

**AMENDMENT NO. 3  
FOR PROFESSIONAL SERVICES AGREEMENT  
BETWEEN Stericycle Inc. AND  
THE NATIVIDAD MEDICAL CENTER FOR  
Pharmaceutical, Pathological, Biological and Chemotherapy Waste Removal Services**

This Amendment No. 3 to the Professional Services Agreement (No. A-11900) ("AGREEMENT (No. A-11900)") is entered into by and between the County of Monterey ("County"), on behalf of Natividad Medical Center ("NMC"), and Stericycle Inc. ("Contractor"), with respect to the following:

**RECITALS**

**WHEREAS**, the County and Contractor entered into AGREEMENT (No. A-11900) dated March 1, 2010, for a total contract amount of \$100,000 in the aggregate;

**WHEREAS**, the County and Contractor entered into a first amendment to AGREEMENT (No. A-11900) ("AMENDMENT NO. 1") effective September 1, 2010, adding \$100,000 for a total contract amount not to exceed \$200,000 in the aggregate;

**WHEREAS**, AGREEMENT (No. A-11900), as amended, expired on June 30, 2011;

**WHEREAS**, the County and Contractor entered into a renewal of AGREEMENT (No. A-11900) effective July 1, 2011 ("RENEWAL AND AMENDMENT NO. 2"), adding \$175,000 for a total contract amount not to exceed \$375,000 in the aggregate;

**WHEREAS**, the County and Contractor wish to amend AGREEMENT (No. A-1190) to extend the term end date to allow for existing services to continue and to increase the amount of AGREEMENT (No. A-1190) because of the term extension.

**AGREEMENT**

**NOW, THEREFORE**, the parties agree to amend AGREEMENT (No. A-11900) as follows:

1. Contractor will continue to provide NMC with the same scope of services as stated in AGREEMENT (No. A-11900).
2. Section 1. "PAYMENTS BY NMC" shall be amended by removing, "*The total amount payable by NMC to CONTRACTOR under this Agreement shall not exceed the sum of \$100,000.*" and replacing it with "*The total amount payable by County to CONTRACTOR under Agreement No. (A-11900) shall not exceed the total sum of \$550,000 for the full term of the Agreement and \$175,000 for fiscal year 2013-2013.*"
3. Section 2. "TERM OF AGREEMENT" shall be amended by removing, "*The term of this Agreement is from March 1, 2010 to June 30, 2011 unless sooner terminated pursuant to this Agreement*" and replacing it with "*The term of this Agreement is from March 1 2010 to June 30, 2013 unless sooner terminated pursuant to this Agreement.*"
4. Except as provided herein, all remaining terms, conditions and provisions of AGREEMENT (No. A-11900), as amended by AMENDMENT NO. 1 and RENEWAL AND AMENDMENT NO. 2, are unchanged and unaffected by this AMENDMENT NO. 3 and shall continue in full force and effect as set forth in AGREEMENT (No. A-1190).
5. Copies of AMENDMENT NO. 1 and RENEWAL AND AMENDMENT NO. 2, and this AMENDMENT NO. 3, shall be attached to AGREEMENT (No. A-11900).
6. The effective date of this AMENDMENT NO. 3 is July 1, 2012.

IN WITNESS WHEREOF, the parties hereto are in agreement with this Amendment on the basis set forth in this document and have executed this Amendment on the day and year set forth herein.

**CONTRACTOR**

Signature 1 [Signature]

Dated 5-1-12

Printed Name JONAS BETTENCOUET

Title FINMUT MANAGER

Signature 2 [Signature]

Dated 5-1-12

Printed Name J.P. ROBERTS

Title MASOL ACCOUNT EXECUTIVE

\*\*\*INSTRUCTIONS: If CONTRACTOR is a corporation, including limited liability and non-profit corporations, the full legal name of the corporation shall be set forth above together with the signatures of two specified officers. If CONTRACTOR is a partnership, the name of the partnership shall be set forth above together with the signature of a partner who has authority to execute this Agreement on behalf of the partnership. If CONTRACTOR is contracting in and individual capacity, the individual shall set forth the name of the business, if any and shall personally sign the Agreement.

**NATIVIDAD MEDICAL CENTER**

Signature \_\_\_\_\_  
Purchasing Manager

Dated \_\_\_\_\_

Signature \_\_\_\_\_  
NMC - CEO

Dated \_\_\_\_\_

Approved as to Legality and Legal Form:  
Charles J. McKee, County Counsel

By [Signature]  
Stacy Saetta, Deputy  
Attorneys for County and NMC

Dated: 5/8, 2012

Reviewed (as to fiscal provisions)  
[Signature]  
Auditor/Controller  
County of Monterey 5-9-12

**MONTEREY COUNTY BOARD OF SUPERVISORS**

<b>MEETING:</b>	<b>October 18, 2011</b>	<b>AGENDA NO.:</b>
<b>SUBJECT:</b>	Authorize the Purchasing Manager for Natividad Medical Center (NMC) to execute a Renewal to the Agreement (A-11900) with Stericycle Inc. for Pharmaceutical, Pathological, Biological and Chemotherapy Waste Removal Services at NMC in an amount not to exceed \$375,000 in the aggregate and \$175,000 for the period July 1, 2011 to June 30, 2012.	
<b>DEPARTMENT:</b>	Natividad Medical Center	

**RECOMMENDATION:**

It is recommended that the Board of Supervisors authorize the Purchasing Manager for Natividad Medical Center (NMC) to execute a Renewal to the Agreement (A-11900) with Stericycle Inc. for Pharmaceutical, Pathological, Biological and Chemotherapy Waste Removal Services at NMC in an amount not to exceed \$375,000 in the aggregate and \$175,000 for the period July 1, 2011 to June 30, 2012.

**SUMMARY/ DISCUSSION:**

NMC uses Stericycle for Regulated Medical Waste Services. As medical procedures are performed throughout the facility waste is generated and separated into several types of waste streams. The types of waste streams generated under this banner are: red bag (blood or blood product), sharps waste, pathological waste (certain types of tissue), trace chemotherapy, bulk chemotherapy, pharmaceutical waste, and RCRA (Resource Conservation and Recovery Act) hazardous medical waste. On average Natividad Medical Center generates 23,000 pounds of the above mentioned waste streams a month.

Medical waste removal services are required by (OSHA) Occupational Safety and Health Administration and the Joint Commission as well as the Department Of Transportation. State regulations require medical waste removal to be done only by a licensed hauler. Due to a clerical error on part of the vendor the contract expired. A contract renewal will allow Natividad Medical Center to stay in compliance with the above mentioned regulating bodies.

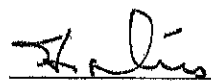
**OTHER AGENCY INVOLVEMENT:**

County Counsel has reviewed and approved this Renewal as to legal form and risk provisions. Auditor-Controller has reviewed and approved this Renewal as to fiscal provisions. The Renewal has also been approved by the Natividad Medical Center Board of Trustees.

**FINANCING:**

The cost for this Renewal is \$175,000 and is included in the 2011/2012 Fiscal Year Approved Budget. This is no impact to the General Fund.

Prepared by:  
Richard Magana, 755-6533  
EVS Director  
October 4, 2011

  
\_\_\_\_\_  
Harry Weis  
Chief Executive Officer

Attachments: Renewal, Amendment #1, Agreement, Board Order  
Attachments are on file with the Clerk to the Board

**RENEWAL  
TO THE PROFESSIONAL SERVICES AGREEMENT  
BETWEEN NATIVIDAD MEDICAL CENTER (COUNTY OF MONTEREY) AND  
STERICYCLE INC.**

**THIS RENEWAL** to the County of Monterey Agreement for Professional Services (hereinafter, "RENEWAL") is made and entered into, by and between the Natividad Medical Center (County of Monterey), a political subdivision of the State of California (hereinafter, "County"), and Stericycle Inc. (hereinafter, "CONTRACTOR") (collectively, the County and CONTRACTOR are referred to as the "Parties.>").

**WHEREAS**, the Parties had previously entered into an Agreement for Professional Services (hereinafter, "Agreement"), on March 1, 2010; and

**WHEREAS**, the Agreement was amended on September 1, 2010 (hereinafter, "Amendment No. 1"); and

**WHEREAS**, the Agreement and all Amendments are attached hereto as Attachment 1; and

**WHEREAS**, that Agreement expired on June 30, 2011; and

**WHEREAS**, the Parties wish to renew the Agreement on the same or similar terms, beginning July 1, 2011 and increase the amount payable by \$175,000 to continue to provide services associated with Pharmaceutical, Pathological, Bio and Chemo Waste Removal services within the County of Monterey.

**NOW THEREFORE**, the Parties agree as follows:

1. The Agreement is hereby renewed on its prior terms and conditions as set forth in Attachment 1, incorporated herein by this reference, except as specifically set forth below.
2. The term of this RENEWAL is from July 1, 2011 to June 30, 2012 unless sooner terminated pursuant to the terms of this RENEWAL, or extended in writing.
3. County shall pay the CONTRACTOR in accordance with the payment provisions set forth in Attachment 1, subject to the limitations set forth in this RENEWAL. The total amount payable by County to CONTRACTOR shall not exceed the sum of \$375,000.
4. If there is any conflict or inconsistency between the provisions of Agreement, or this RENEWAL, the provisions of this RENEWAL shall govern.

IN WITNESS WHEREOF, the parties hereby execute this RENEWAL as follows:

NATIVIDAD  
MEDICAL CENTER

By: [Signature]  
NMC Contracts/Purchasing Agent

Date: 10-18-11

By: [Signature]  
Department Head (if applicable)

Date: 9/2/11

By: [Signature]  
Stacy Saetta, Deputy County Counsel

Date: 9/27/11

By: [Signature]  
Auditor/Controller

Date: 9-28-11

CONTRACTOR

STERICYCLE  
Contractor's Business Name\*\*\*

[Signature]  
Signature of Chair, President, or Vice-President

JR Roberts, MAE  
Name and Title *major account executive*

Date: 9-14-11

By: [Signature]  
Signature of Secretary, Asst. Secretary,  
CFO, Treasurer or Asst. Treasurer

Transportation Supervisor  
Name and Title

Date: 09/14/2011

\*\*\*INSTRUCTIONS: If CONTRACTOR is a corporation, including limited liability and non-profit corporations, the full legal name of the corporation shall be set forth above together with the signatures of two specified officers. If CONTRACTOR is a partnership, the name of the partnership shall be set forth above together with the signature of a partner who has authority to execute this Agreement on behalf of the partnership. If CONTRACTOR is contracting in an individual capacity, the individual shall set forth the name of the business, if any and shall personally sign the Agreement.

**MONTEREY COUNTY BOARD OF SUPERVISORS**

<b>MEETING:</b>	<b>December 14, 2010</b>	<b>AGENDA NO.:</b>
<b>SUBJECT:</b>	Authorize the Purchasing Manager for Natividad Medical Center (NMC) to execute Amendment #1 to the Agreement with Stericycle Inc. for Removal of Pharmaceutical, Pathological, Biological and Chemo Waste Services at NMC in an amount not to exceed \$200,000 (an increase of \$100,000) for the period September 1, 2010 to June 30, 2011.	
<b>DEPARTMENT:</b>	Natividad Medical Center	

**RECOMMENDATION:**

It is recommended that the Board of Supervisors authorize the Purchasing Manager for Natividad Medical Center (NMC) to execute Amendment #1 to the Agreement with Stericycle Inc. for Removal of Pharmaceutical, Pathological, Biological and Chemo Waste Services at NMC in an amount not to exceed \$200,000 (an increase of \$100,000) for the period September 1, 2010 to June 30, 2011.

**SUMMARY/DISCUSSION:**

NMC has used Stericycle for Medical Waste Services over the last several years. These services are required by the Department of Transportation, OSHA, the Joint Commission and to meet other State regulations requiring that all bio hazard waste must be transported off site by a licensed bio waste disposal service and treated. At the beginning of this fiscal year it was decided to transfer the budgeted dollars for these services from the NMC Engineering Department to a more appropriate NMC Department, namely Environmental Services (EVS). However, later it was decided to maintain the budgeted dollars along with responsibility for the contract in the NMC Engineering Department. The original amount requested by the Engineering Department was only the amount left from the previous year's purchase order and not the full Fiscal Year 2010/11 budgeted amount. The recommendation is to increase the contract amount by \$100, 000 to match the Fiscal Year 2010/11 Budgeted Amount.

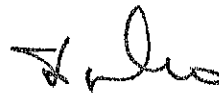
**OTHER AGENCY INVOLVEMENT:**

The Amendment has been reviewed and approved by County Counsel, the Auditor/Controller's office and the Natividad Medical Center Board of Trustees.

**FINANCING:**

The cost for this Amendment is \$100,000 and is included in the 2010/2011 FY Approved Budget. This action will not require any additional General Fund subsidy.

Prepared by:  
James Kari, Engineering Director  
September 28, 2010



\_\_\_\_\_  
Harry Weis  
Chief Executive Officer

Attachments: Amendment #1, Agreement, Board Order

**Before the Board of Supervisors in and for the  
County of Monterey, State of California**

**Agreement No: A - 11900**

Authorize the Purchasing Manager for Natividad Medical Center (NMC) to )  
execute Amendment #1 to the Agreement with Stericycle Inc. for Removal )  
of Pharmaceutical, Pathological, Biological and Chemo Waste Services at )  
NMC in an amount not to exceed \$200,000 (an increase of \$100,000) for )  
the period September 1, 2010 to June 30, 2011. )

Upon motion of Supervisor Calcagno, seconded by Supervisor Armenta, and carried by those members present, the Board hereby:

Authorized the Purchasing Manager for Natividad Medical Center (NMC) to execute Amendment #1 to the Agreement with Stericycle Inc. for Removal of Pharmaceutical, Pathological, Biological and Chemo Waste Services at NMC in an amount not to exceed \$200,000 (an increase of \$100,000) for the period September 1, 2010 to June 30, 2011

PASSED AND ADOPTED this 14<sup>th</sup> day of December by the following vote, to wit:

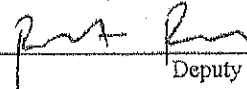
AYES: Supervisors Armenta, Calcagno, Salinas, Parker, Potter  
NOES: None  
ABSENT: None

I, Gail T. Borkowski, Clerk of the Board of Supervisors of the County of Monterey, State of California, hereby certify that the foregoing is a true copy of an original order of said Board of Supervisors duly made and entered in the minutes thereof of Minute Book 75 for the meeting on December 14, 2010.

Dated: December 17, 2010

Gail T. Borkowski, Clerk of the Board of Supervisors  
County of Monterey, State of California

By

  
Deputy

**AMENDMENT NO. 1  
FOR PROFESSIONAL SERVICE AGREEMENT  
BETWEEN STERICYCLE INC. AND  
THE COUNTY OF MONTEREY**

**FOR  
REMOVAL OF PHARMACEUTICAL, PATHOLOGICAL, BIO AND CHEMO WASTE**

The parties to Professional Service Agreement, dated March 1, 2010 between the County of Monterey, on behalf of Natividad Medical Center ("NMC"), and Stericycle Inc. (Contractor), hereby agree to amend their Agreement No. (SC 9600 1005) on the following terms and conditions:

1. Contractor will continue to provide NMC with the same scope of service as stated in the original Agreement No. (SC 9600 1005).
2. This Amendment shall become effective on September 01, 2010 and shall continue in full force and extending the term date until June 30, 2011.
3. The total amount payable by County to Contractor under Agreement No. (SC 9600 1005) shall not exceed the total sum of \$200,000 for the full term of the Agreement and \$147,174 for fiscal year 2010-2011.
4. All other terms and conditions of the Agreement shall continue in full force and effect.
5. A copy of this Amendment shall be attached to the original Agreement No. (SC 9600 1005).

**IN WITNESS WHEREOF**, the parties hereto are in agreement with this Amendment and Professional Service Agreement on the basis set forth in this document and have executed this amendment on the day and year set forth herein.

**CONTRACTOR**

Signature Mary Obot  
Printed Name Mary Obot

Dated 10/1/10  
Title Major Account Executive

**COUNTY OF MONTEREY**

Signature [Signature]  
Purchasing Manager

Dated 12/16/10

Signature [Signature]  
NMC -- CEO

Dated 10/25/10

Approved as to Legal Form:

Charles J. McKee, County Counsel

By [Signature]  
Stacy Saetta, Deputy  
Attorneys for County and NMC

Dated: 10/28, 2010

Reviewed as to fiscal provisions

[Signature]  
Auditor-Controller  
County of Monterey



**Natividad** MEDICAL CENTER

**COUNTY OF MONTEREY AGREEMENT FOR PROFESSIONAL SERVICES  
(NOT TO EXCEED \$100,000)**

This Professional Services Agreement (hereinafter "Agreement") is made by and between Natividad Medical Center ("NMC"), a general acute care teaching hospital wholly owned and operated by the County of Monterey, which is a political subdivision of the State of California and STERICYCLE INC hereinafter "CONTRACTOR").

In consideration of the mutual covenants and conditions set forth in this Agreement, the parties agree as follows:

SERVICES TO BE PROVIDED. NMC hereby engages CONTRACTOR to perform, and CONTRACTOR hereby agrees to perform, the services described in Exhibit A in conformity with the terms of the Agreement. The services are generally described as follows: REMOVAL OF PHARMACEUTICAL, PATHOLOGICAL, BIO AND CHEMO WASTE.

1. PAYMENTS BY NMC. NMC shall pay the CONTRACTOR in accordance with the payment provisions set forth in Exhibit A, subject to the limitations set forth in this Agreement. The total amount payable by NMC to CONTRACTOR under this Agreement shall not exceed the sum of \$100,000.00

2. TERM OF AGREEMENT. The term of this Agreement is from Mar 1, 2010 to Jun 30, 2011 unless sooner terminated pursuant to the terms of this Agreement. This Agreement is of no force or effect until signed by both CONTRACTOR and NMC and with NMC signing last and CONTRACTOR may not commence work before NMC signs this Agreement.

3. ADDITIONAL PROVISIONS/EXHIBITS. The following attached exhibits are incorporated herein by reference and constitute a part of this Agreement:

Exhibit A/Schedule A: Scope of Services/Payment Provisions

4. PERFORMANCE STANDARDS.

4.1. CONTRACTOR warrants that CONTRACTOR and Contractor's agents, employees, and subcontractors performing services under this Agreement are specially trained, experienced, competent, and appropriately licensed to perform the work and deliver the services required under this Agreement and are not employees of NMC, or immediate family of an employee of NMC.

4.2. CONTRACTOR, its agents, employees, and subcontractors shall perform all work in a safe and skillful manner and in compliance with all applicable laws and regulations. All work performed under this Agreement that is required by law to be performed or supervised by licensed personnel shall be performed in accordance with such licensing requirements.

4.3. CONTRACTOR shall furnish, at its own expense, all materials, equipment, and personnel necessary to carry out the terms of this Agreement, except as otherwise specified in this Agreement. CONTRACTOR shall not use NMC premises, property (including equipment, instruments, or supplies) or personnel for any purpose other than in the performance of its obligations under this Agreement.

## 5. PAYMENT CONDITIONS.

5.1. CONTRACTOR shall submit to the Contract Administrator an invoice on a form acceptable to NMC. If not otherwise specified, the CONTRACTOR may submit such invoice periodically or at the completion of services, but in any event, not later than 30 days after completion of services. The invoice shall set forth the amounts claimed by CONTRACTOR for the previous period, together with an itemized basis for Administrator or his or her designee shall certify the invoice, either in the requested amount or in such other amount as NMC approves in conformity with this Agreement, and shall promptly submit such invoice to the County Auditor-Controller for payment. The County Auditor-Controller shall pay the amount certified within 30 days of receiving the certified invoice.

5.2. CONTRACTOR shall not receive reimbursement for travel expenses unless set forth in this Agreement.

## 6. TERMINATION.

6.1. During the term of this Agreement, NMC may terminate the Agreement for any reason by giving written notice of termination to the CONTRACTOR at least thirty (30) days prior to the effective date of termination. Such notice shall set forth the effective date of termination. In the event of such termination, the amount payable under this Agreement shall be reduced in proportion to the services provided prior to the date of termination.

6.2. NMC may cancel and terminate this Agreement for good cause effective immediately upon written notice to Contractor. "Good cause" includes the failure of CONTRACTOR to perform the required services at the time and in the manner provided under this Agreement. If NMC terminates this Agreement for good cause, NMC may be relieved of the payment of any consideration to Contractor, and NMC may proceed with the work in any manner, which NMC deems proper. The cost to NMC shall be deducted from any sum due the CONTRACTOR under this Agreement.

7. INDEMNIFICATION: CONTRACTOR shall indemnify, defend and hold harmless NMC and the County of Monterey (hereinafter "County"), its officers, agents and employees from any claim, liability, loss, injury or damage arising out of, or in connection with, performance of this Agreement by CONTRACTOR and/or its agent, employees or sub-contractors, excepting only loss, injury or damage caused by the negligence or willful misconduct of personnel employed by NMC. It is the intent of the parties to this Agreement to provide the broadest possible coverage for NMC. The CONTRACTOR shall reimburse NMC for all costs, attorneys' fees, expenses and liabilities incurred with respect to any litigation in which the CONTRACTOR is obligated to indemnify, defend and hold harmless NMC and the County under this Agreement.

## 8. INSURANCE.

### 8.1. Evidence of Coverage:

Prior to commencement of this Agreement, the CONTRACTOR shall provide a "Certificate of Insurance" certifying that coverage as required herein has been obtained. Individual endorsements

executed by the insurance carrier shall accompany the certificate. In addition, the CONTRACTOR upon request shall provide a certified copy of the policy or policies.

Executed by the insurance carrier shall accompany the certificate. In addition, the CONTRACTOR upon request shall provide a certified copy of the policy or policies.

This verification of coverage shall be sent to NMC's Contracts/Purchasing Department, unless otherwise directed. The CONTRACTOR shall not receive a "Notice to Proceed" with the work under this Agreement until it has obtained all insurance required and NMC has approved such insurance. This approval of insurance shall neither relieve nor decrease the liability of the Contractor.

8.2. Qualifying Insurers: All coverage's except surety, shall be issued by companies which hold a current policy holder's alphabetic and financial size category rating of not less than A-VII, according to the current Best's Key Rating Guide or a company of equal financial stability that is approved by NMC's Contracts/Purchasing Director.

8.3. Insurance Coverage Requirements: Without limiting Contractor's duty to indemnify, CONTRACTOR shall maintain in effect throughout the term of this Agreement a policy or policies of insurance with the following minimum limits of liability:

Commercial general liability insurance, including but not limited to premises and operations, including coverage for Bodily Injury and Property Damage, Personal Injury, Contractual Liability, Broad form Property Damage, Independent Contractors, Products and Completed Operations, with a combined single limit for Bodily Injury and Property Damage of not less than \$1,000,000 per occurrence.

Exemption/Modification (Justification attached; subject to approval).

Business automobile liability insurance, covering all motor vehicles, including owned, leased, non-owned, and hired vehicles, used in providing services under this Agreement, with a combined single limit for Bodily Injury and Property Damage of not less than \$500,000 per occurrence.

Exemption/Modification (Justification attached; subject to approval).

Workers' Compensation Insurance, If CONTRACTOR employs other in the performance of this Agreement, in accordance with California Labor Code section 3700 and with Employer's Liability limits not less than \$1,000,000 each person, \$1,000,000 each accident and \$1,000,000 each disease.

Exemption/Modification (Justification attached; subject to approval).

Professional liability insurance, if required for the professional services being provided, (e.g., those persons authorized by a license to engage in a business or profession regulated by the California Business and Professions Code), in the amount of not less than \$1,000,000 per claim and \$2,000,000 in the aggregate, to cover liability for malpractice or errors or omissions made in the course of rendering professional services. If professional liability insurance is written on a "claims-made" basis rather than an occurrence basis, the CONTRACTOR shall, upon the expiration or earlier termination of this Agreement, obtain extended reporting coverage ("tail coverage") with the same liability limits. Any such tail coverage shall continue for at least three years following the expiration or earlier termination of this Agreement.

Exemption/Modification (Justification attached; subject to approval).

#### 8.4. Other Insurance Requirements:

All insurance required by this Agreement shall be with a company acceptable to NMC and issued and executed by an admitted insurer authorized to transact insurance business in the State of California. Unless otherwise specified by this Agreement, all such insurance shall be written on an occurrence basis, or, if the policy is not written on an occurrence basis, such policy with the coverage required herein shall continue in effect for a period of three years following the date CONTRACTOR completes its performance of services under this Agreement.

Each liability policy shall provide that NMC shall be given notice in writing at least thirty days in advance of any endorsed reduction in coverage or limit, cancellation, or intended non-renewal thereof. Each policy shall provide coverage for CONTRACTOR and additional insured with respect to claims arising from each subcontractor, if any, performing work under this Agreement, or be accompanied by a certificate of insurance from each subcontractor showing each subcontractor has identical insurance coverage to the above requirements.

Commercial general liability and automobile liability policies shall provide an endorsement naming the County of Monterey, its officers, agents, and employees as Additional insureds with respect to liability arising out of the Contractor's work, including ongoing and completed operations, and shall further provide that such insurance is primary insurance to any insurance or self-insurance maintained by the County and that the insurance of the Additional Insureds shall not be called upon to contribute to a loss covered by the Contractor's insurance. The required endorsement from for Commercial General Liability Additional Insured is ISO Form CG 20 10 11-85 or CG 20 10 10 01 in tandem with CG 20 37 10 01 (2000). The required endorsement from for Automobile Additional Insured Endorsement is ISO Form CA 20 48 02 99.

Prior to the execution of this Agreement by NMC, CONTRACTOR shall file certificates of insurance with NMC's Contracts/Purchasing Department, showing that the CONTRACTOR has in effect the insurance required by this Agreement. The CONTRACTOR shall file a new or amended certificate of insurance within five calendar days after any change is made in any insurance policy, which would alter the information on the certificate then on file. Acceptance or approval of insurance shall in no way modify or change the indemnification clause in this Agreement, which shall continue in full force and effect.

CONTRACTOR shall at all times during the term of this Agreement maintain in force the insurance coverage required under this Agreement and shall send, without demand by NMC, annual certificates to NMC's Contracts/Purchasing Department. If the certificate is not received by the expiration date, NMC shall notify CONTRACTOR and CONTRACTOR shall have five calendar days to send in the certificate, evidencing no lapse in coverage during the interim. Failure by CONTRACTOR to maintain such insurance is a default of this Agreement, which entitles NMC, at its sole discretion, to terminate the Agreement immediately.

#### 9. RECORDS AND CONFIDENTIALITY.

9.1. Confidentiality, CONTRACTOR and its officers, employees, agents and subcontractors shall comply with any and all federal, state, and local laws, which provide for the confidentiality of records and other information. CONTRACTOR shall not disclose any confidential records or other confidential information received from NMC or prepared in connection with the performance of this Agreement, unless NMC specifically permits CONTRACTOR to disclose such records or information. CONTRACTOR shall promptly transmit to NMC any and all requests for disclosure of any such

confidential records or information. CONTRACTOR shall not use any confidential information gained by CONTRACTOR in the performance of this Agreement except for the sole purpose of carrying out Contractor's obligations under this Agreement.

- 9.2. NMC Records . When this Agreement expires or terminates, CONTRACTOR shall return to NMC and NMC records which CONTRACTOR used or received from NMC to perform services under this Agreement.
- 9.3. Maintenance of Records . CONTRACTOR shall prepare, maintain, and preserve all reports and records that may be required by federal state, and County rules and regulations related to services performed under this Agreement. CONTRACTOR shall maintain such records for a period of at least three years after receipt of final payment under this Agreement. If any litigation, claim, negotiation, audit exception, or other action relating to this Agreement is pending at the end of the three year period, then CONTRACTOR shall retain said records until such action is resolved.
- 9.4. Access to and Audit of Records . NMC shall have the right to examine, monitor and audit all records, documents, conditions, and activities of the CONTRACTOR and its subcontractors related to services provided under this Agreement. Pursuant to Government Code section 8546.7, if this Agreement involves the expenditure of public funds in excess of \$10,000, the parties to this Agreement may be subject, at the request of NMC or as part of any audit of NMC, to the examination and audit of the State Auditor pertaining to matters connected with the performance of this Agreement for a period of three years after final payment under the Agreement.
- 9.5. Royalties and Inventions . NMC shall have a royalty-free, exclusive and irrevocable license to reproduce, publish, and use, and authorize other to do so, all original computer programs, writings, sound recordings, pictorial reproductions, drawings, and other works of similar nature produced in the course of or under this Agreement. CONTRACTOR shall not publish any such material without the prior written approval of NMC.
10. NON-DISCRIMINATION. During the performance of this Agreement, Contractor, and its subcontractors, shall not unlawfully discriminate against any person because of race, religious creed, color, sex, national origin, ancestry, physical disability, mental disability, medical condition, marital status, age (over 40), or sexual orientation, either in Contractor's employment practices or in the furnishing of services to recipients. CONTRACTOR shall ensure that the evaluation and treatment of its employees and applicants for employment and all persons receiving and requesting services are free of such discrimination. CONTRACTOR and any subcontractor shall, in the performance of this Agreement, full comply with all federal, state, and local laws and regulations which prohibit discrimination. The provision of services primarily or exclusively to such target population as may be designated in this Agreement shall not be deemed to be prohibited discrimination.
11. COMPLIANCE WITH TERMS OF STATE OR FEDERAL GRANT. If this Agreement has been or will be funded with monies received by NMC pursuant to a contract with the state or federal government in which NMC is the grantee, CONTRACTOR will comply with all the provisions of said contract, and said provisions shall be deemed a part of this Agreement, as though fully set forth herein. Upon request, NMC will deliver a copy of said contract to Contractor, at no cost to Contractor.
12. INDEPENDENT CONTRACTOR. In the performance of work, duties, and obligations under this Agreement, CONTRACTOR is at all times acting and performing as an independent CONTRACTOR and not as an employee of NMC. No offer or obligation of permanent employment with NMC or particular County department or agency is intended in any manner, and CONTRACTOR shall not become entitled

by virtue of this Agreement to receive from NMC any form of employee benefits including but not limited to sick leave, vacation, retirement benefits, workers' compensation coverage, insurance or disability benefits. CONTRACTOR shall be solely liable for an obligated to pay directly all applicable taxes, including federal and state income taxes and social security, arising out of Contractor's performance of this Agreement. In connection therewith, CONTRACTOR shall defend, indemnify, and hold NMC and the County of Monterey harmless from any and all liability, which NMC may incur because of Contractor's failure to pay such taxes.

13. NOTICES. Notices required under this Agreement shall be delivered personally or by first-class, postage per-paid mail to NMC and Contractor's contract administrators at the addresses listed below.

FOR NATTIVIDAD MEDICAL CENTER:  
Contracts/Purchasing Manager

Name

1441 Constitution Blvd. Salinas, CA. 93906

Address

831.755.4111

Phone

FOR CONTRACTOR:

stencycle, Inc

Mary Obot - Major Account Executive

Name and Title

1366 Doolittle Dr. San Leandro, CA 94577

Address

510.418.2543

Phone

#### 14. MISCELLANEOUS PROVISIONS.

14.1. Conflict of Interest. CONTRACTOR represents that it presently has no interest and agrees not to acquire any interest during the term of this Agreement, which would directly, or indirectly conflict in any manner or to any degree with the full and complete performance of the professional services required to be rendered under this Agreement.

14.2. Amendment. This Agreement may be amended or modified only by an instrument in writing signed by NMC and the Contractor.

14.3. Waiver. Any waiver of any terms and conditions of this Agreement must be in writing and signed by NMC and the Contractor. A waiver of any of the terms and conditions of this Agreement shall not be construed as a waiver of any other terms or conditions in this Agreement.

14.4. Contractor. The term "Contractor" as used in this Agreement includes Contractor's officers, agents, and employees acting on Contractor's behalf in the performance of this Agreement.

14.5. Disputes. CONTRACTOR shall continue to perform under this Agreement during any dispute.

14.6. Assignment and Subcontracting. The CONTRACTOR shall not assign, sell, or otherwise transfer its interest or obligations in this Agreement without the prior written consent of NMC. None of the services covered by this Agreement shall be subcontracted without the prior written approval of

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NMC. Notwithstanding any such subcontract, CONTRACTOR shall continue to be liable for the performance of all requirements of this Agreement.

- 14.7. Successors and Assigns. This Agreement and the rights, privileges, duties, and obligations of NMC and CONTRACTOR under this Agreement, to the extent assignable or delegable, shall be binding upon and inure to the benefit of the parties and their respective successors, permitted assigns, and heirs.
- 14.8. Compliance with Applicable Law . The parties shall comply with all applicable federal, state, and local laws and regulations in performing this Agreement.
- 14.9. Headings. The headings are for convenience only and shall not be used to interpret the terms of this Agreement.
- 14.10. Time is of the Essence. Time is of the essence in each and all of the provisions of this Agreement
- 14.11. Governing Law. This Agreement shall be governed by and interpreted under the laws of the State of California.
- 14.12. Non-exclusive Agreement. This Agreement is non-exclusive and both NMC and CONTRACTOR expressly reserve the right to contract with other entities for the same or similar services.
- 14.13. Construction of Agreement. NMC and CONTRACTOR agree that each party has fully participated in the review and revision of this Agreement and that any rule of construction to the effect that ambiguities are to be resolved against the drafting party shall not apply in the interpretation of this Agreement or any amendment to this Agreement.
- 14.14. Counterparts . This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same Agreement.
- 14.15. Integration. This Agreement, including the exhibits, represents the entire Agreement between NMC and the CONTRACTOR with respect to the subject matter of this Agreement and shall supersede all prior negotiations, Representations, or agreements, either written or oral, between NMC and CONTRACTOR as of the effective date of this Agreement, which is the date that NMC signs the Agreement.
- 14.16. Interpretation of Conflicting Provisions . In the event of any conflict or inconsistency between the provisions of this Agreement and the Provisions of any exhibit or other attachment to this Agreement, the provisions of this Agreement shall prevail and control.

NATIVIDAD MEDICAL CENTER

By: [Signature]  
NMC Contracts/Purchasing Agent

Date: 4/26/10

By: [Signature]  
Department Head (if applicable)

Date: 4/22/10

By: [Signature]  
William Litt Tracy Saetta  
Deputy County Counsel

Date: 4/24/10

Approved as to Fiscal Provisions

By: [Signature]  
Auditor/Controller

Date: 4-26-10

CONTRACTOR

stericycle, Inc  
Contractor's Business Name\*\*\*

[Signature]  
Signature of Chair, President, or Vice-President

Mary Obot - Major Account Executive  
Name and Title

Date: 4/15/2010

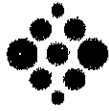
By: \_\_\_\_\_  
(Signature of Secretary, Asst. Secretary, CFO, Treasurer or Asst. Treasurer)

\_\_\_\_\_  
Name and Title

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

\*\*\*INSTRUCTIONS: IF CONTRACTOR is a corporation, including limited liability and non-profit corporations, the full legal name of the corporation shall be set forth above together with the signatures of two specified officers. If CONTRACTOR is a partnership, the name of the partnership shall be set forth above together with the signature of a partner who has authority to execute this Agreement on behalf of the partnership. If CONTRACTOR is contracting in and individual capacity, the individual shall set forth the name of the business, if any and shall personally sign the Agreement.





**Stericycle®**  
Protecting People. Reducing Risk.™

## **STERICYCLE REGULATED MEDICAL WASTE ACCEPTANCE POLICY** **CHECKLIST**

### **ACCEPTED WASTE:**

- ✓ **Sharps** – means any object contaminated with a pathogen or that may become contaminated with a pathogen through handling or during transportation and also capable of cutting or penetrating skin or a packaging material. Sharps include needles, syringes, scalpels, broken glass, culture slides, culture dishes, broken capillary tubes, broken rigid plastic and exposed ends of dental wires.
- ✓ **Regulated Medical Waste** – means a waste or reusable material derived from the medical treatment of an animal or human, which includes diagnosis and immunization or from biomedical research which includes production and testing of biological products.

### **ACCEPTED WASTE WHICH MUST BE IDENTIFIED AND SEGREGATED FOR INCINERATION\*:**

- ✓ **Trace-Chemotherapy Contaminated Waste** – RCRA Empty drug vials, syringes and needles, spill kits, IV tubing and bags, contaminated gloves and gowns, and related materials as defined in applicable laws, rules, regulations, or guidelines.
- ✓ **Pathological Waste** – Human or animal body parts, organs, tissues, and surgical specimens (decanted of formaldehyde, formalin, or other preservatives).
- ✓ **Non-RCRA Hazardous Pharmaceuticals** – Must be characterized and certified as non-RCRA hazardous material by the generator. Consult Stericycle Representative for specific requirements. (excludes all DEA drugs including controlled substances)

\*Certain conditions may apply. Please speak with Sales representative for additional information.

### **WASTE NOT ACCEPTED BY STERICYCLE:**

- Ø **Untreated Category A Infectious Substances**
- Ø **RCRA Hazardous Pharmaceutical Waste**
- Ø **Chemicals** – Formaldehyde, formalin, acids, alcohol, waste oil, solvents, reagents, fixer, developer
- Ø **Hazardous Waste** – Drums or other containers with a hazard warning symbol, batteries, and other heavy metals
- Ø **Radioactive Waste** – Any container with a radioactivity level that exceeds regulatory or permitted limits; lead-containing materials
- Ø **Complete Human Remains**
- Ø **Bulk Chemotherapy Waste**
- Ø **Compressed Gas Cylinders, Canisters, Inhalers, and Aerosol Cans**
- Ø **Any Mercury-Containing Material or Devices** – Any mercury thermometers, sphygmomanometers, laboratory or medical devices
- Ø **Mercury-Containing Dental Waste** – Non-contact and contact amalgam and products, chair side traps, amalgam sludge or vacuum pump filters, extracted teeth with mercury fillings, and empty amalgam capsules

Additional waste acceptance policies may apply based on state or permit specific requirements. In addition the Waste Acceptance Policy may be updated as required by changes in regulation. It is the responsibility of the customer to obtain the most recent Waste Acceptance Policy by contacting our Customer Service Department at (866) 338-5120.



**Stericycle**  
Protecting People. Reducing Risk.

Account # 6022633-005  
Reason Code: Renewal

**STERICYCLE, INC. MASTER BIOMEDICAL WASTE SERVICE AGREEMENT**

Service Address				Billing Address (If Different)			
Name:	Natividad Medical Center			Name:	Natividad Medical Center		
Address:	1441 Constitution Blvd			Address:	1441 Constitution Blvd PO Box 81611		
City:	Salinas	St:	CA	Zip:	93906	City:	Salinas
Phone:	831-795-6533	Ext:		Phone:	831-755-4230	Ext:	
Contact:	Richard Magana			Contact:	Accounts Payable		
Title:	EVS Director			Title:			

**Agreement Effective Date:** 5/1/10

Service Variables:

**Primary Container(s):** 44 & 37 & 20 gallon biohazardous containers, 20 Gallon Pathological containers

**Service Frequency:** Six days a week

Rate Structure:

Service	Per Container	Other (please specify)
Autoclave Waste:	\$21	CA AB 1807 = \$.0127 per pound for (autoclave waste) any waste treated in the state of California
Incineration Waste:	\$.81	
Minimum Stop:	\$120.00	

**Special Fees:** Attachment 2 : Per Stop Fuel Charge Table Applies

By signing below I acknowledge that I am Customer's authorized officer or agent and that I have the authority to bind Customer to this agreement. Customer agrees to be bound by the terms and conditions that appear on the second page hereof and comply with Stericycle's Waste Acceptance Policy, both of which are integral parts of this agreement.

Stericycle, Inc.		Customer	
Signature:	_____	Signature:	_____
Name Printed:	<b>Mary Obot</b>	Name Printed:	_____
Title:	<b>Major Account Executive</b>	Title:	_____
Date:	<b>4/15/10</b>	Date:	_____

**1. Regulated Medical Waste Services:** (a) Stericycle, Inc. shall collect, transport, treat and dispose of all Regulated Medical Waste (as defined by 49 CFR 173.134 or by any other federal, state and local regulations generated by Customer during the term of this Agreement. Further definitions are made part of this contract under Stericycle's current Waste Acceptance Policy (WAP) which is incorporated herein and made a part hereof. Customer shall use only containers and labels approved by Stericycle and shall place in such containers only Regulated Medical Waste. Customer warrants that the waste presented for disposal will not contain any substances listed as not accepted by Stericycle in the WAP or any DEA controlled substances ("Non-Conforming Waste") and shall be liable for any injury, loss or damage resulting from Non-Conforming Waste. Stericycle shall not collect containers that are determined to contain Non-Conforming Waste. Additional waste acceptance policies may apply based on state or permit requirements. Stericycle reserves the right to change the WAP at any time to ensure compliance with applicable laws or regulations. Customer acknowledges and agrees that it is Customer's responsibility to obtain the current Waste Acceptance Policy by contacting their sales representative or Stericycle's Customer Service Department.

(b) Customer is solely responsible for properly segregating, packaging and labeling Regulated Medical Waste as identified in 1.(a). Customer shall place sharps only in designated sharps containers. Stericycle may at its discretion refuse to collect containers that are improperly packaged or labeled, or that are wet or leaking. Customer agrees that all containers Stericycle supplies to Customer shall be collected and disposed of only by Stericycle or its designated representatives. Customer shall store Regulated Medical Waste in accordance with all laws in a secure area on Customer's premises to which only personnel authorized by Customer or Stericycle shall have access. Stericycle has obtained all necessary licenses, permits, insurance and authorizations required to perform services hereunder and, upon request, shall furnish copies thereof to customer.

**2. Term and Prtling** The term ("Term") of this Agreement shall be sixty (60 months) from the date of execution of this Agreement. This Agreement shall automatically renew for successive terms of one year each ("Extension Terms") unless either party has notified the other party in writing during the sixty (60) day period prior to any such renewal date of its desire to terminate this Agreement. All Extension Terms shall be subject to the same terms and conditions as this original Agreement.

(a) SRCL may adjust the contract price to account for operational changes it implements to comply with changes in law, to cover increases in the cost of fuel, insurance, or residue disposal, or to otherwise address cost escalation. SRCL may charge Customer a fee to cover its administrative costs in the event that Customer changes its service requirements during the Term.

(b) If Customer breaches this Agreement by terminating SRCL's collections, without proper notice set forth in Section 2 (c) below prior to the expiration of its Term or in any other way violates this agreement in such a way that SRCL's continued performance is rendered impossible or commercially impracticable, then, in addition to any rights and remedies SRCL may have at law or in equity, SRCL shall be entitled to collect from Customer an amount in liquidated damages equal to 50% of Customer's average charge on a monthly basis based on the 12 months' billings prior to the cessation of collections (or based on any lesser period if the contract began less than twelve months earlier) times the number of months, including prorated partial months, remaining until the expiration date of the Term or Extension Term. Customer hereby acknowledges that SRCL's damages resulting from the premature termination of collections are impossible of estimation, and include lost profits, inefficiencies resulting from route changes and reduced treatment plant throughput, increased administrative overhead, unrecoverable sunk training/instruction costs, and other elements of injury, and acknowledges further that the foregoing charge is reasonable and is not a penalty.

(c) Cancellation with cause for non-performance: In the event either party fails to perform according to the terms and conditions outlined in this agreement, written notice shall be provided to the other which outlines the performance issue(s) in question. In the event resolution is not achieved within 30 days of notice, either party shall have the right to terminate this agreement without penalty with an additional 10 day notice by certified mail to the other.

(d) SRCL shall have the right to terminate this Agreement at any time by giving Customer at least sixty (60) days notice in the event that it is unable to continue performing its obligations under this Agreement due to the suspension, revocation, cancellation or termination of any permit or required to perform this Agreement or in the event that a change in any law, regulation or ordinance makes it impractical or uneconomical, in SRCL's sole discretion, to continue performing this Agreement.

**3. Billing** SRCL shall provide Customer with monthly, quarterly or annual invoices that are due upon receipt. Customer agrees to pay a late charge on any amounts owed to SRCL that are more than 30 days old, at a rate equal to the lesser of 1 1/2% per month or the maximum rate permitted by law. Customer shall bear any costs that SRCL may incur in collecting overdue amounts from Customer, including, but not limited to, reasonable attorneys' fees and court costs. Should any amounts due pursuant to this Agreement remain unpaid for more than 30 days from the date of the debt's first invoice, SRCL shall have the option, without notice to Customer, to suspend service under this Agreement until the overdue amounts (plus late charges and collection fees) are paid. In the event that SRCL suspends services under this Agreement for any reason, including the expiration or termination of this Agreement or Customer's breach (see 2(c), above), SRCL may remove all containers belonging to it from Customer's premises. Any non-compliant containers will be billed an additional container charge at the current container rate. Non-compliant containers include containers that are overweight under applicable laws or regulations or containers holding Non-Conforming Waste.

**4. Surcharge** SRCL may also impose a surcharge in the event that SRCL attempts to pick up waste at a Customer location (on either a scheduled pick-up or in response to a Customer request) and, through no fault of SRCL, either (a) there is no Biomedical Waste for SRCL to pick up, (b) waste is not ready for pick-up or (c) the Customer location is closed. During the contract term or extension, if customer has a significant (>20% of the previous six month average) spike in Regulated Medical Waste volume due to regulatory incursion to mitigate risk or other event, Stericycle will work with the customer to provide reusable containers to meet the increased demand. If Stericycle does not have enough reusable containers to meet the significant increase in demand, Stericycle will provide 4.5 cubic foot corrugate boxes for up to 90 days. Customer shall be responsible for all box and additional service expenses (boxes, supplies, additional stops over the original service schedule) if the significant spike in Regulated Medical Waste volume continues past 90 days and a new agreement to account for the additional volume is not agreed upon by customer and SRCL.

**5. Liability for Equipment** Customer shall have the care, custody and control of containers and other equipment placed at Customer's premises which is owned by SRCL and accepts responsibility and liability for the equipment and its contents except when it is being physically handled by employees of SRCL. Customer agrees to defend, indemnify and hold harmless SRCL from and against any and all claims for loss or damage to property, or personal injury or death, resulting from or arising in any manner out of Customer's use, operation or possession of any containers and other equipment furnished under this Agreement, except to the extent any such loss or damage to personal property, or personal injury or death is a result of SRCL's negligence, intentional misconduct, or breach of this agreement. Any damage to such property and equipment, other than normal wear and tear, will be charged to the Customer, and payable to SRCL as additional service cost.

**6. Indemnification** SRCL shall indemnify and hold Customer harmless from any liabilities arising from the gross negligence or willful misconduct of SRCL in the performance of its obligations under this Agreement. Customer shall indemnify and hold harmless SRCL from any liabilities arising from the gross negligence or willful misconduct of Customer. Each party agrees to pay the reasonable attorneys' fees and costs incurred by the other in bringing a successful indemnification claim under this Paragraph. Customer agrees to pay SRCL's reasonable attorney's fees incurred for any successful defense by SRCL of a suit for indemnification brought against SRCL by Customer.

**7. Compliance with Laws** SRCL hereby agrees to carry General Liability, Automobile Liability, and Workmen's Compensation Insurance as required by applicable state law, and to otherwise comply with all federal and state laws, rules and regulations applicable thereto and relating to its performance hereunder. As of the date of this Agreement, SRCL has obtained, and agrees to maintain during the Term of this Agreement, all necessary permits, licenses, zoning and other federal, state or local authorizations required to perform the services under this Agreement and will furnish copies of these to Customer upon request. Customer and SRCL each hereby agrees to comply with all federal and state laws, rules and regulations applicable to their handling of Biomedical Waste and their performance under this Agreement, including, without limitation, all applicable record keeping, documentation and manifesting requirements. SRCL and Customer shall keep and retain adequate books and records and other documentation including personnel records, correspondence, instructions, plans, receipts, vouchers, copies of manifests and tracking records and any other records or reports or memoranda consistent with and for the periods required by applicable regulatory requirements and guidelines pertaining to storage or handling of Biomedical Waste and the services to be performed under this Agreement.

**8. Exclusivity** Customer agrees to use no other Biomedical Waste disposal service or method during the Term of this Agreement and any Extension Terms.

- 9. Excuse of Performance** SRCL shall not be responsible if its performance of this Agreement is interrupted or delayed by contingencies beyond its control, including, without limitation, acts of God, war, blockades, riots, explosion, strikes, lockouts or other labor or industrial disturbances, fires, accidents to equipment, injunctions or compliance with laws, regulations, guidelines or orders of any governmental body or instrumentality thereof (whether now existing or hereafter created).
- 10. Independent Contractor** SRCL's relationship with Customer pursuant hereto is that of an independent contractor, and nothing in this Agreement shall be construed to designate SRCL as an employee, agent or partner of or a joint venture with Customer.
- 11. Amendment and Waiver** Changes in the types, size and amount of equipment and the frequency of service may be mutually agreed to orally or in writing by the parties, without affecting the validity of this Agreement. Consent to oral changes shall be evidenced by the practices and actions of the parties. All other amendments to this Agreement (other than as provided in 2(b)) shall be effected only by a written instrument executed by the parties. No waiver shall be effective unless submitted in writing by the party granting such waiver. No waiver of any provision of this Agreement shall be deemed a waiver of any other provision of this Agreement and no waiver of any breach or duty under this Agreement shall be deemed a waiver of any other breach or later instances of the same duty.
- 12. Savings Clause** In case any one or more of the provisions contained in this Agreement shall, for any reason, be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not effect any other provisions of this Agreement; this Agreement shall be construed as if such invalid, illegal or unenforceable provision had never been contained herein, unless such finding shall impair the rights or increase the obligations of SRCL hereunder, in which event, at SRCL's option, this Agreement may be terminated.
- 13. Entire Agreement** This Agreement (including any attachments, exhibits and amendments made in accordance with Paragraph 11) constitutes the entire understanding and agreement of the parties and cancels and supercedes all prior negotiations, representations, understandings or agreements, whether written or oral, with respect to the subject matter of this Agreement.
- 14. Governing Law** This Agreement shall be governed by and construed in accordance with the laws of the State of California without regard to the conflicts of laws rules of any jurisdiction.
- 15. Notices** All required notices, or those which the parties may desire to give under this Agreement shall be in writing and sent to the parties' addresses set forth on the reverse side of this Agreement.
- 16. Counterparts** This Agreement may be executed in one or more counterparts, each of which shall be deemed an original but all of which when taken together shall constitute one and the same instrument. A copy or facsimile of this Agreement shall be as effective as an original.

**Offer will expire on: 5/15/10**

## ATTACHMENT 1- Per Stop Energy Charge

Stericycle uses an index-based energy charge that is adjusted monthly. The per-stop energy charge is based on the National U.S. Average 'On Highway' Diesel Fuel Price reported by the U.S. Department of Energy for the previous month. The prices on these indexes are published by the U.S. Dept. of Energy and Stericycle is not responsible for the information provided.

Stericycle Energy Charge Table (dollars per gallon)		
At Least	But Less Than	Surcharge
	\$1.49	\$0.00
\$1.50	\$1.74	\$4.75
\$1.75	\$1.99	\$5.25
\$2.00	\$2.24	\$5.75
\$2.25	\$2.49	\$6.25
\$2.50	\$2.74	\$6.75
\$2.75	\$2.99	\$7.25
\$3.00	\$3.24	\$7.75
\$3.25	\$3.49	\$8.25
\$3.50	\$3.74	\$8.75
\$3.75	\$3.99	\$9.25
\$4.00	\$4.24	\$9.75
\$4.25	\$4.49	\$10.25
\$4.50	\$4.74	\$10.75
\$4.75	\$4.99	\$11.25
\$5.00	\$5.24	\$11.75
\$5.25	\$5.49	\$12.25
\$5.50	\$5.74	\$12.75
\$5.75	\$5.99	\$13.25
\$6.00	\$6.24	\$13.75
\$6.25	\$6.49	\$14.25
\$6.50	\$6.74	\$14.75
\$6.75	\$6.99	\$15.25
\$7.00	\$7.24	\$15.75
\$7.25	\$7.49	\$16.25
\$7.50	\$7.74	\$16.75
\$7.75	\$7.99	\$17.25
\$8.00	\$8.24	\$17.75
\$8.25	\$8.49	\$18.25

Table will continue at the current rate



# CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)  
04/04/2012

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).

PRODUCER MARSH USA INC. 540 W. MADISON CHICAGO, IL 60661 Attn: Chicago.CertRequest@marsh.com  350208-ALL1-WPOLL-11-12	CONTACT NAME:		
	PHONE (A/C, No, Ext):	FAX (A/C, No):	
E-MAIL ADDRESS:			
INSURER(S) AFFORDING COVERAGE			NAIC #
INSURER A : Lexington Insurance Company			19437
INSURER B : Hartford Fire Insurance Co			19682
INSURER C : N/A			N/A
INSURER D : Hartford Insurance Company Of Midw			37478
INSURER E : Twin City Fire Insurance Co			29459
INSURER F : Hartford Insurance Company Of SE			38261

**COVERAGES**                      **CERTIFICATE NUMBER:** CHI-004408709-01                      **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 SUBR INSR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS	
A	GENERAL LIABILITY <input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR		EG 1932356	11/08/2011	11/08/2012	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 - COMPROP AGG	\$ 2,000,000
							\$
GEN'L AGGREGATE LIMIT APPLIES PER: <input checked="" type="checkbox"/> POLICY <input checked="" type="checkbox"/> PROJECT <input checked="" type="checkbox"/> LOC							
B	AUTOMOBILE LIABILITY		83 CSE S13402 (AOS)	11/08/2011	06/01/2012	COMBINED SINGLE LIMIT (Ea accident)	\$ 5,000,000
B	<input checked="" type="checkbox"/> ANY AUTO ALL OWNED AUTOS <input type="checkbox"/> SCHEDULED AUTOS NON-OWNED AUTOS <input type="checkbox"/> HIRED AUTOS		21 CSE S13403 (PR) *PHYSICAL DAMAGE - SELF INSURED*	11/08/2011	06/01/2012	BODILY INJURY (Per person)	\$
						BODILY INJURY (Per accident)	\$
						PROPERTY DAMAGE (Per accident)	\$
							\$
	UMBRELLA LIAB					EACH OCCURRENCE	\$
	EXCESS LIAB					AGGREGATE	\$
	DED						\$
	RETENTION \$						\$
D	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY		83 WN S13400 (AOS)	11/08/2011	06/01/2012	<input checked="" type="checkbox"/> WC STATUTORY LIMITS	OTHER
E	ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH)	<input checked="" type="checkbox"/> Y <input checked="" type="checkbox"/> N	83 WN S13400 (AZ, FL, OK)	11/08/2011	06/01/2012	E.L. EACH ACCIDENT	\$ 1,000,000
F	If yes, describe under DESCRIPTION OF OPERATIONS below	N/A	83 WN S13400 (PA) *See Additional Page*	11/08/2011	06/01/2012	E.L. DISEASE - EA EMPLOYEE	\$ 1,000,000
						E.L. DISEASE - POLICY LIMIT	\$ 1,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (Attach ACORD 101, Additional Remarks Schedule, if more space is required)  
THE COUNTY OF MONTEREY, ITS OFFICERS, AGENTS AND EMPLOYEES ARE INCLUDED AS ADDITIONAL INSURED UNDER THE GENERAL LIABILITY POLICY, BUT ONLY TO THE EXTENT SUCH STATUS IS REQUIRED BY THEIR WRITTEN CONTRACT OR WRITTEN AGREEMENT WITH THE NAMED INSURED. COVERAGE IS PRIMARY AND NON-CONTRIBUTORY, BUT ONLY AS REQUIRED BY WRITTEN CONTRACT.

<b>CERTIFICATE HOLDER</b>	<b>CANCELLATION</b>
NAVIDAD MEDICAL CENTER 1441 CONSTITUTION BLVD. SALINAS, CA 93906	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 of Marsh USA Inc. Manashi Mukherjee <i>Manashi Mukherjee</i>

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**ADDITIONAL REMARKS SCHEDULE**

AGENCY MARSH USA INC.		NAMED INSURED STERICYCLE, INC. 28161 N. KEITH DRIVE LAKE FOREST, IL 60045	
POLICY NUMBER		EFFECTIVE DATE:	
CARRIER	NAIC CODE		

**ADDITIONAL REMARKS**

**THIS ADDITIONAL REMARKS FORM IS A SCHEDULE TO ACORD FORM,  
FORM NUMBER: 25 FORM TITLE: Certificate of Liability Insurance**

Additional Workers Compensation Policies:

Insurer: Hartford Fire Insurance Company  
 Policy Number: 83 WN S13400 (CO, GA, IA, ND, NE, NV, OH, WA)  
 Effective Date: 11/08/2011  
 Expiration Date: 06/01/2012

Insurer: Hartford Casualty Insurance Company  
 Policy Number: 83 WN S13400 (AL, MN, NC, VA)  
 Effective Date: 11/08/2011  
 Expiration Date: 06/01/2012

Insurer: Hartford Accident and Indemnity Co.  
 Policy Number: 83 WN S13400 (CA, CT, KY, MO, MS, MT, OR, WV)  
 Effective Date: 11/08/2011  
 Expiration Date: 06/01/2012

Insurer: Twin City Fire Insurance Company  
 Policy Number: 83 WBR S13401 (WI)  
 Effective Date: 11/08/2011  
 Expiration Date: 06/01/2012

ENDORSEMENT NO.31

This endorsement, effective 12:01 AM: November 8, 2011

Forms a part of policy no.: EG 1932356

Issued to: STERICYCLE, INC.

By: LEXINGTON INSURANCE COMPANY

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

**ADDITIONAL INSURED PRIMARY AND NON-CONTRIBUTORY ENDORSEMENT -  
OWNERS, LESSEES OR CONTRACTORS - YOUR WORK**

This endorsement modifies insurance provided under the following:

**COMMERCIAL GENERAL LIABILITY AND  
POLLUTION LEGAL LIABILITY POLICY**

**SCHEDULE**

**Name of Additional Insured Person(s) or Organization(s):**  
The County of Monterey, Its Officers, Agents and Employees

**Location(s) of Covered Operation(s):**  
All locations of operations under written contract

I. Solely as respects **COVERAGE A - BODILY INJURY AND PROPERTY DAMAGE LIABILITY, COVERAGE B - PERSONAL AND ADVERTISING INJURY LIABILITY, COVERAGE E-2 PRODUCTS POLLUTION AND EXPOSURE LIABILITY, and COVERAGE E-3 - CONTRACTORS POLLUTION LIABILITY, SECTION II - WHO IS AN INSURED** is amended to include as an additional insured the person(s) or organization(s) shown in the Schedule, but only with respect to liability for bodily injury, property damage, personal and advertising injury, environmental damage or emergency response costs caused, in whole or in part, by:


A. Your acts or omissions, or

B. The acts or omissions of those acting on your behalf,

in the performance of **your work** for the additional insured(s) at the location(s) designated above.

II. As respects the coverage afforded the additional insured(s) scheduled above, this insurance is primary and non-contributory, and our obligations are not affected by any other insurance carried by such additional insured(s) whether primary, excess, contingent, or on any other basis.

All other terms, conditions and exclusions remain the same.



Authorized Representative  
or countersignature (where required by law)



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**DESIGNATED INSURED**

This endorsement modifies insurance provided under the following:

BUSINESS AUTO COVERAGE FORM  
 GARAGE COVERAGE FORM  
 MOTOR CARRIER COVERAGE FORM  
 TRUCKERS COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by this endorsement.

This endorsement identifies person(s) or organization(s) who are "insureds" under the Who Is An Insured Provision of the Coverage Form. This endorsement does not alter coverage provided in the Coverage Form.

This endorsement changes the policy effective on the inception date of the policy unless another date is indicated below.

Endorsement effective 11/08/2011	
Named Insured STERICYCLE, INC.	Countersigned by

(Authorized Representative)

**SCHEDULE**

Name of person(s) or Organization(s):

Monterey County

The County of Monterey, its officers, agents and employees

(If no entry appears above, information required to complete this endorsement will be shown in the Declarations as applicable to the endorsement.)

Each person or organization shown in the Schedule is an "insured" for Liability Coverage, but only to the extent that person or organization qualifies as an "insured" under the Who Is An Insured Provision contained in Section II of the Coverage Form.