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SOLID WASTE DISPOSAL AGREEMENT BETWEEN THE COUNTY OF MERCED, AND
THE CITIES OF ATWATER, DOS PALOS, GUSTINE, LIVINGSTON,
LOS BANOS AND MERCED

WHEREAS, the parties hereto entered into a joint powers agreement for solid waste disposal on April 11, 1972, and

WHEREAS, the parties hereto desire to change the agreement in order to delete obsolete provisions and change the name of the Solid Waste Advisory Board to Solid Waste Policy Board, and

WHEREAS, the parties hereto desire to change the agreement in order to meet minimum standards for solid waste handling and disposal for the protection of air, water and land from pollution pursuant to the provisions of Public Resources Code Section 43000, etc., and

WHEREAS, the parties hereto desire to change the agreement in order to form a regional agency to achieve the diversion requirements of the California Integrated Waste Management Act of 1989 pursuant to the provisions of Public Resources Code Section 40970, etc., and

WHEREAS, the parties hereto desire to establish a different method for allocating the assets and liabilities of the Regional Agency among the parties; and

WHEREAS, the parties hereto desire to change Articles I, II, III, IV, V, VI, VII, VIII, IX, X and XI of, and add Articles XII, XIII and XIV to, the said agreement in order to accomplish these purposes.

NOW, THEREFORE IT IS STIPULATED AND AGREED that Articles I, II, III, IV, V, VI, VII, VIII, IX, X and XI shall be changed, and Articles XII, XIII and XIV added, to read as follows:

ARTICLE I. Nature and Authority for Agreement.

It is agreed that each of the parties are public agencies within the meaning of Section 6500 of the Government Code of the State of California and that they have in common the legal power to acquire, develop, maintain, operate, dispose of, and replace solid waste facilities and related equipment, and to implement programs for the diversion of solid waste from disposal facilities, and pursuant to Title 1, Division 7, Chapter 5, Article 1 and Article 2, of the California Government Code by these presents have entered into this agreement.

ARTICLE II. Purpose, Consideration and Powers.

A. Solid Waste Facilities: The parties agree that the most effective, efficient and least costly method of procuring and

operating solid waste facilities is for the parties hereto to jointly acquire, develop and provide for the operation of such facilities in a manner as will meet minimum standards for the protection of air, water and land from pollution and as will be most equitable, sanitary, expedient, convenient and compatible with the public health, safety and well-being.

B. Regional Agency: The parties therefore agree to, and hereby do, form a regional agency in order to reduce the cost of implementing, reporting and tracking of disposal and diversion programs. The member agencies of the regional agency shall be the County of Merced and the cities of Atwater, Dos Palos, Gustine, Livingston, Los Banos and Merced. The name and address of the regional agency shall be: Merced County Solid Waste Regional Agency, 1770 M Street, Merced, CA 95340.

C. Duties and Responsibilities: The member agencies of the regional agency shall (1) implement the specific diversion programs selected for implementation in their respective source reduction and recycling elements or in the regional source reduction and recycling element in the event the regional agency adopts a regional source reduction and recycling element, and (2) share solid waste diversion percentages to meet the waste reduction mandates set forth in Article 1 of Chapter 6 of Part 2 of Division

30 (commencing with § 41780) of the Public Resources Code. The regional agency shall implement the following programs on behalf of the member agencies: (1) regional material recovery site locations at the Highway 59 Landfill and Billy Wright Landfill including buyback/drop-off centers, (2) a Countywide mobile drop-off program for residents and businesses, (3) a regional yard waste composting facility, (4) a Countywide recycling market development zone, and (5) a Countywide education and public information program.

D. Allocation of Civil Penalties: Each member agency of the regional agency shall be liable for any civil penalties which may be imposed by the California Integrated Waste Management Board. The regional agency will apportion the civil penalties between or among all the member agencies based upon population figures as set forth in Article VII hereof and by establishing fees as set forth in Article IX hereof.

E. Powers: The parties hereto pursuant to this agreement shall have all the powers which may be jointly exercised pursuant to said Title 1 and Division 7 above stated, subject to the express conditions, limitations and procedures herein in this agreement provided.

ARTICLE III Administering Agency.

A. Solid Waste Handling and Disposal: Subject to the specific

conditions and limitations herein provided, the County of Merced, by and through its Board of Supervisors and regular County departments, shall be the agency which shall administer and execute the solid waste handling and disposal responsibilities of this agreement. In pursuance thereof it shall possess the common power specified in this agreement to contract and acquire property real and personal to be held in the name of the County for the benefit of the regional agency, employ agents and employees, and develop, maintain and operate sites and facilities for the purposes hereof.

B. Solid Waste Diversion: In addition to its role as a member agency of the regional agency, the County of Merced is designated as the administering agency for implementing, reporting and tracking solid waste diversion programs on behalf of the member agencies.

ARTICLE IV. Policy Board.

There shall be a policy board consisting of the member agencies of the regional agency, all of whom are voting members of the Merced County Association of Governments. The policy board shall meet and act in accordance with said Association's by-laws, or in accordance with by-laws applicable only to said policy board and adopted by the policy board not in conflict with this agreement or law. The

policy board's decisions shall be binding upon the administering agency as to site locations, costs thereof, fees to be charged for site use, annual operating budget, and ultimate use and disposal of sites. The design of each disposal site including landscaping, drainage, and fixed improvements, shall be approved by the policy board.

The policy board's decisions on waste management issues relating to the waste reduction mandates, including selection, implementation and funding of diversion programs, shall be binding upon the member agencies of the regional agency.

Decisions on the above matters shall require a minimum affirmative vote of six of the voting members, with the chair of the policy board being permitted to cast his or her vote in the same manner as the other members. No votes may be made by proxy, but may be cast by designated alternate under association by-laws or under any special by-laws adopted by the policy board.

The secretary shall call for a roll call vote and record all actions.

ARTICLE V. Site Acquisition.

Subject to the approval of the policy board, the agency shall acquire sites of suitable size and location, locations to be the

most convenient to the areas to be served and which are suitable for solid waste disposal methods.

ARTICLE VI. Ownership.

The facilities, including the sites, shall be deemed to be owned by the parties in proportion to their respective populations, in accordance with Article VII.

ARTICLE VII. Apportionment Among Parties.

Allocation or apportionment among the parties of 1) responsibility for civil penalties, as referred to in Article II.D., 2) ownership interests in the facilities, as referred to in Article VI, 3) assets of the regional agency, upon withdrawal of a member from this Agreement or upon termination of this Agreement, as referred to in Article XII, 4) liability incurred in performance of this Agreement, as referred to in Article XIII, or 5) any other benefit, asset, responsibility or liability arising out of the performance of this Agreement which is capable of being, and which in fairness should be, apportioned among the parties, shall be based upon the respective and proportional populations of each party hereto, as set forth in the applicable and most recent report of the California Department of Finance.

ARTICLE VIII. Operation.

It is agreed that the County will be the operator of the facilities, including the sites and as such it will prepare the development plan, the operational requirements and an ultimate use plan for the sites. It will be the applicant of record for disposal standards to be assigned the sites by regulatory agencies. It will plan and install the necessary physical features for the sites such as landscaping, fencing, water supply, access roads and weighing scales. As operator of the sites, the County shall furnish the personnel and the equipment, and shall operate the sites using the best approved standards and practices therefor.

ARTICLE IX. Right of Use and Fees.

Any person, firm or public agency party hereto serving any city party hereto or the unincorporated area of the County within the intended service area shall have the right to dispose of refuse at the disposal site upon paying the fees and complying with the rules and regulations of the operator. The operator shall refuse to permit any person, firm or public agency the right to dispose of refuse at the site if in the opinion of the operator the refuse does not originate within the County of Merced or such person, firm or public agency fails to pay the required fees or comply with the

rules and regulations of the operator. The operator may permit the disposal of the refuse arising without the County of Merced if, in the opinion of the operator, such would be of benefit to the operation of the facility, subject to policy board approval. The operator, upon the approval of the policy board, shall establish a schedule of fees for the right to dispose of solid waste material on the site and for this purpose may establish classes for such material with different charges for different classes of material and a surcharge for material arising from outside of the County. The policy board and the operator shall establish such fees as aforesaid as will (1) repay the operator the current cost of maintenance, including administration, overhead, depreciation or amortization of its costs of equipment, (2) amortize the cost of the sites and development over the estimated useful life of the sites for the intended purpose, (3) establish a fund which in the judgment of the policy board will be sufficient to replace the sites when they have been completely used up for disposal services, and (4) pay any civil penalties which may be imposed by the California Integrated Waste Management Board pursuant to Sections 41813 and 41850 of the Public Resources Code.

ARTICLE X. Funds.

All funds received from the parties pursuant to any provision of this agreement or from the operation of the facilities shall be deposited with the County Treasurer and shall be disbursed by County warrant in the usual manner or upon the order of the Board of Supervisors. The County shall, for purposes of administration and accounting, establish through the County Auditor all necessary funds and accounts to accomplish the purposes of this agreement in conformity with good accounting practices and state law. The operator shall quarterly account to the policy board for all receipts and disbursements.

Income and any other revenue derived from the operation of the facilities shall be disbursed to the County as reimbursement for current operation and maintenance including amortization of the cost of equipment.

ARTICLE XI. Charge and Disposition of Property:

The Merced County Director of Public Works shall have charge of regional agency property and shall file periodic inventory certificates on said property. Regional agency property shall be considered assets and shall be disbursed and disposed of as provided in Article XII hereof.

ARTICLE XII. Duration of Agreement, Withdrawal and Amendment.

This agreement shall continue for an indefinite term and until terminated in accordance with this article. The parties hereto shall cause this agreement to be terminated at the written request of the governing body of at least five members hereto. It may be amended at any time, including the addition of new parties, by the unanimous consent of the governing bodies of all parties hereto. A party hereto may withdraw from this agreement by the governing body thereof by giving to the other parties one year's written notice of such intention to withdraw. In the event of such withdrawal, the undivided and undisbursed assets creditable to such party shall remain in the control and use of the remaining parties until disbursed in accordance with Article VII hereof as though said party remained a member, however, such withdrawing party shall incur no further liability on account of this agreement. Upon termination of this agreement, all remaining assets acquired pursuant hereto shall upon liquidation be disbursed to the parties hereto in accordance with Article VII hereof.

In the event that the regional agency is abolished, the cities and County which are former members of the abolished regional agency will be responsible for implementing those applicable sections in the Public Resources Code Sections 40900 through 41460.

This agreement shall be of no force and effect until approved by the governing bodies of at least six of the parties named herein, and until executed by at least six of the parties named herein.

ARTICLE XIII. Apportionment of Liability.

Notwithstanding anything in this agreement to the contrary, liability of the parties hereto for all liability or damages, including pollution liability, arising out of the performance of this agreement shall be governed by Chapter 21 of Division 3.6 of Title 1, commencing with Section 895, of the Government Code except that, pursuant to Government Code of 895.4, the proportionate and respective shares of liability of the parties for such damages shall be determined in accordance with Article VII hereof.

ARTICLE XIV. This Agreement contains all prior amendments and addendums to the original Solid Waste Disposal Agreement between the parties and supersedes said original Agreement.

IN WITNESS WHEREOF, the parties hereto, pursuant to resolutions of their respective governing, boards have caused this agreement to be executed this ____ day of _____, _____, Merced, California.

COUNTY OF MERCED

CITY OF LIVINGSTON

by [Signature]
Chairman, Board of Supervisors

*Original signature
pages given to [Signature]
City. we kept
copy only. hope*

CITY OF ATWATER

CITY OF LOS BANOS

by [Signature]
Mayor

by [Signature]
Mayor

CITY OF DOS PALOS

by [Signature]
Mayor

CITY OF GUSTINE

CITY OF MERCED

by [Signature]
Mayor

by [Signature]
Mayor

S:\SHIRLEY\SWAGREB3.CLN

APPROVED AS TO FORM:
MERCED COUNTY COUNSEL

BY [Signature]
DEPUTY

AN AGREEMENT BETWEEN THE MERCED COUNTY SOLID WASTE POLICY BOARD AND THE COUNTY OF MERCED FOR RISK MANAGEMENT SERVICES

WHEREAS, the Solid Waste Policy Board [hereinafter BOARD] is a Joint Powers Authority created pursuant to Government Code Sections 6500 et seq. to *inter alia*, procure, operate and develop solid waste disposal facilities in the County of Merced; and

WHEREAS, the BOARD, in performing the activities and functions for which it was created, exposes itself and its members to various risks of liability including environmental impairment; and

WHEREAS, the BOARD has taken steps to either insure, or self-insure itself and its members against those risks but lacks the staff to properly administer and manage insurance plans and required risk management functions; and

WHEREAS, Government Code Sections 6506 and 6508.1 permit a joint powers authority to contract with one of its member bodies for the provision of various services; and

WHEREAS, the County of Merced has the ability and willingness to perform risk management services to the BOARD,

NOW, THEREFORE, the parties hereto agree as follows:

1. The County of Merced's Risk Management Division will manage and administer the liability insurance or self-insurance plans which the BOARD has obtained, maintained, or created to respond to potential liability losses occasioned by the BOARD'S operation of solid waste facilities in Merced County. The risk management services and duties to be rendered by the County to the BOARD include:

- a. Development and management of a self-insured liability plan for certification to the California Integrated Waste Management Board.
- b. Purchase of commercial or pooled excess liabilities insurance that may become available and affordable.
- c. Assisting Solid Waste Division managers in developing and maintaining an active safety and loss prevention program to minimize or control potential accidents and occurrences which could result in liability damage claims.
- d. Accident investigation and coordination with County Counsel to defend or resolve third party liability damage claims.
- e. Monitoring and managing the self-insured plan funds to ensure adequate monetary amounts are available to defend and settle liability claims.

2. The County shall perform the duties imposed on it by this Agreement in the sole discretion and judgment of the County's Risk Management Director subject to approval of the BOARD.

3. The County shall charge the performance of risk management services through its normal County Cost Allocation Plan. The cost of the services will be included within the Solid Waste Division budget, subject to BOARD approval each year.

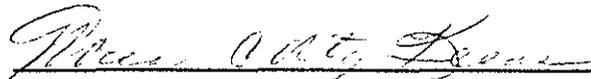
4. The County shall, on a frequency designated by the BOARD, report to the BOARD on the status of any liability insurance or self-insured plans maintained by the BOARD. In addition, at each meeting of the BOARD, the County shall report on the status of any claims/lawsuits against the BOARD, and any other matters deemed by the County to

be relevant.

5. This Agreement shall continue (a) until terminated, which either party may do, without cause or legal excuse, by giving the other party ninety (90) days notice of its intent to terminate, or (b) until the BOARD is dissolved.

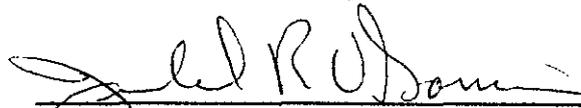
The parties hereto, by the signatures set forth below of their authorized representatives, agree to perform and be bound by the terms of this Agreement.

Dated: Feb. 13, 1996



CHAIR, MERCED COUNTY
BOARD OF SUPERVISORS

Dated: Feb. 13, 1996



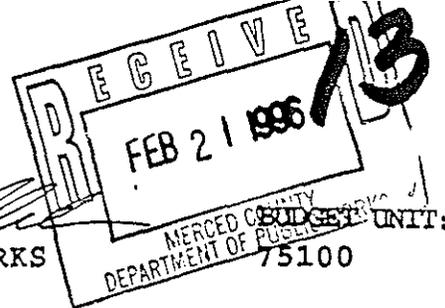
CHAIR, MERCED COUNTY
SOLID WASTE POLICY BOARD

"APPROVED AS TO FORM:
MERCED COUNTY COUNSEL

BY


DEPUTY

BOARD AGENDA ITEM



TO: BOARD OF SUPERVISORS
THROUGH: COUNTY ADMINISTRATOR *Paul A. Fillebrown*
FROM: PAUL A. FILLEBROWN, DIRECTOR OF PUBLIC WORKS

SUBJECT: AGREEMENT BETWEEN THE MERCED COUNTY SOLID WASTE POLICY BOARD AND THE COUNTY OF MERCED FOR PROVISION OF RISK MANAGEMENT SERVICES; ESTABLISHMENT OF A LANDFILL LIABILITY TRUST FUND

SUMMARY: Title 14 of the California Code of Regulations requires operators of solid waste disposal sites to maintain \$1,000,000.00 of coverage for third party bodily injury and property damage caused by environmental pollution. The total required coverage for both County operated landfills is \$2,000,000.00.

On November 16, 1995, the Solid Waste Policy Board selected self-insurance as the preferred means of providing this coverage. Pursuant to Government Code Section 990 et. seq. and Articles VII and XIII of the Solid Waste Disposal

(Continued on page 2)

STAFFING IMPACT: None.

FISCAL IMPACT: Funds for a \$250,000.00 deposit into a landfill liability trust fund are available from Solid Waste Enterprise Account 21800.

CONTRACT/RESOLUTION/ABSTRACT SUBMITTED: Yes

REQUEST REVIEWED BY: DPW/Solid Waste *Fm*; DPW/Admin. *cc*; Env. Health *df*; Risk Management *df*; County Counsel *dm*; Auditor *df*; General Services *df*
ADMINISTRATION RECOMMENDATION/COMMENT:

Council B. Morse

REQUEST/RECOMMENDATION/ACTION NEEDED: 1. Approve the agreement between the Solid Waste Policy Board and the County for risk management services. 2. Authorize the Chairman of the Board to sign the agreement (five copies). 3. Authorize the deposit of \$250,000.00 into a landfill liability trust fund.

(Feb 13, 1996)

For Board Staff Only:

TO: PW, GENERAL SERVICES

BOARD ACTION 2/13/96 O'BANION/KELSEY

INFORMATION ONLY MODIFIED X APPROVED RECOMMENDATION

CONTRACT NO. 9343

*cc-BAT 1/10/96 Contract-Contract
cc-PW file
cc-Sally*

BOARD AGENDA ITEM

**SUBJECT: AGREEMENT BETWEEN THE MERCED COUNTY SOLID WASTE POLICY BOARD AND
THE COUNTY OF MERCED FOR PROVISION OF RISK MANAGEMENT SERVICES;
ESTABLISHMENT OF A LANDFILL LIABILITY TRUST FUND**

Page 2

SUMMARY (continued):

Agreement between the Cities of Atwater, Dos Palos, Gustine, Livingston, Los Banos and Merced, and the County of Merced, operating liability will be apportioned among the members based upon their respective and proportional populations.

Self-insurance requires submission of a Self-Insurance and Risk Management Form to the California Integrated Waste Management Board. The Department of Public Works and Risk Management have prepared the form to show the landfill operator to be the County of Merced as administering agency for the Merced County Solid Waste Regional Agency and to show the risk manager to be the Merced County Risk Management Director.

To provide the risk management services, the Department of Public Works, in conjunction with Risk Management, has prepared an agreement between the County and the Solid Waste Policy Board which includes provisions for administering insurance plans, maintaining a loss prevention program, and managing self-insured plan funds. This agreement was approved by the Solid Waste Policy Board on November 16, 1995.

Further, in order to reduce the liability exposure of the members of the Policy Board, the Department of Public Works proposes to deposit \$250,000.00 per year into a liability trust fund until it reaches a cap of \$2,000,000.00. This proposal was approved by the Solid Waste Policy Board on November 16, 1995.

The Department of Public Works recommends the Board take the three actions listed on page 1.

MERCED COUNTY REGIONAL WASTE MANAGEMENT AUTHORITY
SECOND AMENDED AND RESTATED JOINT POWERS AGREEMENT

This Second Amended and Restated Joint Powers Agreement is made this 16th day of January 2007 ~~2006~~, between the County of Merced, the City of Merced, the City of Los Banos, the City of Atwater, the City of Livingston, the City of Dos Palos, and the City of Gustine. This Agreement supersedes the original Joint Powers Agreement dated April 11, 1972, as amended and restated September 12, 1995, and thereafter amended May 16, 2000. Terms beginning with capital letters are defined in Exhibit A. The County and cities are collectively referred to as the Agencies. The Authority shall continue pursuant to the Act.

RECITALS

1. The Agencies are responsible for the health and safety of their citizens, and to that end regulate Solid Waste, Recyclable Material, and Plant Material Collection in areas under their jurisdiction and, except for the City of Merced which is a municipal collector, they award franchises for Collection to private organizations, all of which are referred to as Collectors.
2. The Agencies find it in their mutual economic interest to address Solid Waste and Recycling issues on a regional level so that the costs for planning and implementing Solid Waste and Recycling programs are based on a fair and equitable allocation system that considers all the relevant factors.
3. Each Agency has been a Member of the Merced County Solid Waste Policy Board and has enjoyed the benefits of such Membership and has directed that its Solid Waste be processed at the Facilities.
4. Solid Waste from each Agency is land-filled at either the Billy Wright Landfill west of the City of Los Banos or at the Highway 59 Landfill north of the City of Merced.

5. The Agencies wish to possess common ownership over the Facilities which shall be formally transferred to the Authority at the next permit review by the CIWMB.

6. Each Agency has the individual power to plan, acquire, construct, manage, regulate, operate, and control Facilities and operations for the Collection, Transportation, Processing, and Disposal of Solid Waste, Recyclable Material and Plant Material generated within its jurisdictional boundaries, as well as to create and issue franchise agreements for such activities.

7. The California Joint Exercise of Powers Law (Government Code section 6500, et seq.) permits two or more public agencies to exercise jointly any power that the agencies could exercise separately and also grants certain additional powers to a Joint Powers Authority.

8. The Agencies desire to establish and confer upon a separate legal entity, the Merced County Regional Waste Management Authority, the powers necessary to enable them to expand and operate Solid Waste Facilities for the benefit of all the Agencies, to achieve their waste Diversion goals, to comply with the California Integrated Waste Management Act, and to arrange for Disposal of remaining Solid Waste.

9. The Agencies intend for the Authority to issue Revenue Bonds and other indebtedness to pay for the operation, construction, acquisition, rehabilitation and expansion of Solid Waste Facilities.

WHEREFORE, the Agencies do continue the Joint Powers Authority now known as the Merced County Regional Waste Management Authority for the purpose of owning, financing, administering, and operating Solid Waste Facilities and for administering rates for Solid Waste and Diversion programs and do agree as follows:

ARTICLE 1. DEFINITIONS

1.1 Unless the context otherwise requires, capitalized terms used in this Agreement will have the meanings specified in Exhibit A, which is attached and incorporated by this reference.

ARTICLE 2. PURPOSE

2.1 This Agreement is made pursuant to the Act to provide for the joint exercise of certain powers common to the Agencies and the additional powers granted under the Act. The purpose of this Agreement is to provide for the joint planning, adoption, financing, administration, and operation of the Facilities, and for the joint planning, adoption, financing, administration, management, review, monitoring, enforcement, and reporting of Solid Waste, Recyclable Material, and Plant Material Collection activities in the Service Area. By entering this Agreement, the Agencies earn economic benefits not realized when using alternate means of Transport and Processing of Solid Waste, Recyclable Material and Plant Materials and Disposal of Solid Waste. Further, the continuation of the Authority provides for the economic viability and utilization of the Facilities.

ARTICLE 3. CONTINUATION OF AUTHORITY

3.1 Continuation. Pursuant to the Act, the Agencies continue the public entity known as the Merced County Regional Waste Management Authority.

3.2 Separate Entity. The Authority shall be a public entity separate from the Agencies.

3.3 Assets, Rights and Liabilities. The assets, rights, debts, liabilities, and obligations of the Authority shall not constitute assets, rights, debts, liabilities, or obligations of any of the Agencies. However, nothing in this Agreement shall prevent any Agency from separate contracting for, or assuming responsibility for, specific debts, liabilities, or obligations of the Authority, provided that both the Board and that Agency approve such contract or assumption.

ARTICLE 4. TERM

4.1 Effective Date. This Agreement shall be dated as of and become effective on the date of its execution by the last Agency to adopt it.

4.2 Term. This Agreement shall continue at least until December 31, 2036, or until such time as all Revenue Bonds and other indebtedness and the interest thereon shall have been paid in full, and thereafter shall continue until terminated or dissolved by a vote taken in accordance with Article 14 of this Agreement. However, in no event shall the Members vote to terminate or dissolve the Authority if its termination or dissolution would conflict with or violate the terms or conditions of any bonds, financial instruments, or related documentation by or on behalf of the Authority, including, without limitation, indentures, resolutions, and letter of credit agreements.

ARTICLE 5. BOUNDARIES

5.1 Service Area. The Authority shall exercise its powers within its Service Area. If an Agency withdraws from the Authority, the boundary of the Authority shall be modified to exclude the area of the withdrawing Agency. Such withdrawal and redrawing of boundaries shall not prevent any Facilities from being located outside of the boundary of the Service Area.

ARTICLE 6. MEMBERSHIP REQUIREMENTS

6.1 Required Powers. Each Member of the Authority must at all times have the following powers:

a. The authority, commitment and agreement to direct the flow of Solid Waste, Recycling and Plant Material generated within the Member's respective jurisdiction to the Authority's Solid Waste Facilities for a period of time which shall minimally be until December 31, 2036, or such further period of time necessary to repay certain Revenue Bonds and other indebtedness to be issued by the Authority to expand and operate the Facilities.

b. The authority to set rates sufficient to provide for the financing and operation of the Authority Facilities.

c. The authority, by law, to enter into this Agreement.

ARTICLE 7. POWERS

7.1 Authority Powers. The Authority is authorized, but is in no way required, to act in its own name on any or all of the following matters, as each Member could act separately, and as it deems in the best interest of its Members, to the extent permitted by any and all applicable laws, codes, ordinances, resolutions and regulations, subject only to such restrictions upon the manner and exercise of such power as are imposed upon the County of Merced in the exercise of similar powers:

(a) Acquire, construct, rehabilitate, expand, finance, refinance, operate, regulate, and maintain Facilities.

(b) Acquire, improve, hold, lease, and dispose of real and personal property of all types.

(c) Select the Operator and contract for the operation of Solid Waste, Recyclable Material, and Plant Material Transport and Processing Facilities.

(d) Plan, study, and recommend proper and appropriate Solid Waste Recyclable Material and Plant Material, Transport and Processing management practices. Research and study issues related to Solid Waste generation, Collection, Processing, Diversion, and Disposal, including, but not limited to, source reduction, re-use, Recycling, and recovery.

(e) Resolve disputes between the public and any entities providing Solid Waste, Recycling Material and Plant Material transportation and Processing services.

(f) Plan, design, and implement programs that address Processing and Diversion requirements of the CIWMA.

(g) Educate the public as to Solid Waste, Diversion and Recycling matters.

(h) Provide for or enter into agreements to provide for financial, engineering, legal, audit and any other professional services supporting any of the Authority's programs, including, but not limited to, Solid Waste, Recycling Material and Plant Material, Transport and Processing Facility operations and Disposal. Such agreements can be made with any person, including any Member.

(i) Accept gifts, donations, advances and contributions and act as regional lead jurisdiction/applicant and grant administrator for grants, including block grants, in the name of Members/regional participants.

(j) Hire agents and employees.

(k) Sue and be sued in its own name.

(l) Incur and discharge debts, liabilities and obligations.

(m) Issue bonds or notes and incur other forms of indebtedness, and make associated covenants, for designated purposes, subject to the provisions and limitations of the California Constitution and the Government Code.

(n) Establish rates and fees at Solid Waste, Recyclable Material and Plant Material Transport and Processing Facilities.

(o) Adopt, as authorized by California law, ordinances and resolutions necessary to carry out the purposes of this Agreement.

(p) To the extent permitted by law, require Members to direct all of their Solid Waste, Recyclable Material and Plant Materials generated and Collected by Collectors within their respective boundaries to the Facilities.

(q) Implement programs as directed by the Board, such as, but not limited to, the following programs on behalf of the Member Agencies: 1) regional material recovery site locations at the Highway 59 Landfill and Billy Wright Landfill including buyback/drop-off centers; 2) regional yard waste composting facilities; 3) Construction and Demolition Recycling transfer facilities; 4) a Countywide Recycling market development zone; 5) a Countywide education and public information program to be performed by Merced County Association of Governments in accordance with the approved budget/work program; and 6) other programs not inconsistent with this Agreement.

(r) By majority vote of the Board, add new Member Agencies from within the County of Merced.

(s) Member Agencies hereby assign to the Authority their rights and obligations with respect to the facilities (including the right to collect charges for use of the facilities) as of the effective date.

(t) Any additional power granted to joint exercise of powers agencies under the Act.

(u) All powers necessary to the exercise of the enumerated powers.

ARTICLE 8. MEMBER AGENCIES

8.1 Obligations of Member Agencies.

(a) Ensure that waste Collected by Collectors within their jurisdiction is disposed of in a Facility.

(b) Implement the specific Diversion programs selected for implementation in the regional source reduction and Recycling element adopted by the Authority.

(c) Share Solid Waste Diversion percentages to meet the waste reduction mandates of the CIWMA provided that they fully participate in programs identified in subparagraph (b) above.

(d) Delegate to the Authority disposal and non-disposal responsibilities over Solid Waste.

(e) Subject to Article 11, each Member of the Authority shall be liable for civil penalties which may be imposed against it by the CIWMB. With regard to penalties imposed against the Authority, the Board shall have the authority, subject to the limitations of Article 11, to assess the Members.

(f) Member Agencies may make contributions and advances and be repaid therefor pursuant to Section 6504 of the Act.

ARTICLE 9. OPERATIONS OF FACILITIES

9.1 Solid Waste Handling and Disposal. Subject to policy direction by the Authority Board, the Operator shall manage, operate and administer the Facilities and execute the Solid Waste Recycling and Disposal responsibilities associated therewith. The Operator shall possess the power to contract and acquire property, both real and personal, to be held in the name of the Authority for the Authority's benefit, to employ agents and employees and develop, maintain and operate sites and Facilities for the purposes set forth in this Agreement. The Authority and the County of Merced Public Works Department Solid Waste Division shall enter into a written agreement relating to the Operator functions described in this Article 9.

9.2 Solid Waste Diversion. The Operator is designated as the administering agency for implementing regional agency programs and reporting and tracking Solid Waste Diversion programs on behalf of the Member Agencies.

9.3 Facility Use and Planning. The Operator will prepare a development plan, the operational requirements and ultimate use plan for the Facilities and will be the applicant of record for disposal standards to be assigned Facilities by regulatory agencies. The Operator will plan and install the necessary physical features for the Facilities, such as landscaping, fencing, water supply, access roads,

and scales. The Operator shall furnish the personnel and equipment and shall operate the Facilities using the best approved standards and practices.

9.4 Payment of Fees. The Operator shall refuse to permit any Person, firm or public agency the right to dispose of refuse at Facilities if such Person, firm or public agency fails to pay the required fees or comply with the rules and regulations established by the Authority and enforced by the Operator.

9.5 Solid Waste From Outside the Service Area. Subject to Authority approval the Operator may permit Disposal of Solid Waste from an area outside the Service Area if the origin of said Solid Waste is duly reported in conformity with the CIWMB disposal reporting system, and if in the opinion of the Operator, accepting such Solid Waste at the Facility would not be detrimental to the operation of the Facility.

9.6 Budget/Work Plan. The Operator shall prepare and submit for Authority Board approval a yearly budget/work plan for the ensuing fiscal year. In accordance with the approved budget/work plan, the Operator has the authority to approve warrants for payment by the Auditor from the Solid Waste Enterprise Fund on deposit with the Treasurer. Notwithstanding the foregoing, the Operator shall be authorized to make emergency expenditures which shall thereafter be reported at the next Authority Board meeting.

9.7 Solid Waste Disposal Fees. The Authority shall establish fees, classes and surcharges at levels sufficient to 1) repay the Operator the current cost of maintenance, including administration and overhead; 2) pay for the cost of capital equipment; 3) reimburse the Operator for all authorized costs associated with the Budget and Work Plan, reimburse the Operator for all authorized costs associated with operation of the Facilities from the Solid Waste Enterprise Fund; pay civil penalties which are validly assessed by the CIWMB; 4) pay all debt service of

Revenue Bonds and other indebtedness and compliance with all bond related covenants; and 5) provide for all other future capital needs..

ARTICLE 10. ORGANIZATION

10.1 The Board. The Authority shall be governed by the Board, which shall exercise or oversee the exercise of all powers and authority on its behalf. The Board shall meet not less than once yearly and all meetings shall be called, noticed and conducted subject to the Brown Act.

10.2 Directors.

(a) The Board shall consist of each of the five Merced County Supervisors and one elected legislative official from each of the other Member Agencies. As of the date hereof, there are 11 voting Members. No Person shall be eligible for appointment to the Board unless he or she is serving in an elective position. Each of the city Agencies may appoint one elective Person as an alternate to serve in the absence of an appointed director. Directors and alternate Directors who have been duly appointed and are serving at the time of the restatement of this Agreement may continue to serve in that capacity without any further action of the Member Agency.

(b) Each Director shall hold office from the first meeting of the Board after appointment by the Member Agency until his or her successor is selected by such Member Agency.

10.3 Principal Place of Business. The principal place of business of the Authority shall be located at 369 W. 18th Street, Merced, California, 95340.

10.4 Officers.

(a) The Board shall select a Chair and a Vice Chair from among the Directors who shall hold office for a period of one year commencing July 1st. The Chair and Vice Chair shall alternate between the Chair of the Merced County Board

of Supervisors and a city Agency Member. The positions shall rotate and there shall be no consecutive terms.

(b) Executive Director. The Authority Board shall utilize an Executive Director who shall be the chief executive officer of the Authority. In lieu of special appointment, the Executive Director shall be the Executive Director of the Merced County Association of Governments.

(c) Secretary. The Authority Board shall utilize the services of a Secretary who in lieu of special appointment shall be the Secretary of the Merced County Association of Governments.

(d) General Counsel. In the absence of special appointment by the Authority Board, the General Counsel of Merced County Association of Governments shall serve as General Counsel to the Authority.

10.5 Designation of Law. As required by section 6509 of the Act, and in the absence of conflicting procedural rules, ordinances and resolutions adopted by the Authority Board, the procedural rules, ordinances and resolutions of the County of Merced are the governing law for the Authority.

ARTICLE 11. FINANCIAL MATTERS

11.1 Financial Matters.

(a) Budget. Prior to July, the Board shall adopt an annual budget for the ensuing Fiscal Year.

(b) Treasurer. The County Treasurer of Merced County shall be the Treasurer of the Authority and pursuant to Government Code section 6505.5 and shall do all of the following:

(1) Provide for the transfer of funds held in the County Solid Waste Enterprise Fund to the Authority Solid Waste Enterprise Fund (other than funds required by law to follow title or permits).

(2) Receive and receipt for all money of the Authority and place it in the treasury of the Treasurer so designated to the credit of the Authority as The Solid Waste Enterprise Fund.

(3) Be responsible, upon his or her official bond, for the safekeeping and disbursement of all Authority money so held by him or her.

(4) Pay, when due, out of The Solid Waste Enterprise Fund, all sums payable with respect to outstanding Revenue Bonds and other indebtedness of the Authority.

(5) Pay any other sums due from the Authority only upon warrants of the public officer performing the functions of auditor or controller who has been designated by this Agreement.

(6) Verify and report in writing on the first day of July, October, January and April of each year to the Authority and to the Agencies the amount of money in the Solid Waste Enterprise Fund, the amount of receipts since his or her last report, and the amount paid out since his or her last report.

(c) Auditor. The County Auditor-Controller of Merced County is designated to perform the functions of Auditor of the Authority and pursuant to Government Code section 6505.5 shall do all of the following:

(1) Make or contract to make an annual audit of the accounts and records of the Authority. The minimum standards of the audit shall be those prescribed for special districts under Section 26909 of the Government Code and shall conform to generally accepted auditing practices. A report of the audit shall be filed as public record with each of the Agencies within 12 months of the end of the Fiscal Year under examination. Any costs in making an audit in accordance with this Agreement shall be borne by the Authority and shall be a charge against any unencumbered funds of the Authority available for the purpose.

(2) Draw warrants to pay demands against the Authority when the demands have been approved by any Person authorized to so approve in this Agreement.

(3) File an official bond with Merced County in an agreed amount pursuant to section 6505.1 of the Act.

(d) Penalties.

(1) Any penalties assessed against the Authority by CIWMB which are not Diversion related, shall be paid by the Authority.

(2) Any penalties assessed against the Authority by CIWMB which are Diversion related, shall be paid by the Authority and assessed against and collected from Member Agencies based upon a formula pursuant to which one-third of the penalty will be assessed equally against each Member Agency, one-third will be assessed or credited based on each Member Agency's per capita program Diversion and one-third based on each Member jurisdiction's population.

(3) Any penalties assessed against a Member Agency by CIWMB directly for either Diversion or nondiversion related acts or omissions, shall be paid by such Member Agency.

(4) The foregoing penalty structure may not cover all penalty issues which arise. Accordingly, despite the fact that substantive changes to the Agreement generally require the approval of each Member Agency, penalty provisions not covered by (1) – (3) above may be added by a two-thirds vote of the Board.

(e) Insurance.

(1) The Authority shall maintain general liability insurance relating to its functions as the policy making body dealing with Solid Waste, Recyclable Material, and Plant Material in the Service Area and shall indemnify,

protect, defend and hold harmless all of the Member Agencies therefrom. This indemnity shall include Environmental Laws as herein defined.

(2) The Operator shall, directly or indirectly, maintain general liability insurance relating to its contractual obligations pursuant to this Agreement, specifically including its operation of the Facilities and shall indemnify, protect, defend and hold harmless all other Agencies therefrom. This indemnity shall include Environmental Laws as herein defined.

(3) Each Agency shall directly or indirectly maintain general liability insurance relating to Collection and Transport of Solid Waste, Recyclable Material, and Plant Material from its jurisdiction to the Facilities and shall indemnify, protect, defend and hold harmless all of the other Agencies therefrom. This indemnity shall include Environmental Laws as herein defined.

(4) Notwithstanding Government Code section 895, et seq., liability imposed on the Operator, Authority, or any Member, relating to operation of the Facilities, shall be apportioned proportionately among all Member Agencies based upon population.

ARTICLE 12. WITHDRAWAL FROM THE AGENCY

12.1 Withdrawal Conditions. A Member may not withdraw from the Authority unless and until that Member achieves the following:

a. The liquidation in full of its proportion of any and all existing debts, obligations and liabilities incurred, earned, or expected to be earned by the date of withdrawal, including, but not limited to, the Revenue Bonds and other indebtedness, if any, as determined by the Board.

b. The provision to the Authority of a written notice of intent to withdraw from the Authority at least twelve (12) months prior to the end of the current Fiscal Year, specifying the date on which the Member intends to withdraw.

c. The approval of such withdrawal by a two-thirds affirmative vote of the Board.

ARTICLE 13. TERMINATION

13.1 Termination Requirements. This Agreement may only be terminated by consent of all Members, and upon full and complete liquidation of all liabilities, including, but not limited to, the Revenue Bonds and other indebtedness, if any. Upon the date of termination ("Termination Date"), payment of any and all obligations and division of any and all assets of the Authority shall be conducted subject to the then applicable requirements of the law (currently Section 6511, et seq., of the Act) as follows:

(a) In the event of termination of the Authority where there is a successor public entity that will conduct all of the activities and assume all of its obligations, any and all Authority assets and liabilities remaining upon termination shall be transferred to the successor public agency.

(b) If there is no successor public agency that would conduct the Authority's activities, all assets and liabilities, including surplus money, shall be apportioned to each Member in proportion to population.

(c) If there is a successor public agency that would conduct some of the Authority's activities, then the Board shall allocate the Authority's assets and liabilities, including surplus money, between the successor public agency and the Members. In such case the Member's portion of the allocation shall be based on subparagraph (b) above.

(d) By unanimous agreement of the Members, assets and liabilities may be disposed of, divided or distributed on a basis different from that established in this Article 13.

ARTICLE 14. BYLAWS

14.1 Bylaws. Bylaws may be adopted by the Board pursuant to which meetings of the Board shall be called. The Bylaws shall contain appropriate provisions for the transaction of business and describe the duties and powers of the Chair and Vice Chair and such other officers as may be appointed. The Bylaws may be amended from time to time by majority vote of the Board after notice in accordance with the Bylaws.

ARTICLE 15. AMENDMENTS

15.1 This Agreement may only be amended by the affirmative vote of two-thirds of the Members of the Board of Directors, except that Article 13 may not be amended without the agreement of all the Members. Furthermore, no amendment may add to the duties or obligations of a Member without the agreement of such Member.

ARTICLE 16. MISCELLANEOUS

16.1 Filing with the Secretary of State. All notices required by Government Code §§6503.5 and 53051 shall be filed with the California Secretary of State.

16.2 Successors and Assigns. This Agreement shall be binding upon and shall inure to the benefit of the successors and assigns of each Member. Notwithstanding the foregoing, no Member may assign any right or obligation hereunder without the written consent of all other Members.

16.3 Severability. If any provision of this Agreement or its application to any Person or circumstances is held invalid or illegal by a final judgment of a court law in the State of California, the remainder of this Agreement and the application of the provision to other Persons or circumstances shall not be affected.

16.4 Headings. All section headings contained in this Agreement are for convenience and reference only. They are not intended to define or limit the scope of any provision of this Agreement.

16.5 Conflict of Interest Code. The Authority shall adopt a conflict of interest code.

16.5 Arbitration. The parties desire to avoid the expense and delay associated with litigation, and therefore agree to submit any and all disputes which cannot be resolved by a good-faith effort to meet and confer to binding arbitration pursuant to the following terms. Despite the fact that such binding arbitration is pursuant to contract, it shall be conducted based on local (Merced County) and state rules of judicial arbitration. There shall be one arbitrator. He or she shall be chosen from the then active list of arbitrators maintained by the Merced County Superior Court Arbitration Administrator. The party seeking arbitration shall commence the case with a letter request which shall set forth, in clear and concise terms, the nature of the dispute and shall further list three names from the above-mentioned list of arbitrators agreeable to the requesting party. Within five days the other party shall select one of the listed attorneys, or submit a list of three names to the requesting party, who may within five days select one of the other parties' listed attorneys. If the parties cannot agree on the arbitrator, they shall submit the issue of appointment to the Presiding Judge of the Merced County Superior Court as though it is an ex parte hearing. None of the previously listed attorneys may be selected as an arbitrator. The arbitrator shall set the matter for hearing within sixty (60) days of his or her appointment. After submission of the matter the arbitrator shall issue a decision within ten (10) days. The decision of the arbitrator shall be final and binding, and may be enforced as a judgment in the Merced County Superior Court.

IN WITNESS WHEREOF, the Members have caused this Agreement to be duly executed and attested by their respective officers, duly authorized so to act, as of the date set forth in the first paragraph of this Agreement.

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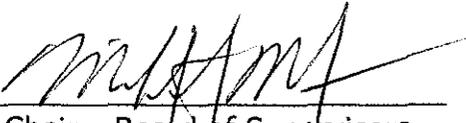
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COUNTY OF MERCED

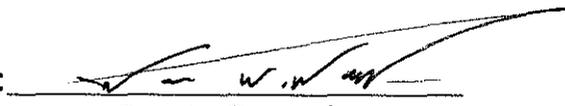
By: 
Chair – Board of Supervisors
Michael G. Nelson

SEP 10 2006

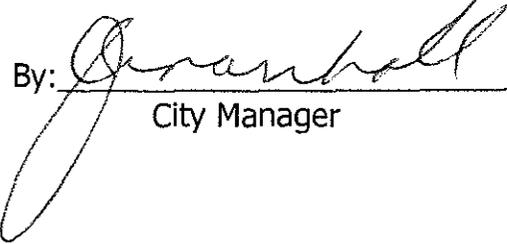
ATTEST:
CLERK

By: 
Deputy Clerk

APPROVED AS TO FORM:

By: 
County Counsel
Ruben E. Castillo

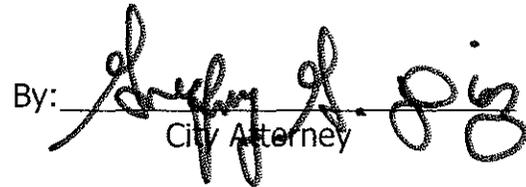
CITY OF MERCED
A Municipal Corporation

By: 
City Manager

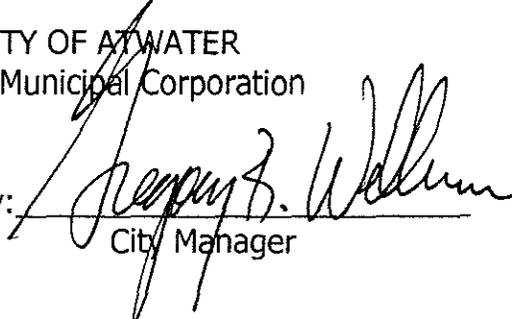
ATTEST:
JAMES G. MARSHALL, CITY CLERK

By: 
Deputy City Clerk

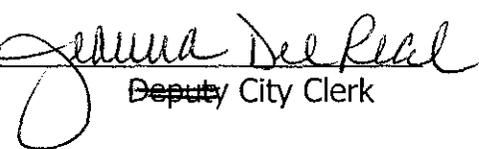
APPROVED AS TO FORM:

By: 
City Attorney

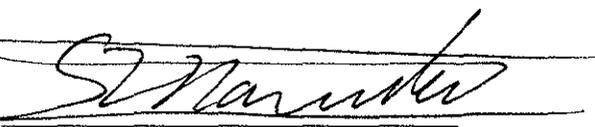
CITY OF ATWATER
A Municipal Corporation

By: 
City Manager

ATTEST:
CITY CLERK

By: 
Deputy City Clerk

APPROVED AS TO FORM:

By: 
City Attorney

CITY OF LOS BANOS
A Municipal Corporation

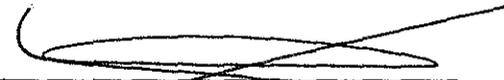
By: 

City Manager

ATTEST:
CITY CLERK

By: Lucille L. Maxwell
~~Deputy~~ City Clerk

APPROVED AS TO FORM:

By: 

City Attorney

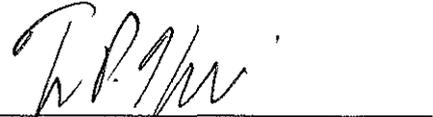
CITY OF LIVINGSTON
A Municipal Corporation

By: 
City Manager

ATTEST:
CITY CLERK

By: 
Deputy City Clerk

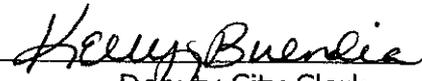
APPROVED AS TO FORM:

By: 
City Attorney

CITY OF GUSTINE
A Municipal Corporation

By: 
City Manager

ATTEST:
CITY CLERK

By: 
Deputy City Clerk

APPROVED AS TO FORM:

By: 
City Attorney

CITY OF DOS PALOS
A Municipal Corporation

By: *Daniel F. Ayala*
City Manager

ATTEST:
CITY CLERK

By: *Alice Thompson*
~~Deputy~~ City Clerk

APPROVED AS TO FORM:

By: *Scott Ford*
City Attorney

EXHIBIT A

DEFINITIONS

Unless the context otherwise requires, capitalized terms used in this Agreement will have the meanings specified below.

Act

"Act" means the California Joint Exercise of Powers Law (California Government Code Section 6500 et seq.)

Agency/Agencies

"Agency/Agencies" means the public entities which are or have been Members of the Authority.

Agreement

"Agreement" means this Second Amended and Restated Joint Exercise of Powers Agreement, as it may be amended from time to time.

Auditor

"Auditor" means the Auditor-Controller of the County of Merced.

Authority

"Authority" means the Merced County Regional Waste Management Authority.

Board

"Board" means the governing Board of Directors of the Authority, consisting of the five Members of the Merced County Board of Supervisors and one Mayor or Council person from each of the six incorporated municipal Agencies, for a total of 11 Directors as more fully described in Article 10 of this Agreement.

Chair

"Chair" means the Chair of the Authority Board, as described in Article 10 of this Agreement and the Bylaws.

CIWMA

"CIWMA" means the California Integrated Waste Management Act of 1989 (California Public Resources Code, §40000, et seq.), and all regulations adopted under that Legislation, as that Legislation and those regulations may be amended from time to time.

CIWMB

"CIWMB" means the California Integrated Waste Management Board created under the provisions of the CIWMA, whose duties include implementing the CIWMA.

Collect/Collection

"Collect/Collection" means to take physical possession, transport and remove Solid Waste, Recyclable Materials and Plant Materials within and from the Service Area.

Collector

"Collector" means a private enterprise which holds a franchise from an Agency for Solid Waste Collection and the City of Merced, a Municipal Collector.

Director

"Director" means the Agency representatives who serve on the governing Board of Directors.

Disposal

"Disposal" means the ultimate disposition of Solid Waste received by Collector at a Facility in Full Regulatory Compliance.

Diversion

"Diversion" means the separation of materials from the overall Solid Waste stream and whose disposition is for reuse or Recycling and not landfill disposal.

Effective Date

"Effective Date" means the effective date of this Agreement, which is _____, 2006.

Environmental Laws

"Environmental Laws" means all federal and state statutes; and all county, local, and Agency ordinances concerning public health, safety, and the environment including, by way of example and not limitations, the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, 42 USC §9601, et seq.; the Resource Conservation and Recovery Act, 42 USC §6902, et seq.; the Federal Clean Water Act, 33 USC §1251, et seq.; the Toxic Substances Control Act, 15 USC §1601, et seq.; the Occupational Safety and Health Act, 29 USC §651, et seq.; the California Hazardous Waste Control Act, California Health and Safety Code §25100, et seq.; the California Toxic Substances Control Act, California Health and Safety Code §25300, et seq.; the Porter-Cologne Water Quality Control Act, California Water Code §13000, et seq.; the Safe Drinking Water and Toxic Enforcement Act, California Health and Safety Code §25249.5, et seq.; the California Integrated Waste Management Act, California Public Resources Code §40000, et seq., as currently in force or as hereafter amended, and all rules and regulations promulgated thereunder.

Facility/Facilities

"Facility/Facilities" means any plant or site, existing or planned, owned or leased, and constructed, maintained, operated, or used for purposes of performing under this Agreement and includes any future Facility. As of the Effective Date, the Facilities are: The Billy Wright Landfill, located west of the City of Los Banos, and the Highway 59 Landfill, located north of the City of Merced.

Fiscal Year

"Fiscal Year" means the period commencing on each July 1 and ending on the following June 30.

Franchise

"Franchise" means the special right granted by an Agency to operate a public utility for Solid Waste Collection and Processing services within the Service Area.

Full Regulatory Compliance

"Full Regulatory Compliance" means compliance with all applicable permits for a Facility such that the Operator will at all times maintain the ability to fully comply with its obligations under this Agreement.

Legislation

"Legislation" means any code, ordinance, resolution, or any other forms or enactment of the Agencies or any Member which now exists or which may hereafter be adopted which constitutes law or regulation.

Member

"Member" means any one of the public entities listed in Exhibit B and any public entity that becomes a new member in accordance with this Agreement.

Operator

"Operator" shall mean the entity the Authority contracts with to operate the Facilities. As of the Effective Date the Operator is the Merced County Public Works Department Solid Waste Division.

Person

"Person" means any individual, firm, association, organization, partnership, corporation, business trust, joint venture, special purpose district, town, city, county, state, or the United States.

Plant Materials

"Plant Materials" means a subset of Recyclable Materials consisting of grass cuttings, weeds, leaves, prunings, branches, dead plants, brush, tree trimmings, dead trees (not more than six (6) inches in diameter), and similar organic materials generated at residential, commercial, industrial and institutional properties within the Service Area, separated and set out for Collection, Processing, and Recycling. Plant Materials does not include materials not normally produced from gardens or landscapes, such as, but not limited to, palm fronds, brick, rock, gravel, large quantities of dirt, concrete, sod, non-organic wastes and oil. Diseased plants and trees are also excluded from Plant Materials.

Process/Processing

"Process/Processing" means the Recycling, reuse, reformation, reconstituting, or otherwise manipulation of Solid Waste in preparation for its ultimate use or disposal.

Recyclable Materials

"Recyclable Materials" means discarded materials that are reused, remanufactured or processed.

Recycling

"Recycling" means the process of collecting, sorting, cleansing, treating and reconstituting discarded materials which meet the quality standards necessary to be reused, remanufactured or processed. The Collection, transportation or disposal of Solid Waste not intended for, or capable of, reuse is not Recycling.

Revenue Bonds

"Revenue Bonds" means revenue bonds to be issued by the Authority.

Service Area

"Service Area" means the collective territory within and, if applicable, outside the Member's boundaries with respect to which the Member exercises franchising authority for the Collection of Solid Waste, Recyclable Materials, and Plant Materials.

Solid Waste

"Solid Waste" means all putrescible and nonputrescible solid, semisolid, and liquid wastes, as defined in California Public Resources Code §40191, as that section may be amended from time to time. For the purposes of this Agreement, "Solid Waste" does not include abandoned vehicles and parts thereof, Hazardous Waste or low-level radioactive waste, medical waste, Recyclable Materials, or Plant Materials.

Solid Waste Enterprise Funds

"Solid Waste Enterprise Fund" is the funds maintained by the Treasurer resulting from collection of solid waste disposal fees at the facilities.

Term

“Term” means the period of time specified in Article 4 of this Agreement.

Transport

“Transport” means the transportation of Solid Waste.

Treasurer

“Treasurer” means the Merced County Treasurer.

EXHIBIT B

MEMBERS

County of Merced
City of Merced
City of Los Banos
City of Atwater
City of Livingston
City of Gustine
City of Dos Palos

File

Mr. #37

**Message
From Steve
June 7, 2007**

To: Council

Subject: Solid Waste Contract Information Request

Folks,

Attached for your review is a copy of the City's current Solid Waste JPA Contract. Also, attached is a copy of the June, 2006 staff report to Council which approved the current solid waste rates to cover the increased tipping fees (tonnage being off loaded) for bonding the BWL expansion and completion of the recycling transfer station.

Please let me know if you have any questions.

Thanks!


Steve

CC: Dwayne Chisam



City of Los Banos

At the Crossroads of California

May 31, 2006

To: Mayor Amabile and Members of Council
Steve Rath, City Manager

From: Melinda Wall, Chief Financial Officer *Melinda Wall*

Subject: Proposed Rate Increase for Solid Waste & Green Waste Fees to Recover Increased Landfill Dumping Costs.

The Merced County Association of Governments Solid Waste Management Board has announced a 29% increase in dumping fees effective July 1, 2006 to meet State landfill mandates. Staff is proposing to increase fees to cover the additional landfill dumping by the amount needed on the August 1st utility bill. This would result in an 8% increase in solid waste fees and a 4% increase in green waste fees. The table below shows the effect on the minimum monthly residential bill:

Residential Billing	Current	Proposed	Difference	% change
Solid Waste	\$ 14.62	\$ 15.79	\$ 1.17	8%
Green Waste	5.75	5.98	0.23	4%
All Other Charges	28.51	28.51	-	0%
Total	\$ 48.88	\$ 50.28	\$ 1.40	3%

Pursuant with Allied (formerly BFI) current contract #8 provision, this future increase by the Solid Waste Collection Division shall not be incorporated as part of future increases to the Solid Waste Collector. Currently the City pays Allied 52% of all solid waste fees and 72% of all green waste fees. This would adjust their percentage for solid waste to 48.15% and for green waste to 69.25%

The City has hired Hilton Farnkopf & Hobson and is currently undergoing a review of the solid waste provider's contract and the City's plans to recycle. Staff will be back with this analysis to Council when it is completed.

At this time, I am requesting that the Council adopt this resolution to adjust solid waste and green waste fees to reflect the increase in landfill dumping fees. Attached are the current fees and proposed fees. Staff will be available at the June 7th Council meeting to answer any questions that may arise regarding this item.

Requested Action: To adopt a resolution of the City of Los Banos relating to an increase in solid waste fees.

520 J STREET -- LOS BANOS, CALIFORNIA 93635
TELEPHONE: (209) 827-7000 -- FAX: (209) 827-7006 -- www.losbanos.org

Memorandum

RECEIVED
CITY OF LOS BANOS

JAN 29 2007

To: Greg Wellman, City of Atwater
Darrell Fonseca, City of Dos Palos
Roger Wong, City of Gustine
Richard Warne, City of Livingston
✓ Steve Rath, City of Los Banos
Jim Marshall, City of Merced
Dee Tatum, County of Merced
Scott Johnston, County of Merced Solid Waste
Paul Fillebrown, County of Merced Public Works

<input type="checkbox"/> ICC	<input type="checkbox"/> PS	<input type="checkbox"/> MGR
<input type="checkbox"/> PD	<input checked="" type="checkbox"/> PW	<input type="checkbox"/> CLK
<input type="checkbox"/> FD	<input type="checkbox"/> FIN	<input type="checkbox"/> ATY
<input type="checkbox"/> PLN	<input type="checkbox"/> HR	<input checked="" type="checkbox"/> FILE
<input type="checkbox"/> FOLLOW UP		

From: Jesse Brown, Merced County Association of Governments

Date: 01/23/2007

Re: Merced County Regional Waste Management Authority Second Amended
and Restated Joint Powers Agreement

Please find attached your signed, original copy, of the Merced County Regional Waste Management Authority Second Amended and Restated Joint Powers Agreement.