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CITY COUNCIL REPORT



SUBJECT:	Solid Waste Flow Commitment Agreement	
SUBMITTED BY:	Angela Frost, Environmental Services Manager	
DEPARTMENT:	Public Works	
DATE:	March 22, 2022	
STRATEGIC RELEVANCE:	Necessary Administrative Action/ Infrastructure	

STAFF RECOMMENDATION:

Staff recommends the City Council adopt a resolution approving the delivery of solid waste to the Western Placer Waste Management Authority (WPWMA) and authorizing the City Manager, or his/her designee, to negotiate and execute a flow commitment agreement with the WPWMA contingent on: (1) all member agencies adopting flow commitment agreements; or (2) all members adopting flow commitment agreements with the exception of the City of Roseville; and (3) a tiered pricing structure in which MSW tipping fees would not exceed \$103 for the first year.

BACKGROUND / INTRODUCTION:

The Western Placer Waste Management Authority (WPWMA) is a regional agency established in 1978 through a joint exercise of powers agreement between Placer County and the cities of Lincoln, Rocklin, and Roseville, to own, operate, and maintain the Western Regional Sanitary Landfill (WRSL) and Materials Recovery Facility (MRF). The MRF assists Placer County jurisdictions with achieving State mandated waste diversion goals while achieving an economy of scale for material diversion and providing uniformity in waste diversion and recycling programs. The MRF was designed and is operated to: 1) recover recyclable materials from mixed waste; 2) process green and wood wastes for composting or biomass; 3) receive and process source-separated recyclables, and 4) provide for receipt and recycling/disposal of Household Hazardous Waste (HHW). Materials not recovered via MRF processing are disposed in the WRSL.

The WPWMA assists its member agencies to achieve solid waste diversion goals required by the State. The MRF was originally constructed to recover recyclable material (like plastic, glass, paper, and cardboard) from the waste stream and to market those products for sale. This has led to a huge diversion of material from the landfill. However, due to the ever-increasing and stringent diversion requirements of the State, an expansion to the MRF is essential to support anticipated growth in western Placer County and to comply with waste diversion goals required by the CalRecycle Short-Lived Climate Pollutants: Organic Waste Reductions regulations, California Code of Regulations Title 14, Division 7, Chapter 3 et seq. ("SB 1383") and the California Green



Building Standards Code, California Code of Regulations Title 24, Part 11 et seq. ("CalGreen").

The WPWMA is in the process of upgrading the existing MRF to a High Diversion Organic Waste Processing Facility (HDF). By definition of achieving this status, the new HDF MRF would be able to meet or exceed the state requirements to divert 50 percent of organics material from the mixed waste stream for the period between January 1, 2022 and December 31, 2024, and to divert 75 percent of organics waste material from the mixed waste stream beginning January 1, 2025. In other words, this newly upgraded facility would offer the ability to pull out all organics (food waste, wood waste, and other organic material) from the mixed waste stream so that residents wouldn't have to sort into separate containers, and they could continue with the One Big Bin approach to recycling. This new facility could also accommodate a three-cart system as well, offering greater flexibility of compliance to member agencies.

The upgrades required for the MRF to become an HDF are roughly \$110 million dollars and will be spread out to all the member agencies, authorized users, and contributing cities who use the facility.

FINDINGS / ANALYSIS:

To finance this vital facility upgrade, the WPWMA needs to have a flow commitment agreement from each member agency. This will allow the financing to be issued based on the type of material being processed and how much tonnage they anticipate to be received. In the past, the City has entered into these types of flow commitment agreements before to finance work performed at the facility. The flow commitments simply formalize the following deal points: term, modification to the facility, confirmation that the agency will deliver all of its material to the WPWMA facilities, the city's responsibility to offer all marketable material to WPWMA during this period and to not seek additional revenue from other places during this agreement, and to best regulate the flows of solid waste that we deliver to the MRF (removing any unsafe items such as HHW). All these items get summarized in a flow commitment agreement (**Attachment A**) and are executed over a period of time.

The term of this Agreement would commence immediately upon execution by the Parties and shall expire no earlier than one (1) year after full repayment of all financing mechanisms obtained by the WPWMA, or by others on behalf of the WPWMA, for the purposes of modifying the Facility.

At this time, not all WPWMA Member Agencies have executed flow commitment agreements. Since the tipping fee structure is based on the amount of tonnage committed to the Facility, should the City of Roseville choose not to execute a flow commitment agreement, or alter their collection programs, tipping fees will be affected. For example, should all member agencies enter into agreements with WPWMA and retain the One Big Bin model, the municipal solid waste (MSW) tipping fee for the first year (increasing incrementally on an annual basis) would be \$88 per ton. Without an agreement with the City of Roseville, MSW rates could be as high as \$103 per ton for



the first year. Rates could vary somewhere in between depending on changes to member agency collection systems.

Therefore, staff recommends Council authorize the City Manager, or his/her designee, to negotiate and execute a flow commitment agreement with the WPWMA contingent on: (1) all member agencies adopting flow commitment agreements; or (2) all members adopting flow commitment agreements with the exception of the City of Roseville; and (3) a tiered pricing structure in which MSW tipping fees would not exceed \$103 for the first year.

POLICY COMPLIANCE:

N/A

ENVIRONMENTAL REVIEW:

This agreement is not subject to the California Environmental Quality Act ("CEQA"), as codified at <u>Public Resources Code</u> §§ 21000, *et seq.*, and as further governed by 14 <u>California Code of Regulations</u> §§ 15000, *et seq.*, because it is not a project as contemplated by 14 C.C.R. § 15378.

CONCLUSION:

Staff recommends the City Council adopt a resolution approving the delivery of solid waste to the Western Placer Waste Management Authority (WPWMA) and authorizing the City Manager, or his/her designee, to negotiate and execute a flow commitment agreement with the WPWMA contingent on: (1) all member agencies adopting flow commitment agreements; or (2) all members adopting flow commitment agreements with the exception of the City of Roseville; and (3) a tiered pricing structure in which MSW tipping fees would not exceed \$103 for the first year.

ALTERNATIVES:

- 1. Decline to move forward with staff recommendation.
- 2. Provide staff with alternative direction.

FISCAL IMPACT:

Based on the flow commitments received from all member agencies, the municipal solid waste (MSW) tipping fee structure could range from \$88 per ton to \$103 per ton. The current rate for MSW is \$88 per ton.

For example, should all member agencies enter into agreements with WPWMA and retain the One Big Bin model, the MSW tipping fee for the first year (increasing incrementally on an annual basis) would be \$88 per ton. Without an agreement with the City of Roseville, MSW rates could be as high as \$103 per ton for the first year. Rates

could vary somewhere in between depending on changes to member agency collection systems.

Later this year, the City of Lincoln will be working with NBS to finalize the Solid Waste rate study and will incorporate the projected tipping fee increases into a proposed five-year rate structure.

RELATED ACTIONS:

N/A

REPORT ACCOUNTABILITY:

This Staff Report has been reviewed by the City Attorney for legal sufficiency and by the City Manager for content.

The Finance Department has reviewed this staff report and certifies budgeted funds are available, unless a budget amendment is being requested as part of this action item.

CONTRACT ACCOUNTABILITY:

Angela Frost in the Public Works Department will be responsible for this contract.

ATTACHMENTS:

1. Draft Solid Waste Flow Commitment Agreement



A RESOLUTION OF THE CITY COUNCIL APPROVING THE DELIVERY OF SOLID WASTE TO THE WESTERN PLACER WASTE MANAGEMENT AUTHORITY (WPWMA) AND AUTHORIZING THE CITY MANAGER, OR HIS/HER DESIGNEE, TO NEGOTIATE AND EXECUTE A FLOW COMMITMENT AGREEMENT WITH THE WPWMA CONTINGENT ON: (1) ALL MEMBER AGENCIES ADOPTING FLOW COMMITMENT AGREEMENTS; OR (2) ALL MEMBERS ADOPTING FLOW COMMITMENT AGREEMENTS WITH THE EXCEPTION OF THE CITY OF ROSEVILLE; AND (3) A TIERED PRICING STRUCTURE IN WHICH MSW TIPPING FEES WOULD NOT EXCEED \$103 FOR THE FIRST YEAR.

WHEREAS, the Western Placer Waste Management Authority (WPWMA) is a regional agency established in 1978 through a joint exercise of powers agreement between Placer County and the cities of Lincoln, Rocklin, and Roseville; and

WHEREAS, Lincoln is a Member Agency of WPWMA, who oversees the operator of the local Western Regional Sanitary Landfill (Landfill) and Materials Recovery Facility (MRF); and

WHEREAS, The WPWMA has determined that an expansion to their MRF is necessary to support anticipated growth in western Placer County and to comply with waste diversion goals required by the CalRecycle; and

WHEREAS, in order to move forward with the MRF facility upgrades, the WPWMA will need flow commitment agreements from each member agency to secure the necessary financing of the improvements; and

WHEREAS, without an agreement from all Member Agencies, there could be dramatic changes to the municipal solid waste tipping fee structure; and

WHEREAS, staff is working closely with WPWMA staff to finalize the agreement and ensure uniformity between all member agencies.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Lincoln authorizes:

1. The City Manager, or his/her designee, to negotiate and execute a flow commitment agreement with the WPWMA contingent on: (1) all member agencies adopting flow commitment agreements; or (2) all members adopting flow commitment agreements with the exception of the City of Roseville; and (3) a tiered pricing structure in which MSW tipping fees would not exceed \$103 for the first year.

PASSED AND ADOPTED this 22nd day of March, 2022.

AYES:	COUNCILMEMBERS:
NOES:	COUNCILMEMBERS:
ABSENT:	COUNCILMEMBERS:

Holly Andreatta, Mayor

ATTEST:

Gwen Scanlon, City Clerk

AGREEMENT FOR DELIVERY OF SOLID WASTE BETWEEN THE WESTERN PLACER WASTE MANAGEMENT AUTHORITY AND THE CITY OF LINCOLN

THIS AGREEMENT is made as of March 22, 2022 by and between the WESTERN PLACER WASTE MANAGEMENT AUTHORITY (the "WPWMA") and the CITY OF LINCOLN (the "City").

RECITALS

- The WPWMA is a public entity organized pursuant to California Government Code Sections 6500 <u>et seq</u>. for the purpose of constructing, operating, and maintaining a materials recovery facility including an organics management facility, and sanitary landfill and related facilities; and
- The WPWMA owns and operates the Western Regional Sanitary Landfill (the "Landfill") and the Western Placer Materials Recovery Facility (the "Materials Recovery Facility"). Collectively, the Landfill and Materials Recovery Facility are referred to as the "Facility"; and
- 3. The members of the WPWMA are the City of Roseville, City of Lincoln, City of Rocklin, and County of Placer (collectively, the "Member Agencies"); and
- 4. The WPWMA, in order to assist its Member Agencies in achieving the Solid Waste diversion goals required by the California Integrated Waste Management Act of 1989, Public Resources Code Section 40000 <u>et seq.</u>, (the "Act"), has constructed a Materials Recovery Facility whose functions include the recovery and subsequent marketing of Recyclable Materials such as paper, cardboard, yard and green wastes, wood, glass, metals and plastics, thereby diverting them from land disposal; and
- 5. An expansion to the Materials Recovery Facility is needed in order to handle anticipated growth, Solid Waste diversion goals required by the CalRecycle Short-lived Climate Pollutants: Organic Waste Reductions regulations, California Code of Regulations Title 14, Division 7, Chapter 3 et seq. ("SB1383") and the California Green Building Standards Code, California Code of Regulations Title 24, Part 11 et seq ("CalGreen"); and
- 6. The WPWMA has determined that, in order to assure the successful and cost-effective operation of the expanded Materials Recovery Facility, it will be necessary to obtain additional long-term contractual commitments from its Member Agencies and other municipalities now using the Facility, that Solid Waste generated within their respective jurisdictions will be delivered to the Facility; and
- 7. The City wishes to support the WPWMA's efforts to expand the Materials Recovery Facility and recognizes the interrelationship between the assurance of Solid Waste flow (both in terms of quantity and composition) and the successful operation of the Facility.

Now, therefore, in consideration of the mutual promises and covenants contained in this Agreement, and for other good and valuable consideration, the Parties agree as follows:

1. <u>TERM</u>

The term of this Agreement shall commence immediately upon execution by the Parties and shall expire no earlier than one (1) year after full repayment of all financing mechanisms obtained by the WPWMA, or by others on behalf of the WPWMA, for the purposes of modifying the Materials Recovery Facility. This Agreement will remain in full force and effect regardless of whether the City continues to be a member of the WPWMA.

2. MODIFICATION OF THE MATERIALS RECOVERY FACILITY

The WPWMA shall, provided it receives assurances of Solid Waste deliveries of the type contemplated in Section 1 from its Member Agencies and other Authorized Users of the Facility sufficient in the WPWMA's sole judgment to successfully and economically operate the Facility, diligently pursue expansion of the Materials Recovery Facility in a manner generally consistent with Request For Proposals 20123, entitled " Material Recovery, Organics Processing, and C&D Debris Recovery Facilities Conceptual Designs and Operational Services".

3. DELIVERY OF SOLID WASTE

The City shall deliver, or cause to be delivered, to the Facility all Solid Waste collected within the geographic jurisdiction of the City by 1) City-operated programs and 2) any franchise or other contractual agreements between the City and a Solid Waste Enterprise. All Solid Waste so collected shall be delivered to the Facility without any Processing after having been collected, except as provided for herein.

If, in the future, the City elects to replace the City-operated Solid Waste collection program, in whole or in part, with a program operated by a Solid Waste Enterprise, it shall require such Solid Waste Enterprise to continue to deliver, Unprocessed, all Solid Waste collected to the Facility for the Term of this Agreement.

4. RECYCLING AND RECYCLABLE MATERIALS

The Parties recognize that assurances of the delivery of minimum quantities of Solid Waste, with a stable portion thereof representing materials with recyclable value, is essential in order (a) to design an expansion to the Materials Recovery Facility and (b) to structure the economic terms of an agreement for its construction and operation by third parties favorable to the WPWMA and, therefore, to its Member Agencies.

The Parties also recognize, however, that Member Agencies may have to conduct, or authorize, source reduction and recycling activities in addition to those conducted by the WPWMA at the Facility to meet the requirements of the Act, SB 1383 and/or CalGreen. For that reason, it is not the intent of this Agreement to preclude all such source reduction or recycling activities by the

City but rather to require that such activities be consistent with the terms of this Agreement.

In light of these considerations, the Parties agree:

A. The City shall not initiate additional City-operated or authorized Recycling programs which would have the effect of diverting Solid Waste from the Facility or of reducing the amount of Recyclable Materials in the Solid Waste delivered to the Facility from within the City, except with the prior written consent of the WPWMA. For purposes of this Agreement, the phrase "additional City-operated or authorized Recycling programs" shall mean any Solid Waste Recycling program or activity not currently operated, approved, or authorized by the City within its boundaries as of the effective date of this Agreement which the City may hereafter operate, approve, permit, franchise, or authorize. The WPWMA may in its sole discretion withhold its consent to the City's engaging in a new Recycling program unless the City demonstrates to the WPWMA's sole satisfaction that such a program is necessary in order for the City to comply with the Act, SB 1383 and/or CalGreen, that the goals of such program cannot be achieved by the City's continued use of the Facility, and that such a program will not materially interfere with the WPWMA's successful and/or economic operation of the Facility.

This section is not intended to apply to programs conducted by City employees in which materials generated in construction and maintenance of City roads and other City-owned property (such as asphalt, concrete, dirt, and wood trimmings) are Recycled and reused. The City shall have sole discretion and responsibility for marketing materials collected through City-operated or authorized Recycling programs.

B. The City shall not authorize, through provisions in a franchise or contract, any Solid Waste Enterprise to engage in the recovery of Recyclable Materials from the City waste stream prior to delivery to the Facility without the prior written consent of the WPWMA. If the WPWMA gives such written consent but thereafter, if the WPWMA's Board of Directors finds, at a public meeting and on the basis of a staff report, that any such recovery program by City-franchised Solid Waste Enterprises is materially interfering with the WPWMA's ability to successfully and/or economically operate its Facility, WPWMA may give notice of such finding to the City, requesting that the City take action to prohibit or regulate such programs. Upon receipt of a notice containing such a finding and request, the City shall promptly, and to the extent that it determines it has legal authority to do so, modify franchise provisions so as to prohibit such recovery program or to require that materials recovered by such Solid Waste Enterprises be delivered to the Facility without further Processing.

5. POWERS OF WPWMA

The City agrees that the WPWMA has the power and duty to establish rules and regulations for the use of its Facility including, but not limited to:

- A. Fees for the use of the Facility, including the right to refuse entry to the Facility to vehicles of persons to whom credit has been extended who are delinquent in payment.
- B. Restrictions or prohibitions on entry to the Facility to vehicles of persons which are violating obligations of their franchise, contract, license, permit or other authorization from the City, after written notification and action by the WPWMA's Board of Directors authorizing enforcement of such restrictions.
- C. Determinations of the types of materials which will be accepted for Processing at the Materials Recovery Facility and those which will be delivered directly to the Landfill for disposal.
- D. Restrictions and/or prohibitions on the delivery of hazardous waste, medical wastes, designated wastes, and other Solid Wastes which may not, under applicable laws, regulations and permits, be accepted for Processing at the Materials Recovery Facility or disposal of at the Landfill.

6. REGULATION OF WASTE BY CITY

The WPWMA recognizes that the City has limited ability to control the presence of small quantities of Household Hazardous Wastes in the Solid Waste placed for delivery by residents and businesses and collected by the City or Solid Waste Enterprises. The WPWMA acknowledges that the City cannot and does not guarantee that no Household Hazardous Wastes will be delivered by Solid Waste Enterprises and/or members of the public to the Facility.

The City, in turn, recognizes that the cost of operating the Facility will depend, in part, on the effectiveness of programs implemented by the City, the other Member Agencies and the Authorized Users to minimize the presence of Household Hazardous Waste in the residential/commercial Solid Waste stream.

The City has adopted programs and policies designed to exclude the introduction of Household Hazardous Waste into the Solid Waste stream and thus its delivery to the Facility. The City shall maintain these programs and policies in effect and shall use good faith efforts to implement them, to enforce their use by Solid Waste Enterprises operating under a franchise, contract, license, permit or other authorization from the City, and to encourage their use by City residents. The City will likewise encourage its residents to use the WPWMA's Household Hazardous Waste programs.

7. REVENUES FROM SALE OF RECYCLE MATERIALS

In order to facilitate the WPWMA's redevelopment of a Facility, the City hereby relinquishes, waives, and abandons for the term of this Agreement any claim it may now have or may in the future have to any portion of the revenues received by the operator of the Facility and/or the WPWMA from the sale or other disposition of materials (whether source-separated or recovered through on-site Processing) delivered to the Facility.

8. NOTICE

Any notice required by or allowed under this Agreement shall be in writing and delivered to the parties by deposit in the United States mail, postage prepaid, certified mail, addressed as follows:

If to the WPWMA:	Western Placer Waste Management Authority 3013 Fiddyment Road Roseville, CA 95747 Attn: Executive Director
If to the City:	City of Lincoln 600 Sixth Street Lincoln, CA 95747 Attn: City Manager

Either party may change the address to which notices to it are to be sent.

9. EXHIBITS

All exhibits are attached hereto and are incorporated herein by this reference.

10.AMENDMENTS

This Agreement may only be amended by a writing signed by both Parties.

11. DEFINITIONS

The following terms shall have the following meanings unless the context clearly requires otherwise:

- A. <u>Authorized Users</u>: means the cities of Auburn, Colfax, and Loomis.
- B. <u>City</u>: means the City of Lincoln.
- C. **<u>Disposal</u>**: means the management of Solid Waste through landfilling or transformation at permitted Solid Waste facilities.
- D. **Facility:** means the Materials Recovery Facility and Landfill, collectively.
- E. <u>Household Hazardous Waste</u>: means waste which meets the definition of Hazardous Waste, but which is of residential origin and exempt from the Resource Conservation and Recovery Act. Household Hazardous Waste includes "Universal Waste" as that phrase is defined in the California Code of Regulations, Division 4.5, Chapter 23.
- F. Landfill: means the Western Regional Sanitary Landfill.
- G. <u>Materials Recovery Facility</u>: means the WPWMA's municipal Solid Waste Processing area, construction and demolition debris processing area, organics processing and composting area, self haul material drop-off area, scalehouse complexes and all related and supporting infrastructure.
- H. <u>Member Agencies</u>: means the City of Roseville, City of Rocklin, City of Lincoln and the County of Placer.

- I. <u>Person</u>: means an individual, firm, association, co-partnership, political subdivision, government agency, municipality, industry, public or private corporation, or any other entity whatsoever.
- J. **<u>Processing</u>**: means the reduction, separation, recovery, conversion or recycling of Solid Waste.
- K. <u>Recycle; Recycling</u>: means the process of collecting, sorting, cleaning, treating and reconstituting materials that would otherwise become Solid Waste and returning them to the economic mainstream in the form of raw material for new, reused, or reconstituted products which meet the quality standards necessary to be used in the marketplace.
- L. <u>Recyclable Materials</u>: means materials contained in the Solid Waste stream that can be Recycled after recovery through source-separation and collection or through Processing at a central facility for mixed materials.
- M. <u>Solid Waste</u>: means all putrescible and nonputrescible solid, semisolid and liquid wastes, including garbage, trash, refuse, paper, rubbish, ashes, industrial wastes, demolition, and construction wastes, discarded home and industrial appliances, dewatered, treated, or chemically fixed sewage sludge which is not hazardous waste, vegetable, or animal solid and semi-solid wastes and other discarded solid and semi-solid wastes.

Solid Waste includes recyclable materials, and mixed recyclables, which have been discarded or otherwise set aside for collection by the generator thereof.

Solid Waste does not include:

- hazardous wastes or low level radioactive waste regulated under Sections 25800 <u>et seq.</u> of the Health and Safety Code;
- (2) medical waste which is regulated under Sections 25015 <u>et seq.</u> of the Health and Safety Code;
- (3) abandoned vehicles and parts thereof.
- N. <u>Solid Waste Enterprise</u>: means any individual, partnership, joint venture, unincorporated private organization, private corporation, public agency or other person which is regularly engaged in the business of providing Solid Waste Handling services.
- O. <u>Solid Waste Handling</u>: means the collection, transformation, storage, transfer, or processing of Solid Waste.
- P. <u>Source-Separation</u>: means the segregation, by the waste generator, of materials designated for separate collection for some form of materials recovery or special handling.
- Q. <u>**Transformation**</u>: means incineration, pyrolysis, distillation, gasification or biological conversion other than composting.
- R. Unprocessed: means without having undergone Processing.
- S. **WPWMA:** means the Western Placer Waste Management Authority.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first above written.

WESTERN PLACER WASTE MANAGEMENT AUTHORITY CITY OF LINCOLN

By: _____ Chair

Ву: ___

Mayor

APPROVED AS TO FORM:

WPWMA Counsel

City Attorney



City Council Staff Report

Subject:Agreement between the City of Rocklin and the Western Placer Waste Management Authority for the Delivery of
Solid Waste

Date: April 12, 2022

Submitted By: Justin Nartker, Director of Public Services

Department: Public Services

Staff Recommendation:

Adopt a Resolution of the City Council of the City of Rocklin Approving the Delivery of Solid Waste to the Western Placer Waste Management Authority (WPWMA) and Authorizing the City Manager to Negotiate and Execute a Flow Commitment Agreement with WPWMA.

BACKGROUND:

The Western Placer Waste Management Authority (WPWMA) is responsible for all recycling and waste management activities for its member agencies, utilizing its Material Recovery Facility (MRF). The member agencies are City of Rocklin, City of Lincoln, City of Roseville, and County of Placer.

When the MRF was built it was financed with bonds, and all of the member agencies agreed to commit their waste streams to the MRF by entering agreements known as Flow Commitment Agreements. These agreements enabled the guarantee of repayment of debt associated with the bond issues. Those debts have since been repaid. The City is not currently under a Flow Commitment Agreement, but the City's solid waste and recycling hauler, Recology, brings all of the City's materials to the MRF.

WPWMA is planning another expansion of the MRF in order to handle anticipated growth in solid waste diversion goals required by the CalRecycle Short-Lived Climate Pollutants regulations (SB 1383) and the California Green Building Standards Code (CalGreen). In order to secure funding for these expansions, WPWMA is again seeking flow commitment agreements with all member agencies to exclusively deliver solid waste to the MRF. Like previous agreements, the new agreement would require the City of Rocklin to send all solid waste to the MRF for processing, disposal, and recycling. This excludes waste that is generated in construction and maintenance of City roads and other City-owned property, which can be disposed of or recycled/reused at the City's discretion. Under the new agreement, the City also cannot initiate a recycling program that would divert waste away from the MRF.

A flow commitment agreement between the City and WPWMA will support the City in its efforts to bring the solid waste disposal up to the standards set by state law. Per SB 1383, by 2025 the City is obligated to reduce organic waste disposal by 75% and increase edible food recovery by 20%. It is important to note that a flow commitment agreement does not supersede the City's responsibility to comply with SB 1383. Should the City enact source reduction or alternate recycling activities, they must be consistent with the terms of the agreement with WPWMA, and not substantially reduce the amount of solid waste that is sent to the MRF.

The template flow commitment agreement WPWMA sent to the City is attached to this staff report as Exhibit "A."

4/8/22, 9:10 AM

Coversheet

WPWMA's tipping fee structure is based on the amount of tonnage committed to the facility. At this time, not all WPWMA member agencies have executed flow commitment agreements. Should any member agency not execute a flow commitment agreement or alter their collection programs, tipping fees will be affected. As such, staff recommends the City Council authorize the City Manager to negotiate and execute a flow commitment agreement with the WPWMA contingent on all member agencies adopting flow commitment agreements.

Fiscal Impact:

There is no direct cost to enter into this agreement. However, future costs are not yet known, as a committed Flow Commitment Agreement would require the City to comply with future fee increases that WPWMA may enact.

ATTACHMENTS:

Description

- **D** <u>Resolution</u>
- **D** <u>Resolution Exhibit A Template Flow Commitment Agreement</u>

This Staff Report has been reviewed by the City Attorney for legal sufficiency and by the City Manager for content.

RESOLUTION NO. 2022-

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ROCKLIN APPROVING THE DELIVERY OF SOLID WASTE TO THE WESTERN PLACER WASTE MANAGEMENT AUTHORITY (WPWMA) AND AUTHORIZING THE CITY MANAGER TO NEGOTIATE AND EXECUTE A FLOW COMMITMENT AGREEMENT

WHEREAS, the Western Placer Waste Management Authority (WPWMA) is a regional agency established in 1978 through a joint exercise of powers agreement between Placer County and the cities of Rocklin, Lincoln, and Roseville; and

WHEREAS, Rocklin is a Member Agency of WPWMA, who oversees the operator of the local Western Regional Sanitary Landfill (Landfill) and Materials Recovery Facility (MRF); and

WHEREAS, the WPWMA has determined that an expansion to their MRF is necessary to support anticipated growth and solid waste diversion goals required by CalRecycle Shortlived Climate Pollutants regulations (SB1383) and the California Green Building Standards Code (CalGreen) waste diversion goals required by the CalRecycle; and

WHEREAS, in order to move forward with the MRF facility upgrades, the WPWMA anticipates it will need flow commitment agreements from each member agency to secure the necessary financing of the improvements; and

WHEREAS, without an agreement from all Member Agencies, there could be changes to the municipal solid waste tipping fee structure.

NOW, THEREFORE, the City Council of the City of Rocklin does resolve as follows:

<u>Section 1</u>. The City Council of the City of Rocklin authorizes the City Manager to negotiate and execute a flow commitment agreement with WPWMA, contingent on all member agencies adopting a flow commitment agreement.

PASSED AND ADOPTED this 12th day of April, 2022, by the following vote:

AYES:Councilmembers:NOES:Councilmembers:ABSENT:Councilmembers:ABSTAIN:Councilmembers:

Bill Halldin, Mayor

ATTEST:

Hope Ithurburn, City Clerk

AGREEMENT FOR DELIVERY OF SOLID WASTE BETWEEN THE WESTERN PLACER WASTE MANAGEMENT AUTHORITY AND CITY OF ROCKLIN

THIS AGREEMENT is made as of ______2022 by and between the **WESTERN PLACER WASTE MANAGEMENT AUTHORITY** (the "WPWMA") and the **CITY OF ROCKLIN** (the "City").

RECITALS

- 1. The WPWMA is a public entity organized pursuant to California Government Code Sections 6500 <u>et seq</u>. for the purpose of constructing, operating, and maintaining a materials recovery facility including an organics management facility, and sanitary landfill and related facilities; and
- The WPWMA owns and operates the Western Regional Sanitary Landfill (the "Landfill") and the Western Placer Materials Recovery Facility (the "Materials Recovery Facility"). Collectively, the Landfill and Materials Recovery Facility are referred to as the "Facility"; and
- 3. The members of the WPWMA are the City of Roseville, City of Lincoln, City of Rocklin, and County of Placer (collectively, the "Member Agencies"); and
- 4. The WPWMA, in order to assist its Member Agencies in achieving the Solid Waste diversion goals required by the California Integrated Waste Management Act of 1989, Public Resources Code Section 40000 <u>et seq.</u>, (the "Act"), has constructed a Materials Recovery Facility whose functions include the recovery and subsequent marketing of Recyclable Materials such as paper, cardboard, yard and green wastes, wood, glass, metals and plastics, thereby diverting them from land disposal; and
- 5. An expansion to the Materials Recovery Facility is needed in order to handle anticipated growth Solid Waste diversion goals required by the CalRecycle Short-lived Climate Pollutants: Organic Waste Reductions regulations, California Code of Regulations Title 14, Division 7, Chapter 3 et seq. ("SB1383") and the California Green Building Standards Code, California Code of Regulations Title 24, Part 11 et seq ("CalGreen"); and
- 6. The WPWMA has determined that, in order to assure the successful and cost-effective operation of the expanded Materials Recovery Facility, it will be necessary to obtain additional long-term contractual commitments from its Member Agencies and other municipalities now using the Facility, that Solid Waste generated within their respective jurisdictions will be delivered to the Facility; and
- 7. The City wishes to support the WPWMA's efforts to expand the Materials Recovery Facility and recognizes the interrelationship between the assurance of Solid Waste flow (both in terms of quantity and composition) and the successful operation of the Facility.

Now, therefore, in consideration of the mutual promises and covenants contained in this Agreement, and for other good and valuable consideration, the Parties agree as follows:

1. <u>TERM</u>

The term of this Agreement shall commence immediately upon execution by the Parties and shall expire no earlier than one (1) year after full repayment of all financing mechanisms obtained by the WPWMA, or by others on behalf of the WPWMA, for the purposes of modifying the Materials Recovery Facility. This Agreement will remain in full force and effect regardless of whether the City continues to be a member of the WPWMA.

2. MODIFICATION OF THE MATERIALS RECOVERY FACILITY

The WPWMA shall, provided it receives assurances of Solid Waste deliveries of the type contemplated in Section 1 from its Member Agencies and other Authorized Users of the Facility sufficient in the WPWMA's sole judgment to successfully and economically operate the Facility, diligently pursue expansion of the Materials Recovery Facility in a manner generally consistent with Request For Proposals 20123, entitled " Material Recovery, Organics Processing, and C&D Debris Recovery Facilities Conceptual Designs and Operational Services".

3. DELIVERY OF SOLID WASTE

The City shall deliver, or cause to be delivered, to the Facility all Solid Waste collected within the geographic jurisdiction of the City by 1) City-operated programs and 2) any franchise or other contractual agreements between the City and a Solid Waste Enterprise. All Solid Waste so collected shall be delivered to the Facility without any Processing after having been collected, except as provided for herein.

If, in the future, the City elects to replace the City-operated Solid Waste collection program, in whole or in part, with a program operated by a Solid Waste Enterprise, it shall require such Solid Waste Enterprise to continue to deliver, Unprocessed, all Solid Waste collected to the Facility for the Term of this Agreement.

4. RECYCLING AND RECYCLABLE MATERIALS

The Parties recognize that assurances of the delivery of minimum quantities of Solid Waste, with a stable portion thereof representing materials with recyclable value, is essential in order (a) to design an expansion to the Materials Recovery Facility and (b) to structure the economic terms of an agreement for its construction and operation by third parties favorable to the WPWMA and, therefore, to its Member Agencies.

The Parties also recognize, however, that Member Agencies may have to conduct, or authorize, source reduction and recycling activities in addition to those conducted by the WPWMA at the Facility to meet the requirements of the Act, SB 1383 and/or CalGreen. For that reason, it is not the intent of this Agreement to preclude all such source reduction or recycling activities by the City but rather to require that such activities be consistent with the terms of this Agreement.

In light of these considerations, the Parties agree:

A. The City shall not initiate additional City-operated or authorized Recycling programs which would have the effect of diverting Solid Waste from the Facility or of reducing the amount of Recyclable Materials in the Solid Waste delivered to the Facility from within the City, except with the prior written consent of the WPWMA. For purposes of this Agreement, the phrase "additional City-operated or authorized Recycling programs" shall mean any Solid Waste Recycling program or activity not currently operated, approved, or authorized by the City within its boundaries as of the effective date of this Agreement which the City may hereafter operate, approve, permit, franchise, or authorize. The WPWMA may in its sole discretion withhold its consent to the City's engaging in a new Recycling program unless the City demonstrates to the WPWMA's sole satisfaction that such a program is necessary in order for the City to comply with the Act, SB 1383 and/or CalGreen, that the goals of such program cannot be achieved by the City's continued use of the Facility, and that such a program will not materially interfere with the WPWMA's successful and/or economic operation of the Facility.

This section is not intended to apply to programs conducted by City employees in which materials generated in construction and maintenance of City roads and other City-owned property (such as asphalt, concrete, dirt, and wood trimmings) are Recycled and reused. The City shall have sole discretion and responsibility for marketing materials collected through City-operated or authorized Recycling programs.

B. The City shall not authorize, through provisions in a franchise or contract, any Solid Waste Enterprise to engage in the recovery of Recyclable Materials from the City waste stream prior to delivery to the Facility without the prior written consent of the WPWMA. If the WPWMA gives such written consent but thereafter, if the WPWMA's Board of Directors finds, at a public meeting and on the basis of a staff report, that any such recovery program by City-franchised Solid Waste Enterprises is materially interfering with the WPWMA's ability to successfully and/or economically operate its Facility, WPWMA may give notice of such finding to the City, requesting that the City take action to prohibit or regulate such programs. Upon receipt of a notice containing such a finding and request, the City shall promptly, and to the extent that it determines it has legal authority to do so, modify franchise provisions so as to prohibit such recovery program or to require that materials recovered by such Solid Waste Enterprises be delivered to the Facility without further Processing.

5. POWERS OF WPWMA

The City agrees that the WPWMA has the power and duty to establish rules and regulations for the use of its Facility including, but not limited to:

- A. Fees for the use of the Facility, including the right to refuse entry to the Facility to vehicles of persons to whom credit has been extended who are delinquent in payment.
- B. Restrictions or prohibitions on entry to the Facility to vehicles of persons which are violating obligations of their franchise, contract, license, permit or other authorization from the City, after written notification and action by the WPWMA's Board of Directors authorizing enforcement of such restrictions.
- C. Determinations of the types of materials which will be accepted for Processing at the Materials Recovery Facility and those which will be delivered directly to the Landfill for disposal.
- D. Restrictions and/or prohibitions on the delivery of hazardous waste, medical wastes, designated wastes, and other Solid Wastes which may not, under applicable laws, regulations and permits, be accepted for Processing at the Materials Recovery Facility or disposal of at the Landfill.

6. REGULATION OF WASTE BY CITY

The WPWMA recognizes that the City has limited ability to control the presence of small quantities of Household Hazardous Wastes in the Solid Waste placed for delivery by residents and businesses and collected by the City or Solid Waste Enterprises. The WPWMA acknowledges that the City cannot and does not guarantee that no Household Hazardous Wastes will be delivered by Solid Waste Enterprises and/or members of the public to the Facility.

The City, in turn, recognizes that the cost of operating the Facility will depend, in part, on the effectiveness of programs implemented by the City, the other Member Agencies and the Authorized Users to minimize the presence of Household Hazardous Waste in the residential/commercial Solid Waste stream.

The City has adopted programs and policies designed to exclude the introduction of Household Hazardous Waste into the Solid Waste stream and thus its delivery to the Facility. The City shall maintain these programs and policies in effect and shall use good faith efforts to implement them, to enforce their use by Solid Waste Enterprises operating under a franchise, contract, license, permit or other authorization from the City, and to encourage their use by City residents. The City will likewise encourage its residents to use the WPWMA's Household Hazardous Waste programs.

7. <u>REVENUES FROM SALE OF RECYCLE MATERIALS</u>

In order to facilitate the WPWMA's redevelopment of a Facility, the City hereby relinquishes, waives, and abandons for the term of this Agreement any claim it may now have or may in the future have to any portion of the revenues received by the operator of the Facility and/or the WPWMA from the sale or other disposition of materials (whether source-separated or recovered through on-site Processing) delivered to the Facility.

8. <u>NOTICE</u>

Any notice required by or allowed under this Agreement shall be in writing and delivered to the parties by deposit in the United States mail, postage prepaid, certified mail, addressed as follows:

If to the WPWMA:	Western Placer Waste Management Authority 3013 Fiddyment Road Roseville, CA 95747 Attn: Executive Director
If to the City:	City of Rocklin 3970 Rocklin Road Rocklin, CA 95677 Attn: City Manager

Either party may change the address to which notices to it are to be sent.

9. EXHIBITS

All exhibits are attached hereto and are incorporated herein by this reference.

10. AMENDMENTS

This Agreement may only be amended by a writing signed by both Parties.

11. DEFINITIONS

The following terms shall have the following meanings unless the context clearly requires otherwise:

- A. <u>Authorized Users</u>: means the cities of Auburn, Colfax, and Loomis.
- B. <u>City</u>: means the City of Rocklin.
- C. **<u>Disposal</u>**: means the management of Solid Waste through landfilling or transformation at permitted Solid Waste facilities.
- D. **Facility:** means the Materials Recovery Facility and Landfill, collectively.
- E. <u>Household Hazardous Waste</u>: means waste which meets the definition of Hazardous Waste, but which is of residential origin and exempt from the Resource Conservation and Recovery Act. Household Hazardous Waste includes "Universal Waste" as that phrase is defined in the California Code of Regulations, Division 4.5, Chapter 23.
- F. Landfill: means the Western Regional Sanitary Landfill.
- G. <u>Materials Recovery Facility</u>: means the WPWMA's municipal Solid Waste Processing area, construction and demolition debris processing area, organics processing and composting area, self haul material drop-off area, scalehouse complexes and all related and supporting infrastructure.
- H. <u>Member Agencies</u>: means the City of Roseville, City of Rocklin, City of Lincoln and the County of Placer.

- I. <u>Person</u>: means an individual, firm, association, co-partnership, political subdivision, government agency, municipality, industry, public or private corporation, or any other entity whatsoever.
- J. **<u>Processing</u>**: means the reduction, separation, recovery, conversion or recycling of Solid Waste.
- K. <u>Recycle; Recycling</u>: means the process of collecting, sorting, cleaning, treating and reconstituting materials that would otherwise become Solid Waste and returning them to the economic mainstream in the form of raw material for new, reused, or reconstituted products which meet the quality standards necessary to be used in the marketplace.
- L. <u>Recyclable Materials</u>: means materials contained in the Solid Waste stream that can be Recycled after recovery through source-separation and collection or through Processing at a central facility for mixed materials.
- M. <u>Solid Waste</u>: means all putrescible and nonputrescible solid, semisolid and liquid wastes, including garbage, trash, refuse, paper, rubbish, ashes, industrial wastes, demolition, and construction wastes, discarded home and industrial appliances, dewatered, treated, or chemically fixed sewage sludge which is not hazardous waste, vegetable, or animal solid and semi-solid wastes and other discarded solid and semi-solid wastes.

Solid Waste includes recyclable materials, and mixed recyclables, which have been discarded or otherwise set aside for collection by the generator thereof.

Solid Waste does not include:

- hazardous wastes or low level radioactive waste regulated under Sections 25800 <u>et seq.</u> of the Health and Safety Code;
- (2) medical waste which is regulated under Sections 25015 <u>et seq.</u> of the Health and Safety Code;
- (3) abandoned vehicles and parts thereof.
- N. <u>Solid Waste Enterprise</u>: means any individual, partnership, joint venture, unincorporated private organization, private corporation, public agency or other person which is regularly engaged in the business of providing Solid Waste Handling services.
- O. <u>Solid Waste Handling</u>: means the collection, transformation, storage, transfer, or processing of Solid Waste.
- P. <u>Source-Separation</u>: means the segregation, by the waste generator, of materials designated for separate collection for some form of materials recovery or special handling.
- Q. <u>**Transformation**</u>: means incineration, pyrolysis, distillation, gasification or biological conversion other than composting.
- R. Unprocessed: means without having undergone Processing.
- S. **<u>WPWMA</u>**: means the Western Placer Waste Management Authority.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first above written.

WESTERN PLACER WASTE MANAGEMENT AUTHORITY CITY OF ROCKLIN

By: _____ Chair

By: ____

Mayor

APPROVED AS TO FORM:

WPWMA Counsel

City Attorney



MEMORANDUM DEPARTMENT OF PUBLIC WORKS ENVIRONMENTAL ENGINEERING DIVISION

County of Placer

TO:	Honorable Board of Supervisors	DATE: March 22, 2022
FROM:	Ken Grehm, Director of Public Works	
BY:	Christina Hanson, Senior Planner	
SUBJECT:	Western Placer Waste Management Authority F	low Commitment Agreement

ACTION REQUESTED

Approve the delivery of solid waste to the Western Placer Waste Management Authority (WPWMA) and authorize the County Executive Officer, or designee, to negotiate and execute an Agreement between the County and the WPWMA regarding the delivery of solid waste contingent on a tiered pricing structure for municipal solid waste tipping fees ranging from \$88 to \$103 per ton for the first year, subject to County Counsel and Risk Management concurrence.

BACKGROUND

Placer County is a Member of the Western Placer Waste Management Authority (WPWMA). The WPWMA has determined that an expansion to their Materials Recovery Facility (Facility) is needed to support anticipated growth in western Placer County and comply with waste diversion goals required by the CalRecycle Short-Lived Climate Pollutants: Organic Waste Reductions regulations, California Code of Regulations Title 14, Division 7, Chapter 3 et seq. ("SB 1383") and the California Green Building Standards Code, California Code of Regulations Title 24, Part 11 et seq. ("CalGreen").

The WPWMA has determined that, to assure the successful and cost-effective construction and operation of the expanded Facility, it will be necessary to obtain long-term contractual commitments from its Member Agencies ensuring that waste generated within their jurisdictions will be delivered to the Facility. The County, as a Member Agency, and recognizing the importance of assured solid waste flows to the successful long-term operation of the Facility, has executed substantially similar agreements in the past to support previous expansions.

The term of this Agreement would commence immediately upon execution by the Parties and shall expire no earlier than one (1) year after full repayment of all financing mechanisms obtained by the WPWMA, or by others on behalf of the WPWMA, for the purposes of modifying the Facility.

At this time, not all WPWMA Member Agencies have executed flow commitment agreements. Since the tipping fee structure is based on the amount of tonnage committed to the Facility, should the City of Roseville choose not to execute a flow commitment agreement, or alter their collection programs, tipping fees will be affected. For example, should all member agencies enter into agreements with WPWMA and retain the One Big Bin model, the municipal solid waste (MSW) tipping fee for the first year (increasing incrementally on an annual basis) would Honorable Board of Supervisors March 22, 2022 Western Placer Waste Management Authority Flow Commitment Agreement Page 2

be \$88 per ton. Without an agreement with the City of Roseville, MSW rates could be \$103 per ton for the first year. Rates could vary somewhere in between depending on changes to collection systems.

Therefore, staff recommends your Board authorize the County Executive Officer, or designee, to negotiate and execute a flow commitment agreement with the WPWMA contingent on: (1) all member agencies adopting flow commitment agreements; or (2) all members adopting flow commitment agreements; and (3) a tiered pricing structure in which MSW tipping fees would not exceed \$103 for the first year.

ENVIRONMENTAL IMPACT

The approval of the Agreement is not considered a "Project" under the California Environmental Quality Act (CEQA) pursuant to CEQA section 15378 (a) and (b)(5) because it is an administrative action that does not result in any direct or physical change in the environment.

FISCAL IMPACT

The signing of the agreement will result in no fiscal impact to the Environmental Engineering Division of the Department of Public Works.

ATTACHMENTS

Draft Agreement

AGREEMENT FOR DELIVERY OF SOLID WASTE BETWEEN THE WESTERN PLACER WASTE MANAGEMENT AUTHORITY AND THE COUNTY OF PLACER

THIS AGREEMENT is made as of _____2022 by and between the WESTERN PLACER WASTE MANAGEMENT AUTHORITY (the "WPWMA") and the COUNTY OF PLACER (the "County").

RECITALS

- 1. The WPWMA is a public entity organized pursuant to California Government Code Sections 6500 et seq. for the purpose of constructing, operating, and maintaining a materials recovery facility including an organics management facility, and sanitary landfill and related facilities; and
- The WPWMA owns and operates the Western Regional Sanitary Landfill (the "Landfill") and the Western Placer Materials Recovery Facility (the "Materials Recovery Facility"). Collectively, the Landfill and Materials Recovery Facility are referred to as the "Facility"; and
- 3. The members of the WPWMA are the City of Roseville, City of Lincoln, City of Rocklin, and County of Placer (collectively, the "Member Agencies"); and
- 4. The WPWMA, in order to assist its Member Agencies in achieving the Solid Waste diversion goals required by the California Integrated Waste Management Act of 1989, Public Resources Code Section 40000 <u>et seq.</u>, (the "Act"), has constructed a Materials Recovery Facility whose functions include the recovery and subsequent marketing of Recyclable Materials such as paper, cardboard, yard and green wastes, wood, glass, metals and plastics, thereby diverting them from land disposal; and
- 5. An expansion to the Materials Recovery Facility is needed in order to handle anticipated growth Solid Waste diversion goals required by the CalRecycle Short-lived Climate Pollutants: Organic Waste Reductions regulations, California Code of Regulations Title 14, Division 7, Chapter 3 et seq. ("SB1383") and the California Green Building Standards Code, California Code of Regulations Title 24, Part 11 et seq ("CalGreen"); and
- 6. The WPWMA has determined that, in order to assure the successful and cost-effective operation of the expanded Materials Recovery Facility, it will be necessary to obtain additional long-term contractual commitments from its Member Agencies and other municipalities now using the Facility, that Solid Waste generated within their respective jurisdictions will be delivered to the Facility; and
- 7. The County wishes to support the WPWMA's efforts to expand the Materials Recovery Facility and recognizes the interrelationship between the assurance of Solid Waste flow (both in terms of quantity and composition) and the successful operation of the Facility.

Now, therefore, in consideration of the mutual promises and covenants contained in this Agreement, and for other good and valuable consideration, the Parties agree as follows:

1. <u>TERM</u>

The term of this Agreement shall commence immediately upon execution by the Parties and shall expire no earlier than one (1) year after full repayment of all financing mechanisms obtained by the WPWMA, or by others on behalf of the WPWMA, for the purposes of modifying the Materials Recovery Facility. This Agreement will remain in full force and effect regardless of whether the County continues to be a member of the WPWMA.

2. MODIFICATION OF THE MATERIALS RECOVERY FACILITY

The WPWMA shall, provided it receives assurances of Solid Waste deliveries of the type contemplated in Section 1 from its Member Agencies and other Authorized Users of the Facility sufficient in the WPWMA's sole judgment to successfully and economically operate the Facility, diligently pursue expansion of the Materials Recovery Facility in a manner generally consistent with Request For Proposals 20123, entitled " Material Recovery, Organics Processing, and C&D Debris Recovery Facilities Conceptual Designs and Operational Services".

3. DELIVERY OF SOLID WASTE

The County shall deliver, or cause to be delivered, to the Facility all Solid Waste collected within the geographic jurisdiction of the County by 1) County-operated programs and 2) any franchise or other contractual agreements between the County and a Solid Waste Enterprise. All Solid Waste so collected shall be delivered to the Facility without any Processing after having been collected, except as provided for herein.

If, in the future, the County elects to replace the County-operated Solid Waste collection program, in whole or in part, with a program operated by a Solid Waste Enterprise, it shall require such Solid Waste Enterprise to continue to deliver, Unprocessed, all Solid Waste collected to the Facility for the Term of this Agreement.

4. RECYCLING AND RECYCLABLE MATERIALS

The Parties recognize that assurances of the delivery of minimum quantities of Solid Waste, with a stable portion thereof representing materials with recyclable value, is essential in order (a) to design an expansion to the Materials Recovery Facility and (b) to structure the economic terms of an agreement for its construction and operation by third parties favorable to the WPWMA and, therefore, to its Member Agencies.

The Parties also recognize, however, that Member Agencies may have to conduct, or authorize, source reduction and recycling activities in addition to those conducted by the WPWMA at the Facility to meet the requirements of the Act, SB 1383 and/or CalGreen. For that reason, it is not the intent of this Agreement to preclude all such source reduction or recycling activities by the County but rather to require that such activities be consistent with the terms of this Agreement.

In light of these considerations, the Parties agree:

A. The County shall not initiate additional County-operated or authorized Recycling programs which would have the effect of diverting Solid Waste from the Facility or of reducing the amount of Recyclable Materials in the Solid Waste delivered to the Facility from within the County, except with the prior written consent of the WPWMA. For purposes of this Agreement, the phrase "additional County-operated or authorized Recycling programs" shall mean any Solid Waste Recycling program or activity not currently operated, approved, or authorized by the County within its boundaries as of the effective date of this Agreement which the County may hereafter operate, approve, permit, franchise, or authorize. The WPWMA may in its sole discretion withhold its consent to the County's engaging in a new Recycling program unless the County demonstrates to the WPWMA's sole satisfaction that such a program is necessary in order for the County to comply with the Act, SB 1383 and/or CalGreen, that the goals of such program cannot be achieved by the County's continued use of the Facility, and that such a program will not materially interfere with the WPWMA's successful and/or economic operation of the Facility.

This section is not intended to apply to programs conducted by County employees in which materials generated in construction and maintenance of County roads and other County-owned property (such as asphalt, concrete, dirt, and wood trimmings) are Recycled and reused. The County shall have sole discretion and responsibility for marketing materials collected through County-operated or authorized Recycling programs.

B. The County shall not authorize, through provisions in a franchise or contract, any Solid Waste Enterprise to engage in the recovery of Recyclable Materials from the County waste stream prior to delivery to the Facility without the prior written consent of the WPWMA. If the WPWMA gives such written consent but thereafter, if the WPWMA's Board of Directors finds, at a public meeting and on the basis of a staff report, that any such recovery program by County-franchised Solid Waste Enterprises is materially interfering with the WPWMA's ability to successfully and/or economically operate its Facility, WPWMA may give notice of such finding to the County, requesting that the County take action to prohibit or regulate such programs. Upon receipt of a notice containing such a finding and request, the County shall promptly, and to the extent that it determines it has legal authority to do so, modify franchise provisions so as to prohibit such recovery program or to require that materials recovered by such Solid Waste Enterprises be delivered to the Facility without further Processing.

5. POWERS OF WPWMA

The County agrees that the WPWMA has the power and duty to establish rules and regulations for the use of its Facility including, but not limited to:

- A. Fees for the use of the Facility, including the right to refuse entry to the Facility to vehicles of persons to whom credit has been extended who are delinquent in payment.
- B. Restrictions or prohibitions on entry to the Facility to vehicles of persons which are violating obligations of their franchise, contract, license, permit or other authorization from the County, after written notification and action by the WPWMA's Board of Directors authorizing enforcement of such restrictions.
- C. Determinations of the types of materials which will be accepted for Processing at the Materials Recovery Facility and those which will be delivered directly to the Landfill for disposal.
- D. Restrictions and/or prohibitions on the delivery of hazardous waste, medical wastes, designated wastes, and other Solid Wastes which may not, under applicable laws, regulations and permits, be accepted for Processing at the Materials Recovery Facility or disposal of at the Landfill.

6. REGULATION OF WASTE BY COUNTY

The WPWMA recognizes that the County has limited ability to control the presence of small quantities of Household Hazardous Wastes in the Solid Waste placed for delivery by residents and businesses and collected by the County or Solid Waste Enterprises. The WPWMA acknowledges that the County cannot and does not guarantee that no Household Hazardous Wastes will be delivered by Solid Waste Enterprises and/or members of the public to the Facility.

The County, in turn, recognizes that the cost of operating the Facility will depend, in part, on the effectiveness of programs implemented by the County, the other Member Agencies and the Authorized Users to minimize the presence of Household Hazardous Waste in the residential/commercial Solid Waste stream.

The County has adopted programs and policies designed to exclude the introduction of Household Hazardous Waste into the Solid Waste stream and thus its delivery to the Facility. The County shall maintain these programs and policies in effect and shall use good faith efforts to implement them, to enforce their use by Solid Waste Enterprises operating under a franchise, contract, license, permit or other authorization from the County, and to encourage their use by County residents. The County will likewise encourage its residents to use the WPWMA's Household Hazardous Waste programs.

7. REVENUES FROM SALE OF RECYCLE MATERIALS

In order to facilitate the WPWMA's redevelopment of a Facility, the County hereby relinquishes, waives, and abandons for the term of this Agreement any claim it may now have or may in the future have to any portion of the revenues received by the operator of the Facility and/or the WPWMA from the sale or other disposition of materials (whether source-separated or recovered through on-site Processing) delivered to the Facility.

8. NOTICE

Any notice required by or allowed under this Agreement shall be in writing and delivered to the parties by deposit in the United States mail, postage prepaid, certified mail, addressed as follows:

If to the WPWMA:	Western Placer Waste Management Authority 3013 Fiddyment Road Roseville, CA 95747 Attn: Executive Director
If to the County:	County of Placer 1765 Fulweiler Avenue Auburn, CA 95603 Attn: County Executive Officer

Either party may change the address to which notices to it are to be sent.

9. EXHIBITS

All exhibits are attached hereto and are incorporated herein by this reference.

10. AMENDMENTS

This Agreement may only be amended by a writing signed by both Parties.

11. DEFINITIONS

The following terms shall have the following meanings unless the context clearly requires otherwise:

- A. Authorized Users: means the cities of Auburn, Colfax, and Loomis.
- B. **County:** means the County of Placer.
- C. **Disposal**: means the management of Solid Waste through landfilling or transformation at permitted Solid Waste facilities.
- D. Facility: means the Materials Recovery Facility and Landfill, collectively.
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- I. <u>**Person**</u>: means an individual, firm, association, co-partnership, political subdivision, government agency, municipality, industry, public or private corporation, or any other entity whatsoever.
- J. **Processing:** means the reduction, separation, recovery, conversion or recycling of Solid Waste.
- K. <u>Recycle; Recycling</u>: means the process of collecting, sorting, cleaning, treating and reconstituting materials that would otherwise become Solid Waste and returning them to the economic mainstream in the form of raw material for new, reused, or reconstituted products which meet the quality standards necessary to be used in the marketplace.
- L. <u>Recyclable Materials</u>: means materials contained in the Solid Waste stream that can be Recycled after recovery through source-separation and collection or through Processing at a central facility for mixed materials.
- M. <u>Solid Waste</u>: means all putrescible and nonputrescible solid, semisolid and liquid wastes, including garbage, trash, refuse, paper, rubbish, ashes, industrial wastes, demolition, and construction wastes, discarded home and industrial appliances, dewatered, treated, or chemically fixed sewage sludge which is not hazardous waste, vegetable, or animal solid and semi-solid wastes and other discarded solid and semi-solid wastes.

Solid Waste includes recyclable materials, and mixed recyclables, which have been discarded or otherwise set aside for collection by the generator thereof.

Solid Waste does not include:

- hazardous wastes or low level radioactive waste regulated under Sections 25800 <u>et seq.</u> of the Health and Safety Code;
- (2) medical waste which is regulated under Sections 25015 <u>et seq.</u> of the Health and Safety Code;
- (3) abandoned vehicles and parts thereof.
- N. <u>Solid Waste Enterprise</u>: means any individual, partnership, joint venture, unincorporated private organization, private corporation, public agency or other person which is regularly engaged in the business of providing Solid Waste Handling services.
- O. <u>Solid Waste Handling</u>: means the collection, transformation, storage, transfer, or processing of Solid Waste.
- P. <u>Source-Separation</u>: means the segregation, by the waste generator, of materials designated for separate collection for some form of materials recovery or special handling.
- Q. <u>**Transformation**</u>: means incineration, pyrolysis, distillation, gasification or biological conversion other than composting.
- R. <u>Unprocessed</u>: means without having undergone Processing.
- S. **<u>WPWMA</u>**: means the Western Placer Waste Management Authority.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first above written.

WESTERN PLACER WASTE MANAGEMENT AUTHORITY	County of Placer
By: Chair	By:County Executive Officer
APPROVED AS TO FORM:	
WPWMA Counsel	County Counsel