

**SUBMITTAL TO THE BOARD OF SUPERVISORS
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**



**ITEM: 12.1
(ID # 11087)**

MEETING DATE:
Tuesday, December 17, 2019

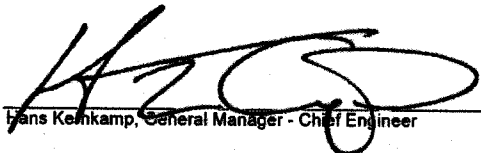
FROM : DEPARTMENT OF WASTE RESOURCES:

SUBJECT: DEPARTMENT OF WASTE RESOURCES: Waste Delivery Agreement (WDA) with Waste Management of the Inland Empire (WMI), CEQA Exempt. District 5. [\$0 - Department of Waste Resources Enterprise Funds]

RECOMMENDED MOTION: That the Board of Supervisors:

1. Find that the Project is exempt from the California Environmental Quality Act (CEQA) pursuant to State CEQA Guidelines Section 15061(b)(3) (General Rule for Exemption), Section 15273 (Rates, Tolls, Fares, and Charges), and Section 15301 (Existing Facilities);
2. Approve the attached WDA with WMI for the disposal of residual waste from the Moreno Valley Transfer Station ("Project") and authorize the Chairman to execute the agreement on behalf of the County; and
3. Direct the Department of Waste Resources to file the Notice of Exemption with the County Clerk within five working days of approval by this Board.


ACTION:Policy


Hans Keenkamp, General Manager - Chief Engineer 12/4/2019

MINUTES OF THE BOARD OF SUPERVISORS

On motion of Supervisor Perez, seconded by Supervisor Hewitt and duly carried by unanimous vote, IT WAS ORDERED that the above matter is approved as recommended.

Ayes: Jeffries, Spiegel, Washington, Perez and Hewitt
Nays: None
Absent: None
Date: December 17, 2019
xc: Waste

Kecia R. Harper
Clerk of the Board
By: 
Deputy

**SUBMITTAL TO THE BOARD OF SUPERVISORS COUNTY OF RIVERSIDE,
STATE OF CALIFORNIA**

FINANCIAL DATA	Current Fiscal Year:	Next Fiscal Year:	Total Cost:	Ongoing Cost
COST	\$ 0	\$ 0	\$ 0	\$ 0
NET COUNTY COST	\$ 0	\$ 0	\$ 0	\$ 0
SOURCE OF FUNDS: N/A			Budget Adjustment:	No
			For Fiscal Year:	19/20

C.E.O. RECOMMENDATION: Approve

BACKGROUND:

Summary

Almost 75% of the County's waste is delivered to the system via transfer stations under long-term (typically 20 years) waste delivery agreements with the County's waste haulers. In 2000, the County entered into such an agreement with WMI, which is set to expire on August 29, 2020. Both parties have indicated a desire to enter into a new, 20-year agreement, and have been in negotiations for several months to reach the proposed agreement. Under the terms of the agreement, the disposal rate will initially remain the same as it is today and be subject to annual CPI increases. In order to keep pace with increasing costs and liabilities beyond CPI adjustments, the agreement adjusts the disposal rate by \$1 per ton (above CPI) for four consecutive years, beginning in FY 20/21. These future increases will provide time to notify customers and rate payers. Additionally, two other hauler's (CR&R and Burrtec) existing waste delivery agreements with the County have the same increase and implementing this agreement will avoid a disposal rate differential between the haulers. The Board should take note that this agreement, similar to the previous agreement with WMI, will allow out of county imports into the system, up to a maximum of 250 tons per day (none planned immediately).

CEQA Findings

The Project is exempt from CEQA pursuant to State CEQA Guidelines Section 15061(b)(3) (General Rule for Exemption), Section 15273 (Rates, Tolls, Fares, and Charges), and Section 15301 (Existing Facilities). The Project contemplated in this Form 11 merely involves the continuation of a WDA between the County and WMI. In addition to establishing rates, the WDA will continue to direct waste to designated landfills already receiving such waste. The Project involves no expansion of approved uses and would not have a direct, indirect, or cumulatively significant effect on the environment. A Notice of Exemption (NOE) to this effect will be filed with the County Clerk upon Project approval.

Impact on Residents and Businesses

Spreading the rate increases over 4 years will minimize the financial impact on residents and businesses, while the potential for the importation of out of county waste could provide future rate stability within the county waste system. The proposed \$1.00/ton rate increases (from 2020 to 2024) will increase the residential monthly rate by approximately \$0.10 to \$0.15, each year, above CPI. Depending on the size of a business, level of service and frequency requested, the commercial disposal rate can vary significantly. Generally speaking, the disposal component of a trash bill comprises only 20% to 30% of the overall charge. The proposed \$1.00/ton increases (from 2020 to

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2024) represent approximately 3.5% of the current per ton rate. Thus, the increases could result in a 0.7% to 1.05% increase to the typical commercial customer for each of those four years, above CPI.

Additional Fiscal Information

None.

Contract History and Price Reasonableness

The initial per ton rate is amongst the lowest rates in Southern California.

ATTACHMENTS

ATTACHMENT A. Waste Delivery Agreement with WMI

ATTACHMENT B. CEQA NOE 19-08



Jason Farin, Senior Management Analyst

12/11/2019



Gregory F. Priaplos, Director County Counsel

12/5/2019



Hans W. Kernkamp, General Manager-Chief Engineer

Original Negative Declaration/Notice of
to County

Clerks for posting on

Via Waste

NOTICE OF EXEMPTION

Date

Initial

DATE: December 17, 2019

TO: County Clerk, County of Riverside

PROJECT CASE NO/TITLE: NOE 19-08/Waste Delivery Agreement (WDA) with Waste Management Inc. (WMI)

PROJECT LOCATION: Moreno Valley Transfer Station and Riverside County Owned and Contracted Sites Used for Disposal of Solid Waste

PROJECT DESCRIPTION: Extension of existing WDA (Project) between WMI and the Department of Waste Resources (RCDWR), on behalf of the County of Riverside (County).

PUBLIC AGENCY APPROVING PROJECT: County

PROJECT SPONSOR: RCDWR

The project is exempt from the provisions of CEQA, specifically by the State CEQA Guidelines as identified below. The project will not result in any specific or general exceptions to the use of categorical exemptions as detailed under State CEQA Guidelines section 15300.2. The project will not cause any impacts to scenic resources, historic resources, or unique sensitive environments. Further, no unusual circumstances or potential cumulative impacts would occur that may reasonably create a direct or reasonably foreseeable indirect physical environmental impact.

EXEMPT STATUS:

- Ministerial
- Declared Emergency
- Emergency Project
- Statutory Exemption
- Categorical Exemption
- Other Exemption:

Section 15273 Rates, Tolls, Fares, and Charges
Section 15301 Existing Facilities
Section 15061(b)(3) Common Sense Exemption

REASONS FOR EXEMPTION:

Section 15061(b)(3) – Common Sense Exemption

The activity is covered by the common sense exemption that CEQA applies only to projects, which have the potential for causing a significant effect on the environment. Where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, the activity is not subject to CEQA.

This project is exempt under Section 15061(b)(3) because:

The proposed Project consists of the continuation of an existing WDA between RCDWR and WMI. The current WDA, entered in 2000, is set to expire on August 29, 2020. The Project as described,

would increase rates for the first four years under the new WDA as well as maintain business as usual provisions with out-of-county solid waste imports into the system and annual CPI rate increases. Under the new WDA, solid waste will continue to be directed to designated landfills already receiving such waste. As such, the proposed Project does not bring about changes to the physical environment as to reasonably foresee significant effects on the environment.

Based upon the entire record, the Project would not result in the potential for any significant effect on the environment. This determination is an issue of fact and sufficient evidence exists in the record that the activity will not have a significant effect on the environment. As such, the exemption applies and no further evaluation under CEQA is required. See *Muzzy Ranch Co. v. Solano County Airport Land Use Comm'n* (2007) 41 Cal. 4th 372.

Section 15273, Rates, Tolls, Fares and Charges

CEQA does not apply to the establishment, modification, structuring, restructuring, or approval or rates, tolls, fares, and other charges by public agencies which the public agency finds are for the purpose of:

- Meeting operating expenses, including employee wage rates and fringe benefits,
- Purchasing or leasing supplies, equipment, or materials,
- Meeting financial reserve needs and requirements,
- Obtain funds for capital projects, necessary to maintain service within existing service areas, or
- Obtain funds necessary to maintain such intra-city transfers as are authorized by city charter.

This project is exempt under Section 15273 because:

The proposed Project consists of the continuation of an existing WDA between the RCDWR and WMI. The modification and restructuring of disposal rates are for the purpose of meeting increasing operational costs, capital costs, and liabilities. Therefore, the Project meets the scope and intent of Section 15273, Statutory Exemption.

Section 15301 Existing Facilities

Class 1 Consists of the operation, repair, maintenance, permitting, leasing, licensing, or minor alteration of existing public or private structures, facilities, mechanical equipment, or topographical features, involving negligible or no expansion of existing or former use.

This project is exempt under Section 15301 because:

The proposed Project consists of the continuation of an existing WDA between the RCDWR and WMI. The WDA, in addition to the modification and restructuring of rates would continue to include importation of solid waste into already existing fully permitted landfills. The Project does not propose new facilities, or expansions of existing ones for the purpose of meeting the out-of-county importation of solid waste provision of the WDA, as such, the continued operation of existing facilities would not have significant effects on the environment. Therefore, the Project meets the scope and intent of the Class 1 Categorical Exemption.

FINDINGS:

1. Based upon the identified exemptions and justifications above, the RCDWR, on behalf of the County, hereby concludes that no physical environmental impacts are anticipated to occur and the Project as proposed is exempt under CEQA. No further environmental analysis is warranted.
2. The proposed Project is exempt from CEQA pursuant to Section 15061(b)(3), statutorily exempt pursuant to Section 15273 and categorically exempt from CEQA pursuant to Section 15301.
3. It can be seen with certainty that there is no possibility that this Project would have a direct, indirect, or cumulatively significant effect on the environment; therefore, the activity is exempt under CEQA as previously identified.

If there are any questions regarding the above matter, I can be reached at (951) 486-3200.

Hans Kernkamp, General Manager - Chief Engineer

Riverside County Department of Waste Resources

By: *Jose L. Merlan*
Jose L. Merlan

Title: Urban/Regional Planner IV

Date: December 17, 2019

**FIRST AMENDED AND RESTATED AGREEMENT FOR DISPOSAL
OF SOLID WASTE**

The County of Riverside, on behalf of its Department of Waste Resources, hereinafter referred to as "COUNTY" and WASTE MANAGEMENT COLLECTION & RECYCLING, INC., a California Corporation, dba Waste Management of the Inland Empire, hereinafter referred to as "VENDOR", hereby enter this First Amended and Restated Agreement for Disposal of Solid Waste ("Restated Agreement") effective on the date it is signed by the Board of Supervisors (hereinafter the "Effective Date") and agree as follows:

RECITALS

WHEREAS, VENDOR is obligated to provide for the collection and disposal of Solid Waste generated within the boundaries of its franchise cities and the unincorporated county area and to dispose of the Solid Waste in a manner consistent with the protection of public health and safety; and

WHEREAS, VENDOR owns and operates a transfer station and material recovery facility located at 17700 Indian St, Moreno Valley, California 92551 (the "Facility") which receives non-hazardous Solid Waste and provides transfer of non-hazardous Solid Waste to Class III Sanitary landfills; and

WHEREAS, VENDOR desires to arrange for the disposal of the non-hazardous Solid Waste from its Facility to a Class III sanitary landfill; and

WHEREAS, COUNTY owns and operates Class III sanitary landfills and has disposal agreements for capacity at the El Sobrante Landfill; and

WHEREAS, COUNTY is prepared to accept Solid Waste from the Facility delivered by VENDOR for disposal under the terms and conditions set forth herein; and

WHEREAS, the parties hereto desire to amend and restate that certain AGREEMENT FOR DISPOSAL OF SOLID WASTE (dated August 29th, 2000) ("2000 Agreement") in its entirety; and

WHEREAS, this Restated Agreement constitutes an amendment and restatement of the 2000 Agreement and the parties agree that none of the provisions of the original 2000 Agreement or any amendments thereto shall have any effect or meaning whatsoever as of the Effective Date, except to the extent they are specifically restated herein.

NOW, THEREFORE, THE PARTIES AGREE AS FOLLOWS:

SECTION 1. DEFINITIONS.

A. Applicable Law

Applicable law means all statutes, rules, regulations, permits, orders, or requirements of the United States, State, County and local government authorities and agencies having applicable jurisdiction that apply to or govern the duties of VENDOR and COUNTY hereunder.

B. Solid Waste.

Solid waste required to be delivered by VENDOR to COUNTY and acceptable to COUNTY, shall all be non-hazardous residential and commercial refuse, garbage and/or rubbish and Construction/Demolition Debris which COUNTY Landfills may receive under its permits and standard operating policies and includes or excludes any other materials that COUNTY designates in writing from time to time upon at least three hundred sixty (360) days' prior written notice to VENDOR. As used in this Restated Agreement, Solid Waste shall also include "Solid Waste Residue," as that term is hereinafter defined. Notwithstanding the foregoing, Solid Waste shall not include the following:

- (1) **Unpermitted landfill wastes**, including all materials that Badlands, El Sobrante and Lamb Canyon or other site(s) which the COUNTY designates for disposal are not permitted to landfill;
- (2) **Asbestos**, including friable materials that can be crumbled with pressure and are therefore likely to emit fibers, being a naturally occurring family of carcinogenic fibrous mineral substances, which may be a Hazardous Waste, defined in item (6) below, if it contains more than one percent asbestos;
- (3) **Ash residue** from the incineration of solid wastes, including municipal waste, infectious waste described in item (8) below, wood waste, sludge, and agricultural wastes;
- (4) **Auto shredder "fluff"** consisting of upholstery, paint, plastics, and other non-metallic substances which remains after the shredding of automobiles;
- (5) **Large dead animals;**
- (6) **Hazardous Wastes:**
 - (a) "Hazardous Waste" pursuant to Section 40141 of the California Public Resources Code; regulated under Chapter 7.6 (commencing with Section 114960) of Division 104 of the California Health and Safety Code; all substances defined as hazardous waste, acutely hazardous waste, or extremely hazardous waste by Sections 25110, 25115, and 25117 of the

California Health and Safety Code (the California Hazardous Waste Control Act), California Health and Safety Code Section 25100 et seq., and future amendments to or recodification of such statutes or regulations promulgated thereunder, including 23 California Code of Regulations Sections 2521 and 2522; and

(b) materials regulated under the Resource Conservation and Recovery Act, 42 U.S.C. Section 6901 et seq., as amended (including, but not limited to, amendments thereto made by the Solid Waste Disposal Act Amendments of 1980), and related federal, State and local laws and regulations;

(c) materials regulated under the Toxic Substance Control Act, 15 U.S.C. Section 2601 et seq., as amended, and related federal, State of California, and local laws and regulations, including the California Hazardous Substances Account Act, California Health and Safety Code Section 25300 et seq.;

(d) materials regulated under the Comprehensive Environmental Response, Compensation and Liability Act, 42 USC 9601, et seq., as amended, and regulations promulgated thereunder; and

(e) materials regulated under any future additional or substitute federal, State or local laws and regulations pertaining to the identification, transportation, treatment, storage or disposal of toxic substances or hazardous wastes.

(7) **Industrial** solid or semi-solid wastes which are prohibited at the landfill or are inconsistent with the operation of the facility including cement kiln dust, and ore process residues;

(8) **Infectious** wastes which have disease transmission potential and are classified as Hazardous Wastes by the State Department of Health Services, including pathological and surgical wastes, medical clinic wastes, wastes from biological laboratories, syringes, needles, blades, tubings, bottles, drugs, patient care items, such as linen or personal or food service items from contaminated areas, chemicals, personal hygiene wastes, and carcasses used for medical purposes or with known infectious diseases;

(9) **Liquid** wastes which are not spadeable, usually containing less than fifty percent solids, including cannery and food processing wastes, landfill leachate and gas condensate, boiler blowdown water, grease trap pumpings, oil and geothermal field wastes, septic tank pumpings, rendering plant byproducts, and sewage sludge, which liquid wastes may be Hazardous Wastes;

(10) **Radioactive** wastes under Chapter 8 (commencing with Section 114960) of Division 104 of the State Health and Safety Code, and any waste that contains a

radioactive material, the storage or disposal of which is subject to any other State or federal regulation;

(11) **Sewage sludge** comprised of human and industrial residue, including grit or screenings, removed from a waste water treatment facility or septic tank, whether in a dry or semidry form; and

(12) **Semi-solid waste** which contains less than 50 percent solids.

C. Solid Waste Residue

Solid Waste Residue means Solid Waste that remains after undergoing any processing, including the separation and removal of recyclables, at the Facility and is then loaded into transfer trailers for delivery to landfills.

D. Construction/Demolition Debris

Construction/Demolition debris means building materials together with packaging and rubble resulting from construction, remodeling, repair and demolition operations on pavements, houses, commercial buildings, and other structures. Construction refers to SIC (Standard Industrial Code) 152 through 1794, 1796 and 1799. Demolition refers to SIC Code 1795.

SECTION 2. COMPLIANCE WITH APPLICABLE LAW.

VENDOR and COUNTY shall perform all of their respective duties hereunder, and shall cause all of their respective employees, contractors and agents to perform all of their respective duties hereunder, in accordance with applicable law and permits.

SECTION 3. DELIVERY OF SOLID WASTE.

Subject to the provisions of sub item 3.H, VENDOR shall deliver or cause to be delivered all of the Solid Waste residue from the Facility to a designated COUNTY landfill(s).

A. Designated County Landfills

COUNTY landfills designated to receive solid waste from the Facility include the Badlands Landfill ("Badlands") and the El Sobrante Landfill ("El Sobrante") provided that COUNTY reserves the option to require VENDOR to deliver Solid Waste to Lamb Canyon Landfill ("Lamb Canyon") in the event of short term unforeseen circumstances that prevent VENDOR from disposing of Solid Waste at Badlands or El Sobrante. In such circumstances, VENDOR shall deliver Solid Waste to the landfill(s) designated by COUNTY in writing.

B. Tonnage Notification:

VENDOR will notify COUNTY as soon as possible when it appears that information about

the day's tonnage being forwarded to the landfill would assist landfill site staff as they operate the facility (i.e. an inordinate amount of one waste type, unusually high daily peak, etc.).

C. Size and Type of Delivery Equipment:

The size of tractors and trailers used to transfer solid waste from the Facility to COUNTY landfills will be appropriate to properly fulfill the task. The size will also conform to all standards of the California Highway Patrol. Transfer trailers used to deliver solid waste to COUNTY landfills will be limited to models with "walking floors" or if an unloading lift is available at the landfill, to those vehicles which can be serviced by the landfill operator.

Pursuant to the First Amended and Restated Second El Sobrante Landfill Agreement dated August 6, 2018 ("ESL Agreement") between COUNTY and an affiliate of VENDOR, USA Waste of California, Inc., ("USA Waste"), USA Waste is required to evaluate the technological and economic feasibility of using natural gas fuel or other alternative fuel in transfer trucks as more specifically set forth in said agreement. If COUNTY finds that natural gas fuel or other alternative fuel in transfer trucks is technologically and economically feasible pursuant to the process set forth in the ESL Agreement, VENDOR or its successor-in-interest shall develop and implement a program to phase-in transfer trucks capable of using these fuels. The program shall be subject to COUNTY approval.

D. Hazardous Waste Load Check Program:

VENDOR shall operate a hazardous waste load check program at the Facility as required by California law and County Ordinance.

E. Rejection of Solid Waste; Rights of Refusal:

COUNTY shall reject receipt of any material that does not meet the definition of Solid Waste included herein. VENDOR shall remove any material that is unloaded at COUNTY'S landfills by VENDOR and does not meet the definition of Solid Waste included herein within 24 hours and dispose of it in a safe and lawful manner at VENDOR'S sole expense.

F. Tonnage Tracking Compatible with COUNTY'S Current System:

VENDOR shall operate a tonnage tracking system that will determine on a daily basis the amount and origin of generation for the entire waste stream, exclusive of source separated recyclables, delivered to COUNTY landfills. The tonnage tracking system shall be fully compatible with the COUNTY'S current system. VENDOR shall provide COUNTY with monthly reports broken down by the origin of generation for the waste stream (including source separated and other diverted recyclables reported separately) delivered to the Facility and any and all disposal sites within thirty (30) days of the end of the calendar month, and a year-end report that displays all data by month along with a year total for the calendar year. The format of said reports shall be approved by the COUNTY.

VENDOR shall provide monthly source (residential/commercial/industrial) percentage splits for the waste hauled from each jurisdiction. These reports are due within (30) days of the end of the

month.

The format of all reports shall be approved by the COUNTY.

VENDOR will notify COUNTY of any discrepancies of more than 5% between tonnage weights reported by VENDOR and COUNTY when the discrepancy becomes apparent to VENDOR. Both parties agree to have their scales recertified within five (5) working days of said notice. COUNTY will continue using weights as reported by its certified scales.

COUNTY shall have the right to obtain copies of VENDOR'S weight tickets on ten (10) sequential transfer loads once a month upon request.

G. Unloading Safety:

VENDOR shall unload its transfer vehicles at the landfill in a safe and orderly manner. It will observe all of the posted operational rules of the landfills and take direction in regard to site management from landfill staff while on the premises. COUNTY will provide a safe and accessible unloading area at the landfill.

H. Out of County Solid Waste:

VENDOR shall not dispose of more than an average of 250 tons per day of Out of County Solid Waste from the Facility in COUNTY disposal sites, without first obtaining express written consent from the City of Moreno Valley.

I. Vendor Controlled In-County Waste:

VENDOR hereby commits during the Term of this Restated Agreement to deliver Solid Waste it has collected, or its employees, contractors and agents collected anywhere in Riverside County, or from any Riverside County customer utilizing the Facility, to COUNTY landfills or facilities delivering to said landfills.

J. Source Separated Recyclables:

Source separated recyclables and substantially green and/or wood waste loads shall not be delivered by VENDOR to the landfill without prior written approval from COUNTY.

SECTION 4. ACCEPTANCE OF SOLID WASTE.

A. COUNTY anticipates that during the Term of this Restated Agreement, as hereinafter defined, it will have sufficient disposal capacity at Badlands, Lamb Canyon and El Sobrante to enable it to accept all of the Solid Waste delivered to the landfill facilities from the Facility. Notwithstanding the foregoing, COUNTY shall have no obligation to accept or dispose of the Solid Waste from the Facility at Badlands, Lamb Canyon and/or El Sobrante if:

- (1) Badlands, Lamb Canyon and/or El Sobrante are closed due to weather or

other operational or regulatory concerns, or because of the exhaustion of the permitted disposal capacity of Badlands, Lamb Canyon and/or El Sobrante; COUNTY will direct VENDOR to the landfill not impacted by the closure and/or if available designate a new COUNTY Class III sanitary landfill for use by VENDOR.

(2) If Badlands, Lamb Canyon and/or El Sobrante are closed concurrently for a period of twenty-four (24) or more continuous hours or are unable to receive and accept delivery of Solid Waste as required under this Restated Agreement, VENDOR may utilize a non-COUNTY facility of VENDOR'S choice during this period of no access.

B. COUNTY shall not voluntarily close the Badlands, Lamb Canyon and El Sobrante landfills permanently during the term of this Restated Agreement for any reason, with the following exceptions: (i) as required by state or federal law, (ii) exhaustion of permitted disposal capacity, or (iii) force majeure.

C. In the event that Badlands, El Sobrante and Lamb Canyon Landfills have all permanently closed for reasons described in paragraph 4B hereof or for any other reason or should they be unable to receive and accept delivery of all of VENDOR's solid waste as required under this Restated Agreement, VENDOR'S obligation to deliver Solid Waste to COUNTY as set forth in Section 3 and to pay any disposal fee and/or incremental payment required hereunder to COUNTY shall cease.

D. COUNTY and an affiliate of VENDOR, USA Waste, entered into the ESL Agreement whereby USA Waste has agreed to deliver not less than ten thousand nine hundred and sixty-six (10,966) tons of County Waste per calendar month (ESL Agreement, Section 6.1.) from its facility to a landfill owned or operated by COUNTY ("ESL Monthly Commitment"). COUNTY agrees that, in addition to delivery of County Waste from the Facility to a County Landfill, VENDOR may satisfy part of the monthly volume delivery requirement set forth in Section 6.1 of the ESL Agreement by direct haul of County Solid Waste to a COUNTY owned or operated landfill for each ton of County Waste above a baseline of 4,000 tons per calendar month. By way of example, should VENDOR direct haul 5,000 tons of County Waste in any calendar month, then 1,000 tons of direct haul County Waste shall be counted towards and reduce the ESL Monthly Commitment by 1,000 tons.

SECTION 5. LANDFILL HOURS.

A. Landfill hours will be established within the parameters of the landfill facility operating permit.

(1) Badlands will be open between 5:00 a.m. and 4:30 p.m. Monday through Saturday to receive Solid Waste from the Facility. Due to darkness, deliveries to Badlands between November 15 and January 15 shall be completed by 4:00 p.m.

(2) El Sobrante will be open between 4:00 a.m. Monday and 6:00 p.m. Saturday (24-hours per day) to receive Solid Waste from the Facility.

(3) Lamb Canyon will be open between 6:00 a.m. and 4:30 p.m. Monday through Saturday to receive Solid Waste from the Facility. Due to darkness, deliveries to Lamb Canyon Landfill between November 15 and January 15 shall be completed by 4:00 p.m.

Each landfill is closed on legal holidays (New Years Day, Memorial Day, Independence Day, Labor Day, Thanksgiving and Christmas).

B. COUNTY will provide VENDOR with reasonable notice any time landfill operating hours are planned to change.

C. VENDOR agrees it has examined access routes to COUNTY landfills and shall make no claims as to deficiencies thereof.

SECTION 6. TERM.

The term of the waste delivery and acceptance commitments included in this Restated Agreement shall commence on the date it is executed by COUNTY'S Board of Supervisors ("the Effective Date"), and shall end at the completion of twenty full years of Waste Delivery, unless sooner terminated as provided for herein or unless extended by mutual agreement of COUNTY and VENDOR.

SECTION 7. DISPOSAL FEE, BILLING, and SECURITY.

A. Disposal Fee:

VENDOR shall be charged a per ton disposal fee on the Effective Date of this Restated Agreement of \$31.05 for solid waste that is transported to a County landfill. The disposal fee shall be adjusted annually according to the provisions of SECTION 8A, with an additional increase as noted below to address County-wide disposal system cost increases resulting from, but not limited to, changes in law, changes in regulatory requirements, future County owned landfill expansions, closed landfill monitoring and maintenance, and county-wide community programs.

- July 1, 2020 - \$1.00 per ton
- July 1, 2021 - \$1.00 per ton
- July 1, 2022 - \$1.00 per ton
- July 1, 2023 - \$1.00 per ton

The Disposal Fee may be revised by COUNTY after the Effective Date of this Restated Agreement in the event of a change in law or regulations affecting COUNTY'S landfill costs. COUNTY shall provide VENDOR with ninety (90) days' written notice of any adjustment in the Disposal Fee as a result of a change in law or regulations.

VENDOR shall accept all self-haul non-hazardous loads at the Facility. In an effort to reduce the volume of illegal dumping, VENDOR agrees to accept and charge all self-haul, non-hazardous, non-commercial, solid waste loads (with less than 50% of the load green and/or woody waste)

weighing up to 600 pounds (the "Minimum Load Charge") not more than \$20.00 per load. The Minimum Load Charge shall not apply to any other type of load delivered to the Facility. The Minimum Load Charge may be adjusted annually according to the provisions of SECTION 8B.

In the event VENDOR shall contract with another agency, and such contract requires a Minimum Load Charge which is less than required herein, then the lower rate shall prevail for all such customers.

The load weight of all Minimum Load Charge customers may be estimated by VENDOR and vehicles delivering Minimum Loads shall not be required to weigh at the Facility's certified scales. In the case of disagreements between VENDOR and a customer that a load qualifies for the Minimum Load Charge, the load will be weighed on VENDOR'S certified scales.

All other vehicles of VENDOR will pay according to the appropriate rate schedule then in effect at COUNTY facilities.

B. Billing:

COUNTY shall bill VENDOR monthly, based upon certified weigh tickets, for each load of Solid Waste delivered to the landfill. Monthly payments shall be made by VENDOR to COUNTY by the thirtieth (30th) day of each calendar month for the previous month's deliveries of Solid Waste.

C. Security:

Security deposits (i.e. bonding, late fees, etc.) will be the same as the then current practice established by Riverside County Department of Waste Resources.

SECTION 8. DISPOSAL FEE ADJUSTMENT.

A. The Disposal Fee will be subject to adjustment annually every July 1st following public hearings. The Minimum Load Rate will be subject to adjustment annually every July 1st. The first adjustments for the Disposal Fee and the Minimum Load Rate may be made on July 1, 2020. The maximum increase or decrease allowable in any one year will be equal to the percent change in the Consumer Price Index (CPI) during the year which shall immediately precede the adjustment plus any adjustments imposed by the County, including the \$1.00 per ton annual adjustment commencing on July 1, 2020, through July 1, 2024, as set forth in Section 7.A. Computation of the change in the CPI will be made according to the following methodology in B. below.

B. Said computation shall be equal to the change in the Consumer Price Index for all Urban Consumers (CPI-U) for the Riverside-San Bernardino-Ontario Area, as published by the United States Department of Labor, Bureau of Labor Statistics. Said change shall be measured for the period January of the preceding year through January of the current year in which the adjustment is made. The first increase may be effective July 1, 2020, based upon changes in the Consumer Price Index formula for the period January, 2019 through January, 2020.

SECTION 9. INSURANCE.

Without limiting or diminishing the VENDOR'S obligation to indemnify or hold the COUNTY harmless, VENDOR shall procure and maintain or cause to be maintained, at its sole cost and expense, the following insurance coverages during the term of this Agreement. With respect to the insurance section only, the COUNTY herein refers to the COUNTY, its Agencies, Districts, Special Districts, and Departments, their respective directors, officers, Board of Supervisors, employees, elected or appointed officials, agents or representatives as Additional Insureds.

A. WORKER'S COMPENSATION:

If the VENDOR has employees as defined by the State of California, the VENDOR shall maintain statutory Workers' Compensation Insurance (Coverage A) as prescribed by the laws of the State of California. Policy shall include Employers' Liability (Coverage B) including Occupational Disease with limits not less than \$1,000,000 per person per accident. The policy shall be endorsed to waive subrogation in favor of the COUNTY.

B. COMMERCIAL GENERAL LIABILITY:

Commercial General Liability insurance coverage, including but not limited to, premises liability, unmodified contractual liability, products and completed operations liability, personal and advertising injury, and cross liability coverage, covering claims which may arise from or out of VENDOR'S performance of its obligations hereunder. Policy shall name the COUNTY as Additional Insured. Policy's limit of liability shall not be less than \$3,000,000 per occurrence combined single limit. If such insurance contains a general aggregate limit, it shall apply separately to this agreement or be no less than two (2) times the occurrence limit.

C. VEHICLE LIABILITY:

If vehicles or mobile equipment are used in the performance of the obligations under this Agreement, then VENDOR shall maintain liability insurance for all owned, non-owned or hired vehicles so used in an amount not less than \$1,000,000 per occurrence combined single limit. If such insurance contains a general aggregate limit, it shall apply separately to this agreement or be no less than two (2) times the occurrence limit. Policy shall name the COUNTY as Additional Insureds.

D. General Insurance Provisions - All lines: General Insurance Provisions - All lines:

1) Any insurance carrier providing insurance coverage hereunder shall be admitted to the State of California and have an A M BEST rating of not less than A-: VII unless such requirements are waived, in writing, by the County Risk Manager. If the County's Risk Manager waives a requirement for a particular insurer such waiver is only valid for that specific insurer and only for one policy term.

2) The VENDOR must declare its insurance self-insured retention for each coverage required herein. If any such self-insured retention exceeds \$500,000 per occurrence each such

retention shall have the prior written consent of the County Risk Manager before the commencement of operations under this Agreement. Upon notification of self-insured retention unacceptable to the COUNTY, and at the election of the County's Risk Manager, VENDOR'S carriers shall either; 1) reduce or eliminate such self-insured retention as respects this Agreement with the COUNTY, or 2) procure a bond which guarantees payment of losses and related investigations, claims administration, and defense costs and expenses.

3) VENDOR shall cause VENDOR'S insurance carrier(s) to furnish the COUNTY with either 1) a properly executed original Certificate(s) of Insurance and copies of Endorsements effecting coverage as required herein,. Further, said Certificate(s) and policies of insurance shall contain the covenant of the insurance carrier(s) that a minimum of thirty (30) days (ten (10) days for nonpayment of premium) written notice shall be given to the COUNTY prior to any material modification, cancellation, expiration or reduction in coverage of such insurance. If VENDOR insurance carrier(s) policies does not meet the minimum notice requirement found herein, VENDOR shall cause VENDOR'S insurance carrier(s) to furnish a 30 day Notice of Cancellation Endorsement.

4) In the event of a material modification, cancellation, expiration, or reduction in coverage, this Agreement shall terminate forthwith, unless the COUNTY receives, prior to such effective date, another properly executed original Certificate of Insurance and copies of endorsements thereto evidencing coverage's set forth herein and the insurance required herein is in full force and effect. VENDOR shall not commence operations until the COUNTY has been furnished original Certificate (s) of Insurance and copies of endorsements An individual authorized by the insurance carrier to do so on its behalf shall sign the original endorsements for each policy and the Certificate of Insurance.

5) It is understood and agreed to by the parties hereto that the VENDOR'S insurance shall be construed as primary insurance, and the COUNTY'S insurance and/or deductibles and/or self-insured retention's or self-insured programs shall not be construed as contributory.

6) If, during the term of this Agreement or any extension thereof, there is a material change in the scope of services; or, there is a material change in the equipment to be used in the performance of the scope of work; or, the term of this Agreement, including any extensions thereof, exceeds five (5) years; the COUNTY reserves the right to adjust the types of insurance and the monetary limits of liability required under this Agreement, if in the County Risk Management's reasonable judgment, the amount or type of insurance carried by the VENDOR has become inadequate.

7) VENDOR shall pass down the insurance obligations contained herein to all tiers of subcontractors working under this Agreement.

8) The insurance requirements contained in this Agreement may be met with a program(s) of self-insurance acceptable to the COUNTY.

9) VENDOR agrees to notify COUNTY of any claim by a third party or any incident or event that may give rise to a claim arising from the performance of this Agreement

SECTION. 10

INDEMNIFICATION

A. General Indemnification

Separate and distinct from the CERCLA indemnification found in this Restated Agreement, COUNTY agrees to defend, indemnify, and hold harmless, VENDOR and its officers, agents, and employees from and against any and all claims, demands, damages, liabilities, costs or expenses for any damages or injuries to any person or property, including, but not limited to, injury to COUNTY and District's officers, agents, or employees which arise from or are connected with or are caused or claimed to be caused by the sole acts or omissions of COUNTY, and its officers, agents, or employees, in operating COUNTY landfill facilities, and all costs and expenses of investigating and defending against same; provided, however, that COUNTY'S duty to indemnify and hold harmless shall not include any claims or liability arising from the active negligence or willful misconduct of VENDOR and its agents, officers, or employees.

VENDOR agrees to defend, indemnify, and hold harmless, COUNTY and Riverside County Waste Resources Management District (District) and their officers, agents, and employees from and against any and all claims, demands, damages, liabilities, costs or expenses for any damages or injuries to any person or property, including, but not limited to, injury to VENDOR'S officers, agents, or employees which arise from or are connected with or are caused or claimed to be caused by the negligent acts or omissions or willful misconduct of VENDOR, and its officers, agents, or employees, in operating the Facility, and all costs and expenses of investigating and defending against same; provided, however, that VENDOR'S duty to indemnify and hold harmless shall not include any claims or liability arising from the active negligence or willful misconduct of COUNTY and District and their agents, officers, or employees.

B. CERCLA Indemnification

COUNTY shall indemnify, defend with counsel approved by VENDOR and hold harmless VENDOR, its officers, employees, agents, assigns, volunteers and any successor to the VENDOR'S interest, from and against all third party claims, cost recovery and contribution claims, notices of potential liability, actual damages (including but not limited to special and consequential damages), natural resources damages, punitive damages, injuries, costs, response, remediation and removal costs (including without limitation reimbursement of government response costs, oversight costs and legal costs), losses, demands, debts, liens, liabilities, causes of action, suits, legal or administrative proceedings, interest, fines, charges, penalties, and expenses, (including but not limited to attorneys' and expert witness fees and costs incurred in connection with defending against any of the foregoing or in enforcing this indemnity) of any kind whatsoever paid, incurred or suffered by, or asserted against, VENDOR or its officers, employees, or agents arising from or attributable to any pickup, repair, cleanup, or detoxification, or preparation and implementation of any removal, remedial, response, closure or other plan (regardless of whether or not undertaken due to governmental action) concerning any hazardous substances or hazardous wastes including the release of such substances or wastes arising out of the deposit of VENDOR'S solid waste at COUNTY'S lined landfills (Per Subtitle D). It is noted that Lamb Canyon was not a lined landfill until Fiscal Year 2000-2001. All waste placed after the first lined unit was completed in Fiscal Year 2000-2001 at Lamb Canyon shall be considered placed at a lined landfill.

Notwithstanding any of the foregoing terms and provisions, COUNTY'S CERCLA indemnification shall not extend to any such claims for actual damages (including but not limited to special and consequential damages), natural resources damages, punitive damages, injuries, costs, response remediation and removal costs, losses, demands, debts, liens, liabilities, causes of action, suits, legal or administrative proceedings, interest, fines, charges, penalties, expenses (including but not limited to attorneys' and expert witness fees and costs incurred in connection with defending against any of the foregoing or in enforcing this indemnity), of any kind whatsoever paid, to the extent that such claims are, or can be shown to have been, caused by the failure of VENDOR, its officers, employees, agents, assigns, volunteers, and any successor to VENDOR'S interest to properly operate the required hazardous waste load check program at the Facility as required by California law and as set forth in this Restated Agreement.

The foregoing indemnity is intended to operate as an agreement pursuant to Section 107 (e) of the Comprehensive Environmental Response, Compensation and Liability Act, ("CERCLA"), 42 U.S.C. Section 9607 (e) and California Health and Safety Code Section 25364, to insure, protect, hold harmless, and indemnify VENDOR from all liability (with the exception noted above). The CERCLA indemnity provided here is separate and in addition to the general indemnification described above.

SECTION 11. **FORCE MAJEURE.**

Neither VENDOR or COUNTY shall be in default under this Restated Agreement in the event that the delivery of Solid Waste or the disposal of Solid Waste are temporarily interrupted or discontinued for any of the following reasons: riots, wars, sabotage, civil disturbances, insurrection, explosion, natural disasters such as floods, earthquakes, landslides, and fires, strikes, lockouts, and other labor disturbances or other catastrophic events which are beyond the reasonable control of VENDOR and COUNTY. Other catastrophic events do not include the financial inability of the VENDOR or COUNTY to perform or failure of VENDOR or COUNTY to obtain any necessary permits or licenses from other governmental agencies or the right to use the facilities of any public utility where such failure is due solely to the acts or omissions of VENDOR or COUNTY.

SECTION 12. **DISPUTES.**

The parties shall make a good faith effort to settle any dispute or claim arising under this Restated Agreement. If the parties fail to resolve such disputes or claims, they shall submit them to nonbinding mediation in Riverside, California. If mediation does not arrive at a satisfactory result, litigation may be pursued.

Should any dispute arise between the parties concerning the terms, interpretation, effect or operation of this Restated Agreement, and should such dispute result in litigation or mediation between parties, or any of them, the prevailing party in such litigation or mediation shall be entitled to recover from the unsuccessful party(ies) any and all attorneys' fees, disbursements and costs incurred by the prevailing party in such litigation. In the event neither party prevails, but a compromise position is imposed, both parties shall bear their own legal expenses.

SECTION 13. **ASSIGNMENT.**

A. Except as to VENDOR's affiliate, neither this Restated Agreement or any part thereof shall be assigned by VENDOR without the prior written consent of COUNTY, said consent not to be unreasonably withheld.

B. If COUNTY relinquishes its ownership and/or operation of a landfill used by VENDOR, VENDOR reserves the right to cancel this Restated Agreement. VENDOR'S opportunity to approve COUNTY'S successor in interest and cancel this Restated Agreement upon transfer of ownership and/or operation of a COUNTY landfill site must be exercised within thirty (30) days after VENDOR has received written notice from COUNTY that ownership has formally changed hands or will be lost to VENDOR.

SECTION 14. **LAW TO GOVERN.**

The law of the State of California shall govern this Restated Agreement without reference to its conflicts of laws principles.

SECTION 15. **NOTICES.**

All notices, consents or other communications which are required or permitted by this Restated Agreement to be served on or given to any party shall be in writing and shall be deemed served or given when personally delivered or, in lieu of personal delivery, on receipt, rejection or return undelivered, when deposited in the United States mail, first-class, certified or registered, postage prepaid, return receipt requested or overnight mail delivery service, addressed to the applicable party at the address set forth below:

To COUNTY: Riverside County Department of Waste Resources
14310 Frederick Street
Moreno Valley, CA 92553

Copy to: County Counsel
County of Riverside
3960 Orange Street, Suite 500
Riverside, CA 92501

To VENDOR: Waste Management Collection & Recycling, Inc., dba Waste
Management of the Inland Empire
800 S. Temescal Street
Corona, CA 92879

Copy To: Senior Legal Counsel
Waste Management Collection & Recycling, Inc.
9081 Tujunga Avenue
Sun Valley, California 91253

or to such other address as either party may from time to time designate by written notice to the other

given in accordance with this Section.

SECTION 16. PRE-EXISTING RIGHTS AND LIABILITIES

COUNTY and VENDOR agree that their respective rights and liabilities to each other outside of the parameters of this Restated Agreement remain intact.

SECTION 17. WAIVER.

No waiver by either party of any one or more defaults or breaches by the other in the performance of this Restated Agreement shall operate or be construed as a waiver of any future defaults or breaches, whether of a like or different character.

SECTION 18. BINDING UPON SUCCESSORS.

All agreements, covenants, conditions, and provisions of this Restated Agreement shall be binding upon and inure to the benefit of the successors and assigns of each of the parties hereto.

SECTION 19. SEVERABILITY.

If any non-material provision of this Restated Agreement shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such provision shall not affect the validity and enforceability of any of the remaining provisions of this Restated Agreement.

SECTION 20. NON-DISCRIMINATION.

VENDOR shall not discriminate in its recruiting, hiring, promotion, demotion or termination practices on the basis of race, religious creed, color, national origin, ancestry, physical handicap, medical condition, marital status or sex in the performance of this contract and, to the extent they shall be found to be applicable hereto, shall comply with the provisions of the California Fair Employment Practices Act (commencing with Section 1410 of the Labor Code), and the Federal Civil Rights Act of 1964 (P.L. 88-352).

SECTION 21. ENTIRE AGREEMENT.

This Restated Agreement embodies the entire agreement between COUNTY and VENDOR. Each represents that in entering this Restated Agreement it does not rely on any previous oral or implied representations, inducement or understanding of any kind or nature. This Restated Agreement supersedes and replaces in its entirety the 2000 Agreement, which 2000 Agreement is hereby terminated as of the Effective Date. This Restated Agreement may not be modified or amended, in whole or in part, except by writing signed by both parties hereto.

SECTION 22. CONSTRUCTION OF AGREEMENT.

The parties hereto have negotiated this Restated Agreement at arms length and with advice of their respective attorneys, and no provision contained herein shall be construed against COUNTY

solely because it prepared this Restated Agreement in its executed forms.

[Rest of this page intentionally left blank.]

IN WITNESS WHEREOF, this Restated Agreement has been executed and is effective on the date the Board of Supervisors takes action on it.

RIVERSIDE COUNTY

WASTE MANAGEMENT COLLECTION
& RECYCLING, INC. dba WASTE
MANAGEMENT OF THE INLAND
EMPIRE

DEPARTMENT OF WASTE RESOURCES
14310 Frederick Street
Moreno Valley, CA 92553

800 S. Temescal Street
Corona, CA 92879

Dated: 12/2/19

Dated: 11/25/19

RECOMMENDED FOR APPROVAL

By: [Signature]
Hans W. Kernkamp
General Manager-Chief Engineer

By: [Signature]
Responsible Officer

Title: President - Southern
California Area

RIVERSIDE COUNTY

By: [Signature]
Chairman, Board of Supervisors
KEVIN JEFFRIES

ATTESTED:

By: [Signature], deputy
Kecia Harper-Hern, Clerk

APPROVED:

By: [Signature], Deputy for
Synthia Gunzel, Chief Deputy County Counsel