



Shanti Landon, Placer County, Chair

Scott Alvord, City of Roseville

Bonnie Gore, Placer County

Bill Halldin, City of Rocklin

Holly Andreatta, City of Lincoln

Scott Scholz, General Manager

WESTERN PLACER WASTE MANAGEMENT AUTHORITY MEETING OF THE BOARD OF DIRECTORS

OCTOBER 10, 2024 5:30 PM

Materials Recovery Facility Administration Building
3013 Fiddymment Road, Roseville, CA 95747

The WPWMA Board of Directors OCTOBER 10, 2024 meeting will be open to in-person attendance. Meetings will be broadcast live on the WPWMA's YouTube channel <https://www.youtube.com/@wpwma>

Materials related to an item on this Agenda submitted to the Board of Directors after distribution of the agenda packet are available for public inspection by emailing the Clerk of the Board at info@wpwma.ca.gov. The Western Placer Waste Management Authority is committed to ensuring that persons with disabilities are provided the resources to participate fully in its public meetings. If you require disability-related modifications or accommodations, please contact the Clerk of the Board at (916) 543-3960 or info@wpwma.ca.gov. If requested, the agenda shall be provided in appropriate alternative formats to persons with disabilities. All requests must be in writing and must be received by the Clerk three business days prior to the scheduled meeting for which you are requesting accommodation. Requests received after such time will be accommodated if time permits.

1. Call Meeting to Order
2. Pledge of Allegiance (Director Alvord)
3. Roll Call
4. Statement of Meeting Procedures (Clerk of the Board)
5. Public Comment

This is a time when persons may address the Board regarding items not on this Agenda. It is requested that comments be brief, since the Board is not permitted to take any action on items addressed under Public Comment.

6. Closed Session
 - a. Government Code Section §54956.8 – Conference with Real Property Negotiator
Property: Approximately 133 acres of property located west of Fiddymment Road and north of Sunset Blvd West, approximately 2.6 miles west of State Route 65 in unincorporated Placer County; APN: 017-062-003
WPWMA Negotiators: Scott Scholz, Eric Oddo, Robert Sandman
Negotiating Partners: WPWMA and Sierra Joint Community College District
Under Negotiation: Price, terms, and conditions of purchase and sale.
 - b. Government Code §54956.9(d)(3) – Conference with Legal Counsel.
Significant exposure to litigation: one potential case.
 - c. Government Code §54956.9(d)(4) – Conference with Legal Counsel.
Initiation of litigation: one potential case.

7. Announcements & Information

- a. Report from the General Manager (Scott Scholz)
- b. Financial Reports (Eric Oddo) Pg. 5
- c. Monthly Tonnage Reports (Will Scheffler) Pg. 7
- d. Facility Projects Update (Will Scheffler) Pg. 13

8. Consent Agenda

- a. Minutes of the Board Meeting held September 12, 2024 Pg. 17
Approve as submitted.
- b. Module 6 Liner Project (Ryan Schmidt) Pg. 21
 - 1. Approve an increase of \$250,000 to the spending authority associated with the Module 6 Liner Installation – Project No. PJ01894 delegated to the General Manager, increasing the total delegated spending authority to an amount not to exceed \$9,863,703.
 - 2. Determine that the recommended actions are each not a project pursuant to California Environmental Quality Act Guidelines Section 15378.
- c. Extension of Temporary Right of Entry Agreement with City of Roseville Pg. 31
(Sara Lyon)
 - 1. Authorize the General Manager to submit a letter to the City of Roseville requesting an extension to the Temporary Right of Entry agreement with the City of Roseville and Envirosuite, allowing for continued monitoring and maintenance of the WPWMA's ambient e-Noses at specific City of Roseville parks.
 - 2. Determine that the recommended action is not a project pursuant to California Environmental Quality Act Guidelines Section 15378.
- d. Agreement with LoCI Controls, Inc. (Eric Oddo) Pg. 39
 - 1. Authorize the General Manager to negotiate and, upon review and approval by WPWMA Counsel, execute a service agreement with LoCI Controls, Inc. (LoCI) to install, operate, and maintain a real-time data and control system for landfill gas extraction wells at the Western Regional Sanitary Landfill.
 - 2. Determine the recommended action is exempt from further environmental review pursuant to California Environmental Quality Act Guidelines Section 15306.

9. Action Items

- a. Sac State / Carlsen Center Work Orders (Emily Hoffman) Pg. 67
 - 1. Authorize the General Manager or designee, upon review and approval by WPWMA Counsel, to execute a work order with the Sac State / Carlsen Center for Innovation and Entrepreneurship to

Sac State / Carlsen Center for Innovation and Entrepreneurship to manage and facilitate a circular economy innovation competition on behalf of the WPWMA for an amount not to exceed \$55,000.

2. Authorize the General Manager or designee, upon review and approval by WPWMA Counsel, to execute a work order with the Sac State / Carlsen Center for Innovation and Entrepreneurship to initiate a WPWMA Innovation Lab and compensate faculty research to advance projects on the WPWMA's campus for an amount not to exceed \$25,000.
3. Determine that the recommended actions are not projects pursuant to California Environmental Quality Act Guidelines Section 15378.

- b. Fiscal Year 2024/25 Final Budgets (Eric Oddo) Pg. 87
 1. Approve the Fiscal Year 2024/25 Final Budgets for the Operating Fund, Closure/Postclosure Fund, Self-Insurance Fund and Odor Management Fund as presented in Exhibits A, B and C.
 2. Determine that the recommended action is not a project pursuant to California Environmental Quality Act Guidelines Section 15378.
- c. General Manager Spending and Signature Authorities (Scott Scholz) Pg. 103
 1. Adopt Policy 24-02 establishing guidelines for the WPWMA General Manager's authority to:
 - a. Commit or spend WPWMA funds not to exceed \$50,000 for any individual commitment or purchase and the terms under which the General Manager can delegate spending authority.
 - b. Act as the WPWMA's signature authority for all WPWMA Contracts, Agreements, Grants, Applications, and Reports and the terms under which the General Manager can delegate signature authority.
 2. Determine that the recommended actions are each not a project pursuant to California Environmental Quality Act Guidelines Section 15378.
- d. MRF Improvements Change Orders (Scott Scholz) Pg. 107
 1. Authorize the Chair to execute the Third Amendment to the Design/Build Agreement and the Fifth Amendment to the MRF Operating Agreement, subject to WPWMA Counsel concurrence, with FCC Environmental Services California, LLC.
 2. Authorize the General Manager to execute a Partial Exemption Certificate for Manufacturing and Research & Development Equipment for the benefit of FCC Environmental Services California, LLC.
 3. Authorize the General Manager, upon review and approval by WPWMA Counsel, to execute any necessary additional future change orders to the Design/Build Agreement with FCC Environmental Services California, LLC for an additional amount

not to exceed \$210,000 consistent with Section 20142 of the Public Contract Code.

4. Determine the recommended actions are each exempt from further environmental review pursuant to California Environmental Quality Act Guidelines Section 15301.

10. WPWMA Board Composition Discussion

This item is for discussion purposes only.

11. Reports from Directors

12. Upcoming Agenda Items

Identification of any items the Board would like staff to address at a future meeting.

13. Adjournment

Western Placer Waste Management Authority - Operations Fund Income Statement

(unaudited/depreciation excluded)

Year-to-Date
August 2024

		Year to Date			
	<u>Annual Budget</u>	<u>Budget</u>	<u>Actuals</u>	<u>Variance</u>	<u>Notes</u>
Revenue					
42010:Investment Income					
Interest / Investment Income	319,602	53,267	188,874	135,607	Budgeted a lower rate of return based on previous years' earnings rate
Interest with Fiscal Agent	303,071	50,512	413,000	362,488	
42030:Rents and Concessions	503,679	83,947	15,502	(68,444)	Includes \$55,586 in reverse accruals from FY23/24.
44270:State Aid - Other Programs	56,000	9,333	(201,437)	(210,771)	Includes \$214,344 in reverse accruals from FY23/24.
46240:Sanitation Services - Other	29,247	4,883	(5,018)	(9,901)	Tipping fee revenues tracking ~1% above budgeted amounts
46250:Solid Waste Disposal	49,175,673	8,287,743	8,373,857	86,114	Tipping fee revenues tracking ~1% above budgeted amounts
46430:Insurance	-	-	2,721	2,721	
48030:Miscellaneous	20,000	3,333	19,101	15,768	Reimbursement by FCC for permit fees paid by WPPWMA
49040: Gain/Loss on Fixed Asset Disposal	-	-	34,879	34,879	
49080: Operating Transfers In	-	-	-	-	
Total Revenue	50,407,273	8,493,018	8,841,479	348,461	
Expenses					
Capital Assets:					
54430:Buildings & Improvements	4,423,154	-	-	-	
54450:Equipment	2,359,811	-	-	-	
54470:Infrastructure	526,556	-	-	-	
54480:Land Improvements	8,039,659	-	22,591	(22,591)	West LF permitting costs
Operating Expenses:					
51010:Wages and Salaries	3,241,581	540,263	451,587	88,676	Admin/Fiscal Officer, Exec. Admin & Utility Service Worker positions not yet filled.
52030:Clothing and Personal	4,125	688	-	688	
52040:Communication Services Expense	12,000	2,000	933	1,067	
52050:Food	1,000	167	373	(207)	
52060:Household Expense	1,500	250	123	127	
52080:Insurance	489,448	81,575	94,825	(13,250)	Includes \$28,547 quarterly fee paid for County Risk Management services
52140:Parts	100	17	-	17	
52160:Maintenance	96,330	16,055	7,444	8,611	
52161:Maintenance - Building	5,000	5,000	-	5,000	
52170:Fuels & Lubricants	20,000	3,333	678	2,655	
52180:Materials - Buildings & Improvements	1,250	208	693	(484)	
52220:Laboratory Supplies					
52240:Professional / Membership Dues	12,000	12,000	895	11,105	Several professional membership annual dues and event booth fees not realized yet.
52250:Services and Supplies	7,500	1,250	-	1,250	
52260:Misc Expense	-	-	-	-	
52320:Printing	20,000	3,333	(4,428)	7,761	Includes \$4,531 in reverse accruals from FY23/24.
52330:Other Supplies	40,000	6,667	10,629	(3,962)	Accelerated purchase of scalehouse tickets.
52340:Postage	1,000	167	199	(32)	
52360:Prof. & Special Svcs - General	2,960,912	493,485	43,526	449,960	Includes \$183,774 in reverse accruals from FY23/24. Several projects not yet started.
52370:Professional and Special Services - Legal	350,000	58,333	11,036	47,297	August legal fees not yet realized
52380:Prof. & Special Svcs - Tech., Eng. & Env.					
SC3140 Building Maintenance Installation and Repair Services	200,000	33,333	-	33,333	CCTV maintenance service costs not yet realized
SC3180 MRF Operations	27,938,324	4,111,170	1,989,870	2,121,301	Includes \$2,024,226 in reverse accruals from FY23/24.
SC3190 Landfill Operations	2,790,653	465,109	687,249	(222,141)	Greater than projected material quantities received at WRSL
SC3320 Environmental and Ecological Services	110,000	18,333	23,400	(5,067)	Biofiltro 6-month pilot test monthly payments
SC3322 Hazardous Waste	500	83	-	83	
52390:Prof. & Special Svcs - County	200,000	33,333	10,434	22,899	Lower than expected County service fees
52400:Prof. & Special Svcs - IT	100,000	16,667	-	16,667	IT costs not yet realized
52440:Rents and Leases - Equipment	24,000	4,000	-	4,000	No equipment rental to date
52450:Rents and Leases - Buildings & Improvements	100	17	-	17	
52460:Small Tools & Instruments	1,000	167	288	(121)	
52470:Employee Benefit Systems	14,847	14,847	-	14,847	Applicable costs not realized yet
52480:PC Acquisition	6,000	-	-	-	
52510:Commissioner's Fees	6,000	1,000	900	100	
52540:Signing & Safety Material	250	42	-	42	
52560:Small Equipment	2,000	333	321	12	
52570:Advertising	689,000	114,833	(23,471)	138,304	Includes \$34,461 in reverse accruals from FY23/24. Several one-time costs not realized yet.
52580:Special Department Expense	4,200	4,200	2,358	1,842	
52785:Training / Education	17,000	17,000	105	16,895	Multiple staff training and conference attendance costs not yet realized
52790:Transportation and Travel	70,000	11,667	2,965	8,702	August fleet costs not yet realized
52800:Utilities	165,000	27,500	26,980	520	
52810:Operating Materials	-	-	-	-	
53050:Debt Issuance Costs	-	-	-	-	
53060:Bond Interest	4,521,535	-	-	-	
53190:Taxes and Assessments	549,878	137,470	3,109	134,361	Quarterly disposal taxes not realized yet.
53250:Contributions to Other Agencies	280,873	280,873	280,873	(0)	
53390:Transfer Out A-87 Costs	27,508	27,508	-	27,508	A-87 costs not realized yet.
55510:Operating Transfer Out	-	-	-	-	
55561:Interfund/Intrafund Activities Out	-	-	-	-	
59000:Appropriation for Contingencies	100,000	-	-	-	
Total Expenses	60,541,595	6,544,277	3,646,486	2,897,791	
Net Income/(Loss)	(10,134,322)	1,948,742	5,194,993	3,246,252	
Additional non Income Statement Transactions:					
Bond Proceeds	10,122,422	-	22,591	(22,591)	
Planned use of Reserves	3,750,000	625,000	-	625,000	
Total with Bond Proceeds and Reserves	3,738,100	2,573,742	5,217,585	3,848,661	

Notes:

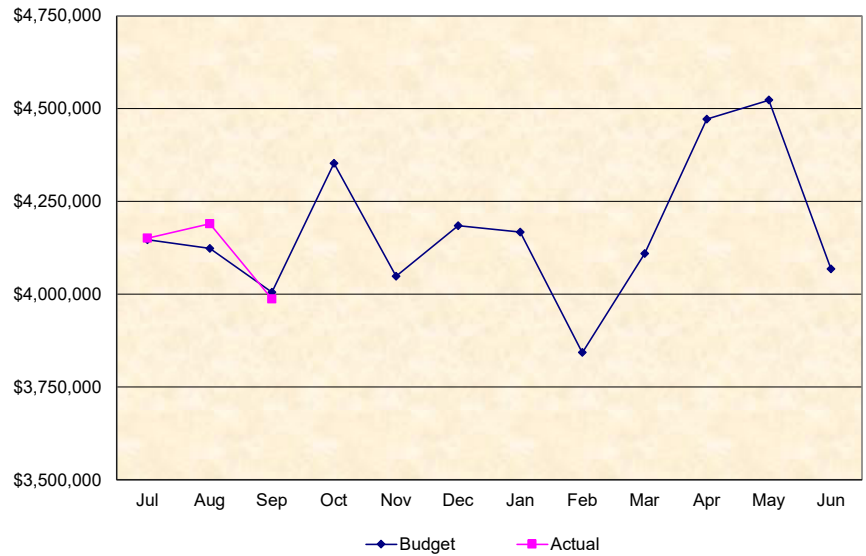
- Budgeted revenues and expenses are prorated equally each month of the fiscal year, whereas actual revenues and expenses reflect those realized as of the date of the report. This may lead to notable reported discrepancies between budgeted and actual amounts.
- Differences in the coding between the budgeted and actual revenues and expenses may result in notable reported discrepancies within the report.
- Additional non income Statement Transactions reflect amounts from WPPWMA's Balance Sheet and are shown on this report for tracking and informational purposes only.

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Fiscal Year 2024-2025

Combined Revenue

Month	Budget	Actual	Variance
Jul	\$4,146,950	\$4,150,771	\$3,821
Aug	\$4,123,593	\$4,189,663	\$66,070
Sep	\$4,005,325	\$3,987,149	(\$18,176)
Oct	\$4,352,558		
Nov	\$4,048,518		
Dec	\$4,184,750		
Jan	\$4,167,689		
Feb	\$3,842,833		
Mar	\$4,109,782		
Apr	\$4,471,548		
May	\$4,523,216		
Jun	\$4,068,308		
Totals:	\$50,045,070	\$12,327,584	\$51,716

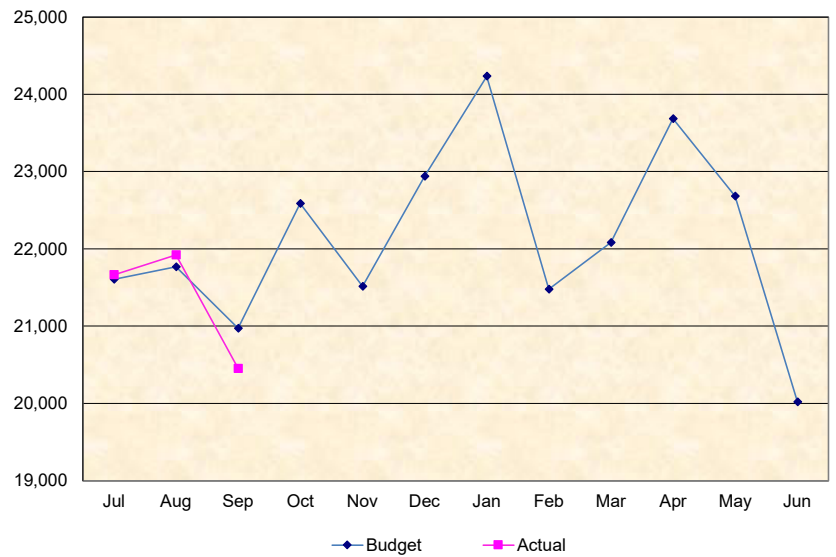


Combined Tipping Fee Revenue Year to Date

Budget	\$12,275,868
Actual:	\$12,327,584
Variance	\$51,716

MSW Tonnage

Month	Budget	Actual	Variance
Jul	21,608	21,663	55
Aug	21,768	21,921	153
Sep	20,972	20,450	(522)
Oct	22,588		
Nov	21,516		
Dec	22,941		
Jan	24,235		
Feb	21,478		
Mar	22,083		
Apr	23,684		
May	22,682		
Jun	20,023		
Totals:	265,579	64,034	(314)

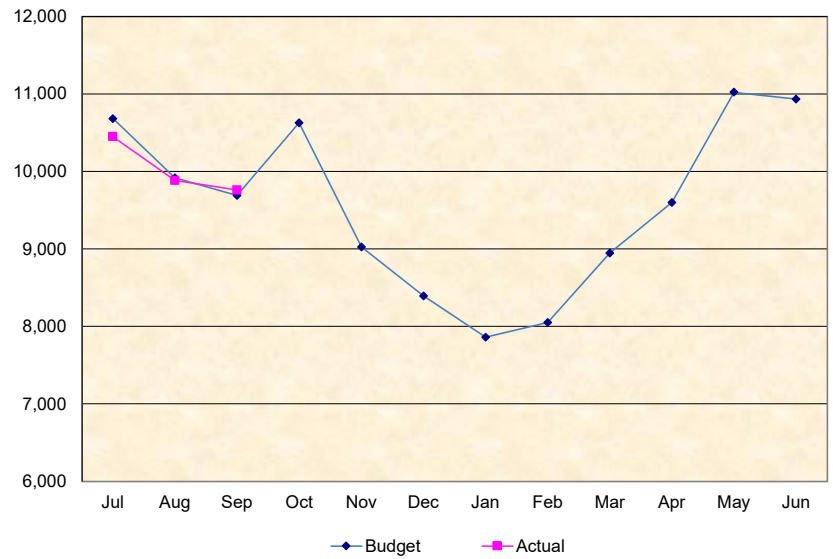


MSW Tonnage Year to Date

Budget:	64,348
Actual:	64,034
Variance	(314)

C&D Tonnage

Month	Budget	Actual	Variance
Jul	10,680	10,447	(232)
Aug	9,915	9,885	(31)
Sep	9,691	9,760	69
Oct	10,628		
Nov	9,023		
Dec	8,393		
Jan	7,861		
Feb	8,049		
Mar	8,944		
Apr	9,598		
May	11,021		
Jun	10,931		
Totals:	114,736	30,092	(194)

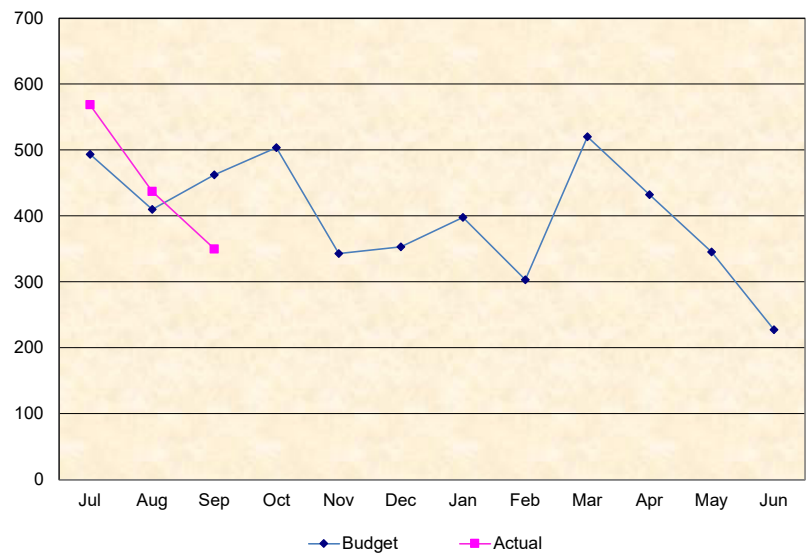


C&D Tonnage Year to Date

Budget:	30,286
Actual:	30,092
Variance	(194)

Sludge & Mixed Inerts Tonnage

Month	Budget	Actual	Variance
Jul	494	569	75
Aug	410	437	27
Sep	462	350	(113)
Oct	504		
Nov	343		
Dec	353		
Jan	398		
Feb	303		
Mar	520		
Apr	432		
May	345		
Jun	227		
Totals:	4,792	1,355	(11)

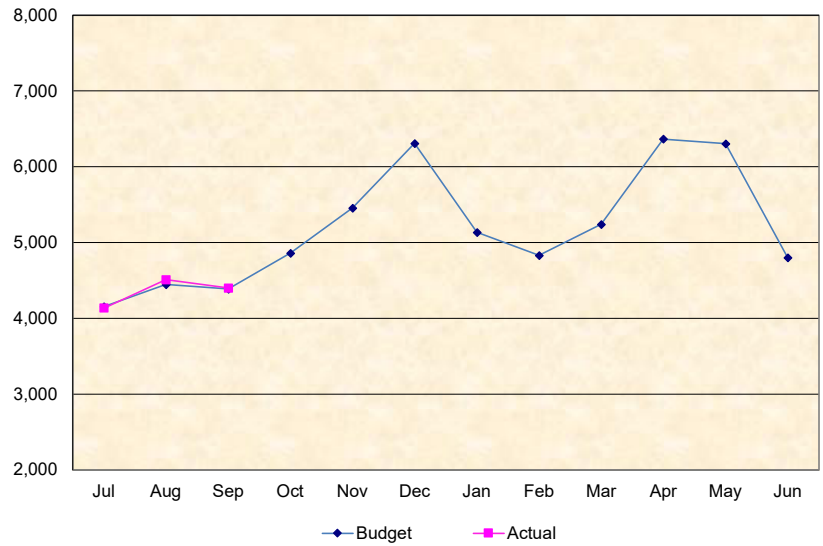


Sludge & Mixed Inerts Tonnage Year to Date

Budget:	1,366
Actual:	1,355
Variance	(11)

Green Waste Tonnage

Month	Budget	Actual	Variance
Jul	4,156	4,137	(19)
Aug	4,445	4,511	66
Sep	4,388	4,400	11
Oct	4,858		
Nov	5,456		
Dec	6,308		
Jan	5,135		
Feb	4,831		
Mar	5,241		
Apr	6,367		
May	6,303		
Jun	4,802		
Totals:	62,290	13,047	58

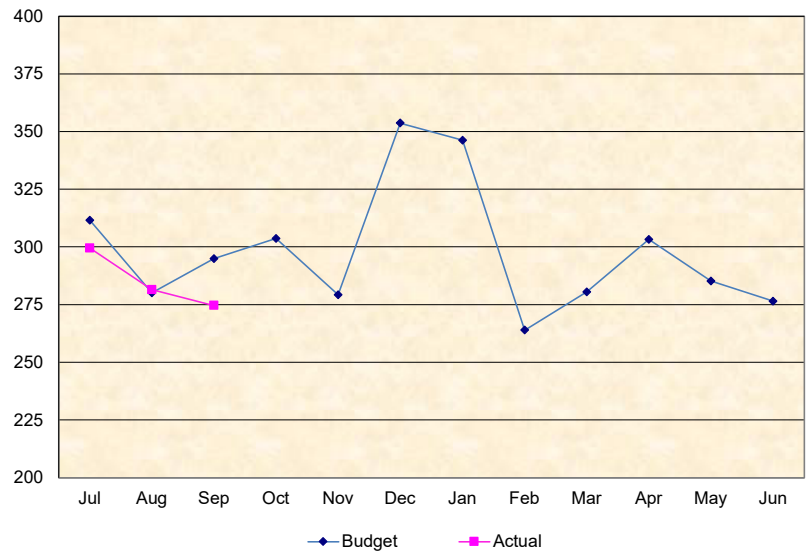


Green Waste Tonnage Year to Date

Budget:	12,990
Actual:	13,047
Variance	58

Food Waste Tonnage

Month	Budget	Actual	Variance
Jul	312	300	(12)
Aug	280	282	1
Sep	295	275	(20)
Oct	304		
Nov	279		
Dec	354		
Jan	346		
Feb	264		
Mar	281		
Apr	303		
May	285		
Jun	276		
Totals:	3,579	856	(31)

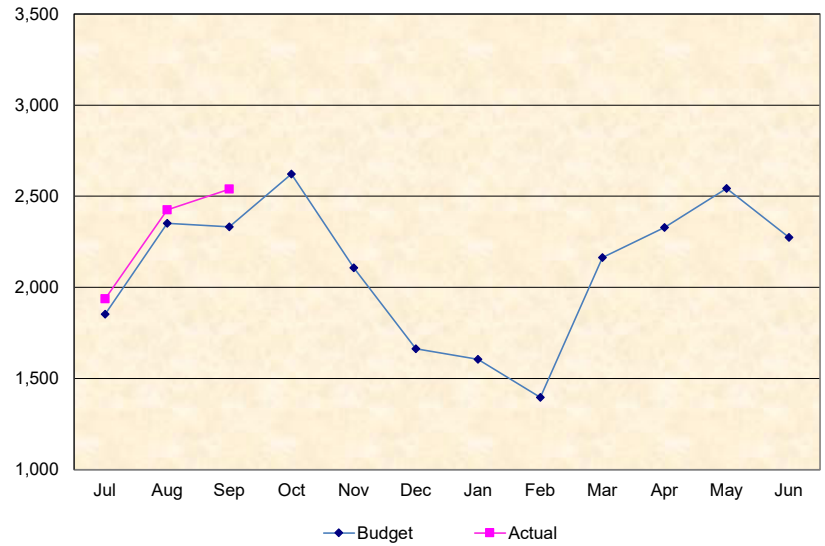


Food Waste Tonnage Year to Date

Budget:	887
Actual:	856
Variance	(31)

Inerts Tonnage

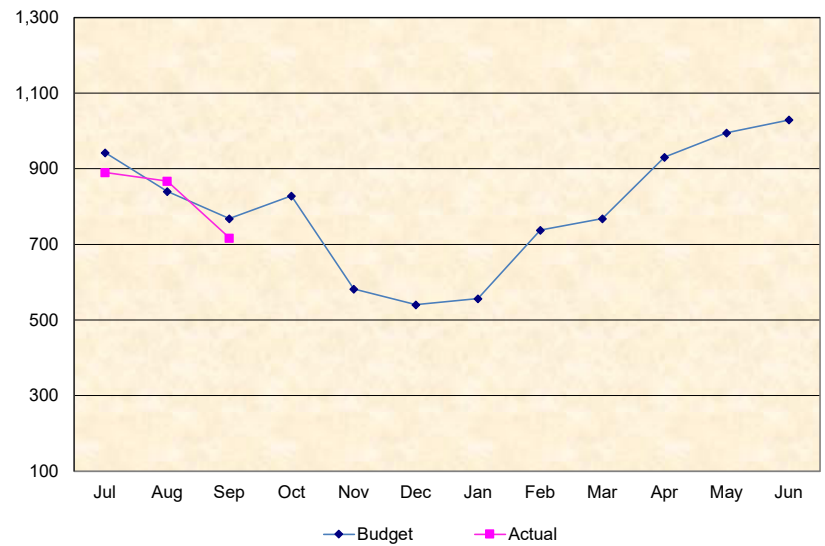
Month	Budget	Actual	Variance
Jul	1,852	1,937	85
Aug	2,352	2,425	73
Sep	2,333	2,540	207
Oct	2,623		
Nov	2,107		
Dec	1,664		
Jan	1,605		
Feb	1,396		
Mar	2,163		
Apr	2,329		
May	2,543		
Jun	2,274		
Totals:	25,242	6,902	365

**Inerts Tonnage Year to Date**

Budget:	6,537
Actual:	6,902
Variance	365

Wood Tonnage

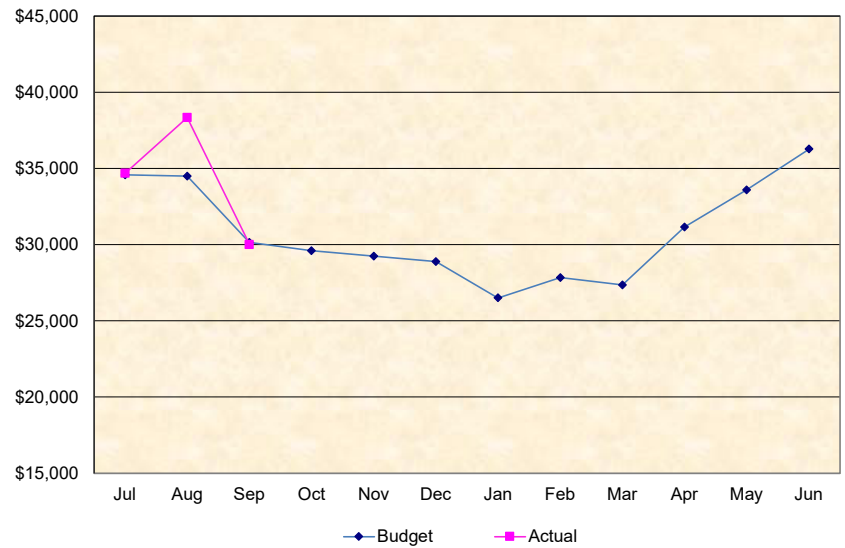
Month	Budget	Actual	Variance
Jul	943	891	(52)
Aug	840	867	27
Sep	768	717	(51)
Oct	828		
Nov	582		
Dec	541		
Jan	557		
Feb	738		
Mar	768		
Apr	931		
May	995		
Jun	1,030		
Totals:	9,521	2,475	(77)

**Wood Tonnage Year to Date**

Budget:	2,551
Actual:	2,475
Variance	(77)

Miscellaneous Tipping Fee Revenue

Month	Budget	Actual	Variance
Jul	\$34,587	\$34,676	\$90
Aug	\$34,502	\$38,342	\$3,839
Sep	\$30,150	\$30,003	(\$147)
Oct	\$29,595		
Nov	\$29,233		
Dec	\$28,886		
Jan	\$26,510		
Feb	\$27,827		
Mar	\$27,349		
Apr	\$31,144		
May	\$33,581		
Jun	\$36,269		
Totals:	\$369,633	\$103,021	\$3,782



Miscellaneous Tipping Fee Revenue Year to Date

Budget:	\$99,239
Actual:	\$103,021
Variance	\$3,782

Miscellaneous tipping fee revenue reflects tipping fees received from tires, treated wood waste, appliances, and water treatment plant sludges.

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**MEMORANDUM
WESTERN PLACER WASTE MANAGEMENT AUTHORITY**

TO: **WPWMA BOARD OF DIRECTORS** DATE: **OCTOBER 10, 2024**
FROM: **SCOTT SCHOLZ / WILL SCHEFFLER** *WS*
SUBJECT: **ITEM 7D: FACILITY PROJECTS UPDATE**

RECOMMENDED ACTION:

None. This item is for information purposes only.

BACKGROUND:

This report focuses on ongoing projects across WPWMA's campus including the Materials Recovery Facility (MRF) and Western Regional Sanitary Landfill (WRSL).

MRF Improvements

Phase 1 – C&D and Greenwaste ASP

On September 25, 2024, FCC indicated that the new green waste aerated static pile (ASP) system would be tested with material as a part of the commissioning process. For reference, FCC originally projected ASP completion and startup by November 2023.

Phase 2 – Maintenance Building and ADA Improvements

Construction of the remainder of the parking lot ADA improvements, which started in early April, remains on hold pending FCC approval of contractor change orders. Based on FCC's original schedule, ADA improvements were expected to be completed by September 2023.

Phase 3A – MRF

VanDyk continues to install new equipment inside the MRF, with roughly 45% of equipment in place as of the first week in October.

On August 26, 2024, WPWMA issued a Construction Change Directive to FCC to prepare the design of a fully compliant MRF fire suppression system for WPWMA written approval. WPWMA management received the proposed design from FCC on September 23. Staff engaged an independent, third-party fire suppression system engineer to review and comment on the design and transmitted comments to FCC on October 7.

Design revisions pertaining to the "alley way" between the east side of the MRF and north compost pond are currently under review by Placer County and anticipated to be approved the week of October 7. Completion of the alley way is anticipated to take approximately three months, weather dependent.

Phase 3B – MSW CASP and Traffic Improvements

Placer County recently approved the Phase 3B plans and are now permitted for construction. FCC has elected to remove the permitting of the Odor Control equipment scheduled to be installed along the northwest side of the MRF building from this phase work and intends to permit the equipment separately at a later date.

FCC indicated to WPWMA that it anticipates beginning construction on this this month.

Certificate of Occupancy

On October 2, Placer County issued Temporary Certificates of Occupancy and permit approvals related to C&D, maintenance, and greenwaste ASP. Final approvals are subject to the WPWMA granting roadway easements to Placer County along Fiddymont Road. Following meetings between the WPWMA and Placer County in early September, staff understand that Placer County is preparing a letter to the WPWMA outlining a proposed process to resolve the easement issue.

Module 6 Liner Project

Staff submitted a work plan to the Water Board for the installation of subsurface water mitigation measures in Module 6 due to the presence of water below the existing liner system adjacent to Module 6. Staff is also developing a work plan for exploration and remediation of the source of the sub-membrane water, which is most likely related to the separation liner between Modules 5 and 13 – these additional efforts would occur in the Spring of 2025. Staff does not expect this to affect the finalization and approval of the Module 6 Liner Project.

Notable upcoming construction items include the leak detection testing on the entirety of the Module 6 liner and placement of the operations layer. The construction contractor is currently on schedule for substantial project completion in mid-November.















































BioFiltro Pilot Project

BioFiltro recently implemented two modifications to the treatment process that are undergoing testing for their individual and combined effectiveness at treating the landfill leachate to a level sufficient to meet the discharge requirements identified by the South Placer Wastewater Agency. These additional processes include:

1. Recirculation, wherein half of the effluent exiting the filtration system is recirculated through the treatment process.
2. Addition of a carbon filter downstream of the filtration system prior to entering the sewer.

Effectiveness of these modifications have varied; however, staff believes the combination of these elements will allow for the most effective treatment of the target constituents.

ATTACHMENTS: FCC CRITICAL PATH UPDATE

ID		Task Mode	Task Name	Duration	Start	Finish	Predecessors	Resource Names
1			C&D Improvements	244 days	Tue 4/4/23	Fri 3/8/24		
2			Sawcut and remove existing concrete	15 days	Wed 5/10/23	Tue 5/30/23		
3			Subgrade Prep/Curing/Slab for Van Dyk	74 days	Tue 5/30/23	Fri 9/8/23		
4			Van Dyk Equipment Mechanical Installation	40 days	Fri 8/18/23	Thu 10/12/23		Van Dyk
5			Van Dyk Equipment - Electrical and Automation Installation	20 days	Fri 10/13/23	Thu 11/9/23	4	Van Dyk
6			PEMB - Canopy Submittals/Shop Drawings & Review Comments	60 days	Tue 4/4/23	Mon 6/26/23		Contractor
7			PEMB - Canopy Fabrication & Delivery	74 days	Tue 6/27/23	Fri 10/6/23	6	Contractor
8			PEMB - Canopy Installation	25 days	Mon 10/9/23	Fri 11/10/23	7	Contractor
9			PEMB - Electrical	60 days	Mon 10/30/23	Fri 1/19/24	8FS-10 days	Contractor
10			VanDyk C&D Equipment Testing	45 days	Wed 11/22/23	Tue 1/23/24		VanDyk
11			Compressor Building	80 days	Mon 1/8/24	Fri 4/26/24	6FS+14 days	Contractor
12			MRF RETROFIT CONSTRUCTION	437 days	Thu 10/5/23	Fri 6/6/25		
13			Prepare Bid Package	25 days	Thu 10/5/23	Wed 11/8/23		SCS,All
14			Bid Advertisement	1 day	Tue 12/5/23	Tue 12/5/23	13	SCS
15			Evaluate Bid/FCC Recommendation	5 days	Thu 1/4/24	Wed 1/10/24		SCS
16			FCC - Contracting	5 days	Mon 1/29/24	Fri 2/2/24	15	FCC
17			FCC - Issue Notice to Proceed to Contractor	1 day	Mon 2/5/24	Mon 2/5/24	16	SCS
18			Existing Equipment Removal	80 days	Mon 2/5/24	Fri 5/24/24		Contractor
19			MRF Retrofit - Contractor	242 days	Thu 3/7/24	Fri 2/7/25		Van Dyk
20			MRF Retrofit - Van Dyk	200 days	Mon 6/17/24	Fri 3/21/25		
21			Electrical Improvements	140 days	Mon 9/23/24	Fri 4/4/25	20SS+70 days	Contractor
22			Seismic Anchors	70 days	Mon 11/4/24	Fri 2/7/25	20SS+100 days	Contractor
23			VanDyk MRF Equipment Testing & Commissioning	35 days	Mon 3/24/25	Fri 5/9/25	20	FCC, VanDyk
24			MRF Start-up	20 days	Mon 5/12/25	Fri 6/6/25	23	
25			CASP AND TRAFFIC IMPROVEMENTS	235 days	Mon 9/16/24	Fri 8/8/25		
26			Installing Cover Conveyor	30 days	Sat 2/1/25	Thu 3/13/25		
27			Civil works for Covers	90 days	Sun 12/1/24	Thu 4/3/25		
28			Gore Covers Installation	60 days	Fri 4/4/25	Thu 6/26/25	27	
29			Round about and other traffic improvements	70 days	Fri 3/14/25	Thu 6/19/25	26	

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WESTERN PLACER WASTE MANAGEMENT AUTHORITY

Minutes of September 12, 2024

Meetings of the Western Placer Waste Management Authority Board of Directors are held in the WPWMA Board Chambers at 3013 Fiddymont Road, Roseville, CA.

Directors Present:

Shanti Landon
Scott Alvord
Bill Halldin
Holly Andreatta

Staff Present:

Scott Scholz
Eric Oddo
Robert Sandman
Will Scheffler
Ryan Schmidt
Heather Wilden

1. Call Meeting to Order: Chair Landon called the meeting to order at 5:30 PM.
2. Pledge of Allegiance: Director Halldin led the Pledge of Allegiance.
3. Roll Call: Director Gore was absent.
4. Statement of Meeting Procedures: Heather Wilden read the statement of meeting procedures.
5. Public Comment: None
6. Announcements & Information

- a. Report from the General Manager:

Scott Scholz provided the following updates:

Staff have been negotiating with FCC regarding their MRF Improvements Project change order requests.

The green waste aerated static pile composting system is in the final testing phase. Scott encouraged the Board to view the MRF Improvements Project as it progresses. WPWMA staff have reviewed design plans for phase 3B and provided comments to FCC.

WPWMA Counsel released the RFP for legal services with the intent of selecting a firm before the end of calendar year.

The WPWMA's Annual Odor Workshop is scheduled for October 29, 2024.

WPWMA is sponsoring the GFX Growth Factory conference on October 10, 2024.

Discussions continue with Sierra College regarding the potential sale of a portion of the WPWMA's western property for a regional public safety training center.

Wisewood Energy presented a concept to staff for a biomass facility on the WPWMA's campus.

Staff are preparing a Landfill Gas to Energy RFP as requested by the Board.

- b. Financial Reports: Eric Oddo summarized the report. There were no questions from the Board.
- c. Monthly Tonnage Reports: Will Scheffler summarized the report. There were no questions from the Board.

- d. Facility Projects Update: Will Scheffler summarized the report and answered questions from the Board.
- e. FY 2023/24 Creditable Recovery Rates: Will Scheffler summarized the report. There were no questions from the Board.

7. Consent Agenda

- a. Minutes of the Board Meeting held August 8, 2024
Staff recommended the Board approve the minutes as submitted.
- b. Authorization to Apply for CalRecycle Grants
Staff recommended the Board:
 - 1. Adopt Resolution No. 24-09 authorizing the General Manager or designee to apply for, execute, and manage all Department of Resources Recycling and Recovery grants for which the WPWMA is eligible.
 - 2. Determine that the recommended action is not a project pursuant to California Environmental Quality Act Guidelines Section 15378.

The Chair opened public comment on the Consent Agenda; no comments were received.

MOTION TO APPROVE: Halldin/Alvord/Unanimous

8. Action Items

- a. General Manager Spending and Signature Authorities
Staff recommended the Board:
 - 1. Adopt Policy 24-02 establishing guidelines for the WPWMA General Manager's authority to:
 - a. Commit or spend WPWMA funds not to exceed \$100,000 for any individual commitment or purchase and the terms under which the General Manager can delegate spending authority.
 - b. Act as the WPWMA's signature authority and legal representative or legally responsible person for all WPWMA Contracts, Agreements, Grants, Applications, and Reports and the terms under which the General Manager can delegate signature authority.
 - 2. Determine that the recommended action is not a project pursuant to California Environmental Quality Act Guidelines Section 15378.

Chair Landon pulled the item from the agenda to be heard at a future meeting.

9. Closed Session

- a. Government Code §54956.9(d)(4) – Conference with Legal Counsel. Initiation of litigation: two potential cases.
Robert Sandman reported out of Closed Session that the Board heard a report and no action was taken.

10. Reports from Directors

Scott Alvord noted his appreciation to staff for providing a tour of the Module 6 Liner project.

11. Upcoming Agenda Items

Director Alvord reiterated his previous request to add WPWMA Board Composition to the future agenda.

Director Halldin suggested moving the November 14 meeting to another date as several Board members have conflicting obligations.

12. Adjournment: Meeting was adjourned at 6:09 PM.

Respectfully Submitted,



Heather Wilden, Clerk of the Board

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**MEMORANDUM
WESTERN PLACER WASTE MANAGEMENT AUTHORITY**

TO: **WPWMA BOARD OF DIRECTORS**
FROM: **SCOTT SCHOLZ / RYAN SCHMIDT** *RS*
SUBJECT: **ITEM 8B: MODULE 6 LINER PROJECT**

DATE: **OCTOBER 10, 2024**

RECOMMENDED ACTION:

1. Approve an increase of \$250,000 to the spending authority associated with the Module 6 Liner Installation – Project No. PJ01894 delegated to the General Manager, increasing the total delegated spending authority to an amount not to exceed \$9,863,703.
2. Determine that the recommended actions are each not a project pursuant to California Environmental Quality Act Guidelines Section 15378.

BACKGROUND:

At the May 11, 2023 meeting, your Board authorized execution of an agreement with Anderson Dragline, Inc. (ADI) for construction of the Module 6 Liner system. Project construction began in August 2023 with completion originally anticipated in February 2024. Due to weather-related issues and a directive from the Water Board, the WPWMA temporarily suspended construction of Module 6 effective December 25, 2023.

Project construction activities in May 2024, and the Water Board conducted a site visit following project resumption. The Water Board expressed concern with the presence of water below the neighboring existing liner systems (Modules 5 and 13) and issued a series of letters to WPWMA requesting a mitigation plan to capture, remove, quantify, and prevent the spread of the sub-membrane water. Staff submitted the attached comprehensive work plan (Plan) for the installation of the mitigation measures on September 27, 2024.

Due to the proximity to the Module 6 Liner Construction Project and nature of the work, staff recommends that ADI perform the work outlined in the Plan under a change order to the project. This work is estimated to cost approximately \$200,000; staff recommend your Board authorize an additional \$250,000 in spending authority to the project to cover this anticipated cost and ensure sufficient contingency funding is available should it be necessary.

The scope of work for Change Order #6 includes construction of a series of geomembrane-lined trenches, a collection area for sub-membrane water, an extraction point for sub-membrane water, and general soil fill to the mitigation area.

ENVIRONMENTAL CLEARANCE:

An Environmental Impact Report (EIR) for the Western Regional Sanitary Landfill, including liner projects, was certified by your Board in August of 1996; a supplemental EIR was certified by your Board in August of 2000. No further environmental review is required.

FISCAL IMPACT:

The recommended action would increase the total project cost to a not-to-exceed amount of \$9,863,703. The proposed total project spending authority reflects the entirety of the Series 2022 B bonds allotted for this project, plus an additional \$1,248,703 funded by cancelling funds from the Operating Fund – Contingencies Reserve Account typically used by the WPWMA for landfill related development costs.

STRATEGIC PLAN/GOALS:

Goal 4 – Establish well-planned infrastructure and ensure its proper operation.

ATTACHMENT: WORKPLAN



Shanti Landon, Placer County, Chair

Scott Alvord, City of Roseville

Bonnie Gore, Placer County

Bill Halldin, City of Rocklin

Holly Andreatta, City of Lincoln

Scott Scholz, General Manager

September 27, 2024

Mr. Brad Shelton, P.G., C.E.G.
California Regional Water Quality Control Board
Central Valley Region, Sacramento Office (5S)
11020 Sun Center Drive, Suite 200
Rancho Cordova, CA 95670-6114

RE: WORK PLAN FOR INSTALLATION, MONITORING, AND REMOVAL OF SUB-MEMBRANE WATER AT THE MODULE 5, 6, 12, AND 13 QUADRIPOINT; WESTERN REGIONAL SANITARY LANDFILL; PLACER COUNTY

Dear Mr. Shelton:

On September 12, 2024, the Western Placer Waste Management Authority (WPWMA) received a letter from the Water Board regarding the module 5, 6, 12, 13 quadripoint intertie (quadripoint) in follow-up to a meeting held between the two parties on August 26, 2024 addressing the presence of sub-membrane water at the quadripoint. During the meeting, both parties expressed their concerns regarding the presence of the water and the unknown nature of the water's source and the WPWMA presented a preliminary design aimed at removing existing and recurring sub-membrane water. The preliminary design also addressed mitigation of the migration of the sub-membrane water beyond the quadripoint area. WPWMA staff believe that once these measures are in place, the Module 6 and Module 5 liner systems will be isolated from sub-membrane water intrusion.

The following Work Plan addresses the installation, monitoring, and removal of sub-membrane water occurring at the quadripoint area. The WPWMA looks forward to the Water Board's comments and feedback as soon as possible to ensure ample time to put the mitigation measures in place for the upcoming 2024 wet season.

Sincerely,

Ryan Schmidt, P.E.
Civil Engineer – Associate

ATTACHMENTS: 2024-2025 QUADRIPOINT SUB-MEMBRANE WATER MITIGATION WORK PLAN

CC: JARROD RAMSEY-LEWIS, JOHN MURPHY; CALIFORNIA REGIONAL WATER QUALITY CONTROL BOARD
SCOTT SCHOLZ, ERIC ODDO, ANELLE CONCEPCION; WESTERN PLACER WASTE MANAGEMENT AUTHORITY



WORK PLAN

2024-2025 QUADRIPOINT SUB-MEMBRANE WATER MITIGATION WORK PLAN

SUBMITTED TO:

CALIFORNIA REGIONAL WATER QUALITY CONTROL BOARD

11020 Sun Center Drive, Suite 200
Rancho Cordova, CA 95670-6114

SUBMITTED BY:

WESTERN PLACER WASTE MANAGEMENT AUTHORITY

3013 FIDDYMENT ROAD, ROSEVILLE, CA 95747

SEPTEMBER 2024

Introduction

Purpose and Scope

This work plan outlines the procedures for the installation and monitoring of sub-membrane water mitigation measures to be implemented in the Module 5, 6, 12, 13 Quadripoint (quadripoint) before the 2024 wet season (i.e., October 14 – April 15). Installation will be performed by Anderson Dragline, Inc. (Contractor). Monitoring of the mitigation measures will continue throughout the 2024 wet season to ensure their effectiveness. Monitoring includes, but is not limited to, the qualitative monitoring of the measures implemented, the quantitative monitoring of the sub-membrane water chemistry, and the routine removal of sub-membrane water.

This work plan provides a comprehensive framework for the installation and monitoring of sub-membrane water isolation/migration mitigation measures and ensures all activities are conducted in a methodical and technically sound manner, in compliance with regulatory requirements and best practices.

Project Background

The Module 6 Liner Construction Project began in Fall 2023 with an original estimated completion date of January 2024. A wetter than average winter season caused more construction delays than originally anticipated. In December 2023, WPWMA made the decision to suspend the project, expecting the project to resume in the Spring of 2024. The Water Board further requested the suspension of the Project in January 2024. WPWMA took this opportunity to ensure that the project would not resume until full approval was reached with the Water Board Permitting Division.

WPWMA and the CQA Consultant (WSP) began inspecting the project as the weather dried up to assess any adverse effects of the portions of the liner that had already been constructed. In May, WPWMA discovered the presence of sub-membrane water beneath the eastern side-slope geomembrane separating Module 6 from Modules 12 and 13. This water was trapped in the side-slope runout area on the floor of the module, behind the extrusion weld that runs parallel to the toe of the slope. WPWMA and WSP then worked to systematically explore the extent of the sub-membrane water and any adverse impacts on previously constructed/placed liner materials. All affected liner materials – including Geosynthetic Clay Liners – were removed and replaced according to the original project technical specification document.

WPWMA traced the flow and presence of sub-membrane water to the quadripoint area throughout the remediation process. Exhibit 1 contains a Site Plan depicting the quadripoint and immediately surrounding area.

During the July 18, 2024 Water Board on-site project inspection, WPWMA described the extent of the impacted area, along with the repair/initial remediation efforts conducted by WPWMA including a soil berm placed beneath the liner system mitigating the migration of the sub-membrane water into the Module 6 area.

On September 12, 2024, the Water Board required the WPWMA to produce a Work Plan describing the methods of isolation, removal, and monitoring of the sub-membrane water throughout the 2024-2025 wet season. This proposed Work Plan is intended to comply with that requirement.

Objectives

The primary objective of this Work Plan is to describe the methods implemented to protect the integrity of the of the Module 6, and Module 5 containment systems.

This Work Plan will describe the following in more detail:

- Mitigation measure installation details
- Monitoring and reporting for the installed measures (qualitative and quantitative)
- Sub-membrane water testing requirements and reporting

Installation of Mitigation Measures

Description of Mitigation Measures

The following mitigation measures will be installed on the upper platform in the immediate area of the quadripoint (Exhibit 1, Section 1).

- Trenches will be installed parallel to the previously installed mitigation berm and lined with geomembrane to prevent additional sub-membrane water migration.
- The northern trench will be filled with compacted, native soil according to the technical specifications for engineered fill and capped with geomembrane to prevent water infiltration into the engineered fill.
- The southern trench will be filled with LCRS Gravel per the Module 6 liner technical specifications and will act as the collection/isolation area for any additional sub-membrane water. A small temporary dry well will be installed in the collection area to allow for the collection/monitoring/sampling/removal of sub-membrane water.

The following mitigation measures will be installed along the eastern slope of the Module 5/6 boundary (Exhibit 1, Section 2).

- A trench will be dug along the Module 5/6 boundary to isolate Module 6 from any sub-membrane water migration and lined with geomembrane according to the Module 6 Liner Project Technical Specifications.
- The trench will be backfilled with native soil and compacted to a firm an unyielding state.
- The trench will then be capped with geomembrane and sealed with extrusion welds.

Upon completion of the trench/dry well installation, soil fill will be applied to the quadripoint area to further isolate the area from the presence of any surface water flows. Soil fill will also take place in the area located southwest of the quadripoint where ponding has historically occurred. WPWMA will ensure that the southwest area is re-graded to promote surface flows away for the quadripoint area. All soil fill areas are described in Exhibit 1, Site Plan, as well as Exhibit 1, Section 1.

All mitigation measures will be conducted in accordance with the approved Module 6 Liner Construction Project Technical Specifications.

Installation Procedures

Contractor will begin the installation by cutting the primary geomembrane in the trench areas. Once the geomembrane has been folded back, the Contractor will work with hand equipment to dig the trenches as shown in Exhibit 1. Contractor will line all trenches with geomembrane –

welding will take place as shown in Exhibit 1. Trenches will be filled with soil and capped with geomembrane. Geomembrane caps will be extrusion welded to the existing geomembrane liner. The collection trench will be constructed according to Exhibit 1, Section 1, ensuring that the isolation trench collects all sub-membrane water flowing for the south and the east.

After the completion of the trenches, Contractor will apply soil fill according to the Exhibit 1, Site Plan. Fill areas will be graded to promote drainage away from the quadripoint area and towards the Module 6 stormwater collection basin. The Contractor will also ensure that access for the temporary dry well is maintained for all monitoring, pumping, and sampling efforts that will take place throughout the 2024 wet season.

Equipment and Materials

Equipment used for construction will consist of hand tools to ensure that liner system integrity is preserved throughout construction. Equipment access for the quadripoint area is extremely limited; the Contractor will use motorized equipment for soil fill operations only as necessary.

Welding equipment will consist of extrusion welding machines. All geomembrane and GCL materials used during installation will be consistent with the Module 6 Liner Design and meet the Module 6 Liner Construction Project Technical Specifications.

Schedule and Timeline

WPWMA has engaged the Contractor to begin background tasks in preparation of the implementation of this work plan and will authorize the Contractor to implement these measures concurrent with the submission of this Work Plan to the Water Board. WPWMA anticipates that construction will be in progress prior to October 1, 2024, with a projected completion date by October 15, 2024.

Quality Assurance and Quality Control (QA/QC)

WPWMA will continue to engage with the current Module 6 Liner Project CQA/QC consultant (WSP). WSP will conduct all CQA/QC activities, record keeping, sampling, and testing in accordance with the approved Module 6 Liner Design Report, Plans, and Technical Specifications.

Monitoring Plan for Constructed Measures

Monitoring Objectives

WPWMA acknowledges the critical nature of these mitigation measures and will continue to remain proactive in monitoring the effectiveness of the installed measures. WPWMA believes that a frequent and extensive monitoring program will allow the WPWMA to promptly and effectively respond to changing conditions throughout the 2024 wet season, ultimately preserving the integrity of the surrounding liner systems.

Monitoring Frequency

Monitoring will occur daily following the installation of the identified mitigation measures. Initial monitoring will provide a baseline for the collection/isolation system. If no rain events occur and no sub-membrane water is present in the dry well for a week's time, monitoring will be reduced to twice per calendar week. Monitoring frequency will revert to daily monitoring if: 1) any sub-membrane water is present in the dry-well, or 2) following a rain event of over 0.2 inches in a

24-hour period. Monitoring will conclude after two months without the presence of sub-membrane water in the dry well/collection area.

Monitoring/Data Collection Methods

Monitoring/data collection activities will include the following:

- Measuring the height of the water column in the dry well.
- Qualitative observation of the quadripoint area including, but not limited to water flow, ponding, erosion, etc.
- Pumping the dry well of all contents into a separate containment vessel which will be emptied into the leachate-sewer discharge point on site.
- Quantifying and recording the volume of water pumped from the dry well.

Data Management and Reporting

All data collected during the monitoring process will be aggregated into a single spreadsheet and will be included with the groundwater testing results described in the following section, and submitted to the Water Board at the conclusion of the monitoring period.

Contingency Plans

WPWMA acknowledges the possible need for alteration of this Work Plan as the 2024 wet season progresses and will remain in direct contact with the Water Board throughout the monitoring period. The Water Board will be notified if circumstances surrounding the mitigation measures substantially changes.

Sub-Membrane Water Testing Requirements

Testing Objectives

WPWMA will periodically test the chemistry of any sub-membrane water collected in the dry well. Water chemistry results are intended to provide WPWMA and the Water Board with empirical evidence that can be used to estimate the origin of the sub-membrane water. Periodic monitoring throughout the 2024 wet season will also provide the WPWMA with the data required to monitor trends and changes as they occur.

Testing Parameters

WPWMA will submit samples for analytical/laboratory testing consistent with the quarterly monitoring requirements for leachate described in the current Waste Discharge Requirements for Western Regional Sanitary Landfill, Placer County.

WPWMA will provide the Water Board a complete summary table of all sampling results conducted during the applicable monitoring period.

Sampling Methods and Protocols

WPWMA will follow sampling methods and protocols consistent with best practices as defined by the United States Environmental Protection Agency.

Frequency of Testing

WPWMA will sample the collected sub-membrane water on a weekly basis as water remains present in the dry well. If water is not present on a given week, the sampling event will be skipped. All skipped events will be clearly noted on the results summary table.

Conclusion

Summary of Planned Activities

WPWMA will begin the construction of the mitigation measures outlined in this Work Plan immediately following transmittal to the Water Board and anticipates that the mitigation measures will be complete prior to the start of the 2024 wet season (i.e., October 15, 2024).

Upon installation completion, WPWMA will begin the monitoring and sampling programs outlined in this work plan. These programs will continue throughout the 2024 wet season and conclude when the dry well has remained dry for two consecutive months.

After concluding the monitoring and sampling programs, WPWMA will compile the monitoring and laboratory data and transmit it to the Water Board.

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**MEMORANDUM
WESTERN PLACER WASTE MANAGEMENT AUTHORITY**

TO: **WPWMA BOARD OF DIRECTORS** DATE: **OCTOBER 10, 2024**
FROM: **SCOTT SCHOLZ / SARA LYON** 
SUBJECT: **ITEM 8C: EXTENSION OF TEMPORARY RIGHT OF ENTRY
AGREEMENT WITH CITY OF ROSEVILLE**

RECOMMENDED ACTION:

1. Authorize the General Manager to submit a letter to the City of Roseville requesting an extension to the Temporary Right of Entry agreement with the City of Roseville and Envirosuite, allowing for continued monitoring and maintenance of the WPWMA's ambient e-Noses at specific City of Roseville parks.
2. Determine that the recommended action is not a project pursuant to California Environmental Quality Act Guidelines Section 15378.

BACKGROUND:

The WPWMA has undertaken a series of efforts over the years to address odors associated with its facility including employing systems to measure and record on- and off-site odors. In 2014 the WPWMA installed a continuous odor monitoring system (COMS) to provide for a more accurate and quantifiable analysis of the dispersion of odors generated by WPWMA's facilities. The system has been operated and maintained by Envirosuite and currently includes five on-site collection sensors and off-site sensors. These collection sensors, referred to as ambient e-Noses, have allowed for greater monitoring of odor conditions within the facility and adjacent community. The e-Noses provide early indication of odor in ambient air and have been useful to the WPWMA in identifying and addressing odor issues before they are experienced by the public.

On July 27, 2021, following approval by your Board, a three-year Temporary Right of Entry was entered into between WPWMA, Envirosuite and the City of Roseville for the installation of ambient e-Noses at the Stizzo, Mel Hamel and Davis Parks within City limits. The Temporary Right of Entry expired on September 1, 2024 and allows for extension "upon mutual written agreement of the parties." Following discussion between WPWMA and City of Roseville staff, the City has requested that WPWMA provide a written request, signed by both WPWMA and Envirosuite, for a one-year extension.

Based on the WPWMA's reliance on these e-Noses to investigate odors, staff recommends your Board authorize the General Manager or designee to request and execute an extension to the Temporary Right of Entry.

ENVIRONMENTAL CLEARANCE:

The recommended action is not a project pursuant to California Environmental Quality Act Guidelines Section 15378.

FISCAL IMPACT:

There is no direct cost associated with the recommended action.

STRATEGIC PLAN/GOALS:

GOAL 1 – Improve outreach efforts, public education, and customer experience/service.

ATTACHMENT: 2021 CITY OF ROSEVILLE TROE

TEMPORARY RIGHT OF ENTRY

Project: Ambient Odor Monitors

This Right of Entry is entered into by and between Western Placer Waste Management Authority ("Project Proponent"), EMS Bruel & Kjaer Inc., a Delaware corporation licensed to do business in California, dba Envirosuite, Inc., a Delaware corporation ("Contractor") and the City of Roseville ("City") on this 27th day of July, 2021.

1. Purpose. Project Proponent and Contractor desire to enter upon three public parks owned by City (the "Property") to install three ambient odor monitors, one in each park, on existing light poles in each park (the "Work"). The scope of Work shall be as further specified in Exhibit "A," which is attached hereto and incorporated herein by this reference. Project Proponent shall act as project manager and oversee the Work. The Work shall be performed at the location shown on Exhibit "B" attached hereto. City shall not be required to make any payment to Project Proponent or Contractor with regard to the Work.

2. Entry. City hereby grants Project Proponent and Contractor permission to enter upon and use the Property, as may be reasonably necessary in order to perform the Work within the Property. Such Right of Entry shall be subject to the terms and conditions stated herein.

3. Additional Terms and Conditions. Project Proponent and Contractor shall comply with the following:

- a. Be solely responsible for all of the costs of Work including, but not limited to, permits, inspections and utilities required during construction.
- b. Hold a pre-construction meeting with City staff, unless waived by City.
- c. Notify City twenty four (24) hours in advance prior to the initial commencement of the Work.
- d. All work must comply with all federal, state and local laws, and approved plans.
- e. The Property shall remain open to the public and shall be kept in a safe manner during the Work.
- f. Avoid impacts to any existing oaks and open space areas on the Property.
- g. Repair any damage to the Property caused by Project Proponent, Contractor, their contractors, subcontractors, materialmen, employees, and agents, to City's satisfaction.
- h. The Work shall be carried out in a timely fashion.
- i. All appropriate safety measures to protect public safety shall be undertaken during performance of the Work, including appropriately barricading the Work area (including materials and equipment laydown/storage area).
- j. Electricity may not be taken offline, disconnected or interrupted, either in whole or in part, without the pre-approval of the Parks and Recreation

Manager assigned to the Property. Said manager will specify appropriate time frames and duration of any power outages.

- k. Project Proponent shall maintain the ambient odor monitors at its sole cost and expense. Any maintenance or repair work on the Property shall be coordinated with City.
- l. Within 30 days of the expiration or termination of this Right of Entry, Project Proponent shall remove all ambient odor monitors and related equipment from the Property. Upon expiration of that 30 day period, any ambient odor monitors and related equipment that have not been removed from the Property will be deemed abandoned and may be removed by City.

4. In Effect. This Right of Entry shall remain in effect until September 1, 2024; provided, however, that this Right of Entry may be extended upon mutual written agreement of the parties. Any party may terminate this Right of Entry without cause with 30 days' written notice to the other parties.

5. Insurance. Contractor agrees to maintain in full force and effect the following policies of insurance during the term of this Right of Entry.

COVERAGE

LIMITS OF LIABILITY

Workers Compensation

Statutory

Commercial General Liability

Bodily Injury:
\$1,000,000 each occurrence
\$1,000,000 aggregate
Property Damage:
\$1,000,000 each occurrence
Personal Injury:
\$1,000,000 each occurrence
\$1,000,000 aggregate

Automobile liability

\$1,000,000 combined single limit

Contractor shall submit certificates evidencing such coverage in a form satisfactory to the City Attorney of CITY, prior to undertaking any work hereunder. Separate endorsement forms showing CITY, its officers, agents and employees as additional named insureds, except for Workers' Compensation, shall also be provided. Such insurances shall specifically cover the contractual liability of Contractor. The coverages shall be primary as to such additional insureds and no coverage of the CITY shall be called upon to contribute to a loss. The additional insured coverage shall be at least as broad as the Insurance Services Office ("ISO") CG 20 01 Endorsement. Any available insurance proceeds in excess of the specified minimum insurance coverage requirements and limits shall be available to the additional insureds. Said certificates shall provide at least thirty (30) days written notice to CITY prior to cancellation or modification of any insurance required by this Right of Entry. Contractor shall furnish certificates for the period covered by this Right of Entry. Any insurance written on a claims made basis is subject to the

approval of the City Attorney. Insurance coverages in the minimum amounts set forth herein shall not be construed to relieve Contractor of liability in excess of such coverages, nor shall it preclude CITY from taking such other actions as are available to it under any other provisions of this Right of Entry or law. Furthermore, the requirements for coverage and limits shall be: (1) the minimum coverage and limits specified in this Agreement; or (2) the full coverage and maximum limits of any insurance proceeds available to the named insureds, whichever is greater.

It is agreed that Contractor and Project Proponent shall each maintain at all times during the performance of this Agreement insurance coverage or self-insurance in the amounts of not less than One Million Dollars (\$1,000,000) to cover all of its operations. Specifically, but not limited to not less than One Million Dollars (\$1,000,000) general liability, One Million Dollars (\$1,000,000) automobile Liability, One Million Dollars (\$1,000,000) workers' compensation, and One Million Dollars (\$1,000,000) professional liability (E&O). The workers' compensation policy shall be endorsed to state that the workers' compensation carrier waives its right of subrogation against the Western Placer Waste Management Authority, its officers, directors, officials, employees, agents or volunteers, which might arise by reason of payment under such policy in connection with performance under this agreement by the Contractor.

6. Indemnification. To the fullest extent allowed by law, Project Proponent and Contractor agree to defend, indemnify, and save and hold harmless CITY, its elected and appointed officials, employees, CITY personnel, agents, volunteers, and contractors harmless from any and all claims or liability arising out of the Work or the use of this Right of Entry by Project Proponent and Contractor, or their subcontractors, employees, agents, and/or any other person(s), except those matters arising from CITY's sole negligence or willful misconduct. This indemnification is expressly intended to include any claims or liability arising out of any demand made or requirements imposed by any governmental agency, with respect to any portion of the Work or this Right of Entry. Contractor shall further defend and indemnify City from any lien or proceeding against the City, the Property or the Work arising out of entry on the Property or performance of the Work. The parties intend that this provision shall be broadly construed.

Project Proponent's and Contractor's responsibility for such defense and indemnity obligations shall survive the termination or completion of this Right of Entry for the full period of time allowed by law. The defense and indemnity obligations of this Agreement are undertaken in addition to, and shall not in any way be limited by, the insurance obligations contained in this Agreement. Project Proponent and Contractor shall provide a Release (see Exhibit "C") to City, concurrent with execution of this Right of Entry.

Contractor's liability under this Right of Entry is limited to a maximum aggregate value of one million dollars (\$1,000,000).

7. Joint and Several Liability. Project Proponent and Contractor shall be jointly and severally liable to City for the performance of their obligations under this Right of Entry. City has the right to proceed against either or both for breach of this Right of Entry, concurrently or sequentially, at City's discretion.

8. Assignment. Because the Work is to be constructed on City owned property, City has an interest in ensuring completion of construction. Therefore, at City's request, Project Proponent shall assign any construction contract entered into between Project Proponent and Contractor to City if Project Proponent is unable to perform its obligations for completion of the Work.

9. Counterparts. This Right of Entry may be executed by the parties hereto in one or more counterparts, each of which shall be deemed to be an original, and which together shall constitute one and the same instrument.

IN WITNESS WHEREOF, the City of Roseville, a municipal corporation, has executed this Right of Entry in duplicate by its City Manager, and Project Proponent and Contractor have caused this Right of Entry to be duly executed.

CITY OF ROSEVILLE, a
municipal corporation

WESTERN PLACER WASTE
MANAGEMENT AUTHORITY,
a California joint powers authority

BY: 

DOMINICK CASEY
City Manager

BY: 

its: Executive Director or Designee

ATTEST:

APPROVED AS TO FORM:

By: 

SONIA OROZCO
City Clerk

BY: 

its: WPWMA Counsel

APPROVED AS TO FORM:

EMS BRUEL & KJAER INC. DBA
ENVIROSUITB INC., a Delaware
corporation

BY: 

MICHELLE SHEIDENBERGER
City Attorney

BY: 

its: CEO

and

BY: 
Its: Vice President – North America

APPROVED AS TO SUBSTANCE:

BY: 
JILL GELLER
Parks, Recreation, & Libraries Director

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**MEMORANDUM
WESTERN PLACER WASTE MANAGEMENT AUTHORITY**

TO: **WPWMA BOARD OF DIRECTORS** DATE: **OCTOBER 10, 2024**
FROM: **SCOTT SCHOLZ / ERIC ODDO**
SUBJECT: **ITEM 8D: AGREEMENT WITH LOCI CONTROLS, INC.**

RECOMMENDED ACTION:

1. Authorize the General Manager to negotiate and, upon review and approval by WPWMA Counsel, execute a service agreement with LoCI Controls, Inc. (LoCI) to install, operate, and maintain a real-time data and control system for landfill gas extraction wells at the Western Regional Sanitary Landfill.
2. Determine the recommended action is exempt from further environmental review pursuant to California Environmental Quality Act Guidelines Section 15306.

BACKGROUND:

At the August 8, 2024 meeting, your Board approved a Site Use Agreement with the University California at Davis (UCD) for the purposes of conducting a research project related to methane emission measurement technologies. During initial discussions, UCD introduced staff to LoCI representatives and fostered a discussion regarding the potential to utilize LoCI's landfill gas (LFG) automated extraction wellheads at the WRSL to improve LFG collection rates and reduce the potential for surface emissions and associated odors.

LoCI's automated wellheads are designed to monitor key well operating parameters including temperature, pressure, and methane content and make minor adjustments in real time to optimize these parameters, maximize LFG collection, and reduce the potential for surface emissions and risk of subsurface fires. The WRSL's LFG wells are monitored and adjusted monthly by the WPWMA's LFG consultant, whereas the LoCI automated system is designed to continually monitor and adjust every 15 minutes (approximately 2,900 times per month).

LoCI has proposed to retrofit, monitor, and operate 95 of the WPWMA's 104 active LFG extraction wells¹ for a period of one year at no cost to the WPWMA. Under the proposed agreement, LoCI would be entitled to any monetizable environmental attributes associated with increased LFG collection/decreased emissions beyond those currently achieved and/or required by regulation. Staff anticipates the resulting service agreement will be substantially similar to the attached draft document.

ENVIRONMENTAL CLEARANCE:

The recommended action is categorically exempt under CEQA Guidelines, Article 19, Section 15306, "Information Collection" as the proposed work consists of basic data collection, research, experimental management, and resource evaluation activities which do not result in a serious or major disturbance to an environmental resource.

¹ Staff do not believe that the lower producing LFG wells in the closed modules warrant retrofit with the proposed LoCI wellheads.

FISCAL IMPACT:

There is no direct fiscal impact to the WPWMA associated with the recommended action. Should the WPWMA elect to continue use of the LoCI system after the initial one-year term, any future cost to the WPWMA will be negotiated with LoCI and reflect the value of the monetizable environmental attributes.

STRATEGIC PLAN/GOALS:

GOAL 4 – Establish well-planned facility infrastructure and ensure its proper maintenance and operation.

ATTACHMENT: DRAFT LoCI SERVICE AGREEMENT

LOCI REAL-TIME DATA AND CONTROL SYSTEM FOR LANDFILL GAS COLLECTION

Service Agreement

Agreement Date: _____ <div style="text-align: center;"><u>LOCI</u></div> Name: <u>LoCI Controls, Inc.</u> Address: <u>14 Kendrick Road, Suite 2</u> City/State/Zip: <u>Wareham, MA 02571</u> Contact Name: <u>Raynor Roszkowicz</u> Phone No.: <u>(774) 991-4303</u> Email: <u>raynor@locicontrols.com</u>	Agreement No: _____ <div style="text-align: center;"><u>COMPANY</u></div> Name: <u>Western Placer Waste Management Authority</u> Address: <u>3013 Fiddymont Road</u> City/State/Zip: <u>Roseville, CA 95747</u> Contact Name: _____ Phone No.: _____ Email: _____
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Description of Services:	The LoCI Real-Time Data and Control System for Landfill Gas Collection Service Agreement ("Agreement") is made and entered into between Company and LoCI (herein after individually referred to as a "Party" and together as the "Parties"). LoCI or its Representatives shall, install, operate, and maintain the real-time data and control system for landfill gas collection equipment as configured for the Location (defined below) as designated in this Agreement (specifically, up to 95 LoCI Controllers and 5 LoCI Sentries, the "Equipment") and provide the associated services further detailed in Attachment A-Scope of Services (the "Services"). The Parties agree and acknowledge that Company is a State of California joint powers agency and is subject to the Ralph M. Brown Act and the California Public Records Act (Cal. Govt. Code Sec. 54950 et seq and Cal. Govt. Code Sec. 7920.000 et seq, respectively).		
Installation Site:	Western Regional Sanitary Landfill, 3195 Athens Avenue, Lincoln, CA 95648 (the "Location")		
Landfill Owner:	Western Placer Waste Management Authority		
Installation Date:	TBD		
Term:	One (1) Year		
Term Start Date:	Term begins upon the completion of the Installation	Term End Date:	Until terminated per the Term Section of this Agreement
Attachments:	A – Scope of Services; Amendment 1 – VCC Credits; Amendment 2 – 45Q Credits; Amendment 3 – LCFS Credits		
Supplemental Agreements, Compensation:	LoCI's real-time data and control system will be installed and operated at no out of pocket cost to Company with the goal and agreement of the Parties to generate one or more of the following (i) Voluntary Carbon Credits ("VCC Credits") from the verified greenhouse gas emission reductions per the American Carbon Registry standard, "Methodology for the Quantification, Monitoring, Reporting, and Verification of Greenhouse Gas Emissions Reductions and Removals from Landfill Gas Destruction and Beneficial Use Projects, Version 2.0 or as amended in the future, (ii) Internal Revenue Code Section 45Q Tax Credits for the Utilization of Captured CO ₂ in landfill gas used in the production of electricity (the "45Q Credits"), and (iii) California's Low Carbon Fuel Standard Credits for the reduction of greenhouse gas emissions in transportation ("LCFS Credits"). Thus, there are three additional supplements attached to and a part of this Agreement, styled: (i) AMENDMENT 1, VCC CREDITS (the "VCC Amendment"), (ii) AMENDMENT 2, 45Q CREDITS (the "45Q Amendment"), and (iii) AMENDMENT 3, LCFS CREDITS (the "LCFS Amendment") (together referred to herein as the "Compensation Supplements"). Each of the Compensation Supplements sets forth the general terms and conditions for the compensation payable to the Parties under this Agreement and for managing the applicable carbon or tax credits.		
Notes:	This Agreement may be amended, by mutual agreement following the request of a Party, from time to time to maximize revenue or to generate additional revenue producing environmental or other attributes related to the use of LoCI's real-time data and control system to increase methane capture and reduce landfill gas emissions. The number of anticipated LoCI units required to support Company gas collection operations are set forth in the schedule of Subscription Fees below and LoCI is obligated to provide only the number of units so described; however, the number of applicable units can be modified in the future by a mutually approved amendment to this Agreement.		

LoCI Controls
14 Kendrick Road, Suite 2
Wareham, MA 02571

LOCI REAL-TIME DATA AND CONTROL SYSTEM FOR LANDFILL GAS COLLECTION

SERVICE FEES – (to be invoiced monthly)					
Item #	Product/Description	Qty of Units	Term in Months	Charge Per Unit	Total
1	Controller	95 (or as mutually agreed)	12	\$0.00	\$0.00
2	Sentry	5 (or as mutually agreed)	12	\$0.00	\$0.00
3	LoCI Liquid Level Measurement System	0	12	\$0.00	\$0.00
				Total – Monthly Fee	\$0.00

SERVICES – INSTALL (one-time fees to be invoiced upon completion)					
Item #	Product/Description	Units	Qty	Charge Per Unit	Total
1	Shipping Fees	Ea.	100 (or as mutually agreed)	---	\$0.00
2	Installation Fees	Ea.	100 (or as mutually agreed)	\$0.00	\$0.00
				Total	\$0.00

¹There are no cash subscription or installation fees charged under this Agreement. The compensation payable to LoCI is agreed by the Parties to be the respective share of revenues attributable to VCC Credits, 45Q Credits, and LCFS Credits as set forth in the Compensation Supplements.

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THE FOLLOWING PAGES SET FORTH ADDITIONAL TERMS

LoCI Controls
14 Kendrick Road, Suite 2
Wareham, MA 02571

LOCI REAL-TIME DATA AND CONTROL SYSTEM FOR LANDFILL GAS COLLECTION

Service Agreement Continued Terms

1. **Equipment and Services.** LoCI shall provide and install the Equipment and diligently perform the Services for Company as described on Page 1. Notwithstanding the method of installation of the Equipment at the Location, the Equipment shall not be considered a "fixture" with respect to Company's assets, and all rights, title, and interest to the Equipment installed at Location shall be retained by LoCI. The Parties shall protect and keep the other Party free and clear from the filing of any liens or encumbrances upon the title to the Equipment, or the assets of the Company. LoCI shall devote such working time as is necessary to the proper installation of the Equipment as promptly as possible but no later than the Installation Date on Page 1.
2. **Agreement.** This Agreement sets forth the entire agreement between LoCI and Company, and no terms, conditions, understanding, or agreement purporting to modify or vary the terms of this Agreement shall be binding unless hereafter made in writing and signed by LoCI and Company. All documents listed as Attachments on Page 1, shall be incorporated into this Agreement; however, in the event of any conflict between attachments and the terms and conditions of this Agreement, the terms and conditions of this Agreement as expressly stated herein will take precedence.
3. **Term.** The term of this Agreement shall commence on the Term Start Date and shall continue for one (1) year ("Initial Term") thereafter and shall be renewable for successive one-year terms ("Renewal Term") by mutual written agreement of the Parties provided no less than thirty (30) days prior to the expiration of the Initial Term or any Renewal Term. Either Party may terminate this Agreement during the Initial Term or Renewal Term upon the occurrence of a material breach which is not cured by the breaching party after receiving thirty (30) days written notice of such material breach. Written notice of such breach shall set forth a description of the breach and satisfactory performance to cure the breach.
4. **Payment Terms.** Amounts to be paid by Company to LoCI for the Equipment and Services are set forth on Page 2. Monthly Service Fees shall be invoiced on the 15th of each month and will be due and payable in advance of the 1st day of each month. Company shall make all payments electronically through Automated Clearing House ("ACH"). Upon execution of this Agreement, LoCI shall provide Company with an ACH enrollment form which Company shall promptly complete and return to LoCI. All other fees listed on Page 2 shall be invoiced upon completion of Services and shall be due and payable net, ten (10) days from the invoice date.
5. **Assignment.** Company may not, without the written consent of LoCI (which consent shall not be unreasonably withheld, conditioned, or delayed), assign this Agreement and any of its rights or obligations hereunder; provided, however, that Company may assign this Agreement without LoCI's prior written consent to an affiliate of Company or to the successor in interest to Company's business in the event of a merger, consolidation, or sale of all or substantially all of the assets of such business. In the event of any assignment to which LoCI has not consented, Company shall remain liable as a guarantor for any payment obligations incurred under this Agreement before such assignment. LoCI shall not assign this Agreement without the prior written consent of Company (which consent shall not be unreasonably withheld, conditioned, or delayed); provided, however, that LoCI may assign this Agreement without Company's prior written consent to an affiliate of LoCI or to the successor in interest to LoCI's business in the event of a merger, consolidation, or sale of all or substantially all of the assets of such business.
6. **Confidential Information.** (a) In its performance of the Services, LoCI and Company may receive or become aware of information, data, or communications of a proprietary nature ("Confidential Information"). LoCI and Company shall protect and maintain the secrecy of the Confidential Information, and not discuss with or disclose to any third party the Confidential Information, without the prior written consent of the other Party. LoCI has the right to use the data collected during the Term of this Agreement, for internal or external purposes, so long as no identification of the Company or the Location is made or attributable to the data. LoCI and Company shall make its employees, subcontractors, consultants, agents, officers, directors, investors, and lenders (collectively "Representatives") aware of the obligations hereunder and secure their agreement to the terms hereof. Upon termination of this Agreement, all Confidential Information, with the exception of the data collected by LoCI, shall be returned to the Party providing such Confidential Information or destroyed, except that this requirement shall not apply to Confidential Information that is retained as part of automatic electronic data backup systems or processes that may be required by law, other regulatory requirements, or internal document retention policies, provided that such Confidential Information remains subject to this Agreement. These obligations of confidentiality shall survive the termination of this Agreement. (b) Notwithstanding the foregoing, the obligations in this Section 6 shall not apply to information which is:
 - (i) already in the public domain;

LoCI Controls

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Wareham, MA 02571

LOCI REAL-TIME DATA AND CONTROL SYSTEM FOR LANDFILL GAS COLLECTION

- (ii) disclosed to either Party by a third party with the right to disclose it in good faith; or
- (iii) specifically exempted in writing from the applicability of this Agreement.

7. **Compliance with Laws and Company Safety Requirements.** LoCI shall require all of its employees, subcontractors, consultants, and agents to comply with all (i) federal, state, and local laws, regulations, rules, ordinances, and orders of any kind which are applicable to LoCI's installation of the Equipment and performance of the Services, and (ii) safety, health, or other administrative requirements, rules, regulations, or procedures adopted by Company. All field personnel that are authorized Representatives of LoCI shall complete LoCI's safety training prior to the performance of any Services hereunder.
8. **Indemnification.** LoCI and Company shall indemnify, hold harmless, and defend the other Party, its affiliates and parent companies, from and against any and all claims, actions, suits, damages, liabilities, costs, and/or expenses (including, without limitation, attorney's fees and expenses of investigation), regardless of whether they arise out of, or result from, third party claims, resulting from (i) personal injury (including, without limitation, death) to any Party (including, without limitation, LoCI, Company, and their employees), or (ii) damage to the property thereof, which are caused by or arise in connection with LoCI's or Company's performance under this Agreement, irrespective of the cause of such injuries or damage, unless caused by either Party's or third parties' gross negligence or willful misconduct or breach of this Agreement. The indemnity obligations in this Section 8 shall survive in all respects the termination of this Agreement. Notwithstanding anything contained in this Agreement to the contrary, each Party hereby releases the other Party from liability for indirect, special, punitive, exemplary, or consequential damages or losses including, but not limited to, damages or losses for lost production, lost revenue, lost product, lost profits, lost business, or business interruptions unless such damages are caused by the gross negligence or willful misconduct of the liable Party.
9. **Independent Contractor.** LoCI shall act as an independent contractor pursuant to this Agreement and nothing herein shall create an agency relationship between Company and LoCI. Furthermore, LoCI understands that it has no authority to make or imply any commitments which are binding upon Company without written consent of Company. None of LoCI's employees or agents shall be considered or in any way represent themselves as being employees of Company or be entitled to any of the benefits supplied by Company to its own employees.
10. **Insurance.** During the Term of this Agreement, LoCI shall keep in force the following minimum insurance coverages on an occurrence basis with insurance companies rated "B+" or better by A.M. Best rating service:

COVERAGES	LIMITS OF LIABILITY
Workers' Comp	Statutory Per Occurrence
Employers' Liability Insurance	\$1,000,000
Comprehensive General Liability (including Contractual Liability and Completed Operations)	Per Occurrence \$2,000,000 General Aggregate \$2,000,000
Comprehensive Automobile Liability Insurance, including non-owned and hired vehicle coverage	For bodily injury and property damage Per Occurrence \$1,000,000
Comprehensive Excess Umbrella	Per Occurrence \$2,000,000

The comprehensive general liability insurance shall be specifically endorsed to provide coverage for the contractual liability accepted by LoCI in this Agreement. Said insurance policies shall contain cross liability provisions and shall name Company as additional insured to policies A, B, C, & D above with respect to all activities arising out of the performance of the Services under this Agreement. Prior to commencing performance of the Services, LoCI shall furnish Company certificates of insurance or other evidence satisfactory to Company to the effect that such insurance has been procured and is in force. At least thirty (30) days prior to the expiration of any of the insurance policies required herein, LoCI shall furnish Company certificates of insurance, in accordance with the terms hereof, evidencing the renewal of such insurance for a period equal to at least the earlier of (a) the expiration of the Term of this Agreement and (b) one (1) year from the date of expiration of the then current insurance policies. Such Certificates shall afford Company thirty (30) days written notice of cancellation or of a material change in coverage.

LoCI Controls

14 Kendrick Road, Suite 2
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LOCI REAL-TIME DATA AND CONTROL SYSTEM FOR LANDFILL GAS COLLECTION

11. **Standard of Performance.** For so long as the Services set forth herein are being provided by LoCI: (a) LoCI warrants that the Services shall be performed in a good and workmanlike manner, consistent with that level of care and skill ordinarily exercised by other reputable contractors under similar circumstances at the time the Services are performed. LoCI further warrants that LoCI will have good title, free and clear of any liens, to any and all materials and supplies provided by LoCI hereunder and such materials and supplies shall be fit for their intended purpose, free from any defects, and conform to the specifications and descriptions set forth herein, if any. The foregoing warranties shall survive any inspection or acceptance of the materials, supplies, Services, and payment therefore by Company and shall run to Company and its successors, assigns, and customers and shall not be exclusive. (b) LoCI shall, at its expense, re-perform all Services and replace all materials and supplies which fail to conform to the foregoing warranties. LoCI shall be responsible for all repair and replacement costs for up to two (2) damaged units of Equipment per Term of this Agreement. After which, Company shall be responsible for repair or replacement costs (up to \$5,000 for a Controller and \$5,000 for a Sentry) for damage to Equipment.
12. **Governing Law; Arbitration; Jurisdiction.** This Agreement shall be governed by and construed in accordance with the laws of the state of California without regard to its conflict-of-law rules. In the event the Parties are unable to in good faith resolve any dispute or claim arising out of, relating to, or having connection with this Agreement, following a period of ten (10) days after written notice of a dispute to allow for such good faith negotiations between the Parties, such dispute or claim shall be referred to and finally and exclusively resolved by binding arbitration administered by the American Arbitration Association (the "AAA") in accordance with its General Commercial Arbitration Rules, and judgment on the award rendered by the arbitrator(s) may be entered in any court having jurisdiction thereof. Such arbitration shall take place in Sacramento, California before a single arbitrator selected in accordance with the procedures of the AAA unless the amount in issue exceeds \$1,500,000, in which case, there shall be a panel of three (3) AAA arbitrators appointed in accord with the AAA rules, each of whom shall be a licensed attorney with not less than fifteen (15) years practice experience. Any arbitration hearing shall commence within 180 days of the filing of the initial demand and conclude within thirty (30) days of the initial hearing date. The arbitrator or applicable panel shall be authorized to limit discovery to the extent necessary to complete the proceedings during the allowed time period. The foregoing agreement to arbitrate shall not limit a Party from pursuing, without pre-filing negotiation, emergency injunctive relief with the AAA under Rule 38 of the General Commercial Rules or in a court of competent subject matter jurisdiction in Sacramento, California.
13. **Environmental Benefits.** Any incremental environmental benefits from the use of the Equipment and the rights and responsibilities of any environmental benefit arising from the use of LoCI Equipment shall be subject to separate agreements that LoCI and Company may enter into relating to such benefits.
14. **Permits, Licenses, Taxes.** During the Term of this Agreement, LoCI has and will maintain all licenses and permits required for the performance of the Services. Company agrees to pay taxes (other than federal and state income taxes on the income of LoCI) incurred solely due to Company's use or operation of the Equipment during the Term of this Agreement. If LoCI or any other agent of LoCI incurs any such costs or expenses, Company agrees to promptly reimburse LoCI for the same.
15. **Wireless Service.** Company expressly understands and agrees that it has no contractual relationship whatsoever with the underlying wireless service provider or its affiliates or contractors and that Company is not a third-party beneficiary of any agreement between LoCI and the underlying carrier.
16. **Severability.** If any term or provision of this Agreement or the application thereof to any circumstance shall be invalid or unenforceable, the remainder of this Agreement or the application thereof to any circumstance other than that to which it is invalid or unenforceable shall not be affected.
17. **Notices.** All notices, requests, and other communications under this Agreement must be in writing and must be mailed by registered or certified mail, postage prepaid and return receipt requested, or delivered by hand to the Party listed on Page 1, or sent by fax, or sent by e-mail. Notice shall be given to the Parties at the addresses on Page 1. Either Party may change the individual or location for receipt of notice hereunder by providing written notice to the other Party in the manner described in this Section.

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LOCI REAL-TIME DATA AND CONTROL SYSTEM FOR LANDFILL GAS COLLECTION

In witness whereof, the Parties accept this Service Agreement

LoCI Controls, Inc.

(LOCI)

By:

(Signature)

(Authorized Agent's Typed Name and Title)

Date:

(COMPANY)

By:

(Signature)

(Authorized Agent's Typed Name and Title)

Date:

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THE FOLLOWING PAGES SET FORTH ADDITIONAL TERMS

LOCI REAL-TIME DATA AND CONTROL SYSTEM FOR LANDFILL GAS COLLECTION

ATTACHMENT A SCOPE OF SERVICES

LoCI and Company agree to the following Scope of Services to be provided by LoCI at the designated Location, as shown on Page 1.

1. Equipment.
 - a. General Terms. LoCI or its Representatives shall install, operate, and maintain the real-time data and control system for landfill gas collection Equipment as configured for the Location as designated on Page 1. Final Equipment configuration may change over time based on optimizing the Location's gas collection process and economics.
 - b. Title to the Equipment. Title to the Equipment shall be retained by LoCI. The Equipment shall not be considered a "fixture" with respect to the Company's assets, notwithstanding the method of installation of the Equipment at the Location.
 - c. Maintenance and Repair. LoCI shall be responsible for all maintenance of Equipment during the Term of this Agreement. LoCI shall be responsible for all repair and replacement costs for up to two (2) damaged units of Equipment per term of this Agreement. After which, Company shall be responsible for repair or replacement costs (up to \$5,000 for a Controller and \$5,000 for a Sentry) for damage to Equipment.
 - d. End of Term Obligations. Unless mutually agreed upon, LoCI shall remove all Equipment within thirty (30) days of termination at no cost to Company. Company shall permit LoCI and its Representatives access to the Location at times reasonably necessary for the purposes of effecting such removal.
2. Schedule and Term. LoCI plans to complete installation of Equipment as noted on Page 1. Services, as defined in Section 3(a-c), shall commence on the Installation Date and shall continue unless terminated in accordance with the Service Agreement Continued Terms.
3. Scope of Work, Terms and Conditions. LoCI shall provide the following Services to Company under the terms and conditions set forth hereunder:
 - a. Software and Services Provided.
 - i. At mutually agreed upon intervals, LoCI shall provide remote monitoring and recording of gas composition including CH₄, CO₂, O₂, Balance Gas (trace and N₂), LFG, and CH₄ flow, LFG temperature, pressure above and below LoCI actuated valve (Pa and Pb) and valve position gathered from each wellhead where the LoCI Equipment has been installed ("Data"). For Sentry H header monitoring, LoCI shall provide remote monitoring and recording of pressure, temperature, gas composition including CH₄ percentage, external mechanical flow meter flow, O₂, CO₂, and Balance Gas.
 - ii. LoCI shall provide Company access to LoCI's cloud-connected interface, WellWatcher® platform, that displays current and historical Data associated with the wellfield operations as well as actionable insights for landfill teams. WellWatcher® maintains a system standard of greater than 95% availability, however, access to WellWatcher® is dependent on internet connection, cloud web hosting, and availability of cellular communication. Additionally, LoCI analysts shall be available to Company to provide remote support and review 24/7/365, including a lead analyst and team to perform remote troubleshooting as necessary.
 - iii. Within thirty (30) days after installation, LoCI shall commence automated valve control of all Controllers and adjust individual wellhead flow to maximize methane energy value while maintaining Data control parameters as defined:
 1. CH₄ equal to or greater than TBD
 2. O₂ as a process control variable equal to or less than TBD
 3. Balance Gas equal to or less than TBD

LOCI REAL-TIME DATA AND CONTROL SYSTEM FOR LANDFILL GAS COLLECTION

- iv. LoCI will not be responsible for control of Equipment or Company access to Data if communication to/from the Location is disrupted unless such disruption is due to LoCI's Equipment. In such event, restoration of Services will occur as quickly as commercially reasonable.
- b. Regular Maintenance Schedule. LoCI shall provide the following regularly scheduled maintenance:
 - i. If the Location has 200 or fewer measurement devices, LoCI shall provide on-site field service support up to one (1) to two (2) weeks per month; or
 - ii. If the Location has 201 or more measurement devices, LoCI shall provide on-site field service support up to three (3) weeks per month.
 - iii. LoCI shall provide full-time, remote analyst support throughout the Term.
- c. System Expectations for LoCI Measurement Devices. LoCI's real-time data and control system status is defined by its ability to meet mutually agreed quality metrics including gas composition specifications and measurement system performance. LoCI's system generates a daily report, available on WellWatcher®, that provides insight into the overall system and gas collection operation. The daily report categorizes LoCI measurement devices' performance into Green/Yellow/Red categories based on the quality standards and thresholds determined between LoCI and Company.
 - i. LoCI measurement devices' performance categories defined:
 - 1. Green – signifies wells that exceed gas composition thresholds and device performance and may be candidates for increasing applied vacuum to increase methane recovery.
 - 2. Yellow – signifies wells that meet gas composition thresholds and device performance.
 - 3. Red – signifies wells that fail to meet gas composition thresholds and device performance.
 - ii. Service representative and analyst maintenance expectations:
 - 1. When the overall system reads 80% or above Green/Yellow, LoCI shall provide regularly scheduled operation and maintenance as defined in Section 3(b).
 - 2. When the overall system reads below 80% Green/Yellow, follow-up priorities and actions will depend on overall aggregate gas composition and flow. Priorities may include identifying and remediating problems with the collection system (considering e.g., age of waste, loss of vacuum, air intrusion, leachate, cover changes, etc.) or with LoCI measurement devices in need of service or repair. If the site conditions require a LoCI field representative on-site, a LoCI field representative shall arrive at the Location within forty-eight (48) hours of the overall system falling below 80% Green/Yellow.
- d. Company's Obligations:
 - i. Access to the Location. Company shall provide LoCI with reasonable access to the Location during the Term such that LoCI may install, operate, maintain, and remove the Equipment upon termination of this Agreement.
 - ii. System Performance Data. Company shall provide to LoCI, upon request, the following landfill system performance data from the Location as generated throughout the Term:
 - a. System vacuum
 - b. Total system flow
 - c. Odor complaints
 - d. Aggregate Flow and Gas Composition data from Plant Chromatograph
 - iii. Notice of Outage. Company shall make commercially reasonable efforts to provide LoCI with forty-eight (48) hours' advance notice of:

LOCI REAL-TIME DATA AND CONTROL SYSTEM FOR LANDFILL GAS COLLECTION

- a. Well collection or power system maintenance at the Location
 - b. Timely notice of planned or unplanned outages at the Location
- iv. Well Maintenance. Company shall, at its sole cost, provide maintenance of the wells with installed Equipment to ensure proper functionality of the well. As necessary, maintenance or replacement of the following will be required of Company:
 - a. Manual valve and/or manual valve stem
 - b. Quick connect fittings on the wellhead
 - c. Flexible tubing
 - d. Replacement wellheads
 - e. Headers, jumpers, leachate removal, pumps, etc.
- v. Reporting. Company will be responsible for all reporting required by the United States Environmental Protection Agency (EPA) and/or other relevant regulatory bodies related to monitoring of specific wellheads. Installation of Equipment will not interfere with Company's ability to take measurements at all wellheads for compliance purposes.
- vi. Override and Tampering: Company, at its sole discretion, has the right to operate the manual valves ("Override") where the LoCI Equipment has been installed. Except in emergency, Company will notify LoCI in the event of any proposed Override at least twenty-four (24) hours prior to making any changes. Company will not tamper with or make changes to the Equipment except as provided above.
- c. Responsibilities. Parties to this Agreement will divide responsibilities as follows:

All reporting to EPA or other regulatory bodies	Company
All required wellhead compliance measurements	Company
Maintenance of wellfield	Company
Maintenance, calibration, etc. of LoCI Equipment installed	LoCI
Control of LoCI measurement device tuning automation	LoCI/Company
Advice to Company on gas collection system enhancements and support in troubleshooting related operational problems	LoCI

AMENDMENT 1 VCC CREDITS
TO AND SUPPLEMENTING THE
LOCI REAL-TIME DATA AND CONTROL SYSTEM
FOR LANDFILL GAS COLLECTION SERVICE AGREEMENT

VOLUNTARY CARBON CREDIT ASSIGNMENT AND MANAGEMENT

WHEREAS, LoCI Controls, Inc. (“LoCI”) and Western Placer Waste Management Authority (the “Company”) (LoCI and the Company individually a “Party” and collectively the “Parties”) have entered into that certain “LOCI REAL-TIME DATA AND CONTROL SYSTEM FOR LANDFILL GAS COLLECTION SERVICE AGREEMENT” (“Agreement”) dated the date hereof; and,

WHEREAS, the Agreement sets forth the terms and conditions for LoCI to provide Equipment and Services for remote monitoring and control of the landfill gas extraction wells (the “Services”) at the Company’s landfill site located at 3195 Athens Avenue, Lincoln, CA 95648 (the “Project Site” and the gas collection and processing operations at the Project Site may be referred to as the “Project”), and sets forth the general terms and conditions applicable to the Parties in regard to such Equipment and Services; and

WHEREAS, in connection with the provision of the Services, LoCI, has and will continue to have the capacity to monitor and measure methane and other greenhouse gases (“GHGs”) in a manner such that GHG (including methane) emissions can be more efficiently managed, controlled, and limited and further, that the data associated with the Services and such monitoring enables the calculation, validation, and capacity for trading in carbon credits associated with the capture of GHGs, including specifically credits resulting from exceeding the regulatory requirements for management of GHGs at a landfill on a voluntary basis (all such carbon credits herein “VCCs”); and

WHEREAS, LoCI’s Automated Landfill Gas Control Technology and associated methodology applied in connection with the Services is capable of quantifying, monitoring, reporting, and verifying emission reductions and removals at landfills in accordance with the “ACR Standard” as defined herein; and

WHEREAS, the use of LoCI’s methodology and systems supports and enables the generation and sale and or trading of marketable VCCs, including specifically VCCs from the Project Site that are determined by LoCI to be marketable carbon credits in compliance with the ACR Standard (and including those that are calculable from the Term Start Date as herein defined and on a going forward basis);

WHEREAS, the Company desires that LoCI apply its technology to calculate and determine all VCCs generated at the Project Site that are qualified under and marketable applying the ACR Standard (the “ACR VCCs”), and to assign all such ACR VCCs to LoCI, and for LoCI to manage the process for monetizing or otherwise realizing the economic and other benefits of the ACR VCCs (all of the foregoing “Additional Services”); and

WHEREAS, the Parties hereto desire to amend the Agreement to provide the Additional Services as set forth below and to provide for LoCI to manage the ACR VCCs and Parties to share the economic benefits of the ACR VCCs (in part, as consideration for the Services).

NOW THEREFORE, the Parties, in consideration of the premises and the agreements herein contained, agree as aforesaid and as follows:

1. This Amendment (the “Amendment 1”) addresses and relates only to the terms for the calculation, management, and transfer of ACR VCCs and the associated compensation therefor. The consideration for the agreements herein includes the provision by LoCI of the Services under the Agreement, Additional Services, and other good and valuable consideration. This Amendment 1 shall be effective as of the date of the Agreement and terms appearing in this Amendment 1 as defined terms and not expressly defined herein shall have the respective meanings ascribed to such terms in the Agreement. The Agreement is and shall remain in full force and effect except to the extent modified by this Amendment 1, and this Amendment 1 shall control if there are conflicting terms between this Amendment 1 and the Agreement. To the extent the Agreement is terminated, whether on terms permitted under the Agreement or otherwise, the prior assignment of ACR VCCs to LoCI shall be unaffected by any such termination.
2. LoCI is exclusively authorized and agrees to provide the necessary data, calculations, and methodologies to determine VCCs generated at the Project from the date the Services commenced at the Project Site (the “Term Start Date”). Further, LoCI is authorized and agrees to use its best efforts to provide the necessary data, calculations, and methodologies to determine all ACR VCCs generated at the Project throughout the term of the Agreement.
3. The Company agrees to use commercially reasonable efforts to provide LoCI with monthly data on (i) waste landfilled, (ii) any changes by area of landfill cover type (permanent, intermediate, or daily cover), and (iii) any start of operation of new areas with active gas collection.
4. The Company hereby assigns, sells, sets over, and transfers to LoCI all right, title, and interest in the ACR VCCs determined from the Term Start Date and continuing throughout the term of the Agreement. Therefore, as between the Company and LoCI:
 - a. ACR VCCs shall be owned solely by LoCI and may be transferred, dealt in, traded, or shared by LoCI in its sole discretion. The Company shall execute all documents and perform all acts reasonably requested by LoCI to effect ownership of ACR VCCs to LoCI and as needed to facilitate the management and transactions in the ACR VCCs. Company agrees that LoCI shall have clear, unique, and uncontested title to all ACR VCCs, unencumbered by any liens or conditions of the Company.
 - b. LoCI has the complete discretion to “market” and arrange the assignment and sale of the ACR VCCs, including, by way of example, on financial, timing, and other terms chosen by LoCI in its absolute discretion. The appointment and engagement of LoCI to market the applicable

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VCCs is exclusive and may not be assigned to any other person. Further, the Company shall not undertake to directly market and sell any ACR VCCs.

5. In consideration for the assignment and transfer of the ACR VCCs to LoCI, the Company shall be entitled to 20% (twenty percent) of all “Net VCC Revenue” and LoCI shall retain and receive 80% (eighty percent) of all Net VCC Revenue. “Net VCC Revenue” shall mean all cash revenue received by LoCI from the sale of VCCs from the Project, net of all third-party validation/verification costs by authorized third-party engineering firms per ACR Standards, and minus any sharing of VCCs to third parties if and only as mutually agreed. The third-party validation/verification costs are not to exceed \$25,000 and in no event shall the third-party validation/verification costs exceed all cash revenue received by LoCI. LoCI intends to validate/verify six (6) months after the start of the Project and verify credits no more frequently than once per year thereafter. LoCI shall generate a quarterly report detailing the calculation and sales of ACR VCCs and further agrees to pay the Company’s share of Net VCC Revenue within thirty (30) days from when LoCI receives payment from the sale of the ACR VCCs as a result of the Project.
6. LoCI makes no representation or warranties in regard to the validation, marketability, or “pricing” of the ACR VCCs calculated at the Project. The Company acknowledges the market for ACR VCCs is dynamic and unstructured and no assurance is provided as to the ability to market and sell, or otherwise benefit from the ACR VCCs and that the market can change at any time for reasons beyond the control of LoCI. Any regulatory compliance associated with the activities at the Project Site (including by way of example, obligations to any federal, state, or local environmental regulator or agency) remain the sole obligation of the Company, and by undertaking the Project, LoCI does not assume any such obligation for regulatory oversight. LoCI shall under no circumstances be liable for any special, consequential, or punitive damages associated with this Amendment 1.
7. The Company, in the ordinary course of operations at the Project Site, has the right to modify operating procedures and gas collection set points at any time, with the understanding that such modifications by the Company may ultimately negatively affect the Net VCC Revenue. The Company will undertake to discuss any such operating modifications with the designated representative of LoCI prior to effecting such modifications.
8. LoCI will provide certain Services reasonably requested by the Company in furtherance of this Amendment 1, including, (i) preparation of a GHG Measurement and Reporting Plan and provision of quarterly reports to the Company under such plan; (ii) engagement and oversight of a “Verification Provider” (as defined below), and (iii) commissioning from such Verification Provider all “Verification Reports” (as defined below) with regard to all “Verified Emission Reductions” (as defined below). The terms shall have the following meanings for the purpose of this Amendment 1.

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- a. **"ACR Standard"** means the Landfill Gas Destruction and Beneficial Use Projects v2.0 methodology approved by the American Carbon Registry, dated April, 2021 and all subsequent versions approved by the American Carbon Registry.
 - b. **"Verification", "Verify" and "Verified"** means the determination by a Verification LoCI that an emissions reduction meets the requirements of the ACR Standard as evidenced by a Verification Report and unique serial number.
 - c. **"Verified Emission Reduction" or "VER"** means one (1) metric ton of CO₂ Equivalent (CO₂e) of Verified GHG Reductions generated by the Project.
 - d. **"Verification Provider"** means an independent verification provider selected or approved by LoCI and accredited under the ACR Standard.
 - e. **"Verification Report"** means any written report required by the ACR Standard and prepared by the Verification LoCI reviewing and verifying that, in accordance with ACR Standard's requirements in effect at the date of its production, the VERs which have occurred during the term of the report are eligible for registration under the ACR Standard.
9. Company will use commercially reasonable efforts to cooperate with any Verification Provider in the preparation of all Verification Reports and will provide any Project documentation requested by such Verification Provider related to any ACR VCCs.
10. The Parties acknowledge and agree that Energy 2001, as the gas collection system operator for the Project, is a third-party beneficiary of the representations, warranties, and covenants of this Agreement. LoCI shall enter into a separate agreement with Energy 2001 to affect sole ownership in the ACR VCCs and to define compensation for such ACR VCCs exclusively between LoCI and Energy 2001.
11. This Amendment 1 is a severable part of the Agreement and may be terminated for any reason by either Party on thirty (30) days advanced written notice. Termination of this Amendment 1 shall not automatically affect termination of the Agreement or its amendments. The Agreement and its amendments shall survive the termination of this Amendment 1 until terminated in accordance with its own terms. In the event of termination of the Agreement and this Amendment 1:
- a. The Company shall at all reasonably requested times allow LoCI access to the Project Site to remove all LoCI Equipment, and the Parties agree that such removal shall be completed within thirty (30) days of such termination, subject to delays and adjustments to extend such period if LoCI is unable to access the Project Site. The Company shall reasonably assist LoCI at its request in order to timely access the Project Site and remove LoCI's Equipment.
 - b. All Equipment, technology, and intellectual property rights associated with the Services and the Additional Services is and shall remain the sole and exclusive property of LoCI.

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- c. Through the date of termination, all data available to LoCI associated with the ACR VCCs shall be retained by and shall be the property of LoCI, but LoCI shall provide copies of such data to the Company upon reasonable request and all rights in any ACR VCCs availed or available through the date of termination shall remain the property of LoCI.
- d. To the extent Company has granted any rights or licenses to LoCI for the provision of the Additional Services, such rights and licenses shall terminate with the Agreement.

In the event of termination of only this Amendment 1 (and by way of expression, not of the Agreement), each of b, c, and d above shall apply.

12. This Amendment 1 may be signed in counterparts, each of which shall be deemed an original, but all of which taken together shall constitute one and the same agreement.

IN WITNESS WHEREOF, the Company and LoCI have executed and delivered this Amendment 1 to the Agreement as of the date first written above.

LOCI:

LoCI Controls, Inc.

By: _____
Peter Quigley, CEO/Chairman

COMPANY:

Western Placer Waste Management Authority

By: _____
Name, Title

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AMENDMENT 2 45Q CREDITS
TO AND SUPPLEMENTING THE
LOCI REAL-TIME DATA AND CONTROL SYSTEM
FOR LANDFILL GAS COLLECTION SERVICE AGREEMENT

INTERNAL REVENUE CODE SECTION 45Q CREDIT ASSIGNMENT AND MANAGEMENT

WHEREAS, LoCI Controls, Inc. (“LoCI”) and Western Placer Waste Management Authority (the “Company”) (individually a “Party” and collectively the “Parties”) have entered into that certain “LOCI REAL-TIME DATA AND CONTROL SYSTEM FOR LANDFILL GAS COLLECTION SERVICE AGREEMENT” (“Agreement”) dated the date hereof; and,

WHEREAS, the Agreement sets forth the terms and conditions for LoCI to provide Equipment and Services for remote monitoring and control of the landfill gas extraction wells (the “Services”) at the Company’s landfill site located at 3195 Athens Avenue, Lincoln, CA 95648 (the “Project Site” and the gas collection and processing operations at the Project Site may be referred to as the “Project”), and sets forth the general terms and conditions applicable to the Parties in regard to provision of such Equipment and Services; and

WHEREAS, in connection with the provision of the Services, LoCI, has and will continue to have the capacity to monitor and measure methane and other greenhouse gases (“GHGs”) in a manner such that GHG (including methane) emissions can be more efficiently managed, controlled, and limited and further, that the data associated with the Services and such monitoring enables the calculation, validation, and capacity for trading in carbon credits associated with the capture of GHGs, including specifically United States federal credits availed from operations at the Project Site under Internal Revenue Code Section 45Q and related statutes and regulations (all such tax credits herein the “45Q Credits”); and

WHEREAS, LoCI’s automated landfill gas control technology and associated Equipment and methodology applied in connection with the Services is a part of the continuous process stream for the collection, storage, and use of landfill gases and are capable of quantifying, monitoring, reporting, and verifying emission reductions and removals at landfills in a manner LoCI believes will render LoCI eligible to file for and obtain 45Q Credits; and

WHEREAS, the Company desires that LoCI apply and consents and supports LoCI’s pursuit of 45Q Credits as a result of LoCI’s Services and Equipment located at the Project Site, and has agreed to assign all such 45Q Credits to LoCI, and for LoCI to manage the process for monetizing or otherwise realizing the economic and other benefits of the 45Q Credits for the benefit of LoCI, subject to payment of the compensation to the Company set forth below (all of the foregoing, the “Additional Services”); and

WHEREAS, the Parties hereto desire to amend the Agreement to provide the Additional Services as set forth below and to provide for the management by LoCI of the process for obtaining and monetizing

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the 45Q Credits generated as a result of operations at the Project Site and the sharing between the Company and LoCI of the economic benefits of such 45Q Credits (in part, as consideration for the Services).

NOW THEREFORE, the Parties, in consideration of the premises and the agreements herein contained, agree as aforesaid and as follows:

1. This Amendment (the “Amendment 2”) addresses and relates only to the terms for the calculation, processing, management, and transfer of 45Q Credits and the associated compensation, therefore. The consideration for the agreements herein includes the provision by LoCI of the Services under the Agreement, the Additional Services, and other good and valuable consideration. This Amendment 2 shall be effective as of the date of the Agreement and terms appearing in this Amendment 2 as defined terms and not expressly defined herein shall have the respective meanings ascribed to such terms in the Agreement. The Agreement is and shall remain in full force and effect except to the extent modified by this Amendment 2, and this Amendment 2 shall control if there are conflicting terms between this Amendment 2 and the Agreement. To the extent the Agreement is terminated, whether on terms permitted under the Agreement or otherwise, the prior assignment of 45Q Credits to LoCI and the ownership of such credits by LoCI shall be unaffected by any such termination.
2. LoCI is exclusively authorized and agrees to provide the necessary data, calculations, and methodologies to determine 45Q Credits generated at the Project Site from the date the Services commence at the Project Site (the “Term Start Date”). Further, LoCI is authorized and agrees to use its best efforts to provide the necessary data, calculations, and methodologies to determine all 45Q Credits generated at the Project Site throughout the term of the Agreement. LoCI shall be responsible for all tax and other filings and other actions necessary to avail the 45Q Credits. The Company shall execute such documents and perform such other lawful acts as are requested by LoCI to assist LoCI in availing the 45Q Credits to LoCI.
3. The Company agrees to use commercially reasonable efforts to provide LoCI with monthly data on (i) waste landfilled, (ii) any changes by area of landfill cover type (permanent, intermediate, or daily cover), and (iii) any start of operation of new areas with active gas collection.
4. The Company hereby agrees that LoCI has the sole and exclusive right to make all filings and otherwise do all things necessary to avail the 45Q Credits, if any, to LoCI, and expressly assigns, sells, sets over, and transfers to LoCI all right, title, and interest in the 45Q Credits determined from the Term Start Date and continuing throughout the term of the Agreement. Therefore, as between the Company and LoCI:
 - a. 45Q Credits shall be owned solely by LoCI and may be transferred, dealt in, traded, or shared by LoCI in its sole discretion. The Company shall execute all documents and perform all acts reasonably requested by LoCI to effect ownership of the 45Q Credits to LoCI and as needed to facilitate the qualification for, management, and transactions in the 45Q Credits. Company

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agrees that LoCI shall have clear, unique, and uncontested title to all 45Q Credits, unencumbered by any liens or conditions of the Company.

- b. LoCI has the complete discretion to “market” and arrange the assignment and sale of the 45Q Credits, including, by way of example, financial, timing, and other terms chosen by LoCI in its absolute discretion. The appointment and engagement of LoCI to market the applicable 45Q Credits is exclusive and may not be assigned to any other person. Further, the Company shall not undertake to directly market and sell any 45Q Credits.
5. In consideration for the assignment and transfer of the 45Q Credits to LoCI and the Company’s agreements herein, the Company shall be entitled to 20% (twenty percent) of all “Net 45Q Revenue” and LoCI shall retain and receive 80% (eighty percent) of all Net 45Q Revenue. “Net 45Q Revenue” shall mean all cash revenue realized by LoCI from the use as a taxpayer or the sale of 45Q Credits from the Project, net of all direct costs, including but not limited to legal, accounting, and other fees and costs to assess the qualification of LoCI and the Project Site for 45Q Credits, costs to validate the Project and verify the 45Q Credits claimed to be available, costs for filings and other compliance (including the costs to prepare and make all IRS and other filings), necessary fees paid to regulatory entities and other third parties, and minus any sharing of 45Q Credits to third parties if and only as mutually agreed, and any costs otherwise incurred by LoCI to monetize the 45Q Credits. The direct costs are not to exceed \$25,000 and in no event shall the direct costs exceed all cash revenue received by LoCI. LoCI shall generate a quarterly report detailing the calculation of 45Q Credits and the cash received in connection with the use or sale of the 45Q Credits as well as the amounts payable to the Company. The Company’s share of Net 45Q Revenue shall be paid within thirty (30) days from when LoCI receives the applicable cash benefit or payment from the sale of the 45Q Credits.
6. LoCI makes no representation or warranties in regard to the qualification for, validation, marketability, or “pricing” of 45Q Credits. The Company acknowledges there are uncertain dynamics associated with availing 45Q Credits from landfill operations and that no such credits may be obtained or be obtainable by LoCI or any other operator of the gas process system at the Project Site. Further, the market for 45Q Credits is likely to be dynamic and unstructured and no assurance is provided as to the ability to market and sell, or otherwise benefit from the 45Q Credits and that the market can change at any time for reasons beyond the control of LoCI. Any regulatory compliance associated with the activities at the Project Site (including by way of example, obligations to any federal, state, or local environmental regulator or agency) remain the sole obligation of the Company, and by undertaking the Services and the Additional Services, LoCI does not assume any such obligation for regulatory oversight. Neither LoCI nor the Company shall under any circumstances be liable for any special, consequential, or punitive damages associated with this Amendment 2.
7. The Company, in the ordinary course of operations at the Project Site, has the right to modify operating procedures and gas collection set points at any time, with the understanding that such modifications by the Company may ultimately negatively affect the Net 45Q Revenue. The

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Company will undertake to discuss any such operating modifications with the designated representative of LoCI prior to effecting such modifications.

8. Company will use commercially reasonable efforts to cooperate with LoCI in the preparation of all data and reports reasonably requested by LoCI and as may be, in LoCI's discretion necessary to obtain, use, and market 45Q Credits and will provide any Project documentation requested by LoCI related to any 45Q Credits.
9. The Parties acknowledge and agree that Energy 2001, as the gas collection system operator for the Project, is a third-party beneficiary of the representations, warranties, and covenants of this Agreement. LoCI shall enter into a separate agreement with Energy 2001 to affect sole ownership in the 45Q Credits and to define compensation for such 45Q Credits exclusively between LoCI and Energy 2001.
10. This Amendment 2 is a severable part of the Agreement and may be terminated for any reason by either Party on thirty (30) days advance written notice. Termination of this Amendment 2 shall not automatically affect termination of the Agreement or its amendments. The Agreement and its amendments shall survive the termination of this Amendment 2 until terminated in accordance with its own terms. In the event of termination of the Agreement and this Amendment 2:
 - a. the Company shall at all reasonably requested times allow LoCI access to the Project Site to remove all LoCI Equipment, and the Parties agree that such removal shall be completed within thirty (30) days of such termination, subject to delays and adjustments to extend such period if LoCI is unable to access the Project Site for any reason or for other causes beyond the control of LoCI. The Company shall reasonably assist LoCI at its request in order to timely access the Project Site and remove LoCI's Equipment.
 - b. All Equipment, technology, and intellectual property rights associated with the Services and the Additional Services is and shall remain the sole and exclusive property of LoCI.
 - c. Through the date of termination, all data available to LoCI associated with the 45Q Credits shall be retained by and shall be the property of LoCI, but LoCI shall provide copies of such data to the Company upon reasonable request and all rights in any 45Q Credits availed or available through the date of termination shall remain the property of LoCI.
 - d. To the extent Company has granted any rights or licenses to LoCI for the provision of the Additional Services, such rights and licenses shall terminate with the Agreement.

In the event of termination of only this Amendment 2 (and by way of expression, not of the Agreement), each of b, c, and d above shall apply.

11. This Amendment 2 may be signed in counterparts, each of which shall be deemed an original, but all of which taken together shall constitute one and the same agreement.

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IN WITNESS WHEREOF, the Company and LoCI have executed and delivered this Amendment 2 to the Agreement as of the date first written above.

LOCI:

LoCI Controls, Inc.

By: _____
Peter Quigley, CEO/Chairman

COMPANY:

Western Placer Waste Management Authority

By: _____
Name, Title

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AMENDMENT 3 LCFS CREDITS
TO AND SUPPLEMENTING THE
LOCI REAL-TIME DATA AND CONTROL SYSTEM
FOR LANDFILL GAS COLLECTION SERVICE AGREEMENT

*CALIFORNIA LOW CARBON FUEL STANDARD CREDIT GENERATION, MANAGEMENT,
MONETIZATION, and GAIN SHARING*

WHEREAS, LoCI Controls, Inc. (“LoCI”) and Western Placer Waste Management Authority (the “Company”) (individually a “Party” and collectively the “Parties”) have entered into that certain “LOCI REAL-TIME DATA AND CONTROL SYSTEM FOR LANDFILL GAS COLLECTION SERVICE AGREEMENT” (“Agreement”) dated the date hereof; and,

WHEREAS, the Agreement sets forth the terms and conditions for LoCI to provide Equipment and Services for remote monitoring and control of the landfill gas (“LFG”) extraction wells (the “Services”) at the Company’s landfill site located at 3195 Athens Avenue, Lincoln, CA 95648 (the “Project Site” and the gas collection and processing operations at the Project Site is the “Project”), and sets forth the general terms and conditions applicable to the Parties in regard to provision of such Equipment and Services; and

WHEREAS, the utility offtake entered into a certain RENEWABLE POWER PURCHASE AGREEMENT, with the Company to generate, transmit, purchase, and distribute renewable electric power from the Project and under such agreement, the Company granted utility offtake all rights, title, and interest in any environmental attributes associated with energy generated by the Project; and

WHEREAS, in connection with the provision of the Services, LoCI, has and will continue to have the capacity to monitor and measure methane and other greenhouse gases (“GHGs”) in a manner such that GHG (including methane) emissions can be more efficiently managed, controlled, and limited and further, that the data associated with the Services and such GHG emissions reduction and monitoring enables the generation of credits under California’s Low Carbon Fuel Standard found in California Code of Regulations, Title 17, Sections 95480-95503 and related statutes and regulations (the “LCFS Program,” and all such credits herein the “LCFS Credits”) as administered by the California Air Resources Board (“CARB”); and

WHEREAS, LoCI’s automated landfill gas control technology and associated Equipment and methodology applied in connection with the Services is a part of the continuous process stream for the collection, storage, and use of LFG and LoCI is capable of quantifying, monitoring, reporting, and verifying GHG emission reductions at the Project Site in a manner LoCI believes will render LoCI eligible to file a LCFS pathway application (the “Tier 2 Pathway Application”), and in the event that CARB approves the Tier 2 Pathway Application, LoCI will become a LCFS fuel pathway holder such that LCFS Credits may be generated to the extent the LFG is used as a qualifying LCFS transportation fuel and other LCFS Program requirements are fulfilled; and

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WHEREAS, the Company desires that LoCI apply and consents and supports LoCI's pursuit of becoming a LCFS fuel pathway holder as a result of LoCI's Services and Equipment located at the Project Site, and has agreed for LoCI to manage the process of filing a Tier 2 Pathway Application to become a fuel pathway holder (such fuel pathway herein referred to as "LoCI's Fuel Pathway"), to comply with the LCFS Program requirements, and for the utility offtake, as the First Fuel Reporting Entity for the Project, to monetize or otherwise realize the economic and other benefits of LCFS Credits generated as a result of LoCI's Services at the Project Site; and

WHEREAS, the Parties hereto desire to amend the Agreement to provide the Additional Services as herein provided by this Amendment 3 LCFS Credits ("Amendment 3") in order that LoCI may become a LCFS fuel pathway holder such that LCFS Credits may be generated and monetized as a result of operations at the Project Site, and to share the economic benefits of such LCFS Credits between the Company and LoCI (as consideration for the Additional Services).

NOW THEREFORE, the Parties, in consideration of the premises and the agreements herein contained, agree as aforesaid and as follows:

1. This Amendment 3 addresses and relates to the application, establishment, and LCFS Program compliance requirements of LoCI's LCFS Fuel Pathway. This Amendment 3 is established with the intent to monetize or otherwise realize the economic and other benefits of LCFS Credits generated through LoCI's LCFS Fuel Pathway as a result of operations at the Project Site but is subject to CARB approval. The consideration for the agreements herein includes the provision by LoCI of the Additional Services, and other good and valuable consideration. This Amendment 3 shall be effective as of the date of the Agreement and terms appearing in this Amendment 3 as defined terms that are not expressly defined herein shall have the respective meanings ascribed to such terms in the Agreement. The Agreement is and shall remain in full force and effect except to the extent modified by this Amendment 3. This Amendment 3 shall control if there are conflicting terms between this Amendment 3 and the Agreement. To the extent the Agreement is terminated, whether on terms permitted under the Agreement or otherwise, LoCI shall remain the sole owner of the LCFS Fuel Pathway and the Tier 2 Fuel Pathway Application.
2. LoCI is exclusively authorized and agrees to use its best efforts to provide CARB the necessary data, calculations, and methodologies to apply for, validate, verify, and otherwise maintain LoCI's LCFS Fuel Pathway so as to monetize or otherwise realize the economic and other benefits of LCFS Credits generated at the Project Site from the date the Additional Services commence at the Project Site (the "Additional Services Start Date") and throughout the term of the Agreement. LoCI shall be responsible for all registration, reporting and record-keeping requirements associated with LCFS compliance and credit generation to the extent that it is reasonably feasible for LoCI to fulfill these requirements. The Company shall execute such documents and perform such other lawful acts as are requested by LoCI to assist LoCI in availing LoCI's Fuel Pathway to the extent that these acts cannot be reasonably feasible for LoCI to complete.

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3. The Company agrees to use commercially reasonable efforts to cooperate with LoCI in the preparation of all data and reports reasonably requested by LoCI and as may be, in LoCI's discretion necessary to apply for, establish, and maintain LoCI's LCFS Fuel Pathway and will provide any Project documentation requested by LoCI related to the generation of LCFS Credits under LoCI's Fuel Pathway. Such data includes, but is not limited to, the backup source gas collection system monthly data and support for the cover area calculations as submitted to the EPA in the Company's GHG Report and monthly data on (i) waste landfilled, (ii) any changes by area of landfill cover type (permanent, intermediate, or daily cover), and (iii) any start of operation of new areas with active gas collection.
4. LoCI shall comply with all record retention and audit requirements of a fuel pathway holder and applicant pursuant to LCFS §95491.1. et. seq, and as amended, and Company shall provide LoCI access to review such records or documents and perform such other lawful acts as are requested by LoCI to assist LoCI in applying for and maintaining LoCI's LCFS Fuel Pathway.
5. The Company hereby agrees that LoCI has the sole and exclusive right to make all filings and otherwise do all things necessary to avail LoCI's LCFS Fuel Pathway and expressly assigns, sells, sets over, and transfers to LoCI all right, title, and interest in LoCI's Fuel Pathway determined from the Additional Services Start Date and continuing throughout the term of the Agreement. Therefore, as between the Company and LoCI:
 - a. LoCI's LCFS Fuel Pathway shall be owned solely by LoCI and may be transferred, dealt in, traded, or shared by LoCI in its sole discretion. The Company shall execute all documents and perform all acts reasonably requested by LoCI to assist LoCI in applying for, verifying, and maintaining LoCI's Fuel Pathway and as needed, to assist LoCI in qualifying, managing, and transacting LCFS Credits generated under LoCI's LCFS Fuel Pathway. Company agrees that LoCI shall have clear, unique, and uncontested title to LoCI's LCFS Fuel Pathway, unencumbered by any liens or conditions of the Company.
6. In consideration for the Company's agreements herein, the Company shall be entitled to 20% (twenty percent) of all "Net LCFS Revenue" and LoCI shall retain and receive 80% (eighty percent) of all Net LCFS Revenue. "Net LCFS Revenue" shall mean all cash revenue realized from the sale of LCFS Credits from the Project, net of all direct costs that LoCI incurs in providing the Additional Services ("Direct Costs"). Direct Costs include but are not limited to, legal, accounting, and other fees and costs to assess the qualification of LoCI's Fuel Pathway, costs to verify LoCI's Fuel Pathway and the LCFS Credits claimed to be available, costs for filings and other compliance, necessary fees paid to regulatory entities and other third parties. The Direct Costs are not to exceed \$50,000 per year. In the event that Direct Costs exceed all cash revenue, LoCI, at its sole expense, shall cover all Direct Costs that exceed the cash revenue. Company agrees that the utility offtake, as the First Fuel Reporting Entity for the Project, shall receive a percentage of all LCFS Credits generated by the Project in consideration for the generation and monetization of LCFS Credits from the Project. The utility offtake's share of LCFS Credits shall not exceed 30% (thirty percent) of the total LCFS Credits generated from the Project.

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Within thirty (30) days of LoCI receiving payment from the sale of LCFS Credits generated from the Project, LoCI shall generate a report detailing the calculation of LCFS Credits and the cash received in connection with the sale of the LCFS Credits as well as the amounts payable to the Company. The Company's share of Net LCFS Revenue shall be paid within thirty (30) days from when LoCI receives payment from the sale of the LCFS Credits.

In the event that the CARB Executive Officer invalidates, recalculates, or adjusts the value of LCFS Credits generated from the Project under LoCI's Fuel Pathway such that the utility offtake is required by CARB to surrender to CARB a specified quantity of LCFS Credits ("Replacement Credits"), Company shall pay 20% of Net LCFS Revenue received for such Replacement Credits to replace the total credits generated to the utility offtake. In such event, LoCI shall work with the utility offtake to ensure that Replacement Credits are purchased in a fiscally prudent fashion, and the utility offtake shall provide an accounting of total Replacement Credit costs. Within thirty (30) days from when LoCI receives notice of the utility offtake's accounting, LoCI shall provide an accounting to Company of Company's total cost for Replacement Credits.

7. LoCI makes no representation or warranties in regard to the qualification for or verification of LoCI's Fuel Pathway, nor the marketability or "pricing" of LCFS Credits generated under LoCI's Fuel Pathway. The Company acknowledges the LCFS is a regulatory program administered subject to substantial authority and discretion by CARB and that CARB periodically amends the regulatory requirements, issues new guidance, and issues notices of violation that may proceed to enforcement proceedings. In addition, there are uncertain dynamics associated with generating LCFS Credits from landfill operations, and it is possible that no such credits may be obtained or be obtainable by LoCI or any other operator of the gas process system at the Project Site. Further, the market for LCFS Credits is dynamic and no assurance is provided as to the ability to benefit from the LCFS Credits and the Parties acknowledge that the market can change at any time for reasons beyond the control of LoCI.
8. Any regulatory compliance associated with the activities at the Project Site (including by way of example, obligations to any federal, state, or local environmental regulator or agency) that are distinct from LCFS regulatory compliance remain the sole obligation of the Company, and by undertaking the Services and the Additional Services, LoCI does not assume any such obligation for regulatory oversight. Neither LoCI nor the Company shall under any circumstances be liable for any special, consequential, or punitive damages associated with this Amendment 3.
9. The Company, in the ordinary course of operations at the Project Site, has the right to modify operating procedures and gas collection set points at any time, with the understanding that such modifications by the Company may ultimately negatively affect the Net LCFS Revenue. The Company will notify LoCI prior to making such operating modification except in exigent circumstances, and the Company shall use commercially reasonable efforts undertake to discuss any such operating modifications with the designated representative of LoCI to avoid potential LCFS compliance or crediting implications of the modifications prior to effecting such modifications.

LoCI Controls

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Wareham, MA 02571

10. The Parties acknowledge and agree that the utility offtake and Energy 2001, as the gas collection system operator for the Project, are third-party beneficiaries of the representations, warranties, and covenants of this Agreement. LoCI shall enter into a separate agreement with Energy 2001 to affect sole ownership over the Tier 2 Pathway Application and LoCI's Fuel Pathway and to define compensation for such LCFS Credits exclusively between LoCI and Energy 2001.
11. The Term of this Amendment 3 shall run for one (1) year from the date of this Amendment 3 and shall automatically renew for successive one (1) year terms ("Renewal Term").
12. During a Renewal Term, Amendment 3 may be terminated at the end of a calendar quarter for any reason by either Party providing the other Party at least sixty (60) days advance written notice of termination before the end of the current calendar quarter.

This Amendment 3 is a severable part of the Agreement and any other amendment under the Agreement. Termination of Amendment 3 shall not constitute termination of the Agreement or its amendments and the Agreement or its amendments shall survive the termination of Amendment 3 unless either Party terminates the Agreement or its amendments consistent with its terms. In the event of termination of both the Agreement and this Amendment 3:

- a. the Company shall at all reasonably requested times allow LoCI access to the Project Site to remove all LoCI Equipment, and the Parties agree that such removal shall be completed within thirty (30) days of such termination, subject to delays and adjustments to extend such period if LoCI is unable to access the Project Site for any reason or for other causes beyond the control of LoCI. The Company shall reasonably assist LoCI at its request in order to timely access the Project Site and remove LoCI's Equipment.
- b. All Equipment, technology, and intellectual property rights associated with the Services and the Additional Services is and shall remain the sole and exclusive property of LoCI.
- c. Through the date of termination, all data available to LoCI associated with the LCFS Credits shall be retained by and shall be the property of LoCI, but LoCI shall provide copies of such data to the Company upon reasonable request.
- d. Through the date of termination and after termination, all rights in LoCI's Fuel Pathway shall remain the property of LoCI. In the event that LCFS Credits generated during the Agreement are monetized after termination, LoCI shall compensate Company for such LCFS Credits in accordance with Section 6 herein.
- e. To the extent Company has granted any rights or licenses to LoCI for the provision of the Additional Services, such rights and licenses shall terminate with the Agreement.

In the event of termination of only this Amendment 3 (and by way of expression, not of the Agreement), each of b, c, d and e above shall apply.

LoCI Controls

14 Kendrick Road, Suite 2
Wareham, MA 02571

13. This Amendment 3 may be signed in counterparts, each of which shall be deemed an original, but all of which taken together shall constitute one and the same agreement.

IN WITNESS WHEREOF, the Company and LoCI have executed and delivered this Amendment 3 to the Agreement as of the date first written above.

LOCI:

LoCI Controls, Inc.

By: _____
Peter Quigley, CEO/Chairman

COMPANY:

Western Placer Waste Management Authority

By: _____
Name, Title

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**MEMORANDUM
WESTERN PLACER WASTE MANAGEMENT AUTHORITY**

TO: **WPWMA BOARD OF DIRECTORS** DATE: **OCTOBER 10, 2024**
FROM: **SCOTT SCHOLZ / EMILY HOFFMAN** *el*
SUBJECT: **ITEM 9A: SAC STATE / CARLSEN CENTER WORK ORDERS**

RECOMMENDED ACTION:

1. Authorize the General Manager or designee, upon review and approval by WPWMA Counsel, to execute a work order with the Sac State / Carlsen Center for Innovation and Entrepreneurship (CCIE) to manage and facilitate a circular economy innovation competition on behalf of the WPWMA for an amount not to exceed \$55,000.
2. Authorize the General Manager or designee, upon review and approval by WPWMA Counsel, to execute a work order with the Sac State / Carlsen Center for Innovation and Entrepreneurship (CCIE) to initiate a WPWMA Innovation Lab and compensate faculty research to advance projects on the WPWMA's campus for an amount not to exceed \$25,000.
3. Determine that the recommended actions are not projects pursuant to California Environmental Quality Act Guidelines Section 15378.

BACKGROUND:

At the September 2021 meeting, your Board approved a Master Services Agreement (MSA) with CCIE to assist with attracting, assisting, and mentoring businesses that intend to beneficially utilize recyclable materials recovered at the WPWMA's facility. The MSA serves as an overarching agreement between the parties that allows for the development and execution of individual "work orders" that generally cover services related to:

1. Attracting, assisting, or mentoring businesses that utilize the WPWMA's waste stream as a source of raw materials for beneficial use; or
2. Sponsoring or partnering in research and evaluation of technologies that WPWMA finds may develop new ways to utilize its waste stream, divert materials from the Western Regional Sanitary Landfill for beneficial use, or minimize impacts associated with solid waste operations.

Circular Economy Innovation Competition

At the August 2022 meeting, your Board approved the first work order with CCIE to develop, manage, and conduct the inaugural Circular Economy Innovation Competition with the goal of attracting innovative concepts for managing materials recovered from the waste stream received at the WPWMA's facility that have historically been difficult or not cost effective to recover and market. The competition was kicked off during Global Entrepreneurship Week in November 2022, attracting 16 unique entries that were reviewed by WPWMA's Member Agency staff. 4 entries were selected as finalists and received business mentoring and pitch refining from CCIE.

In April 2023, the Roseville Venture Lab hosted the Final Pitch for the Circular Economy Innovation Competition at which AgGen was selected as the winner and received a check for \$20,000 to continue advancing their innovation. WPWMA is actively working with AgGen to advance their innovations and site a pilot project on the WPWMA's campus.

In October 2023, your Board approved the second work order with CCIE to develop, manage, and conduct a second Circular Economy Innovation Competition that launched in November 2023 during Global Entrepreneurship Week and generated 14 viable entries.

Upon review by WPWMA and Member Agency staff, 8 entries were selected to move forward as finalists at the Final Pitch held April 24, 2024 at the Roseville Venture Lab. In addition to representatives from your Board, the Judging Panel included representatives from California State University, Sacramento (CSUS), the Growth Factory, and Fourth Wave. Fiber Global was selected as the winner of \$20,000 and the judges awarded an additional \$5,000 Innovator Award to ECO-BUILDER.

Fiber Global, a climate technology startup focused on advancing building materials, recycles corrugated cardboard to manufacture panels that can be used in the furniture and construction industries. They are based out of Lafayette, Indiana, where they have their first manufacturing plant, and seek to expand their operations across the US, including Placer County. Staff have been working with Fiber Global on the potential to site a manufacturing plant on the WPWMA's campus.

ECO-BUILDER, a Sierra College student-led plastic and fiber recycling company, have been working with the WPWMA to find a suitable manufacturing space to continue proof of concept and scale for their building material manufacturing innovation.

Staff recommend continuing the Circular Economy Innovation Competition with the CCIE consistent with their attached Work Order.

WPWMA Innovation Lab

In anticipation of the new CSUS campus, expected to begin admitting students in 2028 just south of the WPWMA in the Placer One development of the Sunset Area, staff have been meeting regularly with Placer Center staff and leadership.

As a neighboring stakeholder, staff from Sac State's Office of Sustainability organized a tour and meet and greet in November 2023 for CSUS and Sierra College leadership to learn how the WPWMA can be a vital neighbor and partner to the Placer Center campus. Following this meeting, WPWMA staff have engaged faculty at CSUS' College of Engineering & Computer Science to gauge interest in joint research projects.

In May 2024, staff participated in the Placer Center's academic cluster presentations highlighting academic programming and curriculum planning for the university, including the College of Sustainable Development which will utilize a multi-disciplinary approach to sustainability, engineering, manufacturing, circular economics, environmental science, and more, relying heavily on the WPWMA as an industry partner.

Through these discussions, CSUS/CCIE have developed a framework to support elevating Circular Economy and Innovation-related research projects and technical projects in collaboration with CSUS' campus partners on behalf of the WPWMA, by creating a WPWMA Innovation Lab.

This lab, which draws inspiration from the Resource Innovation and Solutions Network at Arizona State University and the Haley Barbour Center for Manufacturing Excellence at the University of Mississippi, is intended to serve as a business accelerator, replicate the real working world, offer experiential learning opportunities, and provide a hands-on living manufacturing laboratory for faculty, students, entrepreneurs, and businesses. Staff have already begun work on siting a temporary lab on the WPWMA's central campus while utility improvements, needs assessments, and financial investment (particularly grants) are necessary to develop a permanent home for the Innovation Lab on the WPWMA's eastern expansion property.

In discussions with staff, CCIE recommends beginning the lab by focusing faculty research on wastewater pre-treatment solutions to address constituents in leachate and wastewater as well as forthcoming regulatory requirements related to PFAS that will impact jurisdictions across California and the United States, beyond solid waste facilities. A secondary focus on preparing project proposals for SB 54 grant funding will also be included in the first work order. This evening, CSUS staff will provide a presentation to your Board on these efforts.

The intended long-term goal is that the research, technical projects, and start-ups that stem from the Innovation Lab will not only be beneficial for the WPWMA and its Member Agencies, but for jurisdictions, solid waste agencies, and companies across the globe.

ENVIRONMENTAL CLEARANCE:

The recommended action is not a project pursuant to California Environmental Quality Act Guidelines Section 15378.

FISCAL IMPACT:

The proposed work orders with CCIE include \$30,000 for CCIE staff time and expenses associated with developing, managing, and facilitating the outlined efforts, \$25,000 to compensate Sac State faculty and staff time and research for two semesters, and \$25,000 in total prize money for award to the winning entrie(s), for a total not-to-exceed cost of \$80,000. Sufficient funding is available in the Preliminary FY 2024/25 Budget to cover this cost.

STRATEGIC PLAN/GOALS:

GOAL 2 – Enhance economic development and investment in innovation.

GOAL 3 – Increase material diversion and domestic reuse.

ATTACHMENT: 2024-25 CCIE WORK ORDER FOR CIRCULAR ECONOMY COMPETITION
2024-25 CCIE SCOPE OF WORK FOR CIRCULAR ECONOMY COMPETITION
2024-25 CCIE WORK ORDER FOR WPWMA INNOVATION LAB
2024-25 CCIE SCOPE OF WORK FOR WPWMA INNOVATION LAB
CSUS/CCIE MASTER SERVICES AGREEMENT

2024-25 CIRCULAR ECONOMY INNOVATION COMPETITION WORK ORDER
Agreement #MA200332
Between WPWMA and Carlsen Center, Sacramento State
Work Order #3

This Work Order reflects the services to be provided by CCIE to WPWMA under the Master Agreement #MA200332

A. DESCRIPTION OF SERVICES

The Carlsen Center for Innovation & Entrepreneurship (CCIE) will provide the Western Placer Waste Management Authority (WPWMA) with support in developing and executing the Circular Economy Innovation Competition as well as providing business development support and guidance to the previous competition winners.

B. PERIOD OF PERFORMANCE

The period of performance is 12 months. The duration of 12 months provides both parties the necessary time to develop, execute, and review program performance. All services must be completed by the end term of the Master Agreement (2026).

C. FIRM FIXED PRICE OF WORK ORDER

\$30,000 – CCIE Administrative Costs (Including fees for Executive Director, Program marketing, advertising, events, and in-direct costs)

\$25,000 – Award for Circular Economy Innovation Competition winner(s)

D. DELIVERABLES

- 1.1 Establish phases and processes for Innovation (pitch) Competition
- 1.2 Focus marketing efforts on educating potential competition applicants of the WPWMA's specific problem statement
- 1.3 Launch competition with application and marketing
- 1.4 Host a panel discussion during Global Entrepreneurship Week
- 1.5 Run a pitch competition during Earth Week
- 1.6 Provide quarterly update on pilot with winners of previous Innovation Competitions
- 1.7 Engage in a monthly check-in with winners of previous Innovation Competitions

Approvals as to Scope:

WPWMA:

By: _____

Name: _____

Title: _____

Date: _____

CCIE:

By: _____

Name: _____

Title: _____

Date: _____



Circular Economy Pitch Competition

Innovating waste to repurposed value

Scope of Work Overview:

The Western Placer Waste Management Authority (WPWMA) and Carlsen Center for Innovation and Entrepreneurship at Sacramento State partner to present an opportunity for innovators and entrepreneurs to pitch their circular economy solutions to a panel of judges while competing for an award (cash prize, small contract, cash prize + small contract, etc.).

Additionally, the partners will explore and scope research opportunities with the Sustainability Center at Sacramento State, the College of Natural Science & Mathematics, and the College of Engineering & Computer Science.

Core Partners:

- Carlsen Center for Innovation & Entrepreneurship
- Western Placer Waste Management Authority
- Sustainability Center at Sacramento State
- Placer Center

Community Partners:

- Growth Factory/Roseville Venture Lab
- StartupSac

Campus Partners:

- Placer Once Project
- College of Natural Science & Mathematics and
- College of Engineering & Computer Science
- Office of Research Innovation and Economic Development

Team:

- Scott Scholz – Western Placer Waste Management Authority
- Eric Oddo – Western Placer Waste Management Authority
- Emily Hoffman – Western Placer Waste Management Authority
- Gloria Stearns – Placer County Economic Development
- Cameron Law – Carlsen Center for Innovation & Entrepreneurship at Sac State
- Ryan Scott Todd – Sustainability Center at Sacramento State
- Laura Ospina – Sustainability Center at Sacramento State
- Dr. Vajra Watson – Placer Center



Scope 1 - Pitch Competition Phase and Timeline:

Phase 1: Establish (August to November 2023)

- Establish core and key partners to drive the collective effort. Finalize the timeline with partners and set schedule. Recruit mentors, marketing champions, and brainstorm potential judges for the various stages.
- Revise and finalize the scoped problem statement(s) to attract companies and innovations to solve those needs.
- Build and finalize the application portal for submissions (Typeform)
- Brainstorm, build, and market a collaborative Global Entrepreneurship Week event where we will launch the application portal for submissions.
- Plan and build 2 to 3 virtual information sessions running from Nov. 2024 to February 2025
- Refine criteria for scoring applications and the judging panel

Phase 2: Attract (October 2024 to February 2025)

- Announce a call for submission of submissions which will be accepted through an application portal (TypeForm) – Middle of October 2024
- Run the Global Entrepreneurship Week event and launch the call for submissions (Nov. 18th through 22nd 2024)
- Engage marketing channels to attract companies. Respond and support applicants through the process.
 - Sacramento State University Communications
 - SacramentoInno
 - Spread new with RISN – ASU Walton Innovation Center
 - Element Accelerator
 - Engage WPWMA Stakeholders (Cities and County)
 - Roseville Venture Lab and Growth Factory
 - Greater Sacramento Economic Council
 - Valley Vision
- Host virtual information sessions to inform individuals and partners about the opportunities
- Finalize the date, time, and location of pitch event during the week of April 16th, 2025

Phase 3: Select Batch 1 (February 2024)

- Partners/Judges using the selection criteria laid out will select a specified number of applications (12 to 16) to move into Batch 1. These concepts will then attend a pitch crafting workshop (led by the Carlsen Center team) to support the participants in refining their concepts and articulating their value proposition.
- Set pitch crafting workshop/bootcamp (Note to engage potential region partners)
- The participants will then provide an initial pitch of 2 to 3 minutes on the product offering and the value creation potential it has. (Video submission)
- Begin marketing in-person pitch competition for attendees



Phase 4: Select Batch 2 (March 2025)

- Partners will review 2-to-3-minute pitch submissions and select the Circular Economy Pitch Competition finalists (6 to 10 finalists).
- Host larger workshop laying out criteria and connecting them with pitch coach/mentors (Carlsen Center team and Mentor Network)
- Mentor with one-on-one session finalists in preparing for the final pitch session. (5 to 6 min pitch)
- Continue to market the event and engage partners across the region

Phase 5: Final Pitch (April 2025)

- The finalists present during Earth Day week (April 16th - 22nd) to compete for the final awards - \$20,000. The finalists will be judged by a panel of judges selected by the organizing partners (5 judges).
- Train and prepare judges on scoring criteria and the flow of the event.
- Run event leading into Earth Day the week of April 16th, 2025
- Thank partners and engage winners and other participants.

Phase 6: Mentor and Technical Assistance (April 2025 – August 2025)

- Post pitch day the Carlsen Center team will provide technical assistance to winning teams supporting them in de-risking their business model.

Deliverables:

- Establish phases and processes for pitch competition
- Focus marketing efforts on educating potential competition applicants of the WPWMA's specific problem statement
- Launch competition with application and marketing
- Host a panel discussion during Global Entrepreneurship Week
- Run a pitch competition during Earth Week
- Provide quarterly update on pilot with winner of previous Innovation Competition(s)
- Engage in a monthly check-in with winning organizations

Requirements:

- Capacity of WPWMA staff or board involvement:
 - Scoping problem statements and the aim of the competition
 - Serving on selection panels or judges at the competition
 - Connecting to potential technical experts for research or innovation pilot
 - Engage in update meetings and marketing discussions



Budget:

Expense	Amount (\$)	Purpose
Award(s)	\$25,000	This will serve as a draw to talented startups and innovative technologies
Carlsen Center for Innovation & Entrepreneurship at Sacramento State	\$30,000	To execute and deliver on scope of work and deliverables highlighted above. Included event and marketing costs.

2024-25 WPWMA INNOVATION LAB WORK ORDER
Agreement #MA200332
Between WPWMA and Carlsen Center, Sacramento State
Work Order #4

This Work Order reflects the services to be provided by CCIE to WPWMA under the Master Agreement #MA200332

A. DESCRIPTION OF SERVICES

The Carlsen Center for Innovation & Entrepreneurship (CCIE) will provide the Western Placer Waste Management Authority (WPWMA) with support in developing and executing an Innovation Lab, focusing on creating a dynamic physical space for interdisciplinary collaboration and innovation at the intersection of academia and industry addressing real-world and emerging challenges.

B. PERIOD OF PERFORMANCE

The period of performance is 12 months. The duration of 12 months provides both parties the necessary time to develop, execute, and review program performance. All services must be completed by the end term of the Master Agreement (2026).

C. FIRM FIXED PRICE OF WORK ORDER

\$25,000 – Buyout for faculty research & intern for two semesters (one calendar year)

D. DELIVERABLES

- 1.1 Establish phases for development, formalization, and future growth planning of Innovation Lab
- 1.2 Establish research and pilot project scopes to address specific problem statements of the WPWMA
- 1.3 Recruit and bring on a faculty lead for Innovation Lab
- 1.4 Establish an Innovation Council of industry experts, faculty members, and innovators
- 1.5 Develop a list of funding opportunities for Innovation Lab and partners to pursue
- 1.6 Plan for integration of Innovation Lab into CSUS' Placer Center plans

Approvals as to Scope:

WPWMA:

By: _____

Name: _____

Title: _____

Date: _____

CCIE:

By: _____

Name: _____

Title: _____

Date: _____



Innovation Lab

Innovating waste to repurposed value

Overview:

The Western Placer Waste Management Authority (WPWMA) and Carlsen Center for Innovation and Entrepreneurship at Sacramento State (Carlsen Center) have successfully partnered in the launch of the Circular Economy Innovation Competition. This competition over the last two years has yielded benefits to WPWMA and the region. WPWMA has grown its regional presence as a leader in innovation amongst waste management facilities as well as in fostering the circular economy. This perception shift has led to the identification at Placer Center that WPWMA is an asset to the future innovation of the campus. Lastly, the competition has identified a multitude of innovation/innovators who with time are primed for further exploration at the WPWMA facility.

On the horizon in 2028, SB54 will come into effect in parallel with the launch of Placer Center. With these opportunities coming to fruition at the same time it provides a unique opportunity to expand the partnership between WPWMA and Sacramento State. In furthering this partnership, the Carlsen Center proposed the launch of an innovation lab to expand the challenge identification within WPWMA and in turn engage faculty researchers along the most pressing challenges within the operations.

An **innovation lab** is a dedicated space or environment designed to foster creativity, research and experimentation, and the development of new ideas, products, or solutions. It provides a collaborative setting where individuals, teams, or organizations can work on projects that push the boundaries of current knowledge, technology, and business models. Innovation labs are often used by companies, universities, or research institutions to explore disruptive technologies, innovative strategies, or novel processes in a controlled, creative atmosphere.

The innovation lab at WPWMA would serve as a launchpad for funding opportunities in which WPWMA, the Carlsen Center, and Sacramento State could collectively seek. Establishing such infrastructure (environment, alignment, human resources, and strategy) will prime this partnership for future funding opportunities.

Lastly, this next phase is to move us closer to establishing Placer County, WPWMA, and its partnership with Sacramento State as a national leader in fostering innovation and best practices in the circular economy and sustainability.



Scope of Work:

The proposed scope of work in this second phase is to launch an Innovation Lab at WPWMA. The primary goal of this scope of work is to establish a proof-of-concept Innovation Lab at WPWMA, with a focus on creating a dynamic space for interdisciplinary collaboration and innovation at the intersection of academia and industry. This proof-of-concept will establish infrastructure from a faculty lead to an innovation council.

A key first step will be building the capacity to establish the Innovation Lab, which will begin with the recruitment of a Faculty Lead. This person will be responsible for overseeing the lab's proof-of-concept by establishing operations, guiding research activities, and ensuring the alignment of academic goals with innovation-driven outcomes for WPWMA. The Faculty Lead will also serve as the liaison between students, faculty, and external stakeholders, fostering an inclusive environment that encourages experimentation, prototyping, and the development of new ideas. The lab will provide state-of-the-art tools and resources to support innovative projects, driving research that aligns with real-world industry challenges.

To support the lab's strategic direction and maximize its impact, we will establish an Innovation Council comprising a diverse mix of industry experts, faculty members, and innovators. This council will play a pivotal role in providing industry insights, ensuring that the lab remains agile and responsive to both academic and market demands. The council will meet quarterly to assess research and innovation project progress, recommend improvements, and identify emerging trends in innovation and technology. By creating a bridge between academia and industry, the innovation council will ensure the lab's research is both cutting-edge and practical, enabling students and faculty to work alongside industry leaders to solve complex, real-world problems.

Example Proposed Proof of Concept – Challenge Area: Wastewater Treatment

It has been identified that a specific opportunity for research and partnership is around wastewater treatment within the WPWMA facility. As a proof-of-concept the Innovation Lab would be tasked with the effort to identify faculty with existing research or complimentary research to further explore solutions and opportunities that lie in this issue area.

Specifically, Faculty Lead of the Innovation Lab would engage the Office of Water Programs (OWP) at Sacramento State, which for almost 50 years, has consistently delivered on its mission to provide cost-effective solutions for protecting and enhancing water resources, public health, and the environment through training, scientific research, and public education.

Their expertise including stormwater program management consulting, watershed planning, drinking water and wastewater treatment, soil and groundwater investigations, and field/pilot studies for various stormwater source control practices and treatment technologies, as well as technical, managerial, and financial assistance for disadvantaged communities would serve as a foundation for solution identification and piloting.



Core Partners:

- Carlsen Center for Innovation & Entrepreneurship
- Western Placer Waste Management Authority
- Sustainability Center at Sacramento State
- Placer Center

Campus Partners:

- Office of Water Programs
- College of Natural Science & Mathematics and
- College of Engineering & Computer Science
- Office of Research Innovation and Economic Development

Team:

- Scott Scholz – Western Placer Waste Management Authority
- Eric Oddo – Western Placer Waste Management Authority
- Emily Hoffman – Western Placer Waste Management Authority
- Gloria Stearns – County Economic Development
- Cameron Law – Carlsen Center for Innovation & Entrepreneurship at Sac State
- Ryan Scott Todd – Sustainability Center at Sacramento State
- Laura Ospina – Sustainability Center at Sacramento State
- Dr. Vajra Watson – Placer Center

Scope – Establish and Launch Innovation Lab:

Phase 1: Identify and Establish Priority Research Areas (October to December 2024)

- Core partners convene and brainstorm priority challenge areas within WPWMA operations and vision
- Narrow down brainstorm into “Big Easy” (highest impact, easiest to implement) research proof-of-concept area
- Build a list of faculty researchers with experience and expertise in research area
- Foster a conversation during Global Entrepreneurship Week about innovation in this research area

Phase 2: Bring on Faculty Lead and Innovation Council (January 2025 to March 2025)

- Utilizing list in Phase 1 to target faculty lead for the Innovation Lab
- Work with faculty lead to establish Innovation Lab:
 - Purpose, Members, Structure, etc.
- Tell the story of the launch of this innovation lab with the faculty lead and innovation council



Phase 3: Launch Pilot Project/Research + Innovation Council (March to November 2025)

- Refine scope of research pilot project with faculty lead and innovation council
- Launch research/pilot project
- Establish quarterly innovation council cadence identify future scopes of work for the Innovation Lab to explore
- Identify funding opportunities for Innovation Lab and partners to seek
- Showcase research and pilot during Global Entrepreneurship Week 2025

Deliverables:

- Establish phases of development, formalization, and future growth planning of WPWMA Innovation Lab
- Establish research/pilot project scopes to address specific problem statements of the WPWMA
- Recruit and bring on a faculty lead for the Innovation Lab
- Establish an Innovation Council of industry experts, faculty members, and innovators
- Develop a list of funding opportunities for Innovation Lab and partners to pursue
- Plan for integration of WPWMA Innovation Lab into CSUS' Placer Center plans

Requirements:

- Capacity of WPWMA staff or board involvement:
 - Scoping problem statements and the aim for research opportunities
 - Serving as a member of the innovation council
 - Connecting to potential technical experts for research or innovation pilot
 - Engage in update meetings and marketing discussions
 - Provide space for innovation lab/team (as applicable and available)

Budget:

Expense	Amount (\$)	Purpose
Faculty Lead and Intern	\$25,000	Faculty buyout for research and leading the Innovation Lab + Council.

MASTER AGREEMENT

AGREEMENT NUMBER
MA200332

THIS MASTER AGREEMENT, made and entered into by and between the Trustees of the California State University, which is the State of California acting in a higher education capacity, through its duly appointed and acting officer on behalf of California State University, Sacramento hereinafter called the University for the Carlsen Center for Innovation and Entrepreneurship (CCIE) and the Western Placer Waste Management Authority, hereinafter called WPWMA.

WITNESSETH: That the University for and in consideration of the covenants, conditions, agreements and stipulations of this agreement does hereby agree to furnish services as follows:

University, through the CCIE hereby agrees to provide WPWMA services to attract, assist, and mentor businesses associated with the solid waste industry and specifically reuse of various forms of municipal solid waste recovered by the WPWMA at its Material Recovery Facility.

The term of service shall commence on the date of final execution and continue for a period of five (5) years. Each individual Work Order will have its own commencement and end date as stipulated within the Work Order

WPWMA agrees to pay the University an amount to be identified in individual work orders placed against this Master Agreement for the services performed. Payment shall be made monthly in arrears of service upon receipt of invoice from the University. There is no compensation associated with the Master Agreement.

No consideration has been or shall be paid directly or indirectly to any officer or employee of the University as wages, compensation, or gifts in exchange for acting as officer, agent, employee, subcontractor or as consultant in connection with this Agreement.

The following documents are hereby incorporated and made part of this agreement:

Exhibit A: Specification of Services, consisting of two (2) pages;
Exhibit B: General Provisions, consisting of four (4) pages;
Exhibit C: Sample Work Order, consisting of one (1) page;

Any provisions or attachments not specifically referenced herein shall be excluded from this agreement.

University shall have no liability except as specifically set forth in this Agreement.

Questions or information concerning this agreement should be addressed to Suzanne Swartz, Contract Management Specialist, 916-278-5797, swartzsd@csus.edu.

Nothing herein contained shall preclude advance payment pursuant to Article 1, Chapter 3, Part 1, Division 3, Title 2 of the Government Code.

IN WITNESS WHEREOF, this Agreement has been executed by the parties hereto, upon the date first above written.


UNIVERSITY		WPWMA	
California State University, Sacramento			
BY (AUTHORIZED SIGNATURE):	DATE	BY (AUTHORIZED SIGNATURE):	DATE
		 Bill Halldin (Sep 10, 2021 15:48 PDT)	Sep 10, 2021
PRINTED NAME AND TITLE OF PERSON SIGNING Suzanne Swartz, Contract Management Specialist		PRINTED NAME AND TITLE OF PERSON SIGNING Bill Halldin, WPWMA Chairman	
DEPARTMENT Procurement and Contract Services		ADDRESS:	

Exhibit A

SPECIFICATION OF SERVICES

Background

WPWMA has State of California regulatory requirements and goals to maximize diversion of the solid waste stream in order to extend the life span of its Western Regional Sanitary Landfill (WRSL), promote sustainable environmental practices associated with solid waste disposal and provide the most cost-effective services to their customers and WPWMA has identified excess portions of its lands adjacent to the WRSL that could be made available for private enterprise.

WPWMA has an interest in assisting existing and new private enterprises that utilize portions of the WPWMA waste stream to produce commercially viable products and/or services, possibly on-site and WPWMA views support of specific research that will enhance WPWMA's solid waste diversion, improve current reuse/recycling processes or provide better environmental sustainability for waste disposed at the WRSL.

CCIE's Mission is to be a regional hub for entrepreneurial education and support to start-up businesses; and California State University, Sacramento has world class faculty performing research in a wide variety of areas, including those that may benefit WPWMA and its customers.

Scope of Services

On an as needed basis WPWMA and CCIE may enter into individual scopes of work ("Work Order") to provide services typically, but not limited to, the purpose of:

1. Attracting, assisting or mentoring businesses that utilize WPWMA's waste stream as a source of raw materials for beneficial use; or
2. Sponsoring or partnering in research and evaluation of technologies that WPWMA finds may develop new ways to utilize its waste stream, divert materials from the WRSL for beneficial use or minimize impacts associated with solid waste operations.

The Work Order will include a description of the services to be performed broken down by task, deliverables, cost per task and a schedule for completion of the Work Order.

At a minimum WPWMA and CCIE will meet twice a year to discuss possible partnership opportunities that could become a Work Order.

Principal Contacts

The following shall be principal contacts for each organization

WPWMA

Ken Grehm, Executive Director
3033 Fiddymont Road
Roseville, CA 95747
kgrehm@placer.ca.gov

CCIE

Cameron Law, Executive Director
6000 J Street, MS 6091
Sacramento, CA 95819
c.law@csus.edu

Compensation

Compensation for each Work Order will be as outlined within each approved Work Order. No more than 90% of the maximum compensation under a work order shall be paid prior to the satisfactory completion of the Work Order.

WPWMA shall make final payment for all services associated with a Work Order within 60 days after CCIE has provided any deliverables as required by the Work Order.

Exhibit "B"

GENERAL PROVISIONS

1. GOVERNING LAW

This Agreement shall be construed in accordance with and governed by the laws of the State of California.

2. ENDORSEMENT

Nothing contained in this Agreement shall be construed as conferring on any party hereto, any right to use the other party's name, trademark, or logo as an endorsement of service or to advertise, promote or otherwise market any product or service without the prior written consent of the other party. Furthermore, nothing in this Agreement shall be construed as endorsement of any commercial product or service by the University its officers or employees.

3. NON-DISCRIMINATION POLICY

During the performance of this Contract, neither party shall not unlawfully discriminate, harass or allow harassment, against any employee or applicant for employment because of sex, sexual orientation, race, color, ancestry, religious creed, national origin, disability (including HIV and AIDS), medical condition, age, marital status, and denial of family care leave. Both parties shall insure that the evaluation and treatment of their employees and applicants for employment are free from such discrimination and harassment.

4. INDEMNIFICATION

WPWMA shall defend, indemnify, and hold Sacramento State its officers, employees, and agents harmless from and against any and all liability, loss, expense (including reasonable attorneys' fees), or claims for injury or damages arising out of the performance of this Agreement but only in proportion to and to the extent such liability, loss, expense, attorneys' fees, or claims for injury or damages are caused by or result from the negligent or intentional acts or omissions of WPWMA its officers, employees or agents.

5. DEPOSIT OF REVENUES IN APPROPRIATE UNIVERSITY ACCOUNTS

All monies received by the University, its divisions, departments, and centers as a result of the execution of this agreement shall be deposited in an appropriate University account.

6. INSURANCE REQUIREMENTS

Evidence of Insurance, Certificates of Insurance or other similar documentation shall not be required of either party under this agreement.

7. ASSUMPTION OF RISK / ADDITIONAL EXPENDITURES

Any entity which is a party to this agreement with the University, shall assume the risk of personal injury and property damage attributable to the willful acts, omissions or negligence of that entity, its officers, employees and agents. In the event that the entity is required to obtain any permit, license or authorization as a prerequisite to performing its obligations under this agreement, those costs shall be borne by the entity required to obtain the permit, license or authorization.

8. AMENDMENTS

This Agreement may be amended at any time by mutual agreement of the parties without additional consideration, provided that before any amendment shall take effect, it shall be reduced to writing and signed by both parties.

9. TERMINATION AND STOP WORK

Either party may terminate for convenience this Agreement or any individual Work Order by giving the other party at least thirty (30) days' written notice before the effective date of termination. Termination of this Agreement shall not affect the rights and obligations of the parties, which shall have accrued prior to termination.

In the event this Agreement is terminated by WPWMA, WPWMA shall remain responsible for payment to CCIE for all work performed through the date of termination. Upon termination of this Agreement, the Parties shall determine the ownership and control of the information compiled and deliverables prepared during the term of the Agreement and any outstanding Work Order.

WPWMA may, by written notice, direct CCIE to suspend work on any Work Order. Upon receipt of the notice, CCIE shall take all reasonable steps to minimize the incurrence of costs allocable to the Work Order. Upon conclusion of the work stop period WPWMA and CCIE will meet to discuss the potential impacts to the Work Order and make any necessary adjustments to scope, cost or schedule.

10. FORCE MAJEURE

No fault, delay or failure to perform on the part of the internal or external entity that is party to this Agreement shall be considered a default, delay or failure to perform is otherwise chargeable, if such a default, delay or failure to perform is due to causes beyond either party's reasonable control.

11. ASSIGNMENTS

Neither party shall voluntarily or by operation of law, assign or otherwise transfer this Agreement without the other party's prior written consent. Any purported assignment in violation of this paragraph shall be void.

12. COUNTERPARTS

This Agreement may be executed in any number of counterparts, each of which shall be deemed an original, but all such counterparts together shall constitute one and the same instrument.

13. SEVERABILITY

In the event that any provision of this agreement shall be held invalid by a court or administrative law judge, such holding shall not invalidate or render unenforceable any other provisions thereof. However, should such a breach go to the whole contract, then the entire contract is deemed unenforceable.

14. CAPTIONS

Captions and headings in this Agreement are solely for the convenience of the parties, are not a part of this Agreement and shall not be used to interpret or determine the validity of this Agreement or any of its provisions

15. USE OF UNIVERSITY FACILITIES

Use of University facilities by WPWMA is not authorized only as part of this agreement.

16. INDEPENDENT STATUS

It is understood and agreed that the parties to this Agreement are independent contractors and that no relationship of employer-employee exists between the parties hereto.

17. USE OF LOGO OR MARKS

Neither party to this agreement shall use or permit to be used the name, symbols, service marks, trademarks, and/or logos of the other party without prior written consent.

18. EXAMINATION AND AUDIT

For agreements in excess of \$10,000, WPWMA shall be subject to the examination and audit by:

- (a) the Office of the University Auditor, and
 - (b) the California State Auditor, for a period of three (3) years after final payment under the Contract.
- The examination and audit shall be confined to those matters connected with the performance of the contract, including, but not limited to, the costs of administering the Contract. Note: Authority Cited: Government Code Section 8546.7; Education Code Section 89045 (c&d), respectively.

19. COMPLIANCE WITH NLRB ORDERS

WPWMA declares under penalty of perjury under the laws of the State of California that no more than one final, unappeasable finding of contempt of court by a federal court has been issued against Contractor within the immediately preceding two-year period because of Contractor's failure to comply with an order of a federal court to comply with an order of the National Labor Relations Board. Note: Cite Authority: PCC 10296

20. DRUG-FREE WORKPLACE CERTIFICATION

Both parties certify that they shall comply with the requirements of the Drug-Free Workplace Act of 1990 and shall provide a drug-free workplace.

21. EXPATRIATE CORPORATIONS

WPWMA declares and certifies that it is not an expatriate corporation, and is not precluded from contracting with the University by The California Taxpayer and Shareholder Protection Act of 2003, Public Contract Code Section 10286, et seq.

22. NOTICES

All Notices, demands or communications to this Agreement shall be sent to the following:

WPWMA

WPWMA Executive Director
3033 Fiddymment Road
Roseville, CAA 95747

UNIVERSITY

Contract Management Specialist
Procurement and Contract Services
6000 J Street, MS 6008
Sacramento, Ca 95819

CCIE

CCIE Executive Director
6000 J Street, MS 6091
Sacramento, CA 95819

23. PROPRIETARY AND CONFIDENTIAL INFORMATION

WPWMA and CCIE may choose, from time to time, in connection with a Work Order, to disclose proprietary or confidential information to each other (Confidential Information). All such disclosures must be in writing and marked as "Confidential Information". The Parties will use reasonable efforts to prevent the disclosure to unauthorized third parties to the extent allowed by law.

24. DEVELOPED INTELLECTUAL PROPERTY

If any Intellectual Property is developed under this agreement, whether by one party on its own or jointly-developed by both parties, the parties shall cooperate to execute a separate agreement regarding the ownership of and any licenses regarding that newly-developed Intellectual Property. Intellectual Property shall mean any proprietary and or Patentable Materials, Copyrights, Trademarks, Software, algorithms, art and creative endeavors, Research Data, and Trade Secrets, whether or not formal protection is sought. It is understood that any Intellectual Property developed by an employee of the University or CCIE under this agreement or a resulting Work Order shall belong exclusively to the University.

25. ENTIRE AGREEMENT

This Agreement including future Work Orders constitutes the entire agreement between the parties and fully supersedes any and all prior agreements or understandings, written or oral, between the parties pertaining to the subject matter hereof.

**MEMORANDUM
WESTERN PLACER WASTE MANAGEMENT AUTHORITY**

TO: **WPWMA BOARD OF DIRECTORS** DATE: **OCTOBER 10, 2024**
FROM: **SCOTT SCHOLZ / ERIC ODDO** 
SUBJECT: **ITEM 9B: FISCAL YEAR 2024/25 FINAL BUDGETS**

RECOMMENDED ACTION:

1. Approve the Fiscal Year 2024/25 Final Budgets for the Operating Fund, Closure/Postclosure Fund, Self-Insurance Fund and Odor Management Fund as presented in Exhibits A, B and C.
2. Determine that the recommended action is not a project pursuant to California Environmental Quality Act Guidelines Section 15378.

BACKGROUND:

The WPWMA operates within four budgets:

1. **Closure/Postclosure Fund**, the purpose of which is to ensure adequate funding for corrective action, final closure and post-closure monitoring and maintenance of the landfill;
2. **Self Insurance Fund**, established to cover expenses from claims, lawsuits and damage assessments against the WPWMA;
3. **Odor Management Fund**¹, covering expenses related specifically to odor monitoring, management, and public outreach; and
4. **Operating Fund**, covering all other WPWMA expenses, including the MRF and landfill operating agreements.

On May 9, 2024, your Board approved the WPWMA's Fiscal Year 2024/25 Preliminary Budgets and directed staff to return to your Board for consideration of the Final Budgets.

The Final Budgets were developed based on the Financial Forecast (Exhibit D) and the following parameters:

1. Tipping Fee Structure – At the July 21, 2022 meeting, your Board approved a three-year tipping fee schedule to ensure sufficient revenues will be available to pay ongoing operations and maintenance costs, fund debt service requirements, and meet the bond coverage covenants. The last of these approved next approved rate adjustments is scheduled to take effect July 1, 2023 and reflects a 2.5% increase over FY 2023/24 rates.
2. Projected Tonnage – 488,493 total tons accepted, composed of mixed solid waste, sludge, green waste, commercial food waste, construction and demolition debris, wood waste and inerts.

¹ Odor management costs are technically included in the Operating Fund. Staff are presenting these odor-related costs and revenues as a separate "fund" solely for the purposes of transparency and clarity as it relates to the WPWMA's ongoing efforts related to facility odors.

Staff estimates that, after taking into account tonnages associated with one-time projects, the potential for customers to deliver materials to other facilities, the WPWMA will realize a decrease in waste tonnages of 2.4% compared to the quantities received in FY 2023/24 and a 2.2% reduction compared to the estimates included in the FY 2024/25 Preliminary Budget.

Specifically, compared to the projections included in the Preliminary Budget, staff have reduced quantity and corresponding revenue estimates for all material types (except foodwaste and woodwaste) by the following amounts.

Material Class	Preliminary Budget	Final Budget	Change
MSW	267,140	265,579	(0.58%)
C&D	117,921	114,736	(2.70%)
Sludge	7,159	4,792	(33.06%)
Greenwaste	64,008	62,290	(2.68%)
Foodwaste	3,165	3,579	13.08%
Woodwaste	8,803	9,521	8.16%
Inerts	28,558	25,242	(11.61%)
Miscellaneous	\$388,165	\$369,633	(4.77%)
Total Tonnage	499,431	488,493	(2.19%)
Total Tip Fees	\$50,954,650	\$50,045,069	(1.79%)

3. Debt Service and Coverage – As a result of the sale of bonds in September 2022 for the MRF improvements and current landfill liner construction, annual principal and interest costs for FY 2024/25 are \$3,275,000 and \$4,521,535, respectively. Approximately half of the interest payment is due in December; the principal and remaining interest payments are due in late May.

As a covenant of the bonds, the WPWMA is obligated to demonstrate it has generated net revenues, after paying operating and maintenance costs, equal to at least 125% of the annual debt service (referred to as “Coverage”). The proposed FY 2024/25 Final Budget is expected to result in a Coverage rate of 135%.

4. Rate Stabilization Fund – Historically, any unspent revenues remaining at the end of a fiscal year were identified in the subsequent fiscal year’s budget as “retained earnings” and treated as a source of available revenue. Beginning in FY 2022/23, and in accordance with Resolution 22-08 adopted by your Board at the August 11, 2022 meeting, any unspent revenues in the Operations Budget remaining at the end of the fiscal year will be deposited into a Rate Stabilization Fund. These monies will be available to your Board for future expenditures including, but not limited to, early retirement of the bonds. Staff projects a contribution to this fund at the end of the fiscal year of approximately \$727,458.
5. Construction Projects – As shown at the bottom of the second page of Exhibit A, \$15,799,180 is budgeted for the following anticipated projects:
 - a. Continued modification and upgrade to the MRF (\$5,717,965).
 - b. Completion of the Module 6 liner system (\$4,620,560).

- c. Design and initial retrofit of the WPWMA administration building (\$450,000).
 - d. Purchase and installation of an on-site radio communications system (\$30,000) and purchase of a new drone (\$20,000).
 - e. Upgrades to the existing CCTV system (\$15,000).
 - f. Landfill leachate pre-treatment system (\$1,000,000).
 - g. LFG Blower/Flare Station back-up power transfer switch (\$46,256).
 - h. Install new landfill gas wells in Modules 5 and 16 (\$480,300)
 - i. Permitting and initial design of the western landfill expansion including planting of trees and vegetative screening along the property perimeter (\$3,419,099).
6. Reserve Accounts – A net decrease to reserves totaling \$2,587,344. Staff recommends utilizing \$3,750,000 from the Operating Fund – Contingencies Reserve Account for landfill and compost-related construction projects.

Total fund balances and reserves at the end of the prior and current fiscal years are projected as follows:

	FY 2023/24	FY 2024/25
Operating Fund Budget	\$13,012,603	\$9,293,245
Rate Stabilization Fund	\$10,107,216	\$10,834,674
Closure/Postclosure Fund Budget	\$16,427,534	\$16,427,534
Self-Insurance Fund Budget	\$5,265,511	\$5,625,776
Odor Management Fund Budget	\$250,710	\$483,143
Total Reservesⁱ	\$44,812,864	\$42,181,229

ENVIRONMENTAL CLEARANCE:

Approval of the Final Budgets does not constitute a "Project" under the California Environmental Quality Act, per CEQA Guidelines Section 15378(b)(5), because your Board does not fully commit to any individual project when approving the budgets. Appropriate environmental review will be conducted prior to your Board's approval of individual projects.

FISCAL IMPACT:

The Final Budgets include sufficient funding to generate retained earnings for future use. Cancellation of reserves, other than as noted above, is not anticipated.

STRATEGIC PLAN/GOALS:

Goal 5 – Maintain fiscally responsible systems.

ATTACHMENTS: EXHIBIT A – OPERATING FUND
EXHIBIT B – CLOSURE/POSTCLOSURE FUND AND SELF-INSURANCE FUND
EXHIBIT C – ODOR MANAGEMENT FUND
EXHIBIT D – FINANCIAL FORECAST

ⁱ odor management fund budget amounts are a subset of the operating fund budget. As a result, the total reserves shown above do not include the odor management fund budget as an additional source of revenue.

EXHIBIT A**OPERATIONS FUND**

	2023/24 Final Budget	2023/24 Actual	2024/25 Final Budget	Notes
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SOURCES OF FUNDS

42010: Investment Income				
Interest/Investment Income	198,562	509,626	319,602	
Bond related Interest Income	1,019,467	3,426,749	303,071	
42030: Rents and Concessions				
Rent	86,565	86,565	90,591	
Royalties	413,088	262,242	413,088	
44270: State Aid - Other Programs	56,000	231,823	56,000	
46240: Road and Street Services	29,787	31,080	29,247	
46250: Solid Waste Disposal	48,577,738	49,290,324	49,175,673	
46430: Insurance Settlements	0	3,563	0	
48030: Miscellaneous	15,000	122,401	20,000	
49040: Gain/Loss from Fixed Asset Disposal	45,000	45,000	0	
49060: Contributions from Other Funds: Closure/Postclosure	0	1,435,480	0	
49060: Contributions from Other Funds: Self Insurance	0	0	0	
49140: Bond Proceeds	69,579,799	62,467,092	10,122,422	
Reserve Cancellations				
Fixed Asset Acquisition	0	0	0	
Road Improvement	0	0	0	
HHW Closure	0	0	0	
Imprest Cash	0	0	0	
Contingencies	3,500,000	0	3,750,000	
Rate Stabilization	0	0	0	
TOTAL SOURCES OF FUNDS	123,521,005	117,911,945	64,279,695	

USES OF FUNDS

Ongoing Operations	47,682,655	45,781,160	47,722,415	
Major Construction Projects	72,733,993	63,100,918	15,799,180	
Land Acquisition	0	0	0	
Contribution to Reserves				
Fixed Asset Acquisition	0	0	0	
Road Improvement	29,787	31,080	29,247	
HHW Closure	1,347	1,347	1,394	
Imprest Cash	0	800	0	
Contingencies	0	0	0	
Rate Stabilization	3,073,222	8,996,640	727,458	
Auditor's Year End Adjustment	0	0	0	
Retained Earnings	0	0	0	
TOTAL USES OF FUNDS	123,521,005	117,911,945	64,279,694	

OPERATING FUND RESERVE BALANCES

Fixed Asset Acquisition	1,219,125	1,219,125	1,219,125	
Road Improvement	188,269	189,561	218,809	
HHW Closure	40,089	40,089	41,483	
Imprest Cash	8,600	9,400	9,400	
Contingencies	8,054,428	11,554,428	7,804,428	
Rate Stabilization	4,183,798	10,107,216	10,834,674	
TOTAL OPERATING FUND RESERVE BALANCES	13,694,308	23,119,819	20,127,919	

APPROPRIATIONS BY ACCOUNT	2023/24 Final Budget	2023/24 Actual	2024/25 Final Budget	Notes
51010: Wages and Salaries	1,403,653	1,223,737	1,801,940	
51040: Overtime and Call Back Pay	40,022	34,508	22,922	
51090: Cafeteria Plans (Non-PERS)	77,241	63,598	95,517	
51110: Other Payroll	0	0	48,726	
51120: Uniform Allowance	2,000	3,250	3,250	
51210: Retirement	535,331	432,414	605,858	
51220: Payroll Taxes	105,857	93,893	137,848	
51240: Other Postemployment Benefits	49,072	98,892	130,936	
51290: 401(k) Employer Match	3,000	1,500	17,400	
51310: Employee Group Insurance	277,456	309,036	344,637	
51360: Workers Comp Insurance	20,000	21,390	24,146	
51380: Other Benefits	0	0	8,400	
52030: Clothing and Personal	2,500	3,533	4,125	
52040: Communication Services Expense	9,000	6,868	12,000	
52050: Food	1,000	3,370	1,000	
52060: Household Expense	500	1,345	1,500	
52080: Insurance	620,000	617,849	489,448	
52140: Parts	1,000	333	100	
52160: Maintenance	73,616	108,607	96,330	
52161: Maintenance - Buildings	2,500	7,641	5,000	
52170: Fuels and Lubricants	2,500	2,342	20,000	
52180: Materials - Buildings & Improvements	500	869	1,250	
52220: Laboratory Supplies	0	0	0	
52240: Professional / Membership Dues	12,000	10,625	12,000	
52250: Services and Supplies	500	16	7,500	
52260: Misc Expense	0	1,072	0	
52320: Printing	10,000	21,723	20,000	
52330: Office and Other Supplies	25,000	30,635	40,000	
52340: Postage	3,500	2,764	1,000	
52360: Prof. & Special Svcs - General	2,740,086	3,578,902	2,960,912	
52370: Prof. & Special Svcs - Legal	150,000	150,829	350,000	
52380: Prof. & Special Svcs - Tech., Eng. & Env.	31,948,428	29,628,356	30,854,478	
52390: Prof. & Special Svcs - County	230,000	167,446	200,000	
52400: Prof. & Special Svcs - IT	75,000	88,330	100,000	
52440: Rents and Leases - Equipment	100	3,351	24,000	
52450: Rents and Leases - Buildings & Improvements	100	0	100	
52460: Small Tools & Instruments	750	562	1,000	
52470: Employee Benefits Systems	21,200	14,556	14,847	
52480: PC Acquisition	5,300	869	6,000	
52510: Director's Fees	6,000	7,300	6,000	
52540: Signing & Safety Material	1,000	158	250	
52560: Small Equipment	100	218	2,000	
52570: Advertising	317,000	165,473	689,000	
52580: Special Department Expense	1,500	627	4,200	
52785: Training / Education	2,500	1,777	17,000	
52790: Transportation and Travel	45,000	58,431	70,000	
52800: Utilities	250,000	119,374	165,000	
52810: Operating Materials	1,000	0	0	
53020: Bond Principle	3,135,000	3,120,000	3,275,000	
53050: Debt Issuance Costs	3,700	0	0	
53060: Bond Interest	4,631,285	4,720,818	4,521,535	
53190: Taxes and Assessments	517,545	550,982	549,878	
53250: Contributions to other Agencies	274,022	274,022	280,873	
53390: Transfer Out A-87 Costs	26,969	26,969	27,508	
54410: Land	0	0	0	
54430: Buildings and Improvements	17,082,893	10,129,241	4,423,154	
54450: Equipment	44,101,506	47,140,867	2,359,811	
54470: Infrastructure	622,000	289,565	526,556	
54480: Land Improvements	10,927,594	5,541,245	8,039,659	
55510: Operating Transfer Out	0	0	0	
55550: Transfer to County for Road Improvements	0	0	0	
55550: Transfer to Closure/Postclosure Fund	0	0	0	
55550: Transfer to Self Insurance Fund	0	0	0	
55561: Interfund/Intrafund Activities Out	21,320	0	0	
59000: Appropriation for Contingencies	0	0	100,000	
TOTAL APPROPRIATIONS	120,416,648	108,882,078	63,521,595	
SUMMARY OF APPROPRIATIONS				
Related to Ongoing Operations	47,682,655	45,781,160	47,722,415	
Related to Construction Projects	72,733,993	63,100,918	15,799,180	
Related to Land Acquisition	0	0	0	

SUB-ACCOUNT DETAIL	2022/23 Final Budget	2023/24 Actual	2024/25 Final Budget	Notes
52360: Prof. & Special Svcs - General				
2810: Financial Services	236,032	344,913	346,243	
2880: Administration	622,000	607,060	299,068	
2900: Audit Costs	0	21,320	21,746	
2920: Aerial Surveys and Mapping Services	5,500	0	100,000	
2940: Consulting Services	199,000	455,116	176,000	
2950: Professional Engineering Services	1,567,854	2,005,966	1,867,755	
2977: Website Services	6,500	12	100	
3020: Armored Car Services	13,200	14,030	15,000	
3045: Temporary Worker Services	90,000	130,485	135,000	
52380: Prof. & Special Svcs - Tech., Eng. & Env.				
3140: Building Maintenance, Installation & Repairs	25,000	16,281	15,000	
3180: MRF Operations	29,052,360	26,670,279	27,938,324	
3190: Landfill Operations	2,768,568	2,842,471	2,790,653	
3320: Environmental and Ecological Services	100,000	99,302	110,000	
3322: Hazardous Waste (Temporary HHW events)	2,500	24	500	
52570: Advertising				
3890: Marketing Services	0	47,819	0	
3892: Outreach	156,000	74,766	259,000	
3893: Public Relations	85,000	9,542	325,000	
3894: Business Development	76,000	25,000	105,000	
3895: Publications & Legal Notices	0	8,345	0	
53190: Taxes and Assessments				
4870: Taxes and Assessments - Disposal Taxes	401,845	410,816	403,210	
4870: Taxes and Assessments - Property Taxes	700	651	700	
4870: Taxes and Assessments - Permit & Regulatory Fees	100,000	128,400	130,968	
4870: Taxes and Assessments - Fines and Penalties	15,000	5,700	15,000	
MAJOR CONSTRUCTION PROJECTS				
54430: Buildings and Improvements				
Building Expansions, Retrofits and Modifications	17,082,893	10,129,241	4,423,154	MRF upgrades by FCC
Admin building retrofits	0		450,000	
54450: Equipment				
MRF Equipment	43,996,906	47,094,707	1,294,811	MRF upgrades by FCC
LFG Equipment	0	23,217		
Composting Systems	0			
Information and Communications Technology	29,600		50,000	On-site radio system/new drone
Security Systems	15,000		15,000	Upgrade CCTV system
Misc Equipment	60,000	22,943	1,000,000	Leachate pre-treatment system
54470: Infrastructure				
Power	0		46,256	Blower/Flare Station Transfer Switch
Water	112,000			
Leachate/Sewage	26,000			
LFG Wells and Piping	400,000	289,565	480,300	Install new LFG wells in active modules
LFG Monitoring Systems	0			
Water Monitoring Systems	84,000			
54480: Land Improvements				
Liner Systems	8,223,371	5,243,143	4,620,560	Module 6 liner install
Cover Systems	0			
Compost Pads and Ponds	380,750	227,446		Complete North Compost Pond liner project
Other	2,323,472	70,655	3,419,099	Includes \$1.17M for perimeter tree planting
MAJOR CONSTRUCTION PROJECTS TOTAL	72,733,993	63,100,918	15,799,180	

	2023/24 Final Budget	2023/24 Actual	2024/25 Final Budget	Notes
TIPPING FEE STRUCTURE				
Tipping Fee (\$ per ton)				
MSW	103.75	103.75	106.50	
C&D	103.75	103.75	106.50	
Sludge and Mixed Inerts	59.00	59.00	60.50	
Green Waste	80.50	80.50	82.75	
Wood Waste	57.50	56.25	57.50	
Food Waste	80.50	80.50	82.75	
Inerts	62.75	61.50	62.75	
H2O Sludge	11.50	11.50	11.75	
Treated Wood Waste	216.50	216.50	221.00	
Bulk Tires	235.50	235.50	240.50	
Tipping Fee (\$ per cubic yard)				
MSW	23.75	23.75	24.50	
C&D	23.75	23.75	24.50	
Green Waste	19.00	19.00	19.50	
Wood Waste	17.00	16.50	17.00	
Inerts	62.75	61.50	62.75	
Tipping Fee (\$ per unit)				
Appliances	10.00	10.00	10.25	
CFC Devices	43.75	43.75	44.75	
Car Tires	4.75	4.75	5.00	
Truck Tires	23.75	23.75	24.25	
Tractor Tires	94.25	94.25	96.25	
MATERIAL QUANTITIES				
MSW				
Tonnage	249,903	256,313	257,901	
Yardage	124,074	94,789	95,405	
C&D				
Tonnage	111,271	106,472	102,736	
Yardage	25,880	38,707	37,739	
Sludge and Mixed Inerts	6,067	6,730	4,792	
Green Waste				
Tonnage	54,753	59,997	56,554	
Yardage	33,783	30,561	29,721	
Wood Waste				
Tonnage	7,701	8,347	8,228	
Yardage	5,406	4,757	4,900	
Food Waste	3,032	3,112	3,579	
Inerts				
Tonnage	23,575	22,548	18,806	
Yardage	7,954	7,572	6,436	
Appliances	9,367	7,718	7,819	
CFC Devices	4,315	4,564	4,367	
Tires				
Car	5,917	6,545	7,200	
Truck	96	108	119	
Tractor	55	26	29	
Bulk Tonnage	56	70	77	
H2O Sludge	1,265	1,097	1,207	
Treated Wood Waste	75	81	89	

EXHIBIT B**CLOSURE / POSTCLOSURE FUND**

	2023/24 Final Budget	2023/24 Actual	2024/25 Final Budget	Notes
<u>SOURCES OF FUNDS</u>				
Retained Earnings	0	0	0	
42010: Investment Income	107,976	487,880	410,688	
46250: Solid Waste Disposal	686,597	710,134	807,377	
49060: Contributions from Other Funds: Operating	0	0	0	
General Reserve Cancellations	0	707,622	0	
<u>TOTAL SOURCES OF FUNDS</u>	794,573	1,905,636	1,218,066	

USES OF FUNDS

Closure Cost Liability Adjustment	0	(518,594)	0	
Postclosure Costs Pledge of Revenue	794,573	0	798,245	
Corrective Action Pledge of Revenue	0	0	419,416	
Contribution to General Reserves		0	0	
Contribution to Operating Fund	0	0	0	
Retained Earnings	794,573	0	405	
<u>TOTAL USES OF FUNDS</u>	1,168,663	(518,594)	1,217,661	

CLOSURE/POSTCLOSURE FUND BALANCE

Closure/Postclosure Liability	15,686,757	16,427,534	16,427,534	
General Reserves	1,104,263	0	0	
<u>TOTAL CLOSURE/POSTCLOSURE FUND BALANCE</u>	16,791,020	16,427,534	16,427,534	

SELF INSURANCE FUND

	2023/24 Final Budget	2023/24 Actual	2024/25 Final Budget	
<u>SOURCES OF FUNDS</u>				
Retained Earnings	0	365,333	228,627	
42010: Investment Income	32,890	256,154	131,638	
46250: Solid Waste Disposal	0	0	0	
Future Occurances Reserve Cancellations	0	0	0	
<u>TOTAL SOURCES OF FUNDS</u>	32,890	621,487	360,265	

USES OF FUNDS

52360: Prof. & Special Svcs - General	0	0	0	
52370: Prof. & Special Svcs - Legal	0	0	0	
52380: Prof. & Special Svcs - Tech., Eng. & Env.	0	0	0	
52390: Prof. & Special Svcs - County	0	0	0	
53140: Judgements and Damages	0	0	0	
55550: Transfer to Operating Fund	0	0	0	
Contribution to Reserve for Future Occurances	32,890	392,860	360,265	
Retained Earnings	0	228,627	0	
<u>TOTAL USES OF FUNDS</u>	32,890	392,860	360,265	

SELF INSURANCE RESERVE BALANCE

Reserve for Future Occurances	4,905,541	5,265,511	5,625,776	
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EXHIBIT C
ODOR MANAGEMENT FUND

	2023/24 Final Budget	2023/24 Actual	2024/25 Final Budget	Notes
<u>SOURCES OF FUNDS</u>				
Retained Earnings	0	0	141,127	
42010: Investment Income	1,744	5,163	5,516	
46250: Solid Waste Disposal	202,567	219,269	212,245	
49060: Contributions from Other Funds				
PRSP towards Capital Improvements	0	0	0	
PRSP towards Operations and Maintenance	0	0	0	
SAP towards Capital Improvements	0	0	0	
SAP towards Operations and Maintenance	0	0	0	
Odor Management Reserve Cancellations	0	0	0	
<u>TOTAL SOURCES OF FUNDS</u>	204,311	224,432	358,888	
<u>USES OF FUNDS</u>				
Ongoing Operations	148,493	67,254	126,455	
Major Construction Projects	0	0	0	
Contribution to Reserves				
SAP/PRSP Capital and Operating	0	0	0	
Non SAP/PRSP Capital and Operating	55,818	16,051	232,432	
Rate Stabilization Fund	0	0	0	
Retained Earnings	0	141,127	0	
<u>TOTAL USES OF FUNDS</u>	204,311	224,432	358,888	

ODOR MANAGEMENT FUND RESERVE BALANCES

SAP/PRSP Capital and Operating	0	0	0
Non SAP/PRSP Capital and Operating	288,315	250,710	483,143
TOTAL ODOR MANAGEMENT FUND RESERVE BALANCES	288,315	250,710	483,143

APPROPRIATIONS BY ACCOUNT

51010: Wages and Salaries	29,282	15,676	15,950
51040: Overtime and Call Back Pay	0	251	255
51090: Cafeteria Plans (Non-PERS)	850	931	948
51120: Uniform Allowance	84	41	41
51210: Retirement	5,138	5,452	5,547
51220: Payroll Taxes	2,222	1,251	1,273
51240: Other Postemployment Benefits	638	1,533	1,559
51310: Insurance	3,179	2,245	2,285
51360: Workers Comp Insurance	0	19	19
52050: Food	0	26	27
52140: Parts	0	0	0
52160: Maintenance	45,000	39,232	45,000
52260: Misc Expense	0	0	0
52320: Printing	3,000	50	51
52330: Other Supplies	0	0	0
52340: Postage	100	0	0
52360: Prof. & Special Svcs - General	0	0	0
52380: Prof. & Special Svcs - Tech., Eng. & Env.	52,000	0	50,000
52460: Small Tools & Instruments	0	0	0
52480: PC Acquisition	0	0	0
52560: Small Equipment	0	0	0
52570: Advertising	5,000	548	2,500
52580: Special Department Expense	0	0	0
54430: Buildings and Improvements	0	0	0
54450: Equipment	0	0	0
54470: Infrastructure	0	0	0
54480: Land Improvements	0	0	0
59000: Appropriation for Contingencies	2,000	0	2,000
TOTAL APPROPRIATIONS	148,493	80,002	148,493

EXHIBIT D**OPERATIONS FUND****SOURCES OF FUNDS**

	2023/24	2024/25	2025/26	2026/27	2027/28
42010: Investment Income					
Interest/Investment Income	509,626	319,602	323,080	358,687	402,028
Bond related Interest Income	3,426,749	303,071	290,747	290,747	290,747
42030: Rents and Concessions					
Rent	86,565	90,591	89,542	75,592	77,104
Royalties	262,242	413,088	413,088	413,088	413,088
44270: State Aid - Other Programs	231,823	56,000	30,000	30,000	30,000
46240: Road and Street Services	31,080	29,247	29,520	29,914	30,270
46250: Solid Waste Disposal	49,290,324	49,175,673	50,864,127	52,748,567	54,752,611
46430: Insurance Settlements	3,563	0	0	0	0
48030: Miscellaneous	122,401	20,000	20,000	20,000	20,000
49040: Gain/Loss from Fixed Asset Disposal	45,000	0	0	0	0
49060: Contributions from Other Funds: Closure/Postclosure	1,435,480	0	0	0	0
49060: Contributions from Other Funds: Self Insurance	0	0	0	0	0
49140: Bond Proceeds	62,467,092	10,122,422	0	0	0
Reserve Cancellations					
Fixed Asset Acquisition	0	0	0	0	0
Road Improvement	0	0	0	0	0
HHW Closure	0	0	0	0	0
Imprest Cash	0	0	0	0	0
Contingencies	0	3,750,000	547,337	0	0
Rate Stabilization	0	0	0	0	0

TOTAL SOURCES OF FUNDS

117,911,945	64,279,695	52,607,441	53,966,595	56,015,847
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USES OF FUNDS

Ongoing Operations	45,781,160	47,722,415	50,449,387	51,339,917	52,449,419
Major Construction Projects	63,100,918	15,799,180	0	0	0
Land Acquisition	0	0	0	0	0
Contribution to Reserves					
Fixed Asset Acquisition	0	0	0	0	0
Road Improvement	31,080	29,247	29,520	29,914	30,270
HHW Closure	1,347	1,394	1,443	1,494	1,546
Imprest Cash	800	0	0	0	0
Contingencies	0	0	0	0	0
Rate Stabilization	8,996,640	727,458	2,127,090	2,595,271	3,534,611
Auditor's Year End Adjustment	0	0	0	0	0
Retained Earnings	0	0	0	0	0
<u>TOTAL USES OF FUNDS</u>	117,911,945	64,279,694	52,607,441	53,966,596	56,015,847

OPERATING FUND RESERVE BALANCES

Fixed Asset Acquisition	1,219,125	1,219,125	1,219,125	1,219,125	1,219,125
Road Improvement	189,561	218,809	248,329	278,243	308,513
HHW Closure	40,089	41,483	42,926	44,420	45,966
Imprest Cash	9,400	9,400	9,400	9,400	9,400
Contingencies	11,554,428	7,804,428	7,257,091	7,257,091	7,257,091
Rate Stabilization	10,107,216	10,834,674	12,961,764	15,557,035	19,091,646
TOTAL OPERATING FUND RESERVE BALANCES	23,119,819	20,127,919	21,738,635	24,365,314	27,931,741

APPROPRIATIONS BY ACCOUNT	2023/24	2024/25	2025/26	2026/27	2027/28
51010: Wages and Salaries	1,223,737	1,801,940	1,833,474	1,865,560	1,898,207
51040: Overtime and Call Back Pay	34,508	22,922	23,323	23,731	24,146
51090: Cafeteria Plans (Non-PERS)	63,598	95,517	97,188	98,889	100,620
51110: Other Payroll	0	48,726	49,579	50,446	51,329
51120: Uniform Allowance	3,250	3,250	3,250	3,250	3,250
51210: Retirement	432,414	605,858	616,460	627,248	638,225
51220: Payroll Taxes	93,893	137,848	140,261	142,715	145,213
51240: Other Postemployment Benefits	98,892	130,936	133,228	135,559	137,931
51290: 401(k) Employer Match	1,500	17,400	17,400	17,400	17,400
51310: Employee Group Insurance	309,036	344,637	350,669	356,805	363,049
51360: Workers Comp Insurance	21,390	24,146	24,569	24,999	25,436
51380: Other Benefits	0	8,400	8,547	8,697	8,849
52030: Clothing and Personal	3,533	4,125	4,208	4,292	4,377
52040: Communication Services Expense	6,868	12,000	12,240	12,485	12,734
52050: Food	3,370	1,000	1,020	1,040	1,061
52060: Household Expense	1,345	1,500	1,530	1,561	1,592
52080: Insurance	617,849	489,448	827,300	852,119	877,683
52140: Parts	333	100	102	104	106
52160: Maintenance	108,607	96,330	98,201	100,109	102,056
52161: Maintenance - Buildings	7,641	5,000	5,100	5,202	5,306
52170: Fuels and Lubricants	2,342	20,000	5,000	5,100	5,202
52180: Materials - Buildings & Improvements	869	1,250	1,275	1,301	1,327
52220: Laboratory Supplies	0	0	0	0	0
52240: Professional / Membership Dues	10,625	12,000	12,240	12,485	12,734
52250: Services and Supplies	16	7,500	3,000	3,060	3,121
52260: Misc Expense	1,072	0	0	0	0
52320: Printing	21,723	20,000	20,400	20,808	21,224
52330: Office and Other Supplies	30,635	40,000	40,800	41,616	42,448
52340: Postage	2,764	1,000	1,020	1,040	1,061
52360: Prof. & Special Svcs - General	3,578,902	2,960,912	2,476,779	2,531,669	2,587,181
52370: Prof. & Special Svcs - Legal	150,829	350,000	357,000	364,140	371,423
52380: Prof. & Special Svcs - Tech., Eng. & Env.	29,628,356	30,854,478	33,282,948	34,086,517	35,002,878
52390: Prof. & Special Svcs - County	167,446	200,000	203,500	207,061	210,685
52400: Prof. & Special Svcs - IT	88,330	100,000	101,750	103,531	105,342
52440: Rents and Leases - Equipment	3,351	24,000	24,480	24,970	25,469
52450: Rents and Leases - Buildings & Improvements	0	100	102	104	106
52460: Small Tools & Instruments	562	1,000	1,020	1,040	1,061
52470: Employee Benefits Systems	14,556	14,847	15,144	15,447	15,756
52480: PC Acquisition	869	6,000	30,000	5,500	5,610
52510: Director's Fees	7,300	6,000	6,000	6,000	6,000
52540: Signing & Safety Material	158	250	255	260	265
52560: Small Equipment	218	2,000	2,040	2,081	2,122
52570: Advertising	165,473	689,000	678,380	691,948	705,787
52580: Special Department Expense	627	4,200	4,284	4,370	4,457
52785: Training / Education	1,777	17,000	17,340	17,687	18,041
52790: Transportation and Travel	58,431	70,000	71,400	72,828	74,285
52800: Utilities	119,374	165,000	168,300	171,666	175,099
52810: Operating Materials	0	0	0	0	0
53020: Bond Principal	3,120,000	3,275,000	3,435,000	3,605,000	3,785,000
53050: Debt Issuance Costs	0	0	0	0	0
53060: Bond Interest	4,720,818	4,521,535	4,360,770	4,192,150	4,015,185
53190: Taxes and Assessments	550,982	549,878	465,560	394,615	400,316
53250: Contributions to other Agencies	274,022	280,873	287,895	295,092	302,469
53390: Transfer Out A-87 Costs	26,969	27,508	28,059	28,620	29,192
54410: Land	0	0	0	0	0
54430: Buildings and Improvements	10,129,241	4,423,154	0	0	0
54450: Equipment	47,140,867	2,359,811	0	0	0
54470: Infrastructure	289,565	526,556	0	0	0
54480: Land Improvements	5,541,245	8,039,659	0	0	0
55510: Operating Transfer Out	0	0	0	0	0
55550: Transfer to County for Road Improvements	0	0	0	0	0
55550: Transfer to Closure/Postclosure Fund	0	0	0	0	0
55550: Transfer to Self Insurance Fund	0	0	0	0	0
55561: Interfund/Intrafund Activities Out	0	0	0	0	0
59000: Appropriation for Contingencies	0	100,000	100,000	100,000	100,000
TOTAL APPROPRIATIONS	108,882,078	63,521,595	50,449,387	51,339,917	52,449,419
SUMMARY OF APPROPRIATIONS					
Related to Ongoing Operations	45,781,160	47,722,415	50,449,387	51,339,917	52,449,419
Related to Construction Projects	63,100,918	15,799,180	0	0	0
Related to Land Acquisition	0	0	0	0	0

SUB-ACCOUNT DETAIL	2023/24	2024/25	2025/26	2026/27	2027/28
52360: Prof. & Special Svcs - General					
2810: Financial Services	344,913	346,243	358,315	370,837	383,132
2880: Administration	607,060	299,068	60,000	61,200	62,424
2900: Audit Costs	21,320	21,746	22,181	22,625	23,077
2920: Aerial Surveys and Mapping Services	0	100,000	0	0	0
2940: Consulting Services	455,116	176,000	179,520	183,110	186,773
2950: Professional Engineering Services	2,005,966	1,867,755	1,703,660	1,737,733	1,772,488
2977: Website Services	12	100	102	104	106
3020: Armored Car Services	14,030	15,000	15,300	15,606	15,918
3045: Temporary Worker Services	130,485	135,000	137,700	140,454	143,263
52380: Prof. & Special Svcs - Tech., Eng. & Env.					
3140: Building Maintenance, Installation & Repairs	16,281	15,000	15,300	15,606	15,918
3180: MRF Operations	26,670,279	27,938,324	30,135,984	30,994,815	31,841,473
3190: Landfill Operations	2,842,471	2,790,653	3,081,151	3,025,321	3,094,447
3320: Environmental and Ecological Services	99,302	110,000	50,000	50,250	50,501
3322: Hazardous Waste (Temp Events & Sac County)	24	500	513	525	538
52570: Advertising					
3890: Marketing Services	47,819	0	0	0	0
3892: Outreach	74,766	259,000	264,180	269,464	274,853
3893: Public Relations	9,542	325,000	307,100	313,242	319,507
3894: Business Development	25,000	105,000	107,100	109,242	111,427
3895: Publications & Legal Notices	8,345	0	0	0	0
53190: Taxes and Assessments					
4870: Taxes and Assessments - Disposal Taxes	410,816	403,210	316,251	242,613	245,567
4870: Taxes and Assessments - Property Taxes	651	700	721	743	765
4870: Taxes and Assessments - Permit & Regulatory Fees	128,400	130,968	133,587	136,259	138,984
4870: Taxes and Assessments - Fines and Penalties	5,700	15,000	15,000	15,000	15,000
MAJOR CONSTRUCTION PROJECTS					
54430: Buildings and Improvements					
Building Expansions, Retrofits and Modifications	10,129,241	4,423,154			
Admin building retrofits		450,000			
54450: Equipment					
MRF Equipment	47,094,707	1,294,811			
LFG Equipment	23,217				
Composting Systems					
Information and Communications Technology		50,000			
Security Systems		15,000			
Misc Equipment	22,943	1,000,000			
54470: Infrastructure					
Power		46,256			
Water					
Leachate/Sewage					
LFG Wells and Piping	289,565	480,300			
LFG Monitoring Systems					
Water Monitoring Systems					
54480: Land Improvements					
Liner Systems	5,243,143	4,620,560			
Cover Systems					
Compost Pads and Ponds	227,446				
Western Property Permitting	70,655	3,419,099			
MAJOR CONSTRUCTION PROJECTS TOTAL	63,100,918	15,799,180	0	0	0

	2023/24	2024/25	2025/26	2026/27	2027/28
TIPPING FEE STRUCTURE					
Tipping Fee (\$ per ton)					
MSW	103.75	106.50	109.25	111.50	113.75
C&D	103.75	106.50	109.25	111.50	113.75
Sludge and Mixed Inerts	59.00	60.50	62.25	63.50	65.00
Green Waste	80.50	82.75	85.00	86.75	88.50
Wood Waste	56.25	57.50	58.00	59.00	60.00
Food Waste	80.50	82.75	85.00	86.75	88.50
Inerts	61.50	62.75	63.25	64.50	65.75
H2O Sludge	11.50	11.75	12.00	12.25	12.50
Treated Wood Waste	216.50	221.00	222.25	226.00	230.00
Bulk Tires	235.50	240.50	241.75	246.00	250.25
Tipping Fee (\$ per cubic yard)					
MSW	23.75	24.50	25.25	26.00	26.75
C&D	23.75	24.50	25.25	26.00	26.75
Green Waste	19.00	19.50	20.00	20.50	21.00
Wood Waste	16.50	17.00	17.25	17.75	18.25
Inerts	61.50	62.75	63.25	64.50	65.75
Tipping Fee (\$ per unit)					
Appliances	10.00	10.25	10.50	10.75	11.00
CFC Devices	43.75	44.75	45.00	46.00	47.00
Car Tires	4.75	5.00	5.25	5.50	5.75
Truck Tires	23.75	24.25	24.50	25.00	25.50
Tractor Tires	94.25	96.25	96.75	98.50	100.25
MATERIAL QUANTITIES					
MSW					
Tonnage	256,313	257,901	258,959	261,643	264,628
Yardage	94,789	95,405	95,796	96,789	97,894
C&D					
Tonnage	106,472	102,736	104,536	106,627	108,226
Yardage	38,707	37,739	38,494	39,264	39,853
Sludge and Mixed Inerts	6,730	4,792	4,806	4,856	4,911
Green Waste					
Tonnage	59,997	56,554	57,261	57,912	58,599
Yardage	30,561	29,721	30,092	30,434	30,795
Wood Waste					
Tonnage	8,347	8,228	8,256	8,262	8,306
Yardage	4,757	4,900	4,917	4,920	4,946
Food Waste	3,112	3,579	4,116	4,733	4,768
Inerts					
Tonnage	22,548	18,806	18,917	18,996	19,130
Yardage	7,572	6,436	6,474	6,501	6,547
Appliances	7,718	7,819	7,915	8,013	8,112
CFC Devices	4,564	4,367	4,421	4,476	4,531
Tires					
Car	6,545	7,200	7,288	7,378	7,469
Truck	108	119	120	121	122
Tractor	26	29	29	29	29
Bulk Tonnage	70	77	78	79	80
H2O Sludge	1,097	1,207	1,222	1,237	1,252
Treated Wood Waste	81	89	90	91	92

	2023/24	2024/25	2025/26	2026/27	2027/28
CLOSURE / POSTCLOSURE FUND					
<u>SOURCES OF FUNDS</u>					
Retained Earnings	0	0	405	8,408	363,120
42010: Investment Income	487,880	410,688	369,620	385,452	399,776
46250: Solid Waste Disposal	710,134	807,377	862,943	786,812	558,332
49060: Contributions from Other Funds: Operating	0	0	479,374	835,607	848,566
General Reserve Cancellations	707,622	0	0	0	0
<u>TOTAL SOURCES OF FUNDS</u>	1,905,636	1,218,066	1,712,341	2,016,278	2,169,794
<u>USES OF FUNDS</u>					
Closure Cost Liability Adjustment	(518,594)	0	703,680	636,620	652,323
Postclosure Costs Pledge of Revenue	0	798,245	814,210	830,494	847,104
Corrective Action Pledge of Revenue	0	419,416	186,044	186,044	186,044
Contribution to General Reserves	0	0	0	0	0
Contribution to Operating Fund	0	0	0	0	0
Retained Earnings	0	405	8,408	363,120	484,323
<u>TOTAL USES OF FUNDS</u>	(518,594)	1,217,661	1,703,934	1,653,158	1,685,471
CLOSURE COST FUND BALANCE					
Closure Cost Liability	16,427,534	16,427,534	17,131,214	17,767,834	18,420,157
General Reserves	0	0	0	0	0
<u>TOTAL CLOSURE/POSTCLOSURE FUND BALANCE</u>	16,427,534	16,427,534	17,131,214	17,767,834	18,420,157
SELF INSURANCE FUND					
<u>SOURCES OF FUNDS</u>					
Retained Earnings	365,333	228,627	0	0	0
42010: Investment Income	256,154	131,638	126,580	129,428	132,340
46250: Solid Waste Disposal	0	0	0	0	0
Future Occurances Reserve Cancellations	0	0	0	0	0
<u>TOTAL SOURCES OF FUNDS</u>	621,487	360,265	126,580	129,428	132,340
<u>USES OF FUNDS</u>					
52360: Prof. & Special Svcs - General	0	0	0	0	0
52370: Prof. & Special Svcs - Legal	0	0	0	0	0
52380: Prof. & Special Svcs - Tech., Eng. & Env.	0	0	0	0	0
52390: Prof. & Special Svcs - County	0	0	0	0	0
53140: Judgements and Damages	0	0	0	0	0
55550: Transfer to Operating Fund	0	0	0	0	0
Contribution to Reserve for Future Occurances	392,860	360,265	126,580	129,428	132,340
Retained Earnings	228,627	0	0	0	0
<u>TOTAL USES OF FUNDS</u>	392,860	360,265	126,580	129,428	132,340
SELF INSURANCE RESERVE BALANCE					
Reserve for Future Occurances	5,265,511	5,625,776	5,752,356	5,881,784	6,014,124

	2023/24	2024/25	2025/26	2026/27	2027/28
ODOR MANAGEMENT FUND					
<u>SOURCES OF FUNDS</u>					
Retained Earnings	0	141,127	0	0	0
42010: Investment Income	5,163	5,516	10,629	16,916	23,734
46250: Solid Waste Disposal	219,269	212,245	214,301	222,162	229,275
49060: Contributions from Other Funds					
PRSP towards Capital Improvements	0	0	180,869	184,486	188,176
PRSP towards Operations and Maintenance	0	0	8,878	17,756	26,634
SAP towards Capital Improvements	0	0	0	0	0
SAP towards Operations and Maintenance	0	0	0	0	0
Odor Management Reserve Cancellations	0	0	0	0	0
<u>TOTAL SOURCES OF FUNDS</u>	224,432	358,888	414,677	441,320	467,818
<u>USES OF FUNDS</u>					
Ongoing Operations	67,254	126,455	128,915	131,422	133,978
Major Construction Projects	0	0	0	0	0
Contribution to Reserves					
SAP/PRSP Capital and Operating	0	0	189,747	202,242	214,810
Non SAP/PRSP Capital and Operating	16,051	232,432	96,015	107,656	119,030
Rate Stabilization Fund	0	0	0	0	0
Retained Earnings	141,127	0	0	0	0
<u>TOTAL USES OF FUNDS</u>	224,432	358,888	414,677	441,320	467,818
ODOR MANAGEMENT FUND RESERVE BALANCES					
SAP/PRSP Capital and Operating	0	0	189,747	391,989	606,799
Non SAP/PRSP Capital and Operating	250,710	483,143	579,158	686,814	805,845
<u>TOTAL ODOR MANAGEMENT FUND RESERVE BALANCES</u>	250,710	483,143	768,905	1,078,804	1,412,644
APPROPRIATIONS BY ACCOUNT					
51010: Wages and Salaries	15,676	15,950	16,230	16,514	16,803
51040: Overtime and Call Back Pay	251	255	260	264	269
51090: Cafeteria Plans (Non-PERS)	931	948	964	981	998
51120: Uniform Allowance	41	41	42	43	44
51210: Retirement	5,452	5,547	5,644	5,743	5,843
51220: Payroll Taxes	1,251	1,273	1,295	1,318	1,341
51240: Other Postemployment Benefits	1,533	1,559	1,587	1,615	1,643
51310: Employee Group Insurance	2,245	2,285	2,325	2,365	2,407
51360: Workers Comp Insurance	19	19	20	20	20
52050: Food	26	27	27	28	28
52140: Parts	0	0	0	0	0
52160: Maintenance	39,232	45,000	45,900	46,818	47,754
52260: Misc Expense	0	0	0	0	0
52320: Printing	50	51	52	53	54
52330: Other Supplies	0	0	0	0	0
52340: Postage	0	0	0	0	0
52360: Prof. & Special Svcs - General	0	0	0	0	0
52380: Prof. & Special Svcs - Tech., Eng. & Env.	0	50,000	51,000	52,020	53,060
52460: Small Tools & Instruments	0	0	0	0	0
52480: PC Acquisition	0	0	0	0	0
52560: Small Equipment	0	0	0	0	0
52570: Advertising	548	2,500	2,550	2,601	2,653
52580: Special Department Expense	0	0	0	0	0
54430: Buildings and Improvements	0	0	0	0	0
54450: Equipment	0	0	0	0	0
54470: Infrastructure	0	0	0	0	0
54480: Land Improvements	0	0	0	0	0
59000: Appropriation for Contingencies	0	1,000	1,020	1,040	1,061
<u>TOTAL APPROPRIATIONS</u>	67,254	126,455	128,915	131,422	133,978

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**MEMORANDUM
WESTERN PLACER WASTE MANAGEMENT AUTHORITY**

TO: **WPWMA BOARD OF DIRECTORS** DATE: **OCTOBER 10, 2024**
FROM: **SCOTT SCHOLZ**
SUBJECT: **ITEM 9C: ADOPTION OF POLICY 24-02: GENERAL MANAGER
SPENDING AND SIGNATURE AUTHORITY**

RECOMMENDED ACTION:

1. Adopt Policy 24-02 establishing guidelines for the WPWMA General Manager's authority to:
 - a. Commit or spend WPWMA funds not to exceed \$50,000 for any individual commitment or purchase and the terms under which the General Manager can delegate spending authority.
 - b. Act as the WPWMA's signature authority for all WPWMA Contracts, Agreements, Grants, Applications, and Reports and the terms under which the General Manager can delegate signature authority.
2. Determine that the recommended action is not a project pursuant to California Environmental Quality Act Guidelines Section 15378.

BACKGROUND:

The WPWMA has historically designated its executive management staff as the signature authority for select WPWMA contracts as well as provided executive management certain spending authorities. The recent management restructuring from Executive Director to General Manager requires your Board to designate the General Manager as signature authority for the WPWMA and to allow the General Manager to designate signature authority to other staff as appropriate or necessary. Staff also recommends your Board establish the following spending authority for the General Manager for goods or services not requiring formal procurement processes. Should your Board approve the General Manager spending authority recommendation, staff will provide quarterly updates to your Board summarizing such transactions.

To meet these ends, staff developed the attached proposed policy establishing purchasing and signatory authorities.

ENVIRONMENTAL CLEARANCE:

The recommended action is not a project pursuant to California Environmental Quality Act Guidelines Section 15378.

FISCAL IMPACT:

There is no fiscal impact associated with the recommended action as it serves to formalize existing operational practices.

STRATEGIC PLAN/GOALS:

GOAL 5 – Maintain fiscally responsible systems.

GOAL 6 – Establish internal policy and inform regional policy.

ATTACHMENT: POLICY 24-02

WESTERN PLACER WASTE MANAGEMENT AUTHORITY

POLICIES AND PROCEDURES

GENERAL MANAGER SPENDING AND SIGNATURE AUTHORITY

Policy No: 24-02
Date: October 10, 2024
Revision No. 0
Supersedes:
First Adopted: October 10, 2024

PURPOSE:

To establish guidelines for the WPWMA General Manager's authority to:

1. Commit or spend WPWMA funds not to exceed \$50,000 for any individual commitment or purchase and the terms under which the WPWMA General Manager can delegate spending authority.
2. Act as the WPWMA's signature authority for all WPWMA Contracts, Agreements, Grants, Applications, and Reports.

EFFECTIVE DATE:

This policy is effective upon approval by the WPWMA Board of Directors and shall remain in effect and force until rescinded or amended by the WPWMA Board of Directors.

POLICY:

Except as noted herein, the WPWMA General Manager shall have the authority to perform the following without additional prior consent and approval of the WPWMA Board of Directors:

1. Approve and execute Purchase Orders, Contracts and Agreements, Change Orders, Contract or Agreement Amendments, and proposed claim settlements as necessary not exceeding \$50,000 unless otherwise limited by public purchasing law or statute.
2. Execute all contract documents including purchase orders, blanket purchase orders, contracts, change orders, contract amendments, and settlements after any necessary approval by the Board of Directors.
3. All Purchase Orders, Contracts or Agreements, Change Orders, Amendments, or proposed claim settlements in excess of the amounts set forth above shall be submitted for approval to the Board of Directors prior to execution.
4. In those instances where the WPWMA General Manager, in their sole discretion, determines that work must progress immediately, the WPWMA General Manager may approve any Purchase Order, Contract or Agreement, Change Order, Amendment, or claim settlements within the approved budget and under an

approved project. The facts and circumstances of such action shall be reported by the WPWMA General Manager to the WPWMA Board of Directors at its next regularly scheduled meeting.

5. The WPWMA General Manager may delegate, in writing, any of the authorities granted to them under this Policy to any other WPWMA staff member; provided, however, that the WPWMA General Manager shall retain overall responsibility and control over all matters conducted by them or as a result of their delegation of authority hereunder.

--- END OF POLICY ---

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**MEMORANDUM
WESTERN PLACER WASTE MANAGEMENT AUTHORITY**

TO: **WPWMA BOARD OF DIRECTORS** DATE: **OCTOBER 10, 2024**
FROM: **SCOTT SCHOLZ / ERIC ODDO**
SUBJECT: **ITEM 9D: MRF IMPROVEMENTS CHANGE ORDERS**

RECOMMENDED ACTION:

1. Authorize the Chair to execute the Third Amendment to the Design/Build Agreement and the Fifth Amendment to the MRF Operating Agreement, subject to WPWMA Counsel concurrence, with FCC Environmental Services California, LLC.
2. Authorize the Chair to execute a Partial Exemption Certificate for Manufacturing and Research & Development Equipment for the benefit of FCC Environmental Services California, LLC.
3. Authorize the General Manager, upon review and approval by WPWMA Counsel, to execute any necessary additional future change orders to the Design/Build Agreement with FCC Environmental Services California, LLC for an amount not to exceed \$210,000 consistent with Section 20142 of the Public Contract Code.
4. Determine the recommended actions are each exempt from further environmental review pursuant to California Environmental Quality Act Guidelines Section 15301.

BACKGROUND:

Over the past several months, staff have been working with FCC to address cost overruns and schedule delays associated with the MRF Improvements Project.

As reported to your Board on June 6, 2024, FCC submitted a letter to the WPWMA dated May 28, 2024 requesting change orders for additional time and compensation associated with the Project. The WPWMA responded on June 5 denying several of the requests and requesting additional information for others. FCC provided some of the additional requested information on July 5.

Based on staff's review of the additional information provided by FCC and the terms of the Design/Build Agreement, staff believe the WPWMA is responsible for costs associated with:

1. Replacement and upgrade of the ceiling-mounted fire suppression system in the MRF building.
2. Subsurface conditions that could not be reasonably foreseen by FCC or its construction contractor.
3. Increased permitting costs associated with segmentation of the project due to the timing between the design and permitting phases and final certification of the WPWMA's Waste Action Plan EIR in December 2022.

Staff estimates the financial liability to the WPWMA associated with these elements is approximately \$2.56 million and negotiated the proposed Third Amendment to the Design/Build Agreement and Fifth Amendment to the MRF Operating Agreement to

defray the entirety of these additional costs to the WPWMA. Core elements of the two proposed amendments are summarized below:

Resolution of Project Change Orders

The proposed Third Amendment to the Design/Build Agreement codifies that any and all technical, legal, and/or financial obligations of the WPWMA with respect to any and all change orders related to the Project as of August 31, 2024, with the exception of those related to ADA improvements, are resolved resulting in no net increase to the WPWMA. The parties agree to address the ADA matters as a separate issue.

Guaranteed Minimum Recycling Level Disincentive Payments

FCC did not meet the FY 2023-24 MSW and C&D GMRL obligations and as a result is obligated to remit approximately \$463,000 to the WPWMA in disincentive payments. Staff recommend waiving collection of this disincentive payment.

Partial Exemption Certificate for Manufacturing and Research & Development Equipment

FCC identified a State of California program that allows for a partial sales and use tax exemption for manufacturing, processing, refining, fabricating, or recycling equipment and has indicated that the value of this tax exemption is approximately \$2.1 million. To apply for the exemption, FCC needs the WPWMA to execute the attached form (Exhibit C) as the official “purchaser”. Staff recommend your Board authorize the Chair to sign the form for the benefit of FCC pending written evidence from FCC supporting the exact amount of the tax rebate.

Facility Design Modifications

In its original Project proposal and subsequent 30% design, FCC included a subsurface aeration system for greenwaste aerated static pile composting. Without the WPWMA’s prior formal consent, FCC modified the design with a less expensive above-ground aeration system. Staff recommend the WPWMA formally consent to this design change and not seek a credit adjustment to the Project budget. Furthermore, FCC agrees to not seek any increases in the processing fees paid by the WPWMA associated with this composting system design change.

Additionally, FCC has proposed eliminating the entranceway roundabout from the project as a means of reducing Project cost and duration. Staff recommend the WPWMA formally consent to this design change and not seek a credit adjustment to the Project budget. FCC will be obligated to implement all necessary safety-related signage and striping improvements at and leading to the facility entranceway.

Project Time of Completion and Liquidated Damages

Staff recommend extending the timeline for Project construction and establishing a separate deadline of June 30, 2025 for completion of core Project functions related to compliance with SB1383 organics diversion mandates (e.g., new MRF processing equipment and composting improvements, etc.) and January 1, 2026 for supporting elements (e.g., MRF odor control system, facility striping and signage, etc.).

In the event FCC fails to meet either deadline, the WPWMA retains its right to assess liquidated damages. Staff recommend increasing the liquidated damages rates to \$2,000 per day for the first 30 days and \$3,000 per day for each day thereafter. These liquidated damage assessments are separate for each deadline (i.e., June 30, 2025 and January 1, 2026) and cumulative in the event FCC misses both deadlines.

Extension of the Payment and Performance Bonds

At the beginning of the Project, WPWMA required FCC to secure at the WPWMA's expense, Payment and Performance bonds equal to the total Project cost of roughly \$120 million. As the original construction schedule identified substantial completion by the end of calendar year 2024, the bonds are set to expire in December. FCC will be obligated to extend the bonds, at its sole cost, for the duration of the Project. WPWMA acknowledges that the greenwaste composting systems, new C&D facility and new maintenance building are substantially complete and that it is reasonable to allow for a commensurate reduction in the bond amounts upon their renewal.

ENVIRONMENTAL CLEARANCE:

The recommended actions related to modification to the facility are categorically exempt under CEQA Guidelines, Article 19, Section 15301, "Existing Facilities" that allow for repair and minor alterations to public facilities involving negligible or no expansion of existing or former use.

FISCAL IMPACT:

The proposed actions result in no net additional cost to the WPWMA.

The proposed actions absolve the WPWMA from all known and unknown change order liability, with the exception at this time of changes related to compliance with ADA requirements, from the beginning of the Project through August 31, 2024. Staff understand this change order liability to be approximately \$7.37 million. Furthermore, staff estimate that extension of the Project payment and performance bonds could cost approximately \$1.3 million. Under the proposed Third Amendment to the Design/Build Agreement, FCC will be obligated to pay for the necessary bond extensions.

By approving the recommended actions, the WPWMA would forego collection of approximately \$463,000 in disincentive adjustments and as much as \$192,000 in liquidated damages by virtue of extending the original project completion deadline.

STRATEGIC PLAN/GOALS:

GOAL 4 – Establish well-planned facility infrastructure and ensure its proper maintenance and operation.

ATTACHMENTS: EXHIBIT A – THIRD AMENDMENT TO THE DESIGN/BUILD AGREEMENT
EXHIBIT B – FIFTH AMENDMENT TO THE MRF OPERATING AGREEMENT
EXHIBIT C – PARTIAL TAX EXEMPTION CERTIFICATE

THIRD AMENDMENT TO AGREEMENT FOR DESIGN-BUILD SERVICES

This THIRD AMENDMENT TO AGREEMENT FOR DESIGN-BUILD SERVICES ("Amendment No. 3"), is entered into by and among the WESTERN PLACER WASTE MANAGEMENT AUTHORITY, a joint powers authority organized under California law ("WPWMA") and FCC ENVIRONMENTAL SERVICES CALIFORNIA, LLC, a California limited liability company ("FCC"). All capitalized terms not herein defined shall have the meaning ascribed to them in the Design-Build Agreement (as defined below). WPWMA and Contractor are hereinafter referred to jointly as "the Parties" and singularly as a "Party".

RECITALS

A. WPWMA and FCC have entered into that certain AGREEMENT FOR DESIGN-BUILD SERVICES, as amended by the FIRST AMENDMENT TO AGREEMENT FOR DESIGN-BUILD SERVICES, and SECOND AMENDMENT TO AGREEMENT FOR DESIGN-BUILD SERVICES (collectively, the "Design-Build Agreement").

B. FCC has submitted to the WPWMA requests for change orders for the Project totaling Seven Million Three Hundred Sixty Seven Thousand Five Hundred Eighty Nine and 36/100 Dollars (\$7,367,589.36), including, but not limited to, those identified in FCC's May 28, 2024 letter to the WPWMA, ("May 28 Letter") a copy of which is attached as Exhibit A hereto, and the WPWMA acknowledges that it is reasonable and appropriate for it to pay the total direct cost, exclusive of the ADA improvements identified in the May 28 Letter, of up to Two Million Five Hundred Sixty Thousand Two Hundred Ninety and 79/100 Dollars (\$2,560,290.79) as more specifically described in Sections 3 and 4 herein to FCC, exclusive of any profit and overhead, for the specified change orders to the Project with no change in the Contract Sum.

C. The parties now wish to further amend the Design-Build Agreement to memorialize the specified change orders, provide for adjustments to the number of workdays and liquidated damages, provide for extension of bonding requirements, and make other adjustments to the Design-Build Agreement as specified herein.

TERMS AND CONDITIONS

NOW, THEREFORE, in consideration of the mutual promises, covenants and conditions contained herein, the Parties hereby agree as follows:

1. Recitals. The above Recitals are true and correct and form a substantive part of this Amendment No. 3.
2. Defined Terms. All capitalized terms shall have the meaning ascribed to them in the Design-Build Agreement unless otherwise noted.
3. FCC agrees to replace the MRF Building Fire Suppression System consistent with applicable standards and regulations based on the option to conduct the work while Van Dyk is installing MRF processing equipment. FCC agrees that delivery of the subject

design is FCC's responsibility and that work may commence only after written approval by WPWMA of the subject design. The parties agree that the value of the MRF Building Fire Suppression System replacement is up to Two Million Two Hundred Forty Thousand Five Hundred and Sixty-Eight Dollars (\$2,240,568.00).

4. The Parties agree and acknowledge that the following Project change orders have been completed and have been accepted by WPWMA, with the following stipulated valuations:

- a. C&D Facility Soft Soils Slurry: Up to Ten Thousand Nine Hundred Fifty-Six and 30/100 Dollars (\$10,956.30).
- b. Electrical Trench Soils: Up to Nine Thousand Seven Hundred Forty and 03/100 Dollars (\$9,740.03).
- c. Maintenance Building Unsuitable Soils: Up to One Hundred Twenty-Five Thousand One Hundred Seventy-One and 30/100 Dollars (\$125,171.30).
- d. SCS additional permitting costs: Up to Forty-One Thousand One Hundred and Thirty Five Dollars (\$41,135.00). The parties agree and acknowledge that FCC has paid SCS for this work,
- e. 2-inch water line reroute: Up to Nine Thousand Two Hundred Sixty-Four and 98/100 Dollars (\$9,264.98).
- f. Sand pocket in MRF: Up to Twenty-Five Thousand Two Hundred Sixty-Six and 59/100 Dollars (\$25,260.59).
- g. 30-inch storm drain realignment: Up to Ninety-Eight Thousand One Hundred Ninety-Four and 59/100 Dollars (\$98,194.59).

5. In consideration for this Amendment No. 3, the Parties agree that any and all technical, legal, and/or financial obligations of the WPWMA with respect to any and all change orders related to the Project as of August 31, 2024 are hereby resolved resulting in no increase in the Contract Sum due to FCC by WPWMA as identified in Article IV of the Design-Build Agreement. Notwithstanding the foregoing, this Amendment No. 3 does not address any changes related to potential ADA or California Building Code compliance measures, which the Parties shall continue negotiating in good faith towards a change order.

6. The Parties agree and acknowledge that FCC did not meet both the MSW Guaranteed Minimum Recycling Level for the period of July 1, 2023 to June 30, 2024 and the C&D Guaranteed Minimum Recycling Level for the period of January 1, 2024 to June 30, 2024, each pursuant to that certain Operating Agreement for the Western Placer Materials Recovery Facility effective as of July 1, 2022, as amended ("MRF Operating Agreement") and FCC is therefore subject to a total Disincentive Adjustment of Four Hundred Sixty Three Thousand Three Hundred Seventy Four and 87/100 Dollars (\$463,374.87, the "Current Total Disincentive Adjustment Amount"). In further consideration of this Amendment No. 3, the WPWMA agrees to waive collection of the Current Total Disincentive Adjustment Amount. The WPWMA's waiver of collection of the Current Total Disincentive Adjustment Amount is specific to that amount only, and

does not serve as a waiver of any kind relating to future collection of disincentive adjustment amounts, if any, under the MRF Operating Agreement or otherwise.

7. The WPWMA agrees to execute by October 31, 2024 the Partial Exemption Certificate for Manufacturing and Research & Development Equipment attached hereto as Exhibit B ("Tax Exemption Certificate") for the benefit of FCC. The WPWMA understands that by executing the Tax Exemption Certificate, FCC will receive approximately Two Million One Hundred Thousand Dollars (\$2,100,000) in rebated sales tax. FCC shall provide to the WPWMA by October 21, 2024 written evidence supporting the exact amount of the tax rebate and further agrees and acknowledges that submission of such written evidence to the WPWMA is a pre-condition of the WPWMA executing the Tax Exemption Certificate.

8. Concurrent with execution of this Amendment No. 3, the parties agree to execute an amendment to the MRF Operating Agreement in which the WPWMA agrees to not pursue a change to the MRF Operating Agreement or any compensation or reduction in project cost by virtue of FCC's change to the green waste aerated compost system design which resulted in utilizing above ground aeration piping methods rather than below grade aeration methods, and in which FCC further agrees to not now, nor in the future, seek any increase in the Source Separated Green Waste, Source Separated Food Waste or Commingled Food and Green Waste Processing Fees resulting from or in any way related to the design change noted herein, including any impact to operations, unless otherwise allowable under the MRF Operating Agreement.

9. The parties agree and acknowledge that FCC has proposed to remove the entranceway roundabout from the Project design with no change in Project compensation to FCC from the WPWMA. The WPWMA hereby agrees to this design change. FCC agrees to and shall make diligent efforts to ensure a safe and workable entryway for facility traffic. The Parties agree and acknowledge that the existing entranceway configuration generally meets these requirements and that no changes to the existing entranceway configuration are required at this time, except that FCC shall design and install by December 31, 2025 at FCC's expense necessary roadway striping and stop signs pursuant to a WPWMA-approved design.

10. Section 3.2.2 of the Design-Build Agreement is hereby amended and restated in its entirety to read as follows:

"3.2.2. FCC shall diligently pursue completion of the Facility Expansion. FCC shall achieve Substantial Completion of the Facility Expansion sufficient to meet the material diversion and processing requirements of SB1383 no later than June 30, 2025."

11. Section 3.2.3 of the Design-Build Agreement is hereby amended and restated in its entirety to read as follows:

"3.2.3. FCC shall achieve final completion of the entire Facility no later than January 1, 2026."

12. Section 3.3 of the Design-Build Agreement is hereby amended and restated in its entirety to read as follows:

3.3. Liquidated Damages. WPWMA and FCC recognize that time is of the essence of this Agreement and that WPWMA, the Participating Agencies and their Designated Haulers and other customers of the Facility will suffer damages and that it is, and will be, impracticable and extremely difficult to ascertain and determine the exact amount of damages that they will suffer if the Facility Expansion is not completed within the time specified in Paragraphs 3.2.2 and 3.2.3 above plus any extensions thereof agreed to by the Parties. Accordingly, WPWMA and FCC agree that FCC shall pay WPWMA the following liquidated damages measures that apply separately and cumulatively:

(A) FCC shall pay WPWMA, per calendar day for every day by which Substantial Completion, sufficient to meet the material diversion and processing requirements of SB1383, exceeds the date set in Paragraph 3.2.2 above, the following amounts:

- i. Two Thousand Dollars (\$2,000) per calendar day between July 1, 2025 and July 31, 2025
- ii. Three Thousand Dollars (\$3,000) per calendar day after August 1, 2025

and

(B) In addition to the Liquidated Damages stated in Section 3.3(A) herein, FCC shall pay WPWMA, per calendar day for every day by which Final Completion exceeds the date set in Paragraph 3.2.3 above, the following amounts:

- iii. Two Thousand Dollars (\$2,000) per calendar day between January 2, 2026 and January 31, 2026.
- iv. Three Thousand Dollars (\$3,000) per calendar day after February 1, 2026.

13. Article 16.6 of the Design-Build Agreement is hereby amended and restated in its entirety to read as follows:

16.6 Stipulated Payment for the Bonds. FCC agrees and acknowledges that WPWMA has paid, notwithstanding the Contract Sum, an additional One Million Eight Hundred Twenty-Four Thousand Dollars (\$1,824,000.00) ("Bond Payment") to FCC to secure the bonds required in this Article, which FCC represents and warrants constitutes FCC's actual and reasonable cost to secure said bonds. The WPWMA agrees and acknowledges that FCC secured and delivered the bonds required in Articles 16.1 and 16.2 herein, and has delivered fully executed original copies of the same to the WPWMA. FCC shall be obligated, at its sole cost and expense, to extend each the Payment Bond and Performance

Bond for the duration of the Project, including the extensions of time provided for in amended Sections 3.2.2 and 3.2.3 herein.

14. Article 16.7 is hereby added to the Design-Build Agreement and reads in its entirety as follows:

16.7. Reduction in Payment Bond and Performance Bond Amounts. In acknowledgement of the substantial completion of the Construction and Demolition, Greenwaste ASP, and Maintenance Building components of the Project, the WPWMA agrees to accept a reduction in the Payment Bond and Performance Bond amounts identified in Section 16.1 and Section 16.2 herein, respectively, as follows:

a. The Payment Bond and Performance Bond may each be reduced to Eighty Six Million Eight Hundred Thousand and 00/100 Dollars (\$86,800,000) on October 30, 2024. FCC will notify the WPWMA in writing by October 23, 2024 if FCC has requested its surety to lower the amounts as provided for herein and provide a copy that request to WPWMA.

15. Interpretation with the Design-Build Agreement. This Amendment No. 3 shall control over any conflict or inconsistency with the Design-Build Agreement. Except for such conflicts and inconsistencies, this Amendment No. 3 shall be interpreted as part of and in accordance with the applicable terms of the Design-Build Agreement. Except as set forth in this Amendment No. 3, the Design-Build Agreement remains in full force and effect.

IN WITNESS WHEREOF, the parties have caused this Amendment No. 3 to be executed effective as of the date next to their signatures.

WESTERN PLACER WASTE
MANAGEMENT AUTHORITY, a joint
powers authority organized
under California law

FCC ENVIRONMENTAL SERVICES
CALIFORNIA, LLC, a California limited
liability company

By: _____
General Manager

By: _____
Chief Executive Officer

Approved as to Form

WPWMA Counsel

Exhibit A - May 28 Letter

Exhibit B - Partial Exemption Certificate for Manufacturing and Research and
Development Equipment



May 28, 2024

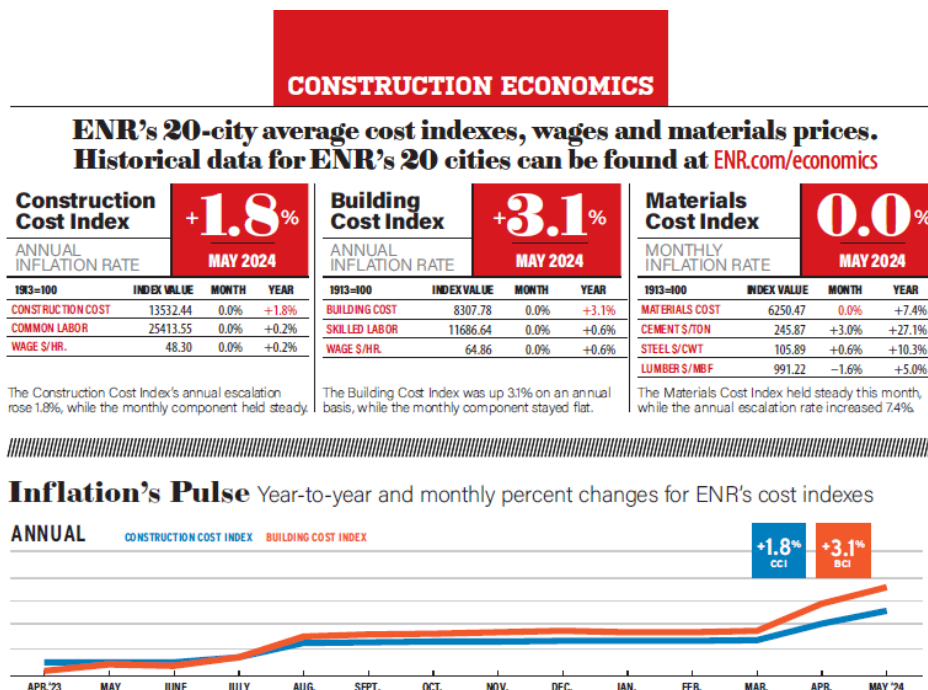
Western Placer Waste Management Authority
 Waste Management Operations Superintendent
 3013 Fiddymont Road
 Roseville, CA 95747
 Attn: Eric Oddo

RE: Change Order Request Letter; WPWMA Material Recovery Facility Expansion: Design Build Services Agreement between Western Placer Waste Management Authority ("WPWMA") and FCC Environmental Services California, LLC ("FCC") dated April 22, 2022, as amended (the "Agreement")

Mr. Oddo:

FCC bid on the design and construction project for the WPWMA facility expansion project in September 2021. The Agreement was executed as of April 22, 2022, four months later than the RFP had initially forecasted. At that point, FCC engaged VanDyk as the equipment supplier and SCS as the engineering company to develop the project.

FCC intended to submit the drawings to begin the permitting process in October 2022; however, we were asked to hold off on permitting until the WPWMA Board approved the EIR pending at that time. We proceeded accordingly and in January 2023, we began working on the permitting process. With the help of the Executive Director, we were able to get the permit started and obtained during the first set of approved drawings in March 2023. At that point we initiated a bid process to identify a General Contractor in which Cambridge Companies, Inc. was chosen. The construction started 18 months after the submission of our proposal. Due to nationwide supply chain disruptions, construction costs increased by about 2% by the time construction began and since May 2023 has further increased by an additional 3.1%, according to ENR's Building Cost Index. *See table below.





With a 5% total increase to our building costs, along with the unforeseen and uncontrollable circumstances encountered during the project up to May 2024, as we have previously discussed FCC would like to revisit the Agreement project budget as follows:

Concept	Extra Cost	FCC Mark Up (Includes Profit and overheads)	FCC Request
ADA Improvements	\$ 1,064,299.00	15%	\$ 1,223,943.85
Fire Rover system	\$ 750,000.00	15%	\$ 862,500.00
SCS Change Orders	\$365,877.00	15%	\$ 420,758.55
Cambridge Change Orders 1&2	\$ 1,523,154.94	15%	\$ 1,751,628.18
Titus Change Order	\$ 362,000.00	15%	\$ 416,300.00
Additional FCC Operating Cost	\$ 901,726.46	0%	\$ 901,726.46
Total			\$ 5,576,857.04

ADA Improvements

The ADA improvements were not part of the initial scope of work as described in the RFP or budgeted for in the Agreement. After Placer County informed us that they would withhold the certificate of occupancy unless certain ADA requirements were met, WPWMA requested that FCC assume the responsibilities of these improvements as part of our scope under the Agreement. Since FCC had relied on certain representations that the existing facility was compliant with existing ADA requirements at the front end of the project, we would have had no reasonable expectation for assuming such costs.

As a result, FCC is requesting to be fully reimbursed for the cost of the ADA improvements.

Fire Rover System

In the fire suppression design, FCC included a more technological and innovative system that wasn't included in the initial budget. This was done at the direction of the Placer County Fire Marshall who thought that the height and the structure of the canopy will be a problem for a conventional fire sprinkler system. The wind patterns could make it difficult for a conventional sprinkler system to put out a fire.

FCC researched a solution and came up with this innovative system that will protect the equipment against any potential fire. The system is under surveillance 24/7 and will work in less than 60 seconds. The cost of the 24/7 surveillance is currently being paid by FCC.

Due to the increased costs associated with the upgraded Fire Rover System, FCC is requesting to reimbursement.

SCS Change Orders

In response to WPWMA's 2021 Operation and Design/Build RFP, SCS partnered with FCC to develop conceptual level drawings (30%) for the project in September 2021. These conceptual level drawings were used in FCC's response submitted to WPWMA and served as the basis for SCS's development of the final design/drawings for the Project. Due to EIR permitting issues (not approved until December 2022) additional costs were incurred by SCS.

The SCS team increased its engineering resources to account for material design scope changes to the previously submitted September 2021 conceptual drawings and due to the permitting issues with Placer County.



	Concept	Contract Revisions
1	TASK 27 Additional Project Meetings	\$18,668.00
2	TASK 28 CA & QA Phase 3A	\$221,506.00
3	TASK 29 Engineering Services	\$66,740.00
4	TASK 30 Additional Phse 1 and 2 CA and QA	\$17,828.00
5	TASK 31 Additional Permitting	\$41,135.00
	TOTAL	\$365,877.00

As such, FCC is requesting additional funds to compensate SCS for their added scope of work.

Cambridge Change Orders

Cambridge has submitted change orders as a result of (1) certain uncontrollable circumstances; and (2) for additional services that were added at the request of the Placer County Building permit team that were not part of the initial scope of work. The below chart outlines the requested changes submitted by Cambridge.

	Contract Revisions	Contract Days Added	Total \$ added
Additional Backfill	\$208,973.81	5	\$ 208,973.81
Additional Bollards	\$20,979.17	2	\$ 20,979.17
Custom Building Colors	\$ 55,566.43		\$ 55,566.43
Switchgear Reconciliation	\$111,651.20	0	\$ 111,651.20
Guardrails	\$22,304.54	15	\$ 22,304.54
Bell Joint Restraints - Void			
Revised Foundation Drawings	\$184,120.48	14	\$ 184,120.48
Wall Plan Changes	\$137,273.29	10	\$ 137,273.29
Slab on Grade Changes	\$68,749.46	3	\$ 68,749.46
Fire Line Design Changes at C&D	\$144,732.31	3	\$ 144,732.31
C&D Facility Soft Soils Slurry	\$10,956.30	0	\$ 10,956.30
Fire Riser Room	\$35,153.80	15	\$ 35,153.80
Maintenance Building Unsuitable Soils	\$125,171.30	10	\$ 125,171.30
VIMS Electrical Cost Impacts	\$15,699.29	0	\$ 15,699.29
ADA Improvements Geotextile - VOID			
Electrical Trench Soft Soils	\$9,740.03	15	\$ 9,740.03
Maintenance Building Additional Paving	\$103,784.58	5	\$ 103,784.58
Guardrails	\$24,489.36	20	\$ 24,489.36
CMU Modifications	\$15,699.82	4	\$ 15,699.82
Water Line Relocation	\$6,890.19	0	\$ 6,890.19
Sewer Line Relocation	\$21,468.81	0	\$ 21,468.81
Electrical Acceleration Cost	\$108,033.03	5	\$ 108,033.03
Fire Hydrant Relocate at Green ASP	\$9,650.14	11	\$ 9,650.14
Core Drilling for JCI	\$2,475.39	0	\$ 2,475.39
Maintenance Building Remediation	\$79,592.21		\$79,592.21
Total Changes		137.00	\$ 1,523,154.94

Titus Change Order

Titus submitted a change order because they needed more labor than initially estimated. They bid the job with the understanding they would be allowed to store the recovered scrap metal material outside the MRF and then move such material to the tipping floor. This understanding was based on representations from WPWMA. Due to certain safety concerns later revealed by WPWMA, Titus was asked to store materials inside. Their inability to perform their services as originally understood required significant time and labor adjustments that accounted for extra cost they didn't originally bid. Furthermore, they also found additional material under bunkers and walking floors that had never been cleaned by the previous operator and was extremely difficult to remove.



Below is a summary of Titus's claim:

Concept	Cost
Extra Labor hours	2,340.00
Prevailing Wages rate	\$ 125.00
Extra labor Cost	\$ 292,500.00
Rental Equipment	\$ 49,035.00
Consumables	\$ 18,000.00
Total	\$ 362,000.00

Additional FCC Operating Cost

Additionally, FCC has incurred several new costs that were not budgeted in our proposal which would interrupt operations if not addressed. Below is a summary:

Concept	Amount
Generators	\$ 462,235.95
Light Towers	\$ 34,911.61
Fire Watch	\$ 205,992.08
Temp power cords	\$ 29,303.72
Air Compressors	\$ 14,631.10
labor	\$ 154,652.00
Total	\$ 901,726.46

We hope that you understand the circumstances that led to these additional costs and the impact they have on the project. The aforementioned costs are not due to any negligence or mismanagement on our part, but rather due to unforeseen external factors and uncontrollable events that were beyond our reasonable control. We have done our best to mitigate these costs and maintain the quality and safety of our work. We believe that we are entitled to fair compensation for these costs and a reasonable extension of the contract period. FCC is requesting to be reimbursed for the above-mentioned costs and a 137-day extension to the project completion date. Thus, new completion day will now be July 10, 2025. We appreciate your cooperation and support in this matter and look forward to completing this project successfully and to your satisfaction.

Sincerely,

Juan Gorriti
President

FIFTH AMENDMENT TO OPERATING AGREEMENT FOR OPERATION OF THE MATERIALS RECOVERY FACILITY

This FIFTH AMENDMENT TO OPERATING AGREEMENT FOR OPERATION OF THE MATERIALS RECOVERY FACILITY (“Operating Agreement Amendment No. 5”), is entered into by and among the WESTERN PLACER WASTE MANAGEMENT AUTHORITY, a joint powers authority organized under California law (“WPWMA”) and FCC ENVIRONMENTAL SERVICES CALIFORNIA, LLC, a California limited liability company (“FCC”). All capitalized terms not herein defined shall have the meaning ascribed to them in the Operating Agreement (as defined below). WPWMA and FCC are hereinafter referred to jointly as “the Parties” and singularly as a “Party”.

RECITALS

A. WPWMA and FCC entered into that certain “Operating Agreement for Operation of the Materials Recovery Facility” and Addendum #1 as of July 1, 2022, as variously amended up to and including that certain Fourth Amendment dated December 18, 2023 (“Operating Agreement”).

B. WPWMA and FCC have entered into or soon will enter into that certain Third Amendment to Agreement for Design-Build Services of even date herewith (“Design-Build Amendment No. 3”).

C. Section 8 of Design-Build Amendment No. 3 calls for the parties to execute a concurrent amendment to the Operating Agreement in which the WPWMA agrees to not pursue a change to the Operating Agreement by virtue of FCC’s change to the green waste aerated compost system design which resulted in utilizing above ground aeration piping methods rather than below grade aeration methods, and in which FCC further agrees to not now, nor in the future, seek any increase in the Source Separated Green Waste, Source Separated Food Waste or Commingled Food and Green Waste Processing Fees resulting from or in any way related to the design change noted in Design-Build Amendment No. 3, including any impact to operations, unless otherwise allowable under the MRF Operating Agreement.

D. The parties now wish to execute the Operating Agreement amendment described above.

TERMS AND CONDITIONS

NOW, THEREFORE, in consideration of the mutual promises, covenants and conditions contained herein, the Parties hereby agree as follows:

1. Recitals. The above Recitals are true and correct and form a substantive part of this Amendment No. 5.

2. Defined Terms. All capitalized terms shall have the meaning ascribed to them in the Operating Agreement unless otherwise noted.

3. Limited Non-Amendment Provision. WPWMA agrees to not pursue a modification to the Operating Agreement by virtue of FCC's change to the Organics Processing Area green waste aerated compost system design which resulted in utilizing above ground aeration piping methods rather than below grade aeration methods ("Limited Non-Amendment Provision"). The parties agree and acknowledge that WPWMA's agreement to the Limited Non-Amendment Provision is based on FCC's compliance with the Operating Agreement and meeting the performance obligations stated therein.

4. Fee Increases. FCC agrees to not now, nor in the future, seek any increase in the Source Separated Green Waste, Source Separated Food Waste or Commingled Food and Green Waste Processing Fees stated in the Operating Agreement resulting from or in any way related to the design change to the Organics Processing Area noted in Section 3 and this Operating Agreement Amendment No. 5, including any impact to operations, unless otherwise allowable under the Operating Agreement.

5. Guaranteed Minimum Recycling Levels Waiver. As concurrently agreed upon in Design-Build Amendment No. 3, WPWMA agrees to waive collection of the Current Total Disincentive Adjustment Amount, in accordance with Section 5.15 of the Operating Agreement, in an amount equal to Four Hundred Sixty Three Thousand Three Hundred Seventy Four and 87/100 Dollars (\$463,374.87, the "Current Total Disincentive Adjustment Amount"). This Current Total Disincentive Adjustment Amount is representative of amounts previously owed by FCC for the MSW Guaranteed Minimum Recycling Level for the period of July 1, 2023 to June 30, 2024 and the C&D Guaranteed Minimum Recycling Level for the period of January 1, 2024 to June 30, 2024. The WPWMA's waiver of collection of the Current Total Disincentive Adjustment Amount is specific to that amount only, and does not serve as a waiver of any kind relating to future collection of disincentive adjustment amounts, if any, under the MRF Operating Agreement.

6. Effect of Amendment. This Operating Agreement Amendment No. 5 shall control over any conflict or inconsistency with the Operating Agreement. Except for such conflicts and inconsistencies, this Operating Agreement Amendment No. 5 shall be interpreted as part of and in accordance with the applicable terms of the Operating Agreement. Except as set forth in this Operating Agreement Amendment No. 5, the Operating Agreement remains in full force and effect.

IN WITNESS WHEREOF, the parties have caused this Operating Agreement Amendment No. 5 to be executed effective as of the date next to their signatures.

WESTERN PLACER WASTE
MANAGEMENT AUTHORITY, a joint
powers authority organized
under California law

FCC ENVIRONMENTAL SERVICES
CALIFORNIA, LLC, a California limited
liability company

By: _____
General Manager

By: _____
Chief Executive Officer

Approved as to Form

WPWMA Counsel



California Department of Tax and Fee Administration

INFORMATION UPDATE

Assembly Bill (AB) 398 (Chapter 135, Stats. 2017) and AB 131 (Chapter 252, Stats. 2017) amended Revenue and Taxation Code (R&TC) section 6377.1, which provides for a partial sales and use tax exemption for certain manufacturing and research & development equipment. Among other changes, the amendments change, beginning January 1, 2018:

- The definition of a “qualified person” to include persons primarily engaged in electric power generation or distribution of electric power as described in [NAICS](#) codes 221111 to 221118, or 221122.
- The definition of “qualified tangible personal property” to include special purpose buildings and foundations used as an integral part of the generation or production, or storage and distribution, of electric power.

The exemption certificate forms, [CDTFA-230-M](#), *Partial Exemption Certificate for Manufacturing and Research & Development Equipment*, and [CDTFA-230-MC](#), *Construction Contracts-Partial Exemption Certificate for Manufacturing, and Research & Development Equipment*, are included in [Regulation 1525.4](#), *Manufacturing and Research & Development Equipment*. We have revised the date on the posted exemption certificate forms to conform with the statutory changes. These forms will be further revised once the process of updating [Regulation 1525.4](#) is completed.

We suggest that, if applicable, the person issuing the exemption certificate add a statement on the certificate that they are “primarily engaged in the generation or production, or storage and distribution, of electric power as described in [NAICS](#) codes 221111 to 221118, or 221122.”

For more information about the amendments to [R&TC section 6377.1](#), please see our online guide, [Tax Guide for Manufacturing and Research & Development Equipment Exemption](#).

**PARTIAL EXEMPTION CERTIFICATE FOR MANUFACTURING
AND RESEARCH & DEVELOPMENT EQUIPMENT**CALIFORNIA DEPARTMENT OF
TAX AND FEE ADMINISTRATION**Section 6377.1¹**

This is a partial exemption from sales and use taxes at the rate of 4.1875 percent from July 1, 2014, to December 31, 2016, and at the rate of 3.9375 percent from January 1, 2017, to June 30, 2030. **You are not relieved from your obligations for the remaining state tax and local and district taxes on this transaction.** This partial exemption also applies to lease periods occurring on or after July 1, 2014, and before July 1, 2030, for leases of qualified tangible personal property, even if the lease agreement was entered into prior to July 1, 2014.

I hereby certify that the tangible personal property described below and purchased or leased from:

SELLER'S/LESSOR'S NAME

FCC ENVIRONMENTAL SERVICES CALIFORNIA, LLC

SELLER'S/LESSOR'S ADDRESS (street, city, state, ZIP Code)

3195 ATHENS AVE, LINCOLN, CA 95648

is qualified tangible personal property and will be used by me primarily (please check one):

1. ☒ For manufacturing, processing, refining, fabricating, or recycling;
2. ☐ For research and development;
3. ☐ To maintain, repair, measure, or test any property being used for (1) or (2) above; **or**
4. ☐ As a special-purpose building and/or foundation.

Description of qualified tangible personal property purchased or leased²:

C&D and MSW processing equipment

If this is a specific partial exemption certificate, provide the purchase order or sales invoice number and a precise description of the property being purchased. If you want this certificate to be used as a blanket certificate for future purchases, describe generally the type of property you will be purchasing, and ask your vendor to keep this certificate on file.

I, as the undersigned purchaser, hereby certify I am primarily engaged in manufacturing, processing, refining, fabricating, or recycling as described in codes 3111 to 3399 in the North American Industry Classification System ([NAICS](#))³, or I am primarily engaged in biotechnology, or physical, engineering, and life sciences research and development as described in codes 541711 and 541712 of the [NAICS](#).

I understand that by law, I am required to report and pay the state tax (calculated on the sales price/rentals payable of the property) at the time the property is purchased, removed, converted, or used if:

- The purchase exceeds the \$200 million limitation;
- The property is removed from California within one year of the date of purchase or lease;
- The property is converted for use in a manner not qualifying for the exemption; **or**
- The property is used in a manner not qualifying for the partial exemption.

NAME OF PURCHASER

Western Placer Waste Management Authority

SIGNATURE OF PURCHASER, PURCHASER'S EMPLOYEE, OR AUTHORIZED REPRESENTATIVE

PRINTED NAME OF PERSON SIGNING

TITLE

ADDRESS OF PURCHASER

3195 Athens Ave, Lincoln, CA 95648

PERMIT NUMBER (if you are not required to hold a permit, explain why)

TELEPHONE NUMBER

EMAIL ADDRESS OF PERSON SIGNING

DATE

¹ CDTFA is updating this exemption certificate as part of changes to [Regulation 1525.4](#), which is currently going through the rulemaking process. Please use this updated form until the regulation is adopted and approved. This form is subject to change.

² See [Regulation 1525.4](#) (b)(9) for a description of what is included and excluded from "qualified tangible personal property."

³ [Official 2012 US NAICS Manual](#), U.S. Office of Management and Budget, 2012 edition.

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