

**Agreement Between the City and County of Santa Barbara for the Processing of  
Greenwaste and the Processing and Sharing of Revenues and Costs Associated  
with Commingled Recyclables Delivered to County Facilities**

City Agreement No. 23,868

**THIS AGREEMENT**, entered into this 23rd day of August, 2011, between the **CITY OF SANTA BARBARA**, a municipal corporation in Santa Barbara County, California, hereinafter referred to as "City", and **COUNTY OF SANTA BARBARA**, a political subdivision of the State of California, hereinafter referred to as "County",

**WITNESSETH:**

**WHEREAS**, the City and County, in order to protect and maintain the health, safety and welfare of its citizens, finds it necessary to provide an integrated solid waste management program, including source reduction and recycling activities;

**WHEREAS**, the City and County have found it more appropriate and effective to offer many solid waste management programs on a regional basis, including the processing of commingled recyclables and greenwaste, and the landfilling of municipal solid waste; and

**WHEREAS**, the County has provided these regional services to the City and the region beginning in 1967 and has developed, expanded and funded these services to benefit the community, protect the environment and comply with applicable solid waste rules and regulations; and

**WHEREAS**, the California Integrated Waste Management Act of 1989 (commonly referred to as AB 939), mandates that cities and counties prepare and implement plans for the diversion of solid waste from disposal; and

**WHEREAS**, the County owns and operates the South Coast Recycling & Transfer Station (hereinafter "County Recycling Center") where the City's franchised haulers have historically delivered commingled recyclables from the City's commercial and residential customers using carts and cans; and

**WHEREAS**, the County contracts with a private company (subcontractor) to process commingled recyclables generated by the Cities of Santa Barbara and Goleta, and the unincorporated area in the south county; and

**WHEREAS**, the County transports the commingled recyclables delivered to the County Recycling Center to the subcontractor's facility and backhauls residual waste from the sorting process for disposal at the Tajiguas Landfill; and

**WHEREAS**, the City and County are willing to share in both the costs incurred and revenues realized by the County associated with the handling and processing of commingled recyclables in accordance with the terms and conditions hereinafter set forth;

**WHEREAS**, it is the intent of the City and County to work cooperatively and within a regional framework in advancing new projects and programs and addressing the financial impacts they may create; and

**WHEREAS**, the City and County entered into an "Agreement for the Processing and Sharing of Revenues and Costs Associated with Commingled Recyclables Delivered to County Facilities Between the City and County of Santa Barbara" in 2008; and

**WHEREAS**, under this Agreement the City and County have shared in both the costs incurred and revenues realized by the County associated with the handling and processing of the City's commingled recyclables in accordance with the terms and conditions set forth therein; and

**WHEREAS**, this Agreement expired on June 30, 2010 and the City and the County have continued to perform under the agreement and intend to continue to perform under this agreement for an indefinite period; and

**WHEREAS**, the City currently utilizes the services of the County for processing green waste collected by the City's franchised haulers and the City and County wish to provide for reasonable notice to the County prior to discontinuing this arrangement.

**I. CONSIDERATION**

In consideration of the City's delivery (through its franchised hauler) of commingled recyclables collected within the City to a County of Santa Barbara facility, and the City's delivery of green waste collected within the City limits by its franchise hauler to a County of Santa Barbara facility for processing at a specified rate per ton annually set by the Board of Supervisors, the County agrees to share the costs and revenues associated with the handling and marketing of the commingled recyclables with the City as set forth in this Agreement.

**II. TIMING AND METHOD OF PAYMENT**

Payment of net revenues (or costs) will be in two equal installments, with the first installment due on December 31 and the second installment due on June 30 each year this agreement is in effect.

Payments should be remitted to:

Finance Department  
City of Santa Barbara  
P.O. Box 1990  
Santa Barbara, CA 93102-1990

Resource Recovery and Waste Management  
130 E. Victoria Street – Suite 100  
Santa Barbara, CA 93101

### **III. METHODOLOGY FOR CALCULATING SHARED REVENUES AND COSTS**

The County agrees to pay to the City by March 31<sup>st</sup> each year this agreement remains in effect, the net revenues associated with the County's handling and marketing of the commingled recyclables in exchange for the City's continued delivery of its commingled recyclables (as collected from City solid waste customers using carts and cans) to the County Recycling Center.

Each year, by March 31, the County will calculate the net revenue (or net cost) using County financial and non-financial data from the immediately preceding fiscal year in accordance with the accounting methodology acceptable to the City and the County attached hereto as Exhibit A. The net revenue (or net cost) will be paid to the City in proportion to the total tonnage of mixed recyclables delivered to the County Recycling Center as recorded on the scales.

The City shall reimburse the County for all costs associated with administering and operating the program including but not limited to: program coordination, handling, storage, transport, processing, and disposal in the manner described in Exhibit A.

The County will be responsible for negotiating the terms for processing, conducting bi-annual waste sorts and administering the contract with the subcontractor.

### **IV. MAINTAINING QUALITY OF COMMINGLED RECYCLABLES**

The value and sortability of the commingled recyclables is determined by the quality of material collected by the franchisee and delivered to the County Recycling Center. If County staff identifies an increase in the contamination of commingled recyclables received at the County facility, efforts will be made by the City and County to minimize contamination through greater public education efforts or route modifications.

### **V. PROCESSING OF GREEN WASTE**

The City, by action of the City Council, agrees to provide the County with a 12-month written notice of any City decision to discontinue its current practice of directing green waste collected within the City limits (pursuant to its solid waste franchise agreement(s)) to a County of Santa Barbara facility for processing at a rate set annually by the Board of Supervisors.

In recognition of the financial impacts to the County which would result from the loss of revenues currently generated in the processing of greenwaste collected by the City's refuse hauler and delivered to the County Recycling Center, the City agrees that, should the City elect to discontinue its practice of directing green waste to a County facility, the County will be entitled to retain all net revenues otherwise payable to the City under Section III of this agreement for the remaining term of the agreement and this agreement shall be deemed terminated.

However, the County shall not be entitled to suspend payment to the City under this agreement should the City direct its greenwaste to an anaerobic digester or conversion technology facility, as part of a County-wide regional solution to reduce landfill disposal.

**VI. RECORD KEEPING**

The County of Santa Barbara, Public Works Department, Resource Recovery and Waste Management Division, shall keep financial and accounting records.

Each year, the County shall provide to the City Finance Department, by March 31 for following fiscal year, an updated calculation itemizing costs and revenues associated with the commingled recycling program.

All funds received shall be properly accounted for and reported as required by law and generally accepted accounting principles.

**VII. TERM OF CONTRACT**

The agreement will be effective beginning on July 1, 2010, and will include the parties' performance under the terms of this agreement since July 1, 2010. The agreement shall be automatically renewed as of July 1 each year, unless terminated by either party as outlined in Section VIII below.

**VIII. TERMINATION**

The City or County may terminate this Agreement without cause and for any reason, by providing the other party with a 12-month written notice of such termination. In the event, a notice of termination is issued, the County shall remain obligated to pay the City its net revenue share of recycling revenues (as provided in § III) through the date of termination.

**IX. OWNERSHIP OF DOCUMENTS**

All reports and documents prepared by County under this contract are the property of the County.

**X. SECTION HEADINGS**

The section headings appearing herein shall not be deemed to govern, limit, modify or in any manner affect the scope, meaning or intent of the provisions of this Agreement.

**XI. INTERPRETATION**

The terms and conditions of this contract shall be construed pursuant to their plain and ordinary meaning and shall not be interpreted against the maker by virtue of that party having drafted the Agreement.

**XII. NOTICES**

Any notices required pursuant to this Contract shall be served at the following addresses:

Robert Samario  
Finance Director  
City of Santa Barbara  
Finance Department  
735 Anacapa Street  
Santa Barbara, CA 93101

Mark Schleich  
Deputy Director, Public Works  
County of Santa Barbara  
Resource Recovery &  
Waste Management Division  
130 E. Victoria Street, Suite 100  
Santa Barbara, CA 93101

**XIII. PROJECT MANAGERS**

The project managers designated by each party to this Agreement for the administration and implementation of this Agreement are:

- a. **City** Finance Director, City of Santa Barbara
- b. **County** Deputy Director of Public Works, County of Santa Barbara

The designation of project managers by each party to this Agreement may be amended by each party by written notice without the need for modification of the entire Agreement as provided in Section X, herein.

**XIV. MODIFICATION**

This is a full and final statement of the agreement between the parties of this Agreement. No modification of this Agreement shall be valid unless evidenced in writing and executed by the parties hereto.

**XV. CALIFORNIA LAW TO APPLY**

This Agreement shall be construed and be in accordance with the laws of the State of California.

**XVI. COMPLIANCE WITH LAWS AND REGULATIONS**

County shall comply with all State, Federal, County, City and other local laws and regulations applicable to the scope of work and services to be performed hereunder, and shall obtain all licenses and permits required by any public entity to

carry out the terms of this Agreement and be responsible for the cost of said licenses and permits.

**XVII. SEVERABILITY**

If any term, covenant, condition, provision or agreement contained in this Agreement is held to be invalid, void or unenforceable by any court of competent jurisdiction, the invalidity of any such term, covenant, condition, provision or agreement shall in no way affect any other term, covenant, condition, provision or agreement, and the remainder of this Agreement shall still be in full force and effect.

IN WITNESS WHEREOF, the parties hereto have caused this instrument to be executed by their duly authorized officers, on the day and year first above written.

CITY OF SANTA BARBARA  
A Municipal Corporation

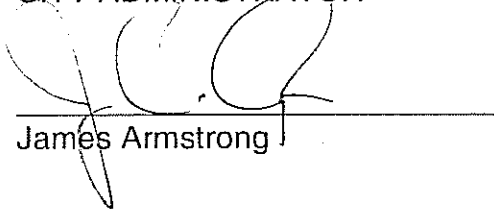
**APPROVED AS TO CONTENT:**

ROBERT SAMARIO  
CITY FINANCE DIRECTOR



Robert Samario

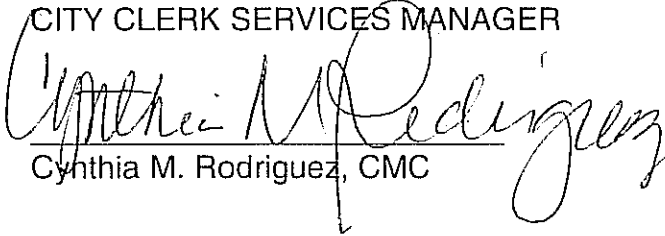
JAMES L. ARMSTRONG  
CITY ADMINISTRATOR



James Armstrong

**ATTEST:**

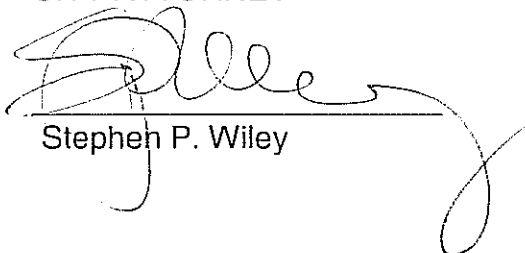
CYNTHIA M. RODRIGUEZ, CMC  
CITY CLERK SERVICES MANAGER



Cynthia M. Rodriguez, CMC

**APPROVED AS TO FORM:**

STEPHEN P. WILEY  
CITY ATTORNEY



Stephen P. Wiley

COUNTY OF SANTA BARBARA

Date: \_\_\_\_\_

By: \_\_\_\_\_

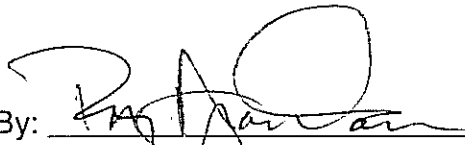
JONI GRAY, CHAIR  
Board of Supervisors

**ATTEST:**

CHANDRA L. WALLAR  
CLERK OF THE BOARD

**APPROVED AS TO FORM:**  
RAY AROMATORIO  
RISK MANAGEMENT

By: \_\_\_\_\_  
Deputy

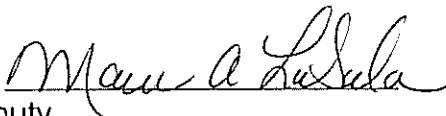
By:   
Risk Manager


**APPROVED AS TO FORM:**

DENNIS A. MARSHALL,  
COUNTY COUNSEL

**APPROVED AS TO ACCOUNTING  
FORM:**

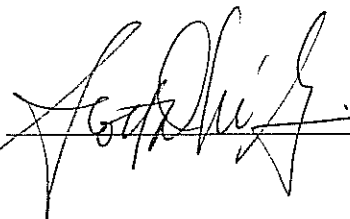
ROBERT W. GEIS, CPA  
AUDITOR-CONTROLLER

By:   
Deputy

By:   
Deputy

**APPROVED AS TO CONTENT:**

SCOTT D. MCGOLPIN  
PUBLIC WORKS DIRECTOR

By:   
\_\_\_\_\_