

**AGREEMENT BETWEEN THE COUNTY OF SAN MATEO AND  
SOUTH BAY RECYCLING**

THIS AGREEMENT is entered into this \_\_\_\_\_ day of \_\_\_\_\_ ,  
2011, by and between the COUNTY OF SAN MATEO, hereinafter called "County,"  
and South Bay Recycling, hereinafter called "Contractor";

W I T N E S S E T H:

WHEREAS, San Mateo County residents with barriers to employment are in need of training in order to obtain jobs and the Vocational Rehabilitation Services (VRS) program of the Human Services Agency is teaming up with the recycling industry to provide training and employment opportunities to the hard-to-employ population; and

WHEREAS, the County and Contractor desire to enter into an agreement whereby the Contractor will provide training and employment opportunities to San Mateo County residents with barriers to employment who are participants in the County's Vocational Rehabilitation Services program, and will reimburse the County for participant wages, supervision costs, and administrative costs;

**NOW, THEREFORE, IT IS HEREBY AGREED BY THE PARTIES HERETO AS FOLLOWS:**

**1. Exhibits and Attachments**

The following exhibits and attachments are included hereto and incorporated by reference herein:

- Exhibit A – Program Description
- Exhibit B – Payments and Rates
- Exhibit C – Contractor's Declaration Form
- Exhibit D – Program Monitoring
- Exhibit E – Program Requirements
- Exhibit F – Not Used
- Exhibit G – Budget
- Exhibit H – Assurance
- Exhibit I – Code of Conduct
- Attachment I – §504 Compliance

**2. County Referral of VRS Participants**

In consideration of the payments made by Contractor based on the rates and in the manner set forth herein and in Exhibits B, C, G, and H, and Attachment I, the County shall make referrals in accordance with the terms, conditions and specifications set forth herein and in Exhibits A, D, E, and I.

**3. Payments by Contractor**

In consideration of the referrals provided by County in accordance with all terms, conditions and specifications set forth herein and in Exhibits A, D, E, and I hereto, Contractor shall make payment to County based on the rates and in the manner specified in Exhibits B, C, G, and H, and Attachment I. In no event shall the County incur any fiscal obligation to Contractor under this Agreement.

**4. Term and Termination**

The term of this Agreement shall be from January 2, 2011 through December 31, 2013.

This Agreement may be terminated by the County's Human Services Agency Director or his/her designee or the Contractor at any time without a requirement of good cause upon thirty (30) days' written notice to either party.

In the event of termination, all finished or unfinished documents, data, studies, maps, photographs, reports, and materials (hereafter referred to as materials) prepared by Contractor under this Agreement shall become the property of the County and shall be promptly delivered to the County. Upon termination, the Contractor may make and retain a copy of such materials.

**5. Hold Harmless**

Contractor shall indemnify and save harmless County, its officers, agents, employees, and servants from all claims, suits, or actions of every name, kind, and description, brought for, or on account of: (A) injuries to or death of any person, including Contractor's officers, agents, employees, or servants, (B) damage to any property of any kind whatsoever and to whomsoever belonging, (C) any sanctions, penalties, or claims of damages resulting from Contractor's failure to comply with the requirements set forth in the Health Insurance Portability and Accountability Act of 1996 (HIPAA) and all Federal regulations promulgated thereunder, as amended, or (D) any other loss or cost, including but not limited to that caused by the concurrent active or passive negligence of County, its officers, agents, employees, or servants, resulting from the performance of any work performed by Contractor, its officers, agents, employees, or servants, provided that this shall not apply to injuries or damage for which County has been found in a court of competent jurisdiction to be solely liable by reason of its own negligence or willful misconduct.

The duty of Contractor to indemnify and save harmless as set forth herein, shall include the duty to defend as set forth in Section 2778 of the California Civil Code.

**6. Assignability and Subcontracting**

Contractor shall not assign or subcontract this Agreement or any portion thereof to a third party to pay for the referrals provided by the County under this Agreement without the prior written consent of County. Any such assignment or subcontract without the County’s prior written consent shall give County the right to automatically and immediately terminate this Agreement.

**7. Insurance**

Contractor shall not undertake to utilize any of the County’s VRS participants under this Agreement unless and until all insurance required under this section has been obtained by Contractor and such insurance has been approved by Risk Management, and Contractor shall use diligence to obtain such insurance and to obtain such approval. Contractor shall furnish the County with certificates of insurance evidencing the required coverage, and there shall be a specific contractual liability endorsement extending Contractor's coverage to include the contractual liability assumed by Contractor pursuant to this Agreement. These certificates shall specify or be endorsed to provide that thirty (30) days' notice must be given, in writing, to County of any pending change in the limits of liability or of any cancellation or modification of the policy.

(1) **Worker's Compensation and Employer's Liability Insurance** Contractor shall have in effect during the entire life of this Agreement Workers' Compensation and Employer's Liability Insurance providing full statutory coverage. In signing this Agreement, Contractor certifies, as required by Section 1861 of the California Labor Code, that it is aware of the provisions of Section 3700 of the California Labor Code which requires every employer to be insured against liability for Worker's Compensation or to undertake self-insurance in accordance with the provisions of the Code, and Contractor will comply with such provisions before commencing the utilization of the County’s VRS participants pursuant to this Agreement.

(2) **Liability Insurance** Contractor shall take out and maintain during the life of this Agreement such Bodily Injury Liability and Property Damage Liability Insurance as shall protect Contractor and the County while the County’s VRS participants perform the work covered by this Agreement from any and all claims for damages for bodily injury, including accidental death, as well as any and all claims for property damage which may arise under this Agreement, whether such operations be by Contractor or by any sub-contractor or by anyone directly or indirectly employed by either of them. Such insurance shall be combined single limit bodily injury and property damage for each occurrence and shall be not less than the amount specified below.

Such insurance shall include:

- (a) Comprehensive General Liability . . . . . \$5,000,000
- (b) Motor Vehicle Liability Insurance . . . . . \$1,000,000
- (c) Professional Liability . . . . . \$1,000,000

The County and its officers, agents, employees and servants shall be named as additional insured on any such policies of insurance, which shall also contain a provision that the insurance afforded thereby to Contractor and its officers, agents, employees and servants shall be primary insurance to the full limits of liability of the policy, and that if County and its officers and employees have other insurance against the loss covered by such a policy, such other insurance shall be excess insurance only.

In the event of the breach of any provision of this section, or in the event any notice is received which indicates any required insurance coverage will be diminished or canceled, the County, at its option, may, notwithstanding any other provision of this Agreement to the contrary, immediately declare a material breach of this Agreement and suspend all further work pursuant to this Agreement.

**8. Compliance with laws; payment of Permits/Licenses**

All obligations to be performed by Contractor pursuant to this Agreement shall be performed in accordance with all applicable Federal, State, County, and municipal laws, including, but not limited to, Health Insurance Portability and Accountability Act of 1996 (HIPAA) and all Federal regulations promulgated thereunder, as amended, and the Americans with Disabilities Act of 1990, as amended, and Section 504 of the Rehabilitation Act of 1973, as amended and attached hereto and incorporated by reference herein as Attachment I, which prohibits discrimination on the basis of handicap in programs and activities receiving any Federal or County financial assistance. Such services shall also be performed in accordance with all applicable ordinances and regulations, including, but not limited to, appropriate licensure, certification regulations, provisions pertaining to confidentiality of records, and applicable quality assurance regulations. Further, Contractor certifies that the Contractor and all of its subcontractors will adhere to all applicable provisions of Chapter 4.106 of the San Mateo County Ordinance Code, which regulates the use of disposable food service ware.

In the event of a conflict between the terms of this agreement and State, Federal, County, or municipal law or regulations, the requirements of the applicable law will take precedence over the requirements set forth in this Agreement.

Contractor will timely and accurately complete, sign, and submit all necessary documentation of compliance.

**9. Non-Discrimination and Other Requirements**

- A. *Section 504 applies only to Contractors who are providing services to members of the public.* Contractor shall comply with § 504 of the Rehabilitation Act of 1973, which provides that no otherwise qualified handicapped individual shall, solely by reason of a disability, be excluded from the participation in, be denied the benefits of, or be subjected to discrimination in the performance of this Agreement.
- B. *General non-discrimination.* No person shall, on the grounds of race, color, religion, ancestry, gender, age (over 40), national origin, medical condition (cancer), physical or mental disability, sexual orientation, pregnancy, childbirth or related medical condition, marital status, or political affiliation be denied any benefits or subject to discrimination under this Agreement.
- C. *Equal employment opportunity.* Contractor shall ensure equal employment opportunity based on objective standards of recruitment, classification, selection, promotion, compensation, performance evaluation, and management relations for all employees under this Agreement. Contractor's equal employment policies shall be made available to County of San Mateo upon request.
- D. *Violation of Non-discrimination provisions.* Violation of the non-discrimination provisions of this Agreement shall be considered a breach of this Agreement and subject the Contractor to penalties, to be determined by the County Manager, including but not limited to
  - i) termination of this Agreement;
  - ii) disqualification of the Contractor from bidding on or being awarded a County contract for a period of up to 3 years;
  - iii) liquidated damages of \$2,500 per violation;
  - iv) imposition of other appropriate contractual and civil remedies and sanctions, as determined by the County Manager.

To effectuate the provisions of this section and subject to privacy laws, including but not limited to HIPAA, the County Manager or his designee shall have the authority to examine Contractor's employment records with respect to compliance with this section.

Contractor shall report to the County Manager the filing by any person in any court of any complaint of discrimination or the filing by any person of any and all charges with the Equal Employment Opportunity Commission, the Fair Employment and Housing Commission or any other entity charged with the investigation of allegations within 30 days of such filing, provided that within such 30 days such entity has not notified Contractor that such charges are dismissed or otherwise unfounded. Such notification shall include the name of the complainant, a copy of such complaint, and a description of the circumstance. Contractor shall provide County with a copy of their response to the Complaint when filed.

- E. *Compliance with Equal Benefits Ordinance.* With respect to the provision of employee benefits, Contractor shall comply with the County Ordinance which

- prohibits contractors from discriminating in the provision of employee benefits between an employee with a domestic partner and an employee with a spouse.
- F. The Contractor shall comply fully with the non-discrimination requirements required by 41 CFR 60-741.5(a), which is incorporated herein as if fully set forth.

**10. Compliance with Contractor Employee Jury Service Ordinance**

Contractor shall comply with the County Ordinance with respect to provision of jury duty pay to employees and have and adhere to a written policy that provides that its employees shall receive from the Contractor, on an annual basis, no less than five days of regular pay for actual jury service in San Mateo County. The policy may provide that employees deposit any fees received for such jury service with the Contractor or that the Contractor deduct from the employees' regular pay the fees received for jury service.

**11. Retention of Records, Right to Monitor and Audit**

(a) Contractor shall maintain all required records for three (3) years after the termination of this Agreement and all other pending matters are closed, and shall be subject to the examination and/or audit of the County, a Federal grantor agency, and the State of California. Contractor will give the County, through any authorized representative, the access and the right to examine all records, books, papers, and other documents related to this Agreement.

(b) Reporting and Record Keeping: Contractor shall comply with all program and fiscal reporting requirements set forth by appropriate Federal, State and local agencies, and as required by the County.

(c) Contractor agrees to provide to County, to any Federal or State department having monitoring or review authority, to County's authorized representatives, and/or their appropriate audit agencies upon reasonable notice, access to and the right to examine all records and documents necessary to determine compliance with relevant Federal, State, and local statutes, rules and regulations, and this Agreement, and to evaluate the quality, appropriateness and timeliness of services performed.

**12. Merger Clause**

This Agreement, including the Exhibits and Attachment attached hereto and incorporated herein by reference, constitutes the sole agreement of the parties hereto and correctly states the rights, duties, and obligations of each party as of this document's date. In the event that any term, condition, provision, requirement or specification set forth in this body of the agreement conflicts with or is inconsistent with any term, condition, provision, requirement or specification in any exhibit and/or attachment to this agreement, the provisions of this body of the agreement shall prevail. Any prior agreement, promises, negotiations, or representations between the parties not expressly stated in this document are not binding. All subsequent modifications shall be in writing and signed by the parties.

**13. Controlling Law and Venue**

The validity of this Agreement and of its terms or provisions, as well as the rights and duties of the parties hereunder, the interpretation, and performance of this Agreement shall be governed by the laws of the State of California. Any dispute arising out of this Agreement shall be venued either in the San Mateo County Superior Court or the United States District Court for the Northern District of California.

**14. Notices**

Any notice, request, demand, or other communication required or permitted hereunder shall be deemed to be properly given when both (1) transmitted via facsimile to the telephone number listed below and (2) either deposited in the United States mail, postage prepaid, or when deposited for overnight delivery with an established overnight courier that provides a tracking number showing confirmation of receipt for transmittal, charges prepaid, addressed to:

**In the case of County, to:**

John Joy  
1 Davis Drive  
Belmont, CA 94002  
Facsimile: 650-802-5157

**In the case of Contractor, to:**

Duane McDonald  
South Bay Recycling  
333 Shoreway Road  
San Carlos, CA 94070  
Facsimile: 650-802-8355

In the event that the facsimile transmission is not possible, notice shall be given both by United States mail and an overnight courier as outlined above.

IN WITNESS WHEREOF, the parties hereto, by their duly authorized representatives, have affixed their hands.

COUNTY OF SAN MATEO

By: \_\_\_\_\_  
President, Board of Supervisors

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

ATTEST:

By: \_\_\_\_\_  
Clerk of Said Board

South Bay Recycling

\_\_\_\_\_  
Contractor's Signature

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

Long Form Agreement/Non Business Associate v 8/19/08

## **Exhibit A**

### **Program Description**

In consideration of the payments made by Contractor based on the rates and in the manner set forth in Exhibits B, C, G, and H, and Attachment I, the County shall make referrals in accordance with the terms, conditions and specifications set forth herein and in Exhibits D, E, and I.

This Agreement will establish a joint program between the County of San Mateo and Contractor to establish and continue a Supported Employment Program at Contractor's facility located in San Carlos, California.

For the purpose of this Agreement, the term "Supported Employment" refers to the arrangement whereby a specific number of Vocational Rehabilitation Services (VRS) participants are assigned to the Contractor as specified in Exhibit B, under the direct supervision of VRS Production Supervisors. This scenario is commonly called an "Enclave" wherein VRS would assign both participants and supervisor(s) to work at a location other than VRS.

The County, through the VRS Supported Employment Program, will perform certain services for the Contractor relating to its residential and commercial recycling as described in Exhibits and Attachments to this Agreement. VRS agrees to pay the participants and Supervisor wages, and South Bay Recycling agrees to reimburse VRS for wages, supervision, and administrative overhead as described in Exhibit B and Exhibit G.

Any disciplinary action and/or termination of any of the VRS assigned workers or Production Supervisors, must be by mutual agreement between South Bay Recycling and VRS representatives, prior to any action being taken. Contractor has the ultimate responsibility to operate the SEC MRF facility in a safe and efficient manner, and as such, the Contractor may require that a VRS worker be suspended without charge to the Contractor while disciplinary action and/or termination action is under consideration by VRS and the Contractor.

## **Exhibit B**

### **Payment and Rates**

In consideration of the referrals provided by County in accordance with all terms, conditions and specifications set forth in Exhibits A, D, E, and I hereto, South Bay Recycling (“SBR” or the “Contractor”) shall make payment to County based on the rates and in the manner specified herein and in Exhibits C, G, and H, and Attachment I:

#### **I. Reimbursement to the County for Program Participants:**

The County shall refer VRS participants to work at SBR in a paid work internship program. Participants may train in this program and receive a paid internship for up to 18 months. South Bay Recycling referred to as the Contractor in this Exhibit, shall reimburse the County for all participant related costs for this program.

Reimbursement shall be based on the cost per participant as shown in Exhibit G and this Exhibit. The number of participants for this program shall be determined by the Contractor. The Contractor’s initial projection for this program is 22 participants, but may include more.

#### **Rates for Reimbursement to the County for VRS Participant Interns:**

It is anticipated that participants will intern with the Contractor for up to 42 hours per week and be paid for their participation by the County. It shall be the responsibility of the Contractor to reimburse the County for such payments as follows:

1. Contractor shall reimburse County a base cost of \$11.96 per hour for each participant for up to 40 hours per week of internship and \$17.94 per hour after 40 hours per week has been exceeded. Any hours worked by a participant on a holiday, the County shall be reimbursed at \$23.93 per hour. *(Such rate is based on a base wage equivalent of \$8.25 per hour and includes a Worker’s Compensation and Regulatory Fee of 25% above the wage equivalent and an additional 20% overhead cost above the wage equivalent, worker’s compensation premium and regulatory fee.).*
2. At Contractor’s sole discretion, Contractor may approve an incentive of \$0.50 per hour for those participants meeting the Contractor’s prevailing incentive criteria. For those participants who have been approved by Contractor to receive the \$0.50 per hour incentive rate, Contractor will reimburse the County at the cost of \$12.69 per hour for each incentive-approved participant for up to 40 hours per week of internship and \$19.03 per hour after 40 hours per week has been exceeded. Any hours worked by an incentive-approved

participant on a holiday, the County shall be reimbursed at \$25.38 per hour. *(Such rate is based off a base wage equivalent of \$8.25 plus \$0.50 incentive per hour and includes a Worker's Compensation and Regulatory Fee of 25% above the wage equivalent and incentive, and an additional 20% overhead cost above the wage equivalent, incentive, worker's compensation premium and regulatory fee.)*

3. The Contractor shall reimburse the County for a \$330 bonus payment to each participant who completes twelve (12) months of internship with uninterrupted service.
4. Contractor shall reimburse County for 6 days of holiday pay to each participant that has completed 3 month probation of their internship.
5. An adjustment to the hourly rate of internship may apply should the California minimum wage be increased (currently \$8.00 per hour) as the internship rate is a wage equivalent to the California minimum wage standard.

II. **Rates for Reimbursement to the County for Program Administration and Supervisory Salaries:**

1. The Contractor shall reimburse VRS for County staff costs associated with operating this program. The County's staff costs per year may vary, but are anticipated at \$273,416 per year. This fully burdened cost includes salaries, benefits, taxes and other expenses incurred by the County including workers compensation, regulatory fees, incentives, bonus, vacation and holiday pay. The County will supply one supervisory staff person for every 10-12 participants who intern with Contractor.
2. The County may adjust the annual rate for County staff costs based on standard adjustments consistent with the County's changes to base wage compensation.

III. **Contingency Costs**

A contingency of \$1,000,000 has been added to this Agreement to cover any unanticipated costs over the term of the Agreement. Such costs may include but are not limited to wage equivalents, premiums, regulatory fees and overhead. Any such costs over the amount of \$2,746,306.20 must be approved in advance by the Contractor. The Contractor's total obligation including the contingency is \$3,746,306.20.

IV. **Payments**

The County shall pay participants directly for their internship with South Bay Recycling. South Bay Recycling shall reimburse County monthly for actual costs

incurred by the County upon receipt from the County of an invoice based on the rates outlined in Sections I through III above and in Exhibit G. Total reimbursement to the County shall not exceed \$3,746,306.20, over the term of the Agreement unless agreed upon by both parties and set forth in a written amendment to the Agreement in accordance with Section 12 of the Agreement. This \$3,746,306.20 amount includes the contingency amount of \$1,000,000.

**County of San Mateo  
Contractor's Declaration Form**

**I. CONTRACTOR INFORMATION**

Contractor Name:	South Bay Recycling	Phone:	650-802-8355
Contact Person:	Duane McDonald	Fax:	
Address:	751 Laurel Street, Suite 209 San Carlos, CA		

**II. EQUAL BENEFITS** (check one or more boxes)

*Contractors with contracts in excess of \$5,000 must treat spouses and domestic partners equally as to employee benefits.*

- Contractor complies with the County's Equal Benefits Ordinance by:
  - offering equal benefits to employees with spouses and employees with domestic partners.
  - offering a cash equivalent payment to eligible employees in lieu of equal benefits.
- Contractor does not comply with the County's Equal Benefits Ordinance.
- Contractor is exempt from this requirement because:
  - Contractor has no employees, does not provide benefits to employees' spouses, or the contract is for \$5,000 or less.
  - Contractor is a party to a collective bargaining agreement that began on \_\_\_\_\_ (date) and expires on \_\_\_\_\_ (date), and intends to offer equal benefits when said agreement expires.

**III. NON-DISCRIMINATION** (check appropriate box)

- Finding(s) of discrimination have been issued against Contractor within the past year by the Equal Employment Opportunity Commission, Fair Employment and Housing Commission, or other investigative entity. Please see attached sheet of paper explaining the outcome(s) or remedy for the discrimination.
- No finding of discrimination has been issued in the past year against the Contractor by the Equal Employment Opportunity Commission, Fair Employment and Housing Commission, or any other entity.

**IV. EMPLOYEE JURY SERVICE** (check one or more boxes)

*Contractors with original or amended contracts in excess of \$100,000 must have and adhere to a written policy that provides its employees living in San Mateo County up to five days regular pay for actual jury service in the County.*

- Contractor complies with the County's Employee Jury Service Ordinance.
- Contractor does not comply with the County's Employee Jury Service Ordinance.
- Contractor is exempt from this requirement because:
  - the contract is for \$100,000 or less.
  - Contractor is a party to a collective bargaining agreement that began on \_\_\_\_\_ (date) and expires on \_\_\_\_\_ (date), and intends to comply when the collective bargaining agreement expires.

**I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct, and that I am authorized to bind this entity contractually.**

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Name

\_\_\_\_\_  
Date

\_\_\_\_\_  
Title

## **Exhibit D**

### **Program Monitoring**

The County of San Mateo through Vocational Rehabilitation Services (VRS) and Contractor shall monitor the Supported Employment Program at the South Bayside Waste Management Authority (SBWMA) Shoreway Environmental Center (SEC) facility as described herein.

The VRS Central Region Manager or his or her designee, shall be available to Contractor's assigned designee to resolve any programmatic concerns.

The Contractor shall review overall results and ongoing activities as outlined in this Agreement, which includes but is not limited to the following: supervisor's weekly performance reports; day to day production throughput; bi-weekly compensation metrics.

Both parties understand and agree that VRS participant intern staffing, supervisory performance, and overall productivity levels are of critical importance to ensure the long term viability of this Agreement and as such will work together to ensure that Contractor's needs, as defined in Contractor's Material Recovery Facility Sort Productivity Standards, as described in Exhibit E are met on a consistent basis.

## **Exhibit E**

### **Programs Specific Requirements**

The County, through the Vocational Rehabilitation Services (VRS) Supported Employment Program, shall assign VRS participant interns and VRS Production Supervisors (as defined below) to the Contractor as outlined in this Agreement. The Contractor agrees to reimburse the County for one VRS Supervisor (“VRS Production Supervisor”) for each 10-12 VRS participant interns. Such reimbursement for VRS Production Supervisors shall be at the rates described in Exhibit B and Exhibit G. The assigned VRS participant interns and VRS Production Supervisors will follow tasks as specified by the Contractor as relates to material separation for the purposes of recycling.

The VRS Production Supervisors will screen VRS participant interns, train them regarding site safety and job responsibilities prior to their first day on site, supervise and assign the work of VRS participant interns to ensure that productivity standards are met or exceeded, enter data (hours worked, performance metrics, weights of sorted materials from composition sort tests performed by VRS participant interns, etc.), and provide other assistance as reasonably needed to ensure ongoing program success. VRS Production Supervisors will coordinate VRS participant intern schedules so that after the first year of operations, VRS participant intern tenure is controlled and each month no more than 10% of VRS participant interns are beginning their service.

#### Material Recovery Facility (MRF) Sort Productivity Standards:

1. Newspaper, Mixed Paper, Cardboard: From the sorting belt and from floor sorting, remove and discard prohibited materials from the newspaper, mixed paper, and cardboard. These items include, but are not limited to, grocery bags, string, plastic, other non-paper materials, magazines and phone books. Most sorting is performed from a standing position at the sorting belt, but some sorting may be required from the floor, to remove large pieces of cardboard or other materials.
2. Glass, Cans, and Plastics: From the sorting belt and from floor sorting, remove specific types of plastic or other materials to their designated storage areas, by throwing into hoppers directly in front of them, dropping items into chutes, or placing them into receptacles.
3. Mixed Recyclables or Contaminants: At sorting belt, from a standing position or from floor sorting, remove corrugated cardboard, recyclable paper, contaminants, and/or non-recyclable items into chutes, overhead ducting, receptacles, or other containers on, above, below, or at the side of the work area.

4. Baled Recyclables: From the floor, remove out-throws or prohibited materials from the bales and place them in appropriate receptacles. Measure moisture content of paper bales with a meter provided by the Contractor.
5. Composition Sort Tests: From the floor, at the sort table, or from the sorting belt, remove various type of materials into various types of containers.
6. Clean-up: During the day and at the end of the day all sorters will participate in clean-up of the sorting stations, recycling equipment, recycling grounds and recycling floor. Sorters also participate in cleaning the belts and conveyor pits. Cleaning of equipment, belts and conveyor pits may only be performed while the equipment is appropriately locked out and tagged out of service.
7. Other Assignments: VRS participant interns and VRS Production Supervisors will perform other tasks as requested by Contractor which directly relate to the above mentioned responsibilities. This includes but is not limited to: preparing the work area, training, moving sorted materials to designated locations, and cleaning the work area (sweeping, dusting, picking up spilled materials on the floor or platform deck, etc.

Incentive Program: At Contractor's discretion, Contractor may enact an Incentive Program whereby VRS participant interns may receive incentives for various achievements as described in Exhibit B. The County has no involvement in the Incentive Program, and the County will have no obligation to fund or otherwise participate in Contractor's Incentive Program. Contractor shall hold the County harmless for any payment obligations that may arise under the Contractor's Incentive Program.

Contractor's Policies: VRS participant interns and VRS Production Supervisors working at the recycling center will observe Contractor's Policies as described in Exhibit I.

Working Hours: Regularly scheduled working hours for day or night shift will be established for Monday through Friday (Monday through Saturday on weeks which include a holiday during the work week). Additional overtime, weekend, and holiday work may, at Contractor's option, be requested with reasonable advance notice, and VRS participant interns will be provided to meet such requests.

The Contractor may request a shift with different working hours or different working locations within the SEC MRF or different rates of pay for select VRS participant interns. With mutual understanding between the County and Contractor, some VRS participant interns may be assigned to work overlapping shifts.

Holidays observed for VRS Production Supervisors and VRS participant interns will be as follows:

New Year Day  
Washington's Birthday

Memorial Day  
Independence Day  
Labor Day  
Thanksgiving Day  
Christmas Day

A mandatory Saturday make-up shift may be scheduled, at the discretion of the Contractor, during the weeks which contain the above holidays.

South Bay Recycling Program  
FY 2010 to 2013 Budget

Exhibit G

**# OF PARTICIPANTS [SBR - Initial Start-Up] 22**

Reimbursement - Basic	Hourly Rate
Client Wage - Direct Labor	8.25
Overhead Cost - [OHC] 20%	1.65
Regulatory Fee - [WC etc.] 25%	2.06
<b>Sub-Total Basic</b>	<b>11.96</b>

Weekly Rate	Weekly OT [2hrs]	Total Weekly	Annual Rate	22 Clients
330.00	24.75	354.75	18,447.00	405,834.00
66.00	4.95	70.95	3,689.40	81,166.80
82.50	6.19	88.69	4,611.75	101,458.50
<b>478.50</b>	<b>35.89</b>	<b>514.39</b>	<b>26,748.15</b>	<b>588,459.30</b>

Reimbursement - Incentive	Hrly Incentive
Client Wage - Direct Labor	0.50
Overhead Cost - [OHC] 20%	0.10
Regulatory Fee - [WC etc.] 25%	0.13
<b>Sub-Total Incentive</b>	<b>0.73</b>

Weekly Rate	Weekly OT [2hrs]	Total Weekly	Annual Rate	22 Clients
20.00	1.50	21.50	1,118.00	24,596.00
4.00	0.30	4.30	223.60	4,919.20
5.00	0.38	5.38	279.50	6,149.00
<b>29.00</b>	<b>2.18</b>	<b>31.18</b>	<b>1,621.10</b>	<b>35,664.20</b>

Reimbursement - Client Holiday Pay	Hourly Rate
Client Wage Holiday = 6 days	16.50
Overhead Cost - [OHC] 20%	3.30
Regulatory Fee - [WC etc.] 25%	4.13
<b>Sub-Total Holiday</b>	<b>23.93</b>

Weekly Rate	Total Weekly	Annual Rate	22 Clients
792.00	792.00	792.00	17,424.00
158.40	158.40	158.40	3,484.80
198.00	198.00	198.00	4,356.00
<b>1148.40</b>	<b>1148.40</b>	<b>1,148.40</b>	<b>25,264.80</b>

Reimbursement - Client Bonus	Hourly Rate
Client Wage Bonus - 1 wk pay	8.25
Overhead Cost - [OHC] 20%	1.65
Regulatory Fee - [WC etc.] 25%	2.06
<b>Sub-Total Bonus</b>	<b>11.96</b>

Weekly Rate	Total Weekly	Annual Rate	11 Clients
330.00	330.00	330.00	3,630.00
66.00	66.00	66.00	726.00
82.50	82.50	82.50	907.50
<b>478.50</b>	<b>478.50</b>	<b>478.50</b>	<b>5,263.50</b>

**ANNUAL TOTAL [Client Reimb] 29,996.15 654,651.80**

**AVG - STAFFING COSTS 273,416.00**

**CONTINGENCY 333,333.33**

**GRAND TOTAL 1,261,401.13**

**3 YEAR - TOTAL 3,784,203.40**

South Bay Recycling Program  
FY 2010 to 2013 Budget

**Exhibit G**

**Footnote #1:** The Estimated Costs outlined above are based on current known factors that may vary throughout the term of this agreement. Reimbursement for Client Costs and Program Administration will be based on actual costs of providing the South Bay Recycling Program in partnership with the Human Services Agency Vocational Rehabilitation Services Program.

**Footnote #2:** A \$1 million Contingency is included in this agreement for unanticipated costs and increases in fees, premiums and actual costs of the program during the term of this agreement.

## **Exhibit H**

### **Assurances**

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South Bay Recycling assures that:

1. Services and activities provided under this Agreement will be administered by or under the supervision of the South Bay Recycling.
2. All applicable federal, state, municipal and local standards for health and safety in work and training situations, including all provisions of the Occupational Safety and Health Act of 1979 and all amendments hereto, will be maintained.
3. South Bay Recycling will give the County, through any authorized representative, the access and the right to examine all records, books, papers, and other documents related to this Agreement.
4. South Bay Recycling will comply with the Americans with Disabilities Act and Title VII of the Civil Rights Act of 1964, and that no person shall, on the grounds of race, creed, color, disability, sex, sexual orientation, national origin, age, religion, Vietnam-era Veteran's Status, political affiliation, or any other non-merit factors be excluded from participation in, be denied the benefits of, or be subject to discrimination under this Agreement.
5. No individual shall be discriminated against solely because of his or her status under this Agreement.
6. Individuals shall be compensated at such rates, including periodic increases, as may be deemed reasonable under regulations prescribed by the Secretary of Labor, but in no event at a rate less than that specified in Section 6(a)(1) of the Fair Labor Standards Act of 1938 or if higher, under the applicable state or local minimum wage law.
7. South Bay Recycling will comply with the provisions of the Immigration Reform and Control Act of 1986, which requires employers to verify that all participants are eligible to work in the United States as legal residents of the United States.
8. This Agreement shall not impair existing contracts for service or collective bargaining Agreements.
9. Participant is not related by blood or marriage to South Bay Recycling nor do they receive any favorable treatment for participation if related to any other participants.

10. South Bay Recycling understands that fraudulent claims or actions under this Agreement are subject to criminal penalties and the County may invoke all sanctions available to it in the event of such fraud. An example of fraud would be submitting a false invoice requesting reimbursement on wages that have not been paid.
11. South Bay Recycling has a "Permit to Employ and Work" on file during the term of employment of any minors hired under this Agreement, and will comply with all labor laws applicable to the employment of a minor.
12. South Bay Recycling and County shall provide Worker's Compensation insurance for the participant at participant's own cost and expense and further, neither South Bay Recycling nor its carrier shall be entitled to recover any costs, settlements, or expenses of Worker's Compensation claims arising out of this Agreement. South Bay Recycling shall provide evidence of this insurance coverage to County upon request.
13. South Bay Recycling and County shall provide comprehensive general liability insurance protection, and, if the participant will operate a motor vehicle as part of his/her job responsibilities, shall also provide comprehensive automobile liability insurance. South Bay Recycling shall provide evidence of this insurance coverage to the County upon request.

## **Exhibit I**

### **Code of Conduct**

Contractor shall inform VRS Participant interns and VRS Production Supervisors of the workplace policies and procedures applicable to Contractor's employees. Any violation of Contractor policies and procedures by VRS Participant interns and VRS Production Supervisors may result in re-assignment to a program other than Contractor's.

The Contractor wishes to maintain a workplace where all employees are safe and enjoy coming to work, while at the same time meeting the Agreement requirements in a competitive and efficient manner. To accomplish this, cooperation is required from everyone and a set of guidelines regarding employee conduct and performance have been put in place.

Any action that, in the opinion of Contractor, actually or potentially interferes with or harms its business is a reason for requesting that the County remove a VRS Participant intern or VRS Production Supervisor from assignment to Contractor. This discipline may range from warnings to immediate discharge, depending on the action.

To decide on the appropriate action, the County, acting on the recommendation of the Contractor may consider, but is not limited to considering, the seriousness of the action, the VRS Participant intern's or VRS Production Supervisor's record, the ability to correct the action, prior discipline the Contractor has used for similar action by other employees, and how the action affects production, quality, safety and other circumstances.

The following is a partial list of actions that may result in request for removal of a VRS Participant interns and VRS Production Supervisors and, depending on the severity, may be grounds for immediate termination:

- Unsatisfactory performance, such as failure to do assigned work in a satisfactory manner, or failure to cooperate satisfactorily with supervisors, subordinates and/or other co-workers;
- Insubordination, such as failure or refusal to do assigned work or carry out any reasonable direction of a supervisor or Contractor's representative;
- Violation of any Contractor's policy, work rule or procedure including but not limited to unlawful discrimination on the grounds of race, color, religion, national origin, gender, age, disability, sexual orientation, veteran status, or other classification protected by law;
- Absence from work without proper notification and authorization;

- Failure to return at the end of vacation or leave of absence;
- Harassment in violation of Contractor's policies;
- Retaliation or threatening retaliation against employees who exercise rights under Contractor's policies or employment laws;
- Fighting, threatening, intimidating or coercing anyone;
- Use, sale, purchase, transfer, consumption, presence in one's system or transportation of any alcoholic beverage or illegal drug, or the misuse of prescription drugs, on or in South Bayside Waste Management Authority property or on Contractor's time;
- Smoking in prohibited areas;
- Violation of Contractor's safety practices;
- Conflict of interest with Contractor's business;
- Improper use or distribution of confidential Contractor's information, including personnel-related information regarding other employees;
- Acts of sabotage, destruction, salvaging or unauthorized removal of Contractor or of another person's property;
- Illegal possession or storage of firearms, explosives or weapons on Contractor premises or on Contractor's time;
- Dishonesty regarding any aspect of your employment or Contractor's business including misuse of funds or other Contractor's property;
- Conduct that reflects badly on the Contractor; and
- Failure to follow the rules of conduct necessary to the safety and welfare of the company, its employees and the public.

The above list is not intended to be complete, and does not change any employee's at will relationship with the Contractor.

#### Drug and Alcohol Use

Contractor is committed to providing a safe and healthy workplace for its employees. A portion of this commitment is demonstrated in part through a drug and alcohol program, which consists of pre-employment, reasonable suspicion, post-accident, and follow-up testing for drug and alcohol misuse. This testing applies to all-employees, regardless of position, to the extent allowable by law.

The Alcohol and Drug Free Workplace and Substance Abuse Policy and related procedures apply to any VRS Participant intern or VRS Production Supervisor while at work or doing his/her job, on or in SBWMA property or operating Contractor's equipment. It specifically prohibits the use, sale, alcoholic beverage or controlled substance (with the exception of medically prescribed drugs being use properly as explained in the referenced policy). Although this summary is provided as an overview of the company's Alcohol and Drug Free Workplace and Substance Abuse Policy, VRS Participant interns and VRS Production Supervisors are responsible to read the actual policy and procedures, comply with them.

### Workplace Violence

Both parties believe that a supportive and healthy work environment must be free of violence or the threat of violence. To make sure VRS Participant interns and VRS Production Supervisors, customers, and others are safe, acts of violence will not be tolerated.

Violent behavior includes:

- Actual or threatened harm to another person, whether verbal or physical in nature;
- The illegal possession on company property of weapons or explosives of any kind; or
- Loud, angry, or disruptive conduct.

If a VRS Participant intern or VRS Production Supervisor knows or suspects that a violent act has occurred or may occur in the future, it must be reported promptly to his/her supervisor or any manager. No adverse action will be taken against anyone who, in good faith, reports act or threats of violence. All reports of violence or threats of violence will be investigated and appropriate actions will be taken to ensure a safe working environment.

Attachment I

**Assurance of Compliance with Section 504 of the Rehabilitation Act of 1973, as Amended**

The undersigned (hereinafter called the "Contractor(s)") hereby agrees that it will comply with Section 504 of the Rehabilitation Act of 1973, as amended, all requirements imposed by the applicable DHHS regulation, and all guidelines and interpretations issued pursuant thereto.

The Contractor(s) gives/give this assurance in consideration of for the purpose of obtaining contracts after the date of this assurance. The Contractor(s) recognizes/recognize and agrees/agree that contracts will be extended in reliance on the representations and agreements made in this assurance. This assurance is binding on the Contractor(s), its successors, transferees, and assignees, and the person or persons whose signatures appear below are authorized to sign this assurance on behalf of the Contractor(s).

The Contractor(s): (Check a or b)

- a. Employs fewer than 15 persons.
- b. Employs 15 or more persons and, pursuant to section 84.7 (a) of the regulation (45 C.F.R. 84.7 (a), has designated the following person(s) to coordinate its efforts to comply with the DHHS regulation.

\_\_\_\_\_  
Name of 504 Person - Type or Print

\_\_\_\_\_  
Name of Contractor(s) - Type or Print

\_\_\_\_\_  
Street Address or P.O. Box

\_\_\_\_\_  
City, State, Zip Code

I certify that the above information is complete and correct to the best of my knowledge.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Title of Authorized Official

\_\_\_\_\_  
Date

\*Exception: DHHS regulations state that:

"If a recipient with fewer than 15 employees finds that, after consultation with a disabled person seeking its services, there is no method of complying with (the facility accessibility regulations) other than making a significant alteration in its existing facilities, the recipient may, as an alternative, refer the handicapped person to other providers of those services that are accessible."