

Attachment A

NTE \_\_\_\_\_

BC not applicable

### Board Contract Summary

W

For use with Expenditure Contracts submitted to the Board for approval. Complete information below, print, obtain signature of authorized departmental representative, and submit this form, along with attachments, to the appropriate departments for signature. See also: Auditor-Controller Intranet Policies->Contracts.

D1.	Fiscal Year .....	16/17
D2.	Department Name .....	Public Works
D3.	Contact Person .....	Carlyle Johnston
D4.	Telephone .....	X3617

K1.	Contract Type (check one): <input checked="" type="checkbox"/> Personal Service <input type="checkbox"/> Capital	
K2.	Brief Summary of Contract Description/Purpose .....	Processing of curbside commingled recyclables
K3.	Department Project Number .....	113307
K4.	Original Contract Amount .....	\$ N/A
K5.	Contract Begin Date .....	July 1, 2007
K6.	Original Contract End Date .....	Annual Renewal
K7.	Amendment? (Yes or No).....	Yes
K8.	- New Contract End Date .....	Annual Renewal
K9.	- Total Number of Amendments .....	1
K10.	- This Amendment Amount.....	\$ 172500
K11.	- Total Previous Amendment Amounts.....	\$ 0
K12.	- Revised Total Contract Amount .....	\$ 172500

B1.	Intended Board Agenda Date .....	June 7, 2016
B2.	Number of Workers Displaced (if any) .....	N/A
B3.	Number of Competitive Bids (if any).....	N/A
B4.	Lowest Bid Amount (if bid) .....	N/A
B5.	If Board waived bids, show Agenda Date .....	N/A
	and Agenda Item Number .....	
B6.	Boilerplate Contract Text Changed? (If Yes, cite Paragraph).....	No

F1.	Fund Number .....	1930
F2.	Department Number.....	054
F3.	Line Item Account Number.....	7460
F4.	Project Number (if applicable) .....	1133
F5.	Program Number (if applicable) .....	113307
F6.	Org Unit Number (if applicable) .....	
F7.	Payment Terms .....	

V1.	Auditor-Controller Vendor Number .....	
V2.	Payee/Contractor Name.....	Valley Garbage & Rubbish Co.
V3.	Mailing Address.....	1850 Betteravia Street
V4.	City State (two-letter) Zip (include +4 if known).....	Santa Maria, CA 93455
V5.	Telephone Number .....	805-614-1130
V6.	Vendor Contact Person .....	Dan Harris
V7.	Workers Comp Insurance Expiration Date .....	
V8.	Liability Insurance Expiration Date .....	
V9.	Professional License Number .....	
V10.	Verified by (print name of county staff).....	

V11 Company Type (Check one):  Individual  Sole Proprietorship  Partnership  Corporation

I certify information is complete and accurate; designated funds available; required concurrences evidenced on signature page.

Date: 5/24/16 Authorized Signature: Carlyle Johnston

Auditor Controller Contract No:

AMENDMENT TO AGREEMENT  
FOR SERVICES OF INDEPENDENT CONTRACTOR

THIS AMENDMENT TO AN AGREEMENT is entered into by and between the:

COUNTY OF SANTA BARBARA, CALIFORNIA, hereinafter referred to as "COUNTY", and

THE VALLEY GARBAGE AND RUBBISH COMPANY, INC, hereinafter referred to as "CONTRACTOR",

WHEREAS, COUNTY and CONTRACTOR have an existing Agreement dated September 4, 2007 for the processing of curbside comingled recyclables at their facility located at 1850 West Betteravia Street, Santa Maria, CA;

NOW, THEREFORE, IT IS AGREED as follows:

1. The Agreement is amended by replacing the following with the attached documents:
  - A. Exhibit A – "Statement of Work" and;
  - B. Exhibit B – "Payment Arrangements"

Agreement for Services of Independent Contractor between the **County of Santa Barbara** and Valley Garbage and Rubbish Company, Inc..

**IN WITNESS WHEREOF**, the parties have executed this Agreement to be effective on the date executed by COUNTY.

**ATTEST:**

Mona Miyasato  
County Executive Officer  
Clerk of the Board

**COUNTY OF SANTA BARBARA:**

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

By: \_\_\_\_\_  
Chair, Board of Supervisors

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

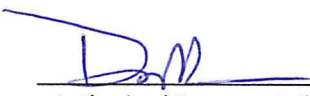
**RECOMMENDED FOR APPROVAL:**

Public Works

**CONTRACTOR:**

Valley Garbage and Rubbish Company, Inc.

By:   
Department Head

By:   
Authorized Representative

Name: Dan Harris

Title: District Manager

**APPROVED AS TO FORM:**

Michael C. Ghizzoni  
County Counsel

**APPROVED AS TO ACCOUNTING FORM:**

Theo Fallati, CPA  
Auditor-Controller

By:   
Deputy County Counsel

By:   
Deputy

**APPROVED AS TO FORM:**

Risk Management

By:   
Risk Management

## EXHIBIT A

### STATEMENT OF WORK

#### A. Processing

1. CONTRACTOR is to supply all labor and equipment necessary to receive, process, transport and market all commingled recyclable materials collected by CONTRACTOR in County's Zone 4 and 5 and the City of Solvang. For purposes of this contract "recyclable materials" is defined as all types of materials delivered to CONTRACTOR'S facility collected pursuant to the commingled recycling programs offered in the County's Zone 4 and 5 and the City Solvang, if approved by that jurisdiction, that are reasonably capable of being returned to the economic mainstream, through processing and available markets, in the form of raw material for new, reused, or reconstituted products. CONTRACTOR shall use all reasonable efforts divert all recyclable materials in a manner that is acceptable for diversion credit under AB 939. CONTRACTOR may landfill, burn, or convert for burning the recyclable materials diverted that have no viable market, in accordance with applicable law.
2. CONTRACTOR shall receive and process recyclable materials without limitation as to amount, weight or periodic variances in quantity generated.
3. All recyclable materials diverted shall meet or exceed secondary material market specifications for each class of recovered product.
4. The CONTRACTOR shall possess and maintain throughout the term of this contract all federal, state, and local permits needed to operate the facility that will accept and process the recyclable materials.
5. CONTRACTOR'S facility shall be open for sufficient hours to receive recyclable materials collected by CONTRACTOR.
6. If the CONTRACTOR is unable to accept recyclable materials for any reason, the CONTRACTOR will be responsible for ensuring that such recyclable materials are delivered to and processed by an alternate facility. CONTRACTOR shall be responsible for the difference between the fee charged at the CONTRACTOR'S facility under the provisions of this contract and the fee charged at the alternate facility arranged by the CONTRACTOR as well as the fees covering transportation to the alternate facility. In the event such failure to accept materials is the result of a force majeure event, then CONTRACTOR may request an adjustment to the rates charged under this Agreement to account for any increased costs associated with using an alternate facility.
7. CONTRACTOR will assume liability for the recyclable materials, including inadvertent hazardous waste contamination, once the recyclable materials are received at CONTRACTOR'S facility up to a maximum amount of \$7,000, unless County can prove that CONTRACTOR did not comply with the Hazardous Waste Screening Protocol contained in CONTRACTOR's current exclusive franchise agreement with the County for solid waste, recyclables and organics collection and transportation. In which case, CONTRACTOR will be responsible for the entire cost of cleanup. This \$7,000 limitation shall not apply to hazardous waste contamination of recyclable materials that have been commingled with material from other sources. CONTRACTOR will provide the proper handling and disposal of any inadvertent hazardous waste contamination discovered in the loads of recyclable materials and documentation regarding actual costs of handling and proper disposal. To

the extent the source of hazardous waste is identifiable, Contractor may pursue any and all remedies against the generator of such hazardous waste.

8. CONTRACTOR shall transport and deliver to a permitted disposal facility approved by County all residue remaining after processing of recyclables. CONTRACTOR shall select a disposal facility which results in the least expensive disposal option for the County, taking into account tipping fees thereat and transportation costs thereto and compliance with applicable law (including Subtitle D requirements), consistent with public health and safety and CONTRACTOR's obligations hereunder.

County reserves the right to disapprove of CONTRACTOR's selected disposal facility, in which case CONTRACTOR will designate an alternative, also subject to County approval. If public health, safety and/or fiscal interest requires or compliance with applicable law necessitates, then the County may designate a disposal facility. If the County's designation of a disposal facility results in increased costs to Contractor, then the rates set forth under this Agreement shall be adjusted accordingly.

### **B. Reporting and Record Keeping**

1. CONTRACTOR will be required to have a certified truck scale on-site to weigh all incoming loads of recyclable materials. Each loaded vehicle shall be weighed upon entering the CONTRACTOR'S processing facility and weighed after tipping the recyclable material. CONTRACTOR will be required to maintain a daily log of the time, sequential ticket number, vehicle number, gross vehicle weight, and tare vehicle weight. This information will be available to the COUNTY when requested.
2. CONTRACTOR will be required to complete and submit appropriate reports to the Department of Conservation (DOC), indicating the total tons of material attributed to each Curbside Identification Number assigned by the DOC.
3. CONTRACTOR shall maintain records required to conduct its operations, to support requests it may make to COUNTY, and to respond to requests from COUNTY in the conduct of COUNTY business. Adequate record security shall be maintained to preserve records from events that can be reasonably anticipated such as a fire, theft and earthquake. Electronically maintained data/records shall be protected and backed up. All records shall be maintained for five (5) years after the expiration of this Agreement.
4. CONTRACTOR shall maintain financial records relating to its operations pursuant to this contract separate and segregated from such records relating to its other operations. CONTRACTOR shall also maintain complete descriptions of related party transactions (such as material sales to related companies), and all records necessary to support quarterly invoices submitted to COUNTY.
5. COUNTY shall have the right to inspect or review the specific documents or records required expressly or by inference pursuant to this contract, or any other similar records or reports of CONTRACTOR or its Affiliates that COUNTY shall reasonably deem necessary to evaluate quarterly reports, determine the accuracy of tonnage reporting, and to evaluate Contractor's performance provided for in this contract. CONTRACTOR shall make all records and documents to be reviewed and inspected by COUNTY and/or its representative as a part of any audit or other record review conducted by COUNTY for the purpose of verifying reported data and remittances, available for COUNTY's review, inspection and copying within one business day of receiving written notice from COUNTY requesting the same.

- COUNTY may conduct or authorize an audit of the CONTRACTOR at any time related to Contractor's compliance with its obligations under this Agreement.

## EXHIBIT B

### PAYMENT ARRANGEMENTS

#### Periodic Compensation

1. Payment for services and /or reimbursement of costs shall be made upon CONTRACTOR'S satisfactory performance, based upon the scope and methodology contained in the Statement of Work as determined by COUNTY.
2. COUNTY'S failure to discover or object to any unsatisfactory work or billings prior to payment will not constitute a waiver of COUNTY'S right to require CONTRACTOR to correct such work or billings or seek any other legal remedy.
3. Quarterly, the CONTRACTOR shall submit to the COUNTY DESIGNATED REPRESENTATIVE an invoice stating the number of tons processed, separated by Collection Zone 4, Collection Zone 5, and the City of Solvang. This will be used to track the total number of tons processed per year and will be used to assist in calculating annual rate adjustments. The rates will be adjusted to allow the CONTRACTOR to be paid \$23 per ton of processed material by the ratepayers in selected areas, as included in the COUNTY's annual solid waste collection rate setting process, unless also adjusted by the "Annual Rate Adjustment" described in #6 and #9 below.
4. COUNTY REPRESENTATIVE shall evaluate the quality of the service performed and if found to be satisfactory and within the cost basis of the Payment Arrangements and Fee Schedule, shall approve payment to the CONTRACTOR.
5. The format of each invoice shall be approved by COUNTY. In addition to submitting all invoices on paper, CONTRACTOR agrees to submit all invoices in an electronic format approved by COUNTY, compatible with COUNTY's software/computers at no additional charge. Records shall be maintained in forms and by methods that facilitate flexible use of data contained in them to structure reports, as needed. Invoices are intended to compile recorded data into useful forms that facilitate COUNTY review and analysis.
6. At the end of the Fiscal Year (ending on June 30), the CONTRACTOR shall submit the total tons of material processed that the year and a breakdown of the number of tons recycled by commodity. Materials commonly recycled include but are not limited to:
  - OCC
  - ONP
  - Mixed Paper
  - Magazine
  - Clear Glass
  - Brown Glass
  - Green Glass
  - Mixed Glass
  - Aluminum
  - Tin
  - PET



- Natural HDPE
- Colored HDPE
- Residue
- Any other category of recyclable CONTRACTOR sorts

7. At the end of the Fiscal Year (ending on June 30), an Index Report on the average value of OCC, Mixed Paper, PETE, HDPE Natural, HDPE Color, and UBC over a 12 month period (April to March). These select commodities will be applied to an Index by these amounts:

Commodity	Portion of Index
OCC	50.08%
Mixed Paper	44.48%
PETE	2.12%
HDPE Natural	1.55%
HDPE Color	1.43%
UBC	.34%
<b>Total</b>	<b>100.00%</b>

If this Index has a value + or – 15% of \$104.96 (a change greater than \$15.74 up or down), after June 30, 2017, then the processing fee will be changed as below:

Upward and Downward Triggers (from \$104.96)	\$73.47	\$89.22	<u>\$104.96</u>	\$120.70	\$136.45	\$152.19	\$167.94	\$183.68	\$199.42
Processing Fee	\$35.87	\$29.43	\$23.00	\$16.56	\$10.13	\$3.69	-\$2.74	-\$9.17	-\$15.61

8. All invoices shall be submitted in paper form to:

Accounting Section  
 Resource Recovery & Waste Management Division  
 PO Box 90942  
 Santa Barbara, CA 93190-0942

And emailed to: [cjohnst@cosbpw.net](mailto:cjohnst@cosbpw.net)

9. Quarterly invoices shall, at a minimum, contain:

A) Incoming Tonnage – Compilation of tonnage received from the specified service areas including a breakdown of tonnage processed from Collection Zone 4 and Collection Zone 5 (North and South County) and the City of Solvang, based upon a reasonable allocation of such tonnages in accordance with an allocation methodology proposed by Contractor and reviewed by the County.

10. Fee Schedule: The CONTRACTOR shall receive \$23 per ton of processed curbside commingled recyclables paid by the ratepayer in selected areas defined by COUNTY's annual rate adjustments during the normal billing cycle unless also adjusted by a result of the Annual Index Report described in #6.