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File ID: 2025-01458

9/16/2025

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**Agreements: Residential Organic Material Diversion Services [Published for 10-Day Review 09/03/2025]**

File ID: 2025-01458

**Location:** Citywide

**Recommendation:** Pass a **Motion** authorizing the Interim City Manager or designee to: 1) execute an agreement for the processing of residential organic material collected by the City of Sacramento with the County of Yolo for an amount not to exceed \$36,461,000 for an initial ten-year term with options for renewal for up to five additional years; 2) execute an agreement for the processing of residential organic material collected by the City of Sacramento with California Wood Recycling, Inc. dba Agromin for an amount not to exceed \$220,361,719 for an initial ten-year term with options for renewal for up to five additional years; and 3) execute Supplemental Agreement No. 1 to City Agreement No. 2020-1398 for the processing of residential organic material collected by the City of Sacramento with the County of Sacramento for a revised not to exceed amount of \$67,511,351 and extend the agreement through June 30, 2042.

**Contact:** Adam Roitman, Program Specialist, (916) 808-3508, aroitman@cityofsacramento.org; John Febbo, Integrated Waste General Manager, (916) 808-4949, jfebbo@cityofsacramento.org, Department of Public Works

**Presenter:** John Febbo, Integrated Waste General Manager, (916) 808-4949, jfebbo@cityofsacramento.org, Department of Public Works

**Attachments:**

- 1-Description/Analysis
- 2-Agreement with the County of Yolo
- 3-Agreement with California Wood Recycling, Inc. dba Agromin
- 4-Supplemental Agreement No. 1 with the County of Sacramento

**Description/Analysis**

**Issue Detail:** The City of Sacramento (City) currently has three agreements for organic material diversion services that are set to expire or have options to cancel between June 30, 2026, and June 30, 2027.

To comply with State Senate Bill (SB) 1383, which went into effect on January 1, 2022, the City participated in a joint regional Request for Proposals (RFP) in 2019 for organic material diversion services in conjunction with the County of Sacramento and City of Folsom. SB 1383 marked a significant change in the way organic materials are collected and diverted. The main objective of SB 1383 is to reduce the amount of organic waste, such as edible food waste and yard waste, being deposited in landfills by requiring waste material collection agencies to implement new mandates for residents and businesses to separate food waste from garbage and establishing food recovery programs. The City has been required to implement major changes to the collection, diversion, and recovery of both residential and commercial organic waste. As part of this revised approach to the diversion of organics, the City awarded three short-term agreements with the County of Yolo, California Wood Recycling, Inc. dba Agromin (Agromin), and the County of Sacramento. The City implemented an organic waste recycling program for approximately 133,000 residential customers and began providing weekly collection of food waste in addition to existing yard waste collection starting on July 1, 2022.

With the execution of short-term organic waste processing agreements and implementation of an organic waste recycling program, a joint regional Request for Revised Proposals (RFRP) was released in January 2022 to find a long-term approach for the region's organic waste. In May 2022, six submittals were received, evaluated and ranked, and the County of Yolo, Agromin, and Recology, utilizing the County of Sacramento's North Area Recovery Station, were identified as the top-ranked proposers.

The County of Yolo was selected as one of the vendors to provide long-term processing and diversion services to the City. The County of Yolo will receive up to 15 percent of the City's organic material. It will be hauled by City collection vehicles to the Yolo County Central Landfill, where it will be composted on-site and processed into compost, mulch, and other soil amendments.

Agromin was also selected as a vendor to provide long-term processing and diversion services to the City. Agromin will receive 60-65 percent of the City's organic material. It will be hauled by City collection vehicles to Agromin's operation Elder Creek Transfer Station located in Sacramento. The organic material will be processed and transferred to a variety of composting facilities where it will be turned into compost, mulch, and other soil amendments, or into biogas.

The County of Sacramento (County) was also selected as a vendor to provide long-term processing and diversion services to the City. The County will receive up to 20 percent of the City's organic material at the North Area Recovery Station (NARS) facility, located in the City and owned and operated by the County. The County is executing agreements with multiple RFRP proposers, including Recology and the County of Yolo. The City's material will be tipped at NARS then transferred to the vendors' facilities for processing into compost, mulch, or other soil amendments.

Awarding these contracts allows the City to leverage the benefits of having multiple facilities throughout the City's service area instead of transferring all organic material to one facility. This reduces the amount of time spent off-route driving material to a transfer station or landfill which reduces labor costs, the amount of fuel used, and operations and maintenance costs. This approach will reduce the amount of greenhouse gas emissions and air pollution while contributing to the City's Climate Action and Sustainability initiatives. This approach also provides the City flexibility to redirect solid waste trucks to a different facility should one temporarily close or reduce capacity for maintenance or other reasons.

**Policy Considerations:** The recommendations in this report are in accordance with provisions of the City Code Chapter 3.56 and Administrative Policy 4101 for nonprofessional services, which requires additional posting time for agreements greater than \$1 million. The Sacramento City Code Section 4.04.020 and Council Rules of Procedure (Chapter 7, Section E.2.d) mandate that unless waived by a two-thirds vote of the City Council, all labor agreements and all agreements greater than \$1,000,000 shall be made available to the public at least ten (10) days prior to council action. This item was published for 10-day review on September 3, 2025, in compliance with the City Code.

Awarding these agreements will ensure the City meets the State's mandate to divert food waste per SB 1383, and to divert from the landfill a minimum of 50 percent per capita disposal.

**Economic Impacts:** None

**Environmental Considerations:**

**California Environmental Quality Act (CEQA):** In accordance with sections 15061(b)(3) and 15308 of the CEQA Guidelines, the activity is exempt from the CEQA pursuant to the common sense exemption and as an action by a regulatory agency for the protection of the environment. The agreements in this report, in response to actions established by State Senate Bill (SB) 1383, for organic material diversion services is an action taken by regulatory agencies, as authorized by state or local ordinance, to assure the maintenance, restoration, enhancement, or protection of the environment where the regulatory process involves procedures for protection of the environment.

**Sustainability:** According to a study by CalRecycle, Californians throw away nearly six million tons of food scraps each year making up 15-20 percent of all landfilled material. Diverting food waste from the waste stream reduces the release of methane emissions in the landfill and instead creates nutrient-rich soil amendments. With the implementation of food waste collection in July 2022, the City saw a 19 percent increase in organics tonnage collected and a 14 percent decrease in garbage tonnage collected from June to September 2024 compared to the same period in 2021.

Currently, the City's organic waste is taken to three facilities where it is processed into compost, mulch, or other soil amendments. A portion, which is comprised of food waste, is separated and turned into biogas using anaerobic digestion. Compost has numerous environmental benefits, including water conservation, improved soil health, and carbon sequestration. SB 1383 has compost purchasing requirements for municipalities and the City is required to comply. These agreements allow the City to procure compost and other soil amendments from the County of Yolo and Agromin at a reduced rate. These products can be applied throughout the City at parks, schools, City grounds, community gardens, and other sites. Additionally, the City offers a free compost giveaway program available to City residents. Residents may order compost through the City's website for pickup at no charge or have it delivered to their home for a fee. These options allow City residents to share the results of their recycling efforts, acknowledge their participation in the program, and allow the City to comply with the end-product purchasing requirements of SB 1383.

**Commission/Committee Action:** None

**Rationale for Recommendation:** The City's current organic material diversion services agreements are set to expire or have options to cancel between June 30, 2026, and June 30, 2027. Awarding these agreements for organic material diversion services allows the City to divert the organic waste collected from residents and comply with State regulations and current State landfill diversion mandates. It also secures a long-term approach for the City's collection and diversion of organic material and will allow staff to focus on long-term options for the other two commodities collected by the City, garbage and recycling. The current agreements for garbage and recycling expire in 2032.

In accordance with City Code Chapter 3.56, the Department of Public Works, Recycling and Solid Waste Division participated in a regional RFRP with the County of Sacramento and the City of Folsom for Organic Material Diversion Services. The County issued the RRFP as the lead agency. After conducting a comprehensive review process, the City of Sacramento has selected the County of Yolo, Agromin, and the County of Sacramento to provide the services to the City.

**Financial Considerations:** The selected vendors proposed to divert the City's organic material at a lower cost, taking into account off-route costs, than other scenarios analyzed by the RRFP Evaluation Committee. The tonnage commitments to each vendor were determined based on the available facility capacity, the tonnage of the other jurisdictions participating in the RFRP, and the proximity of the facility to the City's service areas. By participating in a regional procurement, the three jurisdictions were able to negotiate better pricing from larger tonnage commitments opposed to pricing for the City's organic tonnage separately. Sufficient funding exists in the Fiscal Year 2025/26 Department of Public Works, Recycling and Solid Waste Division Operating Budget (Solid Waste Fund, Fund 6007) to execute these agreements. Funding for future years is subject to availability of funding in the adopted budget of the applicable fiscal year.



**Local Business Enterprise (LBE):** The minimum LBE participation requirement was waived by the Director of Public Works on December 28, 2018. At the time, staff determined the waiver was in the City's best interest as a search conducted by City staff revealed that an insufficient number of vendors with the necessary experience were able to meet LBE requirements, which would have limited competition and may have had an impact on pricing. The three jurisdictions participating in the regional RFP and subsequent RFRP attempted to align their individual requirements and eliminate special considerations so that respondents could submit pricing that applied to all three of the jurisdictions and not have to submit separate prices for each municipality.

**Background:** Beginning on January 1, 2022, the City was required by new State regulations to provide food waste recycling collection service to residents. SB 1383 was signed into law in 2016 establishing methane emissions reduction targets in a statewide effort to reduce short-lived climate pollutants in various sectors of California's economy. Per the California Air Resources Board, methane emissions resulting from the decomposition of organic waste in landfills are a significant source of greenhouse gas (GHG) emissions contributing to global climate change. SB 1383 established targets to achieve a 50 percent reduction in the level of statewide disposal of organic waste from the 2014 level by 2020 and a 75 percent reduction by 2025. There are also mandatory programmatic elements in SB 1383 which include a requirement that the City divert food waste from landfills and collect food waste for recycling from all residential accounts.

Starting July 1, 2022, residents were required to place food waste inside their green organic waste container. Acceptable organic material includes green waste (landscape and pruning trimmings), food waste (fruit and vegetable peels, eggshells, meat/poultry, dairy products, grain products, etc.), compostable food-soiled paper (coffee filters, food-soiled napkins and paper towels, compostable bags etc.), and non-hazardous lumber and wood. Residents who were previously exempt from green waste collection received a designated food waste only collection container to participate in the program.

A joint regional RFRP was released in January 2022 to secure long-term diversion services for the region's organic waste. An Evaluation Committee of six members with representation from each jurisdiction was established to evaluate the proposals and determine the most feasible solutions for the region and individual jurisdictions. HDR, Inc. was retained to assist in providing technical and cost analysis and expertise during the evaluation.

In May 2022, six proposers submitted a response to the RFRP for long-term organic material diversion services. The evaluation process began with completing a technical analysis for each proposal that examined and ranked factors including, but not limited to: the technology proposed; the proven, reliable nature of proposed technology and end-product marketability; available capacity; regulatory framework; project timeline; financial capabilities; and overall feasibility. After completing a technical analysis of each revised proposal, a pricing and financial analysis was performed. Proposers were scored based on tipping and processing fees and transportation costs by each

jurisdiction to deliver material to the proposers' facilities, if applicable. Finally, an overall compatibility analysis was performed to determine which proposal(s) best addressed the region and individual jurisdiction's vision and needs. All six proposers were invited and given the opportunity to present before the Evaluation Committee and key members of the three jurisdictions' operations. The County of Yolo, Agromin, and the County of Sacramento were determined to be the top-ranked proposers and the best options to provide the services to the City. Awarding these agreements ensures the City has a long-term outlet to divert organic material generated by City residents and complies with State mandates to divert food waste per SB 1383.

SACRAMENTO CITY CONTRACT #: PRC003274

YOLO COUNTY CONTRACT #:

CONTRACT NAME: Organic Material Diversion Services

CONTRACT PROJECT #:

DEPARTMENT: Public Works

DIVISION: Recycling and Solid Waste

CITY OF SACRAMENTO

## NONPROFESSIONAL SERVICES AGREEMENT

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**THIS CONTRACT** is made at Sacramento, California, by and between the **CITY OF SACRAMENTO**, a charter city and municipal corporation ("CITY"), and **COUNTY OF YOLO**, *a political subdivision of the State of California*  
*County of Yolo, Department of Community Services*  
*Division of Integrated Waste Management*  
*44090 County Road 28H*  
*Woodland, CA 95776*

("County"), as of the Effective Date, as defined below.

### RECITALS

WHEREAS, City and County shall be referred to collectively as "the Parties"; and

WHEREAS, City and County are authorized by the laws of the state of California to make contracts as necessary for the exercise of their respective powers; and

WHEREAS, City provides waste-collection services for residential customers within Sacramento, and desires to contract with County to process and divert for recycling organic waste collected from its customers; and

WHEREAS, County operates the Yolo County Central Landfill ("YCCL" or "Landfill"), which has a physical address of 44090 County Road 28H, Woodland, CA 95776; and

WHEREAS, County has a contractual relationship with Northern Recycling L.L.C. ("Northern"), which, among other things, allows Northern to process organic waste received at the YCCL; and

WHEREAS, County has provided organic material diversion services to the City pursuant to an agreement that expires on June 30, 2025; and

WHEREAS, the City administered a joint regional Request for Proposal ("RFP") process, along with two other jurisdictions, to which the County responded. The City conducted an evaluation of the County's proposal and deemed it suitable for the City's processing and diversion needs.

NOW, THEREFORE, City and County agree as follows:

- 1. Effective Date.** This Contract shall be effective beginning July 1, 2025.

2. **Contract Documents.** This Contract includes each of the following documents, which are attached or incorporated by this reference (referred to collectively as the “Contract Documents”):

Regional Request for Proposals for Organic Material Diversion Services (OMDS), and any Addenda  
Exhibit A – Scope of Services  
Exhibit B – Payment  
Exhibit C – Insurance  
Exhibit D – General Conditions  
Purchase Orders

If there is a conflict between the terms and conditions of any document prepared or provided by the County and made a part of this Contract and the other terms or conditions of the Contract, the other terms, and conditions of the Contract control.

3. **Services.** Subject to the terms and conditions set forth in this Contract, County shall provide to City the non-professional services described in Exhibit A (“Services”).

County will not be compensated for non-professional services outside the scope of Exhibit A (“Additional Services”) unless, before providing Additional Services: (a) County notifies City and City agrees that the Additional Services are outside the scope of Exhibit A; (b) County estimates the additional compensation required for these Additional Services; and (c) City, after notice, approves in writing a Supplemental Contract specifying the Additional Services and the amount of additional compensation to be paid County.

City will have no obligations whatsoever under this Contract or any Supplemental Contract, unless and until this Contract or any Supplemental Contract is approved by the City as required by the Sacramento City Code. Likewise, County will have no obligations whatsoever under this Contract or any Supplemental Contract, unless and until this Contract or any Supplemental Contract is approved by the County as required by the Yolo County Administrative Policies & Procedures. As used in this Contract, the term “Services” includes both Services and Additional Services as applicable.

4. **Payment.** City shall pay County at the times and in the manner set forth in Exhibit B. County shall submit all invoices to City in the manner specified in Exhibit B.
5. **Facilities and Equipment.** County shall, at its sole cost and expense or in conjunction with its own contractors, furnish all facilities and equipment required for County to perform this Contract. City shall be responsible for providing the equipment to direct-haul organic waste to YCCL.
6. **Insurance.** Each Party shall, at its sole cost and expense, maintain the insurance coverage described in the attached Exhibit C.
7. **General Conditions.** County shall comply with the terms and conditions set forth in the attached Exhibit D.

8. **Non-Discrimination in Employee Benefits.** This Contract may be subject to Sacramento City Code chapter 3.54, Non-Discrimination in Employee Benefits by City Contractors. A summary of the requirements, entitled "Requirements of the Non-Discrimination in Employee Benefits Code (Equal Benefits Ordinance)," can be viewed at:

<https://www.cityofsacramento.org/Finance/Procurement/Contract-Ordinances>.

County acknowledges and represents that County has read and understands the requirements and shall fully comply with all applicable requirements of Sacramento City Code chapter 3.54. If requested by City, County shall promptly provide any documents and information required by City to verify County's compliance.

County's violation of Sacramento City Code chapter 3.54 constitutes a material breach of this Contract, for which the City may terminate the Contract and pursue all available legal and equitable remedies.

9. **Living Wage.** This Contract may be subject to Sacramento City Code chapter 3.58, Living Wage. A summary of the requirements, entitled "Living Wage Requirements", can be viewed at: <https://www.cityofsacramento.org/Finance/Procurement/Contract-Ordinances>. The Living Wage Ordinance is applicable to certain contracts with the City in an amount of \$250,000 or more (either initial value or total value after amendment) or if the total value of all Contractor's contracts with the City is \$250,000 or more over a 12-month period. County acknowledges and represents that County has read and understands the requirements and shall fully comply with all applicable requirements of Sacramento City Code chapter 3.58. If requested by City, County shall promptly provide any documents and information required by City to verify County's compliance.

County shall require applicable subcontractors to fully comply with all applicable requirements of Sacramento City Code chapter 3.58 and include these requirements in all subcontracts covered by Sacramento City Code chapter 3.58.

County's violation of Sacramento City Code chapter 3.58 constitutes a material breach of this Contract, for which the City may terminate the Contract and pursue all available legal and equitable remedies.

In addition, for Services that constitute "Public Works" under California Labor Code Section 1720 et seq., if both prevailing wage and living wage requirements apply, County shall pay the higher of the two rates.

10. **Authority.** The person signing this Contract for each Party represents and warrants that he or she has read, understands, and agrees to all the Contract terms and is fully authorized to sign this Contract on behalf of the Party and to bind its respective Party to the performance of the Contract's obligations.
11. **Counterparts.** This Contract may be executed in duplicate counterparts. The Contract shall be deemed executed when it has been signed by both parties. Signatures scanned and transmitted electronically shall be deemed original signatures for purposes of this Contract,

with such scanned signatures having the same legal effect as original signatures. This Contract may be executed through the use of an electronic signature and will be binding on each party as if it were physically executed.

[Signatures Page Following Exhibits]

## EXHIBIT A

### SCOPE OF SERVICES

#### 1. **Representatives.**

The CITY Representative for this Agreement is:

*John Febbo/General Manager  
2812 Meadowview Road, Building 1, Sacramento, CA 95832  
Phone: (916) 808-4949/ Fax: (916) 808-4999/ E-mail: jfebbo@cityofsacramento.org*

*Adam Roitman/Program Specialist  
2812 Meadowview Road, Building 1, Sacramento, CA 95832  
Phone: (916) 808-3508/ Fax: (916) 808-4999/ E-mail: aroitman@cityofsacramento.org*

The COUNTY Representative for this Agreement is:

*Marissa Juhler/Division Director  
44090 County Road 28H, Woodland CA, 95776  
Phone: (530) 666-8852/Fax: (530) 666-8853/E-mail: mjuhler@yolocounty.gov*

Unless otherwise provided in this Contract, all County questions and correspondence pertaining to this Contract must be addressed to the City Representative. All City questions and correspondence must be addressed to the County Representative. City Representatives and County Representative are subject to change at any time. The City and/or County shall promptly notify the other party of a change and provide updated contact information.

2. **Scope of Services.** County shall provide Services to City as set forth in Attachment 1 to this Exhibit A.
3. **Time of Performance.** The Agreement shall be effective on the Effective Date. The Services described in this Contract shall be provided for ten years, beginning July 1, 2025, and continuing until June 30, 2035, unless sooner terminated pursuant to the provisions of this Agreement. The City may extend this Contract for up to five additional one-year terms, for a maximum fifteen-year term continuing until June 30, 2040. County shall provide the Services in accordance with any schedule in Attachment 1 to this Exhibit A. County shall immediately notify the City if County is unable to perform Services in compliance with this Contract.

**ATTACHMENT 1 TO EXHIBIT A  
SCOPE OF SERVICES**

- 1. Overview of Services.** County will accept organic material collected by the City and delivered to the YCCL. "Organic material," also referred to herein as "organic waste," includes food waste, green waste, landscape and pruning waste, food-soiled paper, lumber and non-hazardous wood, and manure. City shall consider the addition of acceptable materials in this program, if necessary, during the contract period, and based on any requirements in Senate Bill (SB) 1383 or other State laws. County will market all organic material or otherwise divert organic material away from disposal at landfills. Only those end uses for organic material meeting the definition of diversion credit as defined by the State of California's Department of Resources Recycling and Recovery (CalRecycle) are permissible. Upon request, County will provide City with written certification for all organic material diverted away from the landfill and to the end markets noted in their proposal.
- 2. Annual Tonnage Commitments.** The tonnage in this section shall be calculated by fiscal year, starting July 1, 2025, through June 30, 2026, and every 12-month fiscal year thereafter.
  - a. City shall deliver at least 7,000 tons of organic material per fiscal year to the YCCL located at 44090 County Road 28H, Woodland, CA 95776. County shall accept from City up to 20,000 tons of organic material per fiscal year under this Contract ("Annual Tonnage Commitment"). If City's records indicate it will exceed the 20,000 annual tons of organic material, City shall provide a written notice thirty (30) days prior to delivery of the organic material above the 20,000 tons per fiscal year and County shall approve or disapprove acceptance within fifteen (15) days. City's delivery under this Agreement on any given day shall not exceed 90 tons without prior County approval.
  - b. City shall not be required to meet daily or monthly tonnage commitments. Only the minimum annual tonnage commitment (by fiscal year) is guaranteed.
- 3. Delivery of Organic Material.** County shall accept delivery of organic material at Yolo County Central Landfill in accordance with the following schedule:

Day	Hours of Operation
Monday – Saturday	6:30 am – 4:00 pm
Sunday	8:00 am – 4:00 pm
Holidays	Deliveries will not occur on: New Year's Day, Easter Sunday, Independence Day, Labor Day, Thanksgiving Day, and Christmas Day.

- A. City Collection Schedule: The City currently collects in-the-container organic waste five (5) days a week operating Monday through Friday including holidays. During seasonal in-the-street leaf collection (as early as mid-October through as late as mid-February), the City collects organic waste Monday through Friday, many Saturdays, and occasional Sundays. The City collects on all holidays and County's receiving facility shall be open to accept organic material on holidays not listed in the above table.



- B. Tonnage Limits: County shall not turn away City Vehicles during the YCCL's Facility hours of operation as long as the daily tonnage received does not exceed 90 tons per day. Prior to exceeding 90 tons per day, City shall receive County approval on a daily basis. In the event the YCCL Facility reaches the daily maximum tons permitted of 1500 tons per day (organic material) or 3,000 tons per day (all tons) or the City reaches the annual tonnage limit in this Agreement, County shall notify the City and accept organic material that is already in route to the YCCL.
- C. Delivery Schedule Factors: City Vehicles may adjust their facility arrival times within the permitted hours of YCCL Facility based on traffic conditions. In the event of unsafe weather conditions that could pose a safety risk to City drivers that transport organic material, City Vehicles may be unable to deliver to the YCCL Facility during those times.
- D. Maintenance of Surfaces: County shall maintain road surfaces wherever organic material is processed, and for ingress, egress, and tipping of City Vehicles.
- E. Vehicle Turnaround Guaranty: County shall minimize vehicles queueing on the public streets. County further guarantees (the "Vehicle Turnaround Guaranty") that each City Vehicle is able to unload and exit the YCCL Facility as efficiently as possible (typically within twenty minutes of entering the YCCL Facility), absent City Vehicle breakdown or driver negligence or lack of cooperation; provided that County shall provide a parking area for City Vehicles adjacent to the YCCL Facility exit where County will permit City drivers to park City Vehicles and use bathroom facilities or make telephone calls on telephones that County shall make available to City drivers, in which event the time that such City drivers are parked in such area shall not be included in the measurement of the Vehicle Turnaround Guaranty. County shall allow City drivers to call their supervisors without charge. From time to time and upon City request, County shall keep and maintain a log of the time it takes for City Vehicles to unload, including manually observing and logging entrance and exit times, in order to determine compliance with the Vehicle Turnaround Guaranty, and City may do so itself. City staff shall have access to areas needed to properly monitor City delivery activities during these observations.
- F. Tipping Assistance: If necessary, County shall assist City Vehicles in the event organic material becomes trapped in the vehicle body during tipping. City Vehicles shall be allowed the necessary time to fully tip. The City shall not be charged for the time taken to clear loads.
- G. Tare Weights: City collection vehicles shall have a tare weight established using the certified scale at the YCCL Facility, using the average of five measurements to set that particular vehicle's tare weight. The tare weight will be reestablished for each City collection vehicle at least once a year.
- H. Down Time: County is allowed reasonable down time due to repair and maintenance of equipment. "Reasonable down time" shall be defined as less than two non-operating days per month. County shall maintain adequate permitted space to stockpile organic material during such reasonable down time for acceptance of material without a break in service.

4. **Bagging and Lining of Material.** In addition to allowing food waste to be loose in the container with green waste, the City allows food waste to be contained in compostable bags and paper bags and allows residents to line kitchen countertop containers and organic waste containers with newspaper. City will provide education and outreach to convey that non-compostable bags are not to be included with organic waste.
5. **Food-Soiled Paper.** The City shall instruct residents to place food waste and food-soiled paper within the organic waste container. Compostable bags, paper bags, and limited newspaper are also allowed. These materials and food-soiled paper that does not contain plastics or plastic lining shall not be considered contamination under this Agreement.
6. **Sorting Fee.** All City loads shall be visually inspected by County when being unloaded at the tipping facility. Sorters currently hand sort contamination from the loads as needed. When a load is received that visually appears to have excessive contamination, the sorters will take photos of the load, truck, and weight ticket. The load will be segregated from other loads and then all contamination will be sorted out of the load and weighed across the scale to determine the contamination rate. The City shall pay an additional sorting fee of \$10.00 per ton for loads of organic material hauled by City that exceed contamination levels of five percent (5%) by weight and that will be processed.
7. **Hazardous Material.** The City shall not deliver any hazardous material, universal waste, or treated wood waste in any load. Any such material delivered in City loads will be removed by sorters as part of the County's load check system, documented and conveyed to City. All actual costs for proper disposal and/or recycling of such material will be passed along to the City, who will promptly reimburse the County for such costs.
8. **Compost Buyback.** County shall provide City with up to 10,000 tons per year of finished compost and mulch products at a delivered price of \$27.04 per ton to the following City site locations. The delivered price for FY 2025/26 shall be determined based upon a per ton price of \$27.04 (FY 2024/25 rate) adjusted based on the CPI using the same methodology for adjusted fees in Attachment 1 to Exhibit B. This delivered price shall be adjusted annually thereafter commencing July 1, 2026, based on the CPI using the same methodology for adjusted fees in Attachment 1 to Exhibit B.

City Site	Address
North Area Corporation Yard (NACY)	918 Del Paso Road, Sacramento, CA 95834
Meadowview City Services Complex	2812 Meadowview Road, Sacramento, CA 95832
Sutter's Landing Regional Park	20 28 <sup>th</sup> Street, Sacramento, CA 95816

City may request deliveries of finished products to additional locations within City of Sacramento limits during the contract term at the same delivered per ton price as above.

At least 30 days prior to compost or mulch deliveries, City shall provide County with the desired quantity of compost and mulch products to be delivered to each City location.

9. **CNG Fueling Station.** Upon request by the City and upon an amended agreement between the City and County, the County may construct a compressed natural gas (CNG) fueling station at

the County's facility that will be made available for City Vehicle use. County may choose to construct such a facility only if it determines in County's sole discretion that such a facility is economically feasible for the County.

## EXHIBIT B

### PAYMENT

1. **County's Compensation.** The total of all fees paid to the County for the provision of Services as set forth in Exhibit A, including any authorized reimbursable expenses, shall not exceed the total sum of \$36,461,000. The payments specified in this Exhibit B shall be the only payments made to County unless the City approves a Supplemental Contract.
2. **Pricing.** County shall be paid as set forth in Exhibit A or Attachment 1 to this Exhibit B and any applicable special provisions included in the request for bids or proposals. If there is a conflict between Exhibit A or Exhibit B and the Special Provisions, Exhibit A or Exhibit B controls.
3. **Regulatory and Tax Adjustment.** If any future change in regulation, regulatory fee, or charge (Future Regulation), or if any Federal, State, or local tax is imposed increased (Future Tax) that necessitates an increase in the tipping fees applicable to this Agreement, the following shall apply:
  - A. County will notify City in writing of such Future Regulation or Future Tax promptly upon learning of it and determining that it necessitates an increase in the Contract Tipping Fees applicable to this Agreement;
  - B. County will calculate the increases in the Contract Tipping Fees that County believes are necessitated by such Future Regulation or Future Tax, and notify City of such increases at least sixty (60) days in advance of increasing or beginning the proceeding to increase such fees, whichever is earlier.
4. **County's Reimbursable Expenses.** "Reimbursable Expenses" are limited to actual expenditures of County for expenses that are necessary for the proper satisfaction of the Contract and are only payable if specifically authorized in advance in writing by the City.
5. **Miscellaneous Charges.** No additional charges will be allowed unless specified in the Contract, including charges for transportation, fuel, containers, packing, or disposal.
6. **Payments to County.** County is responsible for supplying all documentation necessary to verify invoices to the City's satisfaction.
  - A. County will supply City with the previous month's scale house tickets within the first five business days of the month for review and verification. Monthly balances are due upon receipt of the invoice. City shall pay County within 30 days of receipt of invoice, and scale house tickets, if no corrections are required to the invoice. If any corrections are necessary, City shall pay County within 30 days of receipt of the corrected invoice. Any open balance will be due immediately, and if not paid, collected through a credit agency or legal action. Costs incurred by County to collect an account, including attorney fees, expenses and court fee will be paid by City.

B. Invoices must be submitted to the following email address.

[apinvoices@cityofsacramento.org](mailto:apinvoices@cityofsacramento.org)

C. All invoices submitted by COUNTY must contain the following information:

- (1) City's current Purchase Order Number
- (2) County's Invoice Number
- (3) Date of Invoice Issuance
- (4) County's remit address
- (5) Amount of Invoice
- (6) Description of all items billed under Invoice, including all authorized Reimbursable Expenses and all applicable taxes (sales, use, excise, etc.)
- (7) County's contact information for billing questions

Invoice must additionally include an itemized list of weight tickets being billed, including the following columns of data for each ticket:

- |                       |                            |
|-----------------------|----------------------------|
| i. Ticket number      | vi. Rate per unit (tons)   |
| ii. Date              | vii. Gross weight (pounds) |
| iii. Time             | viii. Tare weight (pounds) |
| iv. Vehicle number    | ix. Net tons billed        |
| v. Material delivered | x. Total charge for load   |

D. Items must be separated into Goods, Services, and Reimbursable Expenses. All applicable sales, use, excise, or similar taxes, including federal excise tax, must be itemized separately on the invoice. Invoices that do not conform to the format outlined above will be returned to County for correction. City is not responsible for delays in payment to County resulting from County's failure to comply with the invoice format described above.

E. For Goods only, a bill of lading number and weight of shipment will be shown for shipments on the Government Bill of Lading.

F. Unless otherwise specified in this Contract, partial payments will not be made by the City and payment will not be due until the completion of the Goods order. No payment precludes the City's right to inspect. Requests for payment status should be addressed to the City Representative for this Contract.

7. **Additional Services.** Additional Services shall be provided only when a Supplemental Contract authorizing the Additional Services is approved in writing by the City in accordance with the City's contract amendment procedures. The City reserves the right to perform any Additional Services with its own staff or to retain other contractors to perform the Additional Services.

8. **Accounting Records of County.** During performance of this Contract and for a period of three years after completion of performance, County shall maintain all accounting and financial records related to this Contract, in accordance with generally accepted accounting practices, including records of County's costs for performance under this Contract and records of County's Reimbursable Expenses. County shall keep and make records available for inspection and audit

by representatives of the City upon reasonable written notice.

9. **Tax Payments.** County shall pay, when and as due, any and all taxes incurred as a result of County's compensation hereunder, including estimated taxes, and shall provide City with proof of the payment upon request. County hereby agrees to indemnify CITY for any claims, losses, costs, fees, liabilities, damages, or injuries suffered by City arising out of County's breach of this section.

**ATTACHMENT 1 TO EXHIBIT B  
FEE SCHEDULE/MANNER OF PAYMENT**

- 1. Contract Tipping Fee.** Contract Tipping Fee will include all costs to the City with the exception of sorting fees for excessive contamination above five percent (5%) by weight or any hazardous waste, universal waste, or treated wood waste. Separate line items on invoices, such as an administration fee, will not be paid by the City.

A. Organic Material: Effective July 1, 2025, the City shall pay a base cost per ton price of \$81.12 (FY 2024/25 rate), adjusted based on the CPI change using the same methodology for rate increases in Section 2, below, for delivered organic material, including green waste or combined green waste and food waste ("Contract Tipping Fee"). The Contract Tipping Fee will be adjusted per Section 2 below annually thereafter for the remaining term of the Agreement.

- 2. Rate Increases – 100% of CPI.** The Contract Tipping Fee and finished compost procurement fee shall be adjusted to be effective July 1 of each Contract Year, commencing July 1, 2025, by computing one hundred percent (100%) of the percentage change in the CPI on each April 1 prior to the commencement of each Contract Year, from the CPI level as of the previous April 1, and multiplying the Contract Tipping Fee then in effect by one plus such percentage change. If the CPI is zero or less than zero, then there would be no adjustment to the Contract Tipping Fee. The adjustment may result in an increase in the Contract Tipping Fee or no change in the Contract Tipping Fee.

For the purposes of this section, "CPI" means the Consumer Price Index – "All Urban Consumers, San Francisco – Oakland – Hayward, CA", All items (1982–84=100), Not Seasonally Adjusted, compiled and published by the United States Department of Labor, Bureau of Labor Statistics and can be viewed at:

<https://data.bls.gov/timeseries/CUURS49BSA0>

- 3. Invoices.** Invoices and any attachments must be submitted to the following address:  
apinvoices@cityofsacramento.org

A. Invoice Audit: Upon City request, County shall provide paper copies of weight tickets, over the time span requested by City Staff, within five (5) business days. The City reserves the right to spot check and audit the paper weight slips, and compare them against the invoices and electronic data previously received, to ensure proper billing.

**Billing Disputes.** Billing Disputes will be addressed on an individual job by job basis. The burden of proof of an incorrect billing shall be on the County. Upon presentation and verification of the information provided by the County, the City will review all records and make a final determination and present its finding to the County. Should there be a billing dispute, any unpaid amounts will not be considered late or past due pending a final determination of the disputed billing by the City to the County.

4. **Tonnage Reporting.** In order to track data and monitor tonnage commitments, County will provide the data that will appear on the invoice, including the current fiscal year-to-date and monthly delivered tonnage. This is to be provided in an electronic format similar to one of the following:

- Microsoft Excel file (.xls, .xlsx)

The County shall report data in a manner compatible with the City's systems. If this data can be provided to the City by FTP or Cloud Servers, the City shall have access to connecting to these data sources. City will advise on the e-mail address or FTP site to which tonnage information shall be submitted prior to the start of the contract term.

5. **SB 1383 and AB 901 Reporting Requirements.** In addition to the reporting requirements noted above, County will be required to provide any data mandated by California State Senate Bill 1383 and California State Assembly Bill 901 in order for the City to meet the reporting requirements of these organics processing laws.



## EXHIBIT C

### INSURANCE

1. **Insurance Requirements.** During the entire term of this Contract, the Parties shall maintain the insurance coverage described in the Insurance Terms below. Full compensation for all premiums that the Parties are required to pay for the insurance coverage described herein shall be included in the compensation specified under this Contract. No additional compensation will be provided for the Parties insurance premiums. Any available insurance proceeds in excess of the specified minimum limits and coverages shall be available to the other party.

The Parties liability to each other is not in any way limited to or affected by the amount of insurance coverage required or carried by the Parties in connection with this Contract.

The Parties acknowledge that the parties are self-insured. Each Party shall provide a written verification of self-insurance stating that the Party's self-insurance program adequately protects against liabilities and claims arising out of the performance of this Agreement.

Failure to provide evidence of self-insurance or insurance as required in the Agreement is a material breach of contract and is grounds for termination of Agreement.

The insurance provisions will be reviewed every five years and any changes will be agreed to by both parties.

2. **General Liability Minimum Scope and Limits of Insurance Coverage.** Commercial General Liability Insurance is required providing coverage at least as broad as ISO CGL Form 00 01 on an occurrence basis for bodily injury, including death, of one or more persons, property damage, and personal injury, arising out of activities performed by or on behalf of the Parties and subcontractors, products and completed operations of Parties and subcontractors, and premises owned, leased, or used by Parties and subcontractors, with limits of not less than five million dollars (\$5,000,000) per occurrence. The policy shall provide contractual liability and products and completed operations coverage for the term of the policy.

Each respective Party, its officials, employees, and volunteers shall be covered by policy terms or endorsement of the other Party as additional insureds as respects general liability arising out of: activities performed by or on behalf of the Parties and subcontractors; products and completed operations of the Parties and subcontractors; and premises owned, leased, or used by the Parties and subcontractors.

3. **Automobile Liability Minimum Scope and Limits of Insurance Coverage.**

  X   Automobile Liability Insurance is required providing coverage at least as broad as ISO Form CA 00 01 for bodily injury, including death, of one or more persons, property damage and personal injury, with limits of not less than five million dollars (\$5,000,000) per occurrence. The policy shall provide coverage for owned, non-owned and/or hired autos as appropriate to the operations of the Parties.

The Parties, its officials, employees, and volunteers shall be covered by policy terms or endorsement as additional insureds as respects auto liability.

4. **Excess Insurance.** The minimum limits of insurance required above may be satisfied by a combination of primary and umbrella or excess insurance coverage, provided that any umbrella or excess insurance contains, or is endorsed to contain, a provision that it will apply on a primary basis for the benefit of the other Party, and any insurance or self-insurance maintained by a Party, its officials, employees, or volunteers will be in excess of other Party's umbrella or excess coverage and will not contribute to it.

5. **Workers' Compensation Minimum Scope and Limits of Insurance Coverage.** *(Check the applicable provision.)*

  X   Workers' Compensation Insurance is required with statutory limits and Employers' Liability Insurance with limits of not less than one million dollars (\$1,000,000). The Workers' Compensation policy shall include a waiver of subrogation in favor of the City.

6. **Pollution Legal Liability.** County shall obtain Pollution Liability insurance. This insurance shall be written in comprehensive form either as a separate policy or as an endorsement to County's general liability coverage and shall cover liability for bodily injury, property damage, and environmental damage resulting from pollution and related cleanup costs incurred, all arising out of any work to be performed under the Contract, including liability for and defense of lawsuits and regulatory actions. If endorsed, the City, its officers, officials, employees, and volunteers are to be covered as additional insureds with respect to liability arising out of work or operations performed by or on behalf of the County including materials, part or equipment furnished in connection with such work or operations. Coverage shall be provided for both works performed on site, as well as during the transport of hazardous materials. Coverage shall apply to sudden as well as gradual pollution conditions, including without limitation conditions resulting from the escape or release of smoke, vapors, fumes, acids, alkalis, toxic chemicals, liquids, or gases, natural gas, waste materials, or other irritants, contaminants, or pollutants, including asbestos. The liability limits shall be not less than:

1. Combined Single Limit for each occurrence: \$3,000,000.
2. Aggregate per policy period of one year: \$3,000,000.

If the coverage required is written on a claims-made coverage form:

1. The retroactive date must be shown, and this date must be before the award date of the contract.
2. Insurance must be maintained, and evidence of insurance must be provided for at least five (5) years after final payment.
3. If coverage is canceled or non-renewed, and not replaced with another claims-made policy form with a retroactive date prior to the contract award date, the County must purchase extended reporting period coverage for a minimum of five (5) years after final payment.

4. A copy of the claims reporting requirements must be submitted to the City for review.
5. If the work involves lead-based paint or asbestos identification/remediation, the County's Pollution Liability policy shall not contain lead-based paint or asbestos exclusions. If the work involves mold identification/remediation, the County's Pollution Liability policy shall not contain a mold exclusion, and the definition of Pollution shall include microbial matter, including mold.

**7. Other Insurance Provisions.** The policies must contain, or be endorsed to contain, the following provisions:

- A. A Party's insurance coverage, including excess insurance, shall be primary insurance as respects the other Party, its officials, employees, and volunteers. Any insurance or self-insurance maintained by a Party, its officials, employees, or volunteers will be in excess of the other Party's insurance and will not contribute to it.
- B. Any failure to comply with reporting provisions of the policies will not affect coverage provided to a Party, its officials, employees, or volunteers.
- C. Coverage shall state that the Party's insurance applies separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability.
- D. The Parties shall provide the City with 30 days written notice of cancellation or material change in the policy language or terms.

**8. Acceptability of Insurance.** Insurance must be placed with insurers with a Bests' rating of not less than A:VI. Self-insured retentions, policy terms or other variations that do not comply with the requirements of this Exhibit C must be declared to and approved by the Parties in writing before execution of this Contract.

**9. Verification of Coverage.**

- A. Parties shall furnish the other Party with certificates and required endorsements evidencing the insurance required. The certificates and endorsements shall be forwarded to the Parties representative named in Exhibit A. Copies of policies shall be delivered to the Parties on demand.
- B. During the term of this Agreement, Parties shall send self-insured letters, insurance certificates and endorsements, including policy renewals, directly to:

As to City:

City of Sacramento  
c/o EXIGIS LLC  
PO Box 947  
Murrieta, CA 92564

Insurance certificates also may be e-mailed to:  
[certificates-sacramento@riskworks.com](mailto:certificates-sacramento@riskworks.com)

As to County:

Marissa Juhler, Director  
Division of Integrated Waste  
Management Department of  
Community Services 44090  
County Road 28H  
Woodland, CA 95776  
Phone: (530) 666-8852  
Fax: (530) 666-8853

B. Certificate Holder must be listed as:

As to City

City of Sacramento  
c/o EXIGIS LLC  
PO Box 947  
Murrieta, CA 92564  
As to County:

County of Yolo  
120 W. Main Street Suite G  
Woodland, CA 95695

- C. The Parties may withdraw their offer of Contract or cancel this Contract if the certificates of insurance and endorsements required have not been provided before execution of this Contract. The City may withhold payments to County and/or cancel the Contract if the insurance is canceled or County otherwise ceases to be insured as required herein. The County may withhold services to City and/or cancel the Contract if the insurance is canceled or City otherwise ceases to be insured as required herein

10. **Subcontractor Insurance Coverage.** The Parties shall require and verify that all subcontractors maintain insurance coverage that meets the minimum scope and limits of insurance coverage specified in this Exhibit C.
11. **Performance Bond with County.** County shall require and maintain a Performance Bond and Payment Bond from the entity operating the compost facility (Contractor). County's Contractor shall file with the County a Performance Bond and a Payment Bond. The bonds shall be executed by a surety, authorized to do business in the State of California, and shall be acceptable to County. County's Contractor shall maintain at all times during the term hereof, a Faithful Performance Bond and a Payment Bond. Initially, the Performance Bond shall be in the amount of \$500,000 and the Payment Bond set in the amount of \$250,000. Every 5 years, the bond amount shall increase for inflation. The Faithful Performance Bond and Payment Bond shall be on County-approved forms. Prior to the Execution Date of this Agreement, County's Contractor shall provide the evidence satisfactory to County that the Contractor will be able to provide the bonds required.

## EXHIBIT D

### GENERAL CONDITIONS

#### 1. Independent Contractor.

- A. It is understood and agreed that County (including County's employees) is an independent contractor, and that no relationship of employer-employee exists between the Parties hereto for any purpose whatsoever. Neither County nor County's assigned personnel will be entitled to any benefits payable to City employees. City is not required to make any deductions or withholdings from the compensation payable to County under the provisions of this Contract, and County will be issued a Form 1099 for its services hereunder. As an independent contractor, County hereby agrees to indemnify and hold City harmless from any and all claims that may be made against City based upon any contention by any of County's employees or by any third party, including any state or federal agency, that an employer-employee relationship or a substitute therefor exists for any purpose whatsoever by reason of this Contract or by reason of the nature and/or performance under this Contract.
- B. It is further understood and agreed by the Parties that County, in the performance of its obligations, is subject to the City's control and direction as to the designation of tasks to be performed and the results to be accomplished under this Contract, but not as to the means, methods, or sequence used by County for accomplishing the results. To the extent that County obtains permission to, and does, use CITY facilities, space, equipment, or support services in the performance of this Contract, this use will be at the County's sole discretion based on the County's determination that the use will promote County's efficiency and effectiveness. Except as may be specifically provided elsewhere in this Contract, the CITY does not require that County use CITY facilities, equipment or support services or work in CITY locations in the performance of this Contract. As used in this Contract, "sole discretion" or "sole judgment" means that the party authorized to exercise its discretion or judgment may do so based on an unfettered assessment of its own interests, without considering how its decision affects the other party, and unconstrained by the implied covenant of good faith and fair dealing.
- C. If, in the performance of this Contract, any third persons are employed by County, such persons will be entirely and exclusively under the direction, supervision, and control of County. Except as otherwise provided in this Contract, all terms of employment, including hours, wages, working conditions, discipline, hiring, and discharging, or any other terms of employment or requirements of law, shall be determined by County. It is further understood and agreed that County will issue W-2 or 1099 Forms for income and employment tax purposes for all County's assigned personnel and subcontractors.
- D. The provisions of this section will survive any expiration or termination of this Contract. Nothing in this Contract creates an exclusive relationship between City and County. County may represent, perform services for, or be employed by any additional persons or companies so long as County does not violate the provisions of Section 5, below.

#### 2. Licenses; Permits, Etc. County represents and warrants that County has, and shall maintain at

all times during the term of this Contract at its sole cost and expense, all licenses, permits, qualifications, and approvals of any nature that are legally required for County to practice its profession or fulfill the terms of this Contract, including a City Business Operations Tax Certificate and any required certification issued by the California Secretary of State.

3. **Time.** Time is of the essence in the performance of this Contract. County shall devote the necessary time and effort to its performance under this Contract. Neither party will be considered in default of this Contract, to the extent that party's performance is prevented or delayed by any cause, present or future, that is beyond the reasonable control of that party.
4. **Parties Are Not Agents.** Except as the Parties may specify in writing, the Parties and the Parties' personnel have no authority, express or implied, to act on behalf of the other Party in any capacity whatsoever as an agent. The Parties and the Parties' personnel shall have no authority, express or implied, to bind the other Party to any obligations whatsoever.
5. **Conflicts of Interest.** Each Party covenants that neither it, nor any officer or principal of its firm, has or will acquire any interest, directly or indirectly, that would conflict in any manner with the other Party's interests or that would in any way hinder their performance under this Contract. Each Party further covenants that in the performance of this Contract, no person having any such interest will be employed by it as an officer, employee, agent or subcontractor, without the other Party's written consent.

Each Party agrees to avoid conflicts of interest or the appearance of any conflicts of interest with the other Party's interests during the performance of this Contract. If County is or employs a former officer or employee of the City, County and any former City officer or employee shall comply with the provisions of Sacramento City Code Section 2.16.090 pertaining to appearances before the City Council or any City department, board, commission, or committee.

6. **Hazardous Substances.** "Hazardous Substances" means any substance, material, waste, or other pollutant or contaminant that is or becomes designated, classified, or regulated as hazardous or toxic under any law, regulation, rule, order, decree, or other governmental requirement now in effect or later enacted. If County is shipping Hazardous Substances, County must supply a Safety Data Sheet ("SDS") with the first shipment of Hazardous Substances to each City location receiving the Hazardous Substances. If the content of an SDS is revised, County must provide a revised SDS to each City location receiving Hazardous Substances.
7. **Confidentiality of Information.** During performance of this Contract, the Parties may gain access to and use the other Party's information regarding inventions, machinery, products, prices, apparatus, costs, discounts, future plans, business affairs, governmental affairs, processes, trade secrets, technical matters, systems, facilities, customer lists, product design, copyright, data, and other vital information (hereafter collectively referred to as "Confidential Information") that are valuable, special and unique assets of the other Party.

Each Party agrees to protect all Confidential Information of the other party and treat it as strictly confidential, and further agrees that it shall not at any time, either directly or indirectly, divulge, disclose, or communicate in any manner any Confidential Information of the other Party to any third party without the other Party's prior written consent, except as may be required by the

Public records Act, the Code of civil Procedures or other law.

In addition, County must comply with all City policies governing the use of the CITY network and technology systems, as set forth in applicable provisions of the City of Sacramento Administrative Policy Instructions # 30. A violation by County of this section is a material violation of this Contract and shall justify legal and equitable relief.

**8. County Information.**

- A. City shall have full ownership and control, including ownership of any copyrights, of all information prepared, produced, or provided by County under this Contract regarding City's organic materials. In this Contract, the term "information" means and includes: any and all work product, submittals, reports, plans, specifications, and other deliverables consisting of documents, writings, handwritings, typewriting, printing, photostating, photographing, computer models, and any other computerized data and every other means of recording any form of information, communications, or representation, including letters, works, pictures, drawings, sounds, or symbols, or any combination thereof. County shall not be responsible for any unauthorized modification or use of such information for other than its intended purpose by City.
- B. County shall fully defend, indemnify, and hold harmless City, its officers, and employees, and each of them, from and against any and all claims, actions, lawsuits or other proceedings alleging that all or any part of the information prepared, produced, or provided by County under this Contract infringes upon any third party's trademark, trade name, copyright, patent or other intellectual property rights. City shall make reasonable efforts to notify County not later than ten days after City is served with any such claim, action, lawsuit, or other proceeding. However, City's failure to provide notice within the ten-day period does not relieve County of its obligations hereunder, which survive any termination or expiration of this Contract.
- C. All proprietary and other information received from County by City, whether received in connection with County's proposal to City or in connection with County's performance, will be disclosed upon receipt of a request for disclosure, in accordance with the California Public Records Act; provided, however, that, if any information is set apart and clearly marked "trade secret" when it is provided to City, City shall give notice to County of any request for the disclosure of such information. The County will then have five days from the date it receives notice to petition the court for a protective order to prevent the disclosure of the information. The County shall have sole responsibility for defense of the actual "trade secret" designation of such information.
- D. The parties understand and agree that any failure by County to respond to the notice provided by City and seek a protective order, in accordance with the provisions of subsection C, above, constitutes a complete waiver by County of any rights regarding the information designated "trade secret" by County, and the information will be disclosed by City in accordance with the Public Records Act.

**9. Notification of Material Changes in Business.** County agrees that if it experiences any material changes in its business, including a reorganization, refinancing, restructuring, leveraged

buyout, bankruptcy, name change, or loss of key personnel, it will immediately notify the City of the changes. County also agrees to immediately notify the City of any condition that may jeopardize the scheduled delivery or fulfillment of County's obligations to the City under this Contract.

10. **Standard of Performance.** County shall perform in the manner and according to the standards currently observed by a competent practitioner of County's profession in California and in compliance with all requirements of this Contract. All products that County delivers to City under this Contract must be prepared in a professional manner and conform to the standards of quality normally observed by a person currently practicing in County's profession.

County shall assign only competent personnel to perform on its behalf under this Contract. County must notify the City in writing of any changes in County's staff assigned to perform under this Contract, before any performance by the new staff member. If the City, in its sole discretion, determines that any person assigned by the County to perform under this Contract is not performing in accordance with the standards required herein, City shall provide notice to County. County shall immediately remove the assigned person upon receipt of the notice.

11. **Performance or Different Terms and Conditions.** The City's subsequent performance will not be construed as either acceptance of additional or different terms and conditions or a counteroffer by the County, nor will the City's subsequent performance be viewed as acceptance of any provision of the Uniform Commercial Code, as adopted by any State, that is contrary to the terms and conditions contained herein. County's performance shall conform to the applicable requirements of the Sacramento City Charter, Sacramento City Code, and all applicable State and Federal laws, and all the requirements of this Contract. The California Commercial Code will apply except as otherwise provided in the Contract.

12. **Emergency/Declared Disaster Requirements.** If an emergency is declared by the City Manager, or if any portion of the City is declared a disaster area by the county, state or federal government, this Contract may be subjected to increased or decreased usage. In the event of such an emergency or disaster, the tonnage commitments within this Contract shall not be enforceable. The County shall serve the City during a declared emergency or disaster, subject to the same terms and conditions that apply during non-emergency / non-disaster conditions. The pricing set forth in this Contract will apply, without mark-up, regardless of the circumstances. If the County is unable to fulfill the terms of the Contract because of an emergency or declared disaster that disrupts the County's ability to provide the services envisioned under this agreement, then the County shall provide proof of the disruption. Acceptable forms of proof will include a letter or notice from the County stating the reason for the disruption. In the event of a documented disruption in service due to an emergency or declared disaster, County's performance under this contract shall be excused until the disruption is lifted. The City shall not be required to meet the minimum tonnage guarantees during the disruption. The guaranteed minimum tonnage commitment is an annual number and will be adjusted commensurately to reflect the period of disruption (i.e. however many days of disrupted service divided by 365). Further, until the City can secure an alternative destination for trucks routing to YCCL at the time of the disruption, City may still bring material to YCCL for as long as the facility remains open. In this case, the City understands that material may be landfilled due to the disruption, and not diverted for composting or recycling.



**13. Term; Suspension; Termination.**

- A. This Contract is effective on the Effective Date and continues in effect until both parties have fully performed their respective obligations under this Contract, unless sooner terminated as provided herein.
- B. The City and County shall each have the right to terminate this Contract by giving a written notice of termination to the other Party at least one-year prior to the effective termination date.
- C. If the City terminates this Contract:
  - (1) Upon receipt of such notice from the City, County shall immediately cease performance under this Contract as specified in the notice.
  - (2) County shall, not later than five days after receipt of the notice, deliver all information prepared under this Contract to the City.
  - (2) The City shall pay County the reasonable value of Goods or Services provided by County before termination; provided, however, City shall not in any manner be liable for lost profits that might have been made by County had the Contract not been terminated or had County completed performance required by this Contract. County shall furnish to the City any financial information requested by the City to determine the reasonable value of the Goods or Services provided by County. The foregoing is cumulative and does not affect any right or remedy that City may have in law or equity.

**14. Default by County.** In case of default by the County, the City reserves the right to procure the Goods or Services from other sources and deduct from any monies due, or that may thereafter become due to the County, the difference between the price named in this Contract and the actual cost to the City to procure from an alternate source. Prices paid by the City will be considered the prevailing market price at the time such purchase is made.

**15. Indemnity.**

- A. Indemnity: County shall assume the defense of and indemnify and hold harmless City from and against all actions or claims against City, its officers, agents or employees from any and all loss, including attorneys' fees, sustained by City by virtue of any damages to any person(s), firm or corporation who may be injured by or to any property that may be damaged arising out of the performance of this Agreement, except for actions or claims alleged to have occurred in full, or in part, as a result of active negligence by the City, its officers, agents or employees and except for actions or claims alleging dangerous conditions of City property which arise out of the acts or failure to act by the City, its officers, agents or employees which are not created by a County employee or County invitee.

City shall assume the defense of and indemnify and hold harmless County from and against all actions or claims against County, its officers, agents or employees from any and all loss, including attorneys' fees, sustained by County by virtue of any damages to any person(s), firm or corporation who may be injured by or to any property that may be damaged arising out of the performance of this Agreement, except for actions or claims alleged to have occurred in full, or in part, as a result of active negligence by the County, its officers, agents or employees and except for actions or claims alleging dangerous condition of County's property which arise out of the acts or failure to act by the County, its officers, agents or employees which are not created by a City employee or City invitee.

The indemnification provisions contained in this Agreement include but are not limited to any violation of applicable law, ordinance, regulation or rule, including where the claim, loss, damage, charge or expense was caused by deliberate, willful, or criminal acts of either party to this Agreement, or any of their agents, officers or employees or their performance under the terms of this Agreement.

It is the intent of the Parties that where negligence or responsibility for injury or damages is determined to have been shared, principles of comparative negligence will be followed, and each party shall bear the proportionate cost of any loss, damage, expense and liability attributable to that party's negligence.

Each party shall establish procedures to notify the other party, where appropriate, of any claims, administrative actions or legal actions with respect to any of the matters described in this indemnification section. The Parties shall cooperate in the defense of such actions brought by others with respect to the matters covered in this agreement. Nothing set forth in this Agreement shall establish a standard of care for or create any legal rights for any person not a party to this Agreement.

- B. Insurance Policies; Intellectual Property Claims: The existence or acceptance by Parties of any of the insurance policies or coverages described in this Contract will not affect or limit any of that Party's rights under this Section, nor will the limits of any insurance limit the liability of the Parties hereunder. This Section will not apply to any intellectual property claims, actions, lawsuits, or other proceedings subject to the provisions of section 8.B., above.
- C. Survival. The provisions of this section will survive any expiration or termination of this Contract.

## **17. Funding Availability.**

- A. This Contract is subject to the budget and fiscal provisions of the Charter and the Sacramento City Code.
- B. The City's payment obligation under this Contract will not exceed the amount of funds appropriated and approved for this Contract by the Sacramento City Council.
- C. This Section shall govern over any other contrary provision of the Contract.

18. **Equal Employment Opportunity.** During the performance of this Contract, the Parties, for themselves, their assignees, and successors in interest, agrees as follows:
- A. Compliance With Regulations: The Parties shall comply with all state, local, and federal anti-discrimination laws and regulations, including the Executive Order 11246 entitled "Equal Opportunity in Federal Employment," as amended by Executive Order 11375, 12086, and 13672, and as supplemented in Department of Labor regulations (41 CFR Chapter 60), referred to collectively as the "Regulations."
  - B. Nondiscrimination: The Parties, with regards to the work performed by it after award and before completion of the work under this Contract, shall not discriminate on the ground of race, color, religion, sex, national origin, age, marital status, physical handicap or sexual orientation in selection and retention of subcontractors, including procurement of materials and leases of equipment. County shall not participate either directly or indirectly in discrimination prohibited by the Regulations.
  - C. Information and Reports: The Parties shall provide all information and reports required by the Regulations, or by any orders or instructions issued pursuant thereto, and shall permit access to its books, records, accounts, other sources of information and its facilities as may be determined by the City to be pertinent to ascertain compliance with the Regulations, orders and instructions. Where any information required of County is in the exclusive possession of another who fails or refuses to furnish this information, County shall so certify to the City, and shall set forth what efforts it has made to obtain the information.
  - D. Sanctions for Noncompliance: In the event of noncompliance by the Parties with the nondiscrimination provisions of this Contract, the other Party shall impose any sanctions it determines are appropriate including:
    - (1) Withholding of payments or services under this Contract until the other Party complies;
    - (2) Cancellation, termination, or suspension of this Contract, in whole or in part.
19. **Entire Agreement.** This Contract, including all Exhibits and documents referenced herein, contains the entire agreement between the Parties and supersedes whatever oral or written understanding they may have had before the execution of this Contract. No alteration to the terms of this Contract shall be valid unless approved in writing by County, and by City, in accordance with applicable provisions of the Sacramento City Code.
20. **Modification of Contract.** The Parties shall take no direction from any employee that changes the executed terms and conditions of the Contract, including Exhibit A, or any change that impacts the cost, price, or schedule, before receiving a written, signed modification to the Contract.
21. **Severability.** If a court with jurisdiction rules that any portion of this Contract or its application to any person or circumstance is invalid or unenforceable, the remainder of this Contract will not

be affected thereby and will remain valid and enforceable as written, to the greatest extent permitted by law.

22. **Waiver.** Neither a Party's acceptance of, or payment for, any Goods or Services, nor any waiver by either party of any default, breach, or condition precedent, will be construed as a waiver of any provision of this Contract, nor as a waiver of any other default, breach, or condition precedent or any other right hereunder. No waiver will be effective unless it is in writing and signed by the waiving party.
23. **Governing Law.** This Contract shall be governed, construed and enforced in accordance with the laws of the State of California, except that the rule of interpretation in California Civil Code section 1654 will not apply. Venue of any litigation arising out of this Contract will lie exclusively in the state trial court or Federal District Court located in Sacramento County in the State of California, and the parties' consent to jurisdiction over their persons and over the subject matter of any such litigation in such courts, and consent to service of process issued by such courts.
24. **Assignment Prohibited.** The expertise and experience of County are material considerations for this Contract. City has a strong interest in the qualifications and capability of the persons and entities that will fulfill the obligations imposed on County under this Agreement. In recognition of this interest, Parties shall not assign any right or obligation pursuant to this Contract without the written consent of the City, which shall not be unreasonably withheld. Any attempted or purported assignment without City's written consent shall be void and of no effect.
25. **Binding Effect.** This Contract is binding on the heirs, executors, administrators, successors and assigns of the Parties, subject to the provisions of Section 24, above.
26. **Compliance with Laws.** The Parties shall be responsible for strict compliance with all applicable laws, regulations, court orders and other legal requirements applicable to the work to be accomplished under the Contract, including the California Occupational Safety and Health Act and all applicable safety orders issued by the Division of Occupational Safety and Health, Department of Industrial Relations, State of California, and all applicable requirements of Underwriters Laboratories and the Federal Communication Commission.

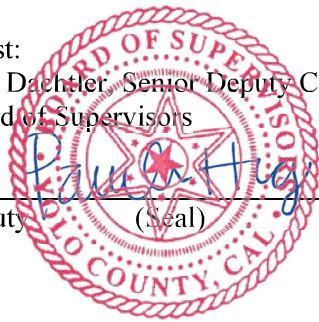
**IN WITNESS WHEREOF**, the parties have executed this Agreement as of the day and year first set forth above.

**COUNTY OF YOLO**

By Mary Vixie Sandy  
Mary Vixie Sandy, Chair  
Board of Supervisors

Attest:  
Julie Daehler, Senior Deputy Clerk  
Board of Supervisors

By Paula H. H. H.  
Deputy (Seal)



Approved as to Form:  
Phillip J. Pogledich, County Counsel

By Kimberly Hood  
Kimberly Hood, Assistant County Counsel



## EVIDENCE OF COVERAGE

DATE (MM/DD/YYYY)

6/26/2025

This Evidence of Coverage is used as a matter of information only and confers no rights upon the Certificate Holder. This Evidence of Coverage does not amend, extend, or alter the coverage afforded by the memoranda listed below.

**JOINT POWERS AUTHORITY (JPA)**

Yolo County Public Agency  
Risk Management Insurance Authority  
77 W. Lincoln Avenue  
Woodland, CA 95695

CONTACT NAME: Lily Vieh

certificates@ycparmia.org

PHONE: 530-666-4456

FAX: 530-666-4491

**JPA MEMBER (Covered Party)**

County of Yolo  
625 Court Street  
Woodland CA 95695

This is to Certify that the Yolo County Public Agency Risk Management Insurance Authority (YCPARMIA) Memorandum of Coverages listed below have been issued to the Covered Party named above for the period indicated. The coverage is in effect & is provided through participation in a risk sharing joint powers authority. Notwithstanding any requirement, term, or condition of any contract or other document with respect to which this Evidence of Coverage may be used or may pertain, the coverages afforded by the Memorandum of Coverages described herein are subject to all the terms, exclusions, and conditions of such Memorandum of Coverages.

CERTIFICATE NUMBER: 85976646

TYPE OF COVERAGE	ADDL INSR	MEMORANDUM NUMBER (MOC)	EFFECTIVE (MM/DD/YYYY)	EXPIRATION 12:01a.m.	LIMIT OF LIABILITY / COVERAGE	
<b>PUBLIC ENTITY LIABILITY</b> <input checked="" type="checkbox"/> OCCURRENCE <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	✓	YCP LIAB 2025	7/1/2025	7/1/2026	COMBINED SINGLE LIMIT PER OCCURRENCE	\$ 1,000,000
					AGGREGATE	\$
						\$
						\$
						\$
<b>AUTOMOBILE LIABILITY</b> <input checked="" type="checkbox"/> ANY AUTO <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	✓	YCP LIAB 2025	7/1/2025	7/1/2026	COMBINED SINGLE LIMIT PER OCCURRENCE	\$ 1,000,000
						\$
						\$
						\$
						\$
<b>PROPERTY</b> <input type="checkbox"/> BUILDING / CONTENTS / BI <input type="checkbox"/> ALL RISK LESS EXCLUSIONS <input type="checkbox"/> AUTOMOTIVE PHYSICAL DAMAGE <input type="checkbox"/> COMPREHENSIVE / COLLISION					REPLACEMENT COST SUBJECT TO COVERAGE LIMITS, TERMS, AND CONDITIONS	
						\$
						\$
					REPLACEMENT COST VALUE	\$
						\$
<b>WORKERS COMPENSATION AND EMPLOYERS' LIABILITY</b> <input checked="" type="checkbox"/> WC STATUTORY LIMITS	N/A	YCP WC 2025 Excess WC via PRISM	7/1/2025	7/1/2026	EACH ACCIDENT	\$ 1,000,000
					PER EMPLOYEE	\$ 1,000,000
					COVERAGE LIMIT	\$ 1,000,000
<b>OTHER</b> <input type="checkbox"/> EMPLOYEE DISHONESTY (CRIME) <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>					SUBJECT TO COVERAGE LIMITS, TERMS, AND CONDITIONS	
						\$
						\$
						\$
						\$

**DESCRIPTION OF COVERED ACTIVITY / ADDITIONAL REMARKS:****THIS CERTIFICATE CONFERS NO ADDITIONAL INSURED RIGHTS UPON THE CERTIFICATE HOLDER.**

Activity Start Date: 7/1/2021 Activity End Date: Until Cancelled  
Yolo County Agreement #20-84 for Organic Material Diversion Services  
City of Sacramento 2020-1397

**CERTIFICATE HOLDER**

City of Sacramento  
its officials, employees and volunteers  
c/o Exigis LLC  
PO Box 947  
Murrieta CA 92564

**CANCELLATION**

Should any of the above coverages for the Covered Party be changed or withdrawn prior to the expiration date issued above, YCPARMIA will mail 30 days written notice to the Certificate Holder, but failure to mail such notice shall impose no obligation or liability of any kind upon YCPARMIA, its agents, or representatives.

AUTHORIZED REPRESENTATIVE: Barbara Lubben

**ADDITIONAL COVERED PARTY:**

City of Sacramento  
its officials, employees and volunteers  
c/o Exigis LLC  
PO Box 947  
Murrieta CA 92564

**DESCRIPTION OF COVERED ACTIVITY / ADDITIONAL REMARKS:**

Activity Start Date: 7/1/2021 Activity End Date: Until Cancelled Yolo County Agreement #20-84 for Organic Material Diversion Services City of Sacramento 2020-1397

**Limit of Liability per Occurrence:** \$ 1,000,000

Activity Start Date: 7/1/2021 Activity End Date: Until Cancelled

**Coverage Period Effective:** 7/1/2025

**Expires 12:01 a.m.:** 7/1/2026

**Memorandum Number (MOC):** YCP LIAB 2025

This certifies that the coverage described herein has been issued to: County of Yolo

The following coverage is in effect and is provided through participation in a risk sharing joint powers authority: general liability and automobile liability pooled self-insurance, as defined in the Memorandum of Coverage on file with the entity & which is available upon request.

The coverage being provided is limited to the activity and the time period indicated above and is subject to all the terms, conditions, and exclusions of the Memorandum of Coverage of the Yolo County Public Agency Risk Management Insurance Authority (YCPARMIA).

The Certificate holder is only an additional covered party for covered claims arising out of the activity described herein and is subject to the limits stated herein.

Coverage is in effect at this time and will not be cancelled, limited, or allowed to expire at a date other than that indicated herein except upon 30 days written notice to the certificate holder.

Yolo County Public Agency  
Risk Management Insurance Authority  
77 W. Lincoln Avenue  
Woodland, CA 95695

**AUTHORIZED REPRESENTATIVE:**

**Certificate No.** 85976646

*Barbara Lubber*

GL1-8544

AI

**CERTIFICATE OF COVERAGE**

06/27/2025

**Public Risk Innovation,  
Solutions, and Management**

**C/O ALLIANT INSURANCE SERVICES, INC.**  
**18100 VON KARMAN AVENUE, 10TH FLOOR**  
**IRVINE, CA 92612**

PHONE (949) 756-0271 / FAX (619) 699-0901  
 LICENSE #0C36861

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BELOW. THIS CERTIFICATE OF COVERAGE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED and/or requesting a WAIVER OF SUBROGATION, the Memorandums of Coverage must be endorsed. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

COVERAGE  
AFFORDED

**A- Public Risk Innovation, Solutions, and Management**

**Member:**

YOLO COUNTY PUBLIC AGENCY RISK  
 MANAGEMENT INSURANCE AUTHORITY (YCPARMIA)  
 ATTN: LILY VIEK  
 77 WEST LINCOLN AVE.  
 WOODLAND, CA 95695

COVERAGE  
AFFORDED

**B**

COVERAGE  
AFFORDED

**C**

COVERAGE  
AFFORDED

**D**

**Coverages**

THIS IS TO CERTIFY THAT THE MEMORANDUMS OF COVERAGE LISTED BELOW HAVE BEEN ISSUED TO THE MEMBER NAMED ABOVE FOR THE PERIOD INDICATED, NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN. THE COVERAGE AFFORDED BY THE MEMORANDUMS DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS, AND CONDITIONS OF SUCH MEMORANDUMS. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

CO LTR	TYPE OF COVERAGE	MEMORANDUM NUMBER	COVERAGE EFFECTIVE DATE	COVERAGE EXPIRATION DATE	LIABILITY LIMITS
<b>A</b>	<input checked="" type="checkbox"/> Excess General Liability	PRISM-PE 25 EL-141	07/01/2025	07/01/2026	\$5,000,000
	<input checked="" type="checkbox"/> Auto Liability				\$5,000,000
					Limits inclusive of the Member's Self-Insured Retention of \$1,000,000

**Description of Operations/Locations/Vehicles/Special Items:**

AS RESPECTS AGREEMENT BETWEEN COUNTY OF YOLO DEPARTMENT OF PUBLIC WORKS AND CITY OF SACRAMENTO FOR LONG-TERM ORGANIC MATERIAL DIVERSION SERVICES.

CITY OF SACRAMENTO, ITS OFFICIALS, EMPLOYEES AND VOLUNTEERS ARE INCLUDED AS ADDITIONAL COVERED PARTIES, BUT ONLY IN SO FAR AS THE OPERATIONS UNDER THIS CONTRACT ARE CONCERNED.

THIS INSURANCE SHALL BE PRIMARY AND NO OTHER INSURANCE SHALL CONTRIBUTE PURSUANT TO ENDORSEMENT NUMBER U-9.

COUNTY OF YOLO IS A MEMBER OF YOLO COUNTY PUBLIC AGENCY RISK MANAGEMENT INSURANCE AUTHORITY (YCPARMIA)

**Certificate Holder**

CITY OF SACRAMENTO  
 C/O EXIGIS LLC  
 PO BOX 947  
 MURRIETA, CA 92564

**Cancellation**

SHOULD ANY OF THE ABOVE DESCRIBED MEMORANDUMS OF COVERAGES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE MEMORANDUMS OF COVERAGE PROVISIONS.

AUTHORIZED REPRESENTATIVE



Public Risk Innovation, Solutions, and Management



**ENDORSEMENT NO. U-1**

**PUBLIC RISK INNOVATION, SOLUTIONS, AND MANAGEMENT  
GENERAL LIABILITY 1  
ADDITIONAL COVERED PARTY AMENDATORY ENDORSEMENT**

It is agreed that the "**Covered Party**, Covered Persons or Entities" section of the Memorandum is amended to include the person or organization named on the Certificate of Coverage, but only with respect to liability arising out of premises owned by or rented to the Member, or operations performed by or on behalf of the Member or such person or organization so designated.

Coverage provided under this endorsement is limited to the lesser of the limits stated on the Certificate of Coverage or the minimum limits required by contract.

**ADDITIONAL COVERED PARTY:**

NAME OF PERSON OR ORGANIZATION SCHEDULED PER ATTACHED CERTIFICATE OF COVERAGE

**AS RESPECTS:**

PER ATTACHED CERTIFICATE OF COVERAGE

It is further agreed that nothing herein shall act to increase PRISM's limit of liability.

This endorsement is part of the Memorandum and takes effect on the effective date of the Memorandum unless another effective date is shown below. All other terms and conditions remain unchanged.

Effective Date: \_\_\_\_\_

Memorandum No.: PRISM 25 EL-00

Issued to: ALL MEMBERS

Issue Date: June 27, 2025



Authorized Representative  
Public Risk Innovation, Solutions, and Management

## ENDORSEMENT NO. U-9

### PUBLIC RISK INNOVATION, SOLUTIONS, AND MANAGEMENT GENERAL LIABILITY 1

#### AMENDATORY ENDORSEMENT - PRIMARY/NON-CONTRIBUTORY

It is understood and agreed that Condition 7. OTHER COVERAGE of the Memorandum to which it is attached, is deleted in its entirety and replaced by the following:

#### 7. OTHER COVERAGE

If collectible insurance with an insurer, or collectible group coverage through another joint powers authority, interlocal cooperative agreement, self-insurance or other public entity group coverage is available to the **covered party** covering a loss also covered hereunder (whether on a primary, excess or contingent basis), the coverage hereunder shall be: (a) in excess of, and shall not contribute with, such insurance; and (b) shall contribute only with any excess group coverage available through another joint powers authority according to a pro-rata, time on the risk basis. However, this clause does not apply with respect to excess insurance purchased specifically to be in excess of this Memorandum, or to insurance or reinsurance which is intended to provide the remainder of the limit of liability stated in the Declarations of this Memorandum when the coverage afforded under this Memorandum provides less than 100 percent of the limit set forth in the Declarations. However, if the **covered party** has entered into a written agreement, prior to any loss event, in which it is agreed that this coverage shall be primary and/or non-contributory with respect to an additional **covered party** as specified in Endorsement U-1 of this Memorandum, then this coverage shall respond as primary and/or non-contributory, but shall be limited to the lesser of the limits stated on the Certificate of Coverage or the minimum limits required by the written agreement.

Notwithstanding the foregoing paragraph, if coverage for a claim or **suit** is available under this Memorandum and a memorandum of coverage issued in connection with the PRISM's Medical Malpractice Program, this Memorandum shall afford primary coverage only where the gravamen of the claim or **suit** involves liability covered hereunder. EIA staff will preliminarily assess the gravamen of the claim or **suit** and refer it to the committee responsible for the coverage believed to be applicable under this paragraph. Where that committee disputes PRISM's assessment of the gravamen of the claim or **suit** and rejects primary coverage, PRISM will thereafter refer the claim or **suit** to the committee responsible for the other applicable coverage. If that committee also rejects the primary coverage responsibility, the Executive Committee will determine which of PRISM's coverages is primary under this paragraph.

If the Member disputes the acceptance of primary coverage by a committee of PRISM's responsible for the coverage, the Member may appeal that decision to the Executive Committee. Appeal must be requested within 60 days of the coverage acceptance by PRISM.

If the Member is not satisfied with the outcome of the Executive Committee appeal or the determination by the Executive Committee as to which of PRISM's coverages is primary where no committee agreed to accept primary responsibility, the Member may invoke Section (d) and (e) of Article 31 of PRISM's Joint Powers Agreement and proceed to arbitration and, if necessary, litigation. For purposes of this paragraph, the Member must request to invoke Article 31 dispute resolution process within 60 days of the Executive Committee's determination as to which of PRISM's coverages is primary.

Where a memorandum of coverage issued in connection with PRISM's Medical Malpractice Program is determined to afford primary coverage pursuant to this section, the exhaustion of PRISM's limit of liability under the Medical Malpractice Program will satisfy the **covered party's** self-insured retention under this Memorandum.

Coverage for the additional **covered party** under this endorsement is limited to the written contract or agreement as specified on the Certificate of Coverage and Endorsement U-1 of this Memorandum.

It is further agreed that nothing herein shall act to increase PRISM's limit of liability.

This endorsement is part of the Memorandum and takes effect on the effective date of the Memorandum unless another effective date is shown below. All other terms and conditions remain unchanged.

**Effective Date**

**Memorandum No.:** PRISM 25 EL-00

**Issued to:** ALL MEMBERS

**Issue Date:** June 27, 2025

A handwritten signature in cursive script, appearing to read "Gina Dean", is written over a horizontal line.

Authorized Representative  
Public Risk Innovation, Solutions, and Management



# CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)

10/20/2023

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

**IMPORTANT:** If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

<b>PRODUCER</b> Alliant Insurance Services, Inc. 18100 Von Karman Avenue 10th Floor Irvine CA 92612	<b>CONTACT NAME:</b> Michael McIntosh <b>PHONE (A/C, No. Ext):</b> 949-660-8124 <b>E-MAIL ADDRESS:</b> mmcintosh@alliant.com <b>FAX (A/C, No):</b> 619-699-0907
<b>INSURED</b> County of Yolo 44090 County Road 28H Woodland CA 95776	<b>INSURER(S) AFFORDING COVERAGE</b> <b>INSURER A:</b> Westchester Surplus Lines Insurance Company, Inc. <b>INSURER B:</b> <b>INSURER C:</b> <b>INSURER D:</b> <b>INSURER E:</b> <b>INSURER F:</b>

**COVERAGES****CERTIFICATE NUMBER:** 0001**REVISION NUMBER:** 1

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSR	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
	<b>GENERAL LIABILITY</b> <input type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input type="checkbox"/> OCCUR <input type="checkbox"/> <input type="checkbox"/> GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC	<input type="checkbox"/>	<input type="checkbox"/>				EACH OCCURRENCE \$ DAMAGE TO RENTED PREMISES (Ea occurrence) \$ MED EXP (Any one person) \$ PERSONAL & ADV INJURY \$ GENERAL AGGREGATE \$ PRODUCTS - COMP/OP AGG \$ \$
	<b>AUTOMOBILE LIABILITY</b> <input type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> HIRED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> NON-OWNED AUTOS	<input type="checkbox"/>	<input type="checkbox"/>				COMBINED SINGLE LIMIT (Ea accident) \$ BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ \$
	<b>UMBRELLA LIAB</b> <input type="checkbox"/> EXCESS LIAB <input type="checkbox"/> DED <input type="checkbox"/> RETENTION \$ <input type="checkbox"/> OCCUR <input type="checkbox"/> CLAIMS-MADE	<input type="checkbox"/>	<input type="checkbox"/>				EACH OCCURRENCE \$ AGGREGATE \$ \$
	<b>WORKERS COMPENSATION AND EMPLOYERS' LIABILITY</b> ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICE/MEMBER EXCLUDED? <input type="checkbox"/> Y / N (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	<input type="checkbox"/>	<input type="checkbox"/>				WC STATUTORY LIMITS E.L. EACH ACCIDENT \$ E.L. DISEASE - EA EMPLOYEE \$ E.L. DISEASE - POLICY LIMIT \$
A	Pollution Liability	<input type="checkbox"/> N	<input type="checkbox"/> N	G47422607001	08/30/2023	08/30/2026	Per Pollution Condition: \$4,000,000 Aggregate Limit: \$5,000,000 Self-Insured Retention: \$50,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (Attach ACORD 101, Additional Remarks Schedule, if more space is required)  
Evidence of Coverage Only.

**CERTIFICATE HOLDER****CANCELLATION**

Evidence of Coverage Only.

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE

© 1988-2010 ACORD CORPORATION. All rights reserved.

## SIGNATURES

The parties have signed this Contract, effective as of the day and year first stated above.

### CONTRACTOR

Under penalty of perjury, I certify that the information provided here is correct.

Signature: Mary Vixie Sandy  
Mary Vixie Sandy (Mar 25, 2025 10:31 PDT)

Title: Chair, Yolo County Board of Supervisors

Additional Signature (if required):

Title:

### CITY OF SACRAMENTO

A Municipal Corporation

#### APPROVED AS TO FORM:

Signature: Michael Fry  
Michael Fry (Apr 1, 2025 09:19 PDT)

Title: Senior Deputy City Attorney

Reviewed By:

Signature:

Title:

Approved By:

Signature:

Title:

Additional Signature (if required):

Title:

CONTRACT #: PRC003723  
CONTRACT NAME: Organic Material Diversion Services  
CONTRACT PROJECT #:  
DEPARTMENT: Public Works  
DIVISION: Recycling and Solid Waste

CITY OF SACRAMENTO

**NONPROFESSIONAL SERVICES AGREEMENT**

---

**THIS CONTRACT** is made at Sacramento, California, by and between the **CITY OF SACRAMENTO**, a charter city and municipal corporation ("CITY"), and

*CALIFORNIA WOOD RECYCLING, INC. DBA. AGROMIN  
201 Kinetic Drive, Oxnard, CA 93030*

("Contractor"), as of the Effective Date, as defined below.

The City and Contractor agree as follows:

- 1. Effective Date.** This Contract shall be effective beginning July 1, 2027.
- 2. Contract Documents.** This Contract includes each of the following documents, which are attached or incorporated by this reference (referred to collectively as the "Contract Documents"):

Regional Request for Proposals for Organic Material Diversion Services (OMDS), and any Addenda

Exhibit A – Scope of Services

Exhibit B – Payment

Exhibit C – Insurance

Exhibit D – General Conditions

Exhibit E – Compensation, Contamination, and Definitions

Exhibit F – Buy Back Program

If there is a conflict between the terms and conditions of any document prepared or provided by the Contractor and made a part of this Contract and the General Conditions in Exhibit D, the General Conditions will control.

- 3. Services.** Subject to the terms and conditions set forth in this Contract, Contractor shall provide to City the non-professional services described in Exhibit A ("Services").

Contractor will not be compensated for non-professional services outside the scope of Exhibit A ("Additional Services") unless, before providing Additional Services: (a) Contractor notifies City and City agrees that the Additional Services are outside the scope of Exhibit A; (b) Contractor estimates the additional compensation required for these Additional Services; and (c) City, after notice, approves in writing a Supplemental Contract specifying the Additional Services and the amount of additional compensation to be paid Contractor.

City will have no obligations whatsoever under this Contract or any Supplemental Contract, unless and until this Contract or any Supplemental Contract is approved by the City as required by the Sacramento City Code. As used in this Contract, the term "Services" includes both Services and Additional Services as applicable.

4. **Payment.** City shall pay Contractor at the times and in the manner set forth in Exhibit B. Contractor shall submit all invoices to City in the manner specified in Exhibit B.
5. **Facilities and Equipment.** Contractor shall, at its sole cost and expense, furnish all facilities and equipment required for Contractor to perform this Contract. Additionally, the Contractor will install, operate, and maintain a Compost Pre-Processing System as specified in Attachment 1 to Exhibit A.
6. **Insurance.** Contractor shall, at its sole cost and expense, maintain the insurance coverage described in the attached Exhibit C.
7. **General Conditions.** Contractor shall comply with the terms and conditions set forth in the attached Exhibit D.
8. **Non-Discrimination in Employee Benefits.** This Contract may be subject to Sacramento City Code chapter 3.54, Non- Discrimination in Employee Benefits by City Contractors. A summary of the requirements, entitled "Requirements of the Non-Discrimination in Employee Benefits Code (Equal Benefits Ordinance)," can be viewed at:

<https://www.cityofsacramento.org/Finance/Procurement/Contract-Ordinances>.

Contractor acknowledges and represents that Contractor has read and understands the requirements and shall fully comply with all applicable requirements of Sacramento City Code chapter 3.54. If requested by City, Contractor shall promptly provide any documents and information required by City to verify Contractor's compliance.

Contractor's violation of Sacramento City Code chapter 3.54 constitutes an event of default in accordance with Exhibit D, Section 14 of this Contract, for which the City may terminate the Contract and pursue all available legal and equitable remedies.

9. **Living Wage.** This Contract may be subject to Sacramento City Code chapter 3.58, Living Wage. A summary of the requirements, entitled "Living Wage Requirements", can be viewed at:

<https://www.cityofsacramento.org/Finance/Procurement/Contract-Ordinances>.

The Living Wage Ordinance is applicable to certain contracts with the City in an amount of \$250,000 or more (either initial value or total value after amendment) or if the total value of all Contractor's contracts with the City is \$250,000 or more over a 12-month period. Contractor acknowledges and represents that Contractor has read and understands the requirements and shall fully comply with all applicable requirements of Sacramento City Code chapter 3.58. If requested by City, Contractor shall promptly provide any documents and information required by City to verify Contractor's compliance.

Contractor shall require applicable subcontractors to fully comply with all applicable requirements of Sacramento City Code chapter 3.58 and include these requirements in all subcontracts covered by Sacramento City Code chapter 3.58.

Contractor's violation of Sacramento City Code chapter 3.58 constitutes an event of default in accordance with Exhibit D, Section 14 of this Contract, for which the City may terminate the Contract and pursue all available legal and equitable remedies.

In addition, for Services that constitute "Public Works" under California Labor Code Section 1720 et seq., if both prevailing wage and living wage requirements apply, Contractor shall pay the higher of the two rates.

- 10. Considering Criminal Conviction Information in the Employment Application Process.** This Contract may be subject to the requirements of Sacramento City Code chapter 3.62, Procedures for Considering Criminal Conviction Information in the Employment Application Process. A summary of the requirements, entitled "Ban-The-Box Requirements," can be viewed at:

<https://www.cityofsacramento.org/Finance/Procurement/Contract-Ordinances>.

The Ban-The-Box Requirements are applicable to certain contracts with the City in an amount of \$250,000 or more (either initial value or total value after amendment) or if the total value of all Contractor's contracts with the City is \$250,000 or more over a 12-month period.

Contractor acknowledges and represents that Contractor has read and understands these requirements and shall fully comply with all applicable requirements of Sacramento City Code chapter 3.62. If requested by City, Contractor shall promptly provide any documents and information required by City to verify Contractor's compliance. Contractor shall require applicable subcontractors to fully comply with all applicable requirements of Sacramento City Code chapter 3.62 and include these requirements in all subcontracts covered by Sacramento City Code chapter 3.62.

Contractor's violation of Sacramento City Code chapter 3.62 constitutes an event of default pursuant to Exhibit D, Section 14 of this Contract, for which the City may terminate the Contract and pursue all available legal and equitable remedies.

- 11. Authority.** The person signing this Contract for Contractor represents and warrants that he or she has read, understands, and agrees to all the Contract terms and is fully authorized to sign this Contract on behalf of the Contractor and to bind the Contractor to the performance of the Contract's obligations.
- 12. Counterparts.** This Agreement may be executed in duplicate counterparts. The agreement shall be deemed executed when it has been signed by both parties. Signatures scanned and transmitted electronically shall be deemed original signatures for purposes of this Agreement, with such scanned signatures having the same legal effect as original signatures. This Agreement may be executed through the use of electronic signature and will be binding on each party as if it were physically executed.

[Signatures Page Following Exhibits]



## EXHIBIT A

### SCOPE OF SERVICES

#### 1. Representatives.

The CITY Representatives for this Agreement are:

*John Febbo/General Manager*  
2812 Meadowview Road, Building 1, Sacramento, CA 95832  
Phone: (916) 808-4949/Fax: (916) 808-4999/E-mail: [jfebbo@cityofsacramento.org](mailto:jfebbo@cityofsacramento.org)

*Adam Roitman/Program Specialist*  
2812 Meadowview Road, Building 1, Sacramento, CA 95832  
Phone: (916) 808-3508/Fax: (916) 808-4999 /E-mail: [aroitman@cityofsacramento.org](mailto:aroitman@cityofsacramento.org)

The CONTRACTOR Representative for this Agreement is:

*Bill Camarillo/CEO*  
201 Kinetic Drive, Oxnard, CA 93030  
Phone: (805) 207-5650/Fax: (805) 485-9222/E-mail: [Bill@Agromin.com](mailto:Bill@Agromin.com)

*Kimberly Cook/Business Development Manager*  
201 Kinetic Drive, Oxnard, CA 93030  
Phone: (805) 846-6432/Fax: (805) 485-9222/E-mail: [Kimberly@Agromin.com](mailto:Kimberly@Agromin.com)

Unless otherwise provided in this Contract, all Contractor questions and correspondence pertaining to this Contract must be addressed to the City Representatives. All City questions and correspondence must be addressed to the Contractor Representative. City Representatives and Contractor Representatives are subject to change at any time. In this event, the City and/or Contractor shall notify the other party of the change and provide updated contact information.

#### 2. **Scope of Services.** Contractor shall provide Services to City as set forth in Attachment 1 to this Exhibit A.

#### 3. **Time of Performance.** The Services described in this Contract shall be provided for ten years, beginning July 1, 2027, and continuing until June 30, 2037, unless sooner terminated pursuant to the provisions of this Agreement. The City and Contractor shall discuss their intentions to renew at least 365 days prior to the expiration of the contract term, and resolve not later than 180 days prior to the expiration of the current contract term. The City and Contractor agree that the Agreement may be extended for up to two additional two-year terms and one additional one-year term, for a maximum fifteen-year term continuing until June 30, 2042, upon mutual

agreement of both parties. City Manager or designee is authorized to extend the term under this provision. Contractor shall provide the Services in accordance with any schedule in Attachment 1 to this Exhibit.

A. Contractor shall immediately notify the City if Contractor is unable to perform Services in compliance with this Contract.

**ATTACHMENT 1 TO EXHIBIT A  
SCOPE OF SERVICES**

1. **Overview of Services.** Contractor will accept organic material collected by the City. Organic material, including green waste and food waste, as well as contamination, are defined in Exhibit E Section C. City shall consider the addition of acceptable materials in this program, if necessary, during the contract period, and based on any requirements in Senate Bill (SB) 1383 or other State laws. Addition of materials outside the scope of this contract and Exhibit E must be presented, in writing, to Contractor for review and for Contract and/or tip fee renegotiation as necessary. Contractor will market, or have used for soil conditioning, all non-contaminated organic material or otherwise divert organic material away from disposal at landfills. Only those end uses for organic material meeting the definition of diversion credit as defined by the State of California's Department of Resources Recycling and Recovery (CalRecycle) are permissible. Upon request, Contractor will provide City with written certification for all organic material diverted away from the landfill and to the end markets noted in their proposal.
  
2. **Annual Tonnage Commitments.** The tonnage in this section shall be calculated by fiscal year, starting July 1, 2027, through June 30, 2028, and every 12-month fiscal year thereafter.
  - A. City shall deliver at least 32,500 tons per year of organic material to Contractor's receiving facility, Elder Creek Transfer and Recovery Facility, which is located at 8642 Elder Creek Road, Sacramento, CA, 95828. Contractor shall accept from City up to 75,000 tons per year of organic material under this Agreement.

Upon a six (6) month written notification to Contractor, the City may be allowed to deliver up to 20,000 additional tons per year of organic material for a maximum of 95,000 tons per year.
  - B. City shall not be required to meet daily or monthly tonnage commitments. Only the minimum annual tonnage commitment (by fiscal year) is guaranteed.
  
3. **Delivery of Organic Material.** Contractor shall accept delivery of organic materials at Elder Creek Transfer Station in accordance with the following schedule:

Day	Hours of Operation
Monday – Friday	6:00 am – 5:00 pm
Saturday and Sunday	8:00 am – 5:00 pm
Holidays	Elder Creek Transfer Station shall be open on all holidays.

- A. City Collection Schedule: The City currently collects in-the-container organic waste five (5) days a week operating Monday through Friday including holidays. During seasonal in-the-street green waste collection (as early as mid-October through as late as mid-February), the City collects green waste Monday through Friday, many Saturdays, and occasional Sundays. The City collects on all holidays and Elder Creek Transfer Station ("Facility") shall be open to accept organic material on all holidays. On the holidays of New Year's Day, Thanksgiving Day, and Christmas Day, a separate fee of \$3,000 per day will be invoiced to the City for operating during these holidays. City trucks shall have access to the gate, scale house, and tipping floor at Elder Creek in order to carry out collection.
- B. Tonnage Limits: Contractor shall not turn away City Vehicles during the Facility hours of operation. In the event the Facility reaches the maximum tons permitted, or the City reaches the annual tonnage limit in this Agreement, Contractor shall notify the City. In the event that the City reaches the annual tonnage limit in the Agreement, Contractor will notify the City and will only continue to receive material as long as the Facility has not reached its maximum daily tonnage and provided that space and operational capacity support receiving additional tons.
- C. Paved Surfaces: Contractor will provide paved road surfaces wherever organic material is processed. Contractor will provide paved road surfaces for ingress, egress, and tipping of City Vehicles.
- D. Tipping Area: Contractor will provide an area for tipping of City Vehicles separate from the general public. Contractor will also provide spotting of City Vehicles when tipping.
- E. Vehicle Turnaround Guarantee: Contractor shall ensure that no vehicles queue on the public streets. Contractor will permit City drivers to park City Vehicles and use bathroom facilities. Contractor shall allow City drivers to call their supervisors without charge. City staff shall have access to areas needed to properly monitor City delivery activities during these observations and to monitor and enforce a "Vehicle Turnaround Guarantee" to ensure timely unloading and exiting of the facility.
- F. Tipping Assistance: If necessary, Contractor shall assist City Vehicles in the event organic material becomes trapped in the vehicle body during tipping. City Vehicles shall be allowed the necessary time to fully tip. The City shall not be charged for the time taken to clear loads. Contractor is not responsible for damage to City Vehicles during tipping assistance.
- G. Tare weights: City collection vehicles shall have a tare weight established using the certified scale at the facility, using the average of three measurements to set that

particular vehicle's tare weight. The tare weight will be reestablished for each City collection vehicle at least once a year.

- H. **Down Time:** Contractor is allowed reasonable down time due to repair and maintenance of equipment. "Reasonable down time" shall be defined as less than two non-operating days per month. Contractor shall maintain adequate permitted space to stockpile organic material during such reasonable down time for acceptance of material without a break in service.

4. **Bagging and Lining of Material.** In addition to allowing food waste to be loose in the container with green waste, the City allows food waste to be contained in compostable bags (currently ASTM-D6400), paper bags, and allows residents to line kitchen top containers and green waste containers with newspaper.
5. **Sorting Fee.** All City loads shall be visually inspected by Contractor when unloaded at the Facility. When a load is received that visually appears to have excessive contamination, the sorters will take photos of the load, truck and weight ticket. If the Contractor desires additional compensation for the excess contamination, the load will be segregated from other loads and then all contamination will be sorted out of the load and weighed to determine the contamination percentage by weight. The City shall pay additional contamination fees per Exhibit E: Compensation, Contamination, and Definitions.
6. **Compost Buyback.** Contractor shall provide City with finished compost and mulch products to the addresses below per Exhibit F: Buy-Back Program.

City Site	Address
North Area Corporation Yard (NACY)	918 Del Paso Road, Sacramento, CA 95834
Meadowview City Services Complex	2812 Meadowview Road, Sacramento, CA 95832
Sutter's Landing Regional Park	20 28 <sup>th</sup> Street, Sacramento, CA 95816

City may request deliveries of finished products to additional facilities during the contract term.

## EXHIBIT B

### PAYMENT

1. **Contractor's Compensation.** The total of all fees paid to the Contractor for the provision of Services as set forth in Exhibit A, including any authorized reimbursable expenses, shall not exceed the total sum of \$220,361,719.00. The payments specified in this Exhibit B and Exhibit E shall be the only payments made to Contractor unless the City approves a Supplemental Contract.
2. **Pricing.** Contractor shall be paid as set forth in Exhibit A or Attachment 1 to this Exhibit B and any applicable special provisions included in the request for bids or proposals. If there is a conflict between Exhibit A or Exhibit B and the Special Provisions, Exhibit A or Exhibit B controls.
3. **Contractor's Reimbursable Expenses.** "Reimbursable Expenses" are limited to actual expenditures of Contractor for expenses that are necessary for the proper satisfaction of the Contract and are only payable if specifically authorized in advance in writing by the City.
4. **Miscellaneous Charges.** No additional charges will be allowed unless specified in the Contract, including charges for transportation, fuel, containers, packing, or disposal.
5. **Payments to Contractor.** Contractor is responsible for supplying all documentation necessary to verify invoices to the City's satisfaction.
  - A. City shall pay Contractor within 30 days of receipt of invoice. If any corrections are necessary, City shall pay Contractor within 30 days of receipt of the corrected invoice.
  - B. Invoices and attachments must be submitted to the following email address:  
[apinvoices@cityofsacramento.org](mailto:apinvoices@cityofsacramento.org)
  - C. All invoices submitted by CONTRACTOR must contain the following information in order for the City to process payment. Additional detailed invoice requirements are listed in Attachment 1 to this Exhibit B to validate the billed amount:
    - (1) Job/Project Name
    - (2) CITY's current Purchase Order Number
    - (3) Contractor's Invoice Number
    - (4) Date of Invoice Issuance
    - (5) CITY representative identified on the Purchase Order
    - (6) Contractor's remit address

- (7) Itemized description of items billed under Invoice
- (8) Itemized description of all authorized Reimbursable Expenses
- (9) Itemized description of all applicable taxes (sales, use, excise, etc.)
- (10) Amount of Invoice (itemize all authorized Reimbursable Expenses)
- (11) Total Billed to Date under Contract

- D. Items must be separated into Goods, Services, and Reimbursable Expenses. All applicable sales, use, excise, or similar taxes, including federal excise tax, must be itemized separately on the invoice. Invoices that do not conform to the format outlined above will be returned to Contractor for correction. City is not responsible for delays in payment to Contractor resulting from Contractor's failure to comply with the invoice format described above.
- E. For Goods only, a bill of lading number and weight of shipment will be shown for shipments on the Government Bill of Lading.
- F. No payment precludes the City's right to inspect. Requests for payment status should be addressed to the City Representatives for this Contract.

- 6. **Additional Services.** Additional Services shall be provided only when a Supplemental Contract authorizing the Additional Services is approved in writing by the City in accordance with the City's contract amendment procedures. The City reserves the right to perform any Additional Services with its own staff or to retain other contractors to perform the Additional Services. Services offered within Exhibit F to this Agreement are offered by the Contractor in the event the City needs to meet regulatory requirements for procuring compost or other organic recycled products, and other services noted in Exhibit F. These additional services are at the sole discretion of the City.
- 7. **Accounting Records of Contractor.** During performance of this Contract and for a period of five (5) years after completion of performance, Contractor shall maintain all accounting and financial records related to this Contract, in accordance with generally accepted accounting practices, including records of Contractor's costs for performance under this Contract and records of Contractor's Reimbursable Expenses. Contractor shall keep and make records available for inspection and audit by representatives of the City upon reasonable written notice.
- 8. **Tax Payments.** Contractor shall pay, when and as due, any and all taxes incurred as a result of Contractor's compensation hereunder, including estimated taxes, and shall provide CITY with proof of the payment upon request. Contractor hereby agrees to indemnify CITY for any claims, losses, costs, fees, liabilities, damages or injuries suffered by CITY arising out of Contractor's breach of this section.

**ATTACHMENT 1 TO EXHIBIT B**  
**FEE SCHEDULE/MANNER OF PAYMENT**

1. **Contract Tipping Fee.** Contract Tipping Fee will include all costs to the City, including contamination and administration fees. Separate line items on invoices, such as an administration fee, will not be paid by the City.

Organic Waste - Green Waste (GW) and Food Waste (FW): Effective July 1, 2025, the City shall pay a cost per ton price of \$111.68 for Organic Waste, adjusted based on the CPI change using the same methodology for rate increases in Section 2. The Contract Tipping Fee will be adjusted per Section 2 below annually, starting July 1, 2026, thereafter for the remaining term of the Agreement. The City and Contractor will calculate and mutually agree on the new Contract Tipping Fee per ton prior to July 1 of each year. GW and FW are collected from the City's curbside container collection program only.

Green Waste (GW) Only: Effective July 1, 2025, the City shall pay a cost per ton price of \$85.40 for Green Waste, adjusted based on the CPI change using the same methodology for rate increases in Section 2. The Contract Tipping Fee will be adjusted per Section 2 below annually, starting July 1, 2026, thereafter for the remaining term of the Agreement. The City and Contractor will calculate and mutually agree on the new Contract Tipping Fee per ton prior to July 1 of each year.

2. **Rate Increases – 100% of CPI.** The adjustment of the Contract Tipping Fee and Buy-Back Program product costs shall be adjusted annually in accordance with the following CPI adjustment effective July 1 of each year.
  - A. CPI. When used herein, "CPI" shall be 100% increase only of the Consumer Price Index – "All Urban Consumers, San Francisco – Oakland – Hayward, CA", All items (1982-84=100), Not Seasonally Adjusted, compiled and published by the United States Department of Labor, Bureau of Labor Statistics.  
<https://data.bls.gov/timeseries/CUURS49BSAO>
  - B. Base CPI. The Base CPI shall refer to the CPI value for April 2025.
  - C. Annual CPI Adjustments. Effective July 1, 2026, and each July 1 thereafter, the previous year's Price Per Ton shall be adjusted by an amount equal to 100% of the increase in the CPI value from April of the prior year to April of the current year period.
  - D. In no event shall the adjustment of the Price per Ton result in an increase of over five percent (5%).
3. **Change in Law/Government Fees.** The parties hereby acknowledge that the operations of Contractor's facilities are regulated and licensed by various governmental agencies, which are constantly changing and refining their regulations and licensing requirements. In the event that any of the regulatory agencies overseeing Contractor's operations alters its licensing or other requirements in such a way as to increase Contractor's operating costs of performing under this Agreement, Contractor shall have the right to request City to agree to



increase the contract tipping fee payable to Contractor under this Agreement. City shall respond within ninety (90) days of a request for a rate increase. City shall not unreasonably withhold its consent to a requested rate increase.

4. **Minimum Pay Clause.** The City shall deliver to Contractor at least 32,500 tons annually of green waste and/or green waste with food waste, referred to as the Annual Minimum Tonnage (AMT), per the terms set forth in this Agreement. The City agrees that in the event the City fails to deliver the AMT of green waste and/or green waste with food waste, then the City will be obligated to pay Contractor for the difference or shortfall of the AMT and the actual tons delivered during the fiscal year.

Within 30 days after the end of each fiscal year the City's account shall be reconciled by Contractor to determine whether the AMT requirement was met. City will be invoiced for the difference or shortfall of the AMT and the actual tons delivered during the fiscal year at the applicable per-ton rate of the green waste tip fee as shown in Exhibit E, plus the CPI increase (if applicable), plus costs associated with change in law/government fees (if applicable).

5. **Payment Terms.** City shall pay Contractor within 30 days of receipt of invoice. If any corrections are necessary, City shall pay within 30 days of receipt of the corrected invoice. In the event that there is a billing dispute related to an invoice, the City shall not be obligated to pay the disputed portion of the invoice until the dispute is resolved or the invoice corrected. Once resolved or corrected, the City shall pay Contractor within 30 days.

6. **Invoices.** Invoices and any attachments must be submitted to the following address:  
[apinvoices@cityofsacramento.org](mailto:apinvoices@cityofsacramento.org)

The invoice shall include, in addition to the invoice requirements listed in Exhibit B, the following information:

- 1) Name of Contractor
- 2) City's current Purchase Order Number
- 3) Contractor's Invoice Number
- 4) Date of Invoice Issuance
- 5) Contractor's Remit Address
- 6) Name, telephone number and email address of Contractor's contact for billing questions
- 7) Monthly and fiscal year to-date tonnage delivered
- 8) Itemized list of weight tickets being billed, including the following columns of data for each ticket:
  - i. Ticket number
  - ii. Date
  - iii. Time
  - iv. Route number
  - v. Vehicle number
  - vi. Material delivered

- vii. Rate per unit (pounds)
- viii. Gross weight (pounds)
- ix. Tare weight (pounds)

- x. Net tons billed (pounds)
- xi. Total charge for load
- xii. Amount of invoice

A. **Invoice Audit:** Upon City request, Contractor shall provide scanned paper copies of weight tickets, over the time span requested by City Staff, within five (5) business days. The City reserves the right to spot check and audit the paper weight slips and compare them against the invoices and electronic data previously received, to ensure proper billing.

7. **Billing Disputes.** Billing disputes will be addressed on an individual job by job basis. The burden of proof of an incorrect billing shall be on the Contractor. Upon presentation and verification of the information provided by the Contractor, the City will review all records and make a final determination and present its findings to the Contractor.

8. **Data Reporting.** In order to track data and monitor tonnage commitments, Contractor will provide the data that will appear on the invoice, including the current fiscal year-to-date delivered tonnage, on a monthly basis on the last day of the subsequent month to the City. This is to be provided in an electronic format similar to one of the following:

- Comma-delimited text file (.csv)
- Tab-delimited text file (.txt)
- Microsoft Excel file (.xls, .xlsx)

The Contractor shall report data in a manner compatible with the City's systems. If this data can be provided to the City by FTP or Cloud Servers, the City shall have access to connecting to these data sources. City will advise on the e-mail address or FTP site to which tonnage information shall be submitted prior to the start of the contract term.

9. **SB 1383 and AB 901 Reporting Requirements.** In addition to the reporting requirements noted above, Contractor will be required to provide any data mandated by California State Senate Bill 1383 and California State Assembly Bill 901 in order for the City to meet the reporting requirements of these organics processing laws.

## EXHIBIT C

### INSURANCE

1. **Insurance Requirements.** During the entire term of this Contract, Contractor shall maintain the insurance coverage described in the Insurance Terms below. Full compensation for all premiums that Contractor is required to pay for the insurance coverage described herein shall be included in the compensation specified under this Contract. No additional compensation will be provided for Contractor's insurance premiums. Any available insurance proceeds in excess of the specified minimum limits and coverages shall be available to the City.

Contractor's liability to the City is not in any way limited to or affected by the amount of insurance coverage required or carried by the Contractor in connection with this Contract.

2. **General Liability Minimum Scope and Limits of Insurance Coverage.** Commercial General Liability Insurance is required providing coverage at least as broad as ISO CGL Form 00 01 on an occurrence basis for bodily injury, including death, of one or more persons, property damage, and personal injury, arising out of activities performed by or on behalf of the Contractor and subcontractors, products and completed operations of Contractor and subcontractors, and premises owned, leased, or used by Contractor and subcontractors, with limits of not less than five million dollars (\$5,000,000) per occurrence. The policy shall provide contractual liability and products and completed operations coverage for the term of the policy.

The City, its officials, employees and volunteers shall be covered by policy terms or endorsement as additional insureds as respects general liability arising out of: activities performed by or on behalf of Contractor and subcontractors; products and completed operations of Contractor and subcontractors; and premises owned, leased, or used by Contractor and subcontractors.

3. **Automobile Liability Minimum Scope and Limits of Insurance Coverage.**

  X   Automobile Liability Insurance is required providing coverage at least as broad as ISO Form CA 00 01 for bodily injury, including death, of one or more persons, property damage and personal injury, with limits of not less than five million dollars (\$5,000,000) per occurrence. The policy shall provide coverage for owned, non-owned and/or hired autos as appropriate to the operations of the Contractor.

The City, its officials, employees and volunteers shall be covered by policy terms or endorsement as additional insureds as respects auto liability.

       No automobile liability insurance is required, and by signing this Contract, Contractor certifies as follows:

“Contractor certifies that a motor vehicle will not be used in the performance of any work or services under this agreement. If, however, Contractor does transport items under this Contract, or this Contract is amended to require any employees of Contractor to use a

vehicle to perform services under the Contract, Contractor understands that it must maintain and provide evidence of Automobile Liability Insurance providing coverage at least as broad as ISO Form CA 00 01 for bodily injury, including death, of one or more persons, property damage and personal injury, with limits of not less than one million dollars (\$5,000,000) per occurrence. The policy shall provide coverage for owned, non-owned and/or hired autos as appropriate to the operations of the Contractor."

4. **Excess Insurance.** The minimum limits of insurance required above may be satisfied by a combination of primary and umbrella or excess insurance coverage, provided that any umbrella or excess insurance contains, or is endorsed to contain, a provision that it will apply on a primary basis for the benefit of the City, and any insurance or self-insurance maintained by City, its officials, employees, or volunteers will be in excess of Contractor's umbrella or excess coverage and will not contribute to it.

5. **Workers' Compensation Minimum Scope and Limits of Insurance Coverage.**

  X   Workers' Compensation Insurance is required with statutory limits and Employers' Liability Insurance with limits of not less than one million dollars (\$1,000,000). The Workers' Compensation policy shall include a waiver of subrogation in favor of the City.

       No work or services will be performed on or at CITY facilities or CITY Property, therefore a Workers' Compensation waiver of subrogation in favor of the CITY is not required.

       No Workers' Compensation insurance is required, and by signing this Contract, Contractor certifies as follows:

"Contractor certifies that its business has no employees, and that it does not employ anyone, and is therefore exempt from the legal requirements to provide Workers' Compensation insurance. If, however, Contractor hires any employee during the term of this Contract, Contractor understands that Workers' Compensation with statutory limits and Employer's Liability Insurance with a limit of not less than one million dollars (\$1,000,000) is required. The Workers' Compensation policy will include a waiver of subrogation in favor of the City."

6. **Pollution Legal Liability.** Contractor shall obtain Pollution Liability insurance. This insurance shall be written in comprehensive form either as a separate policy or as an endorsement to contractor's general liability coverage and shall cover liability for bodily injury, property damage, and environmental damage resulting from pollution and related cleanup costs incurred, all arising out of any work to be performed under the contract, including liability for and defense of lawsuits and regulatory actions. If endorsed, the City, its officers, officials, employees and volunteers are to be covered as additional insureds with respect to liability arising out of work or operations performed by or on behalf of the contractor including materials, part or equipment furnished in connection with such work or operations. Coverage shall be provided for both work performed on site, as well as during the transport of hazardous materials. Coverage shall apply to sudden as well as gradual pollution conditions, including without limitation conditions resulting from the escape or release of smoke, vapors, fumes, acids, alkalis, toxic chemicals, liquids, or gases, natural gas, waste materials, or other irritants, contaminants, or pollutants, including asbestos.

The liability limits shall be not less than:

1. Combined Single Limit for each occurrence: \$3,000,000.
2. Aggregate per policy period of one year: \$3,000,000.

If the coverage required is written on a claims-made coverage form:

1. The retroactive date must be shown, and this date must be before the award date of the contract.
2. Insurance must be maintained, and evidence of insurance must be provided for at least five (5) years after final payment.
3. If coverage is canceled or non-renewed, and not replaced with another claims-made policy form with a retroactive date prior to the contract award date, the Contractor must purchase extended reporting period coverage for a minimum of five (5) years after final payment.
4. A copy of the claims reporting requirements must be submitted to the City for review.
5. If the work involves lead-based paint or asbestos identification/remediation, the Contractor's Pollution Liability policy shall not contain lead-based paint or asbestos exclusions. If the work involves mold identification/remediation, the contractor's Pollution Liability policy shall not contain a mold exclusion, and the definition of Pollution shall include microbial matter, including mold.

**7. Other Insurance Provisions.** The policies must contain, or be endorsed to contain, the following provisions:

- A. Contractor's insurance coverage, including excess insurance, shall be primary insurance as respects the City, its officials, employees and volunteers. Any insurance or self-insurance maintained by the City, its officials, employees or volunteers will be in excess of Contractor's insurance and will not contribute with it.
- B. Any failure to comply with reporting provisions of the policies will not affect coverage provided to the City, its officials, employees or volunteers.
- C. Coverage shall state that Contractor's insurance applies separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability.
- D. Contractor shall provide the City with 30 days written notice of cancellation or material change in the policy language or terms.

**8. Acceptability of Insurance.** Insurance must be placed with insurers with a Bests' rating of not less than A:VI. Self-insured retentions, policy terms or other variations that do not comply with the requirements of this Exhibit C must be declared to and approved by the City in writing before execution of this Contract.

**9. Verification of Coverage.**

- A. Contractor shall furnish City with certificates and required endorsements evidencing the insurance required. Certificates of insurance must be signed by an authorized

representative of the insurance carrier. Copies of policies shall be delivered to the City Representative on demand.

- B. Contractor shall send all insurance certificates and endorsements, including policy renewals, during the term of this Contract directly to:

City of Sacramento  
c/o Exigis LLC  
PO Box 947  
Murrieta, CA 92564

- C. Certificate Holder must be listed as:

City of Sacramento  
c/o Exigis LLC  
PO Box 947  
Murrieta, CA 92564

- D. The City may withdraw its offer of Contract or cancel this Contract if the certificates of insurance and endorsements required have not been provided before execution of this Contract. The City may withhold payments to Contractor and declare the Contract in default. If the insurance is canceled or Contractor otherwise ceases to be insured as required herein.

- 10. Subcontractor Insurance Coverage.** Contractor shall require and verify that all subcontractors maintain insurance coverage that meets the minimum scope and limits of insurance coverage specified in this Exhibit C.
- 11. Performance Bond.** Contractor shall secure and maintain a Performance Bond throughout the term of this Agreement. In the event of Contractor's failure to perform any material obligation under this Agreement, which failure continues for a period of sixty (60) days after Contractor receives written notice thereof, the City may request performance from the Surety. The bond amount shall be in a sum not less than one hundred percent (100%) of the annual value of the Annual Minimum Tonnage under this Agreement to guarantee the faithful performance of all material covenants and stipulations during the term of the agreement. The bond amount shall be calculated using the per ton processing fee and the Annual Minimum Tonnage, 32,500 tons of organic waste. The bond shall contain a provision that the surety thereon expressly waives the provisions of California Civil Code Sections 2819 and 2845. The required performance bond shall be annually renewable but shall allow for the Surety's non-renewal without penalty at the Surety's option. Performance Bonds shall be renewed annually by January first of each year.

## EXHIBIT D

### GENERAL CONDITIONS

#### 1. Independent Contractor.

- A. It is understood and agreed that Contractor (including Contractor's employees) is an independent contractor, and that no relationship of employer-employee exists between the parties hereto for any purpose whatsoever. Neither Contractor nor Contractor's assigned personnel will be entitled to any benefits payable to CITY employees. CITY is not required to make any deductions or withholdings from the compensation payable to Contractor under the provisions of this Contract, and Contractor will be issued a Form 1099 for its services hereunder. As an independent contractor, Contractor hereby agrees to indemnify and hold CITY harmless from any and all claims that may be made against CITY based upon any contention by any of Contractor's employees or by any third party, including any state or federal agency, that an employer-employee relationship or a substitute therefor exists for any purpose whatsoever by reason of this Contract or by reason of the nature and/or performance under this Contract.
- B. It is further understood and agreed by the parties that Contractor, in the performance of its obligations, is subject to the City's control and direction as to the designation of tasks to be performed and the results to be accomplished under this Contract, but not as to the means, methods, or sequence used by Contractor for accomplishing the results. To the extent that Contractor obtains permission to, and does, use CITY facilities, space, equipment or support services in the performance of this Contract, this use will be at the Contractor's sole discretion based on the Contractor's determination that the use will promote Contractor's efficiency and effectiveness. Except as may be specifically provided elsewhere in this Contract, the CITY does not require that Contractor use CITY facilities, equipment or support services or work in CITY locations in the performance of this Contract. As used in this Contract, "sole discretion" or "sole judgment" means that the party authorized to exercise its discretion or judgment may do so based on an unfettered assessment of its own interests, without considering how its decision affects the other party, and unconstrained by the implied covenant of good faith and fair dealing.
- C. If, in the performance of this Contract, any third persons are employed by Contractor, such persons will be entirely and exclusively under the direction, supervision, and control of Contractor. Except as otherwise provided in this Contract, all terms of employment, including hours, wages, working conditions, discipline, hiring, and discharging, or any other terms of employment or requirements of law, shall be determined by Contractor. It is further understood and agreed that Contractor will issue W-2 or 1099 Forms for income and employment tax purposes for all Contractor's assigned personnel and subcontractors.
- D. The provisions of this section will survive any expiration or termination of this Contract. Nothing in this Contract creates an exclusive relationship between CITY and Contractor. Contractor may represent, perform services for, or be employed by any additional persons or companies so long as Contractor does not violate the provisions of Section 5, below.

2. **Licenses, Permits, Etc.** Contractor represents and warrants that Contractor has, and shall maintain at all times during the term of this Contract at its sole cost and expense, all licenses, permits, qualifications, and approvals of any nature that are legally required for Contractor to practice its profession or fulfill the terms of this Contract, including a City Business Operations Tax Certificate and any required certification issued by the California Secretary of State.
3. **Time.** Time is of the essence in the performance of this Contract. Contractor shall devote the necessary time and effort to its performance under this Contract. Neither party will be considered in default of this Contract, to the extent that party's performance is prevented or delayed by any cause, present or future, that is beyond the reasonable control of that party.
4. **Contractor Not Agent.** Except as City may specify in writing, Contractor and Contractor's personnel have no authority, express or implied, to act on behalf of City in any capacity whatsoever as an agent. Contractor and Contractor's personnel shall have no authority, express or implied, to bind City to any obligations whatsoever.
5. **Conflicts of Interest.** Contractor covenants that neither it, nor any officer or principal of its firm, has or will acquire any interest, directly or indirectly, that would conflict in any manner with the City's interests or that would in any way hinder Contractor's performance under this Contract. Contractor further covenants that in the performance of this Contract, no person having any such interest will be employed by it as an officer, employee, agent or subcontractor, without the City's written consent.

Contractor agrees to avoid conflicts of interest or the appearance of any conflicts of interest with the City's interests during the performance of this Contract. If Contractor is or employs a former officer or employee of the City, Contractor and any former City officer or employee shall comply with the provisions of Sacramento City Code Section 2.16.090 pertaining to appearances before the City Council or any City department, board, commission, or committee.

6. **Hazardous Substances.** The City shall use all reasonable care to prevent the inclusion of any Hazardous Substances in material delivered by or on behalf of the City. Contractor shall have the right to reject any materials that reasonably appear to include Hazardous Substances. If any material is reasonably suspected or determined by Contractor to contain Hazardous Substances, Contractor shall notify City and provide photo documentation of the suspected material, and City may, at its option, choose to promptly remove the material from Contractor's Facility at City's sole cost to the City. If the City does not elect to remove the material, Contractor shall cause to be performed any testing that is reasonably necessary to determine whether or not the material contains Hazardous Substances. If upon testing it is determined that the material contains Hazardous Substances, Contractor shall manage said material in accordance with all requirements of applicable law. Without limiting the foregoing, Contractor shall arrange the removal and proper disposal or processing of the Hazardous Substances promptly and in a manner that minimizes any harm to the Facility, minimizes risk of damage to persons or the environment, and is in accord with state and federal regulations at City's sole cost to the City. Contractor shall name City on the hazardous waste manifest as the originator of the Hazardous Substances. Contractor shall invoice



City and provide all documentation associated with the charges for the City's review, and City shall reimburse Contractor, for all costs related to the testing, packaging, transport, and disposal of the Hazardous Substances by a licensed Hazardous Substances contractor.

"Hazardous Substances" means: (i) Any waste that is required to be accompanied by a written manifest or shipping document describing the waste as "hazardous waste" pursuant to any state or federal law, including but not limited to the Resource Conservation Recovery Act, 42 United States Code section 6901 et seq., as amended, and the regulations promulgated thereunder; (ii) Any waste that contains polychlorinated biphenyls (PCBs) or any other substance whose storage, treatment or disposal is subject to regulation of the Toxic Substances Control Act, 15 United States Code section 2601 et seq., as amended, and the regulations promulgated thereunder; (iii) Any waste that contains a "reportable quantity" of one or more "hazardous substances" as defined in the Comprehensive Environmental Response, Compensation and Liability Act, 42 United States Code section 9601, et seq., as amended, the California Health and Safety Code, and the regulations promulgated thereunder; (iv) Any substance that contains actionable levels of radioactive material; or (v) Any waste resulting from medical procedures that may cause or is capable of causing a disease, such as biological waste, cultures and stocks of etiologic agents and associated biologicals, pathological waste and sharps that have been removed from their original sterile containers.

- 7. Mutual Confidentiality of Party Information.** During performance of this Contract, each Party may gain access to and use the other Party's information regarding inventions, machinery, products, prices, apparatus, costs, discounts, future plans, business affairs, governmental affairs, processes, trade secrets, technical matters, systems, facilities, customer lists, product design, copyright, data, and other vital information (hereafter collectively referred to as "Party Information") that are valuable, special and unique assets of the Party.

Each Party agrees to protect all of the other Party's Information and treat it as strictly confidential, and further agrees that each Party shall not at any time, either directly or indirectly, divulge, disclose or communicate in any manner each Party's Information to any third party without the applicable Party's prior written consent.

In addition, Contractor must comply with all City policies governing the use of the CITY network and technology systems, as set forth in applicable provisions of the City of Sacramento Administrative Policy Instructions #5000. A violation by Contractor of this section is a material violation of this Contract and shall justify legal and equitable relief.

- 8. Contractor Information.** All documents and records submitted by Contractor shall become public record and shall be subject to disclosure should a Public Records Act request be received by the City. Contractor shall label proprietary documents and records as such so that the City may have advance notice to notify the Contractor that its information may be disclosed within the context of a Public Records Act request. Should Contractor desire to petition a court to prevent disclosure of any documents it has designated as being proprietary, Contractor shall be entirely responsible for the defense of the designation and litigation, including all costs incurred or imposed, in seeking to protect such information from

disclosure.

9. **Notification of Material Changes in Business.** Contractor agrees that if it experiences any material changes in its business, including a reorganization, refinancing, restructuring, leveraged buyout, bankruptcy, name change, or loss of key personnel, it will immediately notify the City of the changes. Contractor also agrees to immediately notify the City of any condition that may jeopardize the scheduled delivery or fulfillment of Contractor's obligations to the City under this Contract.
10. **Standard of Performance.** Contractor shall perform in the manner and according to the standards currently observed by a competent practitioner of Contractor's profession in California and in compliance with all requirements of this Contract. All products that Contractor delivers to City under this Contract must be prepared in a professional manner and conform to the standards of quality normally observed by a person currently practicing in Contractor's profession.

Contractor shall assign only competent personnel to perform on its behalf under this Contract. Contractor must notify the City in writing of any changes in Contractor's management assigned to perform under this Contract, before any performance by the new management member. If the City, in its sole discretion, determines that any manager assigned by the Contractor to perform under this Contract is not performing in accordance with the standards required herein, City shall provide notice to Contractor. Therefore, the City and Contractor shall promptly meet to address the concern.

11. **Performance or Different Terms and Conditions.** The City's subsequent performance will not be construed as either acceptance of additional or different terms and conditions or a counteroffer by the Contractor, nor will the City's subsequent performance be viewed as acceptance of any provision of the Uniform Commercial Code, as adopted by any State, that is contrary to the terms and conditions contained herein. Contractor's performance shall conform to the applicable requirements of the Sacramento City Charter, Sacramento City Code, and all applicable State and Federal laws, and all the requirements of this Contract. The California Commercial Code will apply except as otherwise provided in the Contract.
12. **Emergency/Declared Disaster Requirements.** If an emergency is declared by the City Manager, or if any portion of the City is declared a disaster area by the county, state or federal government, this Contract may be subjected to increased or decreased usage. In the event of such an emergency or disaster, the tonnage commitments within this Contract shall be temporarily suspended. The Contractor shall serve the City during a declared emergency or disaster, subject to the same terms and conditions that apply during non-emergency / non-disaster conditions. The pricing set forth in this Contract will apply, during normal operating hours, without mark-up.. Pricing outside of normal operational hours, or if capacity is exceeded or expected to be exceeded at the processing facilities during such emergency or disaster, is subject to pricing based on cost plus overhead. . If the Contractor is unable to fulfill the terms of the Contract because of a disruption in its chain of supply or service, then the Contractor shall provide proof of the disruption, and not face a financial penalty. Acceptable forms of proof will include a letter or notice from the Contractor's source stating the reason for the disruption.

- 13. Term; Suspension; Termination.** This Agreement shall be effective and commence on July 1, 2027, and shall remain in effect until June 30, 2037. City and Contractor agree that the Agreement may be renewed for up to two additional two-year terms and one additional one-year term, for a maximum fifteen-year term continuing until June 30, 2042. During the renewal period, and upon the June expiration of any extension year, the City may terminate the contract, and a twelve (12) month period shall be granted following the term end date to finalize services between the parties (the “Wind-Down Period”).
- 14. Default by Contractor.** Should Contractor fail in the performance of its obligations under this Agreement, the City may provide Contractor with a written notice detailing the default. Thereafter, Contractor shall have sixty (60) days from receipt of the notice to cure the default; provided, however, that in the event, the default is not capable of being cured within the sixty (60) day period, Contractor shall commence the cure within the sixty (60) period and thereafter diligently pursue to cure the default. In case of default by the Contractor, which default is not cured as provided above, the City reserves the right to procure the Services from other sources and deduct from any monies due, or that may thereafter become due to the Contractor, the difference between the price named in this Contract and the actual cost to the City to procure from an alternate source. Prices paid by the City will be considered the prevailing market price at the time such purchase is made.
- 15. Guarantee and Warranty.** Not used.
- 16. Indemnity.**
- A. Mutual Indemnification. Contractor shall assume the defense of and indemnify and hold harmless City from and against all actions or claims against City, its officers, agents or employees from any and all loss, including attorneys’ fees, sustained by City by virtue of any damages to any person(s), firm or corporation who may be injured by or to any property that may be damaged arising out of the performance of this Agreement, except for actions or claims alleged to have occurred in full, or in part, as a result of active negligence by the City, its officers, agents or employees and except for actions or claims alleging dangerous conditions of City property which arise out of the acts or failure to act by the City, its officers, agents or employees which are not created by a Contractor employee or Contractor invitee.
- City shall assume the defense of and indemnify and hold harmless Contractor from and against all actions or claims against Contractor, its officers, agents or employees from any and all loss, including attorneys' fees, sustained by Contractor by virtue of: (i) any damages to any person(s), firm or corporation who may be injured by or to any property that may be damaged arising out of the performance of this Agreement, except for actions or claims alleged to have occurred in full, or in part, as a result of active negligence by the Contractor, its officers, agents or employees and except for actions or claims alleging dangerous conditions of Contractor's property which arise out of the acts or failure to act by the Contractor, its officers, agents or employees which are not created by a City employee or City

invitee; and (ii) any Hazardous Substances (as defined in Exhibit D) contained in any material delivered by or on behalf of the City to Contractor.

The indemnification provisions contained in this Agreement include but are not limited to any violation of applicable law, ordinance, regulation or rule, including where the claim, loss, damage, charge or expense was caused by deliberate, willful, or criminal acts of either party to this Agreement, or any of their agents, officers or employees or their performance under the terms of this Agreement.

It is the intent of the parties that where negligence or responsibility for injury or damages is determined to have been shared, principles of comparative negligence will be followed, and each party shall bear the proportionate cost of any loss, damage, expense and liability attributable to that party's negligence.

Each party shall establish procedures to notify the other party, where appropriate, of any claims, administrative actions or legal actions with respect to any of the matters described in this indemnification section. The parties shall cooperate in the defense of such actions brought by others with respect to the matters covered in this agreement. Nothing set forth in this Agreement shall establish a standard of care for or create any legal rights for any person not a party to this Agreement.

- B. Insurance Policies; Intellectual Property Claims: The existence or acceptance by City of any of the insurance policies or coverages described in this Contract will not affect or limit any of City's rights under this Section, nor will the limits of such insurance limit the liability of Contractor hereunder.
- C. Survival: The provisions of this section will survive any expiration or termination of this Contract.

## **17. Funding Availability.**

- A. City intends to fund this Agreement through residential user fees. At any time after July 1, 2028, City may terminate this Agreement upon giving not less than 90 days written notice to Contractor: (1) if funds in City's yearly final budget are not appropriated by City for this Agreement and provided that funds are not available from other sources; or (2) if funds that were previously appropriated for this Agreement are materially reduced, eliminated, and/or re-allocated by City as a result of mid-year budget reductions, and provided that funds are not available from other sources. City's notice to Contractor shall include documentation to support the basis for said termination. Notwithstanding the foregoing, in the event of a material reduction in funds or a material reallocation of funds, prior to electing to terminate this Agreement, the City shall first meet with Contractor and the Parties shall negotiate in good faith to determine whether the tonnage requirements or other provisions of this Agreement can be amended to reflect the reduction in allocated funds.
- B. Termination by the City pursuant to this subsection shall include a detailed

explanation of the basis therefor. City shall promptly provide, upon Contractor's reasonable request, any additional documentation relating to termination under this Section 17. City shall pay for all services provided by Contractor prior to termination. Notwithstanding the foregoing, City may not exercise the right to terminate under this provision in order to contract with a different provider.

**18. Equal Employment Opportunity.** During the performance of this Contract, Contractor, for itself, its assignees and successors in interest, agrees as follows:

- A. Compliance With Regulations: Contractor shall comply with all state, local, and federal anti-discrimination laws and regulations, including the Executive Order 11246 entitled "Equal Opportunity in Federal Employment," as amended by Executive Order 11375, 12086, and 13672, and as supplemented in Department of Labor regulations (41 CFR Chapter 60), referred to collectively as the "Regulations."
- B. Nondiscrimination: Contractor, with regards to the work performed by it after award and before completion of the work under this Contract, shall not discriminate on the ground of race, color, religion, sex, national origin, age, marital status, physical handicap or sexual orientation in selection and retention of subcontractors, including procurement of materials and leases of equipment. Contractor shall not participate either directly or indirectly in discrimination prohibited by the Regulations.
- C. Solicitations for Subcontractors, Including Procurement of Materials and Equipment: In all solicitations either by competitive bidding or negotiations made by Contractor for work to be performed under any subcontract, including all procurement of materials or equipment, each potential subcontractor or supplier shall be notified by Contractor of Contractor's obligation under this Contract and the Regulations relative to nondiscrimination on the ground of race, color, religion, sex, national origin, age, marital status, physical handicap or sexual orientation.
- D. Information and Reports: Contractor shall provide all information and reports required by the Regulations, or by any orders or instructions issued pursuant thereto, and shall permit access to its books, records, accounts, other sources of information and its facilities as may be determined by the City to be pertinent to ascertain compliance with the Regulations, orders and instructions. Where any information required of Contractor is in the exclusive possession of another who fails or refuses to furnish this information, Contractor shall so certify to the City, and shall set forth what efforts it has made to obtain the information.
- E. Sanctions for Noncompliance: In the event of noncompliance by Contractor with the nondiscrimination provisions of this Contract, the City shall impose any sanctions it determines are appropriate including:
  - (1) Withholding of payments to Contractor under this Contract until Contractor complies;
  - (2) Cancellation, termination, or suspension of this Contract, in whole or in part.
- F. Incorporation of Provisions: Contractor shall include the provisions of subsections A through E, above, in every subcontract, including procurement of materials and

leases of equipment, unless exempted by the Regulations, or by any order or instructions issued pursuant thereto. The City may direct Contractor to take specific actions to enforce these provisions, including sanctions for noncompliance; provided, however, that if Contractor becomes involved in, or is threatened with, litigation with a subcontractor or supplier as a result of such direction, Contractor may request that the City join such litigation to protect the City's interests.

19. **Entire Agreement.** This Contract, including all Exhibits and documents referenced herein, contains the entire agreement between the parties and supersedes whatever oral or written understanding they may have had before the execution of this Contract. No alteration to the terms of this Contract shall be valid unless approved in writing by Contractor, and by City, in accordance with applicable provisions of the Sacramento City Code.
20. **Modification of Contract.** The Contractor shall take no direction from any City employee that changes the executed terms and conditions of the Contract, including Exhibit A, or any change that impacts the cost, price, or schedule, before receiving a written, signed modification to the Contract.
21. **Severability.** If a court with jurisdiction rules that any portion of this Contract or its application to any person or circumstance is invalid or unenforceable, the remainder of this Contract will not be affected thereby and will remain valid and enforceable as written, to the greatest extent permitted by law.
22. **Waiver.** Neither the City's acceptance of, or payment for, any Goods or Services, nor any waiver by either party of any default, breach or condition precedent, will be construed as a waiver of any provision of this Contract, nor as a waiver of any other default, breach or condition precedent or any other right hereunder. No waiver will be effective unless it is in writing and signed by the waiving party.
23. **Governing Law.** This Contract shall be governed, construed and enforced in accordance with the laws of the State of California, except that the rule of interpretation in California Civil Code section 1654 will not apply. Venue of any litigation arising out of this Contract will lie exclusively in the state trial court or Federal District Court located in Sacramento County in the State of California, and the parties consent to jurisdiction over their persons and over the subject matter of any such litigation in such courts, and consent to service of process issued by such courts.
24. **Assignment Prohibited.** The expertise and experience of Contractor are material considerations for this Contract. City has a strong interest in the qualifications and capability of the persons and entities that will fulfill the obligations imposed on Contractor under this Agreement. In recognition of this interest, Contractor shall not assign any right or obligation pursuant to this Contract without the written consent of the City. Any attempted or purported assignment without City's written consent shall be void and of no effect.
25. **Binding Effect.** This Contract is binding on the heirs, executors, administrators, successors and assigns of the parties, subject to the provisions of Section 22, above.

- 26. Compliance with Laws.** The Contractor shall be responsible for strict compliance with all applicable laws, regulations, court orders and other legal requirements applicable to the work to be accomplished under the Contract, including the California Occupational Safety and Health Act and all applicable safety orders issued by the Division of Occupational Safety and Health, Department of Industrial Relations, State of California, and all applicable requirements of Underwriters Laboratories and the Federal Communication Commission.
- 27. Debarment Certification**
- A. Pursuant to 2 CFR, Part 200, and applicable Executive Orders, the City is restricted in its ability to contract with certain parties that are debarred, suspended, or otherwise excluded or ineligible for participating in Federal assistance programs or activities. By signing this Agreement, CONTRACTOR warrants and certifies under penalty of perjury under the laws of the State of California that Contractor, including any owner, partner, director, officer, or principal of the CONTRACTOR, or any person in a position with management responsibility or responsibility for the administration of federal funds:
- (1) Is not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any federal or state department/agency;
  - (2) Has not within a three-year period preceding this certification been convicted of or had a civil judgment rendered against it for: commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public transaction or contract (federal, state, or local); violation of federal or state antitrust statutes; or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, receiving stolen property, or other criminal felony;
  - (3) Is not presently indicted for or otherwise criminally or civilly charged by a governmental entity (federal, state, or local) with commission of any of the offenses enumerated in paragraph (b) above; or
  - (4) Has not, within a three-year period preceding this certification, had one or more public contracts (federal, state, or local) or transactions terminated for cause or default.
  - (5) Has not been notified, within a three-year period preceding this certification, been notified of any delinquent Federal taxes in an amount that exceeds \$3,500 for which the liability remains unsatisfied. Federal taxes are considered delinquent if the tax liability has been finally determined and the taxpayer is delinquent in making payment, as defined in Section 52.209-5 of the Federal Acquisition Regulations.
- B. Contractor further warrants and certifies that it shall not knowingly enter into any transaction with any subcontractor, material supplier, or vendor who is debarred, suspended, declared ineligible, or voluntarily excluded from covered transactions by any federal or state department/agency. Any exceptions to the warranties and certifications in this Section must be disclosed to the City.
- C. Exceptions will not necessarily result in denial of recommendation for award but will

be considered in determining Contractor's responsibility. Disclosures must indicate to whom exceptions apply, the initiating agency, and dates of action.

- D. City will review the Federal Government's System for Award Management Exclusions maintained by the General Services Administration for eligibility, prior to the execution of this Agreement. The Contractor shall provide immediate written notice to the City if, at any time prior to execution, the Contractor learns this certification is erroneous or has become erroneous by reason of changed circumstances. If it is later determined that the Contractor's warranties and certification in this Section were erroneous, the City may declare Contractor in default in accordance with Exhibit D, Section 14 of this Agreement.



**EXHIBIT E**  
**COMPENSATION, CONTAMINATION, AND DEFINITIONS**

**A. General**

Contract tipping fees and CPI increases, for the following materials are set for in Attachment 1 to Exhibit B:

- Organic Waste (Green Waste and Food Waste) – composting or anaerobic digestion
- Green Waste Only - composting only

**B. Sorting Procedure and Contamination Methodology**

1. The Physical Contamination level of a grossly contaminated load shall be the Physical Contamination by volume based on Contractor's visual inspection of the tipped load.
2. Contractor shall conduct a visual inspection of all tipped loads and shall identify loads that consist of gross amounts of Physical Contamination.
3. If the grossly contaminated load is deemed too contaminated to sort, as determined by the Contractor, or if the truck has a "combined load" with organic material and non-organic material (i.e. organics and garbage, or organics and recycling), it will be classified as a rejected load.
4. Contractor shall notify the City of the grossly contaminated load by email within twenty-four (24) hours of receipt of a load. The notification shall include multiple photos including the vehicle number and the date, time, and other evidence that demonstrates the gross level of Physical Contamination.
5. The City must agree with the Contractor that the load is grossly contaminated and should be rejected based on the photo evidence provided to be charged the rejected load fee. If the City does not agree with the Contractor that the load is grossly contaminated, the City shall not be charged the rejected load fee.
6. The City will have the option to retrieve the rejected load from the facility within four (4) hours of receiving notification, or the entire load will be sent to disposal, and will be charged the rejected load Price per Ton of the current tip fee plus \$65.00 per ton and will not be counted toward the annual minimum tonnage commitment. Tonnage is calculated based on the total weight of the material in the inbound truck. If the City removes the contaminated part of the "combined load," then the current tip fee rate would apply to the remaining organics fraction of the material from the load, and the truck ticket would be adjusted to reduce the weight of the outbound City truck carrying the contamination, from the original truck ticket with the weight of the "combined load." If Contractor reloads a City truck, a flat fee of \$100.00 will be charged for time and labor.
7. In the event of persistent Physical Contamination, the parties shall meet and confer to explore ways to address the problem.
8. City reserves the right to perform unannounced inspections of Contractor's receiving facility operation, review Contractor's recordkeeping, and audit Contractor's procedure for identifying loads that contain gross amounts of Physically Contamination.
9. Contractor shall invoice City each month the Price per Ton plus the rejected load price Per Ton of materials being rejected.

## C. **Material Definitions**

**"Food Waste"** includes waste material of plant or animal origin that results from the preparation or processing of food for animal or human consumption and that is separated from the municipal solid waste stream. Food waste includes food from residential food scrap collection. Food waste includes food soiled paper originating from food service, including but not limited to, food soiled napkins, untreated wooden utensils, and uncoated paper and cardboard take-out containers. Food waste includes compostable (non-plastic based) bags and newspaper used to line kitchen top containers.

**"Green Waste"** includes any plant material except food material and includes tree and Yard Trimmings, untreated Wood Wastes, and natural fiber products. Green material does not include food material, biosolids, and wood containing paint or wood preservative.

**"Wood Waste"** includes solid waste consisting of wood pieces or particles which are generated from the manufacturing or production of wood products, harvesting, processing or storage of raw wood materials, or untreated and separated construction and demolition activities.

**"Yard Trimmings"** include any wastes generated from the maintenance or alteration of public, commercial or residential landscapes including, but not limited to, yard clippings, leaves, tree trimmings, prunings, brush, and weeds.

**"Physical Contamination" or "Contaminants"** includes writing and printing paper, or non-food soiled paper, paper not used for food service, and cardboard, as well as human-made inert material including, but not limited to, glass, metal, plastic, and hazardous waste or hazardous substances.

### **Acceptable Materials**

Items that fall under contract definition "Food Waste" & "Wood Waste"

Compostable (non-plastic based) bags

Paper coffee filters

Food soiled paper originating from food service

Food soiled cardboard originating from food service, paper coffee cups, and cup sleeves

Wooden chopsticks, coffee stick stirrers, popsicle sticks, ice cream spoons, skewers, and other uncoated or untreated wooden utensils

Brown paper bags

Food soiled paper towels

Food soiled newspaper

Uncoated paper and cardboard "to go" containers (no metal or plastic)

Cloth tea bags (plastic free)

Cardboard or paper Egg Cartons/ cardboard berry baskets

Compostable utensils and plates

Wine corks (cork)

Toothpicks (wood)

Paper cupcake or muffin wrappers

Paper plates/paper straws

**Not Acceptable Materials**

Any glass  
Any metal  
Any plastic  
Any hazardous waste or hazardous substances  
Plastic coated "to go" containers  
Plastic chopsticks  
Paper not originating from food service  
Cardboard not originating from food service (such as shipping boxes or other boxes or packaging)  
Human, animal and pet waste  
Polystyrene (Styrofoam)  
Diapers {cloth or plastic}  
Treated wood waste  
Digestate and sludges  
Manure  
Biosolids  
Organic textiles & carpet  
Biodegradable plastic  
Wax coated containers such as milk and juice cartons or coated paper cups  
Additional items reviewed on a case-by-case basis

## **EXHIBIT F BUY-BACK PROGRAM**

### **Buy-Back Program**

Agromin partners with the jurisdictions it serves to collaborate and create closed-loop solutions, whereby the jurisdiction utilizes compost and other organic recycled products manufactured from the jurisdiction's organic waste materials. The application of compost in local landscapes and agricultural land helps to build adequate soil organic matter, increase carbon sequestration, reduce water usage and reduce overall greenhouse gas emissions.

These municipal Buy-Back Programs can also be beneficial for reducing contamination in the organic waste stream from curbside generators through education. When municipalities purchase a portion of the compost that is manufactured from organic waste materials in their areas, compost customers (who also contribute to the organic waste materials needed to make the compost) will experience the use of clean compost first-hand. With compost being processed within local regions, residents and businesses within the jurisdiction will be provided with opportunities to close the loop by not only adhering to the protocols for organic waste recycling, but also through buying and using compost produced from the organic waste stream generated by their community.

- a. Product Cost: The City will receive a 50% discount on the retail price of the following finished products, bringing the final price\* to:
  - i. Compost 100 - \$15.00 per ton
  - ii. Cover Mulch or BioMulch - \$15.00 per ton
  - iii. Other Contractor-manufactured products are available at a discounted rate upon request and availability
  - v. Annual CPI increase to be applied to product costs.

\*Pricing applies to purchases made by City staff only. Special pricing will be provided for purchases by non-City staff who are referred to Agromin by the City for work on City projects.

- b. Freight Cost:
  - i. Actual freight cost will be charged for all orders delivered. Compost location will be determined by product availability.

### **Give-Away Program**

Contractor will donate, at no charge to jurisdiction, up to 5,000 bags of its potting mix or compost (at a value of \$0.50 per bag) during each Calendar Year to be used at the jurisdiction's discretion (i.e., Earth Day Events). Finished compost will be made available for the City's reuse per the terms of the Agreement.

### **SB 1383 Procurement Services**

Per SB 1383 requirements, counties, cities, and special districts are required to procure specific amounts of recovered organic waste each year. To assist with these requirements, Contractor offers SB 1383 Procurement Services to its partner jurisdictions. As an organics recycler for the City, Contractor will

produce finished products from the City's organic waste, including compost and mulch, which can be procured to meet the aforementioned SB 1383 requirements.

Agromin's SB 1383 Procurement Services include the following provisions and services:

- a. City shall provide an annual forecast, detailed by quarter, of its finished compost products needs to the Contractor so the Contractor can determine whether the product is available.
- b. If the City is deficient in meeting its SB 1383 requirements, Contractor can provide outlets for finished products, provided the City's budget allows for the delivery of these products, and provided the City has requested help from Contractor in plenty of time.

#### **Optional SB 1383 Procurement Compliance Solutions**

- a. Project Bidding Material Specifications: Require bidders to use Contractor compost and mulch, or equivalent, in local projects. Pricing will be based on the project volume and product needed.
- b. Market Contractor's finished products on City's website, in City's mailings, and to schools and institutions within the City.

#### **SB 1383 Reporting Services**

As part of its SB 1383 Procurement Services, Contractor will track procurement transactions and provide the jurisdiction with the necessary documentation, on an annual basis, to support the issuance of credits required under SB 1383 at no additional cost to the City.



# CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)

07/29/2025

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

**IMPORTANT:** If the certificate holder is an **ADDITIONAL INSURED**, the policy(ies) must have **ADDITIONAL INSURED** provisions or be endorsed. If **SUBROGATION IS WAIVED**, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

<b>PRODUCER</b> AssuredPartners of California Ins Services, LLC 196 S. Fir Street P.O. Box 1388 Ventura CA 93002-1388	<b>CONTACT NAME:</b> Larissa Angulo <b>PHONE (A/C, No, Ext):</b> (805) 585-6758 <b>FAX (A/C, No):</b> (805) 585-6758 <b>E-MAIL ADDRESS:</b> larissa.angulo@assuredpartners.com
<b>INSURED</b> California Wood Recycling, Inc. DBA: Agromin 201 Kinetic Drive Oxnard CA 93030	<b>INSURER(S) AFFORDING COVERAGE</b> <b>INSURER A:</b> AIG Specialty Ins Co <b>INSURER B:</b> National Union Fire Ins Co of Pittsburgh, PA <b>INSURER C:</b> Old Republic Ins Co <b>INSURER D:</b> <b>INSURER E:</b> <b>INSURER F:</b>
	<b>NAIC #</b> 26883 19445 24147

**COVERAGES****CERTIFICATE NUMBER:** 25/26 GL/AU/XS/WC/POLL**REVISION NUMBER:**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	<input checked="" type="checkbox"/> <b>COMMERCIAL GENERAL LIABILITY</b> <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input checked="" type="checkbox"/> LOC OTHER:	Y		EG6684087	07/27/2025	07/27/2026	EACH OCCURRENCE \$ 1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 300,000 MED EXP (Any one person) \$ 25,000 PERSONAL & ADV INJURY \$ 1,000,000 GENERAL AGGREGATE \$ 2,000,000 PRODUCTS - COMP/OP AGG \$ 2,000,000
B	<b>AUTOMOBILE LIABILITY</b> <input type="checkbox"/> ANY AUTO <input type="checkbox"/> OWNED AUTOS ONLY <input checked="" type="checkbox"/> HIRED AUTOS ONLY <input type="checkbox"/> SCHEDULED AUTOS <input checked="" type="checkbox"/> NON-OWNED AUTOS ONLY	Y		148-16-501	07/27/2025	07/27/2026	COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$
A	<input type="checkbox"/> <b>UMBRELLA LIAB</b> <input checked="" type="checkbox"/> <b>EXCESS LIAB</b> DED <input checked="" type="checkbox"/> RETENTION \$ 0			EGU6684089	07/27/2025	07/27/2026	EACH OCCURRENCE \$ 4,000,000 AGGREGATE \$ 4,000,000
C	<b>WORKERS COMPENSATION AND EMPLOYERS' LIABILITY</b> ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	Y/N	N/A	MWC 307760-25	07/01/2025	07/01/2026	<input checked="" type="checkbox"/> PER STATUTE E.L. EACH ACCIDENT \$ 1,000,000 E.L. DISEASE - EA EMPLOYEE \$ 1,000,000 E.L. DISEASE - POLICY LIMIT \$ 1,000,000
A	<b>POLLUTION LIABILITY</b>			EG6684087	07/27/2025	07/27/2026	LIMIT \$1,000,000 DEDUCTIBLE \$25,000

**DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)**

GL/AU: The City, its officials, employees and volunteers are Additional Insured as respects to operations of the Named Insured per forms (GL) 1422450821 and (AU) CA20481013. GL: This Insurance is Primary & Non-Contributory to any other Insurance per form 1416410621. AU: This Insurance is Primary to any other Insurance per form CA00011013. WC: A Waiver of Subrogation is added in favor of the Additional Insured per form WC040306. Endorsements apply only as required by current written contract on file.

**CERTIFICATE HOLDER****CANCELLATION**

City of Sacramento c/o Exigis LLC PO Box 947  Murrieta CA 92564	<b>SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.</b>  <b>AUTHORIZED REPRESENTATIVE</b> 
---	---

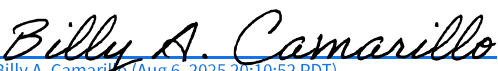
© 1988-2015 ACORD CORPORATION. All rights reserved.

## SIGNATURES

The parties have signed this Contract, effective as of the day and year first stated above.

### CONTRACTOR

Under penalty of perjury, I certify that the information provided here is correct.

Signature:   
Billy A. Camarillo (Aug 6, 2025 20:10:52 PDT)

Title: CEO

Additional Signature (if required):

Title:

### CITY OF SACRAMENTO

A Municipal Corporation

#### APPROVED AS TO FORM:

Signature:   
Michael Fry (Aug 8, 2025 10:09:56 PDT)

Title: Senior Deputy City Attorney

Reviewed By:

Signature:

Title:

Approved By:

Signature:

Title:

Additional Signature (if required):

Title:

# CONTRACT ROUTING SHEET

**Contract Cover/Routing Form: Must Accompany ALL Contracts; however, it is NOT part of the contract.**

## General Information (Required)

Original Contract # (supplements only): 2020-1398 Supplement/Addendum #: 01  
Assessor's Parcel Number(s): \_\_\_\_\_  
Contract Effective Date: 07/01/2020 Contract Expiration Date (if applicable): 06/30/2042  
\$ Amount (Not to Exceed): \$67,511,311 Adjusted \$ Amount (+/-): \$49,457,325  
Other Party: County of Sacramento  
Project Title: Organic Material Diversion Services  
Project #: \_\_\_\_\_ Bid/RFQ/RFP #: \_\_\_\_\_  
City Council Approval: YES if YES, Council File ID#: 2025-01458

## Contract Processing Contacts

Department: Public Works Project Manager: John Febbo  
Contract Coordinator: Adam Roitman Email: aroitman@cityofsacramento.org

## Department Review and Routing

### Construction Mgmt:

(Signature) (Date)

### Supervisor:

(Signature) (Date)

### Division Manager:

(Signature) John Febbo Jul 31, 2025  
John Febbo (Jul 31, 2025 15:40:38 PDT)

### Other:

(Signature) (Date)

Matt Eierman Jul 31, 2025  
Matt Eierman (Jul 31, 2025 17:52:33 PDT)

(Signature) (Date)

## Special Instruction/Comments (i.e. recording requested, other agency signatures required, etc.)

☐

**Recording Requested**

☐

**Other Party Signature Required**

-----FOR CLERK & IT DEPARTMENTS ONLY – DO NOT WRITE BELOW THIS LINE-----



**COUNTY OF SACRAMENTO  
COMMUNITY SERVICES**

**FIRST AMENDMENT TO AGREEMENT FOR ORGANIC MATERIAL  
DIVERSION SERVICES AT THE NORTH AREA RECOVERY STATION**

THIS FIRST AMENDMENT is made and entered into on\_\_\_\_\_, by and between the COUNTY OF SACRAMENTO, a political subdivision of the State of California, hereinafter referred to as "COUNTY", and the CITY OF SACRAMENTO, a municipal corporation, hereinafter referred to as "CITY". COUNTY and CITY may be referred to individually herein as a "party" or collectively as the "parties."

**RECITALS**

**WHEREAS**, COUNTY and CITY previously entered into an Agreement on May 12, 2021 for Organic Material Diversion Services at the North Area Recovery Station, dated on or about May 12, 2021, and designated as County Agreement Number 70811 and City Agreement Number 2020-1398 (hereinafter "Agreement"); and

**WHEREAS**, COUNTY and CITY desire to formally amend said Agreement to extend its term to June 30, 2042, replace the termination language, update the scope of services, and revise the compensation table.

NOW, THEREFORE, the Agreement is amended as follows:

**1. TERM**

The term of the Agreement is extended to June 30, 2042, provided no party has exercised its right to terminate this Agreement pursuant to Section 18.

**2. TERMINATION**

Section 18.A. is hereby deleted in its entirety and replaced with the following:

COUNTY or CITY may terminate this Agreement without cause with an effective date of termination on July 1, 2037, or effective any time thereafter. Written notice shall be provided to the other party with a minimum of 365 calendar days' advance notice. Notice shall be deemed served on the date of the mailing.

**3. EXHIBIT A, SCOPE OF SERVICES**

A. Section 1.C., Definitions, Food Waste, shall be amended to clarify that only ASTM D6400 compostable bags are acceptable in the program.

B. Section 2.C., Delivery/Receipt of Organic Material, City Collection Schedule, is hereby deleted in its entirety and replaced with the following:

CITY Collection Schedule. CITY collects in-the-container Green Waste and Food Waste five (5) days a week operating Monday through Friday. During seasonal in-the-street Green Waste collection (as early as mid-October through as late as mid-February), CITY collects Green Waste Monday through Friday, many Saturdays, and occasional Sundays. CITY collects on all holidays and COUNTY's NARS facility shall accept CITY collected Organic Material on all holidays with limited operational hours on New Year's Day, Thanksgiving Day, and Christmas Day.

C. Section 3.A., Tonnage Commitments, is deleted in its entirety and replaced with the following:

CITY shall commit to COUNTY at least 6,000 tons per year of CITY collected Organic Material under this Agreement.

Effective July 1, 2027, CITY shall commit to COUNTY at least 10,000 tons per year of CITY collected Organic Material under this Agreement.

D. Section 3.B., Tonnage Commitments, is hereby deleted in its entirety and replaced with the following:

COUNTY shall accept from CITY up to 16,000 tons per year of CITY collected Organic Material under this Agreement.

Effective July 1, 2027, COUNTY shall accept from CITY up to 20,000 tons per year of CITY collected Organic Material under this Agreement. Any further increases to the agreed upon maximum annual tonnage shall require written approval by both Parties.

E. Section 5, Compost Buyback, is deleted in its entirety.

- F. Section 7, Bagging and Lining of Material, shall be amended to clarify that only ASTM D6400 compostable bags are acceptable in the program.

**4. EXHIBIT B, COMPENSATION**

- A. Section 1, City Payments to County, is hereby deleted in its entirety and replaced with the following:

<b>Year</b>	<b>Total Payment Amount for Year</b>	<b>Maximum Total Payment Amount for Agreement</b>
FY 2020-21	\$1,611,480	<b>\$1,611,480</b>
FY 2021-22	\$1,651,767	<b>\$3,263,247</b>
FY 2022-23	\$1,693,061	<b>\$4,956,308</b>
FY 2023-24	\$1,735,388	<b>\$6,691,696</b>
FY 2024-25	\$1,778,772	<b>\$8,470,468</b>
FY 2025-26	\$1,823,242	<b>\$10,293,710</b>
FY 2026-27	\$1,868,823	<b>\$12,162,533</b>
FY 2027-28	\$2,871,635	<b>\$15,034,168</b>
FY 2028-29	\$2,971,693	<b>\$18,005,861</b>
FY 2029-30	\$3,075,241	<b>\$21,081,102</b>
FY 2030-31	\$3,182,402	<b>\$24,263,504</b>
FY 2031-32	\$3,293,302	<b>\$27,556,806</b>
FY 2032-33	\$3,408,071	<b>\$30,964,877</b>
FY 2033-34	\$3,526,844	<b>\$34,491,721</b>
FY 2034-35	\$3,649,762	<b>\$38,141,483</b>
FY 2035-36	\$3,776,969	<b>\$41,918,452</b>
FY 2036-37	\$3,908,615	<b>\$45,827,067</b>
FY 2037-38 (optional)	\$4,044,855	<b>\$49,871,922</b>
FY 2038-39 (optional)	\$4,185,849	<b>\$54,057,771</b>
FY 2039-40 (optional)	\$4,331,763	<b>\$58,389,534</b>
FY 2040-41 (optional)	\$4,482,770	<b>\$62,872,304</b>
FY 2041-42 (optional)	\$4,639,047	<b>\$67,511,351</b>

- B. Section 2.A.2, Compensation Components, Contract Tipping Fee, Processing Cost, is hereby deleted in its entirety, and replaced with the following:

Processing Cost: CITY shall reimburse COUNTY for the Processing Cost per ton that COUNTY incurs for delivered Green Waste, as well as for combined Green Waste and Food Waste. The Processing Cost shall be calculated as the COUNTY's monthly average cost per ton shipped by material type using COUNTY Contracted Service Provider(s) plus a 5% administrative fee. COUNTY shall provide written notice to CITY of updated COUNTY Contracted Service Provider(s) costs by no later than July 1<sup>st</sup> of each year.

Any contamination fees charged to the COUNTY by COUNTY Contracted Service Provider(s) shall be proportionally allocated to CITY based on its monthly tonnage deliveries to NARS.

- C. Section 3, Compost Buyback, is hereby deleted in its entirety.

**5. EXHIBIT C**

Exhibit C and all references to Exhibit C in the Agreement are hereby deleted in their entirety.

**6. ATTACHMENT 1, PRICING LIST**

Attachment 1, Pricing List, is hereby deleted in its entirety.

**7. REAFFIRMATION**

Except as expressly stated herein, the Agreement shall remain in full force and effect.

**8. ENTIRE AGREEMENT**

The Agreement, as amended by this First Amendment, and any attachments hereto, constitutes the entire understanding between the COUNTY and CITY concerning the subject matter contained herein.

**9. EFFECTIVE DATE**

This First Amendment shall be deemed effective as of the date first written above.

**10. AUTHORITY TO EXECUTE**

Each person executing this First Amendment represents and warrants that he or she is duly authorized and has legal authority to execute and deliver this First Amendment for or on behalf of the parties to this First

Amendment. Each party represents and warrants to the other that the execution and delivery of the First Amendment and the performance of such party's obligations hereunder have been duly authorized.

**11. DUPLICATE COUNTERPARTS**

This First Amendment may be executed in duplicate counterparts and shall be deemed executed when signed by both parties.

Signatures scanned and transmitted electronically shall be deemed original signatures of this First Amendment, with such scanned signatures having the same legal effect as original signatures. This First Amendment may be executed through the use of electronic signature and will be binding on each party as if it were physically executed.

**(SIGNATURE PAGE FOLLOWS)**

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

**COUNTY OF SACRAMENTO**, a  
political subdivision of the State of  
California

**CITY OF SACRAMENTO**, a  
municipal corporation

By: \_\_\_\_\_  
Keith Goodrich, Director  
Department of Waste Management and  
Recycling

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_  
For: Leyne Milstein, Interim City  
Manager

"COUNTY"

"CITY"

Date: \_\_\_\_\_

Date: \_\_\_\_\_

Agreement approved by Board of  
Supervisors:

APPROVED AS TO FORM:

Agenda Date: \_\_\_\_\_

  
Michael Fry (Aug 1, 2025 09:43:14 PDT)

Item Number: \_\_\_\_\_

Senior Deputy City Attorney

Resolution No. \_\_\_\_\_

ATTEST:

Contract Reviewed and Approved by  
County Counsel:

\_\_\_\_\_  
City Clerk

By: \_\_\_\_\_  
Amanda McDermott  
Deputy County Counsel

**Department of Personnel Services**

**Risk and Loss Control Office**

Sarah Baker, Manager



**County of Sacramento**

July 30, 2025

City of Sacramento  
Department of Public Works  
Recycling and Solid Waste Division  
2812 Meadowview Road, Bldg. 1  
Sacramento, CA 95832  
Attn: John Febbo

**RE: Organic Material Diversion Services – NARS**

**COUNTY OF SACRAMENTO  
SELF-INSURANCE CERTIFICATION**

To Whom It May Concern:

Please accept this letter as certification that the Self-Insurance Program of the County of Sacramento (County) adequately protects against liability arising from organic material diversion services at the North Area Recovery Station (NARS). The County is self-insured under Government Code 990 et seq., for general liability, and automobile liability. Additionally, the County is self-insured for workers' compensation in compliance with Labor Code Section 3700 et seq.

This letter is effective July 1, 2025, through June 30, 2026, and is renewable annually upon request.

Sincerely,

*Isaac Smirnov*

Isaac Smirnov  
Sr. Risk Analyst, Risk and Loss Control Division

cc: Corina Olteanu-McFadden, DWMR, [olteanuco@saccounty.gov](mailto:olteanuco@saccounty.gov)