CONTRACT FOR TRANSPORTATION SERVICES BETWEEN THE WASHINGTON MATERIALS MANAGEMENT AND FINANCING AUTHORITY AND

This Contract for Transportation Services ("Contract") is made and entered into by and between the Washington Materials Management and Financing Authority, hereinafter referred to as the "AUTHORITY," and the below-named firm, hereinafter referred to as "CONTRACTOR."

CONTRACTOR Name:

Address:

City, State & Zip Code:

Phone:

E-mail Address:

Washington State UBI No.:

Federal ID No.:

SECTION 1: SERVICES

1.1 <u>Scope of Work</u>. CONTRACTOR agrees to provide services and staff, and otherwise do all things necessary for or incidental to the transport of covered electronic products (or "CEPs") collected by the AUTHORITY to processing facilities designated by the AUTHORITY or an authorized representative. CONTRACTOR acknowledges that this Contract is not a guarantee of Work or any level of Work with or from the Authority during the term hereof. The AUTHORITY reserves the right to procure services from any qualified Contractor on the basis of price, quality and convenience of services provided. The scope of this Agreement shall be consistent with all current applicable law and any future change in law during the term of this CONTRACT.

1.2 Definitions.

- 1.2.1 <u>Collector</u>. The term "collector" means an entity that is licensed to do business in Washington state and that gathers unwanted covered electronic products from households, small businesses, school districts, small governments, and charities for the purpose of recycling and meets the registration and collector performance standard requirements set forth in WAC 173-900.
- 1.2.2 <u>Covered Electronic Products</u>. The term "covered electronic products" includes any one of the following four types of products that has been used in Washington state by any covered entity, regardless of original point of purchase: (a) any monitor having a viewable area greater than four inches when measured diagonally; (b) a desktop computer; (c) a laptop or portable computer; or (d) any video display device having a viewable area greater than four inches when measured diagonally.

The term "covered electronic products" does not include: (a) a motor vehicle or replacement parts for use in motor vehicles or aircraft, or any computer, computer monitor, or television that is contained within, and is not separate from, the motor vehicle or aircraft; (b) monitoring and control instruments or systems; (c) medical devices; (d) products including materials intended for use as ingredients in those products as defined in the federal Food, Drug, and Cosmetic Act (21 U.S.C. Sec. 301 et seq.) or the Virus-Serum-Toxin Act of 1913 (21 U.S.C. Sec. 151 et seq.), and regulations issued under those acts; (e) equipment used in the delivery of patient care in a health care setting; (f) a computer, computer monitor, or television that is

contained within a clothes washer, clothes dryer, refrigerator, refrigerator and freezer, microwave oven, conventional oven or range, dishwasher, room air conditioner, dehumidifier, or air purifier; automatic teller machines, vending machines or similar business transaction machines; or (g) hand-held portable voice or data devices used for commercial mobile services as defined in 47 U.S.C. Sec. 332 (d)(1).

- 1.2.3 <u>Covered Entity</u>. The term "covered entity" means any household, charity, school district, small business, or small government located in Washington state.
- 1.2.4 <u>Direct Processor</u>. The term "direct processor" means a processor contracted with a CEP recycling plan to provide processing services for the plan.
- 1.2.5 <u>Processor</u>. The term "processor" means an entity: (a) Engaged in disassembling, dismantling, or shredding electronic products to recover materials contained in the electronic products and preparing those materials for reclaiming or reuse in new products in accordance with processing standards established by this chapter; and (b) That may salvage CEPs, components, and parts to be used in new products.
- 1.2.6 <u>Transporter</u>. The term "transporter" means an entity that transports covered electronic products from collection sites or services to processors or other locations for the purpose of recycling, but does not include any entity or person that hauls their own unwanted electronic products.

SECTION 2: PERIOD OF PERFORMANCE

The period of performance under this Contract will be from January 1, 2009, through [December 31, 2009]. The AUTHORITY shall have the option of renewing the Contract for additional a periods.

SECTION 3: RECEIPT OR DELIVERY OF COVERED ELECTRONIC PRODUCTS

- 3.1 <u>Delivery</u>. The AUTHORITY shall deliver covered electronic products to CONTRACTOR at those times and places, in those quantities, and in the manner agreed to by AUTHORITY and CONTRACTOR. CONTRACTOR's receipt of covered electronic products at AUTHORITY-designated collection sites and CONTRACTOR's taking of possession and control of covered electronic products at the point of delivery shall constitute acceptance of covered electronic products for transport.
- 3.2 <u>Documents</u>. For each delivery of covered electronic products to the CONTRACTOR, the AUTHORITY or its authorized representative shall provide CONTRACTOR those completed documents, shipping papers or manifests as are required for lawful transfer of the covered electronic products to CONTRACTOR at the point of delivery. Such documents shall meet applicable federal, state or local rules and regulations, including, but not limited to, the Electronic Products Recycling Act, RCW 70.95N, et seq., Hazardous Materials Transportation Act, 49 U.S.C. §§1801, et seq., as amended, the Toxic Substances Control Act, 15 U.S.C. §§ 2601 et seq., as amended, and the Resource Conservation and Recovery Act of 1976, 42 U.S.C. §§ 6901 et seq., as amended.
- 3.3 <u>Risk of Loss</u>. CONTRACTOR shall be liable for all covered electronic products accepted in accordance with this Contract for the duration of transport from the point of delivery to designated processing locations.

SECTION 4: PERFORMANCE STANDARDS FOR TRANSPORTERS

4.1 <u>Compliance</u>. CONTRACTOR must be in compliance, at all times during the performance of this Contract, with all applicable laws, rules, and local ordinances.

- 4.2 <u>Access.</u> CONTRACTOR must permit the Washington State Department of Ecology or its authorized third party representative access to CONTRACTOR's equipment and all AUTHORITY-related documents for purposes of conducting sampling to determine return share.
- 4.3 <u>Inspections.</u> CONTRACTOR must permit the Washington State Department of Ecology to inspect CONTRACTOR's equipment and documentation for compliance with regulations applicable to the transport and management of covered electronic products, including requirements of WAC 173-900. It is the CONTRACTOR's responsibility to properly prepare all covered electronic products for transport (or ensure that such covered electronic products have been properly prepared for transport), and to maintain all AUTHORITY-related documents in good order with all necessary information completed prior to transport.
- 4.4 <u>Delivery</u>. CONTRACTOR must deliver covered electronic products to a registered direct processor designated by the AUTHORITY or authorized representative of the AUTHORITY.

SECTION 5: REGISTRATION

To qualify as a transporter of covered electronic products for the AUTHORITY, the CONTRACTOR must: (a) submit an initial registration form to the Washington State Department of Ecology; (b) update registration information if it changes; (c) renew registration annually; and (d) be listed as in "in compliance" on the "transporter registration list" on the Washington State Department of Ecology's covered electronics products recycling website.

SECTION 6: FEES AND BILLING

- 6.1 <u>Payment</u>. The AUTHORITY agrees to pay CONTRACTOR for satisfactory performance of the services under the Contract.
- 6.2 <u>Fees or Rates</u>. CONTRACTOR's payment for services rendered shall be based on the fees or rates specified in the attached Exhibit A, attached hereto and incorporated by reference.
- 6.3 <u>Payment Due</u>. The AUTHORITY will pay CONTRACTOR upon satisfactory performance of services provided and receipt of properly completed invoices, which shall be submitted to the AUTHORITY Contract Manager.
- 6.4 <u>Invoices</u>. CONTRACTOR shall invoice the AUTHORITY on a monthly basis for the services performed, and the AUTHORITY shall pay such invoice within thirty (30) days after the receipt and approval of the invoice. In the event that AUTHORITY has a good-faith objection to an invoice, AUTHORITY shall pay any undisputed amount pursuant to the terms of this Contract and notify CONTRACTOR of the objection and the deficiencies noted.
- 6.5 <u>Timely Payment</u>. Payment shall be considered timely if made by the AUTHORITY within thirty (30) calendar days after receipt of properly completed invoices. Payment shall be sent to the address designated by the CONTRACTOR in this Contract.

SECTION 7: TERMINATION

- 7.1 <u>Termination</u>. The AUTHORITY may, in its sole discretion, terminate the Contract, without incurring any termination charges or penalties to the AUTHORITY, by giving CONTRACTOR thirty (30) days' written notice of cancellation. The notice of termination shall specify the date when this Contract terminates. The AUTHORITY shall have no responsibility to CONTRACTOR for any services performed by CONTRACTOR after the effective termination date.
- 7.2 <u>Termination for Breach</u>. Either party may terminate this Contract or any services under this Contract upon five (5) days prior written notice if the other party (i) has breached any material provision of this Contract, including non-payment and/or improper partial payment of invoices; or (ii) has

violated applicable federal, state, or local laws, ordinances, or regulations. The notice of termination shall specify the date when this Contract terminates and the reason for termination.

SECTION 8: CONTRACT MANAGEMENT

The Contract Manager designated below for each party shall be the contact person for all communications and billings regarding the performance of this Contract.

CONTRACTOR Contract Manager	AUTHORITY Contract Manager
[INSERT]	John Friedrick, Executive Director Washington Materials Management and Financing Authority P.O. Box 779 Woodland, WA 98674 Phone & FAX: (360) 225-6222 Cell: (360) 442-1106 E-mail: info@wmmfa.net or ifriedrick@wmmfa.net

SECTION 9: NOTICE

Except where otherwise expressly authorized, notice shall be by fax, by first class certified or registered mail, or by commercial delivery service issuing a receipt for delivery and addressed as set forth above, unless changed in writing by the party to whom the notice is being sent. Notice shall be effective upon delivery.

SECTION 10: INDEMNIFICATION

To the fullest extent permitted by law, CONTRACTOR shall indemnify, defend, and hold harmless the AUTHORITY, the State, agencies of the State and all officials, agents and employees of the State from all liability of any nature or kind, including costs, expenses, and attorney's fees, for all actions or claims, losses, personal injuries or property damages sustained by any person or property, resulting from or arising out of, directly or indirectly, any error, omission, or negligent or wrongful acts of CONTRACTOR, or any subcontractor, employee, agent, or representative of CONTRACTOR or anyone directly or indirectly employed by them, in the performance of this Contract.

CONTRACTOR expressly agrees to indemnify, defend, and hold harmless the AUTHORITY and State for any claim, expense, fee or penalty arising out of or incident to CONTRACTOR's or any subcontractor's performance or failure to perform the Contract. CONTRACTOR's obligation to indemnify, defend, and hold harmless the State shall not be eliminated or reduced by any actual or alleged concurrent negligence of State or its agents, agencies, employees and officials.

CONTRACTOR waives its immunity under Title 51 RCW to the extent it is required to indemnify, defend and hold harmless State and its agencies, officials, agents or employees.

SECTION 11: INSURANCE

At its sole expense during the term of this Contract, CONTRACTOR shall procure, maintain and provide certificates evidencing at least the following insurance:

COVERAGE	LIMITS
Worker's compensation	Statutory
	\$500,000 each occurrence
Commercial General Liability	\$2,000,000 each occurrence/aggregate
Commercial Automobile Liability	\$1,000,000 combined single limit

CONTRACTOR shall give the AUTHORITY thirty (30) days notice of cancellation or material alteration of such insurance coverage.

SECTION 12: ADDITIONAL WORK OR MATERIAL

AUTHORITY will not pay for additional work or material not specified in the scope of work or required under this Contract, unless the extra work or material is authorized in writing by AUTHORITY prior to commencing such work.

SECTION 13: AMENDMENTS

This Contract may be amended by mutual agreement of the parties. Such amendments shall not be binding unless they are in writing and signed by persons actually authorized to bind each of the parties.

SECTION 14: ASSIGNMENT

CONTRACTOR may not assign or delegate this Contract, or any part of it, or any right to any of the compensation to be paid under it, except upon the prior written consent of AUTHORITY.

SECTION 15: ATTORNEY'S FEES

If legal action is brought in connection with any dispute arising out of this Contract, the prevailing party shall be entitled to its reasonable attorney's fees, court costs, collection agency fees, and all other reasonable costs incurred in connection with the legal action.

SECTION 16: AUDITS

AUTHORITY has the right to audit, at reasonable times, the accounts, books, and facilities of CONTRACTOR. CONTRACTOR shall maintain all accounts under the Contract in accordance with generally accepted accounting principles.

SECTION 17: AUTHORITY OFFICIALS NOT TO BENEFIT

No officer, director or employee of the AUTHORITY or the State of Washington and no legislator of the state shall be admitted to any share or part of this Contract or to any benefit that may arise therefrom. CONTRACTOR must comply with all applicable laws regulating ethical conduct of public officers and employees.

SECTION 18: COMPLIANCE WITH ALL LAWS AND REGULATIONS

CONTRACTOR agrees that in the performance of this Contract it will comply with the requirements of all applicable federal, state and local laws, rules, regulations, and statutes, and will hold AUTHORITY harmless from any claims, losses, fines, penalties or damage arising from CONTRACTOR's violation or alleged violation of such laws, rules, regulations, and statutes.

SECTION 19: CONFIDENTIALITY/SAFEGUARDING OF INFORMATION

CONTRACTOR acknowledges and agrees that information, data, figures, projections, estimates, reports, and the like, received, obtained, or generated by CONTRACTOR in the performance of this Contract shall be considered and kept as the private, confidential and privileged records of AUTHORITY and will not be divulged to any person, firm, corporation, or regulatory agency, or any other entity except upon the prior express written consent of AUTHORITY.

SECTION 20: CONFLICT OF INTEREST

CONTRACTOR shall act to prevent any actions or conditions which could result in a conflict with AUTHORITY's best interests. This obligation shall apply to the activities of CONTRACTOR's employees and agents in their relationships with AUTHORITY members, their families, vendors, subcontractors and third parties accomplishing work under this Contract. CONTRACTOR's efforts shall include, but shall not be limited to, establishing precautions to prevent its employees or agents from making, providing or offering gifts, entertainment, payments, loans or other considerations to AUTHORITY members, directors, agents or representatives for any purpose whatsoever.

SECTION 21: CONFORMANCE

If any provision of this Contract violates any statute or rule of law of the State of Washington, it is considered modified to conform to that statute or rule of law.

SECTION 22: DISALLOWED COSTS

The CONTRACTOR is responsible for any audit exceptions or disallowed costs incurred by its own organization or that of its subcontractors.

SECTION 23: DISPUTES

All disputes arising under this Contract that are not resolved by mutual agreement shall be resolved in a formal mediation conducted by a mediator with the appropriate knowledge and experience selected by mutual agreement of the parties.

SECTION 24: ENTIRE AGREEMENT

This Contract, including the referenced Exhibit A, represents all the terms and conditions agreed upon by the parties. No other statements or representations, written or oral, shall be deemed a part hereof.

SECTION 25: EQUAL OPPORTUNITY EMPLOYMENT

During the performance of this Contract, the CONTRACTOR shall comply with all federal and state nondiscrimination laws, regulations and policies. CONTRACTOR shall not discriminate against any employee or applicant for employment because of race, religion, color, or national origin, or because of the person's age, physical or mental disability, sex, marital status, change in marital status, pregnancy or parenthood when the reasonable demands of the position do not require distinction on the basis of age, physical or mental disability, sex, marital status, changes in marital status, pregnancy, or parenthood, insofar as required by applicable law. CONTRACTOR shall take affirmative action to ensure that applicants are considered for employment without unlawful regard to their race, color, religion, national origin, physical or mental disability, age, sex, marital status, changes in marital status, pregnancy or parenthood, insofar as required by applicable law. CONTRACTOR shall post in conspicuous places, available to employees and applicants for employment, notices setting out the provisions of this paragraph.

CONTRACTOR shall state, in all solicitations or advertisements for employees to work on the AUTHORITY Contract work, that it is an equal opportunity employer and that all qualified applicants will receive consideration for employment without regard to race, religion, color, national origin, age, physical or mental disability, sex, marital status, changes in marital status, pregnancy or parenthood, insofar as required by applicable law.

CONTRACTOR shall cooperate fully with AUTHORITY efforts that seek to deal with the problem of unlawful discrimination, and with all other AUTHORITY efforts to guarantee fair employment practices under this Contract, and promptly comply with all requests and directions from any federal, state, or local civil rights enforcement agency with appropriate jurisdiction over this project or any of its officers or agents, relating to the prevention of discriminatory employment practices.

SECTION 26: FORCE MAJEURE

Neither AUTHORITY nor CONTRACTOR shall be responsible for failure to perform the terms of this Contract when performance is prevented by force majeure, provided that notice and reasonably detailed particulars are given to the other party and the cause of such failure or omission is remedied so far as possible within a reasonable time. In no event shall the term force majeure include normal or reasonably foreseeable or reasonably avoidable delays or the expenditure of additional sums to complete proper performance of services hereunder.

SECTION 27: GOVERNING LAW; VENUE

The interpretation and enforcement of this Contract shall be governed by the laws of the State of Washington and any federal law where applicable. All disputes arising under this Contract shall be decided in King County, Washington.

SECTION 28: INDEPENDENT CONTRACTOR; NO PARTNERSHIP OR JOINT VENTURE

CONTRACTOR and all of its agents and employees act in an independent capacity and are not officers, employees, or agents of the AUTHORITY in the performance of this Contract. This Contract shall not be interpreted or construed to create an association, joint venture or partnership between the parties or impose any partnership obligations or liability upon either party.

SECTION 29: INSPECTION AND REPORTS

AUTHORITY may inspect all CONTRACTOR facilities and activities under this Contract. CONTRACTOR shall make progress reports as required by the AUTHORITY.

SECTION 30: INTERNAL CONTROLS AND RECORDKEEPING

CONTRACTOR shall maintain books, records, documents, data and other evidence relating to this Contract and performance of the services described herein, including, without limitation, reasonable substantiation of all expenses incurred and all property procured hereunder. In addition, CONTRACTOR shall require or cause its affiliated or associated subcontractors, agents and employees to maintain such records and controls.

CONTRACTOR shall retain such records for a period of six (6) years following the date of final payment. At no additional cost, these records, including materials generated under the Contract, shall be subject at all reasonable times to inspection, review or audit by the AUTHORITY, personnel duly authorized by the AUTHORITY, the Office of the State Auditor, and federal and state officials so authorized by law, regulation or agreement.

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.

SECTION 31: PERMITS AND LICENSES

CONTRACTOR shall, at its own expense, obtain all necessary permits, licenses, certifications, and any other similar authorizations required or which may become required by the government of the United States or the State of Washington or by any political subdivision of the state, except where laws, rules or regulations expressly require that AUTHORITY obtain the same.

SECTION 32: SEVERABILITY

The provisions of this Contract are intended to be severable. If any term or provision is illegal, invalid, or unenforceable for any reason whatsoever, such illegality, invalidity, or unenforceability shall not affect the validity of the remainder of the Contract.

SECTION 33: SUBCONTRACTING

Neither the CONTRACTOR nor any subcontractor shall enter into subcontracts for any of the work contemplated under this Contract without obtaining prior written approval of the AUTHORITY. In no event shall the existence of the subcontract operate to release or reduce the liability of the CONTRACTOR to the AUTHORITY for any breach in the performance of the CONTRACTOR's duties. This clause does not include contracts of employment between the CONTRACTOR and personnel assigned to work under this Contract.

Additionally, the CONTRACTOR is responsible for ensuring that all terms, conditions, assurances and certifications set forth in this Contract are carried forward to any subcontracts. CONTRACTOR and its subcontractors agree not to release, divulge, publish, transfer, sell or otherwise make known to unauthorized persons personal information without the express written consent of the AUTHORITY or as provided by law.

SECTION 34: WAIVER

AUTHORITY's failure to insist upon strict performance of any provision of this Contract, or to exercise any rights or remedies provided by this Contract, shall not release or relieve CONTRACTOR from any of its obligations or warranties under this Contract, and shall not be deemed a waiver of any right of AUTHORITY to insist upon strict performance of this Contract or any of the rights or remedies of AUTHORITY. The rights and remedies of AUTHORITY set forth in any provision of this Contract are in addition to any other rights or remedies afforded to AUTHORITY by any other provisions of this Contract or by law.

SECTION 35: APPROVAL

This Contract shall be subject to the written approval of the AUTHORITY's authorized representative and shall not be binding until so approved. The Contract may be altered, amended, or waived only by a written amendment executed by both parties.

THIS CONTRACT is executed by the persons signing below, who warrant they have the authority to execute the Contract.

CONTRACTOR		Washington Materials Management and Financing Authority	
Signature		Signature	
Title	Date	Title	Date

EXHIBIT A

RATES AND FEES

[INSERT]