

**THIRTEENTH AMENDMENT TO AGREEMENT
FOR OPERATION AND MAINTENANCE OF THE REDWAY TRANSFER STATION**

This Thirteenth Amendment to the Agreement for Operation and Maintenance of the Redway Transfer Station dated June 22, 2010, by and between the County of Humboldt, a political subdivision of the State of California, herein referred to as "COUNTY," and Recology Eel River, formerly known as Eel River Disposal and Resource Recovery, Inc., a California corporation, hereinafter referred to as "CONTRACTOR," shall be effective as of July 1, 2023.

RECITALS

WHEREAS, on June 22, 2010, COUNTY and Eel River Disposal and Resource Recovery, Inc. ("ERD") entered into an agreement to operate and maintain the Redway Transfer Station ("Operation and Maintenance Agreement") for the purpose of collecting, transporting, processing and disposing of solid waste and source separated recyclable materials from May 1, 2010 to June 30, 2029; and

WHEREAS, Recology Inc. acquired all outstanding shares of ERD and merged it into Recology Eel River, assuming control over ERD's operations effective September 1, 2017; and

WHEREAS, the parties desire to amend the Operation and Maintenance Agreement to adjust the compensation payable to CONTRACTOR for the collection, transportation, processing and disposal of solid waste and source separated recyclable materials pursuant to said Operations and Maintenance Agreement.

NOW THEREFORE, the parties mutually agree as follows:

1. Section 16(A) – Payment to Contractor of the operation and Maintenance Agreement is hereby deleted in its entirety and replaced with the following:

16. PAYMENT TO CONTRACTOR

- A. Payment Amount. COUNTY shall pay CONTRACTOR a fixed annual payment as specified in the Site Price Form in Exhibit 1-A for the period July 1, 2023 to June 30, 2024. The Payment amount shall be calculated as specified in Exhibit 1-B.

The total annual amount payable to CONTRACTOR, as may be modified pursuant to the provisions of this Section or Sections 17, 18, or 19, shall be known as the "Payment Amount." Payment shall be made in twelve (12) equal monthly installments, according to the procedure set forth in Section 16(B). If any alternate disposal site or sites are designated, the Payment Amount shall be adjusted as provided for in Section 18(C) of this Agreement.

If Gate Fees or Disposal Rates are changed, the Payment Amount shall be adjusted as provided for in Sections 17(B) or 18(B) of this Agreement.

2. The Maintenance and Operation Agreement is hereby amended to delete Exhibit 1-A – Redway Transfer Station and Recycling Center Site Price Form ("Exhibit 1-A"), and replace it in its entirety with the revised version of Exhibit 1-A that is attached hereto and incorporated herein by reference. The modified version of Exhibit 1-A attached hereto shall supersede any and all prior versions thereof as of the effective date of this Thirteenth Amendment.

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3. The Maintenance and Operation Agreement is hereby amended to delete Exhibit 1-B – Formula to Calculate Payment Amount (“Exhibit 1-B”), and replace it in its entirety with the revised version of Exhibit 1-B that is attached hereto and incorporated herein by reference. The modified version of Exhibit 1-B attached hereto shall supersede any and all prior versions thereof as of the effective date of this Thirteenth Amendment.
4. The Maintenance and Operation Agreement is hereby amended to delete Exhibit 2 – Standard of Fee Collection (“Exhibit 2”), and replace it in its entirety with the revised version of Exhibit 2 that is attached hereto and incorporated herein by reference. The modified version of Exhibit 2 attached hereto shall supersede any and all prior versions thereof as of the effective date of this Thirteenth Amendment.
5. The Maintenance and Operation Agreement is hereby amended to delete Exhibit 3 – List of Fees and Charges for Recyclable Materials Accepted at Site (“Exhibit 3”), and replace it in its entirety with the revised version of Exhibit 3 that is attached hereto and incorporated herein by reference. The modified version of Exhibit 3 attached hereto shall supersede any and all prior versions thereof as of the effective date of this Thirteenth Amendment.
6. Except as modified herein, the Maintenance and Operation Agreement dated June 22, 2010, as previously amended, shall remain in full force and effect. In the event of a conflict between the provisions of this Thirteenth Amendment and the original Operation and Maintenance Agreement, or any prior amendments thereto, the provisions of this Thirteenth Amendment shall govern.

[Signatures on Following Page]

IN WITNESS WHEREOF, the parties hereto have entered into this Thirteenth Amendment as of the dates indicated below.

TWO SIGNATURES ARE REQUIRED FOR CORPORATIONS:

(1) CHAIRPERSON OF THE BOARD, PRESIDENT, OR VICE PRESIDENT; AND

(2) SECRETARY, ASSISTANT SECRETARY, CHIEF FINANCIAL OFFICER OR TREASURER

RECOLOGY EEL RIVER:

By: Mark R. Lomele
Mark R. Lomele
President and Chief Financial Officer

Date: 6/15/2023

By: Cary Chen
Cary Chen
Senior Vice President, Chief Legal Officer
and Corporate Secretary

Date: 6/15/2023

COUNTY OF HUMBOLDT:

By: Steve Madrone
Steve Madrone - Chair
Humboldt County Board of Supervisors

Date: 7/18/23

INSURANCE CERTIFICATES APPROVED:

By: Phillips, Amanda
Digitally signed by Phillips, Amanda
Date: 2023.07.07 08:07:24 -0700
Risk Management

Date: 07/07/2023

LIST OF EXHIBITS:

- Exhibit 1-A – Redway Transfer Station and Recycling Center Site Price Form
- Exhibit 1-B – Formula to Calculate Payment Amount
- Exhibit 2 – Standard of Fee Collection
- Exhibit 3 – List of Fees and Charges for Recyclable Materials Accepted at Site

Exhibit 1-A
 REDWAY TRANSFER STATION AND RECYCLING CENTER
 Effective July 1, 2023

A	B	C	D	E	F	G	H	I	J	K
Site	Tons*	Site Costs**	Environmental Liability Insurance Cost	Haul Costs	Disposal Costs	Overhead & Profit 25% C+E	RCY Processing Costs***	Total Operating Cost	Contract Revenue	Net County Cost
Redway Transfer Station Total:	3,582.15	\$ 337,325	\$ 1,106	\$ 61,802	\$ 545,137	\$ 99,782	\$ 3,517	\$ 1,048,668	\$ 648,369	\$ 400,299
	from ERD	from ERD	Annual Fee	tons x haul cost per ton	tons x tipping fee		tons x processing costs per ton	C+D+E+F+G+H	tons x fee per ton	Oper Cost less Revenue
		Proposed								
		FY 23/22								
		FY 24/23								
CPI Adjustment Factor			\$ 5,776.8%							
ERD Tipping Fee**	\$ 145.87	\$ 152.18								
Hourly Haul Rate**	\$ 193.75	\$ 115.04								
Haul Cost Per Ton	\$ 17.25	\$ 17.25								
Fee per ton (County Fee Schedule)	\$ 181.00	\$ 181.00								
<u>Site Cost per Hour</u>										
Site Cost		\$ 337,325								
divided ÷ weeks yr										
divided ÷ hrs week										
		<u>\$ 158.22</u>								
<u>Total Six Month Payment from County</u>										
Net County Cost		\$ 400,298.92								
Environmental Liability Insurance		\$ 1,105.65								
		\$ 399,193.26								
divided by mos./yr.										
Monthly Payment from County		<u>\$ 33,266.11</u>								

*Tons used are MSW tons from January to December 2022

**Subject to annual CPI adjustment; includes the following fees: Weights & Measures, Water Board, Toxic Substances & Department of Health Permit for Redway.

Redway Fees Comparison

	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>% Change</u>	<u>\$ Change</u>	<u>Driver</u>
Tons	5,521.98	4,888.95	3,582.15	-26.7%		NA tons collected continue to fall
Site Costs	\$ 288,551	\$ 318,300	\$ 337,325	16.9%	\$ 19,025	CPI change to operating costs plus permit fees
Env. Liab. Insurance	1,620	1,271	1,106	-13.0%	(165)	
Haul Costs	82,930	79,741	61,802	-22.5%	(17,939)	CPI increase to price/ton is partially offset by \$ impact of tonnage decrease
Disposal Costs	731,507	703,375	545,137	-22.5%	(158,238)	CPI increase to price/ton is partially offset by \$ impact of tonnage decrease
Overhead	92,870	99,510	99,782	0.3%	272	Increase based on increasing costs
RCY Processing	<u>3,776</u>	<u>2,496</u>	<u>3,517</u>	<u>40.9%</u>	<u>1,021</u>	Change in RCY tons and change in RCY processing fee
Total Operating Costs	\$ 1,201,255	\$ 1,204,692	\$ 1,048,668	-13.0%	(156,024)	
Contract Revenue	<u>999,478</u>	<u>884,899</u>	<u>648,369</u>	<u>-26.7%</u>	<u>(236,530)</u>	No payment increase; decrease reflects tonnage decrease
Net County Costs	\$ 201,777	\$ 319,793	\$ 400,299	25.2%	80,506	Gate revenue decreased more significantly than operating costs, which increases the burden on County
RCY Tons	45.67	35.15	31.69	-9.8%		NA tons collected
RCY Processing Fee	\$ 82.68	\$ 71.00	\$ 110.97	56.3%	\$ 39.97	Pending HWMA approval

Exhibit 1-A - RCY Supplement
REDWAY TRANSFER STATION AND RECYCLING CENTER
Effective July 1, 2023

Redway Transfer RCY Ton (FY22) 31.69

RCY Processing Fee \$ 3,516.64

Total RCY Processing Fee	\$ 3,516.64
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Add to column E - Disposal Costs on Exhibit 1-A.

Exhibit 1-B

Formula to Calculate Payment Amount:

$$\text{Contract Revenue Less Total Operating Cost} = \text{Net County Cost or Payment Amount}$$

Where:

$$\begin{aligned} &\text{Contract Revenue} = \text{Tonnage} \times \text{Fee Per Ton} \\ &\text{Less} \\ &\text{Total Operating Cost} = \text{Site Cost} + \text{Environmental Liability Insurance Premium} + \text{Haul Cost} + \\ &\quad \text{Disposal Cost} + \text{Overhead Profit as described below:} \end{aligned}$$

Site Cost Provided By CONTRACTOR at the beginning of this Agreement
(Column C of the Site Price Form)

Add

Environmental Liability Insurance Premium, if coverage is provided by
COUNTY

(Column D of the Site Price Form)

Add

Haul Cost equals the Tonnage X Haul Cost after CPI adjustment
(Column E of the Site Price Form)

Add

Disposal Cost equals the Tonnage X Disposal Cost per ton
(Column F of the Site Price Form)

Add

Overhead Profit which is 25% of Site Cost plus Haul Cost
(Column G of Site Price Form)

Add

RCY Processing Costs per HWMA Contract X RCY tons
(Column H of Site Price Form)

Exhibit 2

Standard of Fee Collection

A. Based on current fees.

\$ 181.00 minimum
per ton

B. And the following assumptions:

average weight of a 30-gallon can = 40#
average weight of a cubic yard = 267#

C. All fees will be charged and collected by weight, rather than volume,
which may be charged at \$12. Initial per ton disposal rate shall be \$181 per ton.
Minimum fee for all loads paid by weight shall be \$12, based on 100#

Exhibit 3

List of Fees and Charges for Materials Accepted at Sites

Material Type	Cost per Unit	Conditions of Acceptance
Debris (per ton)		\$12 minimum
Metal (per ton)		\$12 minimum
Brush & Wood (per ton)		\$12 minimum
Recyclable Material (per ton)		
TVs or Monitors (each)		
Appliance with freon (each)		
Other appliances (each)		
Car Batteries (each)		
Oil (each)		per gallon (5g daily max)
Oil Filters (small, each)		
Oil Filters (large, each)		