

SONOMA COUNTY WASTE MANAGEMENT AGENCY

May 16, 2012

**SPECIAL MEETING
CLOSED SESSION PRIOR TO REGULAR MEETING 8:30 a.m.**

Regular Meeting at 9:00 a.m. (or immediately following closed session)

City of Cotati Community Room
203 W. Sierra Avenue
Cotati, California 94931

Estimated Ending Time 11:30 a.m.

AGENDA

- | <u>Item</u> | <u>Action</u> |
|--|-------------------|
| 1. Call to Order Special Meeting | |
| 2. Open Closed Session | |
| CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION
Government Code section 54956.9(b)(1) and (b)(3)(A) one case | |
| 3. Adjourn Closed Session & Introductions | |
| 4. Agenda Approval | |
| 5. Public Comments (items not on the agenda) | |
| <u>Consent</u> (w/attachments) | Discussion/Action |
| 6.1 Minutes of April 18, 2012 (pg. 3) | |
| 6.2 Amendment to MDS Fluorescent Disposal Contract (pg. 10) | |
| 6.3 Eighth Amendment to Petaluma HHW Services Agreement (pg. 19) | |
| 6.4 FY 10-11 SCWMA Audit (pg. 25) | |

Regular Calendar

- | | |
|--|---------------------------------|
| 7. E-Waste Transport and Recycling Services Contract
[Steinman](Attachments) (pg. 53) | Discussion/Action
HHW |
| 8. Electronic Waste Collection Events Contract
[Steinman](Attachments) (pg. 71) | Discussion/Action
HHW |

- | | | |
|-----|--|--------------------------------------|
| 9. | Compost Operations Contract
[Carter] (pg. 101) | Discussion/Action
Organics |
| 10. | Carryout Bags Draft Ordinance Report
[Carter](Attachments) (pg. 104) | Discussion/Action
Planning |
| 11. | Sonoma County/City Solid Waste Advisory (SWAG)
[Barbose] | Discussion/Action
Planning |
| 12. | <u>Attachments/Correspondence:</u>
12.1 Director's Agenda Notes (pg. 111)
12.2 Reports by Staff and Others:
12.2.a May and June 2012 Outreach Events (pg. 114)
12.2.b Update Report on MCR Project (pg. 115)
12.2.c Update Report on Extra Oil Grant Expenditures (pg. 116) | |
| 13. | <u>On file w/Clerk: for copy call 565-3579</u>
Resolutions approved in April 2012
2012-007 Resolution of the SCWMA Adopting an Annual Budget for Fiscal
Year 2012-2013 | |
| 14. | Boardmember Comments | |
| 15. | Staff Comments | |
| 16. | Next SCWMA meeting: June 20, 2012 | |
| 17. | Adjourn | |

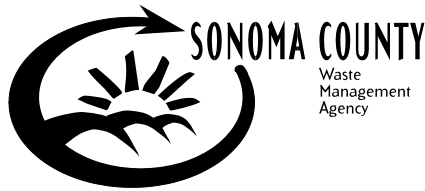
Consent Calendar: These matters include routine financial and administrative actions and are usually approved by a single majority vote. Any Boardmember may remove an item from the consent calendar.

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, 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 Sonoma County Waste Management Agency Office at 2300 County Center Drive, Suite B100, Santa Rosa, (707) 565-3579, 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 at The Board of Supervisors, 575 Administration Drive, Santa Rosa, and at the meeting site the City of Santa Rosa Council Chambers, 100 Santa Rosa Avenue, Santa Rosa. It is also available on the internet at www.recyclenow.org



Agenda Item # 6.1

Minutes of April 18, 2012

The Sonoma County Waste Management Agency (SCWMA) met on April 18, 2012, at the City of Santa Rosa Council Chambers, 100 Santa Rosa Avenue, Santa Rosa, California

Present:

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

Nina Regor, Chair
Susan Harvey
Mike Kirn
Dan St. John
John McArthur
Jennifer Phillips
Jack Griffin
Steve Barbose
Susan Klassen
Matt Mullan

Staff Present:

Counsel
Staff

Janet Coleson
Patrick Carter
Karina Chilcott
Charlotte Fisher
Henry Mikus
Lisa Steinman
Debra Dowdell

Clerk

1. Call to Order/Introductions

The meeting was called to order at 9:02a.m.

2. Agenda Approval

Susan Harvey, City of Cotati, moved to approve the agenda, Mike Kirn, City of Healdsburg, seconded. Petaluma absent. Agenda approved.

3. Public Comments (items not on the agenda)

None.

Consent (w/attachments)

- 4.1 Minutes of February 15, 2012
- 4.2 Non-Profit Organizations Grant Awards
- 4.3 FY 11-12 Third Quarter Financial Report

Chair Regor noted a typographical error in the February minutes on page 6, Item 8 in the last paragraph the word "except" should be changed to "accept".

Jack Griffin, City of Sebastopol, moved to approve the consent calendar with the spelling correction. Susan Harvey, City of Cotati, seconded. Petaluma absent. Consent calendar approved.

Chair Regor suggested skipping item 5 for now and moving to item 6 in hopes of the City of Petaluma arriving later for the unanimous vote item.

Regular Calendar

6. Joint Powers Agreement Expiration

Henry Mikus, Executive Director, provided the Board with a framework for an initial discussion regarding the current Joint Powers Agreement with particular focus on the Agreement's 2017 end date. The original Agreement, the First Amendment and the latest Rules of Governance were also supplied. He highlighted several options the Board could consider as starting points for discussion with regards to the 2017 deadline. With the sunset of the SCWMA only 5 years away and no definitive direction in place beyond that date, the SCWMA's planning process and operations are becoming constricted.

Dan St. John, City of Petaluma Arrived at 9:12a.m.

Board Discussion

Susan Klassen, County of Sonoma, asked if the JPA states capital expenditures require a unanimous vote. Janet Coleson, Agency Counsel, responded yes, that is the way it is written in the Agreement.

Steve Barbose, City of Sonoma, stated Boardmembers should go back to their jurisdictions for approval to extend the life of the SCWMA.

Mike Kirn, City of Healdsburg, said his position is to take it back to his City Council and ask them two things. First question is, "Do they want an extension of the Agreement?" and second, "Are there any points they'd like to modify, such as the unanimous vote?"

Matt Mullan, Town of Windsor, suggested getting copies of other JPAs in the state to be used as models for a new agreement. He also suggested having the SCWMA staff come to the individual city councils to make a presentation of SCWMA programs.

Susan Klassen, County of Sonoma, commented that staff should make an assessment of the pros and cons of the current agreement with respect to program areas looking at doing more, less or changing the scope of the programs.

Steve Barbose, City of Sonoma, said he wholeheartedly supports staff giving the same presentation to each jurisdiction so there is an opportunity to ask questions.

Susan Harvey, City of Cotati, remarked that this is a complex issue and the whole picture has to be shown.

Jack Griffin, City of Sebastopol, added when SCWMA staff does their presentations they should also have a preliminary agreement ready.

Chair Regor asked for clarification of the First Amendment language, which speaks to implementing programs. She asked if SCWMA authority is broadened to include programs in the regional planning documents or is SCWMA still limited to the four categories contained in the original JPA. Janet Coleson, Agency Counsel, replied the conservative answer still limits programs to the four categories.

Chair Regor then asked if policy area number four, expanding the wood and yard waste funds, could trigger Prop. 26 issues. Ms. Coleson replied she would research the question.

Public Comment

None.

Board Comments

Chair Regor proposed that the SCWMA staff give their presentation to the Board before going out to the jurisdictions.

Matt Mullan, Town of Windsor, recommended that the SCWMA come forward with a draft Agreement to extend beyond the 2017 expiration, so the Board can come to a consensus before going to the individual jurisdictions.

Jack Griffin, City of Sebastopol, agreed with Mr. Mullan that going to ten different jurisdictions with an open-ended draft agreement could derail the comments

Susan Klassen, County of Sonoma, agreed that the SCWMA needs to present some recommendations.

Steve Barbose, City of Sonoma, added definition and clarity would benefit the presentations.

Jennifer Phillips, City of Santa Rosa, liked the idea of adopting policy parameters to bring forward to Santa Rosa's Council and then negotiating the terms of an Agreement.

Dan St. John, City of Petaluma, agreed with the approach.

John McArthur, City of Rohnert Park, believes this warrants a two step process; first adopting the policy then the Agreement.

Susan Harvey, Mayor of Cotati, thinks it would be helpful to add things to the Agreement that were not in the current Agreement and highlighting them so people understand.

Chair Regor said keeping the policy as flexible as possible would be a good goal.

Mike Kirn, City of Healdsburg, would like to see discussion of ownership of facilities versus contracting with the private sector.

Chair Regor acknowledged changing an Agreement that is 25 years old should include changing outdated clauses, inconsistent with current state law, changed conditions and those types of things.

Janet Coleson, Agency Counsel, asked if the Board wants a whole new agreement or modifications to the existing agreement. From a legal perspective, she recommends redoing it, strengthen it and make it more defensible.

Matt Mullan, Town of Windsor, commented that he follows the red line rule, too many red lines drawn during review indicates the need for a new piece of paper.

Mike Kirn, City of Healdsburg, added that Santa Rosa's request for a presentation that was given last fall by the SCWMA to most of the jurisdictions should be honored to put everyone on a level playing field.

Dan St. John, City of Petaluma, suggested possibly creating a subcommittee to work on the issues being considered.

Henry Mikus, Executive Director, stated that Karina Chilcott, SCWMA staff, previously produced a two page document that compared the SCWMA educational roles and haulers efforts as a condition of their franchise agreements. He will be sending this document to each Boardmember as a good informational starting point. He also added education costs are somewhat different than presented by others.

5. Approval of the FY 12-13 Final Budget

Henry Mikus, Executive Director, gave a brief overview on the FY 2012-13 Final Budget. It's a flat budget with no reduction or major changes in services and it is anticipated there will be a transfer of reserves. A summary of reserve histories, goals and projections was presented as requested.

Board Discussion

Matt Mullan, Town of Windsor, expressed appreciation of the reserve information staff provided. He found it very helpful to understand the system and how all the pieces fit together in the budget.

Public Comment

None.

Board Comment

None.

Susan Klassen, County of Sonoma, moved to approve the FY 12-13 Final Budget. Matt Mullan, Town of Windsor, seconded. Motion Carried. Item was unanimously approved as required.

7. Oil Program Request For Proposal (RFP)

Lisa Steinman gave an update on the Oil Program contract and asked the Board to review and approve the draft RFP so it could go out for bid.

Public Comment

None.

Board Comment

None.

Jack Griffin, City of Sebastopol moved to issue the RFP. Susan Harvey, City of Cotati, seconded. Motion carried.

8. Spanish Language Outreach Service RFP

Karina Chilcott reported that Spanish Language Outreach compliments SCWMA programs and has historically been accomplished through a contractor funded primarily through the CalRecycle used oil grant fund and also through the education cost center. The current contract expires on June 30, 2012 thus staff is requesting approval to go out to bid.

Public Comment

None.

Board Comment

None.

Susan Harvey, City of Cotati, moved to distribute the RFP. Susan Klassen, County of Sonoma, seconded. Motion Carried.

9. Compost Operations Negotiations

Patrick Carter gave a status report on the ongoing negotiations with the three firms being considered to provide contract services for the SCWMA organics program. Mr. Carter stated SCWMA hoped to have fully negotiated agreements in the next month or two, but as a result of the SCWMA potentially expiring in 2017 there is difficulty involved. With a five year term, contractors would have difficulty recovering their full costs and providing the best rate possible. Henry Mikus, Executive Director, added that the negotiations have been positive.

Board Discussion

Susan Harvey, City of Cotati, asked what would be an acceptable term for cost recovery. Mr. Mikus replied 15 years but 20 years would be preferred.

Matt Mullan, Town of Windsor, inquired if the discussion SCWMA has been having included flexibility to not use just a single company to compost but possibly multiple companies. Mr. Mikus concurred, which is why Sonoma Vermiculture has been included in the negotiations. Mr. Mullan asked if Redwood in Novato was an option being considered. Mr. Mikus answered that the Redwood Landfill facility submitted a proposal under the Request For Qualifications (RFQ) and were not selected to go forward because they were not price competitive.

Jack Griffin, City of Sebastopol, commented that it makes perfect sense that the five year versus 15 or 20 would be a problem and asked if there is a bridgeable gap if the extension of the SCWMA is unknown. Mr. Mikus responded that there's not really an impact unless it's decided to develop a new site.

Public Comment

None.

10. Carryout Bags Ordinance Report

Patrick Carter reported that staff conducted nine stakeholder input public forums in March. Despite low attendance comments were overwhelmingly supportive of SCWMA formulating a bag ban ordinance.

Board Discussion

Steve Barbose, City of Sonoma, asked if a model ordinance would look different than a regional ordinance. Mr. Carter replied the contents would likely be the same, but the actions involved would be different. Under a model ordinance there would be additional costs to the cities while under a regional ordinance the SCWMA would shoulder the costs.

Susan Harvey, City of Cotati, questioned whether a model ordinance process would allow individual cities to make slight changes. Mr. Carter replied yes, it's possible.

Public Comment

None.

Board Comments

Steve Barbose, City of Sonoma, shared his frustration at not being able to move forward after all this time and stated his Council has been ready to proceed.

Jennifer Phillips, City of Santa Rosa, stated Santa Rosa has some decision making to do, so she needs to bring this back to her Council.

Matt Mullan, Town of Windsor, asked if there is anything that precludes the Board from directing staff to bring a model ordinance back. Janet Coleson, Agency Counsel, responded no.

Jack Griffin, City of Sebastopol, commented he has concerns with enforcement of a model ordinance in such a small city. Mr. Mikus stated that self enforcement would be adequate and that such enforcement would be so popular with the citizenry that the market would take care of it.

Matt Mullan, Town of Windsor, moved to direct staff to draft a region wide draft ordinance and bring it back to the Board. Steve Barbose, City of Sonoma, seconded. Jennifer Phillips, City of Santa Rosa and John McArthur, City of Rohnert Park abstained. Motion carried.

11. Evaluation Process Discussion: Executive Director and Agency Counsel

Henry Mikus, Executive Director, reported that a procedural change was made giving the Board the responsibility of evaluating the Executive Director and Agency Counsel. No policy or format exists for the Board to evaluate their work thus, draft evaluation forms and considerations for an evaluation process were presented.

Board Discussion

Chair Regor commented that the evaluations are to be confidential and take place under closed session, but the purpose of the agenda item is to talk about process.

Matt Mullan, Town of Windsor, asked if this would be a facilitated discussion. Mr. Mikus answered that Agency Counsel would facilitate discussion of Executive Director's position and vice versa.

Matt Mullan, Town of Windsor, remarked that he would be more inclined to have a skilled facilitator involved in the evaluations.

Public Comment

None.

Board Comment

Susan Klassen, County of Sonoma, suggested a 360 review be incorporated into the process, where feedback is given by the staff, contractors and other appropriate parties.

Steve Barbose, City of Sonoma, stated he supports the 360 approach for evaluation of the Executive Director.

Susan Harvey, City of Cotati, agreed with the 360 review, since the Board has a limited amount of interaction with the Executive Director.

Jennifer Phillips, City of Santa Rosa, noted her support as well.

John McArthur, City of Rohnert Park, asked what the Executive Director's thoughts were on the 360 approach. Mr. Mikus responded it would be great.

Matt Mullan, Town of Windsor, remarked on the time commitment for Boardmembers and he is ready to move forward.

12. Sonoma County/City Solid Waste Advisory (SWAG)

Steve Barbose, City of Sonoma and Sonoma Waste Advisory Group (SWAG) liaison, gave an update on the last SWAG meeting and encouraged the SCWMA Boardmembers to attend the SWAG meetings. Minutes of the SWAG meetings can be found on the TPW website at http://www.sonoma-county.org/tpw/divisions/integrated_waste/solid_waste_adv_group.htm

13. Attachments/Correspondence

Chair Regor called attention to the Director's Agenda Notes, Reports by Staff and Others; April and May 2012 Outreach Events, and update reports on the MCR Project, Extra Oil Grant Expenditures and EPR.

14. On File with Clerk

Chair Regor noted resolution approved in March 2012 Confirming the Sonoma County Local Task Force on Integrated Waste Management Bylaws.

15. Boardmember Comments

None.

16. Staff Comments

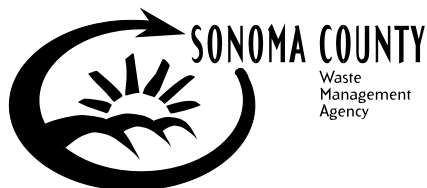
Karina Chilcott announced that she had the new 2012 Recycle Guides available for Boardmembers to take back to their jurisdictions with them.

17. Next SCWMA Meeting – May 16, 2012

18. Adjournment

Meeting adjourned at 10:53a.m.

Respectfully submitted,
Debra Dowdell



Agenda Item #: 6.2
Cost Center: HHW/Education
Staff Contact: Chilcott
Agenda Date: 5/16/2012

ITEM: 1st amendment to Mercury Disposal Systems (MDS) for recycling and collection of residential spent fluorescent lamps collected with the PG&E Fluorescent Lamp Recycling Regional Outreach Contract Sonoma County

I. BACKGROUND

The SCWMA recognizes that Extended Producer Responsibility (EPR) is a waste management approach that will assist in managing waste products by shifting responsibility for discarded products away from local governments to the manufacturers. In support of this goal, staff time for Product Stewardship efforts is budgeted in the Work Plan for FY 11-12.

In 2011, Sonoma and Napa Counties were selected to receive funding from PG&E for a Fluorescent Lamp Recycling Regional Outreach Program. The program is intended to capture only residential waste, not business waste. The scope of work for the Agency's program is based on the philosophy of encouraging EPR, offering retailers limited time recycling/disposal cost reimbursement and building upon work completed with the Agency's 2010 PG&E grant project. Based on PG&E's methodology, PG&E's goal is for the Agency to collect 20% of fluorescent lamps expected to enter Sonoma County's waste stream. At the May 18, 2011 meeting, Board members approved the \$80,000 purchase order agreement between PG&E and the Agency.

Tasks and those performing the tasks are detailed in the agreement. Below is summary:

PG&E Fluorescent Lamp Recycling Regional Outreach Program in Sonoma County			
		WHO PERFORMS THE WORK	GRANT FUNDED
Task 1	Administration	Staff	\$4,000
Task 2	Spanish language store recruitment and support	Contractor: C2 Alternative Services	\$4,000
Task 3	Outreach activities Conduct promotion event with Business Leader's Breakfast English radio, newspaper and on-line media English radio, newspaper and on-line media	Contractor (EDB/BEA) Contractors (Various)	\$450 \$14,750 \$4,000
Task 4	Enhance disposal infrastructure	Contractor Mercury Disposal Systems (MDS)	\$52,000
Task 5	Final report	Staff	(Included in Task 1)
TOTAL			\$80,000

At the August 17, 2011 Board meeting, the Board approved an Agreement for Service with Mercury Disposal Systems, Inc. (MDS) for \$52,000 to provide infrastructure mail-back kits to businesses participating in the program for collection of spent fluorescent lamps from residences. Disposal kits offered to the stores include CFL pails, boxes to collect 4-foot lamps and boxes to collect 8-foot lamps. The contract with MDS expires on December 31, 2012, in tandem with the expiration of the Agency's Purchase Order agreement with PG&E. MDS is required in their monthly reporting to the

Agency to track fluorescent lamps collected and recycled in order to fulfill PG&E tracking requirement in the Agency's agreement.

In December 2011, Agency staff contacted PG&E expressing concern that in the four months the program was operating (September 2011-December 2011), participating stores tallied \$16,349 in disposal costs or on average \$4,087 per month. At this rate, the \$52,000 MDS disposal contract funds would be fully expended by August/September 2012.

In response, PG&E issued a change order to its contract with the Agency, Contract No. 2500484055, to add an additional \$27,000 to the award amount to Task 4: Enhance disposal infrastructure. Thus, the total revised contract amount value increased from \$80,000 to \$107,000. This contract amendment was executed on 2/2/12.

II. DISCUSSION

In response to additional \$27,000 in funding intended for disposal infrastructure, it is necessary to execute the provision in the Agency's contract with Mercury Disposal Systems (MDS) for Extra or Changed Work. This clause states that while "minor changes which do not increase or decrease the amount paid under the Agreement, and which do not significantly change the scope of work or significantly lengthen time schedules may be executed by the Agency's Executive Director in a form approved by Agency Counsel. All other extra or changed work must be authorized in writing by the Agency Board of Directors."

III. FUNDING IMPACT

There is no funding impact as the \$27,000 agreement amount is reimbursable to the Agency through PG&E. Staff time for this project was included as task 4.15 in the FY 11-12 final work plan and budget approved by Board members at the April 20, 2011 meeting.

IV. RECOMMENDED ACTION / ALTERNATIVES TO RECOMMENDATION

Adopt the Resolution to approve the First Amendment to the Agreement with Mercury Disposal Systems (MDS), Inc. for Fluorescent Lamp Collection & Recycling Services and authorize the Chair to execute the First Amendment to the Agreement on behalf of the Agency. The amendment revises the agreement maximum amount from the original \$52,000 to \$79,000, reflecting the additional grant money available from PG&E for the program.

V. ATTACHMENTS

First Amendment to Mercury Disposal Systems Agreement
Resolution approving the First Amendment to the Agreement Mercury Disposal Systems
Contract Change Order between PG&E and the Agency (historical reference)

Approved by: _____
Henry J. Mikus, Executive Director, SCWMA

FIRST AMENDMENT TO
AGREEMENT BETWEEN SONOMA COUNTY WASTE MANAGEMENT AGENCY
AND MERCURY DISPOSAL SYSTEMS
FOR FLUORESCENT LAMP COLLECTION & RECYCLING SERVICES

This First Amendment ("Amendment") to the Agreement for Fluorescent Lamp Collection & Recycling Services ("Agreement"), dated as of _____, 2012, is by and between the Sonoma County Waste Management Agency ("Agency"), a joint powers agency and Mercury Disposal Systems ("Contractor"). All capitalized terms used herein shall, unless otherwise defined, have the meaning ascribed to those terms in the existing Agreement.

RECITALS

WHEREAS, Agency and Contractor entered into that certain Agreement for Professional Services dated as of August 17, 2011 ("Agreement"); and

WHEREAS, Agency and Contractor desire to amend the Agreement to increase the amount paid to the contractor from \$52,000 to \$79,000; and,

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto agree as follows:

AGREEMENT

1. Section 2.1 Payment is hereby deleted and replaced in its entirety to read as follows:

2. Payment.

2.1 Payments to Contractor shall not exceed \$79,000.00 during the term of this Agreement, for services rendered in accordance with tasks detailed in Section 1.1 above and in Exhibit A, upon monthly submission of progress reports, verified claims and invoices. Agency will make an initial monthly payment of \$12,000 upon execution of this Agreement. Subsequent monthly payments will be made based upon monthly submission of progress reports, verified claims and invoices and will be for an amount that ensures Agency's payments to Contractor do not result in Contractor maintaining more than \$3,000 in funds for services to be rendered. The final monthly payment will be for the amount necessary to reconcile the total work performed to the total monthly payments made to Contractor by Agency over the term of this Agreement. A five percent (5%) discount on monthly invoices shall be credited to Agency by Contractor for each monthly payment.

2. Other than as stated above, the Agreement shall remain in full force and effect.

AGENCY AND CONTRACTOR HAVE CAREFULLY READ AND REVIEWED THIS AMENDMENT AND EACH TERM AND PROVISION CONTAINED HEREIN AND, BY EXECUTION OF THIS AMENDMENT, SHOW THEIR INFORMED AND VOLUNTARY CONSENT THERETO.

IN WITNESS WHEREOF, the parties hereto have executed this Amendment as of the Effective Date.

AGENCY:

SONOMA COUNTY WASTE MANAGEMENT
AGENCY

By:

Nina Regor, Chair

CONTRACTOR:

Mercury Disposal Systems Inc.

By:

Title:

APPROVED AS TO FORM FOR AGENCY:

Janet Coleson, Agency Counsel

APPROVED AS TO SUBSTANCE FOR AGENCY:

Henry Mikus, Executive Director

DATED: May 16, 2012

RESOLUTION OF THE
SONOMA COUNTY WASTE MANAGEMENT AGENCY ("AGENCY") APPROVING THE FIRST
AMENDMENT WITH MERCURY DISPOSAL SYSTEMS, INC. ("CONTRACTOR") FOR
PROFESSIONAL SERVICES

WHEREAS, Agency and Contractor entered into that certain Agreement for Professional Services dated as of August 17, 2011 ("Agreement"); and

WHEREAS, the parties desire to amend the Agreement to increase the amount paid to the contractor from \$52,000 to \$79,000; and,

WHEREAS, Agency will be reimbursed by PG&E for the increased amount to be paid to Contractor.

NOW, THEREFORE, BE IT RESOLVED that the Agency hereby approves the terms of the First Amendment to the Agreement ("Agreement") and authorizes the Chairperson to execute the First Amendment on behalf of the Agency.

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:

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



Contract Change Order

This is Change Order ("CO") No. 2 to Contract No. 2500484055 dated 05/17/2011 between the below-named Contractor ("Contractor"), Sonoma County Waste Management, and Pacific Gas and Electric Company ("PG&E"), a California corporation with its headquarters located at 77 Beale Street, San Francisco, California 94105. Contractor shall perform all Work under this Contract, as amended by this Change Order, pursuant to and in accordance with the terms and conditions of the Contract.

Contractor's Legal Name: SONOMA COUNTY WASTE MANAGEMENT

This Contract Change Order consists of 3 page(s).

Contractor's Address: 585 FISCAL DR STE 101F
Santa Rosa, CA 95403

Project Name: Fluorescent Lamp Recycling Regional Outreach Program

Job Location: County of Sonoma

CHANGES: The Parties hereby modify the Contract referenced above as follows:

- 1) Increase Total Contract Value by \$ 27,000.00 as popularity of program is more than initially projected. New Total Contract Value is \$107,000.00.
- 2) Modifications to the Statement of Work are as listed in Attachment A to this CO No. 2.


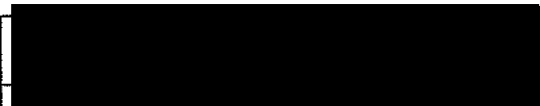
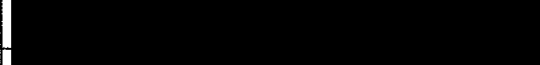
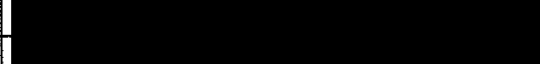
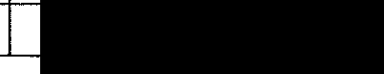

ATTACHMENTS: The following are attached to this Contract Change Order and incorporated herein by this reference.

Attachment A - Modifications to Statement of Work

PRICING CHANGES:	Previous Total Contract Value:	\$ 80,000.00
	Addition or Deduction:	\$ 27,000.00
	Revised Total Contract Value:	\$107,000.00

All other terms and conditions of the Contract, as it may have been amended by previous Contract Change Order(s), if any, shall remain the same.

THE PARTIES, BY SIGNATURE OF THEIR AUTHORIZED REPRESENTATIVES, HEREBY AGREE TO THE TERMS OF THIS CONTRACT CHANGE ORDER.

PACIFIC GAS AND ELECTRIC COMPANY		CONTRACTOR: SONOMA COUNTY WASTE MANAGEMENT	
Signature		Signature	
Name	Nathan Poye	Name	
Title	Senior Procurement Specialist, Sourcing	Title	
Date		Date	

62-4675 (12-1-08)

Sourcing



Change Order No. 2
Contract No. 2500484055
Page 2 of 3

ADMINISTRATION			
PG&E Negotiator	Nathan Floyd	Contractor Representative	
Phone	415-972-5307	Phone	
Email:	naf2@pge.com	Email:	
Accounting Reference			

INTERNAL PG&E USE ONLY		
Distribution Date		
Distribution of Copies	<input type="checkbox"/> Document Services (Signed Original Copy) Mail Code N5D 245 MARKET ST., SAN FRANCISCO	<input type="checkbox"/> Contractor (Signed Original Copy)
	<input type="checkbox"/> Work Supervisor	<input type="checkbox"/> Manager
	<input type="checkbox"/> Invoice Approver	<input type="checkbox"/> Supervisor
	<input type="checkbox"/> V.P.	<input type="checkbox"/> Sourcing/ Purchasing
	<input type="checkbox"/> Director	<input type="checkbox"/> Law

62-4675 (12-1-08)

Sourcing

**Attachment A – Modifications to Statement of Work
Contract No. 2500484055**

The Parties hereby modify the above-referenced Contract as follows:

1) Section 3.4, Task 4: Enhance Disposal Infrastructure

Task Budget NTE is deleted and replaced with:

Task Budget NTE: \$39,500 per year

Table within this Section is deleted and replaced with:

Task 4: Enhance Disposal Infrastructure	May 2011-February 2012	March 2012-December 2012	Total budget Not to Exceed
Purchase pre-paid fluorescent lamp disposal boxes from contractor	\$39,500	\$39,500	\$79,000

2) Section 4, PAYMENT TERMS/FEES AND INVOICES

Table within this Section is deleted and replaced with:

Summary of tasks	May 2011-February 2012	March 2012-December 2012	Total budget
Task 1: Administration	\$2,400	\$2,400	\$4,800
Task 2: Spanish language outreach (Agency contractor)	\$2,000	\$2,000	\$4,000
Task 3: Outreach activities			
Conduct promotional event with Business Leader's Breakfast		\$450	\$450
English radio, newspaper and on-line media	\$7,375	\$7,375	\$14,750
Spanish radio, newspaper and on-line media	\$2,000	\$2,000	\$4,000
Task 4: Enhance disposal infrastructure			
	\$39,500	\$39,500	\$79,000
Task 5: Final Report	Included in Task 1	Included in Task 1	Included in Task 1
		Total	\$107,000



**Pacific Gas and
Electric Company®**

Pacific Gas and Electric Company
245 Market St., Room 543, Mail Code N5D, P.O. Box 770000
San Francisco, CA 94177
(415) 973-8089 : FAX (415) 973-2553

Page: 1 / 1

CHANGE ORDER

Date
04/27/2011

P.O. Number
2500484055

PHONE THE PG&E CONTACT IMMEDIATELY IF
YOU CANNOT DELIVER BY THE DATE WANTED.

SHOW THIS PURCHASE ORDER NUMBER AND
APPLICABLE ITEM NUMBER(S) LISTED BELOW ON
PACKAGES, INVOICES, PACKING LISTS, AND BILLS OF
LADING.

VENDOR #: 1094908

BUYER -

COUNTY OF SONOMA
SONOMA COUNTY WASTE MANAGEMENT
585 FISCAL DR STE 101F
SANTA ROSA CA 95403

TERMS - Net 30 days Invoice Date

PLEASE DELIVER TO:
PGE Corp
PG&E Corporation
IDSM Contract Resource and Validation
Floor 6th
245 Market Street
San Francisco CA 94105
415-973-4388

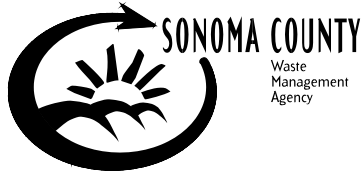
VENDOR - THIS PURCHASE IS AUTHORIZED SUBJECT
TO THE TERMS AND CONDITIONS OF OUR AGREEMENT
(AGREEMENT NUMBER). YOUR INVOICE
MUST SHOW OUR P.O. NUMBER 2500484055.

REFER TO ASSOCIATED CONTRACT DOCUMENTATION FOR
SERVICE LOCATION DETAILS

Item	Product Code	Description	Quantity	Unit	Unit Price	Item Total
1		ES&S Green Communities Innovator/Pilots Delivery date: 12/31/2012 Exhibits 1 and 2 (including Exhibits A through H) attached are incorporated by reference.	4,800	USD	1.00	4,800.00
2		ES&S Green Communities Innovator/Pilots Delivery date: 12/31/2012	23,200	USD	1.00	23,200.00
3		ES&S Green Communities Innovator/Pilots Delivery date: 12/31/2012	79,000	USD	1.00	79,000.00
Total net value excl. tax USD			107,000.00	=====		

MAIL THE ORIGINAL INVOICE TO:
FOR INVOICES TO BE PAID, YOU MUST COMPLY WITH
THE INVOICE INSTRUCTIONS

Pacific Gas and Electric Company
P.O. Box 7760
San Francisco, CA 94120-7760
1-800-756-PAID



Agenda Item #: 6.3
Cost Center: All
Staff Contact: Mikus
Agenda Date: 5/16/2012

ITEM: Eighth Amendment to Petaluma Services Agreement

I. BACKGROUND

In November 2004 the Board approved an agreement with the City of Petaluma in which the Agency agreed to provide Household Hazardous Waste (HHW) services to Petaluma residents for calendar year 2005. The cost for this service was paid directly by the City of Petaluma, instead of through the tipping fee surcharge, as Petaluma's solid waste bypasses the County disposal system.

The 1st Amendment to the Agreement, approved in November 2005, extended the term until the end of FY 05-06 (June 30, 2006).

The 2nd Amendment (revised) to the Agreement, approved in April 2006, extended the term until the end of FY 06-07 (June 30, 2007) and added all Agency surcharge-funded services, in addition to HHW services.

The 3rd Amendment (revised) to the Agreement, approved in May 2007, extended the term until the end of FY 07-08 (June 30, 2008) and added all Agency surcharge-funded services, in addition to HHW services.

The 4th Amendment (revised) to the Agreement, approved in May 2008, extended the term until the end of FY 08-09 (June 30, 2009) and added all Agency surcharge-funded services, in addition to HHW services.

The 5th Amendment to the Agreement, approved in May 2009, extended the term until the end of FY 09-10 (June 30, 2010) and added all Agency surcharge-funded services, in addition to HHW services.

The 6th Amendment (revised) to the Agreement, approved in May 2010, extended the term until the end of FY 10-11 (June 30, 2011) and added all Agency surcharge-funded services, in addition to HHW services.

The 7th Amendment to the Agreement, approved in May 2011, extended the term until the end of FY 11-12 (June 30, 2012) and added all Agency surcharge-funded services, in addition to HHW services.

II. DISCUSSION

The City of Petaluma has indicated they would like to continue paying directly for SCWMA services as it has for the past seven years. Staff is bringing a draft Amendment to agreement for consideration for approval at the May meeting. The schedule for this amendment would be for the SCWMA Board to consider the Eighth Amendment to the Agreement on May 16, 2012 with the City Council of Petaluma considering the Amendment at the June 7, 2012 City Council meeting.

During the term of the Eighth Amendment, Petaluma would provide monthly solid waste tonnage reports to SCWMA for AB939 reporting purposes and to serve as a basis for calculating compensation.

III. FUNDING IMPACT

Beginning July 1, 2012, invoices will be calculated on the reported monthly tonnage using the Board approved rate of \$5.95 per ton. The invoice would then be submitted to the City of Petaluma for payment. The payment would be due and payable to SCWMA ten days after receipt of the invoice. This would have the City of Petaluma on the same schedule and basis of calculation and payment as the rest of the jurisdictions, who use the County system for reporting of tonnage disposed and payment of the surcharge tipping fee.

IV. RECOMMENDED ACTION/ALTERNATIVES TO RECOMMENDATION

Approve the Eighth Amendment to the Petaluma Services Agreement and direct staff to work with Petaluma's representatives to present the Eighth Amendment to the Petaluma City Council for its approval.

V. ATTACHMENTS

Draft Eighth Amendment to the Petaluma Services Agreement
Draft Exhibit A
Draft Resolution

Approved by: _____
Henry J. Mikus, Executive Director, SCWMA

EIGHTH AMENDMENT TO AGREEMENT

Household Hazardous Waste and AB 939 Program Services

This Eighth Amendment to Agreement, effective the 1st day of July, 2012, ("Effective Date"), is made and entered into by and between the City of Petaluma, a municipal corporation and a charter city, hereinafter referred to as "CITY," and the Sonoma County Waste Management Agency, a joint powers agency, hereinafter referred to as "AGENCY."

WHEREAS, CITY and AGENCY entered into an Agreement effective January 1, 2005 and terminating on January 1, 2006, governing the use of AGENCY's Household Hazardous Waste Facility (hereinafter the "Agreement"); and

WHEREAS, CITY and AGENCY approved the First Amendment to the Agreement to extend the term of the Agreement for an additional six (6) months, until June 30, 2006; and,

WHEREAS, CITY and AGENCY approved the Second Amendment to the Agreement to (1) add additional services for compliance to the requirements mandated by AB 939, (2) compensate the AGENCY for services managed and performed by the AGENCY, and (3) extend the term of the Agreement for an additional twelve (12) months, until June 30, 2007; and,

WHEREAS, CITY and AGENCY approved the Third Amendment to the Agreement to compensate the AGENCY for services managed and performed by the AGENCY, and extend the term of the Agreement for an additional twelve (12) months, until June 30, 2008; and,

WHEREAS, CITY and AGENCY approved the Fourth Amendment to the Agreement to compensate the AGENCY for services managed and performed by the AGENCY, and extend the term of the Agreement for an additional twelve (12) months, until June 30, 2009; and,

WHEREAS, CITY and AGENCY approved the Fifth Amendment to the Agreement to compensate the AGENCY for services managed and performed by the AGENCY, and extend the term of the Agreement for an additional twelve (12) months, until June 30, 2010; and,

WHEREAS, CITY and AGENCY approved the Sixth Amendment to the Agreement to compensate the AGENCY for services managed and performed by the AGENCY, and extend the term of the Agreement for an additional twelve (12) months, until June 30, 2011; and,

WHEREAS, CITY and AGENCY approved the Seventh Amendment to the Agreement to compensate the AGENCY for services managed and performed by the AGENCY, and extend the term of the Agreement for an additional twelve (12) months, until June 30, 2012; and,

WHEREAS, CITY and AGENCY wish to amend the Agreement an eighth time to adjust the compensation to the AGENCY for services managed and performed by the AGENCY, and extend the term of the Agreement for an additional twelve (12) months, until June 30, 2013.

NOW, THEREFORE, in consideration of the mutual promises, covenants and conditions contained in this Eighth Amendment, AGENCY and CITY agree as follows:

Section 1. Section 2. of the Agreement, "Compensation; Business Tax Certificate," is amended to read as follows:

2. Compensation

- A. For the full performance of the Services as described herein, CITY shall compensate AGENCY under the terms defined in Exhibit A Services and Compensation. Payment of this amount is due monthly installments, upon invoice, beginning August 1, 2012.
- B. AGENCY shall be compensated for services in addition to those described in Exhibit A, only if AGENCY and CITY execute a written amendment to this Agreement describing the additional services to be performed and the compensation to be paid for such services.

Section 2. Section 3 of the Agreement, "Term," is amended to read as follows:

3. Term. The term of this Agreement commences on the effective date of July 1, 2012 and terminates at midnight on June 30, 2013, unless extended or terminated sooner pursuant to the provisions of this Agreement.

Section 3. Except as expressly amended hereby, all the remaining provisions of the Agreement shall remain in full force and effect.

IN WITNESS WHEREOF, the parties hereto have caused this Eighth Amendment to the Agreement to be executed as of the date first set forth above.

CITY OF PETALUMA

SONOMA COUNTY WASTE MANAGEMENT
AGENCY

City Manager

Agency Chair

APPROVED AS TO FORM:

Agency Counsel

ATTEST:

City Clerk

APPROVED AS TO FORM:

City Attorney

APPROVED:

Risk Manager

APPROVED:

Finance Director

Exhibit “A” – Eighth Amendment

Services and Compensation

Under the terms of this agreement, the Sonoma County Waste Management Agency (AGENCY) shall allow the CITY and its residents the use of the Household Hazardous Waste (HHW) Facility at the Central Disposal Site, without additional charge during the term of the Agreement. CITY residents shall be provided any other privilege or right enjoyed by other member agencies of the AGENCY regarding the promotion and use of the HHW Facility at the Central Disposal Site.

Services provided by this agreement shall also include educational efforts, recycling and other waste diversion services, compliance with AB 939 reporting requirements and any updates necessary to state and/or county planning documents on behalf of CITY as required by the Countywide Integrated Waste Management Plan and state regulations.

The annual compensation for services shall be calculated by applying the AGENCY tipping fee surcharge rate on the actual tonnages of solid waste disposed by the City of Petaluma's franchised waste hauler, Petaluma Refuse and Recycling. The amount of solid waste disposed for each month shall be reported to AGENCY for invoicing purposes by the 20th of the succeeding month. The AGENCY approved rate of \$5.95 per ton will be used for calculating invoices. Payment of each monthly invoice shall be due and payable to AGENCY ten (10) days after receipt of the invoice.

RESOLUTION NO.: 2012-

DATED: May 16, 2012

RESOLUTION OF THE SONOMA COUNTY WASTE MANAGEMENT AGENCY
("AGENCY") APPROVING THE EIGHTH AMENDMENT TO THE AGREEMENT FOR
AB 939 AND HOUSEHOLD HAZARDOUS WASTE FACILITY SERVICES, BY AND
BETWEEN THE AGENCY AND THE CITY OF PETALUMA

WHEREAS, on November 17, 2004 the Agency authorized the Agency Chair to sign a contract with the City of Petaluma, which was subsequently amended in November 2005, April 2006, May 2007, May 2008, May 2009, June 2010; May 2011 and

WHEREAS, the contract, as amended, allows the citizens of Petaluma the use of the Household Hazardous Waste Facility and includes other Agency services funded by the Agency's tipping fee surcharge; and

WHEREAS, for FISCAL YEAR 12-13, the basis of calculation for payment of the portion of tipping fees the City of Petaluma will be paying shall be the actual tonnage of solid waste disposed calculated at \$5.95 per ton and invoiced on a monthly schedule; and

WHEREAS, the City of Petaluma and the Agency agree to extend the Agreement for Household Hazardous Waste program and other Agency services for an additional twelve (12) months, until June 30, 2013.

NOW, THEREFORE, BE IT RESOLVED that the Agency hereby approves the Eighth Amendment to the Agreement for AB 939 and Household Hazardous Waste Facility Services with the City of Petaluma.

MEMBERS:

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

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

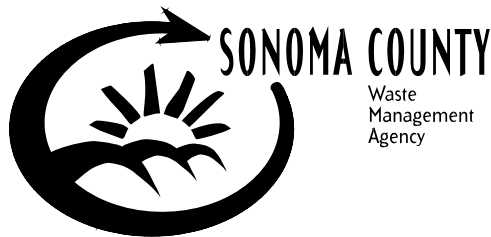
SO ORDERED

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

ATTEST:

DATE:

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



Agenda Item #: 6.4
Cost Center: All
Staff Contact: Mikus
Agenda Date: 5/16/2012

ITEM: Approval of the FY 10-11 SCWMA Audit

I. BACKGROUND

Section 21. Records and Accounts found in the Agreement Between the Cities of Sonoma County and Sonoma County for a Joint Powers Agency to Deal with Waste Management Issues states:

“Agency will cause the books and records to be kept, and audit to be made, in accordance with the statutory requirements for Joint Powers Agencies.”

In response to this condition, an audit for FY 10-11 has been performed and is presented for approval.

II. DISCUSSION

In the Annual Report for the Fiscal Year Ended June 30, 2011, the first section is the Auditor-Controller Report, which explains the methodology and basis of the audit.

The second section is the Management’s Discussion and Analysis, which is an overview of the audit focusing on the analysis of financial statements and any potential impacts that might affect the financial health of the SCWMA.

The third section is the Basic Financial Statements, which includes financial analysis of net assets with a comparison between 2010 and 2011. There is a statement of revenues, expenses and changes in fund net assets. A cash flow comparison is the final statement before the notes made to the basic financial statements.

III. FUNDING IMPACTS

There are no direct funding impacts for the SCWMA. This report fulfills a requirement of the Agreement Between the City of Sonoma County and Sonoma County for a Joint Powers Agency to Deal with Waste Management Issues, Section 21.

IV. ATTACHMENTS

Annual Report for Fiscal Year Ended June 30, 2011
Letter of Representation
Audit Report Transmittal Letter

Approved by: _____
Henry J. Mikus, Executive Director, SCWMA

Sonoma County Waste Management Agency

**Annual Report
for the Fiscal Year Ended
June 30, 2011**



DAVID E. SUNDSTROM, CPA
SONOMA COUNTY
AUDITOR-CONTROLLER
TREASURER-TAX COLLECTOR

Sonoma County Waste Management Agency

**Annual Report
For the Fiscal Year Ended
June 30, 2011**

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Statement of Revenues, Expenses, and Changes in Fund Net Assets.....	7
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DAVID E. SUNDSTROM, CPA
AUDITOR-CONTROLLER
TREASURER -TAX COLLECTOR



Auditor-Controller
Treasurer-Tax Collector
County of Sonoma
585 FISCAL DRIVE
SUITE 100
SANTA ROSA, CALIFORNIA
95403-2819
(707) 565-2631
FAX (707) 565-3489

DONNA DUNK, CPA
ASSISTANT
AUDITOR-CONTROLLER

JONATHAN KADLEC
ASSISTANT
TREASURER

PAM JOHNSTON
ASSISTANT
TAX COLLECTOR/AUDITOR

Members of the Board
Sonoma County Waste Management Agency

Auditor-Controller's Report

We have audited the accompanying basic financial statements of the Sonoma County Waste Management Agency, (the Agency) as of and for the year ended June 30, 2011, as listed in the table of contents. These basic financial statements are the responsibility of the management of the Agency. Our responsibility is to express an opinion on these basic financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the basic financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the basic financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe our audit provides a reasonable basis for our opinion.

As described in Note IV.B of the Notes to the Basic Financial Statements, the Auditor-Controller is mandated by various statutes within the California Government Code to perform certain accounting, auditing and financial reporting functions. These activities, in themselves, necessarily impair the auditor's independence. However, we believe adequate safeguards and divisions of responsibility exist.

In our opinion, except for the effects, if any, of the impairment to auditor independence, the basic financial statements referred to above present fairly, in all material respects, the financial position of the Agency as of June 30, 2011 and the respective changes in its financial position for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

The Management's Discussion and Analysis (MD&A) on pages 3 through 6 is not a required part of the basic financial statements but is supplementary information required by the Government Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the MD&A. However, we did not audit the information and express no opinion on it.

March 26, 2012

Management's Discussion and Analysis

As management of the Sonoma County Waste Management Agency (the Agency) we offer readers of the Agency's financial statements this narrative overview and analysis of the financial activities of the Agency for the fiscal year ended June 30, 2011. We encourage readers to consider the information presented here in conjunction with the Agency's financial statements and the accompanying notes to the basic financial statements.

Financial Highlights

- The assets of the Agency exceeded its liabilities at the close of the most recent fiscal year by \$7,670,161 (net assets). All of this amount is unrestricted and may be used to meet the agency's ongoing obligations to citizens and creditors.
- The Agency's total net assets increased by \$283,469 or 4%. This increase is a result of revenues exceeding expenses in the agency activities.

Overview of the Basic Financial Statements

This discussion and analysis is intended to serve as an introduction to the Agency's basic financial statements. The Agency's basic financial statements are comprised of two components: 1) proprietary fund financial statements and 2) notes to the financial statements.

Proprietary Fund Financial Statements: A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Agency, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The Agency maintains one type of proprietary fund. The Agency uses enterprise funds to account for its agency activities, which include waste management.

Notes to the Financial Statements: The notes provide additional information that is essential to a full understanding of the fund financial statements.

Financial Analysis

Net Assets: Over time, changes in net assets may indicate whether the financial position of the Agency is improving or deteriorating. Net assets increased to \$7,670,161 during the fiscal year ended June 30, 2011, a change of \$283,469 from the fiscal year ended June 30, 2010. The following table summarizes the net assets for the Agency's activities:

	Net Assets		
	<u>2011</u>	<u>2010</u>	<u>Increase (Decrease)</u>
Current and other assets	\$ <u>8,792,331</u>	\$ <u>8,312,234</u>	<u>480,097</u>
Liabilities outstanding	<u>1,122,170</u>	<u>925,542</u>	<u>196,628</u>
Net assets:			
Unrestricted	<u>7,670,161</u>	<u>7,386,692</u>	<u>283,469</u>
Total net assets	\$ <u><u>7,670,161</u></u>	\$ <u><u>7,386,692</u></u>	<u><u>283,469</u></u>

Change in Net Assets: Total revenues for the fiscal year ended June 30, 2011 were \$5,601,902 compared with expenses of \$5,318,433. The following table summarizes the changes in net assets for each year:

Changes in Net Assets

	2011	2010	Increase (Decrease)
Revenues:			
Program Revenues:			
Municipal waste management	\$ 5,553,897	\$ 5,398,240	155,657
General Revenues:			
Investment income and other	48,005	66,933	(18,928)
Total revenues	<u>5,601,902</u>	<u>5,465,173</u>	<u>136,729</u>
Expenses:			
Program Expenses:			
Municipal waste management	5,318,433	5,999,457	(681,024)
Total expenses	<u>5,318,433</u>	<u>5,999,457</u>	<u>(681,024)</u>
Increase (decrease) in net assets	283,469	(534,284)	817,753
Net assets - beginning of the year	<u>7,386,692</u>	<u>7,920,976</u>	<u>(534,284)</u>
Net assets - end of the year	<u>\$ 7,670,161</u>	<u>\$ 7,386,692</u>	<u>283,469</u>

Capital Assets: The Agency has no investment in capital assets, as of June 30, 2011.

Economic Outlook

- The Agency continues to have the goal of stabilizing tipping fees in order to mitigate effects on each of the jurisdictions' individual budget plans.
- The Agency will set aside reserve funds, when possible, as part of its long-term financial planning.

All of these factors were considered in preparing the Agency's budget for the fiscal year ending June 30, 2012.

Request for Information

This financial report is designed to provide a general overview of the Agency's finances for all those with an interest in the agency's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Sonoma County Waste Management Agency, 2300 County Center Drive Ste. B-100, Santa Rosa, CA 95403.

Sonoma County Waste Management Agency
Statement of Net Assets
Enterprise Fund
June 30, 2011

Assets

Current assets:

Cash and investments	\$ 8,393,373
Accounts receivable	251,672
Due from Other Governments	<u>147,286</u>
Total assets	<u>8,792,331</u>

Liabilities

Accounts payable	929,794
Deferred revenue	<u>192,376</u>
Total liabilities	<u>1,122,170</u>

Net Assets

Unrestricted	<u>7,670,161</u>
Total net assets	<u>\$ 7,670,161</u>

The notes to the basic financial statements are an integral part of this statement.

Sonoma County Waste Management Agency
Statement of Revenues, Expenses and Changes in Fund Net Assets
Enterprise Fund
For the Fiscal Year Ended June 30, 2011

Operating Revenues

Tipping fees and surcharges	\$ 4,604,448
Service agreements	762,773
Grants and other contributions	<u>186,676</u>
Total operating revenues	<u>5,553,897</u>

Operating Expenses

Contract services	4,273,880
Professional services	150,808
Administration	640,736
Other services and supplies	<u>253,009</u>
Total operating expenses	<u>5,318,433</u>
Operating income (loss)	<u>235,464</u>

Nonoperating Revenues (expenses)

Investment earnings	<u>48,005</u>
Change in net assets	283,469
Net assets, beginning of year	<u>7,386,692</u>
Net assets, end of year	\$ <u><u>7,670,161</u></u>

The notes to the basic financial statements are an integral part of this statement.

Sonoma County Waste Management Agency
Statement of Cash Flows
For the Fiscal Year Ended June 30, 2011

Cash Flows from Operating Activities

Receipts from customers and other funds	\$ 5,784,420
Payments to suppliers	<u>(5,314,181)</u>
Net cash provided by operating activities	<u>470,239</u>

Cash Flows from Investing Activities

Interest received	<u>48,005</u>
Net cash provided by investing activities	<u>48,005</u>
Net increase in cash and cash equivalents	518,244
Cash and cash equivalents, beginning of year	<u>7,875,129</u>
Cash and cash equivalents, end of year	<u><u>\$ 8,393,373</u></u>

**Reconciliation of operating income to net cash
provided by operating activities:**

Operating income	\$ 235,464
Adjustments to reconcile operating income to net cash provided by operating activities:	
Depreciation and amortization	
Decrease in accounts receivable	81,304
Increase in due from other governments	(43,157)
Increase in accounts payable	4,252
Decrease in compensated absences payable	
Decrease in restricted customer deposits	
Increase in deferred revenue	<u>192,376</u>
Total adjustments	<u>234,775</u>
Net cash provided by operating activities	<u><u>\$ 470,239</u></u>

The notes to the basic financial statements are an integral part of this statement.

Sonoma County Waste Management Agency
Notes to the Basic Financial Statements
June 30, 2011

I. Summary of Significant Accounting Policies

A. Reporting Entity

The Sonoma County Waste Management Agency (the Agency) was formed in April 1992 to assist the cities and County with the implementation of programs necessary to satisfy the requirements of AB939, the Integrated Waste Management Act of 1989. This Act requires that every jurisdiction in California plan for and implement programs that reduce the amount of waste disposed in landfills by 25% by 1995 and 50% by 2000. The Agency was granted a three-year extension to 2003 by the State. The State has determined that the Agency has met its 2003 goal. The Agency is continuing its efforts to reduce the amount of waste disposed in landfills, beyond the current 50% required by AB939. As of the date of this report, no new laws requiring waste reduction beyond 50% have been enacted.

The Agency's activities include a regional composting program, household hazardous waste collection, and countywide efforts towards waste reduction and recycling.

The Agency is governed by ten board members, with one member from each city (9), and one from the County. The Agency has a new Executive Director and the staffing is provided by the County through a contract with the Agency.

The Agency's programs are funded through garbage disposal fee surcharges, charges for services, and grants. Each program of the Agency is accounted for with a separate cost center. The composting program is entirely funded by charges for delivery of material to its program. The household hazardous waste, education and waste diversion efforts are funded through a surcharge on garbage brought to County disposal sites along with support from State Grants.

Since its creation in April of 1992, the Agency has added two new components to its scope of work: the Planning and Diversion Programs. Planning efforts currently include preparation of Annual Reports submitted to the California Integrated Waste Management Board. The Diversion Program is a cost center established to track the expenditures of those Agency programs that have direct measurable diversion. Both of these programs are funded through the disposal fee surcharge.

The basic financial statements of the Agency are intended to present only the financial position and results of operations of only the Agency, which are held in trust by the Agency. They do not purport to, and do not, present fairly the financial position of the County of Sonoma as of June 30, 2011, and the respective changes in its financial position for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

Sonoma County Waste Management Agency
Notes to the Basic Financial Statements
June 30, 2011

B. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. This means that all assets and all liabilities (whether current or noncurrent) associated with this activity are included on the statement of net assets. Basis of accounting refers to when revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements, regardless of the measurement focus applied.

The Agency has elected under GASB Statement No. 20, *Accounting and Financial Reporting for Proprietary Funds and Other Governmental Entities That Use Proprietary Fund Accounting*, to apply all applicable GASB pronouncements as well as any applicable pronouncements of the Financial Accounting Standards Board or any Accounting Research Bulletins issued on or before November 20, 1989 unless those pronouncements conflict with or contradict GASB pronouncements. The GASB periodically updates its codification of the existing Governmental Accounting and Financial Reporting Standards which, along with subsequent GASB pronouncements (Statements and Interpretations), constitutes Generally Accepted Accounting Principles (GAAP) for governmental units.

The Agency's Enterprise Fund financial statements report business-type activities financed in whole or in part by fees charged to external parties for goods or services. Enterprise Funds account for operations that are financed and operated in a manner similar to private business enterprises -- where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges -- or where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

The accrual basis of accounting is used by enterprise funds. Under this method, revenues are recorded when earned, and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flows.

Operating revenues and expenses are distinguished from nonoperating items in the statement of revenues, expenses and changes in net assets. *Operating* revenues, such as tipping fees and sales of recycled products result from exchange transactions associated with the principal activity of the fund. Exchange transactions are those in which each party receives and gives up essentially equal values. *Nonoperating* revenues, such as grants and investment earnings, result from nonexchange transactions or ancillary activities. *Operating* expenses for enterprise funds include services and supplies, and depreciation on capital assets. All expenses not falling within these categories are reported as *nonoperating* expenses.

Sonoma County Waste Management Agency
Notes to the Basic Financial Statements
June 30, 2011

C. Accounting System Maintained by Sonoma County Financial Accounting and Management Information System (FAMIS)

The Agency uses the County's FAMIS and its budgetary recording and accounting control policies to account for all financial transactions affecting Agency funds. The County, through the Integrated Waste Management Division of the Department of Transportation and Public Works Department, tracks each load of yard and wood waste entering the county disposal system. A tonnage tipping fee is collected to pay for operating costs of the organics program. A surcharge on the solid waste tipping fee entering the county disposal system is used to fund the other programs, such as household hazardous waste, education, diversion, and planning.

D. Staff Services Performed by County of Sonoma

The Agency reimburses the County for services provided by the County as outlined in a Memorandum of Understanding between the County and the Agency dated September 18, 2007.

Staff services include Agency Director, professional staff, secretarial and as requested by the Agency, reasonable and necessary services from other County departments.

E. Assets, Liabilities and Equity

1. Cash and Investments

The Agency applies the provisions of GASB Statement No. 31, *Accounting and Financial Reporting for Certain Investments and External Investment Pools*, which require governmental entities, including governmental external investment pools, to report certain investments at fair value in the balance sheet and recognize the corresponding change in the fair value of investments in the year in which the change occurred. In accordance with GASB Statement No. 31, the Agency has stated certain investments at fair value.

2. Receivables and Payables

Transactions representing accrual of revenues and expenses at year-end are referred to as either accounts receivable or accounts payable.

3. Capital Assets

Capital assets, which include land, buildings and improvements, and equipment, are reported in the statement of net assets. Capital assets are defined by the Agency as assets with an initial, individual cost of more than \$5,000. Such assets are recorded at historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

Sonoma County Waste Management Agency
Notes to the Basic Financial Statements
June 30, 2011

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

The Agency's policy is to capitalize assets with acquisition costs of at least \$5,000. Depreciation is computed using the straight-line method over estimated useful lives of 5 years for equipment. The Agency does not own land, buildings or improvements.

4. Net assets

Net assets are classified into three components - invested in capital asset (net of related debt), restricted and unrestricted. These classifications are defined as follows:

- Invested in capital assets, net of related debt (if any) - This component of net assets consists of capital assets, including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- Restricted net assets (if any) - This component of net assets consists of net assets with limits on their use that are imposed by outside parties.
- Unrestricted net assets - This component of net assets consists of net assets that are not restricted for any project or other purpose.

5. Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

II. Stewardship, Compliance, and Accountability

A. Budgetary Information

Budgetary revenue estimates represent original estimates modified for any authorized adjustment which was contingent upon new or additional revenue sources. Budgetary expenditure amounts represent original appropriations adjusted by budget transfers and authorized appropriation adjustments made during the year. All budgets are adopted on a non-GAAP basis. Annual appropriations that have not been encumbered lapse at year-end.

Sonoma County Waste Management Agency
Notes to the Basic Financial Statements
June 30, 2011

Annual budgets are adopted on a basis that differs from generally accepted accounting principles (GAAP) in which encumbrances are treated as budgeted expenditures in the year of incurrence of the commitment to purchase for the purpose of a budgetary presentation. Actual GAAP expenditures have been adjusted to exclude current year encumbrances and to include expenditures against prior year encumbrances. This allows a comparison of a fiscal year's expenditures and commitments with related appropriations.

The impact on the basic financial statements of the County of these pronouncements which have been issued, but not yet adopted, is unknown at this time.

The Agency's employees are employees of the County of Sonoma. The County's financial statements include the required information and disclosures relating to these statements. Please see the County of Sonoma annual comprehensive financial report for additional information.

III. Detailed Notes

A. Cash and Investments

The Agency follows the County's practice of pooling cash and investments with the County Treasurer, except for a petty cash fund.

The amount of cash at June 30 is as follows:

Cash and investment in County Treasury	\$ <u>8,393,373</u>
--	---------------------

Investment in the Sonoma County Treasurer's Investment Pool

The Agency's cash is pooled with the Sonoma County Treasurer, who acts as a disbursing agent for the Agency. The fair value of the Agency's investment in this pool is reported in the accompanying financial statements at amounts based upon the Agency's pro-rata share of the fair value provided by the Treasury Pool for the entire Treasury Pool portfolio (in relation to the amortized cost of that portfolio). The balance available for withdrawal is based on accounting records maintained by the Treasury Pool, which are recorded on an amortized cost basis. Interest earned on investments pooled with the County is allocated quarterly to the appropriate fund based on its respective average daily balance for that quarter. The Treasury Oversight Committee has regulatory oversight for all monies deposited into the Treasury Pool.

As of June 30, 2011, the Agency's share of the decrease in fair value of investments was immaterial.

Sonoma County Waste Management Agency
Notes to the Basic Financial Statements
June 30, 2011

Investment Guidelines

The Agency's pooled cash and investments are invested pursuant to investment policy guidelines established by the County Treasurer and approved by the Board of Supervisors. The objectives of the policy are, in order of priority: safety of capital, liquidity and maximum rate of return. The policy addresses the soundness of financial institutions in which the County will deposit funds, types of investment instruments as permitted by the California Government Code 53601, and the percentage of the portfolio that may be invested in certain instruments with longer terms to maturity.

A copy of the Treasury Pool investment policy is available upon request from the Sonoma County Treasurer at 585 Fiscal Drive, Room 100, Santa Rosa, California, 95403-2871.

Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value is to changes in market interest rates. As a means of limiting its exposure to fair value losses arising from rising interest rates, one of the ways that the Treasury Pool manages its exposure to interest rate risk is by purchasing a combination of shorter term and longer term investments and by timing cash flows from maturities so that a portion of the portfolio is maturing or coming close to maturing evenly over time as necessary to provide the cash flow and liquidity needed for operations.

As of June 30, 2011, approximately 54 percent of the securities in the Treasury Pool had maturities of one year or less. Of the remainder, only 5 percent had a maturity of more than five years.

Disclosures Relating to Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. The Treasury Pool does not have a rating provided by a nationally recognized statistical rating organization.

Custodial Credit Risk

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for investments is the risk that, in the event of

Sonoma County Waste Management Agency
Notes to the Basic Financial Statements
June 30, 2011

the failure of the counterparty to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. The California Government Code and the Treasury Pool's investment policy do not contain legal or policy requirements that would limit the exposure to custodial credit risk for deposits or investments, other than the following provision for deposits and securities lending transactions:

- The California Government Code requires that a financial institution secure deposits made by state or local governmental units by pledging securities in an undivided collateral pool held by depository regulated under stated law. The market value of the pledged securities in the collateral pool must equal at least 110% of the total amount deposited by the public agencies.
- The California Government Code limits the total of all securities lending transactions to 20% of the fair value of the investment portfolio.

With respect to investments, custodial credit risk generally applies only to direct investments in marketable securities. Custodial credit risk does not apply to a local government's indirect investment in securities through the use of mutual funds or government investment pools (such as the Treasury Pool).

Concentration of Credit Risk

The investment policy of the County contains no limitations on the amount that can be invested in any one issuer beyond that stipulated by the California Government Code. For a listing of investments in any one issuer (other than U.S. Treasury securities, mutual funds, or external investment pools) that represent 5% or more of total County investments, refer to the 2011 Sonoma County CAFR.

B. Deferred Revenue

The Agency received contributions in the amount of \$192,376 from municipalities within the County of Sonoma and from the State of California for the diversion education program and for the Oil Payment program during the fiscal year ending June 30, 2011. This amount has been deferred according to GAAP and it will be recognized when the expenditures related to those programs are incurred.

IV. Other Information

A. Risk Management

The Sonoma County Waste Management Agency is exposed to various risks for which the Agency carries insurance with coverage for bodily injury, property damage, personal injury, auto liability, and errors and omissions. SCWMA is covered through Alliant Insurance Services, Inc for \$5,000,000 per occurrence.

Sonoma County Waste Management Agency
Notes to the Basic Financial Statements
June 30, 2011

B. Auditor Independence

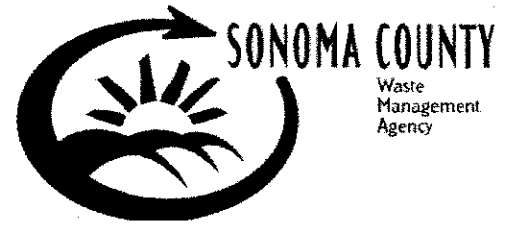
As required by various statutes within the California Government Code, County Auditor-Controllers are mandated to perform certain accounting, auditing and financial reporting functions. These activities, in themselves, necessarily impair the auditor's independence. Specifically, "Auditors should not audit their own work or provide non-audit services in situations where the amounts or services involved are significant or material to the subject matter of the audit." Although the office of the Auditor-Controller is statutorily obligated to maintain accounts of departments, districts or funds that are contained within the County Treasury, we believe that adequate safeguards and divisions of responsibility exist. Therefore, we believe that subject to this qualification and disclosure, the reader can rely on the auditor's opinion contained in this report.

**Sonoma County Waste Management Agency
Roster of Board Members**

As of February 21, 2012, the Agency Board consisted of the following members:

Nina Regor	City of Cloverdale
Marsha Sue Lustig	City of Cotati
Mike Kirn	City of Healdsburg
Vince Marengo	City of Petaluma
Linda Babonis	City of Rohnert Park
Dell Tredinnick	City of Santa Rosa
Jack Griffin	City of Sebastopol
Phil Demery	County of Sonoma
Stephen Barbose	City of Sonoma
Christa Johnson (Chair)	Town of Windsor

Meetings are held at the City of Santa Rosa Utilities Department's Subregional Water Reclamation System Laguna Plant, 4300 Llano Road, Santa Rosa every third Wednesday of each month at 9:00 A.M.



March 26, 2012

Mr. David Sundstrom
Sonoma County Auditor-Controller
585 Fiscal Drive, Suite 101F
Santa Rosa, CA 95403

Dear Mr. Sundstrom:

We are providing this letter in connection with your audit of the financial statements of Sonoma County Waste Management Agency (the Agency) as June 30, 2011 and for the period then ended for the purpose of expressing an opinion as to whether the financial statements present fairly, in all material respects, the financial position of the Agency and the respective changes in financial position and cash flows, where applicable, in conformity with U.S. generally accepted accounting principles. We confirm that we are responsible for the fair presentation of the previously mentioned financial statements in conformity with U.S. generally accepted accounting principles. We are also responsible for adopting sound accounting policies, establishing and maintaining internal control, and preventing and detecting fraud.

We confirm, to the best of our knowledge and belief, as of March 26, 2012, the following representations made to you during your audit.

1. The financial statements referred to above are fairly presented in conformity with U.S. generally accepted accounting principles and include all properly classified funds required by generally accepted accounting principles to be included in the financial reporting entity.
2. We have made available to you all -
 - a. Financial records and related data.
 - b. Minutes of the meetings of the Board of Supervisors or summaries of actions of recent meetings for which minutes have not yet been prepared.
3. There have been no communications from regulatory agencies concerning noncompliance with, or deficiencies in, financial reporting practices.



4. There are no material transactions that have not been properly recorded in the accounting records underlying the financial statements.
5. We acknowledge our responsibility for the design and implementation of programs and controls to prevent and detect fraud.
6. We have no knowledge of any fraud or suspected fraud affecting the entity involving:
 - a. Management,
 - b. Employees who have significant roles in internal control, or
 - c. Others where the fraud could have a material effect on the financial statements.
7. We have no knowledge of any allegations of fraud or suspected fraud affecting the entity received in communications from employees, former employees, analysts, regulators or others.
8. The Agency has no plans or intentions that may materially affect the carrying value or classification of assets, liabilities, or fund equity.
9. The following, if any, have been properly recorded or disclosed in the financial statements:
 - a. Related party transactions, including revenues, expenditures/expenses, loans, transfers, leasing arrangements, and guarantees, and amounts receivable from or payable to related parties.
 - b. Guarantees, whether written or oral, under which the Agency is contingently liable.
 - c. All accounting estimates that could be material to the financial statements, including the key factors and significant assumptions underlying those estimates, and we believe the estimates are reasonable in the circumstances.
10. We are responsible for compliance with laws, regulations, and provisions of contracts and agreements applicable to us, including tax or debt limits and debt contracts; and we have identified and disclosed to you all laws, regulations and provisions of contracts and agreements that we believe have a direct and material

effect on the determination of financial statement amounts, including legal and contractual provisions for reporting specific activities in separate funds.


11. There are no -
 - a. Violations or possible violations of budget ordinances, laws and regulations (including those pertaining to adopting, approving, and amending budgets), provisions of contracts and agreements, tax or debt limits, and any related debt covenants whose effects should be considered for disclosure in the financial statements or as basis for recording a loss contingency.
 - b. Unasserted claims or assessments that our lawyer has advised us are probable of assertion and must be disclosed in accordance with Financial Accounting Standards Board (FASB) Statement No. 5, *Accounting for Contingencies*.
 - c. Other liabilities or gain or loss contingencies that are required to be accrued or disclosed by FASB Statement No. 5.
 - d. Reservations or designation of fund equity that were not properly authorized and approved.
12. The Agency has satisfactory title to all owned assets, and there are no liens or encumbrances on such assets nor has any asset been pledged as collateral.
13. The Agency has complied with all aspects of contractual agreements that would have a material effect on the financial statements in the event of noncompliance.
14. The financial statements include all component units as well as joint ventures with an equity interest, and properly disclose all other joint ventures and other related organizations.
15. The financial statements properly classify all funds and activities.
16. All funds that meet the quantitative criteria in GASB Statement Nos. 34 and 37 for presentation as major are identified and presented as such and all other funds that are presented as major are particularly important to financial statement users.
17. Net asset components (invested in capital assets, net of related debt; restricted; and unrestricted) and fund balance reserves and designations are properly classified and, if applicable, approved.
18. Provisions for uncollectible receivables have been properly identified and recorded.

19. Expenses have been appropriately classified in or allocated to functions and programs in the statement of activities, and allocations have been made on a reasonable basis.
20. Revenues are appropriately classified in the statement of activities within program revenues, general revenues, contributions to term or permanent endowments, or contributions to permanent fund principal.
21. Interfund, internal, and intra-entity activity and balances have been appropriately classified and reported.
22. Special and extraordinary items are appropriately classified and reported.
23. Deposits and investment securities are properly classified and reported.
24. Capital assets, including infrastructure assets, are properly capitalized, reported and if applicable, depreciated.
25. Required supplementary information (RSI) is measured and presented within prescribed guidelines.

To the best of our knowledge and belief, no events, including instances of noncompliance, have occurred subsequent to the balance sheet date and through the date of this letter that would require adjustment to or disclosure in the aforementioned financial statements.

Date: _____

3/27/2012


Mr. Henry Mikus, Executive Director
Sonoma County Waste Management Agency

DAVID E. SUNDSTROM, CPA
AUDITOR-CONTROLLER
TREASURER - TAX COLLECTOR

**Auditor-Controller
Treasurer-Tax Collector
County of Sonoma**
585 FISCAL DRIVE
SUITE 100
SANTA ROSA, CALIFORNIA
95403-2819
(707) 565-2631
FAX (707) 565-3489

DONNA DUNK, CPA
ASSISTANT
AUDITOR-CONTROLLER

JONATHAN KADLEC
ASSISTANT
TREASURER

PAM JOHNSTON
ASSISTANT
TAX COLLECTOR/AUDITOR

April 11, 2012

Mr. Henry Minkus, Executive Director
Board of Directors
Sonoma County Waste Management Agency
Department of Transportation & Public Works
2300 County Center Drive, Suite B-100
Santa Rosa, CA 95403

Dear Mr. Minkus and Honorable Directors:

Enclosed please find the completed *Annual Report* of the Sonoma County Sonoma County Waste Management Agency (Agency) for the fiscal year ended June 30, 2011.

We have audited the basic financial statements of the Agency as of and for the year ended June 30, 2011, and have issued our report thereon dated March 26, 2012. Professional standards require that we advise you of the following matters relating to our audit.

Our Responsibility under Generally Accepted Auditing Standards

As communicated in our engagement letter dated July 5, 2011 our responsibility, as described by professional standards, is to form and express an opinion about whether the financial statements that have been prepared by management with your oversight are presented fairly, in all material respects, in conformity with accounting principles generally accepted in the United States of America. Our audit of the financial statements does not relieve you or management of your respective responsibilities.

Our responsibility, as prescribed by professional standards, is to plan and perform our audit to obtain reasonable, rather than absolute, assurance about whether the financial statements are free of material misstatement. An audit of financial statements includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control over financial reporting. Accordingly, as part of our audit, we considered the internal control of the Agency solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal control.

We are also responsible for communicating significant matters related to the audit that are, in our professional judgment, relevant to your responsibilities in overseeing the financial reporting process. However, we are not required to design procedures for the purpose of identifying other matters to communicate to you.

Other Information in Documents Containing Audited Financial Statements

Pursuant to professional standards, our responsibility as auditors for other information in documents containing the Agency's audited financial statements does not extend beyond the financial information identified in the audit report, and we are not required to perform any procedures to corroborate such other information. However, in accordance with such standards, we have read the information and considered whether such information, or the manner of its presentation, was consistent with financial statement presentation.

Our responsibility also includes communicating to you any information which we believe is a material misstatement of fact. Nothing came to our attention that caused us to believe that such information, or its manner of presentation, is materially inconsistent with the information, or manner of its presentation, appearing in the financial statements.

Planned Scope and Timing of the Audit

We conducted our audit consistent with the planned scope and timing we previously communicated to you.

Qualitative Aspects of the Entity's Significant Accounting Practices

Significant Accounting Policies

Management has the responsibility to select and use appropriate accounting policies. A summary of the significant accounting policies adopted by the Agency is included in Note I to the financial statements. There have been no initial selection of accounting policies and no changes in significant accounting policies or their application during fiscal year ending June 30, 2011. No matters have come to our attention that would require us, under professional standards, to inform you about (1) the methods used to account for significant unusual transactions and (2) the effect of significant accounting policies in controversial or emerging areas for which there is a lack of authoritative guidance or consensus.

Significant Accounting Estimates

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's current judgments. Those judgments are normally based on knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ markedly from management's current judgments. We noted no sensitive accounting estimates affecting the financial statements.

Financial Statement Disclosures

Certain financial statement disclosures involve significant judgment and are particularly sensitive because of their significance to financial statement users. We noted no sensitive disclosures.

Significant Difficulties Encountered during the Audit

We encountered no significant difficulties in dealing with management relating to the performance of the audit.

Uncorrected and Corrected Misstatements

For purposes of this communication, professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that we believe are trivial, and communicate them to the appropriate level of management. We noted no uncorrected financial statement misstatements whose effects, as determined by management, are immaterial, both individually and in the aggregate, to the financial statements taken as a whole and each applicable opinion unit.

In addition, professional standards require us to communicate to you all material, corrected misstatements that were brought to the attention of management as a result of our audit procedures. No corrected misstatements were noted.

Disagreements with Management

For purposes of this letter, professional standards define a disagreement with management as a matter, whether or not resolved to our satisfaction, concerning a financial accounting, reporting, or auditing matter, which could be significant to the Agency's financial statements or the auditor's report. No such disagreements arose during the course of the audit.

Representations Requested from Management

We have requested certain written representations from management, which are included in the attached letter dated March 26, 2012.

Management's Consultations with Other Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters. Management informed us that, and to our knowledge, there were no consultations with other accountants regarding auditing and accounting matters.


Other Significant Findings or Issues

In the normal course of our professional association with the Agency, we generally discuss a variety of matters, including the application of accounting principles and auditing standards, operating and regulatory conditions affecting the entity, and operational plans and strategies that may affect the risks of material misstatement. None of the matters discussed resulted in a condition to our retention as the Agency's auditors.

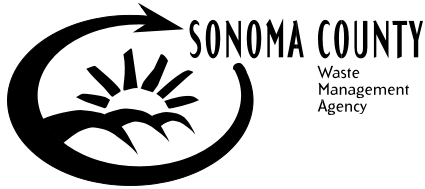
This report is intended solely for the information and use of the Agency's governing body and management, and is not intended to be and should not be used by anyone other than these specified parties.

If you have any questions, please call Ann Hargreaves at (707) 565-8302. Thank you for your assistance.

Sincerely,



David E. Sundstrom, CPA
Auditor-Controller-Treasurer-Tax Collector



Agenda Item #: 7
Cost Center: HHW
Staff Contact: Steinman
Agenda Date: 5/16/2012

ITEM: E-Waste Transport and Recycling Services Contract

I. BACKGROUND

The Agency currently has a contract with ECS Refining to provide E-waste transport and recycling services of electronic waste (E-waste) collected at the County Transfer Stations and the Central Disposal Site. This Agreement is set to expire on May 31, 2012.

On March 21, 2012, the Agency Board directed staff to distribute a Request for Proposals (RFP) for an E-waste Transportation and Recycling Services Contract for approximately five years, through February 11, 2017, and to return to this meeting with a recommendation for a selected E-waste Contractor.

II. DISCUSSION

On March 26, 2012, the Agency issued a RFP for E-waste Transportation and Recycling Services. Five proposals were received by the deadline of April 27, 2012. The following is the list of Proposers:

California Electronic Asset Recovery, Mather, CA

ECS Refining, Santa Clara, CA

E-Recycling of California, Hayward, CA

Onsite Electronics Recycling, Stockton, CA

Sims Recycling Solutions, Roseville, CA

The proposals were reviewed and evaluated by the Agency Executive Director and Agency staff. Scoring Criteria was used to evaluate potential Electronic Waste Contractors. Evaluations were based on five primary selection criteria categories which were included in the Proposed Scope of Work (see attached Exhibit A). Each category was scored with a maximum score of 100 points being possible. The final ranking was based upon the comparison of proposals by category.

Of the five Proposers, ECS Refining was the highest ranking Proposer.

A table listing all of the Proposers and their ranking is included in this staff report as the Request for Proposals-Comparison attachment. The proposed Agreement with the highest ranking Contractor is also included. A finalized version of the Agreement, with the Scope of Work incorporated, will be signed by the highest ranking Contractor and brought to this meeting for the Chair's signature if approved.

III. FUNDING IMPACT

Senate Bill 20 and Senate Bill 50 attach a fee to purchases of computers and televisions and provide funds to approved recyclers, who then provide a portion of that money to official E-waste collectors.

Under the Recycling Act, the Agency does not pay the Approved Recycler for recycling services; rather the Approved Recycler pays the Agency for the electronic waste they receive covered under this program.

On June 23, 2008, the Office of Administrative Law (OAL) approved revised regulations governing the covered electronic waste recovery and recycling payment rates that were adopted by the California Integrated Waste Management Board (CIWMB) in May 2008. Beginning September 16, 2008 the standard Statewide Combined Recovery and Recycling Payment Rate paid to the Recyclers and Collectors, was decreased by \$0.09, from \$0.48 to \$0.39 per pound.

Under the current agreement, ECS Refining is paying the Agency \$0.26/lb for covered electronic waste (CEWs). No payment is currently being received for Universal Waste Electronic Devices (UWED) This rate has remained consistent throughout the duration of this contract.

ECS Refining's new proposed payment to the Agency is twenty seven (\$0.27/lb) for CEWs, sixteen cents (\$0.16/lb) for covered flat panel display devices, and two cents (\$0.02/lb) for UWEDs. Based on the weights of CEWs, flat panel display devices, and UWEDs collected last year, this pricing would result in a little over \$200,000 in annual income which would be a slight increase from the preceding year.

IV. RECOMMENDED ACTION/ALTERNATIVES TO RECOMMENDATION

Staff recommendation: Awarding to ECS Refining, the highest ranking Proposer, the five year Contract for E-waste Collection Event Services and authorizing the Chair to sign the Agreement.

V. ATTACHMENTS

1. RFP Exhibit A- Proposed Scope of Work
2. Request for Proposals-Comparison
3. Draft Agreement with ECS Refining
4. ECS Refining Resolution

Approved by: _____
Henry J. Mikus, Executive Director, SCWMA

E-Waste Transportation and Recycling Services RFP

Exhibit A

Scope of Work

This section describes the services sought by the Sonoma County Waste Management Agency (Agency). The Agency will execute an Agreement (see Attachment C) for E-waste transportation and recycling with the selected Proposer as described in this RFP. The Agreement may incorporate any or all elements of the successful Proposer's proposal, either as originally submitted or as defined in subsequent negotiations. The Agreement is subject to the final approval of the Agency Board of Directors. Also set forth in this section are the major terms of the business arrangement that the Agency seeks with the successful Proposer, as further defined by the cost items/payment terms contained in the successful Proposer's proposal.

To enable the Agency to evaluate potential Electronic Waste Transportation and Recycling Contractors, please address each of the items below. Agency staff will evaluate the Proposals based on completeness of answers to the items below. The weighted percentages are listed next to each criteria category below totaling 100%.

Primary Selection Criteria

1. Ability to perform services as specified within the RFP (25%)-Please describe the Proposer's qualifications and experience as an E-waste Recycler. Include the Proposer's CEWID#.

2. Description of services offered (20%)- Please list, in detail, the collection services proposed to be provided in connection with this RFP. Please include a detailed list of materials accepted.

3. Cost (25%)- How much would be paid (charged) to the SCWMA for recycling the materials described above? The payment (charge) should include all costs (recycling, labor, equipment, transportation, etc.).

4. Handling of materials (20%)-Describe, in detail, the final destination/market for collected items. In addition, please also address the following:

- a) Will any of the items collected be recycled or reused? Please describe.
- b) How are collected hard drives to be handled?
- c) List any materials which are sent to the landfill or shipped overseas for processing.

Preference will be given to Proposers who have obtained environmental, health and safety certifications and who uphold the highest social and environmental standards in their business practices. Preference will be given to Proposers that:

- 1. have ISO 9000 or 14001 Environmental Management Systems

2. have obtained environmental, health and safety certifications. Provide a list of any current certifications or qualifications, for example the e-Stewards Certification (which includes ISO 14001 certification) or the e-Stewards Pledge.

5. References (10%)- Please provide a list of references from existing or prior clients.

TASKS

The services to be performed under the Agreement will include the following tasks and any modifications agreed to during the contract negotiation process. **The Proposer shall include responses to each Task category below** to be included in the evaluation of the Proposals.

Materials Accepted – At a minimum the contractor shall be required to accept all E-waste (CEWs and UWEDs), including but not limited to: computer monitors, laptop computers, TVs, console TVs, projector TVs, flatscreen TV's and broken CEW's. Furthermore, Proposer should detail any restrictions on acceptance, for example, will Proposer accept CEW tubes removed from casings.

Packing – The successful Proposer shall work with County's E-waste packing and loading contractor on packing requirements. The E-waste packing and loading contractor will package E-waste to successful Proposer's specifications. In the proposal, detail any specific palletizing and sorting requirements.

Truck Loading – The successful Proposer shall work with County's E-waste packing and loading contractor, who will load successful Proposer's trucks. In proposal, detail any specific truck loading requirements. Should a Proposer be proposing to load their own trucks, the "cost" (or reimbursement reduction) for loading must be indicated separately from other services. If a Proposer will not allow County's E-waste packing and loading contractor to load trucks, this must be clearly stated in proposal.

Scheduling – The successful Proposer shall work with County's E-waste packing and loading contractor, who will schedule all pickups. Proposer should indicate in its proposal the necessary lead time for pickups. Proposer should indicate a preference for on-call or regularly scheduled pickups and flexibility for on-call pickups.

Paperwork – The Agency shall provide all necessary collection log cover letters, collection logs, and CEW transfer receipts. The successful Proposer shall provide a copy of the Bill of Lading and a certificate of recycling for each shipment with monthly payments. Proposer shall provide downstream chain-of-custody reports.

Recycling Process – Proposer shall describe the recycling process for CEWs and UWEDs for all component parts.

Downstream Vendors – Proposer shall provide a list of vendors that will receive materials from Agency's CEW's and UWED's and describe what form they receive the material and in what form that material is when transferred to the next vendor. Be sure to cover all component parts.

E-Waste RFP/Contract Language

INTENT

The Sonoma County Waste Management Agency (AGENCY) implements the following criteria as due diligence to increase the oversight of electronics recycling and to assure legal, safe and beneficial recycling occurs with Sonoma County's electronic waste. All material collected through the Contract shall be handled by a Recycler who meets the following criteria. The following criteria must be included in the successful Proposer's contract.

Contract Requirements

1. Contractor shall be 1) an Approved Recycler with the State of California Department of Resources Recycling and Recovery (CalRecycle), formerly the Integrated Waste Management Board (CIWMB), and maintain this designation throughout the term of the contract or 2) registered with CalRecycle as an authorized E-waste Collector and partner with a CalRecycle Approved Recycler and both the Collector and the Approved Recycler must maintain this designation throughout the term of the contract. Loss of Approved Recycler and Collector designation shall be considered a breach of the contract.
2. The Contractor shall comply with all Federal, State, and/or local regulations.
3. The Contractor shall not allow any characteristically hazardous material accepted to be sent to solid waste (non-hazardous waste) landfills or incinerators for disposal or energy recovery, either directly or through intermediaries.
4. The Contractor is to assure that all materials that test as characteristic hazardous waste under California Law remain within the United States until the waste has been processed to the point at which it can be considered a commodity ready for use in a new product. This requirement applies to all characteristic materials, including those with exemptions, such as circuit boards.
5. To ensure integrality of the entire recycling chain, including downstream intermediaries and recovery operations such as smelters, the Contractor shall not utilize a company that is not in complete compliance with all applicable National, Regional and/or Local environmental and health and safety regulations.
6. For Contractor and each of the proposed subcontractors, include copies of all notices of violations, administrative orders, or other enforcement actions taken by any regulatory agencies during the past three years and within 30 days of any new violation during the term of this Agreement for Contractor and each of the proposed subcontractors. Also, provide copies of any letters of recommendation or other awards of recognition.

7. Contractor shall make all of its facilities and related documentation available to the AGENCY for onsite and paper audits by AGENCY or designated 3rd party auditor. Additionally, Contractor must arrange for all contractors/vendors involved in the downstream recycling process, regardless of location, to make their facilities and documentation available for onsite and paper audits by AGENCY or designated 3rd party auditor.
8. Contractor shall provide a downstream chain-of-custody-and-disposition report of all waste collected within ninety (90) days of the collection event. The downstream report shall include both hazardous and non-hazardous components, including but limited to, Identity of vendor(s) who purchase final recovered materials, and a description of each material's final reuse or disposition by volume and composition.
9. Contractor shall provide Agency staff with a list of Contractor's "Down-Stream Vendors", identified by material processed, and shall provide written notification to Agency of any change to the list. Contractor shall provide thirty (30) days notice to Agency of any change to the list that is initiated by Contractor and seven (7) days notice of any change not initiated by Contractor.
10. Contractor shall not utilize prison labor for recycling of E-waste or its components either directly or through intermediaries.

SCWMA E-waste Transportation and Recycling Services

Request for Proposals Comparison

Primary Selection Criteria	%	CEAR	ECS	E-Recycling of CA.	Onsite	Sims
Ability to perform services as specified within the RFP. Contractor's proposal demonstrates that the firm possesses the qualifications (CEWID#), and experience to provide the required services listed in the RFP.	25%	21.25	25	21.25	21.25	21.25
Description of services offered: Meeting all requirements in RFP	20%	20	20	20	17.5	20
Cost (direct and indirect)/Payment	25%	22.25	23.5	14.75	10	21.6
Handling of materials: final destination/market	20%	14	20	16	20	14
References: History of providing similar services to comparable entities with a high level of customer service. (Quality of work)	10%	8.5	9	8.5	9	5.5
	100	86	97.5	80.5	77.75	82.35

EXHIBIT C
AGREEMENT FOR ELECTRONIC WASTE TRANSPORT AND RECYCLING
SERVICES

This agreement ("Agreement"), dated as of _____, 2012 ("Effective Date") is by and between the Sonoma County Waste Management Agency, (hereinafter "Agency"), and ECS Refining, (hereinafter "Contractor").

R E C I T A L S

WHEREAS, Contractor represents that it is duly qualified and experienced in Electronic Waste ("E-Waste") Transportation and Recycling Services and related services; and

WHEREAS, in the judgment of the Board of Directors of Agency, it is necessary and desirable to employ the services of Contractor for transporting and recycling E-Waste collected at the Central Disposal Site.

NOW, THEREFORE, in consideration of the foregoing recitals and the mutual covenants contained herein, the parties hereto agree as follows:

A G R E E M E N T

1. Scope of Services.

1.1 Contractor's Specified Services. This Agreement is entered into for the purpose of establishing a contract for E-Waste Transport and Recycling Services. Contractor shall perform services as defined in Exhibit "A", Proposed Scope of Services.

1.2 Cooperation with Agency. Contractor shall cooperate with Agency and Agency staff in the performance of all work hereunder.

1.3 Performance Standard. Contractor shall perform all work hereunder in a manner consistent with the level of competency and standard of care normally observed by a person practicing in Contractor's profession. If Agency determines that any of Contractor's work is not in accordance with such level of competency and standard of care, Agency, in its sole discretion, shall have the right to do any or all of the following: (a) require Contractor to meet with Agency to review the quality of the work and resolve matters of concern; (b) require Contractor to repeat the work at no additional charge until it is satisfactory; (c) terminate this Agreement pursuant to the provisions of Article 4; or (d) pursue any and all other remedies at law or in equity.

1.4 Assigned Personnel.

- a. Contractor shall assign only competent personnel to perform work hereunder. In the event that at any time Agency, in its sole discretion, desires the removal of any person or persons assigned by Contractor to perform work hereunder, Contractor shall remove such person or persons immediately upon receiving written notice from Agency.
- b. Any and all persons identified in this Agreement or any exhibit hereto as the project manager, project team, or other professional performing work hereunder are deemed by Agency to be key personnel whose services are a material inducement to Agency to enter into this Agreement, and without whose services Agency would not have entered into this Agreement. Contractor shall not remove, replace, substitute, or otherwise change any key personnel without the prior written consent of Agency.
- c. In the event that any of Contractor's personnel assigned to perform services under this Agreement become unavailable due to resignation, sickness or other factors outside of Contractor's control, Contractor shall be responsible for timely provision of adequately qualified replacements.

2. Payment. Contractor shall pay Agency in accordance with Exhibit "A" which sets out the payment terms.

3. Term of Agreement. The term of this Agreement shall be from June 1, 2012 to February 11, 2017, unless terminated earlier in accordance with the provisions of Article 4 below.

4. Termination.

4.1 Termination Without Cause. Notwithstanding any other provision of this Agreement, at any time and without cause, Agency shall have the right, in its sole discretion, to terminate this Agreement by giving ten (10) days written notice to Contractor.

4.2 Termination for Cause. Notwithstanding any other provision of this Agreement, should Contractor fail to perform any of its obligations hereunder, within the time and in the manner herein provided, or otherwise violate any of the terms of this Agreement, Agency may immediately terminate this Agreement by giving Contractor written notice of such termination, stating the reason for termination.

4.3 Delivery of Work Product and Final Payment Upon Termination.

In the event of termination, Contractor, within 14 days following the date of termination, shall deliver to Agency all materials and work product subject to Section 9.9 and shall submit to Agency payment up to the date of termination.

5. Indemnification. Contractor agrees to accept all responsibility for loss or damage to any person or entity, including but not limited to Agency, and to defend, indemnify, hold harmless, reimburse and release Agency, its officers, agents, and employees, from and against any and all actions, claims, damages, disabilities, liabilities and expense including, but not limited to, attorneys' fees and the cost of litigation incurred in the defense of claims as to which this indemnity applies or incurred in an action by Agency to enforce the indemnity provisions herein, whether arising from personal injury, property damage or economic loss of any type, that may be asserted by any person or entity arising out of or in connection with the performance of Contractor hereunder, but, to the extent required by law, excluding liability due to the sole negligence or willful misconduct of Agency. If there is a possible obligation to indemnify, Contractor's duty to defend with legal counsel acceptable to Agency, exists regardless of whether it is ultimately determined that there is not a duty to indemnify. This indemnification obligation is not limited in any way by any limitation on the amount or type of damages or compensation payable to or for Contractor or its agents.

6. Insurance. With respect to performance of work under this Agreement, Contractor shall maintain and shall require all of its subcontractors, consultants, and other agents to maintain, insurance as described below:

6.1 Workers' Compensation Insurance. Workers' compensation insurance with statutory limits as required by the Labor Code of the State of California. Said policy shall be endorsed with the following specific language:

This policy shall not be cancelled or materially changed without first giving thirty (30) days' prior written notice to the Agency.

6.2 General Liability Insurance. Commercial general liability insurance covering bodily injury and property damage using an occurrence policy form, in an amount no less than 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 Agency, its Board of Directors and staff, 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 Agency with respect to any insurance or self-insurance programs maintained by the Agency.
- d. This policy shall not be cancelled or materially changed without first giving thirty (30) days prior written notice to the Agency.

6.3 Automobile Insurance. Automobile liability insurance covering bodily injury and property damage in an amount no less 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 or materially changed without first giving thirty (30) days prior written notice to the Agency.

6.4 Professional Liability Insurance. Professional liability insurance for all activities of Contractor arising out of or in connection with this Agreement in an amount no less than One Million Dollars (\$1,000,000) combined single limit for each occurrence. Said policy shall be endorsed with the following specific language:

This policy shall not be cancelled or materially changed without first giving thirty (30) days prior written notice to the Agency.

6.5 Pollution Liability Insurance. One million dollars (\$1,000,000) each occurrence/ Two million dollars (\$2,000,000) policy aggregate, inclusive of legal defense costs.

6.6 Documentation. The following documentation shall be submitted to the Agency:

- a. Properly executed Certificates of Insurance clearly evidencing all coverages, limits, and endorsements required above. Said Certificates shall be submitted prior to the execution of this Agreement. Contractor agrees to maintain current Certificates of Insurance evidencing the above-required coverages, limits, and endorsements on file with the Agency for the duration of this Agreement.

b. Signed copies of the specified endorsements for each policy. Said endorsement copies shall be submitted within thirty (30) days of execution of this Agreement.

c. Upon Agency's written request, certified copies of the insurance policies. Said policy copies shall be submitted within thirty (30) days of Agency's request.

6.7 Policy Obligations. Contractor's indemnity and other obligations shall not be limited by the foregoing insurance requirements.

6.8 Material Breach. If Contractor, for any reason, fails to maintain insurance coverage which is required pursuant to this Agreement, the same shall be deemed a material breach of this Agreement. Agency, in its sole option, may terminate this Agreement and obtain damages from Contractor resulting from said breach. Alternatively, Agency may purchase such required insurance coverage, and without further notice to Contractor, Agency may deduct from sums due to Contractor any premium costs advanced by Agency for such insurance. These remedies shall be in addition to any other remedies available to Agency.

7. Prosecution of Work. The execution of this Agreement shall constitute Contractor's authority to proceed immediately with the performance of this Agreement. Performance of the services hereunder shall be completed within the time required herein, provided, however, that if the performance is delayed by earthquake, flood, high water, or other Act of God or by strike, lockout, or similar labor disturbances, the time for Contractor's performance of this Agreement shall be extended by a number of days equal to the number of days Contractor has been delayed.

8. Extra or Changed Work. Extra or changed work or other changes to the Agreement may be authorized only by written amendment to this Agreement, signed by both parties. Minor changes which do not increase or decrease the amount paid under the Agreement, and which do not significantly change the scope of work or significantly lengthen time schedules may be executed by the Agency's Executive Director in a form approved by Agency Counsel. All other extra or changed work must be authorized in writing by the Agency Board of Directors.

9. Representations of Contractor.

9.1 Standard of Care. Agency has relied upon the professional ability and training of Contractor as a material inducement to enter into this Agreement. Contractor hereby agrees that all its work will be performed and that its operations shall be conducted in accordance with generally accepted and applicable professional practices and standards as well as the requirements of applicable federal, state and local laws, it being understood that acceptance of Contractor's work by Agency shall not operate as a waiver or release.

9.1.1 Change in Information. Contractor shall notify Agency thirty (30) days prior to any change to the information provided pursuant to Section 10 of Exhibit A, Proposed Scope of Services, that is initiated by Contractor, or within seven (7) days of Contractor becoming aware of a change to the information provided pursuant to Section 10 of Exhibit A that was not initiated by Contractor.

9.2 Status of Contractor. The parties intend that Contractor, in performing the services specified herein, shall act as an independent contractor and shall control the work and the manner in which it is performed. Contractor is not to be considered an agent or employee of Agency and is not entitled to participate in any pension plan, worker's compensation plan, insurance, bonus, or similar benefits provided to Agency staff. In the event Agency exercises its right to terminate this Agreement pursuant to Article 4, above, Contractor expressly agrees that it shall have no recourse or right of appeal under rules, regulations, ordinances, or laws applicable to employees.

9.3 Taxes. Contractor agrees to file federal and state tax returns and pay all applicable taxes on amounts paid pursuant to this Agreement and shall be solely liable and responsible to pay such taxes and other obligations, including, but not limited to, state and federal income and FICA taxes. Contractor agrees to indemnify and hold Agency harmless from any liability which it may incur to the United States or to the State of California as a consequence of Contractor's failure to pay, when due, all such taxes and obligations. In case Agency is audited for compliance regarding any withholding or other applicable taxes. Contractor agrees to furnish Agency with proof of payment of taxes on these earnings.

9.4 Records Maintenance. Contractor shall keep and maintain full and complete documentation and accounting records concerning all services performed that are compensable under this Agreement, as well as information provided pursuant to Section 10 of Exhibit A, Proposed Scope of Services, and shall make such documents and records available to Agency for inspection at any reasonable time. Contractor shall maintain such records for a period of four (4) years following completion of work hereunder.

9.5 Conflict of Interest. Contractor covenants that it presently has no interest and that it will not acquire any interest, direct or indirect, that represents a financial conflict of interest under state law or that would otherwise conflict in any manner or degree with the performance of its services hereunder. Contractor further covenants that in the performance of this Agreement no person having any such interests shall be employed by Contractor. In addition, if requested to do so by Agency, Contractor shall complete and file and shall require any other person doing work under Contractor and this Agreement to complete and file a "Statement of Economic Interest" with Agency disclosing Contractor's or such other person's financial interests.

9.6 Nondiscrimination. Contractor shall comply with all applicable federal, state, and local laws, rules, and regulations in regard to nondiscrimination in employment because of race, color, ancestry, national origin,

religion, sex, marital status, age, medical condition, pregnancy, disability, sexual orientation or other prohibited basis. All nondiscrimination rules or regulations required by law to be included in this Agreement are incorporated herein by this reference.

9.7 AIDS Discrimination. Contractor agrees to comply with the provisions of Chapter 19, Article II, of the Sonoma County Code prohibiting discrimination in housing, employment, and services because of AIDS or HIV infection during the term of this Agreement and any extensions of the term.

- 9.8 Assignment Of Rights. Contractor assigns to Agency all rights throughout the world in perpetuity in the nature of copyright, trademark, patent, right to ideas, in and to all versions of the plans and specifications, if any, now or later prepared by Contractor in connection with this Agreement. Contractor agrees to take such actions as are necessary to protect the rights assigned to Agency in this Agreement, and to refrain from taking any action which would impair those rights. Contractor's responsibilities under this provision include, but are not limited to, placing proper notice of copyright on all versions of the plans and specifications as Agency may direct, and refraining from disclosing any versions of the plans and specifications to any third party without first obtaining written permission of Agency. Contractor shall not use or permit another to use the plans and specifications in connection with this or any other project without first obtaining written permission of Agency.

9.9 Ownership And Disclosure Of Work Product. All reports, original drawings, graphics, plans, studies, and other data or documents ("documents"), in whatever form or format, assembled or prepared by Contractor or Contractor's subcontractors, consultants, and other agents in connection with this Agreement shall be the property of Agency. Agency shall be entitled to immediate possession of such documents upon completion of the work pursuant to this Agreement. Upon expiration or termination of this Agreement, Contractor shall promptly deliver to Agency all such documents which have not already been provided to Agency in such form or format as Agency deems appropriate. Such documents shall be and will remain the property of Agency without restriction or limitation. Contractor may retain copies of the above described documents but agrees not to disclose or discuss any information gathered, discovered, or generated in any way through this Agreement without the express written permission of Agency.

10. Demand for Assurance. Each party to this Agreement undertakes the obligation that the other's expectation of receiving due performance will not be impaired. When reasonable grounds for insecurity arise with respect to the performance of either party, the other may in writing demand adequate assurance of due performance and until such assurance is received may, if commercially reasonable, suspend any performance for which the agreed return has not been received. "Commercially reasonable" includes not only the conduct of a party with respect to performance under this Agreement, but also conduct with respect to other agreements with parties to this Agreement or others. After receipt of a justified demand, failure to provide within a reasonable time, but not exceeding thirty (30) days, such assurance of due performance as is adequate under the

circumstances of the particular case is a repudiation of this Agreement. Acceptance of any improper delivery, service, or payment does not prejudice the aggrieved party's right to demand adequate assurance of future performance. Nothing in this Article 10 limits Agency's right to terminate this Agreement pursuant to Article 4.

11. Assignment and Delegation. Neither party hereto shall assign, delegate, sublet, or transfer any interest in or duty under this Agreement without the prior written consent of the other, and no such transfer shall be of any force or effect whatsoever unless and until the other party shall have so consented.

12. Method and Place of Giving Notice, Submitting Bills and Making Payments. All notices, bills, and payments shall be made in writing and shall be given by personal delivery or by U.S. Mail or courier service. Notices, bills, and payments shall be addressed as follows:

Agency: Sonoma County Waste Management Agency
Attention: Lisa Steinman
2300 County Center Drive, Suite 100 B
Santa Rosa, CA 95403
Phone: (707) 565-3632
FAX: (707) 565-3701

Consultant: Name
Attention:
Address: Phone:
City, State Zip Fax:

When a notice, bill or payment is given by a generally recognized overnight courier service, the notice, bill or payment shall be deemed received on the next business day. When a copy of a notice, bill or payment is sent by facsimile, the notice bill or payment shall be deemed received upon transmission as long as (1) the original copy of the notice, bill or payment is promptly deposited in the U.S. mail, (2) the sender has a written confirmation of the facsimile transmission, and (3) the facsimile is transmitted before 5 p.m. (recipient's time). In all other instances, notices, bills and payments shall be effective upon receipt by the recipient. Changes may be made in the names and addresses of the person to whom notices are to be given by giving notice pursuant to this paragraph.

13. Miscellaneous Provisions.

13.1 No Waiver of Breach. The waiver by Agency of any breach of any term or promise contained in this Agreement shall not be deemed to be a waiver of such term or provision or any subsequent breach of the same or any other term or promise contained in this Agreement.

13.2 Construction. To the fullest extent allowed by law, the provisions of this Agreement shall be construed and given effect in a manner that avoids any violation of statute, ordinance, regulation, or law. The parties covenant and agree that in the event that any provision of this Agreement is held by a court of competent jurisdiction to be invalid, void, or unenforceable, the remainder of the provisions hereof shall remain in full force and effect and shall in no way be affected, impaired, or invalidated thereby. Contractor and Agency acknowledge that they have each contributed to the making of this Agreement and that, in the event of a dispute over the interpretation of this Agreement, the language of the Agreement will not be construed against one party in favor of the other. Contractor and Agency acknowledge that they have each had an adequate opportunity to consult with counsel in the negotiation and preparation of this Agreement.

13.3 Consent. Wherever in this Agreement the consent or approval of one party is required to an act of the other party, such consent or approval shall not be unreasonably withheld or delayed.

13.4 No Third Party Beneficiaries. Nothing contained in this Agreement shall be construed to create and the parties do not intend to create any rights in third parties.

13.5 Applicable Law and Forum. This Agreement shall be construed and interpreted according to the substantive law of California, regardless of the law of conflicts to the contrary in any jurisdiction. Any action to enforce the terms of this Agreement or for the breach thereof shall be brought and tried in the forum nearest to the city of Santa Rosa, in the County of Sonoma.

13.6 Captions. The captions in this Agreement are solely for convenience of reference. They are not a part of this Agreement and shall have no effect on its construction or interpretation.

13.7 Merger. This writing is intended both as the final expression of the Agreement between the parties hereto with respect to the included terms and as a complete and exclusive statement of the terms of the Agreement, pursuant to Code of Civil Procedure Section 1856. No modification of this Agreement shall be effective unless and until such modification is evidenced by a writing signed by both parties.

13.8 Time of Essence. Time is and shall be of the essence of this Agreement and every provision hereof.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the Effective Date.

AGENCY: SONOMA COUNTY WASTE MANAGEMENT AGENCY

By: _____
Chair

CONTRACTOR:

By: _____

Name: _____

Title: _____

APPROVED AS TO SUBSTANCE BY
AND CERTIFICATES OF INSURANCE
ON FILE WITH:

By: _____
Executive Director, SCWMA

APPROVED AS TO FORM FOR AGENCY:

By: _____
Agency Counsel

RESOLUTION NO.:

DATED: May 16, 2012

RESOLUTION OF THE SONOMA COUNTY WASTE MANAGEMENT AGENCY
("AGENCY") AUTHORIZING AN AGREEMENT WITH ECS REFINING
("CONTRACTOR") FOR ELECTRONIC WASTE (E-WASTE) TRANSPORTATION AND
RECYCLING SERVICES

WHEREAS, Contractor represents that it is duly qualified and experienced in Electronic Waste ("E-Waste") Transportation and Recycling Services and related services; and

WHEREAS, in the judgment of the Board of Directors of Agency, it is necessary and desirable to employ the services of Contractor for transporting and recycling E-Waste collected at the Central Disposal Site.

NOW, THEREFORE, BE IT RESOLVED that the Sonoma County Waste Management Agency hereby authorizes the Agency, Chairman of the Board to execute a five-year Agreement with ECS Refining for E-Waste Transportation and Recycling Services.

MEMBERS:

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

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

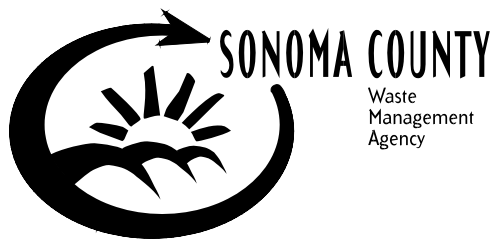
SO ORDERED

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

ATTEST:

DATE:

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



Agenda Item #: 8
Cost Center: HHW
Staff Contact: Steinman
Agenda Date: 5/16/2012

ITEM: Electronic Waste Collection Events Contract

I. BACKGROUND

The Sonoma County Waste Management Agency (Agency) has been holding electronic waste (E-waste) collection events since 2007. These events provide opportunities for residents and businesses of Sonoma County to bring electronics to specified city centered locations for proper recycling.

The Agency has an agreement with Goodwill Industries of the Redwood Empire to hold E-waste collection events which is set to expire on June 16, 2012.

On March 21, 2012, the Agency Board directed staff to issue a Request for Proposals (RFP) for a two year (including multiple one-year extensions until February 11, 2017) E-waste Collection Events Services Contract and to return to this meeting with a recommendation for a selected E-waste Contractor and a "back-up" E-waste Contractor. The "back-up" Agreement would only be utilized if the preferred proposer was unable to provide the E-waste recycling services required by its contract with the Agency.

II. DISCUSSION

On March 26, 2012, the Agency issued a RFP for Electronic Waste Collection Event Services. Three proposals were received by the deadline of April 27, 2012. The following is the list of Proposers:

California Electronic Asset Recovery, Mather, CA

Goodwill Industries - Redwood Empire, Santa Rosa, CA

Onsite Electronics Recycling, Stockton, CA

The proposals were reviewed and evaluated by the Agency Executive Director and Agency staff. Scoring Criteria was used to evaluate potential Electronic Waste Collection Event Contractors. Evaluations were based on twelve questions which were included in the Proposed Scope of Services (see attached Exhibit A). Each category was scored with a maximum score of 100 points being possible. The final ranking was based upon the comparison of proposals by category.

Of the three Proposers, Goodwill Industries of the Redwood Empire (GIRE) was the highest ranking Proposer and Onsite Electronics Recycling ranked second. Both Contractors are well qualified to provide E-waste collection event services in partnership with the Agency

A table listing all of the Proposers and their ranking is included in this staff report as the Request for Proposals-Comparison Spreadsheet. Although GIRE did not provide the best pricing, they scored high in all other categories. GIRE was the only Proposer who can provide their own venues. Agency staff time would be required to find County-wide venues with the other two

Proposers. As requested by the Agency Board with this particular contract, a maximum of 5 points were given to Proposers who qualified as local and/or non-profit or who partnered with a non-profit for services connected with this RFP. GIRE received the 5 additional points for qualifying as a local 501(c)(3) Nonprofit Corporation.

The proposed Agreements with both Contractors are included with this staff report. Finalized versions of both Agreements (primary and back-up), with the Scope of Work incorporated, will be signed by the respective Contractor and brought to this meeting for the Chair's signature if approved.

III. FUNDING IMPACT

Senate Bill 20 and Senate Bill 50 attach a fee to purchases of computers and televisions and provide funds to approved recyclers, who then provide a portion of that money to official E-waste collectors. The E-waste collection events will provide revenue to the Agency through the California Covered Electronic Waste Recovery and Recycling Payment Program.

The Agency will be paid by the Contractor per pound for E-waste which qualifies for reimbursement under the program.

Through the current contract, the Agency is paid \$0.15/lb for covered electronic waste. The following are the proposed payments from the proposals received:

Goodwill's proposed payment to the Agency for recycling covered electronic waste is six cents (\$0.06/lb).

Onsite Electronics Recycling's proposed payment to the Agency for recycling covered electronic waste is ten (\$0.10/lb). Onsite will, however, only accept for free material qualifying for SB20.

There will be a cost to the Agency for the necessary public outreach and staff time for logistical requirements to hold the events. Revenues generated from the E-waste collection events are expected to offset Agency costs.

IV. RECOMMENDED ACTION / ALTERNATIVES TO RECOMMENDATION

Staff recommends:

1. Awarding to Goodwill Industries of the Redwood Empire, the highest ranking Proposer, the two year Contract for E-waste Collection Event Services and authorizing the Chair to sign the Agreement.
2. Awarding Onsite Electronics Recycling, the second ranking Proposer, the "back-up" Contract for E-waste Collection Event Services and authorizing the Chair to sign the Agreement.

V. ATTACHMENTS

1. RFP Exhibit A- Proposed Scope of Services

2. Request for Proposals-Comparison Spreadsheet
3. Draft Agreement with Goodwill Industries of the Redwood Empire
4. Goodwill Industries of the Redwood Empire Resolution
5. Draft Agreement with Onsite Electronics Recycling
6. Onsite Electronics Recycling Resolution

Approved by: _____
Henry J. Mikus, Executive Director, SCWMA

Electronic Waste Collection Events

Exhibit A

Proposed Scope of Services

The Contractor shall provide all waste collection services needed for the operation of successful Electronic Waste Collection Events. Services will include all staffing, necessary packaging, materials, transportation, and equipment. The Contractor is expected to perform all collection, transportation, and processing services consistent with all local, State, and Federal laws and regulations.

The Contractor shall be required to hold monthly (calendar) E-waste collection events. Event locations should vary to most conveniently serve population centers and the unincorporated areas of Sonoma County. The Contractor shall provide the necessary venues to host the events.

To enable the Sonoma County Waste Management Agency (SCWMA) to evaluate potential Electronic Waste Collection Event Contractors, please address each of the items below. SCWMA staff will evaluate the Proposals based on completeness of answers to the items below and use of the following scoring criteria. Each item (1-12) will be scored with a maximum score of 100 points being possible. Proposals must score at least 75 points to be considered for the contract.

- (1) **(12 points)** Please list in detail the collection services proposed to be provided in connection with the SCWMA Electronic Waste Collection Events.
- (2) **(12 points)** Please describe the Proposer's qualifications and experience as an E-waste collector and/or recycler. Include information on approximate pounds of E-waste collected during a single event. Please specify the duration of the event.
- (3) **(5 points)** A maximum of 5 points will be given to Proposers who qualify as local and/or non-profit or partner with a non-profit for services proposed to be provided in connection with the SCWMA Electronic Waste Collection Events. Please specify which category below the Proposer qualifies as.
 1. Proposer is a 501(c)(3) Nonprofit Corporation or Association and has a business location in Sonoma County, California. **(5 points)**
 2. Proposer is a 501(c)(3) Nonprofit Corporation or Association and does not have a business location in Sonoma County, California. **(3 points)**
 3. Proposer is not a 501(c)(3) Nonprofit Corporation or Association but has a business location in Sonoma County, California **(2 points)**

2 additional points will be given if the Proposer is not a 501(c)(3) Nonprofit Corporation or Association but partners with a non-profit for services proposed to be provided in connection with the SCWMA Electronic Waste Collection Events. **(2 points)**

Please list the Nonprofit Corporation or Association the Proposer is partnering with and the services that shall be provided by this Nonprofit.

- (4) **(3 points)** How much time is needed between notification to proceed and the first collection event?
- (5) **(3 points)** What will be the duration of the event? Please include the proposed days of the week the events are to be held on. **(1 of 3 possible points will be given if one of the event days includes a Saturday or Sunday.)**
- 1 day **(1 point)**
 - 2 days **(2 points)**
 - 3 days **(2 points)**
 - Other **(1-2 points)**
- (6) **(3 points)** What would be the collection hours for the event? (A full day, 8-9 hours will be given **3 points**, more than 9 hours will be given **2 points**, and less than 8 hours will be given **1 point**.)
- (7) **(12 points)** What items will be collected at the events?
- (8) **(15 points)** How much would be paid (charged) to the SCWMA for recycling the materials described in question (7)? The payment (charge) should include all costs (recycling, labor, equipment, transportation, etc.).
- (9) **(12 points)** Please list specific locations/addresses that can be provided as venues for E-waste collection events.

Is the Proposer willing to use locations that the SCWMA can provide? These locations include County-wide Park & Ride lots, Community Centers and Fairgrounds, City Corporation Yards, and Home Improvement Center parking lots.

(The score for this item will be based on whether the SCWMA finds the proposed locations to be acceptable for (1) holding E-waste collection events and (2) servicing the needs of Sonoma County residents. A higher score will be given for Proposers who are willing to use locations provided for by the SCWMA in addition to locations proposed by the Proposer.)

- (10) **(15 points)** Describe, in detail, the final destination/market for collected items. In addition, please also address the following:
- a) Will any of the items collected be recycled or reused? Please describe.
 - b) How are collected hard drives to be handled?
 - c) List any materials which are sent to the landfill or shipped overseas for processing.

Preference will be given to Proposers who have obtained environmental, health and safety certifications or who use only Recyclers who have obtained certifications. **2 points** will be given for each category below (maximum **4 points out of 15**) to Proposers that:

1. have ISO 9000 or 14001 Environmental Management Systems
2. have obtained environmental, health and safety certifications. Provide a list of any current certifications or qualifications, for example the e-Stewards Certification (which includes ISO 14001 certification) or the e-Stewards Pledge.

(The score for item #10 will be based on assurance that the Proposer upholds the highest social and environmental standards in their business practices.)

- (11) **(4 points)** Describe any additional support the Proposer is willing to provide to assist in the organizing, advertising, marketing, and public outreach for the events. (Create and distribute press releases etc.)
- (12) **(4 points)** What existing advertising products does the Proposer have available for use? (A frame signs and/or banners etc.)
- (13) Does the Proposer have any exceptions or changes to the requested services or contract language? (An excessive number of requested changes to the contract language will be disfavored and may be a basis for non-awarding of the Agreement.)
- (14) Is the Proposer interested in signing a “back-up” Agreement if not selected as the “primary” vendor? (Insurance shall only be required if Notice to Proceed is issued by Agency. Back-up vendor shall not be guaranteed any amount of work.)

Electronic Waste Collection Events

Contract Language

INTENT

The Sonoma County Waste Management Agency (SCWMA) implements the following criteria as due diligence to increase the oversight of electronics recycling and to assure legal, safe and beneficial recycling occurs with Sonoma County’s electronic waste. All material collected through the Contract shall be handled by a Recycler who meets the following criteria. The following criteria must be included in the successful Proposer’s contract.

Contract Requirements

1. Contractor shall be 1) an Approved Recycler with the State of California Department of Resources Recycling and Recovery (CalRecycle), formerly the Integrated Waste Management Board (CIWMB), and maintain this designation throughout the term of the contract or 2) registered with CalRecycle as an authorized E-waste Collector and partner with a CalRecycle Approved Recycler and both the Collector and the Approved Recycler must maintain this designation throughout the term of the contract. Loss of Approved Recycler and Collector designation shall be considered a breach of the contract.

2. The Contractor shall comply with all Federal, State, and/or local regulations.
3. The Contractor shall not allow any characteristically hazardous material accepted to be sent to solid waste (non-hazardous waste) landfills or incinerators for disposal or energy recovery, either directly or through intermediaries.
4. The Contractor is to assure that all materials that test as characteristic hazardous waste under California Law remain within the United States until the waste has been processed to the point at which it can be considered a commodity ready for use in a new product. This requirement applies to all characteristic materials, including those with exemptions, such as circuit boards.
5. To ensure integrity of the entire recycling chain, including downstream intermediaries and recovery operations such as smelters, the Contractor shall not utilize a company that is not in complete compliance with all applicable National, Regional and/or Local environmental and health and safety regulations.
6. For Contractor and each of the proposed subcontractors, include copies of all notices of violations, administrative orders, or other enforcement actions taken by any regulatory agencies during the past three years and within 30 days of any new violation during the term of this Agreement for Contractor and each of the proposed subcontractors. Also, provide copies of any letters of recommendation or other awards of recognition.
7. Contractor shall make all of its facilities and related documentation available to the SCWMA for onsite and paper audits by SCWMA or designated 3rd party auditor. Additionally, Contractor must arrange for all contractors/vendors involved in the downstream recycling process, regardless of location, to make their facilities and documentation available for onsite and paper audits by SCWMA or designated 3rd party auditor.
8. Contractor shall provide a downstream chain-of-custody-and-disposition report of all waste collected within ninety (90) days of the collection event. The downstream report shall include both hazardous and non-hazardous components, including but limited to, Identity of vendor(s) who purchase final recovered materials, and a description of each material's final reuse or disposition by volume and composition.
9. Contractor shall provide Agency staff with a list of Contractor's "Down-Stream Vendors", identified by material processed, and shall provide written notification to Agency of any change to the list. Contractor shall provide thirty (30) days notice to Agency of any change to the list that is initiated by Contractor and seven (7) days notice of any change not initiated by Contractor.
10. Contractor shall not utilize prison labor for recycling of E-waste or its components either directly or through intermediaries.

SCWMA E-WASTE COLLECTION EVENT SERVICES

REQUEST FOR PROPOSALS COMPARISON

Proposer	Question #s	1. Collection Services	2. Qualifications & Experience	3. Local and/or Non-Profit	4. Notification Time	5. Duration of Events	6. Collection Hours	7. Items Collected	8. Payment/ Charge	9 Locations of Venues	10 Final Destination/ Market	11 Additional Support	12 Existing Advertising	13 Exceptions & Changes	TOTAL
	Max Points Responsive Yes or No?	12	12	5	3	3	3	12	15	12	15	4	4		
Goodwill Industries of the Redwood Empire	YES	11.6	11.3	5	1.6	2.6	3	9.3	5.3	12	13.6	4	3.6	No	83
Onsite Electronics Recycling	YES	11.3	10.6	0	2.3	1.6	3	10.3	9.6	4.6	15	2.6	3.3	No	74
California Electronic Asset Recovery	YES	8.3	10.3	0.6	3	1.8	2.6	8.6	14.6	4.3	9.3	3	3.6	No	70

Scores for each category are based on the average of the combined scores from three evaluators.

EXHIBIT C
AGREEMENT FOR ELECTRONIC WASTE MANAGEMENT SERVICES

This agreement ("Agreement"), dated as of _____, 2012 ("Effective Date") is by and between the Sonoma County Waste Management Agency, (hereinafter "Agency"), and Goodwill Industries of the Redwood Empire, (hereinafter "Contractor").

R E C I T A L S

WHEREAS, Contractor represents that it is duly qualified and experienced in Electronic Waste ("E-Waste") Collection Event Services and related services; and

WHEREAS, in the judgment of the Board of Directors of Agency, it is necessary and desirable to employ the services of Contractor to hold E-Waste Collection Events.

NOW, THEREFORE, in consideration of the foregoing recitals and the mutual covenants contained herein, the parties hereto agree as follows:

A G R E E M E N T

1. Scope of Services.

1.1 Contractor's Specified Services. This Agreement is entered into for the purpose of establishing a contract for E-Waste Collection Event Services. Contractor shall perform services as defined in Exhibit "A", Proposed Scope of Services.

1.2 Cooperation with Agency. Contractor shall cooperate with Agency and Agency staff in the performance of all work hereunder.

1.3 Performance Standard. Contractor shall perform all work hereunder in a manner consistent with the level of competency and standard of care normally observed by a person practicing in Contractor's profession. If Agency determines that any of Contractor's work is not in accordance with such level of competency and standard of care, Agency, in its sole discretion, shall have the right to do any or all of the following: (a) require Contractor to meet with Agency to review the quality of the work and resolve matters of concern; (b) require Contractor to repeat the work at no additional charge until it is satisfactory; (c) terminate this Agreement pursuant to the provisions of Article 4; or (d) pursue any and all other remedies at law or in equity.

1.4 Assigned Personnel.

a. Contractor shall assign only competent personnel to perform work hereunder. In the event that at any time Agency, in its sole discretion, desires the removal of any person or persons assigned by Contractor to perform work hereunder, Contractor shall remove such person or persons immediately upon receiving written notice from Agency.

b. Any and all persons identified in this Agreement or any exhibit hereto as the project manager, project team, or other professional performing work hereunder are deemed by Agency to be key personnel whose services are a material inducement to Agency to enter into this Agreement, and without whose services Agency would not have entered into this Agreement. Contractor shall not remove, replace, substitute, or otherwise change any key personnel without the prior written consent of Agency.

c. In the event that any of Contractor's personnel assigned to perform services under this Agreement become unavailable due to resignation, sickness or other factors outside of Contractor's control, Contractor shall be responsible for timely provision of adequately qualified replacements.

2. Payment. Contractor shall pay Agency in accordance with Exhibit "A" which sets out the payment terms.

3. Term of Agreement. The term of this Agreement shall be from June 17, 2012 to June 17, 2014, with annual extensions upon mutual agreement through February 11, 2017, unless terminated earlier in accordance with the provisions of Article 4 below.

4. Termination.

4.1 Termination Without Cause. Notwithstanding any other provision of this Agreement, at any time and without cause, Agency shall have the right, in its sole discretion, to terminate this Agreement by giving ten (10) days written notice to Contractor.

4.2 Termination for Cause. Notwithstanding any other provision of this Agreement, should Contractor fail to perform any of its obligations hereunder, within the time and in the manner herein provided, or otherwise violate any of the terms of this Agreement, Agency may immediately terminate this Agreement by giving Contractor written notice of such termination, stating the reason for termination.

4.3 Delivery of Work Product and Final Payment Upon Termination.

In the event of termination, Contractor, within 14 days following the date of termination, shall deliver to Agency all materials and work product subject to Section 9.9 and shall submit to Agency payment up to the date of termination.

5. Indemnification. Contractor agrees to accept all responsibility for loss or damage to any person or entity, including but not limited to Agency, and to defend, indemnify, hold harmless, reimburse and release Agency, its officers, agents, and employees, from and against any and all actions, claims, damages, disabilities, liabilities and expense including, but not limited to, attorneys' fees and the cost of litigation incurred in the defense of claims as to which this indemnity applies or incurred in an action by Agency to enforce the indemnity provisions herein, whether arising from personal injury, property damage or economic loss of any type, that may be asserted by any person or entity arising out of or in connection with the performance of Contractor hereunder, but, to the extent required by law, excluding liability due to the sole negligence or willful misconduct of Agency. If there is a possible obligation to indemnify, Contractor's duty to defend with legal counsel acceptable to Agency, exists regardless of whether it is ultimately determined that there is not a duty to indemnify. This indemnification obligation is not limited in any way by any limitation on the amount or type of damages or compensation payable to or for Contractor or its agents.

6. Insurance. With respect to performance of work under this Agreement, Contractor shall maintain and shall require all of its subcontractors, consultants, and other agents to maintain, insurance as described below:

6.1 Workers' Compensation Insurance. Workers' compensation insurance with statutory limits as required by the Labor Code of the State of California. Said policy shall be endorsed with the following specific language:

This policy shall not be cancelled or materially changed without first giving thirty (30) days' prior written notice to the Agency.

6.2 General Liability Insurance. Commercial general liability insurance covering bodily injury and property damage using an occurrence policy form, in an amount no less than 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 Agency, its Board of Directors and staff, 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 Agency with respect to any insurance or self-insurance programs maintained by the Agency.

d. This policy shall not be cancelled or materially changed without first giving thirty (30) days prior written notice to the Agency.

6.3 Automobile Insurance. Automobile liability insurance covering bodily injury and property damage in an amount no less 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 or materially changed without first giving thirty (30) days prior written notice to the Agency.

6.4 Professional Liability Insurance. Professional liability insurance for all activities of Contractor arising out of or in connection with this Agreement in an amount no less than One Million Dollars (\$1,000,000) combined single limit for each occurrence. Said policy shall be endorsed with the following specific language:

This policy shall not be cancelled or materially changed without first giving thirty (30) days prior written notice to the Agency.

6.5 Documentation. The following documentation shall be submitted to the Agency:

a. Properly executed Certificates of Insurance clearly evidencing all coverages, limits, and endorsements required above. Said Certificates shall be submitted prior to the execution of this Agreement. Contractor agrees to maintain current Certificates of Insurance evidencing the above-required coverages, limits, and endorsements on file with the Agency for the duration of this Agreement.

b. Signed copies of the specified endorsements for each policy. Said endorsement copies shall be submitted within thirty (30) days of execution of this Agreement.

- c. Upon Agency's written request, certified copies of the insurance policies. Said policy copies shall be submitted within thirty (30) days of Agency's request.

6.6 Policy Obligations. Contractor's indemnity and other obligations shall not be limited by the foregoing insurance requirements.

6.7 Material Breach. If Contractor, for any reason, fails to maintain insurance coverage which is required pursuant to this Agreement, the same shall be deemed a material breach of this Agreement. Agency, in its sole option, may terminate this Agreement and obtain damages from Contractor resulting from said breach. Alternatively, Agency may purchase such required insurance coverage, and without further notice to Contractor, Agency may deduct from sums due to Contractor any premium costs advanced by Agency for such insurance. These remedies shall be in addition to any other remedies available to Agency.

7. Prosecution of Work. The execution of this Agreement shall constitute Contractor's authority to proceed immediately with the performance of this Agreement. Performance of the services hereunder shall be completed within the time required herein, provided, however, that if the performance is delayed by earthquake, flood, high water, or other Act of God or by strike, lockout, or similar labor disturbances, the time for Contractor's performance of this Agreement shall be extended by a number of days equal to the number of days Contractor has been delayed.

8. Extra or Changed Work. Extra or changed work or other changes to the Agreement may be authorized only by written amendment to this Agreement, signed by both parties. Minor changes which do not increase or decrease the amount paid under the Agreement, and which do not significantly change the scope of work or significantly lengthen time schedules may be executed by the Agency's Executive Director in a form approved by Agency Counsel. All other extra or changed work must be authorized in writing by the Agency Board of Directors.

9. Representations of Contractor.

9.1 Standard of Care. Agency has relied upon the professional ability and training of Contractor as a material inducement to enter into this Agreement. Contractor hereby agrees that all its work will be performed and that its operations shall be conducted in accordance with generally accepted and applicable professional practices and standards as well as the requirements of applicable federal, state and local laws, it being understood that acceptance of Contractor's work by Agency shall not operate as a waiver or release.

9.1.1 Change in Information. Contractor shall notify Agency thirty (30) days prior to any change to the information provided pursuant to Section 10 of Exhibit A, Proposed Scope of Services, that is initiated by Contractor, or within seven (7)

days of Contractor becoming aware of a change to the information provided pursuant to Section 10 of Exhibit A that was not initiated by Contractor.

9.2 Status of Contractor. The parties intend that Contractor, in performing the services specified herein, shall act as an independent contractor and shall control the work and the manner in which it is performed. Contractor is not to be considered an agent or employee of Agency and is not entitled to participate in any pension plan, worker's compensation plan, insurance, bonus, or similar benefits provided to Agency staff. In the event Agency exercises its right to terminate this Agreement pursuant to Article 4, above, Contractor expressly agrees that it shall have no recourse or right of appeal under rules, regulations, ordinances, or laws applicable to employees.

9.3 Taxes. Contractor agrees to file federal and state tax returns and pay all applicable taxes on amounts paid pursuant to this Agreement and shall be solely liable and responsible to pay such taxes and other obligations, including, but not limited to, state and federal income and FICA taxes. Contractor agrees to indemnify and hold Agency harmless from any liability which it may incur to the United States or to the State of California as a consequence of Contractor's failure to pay, when due, all such taxes and obligations. In case Agency is audited for compliance regarding any withholding or other applicable taxes. Contractor agrees to furnish Agency with proof of payment of taxes on these earnings.

9.4 Records Maintenance. Contractor shall keep and maintain full and complete documentation and accounting records concerning all services performed that are compensable under this Agreement, as well as information provided pursuant to Section 10 of Exhibit A, Proposed Scope of Services, and shall make such documents and records available to Agency for inspection at any reasonable time. Contractor shall maintain such records for a period of four (4) years following completion of work hereunder.

9.5 Conflict of Interest. Contractor covenants that it presently has no interest and that it will not acquire any interest, direct or indirect, that represents a financial conflict of interest under state law or that would otherwise conflict in any manner or degree with the performance of its services hereunder. Contractor further covenants that in the performance of this Agreement no person having any such interests shall be employed by Contractor. In addition, if requested to do so by Agency, Contractor shall complete and file and shall require any other person doing work under Contractor and this Agreement to complete and file a "Statement of Economic Interest" with Agency disclosing Contractor's or such other person's financial interests.

9.6 Nondiscrimination. Contractor shall comply with all applicable federal, state, and local laws, rules, and regulations in regard to nondiscrimination in employment because of race, color, ancestry, national origin, religion, sex, marital status, age, medical condition, pregnancy, disability, sexual orientation or other prohibited basis. All nondiscrimination rules or regulations required by law to be included in this Agreement are incorporated herein by this reference.

9.7 AIDS Discrimination. Contractor agrees to comply with the provisions of Chapter 19, Article II, of the Sonoma County Code prohibiting discrimination in housing, employment, and services because of AIDS or HIV infection during the term of this Agreement and any extensions of the term.

- 9.8 Assignment Of Rights. Contractor assigns to Agency all rights throughout the world in perpetuity in the nature of copyright, trademark, patent, right to ideas, in and to all versions of the plans and specifications, if any, now or later prepared by Contractor in connection with this Agreement. Contractor agrees to take such actions as are necessary to protect the rights assigned to Agency in this Agreement, and to refrain from taking any action which would impair those rights. Contractor's responsibilities under this provision include, but are not limited to, placing proper notice of copyright on all versions of the plans and specifications as Agency may direct, and refraining from disclosing any versions of the plans and specifications to any third party without first obtaining written permission of Agency. Contractor shall not use or permit another to use the plans and specifications in connection with this or any other project without first obtaining written permission of Agency.

9.9 Ownership And Disclosure Of Work Product. All reports, original drawings, graphics, plans, studies, and other data or documents ("documents"), in whatever form or format, assembled or prepared by Contractor or Contractor's subcontractors, consultants, and other agents in connection with this Agreement shall be the property of Agency. Agency shall be entitled to immediate possession of such documents upon completion of the work pursuant to this Agreement. Upon expiration or termination of this Agreement, Contractor shall promptly deliver to Agency all such documents which have not already been provided to Agency in such form or format as Agency deems appropriate. Such documents shall be and will remain the property of Agency without restriction or limitation. Contractor may retain copies of the above described documents but agrees not to disclose or discuss any information gathered, discovered, or generated in any way through this Agreement without the express written permission of Agency.

10. Demand for Assurance. Each party to this Agreement undertakes the obligation that the other's expectation of receiving due performance will not be impaired. When reasonable grounds for insecurity arise with respect to the performance of either party, the other may in writing demand adequate assurance of due performance and until such assurance is received may, if commercially reasonable, suspend any performance for which the agreed return has not been received. "Commercially reasonable" includes not only the conduct of a party with respect to performance under this Agreement, but also conduct with respect to other agreements with parties to this Agreement or others. After receipt of a justified demand, failure to provide within a reasonable time, but not exceeding thirty (30) days, such assurance of due performance as is adequate under the circumstances of the particular case is a repudiation of this Agreement. Acceptance of any improper delivery, service, or payment does not prejudice the aggrieved party's right

to demand adequate assurance of future performance. Nothing in this Article 10 limits Agency's right to terminate this Agreement pursuant to Article 4.

11. Assignment and Delegation. Neither party hereto shall assign, delegate, sublet, or transfer any interest in or duty under this Agreement without the prior written consent of the other, and no such transfer shall be of any force or effect whatsoever unless and until the other party shall have so consented.

12. Method and Place of Giving Notice, Submitting Bills and Making Payments. All notices, bills, and payments shall be made in writing and shall be given by personal delivery or by U.S. Mail or courier service. Notices, bills, and payments shall be addressed as follows:

Agency: Sonoma County Waste Management Agency
Attention: Lisa Steinman
2300 County Center Drive, Suite 100 B
Santa Rosa, CA 95403
Phone: (707) 565-3632
FAX: (707) 565-3701

Consultant: Name
Attention:
Address: Phone:
City, State Zip Fax:

When a notice, bill or payment is given by a generally recognized overnight courier service, the notice, bill or payment shall be deemed received on the next business day. When a copy of a notice, bill or payment is sent by facsimile, the notice bill or payment shall be deemed received upon transmission as long as (1) the original copy of the notice, bill or payment is promptly deposited in the U.S. mail, (2) the sender has a written confirmation of the facsimile transmission, and (3) the facsimile is transmitted before 5 p.m. (recipient's time). In all other instances, notices, bills and payments shall be effective upon receipt by the recipient. Changes may be made in the names and addresses of the person to whom notices are to be given by giving notice pursuant to this paragraph.

13. Miscellaneous Provisions.

13.1 No Waiver of Breach. The waiver by Agency of any breach of any term or promise contained in this Agreement shall not be deemed to be a waiver of such term or provision or any subsequent breach of the same or any other term or promise contained in this Agreement.

13.2 Construction. To the fullest extent allowed by law, the provisions of this Agreement shall be construed and given effect in a manner that avoids any violation of statute, ordinance, regulation, or law. The parties covenant and agree

that in the event that any provision of this Agreement is held by a court of competent jurisdiction to be invalid, void, or unenforceable, the remainder of the provisions hereof shall remain in full force and effect and shall in no way be affected, impaired, or invalidated thereby. Contractor and Agency acknowledge that they have each contributed to the making of this Agreement and that, in the event of a dispute over the interpretation of this Agreement, the language of the Agreement will not be construed against one party in favor of the other. Contractor and Agency acknowledge that they have each had an adequate opportunity to consult with counsel in the negotiation and preparation of this Agreement.

13.3 Consent. Wherever in this Agreement the consent or approval of one party is required to an act of the other party, such consent or approval shall not be unreasonably withheld or delayed.

13.4 No Third Party Beneficiaries. Nothing contained in this Agreement shall be construed to create and the parties do not intend to create any rights in third parties.

13.5 Applicable Law and Forum. This Agreement shall be construed and interpreted according to the substantive law of California, regardless of the law of conflicts to the contrary in any jurisdiction. Any action to enforce the terms of this Agreement or for the breach thereof shall be brought and tried in the forum nearest to the city of Santa Rosa, in the County of Sonoma.

13.6 Captions. The captions in this Agreement are solely for convenience of reference. They are not a part of this Agreement and shall have no effect on its construction or interpretation.

13.7 Merger. This writing is intended both as the final expression of the Agreement between the parties hereto with respect to the included terms and as a complete and exclusive statement of the terms of the Agreement, pursuant to Code of Civil Procedure Section 1856. No modification of this Agreement shall be effective unless and until such modification is evidenced by a writing signed by both parties.

13.8 Time of Essence. Time is and shall be of the essence of this Agreement and every provision hereof.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the Effective Date.

AGENCY: SONOMA COUNTY WASTE MANAGEMENT AGENCY

By: _____
Chair

CONTRACTOR:

By: _____

Name: _____

Title: _____

APPROVED AS TO SUBSTANCE BY
AND CERTIFICATES OF INSURANCE
ON FILE WITH:

By: _____
Executive Director, SCWMA

APPROVED AS TO FORM FOR AGENCY:

By: _____
Agency Counsel

RESOLUTION NO.:

DATED: May 16, 2012

RESOLUTION OF THE SONOMA COUNTY WASTE MANAGEMENT AGENCY
("AGENCY") AUTHORIZING AN AGREEMENT WITH GOODWILL INDUSTRIES OF
THE REDWOOD EMPIRE ("CONTRACTOR") FOR ELECTRONIC WASTE (E-WASTE)
COLLECTION EVENT SERVICES.

WHEREAS, Contractor represents that it is duly qualified and experienced in
Electronic Waste ("E-Waste") Collection Event Services; and

WHEREAS, in the judgment of the Board of Directors of Agency, it is
necessary and desirable to employ the services of Contractor to hold E-Waste Collection
Events.

NOW, THEREFORE, BE IT RESOLVED that the Sonoma County Waste
Management Agency hereby authorizes the Agency, Chairman of the Board to execute
a two-year Agreement with Goodwill Industries of the Redwood Empire for E-Waste
Collection Event Services.

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:

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

EXHIBIT C
AGREEMENT FOR ELECTRONIC WASTE MANAGEMENT SERVICES

This agreement ("Agreement"), dated as of _____, 2012 ("Effective Date") is by and between the Sonoma County Waste Management Agency, (hereinafter "Agency"), and Onsite Electronics Recycling, (hereinafter "Contractor").

R E C I T A L S

WHEREAS, Agency desires the services of a "back-up" Contractor to hold Electronic Waste ("E-Waste") Collection Events; and

WHEREAS, "back-up" Contractor shall only be utilized in the event that the "primary" Contractor is unable to provide the E-Waste recycling services required by its contract with the Agency; and

WHEREAS, "back-up" Contractor shall not be guaranteed any amount of work; and

WHEREAS, Contractor represents that it is duly qualified and experienced in E-Waste Collection Event Services and related services; and

WHEREAS, in the judgment of the Board of Directors of Agency, it is necessary and desirable to employ the services of Contractor to hold E-Waste Collection Events.

NOW, THEREFORE, in consideration of the foregoing recitals and the mutual covenants contained herein, the parties hereto agree as follows:

A G R E E M E N T

1. Scope of Services.

1.1 Contractor's Specified Services. This Agreement is entered into for the purpose of establishing a contract for E-Waste Collection Event Services. Contractor shall perform services as defined in Exhibit "A", Proposed Scope of Services.

1.2 Cooperation with Agency. Contractor shall cooperate with Agency and Agency staff in the performance of all work hereunder.

1.3 Performance Standard. Contractor shall perform all work hereunder in a manner consistent with the level of competency and standard of care normally observed by a person practicing in Contractor's profession. If Agency determines that any of Contractor's work is not in accordance with such level of

competency and standard of care, Agency, in its sole discretion, shall have the right to do any or all of the following: (a) require Contractor to meet with Agency to review the quality of the work and resolve matters of concern; (b) require Contractor to repeat the work at no additional charge until it is satisfactory; (c) terminate this Agreement pursuant to the provisions of Article 4; or (d) pursue any and all other remedies at law or in equity.

1.4 Assigned Personnel.

- a. Contractor shall assign only competent personnel to perform work hereunder. In the event that at any time Agency, in its sole discretion, desires the removal of any person or persons assigned by Contractor to perform work hereunder, Contractor shall remove such person or persons immediately upon receiving written notice from Agency.
- b. Any and all persons identified in this Agreement or any exhibit hereto as the project manager, project team, or other professional performing work hereunder are deemed by Agency to be key personnel whose services are a material inducement to Agency to enter into this Agreement, and without whose services Agency would not have entered into this Agreement. Contractor shall not remove, replace, substitute, or otherwise change any key personnel without the prior written consent of Agency.
- c. In the event that any of Contractor's personnel assigned to perform services under this Agreement become unavailable due to resignation, sickness or other factors outside of Contractor's control, Contractor shall be responsible for timely provision of adequately qualified replacements.

2. Payment. Contractor shall pay Agency in accordance with Exhibit "A" which sets out the payment terms.

3. Term of Agreement. The term of this Agreement shall be from June 17, 2012 to June 17, 2014, with annual extensions upon mutual agreement through February 11, 2017, unless terminated earlier in accordance with the provisions of Article 4 below.

4. Termination.

4.1 Termination Without Cause. Notwithstanding any other provision of this Agreement, at any time and without cause, Agency shall have the right, in its sole discretion, to terminate this Agreement by giving ten (10) days written notice to Contractor.

4.2 Termination for Cause. Notwithstanding any other provision of this Agreement, should Contractor fail to perform any of its obligations hereunder, within the time and in the manner herein provided, or otherwise violate any of the terms of this Agreement, Agency may immediately terminate this Agreement by giving Contractor written notice of such termination, stating the reason for termination.

4.3 Delivery of Work Product and Final Payment Upon Termination.

In the event of termination, Contractor, within 14 days following the date of termination, shall deliver to Agency all materials and work product subject to Section 9.9 and shall submit to Agency payment up to the date of termination.

5. Indemnification. Contractor agrees to accept all responsibility for loss or damage to any person or entity, including but not limited to Agency, and to defend, indemnify, hold harmless, reimburse and release Agency, its officers, agents, and employees, from and against any and all actions, claims, damages, disabilities, liabilities and expense including, but not limited to, attorneys' fees and the cost of litigation incurred in the defense of claims as to which this indemnity applies or incurred in an action by Agency to enforce the indemnity provisions herein, whether arising from personal injury, property damage or economic loss of any type, that may be asserted by any person or entity arising out of or in connection with the performance of Contractor hereunder, but, to the extent required by law, excluding liability due to the sole negligence or willful misconduct of Agency. If there is a possible obligation to indemnify, Contractor's duty to defend with legal counsel acceptable to Agency, exists regardless of whether it is ultimately determined that there is not a duty to indemnify. This indemnification obligation is not limited in any way by any limitation on the amount or type of damages or compensation payable to or for Contractor or its agents.

6. Insurance. With respect to performance of work under this Agreement, Contractor shall maintain and shall require all of its subcontractors, consultants, and other agents to maintain, insurance as described below:

6.1 Workers' Compensation Insurance. Workers' compensation insurance with statutory limits as required by the Labor Code of the State of California. Said policy shall be endorsed with the following specific language:

This policy shall not be cancelled or materially changed without first giving thirty (30) days' prior written notice to the Agency.

6.2 General Liability Insurance. Commercial general liability insurance covering bodily injury and property damage using an occurrence policy form, in an amount no less than 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 Agency, its Board of Directors and staff, 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 Agency with respect to any insurance or self-insurance programs maintained by the Agency.
- d. This policy shall not be cancelled or materially changed without first giving thirty (30) days prior written notice to the Agency.

6.3 Automobile Insurance. Automobile liability insurance covering bodily injury and property damage in an amount no less 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 or materially changed without first giving thirty (30) days prior written notice to the Agency.

6.4 Professional Liability Insurance. Professional liability insurance for all activities of Contractor arising out of or in connection with this Agreement in an amount no less than One Million Dollars (\$1,000,000) combined single limit for each occurrence. Said policy shall be endorsed with the following specific language:

This policy shall not be cancelled or materially changed without first giving thirty (30) days prior written notice to the Agency.

6.5 Documentation. The following documentation shall be submitted to the Agency:

- a. Properly executed Certificates of Insurance clearly evidencing all coverages, limits, and endorsements required above. Said Certificates shall be submitted prior to the execution of this Agreement. Contractor agrees to maintain current Certificates of Insurance evidencing the above-

required coverages, limits, and endorsements on file with the Agency for the duration of this Agreement.

b. Signed copies of the specified endorsements for each policy. Said endorsement copies shall be submitted within thirty (30) days of execution of this Agreement.

c. Upon Agency's written request, certified copies of the insurance policies. Said policy copies shall be submitted within thirty (30) days of Agency's request.

6.6 Policy Obligations. Contractor's indemnity and other obligations shall not be limited by the foregoing insurance requirements.

6.7 Material Breach. If Contractor, for any reason, fails to maintain insurance coverage which is required pursuant to this Agreement, the same shall be deemed a material breach of this Agreement. Agency, in its sole option, may terminate this Agreement and obtain damages from Contractor resulting from said breach. Alternatively, Agency may purchase such required insurance coverage, and without further notice to Contractor, Agency may deduct from sums due to Contractor any premium costs advanced by Agency for such insurance. These remedies shall be in addition to any other remedies available to Agency.

7. Prosecution of Work. The execution of this Agreement shall constitute Contractor's authority to proceed immediately with the performance of this Agreement. Performance of the services hereunder shall be completed within the time required herein, provided, however, that if the performance is delayed by earthquake, flood, high water, or other Act of God or by strike, lockout, or similar labor disturbances, the time for Contractor's performance of this Agreement shall be extended by a number of days equal to the number of days Contractor has been delayed.

8. Extra or Changed Work. Extra or changed work or other changes to the Agreement may be authorized only by written amendment to this Agreement, signed by both parties. Minor changes which do not increase or decrease the amount paid under the Agreement, and which do not significantly change the scope of work or significantly lengthen time schedules may be executed by the Agency's Executive Director in a form approved by Agency Counsel. All other extra or changed work must be authorized in writing by the Agency Board of Directors.

9. Representations of Contractor.

9.1 Standard of Care. Agency has relied upon the professional ability and training of Contractor as a material inducement to enter into this Agreement. Contractor hereby agrees that all its work will be performed and that its operations shall be conducted in accordance with generally accepted and applicable professional practices and standards as well as the requirements of applicable federal, state and local laws, it

being understood that acceptance of Contractor's work by Agency shall not operate as a waiver or release.

9.1.1 Change in Information. Contractor shall notify Agency thirty (30) days prior to any change to the information provided pursuant to Section 10 of Exhibit A, Proposed Scope of Services, that is initiated by Contractor, or within seven (7) days of Contractor becoming aware of a change to the information provided pursuant to Section 10 of Exhibit A that was not initiated by Contractor.

9.2 Status of Contractor. The parties intend that Contractor, in performing the services specified herein, shall act as an independent contractor and shall control the work and the manner in which it is performed. Contractor is not to be considered an agent or employee of Agency and is not entitled to participate in any pension plan, worker's compensation plan, insurance, bonus, or similar benefits provided to Agency staff. In the event Agency exercises its right to terminate this Agreement pursuant to Article 4, above, Contractor expressly agrees that it shall have no recourse or right of appeal under rules, regulations, ordinances, or laws applicable to employees.

9.3 Taxes. Contractor agrees to file federal and state tax returns and pay all applicable taxes on amounts paid pursuant to this Agreement and shall be solely liable and responsible to pay such taxes and other obligations, including, but not limited to, state and federal income and FICA taxes. Contractor agrees to indemnify and hold Agency harmless from any liability which it may incur to the United States or to the State of California as a consequence of Contractor's failure to pay, when due, all such taxes and obligations. In case Agency is audited for compliance regarding any withholding or other applicable taxes. Contractor agrees to furnish Agency with proof of payment of taxes on these earnings.

9.4 Records Maintenance. Contractor shall keep and maintain full and complete documentation and accounting records concerning all services performed that are compensable under this Agreement, as well as information provided pursuant to Section 10 of Exhibit A, Proposed Scope of Services, and shall make such documents and records available to Agency for inspection at any reasonable time. Contractor shall maintain such records for a period of four (4) years following completion of work hereunder.

9.5 Conflict of Interest. Contractor covenants that it presently has no interest and that it will not acquire any interest, direct or indirect, that represents a financial conflict of interest under state law or that would otherwise conflict in any manner or degree with the performance of its services hereunder. Contractor further covenants that in the performance of this Agreement no person having any such interests shall be employed by Contractor. In addition, if requested to do so by Agency, Contractor shall complete and file and shall require any other person doing work under Contractor and this Agreement to complete and file a "Statement of Economic Interest" with Agency disclosing Contractor's or such other person's financial interests.

9.6 Nondiscrimination. Contractor shall comply with all applicable federal, state, and local laws, rules, and regulations in regard to nondiscrimination in employment because of race, color, ancestry, national origin, religion, sex, marital status, age, medical condition, pregnancy, disability, sexual orientation or other prohibited basis. All nondiscrimination rules or regulations required by law to be included in this Agreement are incorporated herein by this reference.

9.7 AIDS Discrimination. Contractor agrees to comply with the provisions of Chapter 19, Article II, of the Sonoma County Code prohibiting discrimination in housing, employment, and services because of AIDS or HIV infection during the term of this Agreement and any extensions of the term.

- 9.8 Assignment Of Rights. Contractor assigns to Agency all rights throughout the world in perpetuity in the nature of copyright, trademark, patent, right to ideas, in and to all versions of the plans and specifications, if any, now or later prepared by Contractor in connection with this Agreement. Contractor agrees to take such actions as are necessary to protect the rights assigned to Agency in this Agreement, and to refrain from taking any action which would impair those rights. Contractor's responsibilities under this provision include, but are not limited to, placing proper notice of copyright on all versions of the plans and specifications as Agency may direct, and refraining from disclosing any versions of the plans and specifications to any third party without first obtaining written permission of Agency. Contractor shall not use or permit another to use the plans and specifications in connection with this or any other project without first obtaining written permission of Agency.

9.9 Ownership And Disclosure Of Work Product. All reports, original drawings, graphics, plans, studies, and other data or documents ("documents"), in whatever form or format, assembled or prepared by Contractor or Contractor's subcontractors, consultants, and other agents in connection with this Agreement shall be the property of Agency. Agency shall be entitled to immediate possession of such documents upon completion of the work pursuant to this Agreement. Upon expiration or termination of this Agreement, Contractor shall promptly deliver to Agency all such documents which have not already been provided to Agency in such form or format as Agency deems appropriate. Such documents shall be and will remain the property of Agency without restriction or limitation. Contractor may retain copies of the above described documents but agrees not to disclose or discuss any information gathered, discovered, or generated in any way through this Agreement without the express written permission of Agency.

10. Demand for Assurance. Each party to this Agreement undertakes the obligation that the other's expectation of receiving due performance will not be impaired. When reasonable grounds for insecurity arise with respect to the performance of either party, the other may in writing demand adequate assurance of due performance and until such assurance is received may, if commercially reasonable, suspend any performance for which the agreed return has not been received. "Commercially reasonable" includes not only the conduct of a party with respect to performance under this Agreement, but

also conduct with respect to other agreements with parties to this Agreement or others. After receipt of a justified demand, failure to provide within a reasonable time, but not exceeding thirty (30) days, such assurance of due performance as is adequate under the circumstances of the particular case is a repudiation of this Agreement. Acceptance of any improper delivery, service, or payment does not prejudice the aggrieved party's right to demand adequate assurance of future performance. Nothing in this Article 10 limits Agency's right to terminate this Agreement pursuant to Article 4.

11. Assignment and Delegation. Neither party hereto shall assign, delegate, sublet, or transfer any interest in or duty under this Agreement without the prior written consent of the other, and no such transfer shall be of any force or effect whatsoever unless and until the other party shall have so consented.

12. Method and Place of Giving Notice, Submitting Bills and Making Payments. All notices, bills, and payments shall be made in writing and shall be given by personal delivery or by U.S. Mail or courier service. Notices, bills, and payments shall be addressed as follows:

Agency: Sonoma County Waste Management Agency
Attention: Lisa Steinman
2300 County Center Drive, Suite 100 B
Santa Rosa, CA 95403
Phone: (707) 565-3632
FAX: (707) 565-3701

Consultant: Name
Attention:
Address: Phone:
City, State Zip Fax:

When a notice, bill or payment is given by a generally recognized overnight courier service, the notice, bill or payment shall be deemed received on the next business day. When a copy of a notice, bill or payment is sent by facsimile, the notice bill or payment shall be deemed received upon transmission as long as (1) the original copy of the notice, bill or payment is promptly deposited in the U.S. mail, (2) the sender has a written confirmation of the facsimile transmission, and (3) the facsimile is transmitted before 5 p.m. (recipient's time). In all other instances, notices, bills and payments shall be effective upon receipt by the recipient. Changes may be made in the names and addresses of the person to whom notices are to be given by giving notice pursuant to this paragraph.

13. Miscellaneous Provisions.

13.1 No Waiver of Breach. The waiver by Agency of any breach of any term or promise contained in this Agreement shall not be deemed to be a waiver of

such term or provision or any subsequent breach of the same or any other term or promise contained in this Agreement.

13.2 Construction. To the fullest extent allowed by law, the provisions of this Agreement shall be construed and given effect in a manner that avoids any violation of statute, ordinance, regulation, or law. The parties covenant and agree that in the event that any provision of this Agreement is held by a court of competent jurisdiction to be invalid, void, or unenforceable, the remainder of the provisions hereof shall remain in full force and effect and shall in no way be affected, impaired, or invalidated thereby. Contractor and Agency acknowledge that they have each contributed to the making of this Agreement and that, in the event of a dispute over the interpretation of this Agreement, the language of the Agreement will not be construed against one party in favor of the other. Contractor and Agency acknowledge that they have each had an adequate opportunity to consult with counsel in the negotiation and preparation of this Agreement.

13.3 Consent. Wherever in this Agreement the consent or approval of one party is required to an act of the other party, such consent or approval shall not be unreasonably withheld or delayed.

13.4 No Third Party Beneficiaries. Nothing contained in this Agreement shall be construed to create and the parties do not intend to create any rights in third parties.

13.5 Applicable Law and Forum. This Agreement shall be construed and interpreted according to the substantive law of California, regardless of the law of conflicts to the contrary in any jurisdiction. Any action to enforce the terms of this Agreement or for the breach thereof shall be brought and tried in the forum nearest to the city of Santa Rosa, in the County of Sonoma.

13.6 Captions. The captions in this Agreement are solely for convenience of reference. They are not a part of this Agreement and shall have no effect on its construction or interpretation.

13.7 Merger. This writing is intended both as the final expression of the Agreement between the parties hereto with respect to the included terms and as a complete and exclusive statement of the terms of the Agreement, pursuant to Code of Civil Procedure Section 1856. No modification of this Agreement shall be effective unless and until such modification is evidenced by a writing signed by both parties.

13.8 Time of Essence. Time is and shall be of the essence of this Agreement and every provision hereof.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the Effective Date.

AGENCY: SONOMA COUNTY WASTE MANAGEMENT AGENCY

By: _____
Chair

CONTRACTOR:

By: _____

Name: _____

Title: _____

APPROVED AS TO SUBSTANCE BY
AND CERTIFICATES OF INSURANCE
ON FILE WITH:

By: _____
Executive Director, SCWMA

APPROVED AS TO FORM FOR AGENCY:

By: _____
Agency Counsel

RESOLUTION NO.:

DATED: May 16, 2012

RESOLUTION OF THE SONOMA COUNTY WASTE MANAGEMENT AGENCY
("AGENCY") AUTHORIZING AN AGREEMENT WITH ONSITE ELECTRONICS
RECYCLING("CONTRACTOR") FOR ELECTRONIC WASTE (E-WASTE)
COLLECTION EVENT SERVICES.

WHEREAS, Agency desires the services of a "back-up" Contractor to hold
Electronic Waste ("E-Waste") Collection Events; and

WHEREAS, "back-up" Contractor shall only be utilized in the event that the
"primary" Contractor is unable to provide the E-Waste recycling services required by its
contract with the Agency; and

WHEREAS, "back-up" Contractor shall not be guaranteed any amount of work;
and

WHEREAS, Contractor represents that it is duly qualified and experienced in E-
Waste Collection Event Services and related services; and

WHEREAS, in the judgment of the Board of Directors of Agency, it is
necessary and desirable to employ the services of Contractor to hold E-Waste Collection
Events.

NOW, THEREFORE, BE IT RESOLVED that the Sonoma County Waste
Management Agency hereby authorizes the Agency, Chairman of the Board to execute
a two-year Agreement with Onsite Electronics Recycling for E-Waste Collection Event
Services.

MEMBERS:

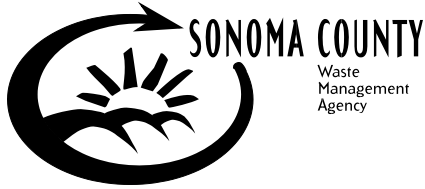
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Cloverdale	Cotati	County	Healdsburg	Petaluma
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Rohnert Park	Santa Rosa	Sebastopol	Sonoma	Windsor

AYES -- NOES -- ABSENT -- ABSTAIN --
SO ORDERED

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

ATTEST: DATE:

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



Agenda Item #:9
Cost Center: Wood/Yard
Staff Contact: Mikus/Carter
Agenda Date: 5/16/2012

ITEM: Compost Operations Negotiations

I. BACKGROUND

Joint Powers Agency Agreement

One of the Sonoma County Waste Management Agency (SCWMA)'s primary responsibilities is to ensure the proper treatment of wood and yard wastes in Sonoma County. The Joint Powers Agreement contains a number of provisions regarding the SCWMA's role in dealing with wood and yard wastes including the following:

"Section 11. Role of Participants in Collection of Wood, and Yard Waste
Each Participant shall cause wood waste and yard waste generated within its jurisdiction (that could not be diverted otherwise) to go to the Central Landfill to be delivered to the Treatment System and shall take such actions as are appropriate and necessary to accomplish that result. The Joint Powers Agency shall establish standards for the quality of yard and wood waste acceptable for delivery to the Treatment System and may also approve diversions of wood waste and yard waste to alternative treatment systems."

Three Party Agreement for Composting Services

An Agreement between the County of Sonoma (County), the SCWMA, and the Sonoma Compost Company (Contractor) for Organic Material Processing, Composting and Marketing Services (Agreement) was entered into on September 28, 1999. This Agreement fulfills part of the SCWMA's obligation to provide a regional composting program to convert yard debris and wood waste into organic marketable products at the composting facility currently located at the Central Disposal Site.

Amendments to this Agreement have been approved as follows:

- July 11, 2000 – the First Amendment (A) modified a new work surface, included a termination provision and updated Exhibit B (List of Operating Equipment).
- February 20, 2002 – the First Amendment (B) identified new finished products ("Specialty Products") and set revenue allocation or sharing methods for these products.
- March 17, 2004 – the Second Amendment approved an increase to the payment for wood waste processing, from \$12 per ton of material delivered to the compost facility to \$20 per ton for fuel products and \$22 per ton for non-fuel wood chip products.
- April 21, 2004 – the Third Amendment allowed for an expansion and/or relocation of the composting processing site, extended the term of the agreement to November 15, 2010, and created a new yard debris product designed for use by the City of Santa Rosa's Laguna Composting Facility.
- June 16, 2004 – the Fourth Amendment added new language to the Agreement regarding prevailing wages.
- July 12, 2005 – the Fifth Amendment added new definitions in order to add a Construction and Demolition Program ("C&D") and establish partial reimbursement to the SCWMA for transportation costs associated with hauling green waste from the transfer stations to the Central Disposal Site.
- April 22, 2008 – the Sixth Amendment amended the definition of "Prepared Yard Debris" to a product that would be agreeable to City of Santa Rosa for use as a bulking agent in their biosolids composting program, changed the amount of process material delivered per week from 350 tons to 400 tons, and amended the compensation to Contractor for the prepared yard debris to include an inflation computation and a trigger for rate change like the other products produced by Contractor.

- January 20, 2010 – the Seventh Amendment extended the termination date of the agreement to November 15, 2011, with acceptance of material ending July 18, 2011 and added a provision for the County to terminate the agreement with six months written notice if the County determined the area was needed for landfilling of refuse or to implement final closure on the composting area of the landfill.
- March 16, 2011 – the Eighth Amendment extended the termination date of the agreement to November 15, 2012 and included provisions for extending the agreement two additional one year increments.

At the April 20, 2011 SCWMA Board meeting staff presented estimated cost and capacity figures for several alternative plans for future composting operations, which included shipping materials to out of county locations, constructing locally, or privatized operations.

At the November 16, 2011 SCWMA meeting, the Board directed staff to release a Request for Qualifications (RFQ) for composting services. Staff released the RFQ on November 22, 2011. Responses were due December 19, 2011. At the January 18, 2012 SCWMA meeting, the Board directed staff to begin interviews with the respondents. At the February 20, 2012 SCWMA meeting, the Board directed staff to begin negotiations with Recology, Sonoma Compost, and Sonoma Vermiculture.

II. DISCUSSION

As a culmination of an “RFQ” process, Agency staff has held negotiations with three contractors for operating our organics composting program. Recology, Inc., and Sonoma Compost Company, had been asked to provide cost proposals for each of three possible scenarios: 1) to continue operations at the current site at the Central Landfill; 2) to provide a means of handling the Agency’s flow of organic materials in the event we were obligated to vacate the current site prior to constructing a new site; 3) to build, then operate a new site at any of the several locations under study and consideration in the ongoing development of an Agency new compost site EIR. One of the factors to be considered in developing cost data for Scenario 3 was the Agency’s current end-term of 2017.

Sonoma Vermiculture was under consideration for taking on up to 30,000 tons of material per year, mostly food waste, at their own site, that was likely to be generated out of approximately 80,000 tons annually of such materials currently not being diverted from the waste stream. Operational considerations dictate that taking the whole 80,000 tons of mostly food waste into the organics composting stream would be problematic; thus developing a separate location for processing this material instead of landfill burial was of importance.

Staff has confidence all three operators have the ability and experience to perform the requested services to the Agency’s expectations.

Sonoma Compost Company submitted all the requested information to Agency staff and submitted alterations to the proposed agreement that staff finds acceptable.

At the time of transmittal preparation, Recology has submitted preliminary cost information and has proposed changes to the agreement that staff will need to analyze further.

Sonoma Vermiculture recently completed their pilot project that showed their process was viable. They are still in the process of obtaining a solid waste permit to construct and operate a larger facility capable of processing 30,000 tons of food waste per year.

In the interest of fairness, staff recommends waiting until cost and agreement

information is complete from all contractors before presenting that analysis to the Board with a recommendation. This is of particular importance concerning the two potential compost operators at our Central facility.

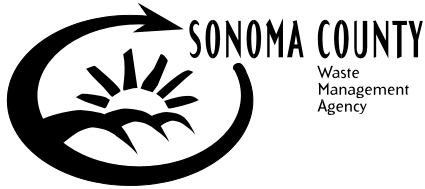
III. FUNDING IMPACT

The information was incomplete for one contractor at the time of transmittal preparation, so potential future funding impacts are unknown.

IV. RECOMMENDED ACTION / ALTERNATIVES TO RECOMMENDATION

This item is informational. No action is recommended by staff at this time.

Approved by: _____
Henry J. Mikus, Executive Director, SCWMA



Agenda Item #:10
Cost Center: Planning
Staff Contact: Carter
Agenda Date: 5/16/2012

ITEM: Carryout Bags Ordinance Report

I. BACKGROUND

The SCWMA Board of Directors requested staff to provide carryout bag legislation updates at each SCWMA meeting subsequent to the March 2008 meeting. Since that meeting staff has researched developments within California and out-of-state legislation regarding paper and plastic carryout bags.

At the May 18, 2011 SCWMA meeting, the Board directed staff to present the three options for addressing carryout bags developed by staff to the Board of Supervisors and nine councils so those decision-making bodies could give direction to their respective SCWMA representative regarding action on one of those options.

At the February 18, 2012 SCWMA meeting, the Board directed staff to begin outreach meetings throughout the county to receive feedback on the carryout bag waste reduction effort and using the San Jose carryout bag ordinance parameters as the starting point for the discussion.

At the April 18, 2012 SCWMA meeting, the Board directed staff to return at the May 2012 SCWMA meeting with a draft ordinance noting where the ordinance would be different as a countywide or model ordinance.

II. DISCUSSION

Agency Counsel and SCWMA staff have created a preliminary draft carryout bag waste reduction ordinance for the Board's inspection. There would be very little difference in the ordinance should it be adopted countywide through the Agency or by each individual Agency member jurisdiction as a model ordinance. However, in the model ordinance scenario, the enforcement language would need to be tailored to each individual jurisdiction, and there is always the possibility for individual Boards and Councils to change the ordinance, potentially affecting the consistency that stakeholders noted was important.

This project was scheduled for discussion in Rohnert Park and Santa Rosa prior to this SCWMA meeting, and staff will update the Board as to the results of those discussions.

III. FUNDING IMPACT

Staff estimates the CEQA costs will decrease significantly, bringing total project costs down to a range of \$80,000 to \$150,000.

IV. RECOMMENDED ACTION / ALTERNATIVES TO RECOMMENDATION

Staff recommends the Board review the attached draft ordinance and provide staff direction regarding the development of an RFP to hire a consultant to perform the necessary CEQA analysis for this project.

V. Attachments

Draft Carryout Bag Waste Reduction Ordinance

Approved by: _____
Henry J. Mikus, Executive Director, SCWMA

SONOMA COUNTY WASTE MANAGEMENT AGENCY

ORDINANCE NO. 2012- 1

AN ORDINANCE OF THE BOARD OF DIRECTORS OF THE SONOMA COUNTY WASTE MANAGEMENT AGENCY ESTABLISHING A WASTE REDUCTION PROGRAM FOR CARRYOUT BAGS

THE BOARD OF DIRECTORS OF THE SONOMA COUNTY WASTE MANAGEMENT AGENCY DOES ORDAIN AS FOLLOWS:

SECTION 1.

“GENERAL PROVISIONS

Title.

This Ordinance is known and may be cited as the Waste Reduction Program for Carryout Bags.

Purpose and Intent.

It is the intent of the Sonoma County Waste Management Agency (“Agency”), a ten member joint powers agency established pursuant to California Government Code Section 6500, in adopting this Ordinance to exercise the members’ common powers and pursuant to Section 14 of the Joint Powers Agreement, to adopt regulations promoting a uniform program for reducing waste by decreasing the use of single use carryout bags.

Defined Terms and Phrases.

For the purposes of this Ordinance, the words, terms and phrases as defined herein shall be construed as hereinafter set forth, unless it is apparent from the context that a different meaning is intended:

- A. “Customer” means any Person obtaining goods from a Retail Establishment.
- B. “Nonprofit Charitable Reuser” means a charitable organization, as defined in Section 501(c)(3) of the Internal Revenue Code, or a distinct operating unit or division of the charitable organization, that reuses and recycles donated goods or materials and receives more than fifty percent (50%) of its revenues from the handling and sale of those donated goods or materials.
- C. “Person” means any natural person, firm, corporation, partnership, or other organization or group however organized.

- D. "Prepared Food" means foods or beverages which are prepared on the premises by cooking, chopping, slicing, mixing, freezing, or squeezing, and which require no further preparation to be consumed. Prepared Food does not include any raw or uncooked meat product.
- E. "Recycled Paper Bag" means a paper bag provided at the check stand, cash register, point of sale, or other point of departure for the purpose of transporting food or merchandise out of the establishment that contains no old growth fiber and a minimum of forty percent (40%) Post-consumer Recycled Material; is one hundred percent (100%) recyclable; and has printed in a highly visible manner on the outside of the bag the words "Reusable" and "Recyclable," the name and location of the manufacturer, and the percentage of Post-consumer Recycled content.
- F. "Post-consumer Recycled Material" means a material that would otherwise be destined for solid waste disposal, having completed its intended end use and product life cycle. Post-consumer Recycled Material does not include materials and byproducts generated from, and commonly reused within, an original manufacturing and fabrication process.
- G. "Public Eating Establishment" means a restaurant, take-out food establishment, or any other business that receives ninety percent (90%) or more of its revenue from the sale of Prepared Food to be eaten on or off its premises.
- H. "Retail Establishment" means any commercial establishment that sells perishable or nonperishable goods including, but not limited to, clothing, food, and personal items directly to the Customer; and is located within or doing business within the geographical limits of the County of Sonoma, including the nine incorporated cities and town. Retail Establishment does not include Public Eating Establishments or Nonprofit Charitable Reusers.
- I. "Reusable Bag" means either a bag made of cloth or other machine washable fabric that has handles, or a durable plastic bag with handles that is at least 2.25 mil thick and is specifically designed and manufactured for multiple reuse. A Reusable Bag provided by a Retail Establishment shall be designed and manufactured to withstand repeated uses over a period of time; made from a material that can be cleaned and disinfected; and shall not contain lead, cadmium, or any other heavy metal in toxic amounts.
- J. "Single-Use Carryout Bag" means a bag, other than a Reusable Bag, provided at the check stand, cash register, point of sale or other point of departure for the purpose of transporting food or merchandise out of the establishment. Single-Use Carryout Bags do not include bags without handles provided to the Customer (1) to transport produce, bulk food or meat from a produce, bulk food or meat department within a store to the point of sale; (2) to hold prescription medication dispensed from a pharmacy; or (3) to segregate food or merchandise that could damage or

contaminate other food or merchandise when placed together in a Reusable Bag or Recycled Paper Bag.

Single-Use Carryout Bags.

- A. On and after July 1, 2013, no Retail Establishment shall provide a Single-Use Carryout Bag to a Customer at the check stand, cash register, point of sale or other point of departure for the purpose of transporting food or merchandise out of the establishment except as provided in this Ordinance.
- B. On and after July 1, 2013, a Retail Establishment may make available for sale to a Customer a Recycled Paper Bag for a minimum charge of ten cents (\$0.10).
- C. On and after July 1, 2014, a Retail Establishment may make available for sale to a Customer a Recycled Paper Bag for a minimum charge of twenty-five cents (\$0.25).
- D. Notwithstanding this Section, no Retail Establishment may make available for sale a Recycled Paper Bag unless the amount of the sale of the Recycled Paper Bag is separately itemized on the sales receipt.

Recordkeeping and Inspection.

Every Retail Establishment shall keep complete and accurate record or documents of the purchase and sale of any Recycled Paper Bag by the Retail Establishment, for a minimum period of three (3) years from the date of purchase and sale, which record shall be available for inspection at no cost to the Agency during regular business hours by any Agency employee or contractor authorized to enforce this Ordinance. Unless an alternative location or method of review is mutually agreed upon, the records or documents shall be available at the Retail Establishment address. The provision of false information including incomplete records or documents to the Agency shall be a violation of this Ordinance.

Enforcement.

The Executive Director of the Agency, or his or her designee, shall have primary responsibility for enforcement of this Ordinance. The Executive Director is authorized to make all necessary and reasonable rules and regulations with respect to the enforcement of this Ordinance. All such rules and regulations shall be consistent with the provisions of this Ordinance.

Anyone violating or failing to comply with any provision of this Ordinance shall be guilty of an infraction. The Agency may seek legal, injunctive, administrative or other equitable relief to enforce this Ordinance. The remedies and penalties provided in this Section are cumulative and not exclusive and nothing in this Section shall preclude the Agency from pursuing any other remedies provided by

law. In addition to any relief available to the Agency, the Agency shall be entitled to recover reasonable attorneys' fees and costs incurred in the enforcement of this Ordinance.

Penalties.

Violations of this Ordinance shall be punishable as follows:

First Violation: \$100

Second Violation within one year of the First Violation: \$200

Third and subsequent Violation(s) within one year of the First Violation: \$500

Each violation of this Ordinance or each day a violation exists shall be considered a separate offense.

Severance.

If any section, subsection, sentence, clause or phrase of this Ordinance is for any reason held to be unconstitutional or in any manner in conflict with the laws of the United States or the State of California, such decision shall not affect the validity of the remaining portions of this Ordinance. The Board of Directors of the Sonoma County Waste Management Agency hereby declares that it would have passed this Ordinance and each section, subsection, sentence, clause and phrase thereof, irrespective of the fact that any one or more sections, subsections, sentences, clauses or phrases be declared unconstitutional or in any manner in conflict with the laws of the United States or the State of California.

SECTION 2. A summary of this Ordinance shall be printed and published twice in the Santa Rosa Press Democrat, a newspaper of general circulation, printed and published in the City of Santa Rosa, County of Sonoma.

SECTION 3. This Ordinance shall be effective on July 1, 2013. A summary of this Ordinance shall, within fifteen (15) days after passage, be published with the names of the Directors voting for and against it.

INTRODUCED at a regular meeting of the Board of Directors of the Sonoma County Waste Management Agency on the ____ day of _____, 2012, and

PASSED AND ADOPTED this ____ day of _____, 2012, by the following vote:

AYES: Directors: _____

NOES: Directors: _____

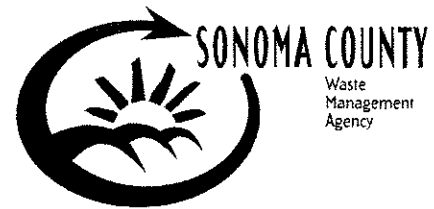
ABSENT: Directors: _____

ABSTAIN: Directors: _____

CHAIR

ATTEST:

AGENCY CLERK



TO: Sonoma County Waste Management Agency Board Members

FROM: Henry Mikus, Executive Director

SUBJECT: May 16, 2012 Agenda Notes

Consent Calendar

These items include routine financial 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.

- 6.1 Minutes of the April 18, 2012 Board meeting: regular approval.
- 6.2 Amendment to MDS Fluorescent Disposal Contract: As a result of the added grant money (\$27,000) from PG&E to support the fluorescent lamp take-back program through December 2012, we need to amend our contract with MDS for them to continue collection and disposal efforts.
- 6.3 Eighth Amendment to Petaluma HHW Services Agreement: This actually is the agreement between the Agency and the City of Petaluma for them to pay us the tip fee surcharge, on waste they have chosen to out-haul to Redwood Landfill (rather than to use the County system). It is titled "HHW" because approximately 80% of general surcharge revenue goes to fund our HHW program, and that was the vehicle for the original agreement. The agreement is updated annually.
- 6.4 FY 10-11 SCWMA Audit: We are presenting the report from the annual audit of the Agency's finances. The report had no issues or negatives, and the items listed in last year's audit recommendations have been adequately addressed.

Regular Calendar

- 7. E-Waste Transport and Recycling Services Contract: The current E-Waste Transport & Recycling Services contract has been in effect since December, 2006, and the most recent contract extension expires May 31, 2012. With the Board's concurrence, the Agency solicited competitive proposals to enter into a new contract. Three proposals were received and evaluated, and ECS Refining had the best proposal, both as to pricing and content. In fact, the new contract is estimated (based on amounts of materials collected in the past year) to provide a modest increase in income. **Recommended Action: Approve ECS Refining for a new E-Waste Transport & Recycling contract through February 2017.**

8. Electronic Waste Collection Events Contract: The current E-Waste Collection Events contract went into effect in June 2010 and is to expire this coming June. Based on Board direction, Agency staff issued an RFP to competitively select a contractor to work under a new agreement. Five responses to the RFP were received and the proposals were evaluated. Staff believes Goodwill Industries offers the best value proposal for these services. Although they did not give the highest payment quotation for the E-Waste materials to be collected, the combination of services offered together with an elevated level of environmental stewardship, made the Goodwill proposal the most attractive one received. It is worth noting that Goodwill is a local, non-profit enterprise which provides great benefit to our community. **Recommended Action: Approve Goodwill Industries for a new E-Waste Collection Events two year contract with several possible extensions so that the contract could extend through February 2017.**

9. Compost Operations Contract: We have met with three firms to negotiate terms for processing our organic materials. Two are under consideration for operating our current Central site: Recology, Inc. and Sonoma Compost Company. The third firm, Sonoma Vermiculture, is being considered separately to process a large volume of food waste that is currently still put in landfills. Our plan, clearly identified to the firms invited to negotiate, was to have a recommendation in place for our Board's May meeting. Unfortunately, as of this writing, one of the two firms being considered for our regular composting operations has been unable to give us complete information as their cost information was presented as preliminary. We want to maintain a fair yet competitive process, which would dictate we keep specific cost information confidential until all submittals are received. We are working to have information at hand in time for our Board's meeting. **Action: none required until all data has been analyzed and a choice is made for an operator.**

10. Carryout Bags Draft Ordinance Report: Per the Board's direction, we have developed a draft ordinance to ban single use bags. The basic document would be the same whether a regional ordinance was adopted, or if the ordinance became a model for member jurisdictions to use individually. The "San Jose Ordinance" was used as the basis for our version, although some items were modified, either to reflect consensus commentary received during our stakeholder outreach sessions, or to strengthen the document against possible legal challenges. If the draft ordinance is found to be acceptable, the next step would be to proceed with the appropriate supporting CEQA analysis. Regarding progress with input from our member jurisdictions, the City of Rohnert Park had a further discussion in its Waste and Recycling Sub-Committee and the full council was to receive a report from the Sub-Committee May 8. Santa Rosa is planning to discuss its preference for following either a regional ordinance at its May 15 council meeting. **Recommended Action: Provide staff direction for next steps, specifically performing project CEQA analysis.**

11. Sonoma County/City Solid Waste Advisory Group (SWAG) report, a standard monthly item presented by the Board member that has a position on SWAG, Steve Barbose. **No action required.**

12. Attachments/Correspondence: There are three items, the outreach calendar covering two months, the update report on our MCR outreach project, and the update on oil grant expenditures.

Attachments/Correspondence

There are three items this month presented under "Reports by Staff and Others"

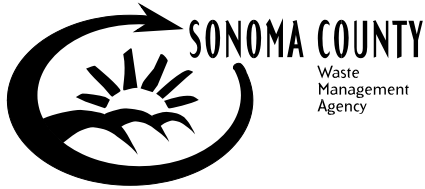
- 12.2.a Outreach Events Calendar: This is our regular, updated listing of Outreach Events listing events planned for May and June 2012.
- 12.2.b MCR Project Report: A written report is provided to brief the Board on accomplishments, current activities, and plans for the Mandatory Commercial Recycling outreach project.
- 12.2.c Extra Oil Grant Expenditures Report: A monthly report has been prepared to document the month's expenditures using the extra oil grant money.

May 2012 Outreach Events

<u>Day</u>	<u>Time</u>	<u>Event</u>
3	5 - 7 PM	Rohnert Park 2012 Business Showcase
5	2 - 8 PM	Roseland Cinco de Mayo Celebration, Santa Rosa
8	4 - 8 PM	Community Toxics Collection, Healdsburg
9	5 – 8:30 PM	Wednesday Downtown Market, Santa Rosa
10	9 – 10 AM	Outreach to Graton Labor Center, Graton
10	4 - 7 PM	Santa Rosa Chamber of Commerce 2012 Showcase
11	7:30 AM - 7 PM	Sustainable Enterprises Conference, Agency booth, Rohnert Park
11	7:30 AM - 7 PM	Sustainable Enterprises Conference, Sonoma Compost table, Rohnert Park
12	10:00 AM, 11:30 AM, & 1:00 PM	Sonoma Compost Tours as part of International Compost Awareness Week
15	4 - 8 PM	Community Toxics Collection, Sonoma
16	5 – 8:30 PM	Wednesday Downtown Market, Santa Rosa
19, 20	8 AM - 4 PM	Electronics Waste Collection Event, Santa Rosa, Whole Foods Coddington Mall
20	2 - 8 PM	Elsie Ellen High School Lobo Community Fair, Santa Rosa
20	11 AM – 3 PM	It's Fun to Be Healthy Event, Cotati
22	4 - 8 PM	Community Toxics Collection, Santa Rosa, NW
23	5 – 8:30 PM	Wednesday Downtown Market, Santa Rosa
29	4 - 8 PM	Community Toxics Collection, Oakmont
30	5 – 8:30 PM	Wednesday Downtown Market, Santa Rosa

June 2012 Outreach Events

<u>Day</u>	<u>Time</u>	<u>Event</u>
5	4 - 8 PM	Community Toxics Collection, Bodega Bay
6	3 PM	Sonoma Compost tour, World Friends Ukraine delegation
12	4 - 8 PM	Community Toxics Collection, Cloverdale
19	4 - 8 PM	Community Toxics Collection, Santa Rosa, SW
20-24	noon-10 PM	Sonoma Marin Fair
26	4 - 8 PM	Community Toxics Collection, Petaluma
TBD	8 AM - 4 PM	Electronics Waste Collection Event, Santa Rosa,



Agenda Item #: 12.2.b
Cost Center: Education
Staff Contact: Mikus/Carter
Agenda Date: 5/16/2012

Item: Update Report on MCR Project

I. BACKGROUND

Mandatory Commercial Recycling (MCR) was contemplated originally as a part of The California Air Resources Board (ARB) Scoping Plan for the California Global Warming Solutions Act of 2006 (AB 32, Núñez, Chapter 488, Statutes of 2006). However, California AB 341, passed in late 2011, superseded this initial effort, and placed the MCR program under CalRecycle. MCR regulations are planned to be in effect by July, 2012, and are to apply to commercial entities (including businesses, non-profits, strip malls, government offices & schools) that generate 4 or more cubic yards of trash per week; this also includes multifamily residential complexes with 5 units or more.

Utilizing grant funding, SCWMA has started an MCR outreach educational program that is targeting the groups affected by these regulations to help them achieve compliance with as little difficulty as possible, and prior to the compulsory start date. As single-stream recycling is defined in all the jurisdiction franchise agreements, the Agency's outreach effort targets single-stream recycling where cardboard, paper, bottles and cans are mixed together. The program also is documenting MCR activities, both extant and new, to comply with state reporting requirements.

A status report on MCR project activities to date is presented below.

II. DISCUSSION

The 3rd mailing of 3 total initial outreach phases were mailed April 23 to Sonoma, Windsor, Healdsburg, Cloverdale, Sebastopol, and other unincorporated areas (as identified by our database). Approximately 5,171 letters were mailed - 38% of total outreach – to complete Phase 3. We are in week 9 of 17 total weeks. We have received approximately 1,500 postcard responses (the number rises every day), in addition to 122 phone responses and 103 email responses – a response rate of about 13%. To date, we have completed 242 site visits. In addition to visits, and as part of our visits, we have distributed English and Spanish "Recycle Guides," plus two sizes of posters developed for this program, for businesses to use in educating employees/residents. Well over 2,500 such printed materials have been distributed. The large range of types of commercial entities that have participated in our outreach efforts is still quite varied.

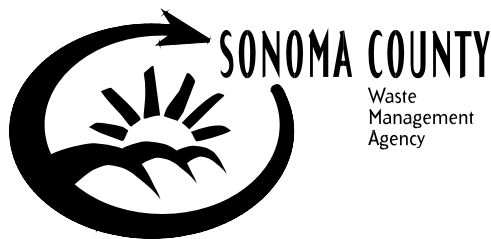
III. FUNDING IMPACT

The MCR project is currently operating within budget.

IV. RECOMMENDED ACTION / ALTERNATIVES TO RECOMMENDATION

None required.

Approved by: _____
Henry J. Mikus, Executive Director, SCWMA



Agenda Item #:12.2.c
Cost Center: HHW
Staff Contact: Steinman
Agenda Date: 5/16/2012

ITEM: Update Report on Extra Oil Grant Expenditures

I. BACKGROUND

At the January 18, 2012 Agency Board meeting, the Board approved delegating the signing authority to the Agency Executive Director for FY 11-12 oil program related expenses in the amount of \$67,041. All funding for oil related expenses will be provided through the Department of Resources Recycling and Recovery's (CalRecycle) Used Oil Block Grant, Cycle 15 and Oil Payment Program.

II. DISCUSSION

Staff is providing this report each month in an effort to update the Board members on how the funds are being spent. There is one new expense to report since the last Agency Board meeting.

Agency staff had 2,875 used motor oil & filter handouts printed through the County of Sonoma Reprographics Department. These handouts will be used at upcoming events throughout Sonoma County. The cost to the Agency is \$1,366.06.

Agency staff designed a standalone used oil and filter display which has already been used at the April 22nd Santa Rosa Earth Day Event and will be used at future events. A photo of the new display is attached to this staff report. \$259.57 in printing and supply costs as well as staff time will be reimbursed through the Oil Payment Program.

Another update will be provided to the Board next month.

III. ATTACHMENTS

Photo of Earth Day Event Display

Approved by: _____
Henry J. Mikus, Executive Director, SCWMA

