

BOARD OF SUPERVISORS

Terrell Swofford, 1st District
Kevin Goss, 2nd District
Sharon Thrall, Chair 3rd District
Lori Simpson, Vice Chair 4th District
Jeff Engel, 5th District

**AGENDA FOR REGULAR MEETING OF JANUARY 19, 2016 TO BE HELD AT 11:00 A.M.
IN THE BOARD OF SUPERVISORS ROOM 308, COURTHOUSE, QUINCY, CALIFORNIA**

www.countyofplumas.com

AGENDA

The Board of Supervisors welcomes you to its meetings which are regularly held on the first three Tuesdays of each month, and your interest is encouraged and appreciated.

Any item without a specified time on the agenda may be taken up at any time and in any order. Any member of the public may contact the Clerk of the Board before the meeting to request that any item be addressed as early in the day as possible, and the Board will attempt to accommodate such requests.

Any person desiring to address the Board shall first secure permission of the presiding officer. For noticed public hearings, speaker cards are provided so that individuals can bring to the attention of the presiding officer their desire to speak on a particular agenda item.

Any public comments made during a regular Board meeting will be recorded. The Clerk will not interpret any public comments for inclusion in the written public record. Members of the public may submit their comments in writing to be included in the public record.

CONSENT AGENDA: These matters include routine financial and administrative actions. All items on the consent calendar will be voted on at some time during the meeting under "Consent Agenda." If you wish to have an item removed from the Consent Agenda, you may do so by addressing the Chairperson.



REASONABLE ACCOMMODATIONS: In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting please contact the Clerk of the Board at (530) 283-6170. Notification 72 hours prior to the meeting will enable the County to make reasonable arrangements to ensure accessibility. Auxiliary aids and services are available for people with disabilities.

STANDING ORDERS

11:00 A.M. CALL TO ORDER/ROLL CALL

PLEDGE OF ALLEGIANCE

ADDITIONS TO OR DELETIONS FROM THE AGENDA

PUBLIC COMMENT OPPORTUNITY

Matters under the jurisdiction of the Board, and not on the posted agenda, may be addressed by the general public at the beginning of the regular agenda and any off-agenda matters before the Board for consideration. However, California law prohibits the Board from taking action on any matter which is not on the posted agenda unless it is determined to be an urgency item by the Board of Supervisors. Any member of the public wishing to address the Board during the "Public Comment" period will be limited to a maximum of 3 minutes.

DEPARTMENT HEAD ANNOUNCEMENTS/REPORTS

Brief announcements by, or brief reports on their activities by County Department Heads

ACTION AGENDA

1. CONSENT AGENDA

These items are expected to be routine and non-controversial. The Board of Supervisors will act upon them at one time without discussion. Any Board members, staff member or interested party may request that an item be removed from the consent agenda for discussion. Additional budget appropriations and/or allocations from reserves will require a four/fifths roll call vote.

A) PUBLIC HEALTH AGENCY

Approve submission of the Annual Children's Medical Services (CMS) Plan and Budget for FY 15-16, and authorize the Chair to sign the Certification Statements for the California Children's Services and Child Health and Disability Prevention Programs

B) AGRICULTURE/WEIGHTS & MEASURES

Approve and authorize the Chair to sign CDFA contract of \$5,249 for exotic insect pest detection; approved as to form by County Counsel

C) SOCIAL SERVICES

Approve and authorize the Director of Social Services to sign contract between County of Plumas and Plumas Rural Services of \$15,000 to provide therapeutic and intervention family counseling services to families in the Child Welfare system; authorize the Director of Social Services to renegotiate compensation limit should demand for services exceed \$15,000 for the current year; and approve two twelve month extensions of the agreement following the end of the current term; approved as to form by County Counsel

D) FACILITY SERVICES

Approve donation of "total loss" collision damaged 2005 Ford Escape from County of Plumas to Quincy Fire Protection District for vehicle extrication training at the 2016 Plumas County Fire Academy

E) MENTAL HEALTH

- 1) Approve and authorize the Chair to sign FY 2015-2016 contract between County of Plumas and Millie Stansfield, MFT for services in sign language for Mental Health clients on an "as needed" basis; approved as to form by County Counsel
- 2) Authorize payment of invoices from FY 2014-2015 for Millie Stansfield, MFT for services provided in sign language

2. DEPARTMENTAL MATTERS

A) **MANAGEMENT COUNCIL** – Dony Sawchuk
Executive report by the Plumas County Management Council

3. BOARD OF SUPERVISORS

A. Accept letter of resignation from John Cunningham, Building Official effective April 07, 2016, and direct Human Resources to begin recruitment to fill the position; discussion and possible action
B. Correspondence
C. Weekly report by Board members of meetings attended, key topics, project updates, standing committees and appointed Boards and Associations

1:00 P.M. AFTERNOON SESSION

4. ENGINEERING – Robert Perreault

Authorize the Engineering Department to recruit and fill .5 FTE Recording Secretary Position; and approve supplemental budget of \$2,350 to cover costs accordingly; discussion and possible action

5. SOLID WASTE PROGRAM – Robert Perreault

Public Workshop: Matters pertaining to the draft revised Solid Waste Franchise Contracts, dated October 2015, as well as Associated Proposed Revisions to the Plumas County Code, including matters related to the Mandatory Commercial Recycling pursuant to AB 341; discussion and possible action

6. CLOSED SESSION

ANNOUNCE ITEMS TO BE DISCUSSED IN CLOSED SESSION

A. Personnel: Public employee performance evaluation – Interim Mental Health Director
B. Conference with Legal Counsel: Claim Against the County filed by Karma Honeycutt on March 30, 2015; and filed by Allied Property & Casualty Insurance Company on January 11, 2016
C. Conference with Legal Counsel: Existing litigation pursuant to Subdivision (d) (1) of Government Code §54956.9 – High Sierra Rural Alliance v. County of Plumas, Plumas Superior Court Case No. CV14-00009
D. Conference with Legal Counsel: Significant exposure to litigation pursuant to Subdivision (d)(2) of Government Code Section 54956.9
E. Conference with Labor Negotiator regarding employee negotiations: Sheriff's Administrative Unit; Sheriff's Department Employees Association; Operating Engineers Local #3; Confidential Employees Unit

REPORT OF ACTION IN CLOSED SESSION (IF APPLICABLE)

ADJOURNMENT

Adjourn meeting to Tuesday, February 02, 2016, Board of Supervisors Room 308, Courthouse, Quincy, California.



Plumas County Public Health Agency

270 County Hospital Road, Quincy, California 95971

IA

Mimi Khin Hall, MPH, CHES, Director

Mark Satterfield, M.D., Health Officer

<input type="checkbox"/> Administration & Health Education Suite 206 Quincy, CA 95971 (530) 283-6337 (530) 283-6425 Fax	<input type="checkbox"/> Clinic & Nursing Services Suite 111 Quincy, CA 95971 (530) 283-6330 (530) 283-6110 Fax	<input type="checkbox"/> Senior Nutrition & Transportation Suite 206 Quincy, CA 95971 (530) 283-3546 (530) 283-6425 Fax	<input type="checkbox"/> Veteran's Services Office Suite 206 Quincy, CA 95971 (530) 283-6275 (530) 283-6425 Fax
---	---	---	---

Date: January 11, 2016

To: Honorable Board of Supervisors

From: Mimi Khin Hall

Agenda: Item for January 19, 2015

Recommendation: Approve submission of the Annual Children's Medical Services (CMS) Plan and Budget for FY 15-16, and direct the Chair to sign the Certification Statements for the California Children's Services and Child Health and Disability Prevention Programs.

Background Information: Several years ago Child Health and Disability Program (CHDP) and California Children's Medical Services (CMS) were joined at the State and titled "Children's Medical Services" (CMS). The Plumas County Children's Medical Services Plan outlines goals, objectives and activities to be performed in FY 15-16.

As the Board may recall, Child Health and Disability Prevention (CHDP) is a California Department of Health Services program designed to provide routine health exams, immunizations and health education to children from low and moderate income families. Through this program, Plumas County Public Health Agency provides outreach to eligible families and children, coordination with local health care providers, education and training of medical providers regarding treatment protocols, coordination with other County agencies, and follow-up and referral of children with identified medical conditions. Additional funds provide for a nurse to work with Foster Care Agencies, Social Services, Probation Department, and to coordinate health care for children in foster care. The California Children's Services (CCS) Program provides diagnostic screening, medical treatment, and nurse case management of sixty to eighty families needing access to special services for medically fragile infants, or children, and assistance with travel and housing for those who must go out of county to access specialized medical care.

Please contact me should you have any questions, or need additional information. Thank you.



1B
Tim W. Gibson
Agricultural Commissioner
Sealer of Weights & Measures
timgibson@countyofplumas.com

Plumas-Sierra Counties Department of Agriculture



Agriculture Commissioner Sealer of Weights and Measures

208 Fairgrounds Road
Quincy, CA 95971
Phone: (530) 283-6365
Fax: (530) 283-4210

Date: January 7, 2016

To: Honorable Board of Supervisors

From: Tim Gibson, Agricultural Commissioner/
Sealer of Weights & Measures

RE: CDFA Contract #15-0253-Exotic Insect Pest Detection

Recommendation:

Approve and authorize the Chair to sign CDFA Contract #15-0253 in the amount of \$5,249, which began on July 1, 2015 and ends June 30, 2016.

Background and Discussion:

The Department of Agriculture shall provide services for placing and servicing traps for the detection of exotic insect pests which are considered hazardous to agriculture and to the economy of California. Those insect pests may include but are not limited to Mediterranean fruit fly, Mexican fruit fly, oriental fruit fly, melon fly, gypsy moth, Japanese beetle and other invasive exotic pests.



DEPARTMENT OF SOCIAL SERVICES AND PUBLIC GUARDIAN

Courthouse Annex, 270 County Hospital Rd., Suite 207, Quincy, CA 95971-9174

ELLIOTT SMART
DIRECTOR

(530) 283-6350
Fax: (530) 283-6368

DATE: JANUARY 5, 2016

TO: HONORABLE BOARD OF SUPERVISORS

FROM: ELLIOTT SMART, DIRECTOR
DEPARTMENT OF SOCIAL SERVICES

SUBJ: BOARD AGENDA ITEM FOR JANUARY 19, 2016

RE: APPROVAL AND AUTHORIZATION TO SIGN AN AGREEMENT
BETWEEN PLUMAS RURAL SERVICES AND THE DEPARTMENT OF
SOCIAL SERVICES TO SUPPLEMENT FAMILY COUNSELING
SERVICES NEEDED FOR FAMILIES IN THE CHILD WELFARE
SYSTEM

A handwritten signature of Elliott Smart, Director of the Department of Social Services.

It is Recommended that the Board of Supervisors

1. Approve a contract between Plumas Rural Services and the Department of Social Services to provide therapeutic and interventionist family counseling services to families that are in the Child Welfare system.
2. Authorize the Director of the Department of Social Services to sign the agreement as the Board's designee.
3. Authorize the Director of the Department of Social Services to renegotiate compensation limit should demand for services exceed \$15,000 for the current year.
4. Approve two twelve month extensions of the agreement following the end of the current term subject to an agreement between the parties regarding compensation.

Background and Discussion

Nearly all families that come into the Child Welfare system are Court ordered to participate in a psychological evaluation and, depending upon the results of that evaluation, are required as a part of their case plan to participate in scheduled therapy sessions. Adequate progress in such sessions is directly linked, along with other factors, to whether a family that has had children removed from the home can reunite.

In addition to the above, some children in the Child Welfare system are categorically eligible for mental health assessments and ongoing therapy under a court settlement called Katie A. These children receive an independent assessment by Social Workers in the Department of Social Services and if they meet Katie A criteria are eligible to receive services at County expense.

Under current law, families and children who are in the Child Welfare system have a very limited period of time (typically one year) to remedy the elements that may cause a family to enter the system in the first place. For that reason, it is vital that intervention and therapeutic services be available without delay.

Due to increasing numbers of children and families in the Child Welfare system who need or are categorically eligible to receive mental health services, there has been an ongoing need to find supplemental services beyond those available through County Mental Health. The Department has been able to secure such services through community based partner agencies. That continuing need is what brings the Department to the Board.

The Department of Social Services has been able to negotiate with Plumas Rural Services to provide us with the additional service capacity needed to deliver timely therapeutic interventions to families in the Child Welfare system.

The agreement before your Board secures such services for the balance of the current year. Because effective therapy is dependent upon a continuing relationship between the therapist and the customer, the Department requests authority to extend the agreement for two additional 12 month periods following the end of the current term, subject to an agreement regarding compensation.

Financial Impact

While there is no impact to the County General Fund that results from this agreement, there will be increased costs to the Department of Social Services. The compensation available under the agreement is an amount not to exceed \$15,000 for the balance of the fiscal year. The Department has sufficient funding in our Realigned allocation of Child Protective Services dollars to cover these new costs. The Department will have funds available to cover these services for the duration of the contract extensions.

Other Agency Involvement

County Counsel has reviewed the proposed contract and approved it as to form.

Copies: DSS Management (Memo Only)
 Louise Steenkamp, Interim Mental Health Director (with attachment)
 Michele Piller, Plumas Rural Services (with attachment)

Enclosure

Services Agreement

This Agreement is made this by and between the COUNTY OF PLUMAS, a political subdivision of the State of California, by and through its Department of Social Services (hereinafter referred to as "County" or "DSS"), and Plumas Rural Services (PRS), a California Corporation hereinafter referred to as "Contractor" or "PRS".

The parties agree as follows:

1. Scope of Work. Contractor shall provide the County with services as set forth in Exhibit A, attached hereto.
2. Compensation. County shall pay Contractor for services provided to County pursuant to this Agreement in the manner set forth in Exhibit A, attached hereto. The total amount paid by County to Contractor under this Agreement shall not exceed Fifteen Thousand Dollars (\$15,000). If necessary, the compensation available to PRS may be increased by mutual agreement of the parties.
3. Term. The term of this Agreement shall be from October 1, 2015 through June 30, 2016, unless terminated earlier as provided herein.
4. Extension. This Agreement may be extended for an additional period not to exceed twelve calendar months subject to an agreement by the parties regarding compensation. Such an extension shall be evidenced in writing and signed by both parties.
5. Termination. Either party may terminate this Agreement by giving thirty (30) days written notice to the other party.
6. Non-Appropriation of Funds. It is mutually agreed that if, for the current fiscal year and/or any subsequent fiscal years covered under this Agreement, insufficient funds are appropriated to make the payments called for by this Agreement, this Agreement shall be of no further force or effect. In this event, the County shall have no liability to pay any further funds whatsoever to Contractor or furnish any other consideration under this Agreement and Contractor shall not be obligated to perform any further services under this Agreement. If funding for any fiscal year is reduced or deleted for the purposes of this program, the County shall have the option to either cancel this Agreement with no further liability incurring to the County, or offer an amendment to Contractor to reflect the reduced amount available to the program. The parties acknowledge and agree that the limitations set forth above are required by Article XVI, section 18 of the California Constitution. Contractor acknowledges and agrees that said Article XVI, section 18 of the California Constitution supersedes any conflicting law, rule, regulation or statute.
7. Warranty and Legal Compliance. The services provided under this Agreement are non-exclusive and shall be completed promptly and competently. Contractor agrees to comply with all applicable terms of state and federal laws and regulations, all applicable

grant funding conditions, and all applicable terms of the Plumas County Code and the Plumas County Purchasing and Practice Policies.

8. Amendment. This Agreement may be amended at any time by mutual agreement of the parties, expressed in writing and duly executed by both parties. No alteration of the terms of this Agreement shall be valid or binding upon either party unless made in writing and duly executed by both parties.
9. Indemnification. To the furthest extent permitted by law (including without limitation California Civil Code Sections 2782 and 2782.8, if applicable), County shall not be liable for, and Contractor shall defend and indemnify County and its officers, agents, employees, and volunteers (collectively "County Parties"), against any and all claims, deductibles, self-insured retentions, demands, liability, judgments, awards, fines, mechanics; liens or other liens, labor disputes, losses, damages, expenses, charges or costs of any kind or character, including attorney's fees and court costs (hereinafter collectively referred to as "Claims"), which arise out of or are in any way connected to the work covered by this Agreement arising either directly or indirectly from any act, error, omission or negligence of Contractor or its officers, employees, agents, contractors, licensees or servants, including, without limitation, Claims caused by the concurrent negligent act, error or omission, whether active or passive of County Parties. Contractor shall have no obligation, however, to defend or indemnify County Parties from a Claim if it is determined by a court of competent jurisdiction that such Claim was caused by the sole negligence or willful misconduct of County Parties.
10. Insurance. Contractor agrees to maintain the following insurance coverage throughout the term of this Agreement:
 - a. Commercial general liability (and professional liability, if applicable to the services provided) coverage, with minimum per occurrence limit of the greater of (i) the limit available on the policy, or (ii) one million dollars (\$1,000,000).
 - b. Automobile liability coverage (including non-owned automobiles), with minimum bodily injury limit of the greater of (i) the limit available on the policy, or (ii) two-hundred fifty thousands dollars (\$250,000) per person and five hundred thousand dollars (\$500,000) per accident, as well as a minimum property damage limit of the greater of (i) the limit available on the policy, or (ii) fifty thousand dollars (\$50,000) per accident.
 - c. Each policy of commercial general liability (and professional liability, if applicable to the services provided) coverage and automobile liability coverage (including non-owned automobiles) shall meet the following requirements:
 - i. Each policy shall be endorsed to name the County, its officers, officials, employees, representatives and agents (collectively, for the purpose of this section 9, the "County") as additional insureds. The Additional Insured endorsement shall be at least as broad as ISO Form Number CG 20 38 04 13; and

- ii. All coverage available under such policy to Contractor, as the named insured, shall also be available and applicable to the County, as the additional insured; and
- iii. All of Contractor's available insurance proceeds in excess of the specified minimum limits shall be available to satisfy any and all claims of the County, including defense costs and damages; and
- iv. Any insurance limitations are independent of and shall not limit the indemnification terms of this Agreement; and
- v. Contractor's policy shall be primary insurance as respects the County, its officers, officials, employees, representatives and agents, and any insurance or self-insurance maintained by the County, its officers, officials, employees, representatives and agents shall be in excess of the Contractor's insurance and shall not contribute with it, and such policy shall contain any endorsements necessary to effectuate this provision. The primary and non-contributory endorsement shall be at least as broad as ISO Form 20 01 04 13; and
- vi. To the extent that Contractor carries any excess insurance policy applicable to the work performed under this Agreement, such excess insurance policy shall also apply on a primary and non-contributory basis for the benefit of the County before the County's own primary insurance policy or self-insurance shall be called upon to protect it as a named insured, and such policy shall contain any endorsements necessary to effectuate this provision.

d. Workers Compensation insurance in accordance with California state law.

If requested by County in writing, Contractor shall furnish a certificate of insurance satisfactory to County as evidence that the insurance required above is being maintained. Said certificate of insurance shall include a provision stating that the insurers will not cancel the insurance coverage without thirty (30) days' prior written notice to the County. County reserves the right to require complete, certified copies of all required insurance policies, including endorsements affecting the coverage required by these specifications at any time. Contractor shall require all subcontractors to comply with all indemnification and insurance requirements of this Agreement, and Contractor shall verify subcontractor's compliance.

11. Licenses and Permits. Contractor represents and warrants to County that it or its principals have all licenses, permits, qualifications, and approvals of whatsoever nature that are legally required for Contractor to practice its profession and to perform its duties and obligations under this Agreement. Contractor represents and warrants to County that Contractor shall, at its sole cost and expense, keep in effect at all times during the term of this Agreement any licenses, permits, and approvals that are legally required for Contractor or its principals to practice its professions and to perform its duties and obligations under this Agreement.

12. Relationship of Parties. It is understood that Contractor is not acting hereunder as an employee of the County, but solely as an independent contractor. Contractor, by virtue of this Agreement, has no authority to bind, or incur any obligation on behalf of, County. Except as expressly provided in this Agreement, Contractor has no authority or responsibility to exercise any rights or power vested in County. It is understood by both Contractor and County that this Agreement shall not under any circumstances be construed or considered to create an employer-employee relationship or joint venture.
13. Assignment. Contractor may not assign, subcontract, sublet, or transfer its interest in this Agreement without the prior written consent of the County.
14. Non-discrimination. Contractor agrees not to discriminate in the provision of service under this Agreement on the basis of race, color, religion, marital status, national origin, ancestry, sex, sexual orientation, physical or mental handicap, age, or medical condition.
15. Choice of Law. The laws of the State of California shall govern this Agreement.
16. Interpretation. This Agreement is the result of the joint efforts of both parties and their attorneys. The agreement and each of its provisions will be interpreted fairly, simply, and not strictly for or against either party.
17. Integration. This Agreement constitutes the entire understanding between the parties respecting the subject matter contained herein and supersedes any and all prior oral or written agreements regarding such subject matter.
18. Severability. The invalidity of any provision of this Agreement, as determined by a court of competent jurisdiction, shall in no way affect the validity of any other provision hereof.
19. Headings. The headings and captions contained in this Agreement are for convenience only, and shall be of no force or effect in construing and interpreting the provisions of this Agreement.
20. Waiver of Rights. No delay or failure of either party in exercising any right, and no partial or single exercise of any right, shall be deemed to constitute a waiver of that right or any other right.
21. Conflict of Interest. The parties to this Agreement have read and are aware of the provisions of Government Code section 1090 *et seq.* and section 87100 *et seq.* relating to conflicts of interest of public officers and employees. Contractor represents that it is unaware of any financial or economic interest of any public officer or employee of County relating to this Agreement. It is further understood and agreed that if such a financial interest does exist at the inception of this Agreement and is later discovered by the County, the County may immediately terminate this Agreement by giving written notice to Contractor.
22. Notice Addresses. All notices under this Agreement shall be effective only if made in writing and delivered by personal service or by mail and addressed as follows. Either party may, by written notice to the other, change its own mailing address.

County:

Plumas County Department of Social Services
270 County Hospital Road, Suite 207
Quincy, CA 95971
Attention: Elliott Smart, Director

Contractor:

Plumas Rural Services
586 Jackson Street
Quincy, CA 95971
Attention: Michele Piller, Executive Director

23. Time of the Essence. Time is hereby expressly declared to be of the essence of this Agreement and of each and every provision thereof, and each such provision is hereby made and declared to be a material, necessary, and essential part of this Agreement.
24. Contract Execution. Each individual executing this Agreement on behalf of Contractor represents that he or she is fully authorized to execute and deliver this Agreement.
25. Pursuant to California Government Code section 8546.7, the performance of any work under this Agreement is subject to the examination and audit of the State Auditor at the request of the County or as part of any audit of the County for a period of three years after final payment under the Agreement. Each party hereto shall retain all records relating to the performance and administration of this Agreement for three years after final payment hereunder, and Contractor agrees to provide such records either to the County or to the State Auditor upon the request of either the State Auditor or the County.

IN WITNESS WHEREOF, this Agreement has been executed as of the date first set forth above.

CONTRACTOR:

Plumas Rural Services a
California Corporation

COUNTY:

County of Plumas, a political
subdivision of the State of
California

By: _____
Name: Michele Piller
Title: Executive Director

Date: _____

By: _____
Name: Elliott Smart
Title: Director

Date: _____

Approved as to Form:

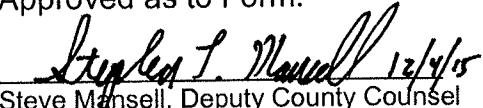

Steve Mensell, Deputy County Counsel

EXHIBIT A**CWS Therapy****SCOPE OF WORK**

Parents in Plumas County who are involved with Child Welfare Services (CWS) can receive therapeutic services as needed to support their case plans and goals. The scope of work for this effort includes intake with CWS parents and intensive weekly therapy sessions.

Plumas Rural Services (PRS) will receive referrals for therapeutic services from CWS. PRS will follow-up with the referred clients to set up an intake session. During the intake session, PRS' therapeutic staff will identify treatment goals and a therapy schedule. PRS will provide intensive weekly therapy to 4-5 clients from CWS; the number of clients seen may be increased by mutual agreement of PRS and CWS.

PRS will provide quarterly reporting to CWS related to this scope of work. Deliverables will include the number of clients engaged in therapy during the reporting period, the total number of therapy sessions held, number of entries to/exports from therapy, and number of clients unserved with reason(s). PRS will work with CWS to develop any additional reporting requirements, as necessary.

PRS will provide these services at \$46.00/session regardless of attendance by the client. PRS will provide quarterly invoices for these services.



DEPARTMENT OF FACILITY SERVICES & AIRPORTS

198 ANDY'S WAY, QUINCY, CALIFORNIA 95971-9645
(530) 283-6299 FAX: (530) 283-6103

1/1

Dony Sawchuk
Director

Board Meeting: January 19, 2016

To: The Honorable Board of Supervisors

From: Dony Sawchuk, Director

Subject: **Approve donation of "Total Loss" Collision Damaged 2005 Ford Escape from County of Plumas to Quincy Fire Protection District for Vehicle Extrication Training at 2016 Plumas County Fire Academy.**

Background

Quincy Fire Department Fire Academy 14 will be held April 2016 for Plumas County Fire Departments. Vehicle rescue, stabilization and extrication training is included in the academy. Quincy Volunteer Fire Department is always looking for the donation of vehicles for this course.

Plumas County has a total loss vehicle due to a single vehicle collision in October 2015. The vehicle sustained body and frame damage from the accident. The vehicle is a 2005 Ford Escape; VIN 1FMCU93135KBo8596; mileage 143,227. The damaged vehicle was inspected by Plumas County's insurance company, George Hills and appraised at less than \$400 in value. Repair estimate to repair the vehicle was \$5,470.64. George Hills paid a settlement to Plumas County of \$2,200, less a \$1,000 deductible. The cost to Plumas County to move and advertise this vehicle for auction is considered beyond a recoupable sales cost. Quincy Fire Department will pick up, remove and dispose of the vehicle at no cost to the Plumas County.

Recommendation

Approve donation of "Total Loss" Collision Damaged 2005 Ford Escape from County of Plumas to Quincy Fire Protection District for Vehicle Extrication Training at 2016 Plumas County Fire Academy.

PLUMAS COUNTY MENTAL HEALTH

Louise Steenkamp, Interim Director
270 County Hospital Road, Suite 109, Quincy, CA 95971
PH: (530) 283-6307 FAX: (530) 283-6045



LEI

MEMO

DATE: JANUARY 11, 2016
TO: HONORABLE BOARD OF SUPERVISORS
FROM: LOUISE STEENKAMP, INTERIM DIRECTOR
SUBJECT: CONSENT AGENDA ITEM FOR JANUARY 19, 2016
RE: APPROVE AND AUTHORIZE NEW CONTRACT BETWEEN MENTAL HEALTH AND MILLIE STANSFIELD, MFT

IT IS RESPECTFULLY RECOMMENDED THE BOARD OF SUPERVISORS: Approve and execute the FY2015-2016 contract for Millie Stansfield, MFT, which has been approved as to form by County Counsel.

BACKGROUND AND DISCUSSION: Millie Stansfield has a long-standing association with Plumas County Mental Health. Millie Stansfield provides mental health services in sign language for Mental Health on an "as needed" basis.

FINANCIAL IMPACT: There are no General Fund dollars involved in this matter. Any costs associated with this contract are covered by a combination of Federal and State mental health funds.

PLUMAS COUNTY MENTAL HEALTH

1/2

Louise Steenkamp, Interim Director
270 County Hospital Road, Suite 109, Quincy, CA 95971
PH: (530) 283-6307 FAX: (530) 283-6045



MEMO

DATE: JANUARY 11, 2016

TO: HONORABLE BOARD OF SUPERVISORS

FROM: LOUISE STEENKAMP, INTERIM DIRECTOR *JS*

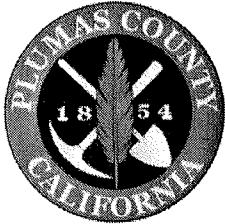
SUBJECT: CONSENT AGENDA ITEM FOR JANUARY 19, 2016

RE: APPROVE AND AUTHORIZE PAYMENT OF PRIOR YEAR INVOICES FOR MILLIE STANSFIELD, MFT

IT IS RESPECTFULLY RECOMMENDED THE BOARD OF SUPERVISORS: Approve and authorize the payment of FY2014-2015 contract for Millie Stansfield, MFT for services provided.

BACKGROUND AND DISCUSSION: Millie Stansfield has a long-standing association with Plumas County Mental Health. Millie Stansfield provides mental health services in sign language for Mental Health on an "as needed" basis.

FINANCIAL IMPACT: There are no General Fund dollars involved in this matter. Any costs associated with this contract are covered by a combination of Federal and State mental health funds.



DEPARTMENT OF FACILITY SERVICES & AIRPORTS

198 ANDY'S WAY, QUINCY, CALIFORNIA 95971-9645
(530) 283-6299 FAX: (530) 283-6103

1

Dony Sawchuk
Director

Board Date: January 19, 2016

To: The Honorable Board of Supervisors

From: Dony Sawchuk, Director

Subject: Executive Report, 2016 Kick-Off - Plumas County Management Council

Background

PCMC wishes to present to the Board of Supervisors a monthly report regarding the activities of the PCMC. Material to report may include items such as departmental matters, policy development and recommendations thereof, objective analysis of county related issues and efforts of successful coordination between county departments.

John A. Cunningham

PO Box 1349

Quincy, CA 95971

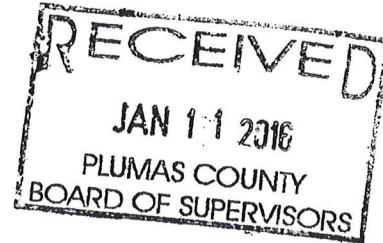
3A

(530) 927-7579

john.bds@gmail.com

January 8, 2016

Terry Swofford, Plumas County Supervisor
Kevin Goss, Plumas County Supervisor
Sherrie Thrall, Plumas County Supervisor
Lori Simpson, Plumas County Supervisor
Jeff Engel, Plumas County Supervisor



520 Main Street, Room 309
Quincy, CA 95971

Re: Resignation Letter of John A. Cunningham, Building Official

Dear Board Members:

It is with both regret and anticipation that I submit this letter of resignation, effective April 7, 2016. I have decided to take this time to evaluate my current goals and investigate new opportunities. As per the terms of my employment contract, this letter is to serve as written 90-day notice.

While my tenure as Building Official has occurred during difficult economic times, I have welcomed the opportunity to meet the challenges presented, and have been fortunate to have work alongside a dedicated and supportive Building Department staff.

If I may be of assistance in the hiring process or training of my replacement, I will gladly make myself available to this effort during the next 90 days. Thank you for allowing me to serve as Plumas County Building Official.

Sincerely,

John Cunningham
John Cunningham

cc: Craig Settlemire
County Council

Sharyl Preskitt
Director Human Resources

PLUMAS COUNTY ENGINEERING DEPARTMENT

555 Main Street • Quincy, CA 95971 • (530) 283-6209 • Fax (530) 283-6135

Robert A. Perreault, Jr., P.E., County Engineer

4

AGENDA REQUEST

For the January 19, 2016 meeting of the Plumas County Board of Supervisors

Date: January 11, 2016

To: Honorable Board of Supervisors

From: Robert Perreault, County Engineer

Subject: Authorization for the Engineering Department to add the position of Recording Secretary to the Engineering Departments Budget Allocation and Authorization for the Department to fill the vacancy for one half (0.50) FTE part time position.

Robert A. Perreault

Background:

On December 15, 2015 the Board of Supervisors unanimously adopted Resolution 15-8117 to amend the County Classification plan to include the job description of Recording Secretary.

As previously described, the cost to support this part time position will be borne by the various departments or offices that utilize the Recording Secretary, e.g., Solid Waste Task Force, Coordinating Council, Public Works, etc. Those departments already are budgeted with such funds in the budget adopted for FY 2015/16. The amounts included in the FY 2015/16 adopted budget are:

• Plumas County Integrated Waste Management Task Force	\$3,300
• Plumas County Coordinating Council	\$3,600
• Public Works	\$1,000

However, in order to facilitate use of the County accounting system, it is necessary that only one (1) department be designated as the lead department in order to process payroll, etc. The Engineering Department (#20210) is so designated.

Attached is a completed Budget Transfer Form approved by the County Auditor.

Additionally, the Department is seeking authority from the Board of Supervisors to fill this position.

Recommendation:

The Plumas County Engineer respectfully recommends that the Board of Supervisors authorize the Plumas County Auditor to add the classification to the Engineering Department Budget and fill the vacancy of one half (0.50) FTE Recording Secretary.

Attachment: Supplemental Request

COUNTY OF PLUMAS
REQUEST FOR BUDGET APPROPRIATION TRANSFER
OR SUPPLEMENTAL BUDGET

TRANSFER NUMBER

(Auditor's Use Only)

Department: Engineering Department Dept. No: 20210 Date: 1/8/2016

The reason for this request is (check one):		Approval Required
A. <input type="checkbox"/>	Transfer to/from Contingencies OR between Departments	Board
B. <input checked="" type="checkbox"/>	Supplemental Budgets (including budget reductions)	Board
C. <input type="checkbox"/>	Transfers to/from or new Fixed Asset, within a 51XXX	Board
D. <input type="checkbox"/>	Transfer within Department, except fixed assets	Auditor
E. <input type="checkbox"/>	Establish any new account except fixed assets	Auditor

TRANSFER FROM OR SUPPLEMENTAL REVENUE ACCOUNTS

(CHECK "TRANSFER FROM" IF TRANSFER WITHIN EXISTING BUDGET, CHECK "SUPPLEMENTAL REVENUE" IF SUPPLEMENTAL, NEW UNBUDGETED REVENUE)

TRANSFER TO OR

SUPPLEMENTAL EXPENDITURE ACCOUNTS

(CHECK "TRANSFER TO" IF TRANSFER WITHIN EXISTING BUDGET, CHECK "SUPPLEMENTAL EXPENDITURE" IF SUPPLEMENTAL, NEW UNBUDGETED EXPENSE)

Supplemental budget requests require Auditor/Controller's signature

Please provide copy of grant award, terms of award, proof of receipt of additional revenue, and/or backup to support this request.

In the space below, state (a) reason for request, (b) reason why there are sufficient balances in affected accounts to finance transfer, (c) why transfer cannot be delayed until next budget year (attach memo if more space is needed) or (d) reason for the receipt of more or less revenue than budgeted.

A) Creating a Recording Secretary Budget

B) _____

C) _____

D) _____

Approved by Department Signing Authority: _____

Approved/ Recommended

Disapproved/ Not recommended

Auditor/Controller Signature: 

Board Approval Date: _____ Agenda Item No. _____

Clerk of the Board Signature: _____

Date Entered by Auditor/Controller: _____ Initials _____

INSTRUCTIONS:

Original and 1 copy of ALL budget transfers go to Auditor/Controller. If supplemental request they must go to the Auditor/Controller. Original will be kept by Auditor, copies returned to Department after it is entered into the system.

Supplemental transfer must have Auditor/Controllers signature. Auditor/Controller will forward all signed, supplemental transfers to the Board for approval.

If one copy of agenda request and 13 copies of Board memo and backup are attached, the entire packet will be forwarded, after all signatures are obtained, to the Clerk of the Board. If only the budget form is sent, it will be returned to the Department after all signatures are obtained.

Transfers that are going to be submitted to the Board for approval:

- A. Must be signed by the Auditor/Controller; if supplemental must be signed by the Auditor/Controller.

PLUMAS COUNTY • DEPARTMENT OF PUBLIC WORKS



SOLID WASTE DIVISION

AGENDA REQUEST

for the January 19, 2015 meeting of the Board of Supervisors

January 11, 2015

To: Honorable Board of Supervisors

From: Robert Perreault, Director of Public Works

Subject: Board of Supervisors to Conduct a Public Workshop on Matters pertaining to the Draft, Revised Solid Waste Franchise Contracts, both dated October 2015, as well as Associated Proposed Revisions to the County Code, including Matters related to the Mandatory Commercial Recycling pursuant to AB 341; discussion and possible action.

Robert A. Pereira

OVERVIEW OF THIS AGENDA REQUEST

The purpose of this Agenda Request is to afford the Board of Supervisors to conduct a Public Workshop on the above captioned matters before finalizing dates for any public hearing(s).

BACKGROUND

Generally speaking, the County of Plumas presently conducts its daily operations in the functional area of solid waste through the use of two (2) Franchise Contracts, one contract with Feather River Disposal ("FRD") – a subsidiary company of Waste Management, Inc. – and one contract with InterMountain Disposal, Inc. ("IMD")

It is noted that the two (2) solid waste franchise contract areas, combined, are applicable to the entire County, except for the following separate jurisdictions:

City of Portola,
Quincy Community Services District, and
Chester Public Utilities District.

Agenda Request for BOS Meeting on January 19, 2015

RE: Public Workshop on Matters Pertaining to the Draft, Revised Franchise Contracts

January 11, 2015

Page 2

During 2011, the Board of Supervisors voted to invoke the termination of the 5-year "evergreen clause" and Public Works staff was directed to prepare new draft contracts, with the new contracts to contain no evergreen clause and to revise the existing procedure of requiring gate fees to appear directly in the County Code.

Public Works staff – primarily John Kolb and Bob Perreault – have been preparing draft, revised Franchise Contracts for consideration by the Franchise Contractors, the County officials and the General Public. The R3 Consulting Group has been advising Public Works staff on an as-requested basis.

The latest editions of the draft, revised franchise contracts have been, and continue to be, available for public review and comment by being posted on the Department's internet web page, thus:

A digital copy of the latest proposed, draft replacement franchise contracts, both dated October, 2015, can be viewed on the internet as follows:

- Feather River Disposal, Inc.:
<http://ca-plumascounty.civicplus.com/DocumentCenter/View/13403>
- InterMountain Disposal, Inc.:
<http://ca-plumascounty.civicplus.com/DocumentCenter/View/13404>

The proposed, draft replacement solid waste franchise contracts, as well as State law requirements pertaining to Mandatory Commercial Recycling, necessitate proposed revisions to the existing County Code in order to achieve compliance with AB 341. The specific provisions are set forth in a document titled, "Proposed Revisions, County Ordinance - Article 6-10, Solid Waste Ordinance, July 27, 2015," available for viewing on the internet at: <http://www.countyofplumas.com/DocumentCenter/View/13070>

On October 23, 2015, a Public Works staff conducted a meeting with Mr. Mark Mihevc, pertaining to the proposed, draft replacement franchise contracts and other related matters. Attached is a 62-page document (7-page Memo, dated January 8, 2016, plus attachments) in regard to the discussions that occurred on October 23, 2016.

The Plumas County Integrated Waste Management Task Force has been meeting and discussing matters pertaining to the draft, revised franchise contracts. The last such meeting of the Task Force was conducted on January 11, 2016.

Recommendation:

Public Works staff respectfully recommends that the Board of Supervisors moderate the Public Workshop and provide direction to staff as the Board deems necessary.

PLUMAS COUNTY PUBLIC WORKS DEPARTMENT

1834 EAST MAIN STREET, QUINCY CA 95971 – PHONE (530) 283-6268 FACSIMILE (530) 283-6323
Robert A. Perreault Jr., Director

Joe Blackwell, Deputy Director



MEMO

Date: January 8, 2016

Subject: Public comments on draft solid waste franchise agreements

On Friday, October 23, 2015, Solid Waste staff John Kolb and I met with Mr. Mark Mihevc, a concerned member of the public, who has had several critical comments concerning the drafts of the proposed solid waste franchise agreements (“SWFA”, hereafter) between Plumas County and the current solid waste franchise contractors. This memo is an attempt to summarize his concerns, both written and verbal, and include staff’s responses and proposed actions regarding those stated concerns. Mr. Mihevc’s “Contract Details” memorandum dated October 23, 2015, is attached.

Mr. Mihevc’s questions and comments touch on several aspects of the two draft agreements. Public Works’ Solid Waste Division staff (“staff”, hereafter) responses follow in *italics* and staff conclusions and proposed actions, if any, are *underlined*:

1. Contractor’s equipment. Is the contractor responsible for bringing (and maintaining & replacing) all necessary equipment needed to perform the work required by the new agreement? If so, then how does leased equipment figure into this agreement, especially in terms of depreciation? What about lease-to-own equipment? Should the contractor be allowed to buy, lease or rent equipment from related party entities (intra-corporation) sources? Is equipment used for other (non-County) contractual agreements properly allocated so that County rate-payers are not being unfairly charged? Is there to be corporate identification placed on all vehicles to prevent abuse (non-contract use)? Can the requirement for a depreciation schedule for equipment be added to the financial statement?

Staff: It is our opinion that the contractor is responsible for all of the equipment that will be used for the contract with the County, including its maintenance and replacement. The costs for the purchase, maintenance and replacement of such equipment are all allowable costs under the proposed agreement. The contractor has the ability and the right to rent or lease equipment for this use as needed, and there is no restriction as to who they choose to rent or lease equipment from, including related party entities.

Staff agrees that all equipment, excluding pick-ups or sedans, purchased for use on the County agreement should bear corporate identification. Staff believes that a depreciation schedule for each piece of equipment is neither necessary nor warranted, as long as the allocation of equipment expenses is correctly shown in the financial

statements. Depreciation should not be allowed for leased equipment, but lease-purchase equipment should be depreciated the same as purchased equipment.
Staff concludes that no changes are needed in the proposed SWFA to address this issue.

2. Is it proper or legal for the contractor to obtain loan(s) from related party entities?

Upon review of this issue with the County's solid waste consultant, R3 Consulting, staff believes that a loan from a related party entity is not only a common occurrence in the solid waste business, but in many businesses. Provided that the loan is for an allowable expense (as determined by the financial reports), and as long as interest rates, fees, points, etc. are no more than the contractor would have received from an independent third party lender, then the transaction is consistent with the provisions of the proposed agreement as it is written, therefore staff concludes that no changes are needed to address this issue.

3. Should the County have oversight of the contractor's payroll (other than the officers listed in the present draft agreement) to prevent inflated wages?

This appears to staff to be a solution looking for a problem. Staff understands that employee wages directly affect the corporate bottom line. While it seems possible to staff that nepotism (or some other motivation) might create an opportunity for this to occur, it seems that, particularly in small companies such as our local waste collectors, inequities in wages of this nature would cause extreme friction among employees and complaints to the State Department of Labor. Staff concludes that no changes in the SWFA are required for this issue.

4. How does the County provide oversight for rents charged and paid for contractor-owned facilities used in this agreement? How is the overhead figure shown in FRD's financial statement arrived at?

Any such rent would be an allowable expense provided the rent amount is no higher than comparable commercial rents at fair market value. There is currently no provision in the proposed SWFA that addresses this issue, so terms will be inserted into Section 10.05.A.2.b to require that the contractor provide "comps" when submitting financial statements to show that rents represent market values.

The overhead figures for FRD were derived from an agreement was reached between The County and FRD during a contract renegotiation that occurred when FRD was sold to Waste Management, Inc. in 2006. This figure represents \$2,500 per month for their Reno office costs plus 6.2% of gross revenue for corporate administrative costs. Staff recommends no change to this calculation.

5. In Article 4, “Scope of Agreement,” there are 3 points of concern regarding subsidiary expenses and errors found in financial statements.

Staff believes that many of Mr. Mihevc’s concerns are targeted towards proper allocation of expenses for each of the contracts/businesses that the contractor may be engaged in. This issue would appear to staff to fall within the domain of the financial reporting professionals who prepare the contractors annual statements. Plumas County believes that it must be able to rely on their expertise in order for this method of checks and balances to continue.

In the case of any errors and omissions that may be discovered in those reports, staff agrees that all corrections should be reported and corrected. Language will be inserted into Section 10.04.E, “Accuracy of reports” to cover this issue.

6. In Article 5, “Collection Services,” can the community drop-off events language be strengthened to insure annual events and can the advertising for such events be lengthened to 2 consecutive weeks?

Staff agrees that Section 5.07 can be modified from “Upon request by County, but no more often than twice each Calendar Year...” to “No more often than twice each Calendar Year...” Staff also agrees that advertising for such events can be extended to the two consecutive weeks prior to the drop-off event and will add language in 5.07.A to that effect.

7. In Article 9, “Requirements for Operations, Equipment and Personnel,” can rents and property tax payments by contractor be eliminated or rolled into the franchise fee? Can annual performance hearings be made mandatory? What will the venue be for such hearings?

Rents and property tax payments are new responsibilities in this draft agreement. Rents are appropriate because the County owns most of the facilities that the contractor uses for execution of their contract with the County. Those facilities need maintenance to their fixed improvement, and rents are the best way to allocate payment for that maintenance. Property taxes have been added as a responsibility of the contractor because the County Assessor has ruled that companies with proprietary interest in properties that they do not own, but operate on (or from) are responsible for the payment of property taxes. No exception is given for companies that are engaged in a mandated service such as waste collection and disposal. Franchise fees are collected in order to administer the solid waste program, including payments to the State and to consultants who monitor our facilities and prepare required reports on a periodic basis. These fees also support the County’s solid waste staff. Keeping rents and tax payments separate from the Franchise Fee makes allocations of fees more efficient for the Solid Waste Division, particularly since taxes will be paid directly from the contractor to the County Tax Collector, without staff involvement. Staff concludes that no changes in the SWFA are required for this issue.

Staff believes that annual performance hearings should be mandatory, and contract

language will be will be inserted in Section 9.11 to reflect that schedule. A meeting place within each service district will serve as the venue for such hearings.

8 In Article 10, “Record Keeping and Reporting,” Mr. Mihevc is requesting that all related parties’ records be made available for copying by the County, and that there be no financial transactions between related party entities. He also asks if Audited Financial Statements can be kept as they are, as an annual report, rather than every third year?

As discussed in the reply to Question 2, staff finds that related party transactions are both legal and common in the industry. There is no industry standard or practice that requires the disclosure of related party entity records to anyone outside of the contractor’s business. That being said, any related party charges must be no more than market rate, and if staff or other resources are shared with a related party, they must be reasonably allocated to that related party. It is up to the contractor to support the basis for the reasonableness of such allocations. Related party expenses, along with all the contractor’s allowable expenses will be disclosed in the contractor’s annual financial statements, audited or not, and must pass the “reasonableness” test on an annual basis. Staff sees no reason to make any changes regarding this issue.

9. Can allowed and disallowed expenses have a more prominent location within the body of the agreements, as well as those expenses that are subject to restrictions?

Staff has investigated this question and believes that the breakdown of expenses should be shown in Article 10, "Record Keeping and Reporting", as Section 10.05.A.5.

10. Why is the franchise fee percentage not defined, and can you clarify the last sentence in Section 11.03?

The franchise fee, as a pass-through cost to the contractor, is subject to the County’s costs to administer the solid waste program. It is also subject to change to keep up with the evolving landscape of State fees and regulations, therefore it is not “set in stone” in the proposed agreement, but shall be reviewed and adjusted from time to time by the Board of Supervisors upon request by Solid Waste staff.

The last sentence in Section 11.03 appears to be missing some wording, and will read: “In addition, Contractor shall pay an additional six percent (6%) on any unpaid balance for each ninety (90) Day period a portion of the fee due remains unpaid. Such “late fee” may not be recovered through the Rates.”

11. In Article 12, “The Rates,” can 12.03.B be modified to allow for the possibility of rate decreases? Should contractor’s failure to submit financial statements by April 15 of each year be cause for termination? What is the meaning of Section 12.07.C? Can a modification be made to 12.09 to include a throttle on the RRI rate adjustment that would preclude the adjusted rate from exceeding the contractor’s maximum allowable Operating Ratio?

As discussed in our meeting, a rate increase is much more difficult and expensive to obtain than a rate decrease would be. A decrease of 1% in one year, followed by an increase of 3% the next year could cost ratepayers thousands of dollars in unnecessary Proposition 218 and other administrative costs. Another proposed step to avoid future Proposition 218 expenses will be to insert a maximum increase of 5% annually in the Proposition 218 hearing that will be necessary to establish the initial rates shown in Attachment D of each franchise agreement. This “cap” will satisfy Proposition 218 requirements for ordinary RRI increases. Staff proposes to allow for rate decreases, but only if such a decrease is greater than 2%. Detailed Rate Reviews or Special Rate Reviews will be considered only if the Operating Ratio has fallen below the minimum value within its defined range of values (88-92%), and then only if such a review can be justified by the contractor’s proven assertions that unavoidable increases in expenses affecting the contractor’s operations have occurred. Staff will insert language in Section 12.03 to add this provision.

Contractor’s failure to provide financial statements in a timely manner is covered in Section 15.01.A.2 under “Events of Deficiency”, and staff is satisfied with the language and penalties in that article.

Section 12.07.C allows the County some latitude in adjusting rates within the current rate schedule found in Attachment D, if it believes that inequities exist for a particular rate or rates. Staff sees no reason to make any changes regarding this issue.

The rate constraints referred to in Section 12.09 all have to do with the impacts of the Proposition 218 process upon a proposed rate increase. Staff believes that the “throttle” Mr. Mihevc is looking for is appropriate, but language establishing an upper limit to a proposed increase should more properly be inserted in Section 12.03, “Refuse Rates – Adjustments to the Rates”. Staff suggests that the following language should be inserted:

“Adjustments to the Rates using the Refuse Rate Index (RRI)
A. Beginning on July 1, 2017, and annually thereafter, Contractor shall, subject to compliance with all provisions of this Article, receive an annual adjustment in the rates as set forth in Attachment D of this agreement. If the Operating Ratio for the previous 12 month period falls within its defined range of values, no RRI adjustment shall be made. No upward RRI adjustment shall be made that exceeds five percent (5.00%) unless the provisions of Proposition 218 have been satisfied.

12. In Article 16, “Other Agreements of the Parties,” can the term “subcontractor” be defined?

Subcontractor is defined in the draft Solid Waste Ordinance, and staff considers that definition sufficient.

13. In Attachment A, “Definitions,” can you better define “Pass-through costs” and remove “Operating Ratio” and “Triennial Audit”? Also can “Rate of Return” and “Net Profit” be added

to replace “Operating Ratio”? Can you modify “Gross Receipts” to include all forms of revenue, rather than just cash?

Staff believes that the definition of “Pass-Through Costs” found in Attachment A is sufficient for this agreement. Staff suggests that the term “Operating Ratio” remain, as it best replaces the term “Target Profit”, which has fallen into disfavor with the Board of Supervisors. That being the case, staff believes that there is no need to include the terms “Rate of Return” or “Net Profit”. A modification to the definition of “Gross Receipts” will be made...the term “In cash” will be deleted. Staff concludes that no other changes are needed here.

14. In Section A.3 of Attachment D, “Residential Billing,” can the start-up charges be eliminated? What are they for? Isn’t \$50 too much to charge for a returned check? Can you remove the word “demurrage” in Section A.4.j. ix? Can you suggest a \$4.00 charge (instead of \$5.00) for a single can at transfer stations?

It is staff’s understanding that the “start-up charges” are actually the customer’s payment for the first three months of service (in IMD’s rates only) and includes the \$8.24 administrative charge for starting a new account. Staff will add language in Section A.3 of Attachment D to clarify these charges.

Staff has checked with the County District Attorney’s office on the NSF check issue and they indicated that California statute requires a charge of \$25 plus bank charges for a returned check, so that is the charge that will be shown in both the residential and commercial billing elements of Attachment D – which may turn out to be higher than \$50, depending on bank charges. Staff will change the language in Attachment D to reflect this finding.

A partial definition of “demurrage” follows:

“Demurrage is intended to serve the public interest by facilitating the flow of commerce through the prompt loading and unloading of cargo. In general, the person liable for demurrage is the one who assumed the duty to unload or load the cargo but failed to fulfill it. A consignee who agrees to unload a shipment but unreasonably delays in doing so is liable for the charge.”

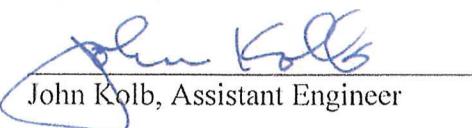
It appears to staff that the word is used in an appropriate manner in this case.

Staff believes that \$4.54 might be a better rate for a single can at the IMD transfer stations, and \$3.90 at the FRD transfer stations, since those figure represent the average per can fee charged by each company at transfer stations.

15. Can staff look at using the solid waste management Bureau of Labor Statistics’ PPI (PCU562111562111) instead of the RRI formula that is found in Attachment E? If staff stays with the RRI, is it possible to use the PPI instead of the CPI for “all others” in the formula?

The inflation rates for the solid waste collection industry derived from the PPI data referenced in PCU562111562111 range from +1.36% to +4.34% with an average of +2.37% (January to January of each year) for the past 10 years. These percentages are national in origin, and will not reflect local factors, but will likely be less volatile than a locally-based RRI. Calculating the RRI to compare with the PPI inflation rates is problematic, since the 6 factors shown in Attachment E of the proposed agreement are weighted, and are dependent upon the percentage that each factor represents in the overall corporate expense. Therefore the calculated RRI would be different for the two franchise contractors each year. Nevertheless, after Staff had discussed using the PPI in lieu of the RRI with both contractors, they both expressed a preference for the RRI as it has been developed for this agreement, citing the need to use local inflation factors to more accurately portray changes in their actual operating costs. Staff agrees with this argument and sees no reason to make any changes regarding this issue.

Plumas County Department of Public Works
Solid Waste Division



John Kolb, Assistant Engineer

Concurrence:



Bob Perreault, Director

enclosures: "Contract Details" (Mark Mihevc) memorandum dated October 23, 2015

- Proposed revisions to Article 5
- Proposed revisions to Article 9
- Proposed revisions to Article 10
- Proposed revisions to Article 11
- Proposed revisions to Article 12
- Proposed revisions to Attachment D

Solid Waste Draft Contracts Workshop

Contract Details

October 23, 2015

By Mark D. Mihevc
Graeagle, CA

Policy

Article 1. Contractor Equipment (Equipment)

Section 1.1. Definitions

- 1.1.a. "Contractor Equipment" means all vehicles, tools, loaders, roll-offs, bins, and curbside trash and recycle containers, and all other equipment necessary to fulfill the terms of this contract.

Section 1.2. Equipment Ownership

- 1.2.a. Contractor shall purchase Equipment from Contractor's Net Profit.
- 1.2.b. Contractor shall own all Equipment

Section 1.3. Equipment Purchases

- 1.3.a. Public Works and the Solid Waste Task Force must approve all vehicle purchases and equipment purchases over [\$10,000] and shall provide the following information:
 - 1.3.a.1. Equipment needs assessment
 - 1.3.a.2. Equipment description (e.g. make/model)
 - 1.3.a.3. Purchase order and/or pricing information
 - 1.3.a.4. Loan information
 - 1.3.a.5. Subsidiary usage description

Section 1.4. Equipment Identification

- 1.4.a. Vehicle Signage
 - 1.4.a.1. All current and purchased vehicles must have company logo and/or company name permanently affixed to vehicles.

Section 1.5. Permitted Equipment Expenses

The following purchased related equipment expenses are allowed (deducted from gross revenues):

- 1.5.a. Loan Interest expense
- 1.5.b. Depreciation expense

Section 1.6. Disallowed Equipment Expenses

The following equipment expenses are disallowed:

- 1.6.a. **Leased Equipment Expenses:** Contractor may not lease any equipment that is paid by the ratepayers.
- 1.6.b. **Rental Equipment:** Contractor may not rent equipment that is to be used on a consistent basis. Contractor may not rent equipment from Contractor's subsidiaries.

Section 1.7. Equipment Audited Financials Reporting Requirements

The annual audited financials will contain the following information for all Equipment:

- 1.7.a. All reporting required under this section shall show subsidiary breakdown and totals.
- 1.7.b. Loan information: a detailed list will show interest payments, remaining balance, and subsidiary breakdown for all equipment purchased through a loan.
- 1.7.c. Depreciation information: a detailed list will include depreciation expenses, depreciation type, and remaining depreciation expense projections for each piece of equipment subject to depreciation and by subsidiary.

Article 2. Loan Policy

Section 2.1. Contractor shall obtain loans from a lending institution and not from stockholders of the contractor's corporation or any other personal or private loans.

Article 3. Payroll Expenses (Attachment F)

Section 3.1. Implementation

- 3.1.a. The County will provide compensation schedules for the various work categories and is described in Attachment [X].

Policy

Article 4. Contractor's Facilities

There are numerous problems with Contractors' Facilities.

1. In the case of IMD, the stockholders of IMD, which are also the owners of IMD, rent the facilities to IMD. This is a conflict of interest and might be illegal.
2. There is no oversight as to what the stockholders of IMD can charge for rent.
3. The stockholders of IMD can add on any new buildings, and thus increase rents, without any oversight. Was it absolutely necessary for IMD to build a new building for a recycle center and thus charge ratepayers extra rent for buildings?
4. Since IMD has subdivisions, where is the accounting and by what approved methods for these buildings and rents?

- FRD does not have a facilities rent expense. Why does IMD have a facilities rent and why should ratepayers be forced to pay rent for contractor's facilities?

First Choice Recommendation:

- Disallow Contractor's facilities rent expense. FRD does not have a facilities rent expense and neither should IMD.

Last Resort Recommendation:

If contractor's facility rent is to continue:

- Rent must be determined by the County and by the ratepayers.
- A ten year fixed rent expense contract must be part of the contract.
- The rent expense will not be made part of the formula for Contractor's rate of return.
- Facilities Depreciation Expenses are not allowed.

Green Waste – ratepayers will not pay rent on green waste processing.

Go To Draft Contract

Section (Page)		
4.01 B (4-1)	Subsidiary language	Remove or clarify this sentence. All subsidiaries that split expenses must be included in the audited financials.
4.03 D (4-2)	Subsidiary language	If contractor splits expenses with subsidiaries, subsidiary financial information must be included in audited financials.
4.04 (4-2)	Administration	Add a clause that requires the Contract Administrator to inform the Board of Supervisors as to any anomalies or errors in the Contractor's audited financials. If errors are found, require Contractor to submit a correction generated by their auditing firm.
5.01 (5-1)	General – 'furnishing equipment'	Move and enhance language regarding Equipment.
5.07 (5-5)	Community Drop-off events	Contractor will conduct community drop-off events but not more than twice each calendar year. (A) Advertised two consecutive weeks in the local newspaper.
9.04 C (9-8)	Use fees; rent; property taxes	Remove transfer station rents and property taxes.
9.05 C	Vehicle	Contractor shall put company logo on all vehicles.

(9-9)	Identification	
9.05 D (9-9)	Inventory	Add percentage of use by subsidiaries, depreciation schedule, loan interest info.
9.11 (9-16)	Annual Performance Hearing	County shall hold a public hearing...
10.02 B (10-1)	Inspection of Records	Related Party Records shall be made available for copying. (Related Party = subsidiary?)
10.03 A2 (10-2)	Annual Audit	Contractor to produce Annual Audited Financials. Audited financials to include subsidiary financials.
10.05 2 (10-6)	Related Party Entities	There shall be no Related Party financial transactions.

[10.05.A.4 (Page 10-6) Financial Reporting]

Changes

Article 5. Expenses

Section 5.1. Expense line items for all contract-related operations

- 5.1.a. Diesel Fuel
- 5.1.b. Oil
- 5.1.c. Utilities (to be broken down by facility)
- 5.1.d. Vehicle and equipment depreciation
 - 5.1.d.1. Annual Audited Financials to include a detailed list of depreciation expenses, depreciation type, and remaining depreciation expense projections for each piece of equipment subject to depreciation and by subsidiary.
- 5.1.e. Loan Interest: Annual Audited Financials to include a detailed list showing interest payments, remaining balance, and subsidiary breakdown for all vehicles and equipment purchased through a loan.

Section 5.2. Expenses subject to Restrictions

- 5.2.a. Payroll
- 5.2.b. Entertainment
- 5.2.c. Others...

Section 5.3. Disallowed Expenses

- 5.3.a. Profit sharing and any other retirement contributions except for normal payroll tax provisions like Social Security.
- 5.3.b. Penalties and Fines
- 5.3.c. Equipment rental/lease
- 5.3.d. Vehicle leasing
- 5.3.e. Contractor-owned facilities depreciation
- 5.3.f. Facilities maintenance and repair
- 5.3.g. Administration Fee (FRD)

5.3.h. Corporate Overhead (FRD)
 5.3.i. Political Contributions/Bribes

Annual Audited Financials Reporting Schedules

Subsidiaries

1. IMD
2. Sierra Disposal
3. Portola Disposal

Assets: Subject to interest expenses and/or depreciation expenses

Asset	Depreciation Type	Purchase Date	Subsidiary Allocation	Loan Info
Dump Truck VIN: 123123123123123	10 Years	1/1/2010	1: x1% 2: x2% 3: x3%	Interest rate, institution, term

Depreciation

Asset	Depreciation Type/Years Remaining	Total Depreciation for year	Subsidiary Depreciation	
Dump Truck VIN: 123123123123123	10 Years/5 years	\$1,234	1: x1% 2: x2% 3: x3%	

Loan Info

Asset	Total Interest Expense	Subsidiary Interest Expense		
Dump Truck VIN: 123123123123123		1: x1% 2: x2% 3: x3%		

[11.01] Franchise Fee and Other Fees

Section (Page)		
11.01 (11-1)	Franchise Fee	Where is the percentage defined?
11.03 (11-1)	Franchise Fee	What does the last sentence mean?

[12.01] (Page 12-1) The Rates

Section (Page)		
12.03 B (12-1)	RRI Adjustment	Rates can increase or decrease
12.04 (12-1)	RRI Financial Info	Contractor MUST submit annual audited financials by April 15. Failure to do so is a violation of this contract and subject to termination/penalty).
12.07 C	Rate Structure	What is this?
12.09 (12-4)	Rate Constraints	Add: No rate increase added to the current Rate of Return percentage can exceed the maximum rate of return percentage. Maximum Rate of Return percentage must be defined e.g. 8%.

[16.01] Other Agreements of the Parties

Section (Page)		
16.04 (16-3)	Subcontracting	How is this defined? FRD has \$157k in subcontracting?

[Attachment A] Definitions

Section (Page)		
(A-2) and (A-4)	Contractor pass-thru costs	Duplicated? Better definition is needed
(A-4)	Operating ratio	Remove – unneeded
A	Rate of Return/Net Profit	Add these terms and define the percentage.
(A-5)	Trienniel (sic) Audit	Remove. All Audits throughout contract are Annual Audited Financials.
(A-2)	Gross Receipts	By saying 'received in cash', you are limiting this definition. Gross Receipts must include all forms of revenue collection.

[Attachment D] Disposal Rates

(Page)		
D-1	Residential Billing	Remove Start-up container fee
D-2	NSF	\$50.00?????
D-5	Demurrage	Wrong word? – demurrage applies to ship
D-6	Transfer station fee	1 Can – \$4.00

[Attachment E] Refuse Rate Index / Rate Change Determination

Option 1:

Definitions:

ROR% = Rate of Return percentage calculated from Annual Audited Financials

MaxROR = contractual maximum rate of return percentage

Steps:

1. Calculate Rate of Return (ROR%) percentage
2. Rate change formula:

Given: MaxROR = 8%

If ROR% < MaxROR then (if 6% < 8%)

 Rate Increase := MaxROR - ROR% (increase is 2% := 8% - 6%)

Else

If ROR% = MaxROR then (if 8% = 8%)

 No Rate increase

Else

(ROR% > MaxROR)

 Rate Decrease := ROR% - MaxROR (decrease is 2% := 10% - 8%)

End.

3. Resume normal rate increase/decrease procedure

a. Board of Supervisors Hearing and approval

b. Resolution and Ordinance change to publish rates in Plumas Muni Code.

Option 2: RRI or PPI

RRI Index Problems

(Page)		
E-1	Labor	This index is for 'Hourly earnings and nonsupervisory employees.' So, you will have to remove management's salary, etc. and find an index for management employees.
	Diesel	OK
	Vehicle Maintenance	This in the PPI...
	All other	<ol style="list-style-type: none">1. What is all other? List specifically what expense items are placed in this category.2. The index used is the Consumer Price Index and has nothing to do with a business. The better index is the Producer Price Index.
	Vehicle Replacement	<ol style="list-style-type: none">1. This is in the PPI and is for body manufacturing which has nothing to do with replacement.

		<p>2. Vehicles are 'replaced' (paid for) thru the depreciation expense.</p> <p>3. This index must be removed.</p>
	Disposal	Aren't the fees fixed thru a contract?

A better single index is the PPI - PCU56211562111.

Calculations for RRI or PPI:

Definitions:

ROR% = Rate of Return percentage calculated from Audited Financials
MaxROR = contractual maximum rate of return percentage
PPI% = Rate increase percentage

Steps:

1. Calculate Rate of Return (ROR%) percentage
2. Rate change formula:

Given: MaxROR = 8%
PPI% = 2.1%

If ROR% < MaxROR then (if 6% < 8%)

Rate Increase := the minimum of : 1. MaxRoR – ROR% (increase is 2% := 8% - 6%)
or 2. PPI%

Else

If $ROR\% = \text{MaxROR}$ then (if $8\% = 8\%$)

No Rate increase

Else

(ROR% > MaxROR)

Rate Decrease := ROR% - MaxROR (decrease is 2% := 10% - 8%)

End.

3. Resume normal rate increase/decrease procedure
 - a. Board of Supervisors Hearing and approval
 - b. Resolution and Ordinance change to publish rates in Plumas Muni Code.

ARTICLE 5

COLLECTION SERVICES

5.01: GENERAL

The work to be performed and services to be provided by **Contractor** includes the furnishing of all labor, supervision, equipment, materials, supplies, and all other items necessary to perform the work and provide the services described, at the times and in the manner required by this Agreement. The enumeration of, and specification of requirements for, particular items of labor, supervision, equipment, materials or supplies shall not relieve **Contractor** of the duty to furnish all others, as may be required, whether enumerated elsewhere in the agreement or not. **Contractor** shall perform the work and provide the services pursuant to this agreement in a thorough and professional manner so that the residents and businesses within **County** are provided reliable, courteous, and high-quality service at all times. The enumeration of, and specification of requirements for, particular aspects of service quality shall not relieve **Contractor** of the duty of accomplishing all other aspects in the manner provided in this article, whether such other aspects are enumerated elsewhere in the agreement or not.

5.02: SOLID WASTE COLLECTION

Contractor acknowledges that **County** is committed to diverting materials from disposal through the implementation of source reduction, reuse and recycling and that **County** may, at some time in the future, implement, in accordance with **Section 16.10**, new programs that may impact the overall quantity or composition of solid waste to be collected by **Contractor**. Before any such changes to collection that will affect the rates, **County** shall meet with **Contractor** to agree upon appropriate changes in services and rates before implementing the policy and/or strategy.

A. ***Single-Family Dwelling (SFD)***. **Contractor** shall collect solid waste from SFD once per week from either customer-owned containers or **Contractor**-provided carts. **Contractor** shall collect containers curbside unless:

1. The occupant is provided a special handling service exemption; or
2. The customer has requested backyard collection service and has agreed to pay the premium service rate approved by **County**.

The rate charged to SFD customers by **County** shall be based on **Contractor's** cost. In such case, **Contractor** shall collect containers or carts from and return containers or carts to the alternative service location (such as the side yard or backyard) specified by the customer. **Contractor** shall make reasonable accommodations with regard to provision and servicing of containers (e.g., Container size and type, placement of containers for collection, etc.) at no additional cost to customers who meet the **County's** special handling criteria. New service recipients shall be notified upon signing up for service of the special handling and backyard collection service options. Customers desiring special handling service will be required to submit an application, in a form approved by **County**. **Contractor** shall review applications to determine whether the customer meets **County's** eligibility criteria and shall provide a written response within five (5) Business Days after receipt of the application. Unless otherwise directed by **County**, customers are eligible if they provide:

1. Evidence of their handicapped or disabled status by the California Department of Motor Vehicles or
2. Evidence that no occupant of the residential premises is physically able to place containers or carts curbside for collection.

B. **Multi-Family Dwellings (MFD).** Contractor shall collect solid waste from MFD as frequently as scheduled by the customer, but not less than once per week. **Contractor** shall allow MFD customers to use **Contractor**-provided carts or bins for solid waste collection that is shared by the occupants of the premises. **Contractor** shall provide one (1) or more cart(s) or bin(s) to such customers as requested by customer, provided that equivalent capacity of not less than two (2) ninety-six (96) gallon containers are provided for every five (5) dwelling units in the MFD complex. **Contractor** shall service containers provided to MFD customers that are three (3) cubic yards or less in capacity, and drop-boxes stored in enclosures or on private or public property within fifty (50) feet of the public right of way, if access to the containers is paved and the slope is less than seven percent (7%). **County** will make the final determination on the slope of the access if a dispute arises between customer and **Contractor**. Containers that are four (4) cubic yards or larger must be stored within fifteen (15) feet of the curbside or brought to within fifteen (15) feet of the curbside by customer to be serviced by **Contractor**. **Contractor** shall provide service to containers that are located at distances in excess of those described in this paragraph and shall be entitled to bill customer as agreed upon prior to the beginning of service. **Contractor** shall give special consideration when determining the collection location for MFD complexes to ensure that the flow of traffic is not impeded and that it does not result in aesthetic degradation of an area. The designated collection location, if disputed by customer or **Contractor**, shall be determined by **County**. Additionally, if in the **County's** opinion the location of an existing collection location is inappropriate, **County** may require the customer or **Contractor** to relocate the collection containers.

C. **Commercial Premises.** Contractor shall collect solid waste from commercial (see "Commercial", **Attachment A**) premises as frequently as scheduled by the customer, but not less than once per week. **Contractor** shall service containers provided to commercial customers that are three (3) cubic yards or less in capacity, and drop-boxes stored in enclosures or on private or public property within fifty (50) feet of the public right of way, if access to the containers is paved and the slope is less than seven percent (7%). **County** will make the final determination on the slope of the access if a dispute arises between customer and **Contractor**. Containers that are four (4) cubic yards or larger must be stored within fifteen (15) feet of the curbside or brought to within fifteen (15) feet of the curbside by customer to be serviced by **Contractor**. **Contractor** shall provide service to containers that are located at distances in excess of those described in this paragraph and shall be entitled to bill customer as shown in **Attachment D** ("Rates"). Specifically, **Contractor** shall offer the following collection service methodologies to commercial customers:

1. **Individual Cart or Bin service.** Contractor shall allow each commercial premises to use carts, bins or drop boxes for solid waste collection. **Contractor** shall provide each customer with a choice of one (1) or more carts or bins.
2. **Centralized Bin or Cart service.** Contractor shall allow each commercial premises to use carts or bins for solid waste collection that are shared by the

occupants of two (2) or more adjacent commercial premises. In such case, **Contractor** shall provide one or more carts or bins as requested by the customer(s) provided that no less than ninety-six (96) gallons of container capacity is provided for every four (4) commercial premises. **Contractor** shall provide each customer with a choice of one (1) or more carts or bins.

3. **Drop boxes.** **Contractor** shall allow a customer to use a drop box for solid waste collection to meet the customer's disposal needs. In such case, **Contractor** shall provide customer with a choice of container capacities ranging from ten (10) to forty (40) cubic yards (or similar sizes).

D. **Public Premises.** Public streets, parking lots and parks litter and recycling receptacles. **Contractor** shall collect solid waste from public litter and recycling receptacles located on streets and in parking lots, and from public litter and recycling receptacles in parks that are accessible for curbside collection. **Contractor** shall also collect solid waste from public recycling receptacles in these locations. **Contractor** shall also collect solid waste that is contained in bags or boxes and placed adjacent to public litter receptacles. These collections will be made between one (1) and seven (7) days per week, as determined by **County**. **Contractor** is responsible for notifying **County** if a public litter receptacle is inoperable within twenty-four (24) hours of observing or being notified of the defect. A list of existing public litter receptacles shall be established and agreed upon by **County** and **Contractor** prior to the Effective Date of this agreement, and is provided in **Attachment C**, incorporating the number and sizes of containers and the frequency of their collection. Increases or decreases in the number of public litter receptacles thereafter shall warrant a modification to the rates in accordance with **Section 12.06**. **Contractor** shall provide **County** with the collection services described above at the service locations, service levels and frequencies as required to insure that the receptacles are available for public use. **Contractor** shall provide and maintain collection containers for **County's** use, with the exception of public litter (or solid waste) and public targeted recyclable materials receptacles, which shall be provided and maintained by **County**. **Contractor** shall offer the type and size of collection containers that **Contractor** provides commercial customers pursuant to **Section 5.02.C**. **Contractor** may integrate collection of solid waste and targeted recyclable materials from public street, parks and parking lot litter and recycling receptacles with other collection services in the service area, provided that **Contractor** attributes estimated tonnage collected from public street, parks and parking lot litter and recycling receptacles separately from other customers upon the **County's** request.

5.03: TARGETED RECYCLABLE MATERIALS COLLECTION

5.03: TARGETED RECYCLABLE MATERIALS COLLECTION

Contractor shall collect targeted recyclable materials from designated commercial customers that have source separated the targeted recyclable materials from solid waste and placed these materials in the customer's recyclable materials collection container for collection by **Contractor**. Commercial customers that subscribe to solid waste collection service shall be entitled to collection of targeted recyclable materials at no additional charge, and **Contractor** shall provide the level of service required by commercial customers requesting recyclable materials collection services. **Contractor** may tag and reject containers of targeted recyclable materials that contain contaminants or contaminated targeted recyclable materials, and shall report such incidents to **County**. The level of service **Contractor** shall provide includes: Source separated collection of cardboard and mixed paper, in a manner that best suits the needs of the

commercial customer. **Contractor** shall collect source separated recyclable materials generated at commercial premises based upon the collection needs of the customer, but on a bi-weekly basis at a minimum, as scheduled by the **Contractor** provided that the generator has source separated the targeted recyclable materials from solid waste and placed the materials in the appropriate **Contractor**-provided container. **Contractor** shall collect targeted recyclable materials at the designated location agreed upon by **Contractor** and customer. The designated collection location, if disputed by customer or **Contractor**, shall be determined by **County**.

A. **General.** Designated commercial customers that subscribe to solid waste collection service shall be entitled to collection of targeted recyclable materials at no additional charge.

B. **Collection Containers.** **Contractor** shall allow designated commercial customers to choose a collection service method that best suits the needs of its premises. Specifically, **Contractor** shall offer the following choices to commercial customers:

1. **Cart service.** **Contractor** shall provide commercial customers with a choice of one (1) or more carts to use for targeted recyclable materials collection.

2. **Bin service.** **Contractor** shall provide commercial customers with a choice of one (1) or more bins to use for targeted recyclable materials collection.

3. **Shared Cart or Bin service.** **Contractor** shall provide commercial customers one (1) or more carts or bins to use for targeted recyclable materials collection that are shared by the occupants of two (2) or more commercial premises. In order to minimize the impact or occurrence of illegal dumping and theft of recyclable materials, **Contractor** will provide to customer at no additional cost, "keyed-alike" locks for enclosures used to store containers or locks for containers and ensure the enclosures or containers are locked after providing collection service upon customer's request. Only **Contractor**, **County**, and the participating customers will be provided with a key to the enclosures and access to the containers. If the carts or bins are left "outside" in a designated area, each container may be locked (keyed alike), and only **Contractor** staff, **County** staff, and the participating customers will be provided with a key to access the containers. At least once each Calendar Year, **Contractor**'s route supervisor will visit each of the participating commercial customers with shared containers, respond to any questions or concerns, and check the areas for contamination, litter, or damage.

4. **Drop Boxes.** **Contractor** shall provide commercial customers with a choice of container capacities to use for targeted recyclable materials.

5.04: CONSTRUCTION AND DEMOLITION DEBRIS (C&D) COLLECTION

Contractor shall collect C&D from residential customers and commercial customers that have source separated the C&D from solid waste and placed the C&D in roll-off containers provided for collection by **Contractor** at the rates established in accordance with Article 12 below. **Contractor** may tag and reject containers of C&D that contain contaminants or contaminated C&D, and shall report such incidents to **County**. **Contractor** shall provide collection in a manner that best suits the needs of the customer. **Contractor** shall collect C&D at the designated location agreed upon by **Contractor** and customer. The designated collection location, if disputed by customer or **Contractor**, shall be determined by **County**.

5.05: COLLECTION FOR LARGE VENUES AND EVENTS

Contractor shall provide collection services, upon request by event sponsor, to any venue and event within its service area. Specifically, **Contractor** shall provide, at a minimum, solid waste and/or targeted recyclable materials collection services. **Contractor** shall provide collection as frequently as requested by **County** or the event organizer. **Contractor** shall provide an adequate number and type of collection container(s) for the venue or event and shall coordinate its collection services with **County** or event organizer. Containers shall be appropriately labeled to collect solid waste and/or targeted recyclable materials per the requirements specified by **County**. For venues and events which are required to comply with the Large Venues and Events Recycling Law, codified at **Public Resources Code Section 42648 et seq.**, **Contractor** shall assist the venue or event organizer in preparing a Plumas County Solid Waste Disposal and Recycling Plan and reporting all information required by those provisions of the law at no cost to the venue or event organizer.

5.06: ABANDONED WASTE CLEANUP COLLECTION SERVICE

Under this agreement, **Contractor** has no responsibility to clean up abandoned waste. Local, State and federal agencies currently provide a limited amount of abandoned waste cleanup on public lands and rights of way and will continue in that role.

5.07: COMMUNITY DROP-OFF EVENTS

No more often than twice each Calendar Year, **Contractor** shall hold drop-off events at a location or locations selected by the **County** to allow residential customers to drop off acceptable materials. Acceptable materials, which shall be determined by the **County**, may include one or more of the following: E-waste, bulky waste, universal waste, recyclable materials, household hazardous waste. Tire drop-off or "tire amnesty" events, when held, shall be sponsored, administered and held by **County** per **Section 5.06G**.

A. **General requirements.** **Contractor** shall promote, manage, staff, and operate drop-off event(s) for residential customers scheduled for one (1) weekend day (i.e., Saturday or Sunday) or two (2) consecutive weekend days upon request from **County**. **County** shall approve the date of the drop-off event and all advertisements or public announcements related to such event. **Contractor** shall promote the event by preparing billing inserts to be included in each customer's bill and by advertising for a minimum of two (2) consecutive weeks in a local area newspaper, as approved by **County**. **Contractor** shall manage, staff, and supervise the event. **Contractor** shall provide traffic control and signage; inspect materials delivered to the event; separate materials; document each material type and quantity; transport collected materials to reuse, processing or disposal locations; and clean up the location at the end of the event. **Contractor** shall not charge customers delivering materials to the event.

B. **Accepted materials.** Customers may deliver and **Contractor** shall accept household hazardous waste, major appliances, bulky items and E-waste at the drop-off events designated for those items. **Contractor** shall be allowed to reject: liquids or sludges; cement; dirt; asphalt; concrete; other hazardous wastes; or infectious waste. **Contractor** shall not establish a limit on the volume or weight of materials that a customer may bring for collection, but no commercial waste will be accepted at these events.

C. **Participants.** **Contractor** shall verify that residents live in Plumas County by reviewing a driver's license or local utility bill.

D. **Event days.** Contractor shall accept materials from residential customers only over one (1) weekend day (i.e., Saturday or Sunday) or two (2) consecutive weekend days.

E. **Recycling and reuse.** Contractor shall collect materials in a manner that maximizes reuse, recycling and diversion of materials from disposal. Contractor shall make reasonable efforts to ensure that diversion goals are met or exceeded. Contractor shall transport separated recyclable materials to the designated transfer, processing and disposal facility or an alternative processing site with advance authorization from County. Contractor shall coordinate with re-use vendor(s) where feasible to have a representative present at the drop-off event to accept reusable items. Disposal of materials shall be Contractor's last option.

F. **Handling Major Appliances.** Major appliances shall be reused, recycled, or disposed by Contractor in accordance with requirements of applicable law. Appliances shall be certified as having hazardous materials removed before they shall be accepted. Any changes to such regulations made after the Effective Date shall be addressed as though they are a change in law in accordance with Section 16.02.

G. **Tire Amnesty Events.** County shall promote, manage, staff, and operate annual tire amnesty events, alternating the event site from one franchise area to the next. County shall accept passenger car and similar-sized tires up to a maximum of nine (9) tires per customer, removed from rims. No commercial tires will be accepted except during tire amnesty events designated for such oversized tires.

H. **Scheduling community drop-off Events.** Upon request from County, Contractor shall promote, manage, staff, and operate community drop-off events described in this Section. If County exercises such right, it shall provide written notice to Contractor at least three (3) months before the first Day of the requested drop-off event.

5.08: GREEN WASTE COLLECTION

Contractor shall accept green waste from residential customers and commercial customers that have source separated their green waste from solid waste under the following conditions:

A. **Chester Area.** Residential and commercial customers may drop off woody and non-woody green waste at the Chester-Lake Almanor Transfer Station, at the solid waste disposal rates as shown in Attachment "D". Alternatively, residential and commercial customers may drop off woody and non-woody green waste, cut to a maximum length of 48" (4 feet) in length at the Chester Landfill during the hours and days designated for the landfill to accept such waste, at the source separated green waste disposal rates as shown in Attachment "D".

B. **Greenville/Indian Valley Area.** Residential and commercial customers may drop off woody and non-woody green waste at the Greenville Transfer Station at the solid waste disposal rates as shown in Attachment "D". Alternatively, residential and commercial customers may drop off source separated woody and non-woody green waste at the Chester Landfill during the hours and days designated for the landfill to accept such waste at the source separated green waste disposal rates shown in Attachment "D".

C. **Quincy/American Valley Area.** Residential and commercial customers may drop off woody and non-woody green waste at the East Quincy Transfer Station at the solid waste disposal rates shown in Attachment "D". Alternatively, residential and commercial

customers may drop off source-separated woody green waste, cut to a maximum length of 24" (2 feet) in length, at the County's air curtain burner facility at the source separated green waste disposal rates as shown in Attachment "D". Source separated non-woody green waste may be dropped off at the East Quincy Transfer Station during hours and days designated for that transfer station to accept such waste at the source separated green waste disposal rates shown in Attachment "D".

D. ***La Porte Area.*** No source separated green waste will be accepted at the La Porte Transfer Station except as solid waste.

Contractor or County may reject source separated green waste that contains solid waste, targeted recyclable materials, painted, treated or stained lumber or other contaminants, or if the green waste is not trimmed to the size specified.

ARTICLE 9
REQUIREMENTS FOR OPERATIONS,
EQUIPMENT AND PERSONNEL

9.01: COLLECTION HOURS AND SCHEDULES

A. Hours of Collection.

1. **Residential.** Residential solid waste, and targeted recyclable materials (including all such services provided to SFD and MFD premises) shall be collected on weekdays (i.e., Monday through Friday) on an established weekly pickup schedule between 6:00 a.m. and 6:00 p.m. exclusive of holidays.
2. **Commercial.** Commercial facilities' solid waste shall be collected on weekdays (i.e., Monday through Friday), on an established weekly pickup schedule between 7:00 a.m. and 6:00 p.m., exclusive of holidays. Commercial facilities targeted recyclable materials shall be collected on weekdays (i.e., Monday through Friday), on an established bi-weekly pickup schedule between 7:00 a.m. and 6:00 p.m., exclusive of holidays. **County** may restrict or require modifications to hours for collection from commercial premises to resolve noise complaints, and, in such case, the administrator may restrict the allowable operating hours.
3. **Local Noise Ordinance.** If a **County** ordinance regulating noise limits collection is more restrictive regarding collection schedule than the preceding subsections, the terms of the ordinance shall govern.
4. **Holiday.** Collection shall take place on the following Business Day, unless customers are notified otherwise in a publication of general circulation.

B. Route schedules. Routes over which **Contractor's** vehicles travel to affect the collection and transport of solid waste and/or targeted recyclable materials shall be selected to minimize damage to **County** and private streets and roads, and minimize inconvenience and disturbance to the public. **Contractor** shall use due care to obey all traffic laws and prevent materials being transported from being spilled or scattered during transport.

C. Contingency plan. **Contractor** is aware that unforeseen circumstances, including damage to their facilities, equipment breakdowns, weather-related emergencies and other *Force Majeur* events, may require their participation in non-scheduled operations in order to provide continuous service to the public. **Contractor** hereby acknowledges that, under this agreement, they are prepared to commit to participation in training for such emergency scenarios and to provide vehicles and personnel to maintain uninterrupted service during impairment or breakdown of **Contractor's** facilities or equipment, and in case of natural disaster or other emergency, including the events described in Section 15.09.

9.02: COLLECTION STANDARDS

A. Implementation of services. **Contractor's** implementation of the services required by this agreement shall occur in a smooth and seamless manner so that customers

and/or generators do not experience disruption in collection services when services are initiated on the Commencement Date. **Contractor** shall be responsible for managing implementation of new collection services and other related services.

B. *Servicing containers and missed or refused pick-ups*

1. **General.** **Contractor** shall collect the contents and return each container to the location where the occupant properly placed the container for collection. **Contractor** shall place the containers upright with lids properly closed and secured. **Contractor** shall use due care when handling containers. **Contractor** shall not throw, roughly handle, damage, or break containers. **Contractor** shall not be responsible for the deteriorating condition of customer-owned container(s) due to normal wear-and-tear. Upon customer request, **Contractor** shall provide special services including: unlocking and locking containers; accessing locked container enclosures (e.g., with a key or combination lock); and pulling or pushing containers to the collection vehicle. **Contractor** shall provide the special services described in this paragraph upon request from customer and **Contractor** shall be entitled to bill customer for any special services provided by **Contractor**.
2. **Missed Pick-Ups.** When notified of a Missed Pick-Up Collection Event, **Contractor** shall collect the solid waste and targeted recyclable materials on the Day the notice is received, if possible, provided the customer's container was set out properly and in time to meet the normal collection service for that location. In all cases, **Contractor** shall collect the Missed Pick-Up by 6:00 p.m. of the next Business Day following receipt of the Missed Pick-Up notification provided the customer's container is properly set out for **Contractor** on **Contractor's** return trip. **Contractor** shall retain the right to bill customer as noted in **Attachment D, Section F, "Fees for Extra Services"** for returns for Missed Pick-Ups if container was not set out for collection during the normal collection hours when **Contractor's** collection vehicle ordinarily is present for collection.
3. **Refused Pick-Ups.** **Contractor** may refuse to collect customer's container under the circumstances described in **Section 9.02F**.

C. *New Customers and change in service levels.* **Contractor** shall deliver containers and initiate collection services for a new customer within five (5) Business Days of the customer's request for service. If an existing customer requests a change in the number or size of their solid waste, C&D and/or targeted recyclable materials containers and/or frequency of collection, **Contractor** shall deliver or exchange additional containers and/or remove containers and shall initiate changes in the collection services within five (5) Business Days of the customer's request for a change in service.

D. *Separate collection of materials and allocation of County materials.* **Contractor** shall separately collect and segregate solid waste, C&D and targeted recyclable materials from each other and shall not commingle these materials at any time during the transportation or delivery of those materials to the ultimate disposal facility. Solid waste, C&D and/or targeted recyclable materials collected in the county, which are combined with materials collected from other agencies, shall be allocated by **Contractor** to **County's** collection program based on volume or tonnage using a method approved by **County**.

E. Set out instructions to Customer. Contractor shall instruct customers as to any preparation of solid waste, C&D and/or targeted recyclable materials and the proper placement of containers. If customers are not adhering to Contractor's instructions, Contractor shall notify such customers in writing. In cases of extreme or repeated failure to comply with the instructions, Contractor may decline to pick-up the solid waste, C&D and/or targeted recyclable materials provided that Contractor leaves no less than three (3) non-collection notices on the container within a six (6) month period per **Section 9.02F**, indicating the reason for refusing to collect the material. Such notices shall also identify the steps customer must take to recommence collection service.

F. Non-Collection notices. Contractor may choose not to collect materials for the following reasons:

1. Materials contain hazardous waste; or
2. The loaded weight of a container exceeds fifty (50) pounds, except that a Contractor-provided waste wheeler may exceed fifty (50) pounds but may not exceed the maximum weight recommended by the waste wheeler manufacturer; or
3. A container that is not set out in a location accessible to Contractor, and there is no agreement in place for special handling; or
4. The customer has been deemed delinquent due to non-payment of solid waste collection fees per **Section 8.01B**.
5. For the collection of targeted recyclable materials only, contamination of such recyclable materials by municipal solid waste (MSW) or other non-recyclable materials.

In such case, Contractor shall issue non-collection notices stating the reason(s) the materials were not collected. The non-collection notice shall be affixed prominently onto the container to ensure that it is not inadvertently removed from the container due to weather conditions. The non-collection notices must be protected from rain, if precipitation is present or forecasted, by placing the notice in a clear plastic bag prior to affixing to the container. Contractor shall document the use of non-collection notices by recording the date and time of issuance, address of service recipient, reason(s) for issuance, name of employee who issued the notice, and truck and route numbers. The notice shall conform to the requirements specified in **Section 6.03.A**, be at least two inches by six inches (2" x 6") in size and shall be approved by County. The non-collection notices must identify the steps the customer must take to recommence collection service. The customer shall be assessed a fee approved by County for collection of the container as solid waste by Contractor. This additional fee charged to customer may include:

1. A return trip charge, and
2. An extra solid waste collection charge. Contractor shall report monthly to County any non-collection notices issued. Contractor shall take direction from County with regard to termination or reinstatement of service to a service recipient due to numerous non-collection notices issued to the same customer.

G. ***Improper or Unsafe Access.*** **Contractor** may refuse to collect materials at locations identified by **Contractor** and approved by **County** where vehicular access is deemed improper or unsafe due to temporary or long-standing private road or driveway conditions that would make collection activities hazardous to **Contractor's** employees or equipment, or that would result in **Contractor's** requirement of unsafe backing or turning movements in order to provide collection services. **Contractor** may seek and obtain a property damage waiver from customer where collection service is provided, but private roads or driveways are deemed inadequate in width or load-bearing capacity.

H. ***Collection of excess materials (Overages).*** **Contractor** shall direct its employees to Collect overages, following the steps shown below:

Upon arriving at a residence that has an overage exceeding the customer's container capacity, the driver shall:

- a. Photograph and document the overage in his OBU or route log.
- b. Collect the overage.
- c. At the end of the drivers day, office staff will have a printout documenting all extras taken on his route. Office staff will then log these overages into each of the respective customer accounts to assess a fee on the customer's next invoice.

I. ***Care of private property.*** **Contractor** shall not damage private property. **Contractor** shall ensure that its employees:

1. Close all gates opened in making collections, unless otherwise directed by the customer,
2. Do not cross landscaped areas, and
3. Do not climb or jump over hedges and fences.

County shall refer complaints about damage to private property to **Contractor**. **Contractor** shall repair, to its previous condition, all damage to private or public property caused by its employees. **Contractor** shall endeavor to resolve all claims regarding damage to private property as soon as reasonably practicable following receipt thereof, made by owners or occupants of property served by **Contractor**, for damages to property including containers. In the event such damage shall have been caused by the negligence or intentional acts of **Contractor**, its officers, agents, or employees, **Contractor** shall promptly repair or replace such damaged property. The provisions of this Section shall not be deemed a limitation upon any other provisions of this agreement, or any rights or remedies which may accrue to **County** by reason of **Contractor's** acts or omissions to act hereunder. **Contractor** is required to repair damage and/or resolve claims regarding damage to property within thirty (30) days of receipt of the complaint.

J. Litter abatement.

1. **Minimization of spills.** If any solid waste and/or targeted recyclable materials are spilled or scattered during collection or transportation operations, **Contractor** shall immediately, at the time of occurrence, clean up all spilled and scattered materials. **Contractor** shall use due care to prevent vehicle oil, vehicle fuel, or other liquids from being spilled during collection or transportation operations including maintenance of the collection vehicles to minimize and correct any leaks. Equipment oil, hydraulic fluids, spilled paint or any other liquid or debris resulting from **Contractor's** collection operations or equipment repair shall be covered immediately with an absorptive material and removed from the street surface. When necessary, **Contractor** shall apply a suitable cleaning agent to the street surface to provide adequate cleaning, and shall notify the administrator and applicable hazardous materials management agencies within two (2) hours of such a spill or leak. **Contractor** shall meet or exceed National Pollutant Discharge Elimination System (NPDES) permit requirements for hazardous materials handling, cleanup and reporting.
2. **Clean-up.** During collection operations, **Contractor** shall clean-up litter in the immediate vicinity of any container storage area (Including the areas where containers are delivered for collection) if **Contractor's** actions are the cause of the litter. Each collection vehicle shall be equipped with protective gloves, a broom, and shovel at all times for cleaning up litter. Absorbent material shall be carried on each collection vehicle at all times and used by **Contractor** for cleaning up liquid spills. **Contractor** shall document and discuss instances of repeated spillage not caused by it with the customer where spillage occurs, and **Contractor** shall report such instances to **County**. If **Contractor** has attempted to have a customer stop creating spillage but is unsuccessful, **County** will attempt to rectify such situation with the customer.
3. **Covering of loads.** **Contractor** shall cover all open drop boxes with an industry-approved cover at the collection location before transporting materials to the designated transfer, processing and disposal facility.
4. **Transferring loads.** **Contractor** shall not transfer loads from one vehicle to another on any public street unless it is necessary to do so because of mechanical failure, emergency (e.g. combustion of material in the vehicle) accidental damage to a vehicle, or unless approved by **County**,

K. Noise. All collection operations shall be conducted as quietly as possible and shall conform to applicable federal, State, and **County** noise level regulations. **Contractor** shall promptly resolve any complaints of noise to the satisfaction of **County**.

L. Route books and route maps. For each collection route, **Contractor** shall maintain a route book and route map, either hard copy or computerized, that documents each customer on the route, their service address, service level, and the order in which customers shall be serviced (e.g., the order in which routes shall be driven). **Contractor** shall distribute new route books and route maps to its collection vehicle drivers as frequently as necessary; and each driver shall note differences in the service levels shown in the route book, adding and subtracting customers and service levels, as necessary. Route supervisors shall periodically check the routes to ensure that drivers

are providing service in accordance with their route books. **Contractor** shall provide **County** with route books and maps within ten (10) Business Days of request.

M. **Change in Collection schedule.** **Contractor** shall notify **County** a minimum of sixty (60) Business Days prior to a change in the residential collection schedule and shall request approval of **Contractor's** notice to residential customers a minimum of thirty (30) business days prior to a change in service day, unless this requirement is waived in writing by **County**. **Contractor** shall notify owners and occupants of residential premises by telephone and/or newspaper or other printed medium not later than ten (10) Business Days prior to any change in residential collection operations which results in a change in the Day on which solid waste and/or targeted recyclable materials collection occurs. **Contractor** shall not permit any customer to go more than five (5) Business Days without service in connection with a collection schedule change.

9.03: COUNTY-OWNED SOLID WASTE FACILITIES

County owns solid waste facilities on the following **County**-owned or **County**-leased lands within service area number 1:

A. **Chester Sanitary Landfill (Facility No. 32-AA-0009):** A 40 acre parcel of **County**-owned land located in the east one-half of Section 36, Township 29 North, Range 7 East, Mount Diablo Base and Meridian (MDM). This landfill is open to the public for the disposal of inert construction and demolition materials by appointment only. The landfill is operated by **County** - not by a solid waste franchise contractor, and is it presently not available for a solid waste franchise contractor's disposal/use.

B. **Chester-Lake Almanor Transfer Station (Facility No. 32-AA-0022):** A 3.75 acre parcel of **County**-owned land located on County Road 322 in the northwest one-quarter of Section 12, Township 28 North, Range 7 East, MDM. This medium-volume designated transfer, processing and disposal facility is in solid waste franchise area 1, and is operated by a solid waste franchise contractor. All permanent structures, fences, paving and other surface improvements located on site are, and shall remain property of **County**.

C. **Greenville Transfer Station (Facility No. 32-AA-0003):** A 4.3 acre parcel of land leased from the United States Forest Service, Plumas National Forest under Special Use Permit, located on Greenville Dump Road in the north one-half of the southeast one-quarter of Section 34, Township 27 North, Range 9 East, MDM. This limited-volume designated transfer, processing and disposal facility is in solid waste franchise area 1, and is operated by a solid waste franchise contractor. All permanent structures, fences, paving and other surface improvements located on site are, and shall remain property of **County**.

D. **Gopher Hill Sanitary Landfill (Facility No. 32-AA-0008):** A 58 acre parcel of land leased from the United States Forest Service, Plumas National Forest under Special Use Permit located on Gopher Hill Landfill Road in the southwest quarter of Section 12, Township 24 North, Range 9 East, Mount Diablo Base and Meridian (MDM). This landfill, with an actual footprint of approximately 22 acres, was closed in 2004.

E. **East Quincy Transfer Station (Facility No. 32-AA-0002):** A 0.85 acre portion of two **County**-owned parcels of land located on Abernethy Lane in East Quincy, in the northwest quarter of Section 19, Township 24 North, Range 10 East, MDM. This large-

volume designated transfer, processing and disposal facility is in solid waste franchise area 1, and is operated by a solid waste franchise contractor. All permanent structures, fences, paving and other surface improvements located on site are, and shall remain property of **County**.

F. ***East Quincy Recycling Center (part of Facility No. 32-AA-0002)***: A one-half (1/2) acre portion of two **County**-owned parcels of land located on Abernethy Lane in East Quincy immediately west of and adjacent to the *East Quincy Transfer Station* in the northwest quarter of Section 19, Township 24 North, Range 10 East, MDM. This recycling center contains bins for commingled recycling and cardboard recycling, as well as serving as the present location of the RePlanet buy-back center for CRV recyclables.

G. ***La Porte Transfer Station (Facility No. 32-AA-0009)***: A 0.13 acre portion of a 1.44 acre parcel of land leased from the United States Forest Service, Plumas National Forest under Special Use Permit, located near the center of Section 16, Township 21 North, Range 9 East, MDM. This limited-volume designated transfer, processing and disposal facility is in solid waste franchise area 1, and is operated by a solid waste franchise contractor. All permanent structures, fences, paving and other surface improvements located on site are, and shall remain property of **County**.

9.04: CONTRACTOR'S USE OF COUNTY-OWNED SOLID WASTE FACILITIES

A. In exchange for monthly rents paid to **County** per **Section 9.04 C**, **Contractor** shall have the exclusive right and duty for the Term of this agreement to use **County**-owned designated transfer, processing and disposal facilities as described in this Section that are located on **County**-owned or **County**-leased land within its service area for the collection and handling of all targeted recyclable materials, C&D and solid waste collected by **Contractor** in Plumas County. **Contractor** shall be required to unload at the designated transfer, processing and disposal facility and/or designated landfill(s) or other ultimate disposal sites all materials from its collection vehicles by its own personnel. **Contractor** shall be required to ensure that unloaded materials are properly placed in the designated areas. For example, **Contractor** shall be required to deposit at the designated transfer, processing and disposal facility batteries and cell phones, used motor oil and used motor oil filters in the containers designated for storage of these materials.

1. ***County's rights.*** **County** shall have the right to enter and inspect the premises of any **County**-owned designated transfer, processing and disposal facility at any time, whether during normal operating hours or not, or for any other purpose required by **County**.

2. ***Contractor's rights.*** **Contractor** shall have the right to utilize, for solid waste, C&D and targeted recyclable materials collection and handling purposes, all of the property, buildings and appurtenances designated by **County** as premises for its designated transfer, processing and disposal facility.

3. ***County's responsibilities.*** **County** shall be responsible for ordinary maintenance of property, buildings and appurtenances and repairs thereto necessitated by normal wear and tear. **County** shall not be responsible for damages or extraordinary wear to its facility caused by **Contractor's** active negligence or intentional misconduct. **County** shall construct, where necessary,

fences, walls, paving or appurtenances as may be necessary for the collection, sorting and handling of all targeted recyclable materials, C&D and solid waste collected by **Contractor**. **County** shall provide snow removal and roadway sanding within the designated transfer, processing and disposal facility as described below:

- a. Snow removal and/or sanding by **County** will be scheduled to coincide with regularly scheduled snow removal and/or sanding activities in the vicinity of the designated transfer, processing and disposal facility. **Contractor** reserves the right to temporarily close or delay opening designated transfer, processing and disposal facilities in the case of delayed snow removal during heavy snowfall events.
- b. Snow removal and/or sanding by **County** will take place within the fenced compound of the designated transfer, processing and disposal facility only if entrance and exit gates (if any) are unlocked and open at the time **County** maintenance vehicle arrives.
- c. Snow removal and/or sanding by **County** will occur along the route that the public will travel to enter, access and depart from the designated transfer, processing and disposal facility. Snow removal and/or sanding for all other locations within the compound shall be **Contractor's** responsibility.
- d. **Contractor** may request additional snow removal/sanding assistance from **County** at any time that such services are deemed necessary by **Contractor**. **County** will, in turn, make a determination - after conferring with **County** maintenance resources - whether **Contractor's** request may be granted by **County** and the schedule for such additional snow removal/sanding assistance. If **County's** determination regarding such request is negative, **Contractor** may appeal such decision to the program administrator.

4. **Contractor's responsibilities.** **Contractor** shall be responsible for keeping **County**-owned designated transfer, processing and disposal facilities in a clean and workable condition at all times during the term of this agreement. **Contractor** shall not be responsible for any repairs to buildings, grounds and appurtenances on the premises during the Term of this agreement, except to the extent the damage was caused by the **Contractor's** active negligence or intentional misconduct. **Contractor** shall be responsible for the payment of all utility charges and fees connected to the operation of the designated transfer, processing and disposal facility. **Contractor** shall provide, and have complete responsibility for all necessary personnel, vehicles, equipment and containers necessary for the collection and handling of all targeted recyclable materials, C&D and solid waste collected by **Contractor** under this agreement. **Contractor** shall be responsible for transferring all material received at transfer stations to the designated transfer, processing and disposal facility. **Contractor** shall be responsible for any other intended **Contractor** requirements related to the transfer stations not specifically addressed in **Section 9.04 A 3, County responsibilities**.

B. **Hours and Days of Operation.** **County** shall coordinate with **Contractor** to set hours and days of operation for **County**-owned facilities. A list of facility hours and days

of operation shall be approved by **County** and shall be posted on **County's** website and on **Contractor's** website, as well as prominently displayed on the gates to such facilities. Hours and Days of operation may vary between a winter and summer schedule, as approved by **County**.

C. **Use fees; rent; property taxes.** **County** shall allow **Contractor** the use of its designated transfer, processing and disposal facilities in exchange for a rent of five hundred dollars (\$500.00) per month per facility for the Chester-Lake Almanor Transfer Stations and three hundred dollars (\$300.00) per month for the Greenville and LaPorte Transfer Stations. **Contractor** shall also be responsible for the payment of annual property taxes due to a possessory interest in the property and improvements. Rents and property taxes shall be considered a Pass-Through Cost by **Contractor** and shall be construed as such in calculations within **Contractor's** Annual Compiled Financial Statement or Triennial Audited Financial Statement. Facility rents and property taxes may be adjusted from time to time during the Term of this agreement. Any such changes to facility rental rates and/or property taxes that will affect **Contractor's** compensation shall be a Pass-Through Cost.

D. **Operational Meetings.** If requested by **County**, **Contractor** shall meet with the **County** periodically to discuss issues related to their operations including:

1. Traffic flow
2. Hazardous waste screening and safety policies
3. Receiving hours
4. Billing and payment of gate fees for delivery of materials
5. Vehicle parking
6. Employee facilities
7. Maintenance facilities

9.05: VEHICLES

A. **General.** **Contractor** shall provide a fleet of collection vehicles sufficient in number and capacity to efficiently perform the work required by the agreement in strict accordance with its terms. **Contractor** shall have available sufficient back-up vehicles for each type of collection vehicle used (e.g., side loader, front loader, and roll-off vehicles) to respond to mechanical breakdowns, complaints, and emergencies. As of the Commencement Date, all residential and commercial collection vehicles shall be in mechanically sound condition; and other vehicles such as roll-off trucks, support vehicles, and spare vehicles may also be in mechanically sound condition. Collection vehicles whose acquisition cost is included in the calculation the rates may be used only in its service area; provided, however, that an allocable share of such costs for vehicles used in other jurisdictions as well as the service area shall be included in the rates.

B. *General vehicle specifications*

1. All vehicles used by **Contractor** in providing solid waste, C&D and/or targeted recyclable material services shall be registered with the California Department of Motor Vehicles.
2. All collection vehicles shall have leak-proof bodies designed to prevent leakage, spillage and/or overflow and shall be designed so that collected materials are not visible.
3. All vehicles shall comply with California Environmental Protection County (Cal/EPA) noise emission regulations and California Air Resources Board air quality regulations and other applicable pollution control regulations.
4. All collection vehicles shall be capable of unloading materials in the designated transfer, processing and disposal facility buildings taking clearance heights into consideration.
5. All collection vehicles shall be equipped with a broom, shovel, absorbent materials, and other approved cleanup devices and materials for emergencies, or any spillage or leaks that may occur.

C. *Vehicle identification.* **Contractor's** name, local telephone number, and a unique vehicle identification number designated by **Contractor** for each vehicle shall be prominently displayed on all four (4) sides of the vehicles, in letters and numbers with a maximum five (5) digit sequence, that are no less than two and one-half (2.5) inches in height. **Contractor** shall not place any other information or logo on **Contractor** vehicles, unless approved in writing by **County**. Vehicles shall be clearly labeled to indicate the materials collected by that vehicle, specifically; "Solid Waste," "Recyclables," as directed by **County**.

D. *Inventory.* **Contractor** shall furnish **County** a written inventory of all vehicles used in providing service, and shall update the inventory annually. The inventory shall list all vehicles by manufacturer, identification number, date of acquisition, type, capacity, decibel rating, average weight of load, and average loaded axle weights.

E. *Cleaning and maintenance.*

1. **General.** **Contractor** shall maintain all of its properties, vehicles, facilities, and equipment used in providing service under this agreement in a good, safe, neat, clean, and operable condition at all times.
2. **Cleaning.** Vehicles used in the collection of solid waste or targeted recyclable materials shall be thoroughly washed, and thoroughly steam cleaned periodically so as to present a clean appearance. **County** may inspect vehicles at any time to determine compliance with this agreement. **Contractor** shall also make vehicles available to **County** staff for inspection, at any frequency it requests.
3. **Maintenance.** **Contractor** shall inspect each vehicle daily to ensure that all equipment is operating properly. Vehicles which are not operating properly shall be removed from service until repaired and operating properly. **Contractor** shall

perform all scheduled maintenance functions in accordance with the manufacturer's specifications and schedule or in accordance with California Highway Patrol standards, whichever are more stringent. **Contractor** shall keep accurate records of all vehicle maintenance, recorded according to date and mileage and shall make such records available to **County** upon request. Hydraulic oil, engine oil, and other spills from collection vehicles in the Service area are a concern to **County**. **Contractor** shall include as part of maintenance activities a process for tracking the number and nature of automotive spills (type of fluid, amount lost, failure point) and diagnosing the cause of those spills. Based on the results of the process, **Contractor** shall implement appropriate corrective actions to address issues that are contributing factors to vehicle spills (e.g., revise specifications for specific part failures, revise preventative maintenance schedule to address timing of failures), so that each occurrence is controlled and minimized.

4. **Repair.** **Contractor** shall repair, or arrange for the repair of, all of its vehicles and equipment for which repairs are needed because of accident, breakdown, hydraulic oil or engine oil leaks, or any other cause so as to maintain all equipment in a safe and operable condition. If an item of repair is covered by a warranty, **Contractor** shall obtain warranty performance. **Contractor** shall maintain accurate records of repair, which shall include the date and mileage, nature of repair and the verification by signature of a maintenance supervisor that the repair has been properly performed.

5. **Storage.** **Contractor** shall arrange to store all vehicles and other equipment in safe and secure location(s) in accordance with all applicable zoning regulations.

F. Operation.

1. **General.** Vehicles shall be operated in compliance with federal, State and local laws and regulations including the California Vehicle Code, the regulations of the California Air Resources Board (CARB) Waste Collection Vehicle Regulations as established in the California Code of Regulations Title 3 Section 2700 et seq. and all applicable safety and local ordinances. Annually, **Contractor** shall provide **County** with documentation of such compliance for each vehicle. For example, with regard to CARB regulations, such documentation shall demonstrate, at a minimum, the vehicle number, make, model, year, control technology used or planned, and the year that the control technology was applied or is planned to be applied.

2. **Vehicle Weights.** **Contractor** shall not load vehicles in excess of the manufacturer's recommendations or limitations imposed by federal, State, or local weight restrictions on vehicles or roads. **Contractor** shall implement policies and procedures to track the weight of vehicles to assure that they comply with this requirement, and provide a copy of these policies and procedures to **County** prior to the Effective Date of this agreement, along with a list of vehicles and the legal gross weight and payload weight for each of those vehicles. In the event that a vehicle is overweight, **Contractor** shall take all appropriate corrective actions to correct cause of the overweight vehicle, including making adjustments to routes to eliminate ongoing over-weights

associated with individual routes. **Contractor** shall provide a list of all loads that exceed the manufacturer's recommendations or limitations imposed by federal, State or local weight restrictions on vehicles or roads and the total gross weight and legal gross weight of each of those loads in their quarterly reports to **County**.

3. **Noise.** **Contractor** equipment used for solid waste, C&D and/or targeted recyclable materials services shall be registered with the California Department of Motor Vehicles. Equipment shall comply with US EPA noise emission regulations, currently codified at 40 CFR Part 205 and other applicable noise control regulations, and shall incorporate noise control features throughout the entire vehicle.

4. **Vehicle Tare Weights.** Annually, **Contractor** shall have each collection vehicle weighed to determine the unloaded weight ("tare weight") of the vehicle. Upon a major repair that could affect the collection vehicle tare weight, **Contractor** shall have the collection vehicle reweighed to establish a new tare weight.

5. **Vehicle Backing.** Collector shall use all reasonable means to minimize or avoid backing of collection vehicles.

9.06: CONTAINERS

A. **General.** **Contractor** shall provide all carts, bins and drop boxes, as appropriate, to all customers as part of its obligations under this agreement. **Contractor**-provided containers shall be designed and constructed to be watertight and prevent the leakage of liquids. All carts shall be manufactured by injection or rotational molding methods; and contain post-consumer content. Carts provided to customers shall be maintained by **Contractor** in safe and sanitary condition. All containers with a capacity of one (1) cubic yard or more shall meet applicable federal, State, and local regulations for bin safety; shall be covered with attached lids; and shall have the capability to be locked if required or requested by customer or **County**. All containers shall be maintained in a safe, serviceable, and functional condition.

B. Container Specifications

1. **Sizes.** The container sizes to be provided to single-family, multi-family and commercial customers shall be specified by administrator.
2. **Color.** The colors of the containers provided to single-family, multi-family and commercial customers shall be green for solid waste and a contrasting color, with a label for targeted recyclable materials.
3. **Loading.** Allowable loading requirements for the bin and drop box contents shall be based on the manufacturer's load limits. See Attachment D for allowable load limits.
4. **Labels.** Containers used for targeted recyclable materials shall be labelled "Recyclables Only" or "Recycle Only" or a phrase with that meaning.

C. **Cleaning and painting.** Contractor shall be responsible for steam cleaning and repainting all containers, except carts, to present an aesthetically pleasing clean appearance and to ensure this equipment is safely maintained and operationally sound. Contractor shall repaint used containers on an as needed basis. Contractor shall steam clean all solid waste and targeted recyclable materials containers (or exchange existing containers with clean containers) on an as-needed basis, except carts provided to residential premises, which Contractor is not obligated to clean or exchange. Contractor shall offer additional painting or cleaning (or clean container exchange) to customers requesting such service and shall be entitled to bill customers for such painting or cleaning (or container exchange). Contractor shall be responsible for cleaning containers at no additional charge to customer, provided that customer is not placing uncontaminated putrescible waste in the container and that customer exercises reasonable care in maintaining the exterior cleanliness of the container, to ensure that nuisance or public health concerns associated with vectors are addressed within five (5) Business Days after receipt of notification of said condition. If any container is impacted by graffiti, Contractor shall remedy the situation within five (5) Business Days of being notified.

D. **Repair and replacement.** Contractor shall repair or replace all containers damaged by collection operations (e.g., vehicle apparatus interface) within five (5) Business Days of being notified by customer or observing the damaged container. If the repair or replacement cannot be completed within five (5) Business Days, Contractor shall notify customer and provide a Contractor-owned container of the same size or larger until the original container can be replaced. At no additional cost, Contractor shall replace Contractor-owned customer carts that have been stolen, lost, damaged or destroyed within five (5) Business Days unless said Contractor-owned container is damaged or destroyed due to customer's negligence, i.e. placed in front of, or within a snow berm during winter road maintenance operations. In such case, Contractor shall be entitled to bill customers for the cost of a replacement Contractor-owned container and its delivery per Attachment D. Contractor shall not be responsible for the replacement of customer-owned containers that require repair or replacement due to normal wear and tear. Contractor shall allow customer to exchange Contractor-owned containers for a Contractor-owned container of a different size at no additional cost, except for the delivery charge, and shall replace Contractor-owned containers within five (5) Business Days of customer request. The collection rate for the exchanged container, if different from the original container, shall be as shown in Attachment D. Contractor shall allow customers to rent additional Contractor-owned carts and shall be entitled to bill customers based upon the number of containers set out for collection.

E. **Protection from Wildlife.** Customer shall take all reasonable precautions to protect containers from damage or intrusion by wildlife, i.e. scavenging birds and bears. Containers shall not be set out in such a fashion (i.e. missing covers or open covers) or so far in advance of collection as to invite scavenging by wildlife. If damage to containers occurs due to customer negligence in this respect, Contractor shall be entitled to bill customers for the cost of a replacement container and its delivery per Attachment D. Contractor shall make bear-resistant containers available to customers in accordance with Attachment D.

9.07: PERSONNEL

A. **General.** Contractor shall furnish such qualified drivers, mechanical, supervisory, customer service, clerical and other personnel as may be necessary to provide the

services required by this agreement in a safe, thorough, professional and efficient manner and shall provide, at a minimum, the number and type of personnel necessary for same. All personnel furnished by **Contractor** shall be subject to the "Relationship of Parties" provisions of **Section 15.01**.

B. **Provision of field supervision.** **Contractor** shall designate qualified employees as supervisors of field operations. The field supervisor shall devote their time in the field supervising, managing, and monitoring collection operations for reliability, quality, efficiency, safety, and for responding to complaints.

C. **Driver qualifications.** All drivers shall be trained and qualified in the operation of collection vehicles, and must have in effect a valid license, of the appropriate class, issued by the California Department of Motor Vehicles. **Contractor** shall use the Class II California Department of Motor Vehicles employer "Pull Notice Program" to monitor its drivers for safety.

D. **Customer service representative training.** Customer service representatives shall be trained on specific **County** service requirements. A **County** information sheet shall be provided to each customer service representative for easy reference of **County** requirements and general customer needs.

E. **Safety training.** **Contractor** shall provide suitable operational and safety training for all of its employees who operate collection vehicles or equipment or who are otherwise directly involved in such collection. **Contractor** shall train its employees involved in collection to identify, and not to collect, hazardous waste or infectious waste. Upon **County's** request, **Contractor** shall provide a copy of its safety policy and safety training program, the name of its safety officer, and the frequency of its trainings.

F. **No gratuities.** **Contractor** shall not permit its employees to demand or solicit, directly or indirectly, any additional compensation or gratuity from members of the public for collection services or to accept gratuities or compensation in exchange for additional collection services.

G. **Employee conduct and courtesy.** **Contractor** shall employ only competent and qualified personnel who serve the public in a courteous, helpful, and impartial manner. **Contractor** shall use its best efforts to assure that all employees present a neat appearance and conduct themselves in a courteous manner. **Contractor** shall regularly train its employees in customer courtesy, shall prohibit the use of loud or profane language, and shall instruct collection employees to perform the work as quietly as possible. If any employee is found not to be courteous or not to be performing services in the manner required by this agreement, **Contractor** shall take all appropriate corrective measures. **County** may require **Contractor** to reassign an employee, if the employee has conducted himself or herself inconsistently with the terms of this agreement. **Contractor** shall adopt policies and procedures consistent with State and federal law that ensure a sober and drug-free workplace. This includes strictly prohibiting unlawful manufacture, distribution, possession, or use of any controlled substance in the workplace, regardless of whether the employee is on duty at the time. Further, the policies and procedures shall prohibit an employee from operating either **County**-owned or **Contractor**-owned equipment and vehicles (whether on or off duty) while under the influence of alcohol or drugs. The purpose of these policies and procedures is to ensure

workplace safety, productivity, efficiency, and the quality of **Contractor's** service to customers.

H. **Uniforms.** While performing services under this agreement, all **Contractor's** employees performing field service shall be dressed in clean uniforms and shall wear visible identification that include the employee's name and/or employee number, and **Contractor's** name. Uniform type, style, colors, and any modifications may be subject to approval by **County**.

9.08: HAZARDOUS WASTE INSPECTION AND HANDLING

A. ***Inspection program and training.*** **Contractor** is required to inspect solid waste, C&D and/or targeted recyclable materials and other materials put out for collection and may reject solid waste, C&D and/or targeted recyclable materials and other materials observed to be contaminated with hazardous waste and not collect hazardous waste put out with solid waste, C&D and/or targeted recyclable materials. **Contractor** shall develop a load inspection program that includes the following components:

1. Personnel and training
2. Load checking activities
3. Management of wastes
4. Record keeping and emergency procedures

Contractor's load checking personnel, including its collection vehicle drivers, shall be trained in:

1. The effects of hazardous substances on human health and the environment
2. Identification of prohibited materials
3. Emergency notification and response procedures. Collection vehicle drivers shall inspect containers before collection when practical.

B. ***Response to Hazardous Waste identified during Collection.*** Under no circumstances shall **Contractor's** employees knowingly collect hazardous waste or remove unsafe or poorly containerized hazardous waste from a collection container. If **Contractor** determines that material placed in any container for collection is hazardous waste or other material that may not legally be accepted or safely processed at the designated transfer, processing and disposal facility or presents a hazard to **Contractor's** employees, or those at the designated transfer, processing and disposal facility, the **Contractor** shall have the right to refuse to accept such material. The customer shall be contacted by **Contractor** and requested to arrange proper disposal. If the customer cannot be reached immediately, **Contractor** shall, before leaving the premises, leave a non-collection notice, which indicates the reason for refusing to collect the material and lists the phone number for the Plumas County Household Hazardous Waste Facility, or other resources as directed by **County**. The Department of Environmental Health shall be notified to handle the issue with the customer. The **Contractor's** environmental technician shall be required to guide the customer to safely containerizing the hazardous waste and shall explain the customer's options for proper

disposition of such material. In the event that **Contractor** inadvertently collects hazardous waste during collection services, and the customer or generator of such hazardous waste can be identified, the customer shall be held financially responsible for the handling and disposal of such hazardous waste. **Contractor** may seek reimbursement from the customer for any and all of **Contractor's** expenses incurred in their handling and disposal of such hazardous waste. If hazardous waste is found in a collection container or collection area that could possibly result in imminent danger to people or property, **Contractor** shall immediately notify **County's** Fire Department using the nine-one-one (911) emergency telephone number. **Contractor** shall notify **County** of any hazardous waste identified in containers or left at any premises within twenty-four (24) hours of identification of such material.

C. Response to Hazardous Waste identified at Designated Transfer, Processing and Disposal Facility. **Contractor** shall not knowingly deliver unpermitted material to the designated transfer, processing and disposal facility. In the event that unpermitted material is delivered to the designated transfer, processing and disposal facility, **Contractor** shall be entitled to pursue whatever remedies, if any, it may have against the customer or person(s) bringing such unpermitted material to the designated transfer, processing and disposal facility provided that in no case shall **County** be considered the person bringing such unpermitted material to the designated transfer, processing and disposal facility. If the unpermitted materials are delivered to the designated transfer, processing and disposal facility by **Contractor** and unloaded at the facility before their presence is detected, and the customer cannot be identified or fails to remove the material after being requested to do so, **Contractor** shall arrange for and/or pay for its proper disposal. **Contractor** shall make reasonable efforts to identify and notify the customer. **Contractor** shall make a good faith effort to recover the cost of any transportation and disposal from the customer, and the cost of this effort, as well as the cost of disposal shall be chargeable to the customer, if appropriate documentation, as deemed necessary by the **County**, is provided to **County** within five (5) Business Days of the occurrence.

D. Reporting, regulations, and record keeping. **Contractor** shall comply with emergency notification procedures required by applicable laws and regulatory requirements. **Contractor** shall notify all appropriate agencies, including the California Department of Toxic Substances Control, local emergency response providers and the National Response Center of reportable quantities of hazardous waste found or observed in solid waste, targeted recyclable materials, electronic waste, universal waste, and construction and demolition debris (C&D) anywhere within its service area. In addition to other required notifications, if **Contractor** observes any substances which it or its employees reasonably believe or suspect to contain hazardous wastes unlawfully disposed of or released on any **County** property, including storm drains, streets or other public rights of way, **Contractor** will immediately notify **County**. All records required by regulations shall be maintained at **Contractor's** facility. These records shall include: waste manifests, waste inventories, waste characterization records, inspection records, incident reports, and training records. **Contractor** shall maintain records showing the types and quantities, if any, of hazardous waste found in solid waste, C&D and/or targeted recyclable materials which were inadvertently collected from customers within its service area, but diverted from landfilling.

9.09: COMMUNICATION AND COOPERATION WITH COUNTY

Communications. Contractor's general manager shall have e-mail capabilities to enable County and Contractor's general manager to communicate via email. Contractor's general manager shall respond to County email correspondence within twenty-four (24) hours.

A. **Monthly meetings.** Upon request from administrator, Contractor shall meet with County to discuss operations issues of each active diversion program, quality and reliability of collection services, and compliance with the terms of the agreement. At each monthly meeting, County and Contractor shall have the opportunity to present and discuss proposed changes in service such as changing program requirements or modifying collection methods.

B. **Inspection by County.** County shall have the right, but not the obligation, to observe and inspect all of Contractor's operations under this agreement. In connection therewith, County shall have the right to enter facilities used by Contractor during operating hours, speak to any of Contractor's employees and receive cooperation from such employees in response to inquiries. In addition, upon reasonable notice and without interference with Contractor's operations, County may review and copy any of Contractor's operational and business records related to this agreement. If County so requests, Contractor shall make specified personnel available to accompany County employees on inspections and shall provide electronic copies of records stored in electronic media.

9.10: BUY-RECYCLED POLICY

Contractor shall comply with the purchasing requirements described in this Section, and shall document its on-going compliance with these requirements upon County request.

A. **Supplies.** Contractor shall use reasonable business effort to purchase office supplies and all paper products with post-consumer recycled content.

B. **Recycled paper.** Insofar as is possible, Contractor shall use recycled paper for all correspondence with customers and County, including invoices, bills, reports, and public education materials. Contractor shall state on all materials prepared with post-consumer recycled content the following: "Printed on Recycled Paper."

C. **Re-refined motor oil.** Contractor shall be encouraged but not required to use re-refined motor oil for its collection vehicles.

D. **Recycled plastic.** Contractor shall purchase carts that contain the minimum post-consumer content. All carts shall be 100% recyclable.

9.11: ANNUAL PERFORMANCE HEARING

A. **Objectives.** County shall hold a public performance hearing in April or May of each Rate Year in a location suitable for a public meeting within Contractor's Service Area, at which time Contractor shall be present and shall participate by making a presentation and responding to questions. County shall convene the hearing to address the positive and negative aspects of Contractor's overall performance. The purpose of the hearing may also involve discussion and review of technological, economic, and regulatory changes in collection, waste reduction, recycling, processing, and disposal practices that can improve quality of service; increase waste reduction and diversion; and ensure services are being provided effectively and economically. Topics for discussion and review at the performance hearing shall include, but not be limited to: Contractor's

accomplishments and compliance with various provisions of the agreement, services provided, feasibility of providing new services, application of new technologies, customer complaints, possible amendments to this agreement, developments in the applicable laws and regulations, new initiatives for meeting or exceeding waste reduction and recycling goals, regulatory constraints, and **Contractor** performance. **County** and **Contractor** may each select additional topics for discussion at the performance hearing.

B. Process. Within sixty (60) days of notification provided by **County** to **Contractor** of its intent to conduct a performance hearing, **County** will submit questions to **Contractor** pertaining to **Contractor's** performance and **Contractor** shall submit its written response within thirty (30) days. **Contractor** shall meet to discuss the questions and **Contractor's** response prior to submittal by **Contractor**, **County** and **Contractor** may request from one another information or documents related to the scheduled public hearing and **Contractor** shall provide such information promptly. In addition to **Contractor's** responses to the questions submitted by **County**, **Contractor** may be required to submit a self-assessment report of **Contractor's** performance and information pertaining to the following:

1. **Recommended changes or new services.** Changes and/or new services may be recommended to improve **County's** ability to meet and/or exceed **County's** waste reduction and recycling goals and those of the *Act*.
2. **Complaint records.** The reports required by this agreement regarding complaints shall be used as one basis for review. **Contractor** may submit other relevant performance information and reports for consideration. **County** may request **Contractor** to submit specific information for the hearing. In addition, any person may submit comments or complaints during or before the hearing, either orally or in writing, and these shall be considered.
3. **Action plan.** **Contractor** shall prepare and submit an action plan for improving and/or modifying its collection services and other services if requested. Not less than ten (10) Business Days prior to the scheduled hearing date, **County** and **Contractor** shall exchange any written reports and other documents that will be provided or presented at the hearing. Not less than five (5) Business Days before the scheduled hearing date, **County** and **Contractor** shall ensure their availability to discuss the content and underlying support for such reports. **County** and **Contractor** shall attend and participate in the performance hearing. **Contractor** may be required to present an oral report on its performance at the performance hearing. **Contractor's** failure to attend and participate in the performance hearing and provide an oral presentation upon request; provide a written response to the questions or request for a self-assessment report submitted by **County**; or submit an action plan if requested by **County** may be sufficient cause for **County** to seek remedies as described in Article 14. Within sixty (60) days after the conclusion of each performance hearing, **County** may issue a report. As a result of the review, **County** may require **Contractor** to provide expanded or new services within a reasonable time frame and for reasonable compensation; and **County** may direct **Contractor** to take corrective actions for any performance inadequacies.

ARTICLE 10

RECORD KEEPING AND REPORTING

10.01: GENERAL

Contractor shall compile and maintain records related to its performance as necessary to develop the reports required by this agreement. **Contractor** agrees to conduct data collection, record keeping, and reporting activities that are reasonably necessary to meet the reporting and solid waste program management needs of **County**, and to comply with the **Act**, other applicable laws (Including those specified in **Sections 16.01 & 16.14**), and the requirements of this agreement. Record keeping and reporting requirements specified in this agreement shall not be considered a comprehensive list of reporting requirements. In particular, **Article 9** is intended to highlight the general nature of records and reports and their minimum content and is not meant to comprehensively define the scope and content of the records and reports. **Contractor** shall provide other information that is reasonably related to this agreement that may not be specifically identified in this Section if requested by **County**, provided that it can be obtained and delivered at a reasonable cost. Upon written direction or approval of **County**, the records and reports required by **Contractor** in accordance with this and other articles of the agreement shall be adjusted in number, format, or frequency. **Contractor** shall maintain all records necessary to allow **County** to determine **Contractor's** compliance with the terms of the agreement and compliance with the performance standards presented in this agreement Including those related to the quality of collection services and customer service. The records shall be maintained in a manner that allows for easy verification of **Contractor's** performance.

10.02: GENERAL RECORD KEEPING PROVISIONS

A. **General.** **Contractor** shall maintain records required to conduct its operations, to support requests it may make to **County** for any major changes to operations or anticipated future changes to operations, to support the need for anticipated major expenses likely to be incurred in the future, and to respond to requests from **County**. All records shall be maintained for five (5) years after the expiration or early termination of this agreement. In order to set the rates pursuant to **Article 11**, it is necessary for **Contractor** to maintain accurate, detailed financial and operational information in a consistent format and to make such information available to **County** in a timely fashion, and in accordance with reporting requirements specified in this Article.

B. **Inspection of records.** **County** shall have the right to inspect or review at **Contractor's** office, and with a minimum of 24 hours notice beforehand, the payroll tax reports, specific documents or records required expressly or by inference pursuant to this agreement, or any other similar records or reports of **Contractor** that **County** shall deem, in its sole discretion, reasonably necessary to evaluate annual reports, rate adjustment applications provided for in this Agreement, and **Contractor's** performance or other matters related to this agreement. **County**, its auditors and other agents selected by **County**, shall have the right, during regular business hours, to conduct on-site inspections and review of the records and accounting systems of **Contractor** and to make copies of any of **Contractor's** documents relevant to this agreement, with the exception that **County** or its representatives make not make copies of **Contractor's** proprietary information. Upon request, **Contractor** shall arrange for records of Related Party Entities to be made available to **County** and its official representatives for review, to the extent such records are reasonably necessary to evaluate annual reports, **Contractor's** performance, or other matters related to this agreement; provided,

however, that no copies of Related Parties Entities' records may be made by **County** or its representatives.

C. **Retention of records.** Unless otherwise herein required, **Contractor** shall retain all records and data required to be maintained by this agreement for the Term plus at least five (5) years after expiration or early termination of the agreement. Records and data shall be in a chronological and organized form and readily and easily interpreted. At **County's** request, records and data required to be retained shall be retrieved in a timely manner (which shall not exceed more than twenty (20) Business Days unless **Contractor** obtains prior written approval from **County**) by **Contractor** and made available to **County**. **Contractor** shall maintain copies of all billings and billing collections (e.g., customer payments) records or copies of billing summary reports (that document all billings and billing collections for each customer) for five (5) years, following the date of billings, for inspection and verification by **County**. Records and data required to be maintained that are not specifically directed to be retained that are, in the sole opinion of **County**, material to the determination of the Rates or to determination of **Contractor's** performance, shall be retrieved by **Contractor** and made available to **County** in a timely manner (which shall not exceed twenty (20) Business Days unless **Contractor** obtains prior written approval from **County**). When records and data are not retained or provided by the **Contractor**, **County** may make reasonable assumptions regarding what information is contained in such records and data, and such assumption(s) shall be conclusive in whatever action **County** takes.

D. **Record security.** **Contractor** shall maintain adequate record security to preserve records from events that can be reasonably anticipated such as fire, theft, and earthquakes. Electronically-maintained data and/or records shall be protected, backed up, and stored at a separate site from the original data.

10.03: RECORD KEEPING REQUIREMENTS

A. Maintenance of financial and operational records.

1. **General.** In order to set the rates pursuant to **Article 11**, it is necessary for **Contractor** to maintain accurate, detailed financial and operational information in a consistent format and to make such information available to **County** in a timely fashion. This information, along with any other known factors currently used or proposed to be used as the basis for allocating revenues and expenses, will be utilized to support **Contractor's** requests for any proposed changes to the methodologies involved in allocating future revenues and expenses.

2. **Contractor's accounting records.** **Contractor** shall maintain accurate and complete accounting records containing the underlying financial and operating data relating to, and showing the basis for computation of, all costs associated with providing services under this agreement. The accounting records shall be prepared in accordance with Generally Accepted Accounting Principles (GAAP) consistently applied. Chief among these accounting records shall be the **Contractor's** Annual Compiled Financial Statement and Triennial Audited Financial Statement. These reports, prepared at **Contractor's** cost by a certified public accountant, shall:

- a. Clearly identify the methods used to allocate revenue and expense line items among the **County** franchise and the company's other divisions (Triennial Audited Financial Statement only).
- b. Illustrate the methodologies used to allocate revenues and expenses among Related Party Entities.
- c. Report any changes to the methodologies used to allocate revenues and expenses in the allocation percentages from the prior year.
- d. Track and report the costs associated with each expense item that has contractual limitation and provide an accounting of those expenses against their contractual limitation.
- e. Provide a rate-of-return calculation with any adjustments against contractual limitations. This rate-of-return calculation will be used in identifying potential adjustments to the rate for the following year.
- f. Provide a variance analysis between the current year and prior year revenues and expenses, along with an explanation for any significant variances.

B. ***Collection service records.*** Records shall be maintained and retained by **Contractor** for **County** relating to:

- 1. Customer and billing information including, but not limited to, the following for each customer:
 - a. Names, addresses, and phone numbers of customer, billing contact person, and, if appropriate, for property manager or on-site contact person;
 - b. Solid waste service level, C&D service level, targeted recyclable materials service level, (where service level includes the number of containers, size of each container, and the collection frequency of each container);
 - c. Number of tenants or living units at multi-family residential complexes;
 - d. Service exemptions for SFD premises (if applicable);
 - e. Special services (e.g., backyard and special handling collection for SFD premises, push/pull charges, lock/unlock charges, etc.). **Contractor's** customer and billing system shall allow for information to be compiled easily and separately for each service sector.
- 2. Weight and volume of material collected by type (e.g., solid waste, C&D and/or targeted recyclable materials). Where possible, information shall be provided separately for each service sector.

3. Facilities, equipment and personnel used.
4. Facilities and equipment operations, maintenance and repair.
5. Tonnage of solid waste, targeted recyclable materials, C&D and universal waste, listed separately by materials type and service sector and the facility where materials were delivered (e.g., designated transfer, processing and disposal facility).
6. Tonnage of solid waste and/or targeted recyclable materials collected from venues and events reported separately by material type collected and reported separately for each venue and event as the total tonnage of each material type for each venue or event monthly.
7. Volume of used motor oil and number of used motor oil filters collected by **Contractor** reported separately for each facility where materials were delivered.

C. ***Other programs records.*** Records for other programs shall be tailored to specific needs. In general, **Contractor** shall maintain and retain the following records:

1. Plans, tasks, and milestones; and
2. Accomplishments Including activities conducted, dates, quantities of products used, produced or distributed, and numbers of participants and responses.

D. ***Customer service records.*** Daily logs of all complaints and Inquiries shall be retained for a minimum of thirty-six (36) months. **Contractor** shall maintain and retain customer service center records which include, but are not limited to the following statistics:

1. Number of calls received on a quarterly basis;
2. Number of calls answered on a quarterly basis;
3. Names of all customer service representatives employed.

E. ***Comprehensive Environmental Response, Compensation and Liability Act of 1982 (CERCLA) defense records.*** County views the ability to defend against CERCLA and related litigation as a matter of great importance. For this reason, **County** regards the ability to prove where solid waste collected in **County** area was taken for transfer or disposal, to be matters of concern. **Contractor** shall maintain data retention and preservation systems which can establish where solid waste collected in the service area was delivered for transfer or disposal. This provision shall survive the expiration of this agreement.

F. ***Compilation of information for State law purposes.*** **Contractor** shall compile information on amounts of solid waste delivered to the designated transfer, processing and disposal facility and to other locations, as well as other information which the **County** may reasonably request. **Contractor** shall maintain these records for a minimum of ten (10) years after expiration or earlier termination of the agreement. **Contractor** shall provide these records to **County** (upon request or at the end of the

record retention period) in an organized and indexed manner rather than destroying or disposing of them.

10.04: OPERATIONAL REPORTING REQUIREMENTS – QUARTERLY REPORTS

A. **Purpose.** Operational records shall be maintained and retained in forms, on media, and by methods that facilitate flexible use of data contained in them to structure reports, as needed. Operational reports are intended to compile recorded data into useful forms of information that can be used to, among other things:

1. Determine needs for adjustment to programs and cost for such changes
2. Evaluate customer service and complaints
3. Provide collected waste and recyclable tonnage amounts for **County** records and State reporting.

B. **Report format.** **County** shall propose report formats that are responsive to the objectives and audiences for each report and are achievable through **Contractor's** data systems. **Contractor** agrees to submit a copy of all reports to **County**. **Contractor** shall provide a certification statement, under penalty of perjury by the responsible **Contractor** official, that the report being submitted is true and correct to the best knowledge of such official after their reasonable Inquiry.

C. **Submittal schedule and instructions.** **Contractor** shall submit operational reports on a quarterly basis within thirty (30) days after the end of the reporting quarter. **Contractor** shall submit (via mail and/or e-mail) all reports to the person(s) designated by **County**.

D. **Failure to report.** The refusal or failure of **Contractor** to file any required reports, or to provide required information to **County**, or the inclusion of any materially false or misleading statement or representation by **Contractor** in such report shall be deemed a **Contractor** default as described in **Section 14.01** subject to the notice and cure provisions of that Section and shall subject **Contractor** to all remedies which are available to **County** under the agreement or otherwise.

E. **Accuracy of reports.** The failure of **Contractor** to file accurate and timely operational reports, proposal(s), information or correspondence to **County**, or the inclusion of any inaccurate or misleading data, statement or representation by **Contractor** in such report(s), proposal(s), information or correspondence to **County** shall be deemed a **Contractor** default as described in **Section 14.01** subject to the notice and cure provisions of that Section and shall subject **Contractor** to all remedies which are available to **County** under the agreement or otherwise. Any and all inaccuracies, errors or omissions discovered by **County** or **Contractor** in such reports shall be disclosed to the other Party upon discovery and shall be corrected at **Contractor's** cost within fifteen (15) Days of such notification.

F. **Tonnage information.** **Contractor** shall provide the tonnage information requested below by service sector on a monthly and year-to-date basis. Each year's fourth quarter report shall serve as the annual tonnage report for that Calendar Year, and shall include a trend profile of annual tonnages from past years

1. **Solid Waste.** Total solid waste tonnage collected and disposed. Solid waste collected by **Contractor** as well as solid waste self-hauled to designated transfer, processing and disposal facilities shall be allocated by **Contractor** to its correct jurisdiction/contract.

2. **Targeted Recyclable Materials services.** Total targeted recyclable materials tonnage collected and delivered for processing by service sector, listed separately by material type collected (e.g., targeted recyclable materials, source separated cardboard, source separated paper, single stream targeted recyclable materials, used motor oil, used motor oil filters, etc.).

3. **C&D.** Total C&D tonnage collected and disposed. C&D tonnages may be combined with solid waste tonnages unless source-separated. C&D collected by **Contractor** as well as C&D self-hauled to designated transfer, processing and disposal facilities shall be allocated by **Contractor** to its correct jurisdiction/contract

G. **Hazardous Waste records.** **Contractor** shall provide a summary or copy of the hazardous waste records required under **Section 8.08 D.**

H. **Other information.** **Contractor** shall provide other operational information or reports that **County** may reasonably request or require be added to quarterly reporting. These requests may include information regarding used motor oil and used motor oil filter collection, and large events and venues collection.

10.05: FINANCIAL REPORTING REQUIREMENTS

A. **Annual Compiled Financial Statement.**

Contractor shall submit a financial statement prior to March 15 of each year containing, at a minimum, the following financial information:

1. **Contractor's Personnel.**

a. Organizational chart

b. Job classifications and number of full-time equivalent positions for each (e.g. administrative, customer service representatives, drivers, supervisors, educational staff, etc.)

2. **Related party entities.** **Contractor** agrees that all financial transactions with all Related Party Entities shall be approved in advance in writing and disclosed annually (coinciding with **Contractor's** Annual Compiled Financial Statements and/or Triennial Audited Financial Statements referred to in this Section to **County** in a separate disclosure letter to **County**). This letter shall include a general description of the nature of each transaction, or type of transaction, as applicable. Such description shall include for each transaction:

a. Amount, specific to each Related Party Entity

b. Basis of amount (how amount was determined and comparable quoted rates, **including rental amounts**, from non-Related Parties to be used as comparison)

- c. Description of the allocation methodology used to allocate any common costs.

Amounts shall be reconciled to the Related Party Entity disclosures made in **Contractor's** annual financial statements referred to in this Section, and any adjustments made to related party expenses, including overhead charges shall be disclosed, along with the basis of any such adjustments. At **County's** request, **Contractor** shall provide **County** with copies of working papers or other documentation deemed relevant by **County** relating to information shown in the annual disclosure letter. The annual disclosure letter shall be provided to **County** within sixty (60) Business Days of **Contractor's** Fiscal Year end.

3. *Revenues from all contract-related sources:*

- a. Commercial
- b. Residential
- c. Transfer stations
- d. Recycling
- e. Interest income
- f. Bad debts recovered
- g. Miscellaneous income

4. *Expenses for all contract-related operations*

- a. Payroll
- b. Recycling buy-back, excluding labor
- c. Drop-off events, excluding labor
- d. Fuel and oil
- e. Equipment maintenance, excluding labor
- f. Parts, including tires
- g. Facilities maintenance and repair, excluding labor
- h. Insurance, including Worker's Compensation
- i. Employee drug testing
- j. Utilities (water, sewer, telephone, internet, electricity, heating) @ facilities

- k. Tipping fees
- l. Facility rental
- m. Equipment rental/lease
- n. Equipment depreciation
- o. Vehicle depreciation
- p. **Contractor-owned facility (office, etc.) depreciation**
- q. Legal fees
- r. Bookkeeping/accounting fees
- s. Professional consulting (computer, etc.) fees
- t. Office supplies/postage
- u. Signs and striping, excluding labor
- v. Business tax and license
- w. Employee benefits
- x. Contributions
- y. Association dues
- z. Travel and lodging
- aa. Interest on loans
- bb. Entertainment
- cc. Advertising, promotion and publications
- dd. Bad debts
- ee. Amortization
- ff. Miscellaneous
- gg. Penalties and fines
- hh. Bank fees and charges
- ii. Taxes paid

5. *Non-allowable expenses.* Certain contract-related expenses may be

deemed as non-allowable, and shall be designated as such in both the Annual Compiled Financial Statement and the Triennial Audited Financial Report. **County** may adjust the actual costs in two ways: (1) by excluding any non-allowable costs, as set out below, and (2) by excluding and/or reducing any costs that were not reasonably or necessarily incurred in the performance of the services provided in accordance with the agreement, as determined by **County**. Expenses that may be deemed non-allowable include:

- a. Administrative Fees for corporate administration in excess of 4% of Gross Revenue, adjusted by the CPI¹.
- b. Promotional, business development, and business-related travel expenses in excess of \$5,000.00 aggregate per Calendar Year, as adjusted annually per the CPI.
- c. Payments to repair damage to property of **County** or other parties, including **Contractor**, for which **Contractor** is legally liable.
- d. Fines or penalties of any nature, including any liquidated damages that may be assessed under this agreement, but only those for which **Contractor** is legally liable.
- e. Charitable donations and/or goodwill.
- f. Political donations.
- g. Any amount of rental or lease charges for leasing vehicles longer than six months that is greater than the cost of acquisition, plus interest costs, of the vehicles depreciated over seven (7) years.
- h. State or federal income taxes.
- i. Attorneys' fees and other expenses incurred by **Contractor** in any court or adversarial proceeding in which **Contractor** and **County** are adverse Parties, unless **Contractor** is the prevailing Party in such proceeding and **Contractor** fails to recover such fees as a result of that litigation.
- j. Attorney's fees and other expenses incurred by **Contractor** in any court proceeding in which **Contractor's** own negligence, violation of law or regulation, or other wrongdoing, are in issue and occasions in part the attorney's fees and expenses claimed. Such attorney's fees, however, will be allowed to the extent **Contractor** can demonstrate they were a reasonable and necessary cost of doing business, and were not the result of any intentional or willful misconduct by **Contractor** or its employees. Also non-allowable are any attorney's fees and expenses incurred by **Contractor** in a court proceeding in which the legal theory or statute providing a basis of liability against **Contractor** also provides for separate strict liability for **County** arising from the action of its citizens or ratepayers (such as in a CERCLA lawsuit).
- k. Payments to Related Party Entities for products or services, in excess of the fair market value for those products or services.

¹ Series ID: currx400sa0 Consumer Price Index, All Urban Consumers, All Items; West – Size Class B/C.

6. **RRI Financial Information.** For ease of calculation of the annual Refuse Rate Index (See Attachment E), expenditures shall also be grouped into the following categories:

- a. Labor (all costs)
- b. Diesel fuel
- c. Vehicle replacement
- d. Vehicle maintenance (all costs, including parts, maintenance, tires, etc)
- e. All other costs
- f. Disposal (or tipping) fees

B. **Triennial Audited Financial Report.** In addition to the information presented in the Annual Financial Statement, **Contractor** shall present the following financial information in an audited financial report to be submitted prior to April 15, 2019, and on a triennial basis (every three (3) years) thereafter:

1. **Contract-Related Assets:**

- a. Current assets
- b. Property and equipment (less accumulated depreciation)
- c. Capitalized assets
- d. Other assets

2. **Contract-Related Liabilities**

- a. Current liabilities
- b. Long-term liabilities
- c. Stockholder equity including stocks & retained earnings

3. **Cash Flow Statement**

4. **Non-Cash Investing and Financing**

10.06: EVENT-SPECIFIC REPORTING

Event-specific reports shall be submitted following the occurrence of the event as described in this Section.

A. **Report of accumulated Solid Waste; unauthorized dumping.** As required by Section 7.07, **Contractor** shall report:

1. The addresses of any premises at which the driver observes that solid waste,

C&D or targeted recyclable materials is accumulating.

2. The address, or other location description, at which solid waste, C&D or targeted recyclable materials has been dumped in an apparently unauthorized manner.

The report shall be delivered to **County** within five (5) Business Days of such observation.

B. **Hazardous waste.** As required by **Section 8.08 D**, **Contractor** shall notify **County** and the Department of Environmental Health of any hazardous waste identified in containers or left at any premises within twenty-four (24) hours of identification of such material.

C. **Reporting adverse information.** **Contractor** shall provide **County** two (2) copies (one (1) to the administrator, one (1) to the County Counsel) of all reports, pleadings, applications, notifications, Notices of Violation, communications or other material relating specifically to **Contractor's** performance of services pursuant to this agreement, submitted by **Contractor** to, or received by **Contractor** from, the United States or California Environmental Protection Agency, CalRecycle, the Securities and Exchange Commission or any other federal, State, County, or local County, Including any federal or State court. Copies shall be submitted to **County** simultaneously with **Contractor's** filing or submission of such matters with said agencies. **Contractor's** routine correspondence to said agencies need not be submitted to **County**, but shall be made available to **County** promptly upon **County's** written request.

10.07 UPON-REQUEST REPORTING

County reserves the right to request additional reports from **Contractor**, and **Contractor** shall deliver such reports within twenty-five (25) Business Days of such request provided that such information is similar in nature to the required elements of the quarterly or annual reporting requirements described in this Section.

ARTICLE 11

FRANCHISE FEE AND OTHER FEES

11.01 GENERAL

The fees described in this Article shall be treated as Pass-Through Costs as detailed in Attachment F for the purposes of determining rates that **Contractor** charges to customers.

11.02 FRANCHISE FEE

In consideration of the exclusive franchise granted to **Contractor** by this agreement, and to reimburse **County** for costs incurred in administering this agreement, **Contractor** shall pay to **County** a franchise fee, based on a fixed percentage of Gross Receipts. This fee shall be set by the Board of Supervisors and may be adjusted from time to time during the Term of this agreement. Any such changes to franchise fees that will affect the rates shall be a Pass-Through Cost.

11.03: TIME AND METHOD OF PAYMENT

On or before the twentieth (20th) Business Day after the end of March, June, September and December, **Contractor** shall pay to **County**:

- A. The amount of the franchise fees due on Gross Receipts billed during the immediate previous quarter,
- B. One-fourth of any other fee established by **County**. Any such additional **County** fees that will affect the rates shall be a Pass-Through Cost.

Contractor shall provide, concurrently with the payment of fees, a statement showing the calculation of each fee, including the Gross Receipts from customers in each service sector for that quarter. The statement shall be in a format, and contain the level of detail, specified by **County**. Payments from **Contractor** to **County** shall be made by method authorized by **County**. If a fee is not paid on time, **Contractor** shall pay a late payment charge equal to six percent (6%) of the fees due for that quarter. In addition, **Contractor** shall pay an additional six percent (6%) on any unpaid balance for each ninety (90) Day period a portion of the fee due remains unpaid. Such "late fee" may not be recovered through the Rates.

11.04: ADJUSTMENTS TO FEES; ADDITIONAL FEES

County may from time to time adjust the amount of the fees described in this Article and may establish other fees. Any change in the total amount of fees remitted to **County** shall be a Pass-Through Cost.

ARTICLE 12 THE RATES

12.01: GENERAL

Setting of and adjustment to the rates provided for in this Article shall be the full, entire, and complete compensation due to **Contractor** for all labor, equipment, materials, and supplies, taxes, insurance, bonds, overhead, disposal, profit, and all other things necessary to perform all the services required by this agreement in the manner and at the times prescribed. **Contractor** will not look to **County** for payment of any sums under this agreement. **Contractor** will perform the responsibilities and duties described in this agreement in consideration of the right to charge and collect from customers for services rendered at rates fixed by **County** from time to time.

12.02: INITIAL RATES

The rates that are in place as of the Effective Date of this agreement are the initial rates that will be used as the base rates for year one.

12.03: REFUSE RATE INDEX - ADJUSTMENTS TO THE RATES

A. ***Adjustments to Service Using the Refuse Rate Index (RRI).*** Beginning on July 1, 2017, and annually thereafter, **Contractor** shall, subject to compliance with all provisions of this Article, receive an annual adjustment in of the rates as set forth in **Attachment D** of this agreement. **If the Operating Ratio for the previous 12 month period falls within its defined range of values, no RRI adjustment will be given. No RRI increase shall be given that exceeds five percent (5.00%) unless the provisions of Proposition 218 are satisfied.**

B. ***RRI Adjustment.*** Beginning on July 1, 2017, and annually thereafter during the Term of this agreement, the rates then in effect shall be adjusted by the RRI adjustment set forth below. In any year that the calculation of the RRI results in a negative number, there shall be no adjustment in the rates, **unless the negative RRI adjustment exceeds two percent (2.00%).** Instead, the negative RRI number shall be added to the result of the subsequent years RRI calculation and the result shall be the RRI adjustment for that subsequent year.

C. ***12-Month Annual Average.*** The RRI adjustment shall be the sum of the weighted percentage change in the 12-month annual average of each RRI index number between the base year, which shall be the prior preceding Calendar Year ending December 31st and the preceding Calendar Year ending December 31st as contained in the most recent release of the source documents listed in **Attachment E**, ("Refuse Rate Index") which is attached to and included in this agreement. Therefore, the first rate adjustment under this Section will be based on the percentage changes between the 12-month annual average of the RRI indices for the Calendar Year 2015 and the annual average of the RRI indices for the Calendar Year ending 2016. The RRI shall be calculated using the RRI methodology included in **Attachment E**.

12.04: RRI FINANCIAL INFORMATION

On or before April 15, 2017, and annually thereafter during the Term of this agreement, **Contractor** shall deliver to **County** compiled or audited financial information per **Section 10.05**

for the specific services performed under this agreement for the preceding Calendar Year. Such financial information shall be in the format as set forth in **Attachment E**, or as may be further revised by **County** from time to time. If **Contractor** fails to submit the financial information in the required format by April 15th, it is agreed that **Contractor** shall be deemed to have waived the RRI adjustment for that year. **Contractor's** failure to provide the financial information by March 15th shall not preclude **County** from applying the RRI using the prior year's financial data, or pro forma data if no prior year financial data is available, if that Application would result in a negative RRI.

- A. Annual adjustments shall be made only in units of one cent (\$0.01). Fractions of less than one cent (\$0.01) shall not be considered in making adjustments. The indices shall be truncated at four (4) decimal places for the adjustment calculations.
- B. If **Contractor's** failure to submit the required financial information by April 15th is the result of extraordinary or unusual circumstances as demonstrated by **Contractor** to the satisfaction of **County**, **County** at its sole discretion, may extend its review period to consider the request for the annual RRI rate adjustment.
- C. As of May 15, 2016, and annual thereafter during the Term of this agreement, **County** shall notify **Contractor** of the RRI adjustment to the affected rates to take place on July 1st of that year.

12.05: COUNTY OR CONTRACTOR REQUESTED DETAILED RATE REVIEW

Notwithstanding **Section 12.03** above, and in addition to the Rate adjustment described in **Section 12.02** above, **County** or **Contractor** may request a detailed rate review to be conducted following the procedures as specified in **Attachment F** to this agreement. However, a detailed rate review shall not be conducted more than once every three (3) Calendar Years. A request for a detailed rate review shall be made in writing at least four (4) months prior to the beginning of the Fiscal Year in which the results for the detailed rate review are to be applied. **Contractor** shall pay all reasonable costs for each detailed rate review whether incurred by **Contractor** or **County**, and the cost of such a detailed rate review shall be an allowable Pass-Through Cost.

12.06: SPECIAL RATE REVIEW

A. **Eligible items.** Notwithstanding **Sections 12.03 and 12.05** above, either **Contractor** or **County** may request consideration of a special rate review to be conducted following the procedures as specified in **Attachment G** to this agreement. If costs of providing service hereunder result in an increase in or decrease to **Contractor's** Gross Receipts by two percent (2%) or more for the then-current rate year:

1. Flood, fire, earthquake, or other similar catastrophic event affecting **County** which is beyond the control of and not the fault of **Contractor**, and that requires the provision of emergency services by **Contractor** per **Section 8.06**.
2. Change in law or regulation occurring after the Effective Date.
3. Unforeseen changes in disposal or tipping fees, including the addition of, or change to a designated disposal Site.

4. Changes in services and/or service levels pursuant to **Section 16.10**.
5. Migration of customers from services for which **Contractor** charges hereunder to services for which **Contractor** does not charge, or charges less, hereunder.
6. Changes in any allowable Pass-Through Costs as defined in **Attachment A** to this agreement..

B. **Ineligible items.** A special rate review may not be initiated due to growth or decline in the number of customers.

C. **Review of costs.** **County** shall have the right to review any and all contract-related financial and operating records of **Contractor**. **County** will take into account the net overall impact of the eligible event on **Contractor's** costs and Gross Receipts, including reductions in cost resulting from curtailments in service levels or other factors.

D. **Submittal of request.** Either Party must submit its request for a special rate review in a form and manner specified by **County**, together with required cost and operational data. **County**, acting reasonably, will review the request and determine the amount owed, if any, to **Contractor** and the time period to be covered by special circumstances.

E. **Burden of justification.** In a special rate review under this Section, the Party requesting the special rate review shall bear the burden of justifying, by substantial evidence, its request for an adjustment in the rate. If **County**, acting reasonably, determines that **Contractor** has not met its burden, it shall notify **Contractor** that it is prepared to deny **Contractor's** request for an increase in the rates, or to proceed with a reduction in the rates. Within ten (10) days after such notice, **Contractor** may request a hearing before **County's** governing body to produce additional evidence. Upon such request, **County** shall provide a hearing before **County's** governing body.

F. **Hearing.** Based on evidence presented to it, including that submitted by **Contractor**, **County's** governing body may grant some, all, or none of the requested increase in, or may reduce, the rates. In the event **County** denies **Contractor's** requested increase in whole or in part, **Contractor** shall have the right to present its claim to a court of competent jurisdiction.

G. **Cost of review.** The party requesting the special rate review shall bear all reasonable costs incurred by the other Party, including labor and materials, of a special rate review which it has requested up to a maximum of twenty-five thousand dollars (\$25,000). Costs of a review requested by **Contractor** may neither be included in the Rates nor charged to **County** or Customers.

12.07: RATE-SETTING PROCESS

A. **General.** **County** shall be solely responsible for establishing and adjusting rates as described in this Article. Rates shall be adjusted only after joint discussions and agreement between **County** and **Contractor**, a review by the administrator and the PCIWMTF, and approval of the Board.

B. **Annual review process.** The rates shall be reviewed annually by **County**, commencing with Rate Year one (2015) and continuing through the remaining Term Including any extension periods.

C. **Rate structure.** **County**, through its Board of Supervisors, and after joint discussions and agreement between **County** and **Contractor** shall have right to change the relationship of individual rates in comparison with other rates and to allocate total costs among service sectors and lines of business. If at any time **Contractor** believes that a rate not included in the **County**-approved rate schedule would be necessary or useful, **Contractor** shall notify **County** and recommend establishment of such rate.

12.08: NOTICE OF RATE ADJUSTMENTS

If requested by **County**, **Contractor** shall provide **County** with a complete and current list of its customer addresses within ten (10) Business Days of the request. In addition, if requested by **County**, **Contractor** shall arrange for the mailing of notices of rate adjustment (to be prepared by **County**). The cost of mailing such notices shall be considered a pass-through cost in the annual and triennial financial reports.

12.09: POTENTIAL RATE CONSTRAINTS

The Parties recognize that, as of the date this agreement is entered into, there is no authoritative judicial determination of whether Articles 13.C and D (Proposition 218) of the California Constitution apply to charges imposed by private enterprises for solid waste handling and recycling services when those charges are regulated by a local government. Until such authoritative judicial guidance is available, **County** intends to provide notice of proposed rate increases, and an opportunity for public hearing and protest as required by Article 13.D, except as specifically exempted under Article 13.D. **County** will not be in default of this agreement if:

- A. A majority protest prevents a proposed rate increase from being adopted,
- B. A court rules that rates adopted by **County** are not consistent with Article 13.D, or
- C. An initiative reduces rates from those in effect. After any such event, the Parties shall promptly meet and confer in good faith to consider modifications to service levels and/or reductions in the franchise fee and other governmental fees and charges, commensurate with the rates that **Contractor** may legally charge. If **County** and **Contractor** are unable to reach agreement about such a modification or reduction, then **Contractor** may terminate this agreement upon two hundred and seventy (270) calendar days prior written notice to **County**, in which case **Contractor** and **County** shall each be entitled to payment of amounts due for contract performance through the date of termination but otherwise will have no further obligation to one another pursuant to this agreement after the date of such termination.

ATTACHMENT D
FEATHER RIVER DISPOSAL RATES

A. Collection Fees. The base rate for collection shall cover door-to-door collection, transfer, hauling, and ultimate disposal activities: Upon any rate adjustment, the new rates shall be rounded to the nearest \$0.01 per item.

1. Residential Base Rate. The monthly charge for:

- a. One (1) can per week shall be \$18.08.
- b. Two (2) cans per week shall be \$25.14.
- c. Three (3) cans per week shall be \$32.06.
- d. Four (4) cans per week shall be \$39.12.
- e. A 32-gallon waste-wheeler shall be \$18.08 for one collection per week
- f. A 64-gallon waste-wheeler shall be \$24.71 for one collection per week.
- g. A 96- (or 100-) gallon waste-wheeler shall be \$32.06 for one collection per week.

2. Residential Large Items.

- a. Each washer, dryer, standard-size refrigerator, single-bed mattress, and similar-size object shall be charged the following:
 - i. Twin/Full mattresses and small appliances shall be \$14.01 each.
 - ii. King/Queen mattresses and large appliances shall be \$25.34 each..
- b. Each deep freezer, double-bed mattress, and similar-size object shall be charged a maximum of \$35.24 each per collection.
- c. Each tire shall be charged per collection:
 - i. \$3.11 - sixteen (16") inches or less.
 - ii. \$6.27 - more than sixteen (16") inches but less than twenty (20") inches.
 - iii. \$13.91 - more than twenty (20") inches.

3. Residential Billing. Each new residential collection account shall be charged a \$7.54 start-up fee to cover the administrative costs of arranging for new and/or seasonal service and a \$10.54 fee for delivery of a container, if customer chooses to use a rented waste-wheeler. The residential base rate may be billed to the customer three (3) months in advance of the service to be performed, provided that no account shall be considered delinquent by the franchisee if payment for a month's service is received by the fifteenth day of that month. **A fee of \$25.00 plus bank charges shall be charged for returned (NSF) checks.**

4. Commercial Base Rate.

- a. A one cubic-yard (1 CY) Bin shall be charged a monthly fee of:
 - i. \$75.45 for one collection per week.
 - ii. \$150.66 for two (2) collections per week
 - iii. \$226.48 for three (3) collections per week.
 - iv. \$302.06 for four (4) collections per week
 - v. \$377.50 for five (5) collections per week.
- b. A one and a half cubic-yard (1.5 CY) bin shall be charged a monthly fee of:
 - i. \$113.18 for one collection per week.
 - ii. \$226.00 for two (2) collections per week
 - iii. \$339.72 for three (3) collections per week.
 - iv. \$452.71 for four (4) collections per week
 - v. \$565.00 for five (5) collections per week.
- c. A two cubic-yard (2 CY) bin shall be charged a monthly fee of:
 - i. \$150.91 for one collection per week.
 - ii. \$301.33 for two (2) collections per week
 - iii. \$451.99 for three (3) collections per week.
 - iv. \$604.10 for four (4) collections per week
 - v. \$755.71 for five (5) collections per week.
- d. A three cubic-yard (3 CY) bin shall be charged a monthly fee of:
 - i. \$226.00 for one collection per week.
 - ii. \$451.99 for two (2) collections per week
 - iii. \$677.99 for three (3) collections per week.
 - iv. \$904.00 for four (4) collections per week
 - v. \$1130.00 for five (5) collections per week.
- e. A four cubic-yard (4 CY) bin shall be charged a monthly fee of:
 - i. \$301.81 for one collection per week.

- ii. \$602.66 for two (2) collections per week
- iii. \$905.92 for three (3) collections per week.
- iv. \$1208.00 for four (4) collections per week
- v. \$1510.00 for five (5) collections per week.

Each additional cubic yard per collection shall be charged \$20.31, including any fraction of a cubic yard such as when waste is heaped above the top of a bin.

- b. Commercial can service shall be charged a monthly fee of:
 - i. \$23.14 for one can collected per week
 - ii. \$28.54 for two (2) cans collected per week
 - iii. \$33.75 for three (3) cans collected per week
 - iv. \$39.06 for four (4) cans collected per week
- c. The monthly charge for one (1) commercial 32-gallon waste wheeler collected per week is \$20.80.
- d. The monthly charge for one (1) commercial 64-gallon waste wheeler collected per week is \$24.71.
- e. The monthly charge for one (1) commercial 96- (or 100-) gallon waste wheeler collected per week is \$39.06.
- f. Commercial can/waste-wheeler service rates shall be double the above if collection is twice per week.
- g. Roll-off box charges shall be:
 - i. A 15 CY roll-off box service shall be charged at a monthly rate of \$304.74.
 - ii. A 20 CY roll-off box service shall be charged at a monthly rate of \$400.82.
 - iii. A 25 CY roll-off box service shall be charged at a monthly rate of \$473.08
 - iv. A 30 CY roll-off box service shall be charged at a monthly rate of \$522.50
 - v. A 35 CY roll-off box service shall be charged at a monthly rate of \$602.42

Commercial customers shall be charged \$50.31 for the delivery of a roll-off box, and a trip charge of \$38.00 per trip (one way only) shall be added to roll-off box services.

5. Commercial Large Items. The same rates as for residential large items shown in Subsection 2 above shall apply.

B. Commercial Billing. The commercial base rate shall be billed to the customer one month in advance of service for cans, waste-wheelers or bins, but shall be billed one month in arrears for roll-

off boxes or guaranteed by an equivalent sum in the form of a security deposit or letter of credit. A fee of \$25.00 plus bank charges shall be charged for returned (NSF) checks.

C. Special Travel Charge for Collection. In addition to the residential and commercial base rates, special travel shall be charged to the customer by the franchisee in the following manner: If the service requested does not fall on a regular service day for that service area, or that service area has no regular service day, the reasonable time and mileage costs of **Contractor** shall be charged to all customers served during the special travel. Time and mileage costs shall be based on the distance from the last regular customer in the area, or if none, from **Contractor's** yard. The costs, not to exceed \$81.71 per hour, shall be divided among the customers served during the special travel in proportion to the volume of waste collected from each customer. "Regular service" is defined as year-around service on at least a weekly basis.

D. Bin Delivery Charge. In addition to the residential and commercial base rates, Bin delivery shall be charged to the customer in the following manner. For each bin a delivery fee of \$50.31 shall be charged to cover the round trip cost of delivery and eventual removal of the bin by **Contractor**. This charge may be made payable in advance of delivery. This charge may be increased by any special travel charge applicable to the customer's request for delivery.

E. Fees for Unloading at Transfer Sites. The following fees shall be collected from the public for unloading at transfer sites, and such fees shall cover the handling, transfer, hauling, and ultimate disposal activities.

1. Minimum Fee. The minimum fee for unloading at transfer sites shall be:

- a. \$3.90 for the equivalent of one (1) can or standard container
- b. \$7.53 for the equivalent of two (2) cans or standard containers.
- c. \$11.96 for the equivalent of three (3) cans.
- d. \$15.70 for the equivalent of four (4) cans.

2. Vehicle Unloading Fee. When waste is unloaded from vehicles and such waste exceeds in volume the equivalent of four (4) cans or standard containers, then the following charges shall apply on the basis of vehicle size:

- a. Station wagon: \$16.28.
- b. Compact pickup truck: \$20.23.
- c. Compact pickup truck with sideboards: \$25.87.
- d. Standard-sized pickup truck: \$24.71.
- e. Standard-sized pickup truck with sideboards: \$30.92.
- f. Larger trucks: \$17.44 per cubic yard maximum.

3. Fee for Unloading Large and Restricted Items. Unusually large items increase the time and effort of Disposal, and the following charges shall apply:

- a. A washer or dryer, standard-sized refrigerator, single bed mattress, or similar sized object: \$14.01.
- b. A standard-sized deep freezer, double-bed mattress, or similar sized object: \$25.34 maximum
- c. Tires (dismounted from rims), each (by rim diameter):
 - i. Sixteen (16") inches or less: \$3.11.
 - ii. Seventeen (17") inches to twenty (20") inches: \$6.27.
 - iii. More than twenty (20") inches: \$13.91.
- d. Cathode ray tubes, computer monitors and televisions: No charge.
- f. Other large items not included here shall be charged pursuant to Subsection F of this Section.

4. Compacted Loads. Compacted loads shall be permitted only at transfer sites, and only if the hauler weighs the truck before and after tipping at the site. Compacted loads shall be charged at the rate of \$81.50 per ton.

5. Prohibited Items. None of the following items shall be permitted by the franchisee to be unloaded: dead animals; car bodies; tree stumps; explosives; toxic chemicals or any hazardous waste materials; except that steel items and car bodies will be accepted free of charge at the Greenville Transfer Site.

F. Fee for Unloading Green Waste. Source-separated woody green waste, as defined in Attachment A, is accepted at the Chester Landfill and at the County's air curtain burn facility in Quincy at the rate of \$5.00 per cubic yard during the hours and days designated for such disposal. Source separated non-woody green waste, as defined in Attachment A, is accepted at the Chester-Lake Almanor Transfer Station, the Greenville Transfer Station and the East Quincy Transfer Station during the hours and days designated for such disposal at the rate of \$5.00 per cubic yard. Such non-woody green waste must be source separated and not mixed with other solid waste to be eligible for this rate. Alternatively, woody and/or non-woody green waste mixed with municipal solid waste (MSW) or dropped off at a transfer station on a day not designated for green waste disposal shall be charged the same rate as MSW.

G. Fee for Extra Services. Services for which no fee is specified in this Section shall be considered extra services by the franchisee, and the charges for such services shall be negotiated by the franchisee and customer, subject to being fair and equitable as provided in Subsection A of this attachment.

H. Fee for Overages.

1. Residential Overage Collections. As defined in Section 8.02G, overages for residential customers shall be charged out at the rate of \$4.17 for each 32-gallon bag or (up to) 33-gallon container, and \$18.00 for each 64 gallon bag or 64-gallon container, and \$25.00 for each 96- or 100-gallon container, except that no overage containers will be collected over 33 gallons unless they are **Contractor**-owned waste-wheelers.

2. Commercial Overage Collections. As defined in Section 8.02G, overages for commercial customers shall be charged out at the rate of \$4.17 for each 32-gallon bag or (up to) 33-

gallon container, and \$18.00 for each 64 gallon bag or 64-gallon container, and \$25.00 for each 96- or 100-gallon container, except that no overage Containers will be Collected over 33 gallons unless they are **Contractor**-owned waste-wheelers.

Rate Change Notice: Collection rates are subject to change. From time to time rates will be adjusted to conform to changes in the Refuse Rate Index or the scope of services offered to customers, or as a result of a Special Rate Review or Detailed Rate Review. All solid waste rate changes are subject to approval by the Plumas County Board of Supervisors. As rates are adjusted, the most current rates shall be adopted as Attachment D and shall become part of this agreement.