franchise, WM must comply with the City's administrative rules generally, including those for collection operations and the timely delivery and/or exchange of carts.

- a. Due Date: Immediately upon signing this Consent.

IN WITNESS WHEREOF, the parties have executed this Consent as of the date set forth below.

WASTE MANAGEMENT OF OREGON, INC.

Adam Winston

DATE: December 1, 2023

(signature)

By: Adam Winston

(printed name)

Title: Director