



SONOMA COUNTY WASTE MANAGEMENT AGENCY

Meeting of the Board of Directors

March 19, 2026

REGULAR MEETING

Regular Session begins at 9:00 a.m.

Estimated Ending Time 11:30 a.m.

City of Santa Rosa Council Chambers
100 Santa Rosa Avenue
Santa Rosa, CA

Meeting will also streamed via Zoom:

<https://sonomacounty.zoom.us/j/92248855470?pwd=OFFVNUIiWVh5Wk5SSzVyWWdWbndjdz09>

Webinar ID: 922 4885 5470

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Passcode: 157476

Meeting Agenda and Documents

ZERO WASTE SONOMA

Meeting of the Board of Directors

March 19, 2026

REGULAR MEETING

Regular Session begins at 9:00 a.m.

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Note: This packet is 100 pages total



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PUBLIC COMMENT:

Public comment may be submitted via recorded voice message or email. Public comment may also be made by “raising your hand” using the Zoom platform.

Voice recorded public comment: To submit public comment via recorded message, please call 707-565-4432 by 5:00 pm Wednesday, March 18th. State your name and the item number(s) on which you wish to speak. The recordings will be limited to two minutes. These comments may be played or read at the appropriate time during the board meeting.

Email public comment: To submit an emailed public comment to the Board please email leslie.lukacs@sonoma-county.org and provide your name, the number(s) on which you wish to speak, and your comment. These comments will be emailed to all Board members and can be provided anytime leading up to and throughout the meeting.

COMMITMENT TO CIVILITY: The ZWS Board of Directors has a commitment to civility. To assure civility in its public meetings, the public is encouraged to engage in respectful dialogue that supports freedom of speech and values diversity of opinion. Board Members, staff, and members of the public are expected to establish and maintain a cordial and respectful atmosphere during discussions; and foster meaningful dialogue free of personal attacks. Members of the public must also adhere to the speaking time limit. Any commenters in violation of civility standards will be disconnected.



Agenda

Item

1. Call to Order
2. Agenda Approval
3. Public Comments (items not on the agenda)

Consent (w/attachments)

- 4.1 Minutes of the February 19, 2026 Regular Meeting
- 4.2 February, March, and April 2026 Outreach Calendar
- 4.3 Agreement for Short-Term Organic Materials Processing Services with Redwood Landfill, Inc.
- 4.4 Agreement for Short-Term Organic Materials Processing Services with Republic Services, Inc.
- 4.5 First and Second Quarter ZWS FY 25/26 Financial Reports

Regular Calendar

5. Public Hearing for the Consideration of Organics Disposal Fee Increase [Collard]
6. Discussion and Possible Action on the Fiscal Year 2026-27 ZWS Final Budget [Collard]
7. Consideration of Credit Agreement Terms with Sonoma Public Infrastructure for Financing of the New Household Hazardous Waste Facility [Lukacs]
8. Boardmember Comments – NO ACTION
9. Executive Director Report – VERBAL REPORT
10. Staff Comments – NO ACTION
11. Next ZWS meeting: March 19, 2026
12. Adjourn Meeting

Consent Calendar: These matters include routine financial and administrative actions and are usually approved by a single majority vote. Any Boardmember may remove an item from the consent calendar.

Regular Calendar: These items include significant and administrative actions of special interest and are classified by program area. The regular calendar also includes "Set Matters," which are noticed hearings, work sessions and public hearings.

Public Comments: Pursuant to Rule 6, Rules of Governance of the Sonoma County Waste Management Agency/Zero Waste Sonoma, members of the public desiring to speak on items that are within the jurisdiction of the Agency shall have an opportunity at the beginning and during each regular meeting of the Agency. When recognized by the Chair, each person should give his/her name and address and limit comments to 3 minutes. Public comments will follow the staff report and subsequent Boardmember questions on that Agenda item and before Boardmembers propose a motion to vote on any item.



Disabled Accommodation: If you have a disability that requires the agenda materials to be in an alternative format or requires an interpreter or other person to assist you while attending this meeting, please contact the Zero Waste Sonoma Office at 2300 County Center Drive, Suite B240, Santa Rosa, (707) 565-3788, at least 72 hours prior to the meeting, to ensure arrangements for accommodation by the Agency.

Noticing: This notice is posted 72 hours prior to the meeting on the internet at www.zerowastesonoma.gov



To: Zero Waste Sonoma Board Members

From: Leslie Lukacs, Executive Director

Subject: March 19, 2026 Board Meeting Agenda Notes

Consent Calendar

These items include routine financial, informational and administrative items and **staff recommends that they be approved en masse by a single vote.** Any Board member may remove an item from the consent calendar for further discussion or a separate vote by bringing it to the attention of the Chair.

- 4.1 Minutes of the February 19, 2026 Meeting
- 4.2 February, March, and April 2026 Outreach Calendar
- 4.3 Agreement for Short-Term Organic Materials Processing Services with Redwood Landfill, Inc.
- 4.4 Agreement for Short-Term Organic Materials Processing Services with Republic Services, Inc.
- 4.5 First and Second Quarter ZWS FY 25/26 Financial Reports

5. Public Hearing for the Consideration of Organics Disposal Fee Increase

The ZWS Board of Directors sets the disposal fees for organic materials collected at the landfill and transfer stations owned by Sonoma County and operated by Republic Services of Sonoma County, Inc. Staff Recommendation: Open the public hearing on the increase of the ZWS tipping fees related to wood waste and yard debris (collectively the “disposal fees for organic materials”), receiving public comment, closing the public hearing, and providing direction to staff regarding the amount of the tipping fee increases, if any.

6. Discussion and Possible Action on the Fiscal Year 2026-27 ZWS Final Budget

The FY 2026-27 Work Plan was approved at the January 15, 2026 Board meeting. The Work Plan serves as a key tool outlining contractor and staff costs for individual programs and planned projects for the upcoming fiscal year, marking the first step in the budget development process. Staff Recommendation: Board approves the FY 26-27 Zero Waste Sonoma Final Budget. As this item is a budget item, it requires a super-majority (8/10) vote for approval.

7. Consideration of Loan Agreement Terms with SPI for Financing of the New HHW Facility

Staff recommends the Board preliminarily approve the terms of the proposed Credit Agreement with the County of Sonoma, and direct Agency staff to request that the governing boards of the member agencies of the Sonoma County Waste Management Agency approve the First Amendment to the JPA Agreement to allow ZWS to enter into the Credit Agreement with the County for financing the construction of ZWS’s future Household Hazardous Waste (HHW) facility located at 5885 Pruitt Avenue in Windsor.



Minutes of February 19, 2026 Meeting

Zero Waste Sonoma met on February 19, 2026, at the City of Santa Rosa Council Chambers, 100 Santa Rosa Ave., Santa Rosa, California.

Board Members Present:

City of Cloverdale – Andrés Marquez
City of Cotati – Susan Harvey
City of Healdsburg – Larry Zimmer
City of Petaluma – Patrick Carter
City of Rohnert Park – Emily Sanborn

City of Santa Rosa – Mark Stapp
City of Sebastopol – Sandra Maurer
City of Sonoma – Jack Ding
County of Sonoma – Trish Pisenti
Town of Windsor – JB Leep

Staff Present:

Counsel: Ethan Walsh
Staff: Leslie Lukacs, Thora Collard, Xinci Tan, Courtney Scott, Kristen Sales, Rajesh Jyothiswaran
Agency Clerk: Amber Johnson

1. Call to Order Regular Meeting

Regular session was called to order at 9:02 a.m.

Introductions

2. Agenda Approval

Motion: To approve the agenda as amended, removing Items 4.3 and 4.4.

First: City of Sonoma – Jack Ding

Second: City of Petaluma – Patrick Carter

Vote Count:

City of Cloverdale	AYE	City of Santa Rosa	AYE
City of Cotati	AYE	City of Sebastopol	AYE
City of Healdsburg	AYE	City of Sonoma	AYE
City of Petaluma	AYE	County of Sonoma	AYE
City of Rohnert Park	AYE	Town of Windsor	AYE

AYES -10- NOES -0- ABSENT -0- ABSTAIN -0-

Motion passed.

3. Public Comments (items not on the agenda)

None

4. Consent (w/attachments)

- 4.1 Minutes of the January 15, 2026 Regular Meeting and January 29, 2026 Special Meeting
- 4.2 January, February, and March 2026 Outreach Calendar
- 4.3 Agreement for Short-Term Organic Materials Processing Services with Redwood Landfill, Inc.
- 4.4 Agreement for Short-Term Organic Materials Processing Services with Republic Services, Inc.
- 4.5 Agreement for Short-Term Organic Materials Processing Services with Pacific Recycling Solutions, Inc. DBA Pacific Organics Solutions

Board Comments:

Items 4.3 and 4.4 will be pulled from the agenda.

Public Comments:

None

Motion: Approval of the consent calendar, with the exception of Items 4.3 and 4.4.

First: City of Healdsburg – Larry Zimmer

Second: City of Cloverdale – Andrés Marquez

Vote Count:

City of Cloverdale	AYE	City of Santa Rosa	AYE
City of Cotati	AYE	City of Sebastopol	AYE
City of Healdsburg	AYE	City of Sonoma	AYE
City of Petaluma	AYE	County of Sonoma	AYE
City of Rohnert Park	AYE	Town of Windsor	AYE

AYES -10- NOES -0- ABSENT -0- ABSTAIN -0-

Motion passed.

Regular Calendar

5. Discussion and Possible Action on the Fiscal Year 2026-27 ZWS Draft Budget

Board Comments/Action Items:

- Will Republics tipping fees be increased?
- What is the monthly impact on the residents?
- How close will the increase get us to being on target for our reserve balance?
- What is the percentage for the reserve fund?
- We don't want to see an emergency like the previous special meeting again in the future.
- Would the hearing for the public coincide with the adoption of the draft budget?

Public Comments:

- None

6. Boardmember Comments

- The Children's Museum of Sonoma County partnered with Recology on a sorting exhibit. The goal is to teach children and adults how to properly sort items.

- RP and Cotati are partnering together to host Eco-Wise workshops. The next workshop is the Climate Readiness Fair on March 28th from 10a -2p at the Cotati SMART Train Depot.
- Cloverdale is hosting its first Repair Fair on March 7th from 1-4p at the Cloverdale Library.
- The Cloverdale Citrus Fair was this past weekend, February 13-16, and it was a great success.

7. Executive Director Report – VERBAL REPORT

8. Staff Comments – NO ACTION

9. Next ZWS meeting: March 19, 2026

10. Adjourn: 10:04 a.m.

Submitted by: Amber Johnson

DRAFT



Agenda Item #: 4.2
 Agenda Date: 3/19/2026

ITEM: February, March, April 2026 Outreach Calendar

February 2026 OUTREACH

Start date	End date	Start time	End time	Event
2/3/26	2/3/26	4:00 PM	8:00 PM	HHW Collection Event (Cotati)
2/10/26	2/10/26	4:00 PM	8:00 PM	HHW Collection Event (Kenwood)
2/17/26	2/17/26	4:00 PM	8:00 PM	HHW Collection Event (Rincon Valley)
2/20/26	2/22/26	9:00 AM	5:00 PM	Cloverdale Citrus Fair E-Waste Event (Cloverdale)
2/24/26	2/24/26	4:00 PM	8:00 PM	HHW Collection Event (Cloverdale)

March 2026 OUTREACH

Start date	End date	Start time	End time	Event
3/3/26	3/3/26	4:00 PM	8:00 PM	HHW Collection Event (Santa Rosa, W)
3/7/26	3/7/26	10:00 AM	4:00 PM	Annual Steelhead Festival (Geyserville)
3/7/26	3/7/26	1:00 PM	4:00 PM	Cloverdale Repair Fair (Cloverdale)
3/10/26	3/10/26	4:00 PM	8:00 PM	HHW Collection Event (Guerneville)
3/11/26	3/11/26	8:00 AM	10:00 AM	Graton Labor Center (Graton)
3/11/26	3/11/26	10:00 AM	12:00 PM	Healdsburg Labor Center (Healdsburg)
3/13/26	3/15/26	9:00 AM	5:00 PM	Graton E-Waste Event (Graton)
3/17/26	3/17/26	4:00 PM	8:00 PM	HHW Collection Event (Sonoma)
3/24/26	3/24/26	4:00 PM	8:00 PM	HHW Collection Event (Windsor)
3/28/26	3/28/26	10:00 AM	2:00 PM	Sustainability Fair (Cotati)
3/29/26	3/29/26	1:00 PM	4:00 PM	Cotati Repair Fair (Cotati)
3/31/26	3/31/26	4:00 PM	8:00 PM	HHW Collection Event (Oakmont)

April 2026 OUTREACH

Start date	End date	Start time	End time	Event
4/4/26	4/4/26	9:00 AM	12:00 PM	Compost Giveaway Event (Sebastopol)
4/7/26	4/7/26	4:00 PM	8:00 PM	HHW Collection Event (Petaluma)
4/8/26	4/8/26	8:00 AM	12:00 PM	Santa Rosa DMV (Santa Rosa)
4/8/26	4/8/26	8:00 AM	10:00 AM	Graton Labor Center (Graton)
4/10/26	4/12/26	9:00 AM	5:00 PM	Sonoma E-Waste Event
4/14/26	4/14/26	4:00 PM	8:00 PM	HHW Collection Event (Santa Rosa, E)
4/18/26	4/18/26	10:00 AM	3:00 PM	Safari West Earth Day
4/19/26	4/19/26	10:00 AM	1:00 PM	Windsor Repair Fair (Windsor)
4/19/26	4/19/26	10:00 AM	1:00 PM	Earth Day Celebration (Windsor)
4/21/26	4/21/23	4:00 PM	8:00 PM	HHW Collection Event (Forestville)
4/25/26	4/25/26	12:00 PM	4:00 PM	Santa Rosa Earth Day (Santa Rosa)
4/25/26	4/26/26	9:00 AM	5:00 PM	Monte Rio E-Waste Event
4/26/26	4/26/26	10:00 AM	3:00 PM	Annual Wildfire and Earthquake Safety Expo (Santa Rosa)
4/28/26	4/28/26	4:00 PM	8:00 PM	HHW Collection Event (Healdsburg)



Agenda Item #: 4.3
Cost Center: Organics
Staff Contact: Tan
Agenda Date: 03/19/26
Approved By: LL

ITEM: Agreement for Short-Term Organic Materials Processing Services with Redwood Landfill, Inc.

I. RECOMMENDED ACTION / ALTERNATIVES TO RECOMMENDATION

Staff recommends the Board approve the resolution authorizing the Agency's Executive Director to execute the Agreement with Redwood Landfill, Inc.

II. BACKGROUND

After the closure of the Sonoma Compost facility in 2015, the Agency's Board of Directors approved an agreement with Redwood Landfill, Inc. to process organic materials generated by Sonoma County residents starting June 20, 2018. The composting facility is located north of the City of Novato. The agreement has been amended three times since its inception and is set to expire on March 31, 2026.

During negotiations between ZWS staff and representatives from Redwood Landfill, Inc., it became clear that the Redwood staff desired a lower flow commitment of organic materials, approximately a 50% reduction, as their facility is close to capacity. They are applying to increase the permit limit, but it is uncertain how long the approval process will take. ZWS staff requested, and was granted, a larger annual compost allotment to help meet member agencies' SB 1383 procurement targets and support local agricultural producers.

III. DISCUSSION

The new agreement with Redwood Landfill, Inc. establishes a new term of 3 years from April 1, 2026, to March 31, 2029, with options to extend for 5 additional 1-year periods upon mutual agreement. The Redwood composting facility has agreed to accept at least 80 tons of organic materials per day, with a maximum of 88 tons per year. The facility will also make available 5,000 tons of finished compost per calendar year, although ZWS will be responsible for trucking costs.

IV. FUNDING IMPACT

ZWS shall compensate Redwood Landfill, Inc. \$70.00 per ton of organic materials, which will cost ZWS an estimated total of \$1,925,000 per year. This amount may vary slightly depending on fluctuations in material routing from transfer stations to the four processing facilities that ZWS anticipates will be executed, pending board approval. Fluctuations may

also occur due to the need to meet all contractual minimum delivery commitments without exceeding maximum capacities.

V. ATTACHMENTS

- Agreement for Short-Term Organic Materials Processing Services with Redwood Landfill, Inc.
- Resolution Authorizing the Agreement for Short-Term Organic Materials Processing Services with Redwood Landfill, Inc.

**AGREEMENT FOR SHORT-TERM ORGANIC
MATERIALS PROCESSING SERVICES**

between

**SONOMA COUNTY WASTE MANAGEMENT AGENCY
(also known as Zero Waste Sonoma)**

&

Redwood Landfill, Inc.



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AGREEMENT FOR SHORT-TERM ORGANIC MATERIALS PROCESSING SERVICES

This Agreement for Short-Term Organic Materials Processing Services (“Agreement”) is made and entered into as of the 19th day of February, 2025 by and between the Sonoma County Waste Management Agency, a California Joint Powers Authority, hereinafter "SCWMA", and Redwood Landfill, Inc., hereinafter "Contractor".

RECITALS

This Agreement is entered into with reference to the following facts and circumstances:

- That SCWMA desires to engage Contractor to render processing services (“Services”) for Organic Materials generated from the SCWMA Member Agencies;
- That Contractor is qualified to provide such Services to the SCWMA; and
- That SCWMA has elected to engage the Services of Contractor upon the terms and conditions as hereinafter set forth.

ARTICLE 1. DEFINITIONS

For the purpose of this Agreement, hereinafter referred to as "Agreement," the definitions contained in this Article shall apply unless otherwise specifically stated. When not inconsistent with the context, words used in the present tense include the future, words in the plural include the singular, and words in the singular include the plural. Use of the masculine gender shall include the feminine gender.

1.01 **Actions** means all actions including claims, demands, causes of action, suits, mediation, arbitration, hearings, investigations, inquiries and proceedings, whether legal, judicial, quasi-judicial, governmental or administrative in nature and whether threatened, brought, instituted or settled.

1.02 **Agreement** means this Agreement between the SCWMA and Contractor, including all exhibits, schedules and attachments (which are hereby incorporated in this Agreement by this reference), as this Agreement may be amended and supplemented.

1.03 **Alternative Daily Cover (ADC)** means cover material used at a Disposal Site, other than at least six (6) inches of earthen material, placed on the surface of the active face of the refuse fill area at the end of each operating day to control blowing litter, fires, odor, scavenging, and vectors.

1.04 **Alternative Intermediate Cover (AIC)** means CalRecycle-approved materials other than soil used at a landfill on all surfaces of the fill where no additional Solid Waste will



be deposited within one hundred eighty (180) days. Generally, these materials must be processed so that they do not allow gaps in the face surface, which would provide breeding grounds for insects and vermin.

1.05 **Applicable Law** includes without limitation, AB 341, AB 876, AB 901, AB 939, AB 1594, AB 1826, SB 1016, SB 1383 and all amendments and related subsequent legislation, as well as all laws, statutes, ordinances, municipal, state, and federal authorities and all judgments, decrees, injunctions, writs and orders of any court, arbitrator or state or local government, any political subdivision thereof, any department, agency, authority or bureau of any of the foregoing, or any other entity exercising executive, legislative, judicial, regulatory or administrative functions of or pertaining to government, and all rules, regulations, orders, written interpretations, directives, licenses and permits of any state or local government, any political subdivision thereof, any department, agency, authority or bureau of any of the foregoing, or any other entity exercising executive, legislative, judicial, regulatory or administrative functions of or pertaining to government applicable to Contractor or its property or in respect of its operations hereunder.

1.06 **Assignment** means:

- a) A sale, exchange or other transfer of at least fifty-one percent (51%) of Contractor's assets dedicated to service under this Agreement to a third party;
- b) A sale, exchange or other transfer of outstanding common stock of Contractor to a third party, provided the sale, exchange or transfer results in a change of control of Contractor (with control being defined as ownership of more than forty-five percent (45%) of Contractor's voting securities);
- c) Any dissolution, reorganization, consolidation, merger, re-capitalization, stock issuance or re-issuance, voting trust, pooling agreement, escrow arrangement, liquidation, subcontracting or lease-back payments, or other transaction which results in a change of control of Contractor;
- d) Any assignment by operation of law, including insolvency or bankruptcy, making assignment for the benefit of creditors, writ of attachment for an execution being levied against this Agreement, appointment of a receiver taking possession of Contractor's property, or transfer occurring in the event of a probate proceeding; and
- e) Any combination of the foregoing (whether or not in related or contemporaneous transactions) which has the effect of any such transfer or change of control of Contractor.

1.07 **Beneficial Reuse Purposes** means use of material for beneficial reuse, which shall include, but not be limited to, the following: Alternative Daily Cover, Alternative Intermediate Cover, final cover foundation layer, liner operations layer, leachate and gas



collection system, construction fill, road base, wet weather operations pads and access roads, and soil amendments for erosion control and landscaping.

1.08 **Calendar Year** means a successive period of 12 months commencing on January 1 and ending on December 31.

1.09 **CalRecycle** means California's Department of Resources Recycling and Recovery, that administers and provides oversight for all of California's state-managed waste handling and recycling programs and any successor agency.

1.10 **Central Disposal Site** means the parcel containing the Sonoma County Landfill, operated by Republic Services and located on 500 Mecham Road.

1.11 **Collections Company** means the company contracted by each Member Agency for the collection of Organic Materials.

1.12 **Compostable Plastic** means a plastic designed to undergo a significant change in its chemical structure during its residency in a compost process such that the material has undergone biological degradation during composting to yield carbon dioxide, water, inorganic compounds and biomass at a rate consistent with other known compostable materials and leaves no visually distinguishable or toxic residues. Plastics that do not completely degrade during the compost process are not Compostable Plastics.

1.13 **Composting** is the biological decomposition of organic material under aerobic conditions in a self-limiting biological process performed at above 55 degrees Celsius for a period of at least 3-days. The composting process occurs when conditions are created in organic materials to balance and optimize air distribution, temperature control, nutrient availability, moisture content, and pH to encourage the increased natural decomposition rate of the material. The composting period is usually defined as the period of time necessary to reduce the compost pathogen concentrations to a level below the limits defined in CCR Title 14 Article 7 Section 17868.3 - Pathogen Reduction. The process and methodologies used to reduce the pathogen concentrations below the limits prescribed in CCR Title 14 Article 7 Section 17868.3 is generally referred to as the Process For Pathogen Reduction (PFRP) and defines the length of time and temperature necessary for an organic material to complete the compost process. After the PFRP is completed a compost product is produced and is typically (but not always) allowed to cure into a matured compost for later sale.

1.14 **Contamination or Contaminant** are materials that cannot be readily composted, or difficult to compost, at the Organic Materials Processing Facility, and include: human-made inert material contained within Organic Materials or Compost such as glass, metal, and plastic, concrete, hazardous materials such as batteries and electronic waste; certain natural materials



such as rock and soil; and certain organic materials which are difficult to process into Compost such as palm, cactus, and yucca.

1.15 **Contractor** means Redwood Landfill, Inc. a corporation organized and operating under the laws of the State of California.

1.16 **Direct Cost** means Contractor's reasonable costs incurred for materials testing, sorting, or cleaning. Direct Cost of labor and equipment use does not include profit, overhead or administrative expense.

1.17 **Disposal** means the management of solid waste through landfilling or transformation at permitted solid waste facilities.

1.18 **Diversion (Divert)** means to divert from Disposal or use anywhere at or on a landfill through source reduction, reuse, recycling, and composting.

1.19 **Effective Date** means the later date of execution by the SCWMA or Contractor on the execution page of this Agreement.

1.20 **Excessive Residual** is calculated as the number of Tons of Residual per quarter minus 1% of the total quarterly outbound Tonnage.

1.21 **Food Scraps** means meat, fish, dairy, fruit, vegetable and grain waste resulting from food production, preparation, cooking, storage, consumption or handling. Food Scraps excludes Compostable Plastics but includes food-soiled paper products which complexly degrade during the composting process. Food Scraps does not include Contaminants.

1.22 **Governmental Fees** are fees or taxes imposed upon Organic Materials Processing Facility by any governmental body or Regulatory Agency, other than those imposed upon the Organic Materials Processing Facility in connection with the repair, remediation, improvement, addition, or expansion of the Organic Materials Processing Facility.

1.23 **Green Waste** means vegetative matter resulting from normal yard and landscaping maintenance that is not more than 4 feet in its longest dimension or 6 inches in diameter, but excludes Contaminants such as palm, cactus and yucca. Examples of Green Waste are grass cuttings, weeds, leaves, weeds, pruning, and branches of acceptable size.

1.24 **Holidays** are defined as New Year's Day, Easter Sunday, 4th of July, Labor Day, Thanksgiving Day, and Christmas Day.

1.25 **Hazardous Substance** means any of the following: (a) any substances defined, regulated or listed (directly or by reference) as "hazardous substances", "hazardous materials",



"hazardous wastes", "toxic waste", "pollutant" or "toxic substances" or similarly identified as hazardous to human health or the environment, in or pursuant to (i) the Comprehensive Environmental Response, Compensation and Liability Act of 1980, 42 USC §9601 et seq.(CERCLA); (ii) the Hazardous Materials Transportation Act, 49 USC §1802, et seq.; (iii) the Resource Conservation and Recovery Act, 42 USC §6901 et seq.; (iv) the Clean Water Act, 33 USC §1251 et seq.; (v) California Health and Safety Code §§25115-25117, 25249.8, 25281, and 25316; (vi) the Clean Air Act, 42 USC §7901 et seq.; and (vii) California Water Code §13050; (b) any amendments, rules or regulations promulgated there under to such enumerated statutes or acts currently existing or hereafter enacted; and (c) any other hazardous or toxic substance, material, chemical, waste or pollutant identified as hazardous or toxic or regulated under any other applicable federal, state or local environmental laws currently existing or hereinafter enacted, including, without limitation, friable asbestos, polychlorinated biphenyl's ("PCBs"), petroleum, natural gas and synthetic fuel products, and by-products.

1.26 Liabilities mean all liabilities, including:

- a) Actions;
- b) Awards, judgments and damages, both:
 - i. actual damages, whether special and consequential, in contract or in tort, such as natural resource damages, damage for injury to or death of any Person; and damage to property; and
 - ii. punitive damages;
- c) Contribution or indemnity claimed by Persons other than the Parties; Injuries, losses, debts, liens, liabilities,
- d) Costs, such as response remediation and removal costs,
- e) Interest,
- f) Fines, charges, penalties, forfeitures and
- g) Expenses such as attorney's and expert witness fees, expenditures for investigation and remediation, and costs incurred in connection with defending against any of the foregoing or in enforcing Indemnities.

1.27 Material Change in Law. Any change in (or any new) Applicable Laws, applicable on or after the Effective Date, that applies to this Agreement, the Organic Waste industry (including, for the avoidance of doubt and without limitation, changes to the California Integrated Waste Management Act (CIWMA), changes to CalRecycle regulations, or changes to other Applicable Laws relating to any aspect of "Solid Waste handling," "Solid Waste disposal" or "Solid Waste facilities," as such terms are defined by CalRecycle).

1.28 Maximum Vehicle Turnaround Time means a monthly average of 30 minutes or less, measured from the time a vehicle enters either the Organic Materials Processing Facility property and until it exits the Organic Materials Processing Facility property, including but not limited to gross and net weights, tipping and transportation throughout the facility.



1.29 **Member Agency/Agencies** means any one of the public entities which are signatories to the Joint Exercise of Powers Agreement of the Sonoma County Waste Management Agency (SCWMA).

1.30 **Monthly Report** is described in **Exhibit B**, Reporting to the SCWMA.

1.31 **Mixed Organic Materials** means loads of material delivered Contractor's Organic Materials Processing Facility, consisting of commingled Food Scraps and Green Waste, which have been separated by the residential generator and set out for Collection and Processing

1.32 **Organic Materials** means segregated Wood Waste, segregated Green Waste, Mixed Organic Materials, and Commercial Food Scraps.

1.33 **Organic Material Type** means segregated Wood Waste, segregated Green Waste, Mixed Organic Materials, and Commercial Food Scraps.

1.34 **Organic Materials Processing Facility** means Redwood Landfill, the facility at 8950 Redwood Hwy, Novato, CA 94945 that will Process and market the Organic Materials from the SCWMA.

1.35 **Overs** means pieces of composted material that are left "over" after the screening of finished Compost, and consists mainly of woody pieces of organic matter and film plastic. Overs may be mixed back in with the compost feedstock as a bulking agent and reprocessed to improve porosity and airflow in the incoming feedstock, used on top of the compost piles as a biofilter, sold to third parties as a mulch or biofuel or used in the landfill as ADC or erosion control, or disposed if the concentration of film plastic and other Physical Contaminants render it unfeasible for other uses. Typically, Overs range in size from 6-inches to 3/8" depending on screening and grinding operation utilized in the compost process and have a high concentration of film plastic within.

1.36 **Party or Parties** refers to the SCWMA and Contractor, individually or together.

1.37 **Permits** means all federal, State, SCWMA, other local and any other governmental unit permits, orders, licenses, approvals, authorizations, consents and entitlements that are required under Applicable Law to be obtained or maintained by any Person with respect to Services, as renewed or amended from time to time.

1.38 **Person(s)** includes an individual, firm, association, organization, partnership, corporation, trust, joint venture, the United States, the State, local governments and municipalities and special purpose districts and other entities.



1.39 **Processed OR Processing** means subjected to a process to transform Organic Materials into a Compost Product, a mulch product for land application (other than at a landfill), or for use as biofuel, anaerobic digestion or other conversion technologies (in accordance with CalRecycle regulations so that such materials are considered diverted and recycled), and includes removal of Residual. Process OR Processing further means the process conducted by the Organic Materials Processing Facility, as described in the facility's Report of Compost Site Information that is submitted to CalRecycle.

1.40 **Quarterly Report** is described in **Exhibit B**, Reporting to the SCWMA.

1.41 **Rate** means the amount established under Article 4, Contractor Compensation and **Exhibit A**, Organic Materials Rates, of this Agreement to be charged to the SCWMA by Contractor for Processing of Organic Materials.

1.42 **Regulatory Agency** means any federal, State or local governmental agency, including California Department of Transportation, California Department of Motor Vehicles, EDD, U.S. Immigration and Naturalization Services, California Air Resources Board, regional water quality management districts, California Department of Toxic Substances, CIWMB, the Local Enforcement Agency, federal and State Environmental Protection Agencies and other federal or State health and safety department, applicable to Services.

1.43 **Records** means all ledgers, book of account, invoices, vouchers, canceled checks, logs, correspondence and other records or documents of Contractor evidencing or relating to Rates, Tonnage of Organic Materials, satisfaction of Contractor's obligations under this Agreement and performance of the terms of this Agreement, damages payable under this Agreement and Contractor defaults as described and defined in Article 7.

1.44 **Residual** means all Solid Waste, Contaminants and other materials, excluding Overs and Organic Materials (other than trace amounts), removed from Organic Materials during, before, or after Composting. Residual may be landfilled or used as ADC or sent for other appropriate use, such as biofuel.

1.45 **Services** means the Organic Materials processing services described in Section 3.01.

1.46 **SCWMA** means the Sonoma County Waste Management Agency.

1.47 **Solid Waste** means and includes all putrescible and nonputrescible solid, semisolid, and liquid wastes, including garbage, trash, refuse, rubbish, ashes, industrial wastes, demolition and construction wastes, discarded home and industrial appliances, manure, vegetable or animal solid and semisolid wastes, and other discarded solid and semisolid wastes, as defined in California Public Resources Code §40191 as that section may be amended from

9 | Agreement for Short-Term Organic Materials Processing Services between SCWMA and Redwood Landfill, Inc.



time to time. For the purposes of this Agreement, "Solid Waste" does not include Hazardous Substances, low-level radioactive waste, medical waste, or Organic Materials.

1.48 **Start Date** means April 1, 2026, the date on which Contractor will begin accepting Organic Material under the terms of this Agreement.

1.49 **Subcontractor** means any Person to which Contractor subcontracts any portion of the Services, whether pursuant to formal, written agreement or otherwise.

1.50 **Term** is defined in Section 2.1

1.51 **Ton (or Tonnage)** means a short Ton of 2,000 standard pounds where each pound contains 16 ounces.

1.52 **Transfer (or Transferring** or other variations thereof) means transferring of Organic Materials at a transfer station, from residential collection vehicles, commercial collection vehicles and self-haulers into Transport vehicles.

1.53 **Transfer Company** means the Person that SCWMA directs pursuant to the Operating Agreement to Transport Organic Materials from transfer stations to the Organic Materials Processing Facility.

1.54 **Transfer Vehicle** means a tractor and trailer designed to haul Organic Materials to the Organic Materials Processing Facility.

1.55 **Transport (or Transportation)** means the transportation of Organic Materials to the Organic Materials Processing Facility.

1.56 **Violation** means any notice, assessment or determination of non-compliance with Applicable law from any Regulatory Agency to Contractor, whether or not a fine or penalty is included, assessed, levied or attached.

1.57 **Wood Waste** means loads of material delivered to Contractor's Organic Materials Processing Facility consisting of wood materials (excluding unprocessed logs) which have no paint, varnish, finishes, glues, or treatments, and which have been separated by the generator and set out for Collection and Processing.

ARTICLE 2. TERMS AND CONDITIONS OF AGREEMENT

2.01 Term of Agreement. Said services shall commence on April 1, 2026 and shall continue for a period of 3 years, through March 31, 2029. The end of the term may be



extended by mutual agreement for five (5) one (1) year periods upon written notice by the SCWMA and acceptance of such request by Contractor.

2.02 Authorization and Termination. This Agreement becomes effective when endorsed by both Parties in the space provided below.

ARTICLE 3. OBLIGATIONS OF CONTRACTOR

3.01 Scope of Processing Services. The services to be performed by Contractor under this Agreement shall be to accept, process, and market Organic Materials generated from the SCWMA's Member Agencies. The provisions of this Article are only applicable after the Start Date.

3.01.1 Starting on the Start Date, SCWMA Member Agencies shall deliver to the Organic Materials Composting Facility, and Contractor shall accept, at least 80 Tons per day of Organic Materials. Further, Contractor is not obligated to accept more than 88 Tons per day of Organic Materials. SCWMA Member Agencies shall use good faith efforts to deliver a consistent amount of Organic Materials hereunder so that Contractor may properly plan for such deliveries, and shall communicate such plans to Contractor. The SCWMA Member Agencies are obligated to deliver (and Contractor shall receive) materials on days that the Organic Materials Processing Facility is operating (as described in Section 3.5, Days and Hours of Operations).

3.01.2 Except as provided in Section 3.01.1 (i.e., 80 Ton per day minimum), Contractor and SCWMA expressly agree that nothing in this Agreement guarantees to Contractor any minimum amount of such waste.

3.02 Processing Standards. The following processing standards shall be met by the Organic Materials Processing Facility, at a minimum:

3.02.1 Pre-processing activities shall include, but not be limited to, the inspection for and removal of Contamination according to Contractor's load checking protocol.

3.02.2 Processing shall be accomplished by the use of recognized processing methods, which have been demonstrated to be able to consistently produce stable, mature Compost Products or end products.

3.02.3 Post-Composting Processing activities shall include screening to remove plastics and other Contaminants (to acceptable levels) from the Compost Product or end product.



3.02.4 100% of the Organic Materials accepted at the facility from SCWMA, not including Contamination and Residue, shall be Processed and marketed for use as compost, mulch, or soil amendment. Residuals may be disposed, used as ADC, erosion control or sent to other appropriate uses as defined by the Contractor. Overs may be mixed back in with the compost feedstock as a bulking agent and reprocessed to improve porosity and airflow in the incoming feedstock, used on top of the compost piles as a biofilter, sold to third parties as a mulch or biofuel or used in the landfill as ADC or erosion control, or disposed if the concentration of film plastic and other Physical Contaminants render it unfeasible for other uses.

3.02.5 Contractor is responsible for processing Organic Materials into a marketable product and transporting and marketing of all end products at the risk, expense and profit or loss of the Contractor, subject to **Exhibit A**.

3.02.6 Compost products for marketing shall conform with the Compost Quality Specifications and at a minimum should be CDFA-approved. If multiple product lines are provided, Contractor shall comply with the Compost Quality Specification for each product line, in alignment with the proposed and projected quantities of each product line to be produced. These estimates may be adjusted upon Contractor's request and the approval of the SCWMA.

3.03 Contractor shall provide adequate signage for flow of traffic at Organic Materials Processing Facility.

3.04 Permits and Compliance. Contractor will comply with all Permits, including any mitigation measures related to the operation and maintenance of the Organic Materials Processing Facility. Contractor is solely responsible for paying any fines or penalties imposed for noncompliance with or violation of Permits or failure to obtain Permits, unless caused by SCWMA's or a third party's breach, negligence, or violation of applicable law. Under no circumstances shall any provision of this Agreement obligate Contractor to violate any of its Permits.

3.04.1 Contractor shall site, own, and operate the Organic Materials Processing Facility that is permitted by CalRecycle and maintain this designation throughout the term of the Agreement. Contractor is not required to own the site, but ownership status of the site shall not affect Contractor's ability to perform its obligations under this Agreement. The Organic Materials Processing Facility Permit must include the ability to accept Mixed Organic Materials. Contractor must notify SCWMA before accepting any shipments if there is any change in such status.

3.04.2 Compliance with all Applicable Laws and Regulations. Contractor and SCWMA shall comply with all Federal, State, and/or Local Regulations in the performance of this Agreement. These laws may include but are not limited to: CalRecycle Facility Permit,



Water Board Permit, Air District Permit, Land Use Permit, Emergency Management and Contingency Plan, and State and Local Fire Code. The Contractor shall comply with Federal and State regulatory standards for compost operation, pollutant concentrations, pathogen reduction, monitoring, recordkeeping, and reporting.

3.04.3 Notification of Violations. Contractor shall provide copies of any notices of violation that it receives (or that any Subcontractor receives and that are provided to Contractor) from any Regulatory Agency during the term of this Agreement related to the operation of the Organic Materials Processing Facility or the performance of the Services. Contractor shall provide SCWMA copies within three (3) business days of receiving them.

3.04.4 Site shall at all times be accessible to enforcement and inspection personnel from regulatory and enforcement agencies.

3.05 Days and Hours of Operation. Contractor will operate the Organic Materials Processing Facility for the receipt of SCWMA's Organic Materials between the hours of 4:00 am – 3:00 pm, Monday – Friday, and 6:00 am – 3:00 pm Saturday. Organic Materials Processing Facility will be closed on Holidays.

3.06 Traffic Control and Direction. Contractor will direct on-site traffic to appropriate unloading areas and provide a safe working environment. Contractor will provide necessary signs and personnel to assist drivers to proper unloading areas. Contractor will operate the Organic Materials Processing Facility so that the conditions of the Maximum Vehicle Turnaround are met and the SCWMA's Transfer Company or Collections Company(ies) vehicles are processed, unloaded and exit without delay from the facility no longer than 30 minutes from arrival at the Contractor's scales. Contractor will not exceed this time by more than 5 times per month. The calculation of the times will be based on time stamp tickets at the scale house.

3.07 Scale Operation.

3.07.1 Maintenance and Operation. Contractor will maintain or provide for State-certified scales that link to a centralized computer recording and billing system and that account for tracking of the inbound and outbound times, date of receipt, documentation of Rate charged, Organic Material Type, origin of material, and invoice number. Contractor will operate scales during Organic Materials Processing Facility receiving hours established in Section 3.5. Contractor will provide the SCWMA with access to weighing report promptly upon SCWMA's request, and no later than three (3) days following such request.

3.07.2 Scale house operators will inspect material in vehicles, weigh and record quantity and type, and enter into a computer system that will compile information into various reports.



3.07.3 Vehicle Tare Weights. When Transfer Company or Collections Company(ies) place new vehicles into service, Contractor or scale operator will promptly weigh the new vehicle and determine its unloaded ("tare") weight(s). Contractor or scale operator will record tare weight, hauler name, and vehicle identification number. Within 10 calendar days of weighing, Contractor will provide the SCWMA and Transfer Company or Collections Company(ies) with a report listing vehicle tare weight information. Contractor will have the right to request re-determination of tare weights of vehicles twice each Calendar Year. If there is reasonable suspicion or evidence that tare weights are not accurate, Transfer Company or Collections Company(ies) may request re-determination of tare weights, in which case Contractor will promptly re-determine tare weights for requested vehicles up to 4 times per Calendar Year. Contractor may update tare weights (at its own initiative) more frequently.

3.07.4 Testing. Contractor or scale operator will test and calibrate all scales in accordance with Applicable Law, but at least every 12 months. Upon SCWMA request, Contractor will promptly provide the SCWMA with copies of test results. Contractor or scale operator will further test and calibrate any or all scales within 5 calendar days of SCWMA direction. If test results indicate that the scale or scales complied with Applicable Law, the SCWMA will reimburse Contractor or scale operator the Direct Costs of the tests. If the test results indicate that the scale or scales did not comply with Applicable Law, Contractor or scale operator will bear the entire costs thereof and Contractor or scale operator will at its own cost adjust and correct, consistent with the results of that test, all weight measurements recorded and Organic Materials Rates calculated, charged and paid, as the case may be, from the date of SCWMA's direction.

3.07.5 Weighing Standards and Procedures. Contractor will use the scale house(s) to weigh vehicles and charge Organic Materials Rates. Contractor will charge the SCWMA based on the Tonnage of SCWMA's Transfer Company or Collections Company(ies) deliveries to the Organic Materials Processing Facility and the Rate as set in **Exhibit A** and adjusted under the terms of this Agreement. Contractor or scale operator will weigh and record inbound weights of all Transfer Company's or Collections Company(ies)'s vehicles when the vehicles arrive at the Organic Materials Processing Facility and weigh and record outbound weights of vehicles for which Contractor or scale operator does not maintain tare weight information. Contractor or scale operator will provide each driver with a receipt showing the date, time, and quantity of SCWMA's Plants and Organic Materials that the vehicle delivered to the Organic Materials Processing Facility.

3.07.6 Records and Reporting. Contractor will maintain scale records and reports that provide information including date of receipt; inbound time; origin, destination and weight of inbound and outbound loads; inbound and outbound weights of vehicles; and vehicle identification number.



3.07.6.1 Contractor will provide the SCWMA with a detailed Monthly and Quarterly Report as described and exemplified in **Exhibit B**, Reporting to the SCWMA.

3.07.7 Safety. The Contractor will conduct operations of Organic Materials Processing Facility in a safe manner, in accordance with Applicable Law and insurance requirements provided in Article 5, Indemnity and Insurance.

3.08 Contamination and Load Rejection. Contractor shall describe a protocol, including a Contamination threshold, surcharge, and methodology for identifying reject-able loads at the scale house. Such Contamination monitoring should be accompanied with detailed recordkeeping that is maintained at all times on site.

3.08.1 Any load containing in excess of 1% by weight Contamination threshold shall be classified as Solid Waste and loaded onto the Transfer Company or Collections Company(ies)'s vehicles for backhaul to the Central Disposal Site at no cost to Contractor.

3.09 Right to Enter Facility and Observe Operations. The SCWMA and its designated representative(s) may enter, observe and inspect the Organic Materials Processing Facility at any time during operations; conduct studies or surveys of the Organic Materials Processing Facility; and meet with the manager(s) or his or her representatives at any time; provided that the SCWMA and its representatives comply with Contractor's reasonable safety and security rules and will not interfere with the work of the Contractor or its subcontractors. However, if the Organic Materials Processing Facility manager or other management personnel are not present at the Organic Materials Processing Facility when the SCWMA or its designated representative(s) visit without prior announcement, Contractor may limit the visit of the SCWMA or its designated representative to the public areas of the facility. In that event, Contractor will arrange for SCWMA or its designated representative(s) to return for a full site visit of the entire Organic Materials Processing Facility within 24 hours of the SCWMA's initial visit. Upon SCWMA direction, Contractor will make personnel available to accompany SCWMA employees on inspections. Contractor will ensure that its employees cooperate with the SCWMA and respond to the SCWMA's reasonable inquiries.

3.10 Compost Giveaway. Contractor shall make available 5,000 tons of compost per calendar year at no additional cost to the SCWMA or the ratepayers. SCWMA may either pick up such compost at the Organic Materials Processing Facility, with a one ton minimum per pickup, or request that Contractor deliver the compost. Contractor deliveries are subject to a Contractor delivery fee, which will be agreed upon prior to delivery.

ARTICLE 4. CONTRACTOR COMPENSATION



4.01 General. The Contractor will perform all of its obligations, responsibilities and duties under this Agreement, including paying costs associated with obtaining and complying with all Permits operating the Organic Materials Processing Facility in full compliance with Applicable Laws.

4.02 Processing Rate; Annual Rate Adjustments. The Contractor will be compensated on a per Ton basis for Materials delivered by the Transfer Company or Collections Company(ies) and accepted by Contractor for Processing. **Exhibit A**, Rates, provides the initial Rates by Organic Material Type. Such rates shall be increased annually as set forth in **Exhibit A**.

4.03 Invoicing. On or before the 15th of each month, Contractor will invoice the SCWMA in amounts equal to the applicable Rates listed in **Exhibit A** for the prior month's Organic Materials delivered to the Organic Materials Processing Facility. Invoices will be in a form satisfactory to SCWMA. All undisputed amounts shall be payable by SCWMA within 60 calendar days of receipt of the invoice. For example, for processing provided in July, Contractor will invoice SCWMA on or before August 15 and payment will be due and payable by SCWMA on or before October 15. Contractor may deliver to SCWMA a notice of late payment for a given monthly invoice 50 calendar days after the date of generation of the invoice. Contractor's invoices shall be deemed delinquent if not paid within ten (10) calendar days of the date of the notice of late payment. Thereafter, the delinquent invoice shall bear interest on the unpaid balance at a rate not to exceed one and one-third percent (1 and 1/3%) per month.

ARTICLE 5. INDEMNITY AND INSURANCE

5.01 Indemnification. Contractor shall defend, with counsel reasonably acceptable to SCWMA, indemnify and hold harmless, to the fullest extent allowed by law, SCWMA, its Member Agencies, its officers, officials, employees, volunteers, agents and assignees (collectively, "Indemnitees"), from and against any and all loss, liability, penalties, forfeitures, claims, demands, actions, proceedings or suits, in law or in equity, of every kind and description, (including, but not limited to, injury to and death of any person and damage to property, or for contribution or indemnity claimed by third parties) (collectively, "Loss") arising or resulting from:

5.01.1 the operation of Contractor, its agents, employees, and/or Subcontractors, in exercising the privileges granted to it by this Agreement;

5.01.2 the failure of Contractor, its agents, employees, and/or Subcontractors to comply in all respects with the provisions and requirements of this Agreement, applicable laws, ordinances and regulations, and/or applicable permits and licenses;



5.01.3 the acts of Contractor, its agents, employees, and/or Subcontractors in performing services under this Agreement for which strict liability is imposed by law. The foregoing indemnity shall apply regardless of whether such Loss is also caused in part by any of the Indemnitees' negligence;

5.01.4 The Loss indemnifiable under the foregoing indemnity may include, but is not limited to, Loss arising out of or resulting from the following:

5.01.4.1 Personal injury (including, but not limited to, bodily injury, emotional injury or distress, sickness, or disease) or death to persons, including, but not limited to, any employees or agents of Contractor, SCWMA, or any Subcontractor, or damage to property of anyone, caused or alleged to be caused in whole or in part by any negligent act or omission of Contractor, or anyone directly or indirectly employed by Contractor, or anyone for whose acts Contractor may be liable;

5.01.4.2 Penalties threatened, sought, or imposed on or against SCWMA by reason of the violation by Contractor of any law, order, citation, rule, regulation, standard, ordinance, or statute;

5.01.4.3 Alleged infringement of any intellectual property rights which may be brought arising out of Contractor's work;

5.01.4.4 Claims and liens for labor performed or materials used or furnished to be used on the job by Contractor, including all incidental or consequential damages from such claims or liens;

5.01.4.5 Contractor's failure to fulfill any of the covenants set forth in the Agreement;

5.01.4.6 Failure of Contractor to comply with the provisions of the Agreement relating to insurance; and,

5.01.4.7 Any violation or infraction by Contractor of any law, order, citation, rule, regulation, standard, ordinance, or statute in any way relating to the occupational, health, or safety of employees.

5.01.4.8 The indemnities set forth in this Article shall not be limited by the insurance requirements set forth in the Agreement.

5.01.4.9 Contractor's indemnification of Indemnitees will not include indemnification for Loss which arises as the result of an Indemnitee's breach of this Agreement, or the negligence or misconduct of Indemnitees.



5.01.5 Environmental Indemnity. Contractor shall indemnify, defend with counsel reasonably acceptable to Contractor and the SCWMA, and hold harmless, at Contractor's sole cost and expense, the SCWMA, its Member Agencies, officers, officials, employees, volunteers and agents, and the SCWMA's Board (collectively, "Environmental Indemnitees") from and against any and all claims, damages, injuries, costs (including and without limit any and all response, remediation and removal costs), losses, demands, debts, liens, liabilities, causes of action suits, legal or administrative proceedings, interest, fines, charges, penalties, and expenses (including reasonable attorneys' and expert witness fees, expenditures for investigation and remediation) and costs of any kind whatsoever ("Losses"), paid, imposed upon, incurred, or suffered by or asserted against any of the Environmental Indemnitees by any lawsuit brought or threatened, settlement reached, or government hearing, investigation, inquiry, proceeding, or order relating to, or arising from, directly or indirectly, Contractor's alleged failure or actual failure to comply with the environmental laws and regulations. This indemnification will not extend to environmental claims to the extent they are caused by the negligence or intentional misconduct or omission of the SCWMA, or its officers, employees or agents. This provision is in addition to all other provisions in this Agreement and is intended to survive the end of the term of this Agreement.

5.02 Contractor's obligation to defend, hold harmless, and indemnify shall not be excused because of Contractor's inability to evaluate liability or because Contractor evaluates liability and determines that Contractor is not liable to the claimant. Contractor shall respond within thirty (30) days to the tender of a claim for defense and indemnity by SCWMA, unless this time has been extended by SCWMA.

5.03 If Contractor fails to accept or reject a tender of defense and indemnity within thirty (30) days, in addition to any other remedy authorized by law, SCWMA may retain so much of the money due Contractor by virtue of this Agreement as shall reasonably be considered necessary by SCWMA, to cover all anticipated costs of the claim until final disposition has been made on the claim or suit for damages, or until Contractor accepts or rejects the tender of defense, whichever occurs first.

5.04 With respect to third party claims against Contractor indemnifiable under this Article, Contractor waives any and all rights of any type to express or implied indemnity against the Indemnitees.

5.05 Hazardous Substances Indemnification. Contractor shall indemnify, defend with counsel reasonably acceptable to the SCWMA, and hold harmless the Indemnitees from and against all claims, damages (including but not limited to special, consequential, natural resources and punitive damages), injuries, hazardous materials response, remediation and removal costs, losses, demands, liens, liabilities, causes of action, suits, legal or administrative proceedings, interest, fines, charges, penalties, attorneys' fees for the adverse party and



expenses (including but not limited to attorneys' and expert witness fees and costs incurred in connection with defending against any of the foregoing or enforcing this indemnity) of any kind whatsoever paid, incurred or suffered by, or asserted against SCWMA or its officers, officials, employees, agents, assigns, or successors (collectively, "Claims") arising from or attributable to any repair, clean-up or detoxification, or preparation and implementation of any removal, remedial, response, closure or other plan (regardless of whether undertaken due to governmental action) concerning any Hazardous Waste released, threatened to be released, or spilled by Contractor under this Agreement, or disposed of by Contractor under this Agreement at any facility owned by Contractor or any of its affiliates. The foregoing indemnity is intended to operate as an agreement pursuant to Section 107(e) of CERCLA, 42 U.S.C. Section 9607(c) and California Health and Safety Code section 25364, to defend, hold harmless and indemnify the SCWMA from liability. The foregoing indemnity shall not extend to Claims related to Hazardous Substances delivered to Contractor by SCWMA or its contractors or agents. Additionally, title to and liability for Hazardous Substances delivered to Contractor by SCWMA or its contractors or agents shall not transfer to Contractor.

5.05.1 SCWMA shall fully cooperate with in defending such alleged violations, and Contractor shall not be responsible for additional payments to SCWMA for SCWMA cost or expense related to cooperating with Contractor in this capacity.

5.06 Consideration. It is specifically understood and agreed that the consideration inuring to Contractor for the execution of this Agreement consists of the promises, payments, covenants, rights and responsibilities contained in this Agreement.

5.07 Obligation. The execution of this Agreement by Contractor shall obligate Contractor to comply with the foregoing indemnification provisions; however, the collateral obligation of providing insurance shall also be fully complied with as set forth in Section 5.11 below.

5.08 Subcontractors. The Contractor shall require all subcontractors to enter into an Agreement containing the provisions set forth in Article 5 in its entirety and in the preceding subsection in which Agreement the subcontractor fully indemnifies the SCWMA in accordance with this Agreement.

5.09 Exception. Contractor's obligation to indemnify, hold harmless and defend SCWMA, its officers and employees shall not extend to any loss, liability, penalty, damage, action or suit arising or resulting from acts or omissions constituting a breach of this Agreement, willful misconduct or negligence on the part of the SCWMA its officers or employees. For purposes of clarity, Contractor shall not be obligated to indemnify, hold harmless or defend SCWMA regarding Losses or Claims related to delivery of Hazardous Substances.



5.10 Contractor Compliance. Contractor will comply with all requirements of Contractor's insurers and the insurance policies required under Section 5.11 below. Carrying insurance will not relieve Contractor from any obligations under this Agreement. Nothing in this Agreement may be construed as limiting in any way the extent to which the Contractor may be held responsible for payments of damages to Persons or property resulting from Contractor's or any Subcontractors' performance of Services.

5.11 Insurance. Contractor shall not commence work under this Agreement until all insurance required under this Paragraph has been obtained. Contractor shall furnish SCWMA with certificates of insurance evidencing the required coverage.

5.11.1 Workers' Compensation Insurance. Workers' compensation insurance with statutory limits as required by the Labor Code of the State of California and employers' liability insurance with limits of not less than \$1,000,000 per accident.

5.11.2 General Liability Insurance. Commercial general liability insurance covering bodily injury and property damage using an occurrence policy form, in an amount of One Million Dollars (\$1,000,000.00) combined single limit for each occurrence. Said commercial general liability insurance policy shall either be endorsed with the following specific language or contain equivalent language in the policy:

- a) The SCWMA, and its Member Agencies, officers, and employees, is named as additional insured for all liability arising out of the operations by or on behalf of the named insured in the performance of this Agreement.
- b) The inclusion of more than one insured shall not operate to impair the rights of one insured against another insured, and the coverage afforded shall apply as though separate policies had been issued to each insured, but the inclusion of more than one insured shall not operate to increase the limits of the company's liability.
- c) The insurance provided herein is primary coverage to the Sonoma County Waste Management Agency with respect to any insurance or self-insurance programs maintained by the SCWMA.
- d) This policy shall not be cancelled without first giving thirty {30} days prior written notice to the SCWMA, except that ten (10) days' notice shall be given for cancellation due to non-payment of premium.

5.11.3 Automobile Insurance. Automobile liability insurance covering bodily injury and property damage in an amount of than One Million Dollars (\$1,000,000) combined single limit for each occurrence. Said insurance shall include coverage for owned, hired, and non-owned vehicles. Said policy shall be endorsed with the following language: This policy shall



not be cancelled without first giving thirty (30) days prior written notice to the SCWMA, except that ten (10) days' notice shall be given for cancellation due to non-payment of premium.

5.12 Pollution Liability Insurance. Contractor shall purchase and maintain in force for the duration of the Agreement term insurance for pollution legal liability applicable to bodily injury; property damage, cleanup costs; and defense, including costs and expenses incurred in the investigation, defense, or settlement of claims; all in connection with any loss arising from the transporter's activity under this Agreement. Coverage shall be maintained in an amount of at least \$1,000,000 per loss, with an annual aggregate of at least \$2,000,000 for claims arising within the SCWMA. If coverage is written on a claims-made basis, the Contractor warrants that any retroactive date applicable to coverage under the policy precedes the effective date of this Agreement, and that continuous coverage will be maintained or an extended discovery period will be exercised for a period of three years beginning from the time that work under this Agreement is completed. Said policy shall be endorsed with the following language:

This policy shall not be cancelled without first giving thirty (30) days prior written notice to SCWMA, except that ten (10) days' notice shall be given for cancellation due to non-payment of premium.

ARTICLE 6. ASSIGNMENT

6.01 No Assignment of this Agreement or any right occurring under this Agreement shall be made in whole or in part by Contractor without the express written consent of the SCWMA.

6.01.1 The SCWMA shall have full discretion to approve or deny, with or without cause, any proposed or actual assignment by Contractor.

6.01.2 Any assignment of this Agreement made by Contractor without the express written consent of the SCWMA shall be null and void and shall be grounds for the SCWMA to declare a default of this Agreement and immediately terminate this Agreement by giving written notice to Contractor, and upon the date of such notice this Agreement shall be deemed immediately terminated, and upon such termination all liability of the SCWMA under this Agreement to Contractor shall cease, and the SCWMA shall be free to negotiate with other contractors, Contractor, or any other person or company for the services which are the subject of this Agreement. In the event of any assignment, the assignee shall fully assume all the liabilities of Contractor.

6.01.3 In the event that the SCWMA agrees to an assignment of this Agreement to a qualified service provider, Contractor shall make payment to the SCWMA in a reasonable



amount to be determined by the SCWMA for reimbursement of direct costs to SCWMA associated with the right to any such assignment

6.01.4 Payment will be made within thirty (30) days of SCWMA consent to assignment, and if full payment is not made then any such assignment shall be null and void.

6.01.5 The use of a Subcontractor to perform services under this Agreement shall not constitute delegation of Contractor's duties, provided that Contractor has received prior written authorization from the SCWMA to subcontract such services and the SCWMA has approved the Subcontractor who will perform such services.

ARTICLE 7. DEFAULT AND TERMINATION

7.01 Default and Remedies. Each of the following shall constitute a default under this Agreement (a "Default"):

7.01.1 Fraud or deceit.

7.01.2 Failure to maintain insurance coverage described herein.

7.01.3 Contractor violation of orders or filings of a regulatory body having a material impact on Contractor's ability to perform its obligations as required by this Agreement.

7.01.4 Loss of Contractor's "Organic Materials Processing Facility" Permit.

7.01.5 Failure to perform Services as required by this Agreement for two (2) consecutive days or more or for any seven (7) days in a period of 30 days.

7.01.6 Failure to make reasonable efforts to divert and Process Organic Materials as required in Article 3 of this Agreement.

7.01.7 Failure of Contractor to provide reports and/or records as provided for in this Agreement.

7.01.8 Any act or omission by Contractor which violates the terms of this Agreement.

7.01.9 Any false or misleading representation of Contractor.

7.01.10 Filing of a voluntary petition for debt relief.



7.01.11 Bankruptcy of Contractor.

7.01.12 Contractor's failure to provide assurance of performance.

7.02 Contractor shall be given 30 days from notification by the SCWMA to cure any of the foregoing Defaults arising under this Agreement, except that, if such Default is not capable of being cured within 30 days, then (a) upon prior notice by Contractor that it is invoking this provision, the cure period shall be extended for an additional 30 days, provided that Contractor diligently pursues cure, and (b) if before the end of such additional 30-day period, Contractor submits to SCWMA a plan of cure acceptable to SCWMA, in its sole discretion, then the cure period shall be as set forth in such plan of cure, provided that Contractor diligently pursues such cure.

7.03 In the event of Contractor's failure to cure said Default within the aforementioned cure period, the SCWMA may, at its option, immediately terminate this Agreement upon written notice to Contractor. This right of termination is in addition to any other rights of the SCWMA and the SCWMA's termination of this Agreement shall not constitute an election of remedies. Instead, it shall be in addition to any and all other legal and equitable rights and remedies the SCWMA may have.

ARTICLE 8. REPRESENTATIONS AND WARRANTIES

8.01 Legal Status. Contractor is a corporation or LLC organized and operating under the laws of the State of California.

8.02 Authorization. Contractor represents and warrants that it has the authority to enter into and perform its obligations under this Agreement. The Contractor has taken all actions required by law to authorize the execution of this Agreement. The person signing this Agreement on behalf of Contractor has authority to do so.

8.03 Agreement Will Not Cause Breach. To the best of Contractor's and SCWMA's knowledge, after reasonable investigation, neither the execution or delivery of this Agreement, nor the performance of this Agreement: (i) conflicts with, violates, or results in a breach of any applicable law; or (ii) conflicts with, violates, or results in a breach of any term or condition of any judgment, order or decree of any court, administrative agency, or other governmental authority, or any agreement or instrument to which Contractor or SCWMA is a party or by which Contractor or SCWMA or any of its properties or assets are bound, or constitutes a default thereunder.

8.04 No Litigation. To the best of Contractor's knowledge, after reasonable investigation, there is no action, suit, proceeding, or investigation, at law or in equity, before or



by any court or governmental authority, commission, board, agency, or instrumentality decided, pending, or threatened against Contractor wherein an unfavorable decision, ruling or finding, in any single case or in the aggregate, would materially adversely affect the performance by Contractor of its obligations hereunder or which, in any way, would adversely affect the validity or enforceability of this Agreement or which would have a material adverse effect on the financial condition of Contractor or any surety guaranteeing Contractor's performance under this Agreement, which has not been waived by the SCWMA in writing.

8.05 Ability to Perform. Contractor possesses the business, professional and technical expertise to manage, handle, treat, store, process, and recycle Organic Materials, and will possess the equipment, plant, materials, supplies, and employee resources required to perform this Agreement.

ARTICLE 9. GENERAL PROVISIONS

9.01 Entire Agreement. This Agreement represents the full and entire Agreement between the SCWMA and Contractor with respect to the matters covered herein.

9.02 Force Majeure. Neither party shall be in default under this Agreement in the event, and for so long as, it is impossible or extremely impracticable for it to perform its obligations due to any of the following reasons: riots, wars, sabotage, civil disturbances, insurrection, explosion, natural disasters such as floods, earthquakes, landslides, fires, and volcanic eruptions, strikes, lockouts and other labor disturbances or other catastrophic events which are beyond the reasonable control of Contractor. Labor unrest, including but not limited to strike, work stoppage or slowdown, sick-out, picketing, or other concerted job action conducted by Contractor's employees or directed at Contractor is not an excuse from performance to the extent lasting beyond seven (7) days; provided, however, that labor unrest or job action directed at a third party over whom Contractor has no control, shall excuse performance. Upon the occurrence of a force majeure event that significantly increases Contractor's costs, SCWMA and the Contractor may renegotiate the rates included in Exhibit A at SCWMA's option.

9.03 A party claiming excuse under this Section must (i) have taken reasonable precautions to avoid being affected by the cause, and (ii) notify the other party in writing within 5 days after the occurrence of the event specifying the nature of the event, the expected length of time that the party expects to be prevented from performing, and the steps which the party intends to take to restore its ability to perform.

9.04 Notice Procedures. All notices, demands, requests, proposals, approvals, consents, and other communications which this Agreement requires, authorizes, or contemplates shall be in writing and shall either be personally delivered to a representative of



the Parties at the address below, e-mailed to the e-mail address below, or sent via certified mail, FedEx, or deposited in the United States mail, first class postage prepaid, addressed as follows:

SCWMA: **SONOMA COUNTY WASTE MANAGEMENT AGENCY**
Attention: Leslie Lukacs, Executive Director
Leslie.Lukacs@sonomacounty.gov
195 Concourse Blvd, Suite B
Santa Rosa, CA 95403

CONTRACTOR: **REDWOOD LANDFILL, INC.**
Attention: William Avery, Northern California-Nevada Area Sales Director
WAvery@wm.com
8950 Redwood Highway
Novato, CA 94945

9.05 The address to which communications may be delivered may be changed from time to time by a notice given in accordance with this Section.

9.06 Notice shall be deemed given on the day it is personally delivered or e-mailed, or, if mailed, three calendar days from the date it is deposited in the mail.

9.07 Independent Contractor. Contractor is an independent contractor and not an officer, agent, servant or employee of the SCWMA. Contractor is solely responsible for the acts and omissions of its officers, agents, employees and subcontractors, if any. Nothing in this Agreement shall be construed as creating a partnership or joint venture between the SCWMA and Contractor. Neither Contractor nor its officers, employees, agents or subcontractors shall obtain any rights to retirement or other benefits which are accrued by SCWMA employees.

9.08 Severability. If any section, subsection, subdivision, paragraph, sentence, clause, or phrase of this Agreement or any part thereof is, for any reason, held to be illegal, such decision shall not affect the validity of the remaining portions of this Agreement or any part thereof.

9.09 Waiver or Modification. No waiver, alteration, or modification of any of the provisions of this Agreement shall be binding unless in writing and signed by a duly authorized representative of both parties to this Agreement.

9.10 Forum Selection. Contractor and the SCWMA stipulate and agree that any litigation relating to the enforcement or interpretation of this Agreement, arising out of



Contractor's performance, or relating in any way to the work, shall be brought to California State Courts in Sonoma County.

9.11 Third Party Beneficiaries. Contractor acknowledges and declares that separately the Cities of Cloverdale, Cotati, Healdsburg, Petaluma, Rohnert Park, Santa Rosa, Sebastopol, Sonoma, Windsor, and the County of Sonoma are and will be Third Party beneficiaries of this Agreement, included without limitation.

9.12 Court Costs and Attorney Fees. In the event legal action is instituted by either party to enforce this Agreement, the prevailing party shall be entitled to reasonable attorney fees and actual costs in connection with such action.

9.13 Counterparts and Facsimile Signatures. This Agreement may be executed in counterparts, each of which shall constitute an original and all of which together shall be deemed a single document. For purposes of this Agreement, each of the signatories hereto agrees that a facsimile copy of the signature page of the person executing this Agreement shall be effective as an original signature and legally binding and effective as an execution counterpart thereof.

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed on the date first written by their respective officers duly authorized in that behalf.

SONOMA COUNTY WASTE MANAGEMENT AGENCY

By: _____
Leslie Lukacs, SCWMA Executive Director

Date: _____

Reviewed as to form:

Ethan Walsh, Agency Counsel

REDWOOD LANDFILL, INC.



By: _____
Alex Oseguera, President

Date: _____



EXHIBIT A: RATES

- a) **Rates.** Contractor will be compensated \$70.00 per Ton for Organic Materials delivered to the Organic Materials Processing Facility.
- b) **Annual Rate Adjustments.** The Rates outlined above are for the period January 1, 2026 through December 31, 2029. Such rates will be adjusted annually as shown below, effective July 1 of each year of the term, including extensions.

Commencing July 1, 2027 and thereafter on each July 1, this Agreement is in effect, including any extension years, the rates stated above shall be increased by the percentage change in the annual average of the Consumer Price Index All Urban Consumers - San Francisco, Oakland, San Jose California Id: CUUSA422SAO (CPI) between the base year, which shall be the prior preceding twelve (12) months from July 1 through June 30, and the preceding year ending December 31, provided that an annual increase shall not exceed 4% or be lower than 2.5% of the then applicable rate. In the event that the calculated percentage change exceeds 4% of the then applicable rate, the increase for that year shall be set at 4%. However, such excess amount will be applied to the next year's annual rate adjustment. In the event that the calculated percentage change is lower than 2.5% of the then applicable rate, the increase for that year shall be set at 2.5%.

For the purposes of this calculation, CPI shall mean All Urban Consumers Index (CPI-U), All Items, for the San Francisco-Oakland-San Jose, CA, Base Period 1982 -1984 = 100, not seasonally adjusted, compiled and published by the U.S. Department of Labor, Bureau of Labor Statistics (or its successor).

- c) **Adjustment Due to Change in Law.** Should any (1) new or increased governmental fees, taxes or other charges, or (2) change in Applicable Law result in increased costs to Contractor, there will be an appropriate increase in the Rates paid by SCWMA hereunder, such that Contractor will fully recover such increased costs. SCWMA shall be notified in writing at least 30 days prior to any imposition of new or increased governmental fees.



EXHIBIT B: REPORTING TO THE SCWMA

Monthly Reporting

The amount of material shall be reported monthly, under the following categories:

- Incoming Tons by Member Agency and type of material delivered (by sector and Organic Waste Material Category); and
- Outgoing Tons by jurisdiction of origin, destination, and end-use (Residual, ADC, AIC, other Beneficial Reuse, or marketed).

In all cases, the reported figures must match those reported to the County, the State, and any permitting or regulatory bodies.

Incoming and outgoing Tons shall be measured by certified scales which meet the criteria set forth in Section 3.07. The SCWMA can request detailed Scales Reports to support this monthly data.

Contractor may resubmit reports within 3 work days of written notification from the Agency if corrections or modifications are needed.

Quarterly Report

In addition to the required Monthly Report data, which should be provided in the Quarterly Report by month, the Quarterly Report shall include a calculation of the 10% Residual Rate and any Excess Residual per the calculation methodology set forth in Section 3.02 and Article 2.

Report Structure

Reports shall be provided in electronic format, and data tables shall be provided in Microsoft Excel-compatible format.

Dated: March 19, 2026

RESOLUTION OF THE SONOMA COUNTY WASTE MANAGEMENT AGENCY (“SCWMA”), ALSO KNOWN AS ZERO WASTE SONOMA, (“ZWS”) AUTHORIZING AN AGREEMENT FOR SHORT-TERM ORGANIC MATERIALS PROCESSING SERVICES WITH REDWOOD LANDFILL, INC. (“CONTRACTOR”)

WHEREAS, ZWS and Contractor agree to a new term of April 1, 2026 to March 31, 2029, with the option to extend for 5 additional 1-year periods by mutual agreement; and

WHEREAS, the per ton rate shall be \$70.00 effective April 1, 2026; and

WHEREAS, the annual rate adjustment will be increased by the annual average of the Consumer Price Index (CPI), not to exceed 4%; and

WHEREAS, Contractor shall accept at least 80 tons per day of organic materials, but not more than 88 tons per day; and

WHEREAS, Contractor shall make available 5,000 tons of finished compost per calendar year to ZWS at no additional cost.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of Zero Waste Sonoma does hereby authorize ZWS’s Executive Director to execute the Agreement for Short-Term Organic Materials Processing Services with Redwood Landfill, Inc.

MEMBERS:

--	--	--	--	--
Cloverdale	Cotati	County	Healdsburg	Petaluma
--	--	--	--	--
Rohnert Park	Santa Rosa	Sebastopol	Sonoma	Windsor

AYES: -- NOES: -- ABSENT: -- ABSTAIN: --

SO ORDERED

The within instrument is a correct copy of the original on file with this office.

ATTEST: DATE: MARCH 19, 2026

Clerk of Zero Waste Sonoma
Agency of the State of California in and for the County of Sonoma



Agenda Item #: 4.4
Cost Center: Organics
Staff Contact: Tan
Agenda Date: 03/19/26
Approved By: LL

ITEM: Agreement for Short-Term Organic Materials Processing Services with Forward, Inc., Doing Business as Republic Services

I. RECOMMENDED ACTION / ALTERNATIVES TO RECOMMENDATION

Staff recommends the Board approve the resolution authorizing the Agency's Executive Director to execute the Agreement with Forward, Inc., doing business as Republic Services.

II. BACKGROUND

After the closure of the Sonoma Compost facility in 2015, the Agency's Board of Directors approved short-term agreements with Redwood Landfill, Inc., and Cold Creek Compost, Inc. to process organic materials generated by Sonoma County residents. At the February 19, 2026 regular meeting, the ZWS board approved a new agreement with Redwood Landfill, Inc., which included a significant reduction of organic materials accepted at their composting facility, from 50,000 tons to 27,500 tons per year. Cold Creek indicated that they would not be able to accept additional material beyond what they are currently contracted.

Given the need for increased processing capacity, ZWS staff reached out to other composting facilities in the region. Based on the gate rates provided and in coordination with Recology Sonoma Marin, with whom ZWS contracts to transport organic materials from the transfer stations to the composting facilities, ZWS staff chose to move forward with Forward, Inc., doing business as Republic Services at their facility located in the City of Richmond.

III. DISCUSSION

The new agreement with Republic Services, Inc. establishes a term of 3 years from April 1, 2026 to March 31, 2029, with options to extend for 5 additional 1-year periods upon mutual agreement. The facility has agreed to accept between 54 tons and 110 tons of organic materials per day, with a minimum of 13,500 tons per year and a maximum of 25,000 tons per year. The facility will also make available 2,000 tons of finished compost per calendar year, although ZWS will be responsible for trucking costs.

IV. FUNDING IMPACT

ZWS shall compensate Republic Services, Inc. \$76.50 per ton of organic materials, which will cost ZWS a total estimated \$1,026,000 per year. This amount may vary slightly depending

on fluctuations in material routing from transfer stations to the four processing facilities that ZWS is anticipating executing, pending board approval. Fluctuations may also occur due to the need to meet all contractual minimum delivery commitments without exceeding maximum capacities.

V. ATTACHMENTS

- Agreement for Short-Term Organic Materials Processing Services with Forward, Inc.
- Resolution Authorizing the Agreement for Short-Term Organic Materials Processing Services with Forward, Inc.

**AGREEMENT FOR ORGANIC MATERIALS
PROCESSING SERVICES**

between

**SONOMA COUNTY WASTE MANAGEMENT AGENCY
(also known as Zero Waste Sonoma)**

&

Forward Inc.



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AGREEMENT FOR SHORT-TERM ORGANIC MATERIALS PROCESSING SERVICES

This Agreement for Short-Term Organic Materials Processing Services (“Agreement”) is made and entered into as of the 19th day of February 2026 by and between the Sonoma County Waste Management Agency, a California Joint Powers Authority, hereinafter "SCWMA", and Forward, Inc., a California corporation hereinafter "Contractor".

RECITALS

This Agreement is entered into with reference to the following facts and circumstances:

- That SCWMA desires to engage Contractor to render processing services for Organic Materials generated from the SCWMA Member Agencies;
- That Contractor is qualified to provide such services to the SCWMA; and
- That SCWMA has elected to engage the services of Contractor upon the terms and conditions as hereinafter set forth.

ARTICLE 1. DEFINITIONS

For this Agreement, the definitions contained in this Article shall apply unless otherwise specifically stated. For this Agreement, the definitions contained in this Article shall apply unless otherwise specifically stated. When not inconsistent with the context, words used in the present tense include the future, words in the plural include the singular, and words in the singular include the plural. Use of the masculine gender shall include the feminine gender.

1.01 **Actions** means all actions, including claims, demands, causes of action, suits, mediation, arbitration, hearings, investigations, inquiries and proceedings, whether legal, judicial, quasi-judicial, governmental or administrative in nature and whether threatened, brought, instituted or settled.

1.02 **Agreement** means this Agreement between the SCWMA and Contractor, including all exhibits, schedules and attachments (which are hereby incorporated in this Agreement by this reference), as this Agreement may be amended and supplemented.

1.03 **Alternative Daily Cover (ADC)** means cover material used at a Disposal Site, other than at least six (6) inches of earthen material, placed on the surface of the active face of the refuse fill area at the end of each operating day to control blowing litter, fires, odor, scavenging, and vectors.

1.04 **Alternative Intermediate Cover (AIC)** means CalRecycle-approved materials other than soil used at a landfill on all surfaces of the fill where no additional Solid Waste will be deposited within one hundred eighty (180) days. Generally, these materials must be



processed so that they do not allow gaps in the face surface, which would provide breeding grounds for insects and vermin.

1.05 **Applicable Law** includes without limitation, AB 341, AB 876, AB 901, AB 939, AB 1594, AB 1826, SB 1016, SB 1383 and all amendments and related subsequent legislation, as well as all laws, statutes, ordinances, municipal, state, and federal authorities and all judgments, decrees, injunctions, writs and orders of any court, arbitrator or state or local government, any political subdivision thereof, any department, agency, authority or bureau of any of the foregoing, or any other entity exercising executive, legislative, judicial, regulatory or administrative functions of or pertaining to government, and all rules, regulations, orders, written interpretations, directives, licenses and permits of any state or local government, any political subdivision thereof, any department, agency, authority or bureau of any of the foregoing, or any other entity exercising executive, legislative, judicial, regulatory or administrative functions of or pertaining to government applicable to Contractor or its property or in respect of its operations hereunder.

1.06 **Assignment** means:

- a) A sale, exchange or other transfer of at least fifty-one percent (51%) of Contractor's assets dedicated to service under this Agreement to a third party;
- b) A sale, exchange or other transfer of outstanding common stock of Contractor to a third party, provided the sale, exchange or transfer results in a change of control of Contractor (with control being defined as ownership of more than forty-five percent (45%) of Contractor's voting securities);
- c) Any dissolution, reorganization, consolidation, merger, re-capitalization, stock issuance or re-issuance, voting trust, pooling agreement, escrow arrangement, liquidation, subcontracting or lease-back payments, or other transaction which results in a change of control of Contractor;
- d) Any assignment by operation of law, including insolvency or bankruptcy, making an assignment for the benefit of creditors, writ of attachment for an execution being levied against this Agreement, appointment of a receiver taking possession of Contractor's property, or transfer occurring in the event of a probate proceeding; and
- e) Any combination of the foregoing (whether or not in related or contemporaneous transactions) which has the effect of any such transfer or change of control of Contractor.

1.07 **Beneficial Reuse Purposes** means use of material for beneficial reuse, which shall include, but not be limited to, the following: Alternative Daily Cover, Alternative Intermediate Cover, final cover foundation layer, liner operations layer, leachate and gas collection system, construction fill, road base, wet weather operations pads and access roads, and soil amendments for erosion control and landscaping.



1.08 **Calendar Year** means a successive period of 12 months commencing on January 1 and ending on December 31.

1.09 **CalRecycle** means California's Department of Resources Recycling and Recovery, which administers and provides oversight for all of California's state-managed waste handling and recycling programs and any successor agency.

1.10 **Central Disposal Site** means the parcel containing the Sonoma County Landfill, operated by Republic Services and located on 500 Mecham Road.

1.11 **Collections Company** means the company contracted by each Member Agency for the collection of Organic Materials.

1.12 **Compostable Plastic** means a plastic designed to undergo a significant change in its chemical structure during its residency in a compost process such that the material has undergone biological degradation during composting to yield carbon dioxide, water, inorganic compounds and biomass at a rate consistent with other known compostable materials and leaves no visually distinguishable or toxic residues. Plastics that do not completely degrade during the compost process are not Compostable Plastics.

1.13 **Composting** is the biological decomposition of organic material under aerobic conditions in a self-limiting biological process performed at above 55 degrees Celsius for a period of at least 3-days. The composting process occurs when conditions are created in organic materials to balance and optimize air distribution, temperature control, nutrient availability, moisture content, and pH to encourage the increased natural decomposition rate of the material. The composting period is usually defined as the period of time necessary to reduce the compost pathogen concentrations to a level below the limits defined in CCR Title 14 Article 7 Section 17868.3 - Pathogen Reduction. The process and methodologies used to reduce the pathogen concentrations below the limits prescribed in CCR Title 14 Article 7 Section 17868.3 is generally referred to as the Process For Pathogen Reduction (PFRP) and defines the length of time and temperature necessary for an organic material to complete the compost process. After the PFRP is completed a compost product is produced and is typically (but not always) allowed to cure into a mature compost for later sale.

1.14 **Contamination or Contaminant** are materials that cannot be readily composted, or difficult to compost, at the Organic Materials Processing Facility, and include: human-made inert material contained within Organic Materials or Compost such as glass, metal, and plastic, concrete, hazardous materials such as batteries and electronic waste; certain natural materials such as rock and soil; and certain organic materials which are difficult to process into Compost such as palm, cactus, and yucca.

1.15 **Contractor** means Forward, Inc., a corporation organized and operating under the laws of the State of California, doing business as Republic Services.



1.16 **Direct Cost** means Contractor's reasonable costs incurred for materials testing, sorting, or cleaning. Direct Cost of labor and equipment use does not include profit, overhead or administrative expense.

1.17 **Disposal** means the management of solid waste through landfilling or transformation at permitted solid waste facilities.

1.18 **Diversion (Divert)** means to divert from Disposal or use anywhere at or on a landfill through source reduction, reuse, recycling, and composting.

1.19 **Effective Date** means the later date of execution by the SCWMA or Contractor on the execution page of this Agreement.

1.20 **Excessive Residual** is calculated as the number of Tons of Residual per quarter minus 10% of the total quarterly outbound Tonnage.

1.21 **Food Scraps** means meat, fish, dairy, fruit, vegetable and grain waste resulting from food production, preparation, cooking, storage, consumption or handling. Food Scraps excludes Compostable Plastics but includes food-soiled paper products which complexly degrade during the composting process. Food Scraps does not include Contaminants.

1.22 **Governmental Fees** are fees or taxes imposed upon Organic Materials Processing Facility by any governmental body or Regulatory Agency, other than those imposed upon the Organic Materials Processing Facility in connection with the repair, remediation, improvement, addition, or expansion of the Organic Materials Processing Facility.

1.23 **Green Waste** means vegetative matter resulting from normal yard and landscaping maintenance that is not more than 4 feet in its longest dimension or 12 inches in diameter, but excludes Contaminants such as palm, cactus and yucca. Examples of Green Waste are grass cuttings, weeds, leaves, weeds, pruning, and branches of acceptable size.

1.24 **Holidays** are defined as New Year's Day, Easter Sunday, the 4th of July, Labor Day, Thanksgiving Day, and Christmas Day.

1.25 **Hazardous Substance** means any of the following: (a) any substances defined, regulated or listed (directly or by reference) as "hazardous substances", "hazardous materials", "hazardous wastes", "toxic waste", "pollutant" or "toxic substances" or similarly identified as hazardous to human health or the environment, in or pursuant to (i) the Comprehensive Environmental Response, Compensation and Liability Act of 1980, 42 USC §9601 et seq.(CERCLA); (ii) the Hazardous Materials Transportation Act, 49 USC §1802, et seq.; (iii) the Resource Conservation and Recovery Act, 42 USC §6901 et seq.; (iv) the Clean Water Act, 33 USC §1251 et seq.; (v) California Health and Safety Code §§25115-25117, 25249.8, 25281, and 25316; (vi) the Clean Air Act, 42 USC §7901 et seq.; and (vii) California Water Code §13050; (b) any amendments, rules or regulations promulgated there under to such enumerated statutes



or acts currently existing or hereafter enacted; and (c) any other hazardous or toxic substance, material, chemical, waste or pollutant identified as hazardous or toxic or regulated under any other applicable federal, state or local environmental laws currently existing or hereinafter enacted, including, without limitation, friable asbestos, polychlorinated biphenyl's ("PCBs"), petroleum, natural gas and synthetic fuel products, and by-products.

1.26 **Liabilities** mean all liabilities, including:

- a) Actions;
- b) Awards, judgments and damages, both:
 - i. actual damages, whether special and consequential, in contract or in tort, such as natural resource damages, damage for injury to or death of any Person; and damage to property; and
 - ii. punitive damages;
- c) Contribution or indemnity claimed by Persons other than the Parties; Injuries, losses, debts, liens, liabilities,
- d) Costs, such as response remediation and removal costs,
- e) Interest,
- f) Fines, charges, penalties, forfeitures and
- g) Expenses such as attorneys' and expert witness fees, expenditures for investigation and remediation, and costs incurred in connection with defending against any of the foregoing or in enforcing Indemnities.

1.27 **Material Change in Law.** Any change in (or any new) Applicable Laws, applicable on or after the Effective Date, that apply(ies) to this Agreement, to the Solid Waste industry (including, for the avoidance of doubt and without limitation, changes to the California Integrated Waste Management Act (CIWMA), changes to CalRecycle regulations, or changes to other Applicable Laws relating to any aspect of "Solid Waste handling," "Solid Waste disposal" or "Solid Waste facilities," as such terms are defined by CalRecycle). Material Change in Law shall not include any modifications to the Exhibits to this Agreement, as allowed under the terms of this Agreement.

1.28 **Maximum Vehicle Turnaround Time** means a monthly average of 30 minutes or less, measured from the time a vehicle enters either the Organic Materials Processing Facility property and until it exits the Organic Materials Processing Facility property, including but not limited to gross and net weights, tipping and transportation throughout the facility.

1.29 **Member Agency/Agencies** means any one of the public entities that are signatories to the Joint Exercise of Powers Agreement of the Sonoma County Waste Management Agency (SCWMA).

1.30 **Monthly Report** is described in **Exhibit B**, Reporting to the SCWMA.



1.31 **Mixed Organic Materials** means loads of material delivered Contractor's Organic Materials Processing Facility, consisting of commingled Food Scraps and Green Waste, which have been separated by the residential generator and set out for Collection and Processing

1.32 **Organic Materials** means segregated Wood Waste, segregated Green Waste, Mixed Organic Materials, and Commercial Food Scraps.

1.33 **Organic Material Type** means segregated Wood Waste, segregated Green Waste, Mixed Organic Materials, and Commercial Food Scraps.

1.34 **Organic Materials Processing Facility** means Forward, Inc. located at 9999 S Austin Rd, Manteca, CA 95336, the designated facility that will Process and market the Organic Materials from the SCWMA, or such other Organic Materials processing facility owned or operated by Contractor's affiliates as may be determined by Contractor at its sole discretion and at Contractor's sole cost and expense For purposes of SCWMA's obligations set forth under this Agreement, SCWMA shall deliver Organic Materials to the West Contra Costa Sanitary Landfill Facility located at 1 Parr Boulevard, Richmond, CA 98401 at its sole expense, for further handling by Contractor or Contractor's affiliates pursuant to this Agreement.

1.35 **Overs** means pieces of composted material that are left "over" after the screening of finished Compost, and consist mainly of woody pieces of organic matter and film plastic. Overs may be mixed back in with the compost feedstock as a bulking agent and reprocessed to improve porosity and airflow in the incoming feedstock, used on top of the compost piles as a biofilter, sold to third parties as a mulch or biofuel or used in the landfill as ADC or erosion control, or disposed if the concentration of film plastic and other Physical Contaminants render it unfeasible for other uses. Typically, Overs range in size from 6 inches to 3/8", depending on screening and grinding operation utilized in the compost process and have a high concentration of film plastic within.

1.36 **Party or Parties** refers to the SCWMA and Contractor, individually or together.

1.37 **Permits** means all federal, State, SCWMA, other local and any other governmental unit permits, orders, licenses, approvals, authorizations, consents and entitlements that are required under Applicable Law to be obtained or maintained by any Person with respect to Services, as renewed or amended from time to time.

1.38 **Person(s)** includes an individual, firm, association, organization, partnership, corporation, trust, joint venture, the United States, the State, local governments and municipalities and special purpose districts and other entities.

1.39 **Processed OR Processing** means subjected to a process to transform Organic Materials into a Compost Product, a mulch product for land application (other than at a landfill), or for use as biofuel, anaerobic digestion or other conversion technologies (in accordance with CalRecycle regulations so that such materials are considered diverted and



recycled), and includes removal of Residual. Process OR Processing further means the process conducted by the Organic Materials Processing Facility, as described in the facility's Report of Compost Site Information that is submitted to CalRecycle.

1.40 **Quarterly Report** is described in **Exhibit B**, Reporting to the SCWMA.

1.41 **Rate** means the amount established under Article 4, Contractor Compensation and **Exhibit A**, Organic Materials Rates, of this Agreement to be charged to the SCWMA by Contractor for Processing of Organic Materials.

1.42 **Regulatory Agency** means any federal, State or local governmental agency, including California Department of Transportation, California Department of Motor Vehicles, EDD, U.S. Immigration and Naturalization Services, California Air Resources Board, regional water quality management districts, California Department of Toxic Substances, CIWMB, the Local Enforcement Agency, federal and State Environmental Protection Agencies and other federal or State health and safety department, applicable to Services.

1.43 **Records** means all ledgers, book of account, invoices, vouchers, canceled checks, logs, correspondence and other records or documents of Contractor evidencing or relating to Rates, Tonnage of Organic Materials, satisfaction of Contractor's obligations under this Agreement and performance of the terms of this Agreement, damages payable under this Agreement and Contractor defaults as described and defined in Article 7.

1.44 **Residual** means all Solid Waste, Contaminants and other materials, excluding Overs and Organic Materials (other than trace amounts), removed from Organic Materials during, before, or after Composting. Residuals may be landfilled or used as ADC or sent for other appropriate use, such as biofuel.

1.45 **SCWMA** means the Sonoma County Waste Management Agency, also known as Zero Waste Sonoma.

1.46 **Solid Waste** means and includes all putrescible and non-putrescible solid, semisolid, and liquid wastes, including garbage, trash, refuse, rubbish, ashes, industrial wastes, demolition and construction wastes, discarded home and industrial appliances, manure, vegetable or animal solid and semisolid wastes, and other discarded solid and semisolid wastes, as defined in California Public Resources Code §40191 as that section may be amended from time to time. For the purposes of this Agreement, "Solid Waste" does not include Hazardous Substances, low-level radioactive waste, medical waste, or Organic Materials.

1.47 **Start Date** means April 1, 2026, the date on which Contractor will begin accepting Organic Material under the terms of this Agreement.

1.48 **Subcontractor** means any Person to which Contractor subcontracts any portion of the Services, whether pursuant to a formal, written agreement or otherwise.



1.49 **Term** is defined in Article 2.01

1.50 **Ton (or Tonnage)** means a short Ton of 2,000 standard pounds, where each pound contains 16 ounces.

1.51 **Transfer (or Transferring or other variations thereof)** means transferring of Organic Materials at a transfer station, from residential collection vehicles, commercial collection vehicles and self-haulers into Transport vehicles.

1.52 **Transfer Company** means the Person that SCWMA directs pursuant to the Operating Agreement to Transport Organic Materials from transfer stations to the Organic Materials Processing Facility.

1.53 **Transfer Vehicle** means a tractor and trailer designed to haul Organic Materials to the Organic Materials Processing Facility.

1.54 **Transport (or Transportation)** means the transportation of Organic Materials to the Organic Materials Processing Facility.

1.55 **Violation** means any notice, assessment or determination of non-compliance with Applicable law from any Regulatory Agency to Contractor, whether or not a fine or penalty is included, assessed, levied or attached.

1.56 **Wood Waste** means loads of material delivered to Contractor's Organic Materials Processing Facility consisting of wood materials (excluding unprocessed logs) which have no paint, varnish, finishes, glues, or treatments, and which have been separated by the generator and set out for Collection and Processing.

ARTICLE 2. TERMS AND CONDITIONS OF AGREEMENT

2.01 Term of Agreement. Said services shall commence on April 1, 2026 and shall continue for a period of three (3) years, through March 31, 2029. The end of the term may be extended by mutual agreement for five (5) additional one (1) year periods upon written notice by the SCWMA and acceptance of such request by Contractor.

2.02 Authorization and Termination. This Agreement becomes effective when endorsed by both Parties in the space provided below.

ARTICLE 3. OBLIGATIONS OF CONTRACTOR



3.01 Scope of Processing Services. The services to be performed by Contractor under this Agreement shall be to accept, process, and market Organic Materials generated from the SCWMA's Member Agencies. The provisions of this Article are only applicable after the Start Date.

3.01.1 Starting on the Start Date until this Agreement is terminated, SCWMA Member Agencies shall deliver to the Organic Materials Composting Facility, and Contractor shall accept between 54 Tons to 110 Tons per day of Organic Materials. SCWMA shall deliver a minimum of 13,500 tons of material annually. Further, Contractor is not obligated to accept more than 25,000 Tons per year of Organic Materials. SCWMA Member Agencies shall use good faith efforts to deliver a consistent amount of Organic Materials hereunder so that Contractor may properly plan for such deliveries, and shall communicate such plans to Contractor. The SCWMA Member Agencies are obligated to deliver (and Contractor shall receive) materials on days that the Organic Materials Processing Facility is operating (as described in Section 3.05, Days and Hours of Operations).

3.01.2 Contractor and SCWMA agree that if SCWMA's annual deliveries are less than 13,500 tons in any Contract Year, Contractor shall provide written notice within 30 days after the end of that Contract Year. The Parties shall meet and confer in good faith to address the shortfall. Contractor may terminate this Agreement for a minimum-tonnage shortfall in its sole discretion.

3.02 Processing Standards. The following processing standards shall be met by the Organic Materials Processing Facility, at a minimum:

3.02.1 Pre-processing activities shall include, but not be limited to, Contractor using reasonable business efforts for the inspection and removal of Contamination.

3.02.2 Processing shall be accomplished by the use of recognized processing methods, which have been demonstrated to be able to consistently produce stable, mature Compost Products or end products.

3.02.3 Post-Composting Processing activities shall include screening to remove plastics and other Contaminants from the Compost Product or end product.

3.02.4 100% of the Organic Materials accepted at the facility from SCWMA, excluding Contamination or contaminated materials in the Organic Materials received shall be Processed and marketed for use as compost, mulch, or soil amendment. Residuals (including Residual as a result of Contaminants or Contamination) may be disposed, used as ADC, erosion control or sent to other appropriate uses as defined by the Contractor. Overs may be mixed back in with the compost feedstock as a bulking agent and reprocessed to improve porosity and airflow in the incoming feedstock, used on top of the compost piles as a biofilter, sold to third parties as a mulch or biofuel or used in the landfill as ADC or erosion control, or disposed if the



concentration of film plastic and other Physical Contaminants render it unfeasible for other uses.

3.02.5 Contractor is responsible for processing Organic Materials into a marketable product and transporting and marketing of all end products at the risk, expense and profit or loss of the Contractor, subject to **Exhibit A**.

3.02.6 Compost products for marketing shall conform with the Compost Quality Specifications and at a minimum should be CDFA-approved. If multiple product lines are provided, Contractor shall comply with the Compost Quality Specification for each product line, in alignment with the proposed and projected quantities of each product line to be produced. These estimates may be adjusted upon Contractor's request and the approval of the SCWMA.

3.03 Contractor shall provide adequate signage for the flow of traffic at Organic Materials Processing Facility.

3.04 Permits and Compliance. Contractor will comply with all Permits, including any mitigation measures related to the operation and maintenance of the Organic Materials Processing Facility. Contractor is solely responsible for paying any fines or penalties imposed for noncompliance with or violation of Permits or failure to obtain Permits, unless caused by SCWMA's or a third party's breach, negligence, or violation of applicable law. Under no circumstances shall any provision of this Agreement obligate Contractor to violate any of its Permits.

3.04.1 Contractor shall site, own, and operate the Organic Materials Processing Facility that is permitted by CalRecycle and maintain this designation throughout the term of the Agreement. Contractor is not required to own the site, but ownership status of the site shall not affect Contractor's ability to perform its obligations under this Agreement. The Organic Materials Processing Facility Permit must include the ability to accept Mixed Organic Materials. Contractor must notify SCWMA before accepting any shipments if there is any change in such status.

3.04.2 Compliance with all Applicable Laws and Regulations. Contractor and SCWMA shall comply with all Federal, State, and/or Local Regulations in the performance of this Agreement. These laws may include but are not limited to: CalRecycle Facility Permit, Water Board Permit, Air District Permit, Land Use Permit, Emergency Management and Contingency Plan, and State and Local Fire Code. The Contractor shall comply with Federal and State regulatory standards for compost operation, pollutant concentrations, pathogen reduction, monitoring, recordkeeping, and reporting.

3.04.3 Notification of Violations. Contractor shall provide copies of any notices of violation that it receives (or that any Subcontractor receives and that are provided to Contractor) from any Regulatory Agency during the term of this Agreement related to the



operation of the Organic Materials Processing Facility or the performance of the Services. Contractor shall provide SCWMA copies within ten (10) business days of receiving them.

3.04.4 Site shall at all times be accessible to enforcement and inspection personnel from regulatory and enforcement agencies.

3.05 Days and Hours of Operation. Contractor will operate the Organic Materials Processing Facility for the receipt of SCWMA's Organic Materials between the hours of 6:00 am – 3:00 pm, Monday – Friday. Organic Materials Processing Facility will be closed on Holidays.

3.06 Traffic Control and Direction. Contractor will direct on-site traffic to appropriate unloading areas and provide a safe working environment. Contractor will provide necessary signs and personnel to assist drivers to the proper unloading areas. Contractor will operate the Organic Materials Processing Facility so that the conditions of the Maximum Vehicle Turnaround are met and the SCWMA's Transfer Company or Collections Company(ies) vehicles are processed, unloaded and exit without delay from the facility no longer than 30 minutes from the time the truck is scaled and a weight tag is issued at the Contractor's scales, plus the actual time the truck spends unloading the payload. Contractor will not exceed this time by more than 5 times per month. The calculation of the times will be based on time stamp tickets at the scale house.

3.07 Scale Operation.

3.07.1 Maintenance and Operation. Contractor will maintain or provide for State-certified scales that link to a centralized computer recording and billing system and that account for tracking of the inbound and outbound times, date of receipt, documentation of Rate charged, Organic Material Type, origin of material, and invoice number. Contractor will operate scales during Organic Materials Processing Facility receiving hours established in Section 3.5. Contractor will provide the SCWMA with access to the weighing report promptly upon SCWMA's request, and no later than three (3) days following such request.

3.07.2 Scale house operators will inspect material in vehicles, weigh and record quantity and type, and enter into a computer system that will compile information into various reports.

3.07.3 Vehicle Tare Weights. When Transfer Company or Collections Company(ies) place new vehicles into service, Contractor or scale operator will promptly weigh the new vehicle and determine its unloaded ("tare") weight(s). Contractor or scale operator will record tare weight, hauler name, and vehicle identification number. Within 10 calendar days of weighing, Contractor will provide the SCWMA and Transfer Company or Collections Company(ies) with a report listing vehicle tare weight information. Contractor will have the right to request re-determination of tare weights of vehicles twice each Calendar Year. If there is reasonable suspicion or evidence that tare weights are not accurate, Transfer Company or Collections Company(ies) may request re-determination of tare weights, in which case



Contractor will promptly re-determine tare weights for requested vehicles up to 4 times per Calendar Year. Contractor may update tare weights (at its own initiative) more frequently.

3.07.4 Testing. Contractor or scale operator will test and calibrate all scales in accordance with Applicable Law, but at least every 12 months. Upon SCWMA request, Contractor will promptly provide the SCWMA with copies of test results. Contractor or scale operator will further test and calibrate any or all scales within 5 calendar days of SCWMA direction. If test results indicate that the scale or scales complied with Applicable Law, the SCWMA will reimburse Contractor or scale operator the Direct Costs of the tests. If the test results indicate that the scale or scales did not comply with Applicable Law, Contractor or scale operator will bear the entire costs thereof and Contractor or scale operator will at its own cost adjust and correct, consistent with the results of that test, all weight measurements recorded and Organic Materials Rates calculated, charged and paid, as the case may be, from the date of SCWMA's direction.

3.07.5 Weighing Standards and Procedures. Contractor will use the scale house(s) to weigh vehicles and charge Organic Materials Rates. Contractor will charge the SCWMA based on the Tonnage of SCWMA's Transfer Company or Collections Company(ies) deliveries to the Organic Materials Processing Facility and the Rate as set in **Exhibit A** and adjusted under the terms of this Agreement. Contractor or scale operator will weigh and record inbound weights of all Transfer Company's or Collections Company(ies)'s vehicles when the vehicles arrive at the Organic Materials Processing Facility and weigh and record outbound weights of vehicles for which Contractor or scale operator does not maintain tare weight information. Contractor or scale operator will provide each driver with a receipt showing the date, time, and quantity of SCWMA's Plants and Organic Materials that the vehicle delivered to the Organic Materials Processing Facility.

3.07.6 Records and Reporting. Contractor will maintain scale records and reports that provide information, including date of receipt; inbound time; origin, destination and weight of inbound and outbound loads; inbound and outbound weights of vehicles; and vehicle identification number.

3.07.6.1 Contractor will provide the SCWMA with a detailed Monthly Report as described and exemplified in **Exhibit B**, Reporting to the SCWMA.

3.07.7 Safety. The Contractor will conduct operations of Organic Materials Processing Facility in a safe manner, in accordance with Applicable Law and insurance requirements provided in Article 5, Indemnity and Insurance.

3.08 Contamination and Load Rejection. Contractor shall describe a protocol, including a Contamination threshold, surcharge, and methodology for identifying rejectable loads at the scale house. Such Contamination monitoring should be accompanied with detailed recordkeeping that is maintained at all times on site.



3.08.1 Any load containing in excess of 1% by weight Contamination threshold shall be classified as Solid Waste and loaded onto the Transfer Company or Collections Company(ies)'s vehicles for backhaul to the Central Disposal Site at no cost to Contractor. In addition, SCWMA will reimburse the contractor \$200 per load for reloading the material.

3.08.2 For loads that exceed the 1% by weight Contamination threshold as determined by visual inspection and subject to the provisions of Section 3.02.4, but which are salvageable by sorting Contamination out of the load, SCWMA and Contractor may, by mutual agreement, choose to have the Contractor sort contamination from the load so that it falls below the established contamination threshold. For loads that are sorted to remove excessive Contamination, the SCWMA will reimburse the Contractor on a time and materials basis for the Direct Cost of handling of the excessive Contamination (e.g., sorting, transportation and disposal); at a rate of \$85.00 per hour, with a minimum charge of \$200 per load. The Contractor shall retain auditable records of these direct costs for applicable loads of Contamination. It is understood that Contamination removed by the Contractor will not be processed over a sort line or mechanical screens and will include some de minimis amounts of Organic Materials that cannot be efficiently separated from Contamination.

3.09 Right to Enter Facility and Observe Operations. The SCWMA and its designated representative(s) may enter, observe and inspect the Organic Materials Processing Facility at any time during operations; conduct studies or surveys of the Organic Materials Processing Facility; and meet with the manager(s) or his or her representatives at any time; provided that the SCWMA and its representatives comply with Contractor's reasonable safety and security rules and will not interfere with the work of the Contractor or its subcontractors. However, if the Organic Materials Processing Facility manager or other management personnel are not present at the Organic Materials Processing Facility when the SCWMA or its designated representative(s) visit without prior announcement, Contractor may limit the visit of the SCWMA or its designated representative to the public areas of the facility. In that event, Contractor will arrange for SCWMA or its designated representative(s) to return for a full site visit of the entire Organic Materials Processing Facility within 24 hours of the SCWMA's initial visit. Upon SCWMA direction, Contractor will make personnel available to accompany SCWMA employees on inspections. Contractor will ensure that its employees cooperate with the SCWMA and respond to the SCWMA's reasonable inquiries.

3.10 Compost Giveaway. Contractor shall make available 2,000 tons of compost per calendar year at no additional cost to the SCWMA or the ratepayers.

ARTICLE 4. CONTRACTOR COMPENSATION

4.01 General. The Contractor will perform all of its obligations, responsibilities and duties under this Agreement, including paying costs associated with obtaining and complying



with all Permits operating the Organic Materials Processing Facility in full compliance with Applicable Laws.

4.02 Processing Rate; Annual Rate Adjustments. The Contractor will be compensated on a per-ton basis for Materials delivered by the Transfer Company or Collections Company(ies) and accepted by the Contractor for Processing. **Exhibit A**, Rates, provides the initial Rates by Organic Material Type. Such rates shall be increased annually as set forth in **Exhibit A**.

4.03 Invoicing. On or before the 15th of each month, Contractor will invoice the SCWMA in amounts equal to the applicable Rates listed in **Exhibit A** for the prior month's Organic Materials delivered to the Organic Materials Processing Facility. Invoices will be in a mutually agreeable form to both parties. All undisputed amounts shall be payable by SCWMA within 45 calendar days of receipt of the invoice. For example, for processing provided in July, Contractor will invoice SCWMA on or before August 15 and payment will be due and payable by SCWMA on or before October 1. The Contractor may deliver to SCWMA a notice of late payment for a given monthly invoice 50 calendar days after the date of generation of the invoice. Contractor's invoices shall be deemed delinquent if not paid within ten (10) calendar days of the date of the notice of late payment. Thereafter, the delinquent invoice shall bear interest on the unpaid balance at a rate not to exceed one and one-third percent (1 1/3%) per month.

ARTICLE 5. INDEMNITY AND INSURANCE

5.01 Indemnification. Contractor shall defend, with counsel reasonably acceptable to SCWMA, indemnify and hold harmless, to the fullest extent allowed by law, SCWMA, its Member Agencies, its officers, officials, employees, volunteers, agents and assignees (collectively, "Indemnitees"), from and against any and all loss, liability, penalties, forfeitures, claims, demands, actions, proceedings or suits, in law or in equity, of every kind and description, (including, but not limited to, injury to and death of any person and damage to property, or for contribution or indemnity claimed by third parties) (collectively, "Loss") arising or resulting from:

5.01.1 the negligent operation of Contractor, its agents, employees, and/or Subcontractors, in exercising the privileges granted to it by this Agreement;

5.01.2 the failure of Contractor, its agents, employees, and/or Subcontractors to comply in all respects with the provisions and requirements of this Agreement, applicable laws, ordinances and regulations, and/or applicable permits and licenses;

5.01.3 the acts of Contractor, its agents, employees, and/or Subcontractors in performing services under this Agreement for which strict liability is imposed by law. The foregoing indemnity shall apply regardless of whether such Loss is also caused in part by any of the Indemnitees' negligence;



5.01.4 The Loss indemnifiable under the foregoing indemnity may include, but is not limited to, Loss arising out of or resulting from the following:

5.01.4.1 Personal injury (including, but not limited to, bodily injury, emotional injury or distress, sickness, or disease) or death to persons, including, but not limited to, any employees or agents of Contractor, SCWMA, or any Subcontractor, or damage to property of anyone, caused or alleged to be caused in whole or in part by any negligent act or omission of Contractor, or anyone directly or indirectly employed by Contractor, or anyone for whose acts Contractor may be liable;

5.01.4.2 Penalties threatened, sought, or imposed on or against SCWMA by reason of the violation by Contractor of any law, order, citation, rule, regulation, standard, ordinance, or statute;

5.01.4.3 Alleged infringement of any intellectual property rights which may be brought arising out of Contractor's work;

5.01.4.4 Claims and liens for labor performed or materials used or furnished to be used on the job by Contractor, including all incidental or consequential damages from such claims or liens;

5.01.4.5 Contractor's failure to fulfill any of the covenants set forth in the Agreement;

5.01.4.6 Failure of Contractor to comply with the provisions of the Agreement relating to insurance; and,

5.01.4.7 Any violation or infraction by Contractor of any law, order, citation, rule, regulation, standard, ordinance, or statute in any way relating to the occupational, health, or safety of employees.

5.01.4.8 The indemnities set forth in this Article shall not be limited by the insurance requirements set forth in the Agreement.

5.01.4.9 Contractor's indemnification of Indemnitees will not include indemnification for Loss which arises as the result of an Indemnitee's breach of this Agreement, or the negligence or misconduct of Indemnitees.

5.01.5 Environmental Indemnity. Contractor shall indemnify, defend with counsel reasonably acceptable to Contractor and the SCWMA, and hold harmless, at Contractor's sole cost and expense, the SCWMA, its Member Agencies, officers, officials, employees, volunteers and agents, and the SCWMA's Board (collectively, "Environmental Indemnitees") from and against any and all claims, damages, injuries, costs (including and



without limit any and all response, remediation and removal costs), losses, demands, debts, liens, liabilities, causes of action suits, legal or administrative proceedings, interest, fines, charges, penalties, and expenses (including reasonable attorneys' and expert witness fees, expenditures for investigation and remediation) and costs of any kind whatsoever ("Losses"), paid, imposed upon, incurred, or suffered by or asserted against any of the Environmental Indemnitees by any lawsuit brought or threatened, settlement reached, or government hearing, investigation, inquiry, proceeding, or order relating to, or arising from, directly or indirectly, Contractor's alleged failure or actual failure to comply with the environmental laws and regulations. This indemnification will not extend to environmental claims to the extent they are caused by the sole or joint or contributory negligence or intentional misconduct or omission of Contractor or the SCWMA, and each of their officers, employees or agents. This provision is in addition to all other provisions in this Agreement and is intended to survive the end of the term of this Agreement.

5.02 Contractor's obligation to defend, hold harmless, and indemnify shall not be excused because of Contractor's inability to evaluate liability or because Contractor evaluates liability and determines that Contractor is not liable to the claimant. Contractor shall respond within thirty (30) days to the tender of a claim for defense and indemnity by SCWMA, unless this time has been extended by SCWMA.

5.03 If Contractor fails to accept or reject a tender of defense and indemnity within thirty (30) days, in addition to any other remedy authorized by law, SCWMA may retain so much of the money due Contractor by virtue of this Agreement as shall reasonably be considered necessary by SCWMA, to cover all anticipated costs of the claim until final disposition has been made on the claim or suit for damages, or until Contractor accepts or rejects the tender of defense, whichever occurs first.

5.04 With respect to third party claims against Contractor indemnifiable under this Article, Contractor waives any and all rights of any type to express or implied indemnity against the Indemnitees.

5.05 Hazardous Substances Indemnification. Contractor shall indemnify, defend with counsel reasonably acceptable to the SCWMA, and hold harmless the Indemnitees from and against all claims, damages (including but not limited to special, consequential, natural resources and punitive damages), injuries, hazardous materials response, remediation and removal costs, losses, demands, liens, liabilities, causes of action, suits, legal or administrative proceedings, interest, fines, charges, penalties, attorneys' fees for the adverse party and expenses (including but not limited to attorneys' and expert witness fees and costs incurred in connection with defending against any of the foregoing or enforcing this indemnity) of any kind whatsoever paid, incurred or suffered by, or asserted against SCWMA or its officers, officials, employees, agents, assigns, or successors (collectively, "Claims") arising from or attributable to any repair, clean-up or detoxification, or preparation and implementation of any removal, remedial, response, closure or other plan (regardless of whether undertaken due to governmental action) concerning any Hazardous Waste released, threatened to be released, or



spilled by Contractor under this Agreement, or disposed of by Contractor under this Agreement at any facility owned by Contractor or any of its affiliates. The foregoing indemnity is intended to operate as an agreement pursuant to Section 107(e) of CERCLA, 42 U.S.C. Section 9607(c) and California Health and Safety Code section 25364, to defend, hold harmless and indemnify the SCWMA from liability.

5.05.1 SCWMA shall fully cooperate with in defending such alleged violations, and Contractor shall not be responsible for additional payments to SCWMA for SCWMA cost or expense related to cooperating with Contractor in this capacity.

5.06 Consideration. It is specifically understood and agreed that the consideration inuring to Contractor for the execution of this Agreement consists of the promises, payments, covenants, rights and responsibilities contained in this Agreement.

5.07 Obligation. The execution of this Agreement by Contractor shall obligate Contractor to comply with the foregoing indemnification provisions; however, the collateral obligation of providing insurance shall also be fully complied with as set forth in Section 5.11 below.

5.08 Subcontractors. The Contractor shall require all subcontractors to enter into an Agreement containing the provisions set forth in Article 5 in its entirety and in the preceding subsection in which Agreement the subcontractor fully indemnifies the SCWMA in accordance with this Agreement.

5.09 Exception. Contractor's obligation to indemnify, hold harmless and defend SCWMA, its officers and employees shall not extend to any loss, liability, penalty, damage, action, or suit arising or resulting from acts or omissions constituting a breach of this Agreement, willful misconduct or negligence on the part of SCWMA, its officers or employees.

5.10 Contractor Compliance. Contractor will comply with all requirements of Contractor's insurers and the insurance policies required under Section 5.11 below. Carrying insurance will not relieve Contractor from any obligations under this Agreement. Nothing in this Agreement may be construed as limiting in any way the extent to which the Contractor may be held responsible for payments of damages to Persons or property resulting from Contractor's or any Subcontractors' performance of Services.

5.11 Insurance. Contractor shall not commence work under this Agreement until all insurance required under this Paragraph has been obtained. Contractor shall furnish SCWMA with certificates of insurance evidencing the required coverage.

5.11.1 Workers' Compensation Insurance. Workers' compensation insurance with statutory limits as required by the Labor Code of the State of California and employers' liability insurance with limits of not less than \$1,000,000 per accident.



5.11.2 General Liability Insurance. Commercial general liability insurance covering bodily injury and property damage using an occurrence policy form, in an amount of One Million Dollars (\$1,000,000.00) combined single limit for each occurrence. Said commercial general liability insurance policy shall either be endorsed with the following specific language or contain equivalent language in the policy:

- a) The SCWMA, and its Member Agencies, officers, and employees, are named as additional insured for all liability arising out of the operations by or on behalf of the named insured in the performance of this Agreement.
- b) The inclusion of more than one insured shall not operate to impair the rights of one insured against another insured, and the coverage afforded shall apply as though separate policies had been issued to each insured, but the inclusion of more than one insured shall not operate to increase the limits of the company's liability.
- c) The insurance provided herein is primary coverage to the Sonoma County Waste Management Agency with respect to any insurance or self-insurance programs maintained by the SCWMA.
- d) This policy shall not be cancelled without first giving thirty (30) days prior written notice to the SCWMA, except that ten (10) days' notice shall be given for cancellation due to non-payment of premium.

5.11.3 Automobile Insurance. Automobile liability insurance covering bodily injury and property damage in an amount of One Million Dollars (\$1,000,000) combined single limit for each occurrence. Said insurance shall include coverage for owned, hired, and non-owned vehicles. Said policy shall be endorsed with the following language: This policy shall not be cancelled without first giving thirty (30) days prior written notice to the SCWMA, except that ten (10) days' notice shall be given for cancellation due to non-payment of premium.

5.12 Pollution Liability Insurance. Contractor shall purchase and maintain in force for the duration of the Agreement term insurance for pollution legal liability applicable to bodily injury; property damage, cleanup costs; and defense, including costs and expenses incurred in the investigation, defense, or settlement of claims; all in connection with any loss arising from the transporter's activity under this Agreement. Coverage shall be maintained in an amount of at least \$1,000,000 per loss, with an annual aggregate of at least \$2,000,000 for claims arising within the SCWMA. If coverage is written on a claims-made basis, the Contractor warrants that any retroactive date applicable to coverage under the policy precedes the effective date of this Agreement, and that continuous coverage will be maintained or an extended discovery period will be exercised for a period of three years beginning from the time that work under this Agreement is completed. Said policy shall be endorsed with the following language:

This policy shall not be cancelled without first giving thirty (30) days prior written notice to SCWMA, except that ten (10) days' notice shall be given for cancellation due to non-payment of premium.



ARTICLE 6. ASSIGNMENT

6.01 No Assignment of this Agreement or any right occurring under this Agreement shall be made in whole or in part by Contractor without the express written consent of the SCWMA.

6.01.1 The SCWMA shall have full discretion to approve or deny, with or without cause, any proposed or actual assignment by Contractor.

6.01.2 Any assignment of this Agreement made by Contractor without the express written consent of the SCWMA shall be null and void and shall be grounds for the SCWMA to declare a default of this Agreement and immediately terminate this Agreement by giving written notice to Contractor, and upon the date of such notice this Agreement shall be deemed immediately terminated, and upon such termination all liability of the SCWMA under this Agreement to Contractor shall cease, and the SCWMA shall be free to negotiate with other contractors, Contractor, or any other person or company for the services which are the subject of this Agreement. In the event of any assignment, the assignee shall fully assume all the liabilities of the Contractor.

6.01.3 In the event that the SCWMA agrees to an assignment of this Agreement to a qualified service provider, Contractor shall make payment to the SCWMA in a reasonable amount to be determined by the SCWMA for reimbursement of direct costs to SCWMA associated with the right to any such assignment

6.01.4 Payment will be made within thirty (30) days of SCWMA consent to assignment, and if full payment is not made then any such assignment shall be null and void.

6.01.5 The use of a Subcontractor to perform services under this Agreement shall not constitute a delegation of Contractor's duties, provided that Contractor has received prior written authorization from the SCWMA to subcontract such services and the SCWMA has approved the Subcontractor who will perform such services.

ARTICLE 7. DEFAULT AND TERMINATION

7.01 Default and Remedies. Each of the following shall constitute a default under this Agreement (a "Default"):

7.01.1 Fraud or deceit.

7.01.2 Failure to maintain insurance coverage described herein.



7.01.3 Contractor violation of orders or filings of a regulatory body having a material impact on Contractor's ability to perform its obligations as required by this Agreement subject to Contractor's right to appeal any alleged violation or findings.

7.01.4 Loss of Contractor's "Organic Materials Processing Facility" Permit.

7.01.5 Subject to events of Force Majeure, failure to perform Services as required by this Agreement for two (2) consecutive days or more or for any seven (7) days in a period of 30 days.

7.01.6 Failure to make reasonable efforts to divert and Process Organic Materials as required in Article 3 of this Agreement.

7.01.7 Failure of Contractor to provide reports and/or records as provided for in this Agreement.

7.01.8 Any act or omission by Contractor which violates the terms of this Agreement.

7.01.9 Any false or misleading representation of Contractor made to SCWMA with respect to this Agreement.

7.01.10 Filing of a voluntary petition for debt relief.

7.01.11 Bankruptcy of Contractor.

7.01.12 Contractor's failure to provide assurance of performance.

7.02 Contractor shall be given 30 days from notification by the SCWMA to cure any of the foregoing Defaults arising under this Agreement, except that, if such Default is not capable of being cured within 30 days, then (a) upon prior notice by Contractor that it is invoking this provision, the cure period shall be extended for an additional 30 days, provided that Contractor diligently pursues cure, and (b) if before the end of such additional 30-day period, Contractor submits to SCWMA a plan of cure acceptable to SCWMA in its sole discretion, then the cure period shall be as set forth in such plan of cure, provided that Contractor diligently pursues such cure.

7.03 In the event of Contractor's failure to cure said Default within the aforementioned cure period, the SCWMA may, at its option, immediately terminate this Agreement upon written notice to Contractor. This right of termination is in addition to any other rights of the SCWMA and the SCWMA's termination of this Agreement shall not constitute an election of remedies. Instead, it shall be in addition to any and all other legal and equitable rights and remedies the SCWMA may have.



ARTICLE 8. CONTRACTOR'S REPRESENTATIONS AND WARRANTIES

8.01 Legal Status. Contractor is a corporation or LLC organized and operating under the laws of the State of California.

8.02 Authorization. Contractor represents and warrants that it has the authority to enter into and perform its obligations under this Agreement. The Contractor has taken all actions required by law to authorize the execution of this Agreement. The person signing this Agreement on behalf of Contractor has the authority to do so.

8.03 Agreement Will Not Cause Breach. To the best of Contractor's and SCWMA's knowledge, after reasonable investigation, neither the execution or delivery of this Agreement, nor the performance of this Agreement: (i) conflicts with, violates, or results in a breach of any applicable law; or (ii) conflicts with, violates, or results in a breach of any term or condition of any judgment, order or decree of any court, administrative agency, or other governmental authority, or any agreement or instrument to which Contractor or SCWMA is a party or by which Contractor or SCWMA or any of its properties or assets are bound, or constitutes a default thereunder.

8.04 No Litigation. To the best of Contractor's knowledge, after reasonable investigation, there is no action, suit, proceeding, or investigation, at law or in equity, before or by any court or governmental authority, commission, board, agency, or instrumentality decided, pending, or threatened against Contractor wherein an unfavorable decision, ruling or finding, in any single case or in the aggregate, would materially adversely affect the performance by Contractor of its obligations hereunder or which, in any way, would adversely affect the validity or enforceability of this Agreement or which would have a material adverse effect on the financial condition of Contractor or any surety guaranteeing Contractor's performance under this Agreement, which has not been waived by the SCWMA in writing.

8.05 Ability to Perform. Contractor possesses the business, professional and technical expertise to manage, handle, treat, store, process, and recycle Organic Materials, and will possess the equipment, plant, materials, supplies, and employee resources required to perform this Agreement.

ARTICLE 9. GENERAL PROVISIONS

9.01 Entire Agreement. This Agreement represents the full and entire Agreement between the SCWMA and Contractor with respect to the matters covered herein.

9.02 Force Majeure. Neither party shall be in default under this Agreement in the event, and for so long as, it is impossible or extremely impracticable for it to perform its obligations due to any of the following reasons: riots, wars, sabotage, civil disturbances,



insurrection, explosion, natural disasters such as floods, earthquakes, landslides, fires, and volcanic eruptions, strikes, lockouts and other labor disturbances or other catastrophic events which are beyond the reasonable control of Contractor. Labor unrest, including but not limited to strike, work stoppage or slowdown, sick-out, picketing, or other concerted job action conducted by Contractor's employees or directed at the Contractor is not an excuse from performance; provided, however, that labor unrest or job action directed at a third party over whom Contractor has no control, shall excuse performance.

9.03 A party claiming excuse under this Section must (i) have taken reasonable precautions to avoid being affected by the cause, and (ii) notify the other party in writing within 5 days after the occurrence of the event specifying the nature of the event, the expected length of time that the party expects to be prevented from performing, and the steps which the party intends to take to restore its ability to perform.

9.04 Notice Procedures. All notices, demands, requests, proposals, approvals, consents, and other communications which this Agreement requires, authorizes, or contemplates shall be in writing and shall either be personally delivered to a representative of the Parties at the address below, e-mailed to the e-mail address below, or sent via certified mail or Federal Express, or deposited in the United States mail, first class postage prepaid, addressed as follows:

SCWMA: **SONOMA COUNTY WASTE MANAGEMENT AGENCY**
Attention: Leslie Lukacs, Executive Director
Leslie.Lukacs@sonomacounty.gov
195 Concourse Blvd, Suite B
Santa Rosa, CA 95403

CONTRACTOR: **FORWARD, INC.**
Attention: Ken Lewis, General Manager
e-mail: klewis5@republicservices.com
address: 1C Parr Blvd, Richmond CA 94801

9.05 The address to which communications may be delivered may be changed from time to time by a notice given in accordance with this Section.

9.06 Notice shall be deemed given on the day it is personally delivered or e-mailed, or, if mailed, three calendar days from the date it is deposited in the mail.

9.07 Independent Contractor. Contractor is an independent contractor and not an officer, agent, servant or employee of the SCWMA. Contractor is solely responsible for the acts and omissions of its officers, agents, employees and subcontractors, if any. Nothing in this Agreement shall be construed as creating a partnership or joint venture between the SCWMA and Contractor. Neither Contractor nor its officers, employees, agents or subcontractors shall obtain any rights to retirement or other benefits which are accrued by SCWMA employees.



9.08 Severability. If any section, subsection, subdivision, paragraph, sentence, clause, or phrase of this Agreement or any part thereof is, for any reason, held to be illegal, such decision shall not affect the validity of the remaining portions of this Agreement or any part thereof.

9.09 Waiver or Modification. No waiver, alteration, or modification of any of the provisions of this Agreement shall be binding unless in writing and signed by a duly authorized representative of both parties to this Agreement.

9.10 Forum Selection. Contractor and the SCWMA stipulate and agree that any litigation relating to the enforcement or interpretation of this Agreement, arising out of Contractor's performance, or relating in any way to the work, shall be brought to California State Courts in Sonoma County.

9.11 Third Party Beneficiaries. Contractor acknowledges and declares that separately the Cities of Cloverdale, Cotati, Healdsburg, Petaluma, Rohnert Park, Santa Rosa, Sebastopol, Sonoma, Windsor, and the County of Sonoma are and will be Third Party beneficiaries of this Agreement.

9.12 Court Costs and Attorney Fees. In the event legal action is instituted by either party to enforce this Agreement, the prevailing party shall be entitled to reasonable attorney fees and actual costs in connection with such action.

9.13 Counterparts and Facsimile Signatures. This Agreement may be executed in counterparts, each of which shall constitute an original and all of which together shall be deemed a single document. For purposes of this Agreement, each of the signatories hereto agrees that a facsimile copy of the signature page of the person executing this Agreement shall be effective as an original signature and legally binding and effective as an execution counterpart thereof.



IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed on the date first written by their respective officers duly authorized in that behalf.

SONOMA COUNTY WASTE MANAGEMENT AGENCY

By: _____
Leslie Lukacs, SCWMA Executive Director

Date: _____

Reviewed as to form:

Ethan Walsh, Agency Counsel

FORWARD, INC.

By: _____

Date: _____



EXHIBIT A: RATES

- a) **Rates.** Contractor will be compensated \$76.50 per Ton for Organic Materials delivered to the Organic Materials Processing Facility.
- b) **Annual Rate Adjustments.** The Rates outlined above are for the period January 1, 2026 through December 31, 2026. Such rates will be adjusted annually as shown below, effective July 1 of each year of the term, including extensions.

Commencing July 1, 2027 and thereafter on each July 1, this Agreement is in effect, including any extension years, the rates stated above shall be increased by the percentage change in the annual average of the Consumer Price Index All Urban Consumers - San Francisco, Oakland, San Jose California Id: CUUSA422SAO (CPI) between the base year, which shall be the prior preceding twelve (12) months from July 1 through June 30, and the preceding year ending December 31, provided that an annual increase shall not exceed 4.5% or be lower than 2.5% of the then applicable rate. In the event that the calculated percentage change exceeds 4.5% of the then applicable rate, the increase for that year shall be set at 4.5%. In the event that the calculated percentage change is lower than 2.5% of the then applicable rate, the increase for that year shall be set at 2.5%.

For the purposes of this calculation, CPI shall mean All Urban Consumers Index (CPI-U), All Items, for the San Francisco-Oakland-San Jose, CA, Base Period 1982 -1984 = 100, not seasonally adjusted, compiled and published by the U.S. Department of Labor, Bureau of Labor Statistics (or its successor).

- c) **Adjustment Due to Change in Law.** Should any new or increased governmental fees, taxes or other charges result in increased costs to Contractor, there will be an appropriate increase in the Rates paid by SCWMA hereunder, such that Contractor will fully recover such increased costs. SCWMA shall be notified in writing at least 30 days prior to any imposition of new or increased governmental fees.



EXHIBIT B: REPORTING TO THE SCWMA

Monthly Reporting

The amount of material shall be reported monthly, under the following categories:

- Incoming Tons by Member Agency and type of material delivered (by sector and Organic Waste Material Category); and
- Outgoing Tons by jurisdiction of origin, destination, and end-use (Residual, ADC, AIC, other Beneficial Reuse, or marketed).

In all cases, the reported figures must match those reported to the County, the State, and any permitting or regulatory bodies.

Incoming and outgoing Tons shall be measured by certified scales that meet the criteria set forth in Section 3.07. The SCWMA can request detailed Scales Reports to support this monthly data.

Contractor may resubmit reports within 3 work days of written notification from the Agency if corrections or modifications are needed.

Quarterly Report

In addition to the required Monthly Report data, which should be provided in the Quarterly Report by month, the Quarterly Report shall include a calculation of the 10% Residual Rate and any Excess Residual per the calculation methodology set forth in Section 3.02 and Article 2.

Report Structure

Reports shall be provided in electronic format, and data tables shall be provided in Microsoft Excel-compatible format.

Dated: March 19, 2026

RESOLUTION OF THE SONOMA COUNTY WASTE MANAGEMENT AGENCY (“SCWMA”), ALSO KNOWN AS ZERO WASTE SONOMA, (“ZWS”) AUTHORIZING AN AGREEMENT FOR SHORT-TERM ORGANIC MATERIALS PROCESSING SERVICES WITH FORWARD, INC., DOING BUSINESS AS REPUBLIC SERVICES (“CONTRACTOR”)

WHEREAS, ZWS and Contractor agree to a new term of April 1, 2026 to March 31, 2029, with the option to extend for 5 additional 1-year periods by mutual agreement; and

WHEREAS, the per ton rate shall be \$76.50 effective April 1, 2026; and

WHEREAS, the annual rate adjustment will be increased by the annual average of the Consumer Price Index (CPI), not to exceed 4.5%; and

WHEREAS, Contractor shall accept between 54 tons and 110 tons per day of organic materials, and a minimum of 13,500 tons per year, but not more than 25,000 tons per year; and

WHEREAS, Contractor shall make available 2,000 tons of finished compost per calendar year to ZWS at no additional cost.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of Zero Waste Sonoma does hereby authorize ZWS’s Executive Director to execute the Agreement for Short-Term Organic Materials Processing Services with Republic Services, Inc.

MEMBERS:

--	--	--	--	--
Cloverdale	Cotati	County	Healdsburg	Petaluma
--	--	--	--	--
Rohnert Park	Santa Rosa	Sebastopol	Sonoma	Windsor

AYES: -- NOES: -- ABSENT: -- ABSTAIN: --

SO ORDERED

The within instrument is a correct copy of the original on file with this office.

ATTEST: DATE: MARCH 19, 2026

Clerk of Zero Waste Sonoma
Agency of the State of California in and for the County of Sonoma



Agenda Item #: **4.5**
Cost Center: **All**
Staff Contact: **Collard**
Agenda Date: **3/19/2026**
Approved By: **LL**

ITEM: **ZWS FY 2025/26 First and Second Quarter Financial Report**

I. RECOMMENDED ACTION / ALTERNATIVES TO RECOMMENDATION

Staff recommends approving the FY 2025/26 First and Second Quarter Financial Report on the Consent Calendar.

II. BACKGROUND

This report covers the first two quarters of FY 25-26 (July 1, 2025 - December 31, 2025) in accordance with the requirement in the joint powers agreement the Sonoma County Waste Management Agency/Zero Waste Sonoma staff make quarterly reports to the Board of Directors of Agency operations and of all receipts to and disbursements from the ZWS.

III. DISCUSSION

The Second Quarter Financial Report uses information from the County accounting system, Enterprise Financial System (EFS), for expenditures and revenues. The FY 2025-26 Second Quarter Financial Report contains the actual amounts spent or received to date at the end of the quarter, the projected revenues and expenses, the adjusted budget, and the difference between the budget and the projections.

Actual revenues are lower than budget predictions in the report as the revenue from the County of Sonoma were behind (two months for Organics tipping fees and one month for the Agency surcharge) to the Agency.

Interdepartmental transfers of shared administrative and overhead expenditures (county car, copier and storage rental, website expenditures, etc.) have not been processed yet, so some expenditures in the Education Fund are higher than normal.

IV. ATTACHMENTS

Second Quarter Financial Report FY 2025-26 Revenue and Expenditure Summary

66000000 Department Summary

Department / Account	Description	Original Budget	Final Budget	Year to Date	Remaining Balance	% Remaining
All Revenues						
42358	State Other Funding	959,318.00	959,318.00	0.00	959,318.00	100.00%
42461	Federal Other Funding	150,000.00	150,000.00	0.00	150,000.00	100.00%
42601	County of Sonoma	11,756,914.00	11,756,914.00	3,454,121.37	8,302,792.63	70.62%
44002	Interest on Pooled Cash	238,389.00	238,389.00	111,736.51	126,652.49	53.13%
44101	Rent - Real Estate	0.00	0.00	8,486.66	(8,486.66)	0.00%
46029	Donations/Contributions	339,329.00	339,329.00	29,767.10	309,561.90	91.23%
46050	Cancelled/Stale Dated Warrants	0.00	0.00	1,081.00	(1,081.00)	0.00%
47101	Transfers In - within a Fund	900,000.00	900,000.00	0.00	900,000.00	100.00%
All Revenues		14,343,950.00	14,343,950.00	3,605,192.64	10,738,757.36	75%

All Expense/Expenditure Accts

51032	Janitorial Services	0.00	0.00	600.00	(600.00)	0.00%
51041	Insurance - Liability	16,687.00	16,687.00	23,980.49	(7,293.49)	-43.71%
51071	Maintenance - Bldg & Improve	10,000.00	10,000.00	259.00	9,741.00	97.41%
51201	Administration Services	1,671,858.00	1,671,858.00	596,583.09	1,075,274.91	64.32%
51205	Advertising/Marketing Svc	65,500.00	65,500.00	7,678.80	57,821.20	88.28%
51206	Accounting/Auditing Services	30,876.00	30,876.00	0.00	30,876.00	100.00%
51207	Client Accounting Services	50,000.00	50,000.00	0.00	50,000.00	100.00%
51212	Outside Counsel - Legal Advice	57,000.00	57,000.00	21,991.10	35,008.90	61.42%
51225	Training Services	2,400.00	2,400.00	0.00	2,400.00	100.00%
51229	Hazardous Waste Disposal Svc	57,000.00	57,000.00	2,000.00	55,000.00	96.49%
51241	Outside Printing and Binding	3,500.00	3,500.00	0.00	3,500.00	100.00%
51249	Other Professional Services	1,093,339.00	1,093,339.00	445,467.97	647,871.03	59.26%
51401	Rents and Leases - Equipment	3,132.00	3,132.00	1,427.39	1,704.61	54.43%
51421	Rents and Leases - Bldg/Land	30,063.00	30,063.00	9,572.50	20,490.50	68.16%
51507	Special Departmental Expense	105,000.00	105,000.00	46,321.95	58,678.05	55.88%
51801	Other Services	0.00	0.00	6,654.22	(6,654.22)	0.00%
51803	Other Contract Services	8,874,882.00	8,874,882.00	2,906,672.01	5,968,209.99	67.25%
51805	Cnty Spor'shp of events/orgs	11,500.00	11,500.00	250.00	11,250.00	97.83%
51901	Telecommunication Data Lines	17,925.00	17,925.00	2,322.45	15,602.55	87.04%
51902	Telecommunication Usage	1,233.00	1,233.00	5.09	1,227.91	99.59%
51904	ISD - Baseline Services	57,571.00	57,571.00	15,916.25	41,654.75	72.35%
51906	ISD - Supplemental Projects	400.00	400.00	0.00	400.00	100.00%
51907	ISD - Device Modernization Pro	0.00	0.00	5,388.03	(5,388.03)	0.00%
51909	Telecommunication Wireless Svc	11,428.00	11,428.00	2,829.35	8,598.65	75.24%
51911	Mail Services	850.00	850.00	33.04	816.96	96.11%
51916	County Services Chgs	44,693.00	44,693.00	0.00	44,693.00	100.00%
51922	County Car Expense	4,000.00	4,000.00	979.25	3,020.75	75.52%
51923	Unclaimable county car exp	50.00	50.00	0.00	50.00	100.00%
52091	Memberships/Certifications	57,946.00	57,946.00	18,441.40	39,504.60	68.17%
52111	Office Supplies	20,120.00	20,120.00	2,946.86	17,173.14	85.35%
52114	Freight/Postage	10,000.00	10,000.00	0.00	10,000.00	100.00%
52115	Books/Media/Subscriptions	9,651.00	9,651.00	2,905.38	6,745.62	69.90%
52118	Printing and Binding Supplies	17,400.00	17,400.00	0.00	17,400.00	100.00%
52149	IRR-ComputerSoftware/Licensing	0.00	0.00	611.65	(611.65)	0.00%
52162	Special Department Expense	293,000.00	293,000.00	28,578.50	264,421.50	90.25%
52163	Professional Development	45,820.00	45,820.00	17,510.47	28,309.53	61.78%
52191	Utilities Expense	2,945.00	2,945.00	1,395.44	1,549.56	52.62%
57011	Transfers Out - within a Fund	900,000.00	900,000.00	0.00	900,000.00	100.00%
All Expense/Expenditure Accts		13,577,769.00	13,577,769.00	4,169,321.68	9,408,447.32	69%

All Asset Accounts

19831	Acq-CIP-Bldg & Impr	703,280.00	2,803,280.00	2,099,437.71	703,842.29	25.11%
All Asset Accounts		703,280.00	2,803,280.00	2,099,437.71	703,842.29	25%

All Expense/Expenditure Accts		13,577,769.00	13,577,769.00	4,169,321.68	9,408,447.32	
All Asset Accts		703,280.00	2,803,280.00	2,099,437.71	703,842.29	
All Revenues		14,343,950.00	14,343,950.00	3,605,192.64	10,738,757.36	
Net Cost		(62,901.00)	2,037,099.00	2,663,566.75	(626,467.75)	

66110400 ZW - Household Waste

Department / Account	Description	Original Budget	Final Budget	Year to Date	Remaining Balance	% Remaining
All Revenues						
42358	State Other Funding	88,467.00	88,467.00	0.00	88,467.00	100.00%
42601	County of Sonoma	2,866,316.00	2,866,316.00	997,308.22	1,869,007.78	65.21%
44002	Interest on Pooled Cash	15,100.00	15,100.00	10,050.49	5,049.51	33.44%
46029	Donations/Contributions	257,390.00	257,390.00	22,783.30	234,606.70	91.15%
All Revenues		3,227,273.00	3,227,273.00	1,030,142.01	2,197,130.99	68%

All Expense/Expenditure Accts

51041	Insurance - Liability	2,294.00	2,294.00	3,297.31	(1,003.31)	-43.74%
51071	Maintenance - Bldg & Improve	10,000.00	10,000.00	259.00	9,741.00	97.41%
51201	Administration Services	250,764.00	250,764.00	81,734.74	169,029.26	67.41%
51205	Advertising/Marketing Svc	26,000.00	26,000.00	2,678.80	23,321.20	89.70%
51206	Accounting/Auditing Services	3,685.00	3,685.00	0.00	3,685.00	100.00%
51207	Client Accounting Services	6,875.00	6,875.00	0.00	6,875.00	100.00%
51212	Outside Counsel - Legal Advice	2,000.00	2,000.00	433.50	1,566.50	78.33%
51225	Training Services	2,400.00	2,400.00	0.00	2,400.00	100.00%
51229	Hazardous Waste Disposal Svc	57,000.00	57,000.00	2,000.00	55,000.00	96.49%
51249	Other Professional Services	79,991.00	79,991.00	38,290.55	41,700.45	52.13%
51401	Rents and Leases - Equipment	431.00	431.00	0.00	431.00	100.00%
51421	Rents and Leases - Bldg/Land	21,662.00	21,662.00	5,292.50	16,369.50	75.57%
51507	Special Departmental Expense	105,000.00	105,000.00	46,321.95	58,678.05	55.88%
51801	Other Services	0.00	0.00	1,948.04	(1,948.04)	0.00%
51803	Other Contract Services	1,700,000.00	1,700,000.00	421,699.40	1,278,300.60	75.19%
51901	Telecommunication Data Lines	1,063.00	1,063.00	516.10	546.90	51.45%
51902	Telecommunication Usage	24.00	24.00	2.61	21.39	89.13%
51904	ISD - Baseline Services	8,353.00	8,353.00	1,248.55	7,104.45	85.05%
51909	Telecommunication Wireless Svc	2,101.00	2,101.00	481.93	1,619.07	77.06%
51911	Mail Services	100.00	100.00	11.97	88.03	88.03%
51916	County Services Chgs	6,145.00	6,145.00	0.00	6,145.00	100.00%
51922	County Car Expense	550.00	550.00	0.00	550.00	100.00%
52091	Memberships/Certifications	11,260.00	11,260.00	9,675.00	1,585.00	14.08%
52111	Office Supplies	3,000.00	3,000.00	588.00	2,412.00	80.40%
52115	Books/Media/Subscriptions	1,327.00	1,327.00	0.00	1,327.00	100.00%
52162	Special Department Expense	275.00	275.00	0.00	275.00	100.00%
52163	Professional Development	13,100.00	13,100.00	4,137.03	8,962.97	68.42%
52191	Utilities Expense	2,945.00	2,945.00	1,176.89	1,768.11	60.04%
57011	Transfers Out - within a Fund	900,000.00	900,000.00	0.00	900,000.00	100.00%
All Expense/Expenditure Accts		3,218,345.00	3,218,345.00	621,793.87	2,596,551.13	81%

All Expense/Expenditure Accts		3,218,345.00	3,218,345.00	621,793.87	2,596,551.13	
All Revenues		3,227,273.00	3,227,273.00	1,030,142.01	2,197,130.99	
Net Cost		(8,928.00)	(8,928.00)	(408,348.14)	399,420.14	

66111000 Education & Outreach

Department / Account	Description	Original Budget	Final Budget	Year to Date	Remaining Balance	% Remaining
All Revenues						
42358	State Other Funding	870,851.00	870,851.00	0.00	870,851.00	100.00%
42601	County of Sonoma	981,088.00	981,088.00	341,360.53	639,727.47	65.21%
44101	Rent - Real Estate	0.00	0.00	8,486.66	(8,486.66)	0.00%
46029	Donations/Contributions	81,939.00	81,939.00	6,983.80	74,955.20	91.48%
46050	Cancelled/Stale Dated Warrants	0.00	0.00	1,081.00	(1,081.00)	0.00%
All Revenues		1,933,878.00	1,933,878.00	357,911.99	1,575,966.01	81%

All Expense/Expenditure Accts

51032	Janitorial Services	0.00	0.00	600.00	(600.00)	0.00%
51041	Insurance - Liability	2,670.00	2,670.00	3,837.88	(1,167.88)	-43.74%
51201	Administration Services	639,936.00	639,936.00	464,889.18	175,046.82	27.35%
51205	Advertising/Marketing Svc	14,500.00	14,500.00	5,000.00	9,500.00	65.52%
51206	Accounting/Auditing Services	4,288.00	4,288.00	0.00	4,288.00	100.00%
51207	Client Accounting Services	8,000.00	8,000.00	0.00	8,000.00	100.00%
51212	Outside Counsel - Legal Advice	20,000.00	20,000.00	10,121.80	9,878.20	49.39%
51241	Outside Printing and Binding	3,500.00	3,500.00	0.00	3,500.00	100.00%
51249	Other Professional Services	843,348.00	843,348.00	333,822.96	509,525.04	60.42%
51401	Rents and Leases - Equipment	501.00	501.00	1,427.39	(926.39)	-184.91%
51421	Rents and Leases - Bldg/Land	5,020.00	5,020.00	4,280.00	740.00	14.74%
51801	Other Services	0.00	0.00	4,706.18	(4,706.18)	0.00%
51803	Other Contract Services	40,000.00	40,000.00	12,240.22	27,759.78	69.40%
51805	Cnty Spor'shp of events/orgs	11,500.00	11,500.00	250.00	11,250.00	97.83%
51901	Telecommunication Data Lines	15,750.00	15,750.00	1,548.30	14,201.70	90.17%
51902	Telecommunication Usage	1,185.00	1,185.00	1.70	1,183.30	99.86%
51904	ISD - Baseline Services	24,488.00	24,488.00	13,364.55	11,123.45	45.42%
51906	ISD - Supplemental Projects	400.00	400.00	0.00	400.00	100.00%
51909	Telecommunication Wireless Svc	8,400.00	8,400.00	2,112.87	6,287.13	74.85%
51911	Mail Services	500.00	500.00	21.07	478.93	95.79%
51916	County Services Chgs	7,151.00	7,151.00	0.00	7,151.00	100.00%
51922	County Car Expense	640.00	640.00	979.25	(339.25)	-53.01%
51923	Unclaimable county car exp	50.00	50.00	0.00	50.00	100.00%
52091	Memberships/Certifications	33,616.00	33,616.00	8,226.40	25,389.60	75.53%
52111	Office Supplies	13,120.00	13,120.00	1,889.21	11,230.79	85.60%
52114	Freight/Postage	10,000.00	10,000.00	0.00	10,000.00	100.00%
52115	Books/Media/Subscriptions	1,544.00	1,544.00	2,905.38	(1,361.38)	-88.17%
52118	Printing and Binding Supplies	17,400.00	17,400.00	0.00	17,400.00	100.00%
52149	IRR-ComputerSoftware/Licensing	0.00	0.00	611.65	(611.65)	0.00%
52162	Special Department Expense	172,320.00	172,320.00	24,987.05	147,332.95	85.50%
52163	Professional Development	25,720.00	25,720.00	12,205.19	13,514.81	52.55%
52191	Utilities Expense	0.00	0.00	218.55	(218.55)	0.00%
All Expense/Expenditure Accts		1,925,547.00	1,925,547.00	910,246.78	1,015,300.22	53%

All Expense/Expenditure Accts		1,925,547.00	1,925,547.00	910,246.78	1,015,300.22	
All Revenues		1,933,878.00	1,933,878.00	357,911.99	1,575,966.01	
Net Cost		(8,331.00)	(8,331.00)	552,334.79	(560,665.79)	

66111100 Organics

Department / Account	Description	Original Budget	Final Budget	Year to Date	Remaining Balance	% Remaining
All Revenues						
42461	Federal Other Funding	150,000.00	150,000.00	0.00	150,000.00	100.00%
42601	County of Sonoma	7,909,510.00	7,909,510.00	2,115,452.62	5,794,057.38	73.25%
All Revenues		8,059,510.00	8,059,510.00	2,115,452.62	5,944,057.38	74%

All Expense/Expenditure Accts

51041	Insurance - Liability	11,723.00	11,723.00	16,845.30	(5,122.30)	-43.69%
51201	Administration Services	586,496.00	586,496.00	40,359.04	546,136.96	93.12%
51205	Advertising/Marketing Svc	25,000.00	25,000.00	0.00	25,000.00	100.00%
51206	Accounting/Auditing Services	18,903.00	18,903.00	0.00	18,903.00	100.00%
51207	Client Accounting Services	35,125.00	35,125.00	0.00	35,125.00	100.00%
51212	Outside Counsel - Legal Advice	5,000.00	5,000.00	809.20	4,190.80	83.82%
51249	Other Professional Services	170,000.00	170,000.00	73,354.46	96,645.54	56.85%
51401	Rents and Leases - Equipment	2,200.00	2,200.00	0.00	2,200.00	100.00%
51421	Rents and Leases - Bldg/Land	3,381.00	3,381.00	0.00	3,381.00	100.00%
51803	Other Contract Services	7,109,882.00	7,109,882.00	2,447,867.39	4,662,014.61	65.57%
51901	Telecommunication Data Lines	1,112.00	1,112.00	258.05	853.95	76.79%
51902	Telecommunication Usage	24.00	24.00	0.78	23.22	96.75%
51904	ISD - Baseline Services	24,730.00	24,730.00	1,303.15	23,426.85	94.73%
51907	ISD - Device Modernization Pro	0.00	0.00	5,388.03	(5,388.03)	0.00%
51909	Telecommunication Wireless Svc	927.00	927.00	234.55	692.45	74.70%
51911	Mail Services	250.00	250.00	0.00	250.00	100.00%
51916	County Services Chgs	31,397.00	31,397.00	0.00	31,397.00	100.00%
51922	County Car Expense	2,810.00	2,810.00	0.00	2,810.00	100.00%
52091	Memberships/Certifications	13,070.00	13,070.00	540.00	12,530.00	95.87%
52111	Office Supplies	2,000.00	2,000.00	0.00	2,000.00	100.00%
52115	Books/Media/Subscriptions	6,780.00	6,780.00	0.00	6,780.00	100.00%
52162	Special Department Expense	1,405.00	1,405.00	0.00	1,405.00	100.00%
52163	Professional Development	7,000.00	7,000.00	1,094.40	5,905.60	84.37%
All Expense/Expenditure Accts		8,059,215.00	8,059,215.00	2,588,054.35	5,471,160.65	68%

All Expense/Expenditure Accts

		8,059,215.00	8,059,215.00	2,588,054.35	5,471,160.65	
All Revenues		8,059,510.00	8,059,510.00	2,115,452.62	5,944,057.38	
Net Cost		(295.00)	(295.00)	472,601.73	(472,896.73)	

66110300 Zero Waste - Organics Reserve

Department / Account	Description	Original Budget	Final Budget	Year to Date	Remaining Balance	% Remaining
All Revenues						
44002	Interest on Pooled Cash	29,289.00	29,289.00	57,067.93	(27,778.93)	-94.84%
All Revenues		29,289.00	29,289.00	57,067.93	(27,778.93)	-95%

All Expense/Expenditure Accts

51201	Administration Services	9,056.00	9,056.00	0.00	9,056.00	100.00%
51206	Accounting/Auditing Services	1,000.00	1,000.00	0.00	1,000.00	100.00%
51212	Outside Counsel - Legal Advice	10,000.00	10,000.00	1,076.10	8,923.90	89.24%
52111	Office Supplies	1,000.00	1,000.00	0.00	1,000.00	100.00%
52163	Professional Development	0.00	0.00	73.85	(73.85)	0.00%
All Expense/Expenditure Accts		21,056.00	21,056.00	1,149.95	19,906.05	95%

All Asset Accounts

19831	Acq-CIP-Bldg & Impr	0.00	1,260,000.00	1,193,142.05	66,857.95	5.31%
All Asset Accounts		-	1,260,000.00	1,193,142.05	66,857.95	5%

All Expense/Expenditure Accts		21,056.00	21,056.00	1,149.95	19,906.05	
All Assets Accounts		-	1,260,000.00	1,193,142.05	66,857.95	
All Revenues		29,289.00	29,289.00	57,067.93	(27,778.93)	
Net Cost		(8,233.00)	1,251,767.00	1,137,224.07	114,542.93	

66110900 ZW - Contingency Fund

Department / Account	Description	Original Budget	Final Budget	Year to Date	Remaining Balance	% Remaining
All Revenues						
44002	Interest on Pooled Cash	134,000.00	134,000.00	17,806.26	116,193.74	86.71%
All Revenues		134,000.00	134,000.00	17,806.26	116,193.74	87%

All Expense/Expenditure Accts

51201	Administration Services	94,199.00	94,199.00	9,600.13	84,598.87	89.81%
51206	Accounting/Auditing Services	1,000.00	1,000.00	0.00	1,000.00	100.00%
51212	Outside Counsel - Legal Advice	20,000.00	20,000.00	9,550.50	10,449.50	52.25%
51803	Other Contract Services	25,000.00	25,000.00	24,865.00	135.00	0.54%
52111	Office Supplies	1,000.00	1,000.00	469.65	530.35	53.04%
52162	Special Department Expense	119,000.00	119,000.00	3,591.45	115,408.55	96.98%
All Expense/Expenditure Accts		260,199.00	260,199.00	48,076.73	212,122.27	82%

All Asset Accounts

19831	Acq-CIP-Bldg & Impr	0.00	0.00	7,140.00	(7,140.00)	0.00%
All Asset Accounts		-	-	7,140.00	(7,140.00)	0%

All Expense/Expenditure Accts		260,199.00	260,199.00	48,076.73	212,122.27	
All Assets Accounts		-	-	7,140.00	(7,140.00)	
All Revenues		134,000.00	134,000.00	17,806.26	116,193.74	
Net Cost		126,199.00	126,199.00	37,410.47	88,788.53	

66111300 Debt Servicing Reserve

Department / Account	Description	Original Budget	Final Budget	Year to Date	Remaining Balance	% Remaining
All Revenues						
44002	Interest on Pooled Cash	44,000.00	44,000.00	19,399.95	24,600.05	55.91%
47101	Transfers In - within a Fund	900,000.00	900,000.00	0.00	900,000.00	100.00%
All Revenues		944,000.00	944,000.00	19,399.95	924,600.05	98%

All Expense/Expenditure Accts

51201	Administration Services	91,407.00	91,407.00	0.00	91,407.00	100.00%
51206	Accounting/Auditing Services	1,000.00	1,000.00	0.00	1,000.00	100.00%
All Expense/Expenditure Accts		92,407.00	92,407.00	-	92,407.00	100%

All Asset Accounts

19831	Acq-CIP-Bldg & Impr	703,280.00	1,543,280.00	899,155.66	644,124.34	41.74%
All Asset Accounts		703,280.00	1,543,280.00	899,155.66	644,124.34	42%

All Expense/Expenditure Accts		92,407.00	92,407.00	-	92,407.00	
All Assets Accounts		703,280.00	1,543,280.00	899,155.66	644,124.34	
All Revenues		944,000.00	944,000.00	19,399.95	924,600.05	
Net Cost		(148,313.00)	691,687.00	879,755.71	(188,068.71)	

66111200 Unfunded Pension Liability

Department / Account	Description	Original Budget	Final Budget	Year to Date	Remaining Balance	% Remaining
All Revenues						
44002	Interest on Pooled Cash	16,000.00	16,000.00	7,411.88	8,588.12	53.68%
All Revenues		16,000.00	16,000.00	7,411.88	8,588.12	54%

All Expense/Expenditure Accts

51206	Accounting/Auditing Services	1,000.00	1,000.00	0.00	1,000.00	100.00%
All Expense/Expenditure Accts		1,000.00	1,000.00	-	1,000.00	100%

All Expense/Expenditure Accts		1,000.00	1,000.00	-	1,000.00	
All Revenues		16,000.00	16,000.00	7,411.88	8,588.12	
Net Cost		(15,000.00)	(15,000.00)	(7,411.88)	(7,588.12)	

Second Quarter Fund Balances FY 25/26

Fund		Beginning Balance	12/31/2025	Projected Fund Balance	Fund Balance Goal
Organics Reserve	78103	4,363,728	3,226,504	2,787,678	1,974,414
HHW	78104	616,771	1,025,119	1,141,848	559,023
Contingency Reserve	78109	2,285,312	2,247,902	1,013,233	927,127
Education & Outreach	78110	1,471,028	1,054,302	198,404	107,957
Organics	78111	1,962,364	1,489,763	2,239,127	1,974,414
Unfunded Pension Liability Rsv	78112	732,410	739,822	725,773	
Debt Servicing Reserve	78113	1,968,325	1,088,570	1,883,083	
Total			10,871,981	9,989,146	



Agenda Item #: 5
Cost Center: All
Staff Contact: Collard
Agenda Date: 3/19/2026
Approved By: LL

ITEM: Public Hearing for the Consideration of Organics Disposal Increase

I. RECOMMENDED ACTION / ALTERNATIVES TO RECOMMENDATION

Staff recommends opening the public hearing on the increase of the Sonoma County Waste Management Agency (“Zero Waste Sonoma” or “ZWS”) tipping fees related to wood waste and yard debris (collectively the “disposal fees for organic materials”), receiving public comment, closing the public hearing, and providing direction to staff regarding the amount of the tipping fee increases, if any. If the Board adjusts the tipping fees, staff recommends the adoption of the Resolution making the fee adjustments effective April 1, 2026. **Approval of this item requires a supermajority (8/10) vote.**

II. BACKGROUND

The ZWS Board of Directors sets the disposal fees for organic materials collected at the landfill and transfer stations owned by Sonoma County (“County”) and operated by Republic Services of Sonoma County, Inc. (“Republic”).

Disposal Fees for Organic Materials

The disposal fees for organic materials are levied against yard waste and wood waste delivered to the County landfill or transfer stations for composting. Republic collects these revenues, remits them to the County, which in turn, deposits the revenues with ZWS.

The disposal fees for organic materials cover the costs of the Organic Materials Program. The Organic Materials Program provides the following services: municipal composting, composting education and outreach, and implementation of SB 1383 regulations related to organic waste diversion.

The disposal fees for organic materials are \$89.75 per ton. ZWS proposes increasing the disposal fees for organic materials by \$13.00 per ton to \$102.75 per ton to adequately fund the increases to the Organic Materials Program.

III. DISCUSSION

After the closure of the Sonoma Compost facility in 2015, the Agency’s Board of Directors approved short-term agreements with Redwood Landfill, Inc. and Cold Creek Compost, Inc. to process organic materials generated by Sonoma County residents. At the March 19, 2026, regular meeting, the ZWS board approved a new agreement with Redwood Landfill, Inc., which included a significant reduction of organic materials accepted at their composting facility, from 50,000 tons to 27,500 tons per year. Cold Creek indicated that they would not be able to accept additional material beyond what they are currently contracted.

Given the need for increased processing capacity, ZWS staff reached out to other composting facilities in the region. Based on the gate rates provided and in coordination with Recology Sonoma Marin, with whom ZWS contracts to transport organic materials from the transfer stations to the composting facilities, ZWS staff chose to move forward with Pacific Organics Solutions and Republic Services in Richmond. While both facilities have the capacity to take the needed material, there is a large increase in hauling and processing fees for these new partners.

Ratepayer Impact Analysis:

The proposed increase to the organics disposal fees is \$13.00/ton. For customers receiving solid waste collection services by a solid waste hauler, this will have a very small impact on residential rates, estimated to be an average increase of \$0.73 per month (1.8%) per customer (for a 32 gallon cart), this number will vary by can size and jurisdiction based on current rates.

IV. FUNDING IMPACT

Organics Revenue

Current Tipping Fee \$89.75/ton	\$8,216,332
<u>Proposed Tipping Fee \$102.75/ton</u>	<u>\$9,406,442</u>
Increased organics revenue	\$1,190,110

The increased costs of managing out of county composting contribute to the need for these increases. Failing to increase fees above current levels would result in inadequate monitoring of compliance efforts and could lead to financial penalties to the Members for non-compliance.

V. ATTACHMENTS

Resolution

DATED: March 19, 2026

RESOLUTION OF SONOMA COUNTY WASTE MANAGEMENT AGENCY (ALSO KNOWN AS ZERO WASTE SONOMA)
INCREASING DISPOSAL FEES FOR WOOD WASTE AND YARD DEBRIS, AND INCREASING THE WASTE
MANAGEMENT AGENCY FEE

WHEREAS, the Amended and Restated Joint Exercise of Powers Agreement for the Sonoma County Waste Management Agency (“Agreement”) was approved by all members on April 18, 2017 to allow member agencies (“Members”) to jointly exercise their powers to address issues related to the management of wood waste, yard waste, and household hazardous waste (“HHW”) and to provide public education related to waste diversion within the Members’ jurisdictions; and

WHEREAS, under the Agreement, the Sonoma County Waste Management Agency (“Zero Waste Sonoma”) has the authority to: (1) provide recycling and disposal of Household HHW from the Members’ jurisdictions (the “HHW Program”); (2) provide services and programs to divert organic material, including but not limited to yard waste and wood waste, from landfills (the “Organic Materials Program”); (3) provide education regarding recycling, composting and other methods of waste diversion to Members and the public (the “Education Program”); (4) conduct, prepare and submit all monitoring and reporting as a Regional Agency as required pursuant to the Integrated Waste Management Act (the “Reporting Program”); and, (5) conduct additional activities and programs to further increase waste diversion; and

WHEREAS, under the Organic Materials Program, yard waste (including residential food waste) and wood waste is collected and processed from Members’ jurisdictions (the “Composting Program”) and funded by a tonnage disposal fee or tip fee levied against yard waste and wood waste received at the Central Landfill and transfer stations; and

WHEREAS, this Agreement requires the County to collect and remit to Zero Waste Sonoma the above revenues collected from the tonnage disposal fees to fund the Organics Materials Program; and

WHEREAS, the Organic Materials Program provides the following services: municipal composting, tree recycling, composting education and outreach, and implementation of SB 1383 regulations related to organic waste diversion; and

WHEREAS, existing disposal fees for wood waste and yard debris, and the Waste Management Agency Fee, are insufficient to defray future costs Zero Waste Sonoma’s programs; and

WHEREAS, in order for the fees to cover the costs of providing services or regulatory programs for which the fees are imposed, the fees must be adjusted to reflect reasonable estimated costs of service; and

WHEREAS, the fees are subject to the adoption procedures set forth in Government Code section 66018; and

WHEREAS, in accordance with Government Code section 66018, the Board of Directors called a public hearing for March 19, 2026, for the purpose of receiving public comments to the proposed fees. Notice of the public hearing was given by publication in a newspaper of general circulation within the County once a week for two weeks commencing at least 10 days prior to the public hearing, with at least 5 days intervening between the first and last publication. On March 19, 2026, at the time and place set for the public hearing, the Board heard and considered all oral and written presentations and comments made regarding the proposed fees; and

WHEREAS, the Board now wishes to adopt the new or increased Fees

NOW THEREFORE, BE IT RESOLVED the Board of Directors of the Sonoma County Waste Management Agency hereby finds, determines, and resolves as follows:

SECTION 1. The above Recitals are true and correct and by this reference incorporated herein.

SECTION 2. The Board hereby directs the County to increase the amount of disposal fees collected by the County and remitted to Zero Waste Sonoma by the amounts listed below, effective April 1, 2026:

Disposal Fee Type	All County of Sonoma-Owned Solid Waste Facilities Current Fee	All County of Sonoma-Owned Solid Waste Facilities Proposed Fee
Wood/Yard Waste	\$89.75 per ton	\$102.75 per ton

SECTION 3. The Board called a public hearing on March 19, 2026, for the purpose of receiving public comments to the proposed fees. Notice of the public hearing was given by publication in a newspaper of general circulation within the County once a week for two weeks commencing at least 10 days prior to the public hearing, with at least 5 days intervening between the first and last publication. On March 19, 2026, at the time and place set for the public hearing, the Board heard and considered all oral and written presentations and comments made regarding the proposed fees.

SECTION 4. The Board finds and determines that:

(a) The fees established by this resolution:

(1) are imposed for a specific government service provided directly to the payor, or for reasonable regulatory costs of the Member Agencies or other rules or ordinances;

(2) are no more than necessary to cover the reasonable costs of the governmental activity for which the fee is imposed; and

(3) the manner in which those costs are allocated to a payor bear a fair or reasonable relationship to the payor's burdens on, or benefits received from, the governmental activity for which the fee is imposed; and

(b) The fees are not taxes within the meaning of California Constitution article XIII C, section 1(e).

SECTION 5. The Board finds and determines that the proposed fees are not subject to environmental review under the California Environmental Quality Act ("CEQA"). First, the proposed fees, in and of themselves, do not have potential for resulting in either a direct physical change in the environment, or a reasonably foreseeable indirect physical change in the environment and therefore are not considered a "project" under CEQA. (Pub. Resources Code, § 21065, 14 Cal. Code Regs., § 15378, subd. (a).) Second, the fees are covered by the general rule that CEQA applies only to projects which have the potential for causing a significant effect on the environment; here, there is no possibility that the proposed fees, in and of themselves, may have a significant effect on the environment. (14 Cal. Code Regs., § 15061, subd. (b)(3).)

SECTION 6. If any section, subsection, clause or phrase in this Resolution or the application thereof to any person or circumstances is for any reason held invalid, the validity of the remainder of this Resolution or the application of such provision to other persons or circumstances shall not be affected thereby. The Board

hereby declares that it would have passed this Resolution and each section, subsection, sentence, clause, or phrase thereof, irrespective of the fact that one or more sections, subsections, sentences, clauses, or phrases or the application thereof to any person or circumstance be held invalid.

PASSED, APPROVED, and ADOPTED, by the Board of Directors of the Sonoma County Waste Management Agency, on this 19th day of March, 2026.

MEMBERS:

- - Cloverdale	- - Cotati	- - County	- - Healdsburg	- - Petaluma
- - Rohnert Park	- - Santa Rosa	- - Sebastopol	- - Sonoma	- - Windsor

AYES: - - NOES: - - ABSENT: - - ABSTAIN: - -

SO ORDERED

The within instrument is a correct copy of the original on file with this office.

ATTEST: DATE:

Clerk the Sonoma County Waste Management Agency of the State of California in and for the County of Sonoma



Agenda Item #: 6
Cost Center: All
Staff Contact: Collard
Agenda Date: 3/19/2026
Approved By: LL

ITEM: Discussion and Possible Action on the Fiscal Year 2026-27 ZWS Final Budget

I. RECOMMENDED ACTION

Staff recommends the Board approve the FY 26-27 Zero Waste Sonoma Final Budget. As this item is a budget item, it requires a super-majority (8/10) vote for approval.

II. BACKGROUND

The FY 2026-27 Work Plan was approved at the January 15, 2026 Board meeting. The Work Plan serves as a key tool outlining contractor and staff costs for individual programs and planned projects for the upcoming fiscal year, marking the first step in the budget development process.

The Draft Budget which establishes funding guidelines and key parameters to align ZWS's annual budget with the County's budget, accounting, and audit processes was approved at the February 19, 2026 meeting. The final step is the Board's approval of the Final Budget which requires a supermajority vote.

III. DISCUSSION

The FY 26-27 Final Budget is focused on maintaining core ZWS programs and is similar to the FY 25-26 Budget. Overhead administration costs (Executive Director, Administrative Manager, Agency Clerk and shared office expenses) are distributed across all programs based on a percentage split. Due to increased tonnage last year, staff does not recommend increases to the Agency surcharge. Staff is recommending an increase to the Organics Tipping fee to account for the large increase to the gate rates and hauling rates for the green waste.

Program items that have a change of \$10,000 and 5% were presented in the Explanations and Details sections of the Draft Budget at the February meeting.

Staff presented the staff report to increase the Organics Tipping fee by an additional \$13.00/ton in the prior board item. This would bring the new tipping fee to \$102.75/ton. Staff hired R3 to evaluate the impact of this fee increase on residential customers and the increase would be between \$0.65 to \$0.97 per month, depending on cart size.

Revenue

- Notable changes in revenue are a decrease in grant funding (federal and state). Two state funded grants and one federal grant will be completed in FY 25/26.
- Staff is recommending an increase to the Organics tipping fee, which will result in a needed increase to revenue.
- Interest in Pooled Cash has increased over the years and the budget is showing a more accurate accounting of this.
- Rental income is a new line item for the budget to account for the tenant at 195 Concourse Blvd. (aka Headquarters).
- Staff is requesting a small increase to the Debt Servicing contribution to fund the HHW facility design.

Expenditures

- With the purchase of Headquarters, staff has added increased funding to maintenance for any unexpected repairs that may arise, utilities, and janitorial services.
- Administration services are increased based on the new year's calculation for benefits and salaries. ZWS is fully staffed and does not anticipate the need for new positions.
- Advertising/Marketing – the current fiscal year contained a larger budget for a one-time contamination outreach program. Staff recommends reducing the outreach in the new fiscal year.
- Client Accounting Services has been increased based on actual expenditures from last year.
- Rents and Leases have been increased to account for the HOA fees at Headquarters.

Conclusion

This budget reflects the changes needed to implement the programs outlined in the FY26/27 Work Plan. Between all funds, staff estimates a net cost (drawdown to reserves) of \$91,430 for the Fiscal Year. There is a proposed drawdown to the Contingency Reserves [\$173,706] and Debt Servicing Contingency [\$146,513] fund balances for one-time contingency fund projects. Staff believe it is a sensible budget that reflects the direction given to staff. Staff recommends the Board approve the FY 26/27 Final Budget.

IV. ATTACHMENTS

Final FY 2026-27 Budget
History and Fund Balance
Budget Resolution

Zero Waste Sonoma
FY 26-27 Final Budget Summary

	Organics 78111	H H W 78104	Ed & Outreach 78110	Organics Res. 78103	Contin. Res. 78109	Unfund Liab 78112	Debt Srv.R 78113	Total All Divisions
REVENUES								
42358 State Other Funding	-	87,720	177,440	-	-			265,160
42601 County of Sonoma	9,406,442	2,883,182	999,891	-	-			13,289,515
44002 Interest on Pooled Cash	-	40,000	-	150,000	70,000	25,000	55,000	340,000
44101 Rent/Rental Income	17,328	19,152	9,120					45,600
46029 Donations/Contributions	-	244,233	83,313	-	-			327,547
47101 Transfers In - w/in Fund	12,090	-	-	-	-		950,000	962,090
TOTAL REVENUES	9,435,860	3,274,288	1,269,765	150,000	70,000	25,000	1,005,000	15,229,912
EXPENDITURES								
51032 Janitorial	2,736	3,024	1,440					7,200
51041 Insurance - Liability	9,201	10,169	4,843	-	-			24,213
51071 Maintenance	9,500	20,500	5,000					35,000
51201 Administration Services	362,945	451,181	737,796	28,618	82,706		113,071	1,776,317
51205 Ad/Marketing Svc	5,000	26,000	14,500	-	-			45,500
51206 Accounting/Auditing Service	18,903	11,718	5,580	1,000	1,000	1,000	1,000	40,201
51207 Client Accounting Services	25,460	28,140	13,400	-	-			67,000
51212 Legal Services	5,000	2,000	20,000	10,000	20,000			57,000
51213 Engineer Services	-	-	-	-	-			-
51214 Temp Services	-	-	-					-
51225 Training Services	-	2,400	-	-	-			2,400
51229 Hazardous Waste Disposal		32,500						32,500
51241 Outside Printing			3,500					3,500
51249 Other Professional Services	15,000	52,089	138,734	-	-			205,823
51401 Rents / Leases - Equipment	1,190	1,315	626	-	-			3,132
51421 Rents / Leases - Bldg/Land	9,530	31,534	9,266	-	-			50,330
51507 Special Departmental Exp.		120,000						120,000
51803 Other Contract Services	8,902,761	1,450,000	57,000	-	45,000			10,454,761
51805 Sponsorships			11,750					11,750
51901 Telecommunication Data Li	1,205	1,205	3,716	-	-			6,126
51902 Telecommunication Usage	24	24	120	-	-			168
51904 ISD - Baseline Services	10,104	10,386	17,412	-	-			37,903
51906 ISD - Supplemental Projects	-	-	400	-	-			400
51909 Telecommunication Wirele	1,159	1,307	5,220	-	-			7,686
51911 Mail Services	250	100	500	-	-			850
51915 ISD - Reprographics Service	-	-	-	-	-			-
51916 County Services	16,983	18,771	8,939	-	-			44,693
51919 EFS Charges	-	-	-	-	-			-
51922 County Car Expense	1,520	1,680	800	-	-			4,000
51923 Unclaimable County Car Ex	-	-	50					50
52091 Memberships/Certification	11,665	10,060	32,866	-	-			54,591
52111 Office Supplies	2,000	3,000	13,700	1,000	1,000			20,700
52114 Freight/Postage	-		2,000					2,000
52115 Subscriptions	3,667	4,053	1,930					9,651
52118 Print Supplies (Zero Waste Gd)			17,400					17,400
52162 Special Departmental Expe	5,760	840	112,400	-	94,000	-	-	213,000
52163 Professional Development	7,000	13,100	23,720	-	-			43,820
52191 Utilities Expense	7,296	11,009	3,840					22,145
SUBTOTAL	9,435,860	2,318,106	1,268,448	40,618	243,706	1,000	114,071	13,421,810
OTHER CHARGES								
57011 Transfers Out - within a Fur	-	950,000	-	-	-			950,000
57015 Transfers Out - All Others	-	-	-	12,090	-			12,090
SUBTOTAL	-	950,000	-	12,090	-			962,090
19831 Acq-CIP-Bldg & Impr							937,442	937,442
TOTAL EXPENDITURES	9,435,860	3,268,106	1,268,448	52,708	243,706	1,000	1,051,513	15,321,342
NET COST	0	(6,181)	(1,316)	(97,292)	173,706	(24,000)	46,513	91,430

FY 26-27 Final Budget Zero Waste Sonoma Revenue, Expenditure, and Fund Balance History Summary											
	Actual FY 20-21	Actual FY 21-22	Actual FY 22-23	Actual FY 23-24	Actual FY 24-25	Budgeted FY 25-26	Estimated FY 25-26	Requested FY 26-27	Difference	% Change	
REVENUES											
42461 Federal Other Funding				26,192	117,297	150,000	150,000	0	(150,000)		
42358 State Other Funding	323,080	570,367	840,126	(5,015)	609,275	0	0	0	0	0%	
42360 State Grant Revenue			509,461		1,361,035	959,318	959,318	265,160	0	0%	
42601 County of Sonoma	8,962,064	9,632,164	10,111,042	11,781,745	12,188,670	11,756,915	11,756,915	13,289,516	1,532,601	11.5%	
44002 Interest on Pooled Cash	65,394	50,563	159,793	238,389	428,936	238,389	441,542	340,000	101,611	30%	
44050 Unrealized Gains and Losses	(45,119)	(320,191)	(31,614)	34,263	154,384	0	0	0	0	0%	
44101 Rental Income						0	22,800	45,600	45,600	200%	
46029 Donations/Contributions	202,950	234,302	285,339	339,329	338,123	339,329	339,329	327,547	(11,782)	-4%	
46050 Cancelled/Stale Dated Warrants	0	144	163	0	4,686	0	1,081	0	0	0%	
46200 Revenue Appl PY Misc Revenue	7,287	86,336	99,328	(102,820)	125	0	0	0	0	0%	
46203 PY Intergovmntl Rev - State				128,364	0			0	0	0%	
46210 Refunds	0	0	0	0	1,320	0	0	0	0	0%	
SUBTOTAL	9,515,657	10,253,685	11,973,637	12,440,446	15,203,851	13,443,950	13,670,984	14,267,822	1,827,376	13%	
47101 Transfers In - Within a Fund	0	0	745,000	900,000	3,351,481	900,000	900,000	962,090	62,090	6%	
48004 Residual Equity Transfers	0	0	0	0	0	0	0	0	0	0%	
SUBTOTAL	0	0	745,000	900,000	3,351,481	900,000	900,000	962,090	62,090	0%	
TOTAL REVENUES	9,515,657	10,253,685	12,718,637	13,340,446	18,555,332	14,343,950	14,570,984	15,229,912	885,962	6%	
EXPENDITURES											
51032 Janitorial Services					0	0	4,200	7,200	7,200	100%	
51041 Insurance - Liability	11,632	12,562	13,229	14,989	16,201	16,687	24,212	24,213	7,526	31%	
51071 Maintenance - Bldg	2,241	2,923	2,348	10,000	6,475	10,000	10,000	35,000	25,000	71%	
51201 Administration Services	1,080,769	1,055,760	1,220,829	1,389,261	1,521,154	1,580,451	1,671,858	1,776,317	195,867	11%	
51205 Advertising/Marketing Svc	8,651	15,174	4,443	45,750	25,038	65,500	65,500	45,500	(20,000)	-44%	
51206 Accounting/Auditing Services	18,800	17,000	0	30,876	30,900	30,876	30,876	40,201	9,325	23%	
51207 Client Accounting Services	19,329	22,511	34,880	41,862	66,712	50,000	50,000	67,000	17,000	25%	
51212 Outside Counsel-Legal Advice	46,676	22,186	19,087	60,434	41,951	57,000	57,000	57,000	0	0%	
51214 Agency Extra/Temp Help	0	0	0	0	0	0	0	0	0	0%	
51225 Training Services	783	900	0	2,400	0	2,400	2,400	2,400	0	0%	
52119 Hazardous Waste Disposal	27,283	8,567	4,000	57,000	28,044	57,000	57,000	32,500	(24,500)	-75%	
51241 Outside Printing	0	727	4,948	3,500	0	3,500	30,000	3,500	0	0%	
51249 Other Professional Services	266,259	481,622	1,349,186	952,530	1,485,889	1,093,338	1,093,338	205,823	(887,515)	-431%	
51401 Rents and Leases - Equipment	2,812	2,568	3,163	2,925	2,957	3,132	3,132	3,132	0	0%	
51421 Rents and Leases - Bldg/Land	4,815	6,435	12,712	29,531	11,539	30,063	30,063	50,330	20,267	40%	
51507 Special Departmental Expense	43,413	117,043	77,025	105,000	111,626	105,000	120,000	120,000	15,000	13%	
51801 Other Services	3,379	7,265	9,734	2,000	81,738	0	0	0	0	0%	
51803 Other Contract Services	7,338,257	7,334,199	7,971,878	8,712,782	8,123,026	8,874,882	8,874,882	10,454,761	1,579,879	15%	
51805 County Sponsorships	0	3,935	4,700	11,500	4,500	11,500	11,500	11,750	250	2%	
51901 Telecommunication Data Lines	7,948	7,989	7,337	17,840	8,132	17,925	17,925	6,126	(11,800)	-193%	
51902 Telecommunication Usage	1,134	1,256	1,198	1,218	226	1,233	1,365	168	(1,065)	-634%	
51903 Telecommunication Installation	0	1	0	0	0	0	0	0	0	0%	
51904 ISD - Baseline Services	36,478	37,445	35,740	52,337	38,511	57,570	57,570	37,903	(19,667)	-52%	
51905 ISD - Improvement Projects	526	42	2,085	0	99	0	0	0	0	0%	
51906 ISD - Supplemental Projects	150	0	0	400	0	400	0	0	(400)	0%	
51907 ISD - Device Modernization	12,242	0	2,037	0	1,821	0	1,938	0	0	0%	
51909 Telecommunication Wireless Svc	7,706	8,649	9,751	11,278	6,678	11,428	11,428	7,686	(3,742)	-49%	
51911 Mail Services	9	808	117	600	3,225	850	850	850	0	0%	
51912 Records Services	0	1	0	0	0	0	0	0	0	0%	
51916 County Services	32,285	31,196	7,204	45,586	5,552	44,693	44,910	44,693	0	0%	
51922 County Car Expense	1,936	(1,604)	1,364	4,160	1,739	4,000	4,000	4,000	0	0%	
51923 Unclaimable County Car Expense	7	7	18	50	0	50	50	50	0	0%	
52091 Memberships/Certifications	10,728	38,720	47,080	58,121	89,988	57,946	57,946	54,591	(3,355)	-6%	
52111 Office Supplies	2,579	17,090	14,677	18,520	14,866	20,120	20,120	20,700	580	3%	
52114 Freight/Postage	11,063	3,037	1,733	10,000	174	10,000	10,000	2,000	(8,000)	-400%	
52115 Subscriptions (web)	4,920	7,263	5,547	6,946	7,443	9,651	9,651	9,651	0	0%	
52118 Printing and Binding Supplies	1,542	5,311	11,228	17,400	14,167	17,400	17,400	17,400	0	0%	
52162 Special Departmental Expense	7,281	134,069	26,362	291,595	123,527	293,000	293,000	213,000	(80,000)	-38%	
52163 Professional Development	1,039	12,088	37,650	39,881	34,240	45,820	45,820	43,820	(2,000)	-5%	
52191 Utilities	2,575	2,630	2,798	2,945	2,761	2,945	2,945	22,145	19,200	87%	
53402 Depreciation Expense	8,692	8,692	5,167	0	5,110	0	0	0	0	0%	
SUBTOTAL	9,025,941	9,426,067	10,951,258	12,051,219	11,916,011	12,586,361	12,728,681	13,414,210	827,849	6%	
57011 Transfers Out - Within a Fund	0	0	745,000	1,355,756	3,351,481	900,000	900,000	962,090	62,090	6%	
57015 Transfers Out - All Others	0	0	0	0	1	0	0	0	0	0%	
SUBTOTAL	0	0	745,000	1,355,756	3,351,482	900,000	900,000	962,090	62,090	6%	
19831 Acq-CIP-Bldg & Impr						2,803,280	2,736,422	937,442	(1,865,838)	-199%	
TOTAL EXPENDITURES	9,025,941	9,426,067	11,696,258	13,406,975	15,267,493	13,486,361	16,365,103	15,313,742	889,939	6%	
NET COST	(489,716)	(827,618)	(1,022,379)	66,529	(3,287,839)	(857,589)	1,729,146	83,830			
ROUNDING ERROR				2		2		2			
FUND BALANCE											
Beginning Fund Balance	8,576,817	9,111,419	9,440,747	10,939,086	9,750,550		9,750,550	8,021,404			
Ending Fund Balance	9,111,419	9,440,747	10,939,086	9,750,550			8,021,404	7,937,574			

FY 26-27 Final Budget
Zero Waste Sonoma
Revenue, Expenditure, and Fund Balance History
Debt Services Reserve 78113

	Actual FY 20-21	Actual FY 21-22	Actual FY 22-23	Actual FY 23-24	Actual FY 24-25	Budgeted FY 25-26	Estimated FY 25-26	Requested FY 26-27	Difference	% Change
REVENUES										
44002 Interest on Pooled Cash	0	921	12,562	32,805	47,323	44,000	74,000	55,000	(19,000)	6%
44050 Unrealized Gains and Losses	0	(14,962)	(10,878)	18,322	8,510	0	0	0	0	0%
46029 Donations/Contributions	0	0	0	0	0	0	0	0	0	0%
46200 Revenue Appl PY Misc Revenue	0	0	0	0	0	0	0	0	0	0%
SUBTOTAL	0	(14,041)	1,684	51,126	55,833	44,000	74,000	55,000	11,000	6%
47101 Transfers In - Within a Fund	0	745,000	745,000	745,000	900,000	900,000	900,000	950,000	50,000	5%
48004 Residual Equity Transfers	0	0	0	0	0	0	0	0	0	0%
SUBTOTAL	0	745,000	745,000	745,000	900,000	900,000	900,000	950,000	50,000	0%
TOTAL REVENUES	0	730,959	746,684	796,126	955,833	944,000	974,000	1,005,000	61,000	6%
EXPENDITURES										
51041 Insurance - Liability										
51201 Administration Services						91,407	91,407	113,071	21,664	19%
51205 Advertising/Marketing Svc										
51206 Accounting/Auditing Services	0	0	0	0	1,000	1,000	1,000	1,000	0	0%
51207 Client Accounting Services										
51801 Other Services				1,000						
52163 Professional Development										
SUBTOTAL	0	0	0	1,000	1,000	92,407	1,000	114,071	21,664	19%
57011 Transfers Out - Within a Fund										
SUBTOTAL	0	0	0	0	0	0	0	0	0	0%
19831 Acq-CIP-Bldg & Impr					258,285	1,543,280	1,543,280	937,442	(605,838)	-65%
TOTAL EXPENDITURES	0	0	0	1,000	1,000	1,635,687	1,544,280	1,051,513	(492,767)	-47%
NET COST	0	(730,959)	(746,684)	(795,126)	(954,833)	691,687	570,280	46,513	(553,767)	
FUND BALANCE										
Beginning Fund Balance			730,959	1,477,643	1,272,770		1,969,317	1,179,423		
Ending Fund Balance		730,959	1,477,643	1,272,770	1,969,317		1,179,423	1,132,910		

FY 26-27 Final Budget
Zero Waste Sonoma
Revenue, Expenditure, and Fund Balance History
Organics 78111

	Actual FY 20-21	Actual FY 21-22	Actual FY 22-23	Actual FY 23-24	Actual FY 24-25	Budgeted FY 25-26	Estimated FY 25-26	Requested FY 26-27	Difference	% Change
REVENUES										
42461 Federal Other Funding				26,192	117,297	150,000	150,000	0	(150,000)	0%
42601 County of Sonoma	6,658,704	7,004,421	6,937,009	7,934,341	8,323,757	7,909,510	7,909,510	9,406,442	1,496,931	16%
42358 State Other Funding	0	347,929	60,926	(5,015)		0	0	0	0	0%
42360 State Grant Revenue			147,156			0	0	0	0	0%
44002 Interest on Pooled Cash	0	0		0		0	0	0	0	0%
44050 Unrealized Gains and Losses	920	(50,354)	(7,118)	34,263	25,091	0	0	0	0	0%
44101 Rental Income						0	16,017	17,328	17,328	100%
46029 Donations/Contributions	0	0		0		0	0	0	0	0%
46210 Refunds	0	0		0		0	0	0	0	0%
46200 PY Revenue - Miscellaneous	870	67,569	(64,033)	(102,820)		0	0	0	0	0%
SUBTOTAL	6,660,494	7,369,565	7,073,940	7,886,961	8,466,145	8,059,510	8,075,527	9,423,770	1,364,259	14%
47101 OT-Within Enterprise	0	65,000	0	0	0	0	0	12,090	12,090	0%
48004 Residual Equity Transfers	0	0	0	0	0	0	0	0	0	0%
SUBTOTAL	0	65,000	0	0	0	0	0	12,090	12,090	0%
TOTAL REVENUES	6,660,494	7,434,565	7,073,940	7,886,961	8,466,145	8,059,510	8,075,527	9,435,860	1,376,349	15%
EXPENDITURES										
51032 Janitorial Services							2,951	2,736	2,736	100%
51041 Insurance - Liability	1,338	8,542	8,995	10,025	11,341	11,723	17,008	9,201	(2,522)	-27%
51071 Maintenance								9,500	9,500	100%
51201 Administration Services	176,754	357,149	346,909	395,307	376,397	586,496	586,496	362,945	(223,552)	-62%
51205 Advertising/Marketing Svc	0	0	0	5,250		25,000	25,000	5,000	(20,000)	-400%
51206 Accounting/Auditing Services	6,000	10,200	0	18,903	18,830	18,903	18,903	18,903	0	0%
51207 Client Accounting Services	2,223	15,308	23,718	26,987	46,698	35,125	35,125	25,460	(9,665)	-38%
51212 Outside Counsel-Legal Advice	12,887	5,555	308	8,434	549	5,000	5,000	5,000	0	0%
51241 Outside Printing			2,295	1,659		0	0	0	0	
51249 Other Professional Services	0	282,706	100,738	29,192	110,547	170,000	170,000	15,000	(155,000)	-1033%
51401 Rents and Leases - Equipment	323	1,746	2,151	1,994	2,070	2,200	2,200	1,190	(1,010)	-85%
51421 Rents and Leases - Bldg/Land	373	2,679	2,500	2,849	3,151	3,381	3,381	9,530	6,149	65%
51801 Other Services	2,036	0		29,053	1,572	0	0	0	0	0%
51803 Other Contract Services	6,071,239	6,026,176	6,654,907	6,947,782	6,735,874	7,109,882	7,109,882	8,902,761	1,792,879	20%
51805 County Sponsorships			450			0	0	0	0	0%
51901 Telecommunication Data Lines	1,956	1,630	978	1,027	1,054	1,112	1,112	1,205	92	8%
51902 Telecommunication Usage	17	57	3	8	2	24	24	24	0	0%
51903 Telecommunication Installation	0	0	0	0	0	0	0	0	0	0%
51904 ISD - Baseline Services	13,678	21,320	11,483	19,497	25,638	24,730	24,730	10,104	(14,625)	-145%
51906 ISD - Supplemental Projects						0	0	0	0	0%
51907 ISD - Device Modernization	7,573	0	0	0	0	0	0	0	0	0%
51909 Telecommunication Wireless Svc	0	0	996	777	541	927	927	1,159	232	20%
51911 Mail Services	0	0	20	0	0	250	250	250	0	0%
51916 County Services	4,276	17,400	1,182	32,290	1,059	31,397	31,397	16,983	(14,413)	-85%
51922 County Car Expense	223	3,848	831	2,970	1,217	2,810	2,810	1,520	(1,290)	-85%
52091 Memberships/Certifications	805	12,065	11,925	13,245	27,447	13,070	13,070	11,665	(1,405)	-12%
52111 Office Supplies	695	11,593	17	400	0	2,000	2,000	2,000	0	0%
52114 Freight/Postage	10,134	0	0	0	0	0	0	0	0	0%
52115 Subscriptions (Web)	0	0	3,772	4,075	5,210	6,780	6,780	3,667	(3,112)	-85%
52162 Special Departmental Expense	0	0	0	0	0	1,405	1,405	5,760	4,355	76%
52163 Professional Development	0	2,666	5,252	1,061	3,651	7,000	7,000	7,000	0	0%
52191 Utilities	0	0	0	0	0	0	0	7,296	7,296	0%
SUBTOTAL	6,312,528	6,780,639	7,179,429	7,552,786	7,372,848	8,059,216	8,067,452	9,435,860	1,376,645	15%
57011 Transfers Out - Within a Fund	0	0	0	455,756	1,350,260	0	0	0	0	0%
57015 Transfers Out - All Others	0	0	0	0	0	0	0	0	0	0%
SUBTOTAL	0	0	0	455,756	1,350,260	0	0	0	0	0%
TOTAL EXPENDITURES	6,312,528	6,780,639	7,179,429	8,008,542	8,723,108	8,059,216	8,067,452	9,435,860	1,376,645	15%
NET COST	(347,966)	(653,926)	105,489	121,581	256,963	(295)	(8,076)	0		
FUND BALANCE										
Beginning Fund Balance	1,452,606	1,799,299	2,454,498	2,349,008	2,227,427		1,970,464	1,978,540	2,358,965	380,425
Ending Fund Balance	1,799,299	2,454,498	2,349,008	2,227,427	1,970,464		1,978,540	1,978,540		

FY 26-27 Final Budget
Zero Waste Sonoma
Revenue, Expenditure, and Fund Balance History
Household Hazardous Waste 78104

	Actual FY 20-21	Actual FY 21-22	Actual FY 22-23	Actual FY 23-24	Actual FY 24-25	Budgeted FY 25-26	Estimated FY 25-26	Requested FY 26-27	Difference	% Change
REVENUES										
42358 State Other Funding	133,234	82,563	98,300	52,872	19,190		0			
42360 State Grant Revenue			0	84,988	105,690	88,467	88,467	87,720	(747)	-1%
42601 County of Sonoma	1,785,104	2,036,501	2,388,460	2,809,075	2,860,036	2,866,316	2,866,316	2,883,182	16,866	1%
44002 Interest on Pooled Cash	16,052	9,788	15,113	38,034	41,471	15,100	49,200	40,000	24,900	62%
44050 Unrealized Gains and Losses	(11,949)	(32,692)	(25,044)	38,597	21,876	0	0		0	0%
44101 Rental Income							3,135	19,152		
46029 Donations/Contributions	161,389	185,416	218,878	240,830	247,719	257,390	257,390	244,233	(13,156)	-5%
46050 Cancelled/Stale Dated Warrants	0	0				0	0		0	0%
46200 Revenue Appl PY Misc Revenue	5,198	18,767	127,057		124	0	0		0	0%
46210 Refunds	0	0	0			0	0	0	0	0%
SUBTOTAL	2,089,028	2,300,343	2,822,764	3,264,396	3,296,106	3,227,273	3,227,273	3,274,288	47,015	1%
47101 Transfers In - Within a Fund	0	0	0			0	0	0	0	0%
SUBTOTAL	0	0	0	0	0	0	0	0	0	0%
TOTAL REVENUES	2,089,028	2,300,343	2,822,764	3,264,396	3,296,106	3,227,273	3,227,273	3,274,288	47,015	1%
EXPENDITURES										
51032 Janitorial Services							578	3,024	3,024	100%
51041 Insurance - Liability	7,677	2,261	1,984	2,211	2,106	2,294	3,329	10,169	7,875	77%
51071 Maintenance - Bldg	2,241	2,923	2,348	874	6,475	10,000	10,000	20,500	10,500	51%
51201 Administration Services	447,426	263,402	299,866	321,833	273,559	250,764	250,764	451,181	200,417	44%
51205 Advertising/Marketing Svc	8,136	15,051	4,346	9,175	22,192	26,000	26,000	26,000	0	0%
51206 Accounting/Auditing Services	7,000	2,700	0	4,171	3,497	3,685	3,685	11,718	8,033	69%
51207 Client Accounting Services	12,757	4,052	5,930	6,747	8,673	6,875	6,875	28,140	21,265	76%
51212 Outside Counsel - Legal Advice	1,887	3,536	2,339	1,653	7,194	2,000	2,000	2,000	0	0%
51214 Agency Extra/Temp Help	0	0	0		0	0	0	0	0	0%
51225 Training Services	533	900	0	694	0	2,400	2,400	2,400	0	0%
51229 Hazardous Waste Disposal	27,283	8,567	4,000	37,521	28,044	57,000	57,000	32,500	(24,500)	-75%
51241 Outside Printing			318		0					
51249 Other Professional Services	115,600	63,367	92,822	129,100	99,779	79,991	79,991	52,089	(27,901)	-54%
51401 Rents and Leases - Equipment	1,856	359	474	440	384	431	431	1,315	885	67%
51421 Rents and Leases - Bldg/Land	1,753	3,047	6,206	6,633	5,973	21,662	21,662	31,534	9,872	31%
51507 Special Departmental Expense	43,413	117,043	77,025	114,452	111,626	105,000	105,000	120,000	15,000	13%
51801 Other Services	343	0	2,314	17,579	54,272	0	0		0	0%
51803 Other Contract Services	1,239,488	1,239,720	1,206,174	1,224,731	1,282,989	1,700,000	1,700,000	1,450,000	(250,000)	-17%
51901 Telecommunication Data Lines	489	734	978	1,027	1,205	1,063	1,063	1,205	142	12%
51902 Telecommunication Usage	8	4	4	8	7	24	156	24	0	0%
51903 Telecom Installation					0					
51904 ISD - Baseline Services	18,443	8,589	5,583	7,112	7,329	8,353	8,353	10,386	2,034	20%
51906 ISD - Supplemental Projects					0				0	
51907 ISD - Device Modernization Pro	2,474	0	0		0	0	0		0	0%
51909 Telecommunication Wireless Svc	1,851	2,746	1,946	2,481	1,171	2,101	2,101	1,307	(794)	-61%
51911 Mail Services	8	11	13	9	64	100	100	100	0	0%
51916 County Services	19,270	7,164	2,795	8,840	2,063	6,145	6,145	18,771	12,626	67%
51922 County Car Expense	1,278	792	183	655	226	550	550	1,680	1,130	67%
52091 Memberships/Certifications	4,650	4,850	4,850	7,500	10,135	11,260	11,260	10,060	(1,200)	-12%
52111 Office Supplies	139	1,305	1,083	2,030	1,647	3,000	3,000	3,000	0	0%
52115 Subscriptions (Web)	0	0	832	899	968	1,327	1,327	4,053	2,726	67%
52162 Special Departmental Expense	0	0	0		0	275	275	840	565	67%
52163 Professional Development	658	2,810	5,271	3,595	6,838	13,100	13,100	13,100	0	0%
52191 Utilities	2,575	2,630	2,798	2,781	2,761	2,945	2,945	11,009	8,064	73%
SUBTOTAL	1,969,238	1,758,562	1,732,484	1,914,751	1,941,177	2,318,344	2,320,088	2,318,106	(238)	0%
57011 Transfers Out - Within a Fund	0	1,679,427	745,000	1,198,296	1,945,511	900,000	900,000	950,000	50,000	5%
57015 Transfers Out - All Others	0	0	0	0	0	0	0	0	0	0%
SUBTOTAL	0	1,679,427	745,000	1,198,296	1,945,511	900,000	900,000	950,000	50,000	5%
TOTAL EXPENDITURES	1,969,238	3,437,989	2,477,484	3,113,047	3,886,688	3,218,344	3,220,088	3,268,106	49,762	2%
NET COST	(119,790)	1,137,646	(345,281)	(151,348)	590,582	(8,929)	(7,185)	(6,181)		
FUND BALANCE										
Beginning Fund Balance	1,652,088	1,334,976	634,232	979,513	1,130,861		540,279	547,464	339,903	Difference (213,742)
Ending Fund Balance	1,334,976	634,232	979,513	1,130,861	540,279		547,464	553,645		

FY 26-27 Final Budget
Zero Waste Sonoma
Revenue, Expenditure, and Fund Balance History
Education and Outreach 78110

	Actual FY 20-21	Actual FY 21-22	Actual FY 22-23	Actual FY 23-24	Actual FY 24-25	Budgeted FY 25-26	Estimated FY 25-26	Requested FY 26-27	Difference	% Change
REVENUES										
42358 State Other Funding	189,847	139,876	680,899	1,105,530	590,085		0			
42360 State Grant Revenue			362,305	187,792	1,255,344	870,851	870,851	177,440	(693,411)	-391%
42601 County of Sonoma	518,256	591,242	785,573	923,915	1,004,877	981,088	981,088	999,891	18,803	2%
44002 Interest on Pooled Cash	0	0	0	0	0	0	0	0	0	0%
44050 Unrealized Gains and Losses	(4,313)	(13,238)	8,056	(16,419)	23,542	0	0	0	0	0%
44101 Rental Income							3,648	9,120		
46029 Donations/Contributions	41,560	48,885	66,461	73,343	80,403	81,939	81,939	83,313	1,375	2%
46050 Cancelled/State Dated Warrants	0	144	163	13	4,686	0	1,081	0	0	0%
46203 PY Intergovmntl Rev - State				128,364						
46200 Revenue Appl PY Misc Revenue	1,219	0	36,304	(1,066)	0	0	0	0	0	0%
46210 Reunds					1,320					
SUBTOTAL	746,569	766,909	1,939,761	2,401,472	2,960,258	1,933,878	1,938,607	1,269,765	(664,113)	-52%
47101 Transfers In - Within a Fund	0	0	0	0	0	0	0	0	0	0%
48004 Residual Equity Transfers	0	0	0	0	0	0	0	0	0	0%
SUBTOTAL	0	0	0	0	0	0	0	0	0	0%
TOTAL REVENUES	746,569	766,909	1,939,761	2,401,472	2,960,258	1,933,878	1,938,607	1,269,765	(664,113)	-52%
EXPENDITURES										
51032 Janitorial Services							672	1,440	1,440	100%
51041 Insurance - Liability	2,617	1,759	2,249	2,506	2,754	2,670	3,875	4,843	2,173	45%
51071 Maintenance								5,000	5,000	100%
51201 Administration Services	388,063	350,203	564,483	570,210	649,314	639,936	639,936	737,796	97,861	13%
51205 Advertising/Marketing Svc	515	123	97	2,000	2,846	14,500	14,500	14,500	0	0%
51206 Accounting/Auditing Services	3,500	2,100	0	4,726	4,573	4,288	4,288	5,580	1,292	23%
51207 Client Accounting Services	4,349	3,152	5,232	5,953	11,341	8,000	8,000	13,400	5,400	40%
51212 Outside Counsel - Legal Advice	17,119	9,087	7,960	17,627	23,855	20,000	20,000	20,000	0	0%
51214 Agency Extra/Temp Help	0	0	0	0	0	0	0	0	0	0%
51225 Training Services	250	0	0	0	0	0	0	0	0	0%
51241 Outside Printing	0	727	2,335	1,551	0	3,500	30,000	3,500	0	0%
51249 Other Professional Services	150,659	135,549	1,155,626	1,495,715	1,275,563	843,348	843,348	138,734	(704,614)	-508%
51401 Rents and Leases - Equipment	633	462	538	498	503	501	501	626	125	20%
51421 Rents and Leases - Bldg/Land	2,689	709	4,006	2,387	2,415	5,020	5,020	9,266	4,246	46%
51801 Other Services	1,000	0	524	8,327	25,217	0	0	0	0	0%
51803 Other Contract Services	2,785	30,000	37,443	45,000	29,977	40,000	40,000	57,000	17,000	30%
51805 County Sponsorships	0	3,935	4,250	7,580	4,500	11,500	11,500	11,750	250	2%
51901 Telecommunication Data Lines	5,503	5,625	5,380	5,647	5,873	15,750	15,750	3,716	(12,034)	-324%
51902 Telecommunication Usage	1,110	1,194	1,192	1,188	218	1,185	1,185	120	(1,065)	-888%
51903 Telecommunication Installation	0	0	0	0	0	0	0	0	0	0%
51904 ISD - Baseline Services	4,357	7,536	18,674	8,158	5,545	24,488	24,488	17,412	(7,076)	-41%
51905 ISD - Improvement Projects	526	42	405	49	99	0	0	400	400	0%
51906 ISD - Supplemental Projects	150	0	0	0	0	400	0	0	(400)	0%
51907 ISD - Device Modernization	2,195	0	2,037	2,373	1,821	0	1,938	0	0	0%
51909 Telecommunication Wireless Svc	5,854	5,903	6,809	6,836	4,966	8,400	8,400	5,220	(3,180)	-61%
51911 Mail Services	1	797	84	196	3,160	500	500	500	0	0%
51912 Records Services	0	0	0	25	0	0	0	0	0	0%
51916 County Services	8,065	6,085	2,626	9,338	1,828	7,151	7,151	8,939	1,788	20%
51922 County Car Expense	436	(6,244)	350	743	296	640	640	800	160	20%
51923 Unclaimable County Car Expense	7	7	18	12	0	50	50	50	0	0%
52091 Memberships/Certifications	5,273	21,805	30,305	30,055	52,406	33,616	33,616	32,866	(750)	-2%
52111 Office Supplies	1,745	4,193	5,094	10,159	10,519	13,120	13,120	13,700	580	4%
52114 Freight/Postage	929	3,037	1,733		174	10,000	10,000	2,000	(8,000)	-400%
52115 Subscriptions (web)	4,920	7,263	943	1,019	1,265	1,544	1,544	1,930	386	20%
52118 Printing and Binding Supplies	1,542	5,311	11,228	10,019	14,167	17,400	17,400	17,400	0	0%
52162 Special Departmental Expense	0	750	1,000	37,181	66,125	172,320	172,320	112,400	(59,920)	-53%
52163 Professional Development	381	6,612	27,128	21,528	23,750	25,720	25,720	23,720	(2,000)	-8%
52191 Utilities	0	0	0		0	0	0	3,840	3,840	0%
53402 Depreciation Expense					5,110					
53502 Community Grants				17,437	0					
SUBTOTAL	617,173	607,720	1,899,749	2,326,040	2,230,179	1,925,547	1,955,462	1,268,448	(657,098)	-52%
57011 Transfers Out - Within a Fund	0	622,901	0	137,905	55,710	0	0	0	0	0%
SUBTOTAL	0	622,901	0	137,905	55,710	0	0	0	0	0%
TOTAL EXPENDITURES	617,173	1,230,621	1,899,749	2,463,945	2,285,889	1,925,547	1,955,462	1,268,448	(657,098)	-52%
NET COST	(129,396)	463,712	(40,012)	62,474	(674,369)	(8,331)	16,855	(1,316)		
FUND BALANCE										
Beginning Fund Balance	577,587	711,026	243,271	283,283	220,810		593,679	576,825	169,457	(408,684)
Ending Fund Balance	711,026	243,271	283,283	220,810	593,679		576,825	578,141		

FY 26-27 Final Budget Zero Waste Sonoma Revenue, Expenditure, and Fund Balance History Organics Reserve 78103										
	Actual FY 20-21	Actual FY 21-22	Actual FY 22-23	Actual FY 23-24	Actual FY 24-25	Budgeted FY 25-26	Estimated FY 25-26	Requested FY 26-27	Difference	% Change
REVENUES										
44002 Interest on Pooled Cash	29,306	22,769	68,579	134,922	259,363	29,289	216,342	150,000	120,711	80%
44050 Unrealized Gains and Losses	(13,968)	(77,618)	(477)	39,034	42,322	0	0	0	0	0%
46200 Revenue Appl PY Misc Revenue	0	0	0			0	0	0	0	0%
SUBTOTAL	15,339	(54,850)	68,102	173,956	301,685	29,289	216,342	150,000	120,711	80%
47101 Transfers In - Within a Fund	0	0	0	455,756	1,350,260	0	0	0	0	0%
48004 Residual Equity Transfers	0	0	0	0	0	0	0	0	0	0%
SUBTOTAL	0	0	0	455,756	1,350,260	0	0	0	0	0%
TOTAL REVENUES	15,339	(54,850)	68,102	629,712	1,651,945	29,289	216,342	150,000	120,711	80%
EXPENDITURES										
51201 Administration Services	25,395	31,271	0	22,377	23,336	9,056	9,056	28,618	19,562	68%
51206 Accounting/Auditing Services	1,000	1,000	0	1,000	1,000	1,000	1,000	1,000	0	0%
51207 Client Accounting Services									0	0%
51211 Legal Services									0	0%
51212 Outside Counsel - Legal Advice	13,181	4,009	0		1,594	10,000	10,000	10,000	0	0%
51249 Other Professional Services			0	35,335			0		0	0%
51801 Other Services	0	0	0	1,000			0		0	0%
51803 Other Contract Services	0	0	0		36,686		0		0	0%
51916 County Services	116	274	188			0	0		0	0%
52111 Office Supplies	0	0	0			1,000	1,000	1,000	0	0%
52162 Special Departmental Expense	0	0	0	24,336	9,869	0	0		0	0%
52163 Professional Development	0	0	0			0	0		0	0%
53610 Other Charges	0	0	0			0	0		0	0%
SUBTOTAL	39,692	36,554	188	84,048	72,485	21,056	21,056	40,618	19,562	48%
57011 Transfers Out - Within a Fund	0	0	0	0	0	0	0	12,090	12,090	0%
SUBTOTAL	0	0	0	0	0	0	0	12,090	12,090	0%
198131 Acq-CIP-BLDG & Impr	0	0	0	0	0	1,260,000	1,193,142	0	(1,260,000)	0%
SUBTOTAL	0	0	0	0	0	1,260,000	1,193,142	0	(1,260,000)	0%
TOTAL EXPENDITURES	39,692	36,554	188	84,048	72,485	1,281,056	1,214,198	52,708	(1,228,348)	-2330%
NET COST	24,353	91,403	(67,914)	(545,664)	(1,579,460)	1,251,767	997,856	(97,292)		
FUND BALANCE										
Beginning Fund Balance	2,289,031	2,277,971	2,173,275	2,241,189	2,786,854		4,366,314	3,368,459	2,358,965	(1,106,786)
Ending Fund Balance	2,277,971	2,173,275	2,241,189	2,786,854	4,366,314		3,368,459	3,465,751		

FY 26-27 Final Budget Zero Waste Sonoma Revenue, Expenditure, and Fund Balance History Contingency Reserve 78109										
	Actual FY 20-21	Actual FY 21-22	Actual FY 22-23	Actual FY 23-24	Actual FY 24-25	Budgeted FY 25-26	Estimated FY 25-26	Requested FY 26-27	Difference	% Change
REVENUES										
44002 Interest on Pooled Cash	14,882	13,247	52,186	72,630	53,055	134,000	72,000	70,000	(64,000)	-91%
44050 Unrealized Gains and Losses	(11,769)	(108,218)	3,876	83,534	22,459	0	0	0	0	0%
46029 Donations/Contributions	0	0	0	0	10,001	0	0	0	0	0%
46200 Revenue Appl PY Misc Revenue	0	0	0	0	0	0	0	0	0	0%
SUBTOTAL	3,113	(94,971)	56,062	156,164	85,515	134,000	72,000	70,000	(64,000)	-91%
47101 Transfers In - Within a Fund	0	1,988,858	0	591,201	1,101,221	0	0	0	0	0%
48004 Residual Equity Transfers	0	0	0	0	0	0	0	0	0	0%
SUBTOTAL	0	1,988,858	0	591,201	1,101,221	0	0	0	0	0%
TOTAL REVENUES	3,113	1,893,887	56,062	747,365	1,186,736	134,000	72,000	70,000	(64,000)	-91%
EXPENDITURES										
51201 Administration Services	43,133	53,736	9,571	68,932	198,549	94,199	94,199	82,706	(11,493)	-14%
51205 Advertising/Marketing Svc	0	0	0	0	0	0	0	0	0	0%
51206 Accounting/Auditing Services	1,300	1,000	0	1,000	1,000	1,000	1,000	1,000	0	0%
51212 Outside Counsel - Legal Advice	1,603	0	8,480	25,231	8,760	20,000	20,000	20,000	0	0%
51249 Other Professional Services	0	0	0	0	0	0	0	0	0	0%
51801 Other Services	0	7,265	6,896	1,000	678	0	0	0	0	0%
51803 Other Contract Services	24,745	38,303	73,354	87,816	37,500	25,000	25,000	45,000	20,000	44%
51905 ISD - Improvement Projects	0	0	1,680	0	0	0	0	0	0	0%
51916 County Services	558	274	413	260	602	0	217	0	0	0%
52111 Office Supplies	0	0	8,482	762	2,700	1,000	1,000	1,000	0	0%
52162 Special Departmental Expense	7,281	133,319	25,362	51,381	47,533	119,000	119,000	94,000	(25,000)	-27%
52163 Professional Development	0	0	0	0	0	0	0	0	0	0%
53402 Depreciation Expense	8,692	8,692	5,167	0	0	0	0	0	0	0%
SUBTOTAL	87,311	242,589	139,406	236,384	297,321	260,199	260,416	243,706	(16,493)	-7%
57011 Transfers Out - Within a Fund	0	496,530	0	0	0	0	0	0	0	0%
57015 Transfers Out - All Others	0	0	0	0	0	0	0	0	0	0%
SUBTOTAL	0	496,530	0	0	0	0	0	0	0	0%
TOTAL EXPENDITURES	87,311	739,119	139,406	236,384	297,321	260,199	260,416	243,706	(16,493)	-7%
NET COST	84,197	(1,154,769)	83,344	(510,982)	(889,415)	126,199	188,416	173,706		
FUND BALANCE										
Beginning Fund Balance	1,936,993	1,886,552	3,030,115	2,946,771	1,416,056		2,286,400	2,097,983	983,220	(941,057)
Ending Fund Balance	1,886,552	3,030,115	2,946,771	1,416,056	2,286,400		2,097,983	1,924,277		

FY 26-27 Final Budget
Zero Waste Sonoma
Revenue, Expenditure, and Fund Balance History
Unfunded Pension Liability Reserve 78112

	Actual FY 20-21	Actual FY 21-22	Actual FY 22-23	Actual FY 23-24	Actual FY 24-25	Budgeted FY 25-26	Estimated FY 25-26	Requested FY 26-27	Difference	% Change
REVENUES										
44002 Interest on Pooled Cash	5,154	3,838	11,353	21,669	27,725	16,000	30,000	25,000	9,000	36%
44050 Unrealized Gains and Losses	(4,041)	(23,108)	(29)	13,425	10,583	0	0	0	0	0%
46029 Donations/Contributions	0	0	0			0	0	0	0	0%
46200 Revenue Appl PY Misc Revenue	0	0	0			0	0	0	0	0%
SUBTOTAL	1,114	(19,271)	11,324	35,094	38,308	16,000	30,000	25,000	9,000	36%
47101 Transfers In - Within a Fund	0	0	0	0	0	0	0	0	0	0%
48004 Residual Equity Transfers	0	0	0	0	0	0	0	0	0	0%
SUBTOTAL	0	0	0	0	0	0	0	0	0	0%
TOTAL REVENUES	1,114	(19,271)	11,324	35,094	38,308	16,000	30,000	25,000	9,000	36%
EXPENDITURES										
51206 Accounting/Auditing Services	0	0	0		1,000	1,000	1,000	1,000	0	0%
51207 Client Accounting Services										
51801 Other Services				1,000						
52163 Professional Development										
SUBTOTAL				1,000	1,000	1,000	1,000	1,000		
57011 Transfers Out - Within a Fund										
SUBTOTAL	0	0	0	0	0	0	0	0	0	0%
TOTAL EXPENDITURES	0	0	0	1,000	1,000	1,000	1,000	1,000	0	0%
NET COST	(1,114)	19,271	(11,324)	(34,094)	(37,308)	(15,000)	(29,000)	(24,000)	(9,000)	
FUND BALANCE										
Beginning Fund Balance	668,512	673,467	650,355	661,679	695,773		733,081	748,081		
Ending Fund Balance	673,467	650,355	661,679	695,773	733,081		748,081	772,081		



Agenda Item #: 7
Staff Contact: Walsh/Lukacs
Agenda Date: 3/15/2026
Approved By: LL

ITEM: Consideration of Credit Agreement Terms with County of Sonoma for Financing of the New Household Hazardous Waste Facility

I. RECOMMENDED ACTION / ALTERNATIVES TO RECOMMENDATION

Staff recommends the Board preliminarily approve the terms of the proposed Credit Agreement with the County of Sonoma, and direct Agency staff to request that the governing boards of the member agencies of the Sonoma County Waste Management Agency (Zero Waste Sonoma or ZWS) approve the First Amendment to the JPA Agreement to allow ZWS to enter into the Credit Agreement with the County for financing the construction of ZWS's future Household Hazardous Waste (HHW) facility located at 5885 Pruitt Avenue in Windsor.

II. BACKGROUND

On March 1, 2017, the cities located in Sonoma County and the County of Sonoma entered into an Amended and Restated Joint Exercise of Powers Agreement for the Sonoma County Waste Management Agency (the "JPA Agreement"). The JPA Agreement governs the operations of ZWS.

The JPA Agreement was unanimously approved by the governing boards of the member agencies, and any amendments to the JPA Agreement must similarly be approved unanimously by the governing boards of the member agencies.

The State Joint Exercise of Powers Act provides that member agencies of a joint powers authority may make "advances" to a JPA in furtherance of the purposes outlined in the joint powers agreement, with such advances repaid according to the terms of the joint powers agreement (Government Code Section 6504).

At the August 15, 2024, ZWS Board meeting, the Board approved the First Amendment to the JPA Agreement (the "Amendment") to clarify that ZWS expressly authorizes contributions, payments, or advances from member agencies to the Agency, with any advances to be repaid pursuant to terms outlined in a written agreement between ZWS and the member agency providing the advance. This Amendment was intended to allow ZWS to receive advances of money from the County of Sonoma for the development of the HHW facility located at 5885 Pruitt Avenue in Windsor. For the Amendment to be effective, it must be approved by all member agencies. ZWS has not yet brought the Amendment to the member agencies for approval, in part because ZWS and the County wanted to agree upon the terms of a funding agreement first, so that the member agencies could have a better context for the need for the Amendment. ZWS staff worked with staff for Sonoma Public Infrastructure (SPI) to prepare a Credit Agreement for such funding. Staff now desire to receive preliminary approval of the terms of the Credit Agreement from the Board, after which staff and SPI would request that the member agencies approve the Amendment, with the understanding that the Amendment is intended to facilitate ZWS and the County entering into the Credit Agreement for financing of the HHW facility. Following approval of the Amendment by

all member agencies, staff would return to the Board for formal approval of the Credit Agreement.

III. DISCUSSION

ZWS acquired property located at 5885 Pruitt Avenue in Windsor to develop a permanent Household Hazardous Waste (HHW) collection facility to serve Sonoma County residents.

To complete the development of the facility, ZWS must secure financing for design, permitting, and construction. Staff evaluated several potential financing options for the project. As part of this process, the County of Sonoma considered providing ZWS with a revolving line of credit to fund development of the HHW facility.

SPI, in consultation with ZWS staff, prepared the proposed terms summarized below:

- The County will make a revolving credit line available to ZWS for the sole purpose of providing capital for costs related to the development and construction of the HHW facility located at 5885 Pruitt Avenue.
- The revolving credit line will have an aggregate principal amount not to exceed \$16,000,000.
- Funds may be disbursed through one or more advances, with each advance in an amount of not less than \$50,000.
- ZWS will repay the County the principal amount borrowed pursuant to the terms of the proposed Credit Agreement.
- Advances under the revolving credit line, including outstanding principal and accrued interest, will be due and payable in full twenty-four (24) years after the Revolving Credit Termination Date.
- The outstanding principal balance will bear interest at a rate of four percent (4%) per year prior to maturity. After the maturity date, any unpaid balance will accrue interest at the default rate specified in the Credit Agreement.
- The loan will be repaid through quarterly amortized principal and interest payments, calculated so that the total annual payments correspond to the amortization schedule outlined in the Credit Agreement.

At the February 18th, 2021, Board meeting, the Board approved our consultant's (R3) recommendation to increase the surcharge to add capacity for debt servicing to make financing to construct the HHW facility possible. The proposed financing structure provides the Agency with flexible access to capital during project development and construction, while allowing the cost of the facility to be spread over the long-term useful life of the asset. Advances will occur over time as project costs are incurred, and ZWS will only pay interest on the funds that have actually been drawn.

Debt service payments are incorporated into ZWS's future operating budgets and are expected to be funded through existing and projected program revenues, including tipping fees and revenues associated with HHW program operations.

IV. FUNDING IMPACT

Development of the HHW Facility at 5885 Pruitt Avenue is estimated not to exceed \$16 million, including design, permitting, construction, and related project costs. The proposed Credit Agreement with the County of Sonoma would provide ZWS with access to a revolving line of credit of up to \$16 million to finance these capital costs as they are incurred. Debt servicing payments have been incorporated into the annual operating budget.

V. ATTACHMENTS

Credit Agreement