

**Jefferson County
Board of Commissioners
Agenda Request**

To: Board of Commissioners
Josh Peters, County Administrator

From: Monte Reinders, P.E.
Public Works Director and County Engineer

Agenda Date: September 2, 2025

Subject: BoCC Workshop #2 - Recycling Program Privatization

Statement of Issue:

Issues related to Jefferson County's recycling program have been discussed at three regular meetings of the Solid Waste Advisory Committee (SWAC) between July of 2024 and January of 2025, at two joint public meetings between SWAC and Jefferson County Board of County Commissioners (BoCC) in March and April of 2025, and at a workshop with BoCC in July of 2025.

At the July 21, 2025 BoCC workshop, BoCC agreed with staff's recommendation to eliminate tipping fee subsidies, discontinue fee-free drop-off site service, and transition to curbside-only recycling with mixed-material cart service provided by a Washington Utilities and Transportation Commission (UTC) licensed hauler with direct payment to the hauler by the customer. Further, BoCC directed Public Works staff to begin this transition by:

- Notifying the current recycling services contractor that Jefferson County will not extend the current service agreement and will discontinue drop-off service at the end of the contract term (March 31, 2026);
- Developing an Operating Agreement with Waste Connections for the operation of Jefferson County's recycling center; and
- Developing a Level of Service Ordinance that establishes curbside collection options for recycling customers.

Public Works and Prosecuting Attorney's Office staff have developed the attached proposed Notice to the current recycling contractor, Operating Agreement with Waste Connections, and Level of Service Ordinance for BoCC's review.

Recommendation:

Provide feedback and direction to Public Works staff accordingly.

Possible next steps include:

- Make a motion authorizing BoCC Chair to sign the attached Notice to the recycling contractor;
- Direct Public Works staff to bring back an Operating Agreement with Waste Connections to BoCC as a Consent Agenda item; and
- Direct Public Works staff to bring back a request to BoCC for the publication of a Public Hearing regarding the adoption of a Level of Service Ordinance for recycling collection.

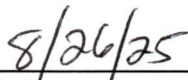
Department Contact:

Al Cairns, Solid Waste Manager x213

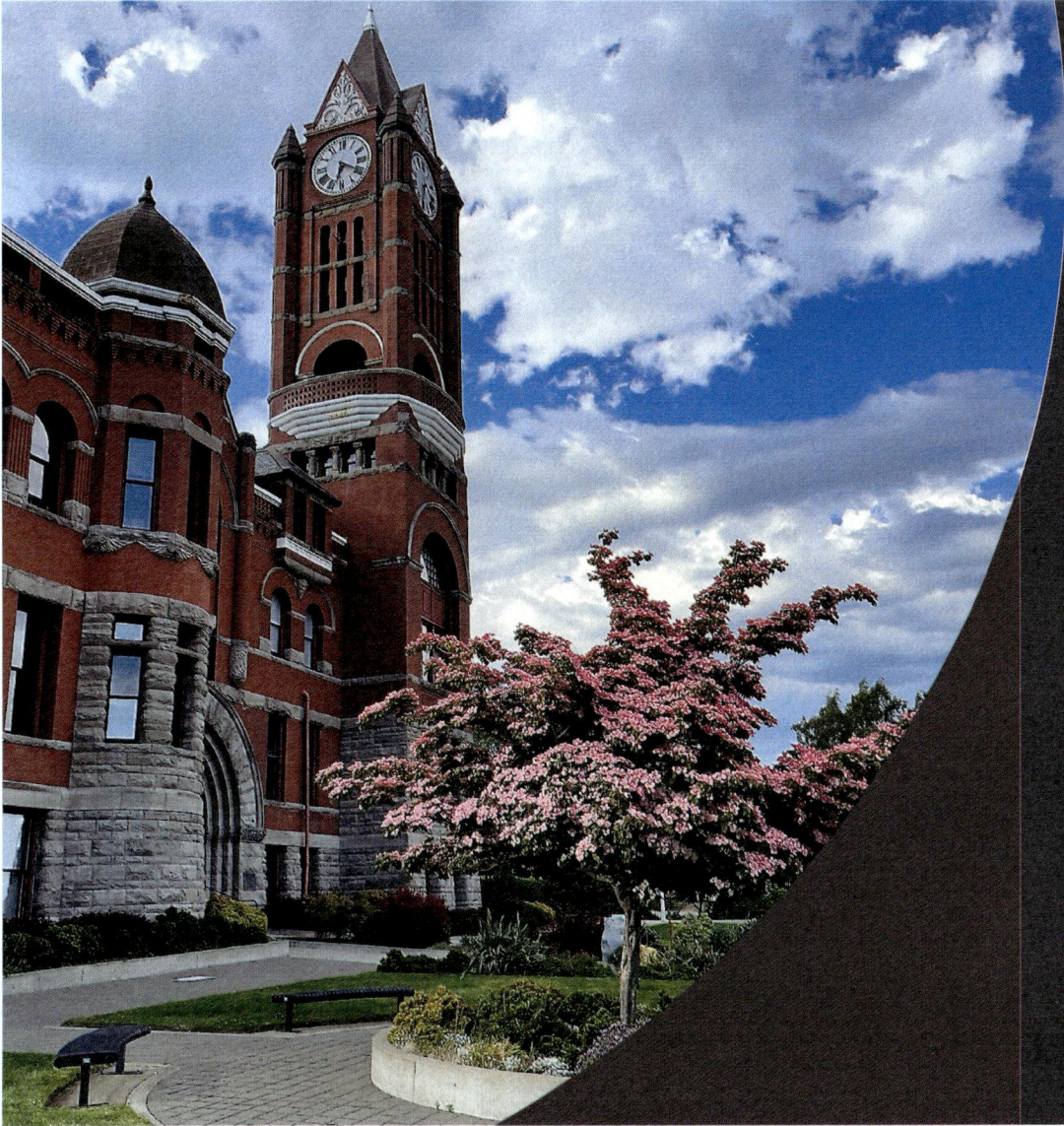
Reviewed By:



Josh Peters, County Administrator



Date

A photograph of the Jefferson County Courthouse, a large red brick building with a prominent clock tower and a dome. The building is surrounded by greenery and a paved walkway. The sky is blue with scattered white clouds.

Jefferson County's ***Recycling Program***

BoCC Workshop #2
September 2, 2025

Al Cairns, Solid Waste Manager
Department of Public Works

Agenda



Review Public Process



Proposed Level of Service Ordinance



Proposed Operating Agreement



Next Steps



Questions

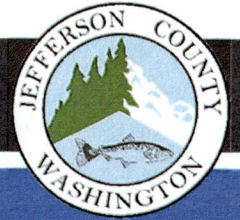


Review Public Process

September 2, 2025

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Public Meetings



- 07/25/24 SWAC Regular Meeting
- 09/25/24 SWAC Regular Meeting
- 01/23/25 SWAC Special Meeting
- 03/26/25 Joint SWAC & BoCC Special Meeting
- 04/29/25 Joint SWAC & BoCC Special Meeting
- 07/21/25 BoCC Workshop #1

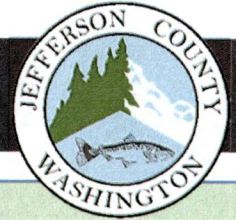


Proposed Level of Service Ordinance

September 2, 2025

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Proposed Level of Service Ordinance



Adding Section 8.10.045 JCC Minimal Level of Service for Residential Recycling

Chapter 8.10 SOLID WASTE REGULATIONS¹

Sections:

- 8.10.010 Authority and purpose.
- 8.10.015 Adoption by reference.
- 8.10.020 Applicability.
- 8.10.021 Determination of solid waste.
- 8.10.025 Owner responsibilities for solid waste.
- 8.10.030 Effective dates.
- 8.10.040 Performance standards.
- 8.10.050 Solid waste division fees.
- 8.10.060 Solid waste division public facilities - Hours of operation.
- 8.10.100 Definitions.
- 8.10.200 Beneficial use permit exemptions.
- 8.10.210 Recycling and material recovery facilities.
- 8.10.220 Composting facilities.

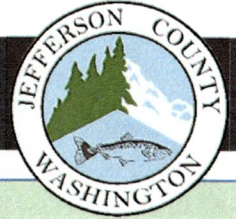
Proposed Level of Service Ordinance



Adding Section 8.10.045 JCC Minimal Level of Service for Residential Recycling

- (1) Purpose and intent.**
- (2) Definitions.**
- (3) Minimum levels of residential curbside recyclables service.**
- (4) Customer service responsibility and coordinated public outreach programs.**
- (5) Reporting requirements for residential recyclables collection.**
- (6) Annual coordinating meeting.**
- (7) Processing facilities.**
- (8) Disposal limitations.**
- (9) County notification of WUTC tariff filings.**
- (10)Commodity credit.**

Proposed Level of Service Ordinance



Some additional highlights from section 8.10.045 JCC Minimal Level of Service for Residential Recycling:

- Unincorporated east Jefferson County.
- Residents have choice in level of service: solid waste, recycling, or *both*.
- Accommodations for residents with limited mobility.
- Washington Utilities and Transportation Commission approve rate structure.
- Low-income discount for qualifying residents.
- Materials collected include cardboard, metal cans, mixed-waste paper, newspaper, plastics.
- Glass collection provided, at minimum, at 2 drop-off locations.



Proposed Operating Agreement

July 21, 2025

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Proposed Operating Agreement



- **Between Jefferson County and Waste Connections.**
- Operating Agreement begins on the Effective Date and terminates on December 31, 2036, unless otherwise terminated or extended by BoCC.
- Sets forth Waste Connections & County respective responsibilities.
- Other standard contract terms, including indemnification & insurance provisions.



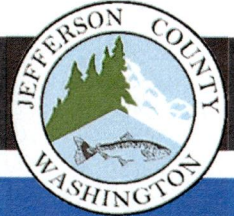


Next Steps

September 2, 2025

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Next Steps



Authorize BoCC Chair to sign notice to the recycling contractor that Jefferson County will not extend the current service agreement and will discontinue drop-off service at the end of the contract term (March 31, 2026);

Direct Public Works to finalize a Operating Agreement with Waste Connections and bring back as a Consent Agenda item; and

Direct Public Works to bring back a request for a Public Hearing (October 6, 2025) on the adoption of a Level of Service Ordinance.



Questions?



Department of Public Works
Jefferson County, Washington

623 Sheridan Street
Port Townsend, WA 98368
360-385-9160

Ryan Wiese
PO BOX 5359
4525 Auto Center Way
Bremerton, WA 98312

September 2, 2025

Mr. Wiese,

Jefferson County remains one of only two counties in Washington State still providing a source-separated recycling program and has contracted with Skookum Contract Services, now Tessera, for over 30 years to provide this service. As the industry has transitioned to mixed-material collection, so too does Jefferson County desire to modernize its recycling program.

This letter provides formal notice that Jefferson County will continue to contract for recycling services as currently provided by Tessera for the full term of the current recycling services agreement which ends on March 31, 2026 and will thereafter transition to a mixed-material collection program provided by the Washington Utilities and Transportation Commission G-Cert hauler.

Public Works staff are ready to assist with this transition and to affect these changes with the least impact to Tessera's employees. We are grateful for your partnership and strong working relationship over the past many years.

Sincerely,

Heidi Eisenhour, Chair
Jefferson County Board of County Commissioners

STATE OF WASHINGTON
County of Jefferson

An Ordinance Establishing Minimum Levels of Service for Curbside Collection of Recyclables for Unincorporated East Jefferson County and Adopting New Section 8.10.045 to Chapter 8.10 Solid Waste Regulations of the Jefferson County Code (JCC)

ORDINANCE NO. _____

WHEREAS, the Jefferson County Department of Public Works (Public Works) has provided recycling services to Unincorporated East Jefferson County residents for over 30 years; and

WHEREAS, Public Works has contracted with Skookum Contract Services for over 30 years for the collection of recyclable materials from staffed and unstaffed drop off locations across Unincorporated East Jefferson County and for the processing, marketing and delivery to buyers of these materials; and

WHEREAS, this service includes the processing, marketing and delivery to buyers of recyclable materials collected as part of the City of Port Townsend's mandatory curbside recycling program which is provided by the city's contract waste hauler; and

WHEREAS, recycling customers separate materials into bins according to material type and this is known in the industry as a "source separated" recycling program; and

WHEREAS, thirty-seven other Washington Counties have transitioned to what is known in the industry as "single" or "dual stream" collection of recyclable materials because this collection method is more efficient and gains a higher participation rate; and

WHEREAS, to our knowledge, only Jefferson County maintains unstaffed drop off locations for recyclables other than glass (in some areas); and

WHEREAS, illegal dumping of garbage at the unstaffed drop off locations has increased from 26 tons in 2022 to 41 tons in 2024; and

WHEREAS, RCW 70A.205.045 requires that each county and city comprehensive solid waste management plan includes a contamination reduction and outreach plan (CROP) that addresses reducing the contamination of materials accepted as part of the recycling program; and

WHEREAS, a 2022 audit of materials from drop-off locations found the contamination rate as high as 30% in the plastic, tin and aluminum mix; and

WHEREAS, RCW [70A.205.045](#) does not provide funding for CROP implementation and an approximate \$70,000 was spent on reducing the contamination rate by limiting accepted plastics to bottles and jugs only and messaging this widely; and

WHEREAS, the CROP campaign produced no reduction in contamination rates; and

WHEREAS, the drop-off locations are for residential use but are frequented by businesses and contractors which generates frequent customer complaints about over-full bins and which requires additional servicing of the sites; and

WHEREAS, program costs are partially offset by a grant from the Department of Ecology and by revenue from the sale of recyclables and a grant from the Department of Ecology; and

WHEREAS, the Department of Ecology grant offsets approximately 20% of program costs; and

WHEREAS, market values for recyclables decreased drastically with the closure of the Chinese market in 2017 and have not recovered; and

WHEREAS, high contamination rates further diminish the commodity value, effectively increasing the program costs; and

WHEREAS, commodity sales offset an additional estimated 26% of program costs; and

WHEREAS, current annual recycling program costs, after grant subsidies and commodity sales revenue, are estimated at \$326,709; and

WHEREAS, the Jefferson County Solid Waste Management Plan prioritizes landfill diversion activities as Reduction, Reuse and Recycling in descending order of priority; and

WHEREAS, the recycling program accounts for 75% of all landfill diversion activity costs; and

WHEREAS, currently \$13.89 of every per ton transaction at the transfer station is allocated to subsidize the “free” recycling program; and

WHEREAS, the end of year Solid Waste Enterprise Fund cash reserve balance is projected at near the minimum balance set forth in Resolution 28 23 which established new fees for garbage disposal at the County operated waste handling facilities; and

WHEREAS, given the projected end of year cash reserve balance, Public Works is unable to transfer funds from the Cash Reserve Fund to the Equipment Reserve (Capital) Fund, and

WHEREAS, as of January 1, 2025 the Equipment Reserve (Capital) Fund balance was \$1.8M under the minimum balance set forth in Resolution [28-23](#) and approximately \$3.6 million under the estimated cost of urgently needed capital repairs at the transfer station; and

WHEREAS, the term of the Recycling Services Agreement with Skookum Contract Services expires on March 31, 2026, and

WHEREAS, a Request for Proposals for the continued operation of the current recycling program is likely to produce higher contractor fees that reflect the high rates of inflation that have been experienced in the last several years and which are ongoing; and

WHEREAS, the continued operation of the current recycling program would require either an increase to the tipping fee or a reduction in other services or a combination of both in order to improve the Solid Waste Enterprise Fund cash reserve balance; and

WHEREAS, the combined cost savings of closing the Quilcene Drop Box Facility and eliminating the Solid Waste Education program, Household Hazardous Waste collection events, the low-income discount program, the employment program for individuals with intellectual and developmental disabilities, and the transfer of funds to Public Health in support of responses to illegal dumping would not offset the current cost of the recycling program; and

WHEREAS, residents in unincorporated east Jefferson County may subscribe for curbside collection of garbage and recycling through Waste Connections as the Washington Utilities and Transportation Commission (WUTC) “G-Cert” hauler; and

WHEREAS, rates for curbside collection of garbage and recyclables are set by the WUTC through a “tariff”; and

WHEREAS, a 2023 survey of transfer station residential self-haul customers found that the average minimum fee given at which the customer would choose curbside service in favor of self-hauling was \$31.07; and

WHEREAS, the current WUTC tariff for mid-level service for every-other week collection of garbage and recycling is currently \$31.91 per month; and

WHEREAS, Public Works discussed the potential of a low-income discount rate within the WUTC tariff with the Solid Waste Advisory Committee (SWAC) at the regular SWAC meeting on January 23, 2025; and

WHEREAS, Engrossed Second Substitute Senate Bill (E2SSB) 5284 was passed in the 2025 State legislative session and this bill obligates single use packaging producers to pay for recycling programs; and

WHEREAS, E2SSB 5284 does not obligate single use packaging producers to pay for recycling programs until January 1, 2030 and then only up to 90% of program costs; and

WHEREAS, Public Works has reviewed these issues at regular SWAC meetings on July 25, 2024 and September 26, 2024, a special SWAC meeting on January 23, 2025, at joint SWAC and BoCC meetings on March 26, 2025 and on April 29, 2025, and a BoCC Workshop on July 21,

2025, and

WHEREAS, the Jefferson County Solid Waste Management Plan includes as a goal: “Promote the use of private industry to carry out the components of the solid waste system, if feasible”; and

WHEREAS, Public Works has now proposed that recycling services be provided to unincorporated east Jefferson County residents through curbside collection by subscription; and

WHEREAS, Public Works has also proposed that it provides a single drop off area located behind the scales at the transfer station for customers who are unable to receive curbside service and that those customers will be charged the current minimum fee or at the current per ton rate if the load exceeds the minimum charge weight; and

WHEREAS, Public Works recommends the adoption of a Minimum Level of Service Ordinance in order to effect the recommended changes to the recycling program;

NOW THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF JEFFERSON COUNTY, STATE OF WASHINGTON:

Section 1. Whereas Clauses Adopted as Findings of Fact. The Jefferson County Board of Commissioners hereby adopts the above “Whereas” clauses as Findings of Fact.

Section 2. Purpose. The purpose of this Ordinance is to establish minimum levels of service for curbside collection of recyclables by haulers operating under a Washington Utilities and Transportation tariff in unincorporated east Jefferson County.

Section 3. Adopting New Section 8.10.45 JCC. Chapter [8.10](#) JCC Solid Waste Regulations shall be amended by adding new section 8.10.045 JCC Minimal Level of Service for Residential Recycling, as reflected in **Exhibit A**.

Section 4. Severability. If any section, subsection, sentence, clause, phrase of this Ordinance or its application to any person or circumstance is held invalid, the remainder of this Ordinance or its application to other persons or circumstances shall be fully valid and shall not be affected.

Section 5. Effective Date. This Ordinance is effective upon April 1, 2026.

Section 6. SEPA Categorical Exemption. This Ordinance is categorically exempt from the State Environmental Policy Act under WAC [197-11-800](#)(19).

(SIGNATURES FOLLOW ON THE NEXT PAGE)

APPROVED and ADOPTED this _____ day of _____, 2025.

SEAL:

JEFFERSON COUNTY BOARD OF
COUNTY COMMISSIONERS

Heidi Eisenhour, Chair

Greg Brotherton, Member

Heather Dudley-Nollette, Member

ATTEST:

APPROVED AS TO FORM:

Carolyn Gallaway, CMC Date
Clerk of the Board

Philip C. Hunsucker
Chief Civil Deputy Prosecuting Attorney

EXHIBIT A
Adding New Section 8.10.045 JCC
Minimal Level of Service for Residential Recycling

(1) Purpose and intent.

- A. The purpose of this section is to define minimum levels of service for curbside recycling collection, which shall be provided to households serviced by the solid waste collection company operating in the unincorporated areas of east Jefferson County.
- B. It is the intent of the Jefferson County Board of County Commissioners to:
 - a. Establish residential recycling programs as an integral component of the collection of solid waste, incorporating Washington State's goals as set forth in RCW [70A.205.005](#), to make source separation of waste a fundamental strategy and to make recycling at least as affordable and convenient to the ratepayer as mixed waste disposal;
 - b. Increase diversion of recyclables from single-family and multi-family residences in Jefferson County;
 - c. Make recycling easier and more convenient for residents through use of efficient collection systems;
 - d. Retain low-cost strategies to encourage participation; and
 - e. Encourage the private sector to develop and operate the recycling facilities that are needed to process and market recyclables collected in unincorporated east Jefferson County.

(2) Definitions.

For the purposes of this section, certain terms, phrases, and words, and their derivatives, shall have specific meanings as defined in this section. Terms, phrases, and words used in the singular shall also apply to the plural. Terms, phrases, and words used in the plural shall also apply to the singular.

- A. "Automated recycling container or cart," means a wheeled, plastic receptacle designated for the collection of recyclables and designed to be picked up and emptied by mechanical means into the company's collection vehicle.
- B. "Automated Collection" means a route serviced by a vehicle with mechanical means to pick up garbage and recycling at the customer's residence.
- C. "Commodity credit" means the amount of recycling revenue returned to residential customers from the sale of recyclable materials collected through curbside residential

programs, as required by the Washington Utilities and Transportation Commission.

- D. "Recyclable materials" or "recyclables" means those solid wastes that are separated for recycling or reuse and thus diverted from landfill disposal.
- E. "Recycling rate" means the percentage rate achieved by dividing the total tonnage of recyclables by the sum of the total tonnage of waste disposed added to the total tonnage of recyclables.
- F. "Set-out counts" means the number of residential customers that set-out their recyclables containers every collection day; or a monthly average of the set-outs as compared to total number of customers.
- G. "Residence" means any residential dwelling receiving solid waste and recycling collection service where the owner or tenant is billed for solid waste collection service to the dwelling as an individual unit. This may include, but is not limited to, duplexes, mobile homes within mobile homes subdivisions, or attached single-family structures such as townhouses, row houses, or triplexes.
- H. "Single-stream collection" means the collection of designated recyclables commingled in one covered, wheeled container, collected with automated or semi-automated trucks.
- I. "Solid waste collection company" means a privately owned solid waste and recycling transportation company or "hauler", which provides collection services in designated areas of Jefferson County and is regulated by the Washington Utilities and Transportation Commission (WUTC) under the provisions of chapter [81.77](#) RCW. The companies may be collectively referred to as "certificated haulers" and means every person or his lessees, receivers, or trustees, owning, controlling, operating or managing vehicles used in the business of transporting solid waste for collection and/or disposal for compensation over any public highway whether as a "common carrier" or as a "contract carrier."
- J. "Source separation" means the separation of different kinds of solid waste at the place where the waste originates.
- K. "Washington Utilities and Transportation Commission" or "WUTC" means the State agency which regulates privately owned solid waste collection companies who provide collection service to the unincorporated areas under a G certificate.

(3) Minimum levels of residential curbside recyclables service.

- A. The minimum levels of service for residential curbside collection in unincorporated east Jefferson County shall include the following:
 - a. Single-Stream Collection Service.
 - i. Collection companies shall provide every-other-week (EOW), single-

stream curbside collection of recyclables to all residences that subscribe to automated curbside solid waste service as a bundled service, provided that access to the residence by the service vehicle is feasible.

- ii. The collection companies shall provide the curbside recycling collection with all combinations of automated solid waste cart service approved by the Washington Utilities and Transportation Commission (WUTC) for their respective certificated areas.
- iii. Residents in automated service areas may request curbside recycling service without having solid waste service at a rate set by the WUTC.
- iv. Residents will maintain the choice of whether they want to participate in recycling collection, regardless of whether they are participating in solid waste service.
- v. The collection services to the customers shall be on the same day as garbage collection, unless the collection company can demonstrate to the County that an alternative collection schedule is necessary because of geographic or development limitations, such as road width or density, that require an alternative truck system or collection schedule.
 1. The hauler shall identify the location of the area affected; the alternative collection schedule; and the reasons supporting the alternative.
 2. The County shall consider whether the number of customers affected is minimized; that program participation is not adversely affected; whether there is substantial cost savings due to the alternative schedule; whether an alternative collection schedule can result in higher levels of participation and recycling; and other information presented by the hauler.

B. Recycling Collection Containers.

- a. Collection companies shall provide one wheeled container to each of their residential customers signed up for curbside collection.
- b. Collection companies shall provide residential customers with a choice of either an approximate 95-gallon cart or an approximate 65-gallon cart with no change in monthly service fees between the sizes of recycling containers.
- c. All containers shall contain, or have attached, information about the proper preparation of materials and the name and contact information of the certified hauler. The information may be stamped into the container, on a waterproof sticker, a combination of both, or some other alternative, which provides the customer with

sufficient permanent information to be able to contact the hauler. If stickers are chosen, hauler shall provide replacements to all customers in the WUTC service area when normal aging and weather exposure has made them unreadable.

- d. Replacement of the containers necessitated by normal use or by container damage due to the hauler's negligence shall be the responsibility of the hauler. Replacement necessitated by container damage or loss due to the customer's negligence shall be at the customer's expense.

C. Exceptions to Collection Alternatives for Restricted Access or Storage Situations, or for Residents with Limited Mobility.

- a. Criteria. Collection companies shall have a process in place to work cooperatively with residents to tailor the single-stream recycling collection service to meet the needs of residents in situations where:
 - i. Private driveways are inaccessible or incapable of withstanding the weight of collection trucks and collection of recyclables or garbage cannot be provided under the approved drive-in rate tariff for such situations;
 - ii. Because of long, steep and/or winding driveways, a resident would have difficulty in moving a large recycling container, manually or by vehicle, from their house to the public access road for collection;
 - iii. A resident could not provide a storage place to keep recycling or garbage containers at the end of the driveway close to the public access road;
 - iv. Truck access or container size is in any way otherwise restricted due to density and road width or where outside container storage is limited by homeowners' association covenants; or
 - v. Residents with special needs, such as physical infirmity or physical limitations, with no able-bodied person living in the residence to set out the container, and need reasonable accommodation.
 - vi. Alternatives: Collection companies shall offer alternatives that suit their collection system or the particular customer's limitation. The alternatives may include:
 - 1. A drive-in tariff rate and/or a walk-in tariff rate for those situations where a recycling truck can negotiate the long-driveway and where the driveway can support the weight of the truck; and
 - 2. Any other solution mutually agreed to by the customer and the solid waste collection company per WAC 480.70.366.

- vii. Monitoring Alternative Service Options: The Solid Waste Collection Company shall maintain an updated list of customers who have requested an alternative collection system, a description of the problem and of the chosen solution, or how the problem was otherwise resolved, and will provide an annual list to Jefferson County.
 - viii. Nothing in this section shall either prevent or require collection companies from developing a centralized drop-off site in neighborhoods, to be maintained by the hauler, where such access problems are clustered or where covenants prevent outside storage of containers.
- D. Materials Collected. The following recyclable materials, at a minimum, shall be collected from residences when properly prepared and meeting the material description as specified.
 - a. Cardboard. Corrugated cardboard and Kraft paper, including unbleached, unwaxed paper with a ruffled ("corrugated") inner liner.
 - b. Metal cans. Tin-coated steel cans and aluminum cans, excluding aerosol spray cans.
 - c. Mixed-waste paper. Clean and dry paper, including, but not limited to: glossy papers; magazines; catalogues; phone books; cards; laser-printed white ledger paper; windowed envelopes; paper with adhesive labels; paper bags; nonmetallic wrapping paper; packing paper; glossy advertising paper; chipboard, such as cereal and shoeboxes; juice boxes; and milk-style cartons of the refrigerated variety (nonrefrigerated products contain aluminum linings).
 - d. Newspaper. Printed groundwood newsprint, including glossy advertisements and supplemental magazines that are delivered with the newspaper.
 - e. Plastics. Bottles and jugs #1-2, including but not limited to: primarily polyethylene terephthalate (PET - #1), such as soft drink, water, and salad dressing bottles; and high-density polyethylene (HDPE - #2) such as milk, shampoo, or laundry detergent bottles; including any bottle with a neck narrower than its base.
- E. Glass Collection. The Solid Waste Collection Company shall provide a minimum of two (2) drop-off locations within the WUTC service area for marketable glass containers and these locations should provide relative service equity considering the service area and population centers.
- F. Optional Materials. Nothing in this section shall prohibit a hauler from exceeding the minimum requirements set forth above by collecting additional materials including, but not limited to, food waste, yard waste, scrap metal, glass, or other materials in the future.
- G. Amending the List of Required Materials. Prior to proposing any amendments to the list of materials to be collected, the County will negotiate and mutually agree upon any proposed changes to the collected materials list with the haulers.

- H. State Accepted Material Standardization. Should the State adopt a standardized list of material types required for collection; such list will supersede the list included herein.
- I. Recycling Collection Rates. Collection companies shall request the WUTC to approve a rate structure, which includes the costs to implement the modified single-stream residential curbside recycling program for all solid waste customers contained in in the WUTC service area. The collection companies shall include the following elements in the tariffs proposed to the WUTC:
- a. A rate structure designed to provide customers with adequate options and incentives to reduce their level of solid waste collection service as a result of their participation in waste reduction and recycling programs;
 - b. The rates shall include the costs of the containers, stickers, collection equipment and staffing;
 - c. Collection rates should include a separate delivery service fee equal to or less than the replacement cost of the bins. This service replacement cost shall not apply to the first-time delivery of the container, or for the first-time delivery of a smaller sized container if the smaller size is requested by the customer;
 - d. Rates should include but are not limited to the haulers' costs for the mutually agreed upon coordinated public outreach program, monitoring set-out participation, and any other costs for the data reporting system required by the County;
 - e. The haulers shall capitalize and amortize the equipment costs as determined by the WUTC; and
 - f. The haulers shall provide a low-income discount rate for qualifying residents, said qualifications and the process for determining eligibility being mutually agreeable to the haulers and the County.

(4) Customer service responsibility and coordinated public outreach programs.

- A. Collection companies shall work with the County to develop and implement a coordinated public outreach program.
- B. Haulers' customer service responsibilities shall include, but are not be limited to:
- a. Notifications of new service availability, program sign-up, container delivery, bin stickers, explanation of rate structure, schedule of collection days and container replacement information;
 - b. Delivery of containers within ten days of a request for service with collection service beginning within thirty-five days of a request;

- c. Contact information for the purpose of providing program information and accepting service complaints clearly shown on the collection equipment, included in all mailings, and on other publicity materials;
- d. A process to resolve participation problems if access to the program is restricted due to impassable road conditions, other than those occasionally caused by severe weather situations. If the hauler deems the road conditions are regularly impassable by collection vehicles, the hauler will work with customers to determine a mutually agreed upon location for the collection of recyclables, preferably from the nearest roadway which is accessible by the hauler's collection vehicle;
- e. Notification to both new and ongoing solid waste customers of different solid waste collection service options including cart sizes, frequency, and costs. Hauler shall notify solid waste customers of the above during phone calls, in billing inserts and special mailings, on their website and during new service sign up procedures. Hauler will ensure that website is updated and links to Jefferson County-specific information are working. The website shall also provide a link to the appropriate Jefferson County webpage to provide residents with additional waste disposal and reduction information; and
- f. Maintaining a website describing the haulers' services, how to sign-up for the new program, how to resolve a service complaint, the availability of a low-income rate and eligibility requirement, and information about drop-off alternatives.

(5) Reporting requirements for residential recyclables collection.

- A. Collection companies shall provide the county with regular and accurate reports of data on all residential recycling collection services as determined necessary by Jefferson County for evaluating the effectiveness of recycling programs.
- B. Residential Curbside Recyclables Collection Program.
 - a. At a minimum, annual reports will be provided by March 1st the next calendar year and shall contain the following data, broken down by each month and by certificated area, including but not limited to:
 - i. The number of residential solid waste collection customers subscribing to each level of garbage collection service;
 - ii. Aggregate tonnage of recyclable materials collected from residential customers per year;
 - iii. Recyclables collected per customer expressed as average pounds of recyclables generated per customer;

- iv. Aggregate tonnage of solid waste disposed of from single-family customers;
- v. Log of unresolved customer complaints with summary of measures taken to resolve any problems;
- vi. Any percentage residue amounts or contamination problems reported by processing facilities if such data are available; and
- vii. Summaries of tons and value of single stream materials sold.

(6) Annual coordinating meeting.

The haulers shall meet with the Jefferson County Department of Public Works (Public Works) representatives annually at a minimum to review program effectiveness, resolve issues, and discuss any suggested changes to increase efficiency and participation in the curbside program.

(7) Processing facilities.

Solid waste collection companies shall use processing facilities that have obtained all applicable local, state, and federal permits.

(8) Disposal limitations.

The haulers shall not under any circumstances dispose of marketable recyclables by landfilling or incineration except due to market disruptions and upon consent of the Public Works.

(9) County notification of WUTC tariff filings.

- A. Whenever a collection company files a proposed tariff revision for solid waste and recyclables collection rates with the WUTC, the collection company shall simultaneously provide the County with copies of the proposed tariff submitted to the WUTC.
- B. After tariffs are approved by the WUTC, the collection company shall notify the County of the approved rates and the effective dates.

(10) Commodity credit.

RCW [81.77.185](#) requires the Utilities and Transportation Commission allow solid waste collection companies collecting recyclable materials to retain up to fifty percent (50%) of the revenue paid to the solid waste collection companies for the material if the companies submit a plan to the WUTC that is certified by the appropriate local government authority as being consistent with the local government solid waste plan and that demonstrates how the revenues will be used to increase recycling. Public Works shall review a plan upon submittal and determine consistency with the Jefferson County Solid Waste Management Plan and whether the plan will increase recycling rates.

**OPERATING AGREEMENT FOR
THE JEFFERSON COUNTY RECYCLING CENTER**

This **Operating Agreement** (all terms in **bold** are defined below) is between the **County** and the **Waste Connections**.

WHEREAS, [RCW 36.58.040](#) states:

A county may construct, lease, purchase, acquire, add to, alter, or extend solid waste handling systems, plants, sites, or other facilities and shall have full jurisdiction and authority to manage, regulate, maintain, utilize, operate, control, and establish the rates and charges for those solid waste handling systems, plants, sites, or other facilities. A county may enter into agreements with public or private parties to: (a) Construct, purchase, acquire, lease, add to, alter, extend, maintain, manage, utilize, or operate publicly or privately owned or operated solid waste handling systems, plants, sites, or other facilities; (b) establish rates and charges for those systems, plants, sites, or other facilities; (c) designate particular publicly or privately owned or operated systems, plants, sites, or other facilities as disposal sites; (d) process, treat, or convert solid waste into other valuable or useful materials or products; and (e) sell the material or products of those systems, plants, or other facilities.

and,

WHEREAS, the County currently contracts for the collection of recyclable materials at drop-off locations in East Jefferson County and for the processing, marketing, and delivery of these materials to buyers with funding for these services derived from the fees charged for garbage disposal at County-owned and operated solid waste handling facilities; and,

WHEREAS, the recycling services agreement includes the lease of the County-owned **Recycling Processing Center**; and,

WHEREAS, the term of the recycling services agreement expires March 31, 2026; and,

WHEREAS, the Jefferson County Solid Waste Management Plan includes as a goal: “promote the use of private industry to carry out the components of the solid waste system, if feasible”; and,

WHEREAS, the **Board of Commissioners** has determined that recycling services should be delivered by the private sector; and,

WHEREAS, Waste Connections is the only private sector waste hauler in East Jefferson County authorized by the **Washington Utilities and Transportation Commission** to collect residential recyclables,

WHEREAS, Waste Connections will offer residential curbside collection of recyclable materials in accord with the Level of Service Ordinance adopted by the **Board of Commissioners** on [date]; and,

WHEREAS, Waste Connections will bill customers directly for such service; and,

WHEREAS, rates for the various service options in the Level of Service Ordinance are determined by the **Washington Utilities and Transportation Commission**; and,

WHEREAS, the **Board of Commissioners** has determined that it would benefit residential recycling customers and lower the recycling program's carbon footprint were Waste Connections to utilize the County-owned **Recycling Processing Facility** rather than transporting the materials to the nearest alternate processing facility in Port Angeles; and,

NOW THEREFORE IT IS AGREED:

1 PURPOSES OF THIS OPERATING AGREEMENT.

The purpose of this **Operating Agreement** is to ensure the continued availability, use and maintenance of the **recycling processing facility**;

2 DEFINITIONS.

- 2.1 **"Recycling Processing Facility"** means the approximate 1.6 acres of County-owned property as shown in **Exhibit A** and the buildings and infrastructure there-in that are used for the processing and storing of recyclable material prior to delivery to buyers.
- 2.2 **"Board of Commissioners"** means the Jefferson County Board of Commissioners.
- 2.3 **"The County"** means Jefferson County, Washington, a municipal corporation and a political subdivision of the State of Washington.
- 2.4 **"Public Works Director"** means the person responsible for the Jefferson County Department of Public Works.
- 2.5 **"Waste Connections"** means the private corporation which provides residential curbside recycling services in East Jefferson County under a **Tariff** issued by the **Washington Utilities and Transportation Commission**.
- 2.6 **"Tariff"** means the document issued by the **Washington Utilities and Transportation Commission** that defines customer options such as bin sizes and collection frequency and the rates for such service options that **Waste Connections** is allowed to charge customers.
- 2.7 **"Washington Utilities and Transportation Commission"** means the agency responsible for regulating utility and transportation sectors in Washington State.
- 2.8 **"Recycling Processing Facility"** means the property, utility services, buildings and other infrastructure owned by the **County** within the area shown in **Exhibit A**.
- 2.9 **"Environmental Law"** means any federal, state or local statute, regulation, code, rule, ordinance, order, judgment, decree, injunction or common law pertaining in any way to the protection of human health or the environment, including without limitation, the Resource Conservation and Recovery Act, the Comprehensive Environmental Response,

Compensation and Liability Act, the Toxic Substances Control Act, and any similar or comparable state or local law.

- 2.10 “**Hazardous Substance**” means any hazardous, dangerous or toxic wastes, materials, or substances as defined in state or federal statutes or regulations as currently adopted or hereafter amended, and includes without limitation petroleum oil and any of its fractions.
- 2.11 “**Losses**” means, without limitation: (a) the cost of any investigation, removal, remedial or other response action that is required by any **Environmental Law**, that is required by judicial order or by order of or agreement with any governmental authority, or that is necessary or otherwise is reasonable under the circumstances; (b) **Losses** for injury or death of any person; and, (c) **Losses** arising under any later-enacted **Environmental Law**.
- 2.12 “**Operate**” means engaging in **Operations** at the **Recycling Processing Facility**.
- 2.13 “**Operations**” means temporary storage, sorting, baling, and loading of accepted materials at the **Recycling Processing Facility**.
- 2.14 “**Operating Agreement**” means this Operating Agreement for the **Recycling Processing Facility**.
- 2.15 “**Operations Plan**” means a description of the process for material throughput, fire and emergency responses and protocol, and the location of emergency response equipment.
- 2.16 “**Parties**” means the parties to this **Operating Agreement**.
- 2.17 “**Party**” means one of the **Parties**.
- 2.18 “**Policies**” means more than one **Policy**.
- 2.19 “**Section**” means a section of this **Operating Agreement**.

3 TERM OF OPERATING AGREEMENT.

This **Operating Agreement** begins on the **Effective Date** and terminates on December 31, 2036, unless otherwise terminated or extended by the Board of Commissioners. If this Operating Agreement is not renewed, expiration shall be automatic.

4 RESPONSIBILITIES OF WASTE CONNECTIONS.

- 4.1 **Waste Connections** shall submit to the **County** an **Operations Plan** for the **Recycling Processing Facility** no later than sixty (60) days prior to the commencement of this **Operating Agreement**.
- 4.2 **Waste Connections** shall secure all necessary permits for the operation of the **Recycling Processing Facility**.
- 4.3 **Waste Connections** operations shall include the storage, processing and market delivery of accepted materials from Jefferson County, and other regional customers at **Waste**

Connections' discretion, provided that service to Jefferson County customers is prioritized.

- 4.4 **Waste Connections** shall pay all costs and expenses related to the use of the **Recycling Processing Facility** for the purposes described in **Section 1**, including, but not limited to, permit fees, utilities, labor, and maintenance and repair costs.
- 4.5 **Waste Connections** shall purchase all specialized equipment necessary for the operation of the **Recycling Processing Facility** (E.g., baler, front end loader, trailers, etc.) and shall retain ownership of such equipment.
- 4.6 The **County** will provide no property upkeep or maintenance services. **Waste Connections** shall be responsible for all costs to keep the facility in good working order including items such as roof repair and replacement, asphalt repair, septic system repair and maintenance, etc.
- 4.7 The **Public Works Director** or their designee may authorize **Waste Connections** to improve, modify, or expand buildings and infrastructure where such modifications improve operations. **Waste Connections** will do so at its own cost and such improvements, modifications, or expansions shall remain the property of the **County**.
- 4.8 **Waste Connections** shall employ such persons as necessary to carry out its operations. In doing so, **Waste Connections** shall comply with all State and Federal Laws and regulations dealing with employee and contracted service.
- 4.9 **Waste Connections** shall manage the risks and hazards associated with **Recycling Processing Facility** operations in a manner satisfactory to the **Public Works Director** or their designee. **Waste Connections** shall specifically manage for risks associated with the use and maintenance of the **Recycling Processing Facility**, including but not limited to the identification and mitigation of building and facility hazards.
- 4.10 **Waste Connections** shall operate the **Recycling Processing Facility** in compliance with all federal, state, and local laws, regulations and any permits issued thereunder.
- 4.11 **Waste Connections** shall keep the **Recycling Processing Facility** free and clear of any liens and encumbrances arising from its actions pursuant to this **Operating Agreement** and its use of the **Recycling Processing Facility**.
- 4.12 No modifications may be made to the facilities, infrastructure or other property located at the **Recycling Processing Facility** without the written approval of the **Public Works Director** or their designee. This Section shall not apply to maintenance or minor repairs performed by **Waste Connections**.
- 4.13 **Waste Connections** must receive prior written approval by the **County** of any proposed changes in **Operation** of the **Recycling Processing Facility**. Failure to do so may result in termination of this **Operating Agreement** at the discretion of the **County**.

- 4.14 **Waste Connections** shall notify the **County** in writing within 24 hours if **Waste Connections** becomes aware that it is acting or operating in alleged violation of any local, state, or federal law or permit.

5 RESPONSIBILITIES OF THE COUNTY.

- 5.1 The **County** shall provide **Waste Connections** with access to the **Recycling Processing Facility** in as-is condition, free of liens or encumbrances.
- 5.2 The **County** shall facilitate the transition between the current contract recycler and **Waste Connections**.
- 5.3 The **County** shall give public notice of the change in drop-off area and respond to public feedback on changes to the service.
- 5.4 The **County** shall make necessary traffic revisions to preclude the general public from facility access.

6 FUNDING BY THE COUNTY.

- 6.1 The **County** shall provide no direct or indirect funding of the **Operation**.

7 LIMITED LICENSE IN SUPPORT OF OPERATING AGREEMENT.

- 7.1 **Waste Connections** shall have a license to use the **Recycling Processing Facility**, solely for the purposes outlined in **Section 1**.
- 7.2 **Waste Connections** acknowledges that this **Operating Agreement** does not transfer, grant, or convey to it any ownership interest, title, or easement in the **Recycling Processing Facility**.
- 7.3 The **County** reserves the mineral and timber rights associated with the **Recycling Processing Facility**.

8 EFFECTIVE DATE.

This **Operating Agreement** shall become effective when signed by the last **Party**.

9 PUBLIC HEALTH AND ENVIRONMENTAL PROTECTION.

- 9.1 **Waste Connections** shall operate the **Recycling Processing Facility** in compliance with all federal, state, and local laws, regulations and any permits issued thereunder.
- 9.2 **Waste Connections** hereby agrees to indemnify, defend, and hold harmless, and to waive, release and discharge the **County** from any and all present or future claims or demands, and any and all damages, **Losses**, injuries, liabilities, causes of actions (including, without limitation, causes of action in tort) costs and expenses (including, without limitation, fines, penalties or judgments, and attorneys' fees) of any and every kind or character, known or unknown, which **Waste Connections** might have asserted or alleged against the **County**

arising from or in any way related to the alleged presence, use, storage, generation, manufacture, transport, release, leak, spill, disposal or other handling of any **Hazardous Substances** in, on, or at the **Recycling Processing Facility**. In addition, **Waste Connections** shall indemnify, defend and hold the **County** harmless from and against any **Losses** arising out of or related to: (i) any exacerbation of any condition of the **Recycling Processing Facility**; and, (ii) the cost of any cleanup of the **Recycling Processing Facility**. PROVIDED, however, that nothing in this subsection is intended to cover **Hazardous Substances** in existence at the **Recycling Processing Facility** prior to April 1, 2026, the date the **Waste Connections** began **Operations** at the **Recycling Processing Facility**.

10 APPLICABLE LAW.

It is understood and agreed that this **Operating Agreement** is entered into in the State of Washington. This **Operating Agreement** shall be governed by and construed under the laws of the United States, the State of Washington and the County of Jefferson, as if applied to transactions entered into and to be performed wholly within Jefferson County, Washington between Jefferson County residents. No **Party** may argue or assert that any state law other than Washington law applies to the governance or construction of this **Operating Agreement**.

11 DISPUTES.

The **Parties** agree to use their best efforts to prevent and resolve disputes before they escalate into claims or legal actions. Any disputed issue not resolved under this **Operating Agreement** shall be submitted in writing within 10 days to the **Public Works Director**. If any dispute cannot be resolved between **Waste Connections** and the **Public Works Director** the dispute shall be forwarded to the **County** Risk Manager, whose decision in the matter shall be final, but shall be subject to judicial review. If either **Party** deem it necessary to institute legal action or proceeding to enforce any right or obligation under this **Operating Agreement**, each **Party** in such action shall pay for its own attorney's fees and court costs. Any legal action shall be initiated in the Superior Court of the State of Washington for Jefferson **County**. The **Parties** agree that all questions shall be resolved by application of Washington law and that the **Parties** have the right of appeal from such decisions of the Superior Court under the laws of the State of Washington. **Waste Connections** consents to the personal jurisdiction of the Superior Court of the State of Washington for Jefferson County.

12 INDEMNIFICATION.

- 12.1 **Waste Connections** shall defend, indemnify and hold the **County**, its officers, officials, employees, agents and volunteers (and their marital communities) harmless from any claims, injuries, damages, losses or suits, including attorney's fees, arising out of or resulting from the acts, errors or omissions of **Waste Connections** in performance of this **Operating Agreement**, except for injuries and damages caused by the sole negligence of the **County**.
- 12.2 Should a court of competent jurisdiction determine this **Operating Agreement** is subject to RCW 4.24.115 if liability for damages occurs arising out of bodily injury to persons or damages to property caused by or resulting from the concurrent negligence of **Waste**

Connections and the **County**, its officers, officials, employees, agents and volunteers (and their marital communities), **Waste Connection's** liability, including the duty and cost to defend, shall be only for **Waste Connection's** negligence.

12.3 It is further specifically understood that the indemnification provided constitutes the **Waste Connection's** waiver of immunity under Industrial Insurance, Title 51 RCW, solely for the purposes of this indemnification. This waiver has been mutually negotiated by the **Parties**.

12.4 This **Section** shall survive the expiration or termination of this **Operating Agreement**.

13 INDEPENDENT CONTRACTOR.

13.1 **Waste Connections** is an independent contractor regarding the services provided under this **Operating Agreement**.

13.2 **Waste Connections** is not an agent, an employee or a servant of the **County**.

13.3 **Waste Connections** specifically has the right to direct and control **Waste Connection's** own activities and all of its employees, agents and representatives in providing the agreed services in accordance with the specifications set out in this **Operating Agreement**.

13.4 **Waste Connections** acknowledges that there is no direct or indirect compensation for this **Operating Agreement** and that **Waste Connections** is not entitled to any **County** benefits, including, but not limited to: retirement, vacation pay; holiday pay; sick leave pay; medical, dental or other insurance benefits; fringe benefits; or any other rights or privileges afforded to **County** employees.

13.5 Should any governmental agency audit the files of and request information on either **Party**, each **Party** agrees to furnish immediately the requesting **Party** with any records, including tax returns, relating to the services rendered under this **Operating Agreement**.

14 INSURANCE REQUIREMENTS.

14.1 **Waste Connections** shall obtain and keep in force during the terms of the **Operating Agreement** or as otherwise required, the following insurance with companies or through sources approved by the State Insurance Commissioner pursuant to Chapter 48 RCW and on a form acceptable to the Jefferson County Risk Manager.

14.2 The **County** shall be named on all certificates of insurance as an additional insured. The certificates of insurance shall cover the activities specified in or performed under this **Operating Agreement**. **Waste Connections** shall provide to the **County** the full text of any endorsement listed solely by its name, number, or title (as opposed to the full text of said endorsement).

14.3 Any coverage for third party liability claims provided to the **County** by a "Risk Pool" created pursuant to Ch. [48.62](#) RCW shall be non-contributory with respect to any policy of insurance **Waste Connections** must provide to comply with this Agreement. All policies

provided by **Waste Connections** in order to comply with the insurance requirements of this **Operating Agreement** must be endorsed to show this primary coverage.

- 14.4 If the proof of insurance or certificate indicating the **County** is an “additional insured” to a policy obtained by **Waste Connections** refers to an endorsement (by number or name) but does not provide the full text of that endorsement, then it shall be the obligation of **Waste Connections** to obtain the full text of that endorsement and forward that full text to the **County**.
- 14.5 Upon **Waste Connection’s** failure to comply with all provisions of this **Operating Agreement** relating to insurance, the **County** may terminate this **Operating Agreement** in a manner consistent with this **Operating Agreement**.
- 14.6 The coverage limit for any insurance purchased to provide coverage for damage to property owned by **Waste Connections** at the **Recycling Processing Facility** shall be in an amount not less than the replacement value of **Waste Connection-owned** property, including but not limited to structures and infrastructure on the **Recycling Processing Facility**.
- 14.7 All insurance shall be obtained from an insurance company authorized to do business in the State of Washington.
- 14.8 **Waste Connections** shall submit a certificate of insurance as outlined above within 14 days of the execution of this **Operating Agreement** to the **County**.
- 14.9 No cancellation of the foregoing policies shall be effective without thirty (30) days prior notice to the **County**.
- 14.10 The following types of insurance shall be maintained by **Waste Connections** for its **Operations** at the **Recycling Processing Facility**.
- 14.11 Worker’s Compensation (Industrial Insurance).
 - 14.11.1.1 **Waste Connections** shall maintain workers’ compensation insurance at its own expense, as required by Title 51 RCW, for the term of this Agreement and shall provide evidence of coverage to Jefferson **County** Risk Management, upon request.
 - 14.11.1.2 The worker’s compensation insurance shall be cover all employees with limits meeting all state and federal laws. This coverage shall be include Employer’s Liability with limits meeting all state and federal laws.
 - 14.11.1.3 **Waste Connections** expressly waives by mutual negotiation all immunity and limitations on liability, regarding the **County**, under any industrial insurance act, disability benefit act, or other employee benefit act of any jurisdiction which would otherwise apply in the case of such claim.
 - 14.11.1.4 If the **County** incurs any costs to enforce this subsection, all cost and fees may be recoverable from **Waste Connections**.

- 14.12 Commercial Automobile Liability Insurance. **Waste Connections** shall obtain bodily injury and property damage liability coverage for all owned and non-owned vehicles assigned to or used in the performance of the work for a combined single limit of not less than \$1,000,000 per occurrence in connection with **Waste Connection's** performance of the **Operating Agreement**, including coverage for:
- 14.12.1.1 Owned Automobiles;
 - 14.12.1.2 Hired Automobiles, and;
 - 14.12.1.3 Non-owned Automobiles.
- 14.13 General Commercial Liability Insurance. **Waste Connections** shall obtain general liability coverage in an amount not less than a single limit of one million dollars (\$1,000,000.00) per occurrence and an aggregate of not less than two million dollars (\$2,000,000) for bodily injury, including death and property damage, unless a greater amount is specified in the contract specifications. The insurance coverage shall contain no limitations on the scope of the protection provided and include the following minimum coverages:
- 14.13.1.1 Broad Form Property Damage, with no employee exclusion;
 - 14.13.1.2 Personal Injury Liability, including extended bodily injury;
 - 14.13.1.3 Broad Form Contractual/Commercial Liability - including: completed operations;
 - 14.13.1.4 Premises - Operations Liability (M&C);
 - 14.13.1.5 Independent Contractors and subcontractors; and,
 - 14.13.1.6 Blanket Contractual Liability.
 - 14.13.1.7 Said general commercial liability policy shall name the **County** as an additional insured and shall include a provision prohibiting cancellation or reduction of coverage of said policy except upon thirty (30) days prior written notice to the **County**. Certificates of coverage as required by this **Section** shall be delivered to the **County** within thirty (30) days of execution of this **Operating Agreement**.
- 14.14 **Waste Connections** shall not **Operate** on or use the **Recycling Processing Facility** without the forgoing insurance provisions being fully satisfied.
- 14.15 The **County** may, upon the **Waste Connection's** failure to comply with any or all provisions of this **Operating Agreement** terminate said agreement.
- 14.16 If the proof of insurance or certificate indicating the **County** is an "additional insured" to a policy obtained by **Waste Connections** refers to an endorsement (by number or name) but does not provide the full text of that endorsement, then it shall be the obligation of

Waste Connections to obtain the full text of that endorsement and forward that full text to the **County**.

- 14.17 All insurance policies obtained by **Waste Connections** in order to comply with this **Section** shall be primary and non-contributory as against any coverage for third party liability claims obtained and retained by the **County** through Ch. 48.62 RCW "Risk Pool."
- 14.18 It is agreed by the **Parties** that insurers shall have no right of recovery or subrogation against the **County** (including its employees and other agents and agencies), it being the intention of the **Parties** that the insurance policies so affected shall protect both **Parties** and be primary coverage for any and all losses covered by the above described insurance.
- 14.19 The insurance maintained by **Waste Connections** under this **Operating Agreement** shall not in any manner limit or qualify the liabilities or obligations of **Waste Connections** under this **Operating Agreement**.
- 14.20 **Waste Connections** shall not **Operate** on or use the **Recycling Processing Facility** without the forgoing insurance provisions being fully satisfied.

15 HARASSMENT AND DISCRIMINATION PROHIBITED.

- 15.1 Any form of harassment, discrimination, or improper fraternization with any **County** employee is strictly prohibited.
- 15.2 **Waste Connections** shall not discriminate against any person in performance of **Waste Connection's** responsibilities under this **Operating Agreement** or in the selection and retention of employees or procurement of materials or supplies on the basis of age, sex, marital status, sexual orientation, religion, creed, race, color, national origin, honorably discharged veteran or military status, or the presence of any sensory, mental, or physical disability or the use of a trained dog guide or service animal by a person with a disability, unless based upon a bona fide occupational qualification.

16 NO ASSIGNMENT.

No **Party** shall assign its rights under this **Operating Agreement**, unless done in writing and approved by the other **Party**.

17 MODIFICATION.

This **Operating Agreement** may be modified during the term of this **Operating Agreement** only by mutual agreement of the **Parties**, which shall be appended to this **Operating Agreement**.

18 TERMINATION.

- 18.1 This **Operating Agreement** may be terminated by any **Party** for cause upon providing the other **Party** with written notice thirty (30) days prior to the date of termination. The written notice of termination must explain the reason for termination, if any.

18.2 After receipt of a notice of termination, and before termination, the **Party** in receiving the notice of termination may cure the defect, if any, or make the case for why this **Operating Agreement** should not be terminated. The **Party** issuing the notice of termination may consider the case by the other **Party** and may continue with the termination or rescind the termination notice. If the termination notice is rescinded this **Operating Agreement** shall continue in force for the full term.

18.3 Either **Party** may notify the other **Party** of an alleged default and the **Party** allegedly in default shall have twenty (20) days to cure same. The period to cure the default may be extended by mutual agreement.

19 ENTIRE AGREEMENT. This **Operating Agreement** memorializes the entire Agreement of the **Parties** and all parts of this **Operating Agreement** are contained herein. The **Parties** agree that:

19.1 No representation or promise not contained in this **Operating Agreement** has been made.

19.2 They are not entering into this **Operating Agreement** based on any inducement, promise or representation, expressed or implied, which is not contained in this **Operating Agreement**.

19.3 This **Operating Agreement** supersedes all prior or simultaneous representations, discussions, negotiations, and **Operating Agreements**, whether written or oral, within the scope of this **Operating Agreement**.

20 SECTION HEADINGS.

The headings of the **Sections** of this **Operating Agreement** are for convenience of reference only and are not intended to restrict, affect, or be of any weight in the interpretation or construction of the **Sections** or this **Operating Agreement**.

21 LIMITS OF ANY WAIVER OF DEFAULT.

No consent by either **Party** to, or waiver of, a breach by either **Party**, whether express or implied, shall constitute a consent to, waiver of, or excuse of any other, different, or subsequent breach by either **Party**.

22 NO ORAL WAIVER.

No term or provision of this **Operating Agreement** will be waived by either **Party**, and no breach excused by either **Party**, unless such waiver or consent is in writing signed on behalf of the **Party** against whom the waiver is asserted. Failure of a **Party** to declare any breach or default immediately upon the occurrence thereof, or delay in taking any action in connection with, shall not waive such breach or default.

23 ORDER OF PRECEDENCE.

If there is an inconsistency in this **Operating Agreement**, or between its terms and any applicable statute or rule, the inconsistency be resolved by giving precedence in the following order: (a) Applicable state statutes and rules; (b) local laws and rules; and, (c) case law.

24 SEVERABILITY.

Provided it does not result in a material change in the terms of this **Operating Agreement**, if any provision of this **Operating Agreement** or the application of this **Operating Agreement** to any person or circumstance shall be invalid, illegal, or unenforceable to any extent, the remainder of this **Operating Agreement** and the application this **Operating Agreement** shall not be affected and shall be enforceable to the fullest extent permitted by law.

25 SURVIVAL.

Those provisions of this **Operating Agreement** that by their sense and purpose should survive the term of this **Operating Agreement** shall survive the term of this **Operating Agreement**. Without limiting the generality of the preceding sentence, and for the avoidance of doubt, the provisions that survive the term of this **Operating Agreement** include: (a) controlling law; (b) insurance; and, (c) indemnification.

26 PROVISIONS REQUIRED BY LAW ARE ADDED.

Any provision of law and any clause required by law to be in this **Operating Agreement** are made a part of this **Operating Agreement** and shall be read and enforced as though they were they were included in this **Operating Agreement** and as if omitted by mistake, if ever any such provision or clause is not included, or is not correctly inserted, this **Operating Agreement** shall be amended to add or correct such clause forthwith upon the request of any **Party** to another **Party**.

27 BINDING ON SUCCESSORS, HEIRS AND ASSIGNS.

This **Operating Agreement** shall binding upon and inure to the benefit of the **Parties'** successors in interest, heirs and assigns.

28 NO THIRD-PARTY BENEFICIARIES.

The **Parties** do not intend, and nothing in this **Operating Agreement** shall be construed to mean, that any provision in this **Operating Agreement** is to benefit any person or entity who is not a **Party**.

29 SIGNATURE IN COUNTERPARTS.

This **Operating Agreement** may be executed in one or more counterparts, each of which shall be deemed an original, and all of which counterparts together shall constitute the same instrument which may be sufficiently evidenced by one counterpart. Execution of this **Operating Agreement** at different times and places by the **Parties** shall not affect the validity of this **Operating Agreement**, so long as all the **Parties** execute a counterpart of this **Operating Agreement**.

30 FACSIMILE AND ELECTRONIC SIGNATURES.

The **Parties** agree that facsimile and electronic signatures shall have the same force and effect as original signatures.

31 ARMS-LENGTH NEGOTIATIONS.

The **Parties** agree this **Operating Agreement** has been negotiated at arms-length, with the assistance and advice of competent, independent legal counsel.

32 MAINTENANCE OF RECORDS.

- 32.1 Each **Party** shall maintain books, records, documents and other evidence that sufficiently and properly reflect all direct and indirect costs expended by either to perform this **Operating Agreement**. These records shall be subject to inspection, review or audit by personnel of both **Parties**, other personnel duly authorized by either **Party**, the Office of the State Auditor, and federal officials so authorized by law.
- 32.2 All books, records, documents, and other material relevant to this **Operating Agreement** shall be retained for six years after expiration the **Operating Agreement**. The Office of the State Auditor, federal auditors, the Jefferson County Auditor, and any persons duly authorized by the **Parties** shall have full access and the right to examine these materials during this period.
- 32.3 If any litigation, claim or audit is started before the expiration of the six (6) year period, the records shall be retained until all litigation, claims, or audit findings involving the records have been resolved.
- 32.4 Records and other documents, in any medium, furnished by one **Party** to this **Operating Agreement** to the other **Party**, shall remain the property of the furnishing **Party**, unless otherwise agreed.

33 PUBLIC RECORDS ACT.

- 33.1 Notwithstanding any provisions of this **Operating Agreement** to the contrary, to the extent any record, including any electronic, audio, paper or other media, must be kept or indexed as a public record under the Washington Public Records Act, Chapter 42.56 RCW (as may be amended), **Waste Connections** agrees to maintain all records constituting public records and to produce or assist the **County** in producing such records, within the time frames and parameters in state law.
- 33.2 **Waste Connections** also agrees that upon receipt of any written public records request, **Waste Connections** shall, within two business days, notify the **County** by providing a copy of the request per the notice provisions of this **Operating Agreement**.
- 33.3 This **Operating Agreement**, once executed, becomes a "public record" subject to production to a third **Party** if it is requested under the Washington Public Records Act, Chapter [42.56](#) RCW (as may be amended).

34 ATTACHMENTS.

Any document in this **Operating Agreement** identified as an attachment is part of this **Operating Agreement** and is incorporated by reference into this **Operating Agreement**.

35 REFERENCE TO SECTIONS IN THIS OPERATING AGREEMENT.

Any reference to a section in this **Operating Agreement** is a reference to a **Section** of this **Operating Agreement**, unless clearly stated to the contrary.

36 NOTICES. Notices shall be given at these addresses and contact points:

Jefferson County Board of County
Commissioners
PO Box 1220
Port Townsend, WA 98368

Waste Connection Info

(SIGNATURES FOLLOW ON NEXT PAGE)

JEFFERSON COUNTY WASHINGTON

Board of County Commissioners
Jefferson County, Washington

By: _____
Greg Brotherton, Commissioner Date

By: _____
Heather Dudley-Nollette, Commissioner Date

By: _____
Heidi Eisenhour, Commissioner Date

SEAL:

ATTEST:

Carolyn Gallaway, CMC Date
Clerk of the Board
Approved as to form only:

Philip C. Hunsucker Date
Chief Civil Deputy Prosecuting Attorney

WASTE CONNECTIONS

By: _____
Signature

Name: _____

Title: _____

Date: _____

