

COMPOST REBATE AGREEMENT

(Revised December 14, 2022)

This Compost Rebate Agreement ("Agreement") is made and entered into this day of _____, 202_ ("Effective Date") by and between San Luis Obispo County IWMA ("Agency") and _____ ("Purchaser"). Agency and Purchaser may be collectively referred to as the "Parties" and individually as a "Party."

1. Purpose of Agreement. This Agreement sets forth the terms and conditions pursuant to which the Purchaser shall acquire recovered organic waste product in the form of finished compost ("Compost") on behalf of the Agency's member agencies to assist the member agencies in complying with the requirements of the California Code of Regulations (CCR), title 14, sections 18993.1 through 18993.4 ("SB 1383 Regulations"). SB 1383 seeks to significantly reduce the statewide disposal of organic waste, and as part of that process, certain public agencies are required to procure organic waste products for use or to give away to third party users. Purchaser has agreed to acquire and use organic waste products on behalf of the Agency to assist the Agency in complying with the obligations of the SB 1383 Regulations.

2. Term. The term of this Agreement shall commence on the Effective Date and remain in effect until June 30th, 2023.

3. Purchaser Obligations. Purchaser shall provide Agency copies of the invoices evidencing procurement of and payment for the Compost, as well as their most recent Form W-9 in order to receive the rebate. When the Purchaser claims the rebate from the Agency, the associated Compost shall be credited towards the Agency's member agencies' SB 1383 procurement targets. Invoices must include date of purchase, the name of each entity, operation, or facility from whom the Compost was procured, and the amount in cubic yards or tons of Compost purchased.

4. Additional Requirements. In addition to the requirements above, Purchaser must ensure that the Compost shall also meet the following requirements:

- a. The Compost must be produced and sold by the following compostable material handling operations or facilities in order to qualify for rebate.

- i. B. Goodrow, Inc. Composting
3730 Calf Canyon Hwy
Creston, CA 93432

- ii. Buckeye Processing & MRF, LLC
6625 Benton Road
Paso Robles, CA 93446
- iii. Hitachi Zosen Innova
4388 Old Santa Fe Rd.
San Luis Obispo, CA 93401
- iv. Engel & Grey Inc.
745 Betteravia Rd.
Santa Maria, CA 93455
- v. Keith Day Co. Inc DBA Gabilan
Fertilizer
Keith Day 1091 Madison Lane
Salinas, CA 93907
- vi. Kochergen Farms Compost
Avenal Cutoff Rd. and Omaha Ave.
Avenal, CA 93239

- b. Compost derivative products such as compost tea, potting mixes, or compost blends are not eligible for rebate.
- c. Any costs other than cost of the Compost purchase, including transportation costs, are not eligible for rebate.
- d. Purchaser can only receive rebate from the Agency for Compost purchased on or after the Effective Date of this Agreement.
- e. If Purchaser submits a reimbursement request, or receives reimbursement from another entity, person or program, for the purchase of Compost, that Compost is ineligible for a rebate from the Agency.

5. Rebate Terms. At such time that the Purchaser has purchased the Compost, provided the Agency with the information required pursuant to Section 3, and provided evidence satisfactory to the Agency that the Compost complies with the requirements of Section 4, Agency will provide a rebate to Purchaser of \$10.00 per ton of the purchase amount for procurement of the Compost. Rebate shall only be provided for Compost purchases totaling over 20 tons, not to exceed 3,000 tons per calendar year without prior authorization from the Executive Director. (For example, if you purchase 10 tons of compost twice, the two receipts can be submitted together because they total 20 tons.) The Agency shall provide

the rebate to the Purchaser within thirty (30) days of the date that all information required pursuant to this section is received by the Agency for qualifying purchases.

6. Warranties. Purchaser warrants and covenants that all Compost at the time of delivery conforms with the specifications in this Agreement, SB 1383 Regulations, particularly 14 CCR §§ 18993.1-18993.4, and complies with all federal, state, and local laws, regulations and ordinances applicable to the manufacture, production and sale of Compost.

7. Third Party Beneficiaries. Each Party acknowledges and agrees that the Agency's member agencies are expressed and intended third-party beneficiaries of this Agreement including all representations, warranties and covenants contained herein, and that the Agency's member agencies are entitled to enforce the terms of this Agreement as if they were original parties hereto.

8. Indemnity. Purchaser agrees to accept responsibility for loss or damage to any person or entity, including but not limited to Agency and its members agencies, and to defend, indemnify, hold harmless, reimburse and release Agency, its member agencies, and their officers, agents and employees, from and against any and all actions, claims, damages, disabilities, liabilities and expense, including but not limited to attorneys' fees and the cost of litigation incurred in the defense of claims as to which this indemnity applies or incurred in an action by Agency or its member agencies to enforce the indemnity provisions herein, whether arising from personal injury, or property damage, that may be asserted by any person or entity, including Purchaser, to the extent arising out of the negligent acts or omissions or willful misconduct in the performance by Purchaser hereunder, whether or not there is concurrent negligence on the part of the Agency or its member agencies, but, to the extent required by law, excluding liability due to the sole or active negligence or due to the willful misconduct of the Agency or its member agencies.

If there is a possible obligation to indemnify, Purchaser's duty to defend exists regardless of whether it is ultimately determined that there is a duty to indemnify. Agency or its member agencies shall have the right to select its own legal counsel at the expense of Purchaser, subject to Purchaser's approval, which approval shall not be unreasonably withheld. This indemnification obligation is not limited in any way by any limitation on the amount or type of damages or compensation payable to or for Purchaser or its agents under workers' compensation acts, disability benefit acts, or other employee benefit acts.

9. Governing Law, Venue. This Agreement shall be deemed to have been made in the County of San Luis Obispo, California. This Agreement shall be governed by and construed in accordance with the laws of the State of California. The Parties agree that any action or proceeding to enforce or relating to this

Agreement shall be brought exclusively in the federal or state courts located in San Luis Obispo County, California, and the Parties hereto consent to the exercise of personal jurisdiction over them by any such courts for purposes of any such action or proceeding.

10. Independent Purchaser. Purchaser shall act as an independent Purchaser in the performance of this Agreement and in no respect shall Purchaser be considered an agent or employee of Agency. No provisions of this Agreement shall be intended to create a partnership or joint venture between Purchaser and Agency and neither Party shall have the power to bind or obligate the other Party, except as expressly set forth in this Agreement.

11. Entire Agreement. This Agreement contains the entire agreement between the Parties with respect to the subject matter of this Agreement and any agreement or representation with respect to the same or the obligations of either Party with respect to the same which is not expressly provided in this Agreement or in a written document which is signed by the Party to be charged, shall be null and void.

IN WITNESS WHEREOF, the Parties have hereunto set their hands on the first day date above written.

San Luis Obispo Integrated Waste Management Authority:

Purchaser:

By: _____

By: _____

(Authorized Representative of Purchaser)

Peter Cron, Executive Director

Printed Name: _____

Dated: _____

Title: _____

Dated: _____