

# CITY OF SACRAMENTO

## DIVISION OF WASTE REMOVAL

927 TENTH STREET  
SUITE 200

SACRAMENTO, CALIF. 95814  
TELEPHONE (916) 449-5757

REGINALD YOUNG  
SUPERINTENDENT  
PAUL SMILANICH  
ASSISTANT SUPERINTENDENT

September 28, 1981

City Council  
Sacramento, California

Honorable Members in Session:

SUBJECT: Vegetal Waste Processing Agreement

*referred to  
Bud/Fin Comm.  
OCT 6 1981*

### SUMMARY

This report presents to the City Council the California State Department of General Services proposed contract for the purchase of organic residue (vegetal waste) from the City of Sacramento. The contract as proposed by the State of California offers to pay the City \$2.00 per ton for 20,000 tons per year of processed vegetal waste delivered to the state's plant at 7th and Q Streets. The City would earn as a minimum \$40,000 per year and as a maximum we could earn \$50,000 per year. However, the state's payment obligation depends on the annual appropriation of funds to this project. The City Attorney and the City Engineer recommends that the City not enter this agreement.

### BACKGROUND INFORMATION

On June 17, 1980 the City Staff and State Department of General Services Staff presented a report to the City Council on the possible utilization of some of Sacramento City's Vegetal Waste to heat and cool some State buildings. The report presented reflected a City one time 1980 capital cost of \$720,700 for the design and construction of a vegetal waste processing facility and the purchase of processing equipment and waste delivery trucks. The report also reflected a 1980 annual operating cost of \$225,800. The operating cost was reduced to \$127,000 by off-setting \$98,000 in potential savings to be attained by not having to transfer 20,000 tons of waste to another landfill. The City Council voted its "intent to accept offer subject to approval of final language and identifications of a source of funding".

Subsequent to the City Council's June 17, 1980 action the City Staff applied for a California State Solid Waste Management Board (SWMB) "Resource Recovery Grant" to defray some construction cost of the proposed waste processing facility. At the time of the grant request the projected cost of the proposed facility and its associated equipment has escalated from \$720,700 to \$1,000,000. The State SWMB authorized a grant of \$227,664 for the vegetal

waste processing facility. This grant is dependent upon the City of Sacramento concluding a final waste purchase agreement. Additionally, the City Council has approved a 1981 Capital Improvement Budget which contains \$773,000 of City funds for the construction of the vegetal waste processing facility. The City funds were provided from \$2,000,000 that were previously allocated to the design and construction of a Sacramento City Transfer Station. Thus the \$227,664 State Grant plus the \$773,000 in Capital Improvement funds provides the \$1,000,000 for the vegetal waste processing facility.

The City Attorney has negotiated the final agreement language of a proposed contract with California State Department of General Services Staff Counsel. The City Attorney's report on the proposed agreement is attached hereto as Exhibit I. The proposed agreement is attached hereto as Exhibit II.

The City of Sacramento currently collects and disposes of approximately 60,000 tons of vegetal waste each year. Thus the proposed project would accommodate one-third of our vegetal waste.

There is one other potential customer for the City's processed vegetal waste, this potential customer is the Almond Growers IMOTEK almond residue-to-energy conversion facility. If IMOTEK can use our waste their indicated needs will be less than the 20,000 tons per year required by the State.

The other potential user of waste for conversion to energy is the Sacramento Municipal Utility District (SMUD). SMUD proposal would not require that our waste be processed.

Present projections of the annual operating costs of the vegetal waste facility are \$248,300. (See attached Exhibit III.)

Hence by receiving only \$50,000 from the State we will have an annual operating deficit of \$198,300 in the first year of operation. This \$198,300 can not be defrayed by reduced landfill operation cost. The (11%) reduction in our total requirement for disposing of 166,000 tons of waste per year would not permit us to reduce our current disposal personnel or disposal equipment. Therefore no meaningful landfill cost benefits would accrue from this project.

The economy of this project has been impacted by (a) the availability of land from CAL-TRANS to continue landfilling, which eliminated the need to transfer waste, and (b) the potential for mass burning all City waste in a SMUD proposed waste-to-energy conversion system.

It will cost the City \$9.93 per ton to process and deliver 25,000 tons of waste to the State at the estimated operating cost of \$248,300. Thus it will cost \$9.93 per ton to produce a product that will sell for only \$2.00 per ton. This disparity in product cost versus sell price would require the Sacramento City rate payers to subsidize the State project.

#### FINANCIAL DATA

The request to deliver to the State processed garden refuse would require the City to assume the following costs:

September 28, 1981

1. One time capital cost \$733,000.00 (An added \$227,664 to be provided by the State Solid Waste Management Board).
2. Annual Operating Cost - 1981 dollars of \$248,300.

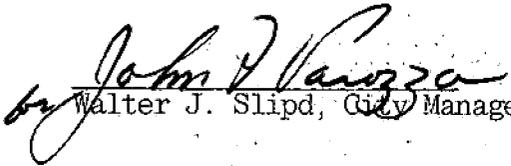
RECOMMENDATION

It is recommended that the City Council not approve this agreement.

Respectfully submitted,

  
Reginald Young  
Waste Removal Superintendent

Approved:

  
Walter J. Slipd, City Manager

October 6, 1981  
All Districts

Exhibit I - City Attorney's Report Re "Sale of Vegetal Waste to the State of California"

Exhibit II- Agreement for Sale of Organic Residue to the State of California

Exhibit III- Preliminary Estimate of Fixed and Variable Costs for Vegetal Waste Facility



# CITY OF SACRAMENTO

## DEPARTMENT OF LAW

812 TENTH ST.  
SUITE 201

SACRAMENTO, CALIF. 95814  
TELEPHONE (916) 449-5346

September 2, 1981

JAMES P. JACKSON  
CITY ATTORNEY

THEODORE H. KOBEY, JR.  
ASSISTANT CITY ATTORNEY

LELIAND J. SAVAGE  
SAMUEL L. JACKSON  
WILLIAM P. CARNAZZO  
SABINA ANN GILBERT  
STEPHEN B. NOCITA  
CHRISTINA PRIM  
DEPUTY CITY ATTORNEYS

Honorable City Council  
City of Sacramento  
City Hall  
Sacramento, California

In re: Sale of Vegetal Waste to State of California

Members in Session:

The following are the comments of the City Attorney with respect to the proposed agreement between the State of California and the City of Sacramento whereby the City of Sacramento would build a facility for processing lawn and garden refuse and sell the processed material to the State of California for fuel.

1. The term of the agreement is to be 15 years from the commencement of operations or from November 30, 1982, whichever shall first occur. The State has the right to terminate the agreement after 5 years. It should be noted that all State obligations depend on the annual appropriation of funds, so in effect, State could terminate during any fiscal year after commencement of the agreement by not appropriating funds for the following fiscal year. During negotiations, the City continually requested that the agreement be funded for more than one fiscal year; however, the State refused to agree to do so.

2. After the first year, the agreement provides for a \$40,000 minimum payment for the term of the agreement on an annual basis. Both sides agreed that the possibility of start-up problems made this provision undesirable for the first year; thus, for the first year of the agreement, the payment will be based on actual deliveries made. The maximum State obligation shall be \$50,000 per year absent subsequent agreement.

3. If the State terminates the agreement, the State has an obligation to pay the City for its amortized investment; however, this obligation is dependent on an appropriation of funds by the State to make such a payment.

4. If the State terminates the agreement and pays the City the amortized value of City equipment, the State shall have the

right to scrap or salvage the City equipment for a period of one year after the payment. After that period, there is no further scrap or salvage right. No scrap or salvage value is taken into account in the amortization of the City equipment.

5. The State has insisted over the City's objection in complying with its policy to incorporate what it calls its "Fair Employment Practices Addendum". I have successfully negotiated removal of this objectionable provision from other agreements, but in this particular case, the State has insisted on incorporating it. Basically, the provision incorporates the Fair Housing and Employment Act of the State, and, in addition to all other remedies provided by that Act, provides, upon any willful violation of that Act, the State shall have the right to terminate this contract either in whole or in part, and any loss or damage sustained by the State in securing the goods or services hereunder shall be borne and paid for by the City. It should be pointed out that the Fair Employment Practices Commission constantly promulgates regulations which the City has in the past found objectionable. Adequate provision is made in State law for remedies for violation of the law involved. Because the law is administered by a single purpose agency and because the law in this area is not settled, it is very possible to be in willful violation of the law while in good faith belief that one is not in violation. I very strongly recommend that the City refuse to enter into the agreement with this objectionable provision included.

Respectfully submitted,

JAMES P. JACKSON  
City Attorney

By Leliand J. Savage  
LELIAND J. SAVAGE  
Deputy City Attorney

THIS AGREEMENT, made and entered into this \_\_\_\_\_ day of \_\_\_\_\_, 1981, by and between the State of California, acting through the Department of General Services, hereinafter called "STATE" and the City of Sacramento, hereinafter called "CITY".

W I T N E S S E T H:

WHEREAS, STATE is to build, operate, and maintain a State Gasification Facility at its Central Plant located in the City of Sacramento and desires to procure fuel supplies of organic residue for operation of said Facility; and

WHEREAS, CITY is to build, operate, and maintain a facility for the processing and production of organic residues suitable for use for the State Gasification Facility and desires to furnish such organic residue to STATE for such use; and

WHEREAS, STATE and CITY desire to avail themselves of all provisions of law applicable to this agreement and desire to jointly exercise their powers as specifically provided for under Title 1, Division 7, Chapter 5, commencing at Section 6500 et seq. of the Government Code;

NOW, THEREFORE, the parties hereto agree as follows:

1. The term of this agreement shall commence when the respective CITY and STATE facilities are operational but not later than November 30, 1982, and terminate 15 years after the commencement date. Such operational date shall be confirmed in writing by the parties and such writing shall be attached to the agreement.

2. CITY shall build, operate, and maintain a facility for the processing and production of organic residue and shall furnish such residue to STATE in accordance with the terms and conditions of the agreement.

3. CITY shall assume responsibility for all labor, materials, tools, equipment, and attendant costs therefore reasonably necessary for performance of CITY's obligations pursuant to this agreement.

4. The residue to be furnished by CITY to STATE shall comply with the following materials specification:

Organic residues maximum moisture content, wet basis -

30%. Maximum bulk density, wet basis - 19 lb./ft.<sup>3</sup>

90% of the residues sized 1" cube or less.

Inert content less than 5%, dry weight.

5. CITY's deliveries of residues shall be compliant with the following delivery schedule and requirements unless otherwise agreed to by the parties:

Minimum truck size, 2,000 cubic feet.

Trucks shall be self-dumping from back of trailer.

Delivery shall be to State's fuel receiving plant at

6, 7, P and Q Streets. Entry shall be from

Q Street and exit on P Street.

Delivery shall be daily and vary according to the

State's daily requirements within the other specifications and limits imposed by this agreement.

Delivery shall normally be between 7:30 a.m. and

6:30 p.m.

Deliveries shall not exceed 15 tons per hour.

6. CITY agrees to remove and dispose of residue material greater than 1" cube and unacceptable to STATE's system; provided, however, CITY may reprocess any such residue removed from the State facility and to offer such residue in satisfactory condition.

7. In the event the percent weight content of the residue material delivered exceeds the moisture or dry weight content as specified in Paragraph No. 4, and STATE elects to accept such non-compliant deliveries, the costs of same shall be adjusted proportionally, by adjustment in price or delivery of additional material at no charge, at the option of the STATE considering the ability of CITY to deliver additional materials.

8. Except for the first year of the term of this agreement, STATE shall purchase a minimum of 20,000 tons of organic residue per year at \$2.00 per ton (\$40,000) regardless of whether or not STATE actually needs such tonnage. Said minimum tonnage is based upon estimates of STATE's requirements and actual deliveries may be more or less than the estimated tonnage according to STATE's actual requirements and CITY's capability to make deliveries. For the first year of the term of this agreement, this minimum tonnage provision shall not apply and payments shall be made based on actual tonnage delivered.

9. The maximum amount which STATE shall pay CITY for compensation for delivery of organic residue for any annual period shall be the sum of \$50,000.00 per annum, absent amendment of this agreement.

10. The foregoing to the contrary notwithstanding, CITY shall not be obligated to deliver more than 150 tons of organic residue per scheduled STATE workday at the facility on a five-day a week basis unless otherwise agreed; provided the foregoing amount of 150 tons shall not include deliveries on a remedial basis as specified in Paragraph No. 7.

11. After the initial five (5) years of the term of this agreement, STATE shall have the right to terminate by giving one year written notice within thirty (30) days prior to or subsequent to the anniversary date of the agreement. STATE shall have the additional right at any time to terminate this agreement upon giving written notice in the event the State Gasification Facility should become physically or mechanically inoperable or economically unfeasible to operate. Any termination pursuant to Paragraph No. 19 shall be construed to be a termination pursuant to this Paragraph for purposes of Paragraph No. 12, subject to the availability of funding for such purpose.

12. (a) In the event STATE terminates this agreement pursuant to Paragraph No. 11, STATE shall pay CITY a sum equal to the depreciated cost of the CITY structure and equipment as such items are depicted or referred to on the "FIGURE 1" sketch attached to Agreement No. SO-346-400LG between CITY and the Solid Waste Management Board, less \$227,664 to be paid CITY pursuant to Agreement No. SO-346-400LG and less amounts of any other grants or of any other third party contributions towards this project. CITY's "cost" shall be depreciated on a fifteen (15) year straight line schedule commencing the year the facility is first used to produce organic residue for the STATE under this agreement. Costs to be reimbursed shall be limited to all direct out-of-pocket expenses incurred in the construction and acquisition of CITY's structure and equipment, and as such costs are further described in Paragraph No. 13 of this agreement.

(b) No allowance shall be made for scrap or salvage or the value of any structure or equipment. In the event STATE terminates this agreement pursuant to Paragraph No. 11 and makes the payment required per Paragraph 12(a),

STATE shall have the right to scrap or salvage the CITY structure and equipment for a period of one year after termination. In the event STATE shall conduct any such scrap or salvage operation, it shall leave the property clear and graded to an acceptable grade and the area left in clean and debris free condition. In the event STATE shall fail to conduct any such scrap or salvage operation within one year of the effective date of termination, STATE shall have no right to salvage or scrap any such facilities or equipment and all right, title, and interest therein shall be vested in CITY.

13. Within 120 days after the commencement date of this agreement CITY will commence submittal to STATE of verified cost statements accompanied by substantiating invoices and bills for all direct out-of-pocket expenses incurred in the construction and acquisition of CITY's structure and equipment, paid for with CITY funds, and as such items are basically depicted or referred to on the "FIGURE 1" sketch mentioned above. These costs shall include the following: cost of all permits, fees, and licenses; the aggregate amount for the furnishing of labor, materials and tools; cost of equipment including fixtures, devices, machines and other personal property acquired for and to be used directly in the operation of CITY's structure; and the cost of any and all professional fees such as for accounting, architectural and engineering expenses. The following are not to be included or considered in the cost statements: any and all expenditures for benefits, wages or salaries of CITY employees or staff, and any and all expenditures for contract or project administration by CITY or other like expenditures; costs or expenditures for trucks or other motor vehicles.

After the cost statements, invoices, and bills have been examined by STATE, STATE will either approve the cost statements or communicate to CITY why it will not or cannot approve such statements.

In the event of a discrepancy or dispute between CITY and STATE as to the cost statements, which discrepancy or dispute cannot be reconciled between CITY and STATE, or which remains unresolved three months after commencement of the cost statement submittals, the cost statements and related substantiating data shall be submitted to an independent auditor. It is agreed that the decision of the independent auditor shall be final and that the costs of such audit shall be assumed equally by CITY and STATE.

14. If CITY shall agree to use its facilities and equipment for the purpose of providing organic residue to other users in addition to STATE, CITY shall:

- (a) first offer to supply the materials to STATE on the same terms and conditions exclusively for use and consumption by STATE and expressly not for resale by STATE; and
- (b) equitably apportion its capital and operating expenses such that cost savings; if any; and any operating efficiencies or savings shall be passed through pro-rata to STATE; and
- (c) adjust the termination provisions of this agreement to reflect any capital costs actually and directly charged to any other users.

15. The term "force majeure" as used herein, means unforeseeable causes beyond the reasonable control of and without the fault or negligence of the Party claiming force majeure.

If either Party because of force majeure is rendered wholly or partly unable to perform its obligations under this Agreement, except for the obligation to make payments of money, that Party shall be excused from whatever performance is affected by the force majeure to the extent so affected provided that:

- (a) the nonperforming Party, within two weeks after the occurrence of the force majeure, gives the other Party written notice describing the particulars of the occurrence;
- (b) the suspension of performance is of no greater scope and of no longer duration than is required by the force majeure;
- (c) no obligations of either Party which arose before the occurrence causing the suspension of performance are excused as a result of the occurrence; and
- (d) the nonperforming Party uses its best efforts to remedy its inability to perform. This subparagraph shall not require the settlement of any strike, walkout, lockout or other labor dispute on terms which, in the sole judgment of the Party involved in the dispute, are contrary to its interest. It is understood and agreed that the settlement of strikes, walkouts, lockouts or other labor disputes shall be entirely within the discretion of the Party having the difficulty.

16. CITY shall maintain accurate records and accounts of all expenditures made in connection with the performance of this agreement and such records shall be available to the duly authorized representatives of STATE.

17. STATE shall pay monthly in arrears upon receipt of an invoice in triplicate for deliveries made by CITY.

18. Agreement No. SO-346-400LG dated June, 1981, between CITY and the Solid Waste Management Board is attached for reference purposes.

19. It is understood that STATE's obligation for any payments due under this agreement beyond June 30, 1982, shall be subject to the availability of funding for purposes of this agreement.

20. The attached Fair Employment Practices Addendum, Std. Form 3, is incorporated herein for all purposes, and made a part hereof, and for the purposes of this agreement "CONTRACTOR" in said form shall mean CITY.

21. CITY and STATE to the extent possible shall endeavor to schedule periodic maintenance and other operational outages or downtimes so as to not interrupt the other party's operation. To the extent possible, where one party has an unforeseen interruption in operation due to failure of equipment or other similar circumstances, the other party shall reschedule previously scheduled operational outages or downtimes so as to maximize the productive capacities of both systems. In the event of any substantial operational outage or downtime, the affected party shall communicate the facts to the other party as soon as practicable.

CITY:

CITY OF SACRAMENTO, a municipal  
corporation

By \_\_\_\_\_

CITY MANAGER

STATE:

STATE OF CALIFORNIA, acting through  
the Department of General Services

By \_\_\_\_\_

Its \_\_\_\_\_

ATTEST:

\_\_\_\_\_  
CITY CLERK

APPROVED AS TO FORM:

\_\_\_\_\_  
DEPUTY CITY ATTORNEY

# 3519

- CONTRACTOR
- STATE AGENCY
- DEPT. OF GEN. SER.
- CONTROLLER

THIS AGREEMENT, made and entered into this 26th day of June, 1981,  
in the State of California, by and between State of California, through its duly elected or appointed,  
qualified and acting

TITLE OF OFFICER ACTING FOR STATE <b>Executive Officer</b>	AGENCY <b>Solid Waste Management Board - 5</b>	NUMBER <b>SO-346-400LG</b>
---	---	-------------------------------

hereafter called the State, and  
**The City of Sacramento**

hereafter called the Contractor.

WITNESSETH: That the Contractor for and in consideration of the covenants, conditions, agreements, and stipulations of the State  
hereinafter expressed, does hereby agree to furnish to the State services and materials, as follows:

to forth service to be rendered by Contractor, amount to be paid Contractor, time for performance or completion, and attach plans and specifications, if any.)

The Contractor will provide the services and deliverables specified in Exhibit "A" -  
Scope of Work.

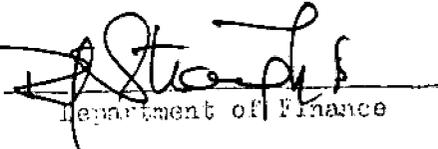
The Contractor shall be reimbursed by the State for the services and deliverables  
specified in Exhibit "B" - Cost Per Task Schedule, in a total amount not to exceed  
\$227,664 for the time of performance of this agreement.

The term of performance for this agreement shall be two (2) years from the effective  
date of June 26, 1981, unless amended.

The following exhibits are attached hereto and incorporated herein by reference:

- Exhibit "A" - Scope of Work
- Exhibit "B" - Cost Per Task Schedule
- Exhibit "C" - Fair Employment Practices Addendum
- Exhibit "D" - Invoice Preparation Guidelines
- Exhibit "E" - State Resolution
- Exhibit "F" - Local Resolution

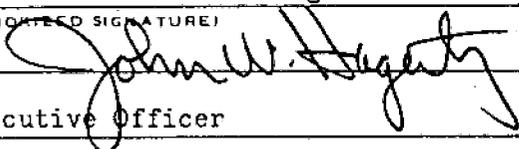
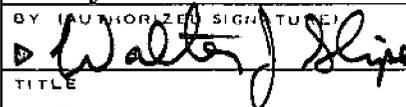
APPROVED

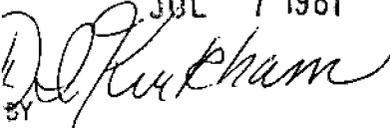
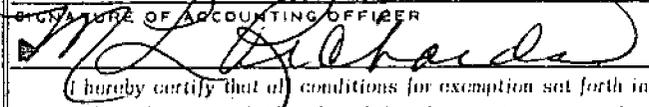


Department of Finance

The provisions on the reverse side hereof constitute a part of this agreement.

WITNESS WHEREOF, this agreement has been executed by the parties hereto, upon the date first above written.

STATE OF CALIFORNIA	CONTRACTOR
AGENCY <b>State Solid Waste Management Board</b>	CONTRACTOR (IF OTHER THAN AN INDIVIDUAL, STATE WHETHER A CORPORATION, PARTNERSHIP, ETC.) <b>City of Sacramento</b>
(AUTHORIZED SIGNATURE) 	BY (AUTHORIZED SIGNATURE) 
TITLE <b>Executive Officer</b>	TITLE <b>City Manager</b>
	ADDRESS <b>915 I Street, Sacramento, CA 95814</b>

<p>Department of General Services</p> <p>Use ONLY POLICY BUDGET</p> <p>Department of General Services</p> <p><b>APPROVED</b></p> <p>JUL 7 1981</p> <p></p> <p>Deputy Director</p>	AMOUNT ENCUMBERED <b>\$ 227,664</b>	APPROPRIATION <b>Support</b>	FUND <b>General</b>		
	UNENCUMBERED BALANCE <b>\$</b>	ITEM <b>205</b>	CHAPTER <b>510</b>	STATUTES <b>1980</b>	FISCAL YEAR <b>1980/81</b>
	ADJ. INCREASING ENCUMBRANCE <b>\$</b>	FUNCTION <b>Resource Recovery</b>			
	ADJ. DECREASING ENCUMBRANCE <b>\$</b>	LINE ITEM ALLOTMENT <b>68046</b>			
	I hereby certify upon my own personal knowledge that budgeted funds are available for the period and purpose of the expenditure stated above.		T.B.A. NO.	D.R. NO.	
SIGNATURE OF ACCOUNTING OFFICER 			DATE <b>6-9-81</b>		
SIGNATURE OF OFFICER SIGNING ON BEHALF OF THE AGENCY			DATE		

Contractor City of Sacramento

Contract # SO-346-400LG

Contract Agreement  
Table of Contents

<u>Article</u>	<u>Heading</u>
	THE AGREEMENT
1	States' Minimum Contract Requirements
2	Definitions
3	Entire Agreement
4	Services and Contract
5	Relationship of the Parties
6	Successor and Assigns
7	Payment
8	Cost Per Task Schedule
9	Records
10	Progress Letters
11	Reports
12	Discharge of Contract Obligations
13	Equipment
14	General Liability for Hazardous Activities
15	Loans
16	Ownership of Drawings, Plans and Specifications
17	Independent Research
18	Patents
19	Copyrights
20	Confidentiality
21	Press Releases
22	Publicity and Acknowledgment
23	Notices
24	Modifications/Changes
25	Stop Work Notice
26	Termination of Agreement
27	Remedies
28	Controlling Law
29	Conflicting Provisions
30	Severability
31	Disputes
32	Force Majeure
33	Headings

Exhibits

A	Scope of Work
B	Cost Per Task Schedule
C	Fair Employment Practices Addendum
D	Invoice Preparation Guidelines
E	State Resolutions
F	Local Resolution

(Revised 6/1/81)

## Article 1

### States' Minimum Contract Requirements

- a) The Contractor agrees to indemnify, defend and save harmless the State, its officers, agents and employees from any and all claims and losses accruing or resulting to any and all contractors, subcontractors, materialmen, laborers and any other person, firm or corporation furnishing or supplying work, services, materials or supplies in connection with the performance of this Agreement, and from any and all claims and losses accruing or resulting to any person, firm or corporation who may be injured or damaged by the Contractor in the performance of this Agreement.
- b) The Contractor, and the agents and employees of Contractor, in the performance of this Agreement, shall act in an independent capacity and not as officers or employees or agents of State of California.
- c) The State may terminate this Agreement and be relieved of the payment of any consideration to Contractor should Contractor fail to perform the covenants herein contained at the time and in the manner herein provided. In the event of such termination the State may proceed with the work in any manner deemed proper by the State. The cost to the State shall be deducted from any sum due the Contractor under this Agreement, and the balance, if any, shall be paid the Contractor upon demand.
- d) Without the written consent of the State, this Agreement is not assignable by Contractor either in whole or in part.
- e) Time is the essence of this Agreement.
- f) No alteration or variation of the terms of this Agreement shall be valid unless made in writing and signed by the parties hereto, and no oral understanding or agreement not incorporated herein, shall be binding on any of the parties hereto.
- g) The consideration to be paid Contractor, as provided herein, shall be in compensation for all of Contractor's expenses incurred in the performance hereof, including travel and per diem, unless otherwise expressly so provided.

## Article 2

### Definitions

In interpreting this Agreement, the following terms shall have the meanings given to these below.

- a. "Act" shall mean Title 7.8 (commencing with Section 68000) of the Government Code.

- b. "Board" shall mean the State Solid Waste Management Board.
- c. "Contractor" shall mean a Grantee that is a recipient of funds pursuant to the Act.
- d. "Executive Officer" shall mean the Executive Officer of the State Solid Waste Management Board.
- e. "Grant" shall mean this grant made to the Grantee pursuant to the Act.
- f. "Grantee" shall mean recipient of funds pursuant to the Act.
- g. "State" shall mean the State of California, including but not limited to the State Solid Waste Management Board or Executive Officer.
- h. "Written Change Order" shall mean a notice issued by the Executive Officer for nonsubstantive changes in the Scope of Work or the Cost Per Task Schedule.

### Article 3

#### Entire Agreement

The Agreement supersedes all prior agreements, oral or written, made with respect to the subject hereof and, together with the Exhibits hereto, contains the entire agreements of the parties.

### Article 4

#### Services and Contract

The Contractor shall undertake and perform the services as set forth in the Scope of Work, Exhibit A. The allowable costs for performing said services shall be for an amount not to exceed the amount of this Agreement.

### Article 5

#### Relationship of the Parties

The Contractor shall be entitled to make use of its own staff and such subcontractors as are mutually acceptable to the Contractor and the State. All subcontractors specifically identified in the Scope of Work are considered to be acceptable to the State. Any change in subcontractors, which have been found to be acceptable, shall require a Written Change Order.

All contracts between the Contractor and subcontractors shall be subject to approval of the Executive Officer.

The Contractor shall be responsible for the work of subcontractors including but not limited to monitoring of task performance; and initiating action to expedite completion, to maintain the work on schedule, or to adjust the schedule to compensate for unavoidable delays.

The Contractor shall establish a system of allocating funds to subcontractors, controlling costs and adjusting between overruns and underruns of costs. Such adjustments of costs shall be subject to the limitations set forth in Article 23.

## Article 6

### Successors and Assigns

The provisions of the Agreement shall be binding upon and inure to the benefit of the State and the Contractor and their respective successors and assigns. But this provision shall not be deemed to expand or otherwise affect the limitations on assignment and transfers set forth in the Agreement and no party is intended to or shall have any right or interest under the Agreement, except as specifically provided herein.

## Article 7

### Payment

#### Private Contractors

Not Applicable.

#### Public Contractors

The State shall pay the Contractor for performing the services as specified under this Agreement.

Payments for the each monthly payment period may be advanced to the Contractor upon approval of the Executive Officer as a Joint Exercise of Powers under Section 6500 (et seq.) of the Government Code.

Subsequent payment to the Contractor shall be made in arrears, not more frequently than monthly upon receipt of an invoice, in triplicate, as specified in Invoice Preparation Guidelines, Exhibit D. All invoices must be submitted with a Progress Letter.

The State shall withhold payment equal to 10 percent of each invoice or advance payment, as appropriate, until completion of all work and other requirements to the satisfaction of the State.

## Article 8

### Cost Per Task Schedule

The Cost Per Task Schedule, Exhibit B, states the maximum amount of allowable costs for each of the tasks identified in the Scope of Work.

In the event the Contractor's projection of costs indicates a need to revise the Cost Per Task Schedule, it shall be incumbent upon the Contractor to notify the State within ten (10) working days of the discovery of need for revision.

If mutual agreement in regard to a revised cost estimate cannot be reached, the Executive Officer may refer the dispute to the Board in accordance with Article 31.

## Article 9

### Records

All records and books of account or other financial records pertaining to this Agreement shall be separately maintained, in accordance with generally accepted accounting principles, at the office of the Contractor. The State shall have the right, for the term of this Agreement, and for five (5) years thereafter to audit, during normal business hours, these records and books of account.

## Article 10

### Progress Letters

The Contractor shall submit to the Executive Officer a quarterly Progress Letter. The Progress Letter shall be in such detail as to define the actual work performed by the Contractor as specified in the Scope of Work. The Progress Letter shall include work status, work progress, percent of completion of each task; and if appropriate, difficulties encountered during the reporting period and remedial action taken. A statement of activity anticipated during the subsequent reporting period, including a description of equipment, techniques and materials to be used or evaluated is also required. The letter shall also include any changes of personnel assigned to the project. As part of the Progress Letter, the Contractor shall compare the proposed versus the actual expenditures for the period being reported and a projection of expenditures for the subsequent period. Any significant variation from the cost projection for the period being reported shall be explained in the Progress Letter.

## Article 11

### Reports

The Contractor shall include in any publication resulting from work performed under this contract an acknowledgment substantially as follows: "The work upon which this publication is based was performed pursuant to a contract with the State Solid Waste Management Board."

The Contractor shall place the following notice, preceeding the text, on the draft final report, on the final report, and on any other publication or report resulting from work performed under this Agreement:

#### DISCLAIMER

"The statements and conclusions of this report are those of the Contractor and not necessarily those of the State Solid Waste Management Board. The mention of commercial products, their source or their use in connection with material reported herein is not to be construed as either an actual or implied endorsement of such products."

The Contractor shall provide five (5) copies of a draft version of the final report no later than 60 days prior to the expiration date of this Agreement. Review comments shall be prepared and transmitted by the State to the Contractor within thirty (30) days of receipt of the draft version of the final report.

The Contractor shall provide one reproducible copy plus 35 copies of the final report in a form approved by the State after incorporation of revisions of state-submitted comments. The final report shall be comprehensive and shall report on all work performed and data collected during each phase or task of the project.

In the event that this Agreement should terminate before all work, as specified in the Scope of Work, is completed the Contractor agrees, notwithstanding any other clauses or provisions of this Agreement, to submit a written report to the Solid Waste Management Board which shall describe all work performed by the Contractor to date of termination. This report shall be done at no additional expense to the State.

## Article 12

### Discharge of Contract Obligations

The Contractor's obligations under this Agreement shall be deemed discharged only upon acceptance of the final report by the State. If requested, the Contractor shall make an oral presentation to the Solid Waste Management Board.

In the event the Contractor is a public agency, the governing body shall accept the final report prior to its submission to the State.

### Article 13

#### Equipment

In the event the Contractor purchases equipment valued at more than \$500, other than motor vehicles, to perform work under this Agreement, title to such equipment shall vest in the State upon delivery thereof into the Contractor's control or possession.

The Contractor shall maintain and administer, in accordance with sound industrial practice, the program for the utilization, maintenance, repair, and preservation of State equipment, whether acquired from the State or purchased from a third party, so as to assure its full availability and usefulness for the performance of this Agreement. All State equipment will be suitably tagged, and location records will be maintained. A Contractor shall take all reasonable steps to comply with all appropriate directions or instructions that the State may prescribe as reasonably necessary for the protection of State equipment. All State equipment shall be returned to the State in acceptable operating condition or disposed of as directed. The remaining payment due to the Contractor may be withheld until all State equipment has been returned to the State or disposed of as directed by the State.

In the event that the Grantee purchases any type of motor vehicle, such vehicle shall be registered with the Department of Motor Vehicles so that the Grantee is registered as the Registered Owner and the State Solid Waste Management Board is registered as the Legal Owner.

In the event the Contractor receives funding from any other source for equipment which was purchased with this Grant, the Contractor shall reimburse the Board for an amount equal to the value of the equipment. Value shall be determined by applying the straight method of depreciation to the purchase price of the equipment for a period of five years.

### Article 14

#### General Liability for Hazardous Activities

The Contractor shall obtain, and keep in force and provide the State a copy of the following insurances covering the acts or omissions of the Contractor, his/her employees or agents within the scope of their duties prescribed by this Agreement including the operation, maintenance and storage of all equipment excluding motor vehicles:

Liability for Personal Injuries

- \$300,000 per person
- \$500,000 per occurrence

Liability for Property Damage

- \$50,000 per occurrence

Article 15

Loans

Not Applicable.

Article 16

Ownership of Drawings, Plans and Specifications

The State shall have separate and independent ownership of all drawings, design plans, specifications, notebooks, tracings, photographs, negatives, reports, findings, recommendations, data and memoranda of every description or any part thereof, prepared under this Agreement, and the originals and all copies thereof shall be delivered to the State upon request. The State shall have the full right to use said originals and copies in any manner when and where it may determine without any claim on the part of the Contractor its vendors or subcontractors to additional compensation.

Article 17

Independent Research

Nothing herein shall impair the right of the State or the Contractor to conduct its own independent research, even though such research parallels or overlaps the work hereof, and no party hereto shall have any rights in such independent research under this Agreement. Nor shall the State compensate the Contractor for such independent research.

Article 18

Patents

Not Applicable.

## Article 19

### Copyrights

Not Applicable.

## Article 20

### Confidentiality

The Contractor and the State understand that each party may come into possession of information and/or data which may be deemed confidential or proprietary by the person or organization furnishing the information or data. Such information or data, whether, in any form of electronic, mechanical or other recording, in the possession of the State, may be subject to disclosure under the California Public Records Act, commencing with Government Code Section 6250. The State agrees not to disclose such information or data furnished by the Contractor and to maintain such information or data as confidential, when so designated by the Contractor in writing at the time it is furnished to the State, only to the extent that such information or data is exempt from disclosure under the California Public Records Act. In addition, both the State and the Contractor agree not to use such confidential or proprietary information for any purpose other than performance of this Agreement.

No obligations of the parties with respect to such confidential and proprietary information will terminate after any date on which:

- (i) such information appears in issued patents or printed publications or is shown to be in public domain for reasons other than breach of this Agreement; or
- (ii) the party receiving such information can show by written records that such information was in its possession prior to acquiring such information from the other party or that such information has legally come into its possession through independent channels; or that such information was independently developed by its employees who did not have knowledge of such information.

## Article 21

### Press Releases

The Contractor will not issue any press release or make available (except to the Solid Waste Management Board) any reports, information, inventions, improvements, discoveries or data obtained, repaired, assembled or developed by the Contractor pursuant to this Agreement, without prior written approval of the Solid Waste Management Board while the Agreement is in force. The Solid Waste Management Board's approval shall not be unreasonably withheld.

## Article 22

### Publicity and Acknowledgment

The Contractor agrees that it will acknowledge the State Solid Waste Management Board support whenever projects funded, in whole or in part, by this Agreement are publicized in any news media.

The Contractor will place a sign, identifying the project and the participants in a conspicuous location on the project site. Such sign will not be smaller than four (4) feet by eight (8) feet in size, unless this is in conflict with local ordinances. In such an instance, the local ordinance will take precedent and the sign will be sized to comply with local ordinances. Such sign shall be approved as to content and design by the Executive Officer of the Solid Waste Management Board prior to its installation.

## Article 23

### Notices

All notices authorized or required between the parties, and required by any of the provisions herein shall be given in writing and shall be sent by certified mail, by personal delivery, or by telex to the party intended to receive it with the receiving party confirming the message by certified mail in the same manner as provided above within five (5) calendar days thereafter.

All official communication from the Contractor to the State shall be directed to Executive Officer, State Solid Waste Management Board, 1020 Ninth Street, Suite 300, Sacramento, California 95814.

## Article 24

### Modifications/Changes

Any change to the Scope of Work or the Cost Per Task Schedule shall require either a Written Change Order or contract amendment.

The Executive Officer may issue a Written Change Order or contract amendment at any time during the term of this Agreement for: (1) nonsubstantive changes in the services required; (2) time extensions within statutory limits; (3) funding increases which do not exceed \$5,000; and (4) changes in the payment mechanisms which do not impair the Board's rights to the services required.

All other modifications of this Agreement shall require a contract amendment that is subject to the approval of the Board.

## Article 25

### Stop Work Notice

Immediately, upon receiving a written notice to stop work, the Contractor shall cease all work under this Agreement.

## Article 26

### Termination of Agreement

The State shall have the right to terminate this Agreement at its sole discretion at any time upon 30 days written notice to the Contractor. In the case of early termination, a final payment will be made to the Contractor upon receipt of a report and invoices covering costs incurred to termination. The total of all payments, including the final payment, shall not exceed 90 percent of the amount of this Agreement.

## Article 27

### Remedies

Unless otherwise expressly provided herein, the rights and remedies hereunder are in addition to, and not in limitation of, other rights and remedies under the Agreement, at law or in equity, and exercise of one right or remedy will not be deemed a waiver of any other right or remedy.

## Article 28

### Controlling Law

All questions concerning the validity and operation of the Agreement and the performance of the obligations imposed upon the parties hereunder shall come within the jurisdiction of and be governed by the laws of the State of California.

## Article 29

### Conflicting Provisions

In the event of any conflict between the provisions of this Agreement and the Exhibits hereto, the provisions of this Agreement shall prevail.

## Article 30

### Severability

Any provisions hereof prohibited by or unlawful or unenforceable under any applicable law of any jurisdiction shall, as to such jurisdiction, be ineffective without affecting any other provision of the Agreement. To the full extent, however, that the provisions of such applicable law may be waived, they are hereby waived, to the end that the Agreement be deemed to be a valid and binding Agreement enforceable in accordance with its terms.

## Article 31

### Disputes

If for any reason the Contractor and the Executive Officer cannot reach mutual agreement, the Contractor may refer the dispute to the Solid Waste Management Board for final resolution.

## Article 32

### Force Majeure

Neither the State nor the Contractor, including the Contractor's subcontractors, if any, shall be responsible hereunder for any delay, default or nonperformance of this Agreement; other than the payment of monies due hereunder, to the extent that such delay, default or nonperformance is caused by an act of God, weather, accident, labor strike, fire, explosion, riot, war, rebellion, sabotage, flood, epidemic, act of government authority in either its sovereign or contractual capacity, labor, material, equipment or supply shortage, or any other cause beyond the reasonable control of such party.

## Article 33

### Headings

The headings and titles to the Agreement are inserted for convenience only and shall not be deemed a part hereof or affect the construction or interpretation of any provision hereof.

EXHIBIT A  
SCOPE OF WORK

A. Proposed Waste Conversion System

Twenty-five thousand (25,000) tons of yard waste will be processed in a 3,750 sq. ft. facility. The facility will have a light metal frame roof but will be without walls. The facility will be anchored by pilings as it is being constructed on an old landfill site. It will house a receiving pit, conveyors and a shredder. It will also contain space for 50-80 tons of unshredded waste and another 90-120 tons of fuel (shredded waste) storage. (See attached Figure 1.) The receiving pit will contain a pan conveyor 4 feet wide and 20 feet long. This conveyor will transport waste from the pit to a drag chain feeder conveyor that is 5 feet wide and 40 feet long. This latter conveyor will feed waste into a Gruendler model 48 x 4 rotary mill type shredder and be transported to the storage floor over a 4 foot wide and 40 foot long drag chain conveyor. The yard waste will be dumped onto the floor and pushed into the receiving pit by a wheeled loader. It will then be transported over a conveyor to the shredder. The waste will be shredded to the size requested by the State. Then a second conveyor will transport the shredded waste from the shredder to a spreader conveyor which will be used to spread the fuel product over its storage area. The wheel loader will be used to push the fuel to a loadout chute where it will be dropped into a top loading compaction truck for transport to the central plant.

CEQA Compliance

The City of Sacramento has conducted initial environmental assessments of this project and will comply with all CEQA requirements for the project.

Compatibility With County Solid Waste Management Plan

The project will be delineated in the revised Sacramento County SWMP which is scheduled for return to the SWMB not later than April, 1982.

Proposed Work Scope

The City of Sacramento shall:

- 1 Specify and direct all project activities. Assign/select and supervise all project consultants and City staff.  
Monitor and control work schedules, scope of work and budget.  
Coordinate the SWMB and its staff.
- 2 Comply with all CEQA pre-design and construction requirements.
- 3 Award a final design contract to a sub-contractor.

- 4 Monitor and approve the final facility design.
- 5 Obtain facility permits.
- 6 Award a construction contract to a sub-contractor.
- 7 Monitor construction.
- 8 Execute contracts for purchase of all in-plant and mobile equipment.
- 9 Accept the constructed facility.
- 10 Train facility operators.
- 11 Make requisite input to County SWMP.
- 12 Prepare reports for SWMB.
- 13 Prepare papers for solid waste print media.

B. Prior to any expenditure of State funds, the City of Sacramento shall conclude a final fuel purchase agreement.

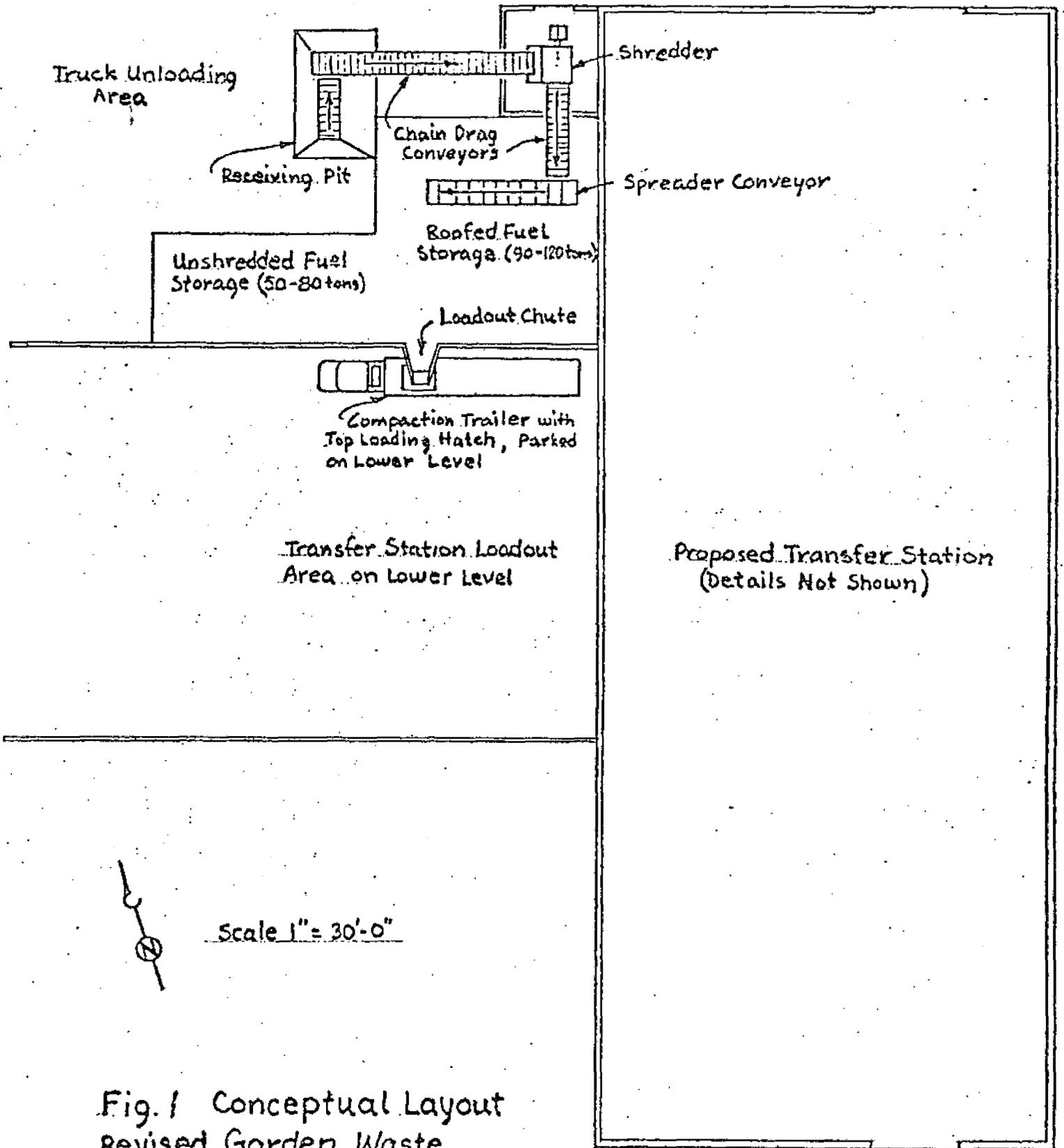


Fig. 1 Conceptual Layout  
 Revised Garden Waste  
 Processing Facility

5. TIME SCHEDULE

TASKS	Months after Award												
	0	1	2	3	4	5	6	7	8	9	10	11	12
1. Conclude Fuel Agrmt.	▲												
2. Comply with CEQA	▲												
3. Award design contract	▲												
4. Approve design	▲												
5. Obtain permits	▲												
6. Award Const. Contract		S	C										
7. Monitor Construction				S				C					
8. Purchase Equipment		S					C						
9. Train Personnel							S	C					
10. Input to Co. SWMP													
11. Interim Reports				▲				▲	▲				
12. Submit Final Report													
Submit Final Report													

▲ Completed before awards

EXHIBIT B

COST PER TASK SCHEDULE

State funds shall be used for the following items under number 6 of Proposed Work Scope, Exhibit "A"-Scope of Work:

Site development	\$199,300
Backfill and compaction	
Excavation	
Roads and paving	
Site utilities	
Plants	
Pilings	
Structural concrete and foundations	
Plumbing and drainage	
Ventilation	
Electrical and controls	
Fire Protection	
Miscellaneous mechanical	
Engineering	28,364
	<hr/>
Total	227,664

Prior to any expenditure of State funds, the City of Sacramento shall conclude a final fuel purchase agreement.

## EXHIBIT C

### FAIR EMPLOYMENT PRACTICES ADDENDUM

1. In the performance of this contract, the Contractor will not discriminate against any employee or applicant for employment because of race, color, religion, ancestry, sex\*, age\*, national origin, or physical handicap\*. The Contractor will take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their race, color, religion, ancestry, sex\*, age\*, national origin, or physical handicap\*. Such action shall include, but not be limited to, the following: employment, upgrading, demotion or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The Contractor shall post in conspicuous places, available to employees and applicants for employment, notices to be provided by the State setting forth the provisions of this Fair Employment Practices section.

2. The Contractor will permit access to his/her records of employment, employment advertisements, application forms, and other pertinent data and records by the State Fair Employment Practices Commission, or any other agency of the State of California designated by the awarding authority, for the purpose of investigation to ascertain compliance with the Fair Employment Practices section of this contract.

#### 3. Remedies for Willful Violation:

- (a) The State may determine a willful violation of the Fair Employment Practices provision to have occurred upon receipt of a final judgement having that effect from a court in an action to which Contractor was a party, or upon receipt of a written notice from the Fair Employment Practices Commission that it has investigated and determined that the Contractor has violated the Fair Employment Practices Act and has issued an order, under Labor Code Section 1426, which has become final, or obtained an injunction under Labor Code Section 1429.
- (b) For willful violation of this Fair Employment Practices provision, the State shall have the right to terminate this contract either in whole or in part, and any loss or damage sustained by the State in securing the goods or services hereunder shall be borne and paid for by the Contractor and by his/her surety under the performance bond, if any, and the State may deduct from any moneys due or that thereafter may become due to the Contractor, the difference between the price named in the contract and the actual cost thereof to the State.

\*See Labor Code Sections 1411 - 1432.5 for further details.

## STATE SOLID WASTE MANAGEMENT BOARD

120 NINTH STREET, SUITE 300  
SACRAMENTO, CA 95814



## INVOICE PREPARATION GUIDELINES

1. An invoice should be made out in triplicate.
2. The copies of the invoice should be submitted to State Solid Waste Management Board - Accounting Office, 1020 Ninth Street, Suite 300, Sacramento, CA 95814. In the usual case, up to two weeks should be allowed for processing and approval by the Accounting Office; another ten days should be allowed for audit and issuance of a warrant by the State Controller's Office.
3. An invoice should contain the following information:
  - A. The word "INVOICE" should appear in a prominent location at the top of the page.
  - B. Name of the claimant, plus Federal Identifying Number, if other than a corporation.
  - C. Business address of the contractor or vendor including P.O. Box, City, State and Zip Code.
  - D. Name of the agency being billed.
  - E. The number of the contract, purchase order, estimate, work-service order or sub-purchase order upon which the claim or transaction is based.
  - F. An itemized account of the goods or services for which the agency is being billed:
    - (1) The time period covered by the invoice, i.e., the term "from" and "to".
    - (2) A brief description of the goods delivered or services performed.
    - (3) The method of computing the net amount due. In the case of personal service or consultant contracts, travel and per diem should be itemized and supported with vouchers, rates are explained below; where applicable, the amount claimed for consultant fee, which is stated in the contract, should be explained, i.e., hours or days served times the hourly or daily rate = total fee claimed.
    - (4) The total amount due: this should be in a prominent location in the lower right-hand portion of the page and clearly distinguished from other figures or computations appearing on the invoice; the total amount due for consultant contracts includes travel, per diem and consultant fees. Do not compute any withhold percentage from the total invoice amount.
    - (5) Invoices for goods delivered where freight charges exceed \$25.00 must be accompanied by a supporting freight bill.
  - G. Original signature of claimant (not required of established firms using preprinted letterhead invoices).

Computerized Invoices

A computerized invoice system is being developed and will be implemented in the near future. All Grantees will be required to utilize this system when it becomes operational.

STATE SOLID WASTE MANAGEMENT BOARD  
RESOLUTION 81-61APPROVING RESOURCE RECOVERY GRANT APPLICATIONS  
UNDER SECTION 68046 OF THE SOLID WASTE  
MANAGEMENT ACT OF 1980

WHEREAS, the State of California has adopted the Solid Waste Management Act of 1980; and

WHEREAS, pursuant to that Act the State Solid Waste Management Board has established and published with full public participation, criteria for competitive selection of applications for funds under Government Code Section 68046; and

WHEREAS, after establishment of an open application period, acceptance of applications, and detailed competitive evaluation of the applications received in accordance with the published criteria, the Board has selected the following projects for funding under Section 68046 of the Government Code during the third application and funding period:

	<u>Initial Studies</u>	<u>Funding Requested</u>	<u>Funding</u>	<u>County</u>
T81-013	City of Visalia Waste-to-energy Feasibility	\$ 17,850	\$ 17,850	Tulare
	<u>Phased Projects</u>			
T81-017	Modesto Disposal Service Detailed Planning Waste- to-energy, 250 TPD	181,800	181,800	Stanislaus
T81-008	Stockton Scavenger Assoc. Detailed Planning Waste- to-energy, 350 TPD	110,000	85,000	San Joaquin
T81-012	Fresno Co. Detailed Planning Waste- to-energy, 500 TPD	189,625	21,700	Fresno
	<u>Special Waste Demonstration</u>			
T81-032	Fresno Association for the Retarded - Processing of Recycled Plastics	124,743	124,743	Fresno
T81-051	R&S Paper & Plastics Will receive waste plastic through a network of 25 recycling centers in the Bay Area	300,000	154,000	Alameda

	<u>Special Waste Demonstration</u>	<u>Funding Requested</u>	<u>Funding</u>	<u>County</u>
T81-047	Coast Polymers Processing PET plastic utilizing dense media separation	\$300,000	\$159,000	Los Angeles
T81-006	AAR-0 Processing paper contaminated polyethylene into pellets for sale, as well as on site manufacture of grape box ends	200,000	140,000	Los Angeles
T81-020	U.C. Berkeley Test of thermally extruded plastics containing varying amounts of contaminants to ascertain the commercial viability for a recycling system	55,589	35,000	Alameda
	<u>Full Scale Demonstration</u>			
T81-028	Central Valley Cooperative Purchase of a heat exchanger for the Cotton Gin Pyrolysis Unit funded last year	445,000	227,664	Kings
T81-037	City of Sacramento Processed City yard waste for State gasification facility, 20 TPH	300,000	227,664	Sacramento
R81-058	Davis Waste Removal Composting yard waste, 300 TPM	110,000	68,000	Yolo
	<u>Secondary Materials/Marketing</u>			
T81-015	Glass Packaging Institute Design and construct a mechanical cullet color sorting system	160,000	160,000	Alameda
	<u>Miscellaneous</u>			
T81-042	Brown, Vence & Assoc. Ash Recycling Research Program	88,625	88,625	San Francisco
R81-070	Resource Management Assoc. Recycling Study	105,350	<u>20,000</u>	Contra Costa
	TOTAL		<u>\$1,711,046</u>	

NOW, THEREFORE, BE IT RESOLVED that the State Solid Waste Management Board authorizes the Executive Officer to enter into individual contracts with the selected project proponents for amounts not to exceed those listed above, for the purposes identified in the project proposals as reviewed by the Board, and in accordance with the limits established by law and by the Board's published statements of criteria and intent; and

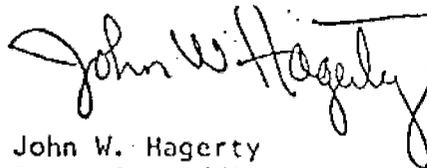
BE IT FURTHER RESOLVED that the Board shall direct staff to review the criteria and guidelines and recommend changes which will identify priority program areas that lead to the Board's statewide goals for solid waste management and recycling. In addition, staff is expected to continue its technical assistance within the resources available to any proponents not yet funded in the third grant year, but whose projects speak to those program areas the Board wishes to encourage for funding in the fourth year program.

BE IT FURTHER RESOLVED that the Board will explore procedures for directly funding promising projects (such as Sessler Company) next year.

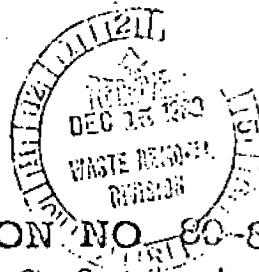
#### CERTIFICATION

The undersigned Executive Officer of the State Solid Waste Management Board does hereby certify that the foregoing is a full, true and correct copy of a resolution duly and regularly adopted at a meeting of the Solid Waste Management Board held on May 14-15, 1981.

Dated: MAY 15 1981



John W. Hagerty  
Executive Officer



**RESOLUTION NO. 80-812**

Adopted by The Sacramento City Council on date of  
December 9, 1980

RESOLUTION APPROVING THE APPLICATION FOR GRANT FUNDS UNDER THE STATE SOLID WASTE MANAGEMENT ACT OF 1980 AND AUTHORIZING THE CITY MANAGER TO ACT AS AGENT OF CITY FOR ACTIONS REQUIRED THEREFOR

WHEREAS, the Legislature of the State of California has enacted the State Solid Waste Management Act of 1980 which provides funds to certain entities for litter cleanup, litter law enforcement, litter education, purchase of litter receptacles, recycling, and resource recovery; and

WHEREAS, the State Solid Waste Management Board has been delegated the responsibility for the administration of the program, setting up necessary procedures governing application by local agencies under the program; and

WHEREAS, said procedures established by the State Solid Waste Management Board require the applicant to certify the approval of applications prior to submission of said applications to the state; and

NOW, THEREFORE BE IT RESOLVED by the Sacramento City Council that:

1. The Council approves the filing of an application for funding under the State Solid Waste Management Act Fund; and
2. The Council certifies that the City understands the general provisions of the grant agreement; and,
3. The Council authorizes the City Manager as agent of the City to conduct all negotiations, execute and submit all documents including but not limited to applications, grant agreements, amendments and payment requests, which may be necessary for the completion of the aforementioned program

FURTHER RESOLVED, that for purposes of the aforementioned grant, the Indirect Cost Factor rates established by Resolution 78-704 shall not apply; and,

FURTHER RESOLVED, the Indirect Cost Factor rates for purposes of the aforementioned grant and the work pursuant thereto shall be the actual indirect cost factor incurred by the City up to the maximum rates permitted by the general provision of the grant agreement.

PHILLIP L. ISENBERG

MAYOR

ATTEST:

LOPRAINE MAGANA

CITY CLERK

CERTIFIED AS TRUE COPY  
of Resolution No. 80-812

DEC 12 1980

Lopraine Magana  
CITY CLERK, CITY OF SACRAMENTO

APPROVED  
BY THE CITY COUNCIL

DEC 9 - 1980

OFFICE OF THE  
CITY CLERK

Preliminary Estimate of Fixed and  
Variable Costs for Vegetal Waste Facility

Item	Cost, Dollars <sup>a</sup>
Fixed costs	
Structures and installed equipment (15 years, 10 percent: CRF=0.1315)	89,690
Mobile equipment. (7 years, 11 percent: CRF=0.2123)	19,620
Subtotal, fixed costs	109,310
Variable Costs	
Operations	
Labor <sup>b</sup>	50,000
Fuel and power <sup>c</sup>	23,650
Supplies	5,500
Subtotal, operations	79,150
Maintenance	
Buildings and grounds <sup>d</sup>	6,000
Electrical and mechanical	4,000
Roads <sup>d</sup>	1,500
Stationary equipment	
Scales <sup>d</sup>	Nil
Conveyors	12,650
Hammermill	19,440
Mobile equipment	
Wheeled loader	1,955
Transfer vehicles	14,375
Subtotal, maintenance	59,920
Total annual costs, fixed and variable	248,380

<sup>a</sup>Costs are in 1981 dollars

<sup>b</sup>Based on staff of 2 at average salary of \$20,000 each plus 25 percent fringes and overheads.

<sup>c</sup>Assumes 5,200 gallons of diesel at \$1.25 plus 285,000 kWhr at \$0.06.

<sup>d</sup>Charges limited by assumption of facility operating in conjunction with landfill and would increase for separately located facility.



# CITY OF SACRAMENTO

## OFFICE OF THE CITY CLERK

915 I STREET  
CITY HALL ROOM 203

SACRAMENTO, CALIFORNIA 95814  
TELEPHONE (916) 449-5428

LORRAINE MAGANA  
CITY CLERK

### MEMORANDUM

TO: BUDGET AND FINANCE COMMITTEE

FROM: LORRAINE MAGANA, CITY CLERK

SUBJECT: REFERRAL OF ITEM NUMBER 39,  
COUNCIL AGENDA OF OCTOBER 6, 1981

DATE: OCTOBER 8, 1981

Pursuant to Council action, the following subject mater was referred to your committee for hearing, report and recommendation:

VEGETAL WASTE PROCESSING AGREEMENT

LM/mm