

**COUNTY OF MONTEREY AGREEMENT FOR GOODS AND/OR SERVICES  
INVOLVING HAZARDOUS MATERIALS (NOT TO EXCEED \$100,000)**

This Services Agreement ("Agreement") is made by and between the County of Monterey, a political subdivision of the State of California (hereinafter "County") and:  
Stericycle, Inc.  
\_\_\_\_\_  
(hereinafter "CONTRACTOR").

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

**1. SERVICES TO BE PROVIDED.**

1.01 The County hereby engages CONTRACTOR to perform, and CONTRACTOR hereby agrees to perform, the services described in **Exhibit A** in conformity with the terms of this Agreement. The goods and/or services are generally described as follows:  
**Provide** retrieval and proper disposal of medical waste.  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**2. HAZARDOUS MATERIALS:** CONTRACTOR shall comply with the Superfund Amendments and Reauthorization Act (SARA) and the Comprehensive Environmental Response, Compensation and Liability Act (CERCLA) while performing all services of this Agreement. CONTRACTOR shall be solely responsible for the transportation and disposal or release of any hazardous material. County does not take responsibility for the improper packaging and/or transportation of any hazardous materials ordered by the County while in transit or storage of services performed for this Agreement.

**3. PAYMENTS BY COUNTY.** County 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 County to CONTRACTOR under this Agreement shall not exceed the sum of \$ 55,000.

**4. TERM OF AGREEMENT.**

4.01 The term of this Agreement is from July 1, 2018 to June 30, 2020, unless sooner terminated pursuant to the terms of this Agreement. This Agreement is of no force or effect until signed by both CONTRACTOR and County and with County signing last, and CONTRACTOR may not commence work before County signs this Agreement.

4.02 The County reserves the right to cancel this AGREEMENT, or any extension of this AGREEMENT, without cause, with a thirty day (30) written notice, or with cause immediately.

4.03 CONTRACTOR must commence negotiations for rate changes a minimum of ninety days (90) prior to the expiration of the AGREEMENT.

4.04 If the County exercises its option to extend, the parties shall mutually agree upon changes to rates, terms and conditions.

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

**Exhibit A Scope of Services/Payment Provisions**

**Exhibit B Business Associate Agreement**

6. **PERFORMANCE STANDARDS.**

6.01. 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 the County, or immediate family of an employee of the County.

6.02. 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.

6.03. 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 County premises, property (including equipment, instruments, or supplies) or personnel for any purpose other than in the performance of its obligations under this Agreement.

7. **PAYMENT CONDITIONS.**

7.01. Prices shall remain firm for the initial term of the AGREEMENT and, thereafter, may be adjusted annually as provided in this paragraph. The County does not guarantee any minimum or maximum amount of dollars to be spent under this AGREEMENT.

7.02. Negotiations for rate changes shall be commenced, by CONTRACTOR, a minimum of ninety days (90) prior to the expiration of the AGREEMENT.

7.03 Invoice amounts shall be billed directly to the ordering department.

7.04 CONTRACTOR shall 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 the amounts claimed, and such other information pertinent to the invoice. The County shall certify the invoice, either in the requested amount or in such other amount as the County 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.

8. **INDEMNIFICATION.** CONTRACTOR shall indemnify, defend, and hold harmless the County, its officers, agents, and employees, from and against any and all claims, liabilities, and losses whatsoever (including damages to property and injuries to or death of persons, court costs, and reasonable attorneys' fees) occurring or resulting to any and all persons, firms or corporations furnishing or supplying work, services, materials, or supplies in connection with the performance of this Agreement, and from any and all claims, liabilities, and losses occurring or resulting to any person, firm, or corporation for damage, injury, or death arising out of or connected with the CONTRACTOR's performance of this Agreement, unless such claims, liabilities, or losses arise out of the sole negligence or willful misconduct of the County. "CONTRACTOR's performance" includes CONTRACTOR's action or inaction and the action or inaction of CONTRACTOR's officers, employees, agents and subcontractors.

9. **INSURANCE.**

9.01. **Coverage Requirements.** Without limiting its Indemnities, CONTRACTOR will secure and maintain insurance coverage meeting requirements herein. CONTRACTOR may use a combination of primary and excess insurance coverage to satisfy these requirements. If CONTRACTOR fails to fully satisfy the Coverage Requirements set forth herein, CONTRACTOR agrees that it shall be liable for any loss, injury, damage, attorney's fees or defense costs, or expenses, that the COUNTY incurs that would have been insurable under the required coverages, if such coverages were obtained. CONTRACTOR further agrees that any failure of the COUNTY to verify the placement and continued existence of all insurance required herein, or the COUNTY'S knowledge that such requirements are not fully satisfied, shall not be considered a waiver of such requirements, or in any way alter CONTRACTOR'S obligations to provide such coverages, unless the Coverage Requirements have been amended in a writing properly executed by both the COUNTY and CONTRACTOR.

9.02. CONTRACTOR further agrees that the **General Liability Insurance, Pollution Liability Insurance, and Automobile Liability Insurance** shall each include provisions, either by blanket endorsement(s), or by specific endorsement(s), satisfying the following requirements to be documented:

9.02a. "The County of Monterey, and its agents, officers, and employees" shall be an additional insured under an ISO CG 2010 11/85 form, or a functional equivalent;

9.02b. All such insurance shall include a waiver of any subrogation rights of that insurer against "The County of Monterey, and its agents, officers, and employees"; and

9.02c. All such insurance shall contain provisions that the insurance is primary and non-contributing with any other insurance or self-insurance programs maintained by the "County of Monterey, and its agents, officers, and/or employees".


9.03. CONTRACTOR further agrees that the **General Liability Insurance, Pollution Liability Insurance, and Automobile Liability Insurance** required herein shall each include provisions that make the CONTRACTOR responsible for the payment of any deductible or self-insured retention such that "the County of Monterey and its agents, officers, and employees" shall be entitled to a dollar-one defense and indemnity as additional insureds.


9.04. In addition, to the extent that any **primary or excess liability policy** issued to CONTRACTOR with limits of liability in excess of the minimum limits stated below provides




coverage to an additional insured to the extent required by contract, this contract shall be construed to obligate CONTRACTOR to obtain additional insured protection for the COUNTY under that/those policy(ies).

9.05. **General Liability Insurance** written on ISO policy form CG 00 01 (occurrence) or its equivalent (and not CG 00 02 claims made) with limits of not less than the following:

9.05a. General Aggregate: ~~\$6 million~~ **\$2 Million** x County \_\_\_\_\_  
9.05b. Products/Completion Operations Aggregate: ~~\$6 million~~ **\$2 Million**  
9.05c. Personal and Advertising Injury: ~~\$5 million~~ **\$1 Million** x CONTRACTOR   
9.05d. Each Occurrence: ~~\$5 million~~ **\$1 Million**

9.06. **Pollution Legal Liability Coverage** shall include any deductible or self-insured retention, covering loss (including cleanup costs) that CONTRACTOR becomes legally obligated to pay as a result of claims for bodily injury, property damage, and cleanup costs (including expenses required by environmental laws or incurred by federal, state, or local governments or third parties) that arise or are alleged to arise from pollution conditions related to CONTRACTOR'S performance of its obligations under this AGREEMENT, including the loading, unloading, or transportation of cargo/waste, and including a defense for all such claims. For the purpose of this subsection, "pollution conditions" includes the dispersal, discharge, release, or escape of any solid, liquid, gaseous or thermal irritant or contaminant (such as smoke, vapors, soot, fumes, acids, alkalis, toxic chemicals, medical waste, and waste materials) into or upon land, any structure on land, the atmosphere, or any watercourse or body of water (including groundwater), provided the conditions are not naturally present in the environment in the amounts or concentrations discovered. The liability coverage for pollution must provide contractual liability coverage, by endorsement or schedule, if necessary, for CONTRACTOR'S Indemnities. Coverage shall be with limits of not less than the following: Each Occurrence: ~~...\$50 million~~ **\$10 Million** x County \_\_\_\_\_  x CONTRACTOR

9.07. **Automobile Liability Coverage** written on ISO policy forms CA 00 12 pr CA 00 20 (or their equivalent) shall include any deductibles or self-insured retentions; endorsed to delete the pollution and/or the asbestos exclusion and include pollution liability (using form CA 99 48 or its equivalent) for accidental spills and discharges while transporting and/or processing materials, unless such coverage is otherwise provided under the Pollution Legal Liability Coverage; and covering all Vehicles (any auto). Coverage shall be with limits of not less than the following: Each Accident: ~~...\$10 million~~ **\$5 Million** x County \_\_\_\_\_ x CONTRACTOR 

9.08. If CONTRACTOR is subject to federal regulations, CONTRACTOR also will maintain any other coverage necessary to satisfy state or federal financial responsibility requirements.

9.09. **Workers' Compensation and Employers' Liability insurance** providing workers' compensation benefits required by the California Labor Code or by any other state labor law, and for which CONTRACTOR is responsible, and Employers' Liability coverage with limits of not less than the following:


9.09a. Each accident: \$1 million  
9.09b. Disease - policy limit: \$1 million  
9.09c. Disease - each employee: \$1 million

~~9.10. Blanket Crime Coverage shall cover losses of Customer service charges received from Customers and held by Contractor prior to remittance of Contractor~~



~~payment obligations therefrom to County, with the County to be a Loss Payee under such coverage, to the extent that its interests may appear or be affected. If CONTRACTOR fails to secure and maintain any insurance required by this Agreement, at its sole option COUNTY may secure and maintain that insurance at its expense and CONTRACTOR will pay COUNTY the COUNTY'S reimbursement costs therefore. This remedy is in addition to COUNTY'S right to declare a Default and terminate the Agreement. Coverage shall be with limits of not less than the following: Incidents of Employee Theft: ...\$25 million.~~ N/A

x County

  
x CONTRACTOR

## 10. RECORDS AND CONFIDENTIALITY.

10.01. 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.

10.02. Access to and Audit of Records. The County shall have the right to examine, monitor, and audit all records, documents, conditions, and activities of the CONTRACTOR and its subcontractors related to services and their performance under this Agreement during the term of the Agreement and for a period up to three years after the termination or expiration and final payment under the Agreement. Pursuant to Government Code section 8546.7 or otherwise, this Agreement may be subject, at the request of the County or as part of any audit of the County, to an examination and audit pertaining to matters connected with the performance of this Agreement for a period of three years after final payment under the Agreement.

11. **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, fully 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.

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 the County. No offer or obligation of permanent employment with the County 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 County 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 and 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 County harmless from any and all liability which County 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 pre-paid mail to the County and CONTRACTOR'S contract administrators at the addresses listed below:

FOR COUNTY:	FOR CONTRACTOR:
<u>Elsa Jimenez, Director of Health</u> Name and Title	<u>Joe Sagala</u> Name and Title
<u>1270 Natividad Rd. Salinas, CA 93906</u> Address	<u>4010 Commercial Ave. Northbrook, IL 60062</u> Address
<u>(831) 755-4526</u> Phone/Fax	<u>866-338-5120</u> Phone/Fax
<u></u> Email	<u></u> Email

14. **MISCELLANEOUS PROVISIONS.**

- 14.01 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.
- 14.02 Amendment. This Agreement may be amended or modified only by an instrument in writing signed by the County and the CONTRACTOR.
- 14.03 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.
- 14.04 Disputes. CONTRACTOR shall continue to perform under this Agreement during any dispute.
- 14.05 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 the County. None of the services covered by this Agreement shall be subcontracted without the prior written approval of the County. Notwithstanding any such subcontract, CONTRACTOR shall continue to be liable for the performance of all requirements of this Agreement.
- 14.06 Successors and Assigns. This Agreement and the rights, privileges, duties, and obligations of the County 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.

- 14.07 Compliance with Applicable Law. The parties shall comply with all applicable federal, state, and local laws and regulations in performing this Agreement.
- 14.08 Headings. The headings are for convenience only and shall not be used to interpret the terms of this Agreement.
- 14.09 Time is of the Essence. Time is of the essence in each and all of the provisions of this Agreement.
- 14.10 Governing Law. This Agreement shall be governed by and interpreted under the laws of the State of California with venue and jurisdiction being the County of Monterey.
- 14.11 Non-exclusive Agreement. This Agreement is non-exclusive and both County and CONTRACTOR expressly reserve the right to contract with other entities for the same or similar services.
- 14.12 Construction of Agreement. The County 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.
- 14.13 Authority. Any individual executing this Agreement on behalf of the County or the CONTRACTOR represents and warrants hereby that he or she has the requisite authority to enter into this Agreement on behalf of such party and bind the party to the terms and conditions of this Agreement.
- 14.14 Integration. This Agreement, including the exhibits, represent the entire Agreement between the County 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 the County and the CONTRACTOR as of the effective date of this Agreement, which is the date that the County signs the Agreement.
- 14.15 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.
- 14.16 Severability. If any provision or any portion of any provision of this Agreement becomes invalid, illegal, or unenforceable, the remaining provisions or portions of any provisions shall be valid and enforceable to the extent possible.



IN WITNESS WHEREOF, County and CONTRACTOR have executed this Agreement as of the day and year written below.

**COUNTY OF MONTEREY**

By: \_\_\_\_\_  
Contracts/Purchasing Officer

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

Approved as to Form

By: [Signature]  
Deputy County Counsel<sup>1</sup>

Date: 6/7/18

Approved as to Fiscal Provisions

By: [Signature]  
Deputy Auditor/Controller<sup>2</sup>

Date: 6/8/18

Approved as to Liability Provisions

By: \_\_\_\_\_  
Risk Management<sup>3</sup>

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

**CONTRACTOR**

Stericycle, Inc.  
Contractor's Business Name\*

By: [Signature]  
(Signature of Chair, President, or Vice-President)\*

Joe Sagala Government Specialist  
Name and Title

Date: 6/5/18

By: [Signature]  
(Signature of Secretary, Asst. Secretary, CFO, Treasurer or Asst. Treasurer)\*

Mike Schorr Government Support  
Name and Title

Date: 6-5-18

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.

<sup>1</sup>Approval by County Counsel is required

<sup>2</sup>Approval by Auditor-Controller is required

<sup>3</sup>Approval by Risk Management is required



**ADDENDUM**

to Agreement by and between  
County of Monterey, a political subdivision of the State of California, hereinafter  
"County"

AND

Stericycle, Inc., hereinafter referred to as "CONTRACTOR"

The County of Monterey Standard Agreement shall be modified as follows:

Section 9, Insurance Requirements, of this Agreement shall be modified as follows:

1. Section 9.05 General Liability Insurance limits shall be modified as follows:

9.05a General Aggregate: \$2 million

9.05b. Products/Completion Operations Aggregate: \$2 million

9.05c. Personal and Advertising Injury: \$1 million

9.05d. Each Occurrence: \$1 million

2. Section 9.06 Pollution Legal Liability Coverage limits shall be modified as follows:  
\$10 million.

3. Section 9.07 Automobile Liability Coverage limits shall be modified as follows: \$5  
million.

4. Section 9.09 Workers' Compensation and Employers' Liability insurance shall be  
modified as follows:

9.10 Blanket Crime Coverage shall be deleted in its entirety.

Except as provided herein, all remaining terms and conditions and provisions of the  
Agreement are unchanged and unaffected by this ADDENDUM and shall continue in full  
force and in effect as set forth in this Agreement.

**EXHIBIT A**  
**To Agreement by and between**  
**County of Monterey, hereinafter referred to as "County"**  
**AND**  
**Stericycle, Inc., hereinafter referred to as "CONTRACTOR"**

**SCOPE OF SERVICES / PAYMENT PROVISIONS**

**A. SCOPE OF SERVICES**

**A.1.** CONTRACTOR shall provide services and staff, and otherwise do all things necessary for or incidental to the performance of work, as set forth below:

CONTRACTOR shall provide **biohazard waste** disposal services on a scheduled and routine basis. Locations where CONTRACTOR shall provide services include, but are not limited to:

6107859 Site ID: 001	Laurel Health Clinics 1441 Constitution Blvd., Building 400 Salinas, CA 93906	Weekly
6107859 Site ID: 002	Seaside Family Health Center 1156 Fremont Blvd. Seaside, CA 93955	Bi-Weekly
6107859 Site ID: 004	Alisal Health Center 559 East Alisal St., Suite 201 Salinas, CA 93905	Weekly
6107859 Site ID: 005	Monterey Health Clinic at Marina 3155 De Forest Road Marina, CA 93933	Bi-Weekly
6107859 Site ID: 006	Monterey County Integrated Health Clinic 299 12 <sup>th</sup> Street Marina, CA 93933	Bi-Weekly
6107859 Site ID: 007	Laurel Health Clinics 1441 Constitution Blvd. Building 200, Suite 101 Salinas, CA 93906	Weekly
6107859 Site ID: 010	Laurel Health Clinics 1441 Constitution Blvd. Building 151, Suite 16 Salinas, CA 93906	Weekly
6140604 Site ID: 001	Monterey County Health Dept 1200 Aguajito Road, Room 13 Monterey, CA 93940	As Needed
6140604 Site ID: 002	Monterey County Health Dept 1270 Natividad Road, Room 216 Salinas, CA 93906	As Needed

CONTRACTOR shall provide **pharmaceutical waste** disposal services on a scheduled and routine basis. Locations where CONTRACTOR shall provide services include, but are not limited to:

Account Number	Clinic	Size	Frequency
6107859 Site ID: 001	Laurel Health Clinics 1441 Constitution Blvd. Building 400 Salinas, CA 93906	8 gallons	Every 4 weeks
6107859 Site ID: 002	Seaside Family Health Center 1156 Fremont Blvd. Seaside, CA 93955	3 gallons	Every 4 weeks
6107859 Site ID: 004	Alisal Health Center 559 East Alisal St., Suite 201 Salinas, CA 93905	2 gallons	Every 4 weeks
6107859 Site ID: 005	Monterey Health Clinic at Marina 3155 De Forest Road Marina, CA 93933	3 gallons	Every 4 weeks
6107859 Site ID: 006	Monterey County Integrated Health Clinic 299 12 <sup>th</sup> Street Marina, CA 93933	3 gallons	Every 8 weeks
6107859 Site ID: 007	Laurel Health Clinics 1441 Constitution Blvd. Building 200 Salinas, CA 93906	8 gallons	Every 4 weeks
6107859 Site ID: 010	Laurel Health Clinics 1441 Constitution Blvd. Building 151, Suite 16 Salinas, CA 93906	8 gallons	Every 4 weeks
6140604 Site ID: 001	Monterey County Health Dept 1200 Aguajito Road, Room 13 Monterey, CA 93940	3 gallons	Qtly
6140604 Site ID: 002	Monterey County Health Dept 1270 Natividad Road, Room 216 Salinas, CA 93906	3 gallons	Qtly



CONTRACTOR shall provide **trace chemo** disposal services on a scheduled and routine basis. Locations where CONTRACTOR shall provide services include, but are not limited to:

Account Number	Clinic	Size	Frequency
6107859 Site ID: 001	Laurel Health Clinics 1441 Constitution Blvd., Building 400 Salinas, CA 93906	8 gallons	As Needed
6107859 Site ID: 002	Seaside Family Health Center 1156 Fremont Blvd. Seaside, CA 93955	TBD	As Needed
6107859 Site ID: 004	Alisal Health Center 559 East Alisal St., Suite 201 Salinas, CA 93905	8 gallons	As Needed
6107859 Site ID: 005	Monterey Health Clinic at Marina 3155 De Forest Road Marina, CA 93933	8 gallons	As Needed
6107859 Site ID: 006	Monterey County Integrated Health Clinic 299 12 <sup>th</sup> Street Marina, CA 93933	TBD	As Needed
6107859 Site ID: 007	Laurel Health Clinics 1441 Constitution Blvd., Building 200B Salinas, CA 93906	8 gallons	As Needed
6107859 Site ID: 010	Laurel Health Clinics 1441 Constitution Blvd. Building 151, Suite 16 Salinas, CA 93906	8 gallons	As Needed
6140604 Site ID: 001	Monterey County Health Dept 1200 Aguajito Road, Room 13 Monterey, CA 93940	TBD	As Needed
6140604 Site ID: 002	Monterey County Health Dept 1270 Natividad Road, Room 216 Salinas, CA 93906	TBD	As Needed

CONTRACTOR shall provide full **hazardous pharmaceutical waste disposal services (HDDS)** on a scheduled and routine basis. Locations where CONTRACTOR shall provide services include, but are not limited to:

Account Number	Clinic	Annual Containers (8 or 18 Gal.)	Frequency (Stops x Year)
6107859 Site ID: 001	Laurel Health Clinics 1441 Constitution Blvd. Building 400 Salinas, CA 93906	5	2 x Per Year
6107859 Site ID: 002	Seaside Family Health Center 1156 Fremont Blvd. Seaside, CA 93955	5	2 x Per Year
6107859 Site ID: 004	Alisal Health Center 559 East Alisal St., Suite 201 Salinas, CA 93905	3	1 x Per Year
6107859 Site ID: 005	Monterey Health Clinic at Marina 3155 De Forest Road Marina, CA 93933	3	1 x Per Year
6107859 Site ID: 006	Monterey County Integrated Health Clinic 299 12 <sup>th</sup> Street Marina, CA 93933	3	1 x Per Year
6107859 Site ID: 007	Laurel Health Clinics 1441 Constitution Blvd. Building 200 Salinas, CA 93906	3	1 x Per Year
6107859 Site ID: 010	Laurel Health Clinics 1441 Constitution Blvd. Building 151, Suite 16 Salinas, CA 93906	3	1 x Per Year

## **A.2 CONTRACTOR AGREES TO THE FOLLOWING**

1. To provide services in compliance with all applicable state and federal, health and safety codes, rules and regulations during the term of this contract period, including the Medical Waste Management Act (MWMA) (California Health and Safety Code, Sections 117600 – 118360).
2. To deliver replacement containers at the following sites and frequencies, unless otherwise mutually agreed upon. CONTRACTOR shall provide replacement containers for ones to be treated at no cost to the County. Container prices listed in the Payment Provisions are only for extra containers, as requested by County.

## **B. PAYMENT PROVISIONS**

### **B.1 COMPENSATION/ PAYMENT**

1. County shall pay an amount not to exceed \$55,000 for the performance of all things necessary for or incidental to the performance of work as set forth in the Scope of Work. CONTRACTOR'S compensation for services rendered shall be based on the following rates or in accordance with the following rates. The County's payment obligations for CONTRACTOR'S services shall commence when an accurate invoice is submitted.
2. If CONTRACTOR fails or refuses to perform any part of work required by the Agreement within the response time, the County may contract with another outside source and deduct all additional costs of any such work from the monthly amount due to the CONTRACTOR after first deducting the appropriate amount for the value of work originally not completed under the agreement.

### **B.2 CONTRACTORS BILLING PROCEDURES**

NOTE: Payment may be based upon satisfactory acceptance of each deliverable, payment after completion of each major part of the Agreement, payment at conclusion of the Agreement, etc.

1. County may, in its sole discretion, terminate the contract or withhold payments claimed by CONTRACTOR for services rendered if CONTRACTOR fails to satisfactorily comply with any term or condition of this Agreement.
2. No payments in advance or in anticipation of services or supplies to be provided under this Agreement shall be made by County.
3. County shall not pay any claims for payment for services submitted more than twelve (12) months after the calendar month in which the services were completed.
4. **DISALLOWED COSTS:** CONTRACTOR is responsible for any audit exceptions or disallowed costs incurred by its own organization or that of its subcontractors.
5. CONTRACTOR shall submit invoices itemizing each billed item to the following mail or
6. e-mail address listed below periodically or at the completion of services, as applicable, with signatures along with supporting documentation, as may be required by the COUNTY to the following:



For Account **6107859:**

Mail delivery:

Monterey County Health Department  
FQHC Look-Alike Clinics  
1441 Schilling Place- 1<sup>st</sup> Floor  
Salinas, CA 93901  
Attn: ACCOUNTING

Email delivery:

CS\_Finance@co.monterey.ca.us

For Account **6140604:**

Mail delivery:

Monterey County Health Department  
1270 Natividad Road  
Salinas, CA 93906  
Attn: ACCOUNTING

Service	Definition	Rate
Stop Charge <sup>1</sup>	Per Stop fee	\$38.00
California AB 1807 Fee	Permit fee for offsite treatment of medical waste	\$0.0127/lb
48 Gal Tub (Bio) CT 12.7 Lb	Treatment fee for 48 gallon biohazard tub.	\$27.00
44 Gal Tub (Bio) CT 12.7 Lb	Treatment fee for 44 gallon biohazard tub.	\$27.00
20 Gal Tub (Bio) CT 5.7 Lb	Treatment fee for 20 gallon biohazard tub.	\$27.00
Overweight	Overweight biohazard tub.	\$35.00
2 Gal (Pharm)	Treatment fee for 2 Gallon Pharmaceutical container.	\$40.00
3 Gal (Pharm)	Treatment fee for 3 Gallon Pharmaceutical container.	\$45.00
8 Gal (Pharm)	Treatment fee for 8 Gallon Pharmaceutical container.	\$65.00
12 Gal (Pharm)	Treatment fee for 12 Gallon Pharmaceutical container.	\$80.00
8 Gal (Trace Chemo)	Treatment fee for 8 Gallon Trace Chemo containers.	\$33.75
18 Gal (Trace Chemo)	Treatment fee for 18 Gallon Trace Chemo containers.	\$36.45
8 or 18 Gal (HDDS)	Treatment fee for up to 3 (8 or 18 gal) Haz Pharma Waste containers, for one time per year annual pickup	\$62.10/mo
8 or 18 Gal (HDDS)	Treatment fee for up to 5 (8 or 18 gal) Haz Pharma Waste containers, for two times per year annual pickup.	\$116.10/mo
8 or 18 Gal (HDDS)	Each additional Pickup Fee after annual pickup allotment exceeded	\$700.00

Product*	Definition	Rate
48 Gal Tub (Bio) CT 12.7 Lb <sup>2</sup>	Biohazard Waste Container	\$27.00
44 Gal Tub (Bio) CT 12.7 Lb <sup>2</sup>	Biohazard Waste Container	\$27.00
20 Gal Tub (Bio) CT 5.7 Lb <sup>2</sup>	Biohazard Waste Container	\$25.00
5.4 Qt Sharps (Bio)	Sharps Waste Container	\$9.00
8 Gal (Trace Chemo)	Trace Chemo container	\$33.75
18 Gal (Trace Chemo)	Trace Chemo container	\$36.45
2 Gal PharmaSafety White	Pharmaceutical Waste Container	\$18.21
3 Gal PharmaSafety White	Pharmaceutical Waste Container	\$28.82
8 Gal PharmaSafety White	Pharmaceutical Waste Container	\$35.75
12 Gal PharmaSafety White	Pharmaceutical Waste Container	\$60.64
8 or 18 Gal (HDDS)	Each additional Container Fee after annual allotment exceeded	\$200.00

\*Contractor shall provide initial and replacement waste containers at no cost to the County. Container prices listed in the Payment Provisions are only for additional containers, as requested by County. Contractor will charge additional container fees for the Hazardous Drug Disposal Service if any facility exceeds their annual container allotment.

<sup>1</sup> Laurel Pediatrics, Laurel Internal Medicine, Laurel Family Practice, Laurel Vista and Bienestar Natividad Medical Center shall be collectively charged as one trip.

<sup>2</sup> Contractor shall not have extra charges for emergency pick-up for all clinic sites.

## EXHIBIT B

### BUSINESS ASSOCIATE AGREEMENT

This Business Associate Agreement ("Agreement"), effective July 1, 2018 ("Effective Date"), is entered into by and among the County of Monterey, a political subdivision of the State of California, on behalf of the Health Department ("Covered Entity") and Stericycle, Inc., ("Business Associate") (each a "Party" and collectively the "Parties").

Business Associate provides certain services for Covered Entity ("Services") that involve the use and disclosure of Protected Health Information that is created or received by Business Associate from or on behalf of Covered Entity ("PHI"). The Parties are committed to complying with the Standards for Privacy of Individually Identifiable Health Information, 45 C.F.R. Part 160 and Part 164, Subparts A and E as amended from time to time (the "Privacy Rule"), and with the Security Standards, 45 C.F.R. Part 160 and Part 164, Subpart C as amended from time to time (the "Security Rule"), under the Health Insurance Portability and Accountability Act of 1996 ("HIPAA"), as amended by the Health Information Technology for Economic and Clinical Health Act and its implementing regulations ("HITECH"). Business Associate acknowledges that, pursuant to HITECH, 45 C.F.R. §§ 164.308 (administrative safeguards), 164.310 (physical safeguards), 164.312 (technical safeguards), 164.316 (policies and procedures and documentation requirements) and 164.502 *et. seq.* apply to Business Associate in the same manner that such sections apply to Covered Entity. The additional requirements of Title XIII of HITECH contained in Public Law 111-005 that relate to privacy and security and that are made applicable with respect to covered entities shall also be applicable to Business Associate. The Parties are also committed to complying with the California Confidentiality of Medical Information Act, Ca. Civil Code §§ 56 *et seq.* ("CMIA"), where applicable. Business Associate acknowledges that the CMIA prohibits Business Associate from further disclosing the PHI it receives from Covered Entity where such disclosure would be violative of the CMIA. The Parties are also committed to complying with applicable requirements of the Red Flag Rules issued pursuant to the Fair and Accurate Credit Transactions Act of 2003 ("Red Flag Rules"). This Agreement sets forth the terms and conditions pursuant to which PHI, and, when applicable, Electronic Protected Health Information ("E PHI"), shall be handled. The Parties further acknowledge that state statutes or other laws or precedents may impose data breach notification or information security obligations, and it is their further intention that each shall comply with such laws as well as HITECH and HIPAA in the collection, handling, storage, and disclosure of personal data of patients or other personal identifying information exchanged or stored in connection with their relationship.

The Parties agree as follows:

#### 1. DEFINITIONS

All capitalized terms used in this Agreement but not otherwise defined shall have the meaning set forth in the Privacy Rule, Security Rule and HITECH.

#### 2. PERMITTED USES AND DISCLOSURES OF PHI

2.1 Unless otherwise limited herein, Business Associate may:

(a) use or disclose PHI to perform functions, activities or Services for, or on behalf of, Covered Entity as requested by Covered Entity from time to time, provided that such use or disclosure would not violate the Privacy or Security Rules or the standards for Business Associate Agreements set forth in 45 C.F.R. § 164.504(e), exceed the minimum necessary to accomplish the intended purpose of such use or disclosure, violate the additional requirements of HITECH contained in Public Law 111-005 that relate to privacy and security, or violate the CMIA;



(b) disclose PHI for the purposes authorized by this Agreement only: (i) to its employees, subcontractors and agents; (ii) as directed by this Agreement; or (iii) as otherwise permitted by the terms of this Agreement;

(c) use PHI in its possession to provide Data Aggregation Services to Covered Entity as permitted by 45 C.F.R. § 164.504(e)(2)(i)(B);

(d) use PHI in its possession for proper management and administration of Business Associate or to carry out the legal responsibilities of Business Associate as permitted by 45 C.F.R. § 164.504(e)(4)(i);

(e) disclose the PHI in its possession to third parties for the proper management and administration of Business Associate to the extent and in the manner permitted under 45 C.F.R. § 164.504(e)(4)(ii); provided that disclosures are Required by Law, or Business Associate obtains reasonable assurances from the persons to whom the information is disclosed that it will remain confidential and used or further disclosed only as Required by Law or for the purpose for which it was disclosed to the person, and the person notifies the Business Associate of any instances of which it is aware in which the confidentiality of the information has been breached;

(f) use PHI to report violations of law to appropriate Federal and state authorities, consistent with 45 C.F.R. § 164.502(j)(1);

(g) de-identify any PHI obtained by Business Associate under this Agreement for further use or disclosure only to the extent such de-identification is pursuant to this Agreement, and use such de-identified data in accordance with 45 C.F.R. § 164.502(d)(1).

### **3. RESPONSIBILITIES OF THE PARTIES WITH RESPECT TO PHI**

3.1 Responsibilities of Business Associate. With regard to its use and/or disclosure of PHI, Business Associate shall:

(a) use and/or disclose the PHI only as permitted or required by this Agreement or as otherwise Required by Law;

(b) report to the privacy officer of Covered Entity, in writing, (i) any use and/or disclosure of the PHI that is not permitted or required by this Agreement of which Business Associate becomes aware, and (ii) any Breach of unsecured PHI as specified by HITECH, within two (2) days of Business Associate's determination of the occurrence of such unauthorized use and/or disclosure. In such event, the Business Associate shall, in consultation with the Covered Entity, mitigate, to the extent practicable, any harmful effect that is known to the Business Associate of such improper use or disclosure. The notification of any Breach of unsecured PHI shall include, to the extent possible, the identification of each individual whose unsecured PHI has been, or is reasonably believed by the Business Associate to have been, accessed, acquired, used or disclosed during the Breach.

(c) use commercially reasonable safeguards to maintain the security of the PHI and to prevent use and/or disclosure of such PHI other than as provided herein;

(d) obtain and maintain an agreement with all of its subcontractors and agents that receive, use, or have access to, PHI pursuant to which agreement such subcontractors and agents

agree to adhere to the same restrictions and conditions on the use and/or disclosure of PHI that apply to Business Associate pursuant to this Agreement;

(e) make available all internal practices, records, books, agreements, policies and procedures and PHI relating to the use and/or disclosure of PHI to the Secretary for purposes of determining Covered Entity or Business Associate's compliance with the Privacy Rule;

(f) document disclosures of PHI and information related to such disclosure and, within ten (10) days of receiving a written request from Covered Entity, provide to Covered Entity such information as is requested by Covered Entity to permit Covered Entity to respond to a request by an individual for an accounting of the disclosures of the individual's PHI in accordance with 45 C.F.R. § 164.528, as well as provide an accounting of disclosures, as required by HITECH, directly to an individual provided that the individual has made a request directly to Business Associate for such an accounting. At a minimum, the Business Associate shall provide the Covered Entity with the following information: (i) the date of the disclosure, (ii) the name of the entity or person who received the PHI, and if known, the address of such entity or person; (iii) a brief description of the PHI disclosed; and (iv) a brief statement of the purpose of such disclosure which includes an explanation of the basis for such disclosure. In the event the request for an accounting is delivered directly to the Business Associate, the Business Associate shall, within two (2) days, forward such request to the Covered Entity. The Business Associate shall implement an appropriate recordkeeping process to enable it to comply with the requirements of this Section;

(g) subject to Section 4.4 below, return to Covered Entity within twenty-one (21) days of the termination of this Agreement, the PHI in its possession and retain no copies, including backup copies;

(h) disclose to its subcontractors, agents or other third parties, and request from Covered Entity, only the minimum PHI necessary to perform or fulfill a specific function required or permitted hereunder;

(i) if all or any portion of the PHI is maintained in a Designated Record Set:

(i) upon ten (10) days' prior written request from Covered Entity, provide access to the PHI in a Designated Record Set to Covered Entity or, as directed by Covered Entity, the individual to whom such PHI relates or his or her authorized representative to meet a request by such individual under 45 C.F.R. § 164.524; and

(ii) upon ten (10) days' prior written request from Covered Entity, make any amendment(s) to the PHI that Covered Entity directs pursuant to 45 C.F.R. § 164.526;

(j) maintain policies and procedures to detect and prevent identity theft in connection with the provision of the Services, to the extent required to comply with the Red Flag Rules;

(k) notify the Covered Entity within five (5) days of the Business Associate's receipt of any request or subpoena for PHI. To the extent that the Covered Entity decides to assume responsibility for challenging the validity of such request, the Business Associate shall cooperate fully with the Covered Entity in such challenge;

(l) maintain a formal security program materially in accordance with all applicable data security and privacy laws and industry standards designed to ensure the security and integrity of the Covered Entity's data and protect against threats or hazards to such security

The Business Associate acknowledges that, as between the Business Associate and the Covered Entity, all PHI shall be and remain the sole property of the Covered Entity.

3.2 Additional Responsibilities of Business Associate with Respect to EPHI. In the event that Business Associate has access to EPHI, in addition to the other requirements set forth in this Agreement relating to PHI, Business Associate shall:

(a) implement administrative, physical, and technical safeguards that reasonably and appropriately protect the confidentiality, integrity, and availability of EPHI that Business Associate creates, receives, maintains, or transmits on behalf of Covered Entity as required by 45 C.F.R. Part 164, Subpart C;

(b) ensure that any subcontractor or agent to whom Business Associate provides any EPHI agrees in writing to implement reasonable and appropriate safeguards to protect such EPHI; and

(c) report to the privacy officer of Covered Entity, in writing, any Security Incident involving EPHI of which Business Associate becomes aware within two (2) days of Business Associate's discovery of such Security Incident. For purposes of this Section, a Security Incident shall mean (consistent with the definition set forth at 45 C.F.R. § 164.304), the attempted or successful unauthorized access, use, disclosure, modification, or destruction of information or interference with systems operations in an information system. In such event, the Business Associate shall, in consultation with the Covered Entity, mitigate, to the extent practicable, any harmful effect that is known to the Business Associate of such improper use or disclosure.

3.3 Responsibilities of Covered Entity. Covered Entity shall, with respect to Business Associate:

(a) provide Business Associate a copy of Covered Entity's notice of privacy practices ("Notice") currently in use;

(b) notify Business Associate of any limitations in the Notice pursuant to 45 C.F.R. § 164.520, to the extent that such limitations may affect Business Associate's use or disclosure of PHI;

(c) notify Business Associate of any changes to the Notice that Covered Entity provides to individuals pursuant to 45 C.F.R. § 164.520, to the extent that such changes may affect Business Associate's use or disclosure of PHI;

(d) notify Business Associate of any changes in, or withdrawal of, the consent or authorization of an individual regarding the use or disclosure of PHI provided to Covered Entity pursuant to 45 C.F.R. § 164.506 or § 164.508, to the extent that such changes may affect Business Associate's use or disclosure of PHI; and

(e) notify Business Associate, in writing and in a timely manner, of any restrictions on use and/or disclosure of PHI as provided for in 45 C.F.R. § 164.522 agreed to by Covered Entity, to the extent that such restriction may affect Business Associate's use or disclosure of PHI.

#### 4. TERMS AND TERMINATION

4.1 Term. This Agreement shall become effective on the Effective Date and shall continue in effect unless terminated as provided in this Article 4. Certain provisions and requirements of this Agreement shall survive its expiration or other termination as set forth in Section 5.1 herein.

4.2 Termination. Either Covered Entity or Business Associate may terminate this Agreement and any related agreements if the terminating Party determines in good faith that the terminated Party has breached a material term of this Agreement; provided, however, that no Party may terminate this Agreement if the breaching Party cures such breach to the reasonable satisfaction of the terminating Party within thirty (30) days after the breaching Party's receipt of written notice of such breach.

4.3 Automatic Termination. This Agreement shall automatically terminate without any further action of the Parties upon the termination or expiration of Business Associate's provision of Services to Covered Entity.

4.4 Effect of Termination. Upon termination or expiration of this Agreement for any reason, Business Associate shall return all PHI pursuant to 45 C.F.R. § 164.504(e)(2)(ii)(I) if, and to the extent that, it is feasible to do so. Prior to doing so, Business Associate shall recover any PHI in the possession of its subcontractors or agents. To the extent it is not feasible for Business Associate to return or destroy any portion of the PHI, Business Associate shall provide Covered Entity a statement that Business Associate has determined that it is infeasible to return or destroy all or some portion of the PHI in its possession or in possession of its subcontractors or agents. Business Associate shall extend any and all protections, limitations and restrictions contained in this Agreement to any PHI retained after the termination of this Agreement until such time as the PHI is returned to Covered Entity or destroyed.

#### 5. MISCELLANEOUS

5.1 Survival. The respective rights and obligations of Business Associate and Covered Entity under the provisions of Sections 4.4, 5.1, 5.6, and 5.7, and Section 2.1 (solely with respect to PHI that Business Associate retains in accordance with Section 4.4 because it is not feasible to return or destroy such PHI), shall survive termination of this Agreement until such time as the PHI is returned to Covered Entity or destroyed. In addition, Section 3.1(i) shall survive termination of this Agreement, provided that Covered Entity determines that the PHI being retained pursuant to Section 4.4 constitutes a Designated Record Set.

5.2 Amendments; Waiver. This Agreement may not be modified or amended, except in a writing duly signed by authorized representatives of the Parties. To the extent that any relevant provision of the HIPAA, HITECH or Red Flag Rules is materially amended in a manner that changes the obligations of Business Associates or Covered Entities, the Parties agree to negotiate in good faith appropriate amendment(s) to this Agreement to give effect to the revised obligations. Further, no provision of this Agreement shall be waived, except in a writing duly signed by authorized representatives of the Parties. A waiver with respect to one event shall not be construed as continuing, or as a bar to or waiver of any right or remedy as to subsequent events.

5.3 No Third Party Beneficiaries. Nothing express or implied in this Agreement is intended to confer, nor shall anything herein confer, upon any person other than the Parties and the respective successors or assigns of the Parties, any rights, remedies, obligations, or liabilities whatsoever.

5.4 Notices. Notices required under this agreement shall be delivered personally or by first-class, postage pre-paid mail to the County and CONTRACTOR'S contract administrators at the addresses listed below:

**For County:**

Elsa Jimenez, Director of Health  
1270 Natividad Rd. Salinas, CA 93906  
(831) 755-4526

**For Contractor:**

Joe Sagala  
4010 Commercial Ave. Northbrook, IL 60062  
(866) 338-5120

Each Party named above may change its address and that of its representative for notice by the giving of notice thereof in the manner hereinabove provided. Such notice is effective upon receipt of notice, but receipt is deemed to occur on next business day if notice is sent by FedEx or other overnight delivery service.

5.5 Counterparts; Facsimiles. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original. Facsimile copies hereof shall be deemed to be originals.

5.6 Choice of Law; Interpretation. This Agreement shall be governed by the laws of the State of California; as provided, however, that any ambiguities in this Agreement shall be resolved in a manner that allows Business Associate to comply with the Privacy Rule, and, if applicable, the Security Rule and the CMLA.

5.7 Indemnification. Contractor shall indemnify, defend, and hold harmless the County of Monterey (hereinafter County), its officers, agents, and employees from any claim, liability, loss, injury, cost, expense, penalty or damage, including the County's reasonable cost of providing notification of and of mitigating any acquisition, access, use or disclosure of PHI in a manner not permitted by this BAA, arising out of, or in connection with, performance of this BAA by Contractor and/or its agents, members, employees, or sub-contractors, excepting only loss, injury, cost, expense, penalty or damage caused by the negligence or willful misconduct of personnel employed by the County. It is the intent of the parties to this BAA to provide the broadest possible indemnification for the County. Contractor shall reimburse the County for all costs, attorneys' fees, expenses, and liabilities incurred by the County with respect to any investigation, enforcement proceeding or litigation in which Contractor is obligated to indemnify, defend, and hold harmless the County under this BAA. This provision is in addition to and independent of any indemnification provision in any related or other agreement between the Covered Entity and the Business Associate.

IN WITNESS WHEREOF, each of the undersigned has caused this Agreement to be duly executed in its name and on its behalf as of the Effective Date.

**COUNTY OF MONTEREY, ON BEHALF OF  
THE HEALTH DEPARTMENT**

**STERICYCLE, INC.**

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

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

Print Title: \_\_\_\_\_

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

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

Print Name: Joe Sagala

Print Title: Government Specialist

Date: 6/5/18