



Monterey County Board of Supervisors

168 West Alisal Street,
1st Floor
Salinas, CA 93901
831.755.5066

Board Order

Agreement No.: A-13152

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

- a. Authorized the Deputy Purchasing Agent for Natividad Medical Center (NMC) or his designee to execute an Agreement with Stericycle, Inc. for Hazardous Waste Disposal Services for an amount not to exceed \$630,000 with an Agreement term of July 1, 2016 through June 30, 2019; and
- b. Authorized the Deputy Purchasing Agent for NMC or his designee to execute up to two (2) future amendments, each of which extends the term by one (1) additional year and adds ten percent (10%) (\$63,000) of the original cost of the agreement.

PASSED AND ADOPTED on this 7th day of June 2016, by the following vote, to wit:

AYES: Supervisors Armenta, Phillips, Salinas, Parker and 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 79 for the meeting on June 7, 2016.

Dated: June 8, 2016
File ID: A 16-118

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

By Denise Hancock
Deputy

COUNTY OF MONTEREY AGREEMENT FOR GOODS AND/OR SERVICES
INVOLVING HAZARDOUS MATERIALS

(Agreements with a total amount over \$100,000 require approval by the County Board of Supervisors)

This Services Agreement ("Agreement") is made by and between the County of Monterey (hereinafter "the County"), a political subdivision of the State of California, on behalf of Natividad Medical Center (hereinafter "NMC") and:

Stericycle, Inc.

(hereinafter "CONTRACTOR"), collectively referred to as "parties".

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

1. **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 this Agreement. The goods and/or services are generally described as follows:
Hazardous waste disposal services including Sharps Disposal Management, Pharmaceutical Waste Disposal, and Regulated Medical Waste Disposal.
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. NMC does not take responsibility for the improper packaging and/or transportation of any hazardous materials ordered by NMC while in transit or storage of services performed for this Agreement.
3. **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 \$ 630,000.
4. **TERM OF AGREEMENT.**
 - 4.01 The term of this Agreement is from July 1, 2016 to June 30, 2019, 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.
 - 4.02 NMC 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 NMC 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 A-1: Scope of Services/Payment Provisions for Sharps Disposal Management Services

Exhibit A-2: Scope of Services/Payment Provisions for Pharmaceutical Waste Disposal

Exhibit A-3: Regulated Medical Waste Disposal Scope of Services/Payment Provisions

Exhibit A-4: Stericycle, Inc. Waste Acceptance Policies

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 NMC nor the County of Monterey, or immediate family of an employee of NMC nor the County of Monterey.

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 NMC 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. NMC 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. NMC 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.

8. **INDEMNIFICATION.** CONTRACTOR shall indemnify, defend, and hold harmless NMC and 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 NMC. "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 and NMC incurs that would have been insurable under the required coverages, if such coverages were obtained. CONTRACTOR further agrees that any failure of NMC and the County to verify the placement and continued existence of all insurance required herein, or NMC and 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 NMC 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
- 9.05b. Products/Completion Operations Aggregate: \$6 million
- 9.05c. Personal and Advertising Injury: \$5 million
- 9.05d. Each Occurrence: \$5 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.
- 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.
- 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 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 the County may secure and maintain that insurance at its expense and CONTRACTOR will pay the County reimbursement costs therefore. This remedy is in addition to the 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.

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

FOR NMC:

Natividad Medical Center
Attn: Contracts Manager
1441 Constitution Blvd.
Salinas, CA 93906
Fax: 831-757-2592

FOR CONTRACTOR:

Stericycle, Inc.
ATTN:
410 Commercial Ave.
Northbrook, IL 60062
FAX:
Phone:
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 NMC 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 NMC. None of the services covered by this Agreement shall be subcontracted without the prior written approval of NMC. 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 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.
- 14.07 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 NMC and CONTRACTOR expressly reserve the right to contract with other entities for the same or similar services.
- 14.12 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.
- 14.13 Authority. Any individual executing this Agreement on behalf of NMC 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 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 the CONTRACTOR as of the effective date of this Agreement, which is the date that NMC 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, NMC and CONTRACTOR have executed this Agreement as of the day and year written below.

NATIVIDAD MEDICAL CENTER

CONTRACTOR

By: _____

Deputy Purchasing Agent

Date: _____

9/13/16

Approved as to Form

By: _____

Deputy County Counsel

Date: _____

MAY 3, 2016

Approved as to Fiscal Provisions

By: _____

Chief Deputy Auditor/Controller

Date: _____

8-3-16

Stericycle, Inc.

Contractor's Business Name*

By: _____

T. Rampow

(Signature of Chair, President, or Vice-President)*

Tamar Rashkow, Major Account Executive

Name and Title

Date: _____

4/26/16

By: _____

(Signature of Secretary, Asst. Secretary, CFO, Treasurer or Asst. Treasurer)*

Ron Adams West Sales Dir.

Name and Title

Date: _____

4/28/2016

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.

April 8, 2016

Natividad Medical Center
1441 Constitution Blvd
Salinas, CA 93906

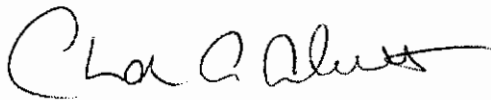
To Whom It May Concern,

This letter is in regards to the agreement between Stericycle Inc. and The County of Monterey on the behalf of Natividad Medical Center dated July 1, 2016.

The following individuals are authorized to sign the aforementioned agreement, a legally binding document, on behalf of Stericycle, Inc.

Tamar Rashkow, Major Account Executive
Ron Adams, Regional Sales Director

Sincerely,



Charles A. Alutto
President and CEO



Daniel V. Ginnetti
CFO

EXHIBIT A: Scope of Services/Payment Provisions

To Agreement by and between
THE COUNTY OF MONTEREY ON BEHALF OF NATIVIDAD MEDICAL CENTER, hereinafter referred
to as "NMC"
AND
STERICYCLE, INC., hereinafter referred to as "CONTRACTOR"

I. Description of All Services to be Rendered by CONTRACTOR:

CONTRACTOR shall manage NMC's wastes (excluding pharmaceutical wastes) that are hazardous, non-hazardous and/or universal wastes. CONTRACTOR shall provide services related to the management of wastes as identified in Exhibit A-1, A-2 and A-3 in accordance with the waste disposal policies identified in Exhibit A-4.

II. CONTRACTOR Obligations:

- a. CONTRACTOR shall be authorized to do business in California and shall be properly licensed by the applicable governmental authorities to perform the services.
- b. CONTRACTOR shall store, handle and transport NMC's conforming waste in compliance with applicable laws of the jurisdictions in which CONTRACTOR performs services under this Agreement.
- c. CONTRACTOR shall ensure that all vehicles, vessels, waste containers, and personnel provided by CONTRACTOR shall have the permits, licenses, certificates, and approvals required to comply with applicable law.
- d. CONTRACTOR shall ensure that any facility owned or operated by CONTRACTOR or their affiliates that are used for the temporary storage, transfer or disposal of conforming waste under this agreement will hold all permits licenses, certificates or approvals required by applicable laws.

III. NMC Obligations:

- a. NMC shall ensure that any waste tendered to CONTRACTOR will conform fully with the applicable Waste Characterization Data for that waste. NMC shall label the waste in conformance with applicable laws and so as to communicate contents to CONTRACTOR and be segregated from other wastes.
- b. NMC shall provide CONTRACTOR with complete and accurate Profile Sheet(s), Waste Characterization Form(s) and other Waste Characterization Data to assure accurate Waste Characterizations. NMC shall provide to CONTRACTOR only fully Conforming Waste and follow all applicable laws in storing, handling, treating, segregating, labelling, securing, manifesting, and inspecting such Waste and in preparing and maintaining records relating to that Waste. NMC shall comply with CONTRACTOR's Waste Acceptance Policies as described in Exhibit A-4.
- c. NMC shall provide CONTRACTOR with advance notice of any changes in the ingredients of, character of, substances contained in or processes involved in generating any waster for which services are performed. NMC shall conduct a new Waste Characterization and provide CONTRACTOR with a revised Waste Characterization Data before tendering Waste to CONTRACTOR for services.

IV. Pricing/Fees:

a. Hazardous Rate Structure

Item Description	Unit Measure	*Rate/Unit	Disposal method	Notes
Mobilization: (Per site)				
Transportation/Mobilization	Each	\$300.00	N/A	From San Jose, CA
Labor:				
Chemist/Technician	Hour (Hr)	\$70.00	N/A	On-Site Services Time, Per Person, Per Hour
Professional Services- Consulting, Policy and Procedure Reviews, Reporting	Hour (Hr)	\$95.00	N/A	HAZWOPER Training, Contingency Plan, Permits, to Be Proposed on a Project-By-Project Basis
Fluorescent Lamps: (Totals)				
4 Ft	Linear Foot	\$0.25	Recycling	\$25.00 Minimum Per Container
8 Ft	Linear Foot	\$0.25	Recycling	\$25.00 Minimum Per Container
Compacts, U-Shaped/Circular Fluorescent	Each	\$150.00	Recycling	Up to 25 Bulbs
HID	Each	\$150.00	Recycling	Up to 25 Bulbs
Ballasts:				
PCB Ballasts	5G	\$250.00	Incineration	
Non-PCB Ballasts	5G	\$150.00	Recycling	
Batteries: (Must be sorted by individual battery type or sorting fees apply)				
Alkaline	Pound (lb)	\$1.50	Recycling	Must Meet DOT Packaging \$150.00 Minimum Per Container
Nickel Cadmium	Pound (lb)	\$1.20	Recycling	Must Meet DOT Packaging \$150.00 Minimum Per Container
Lead Acid	Pound (lb)	\$1.00	Recycling	Must Meet DOT Packaging \$150.00 Minimum Per Container
Lithium	Pound (lb)	\$4.50	Recycling	Must Meet DOT Packaging \$150.00 Minimum Per Container

Mercury Waste:				
Devices containing Mercury (Recycle) - 5 Gallon Pail	5G	\$325.00	Recycling	
Devices containing Mercury (Recycle) - 15 Gallon Drum	15G	\$750.00	Recycling	
Lab Packs:				
Non-Reactive Lab Pack, RCRA Pharmaceuticals (Incin.) - 5 gallon drum	5G	\$150.00	Incineration	
Non-Reactive Lab Pack, RCRA Pharmaceuticals (Incin.) - 15 gallon drum	15G	\$290.00	Incineration	
Non-Reactive Lab Pack, RCRA Pharmaceuticals (Incin.) - 30 gallon drum	30G	\$355.00	Incineration	
Non-Reactive Lab Pack, RCRA Pharmaceuticals (Incin.) - 55 gallon drum	55G	\$440.00	Incineration	
ALL OTHER LABPACK WASTE QUOTED ON A CASE-BY-CASE BASIS				

Bulk Waste Streams:				
Flammable Liquid – Bulked Xylene, Methanol, Ethanol, Stains	5G	\$150.00	Fuel Blending	<2" Dispersible Solids, >5,000 BTU Value, <3% Halogen Content, <5%
	15G	\$185.00		
	30G	\$200.00		
	55G	\$225.00		
Waste Loosepack Paint - (Oil-Based D001 Code)	5G	\$150.00	Fuel Blending	<2" Dispersible Solids
	15G	\$290.00		
	30G	\$355.00		
	55G	\$440.00		
High Water Solvents (Bulked)	5G	\$150.00	Incineration	<2,500 BTU Value
	15G	\$290.00		
	30G	\$355.00		
	55G	\$440.00		
Flammable Aerosols	5G	\$150.00	Fuel Blending	
	15G	\$290.00		
	30G	\$355.00		
	55G	\$440.00		
X-Ray Aprons	5G	\$150.00	Stabilization	
	15G	\$290.00		
	30G	\$355.00		
	55G	\$440.00		

Non-hazardous Bulk Waste Streams:				
Latex Paint – Loosepack	5G	\$150.00	Solidification / Landfill	
	15G	\$290.00		
	30G	\$355.00		
	55G	\$440.00		
Bulk Formalin Solution - 55 gallon drum	5G	\$150.00	Incineration	
	15G	\$290.00		
	30G	\$355.00		
	55G	\$440.00		
Non DOT, Non-RCRA Hazardous Waste - (Oily Rags, Sorbents, Antifreeze)	5G	\$150.00	WTE Incineration	
	15G	\$290.00		
	30G	\$355.00		
	55G	\$440.00		

*****ALL OTHER DRUMMED WASTE STREAMS ARE ON A CASE-BY-CASE BASIS*****

Miscellaneous:				
*Electronic Devices	LB	\$0.25		\$150.00 Minimum Per Container

Supplies:				
Poly Drum - 5 gallon	Each	\$15.00		
Fiber/Poly Drum - 15 gallon	Each	\$55.00		
Fiber/Poly Drum - 30 gallon	Each	\$55.00		
Metal Drum - 55 gallon	Each	\$75.00		
Poly Drum - 55 gallon	Each	\$75.00		
Steel Overpack - 85 gallon	Each	\$125.00		
Vermiculite - bag	Each	\$40.00		
Haz Cubic Yard Box	Each	\$85.00		
Bulb Box	Each	\$25.00		
Personal Protective Equipment	Each	\$25.00		Per Person, Per Day

*****ALL OTHER MATERIALS WILL BE QUOTED ON A CASE-BY-CASE BASIS*****

Price Protection Period	18	Months
Service Adjustment 1	4% or CPI	18
Service Adjustment 2	4% or CPI	24

b. Per Invoice Energy Charge:

CONTRACTOR shall use an index-based surcharge that is adjusted monthly. Changes to the surcharge will be effective the first business day of each month. The surcharge will be based on the National U.S. Average 'On Highway' Diesel Fuel Price reported by the U.S. Department of Energy for the prior month to the adjustment.

The prices on these indexes are published by the U.S. Department of Energy and CONTRACTOR is not responsible for the information provided:

Stericycle Energy Charge Table (prices per gallon)		
<i>At Least</i>	<i>But Less Than</i>	<i>Surcharge</i>
0	\$2.75	5.8%
\$2.76	\$3.00	6.3%
\$3.01	\$3.25	6.9%
\$3.26	\$3.50	7.4%
\$3.51	\$3.75	7.9%
\$3.76	\$4.00	8.5%
\$4.01	\$4.25	9.0%
\$4.26	\$4.50	9.6%
\$4.51	\$4.75	10.1%
\$4.76	\$5.00	10.7%
\$5.01	\$5.25	11.2%
\$5.26	\$5.50	11.7%
\$5.51	\$5.75	12.3%
\$5.76	\$6.00	12.8%

Table will continue using the same methodology as illustrated above for Diesel prices in excess of \$6.01 CONTRACTOR reserves the right to update or modify the fuel table without prior notice to NMC.

- c. Travel expenses will not be reimbursed under this agreement.
- d. CONTRACTOR warrants that the cost charged for services under the terms of this contract are not in excess of those charged any other client for the same services performed by the same individuals.
- e. 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.
- f. 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.
- g. No payments in advance or in anticipation of services or supplies to be provided under this Agreement shall be made by County.

EXHIBIT A-1:
Scope of Services/Payment Provisions for
Sharps Disposal Management Services

To Agreement by and between
THE COUNTY OF MONTEREY ON BEHALF OF NATIVIDAD MEDICAL CENTER,
hereinafter referred to as "NMC"
AND
STERICYCLE, INC., hereinafter referred to as "CONTRACTOR"

I. Description of All Services to be Rendered by CONTRACTOR:

CONTRACTOR shall provide NMC with Sharps Disposal Management services that include comprehensive proactive sharps disposal with reusable containers.

II. CONTRACTOR Obligations:

- a. CONTRACTOR shall supply NMC with Sharps Management Services during the term of this Agreement. CONTRACTOR shall furnish NMC "Sharps Management Services," hereinafter defined as scheduled collection and disposal of Sharps Waste from the premises. The term "Sharps Waste" as used herein is defined, for the most part, in the context of existing federal and state regulations governing the management of "Regulated Medical Waste" (RMW). Specifically, for the purpose of this Agreement, "Sharps Waste" as defined by the Federal US Department of Transportation (DOT), as: §173.134 (a) 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.
- b. Title to Sharps Waste and other Regulated Medical Waste (other than Non-Conforming Waste) shall transfer to and vest in CONTRACTOR at such time as such waste is loaded onto CONTRACTOR's vehicles. NMC shall have title to the Sharps Waste and other Regulated Medical Waste at all prior times. NMC shall hold title to any Non-Conforming Waste at all times, whether refused for collection, returned to NMC for proper disposal after collection or otherwise disposed of in accordance with NMC's instructions or arrangements.
- c. In the event that CONTRACTOR suspends services under this Agreement for any reason, including the expiration or termination of this Agreement or NMC's breach, CONTRACTOR may remove all containers belonging to it from NMC's premises. CONTRACTOR may bill additional charges for each non-compliant container provided by NMC. Non-compliant containers subject to additional charges include, but are not limited to containers that are overweight under applicable laws, rules or regulations; those containers exceeding 50 lbs; containers holding non-conforming waste; and containers where the waste is improperly segregated or packaged.

- d. CONTRACTOR shall comply with applicable state law and local regulations where service is to be performed, and to otherwise comply with all federal and state laws, rules and regulations applicable thereto and relating to its performance hereunder.
- e. CONTRACTOR shall have all necessary permits, licenses, zoning and other federal, state, or location authorizations required to perform the services under this Agreement such as California Transporter Permit, Medical Waste Treatment Facility and Transfer Station Permit, and Title V Operating Permit, and will furnish copies of these to NMC upon request.
- f. CONTRACTOR shall ensure that all personnel providing services under this agreement are employees of the CONTRACTOR. CONTRACTOR shall ensure that each employee has been trained in the performance of Sharps Management Services in accordance with applicable federal, state and local regulations and has met CONTRACTOR's strict hiring policies, including drug screening and background checks. NMC shall provide any additional site-specific training applicable to the Customer Premises.
- g. CONTRACTOR shall ensure all containers and other equipment furnished by CONTRACTOR to NMC ("Sharps Equipment") are provided pursuant to a License as more fully described below:
 - (i.) License Grant. CONTRACTOR grants to NMC, as Licensee, under intellectual and personal property rights, and Licensee hereby accepts, a non-exclusive, non-transferable, revocable, non-sublicenseable right and license, during the Term and subject to payment of the applicable Fees, to use the CONTRACTOR's equipment solely and exclusively for the purpose of Sharps Management Services on the Premises.
 - (ii.) Terms and Restriction of Use. The Licensee is permitted to use the Sharps Equipment exclusively in conjunction with Stericycle Sharps Management Services. Licensee may not, directly or indirectly, allow any other person to use or access the Sharps Equipment, and may not, directly or indirectly, use or permit the use of Sharps Equipment for any purpose other than Stericycle Sharps Management Services. Without limiting the foregoing, Licensee is expressly prohibited from selling, renting, sublicensing, leasing or otherwise making available the Sharps Equipment for any purpose including but not limited to, reverse engineering, disassembling, or outsourcing for the benefit of any third parties, except to the extent otherwise expressly permitted by applicable law; or
 - (iii.) Notices of Unauthorized Use or Alleged Infringement. Licensee agrees to notify CONTRACTOR immediately if it becomes aware of any unauthorized use or disclosure of the Sharps Equipment or if it becomes aware of any alleged facts that, if true, would support a claim that a third party is infringing the rights of Stericycle in the Sharps Equipment. Licensee will advise Stericycle of the specific details of the unauthorized use or infringement claim.

(iv.) Reservation of Rights. Any use of the Sharps Equipment not specifically permitted by this Section is expressly prohibited. All rights not expressly granted hereunder by CONTRACTOR are expressly reserved by CONTRACTOR or its licensors, and no other license or right is granted to Licensee by implication, estoppel or otherwise.

III. NMC Obligations:

- a. NMC shall only place Sharps Waste in the containers. NMC will make the containers accessible for pick up on the pick-up dates and in the locations specified or agreed. Sharps Waste does not include any hazardous or radioactive waste, cytotoxic drugs or antineoplastic agents, bulk blood or liquid or any waste or other material not falling within the definition of regulation medical waste to the extent such regulations specify Sharps Waste “Non-Conforming.
- b. NMC shall return all special function items including Funnel Tops, Traps, and Floor Dollies that CONTRACTOR had supplied as needed. NMC will be responsible for all replacement charges for equipment not returned to CONTRACTOR in usable condition upon expiration or termination of this Agreement or for replacement of equipment destroyed, damaged or discarded by NMC during any Term of this Agreement.

IV. Pricing/Fees

a. Sharps Pricing and Fees

Hospital Price Structure	6022633-007 BIO/Natividad Med Ctr Hospital 1441 Constitution Blvd, Salinas, CA, 93906 Weekly (x3)	
Recurring Rate Type	Effective Rate	Unit of Measure
Monthly Fee	3,374.00	Per Month
Record Retention	8.29	Per Shipping Document
California AB 1807	.0127	Per lb

- b. CONTRACTOR and NMC recognize that during the Thirty (30) Days day period, the “Adjustment Period” following installation the number of containers on the Premises or volume of containers at various locations may need modification due to a variety of factors. CONTRACTOR fees may be increased or decreased in the event container locations and volumes vary by more than 3% from the facility survey conducted outlined. This increase or decrease in the monthly fee during the Adjustment Period may occur without amending this Agreement.

After the Adjustment Period additional container locations or volumes added to NMC Premises will result in increased monthly Service Fees of \$10 for each two (2), three (3) or four (4) gallon container, \$12 for each eight (8) gallon container and \$24 for each seventeen (17) gallon container. Additional containers must be authorized by an NMC authorized representative. CONTRACTOR shall provide and collect reusable Sharps Waste containers at NMC's facility Weekly times per week. CONTRACTOR will transport, treat and dispose of all Sharps Waste generated by NMC.

- b. CONTRACTOR may impose a surcharge in the event that CONTRACTOR attempts to pick up waste at NMC (on either a scheduled pick-up or in response to NMC’s request) and, through no fault of CONTRACTOR, either (a) there is no Regulated Medical Waste for pick-up, (b) waste is not ready for pick-up or (c) NMC location is closed.
- c. Excess waste volumes significantly greater than the average volume for similar generators or exceeding the maximum allowable containers shall be subject to a surcharge at the current surcharge container rate. CONTRACTOR will impose this surcharge to deter abuse, including but not limited to, solid waste disposed in the medical waste stream, or NMC consolidation of the waste of several generators under one site.

- d. Travel expenses will not be reimbursed under this agreement.
- e. CONTRACTOR warrants that the cost charged for services under the terms of this contract are not in excess of those charged any other client for the same services performed by the same individuals.
- f. 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.
- g. 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.
- h. No payments in advance or in anticipation of services or supplies to be provided under this Agreement shall be made by County.

EXHIBIT A-2:
Scope of Services/Payment Provisions for
Pharmaceutical Waste Disposal Services

To Agreement by and between
THE COUNTY OF MONTEREY ON BEHALF OF NATIVIDAD MEDICAL CENTER,
hereinafter referred to as “NMC”
AND
STERICYCLE, INC., hereinafter referred to as “CONTRACTOR”

I. Description of All Services to be Rendered by CONTRACTOR:

CONTRACTOR shall provide NMC with Pharmaceutical Waste Disposal services that characterize, segregate, transport and properly dispose of pharmaceutical waste.

II. CONTRACTOR Obligations:

- a. CONTRACTOR shall provide NMC with information necessary to be compliant with Federal Environmental Protection Agency (EPA)/Resource Conservation and Recovery Act (RCRA) and Department of Transportation (DOT) regulations concerning identification, sorting, packaging, labeling, and documentation of RCRA hazardous and non-RCRA hazardous pharmaceutical waste.
- b. CONTRACTOR shall utilize their proprietary database – based on National Drug Codes (NDC numbers) to characterize NMC pharmaceutical formulary to identify EPA/RCRA defined hazardous materials, United States DOT waste class per NDC numbered pharmaceutical, and industry designation dangerous and hazardous pharmaceuticals. CONTRACTOR shall provide pharmaceutical waste characterization data to NMC in electronic format.
- c. CONTRACTOR shall research and analyze NDC’s in NMC formulary that are not found in CONTRACTOR’s database such as items not identified by NDC number, identified by NMC designated NDC number, or compounded drugs in order to complete the waste characterizations.
- d. CONTRACTOR shall assist NMC in designing program elements needed for an effective Rx Waste Compliance Program to include program design, implementation, and training.
- e. CONTRACTOR shall assist in establishing internal labeling system for pharmaceuticals dispensed from the pharmacy in order to allow NMC staff to properly identify waste streams.
- f. CONTRACTOR shall evaluate NMC’s current hazardous waste storage area and make recommendations on the space requirements, material flow, and necessary

- equipment to establish a central hazardous waste accumulation area appropriate for NMC's Rx Waste Compliance needs.
- g. CONTRACTOR shall identify satellite accumulation areas and make recommendations on the container system to be used in the satellite accumulation areas. Container system is designed to work with the internal labeling system for pharmaceutical dispensed from NMC's pharmacy to make it simple for clinicians to follow and be in compliance.
 - h. CONTRACTOR shall assist NMC in developing and implementing the internal logistics system for satellite container supply, transfer, and storage.
 - i. CONTRACTOR shall set-up satellite accumulation areas, points of collection including placement of accumulation containers and instructional materials.
 - j. CONTRACTOR shall provide NMC with Rx Waste Compliance Program training materials used during the implementation to include Clinicians & EVS PowerPoint training presentations, Q&A Sheet and Competency Quiz, Disposal Guidelines Poster.
 - k. CONTRACTOR shall provide onsite pharmaceutical waste packing and labeling services by a Field Technician trained in proper handling and safety procedures.
 - l. CONTRACTOR shall provide transportation and disposal services to include manifested pickup of hazardous pharmaceutical waste for NMC sites, documented pickup of non-hazardous pharmaceutical waste from NMC sites, DOT waste disposal containers with labeling, and transport to a regulated destruction facility for disposal. DOT compliant waste disposal containers are used for segregation, transport and disposal of pharmaceutical waste from NMC's designated hazardous waste accumulation areas.
 - m. CONTRACTOR shall provide NMC with initial supply of DOT waste disposal containers based upon the number and type of DOT waste streams identified as a function of the initial Rx Formulary Waste Characterizations and DOT Waste Stream Analysis.
 - n. CONTRACTOR shall provide NMC with characterization report updates each time a characterization is completed. The characterization report updates will be provided to NMC in electronic format.
 - o. CONTRACTOR shall keep NMC up-to-date with regulations, training and program performance through CONTRACTOR'S After Care program. After Care shall consist of on-going, hospital-wide service reviews by CONTRACTOR's trained Healthcare Compliance Specialists.

- p. CONTRACTOR shall provide NMC with assistance in improving any deficiencies found in the After Care performance and compliance review to include a review of the Satellite and Central Accumulation Areas and waste disposal and segregation practices.
- q. CONTRACTOR shall provide NMC with annual training of regulatory updates and review.
- r. CONTRACTOR shall, at the request of NMC, provide additional consulting and training services with applicable fee.
- s. In the event that CONTRACTOR suspends services under this Agreement for any reason, including the expiration or termination of this Agreement or NMC's breach, CONTRACTOR may remove all containers belonging to it from NMC's premises. CONTRACTOR may bill additional charges for each non-compliant container provided by NMC. Non-compliant containers subject to additional charges include, but are not limited to containers that are overweight under applicable laws, rules or regulations; those containers exceeding 50 lbs; containers holding non-conforming waste; and containers where the waste is improperly segregated or packaged.
- t. CONTRACTOR shall comply with applicable state law and local regulations where service is to be performed, and to otherwise comply with all federal and state laws, rules and regulations applicable thereto and relating to its performance hereunder.
- u. CONTRACTOR shall have all necessary permits, licenses, zoning and other federal, state, or location authorizations required to perform the services under this Agreement and will furnish copies of these to NMC upon request.

III. NMC Obligations

- a. NMC shall be solely responsible for segregating non-hazardous waste, hazardous waste, and incompatible hazardous waste.
- b. NMC shall submit NDC's and drug information for new or added pharmaceuticals to CONTRACTOR for waste characterization to allow CONTRACTOR to keep NMC's formulary waste characterization current.
- c. NMC training staff shall attend the annual training class provided by CONTRACTOR.

IV. Pricing/Fees

a. Pharmaceutical Pricing/Fees

Recurring Rate Type	Effective Rate	Unit of Measure
Monthly Flat Fee	5,705.00	Per Month
Record Retention	8.29	Per Shipping Document

b. Monthly Flat Fee Pricing Includes:

i. Waste Characterization: Characterize the Formulary and provide and electronic copy per hospital

ii. Program Design & Start-up: Consultation on Central Accumulation Area (hazardous waste storage area), Container Placement, and Internal Logistics.

iii. Training: Pharmacy, Nursing, and EVS staff (20 hours and electronic files that can be loaded on training system)

iv. On-going characterization: Characterize new NDCs as they are added to the formulary

v. After Care: On-going, scheduled, hospital-wide program performance reviews.

vi. After Care annual training and audit: Annual Training to cover new regulations and refresher on current regulations. Regulatory Audit to review accumulation areas, paperwork, segregation and disposal practices.

c. Internal Container Transport ****only for existing Bio customers**** Included
Transport of containers from Satellite Accumulation areas to Central Accumulation areas.

d. Packing Fee Included

e. Disposal Fees

Annual monthly fee is based on hospital staff segregating non-hazardous from hazardous waste. The hospital annual fee will be analyzed each year and no fee adjustment will be made if the hospital does not exceed hazardous waste set limits. The limits are shown below and the amount charged per unit if limits are exceeded.

- f. Container adjustment period
 CONTRACTOR and NMC recognize that during the thirty (30) day period, the “Adjustment Period” following installation the number of containers on the Premises or volume of containers at various locations may need modification due to a variety of factors. Stericycle fees may be increased or decreased in the event container locations and volumes vary by more than 3% from the facility survey conducted. This increase or decrease in the monthly fee during the Adjustment Period may occur without amending this Agreement.

After the Adjustment Period additional container locations or volumes added to the CUSTOMER Premises will result in increased monthly Service Fees of \$18.00 for each two (2), three (3) or four (4) gallon container, \$27.00 for each eight (8) gallon container and \$34.00 for each seventeen (17) gallon container.

Internal Transport Fee	\$ Included
Packing Fee	\$ Included
Non-hazardous Waste Disposal & Transportation	\$ Included
Hazardous Waste Disposal	\$ Included*
Dual Waste Disposal	\$ Included
Hazardous Transportation	\$ Included
Containers/	\$ Included

- g. Optional Services
- | | |
|--|----------------|
| Characterization of Clinical Study Drugs | \$500.00 each |
| Additional Training | \$150 per hour |
| Unscheduled Stop Charge | \$204 per stop |
| Zip lock Baggies 1 Qt(500) | \$58.32 |
| Zip lock Baggies 1 gallon(250) | \$52.48 |

- h. Energy Charge
 CONTRACTOR uses an index-based surcharge that is adjusted monthly. Changes to the surcharge will be effective the first business day of each month. The surcharge will be based on the National U.S. Average ‘On Highway’ Diesel Fuel

Price reported by the U.S. Department of Energy for the prior month to the adjustment.

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		
At Least (price per gallon)	But Less Than (price per gallon)	Surcharge (% of Invoice)
0	\$2.75	5.80%
\$2.76	\$3.00	6.30%
\$3.01	\$3.25	6.90%
\$3.26	\$3.50	7.40%
\$3.51	\$3.75	7.90%
\$3.76	\$4.00	8.50%
\$4.01	\$4.25	9.00%
\$4.26	\$4.50	9.60%
\$4.51	\$4.75	10.10%
\$4.76	\$5.00	10.70%
\$5.01	\$5.25	11.20%
\$5.26	\$5.50	11.70%
\$5.51	\$5.75	12.30%
\$5.76	\$6.00	12.80%

If the diesel rate rises above \$6.00, the 12.80% surcharge will be increased by 0.6% for every \$0.25 increase in the diesel rate. CONTRACTOR reserves the right to update or modify the fuel table without prior notice.

- i. CONTRACTOR will charge labor costs for research and analysis activities performed to identify NDC's in NMC formulary that are not in CONTRACTOR's database.
- j. CONTRACTOR may impose a surcharge in the event that CONTRACTOR attempts to pick up waste at NMC (on either a scheduled pick-up or in response to NMC's request) and, through no fault of CONTRACTOR, either (a) there is no Regulated Medical Waste for pick-up, (b) waste is not ready for pick-up or (c) NMC location is closed.
- k. Excess waste volumes significantly greater than the average volume for similar generators or exceeding the maximum allowable containers shall be subject to a surcharge at the current surcharge container rate. CONTRACTOR will impose this surcharge to deter abuse, including but not limited to, solid waste disposed in the

medical waste stream, or NMC consolidation of the waste of several generators under one site.

- l. Travel expenses will not be reimbursed under this agreement.
- m. CONTRACTOR warrants that the cost charged for services under the terms of this contract are not in excess of those charged any other client for the same services performed by the same individuals.
- n. 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.
- o. 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.
- p. No payments in advance or in anticipation of services or supplies to be provided under this Agreement shall be made by County.

EXHIBIT A-3:
Scope of Services/Payment Provisions for
Regulated Medical Waste Disposal

To Agreement by and between
THE COUNTY OF MONTEREY ON BEHALF OF NATIVIDAD MEDICAL CENTER,
hereinafter referred to as "NMC"
AND
STERICYCLE, INC., hereinafter referred to as "CONTRACTOR"

I. Description of All Services to be Rendered by CONTRACTOR:

CONTRACTOR shall provide NMC with Regulated Medical Waste Disposal of all Regulated Medical Waste (except Non-confirming Waste).

II. CONTRACTOR Obligations:

- a. CONTRACTOR shall collect, transport, treat and dispose of all Regulated Medical Waste (except Non-confirming Waste) generated by NMC on a regularly scheduled basis during the term of this Agreement.
- b. CONTRACTOR shall identify "Non-Conforming Waste" as: (i) any waste or other material not falling within the definition of Regulated Medical Waste, and includes complete human remains ; (ii) radioactive wastes; (iii) any listed or characteristic hazardous wastes, chemotherapeutic hazardous waste and substances as defined in any applicable laws, regulations and guidelines; (iv) pharmaceutical waste (except as allowed under Stericycle's waste acceptance policy); (v) any device, solution or waste containing mercury including dental wastes (amalgam and products, chairside traps, amalgam sludge or vacuum pumps); (vi) improperly segregated, labeled or packaged waste, including sharps not in designated sharp containers; (vii) containers that are leaking, damaged or likely to create risk of exposure to employees or the general public; and (viii) any other material which Stericycle may not collect, transport, treat or dispose in accordance with applicable laws, regulations or guidelines.
- c. CONTRACTOR's employees shall refuse containers that are determined to be non-confirming waste as identified in the Waste Acceptance Policy (WAP) in Exhibit A-4 to this Agreement.
- d. CONTRACTOR shall reserve the right to change the WAP at any time to ensure compliance with applicable laws or regulations and provide current WAP to NMC upon NMC's request.
- e. CONTRACTOR shall hold title to Regulated Medical Waste (other than non-confirming waste) at such time as the waste is loaded onto CONTRACTOR's vehicles.

- f. In the event of expiration or termination of this Agreement, CONTRACTOR may remove all containers belonging to it from NMC's premises.
- g. CONTRACTOR shall comply with applicable state law and local regulations where service is to be performed, and to otherwise comply with all federal and state laws, rules and regulations applicable thereto and relating to its performance hereunder.
- h. CONTRACTOR shall have all necessary permits, licenses, zoning and other federal, state, or location authorizations required to perform the services under this Agreement and will furnish copies of these to NMC upon request.

III. NMC Obligations

- a. NMC shall only use containers and label approved by CONTRACTOR and shall place in such containers only "Regulated Medical Waste" as defined by 49 CFR 173.134 or by any other federal, state and local regulations.
- b. NMC warrants that the waste presented for disposal will not contain any "hazardous", "toxic", or "radioactive" wastes as defined by all applicable laws or regulations.
- c. NMC shall hold title to any non-conforming waste at all times, whether refused for collection, returned to NMC for proper disposal after collection or otherwise disposed of in accordance with NMC instructions or arrangements.

IV. Pricing/Fees

- a. Regulated Medical Waste Disposal Pricing/Fees

Hospital Price Structure		6022633-006 Natividad Medical Center Hospital 1441 Constitution Blvd, Salinas, CA, 93906 Weekly (x5)	
Recurring Rate Type	Effective Rate	Unit of Measure	
Regulated Medical Waste	0.260	Per lb	
Trace Chemotherapy/Pathological Waste	0.963	Per lb	
Record Retention	8.29	Per Shipping Document	
California AB 1807	.0127	Per lb	

CONTRACTOR reserves the right to charge for a minimum container weight for each container type collected per stop at NMC's site. The minimum weight is determined to be 65% of a containers gallon capacity. CONTRACTOR will assign a minimum weight per each container type which equates to 1 lb per each gallon of capacity (e.g., a 30 gallon container has a minimum weight of 19.5lbs). If the average weight of each type of container collected does not meet the average minimum weight in the aggregate for those containers, CONTRACTOR will charge the current per lb rate to the minimum weight to calculate the container price.

b. Energy Charge

CONTRACTOR uses an index-based surcharge that is adjusted monthly. Changes to the surcharge will be effective the first business day of each month. The surcharge will be based on the National U.S. Average 'On Highway' Diesel Fuel Price reported by the U.S. Department of Energy for the prior month to the adjustment. The prices on these indexes are published by the U.S. Dept. of Energy and CONTRACTOR is not responsible for the information provided.

Stericycle Energy Charge Table		
At Least (price per gallon)	But Less Than (price per gallon)	Surcharge (% of Invoice)
0	\$2.75	5.80%
\$2.76	\$3.00	6.30%
\$3.01	\$3.25	6.90%
\$3.26	\$3.50	7.40%
\$3.51	\$3.75	7.90%
\$3.76	\$4.00	8.50%
\$4.01	\$4.25	9.00%
\$4.26	\$4.50	9.60%
\$4.51	\$4.75	10.10%
\$4.76	\$5.00	10.70%
\$5.01	\$5.25	11.20%
\$5.26	\$5.50	11.70%
\$5.51	\$5.75	12.30%
\$5.76	\$6.00	12.80%

If the diesel rate rises above \$6.00, the 12.80% surcharge will be increased by 0.6% for every \$0.25 increase in the diesel rate. CONTRACTOR reserves the right to update or modify the fuel table without prior notice.

- c. CONTRACTOR may impose a surcharge in the event that CONTRACTOR attempts to pick up waste at NMC (on either a scheduled pick-up or in response to NMC's request) and, through no fault of CONTRACTOR, either there is no Regulated Medical Waste for pick-up, waste is not ready for pick-up or NMC location is closed.
- d. Excess waste volumes significantly greater than the average volume for similar generators or exceeding the maximum allowable containers shall be subject to a surcharge at the current surcharge container rate. CONTRACTOR will impose this surcharge to deter abuse, including but not limited to, solid waste disposed in the medical waste stream, or NMC consolidation of the waste of several generators under one site.

- e. Travel expenses will not be reimbursed under this agreement.
- f. CONTRACTOR warrants that the cost charged for services under the terms of this contract are not in excess of those charged any other client for the same services performed by the same individuals.
- g. 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.
- h. 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.
- i. No payments in advance or in anticipation of services or supplies to be provided under this Agreement shall be made by County.

EXHIBIT A-4: Stericycle, Inc. Waste Acceptance Policies

To Agreement by and between
THE COUNTY OF MONTEREY ON BEHALF OF NATIVIDAD MEDICAL CENTER, hereinafter referred
to as “NMC”
AND
STERICYCLE, INC., hereinafter referred to as “CONTRACTOR”



REGULATED MEDICAL WASTE ACCEPTANCE POLICY

Stericycle policy requires compliance with all applicable regulations regarding the collection, transportation and treatment of regulated medical waste. Federal Department of Transportation (DOT) Regulations require the generator of regulated medical waste to certify that the packaging and documentation of transported regulated medical waste complies with DOT regulations regarding waste classification, packaging, labeling and shipping documentation. To ensure that neither Stericycle nor the generator of regulated medical waste violates applicable regulations, it is imperative that all parties understand the rules regarding proper identification, classification, segregation and packaging of regulated medical waste. The purpose of this policy is to summarize the minimum requirements for preparing your medical waste for collection, transportation and treatment. Additional facility or state-specific waste acceptance policies may apply based on permit specifications. Please contact your local representative for further information. You may also call (866) 338-5120.

REGULATED MEDICAL WASTE

Stericycle accepts medical waste generated in a broad range of medical, diagnostic, therapeutic and research activities. The term "medical waste" includes biohazardous, biomedical, infectious or regulated medical waste as defined under federal, state or local laws, rules, regulations and guidelines. Except as defined by specific state regulations, this **excludes** RCRA hazardous waste pharmaceuticals, all DEA scheduled drugs including controlled substances, bulk chemotherapy, waste containing mercury or other heavy metals, batteries of any type, cauterizers, non-infectious dental waste, chemicals such as solvents, reagents, corrosives or ignitable materials classified as hazardous waste under Federal and State EPA Regulations. In addition, Stericycle **cannot accept** bulk liquids, radioactive materials, or complete human remains (including heads, full torsos and fetuses). Stericycle **cannot accept** these excluded materials packaged as regulated medical waste. All lab wastes or materials which contain or have the potential to contain infectious substances arising from those agents listed under 42 CFR 72.3 are strictly prohibited from medical waste by federal law and must be pretreated prior to disposal. Separate protocol and packaging requirements apply for the disposal of non-hazardous pharmaceuticals. Hazardous waste transportation services may be offered in certain geographical locations, under separate contract. Please contact your local representative for details and packaging specifications.

** Un-dispersed from DEA Registrant*

WASTE SEGREGATION AND PACKAGING

The generator is solely responsible for properly segregating, packaging and labeling of regulated medical waste. Proper segregation and packaging reduces the potential for accidental release of the contents and exposure to employees and the general public. DOT regulations require (49 CFR 173.197) that all packages of regulated medical waste be prepared for transport in containers meeting the following requirements: 1) rigid, 2) leak resistant, 3) impervious to moisture, 4) of sufficient strength to prevent tearing or bursting under normal conditions of use and handling, 5) sealed to prevent leakage during transport, and 6) puncture resistant for sharps. All regulated medical waste must be accompanied by a properly completed shipping document (See 49 CFR 172.202).

MANAGEMENT OF NON-CONFORMING WASTE

As required by regulation and company policy, Stericycle employees may refuse containers that are non-conforming because of their contents or are improperly packaged, leaking, damaged or likely to create a risk of exposure to employees or the general public. Any waste found to be non-conforming to this Waste Acceptance Policy identified in route to, or at a Stericycle location, may be returned to the generator for proper packaging and disposal, or may be rerouted for appropriate destruction; this may include improperly marked regulated medical waste which should have been identified for incineration (i.e. pathological, chemotherapy or non-hazardous pharmaceuticals). Proper segregation and packaging is essential to ensure compliant and safe handling, collection, transportation and treatment of regulated medical waste.

STERICYCLE REGULATED MEDICAL WASTE ACCEPTANCE POLICY CHECKLIST

ACCEPTED REGULATED MEDICAL 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 includes needles, syringes, scalpels, broken glass, culture slides, culture dishes, broken capillary tubes, broken rigid plastic, and exposed ends of dental wires.
- Regulated Medical Waste or Clinical Waste or (Bio) 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 the production and testing of biological products.

ACCEPTED REGULATED MEDICAL 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 specimen (decanted of formaldehyde, formalin or other preservatives as required per hazardous waste rules).
- Non-RCRA Pharmaceuticals - Must be characterized and certified as non-RCRA hazardous material by the generator. Excludes all DEA scheduled drugs, including controlled substances.*
- California Only - Solidified Suction Canisters - Suction canisters that have been injected with solidified materials to control liquids or suction canisters made of high heat resistant plastics such as polysulfone.

REGULATED MEDICAL WASTE NOT ACCEPTED BY STERICYCLE

- Untreated Category A Infectious Substances
- Complete Human Remains (including heads, full torsos, and fetuses)
- Bulk Chemotherapy Waste
- Mercury-Containing Dental Waste - Non-contact and contact amalgam and products, chairside traps, amalgam sludge or vacuum pump filters, extracted teeth with mercury fillings and empty amalgam capsules
- Any Mercury Containing Material or Devices - Any mercury thermometers, Sphygmomanometers, lab or medical devices
- RCRA Hazardous Pharmaceutical Waste and all DEA Federal and State controlled substances*
- Chemicals - Formaldehyde, formalin, acids, alcohol, waste oil, solvents, reagents, fixer developer, fluorescein
- Compressed Gas Cylinders, Canisters, Inhalers and Aerosol Cans
- Hazardous or Universal Waste - any other waste determined by Federal or State EPA regulations including but not limited to batteries, bulbs, heavy metals, etc.
- Radioactive Waste - Any container with a radioactivity level that exceeds regulatory or permitted limits; lead-containing materials

**Consult Stericycle Representative for specific requirements*

Additional waste acceptance policies may apply based on state or permit specific requirements. Hazardous waste transportation services may be offered in certain geographical locations, under separate contract. Please refer to your local Stericycle Representative for additional information and options for possible hazardous waste handling. For additional information on container and labeling requirements contact our Stericycle Customer Service Department at (866) 338-5120.



STERICYCLE NON HAZARDOUS PHARMACEUTICAL WASTE ACCEPTANCE POLICY

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.
- ✓ **Non-RCRA Hazardous Pharmaceuticals** – Must be characterized and certified as non-RCRA hazardous material by the generator. Consult Stericycle Representative for specific requirements.

WASTE NOT ACCEPTED BY STERICYCLE

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

RESPONSIBILITY FOR PROPER SEGREGATION

Customer is solely responsible for ensuring the proper segregation of non-RCRA hazardous waste. If any of the Waste Not Accepted by Stericycle (Non-conforming Waste) is found in the non-RCRA hazardous waste stream, then Customer will be solely responsible for all costs associated with clean-up, transportation, treatment, and disposal of the Non-conforming Waste by a company or companies permitted to clean-up, transport, treat, and dispose of such Non-conforming Waste.

ADDITIONAL POLICIES

Additional waste acceptance policies may apply based on state or permit specific requirements.



REGULATED MEDICAL WASTE ACCEPTANCE POLICY

Stericycle policy requires compliance with all applicable regulations regarding the collection, transportation and treatment of regulated medical waste. Federal Department of Transportation (DOT) Regulations require the generator of regulated medical waste to certify that the packaging and documentation of transported regulated medical waste complies with DOT regulations regarding waste classification, packaging, labeling and shipping documentation. To ensure that neither Stericycle nor the generator of regulated medical waste violates applicable regulations, it is imperative that all parties understand the rules regarding proper identification, classification, segregation and packaging of regulated medical waste. The purpose of this policy is to summarize the minimum requirements for preparing your medical waste for collection, transportation and treatment. Additional facility or state-specific waste acceptance policies may apply based on permit specifications. Please contact your local representative for further information. You may also call (866) 338-5120.

REGULATED MEDICAL WASTE

Stericycle accepts medical waste generated in a broad range of medical, diagnostic, therapeutic and research activities. The term "medical waste" includes biohazardous, biomedical, infectious or regulated medical waste as defined under federal, state or local laws, rules, regulations and guidelines. Except as defined by specific state regulations, this **excludes** RCRA hazardous waste pharmaceuticals, all DEA scheduled drugs including controlled substances, bulk chemotherapy, waste containing mercury or other heavy metals, batteries of any type, cauterizers, non-infectious dental waste, chemicals such as solvents, reagents, corrosives or ignitable materials classified as hazardous waste under Federal and State EPA Regulations. In addition, Stericycle **cannot accept** bulk liquids, radioactive materials, or complete human remains (including heads, full torsos and fetuses). Stericycle **cannot accept** these excluded materials packaged as regulated medical waste. All lab wastes or materials which contain or have the potential to contain infectious substances arising from those agents listed under 42 CFR 72.3 are strictly prohibited from medical waste by federal law and must be pretreated prior to disposal. Separate protocol and packaging requirements apply for the disposal of non-hazardous pharmaceuticals. Hazardous waste transportation services may be offered in certain geographical locations, under separate contract. Please contact your local representative for details and packaging specifications.

** Un-dispersed from DEA Registrant*

WASTE SEGREGATION AND PACKAGING

The generator is solely responsible for properly segregating, packaging and labeling of regulated medical waste. Proper segregation and packaging reduces the potential for accidental release of the contents and exposure to employees and the general public. DOT regulations require (49 CFR 173.197) that all packages of regulated medical waste be prepared for transport in containers meeting the following requirements: 1) rigid; 2) leak resistant; 3) impervious to moisture; 4) of sufficient strength to prevent tearing or bursting under normal conditions of use and handling; 5) sealed to prevent leakage during transport; and 6) puncture resistant for sharps. All regulated medical waste must be accompanied by a properly completed shipping document (See 49 CFR 172.202).

MANAGEMENT OF NON-CONFORMING WASTE

As required by regulation and company policy, Stericycle employees may refuse containers that are non-conforming because of their contents or are improperly packaged, leaking, damaged or likely to create a risk of exposure to employees or the general public. Any waste found to be non-conforming to this Waste Acceptance Policy identified in route to, or at a Stericycle location, may be returned to the generator for proper packaging and disposal, or may be rerouted for appropriate destruction; this may include improperly marked regulated medical waste which should have been identified for incineration (i.e. pathological, chemotherapy or non-hazardous pharmaceuticals). Proper segregation and packaging is essential to ensure compliant and safe handling, collection, transportation and treatment of regulated medical waste.

STERICYCLE REGULATED MEDICAL WASTE ACCEPTANCE POLICY CHECKLIST

ACCEPTED REGULATED MEDICAL 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 includes needles, syringes, scalpels, broken glass, culture slides, culture dishes, broken capillary tubes, broken rigid plastic, and exposed ends of dental wires.
- Regulated Medical Waste or Clinical Waste or (Bio) 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 the production and testing of biological products.

ACCEPTED REGULATED MEDICAL 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 specimen (decanted or formaldehyde, formalin or other preservatives as required per hazardous waste rules).
- Non-RCRA Pharmaceuticals - Must be characterized and certified as non-RCRA hazardous material by the generator. Excludes all DEA scheduled drugs, including controlled substances*.
- California Only - Solidified Suction Canisters - Suction canisters that have been injected with solidifier materials to control liquids or suction canisters made of high heat resistant plastics such as polysulfone.

REGULATED MEDICAL WASTE NOT ACCEPTED BY STERICYCLE

- Untreated Category A Infectious Substances
- Complete Human Remains (including heads, full torsos, and fetuses)
- Bulk Chemotherapy Waste
- Mercury-Containing Dental Waste - Non-contact and contact amalgam and products, chairside traps, amalgam sludge or vacuum pump filters, extracted teeth with mercury fillings and empty amalgam capsules
- Any Mercury Containing Material or Devices - Any mercury thermometers, Sphygmomanometers, lab or medical devices
- RCRA Hazardous Pharmaceutical Waste and all DEA Federal and State controlled substances*
- Chemicals - Formaldehyde, formalin, acids, alcohol, waste oil, solvents, reagents, fixer developer, fluorescein
- Compressed Gas Cylinders, Canisters, Inhalers and Aerosol Cans
- Hazardous or Universal Waste - any other waste determined by Federal or State EPA regulations including but not limited to batteries, bulbs, heavy metals, etc
- Radioactive Waste - Any container with a radioactivity level that exceeds regulatory or permitted limits, lead-containing materials

**Consult Stericycle Representative for specific requirements*

Additional waste acceptance policies may apply based on state or permit specific requirements. Hazardous waste transportation services may be offered in certain geographical locations, under separate contract. Please refer to your local Stericycle Representative for additional information and options for possible hazardous waste handling. For additional information on container and labeling requirements contact our Stericycle Customer Service Department at (866) 338-5120.

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