

**AGREEMENT BETWEEN THE COUNTY OF SAN MATEO AND  
STERICYCLE, INC.**

THIS AGREEMENT, entered into this \_\_\_\_\_ day of \_\_\_\_\_, 2014,  
by and between the COUNTY OF SAN MATEO, hereinafter called "County," and  
Stericycle, Inc., hereinafter called "Contractor";

**W I T N E S S E T H:**

WHEREAS, pursuant to Government Code Section 31000, County may  
contract with independent contractors for the furnishing of such services to or for  
County or any Department thereof;

WHEREAS, it is necessary and desirable that Contractor be retained for the  
purpose of disposal and treatment of medical waste.

**NOW, THEREFORE, IT IS HEREBY AGREED BY THE PARTIES HERETO  
AS FOLLOWS:**

**1. Exhibits and Attachments**

The following exhibits and attachments are attached to this Agreement and  
incorporated into this Agreement by this reference:

Exhibit A—Services  
Exhibit B—Payments and Rates  
Exhibit C—MedAssets Regulated Medical Waste  
Exhibit D—MedAssets Sharps Disposal Management  
Exhibit E—MedAssets Rx Compliance  
Exhibit F— Corporate Compliance Code  
Attachment H—HIPAA Business Associate Requirements  
Attachment I—§ 504 Compliance

**2. Services to be performed by Contractor**

In consideration of the payments set forth herein and in Exhibit B, Contractor shall  
perform services for County in accordance with the terms, conditions, and  
specifications set forth herein and in Exhibit A.

**3. Payments**

In consideration of the services provided by Contractor in accordance with all terms, conditions, and specifications set forth herein and in Exhibit A, County shall make payment to Contractor based on the rates and in the manner specified in Exhibit B. County reserves the right to withhold payment if County determines that the quantity or quality of the work performed is unacceptable. In no event shall County's total fiscal obligation under this Agreement exceed THREE HUNDRED SIXTY THOUSAND DOLLAR (\$360,000).

#### **4. Term and Termination**

Subject to compliance with all terms and conditions, the term of this Agreement shall be from March 1, 2014, through February 28, 2017.

This Agreement may be terminated by Contractor, the Chief of the Health System, or his/her designee at any time with the requirement of cause upon thirty (30) days' written notice to the other party.

In the event of termination, all finished or unfinished documents, data, studies, maps, photographs, reports, and materials (hereafter referred to as materials) prepared by Contractor under this Agreement shall become the property of County and shall be promptly delivered to County. Upon termination, Contractor may make and retain a copy of such materials. Subject to availability of funding, Contractor shall be entitled to receive payment for work/services provided prior to termination of the Agreement. Such payment shall be that portion of the full payment which is determined by comparing the work/services completed to the work/services required by the Agreement.

#### **5. Availability of Funds**

County may terminate this Agreement or a portion of the services referenced in the Attachments and Exhibits based upon unavailability of Federal, State, or County funds by providing written notice to Contractor as soon as is reasonably possible after County learns of said unavailability of outside funding.

#### **6. Relationship of Parties**

Contractor agrees and understands that the work/services performed under this Agreement are performed as an independent Contractor and not as an employee of County and that neither Contractor nor its employees acquire any of the rights, privileges, powers, or advantages of County employees.

#### **7. Hold Harmless**

7.1 General Hold Harmless. Contractor shall indemnify and save harmless County and its officers, agents, employees, and servants from all claims, suits, or actions of every name, kind, and description resulting from this Agreement, the performance of any work or services required of Contractor under this Agreement, or payments made pursuant to this Agreement brought for, or on account of, any of the following: (A) injuries to or death of any person, including Contractor or its employees/officers/agents; (B) damage to any property of any kind whatsoever and to whomsoever belonging; (C) any sanctions, penalties, or claims of damages

resulting from Contractor's failure to comply, if applicable, with the requirements set forth in the Health Insurance Portability and Accountability Act of 1996 (HIPAA) and all Federal regulations promulgated thereunder, as amended; or (D) any other loss or cost, including but not limited to that caused by the concurrent active or passive negligence of County and/or its officers, agents, employees, or servants. However, Contractor's duty to indemnify and save harmless under this Section shall not apply to injuries or damage for which County has been found in a court of competent jurisdiction to be solely liable by reason of its own negligence or willful misconduct.

The duty of Contractor to indemnify and save harmless as set forth by this Section shall include the duty to defend as set forth in Section 2778 of the California Civil Code.

Notwithstanding anything to the contrary in any attachments to this Agreement, risk of loss shall reside with Stericycle for Losses caused by the ordinary negligence of Stericycle or its representatives in handling, storage, transport, possession, ingestion, application, or other use of Pharmaceutical Waste, whether or not Stericycle's representative has signed for acceptance of the Pharmaceutical Waste.

#### 7.2 Intellectual Property Indemnification.

Contractor hereby certifies that it owns, controls, or licenses and retains all right, title, and interest in and to any intellectual property it uses in relation to this Agreement, including the design, look, feel, features, source code, content, and other technology relating to any part of the services it provides under this Agreement and including all related patents, inventions, trademarks, and copyrights, all applications therefor, and all trade names, service marks, know how, and trade secrets ("IP Rights") except as otherwise noted by this Agreement. Contractor warrants that the services it provides under this Agreement do not infringe, violate, trespass, or constitute the unauthorized use or misappropriation of any IP Rights of any third party. Contractor shall defend, indemnify, and hold harmless County from and against all liabilities, costs, damages, losses, and expenses (including reasonable attorney fees) arising out of or related to any claim by a third party that the services provided under this Agreement infringe or violate any third-party's IP Rights provided any such right is enforceable in the United States. Contractor's duty to defend, indemnify, and hold harmless under this Section applies only provided that: (a) County notifies Contractor promptly in writing of any notice of any such third-party claim; (b) County cooperates with Contractor, at Contractor's expense, in all reasonable respects in connection with the investigation and defense of any such third-party claim; (c) Contractor retains sole control of the defense of any action on any such claim and all negotiations for its settlement or compromise (provided Contractor shall not have the right to settle any criminal action, suit, or proceeding without County's prior written consent, not to be unreasonably withheld, and provided further that any settlement permitted under this Section shall not impose any financial or other obligation on County, impair any right of County, or contain any stipulation, admission, or acknowledgement of wrongdoing on the part of County without County's prior written consent, not to be unreasonably withheld); and (d) should services under this

Agreement become, or in Contractor's opinion be likely to become, the subject of such a claim, or in the event such a third party claim or threatened claim causes County's reasonable use of the services under this Agreement to be seriously endangered or disrupted, Contractor shall, at Contractor's option and expense, either: (i) procure for County the right to continue using the services without infringement or (ii) replace or modify the services so that they become non infringing but remain functionally equivalent.

Notwithstanding anything in this Section to the contrary, Contractor will have no obligation or liability to County under this Section to the extent any otherwise covered claim is based upon: (a) any aspects of the services under this Agreement which have been modified by or for County (other than modification performed by, or at the direction of, Contractor) in such a way as to cause the alleged infringement at issue; (b) any aspects of the services under this Agreement which have been used by County in a manner prohibited by this Agreement.

The duty of Contractor to indemnify and save harmless as set forth by this Section shall include the duty to defend as set forth in Section 2778 of the California Civil Code.

#### **8. Assignability and Subcontracting**

Contractor shall not assign this Agreement or any portion thereof to a third party or subcontract with a third party to provide services required by Contractor under this Agreement without the prior written consent of County. Any such assignment or subcontract without County's prior written consent shall give County the right to automatically and immediately terminate this Agreement.

#### **9. Insurance**

Contractor shall not commence work or be required to commence work under this Agreement unless and until all insurance required under this Section has been obtained and such insurance has been approved by County's Risk Management, and Contractor shall use diligence to obtain such insurance and to obtain such approval. Contractor shall furnish County with certificates of insurance evidencing the required coverage, and there shall be a specific contractual liability endorsement extending Contractor's coverage to include the contractual liability assumed by Contractor pursuant to this Agreement. These certificates shall specify or be endorsed to provide that thirty (30) days' notice must be given, in writing, to County of any pending change in the limits of liability or of any cancellation or modification of the policy.

- (1) **Workers' Compensation and Employer's Liability Insurance.** Contractor shall have in effect during the entire term of this Agreement workers' compensation and employer's liability insurance providing full statutory coverage. In signing this Agreement, Contractor certifies, as required by Section 1861 of the California Labor Code, (a) that it is aware of the provisions of Section 3700 of the California Labor Code, which require every employer to be insured against liability for workers' compensation or to undertake self-

insurance in accordance with the provisions of the Labor Code, and (b) that it will comply with such provisions before commencing the performance of work under this Agreement.

- (2) **Liability Insurance.** Contractor shall take out and maintain during the term of this Agreement such bodily injury liability and property damage liability insurance as shall protect Contractor and all of its employees/officers/agents while performing work covered by this Agreement from any and all claims for damages for bodily injury, including accidental death, as well as any and all claims for property damage which may arise from Contractor's operations under this Agreement, whether such operations be by Contractor, any subcontractor, anyone directly or indirectly employed by either of them, or by an agent of either of them. Such insurance shall be combined single limit bodily injury and property damage for each occurrence and shall not be less than the amount specified below.

Such insurance shall include:

- |     |   |             |
|-----|---|-------------|
| (a) | Comprehensive General Liability . . . . .   | \$1,000,000 |
| (b) | Motor Vehicle Liability Insurance . . . . . | \$1,000,000 |
| (c) | Professional Liability. . . . .             | \$1,000,000 |

County and its officers, agents, employees, and servants shall be named as additional insured on any such policies of insurance, which shall also contain a provision that (a) the insurance afforded thereby to County and its officers, agents, employees, and servants shall be primary insurance to the full limits of liability of the policy and (b) if the County or its officers, agents, employees, and servants have other insurance against the loss covered by such a policy, such other insurance shall be excess insurance only.

In the event of the breach of any provision of this Section, or in the event any notice is received which indicates any required insurance coverage will be diminished or canceled, County, at its option, may, notwithstanding any other provision of this Agreement to the contrary, immediately declare a material breach of this Agreement and suspend all further work and payment pursuant to this Agreement.

#### **10. Compliance With Laws**

All services to be performed by Contractor pursuant to this Agreement shall be performed in accordance with all applicable Federal, State, County, and municipal laws, ordinances, and regulations, including but not limited to the Health Insurance Portability and Accountability Act of 1996 (HIPAA) and the Federal Regulations promulgated thereunder, as amended (if applicable), the Business Associate requirements set forth in Attachment H (if attached), the Americans with Disabilities Act of 1990, as amended, and Section 504 of the Rehabilitation Act of 1973, which prohibits discrimination on the basis of handicap in programs and activities receiving any Federal or County financial assistance. Such services shall also be performed in accordance with all applicable ordinances and regulations, including but not limited to appropriate licensure, certification regulations, provisions pertaining to

confidentiality of records, and applicable quality assurance regulations. In the event of a conflict between the terms of this Agreement and any applicable State, Federal, County, or municipal law or regulation, the requirements of the applicable law or regulation will take precedence over the requirements set forth in this Agreement.

Further, Contractor certifies that Contractor and all of its subcontractors will adhere to all applicable provisions of Chapter 4.106 of the San Mateo County Ordinance Code, which regulates the use of disposable food service ware.

Contractor will timely and accurately complete, sign, and submit all necessary documentation of compliance.

**11. Non-Discrimination and Other Requirements**

- A. *General non-discrimination.* No person shall be denied any services provided pursuant to this Agreement (except as limited by the scope of services) on the grounds of race, color, national origin, ancestry, age, disability (physical or mental), sex, sexual orientation, gender identity, marital or domestic partner status, religion, political beliefs or affiliation, familial or parental status (including pregnancy), medical condition (cancer-related), military service, or genetic information.
- B. *Equal employment opportunity.* Contractor shall ensure equal employment opportunity based on objective standards of recruitment, classification, selection, promotion, compensation, performance evaluation, and management relations for all employees under this Agreement. Contractor's equal employment policies shall be made available to County upon request.
- C. *Section 504 of the Rehabilitation Act of 1973.* Contractor shall comply with Section 504 of the Rehabilitation Act of 1973, as amended, which provides that no otherwise qualified handicapped individual shall, solely by reason of a disability, be excluded from the participation in, be denied the benefits of, or be subjected to discrimination in the performance of this Agreement. This Section applies only to contractors who are providing services to members of the public under this Agreement.
- D. *Compliance with County's Equal Benefits Ordinance.* With respect to the provision of benefits to its employees, Contractor shall comply with Chapter 2.84 of the County Ordinance Code, which prohibits contractors from discriminating in the provision of employee benefits between an employee with a domestic partner and an employee with a spouse. In order to meet the requirements of Chapter 2.84, Contractor must certify which of the following statements is/are accurate:

☒ Contractor complies with Chapter 2.84 by:

☒ offering the same benefits to its employees with spouses and its

employees with domestic partners.

- ☐ offering, in the case where the same benefits are not offered to its employees with spouses and its employees with domestic partners, a cash payment to an employee with a domestic partner that is equal to Contractor's cost of providing the benefit to an employee with a spouse.
  - ☐ Contractor is exempt from having to comply with Chapter 2.84 because it has no employees or does not provide benefits to employees' spouses.
  - ☐ Contractor does not comply with Chapter 2.84, and a waiver must be sought.
- E. *Discrimination Against Individuals with Disabilities.* The Contractor shall comply fully with the nondiscrimination requirements of 41 C.F.R. 60-741.5(a), which is incorporated herein as if fully set forth.
- F. *History of Discrimination.* Contractor must check one of the two following options, and by executing this Agreement, Contractor certifies that the option selected is accurate:
- ☒ No finding of discrimination has been issued in the past 365 days against Contractor by the Equal Employment Opportunity Commission, Fair Employment and Housing Commission, or any other investigative entity.
  - ☐ Finding(s) of discrimination have been issued against Contractor within the past 365 days by the Equal Employment Opportunity Commission, Fair Employment and Housing Commission, or other investigative entity. If this box is checked, Contractor shall provide County with a written explanation of the outcome(s) or remedy for the discrimination.
- G. *Violation of Non-discrimination provisions.* Violation of the non-discrimination provisions of this Agreement shall be considered a breach of this Agreement and subject the Contractor to penalties, to be determined by the County Manager, including but not limited to the following:
- i) termination of this Agreement;
  - ii) disqualification of the Contractor from bidding on or being awarded a County contract for a period of up to 3 years;

- iii) liquidated damages of \$2,500 per violation; and/or
- iv) imposition of other appropriate contractual and civil remedies and sanctions, as determined by the County Manager.

To effectuate the provisions of this Section, the County Manager shall have the authority to examine Contractor's employment records with respect to compliance with this Section and/or to set off all or any portion of the amount described in this Section against amounts due to Contractor under this Agreement or any other agreement between Contractor and County.

Contractor shall report to the County Manager the filing by any person in any court of any complaint of discrimination or the filing by any person of any and all charges with the Equal Employment Opportunity Commission, the Fair Employment and Housing Commission, or any other entity charged with the investigation of allegations within 30 days of such filing, provided that within such 30 days such entity has not notified Contractor that such charges are dismissed or otherwise unfounded. Such notification shall include the name of the complainant, a copy of such complaint, and a description of the circumstance. Contractor shall provide County with a copy of their response to the Complaint when filed.

#### **12. Compliance with County Employee Jury Service Ordinance**

Contractor shall comply with Chapter 2.85 of the County's Ordinance Code, which states that a contractor shall have and adhere to a written policy providing that its employees, to the extent they live in San Mateo County, shall receive from the Contractor, on an annual basis, no fewer than five days of regular pay for jury service in San Mateo County, with jury pay being provided only for each day of actual jury service. The policy may provide that such employees deposit any fees received for such jury service with Contractor or that the Contractor may deduct from an employee's regular pay the fees received for jury service in San Mateo County. By signing this Agreement, Contractor certifies that it has and adheres to a policy consistent with Chapter 2.85. For purposes of this Section, if Contractor has no employees in San Mateo County, it is sufficient for Contractor to provide the following written statement to County: "For purposes of San Mateo County's jury service ordinance, Contractor certifies that it has no employees who live in San Mateo County. To the extent that it hires any such employees during the term of its Agreement with San Mateo County, Contractor shall adopt a policy that complies with Chapter 2.85 of the County's Ordinance Code."

#### **13. Retention of Records, Right to Monitor and Audit**

(a) Contractor shall maintain all required records for three (3) years after County makes final payment and all other pending matters are closed, and Contractor shall be subject to the examination and/or audit of County, a Federal grantor agency, and the State of California.

(b) Reporting and Record Keeping: Contractor shall comply with all program and fiscal reporting requirements set forth by appropriate Federal, State, and local



agencies, and as required by County.

(c) Contractor agrees upon reasonable notice to provide to County, to any Federal or State department having monitoring or review authority, to County's authorized representatives, and/or to any of their respective audit agencies access to and the right to examine all records and documents necessary to determine compliance with relevant Federal, State, and local statutes, rules, and regulations, to determine compliance with this Agreement, and to evaluate the quality, appropriateness, and timeliness of services performed.

**14. Merger Clause & Amendments**

This Agreement, including the Exhibits and Attachments attached to this Agreement and incorporated herein by reference, constitutes the sole Agreement of the parties to this Agreement and correctly states the rights, duties, and obligations of each party as of this document's date. In the event that any term, condition, provision, requirement, or specification set forth in the body of this Agreement conflicts with or is inconsistent with any term, condition, provision, requirement, or specification in any Exhibit and/or Attachment to this Agreement, the provisions of the body of the Agreement shall prevail. Any prior agreement, promises, negotiations, or representations between the parties not expressly stated in this document are not binding. All subsequent modifications or amendments shall be in writing and signed by the parties.

**15. Controlling Law and Venue**

The validity of this Agreement and of its terms or provisions, the rights and duties of the parties under this Agreement, the interpretation of this Agreement, the performance of this Agreement, and any other dispute of any nature arising out of this Agreement shall be governed by the laws of the State of California without regard to its choice of law rules. Any dispute arising out of this Agreement shall be venued either in the San Mateo County Superior Court or in the United States District Court for the Northern District of California.

**16. Notices**

Any notice, request, demand, or other communication required or permitted under this Agreement shall be deemed to be properly given when both: (1) transmitted via facsimile to the telephone number listed below or transmitted via email to the email address listed below; and (2) sent to the physical address listed below by either being deposited in the United States mail, postage prepaid, or deposited for overnight delivery, charges prepaid, with an established overnight courier that provides a tracking number showing confirmation of receipt.

**In the case of County, to:**

San Mateo Medical Center  
222 W. 39<sup>th</sup> Avenue  
San Mateo, CA 94403

Attn: Director of Public Works  
Telephone: (650) 573-3739  
Email: nirrinki@smcgov.org

**In the case of Contractor, to:**

Stericycle, Inc.  
3668 Enterprise Ave  
Hayward, CA 94545  
Telephone: (415) 264-1941  
Facsimile: 800-768-8191  
Email: [jroberts@stericycle.com](mailto:jroberts@stericycle.com)

**17. Electronic Signature**

If both County and Contractor wish to permit this Agreement and future documents relating to this Agreement to be digitally signed in accordance with California law and County's Electronic Signature Administrative Memo, both boxes below must be checked. Any party that agrees to allow digital signature of this Agreement may revoke such agreement at any time in relation to all future documents by providing notice pursuant to this Agreement.

For County: ☐ If this box is checked by County, County consents to the use of electronic signatures in relation to this Agreement.

For Contractor: ☐ If this box is checked by Contractor, Contractor consents to the use of electronic signatures in relation to this Agreement.

IN WITNESS WHEREOF, the parties hereto, by their duly authorized representatives, have affixed their hands.

COUNTY OF SAN MATEO

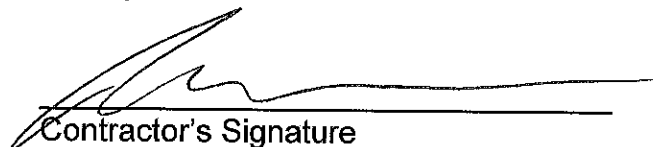
By: \_\_\_\_\_  
President, Board of Supervisors, San Mateo  
County

Date: \_\_\_\_\_

ATTEST:

By: \_\_\_\_\_  
Clerk of Said Board

Stericycle, Inc.

  
\_\_\_\_\_  
Contractor's Signature

Date: 3/13/2014

(Revised 7/1/13)

### **Exhibit A**

In consideration of the payments set forth in Exhibit B, Contractor shall provide the following services:

Contractor shall provide sharps and pharmaceutical waste transportation and disposal services from various locations listed below within San Mateo County. Locations may be added or eliminated during the life of this contract.

San Mateo Medical Center  
222 W. 39th Avenue  
San Mateo, CA 94403  
Collection Frequency: As needed

Daly City Clinic  
380 90th Street  
Daly City, CA 94015  
Collection Frequency: As needed

Daly City Youth Center  
2780 Junipero Serra Blvd.  
Daly City, CA 94015  
Collection Frequency: As needed

South San Francisco Clinic  
306 Spruce Avenue  
South San Francisco, CA 94080  
Collection Frequency: As needed

Coastside Clinic  
225 South Cabrillo Hwy, Ste. 100A  
Half Moon Bay, CA 94019  
Collection Frequency: As needed

Fair Oaks Health Center  
2710 Middlefield Rd  
Redwood City, CA 94063  
Collection Frequency: As needed

Sequoia Teen Center  
200 James Avenue  
Redwood City, CA 94062  
Collection Frequency: As needed

San Mateo County Juvenile Services (Hillcrest)  
222 Paul Scannell Drive  
San Mateo, CA 94402  
Collection Frequency: As needed

Behavioral Health and Rehabilitative Pharmacy  
400 Veterans Blvd.  
Redwood City, CA 94063  
Collection Frequency: As needed

Coastside Mental Health Services  
225 South Cabrillo Hwy Ste. 200A  
Half Moon Bay, CA 94019  
Collection Frequency: As needed

East Palo Alto Community Counseling Center  
2415 University Avenue Ste.101  
East Palo Alto, CA 94303  
Collection Frequency: As needed

Central County Mental Health  
1950 Alameda De Las Pulgas  
San Mateo, CA 94403  
Collection Frequency: As needed

South County Mental Health Services  
802 Brewster Avenue  
Redwood City, CA 94063  
Collection Frequency: As needed

Canyon Oaks  
400 Edmonds Road  
Redwood City, CA 94062  
Collection Frequency: As needed

Disposal services will include the following:

1. Contractor will autoclave all biological waste.
2. Contractor will incinerate all pathological, pharmaceutical and trace chemotherapy waste
3. Contractor will incinerate all pharmaceutical waste collected from residential collection program.

Contractor will manage waste in accordance with all applicable Federal, State, and local laws, rules, regulations and orders, including, but not limited to the Resource

Conservation and Recovery Act (RCRA), Occupational Safety and Health Act (OSHA), and regulations, rules and orders of the United States Environmental Protection Agency (EPA), the Department of Transportation (DOT), the State Department of Toxic Substance Control (DTSC), the State Department of Public Health (DPH) and the California Highway Patrol (CHP).

Locations may be added or eliminated during the life of this contract.

Contractor will collect waste from "As Needed" locations within five (5) days of County's request

Contractor will provide all supplies and equipment necessary.

Contractor will provide proper documentation of collections and disposal of all waste, including certificates of destruction.

## **Exhibit B**

In consideration of the services provided by Contractor in Exhibit A and subject to the terms of the Agreement, County shall pay Contractor based on the following fee schedule and terms:

- a. Autoclave (bio hazardous/sharps waste): \$.35 a pound
- b. Incinerate (Pathological/trace chemo/Pharmaceutical): \$.70 a pound
- c. Energy charge per stop: \$9.50
- d. California imposes a \$.0127 tax per LB on all autoclave waste
- e. Minimum stop/No Waste: \$60.00
- f. Re-useable sharps/Sharps management Service: \$3500 a month \*\*A green program that SMMC campus can elect to participate for above fee\*\* (historical data shows moving to this program reduces sharps/biohazardous waste collected in (a) be reduced by 25-35%. This is due to no more disposables being collected in these vessels, but instead in the re-useable sharps containers). This program is estimated to be of cost neutral to the facility based on data collected by materials management for purchasing disposable containers over a 12 month time frame and data collected for disposal costs. This program is estimated to save ~56,000 pounds of plastic one calendar year from the landfill and we will work with you PR department to put out data to the community reflecting what SMMC is doing for the community and environment. It is a green program that is good for the environment and that will help increase SMMC recycling numbers.
- g. Re-useable non-hazardous pharmaceutical: \$7650 annual (based on history we collected from SMMC campus materials management of cost to purchase disposables and using our data for SMMC history disposing of such waste, net neutral costs moving to this program over spend last year)
- h. Pharmaceutical Compliance program at SMMC campus: \$600 a month (includes characterization of formulary and electronic copy provided plus adds/deletes. Program design and start up, consultation on central accumulation area, container placement, and internal logistics, training of pharmacy, nursing and EVS staff (20 hours on site and electronic files that can be loaded into system, continuing characterization, aftercare, ongoing and scheduled hospital wide audit and inspection, annual audit/training and training to cover new regulations and refresher on current regulations. Stericycle has already been requested by SMMC to provide this service prior to RFP.



## MedAssets Exhibit C

# Master Service Agreement

### Billing Information:

Customer/Company Name: County of San Mateo Billing Attention: Accounts Payable  
Customer Address 1: 222 W. 39<sup>th</sup> Ave Billing Name: San Mateo Medical Center  
Customer Address 2: \_\_\_\_\_ Contact Phone #: 650-573-3739  
City / State / Zip: San Mateo, CA 94403 Contact Fax #: \_\_\_\_\_  
Contact Title: Facilities Service Manager Contact Email: nirrinki@smcgov.org

This Agreement is entered into, and effective as of 11-6-12 MedAssets Member and (hereinafter referred to as Customer), for itself and on behalf of any of its operating subsidiaries and Stericycle, Inc., a Delaware Corporation having a principal place of business at 28161 N. Keith Dr., Lake Forest, Illinois 60045 (hereinafter referred to as "Stericycle").

Services to be Provided		
<b>X Regulated Medical Waste Disposal</b> Treatment and disposal of medical and Bio-hazardous waste	<b>Sharps Disposal Management</b> Comprehensive proactive sharps disposal service with reusable containers	<b>Integrated Waste Stream Solutions</b> All-encompassing on-site waste stream management services
<b>Pharmaceutical Waste Disposal</b> Help characterize, segregate, transport and properly dispose of pharmaceutical waste	<b>Hazardous Waste Disposal</b> Environmentally sound and flexible solution for all hazardous waste streams	<b>Medical Product Supplies -</b> On-demand product/supplies containers or Mail Back auto replenishment

Service Details are referenced in Corresponding Attachments included herein.

Agreement Effective Date: 03-01-14

Master Agreement ID: MedAssets MS00398 Exhibit-1

Terms of Agreement: 36 Month

See Master Agreement ID (The Master) for services between the Customer and Supplier. The execution of this Customer Agreement constitutes the Customer's agreement to participate in this Agreement. All capitalized terms not defined in this Customer Agreement will survive the term of the GPO agreement. The Members obligation and responsibilities under the Agreement are set forth. The Member shall agree to be bound by and shall comply with all applicable provisions of the Agreement, which is incorporated by reference.

Stericycle, Inc.

Customer

Service Provider Name: <u>STERICYCLE</u>	Customer/ Company Name: <u>County of San Mateo</u>
Representative Name: <u>SR ROBERTS</u>	Signee Name: <u>Narsimha Irrinki</u>
Representative Title: <u>Regional Integrated accounts</u>	Signee Title: <u>Facilities Service Manager</u>
Date: <u>3/13/2014</u>	Date: <u>3/13/14</u>
Signature: _____	Signature: _____

By signing above I acknowledge that I am the Customer's authorized officer or agent and that I have the authority to bind Customer to this agreement. Customer agrees to be bound by the terms and conditions that appear on the following pages hereof and comply with Stericycle's Waste Acceptance Policy, both of which are integral parts of this agreement.

### STERICYCLE USE ONLY

Type of Agreement: \_\_\_\_\_ Affiliation Code: \_\_\_\_\_ LQ Record #: \_\_\_\_\_  
Purchase Order #: \_\_\_\_\_ From:    /    /    To:    /    /    Segment Code: \_\_\_\_\_ LQ Contract #: \_\_\_\_\_



MedAssets Supply Chain Systems, LLC, a Delaware limited liability company ("MedAssets") and Stericycle, Inc. ("Stericycle" or "Vendor") have entered into a group-purchasing Agreement for Medical Waste Services, effective January 1, 2010 (the "MedAssets Agreement") for the benefit of certain third-party beneficiaries (the "Members," as further defined in the MedAssets Agreement). The MedAssets Agreement expressly incorporates this Regulated Medical Waste Services Agreement. Vendor offers the services described in this Regulated Medical Waste Services Agreement pursuant to the MedAssets Agreement, and this Regulated Medical Waste Services Agreement is subject to the terms and conditions of the MedAssets Agreement. In the event of a conflict between a term or condition in this Regulated Medical Waste Services Agreement and a term or condition in the MedAssets Agreement, the MedAssets Agreement controls.

## TERMS AND CONDITIONS

**1. Regulated Medical Waste Services** Stericycle, Inc has obtained all necessary licenses, permits, insurance and authorizations required to perform services hereunder and, upon request, shall furnish copies thereof to Member. Stericycle, Inc. shall collect, transport, treat and dispose of all Regulated Medical Waste (except Non-conforming Waste) generated by Member during the term of this Regulated Medical Waste Services Agreement. Stericycle employees may refuse containers that are determined to be Non-conforming Waste as identified in the Waste Acceptance Policy (WAP). Member shall place only "Regulated Medical Waste" as defined by 49 CFR 173.134 or by any other federal, state and local regulations. Member warrants that the waste presented for disposal will not contain any "hazardous", "toxic", or "radioactive" wastes as defined by all applicable laws or regulations and shall be liable for any injury, loss or damage resulting from non-conforming waste. Further definitions are part of this contract under the current WAP. Stericycle reserves the right to change the WAP at any time to ensure compliance with applicable laws or regulations. A copy of Stericycle's Waste Acceptance Policy may also be obtained from your local Stericycle representative. Title to Regulated Medical Waste (other than Non-Conforming Waste) shall transfer to and vest in Stericycle at such time as such waste is loaded onto Stericycle vehicles. Member shall have title to the Regulated Medical Waste at all prior times. Member shall hold title to any Non-Conforming Waste at all times, whether refused for collection, returned to the Member for proper disposal after collection or otherwise disposed of in accordance with Member's instructions or arrangements.

**2. Recordkeeping and Compliance with Laws** Stericycle and Member shall keep and retain adequate books and records and other documentation including personnel records, correspondence, instructions, plans, receipts, vouchers, permits, required state registrations, copies of manifests and tracking records consistent with and for the periods required by applicable regulations and guidelines pertaining to generation, storage or handling of Regulated Medical Waste and the services to be performed under this Regulated Medical Waste Services Agreement.

**3. Term and Pricing** The term ("Term") of this Regulated Medical Waste Services Agreement is established on page one of this document, 36 months from the date of execution of this Regulated Medical Waste Services Agreement.

(a) Vendor may adjust the contract price by the lesser of 4% or CPI-U on an annual basis to cover increases in the cost of containers and related equipment, insurance, or residue disposal, or to otherwise address cost escalation. Additionally, Vendor may adjust the Rate Structure (i) to account for operational changes it implements to comply with changes in law, regulatory changes, in the waste treatment location, or to otherwise cover unforeseen, significant cost escalation. 36 Month agreement, PI applied at the first 12 months, then each subsequent one-year anniversary date. 60 Month agreement, first PI applied at the first 18 months, then each subsequent one-year anniversary date.

(b) Stericycle has instituted a per invoice energy surcharge to manage and isolate the impact of Diesel fuel price fluctuations. The energy surcharge is based on the U.S. 'On Highway' Diesel Price Index. A table outlining the Energy Surcharge can be found in Attachment 2 of this Regulated Medical Waste Services Agreement.

(c) Termination for Breach. In the event of breach of any provision of this Regulated Medical Waste Services Agreement, the non-breaching party shall notify the breaching party in writing of the specific nature of the breach and shall request that it be cured. If the breaching party does not cure the breach within thirty (30) days of such notice, the non-breaching party may immediately terminate this Regulated Medical Waste Services Agreement on written notice to the breaching party, and such termination shall not preclude the non-breaching party from pursuing any and all remedies available to it at law or in equity.

(d) If Member breaches this Regulated Medical Waste Services Agreement by terminating Vendor's collections, without proper notice prior to the expiration of its Term or in any other way violates this Regulated Medical Waste Services Agreement in such a way that Vendor's continued performance is rendered impossible or commercially impracticable, then, in addition to any rights and remedies Vendor may have at law or in equity, Vendor shall be entitled to collect from Member an amount in liquidated damages equal to 50% of Member's average charge on a monthly basis based on the 12 months' billings prior to the cessation of collections (or based on any lesser period if the contract began less than twelve months earlier) times the number of months, including prorated partial months, remaining until the expiration date of the Term or Extension Term. Member hereby acknowledges that Vendor's damages resulting from the premature termination of collections are impossible of estimation, and include lost profits, inefficiencies resulting from route changes and reduced treatment plant throughput, increased administrative overhead, unrecoverable sunk training/instruction costs, and other elements of injury, and acknowledges further that the foregoing charge is reasonable and is not a penalty.

(e) Vendor shall have the right to terminate this Regulated Medical Waste Services Agreement at any time by giving Member at least sixty (60) days notice in the event that it is unable to continue performing its obligations under this Regulated Medical Waste Services Agreement due to the suspension, revocation, cancellation or termination of any permit or required to perform this Regulated Medical Waste Services Agreement or in the event that a change in any law, regulation or ordinance makes it impractical or uneconomical, in Vendor's sole discretion, to continue performing this Regulated Medical Waste Services Agreement.

(f) Upon 30 days notice to Vendor, Member shall have the right to add or delete mutually acceptable Member facilities receiving Regulated waste services under this Regulated Medical Waste Services Agreement. The addition or exclusion of any facility participating under this Regulated Medical Waste Services Agreement shall have no effect on the services provided the other participating facilities.

**4. Survival.** The term of this Regulated Medical Waste Services Agreement is established on page one of this document.

**5. Billing** Vendor shall provide Member with monthly, quarterly or annual invoices that are due upon receipt. Member agrees to pay a late charge on any amounts owed to Vendor that are more than 30 days old, at a rate equal to the lesser of 1 ½% per month or the maximum rate permitted by law. Member shall bear any costs that Vendor may incur in collecting overdue amounts from Member, including, but not limited to, reasonable attorneys' fees and court costs. Should any amounts due pursuant to this Regulated Medical Waste Services Agreement remain unpaid for more than 30 days from the date of the debt's first invoice, Vendor shall have the option, without notice to Member, to suspend service under this Regulated Medical Waste Services Agreement until the overdue amounts (plus late charges and collection fees) are paid. In the event that Vendor suspends services under this Regulated Medical Waste Services Agreement for any reason, including the expiration or termination of this Regulated Medical Waste Services Agreement or Member's breach (see 2(c), above), Vendor may remove all containers belonging to it from Member's premises. Any non-compliant containers will be billed an additional container charge at the current container rate not to exceed 1.25% of Stericycle's cost. Non-compliant containers include containers that are overweight under applicable laws or regulations or containers holding Non-Conforming Waste.

**6. Surcharge** Vendor may also impose a 'no waste' surcharge no greater than \$75 in the event that Vendor attempts to pick up waste at a Member location (on either a scheduled pick-up or in response to a Member request) and, through no fault of Vendor, either (a) there is no Regulated Waste for Vendor to pick up, (b) waste is not ready for pick-up or (c) the Member location is closed.

**7. Liability for Equipment** Member shall have the care, custody and control of containers and other equipment placed at Member's premises which is owned by Vendor and accepts responsibility and liability for the equipment and its contents except when it is being physically handled by employees of Vendor. Member agrees to defend, indemnify and hold harmless Vendor from and against any and all claims for loss or damage to property, or personal injury or death, resulting from or arising in any manner out of Member's gross negligence or willful misconduct, except to the extent any such loss or damage to personal property, or personal injury or death is a result of Vendor's negligence, intentional misconduct, or breach of this Regulated Medical Waste Services Agreement. Any damage to such property and equipment, other than normal wear and tear, will be charged to the Member, and payable to Vendor as additional service cost.

**8. Indemnification** Vendor shall indemnify and hold Member harmless from any liabilities arising from the gross negligence or willful misconduct of Vendor in the performance of its obligations under this Regulated Medical Waste Services Agreement. Member shall indemnify and hold harmless Vendor from any liabilities arising from the gross negligence or willful misconduct of Member, which shall include, but not be limited to, failure to properly store, package, label, or segregate Regulated Medical Waste and any liabilities relating to Non-Conforming Waste, whether or not collected, transported or treated by Vendor. Each party agrees to pay the reasonable attorneys' fees and costs incurred by the other in bringing a successful indemnification claim under this Paragraph. Member agrees to pay Vendor's reasonable attorney's fees incurred for any successful defense by Vendor of a suit for indemnification brought against Vendor by Member.

**9. Compliance with Laws** Vendor hereby agrees to carry General Liability, Automobile Liability, and Workmen's Compensation Insurance as required by applicable state law, and to otherwise comply with all federal and state laws, rules and regulations applicable thereto and relating to its performance hereunder. As of the date of this Regulated Medical Waste Services Agreement, Vendor has obtained, and agrees to maintain during the Term of this Regulated Medical Waste Services Agreement, all necessary permits, licenses, zoning and other federal, state or local authorizations required to perform the services under this Regulated Medical Waste Services Agreement and will furnish copies of these to Member upon request. Member and Vendor each hereby agrees to comply with all federal and state laws, rules and regulations applicable to their handling of Regulated Waste and their performance under this Regulated Medical Waste Services Agreement, including, without limitation, all applicable record keeping, documentation and manifesting requirements. Vendor and Member shall keep and retain adequate books and records and other documentation including personnel records, correspondence, instructions, plans, receipts, vouchers, copies of manifests and tracking records and any other records or reports or memoranda consistent with and for the periods required by applicable regulatory requirements and guidelines pertaining to storage or handling of Regulated Waste and the services to be performed under this Regulated Medical Waste Services Agreement.

**10. Exclusivity** Member agrees to use no other Regulated Medical Waste disposal service or method during the Term of this Regulated Medical Waste Services Agreement and any Extension Terms.

**11. Force Majeure.** The obligations of either party to perform under this Regulated Medical Waste Services Agreement will be excused during each period of delay caused by acts of God, war or terrorism, or by shortages of power or materials or government orders which are beyond the reasonable control of the party obligated to perform and prevents the party from being able to perform ("Force Majeure Event"). In the event that either party ceases to perform its obligations under this Regulated Medical Waste Services Agreement due to the occurrence of a Force Majeure Event, such party shall: (1) immediately notify the other party in writing of such Force Majeure Event and its expected duration; (2) take all reasonable steps to recommence performance of its obligations under this Regulated Medical Waste Services Agreement as soon as possible. In the event that any Force Majeure Event delays a party's performance for more than thirty (30) days following notice by such party pursuant to this Regulated Medical Waste Services Agreement, the other party may terminate this Regulated Medical Waste Services Agreement immediately upon written notice to such party.

**12. Independent Vendor** Vendor's relationship with Member pursuant hereto is that of an independent Vendor, and nothing in this Regulated Medical Waste Services Agreement shall be construed to designate Vendor as an employee, agent or partner of or a joint venture with Member.

**13. Amendment and Waiver** Changes in the types, size and amount of equipment and the frequency of service may be mutually agreed to orally or in writing by the parties, without affecting the validity of this Regulated Medical Waste Services Agreement. Consent to oral

changes shall be evidenced by the practices and actions of the parties. All other amendments to this Regulated Medical Waste Services Agreement (other than as provided in 2(b)) shall be effected only by a written instrument executed by the parties. No waiver shall be effective unless submitted in writing by the party granting such waiver. No waiver of any provision of this Regulated Medical Waste Services Agreement shall be deemed a waiver of any other provision of this Regulated Medical Waste Services Agreement and no waiver of any breach or duty under this Regulated Medical Waste Services Agreement shall be deemed a waiver of any other breach or later instances of the same duty.

**14. Savings Clause** In case any one or more of the provisions contained in this Regulated Medical Waste Services Agreement shall, for any reason, be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provisions of this Regulated Medical Waste Services Agreement; this Regulated Medical Waste Services Agreement shall be construed as if such invalid, illegal or unenforceable provision had never been contained herein, unless such finding shall impair the rights or increase the obligations of Vendor hereunder, in which event, at Vendor's option, this Regulated Medical Waste Services Agreement may be terminated.

**15. Governing Law** This Regulated Medical Waste Services Agreement shall be governed by and construed in accordance with the laws in the state of Delaware without regard to the conflicts of laws rules of any jurisdiction.

**16. Notices** All required notices, or those which the parties may desire to give under this Regulated Medical Waste Services Agreement shall be in writing and sent to the parties' addresses set forth on the reverse side of this Regulated Medical Waste Services Agreement.

**17. Assignment** Neither party will assign any rights or obligations under this Regulated Medical Waste Services Agreement without the express written consent of the other party. Such consent shall not be unreasonably withheld.

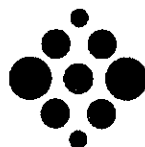
**18. Counterparts** This Regulated Medical Waste Services Agreement may be executed in one or more counterparts, each of which shall be deemed an original but all of which when taken together shall constitute one and the same instrument. A copy or facsimile of this Regulated Medical Waste Services Agreement shall be as effective as an original

## Pricing

Hospital Price Structure	See Attachments for Applicable Locations	
Service Rate Type	Effective Rate	Unit of Measure
RMW - Autoclave		
RMW - Incineration		
<b>Services Covered Under Reoccurring Rate</b>		
<b>Price Protection Period</b>	12	Months
Service Adjustment 1	4% or CPI-U	
Service Adjustment 2	4% or CPI-U	
Service Adjustment 3	4% or CPI-U	
Service Adjustment 4	4% or CPI-U	

Off-Site Price Structure	See Attachments for Applicable Locations	
Service Rate Type	Effective Rate	Unit of Measure
RMW - Autoclave		
RMW - Incineration		
Minimum Pick up		
Service No Waste		
<b>Services Covered Under Reoccurring Rate</b>		

Container Types	Effective Rate	Unit of Measure
<b>Price Protection Period</b>	12	Months
Service Adjustment 1	4% or CPI-U	
Service Adjustment 2	4% or CPI-U	
Service Adjustment 3	4% or CPI-U	
Service Adjustment 4	4% or CPI-U	



**Stericycle®**

Protecting People. Reducing Risk.™

## **REGULATED MEDICAL WASTE ACCEPTANCE POLICY**

Stericycle policy requires compliance with all applicable regulations regarding the collection, transportation and treatment of regulated medical waste. Federal Department of Transportation (DOT) Regulations require the generator of regulated medical waste to certify that the packaging and documentation of transported regulated medical waste complies with DOT regulations regarding waste classification, packaging, labeling and shipping documentation. To ensure that neither Stericycle nor the generator of regulated medical waste violates applicable regulations, it is imperative that all parties understand the rules regarding proper identification, classification, segregation and packaging of regulated medical waste. The purpose of this policy is to summarize the minimum requirements for preparing your medical waste for collection, transportation and treatment. Additional facility or state-specific waste acceptance policies may apply based on permit specifications. Please contact your local representative for further information. You may also call (866) 783-7422.

### **REGULATED MEDICAL WASTE**

Stericycle accepts medical waste generated in a broad range of medical, diagnostic, therapeutic and research activities. The term "medical waste" includes biohazardous, biomedical, infectious or regulated medical waste as defined under federal, state or local laws, rules, regulations and guidelines. Except as defined by specific state regulations, this **excludes** RCRA hazardous waste pharmaceuticals, all DEA scheduled drugs including \*controlled substances, bulk chemotherapy, waste containing mercury or other heavy metals, batteries of any type, cauterizers, non-infectious dental waste, chemicals such as solvents, reagents, corrosives or ignitable materials classified as hazardous waste under Federal and State EPA Regulations. In addition, Stericycle **cannot accept** bulk liquids, radioactive materials, or complete human remains (including heads, full torsos and fetuses). Stericycle **cannot accept** these excluded materials packaged as regulated medical waste. Separate protocol and packaging requirements apply for the disposal of non-hazardous pharmaceuticals. Hazardous waste transportation services may be offered in certain geographical locations, under separate contract. Please contact your local representative for details and packaging specifications.

\*Un-dispensed from DEA Registrant

### **WASTE SEGREGATION AND PACKAGING**

The generator is solely responsible for properly segregating, packaging and labeling of regulated medical waste. Proper segregation and packaging reduces the potential for accidental release of the contents and exposure to employees and the general public. DOT regulations require (49 CFR 173.197) that all packages of regulated medical waste be prepared for transport in containers meeting the following requirements: 1) rigid; 2) leak resistant; 3) impervious to moisture; 4) of sufficient strength to prevent tearing or bursting under normal conditions of use and handling; 5) sealed to prevent leakage during transport; and 6) puncture resistant for sharps. All regulated medical waste must be accompanied by a properly completed shipping document (See 49 CFR 172.202).

### **MANAGEMENT OF NON-CONFORMING WASTE**

As required by regulation and company policy, Stericycle employees may refuse containers that are non-conforming because of their contents or are improperly packaged, leaking, damaged or likely to create a risk of exposure to employees or the general public. Any non-conforming waste identified in route to or at a Stericycle location may be returned to the generator for proper packaging or disposal. Proper segregation and packaging is essential to ensure compliant and safe handling, collection, transportation and treatment of regulated medical waste.

## STERICYCLE REGULATED MEDICAL WASTE ACCEPTANCE POLICY CHECKLIST

ACCEPTED REGULATED MEDICAL WASTE
<ul style="list-style-type: none"> <li>• Sharps - Means any object contaminated with a pathogen or that may become contaminated with a pathogen through handling or during transportation and also capable of cutting or penetrating skin or a packaging material. Sharps includes needles, syringes, scalpels, broken glass, culture slides, culture dishes, broken capillary tubes, broken rigid plastic, and exposed ends of dental wires.</li> <li>• Regulated Medical Waste or Clinical Waste or (Bio) Medical Waste - Means a waste or reusable material derived from the medical treatment of an animal or human, which includes diagnosis and immunization, or from biomedical research, which includes the production and testing of biological products.</li> </ul>
ACCEPTED REGULATED MEDICAL WASTE WHICH MUST BE IDENTIFIED AND SEGREGATED FOR INCINERATION
<ul style="list-style-type: none"> <li>• Trace Chemotherapy Contaminated Waste - RCRA Empty drug vials, syringes and needles, spill kits, IV tubing and bags, contaminated gloves and gowns, and related materials as defined in applicable laws, rules, regulations or guidelines</li> <li>• Pathological Waste - Human or animal body parts, organs, tissues and surgical specimen (decanted of formaldehyde, formalin or other preservatives as required per hazardous waste rules).</li> <li>• Non-RCRA Pharmaceuticals - Must be characterized and certified as non-RCRA hazardous material by the generator. <b>Excludes</b> all DEA scheduled drugs, including controlled substances*</li> <li>• <b>California Only</b> - Solidified Suction Canisters - Suction canisters that have been injected with solidifier materials to control liquids or suction canisters made of high heat resistant plastics such as polysulfone</li> </ul>
REGULATED MEDICAL WASTE NOT ACCEPTED BY STERICYCLE
<ul style="list-style-type: none"> <li>• Untreated Category A Infectious Substances</li> <li>• RCRA Hazardous Pharmaceutical Waste and all DEA controlled drugs, including controlled substances*</li> <li>• Chemicals - Formaldehyde, formalin, acids, alcohol, waste oil, solvents, reagents, fixer developer</li> <li>• Hazardous Waste - Drums or other containers with a hazard warning symbol, batteries and other heavy metals</li> <li>• Radioactive Waste - Any container with a radioactivity level that exceeds regulatory or permitted limits; lead-containing materials</li> <li>• Complete Human Remains (including heads, full torsos, and fetuses)</li> <li>• Bulk Chemotherapy Waste</li> <li>• Compressed Gas Cylinders, Canisters, Inhalers and Aerosol Cans</li> <li>• Any Mercury Containing Material or Devices - Any mercury thermometers, Sphygmomanometers, lab or medical devices</li> <li>• Mercury-Containing Dental Waste - Non-contact and contact amalgam and products, chairside traps, amalgam sludge or vacuum pump filters, extracted teeth with mercury fillings and empty amalgam capsules</li> </ul>

*\*Consult Stericycle Representative for specific requirements*

*Additional waste acceptance policies may apply based on state or permit specific requirements. Hazardous waste transportation services may be offered in certain geographical locations, under separate contract. Please refer to your local Stericycle Representative for additional information and options for possible hazardous waste handling. For additional information on container and labeling requirements contact our Stericycle Customer Service Department at (866) 783-7422.*

## ATTACHMENT 2 - Per Invoice Energy Charge

Stericycle uses an index-based surcharge that is adjusted monthly. Changes to the surcharge will be effective the first business day of each month. The surcharge will be based on the National U.S. Average 'On Highway' Diesel Fuel Price reported by the U.S. Department of Energy for the prior month to the adjustment.

The prices on these indexes are published by the U.S. Dept. of Energy and Stericycle is not responsible for the information provided.

Stericycle Energy Charge Table (prices per gallon)		
At Least	But Less Than	Surcharge
0	\$2.75	5.8%
\$2.76	\$3.00	6.3%
\$3.01	\$3.25	6.9%
\$3.26	\$3.50	7.4%
\$3.51	\$3.75	7.9%
\$3.76	\$4.00	8.5%
\$4.01	\$4.25	9.0%
\$4.26	\$4.50	9.6%
\$4.51	\$4.75	10.1%
\$4.76	\$5.00	10.7%
\$5.01	\$5.25	11.2%
\$5.26	\$5.50	11.7%
\$5.51	\$5.75	12.3%
\$5.76	\$6.00	12.8%

Table will continue using the same methodology as illustrated above for Diesel prices in excess of \$6.01 Stericycle reserves the right to update or modify the fuel table without prior notice

## **Addendum to Customer Service Agreement**

- This is the Addendum text for any changes to the GPO terms (Free Form or Copy and Paste)





Stericycle®

**MedAssets Exhibit D****Master Service Agreement****Billing Information:**

Customer/Company Name: County of San Mateo Billing Attention: Accounts Payable  
 Customer Address 1: 222 W. 39<sup>th</sup> Avenue Billing Name: San Mateo Medical Center  
 Customer Address 2: \_\_\_\_\_ Contact Phone #: 650-573-3739  
 City / State / Zip: San Mateo, CA 94403 Contact Fax #: \_\_\_\_\_  
 Contact Title: Facilities Service Manager Contact Email: nirrinki@smcgov.org

This Agreement is entered into, and effective as of 03-01-14 MedAssets Member and (hereinafter referred to as Customer), for itself and on behalf of any of its operating subsidiaries and Stericycle, Inc., a Delaware Corporation having a principal place of business at 28161 N. Keith Dr., Lake Forest, Illinois 60045 (hereinafter referred to as "Stericycle").

Services to be Provided		
<b>Regulated Medical Waste Disposal</b> Treatment and disposal of medical and Bio-hazardous waste	<b>X Sharps Disposal Management</b> Comprehensive proactive sharps disposal service with reusable containers	<b>Integrated Waste Stream Solutions</b> All-encompassing on-site waste stream management services
<b>Pharmaceutical Waste Disposal</b> Help characterize, segregate, transport and properly dispose of pharmaceutical waste	<b>Hazardous Waste Disposal</b> Environmentally sound and flexible solution for all hazardous waste streams	<b>Medical Product Supplies -</b> On-demand product/supplies containers or Mail Back auto replenishment
Service Details are referenced in Corresponding Attachments included herein.		

**Agreement Effective Date:** 03-01-14**Master Agreement ID:** MedAssets MS00398 Exhibit 2**Terms of Agreement** 36 Month

See Master Agreement ID (The Master) for services between the Customer and Supplier. The execution of this Customer Agreement constitutes the Customer's agreement to participate in this Agreement. All capitalized terms not defined in this Customer Agreement will survive the term of the GPO agreement. The Members obligation and responsibilities under the Agreement are set forth. The Member shall agree to be bound by and shall comply with all applicable provisions of the Agreement, which is incorporated by reference.

**Stericycle, Inc.****Customer**

Service Provider Name: STERICYCLE INC Customer/ Company Name: County of San Mateo  
 Representative Name: JR ROBERTS Signee Name: Narsimha Irrinki  
 Representative Title: Regional Integrated accounts Signee Title: Facilities Service Manager  
 Date: 3/13/2014 Date: 3/13/14  
 Signature: \_\_\_\_\_ Signature: \_\_\_\_\_

By signing above I acknowledge that I am the Customer's authorized officer or agent and that I have the authority to bind Customer to this agreement. Customer agrees to be bound by the terms and conditions that appear on the following pages hereof and comply with Stericycle's Waste Acceptance Policy, both of which are integral parts of this agreement.

**STERICYCLE USE ONLY**

Type of Agreement: \_\_\_\_\_ Affiliation Code: \_\_\_\_\_ LQ Record #: \_\_\_\_\_  
 Purchase Order #: \_\_\_\_\_ From:   /  /   To:   /  /   Segment Code: \_\_\_\_\_ LQ Contract #: \_\_\_\_\_

## ATTACHMENT 1

### MEMBER'S RESPONSIBILITIES

- A. Term.** The term of this Letter of Participation shall expire 36 months from the first day of execution of agreement.
- B. Protection to Vendor's Information.** Except as set forth in the MedAssets Agreement the Member must not in any manner disclose any business or technical information relating to this Sharps Management Services Agreement, including pricing, length of term, or services.
- C. Agreement Confidential.** The Member must not disclose the terms of this Sharps Management Services Agreement to any other person or entity other than as required by law or as permitted under the MedAssets Agreement.
- D. Member Indemnification of Vendor.** Each Member shall indemnify, defend, and hold Vendor and its affiliates, officers, directors, and agents harmless from and against all damages, claims, or other losses to the extent arising out of a breach of this Sharps Management Services Agreement by the Member. This indemnity must include provision of a defense to any third-party claims arising out of a breach of this Sharps Management Services Agreement. The Member must pay the indemnification (including the legal costs) upon final disposition of the action, suit or proceeding. This indemnification does not extend to any claims or portion of the loss attributable to the intentional or negligent acts or negligent omissions of the Vendor, its employees or agents.
- E. Collection of Waste.**
1. Sorting Waste Streams – Member and its employees and agents shall only place Sharps Waste in the containers. Member will make the containers accessible for pick-up on the pick-up dates and in the locations specified or agreed. Sharps Waste does not include any hazardous or radioactive waste, cytotoxic drugs or antineoplastic agents, bulk blood or liquid or any waste or other material not falling within the definition of regulated medical waste to the extent such regulations specify Sharps Waste "Non-Conforming Waste". The Member will be responsible for segregating all waste in accordance with federal, state, and local regulations. Vendor may at its discretion refuse to collect any Non-Conforming Waste or containers it reasonable suspects may contain Non-Conforming Waste.
  2. NIOSH Optimal Installation Height - Vendor is committed to providing the most current compliant services. Vendor complies with the current NIOSH Optimal Installation Height recommendations for the installation of sharps containers. The Member may choose to select heights outside of the recommendations but must notify Vendor prior to installation.
  3. Title to Waste. Title to Sharps Waste and other Regulated Medical Waste (other than Non-Conforming Waste) shall transfer to and vest in Stericycle at such time as such waste is loaded onto Stericycle vehicles. Member shall have title to the Sharps Waste and other Regulated Medical Waste at all prior times. Member shall hold title to any Non-Conforming Waste at all times, whether refused for collection, returned to the Member for proper disposal after collection or otherwise disposed of in accordance with Member's instructions or arrangements.
- F. Payment Terms.**
- Payment terms are net 30 days.
- G. Licensed Equipment.** All containers and other equipment furnished by Vendor to Member ("Sharps Equipment") are provided pursuant to a License as more fully described below:
1. License Grant - Vendor grants to Member, as Licensee, under intellectual and personal property rights, and Licensee hereby accepts, a non-exclusive, non-transferable, revocable, non-sublicenseable right and license, during the Term and subject to payment of the applicable Fees, to use the Vendor equipment solely and exclusively for the purpose of Sharps Management Services on the Premises.
  2. Terms and Restriction of Use - The Licensee is permitted to use the Sharps Equipment exclusively in conjunction with Vendor Sharps Management Services. Licensee may not, directly or indirectly, allow any other person to use or access the Sharps Equipment, and may not, directly or indirectly, use or permit the use of Sharps Equipment for any purpose other than Vendor Sharps Management Services. Without limiting the foregoing, Licensee is expressly prohibited from selling, renting, sublicensing, leasing or otherwise making available the Sharps Equipment for any purpose including but not limited to, reverse engineering, disassembling, or outsourcing for the benefit of any third parties, except to the extent otherwise expressly permitted by applicable law; or
    - (a) Notices of Unauthorized Use or Alleged Infringement - Licensee agrees to notify Vendor immediately if it becomes aware of any unauthorized use of the Sharps Equipment provided to Licensee under this Sharps Management Services Agreement and of the specific details of such unauthorized use.

(b) Reservation of Rights. - Any use of the Sharps Equipment not specifically permitted by this Sharps Management Services Agreement or the MedAssets Agreement is expressly prohibited. All rights not expressly granted hereunder by Vendor are expressly reserved by Vendor or its licensors, and no other license or right is granted to Licensee by implication, estoppel or otherwise.

**H. Emergency Procedures.** If an emergency occurs while a Vendor's employee, agent or subVendor is on the premises of a Member's facility, the Member must make emergency services available to the person or persons, including first aid to the same extent that those emergency services would be available to a Member's regular employee, agent or subVendor at the same facility.

**I. Termination of Purchasing Partners Agreement.** Should the above referenced MedAssets Agreement expire or be terminated for any reason Member agrees to assume the contractual obligations of said Sharps Management Services Agreement for the term specified in Paragraph A of this Letter of Participation.

**J. Fee for Services.**

Monthly Fee \$\_(See Pricing Section)\_

Annual Fee \$\_(See Pricing Section)\_

1. Price Protection – Service fees shall remain in effect until each anniversary date of a Member's inception of service; thereafter service fees shall increase by a maximum of 4% or CPI-U (whichever is lower). First P/I for 36-month agreement is 12 months; First P/I for 60-month agreement is 18 months.

2. Per Invoice Energy Surcharge – See Energy Surcharge Table, Attachment 2

3. Additional container locations or volumes added to the Member's premises will result in increased monthly Service Fees of \$8.00 for each two (2), three (3) or four (4) gallon container, \$12.00 for each eight (8) gallon container and \$24.00 for each seventeen (17) gallon container. Additional container locations must be authorized by the Member in writing.

4. If Member breaches this Sharps Management Services Agreement by terminating Vendor's collections, without proper notice prior to the expiration of its Term or in any other way violates this Sharps Management Services Agreement in such a way that Vendor's continued performance is rendered impossible or commercially impracticable, then, in addition to any rights and remedies Vendor may have at law or in equity, Vendor shall be entitled to collect from Member an amount in liquidated damages equal to 50% of Member's average charge on a monthly basis based on the 12 months' billings prior to the cessation of collections (or based on any lesser period if the contract began less than twelve months earlier) times the number of months, including prorated partial months, remaining until the expiration date of the Term or Extension Term. Member hereby acknowledges that Vendor's damages resulting from the premature termination of collections are impossible of estimation, and include lost profits, inefficiencies resulting from route changes and reduced treatment plant throughput, increased administrative overhead, unrecoverable sunk training/instruction costs, and other elements of injury, and acknowledges further that the foregoing charge is reasonable and is not a penalty.

**K. Failure To Return Equipment.** All special function items including Funnel Tops, Traps, and Floor Dollies, will be supplied by Vendor as needed. Member will be responsible for all replacement charges for equipment not returned to Vendor in usable condition upon expiration or termination of this Sharps Management Services Agreement or for replacement of equipment destroyed, damaged or discarded by Member during any Term of this Sharps Management Services Agreement. Replacement costs on the date of this Sharps Management Services Agreement are listed below:

Cabinet for 3 Gallon Sharps Container.....	\$28.00
Cabinet for 2 Gallon Sharps Container.....	\$28.00
Cabinet for 4 Gallon Sharps Container.....	\$38.00
Plastic, Wall Mount for 2, 3 & 4 gal Sharps Container.....	\$20.00
Wall Bracket for 8 Gallon Sharps Container.....	\$38.00
Stability Base for 2 & 3 Gallon Sharps Container.....	\$20.00
Wire Dolly for 8 Gallon Sharps Container.....	\$48.00
Wire, Step-On Dolly for 8 Gallon Sharps Container.....	\$58.00
Black Dolly for 17 Gallon Sharps Container.....	\$58.00
Wire, Step-On Dolly (Slide Top) for 17 Gallon Sharps Container.....	\$68.00
Wire, Step-On Dolly (Hamper Lid) for 17 Gallon Sharps Container.....	\$68.00

4 Gallon Sharps Container.....	\$28.00
3 Gallon Sharps Container.....	\$22.00
2 Gallon Sharps Container.....	\$22.00
8 Gallon Sharps Container.....	\$28.00
17 Gallon Sharps Container.....	\$48.00
Transport Carts.....	\$850.00
Cart Cover.....	\$58.00

## Service Locations

Customers Locations, Serviced by Stericycle Under this Agreement

Account #	Site #	Location Name	Address	City	ST	Zip Code	Service Frequency	Pricing Structure
6092601	004	San Mateo Med Center	222 W. 39 <sup>th</sup> Ave	San Mateo	CA	94403		

## Future Service Locations

Customer Locations to be Serviced by Stericycle

Location Name	Address	City	ST	Zip Code	Estimated Start Date

# STERICYCLE REGULATED MEDICAL WASTE ACCEPTANCE POLICY

## 1. ACCEPTED WASTE

**Sharps** – means any object contaminated with a pathogen or that may become contaminated with a pathogen through handling or during transportation and also capable of cutting or penetrating skin or a packaging material. Sharps include needles, syringes, scalpels, broken glass, culture slides, culture dishes, broken capillary tubes, broken rigid plastic and exposed ends of dental wires.

**Regulated Medical Waste** – means a waste or reusable material derived from the medical treatment of an animal or human, which includes diagnosis and immunization or from biomedical research which includes production and testing of biological products.

## 2. ACCEPTED WASTE WHICH MUST BE IDENTIFIED AND SEGREGATED FOR INCINERATION\*:

**Trace-Chemotherapy Contaminated Waste** – RCRA Empty drug vials, syringes and needles, spill kits, IV tubing and bags, contaminated gloves and gowns, and related materials as defined in applicable laws, rules, regulations, or guidelines.

**Pathological Waste** – Human or animal body parts, organs, tissues, and surgical specimens (decanted of formaldehyde, formalin, or other preservatives).

**Non-RCRA Hazardous Pharmaceuticals** – Must be characterized and certified as non-RCRA hazardous material by the generator. Consult Stericycle Representative for specific requirements. (excludes all DEA drugs including controlled substances)

\*Certain conditions may apply. Please speak with Sales representative for additional information.

## 3. WASTE NOT ACCEPTED BY STERICYCLE:

Ø **Untreated Category A Infectious Substances**

Ø **RCRA Hazardous Pharmaceutical Waste**

Ø **Chemicals** – Formaldehyde, formalin, acids, alcohol, waste oil, solvents, reagents, fixer, developer

Ø **Hazardous Waste** – Drums or other containers with a hazard warning symbol, batteries, and other heavy metal

Ø **Radioactive Waste** – Any container with a radioactivity level that exceeds regulatory or permitted limits; lead-containing material

Ø **Complete Human Remains**

Ø **Bulk Chemotherapy Waste**

Ø **Compressed Gas Cylinders, Canisters, Inhalers, and Aerosol Cans**

Ø **Any Mercury-Containing Material or Devices** – Any mercury thermometers, sphygmomanometers, laboratory or medical device

Ø **Mercury-Containing Dental Waste** – Non-contact and contact amalgam and products, chair side traps, amalgam sludge or vacuum pump filters, extracted teeth with mercury fillings, and empty amalgam capsules

4. **Additional Policies.** Additional waste acceptance policies may apply based on state or permit specific requirements. In addition the Waste Acceptance Policy may be updated as required by changes in regulation. It is the responsibility of the customer to obtain the most recent Waste Acceptance Policy by contacting our Customer Service Department at (866) 338-5120.

5. **Customer Indemnification of Supplier.** Each Customer must indemnify, defend, and hold Supplier and its affiliates, officers, directors, and agents harmless from and against all damages, claims, or other losses to the extent arising from a breach of this Agreement by the Customer. This indemnity must include provision of a defense to any third-party claims and the advance of costs related to this defense, but does not extend to any portion of the loss due to a Customer's negligence or willful misconduct.

## ATTACHMENT 2 - Per Invoice Energy Charge

Stericycle uses an index-based surcharge that is adjusted monthly. Changes to the surcharge will be effective the first business day of each month. The surcharge will be based on the National U.S. Average 'On Highway' Diesel Fuel Price reported by the U.S. Department of Energy for the prior month to the adjustment.

The prices on these indexes are published by the U.S. Dept. of Energy and Stericycle is not responsible for the information provided.

Stericycle Energy Charge Table (prices per gallon)		
At Least	But Less Than	Surcharge
0	\$2.75	5.8%
\$2.76	\$3.00	6.3%
\$3.01	\$3.25	6.9%
\$3.26	\$3.50	7.4%
\$3.51	\$3.75	7.9%
\$3.76	\$4.00	8.5%
\$4.01	\$4.25	9.0%
\$4.26	\$4.50	9.6%
\$4.51	\$4.75	10.1%
\$4.76	\$5.00	10.7%
\$5.01	\$5.25	11.2%
\$5.26	\$5.50	11.7%
\$5.51	\$5.75	12.3%
\$5.76	\$6.00	12.8%

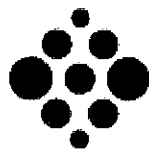
Table will continue using the same methodology as illustrated above for Diesel prices in excess of \$6.01 Stericycle reserves the right to update or modify the fuel table without prior notice



## **Addendum to Customer Service Agreement**

- This is the Addendum text for any changes to the GPO terms (Free Form or Copy and Paste)

**MedAssets Attachment E**



**Stericycle®**

Protecting People. Reducing Risk.™

***Stericycle Inc., Pharmaceutical Waste Compliance Services Agreement***

<b>Service Address</b>		<b>Billing Address (If Different)</b>	
Name <u>County of San Mateo</u>		Name _____	
Address <u>222 W. 39<sup>th</sup> Avenue</u>		Address _____	
<b>Accounts Payable</b>			
City/State/Zip <u>94403</u>		City/State/Zip _____	
Phone (650) <u>573-3739</u> Ext _____	Fax ( ) _____	Phone ( ) _____ Ext _____	Fax ( ) _____
Contact <u>Narsimha Irrinki</u>	Title <u>Facilities Service Manager</u>	Contact _____	Title _____

**Effective Date:** 03/01/14      **Term:** 36 months x 60 months

**Price Increases:** The lesser of 4% or CPI-U

**Rate Structure:** See Exhibit A (All applicable state taxes and or fees will be assessed separately)

By signing below, I acknowledge that I am Member's authorized officer or agent and have the authority to bind Member to this agreement. Member agrees to be bound by the terms and conditions that appear on the second page hereof and comply with Stericycle's Waste Acceptance Policy, both of which are integral parts of this Pharmaceutical Waste Compliance Services Agreement.

**Stericycle**  
Signature: \_\_\_\_\_  
Name \_\_\_\_\_  
Printed: JR ROBERTS  
Title: Regional Account  
Date: 3/13/2014

**Member**  
Signature: \_\_\_\_\_  
Name Printed: Narsimha Irrinki  
Title: Facilities Service Manager  
Date: 3/13/14

This offer Will Expire on: **60 days from submission to Member**

Sales Person \_\_\_\_\_ **STERICYCLE USE ONLY – Complete Full Form Term of Agreement 36 Months Territory/ BOB :**

Tax Exempt: ☐ Product Only ☐ Service Only ☐ Both If YES, ID # \_\_\_\_\_ (copy must accompany paperwork)

Purchase Order (if applicable) # \_\_\_\_\_ From \_\_\_\_/\_\_\_\_/\_\_\_\_ to \_\_\_\_/\_\_\_\_/\_\_\_\_ Affiliation Code \_\_\_\_\_

**Routing Information (Operations Department):**

Inventory – Container Type \_\_\_\_\_ Qty \_\_\_\_\_ Container Type \_\_\_\_\_ Qty \_\_\_\_\_ None ☐

Route # \_\_\_\_\_ Cycle Begins Date \_\_\_\_/\_\_\_\_/\_\_\_\_ Day of Service ☐ M ☐ T ☐ W ☐ Th ☐ F

Service Area / District # \_\_\_\_\_ Routing Comments (40 char. max) \_\_\_\_\_

Service Hour Comments \_\_\_\_\_ Lunch Hour \_\_\_\_\_ Trailer Account: \_\_\_\_\_ No

MedAssets Supply Chain Systems, LLC, a Delaware limited liability company ("MedAssets") and Stericycle, Inc. ("Stericycle" or "Vendor") have entered into a group-purchasing Agreement for Waste Management Services, effective January 1, 2010 (the "MedAssets Agreement") for the benefit of certain third-party beneficiaries (the "Members," as further defined in the MedAssets Agreement). The MedAssets Agreement expressly incorporates this Pharmaceutical Waste Compliance Services Agreement. Vendor offers the services described in this Pharmaceutical Waste Compliance Services Agreement pursuant to the MedAssets Agreement, and this Pharmaceutical Waste Compliance Services Agreement is subject to the terms and conditions of the MedAssets Agreement. In the event of a conflict between a term or condition in this Pharmaceutical Waste Compliance Services Agreement and a term or condition in the MedAssets Agreement, the MedAssets Agreement controls.

## **TERMS AND CONDITIONS**

- 1.0 **Description of Services.** The Services are described with greater particularity in the corresponding Exhibits. The descriptions in each Exhibit corresponding to the Services are incorporated herein by reference. Any description corresponding to a Service that is not selected above shall be deemed excluded from this Pharmaceutical Waste Compliance Services Agreement even if not physically removed from the Parties' copies. Member acknowledges that it has carefully reviewed each Exhibit corresponding to the Services and agrees that it adequately identifies the Services to be performed.

### **Prices and Payments**

- 2.0 **Price.** The price for each Stericycle performance item comprising each Service is set forth in the corresponding Exhibit. If this Pharmaceutical Waste Compliance Services Agreement is not executed within sixty days of Effective date of Pharmaceutical Waste Compliance Services Agreement, quoted prices are null and void.
- 2.1 **Price Changes.** Vendor may adjust the contract price no more than 4% or CPI-U (whichever is lower) on an annual basis to cover increases in the cost of containers and related equipment, insurance, or residue disposal, or to otherwise address cost escalation. Additionally, Vendor may adjust the Rate Structure (i) to account for operational changes it implements to comply with changes in law, regulatory changes, in the waste treatment location, or to otherwise cover unforeseen, significant cost escalation. 36 Month agreement, Price Increase applied at first 12 months, then each subsequent one-year anniversary date. 60 Month agreement, first Price Increase applied at first 18 months, then each subsequent one-year anniversary date. STERICYCLE has instituted a per invoice energy surcharge to manage and isolate the impact of Diesel fuel price fluctuations. The energy surcharge is based on the U.S. 'On Highway' Diesel Price Index. A table outlining the Energy Surcharge can be found on Exhibit C of this Pharmaceutical Waste Compliance Services Agreement.
- 2.2 **Billing and Payment.** Stericycle shall invoice Member for all Services performed. Payment is due in full within 30 days of the receipt of the invoice by Member, and delinquent payments shall bear interest at the lesser of 1.5% per month or the maximum rate allowed by applicable law.

### **Term and Termination**

- 3.0 **Term and Extension Term(s).** This Pharmaceutical Waste Compliance Services Agreement shall be for an initial term of 36 months upon execution of agreement. This Pharmaceutical Waste Compliance Services Agreement shall automatically renew for successive terms of one year each ("Extension Terms") unless either party has notified the other party in writing during the sixty (60) day period prior to any such renewal date of its desire to terminate this Pharmaceutical Waste Compliance Services Agreement. All Extension Terms shall be subject to the same terms and conditions as this original Pharmaceutical Waste Compliance Services Agreement.
- 3.1 **Termination Prior to Expiration.**
- (a) If Member breaches this Pharmaceutical Waste Compliance Services Agreement by terminating Stericycle's collections, without proper notice set forth in Section 3.1 (b) below prior to the expiration of its Term or in any other way violates this Pharmaceutical Waste Compliance Services Agreement in such a way that Stericycle's continued performance is rendered impossible or commercially impracticable, then, in addition to any rights and remedies Stericycle may have at law or in equity, Stericycle shall be entitled to collect from Member an amount in liquidated damages equal to 50% of Member's average charge on a monthly basis based on the 12 months' billings prior to the cessation of collections (or based on any lesser period if the contract began less than twelve months earlier) times the number of months, including prorated partial months, remaining until the expiration date of the Term or Extension Term. Member hereby acknowledges that Stericycle's damages resulting from the premature termination of collections are impossible of estimation, and include lost profits, inefficiencies resulting from route changes and

reduced treatment plant throughput, increased administrative overhead, unrecoverable sunk training/instruction costs, and other elements of injury, and acknowledges further that the foregoing charge is reasonable and is not a penalty.

(b) Cancellation with cause for non-performance: In the event either party fails to perform according to the terms and conditions outlined in this Pharmaceutical Waste Compliance Services Agreement, written notice shall be provided to the other which outlines the performance issue(s) in question. In the event resolution is not achieved within 60 days of notice, either party shall have the right to terminate this Pharmaceutical Waste Compliance Services Agreement without penalty with an additional 10 day notice by certified mail to the other.

(c) Stericycle shall have the right to terminate this Pharmaceutical Waste Compliance Services Agreement at any time by giving Member at least sixty (60) days notice in the event that it is unable to continue performing its obligations under this Pharmaceutical Waste Compliance Services Agreement due to the suspension, revocation, cancellation or termination of any permit or required to perform this Pharmaceutical Waste Compliance Services Agreement or in the event that a change in any law, regulation or ordinance makes it impractical or uneconomical, in Stericycle sole discretion, to continue performing this Pharmaceutical Waste Compliance Services Agreement.

- 3.2 **Survival of Obligations.** Section 6 (Allocation of Risk; Insurance) shall survive expiration or termination of this Pharmaceutical Waste Compliance Services Agreement.

#### **Exclusivity and Extent of Services**

- 4.0 Stericycle shall be the exclusive provider of Services to Member at all Acute Care Member locations and facilities with respect to the range of services provided under this Pharmaceutical Waste Compliance Services Agreement, provided that if there are any exceptions to exclusivity with respect either to locations and facilities, or Services, or if there are any Member locations or facilities not subject to this Pharmaceutical Waste Compliance Services Agreement (Excluded Locations), they shall be listed in Exhibit B. Member shall provide Stericycle with a list of all of its facilities that generate Pharmaceutical Waste and shall promptly notify Stericycle of any additions or deletions to the current service list of Member locations. Member shall advise all locations and facilities (other than Excluded Locations) of Stericycle's exclusive status with respect to the Services. All hazardous and non-hazardous Pharmaceutical Waste generated by all Member Acute Care facilities will be collected, transported, and disposed of exclusively by Stericycle or Stericycle's subVendors.

#### **Compliance with Laws and Regulations**

- 5.0 **Laws and Regulations.** Each Party shall comply with all federal, state, and local statutes, regulations, agency rulings, local ordinances, and other laws applicable to their activities. Stericycle shall acquire and maintain all necessary permits, licenses, and other federal, state or local authorizations required to perform the Services and will furnish copies of these to Member upon request. Member shall acquire and maintain all necessary permits, licenses, and other federal, state, or local authorizations required with respect to any of its facilities using the Services and will furnish copies of these to Stericycle upon request.
- 5.1 **Recordkeeping.** Each Party shall maintain complete and accurate books and records in compliance with all recordkeeping, documentation, and manifesting requirements of applicable law, and in any case such books and records shall be sufficient to permit the parties to perform their obligations under this Pharmaceutical Waste Compliance Services Agreement. The books and records shall include, but may not be limited to, inventories, personnel records, correspondence, instructions, plans, receipts, vouchers, copies of manifests and tracking records and any other records or reports or memoranda consistent with and for the periods required by applicable regulatory requirements and guidelines pertaining to storage, handling, transportation, transfer, and destruction of pharmaceutical products.
- 5.2 **Audits.** Stericycle shall cooperate with all audits conducted or performed by Member to enable Member to ensure compliance with applicable laws and regulations and the terms of this Pharmaceutical Waste Compliance Services Agreement. Member shall give Stericycle reasonable notice of its desire to audit Stericycle's performance. Stericycle shall give Member reasonable, prompt, and complete access to its books, records, and employees necessary for Member to complete the audit. Such audits may take place no more frequently than once annually (measured by the year between successive anniversaries of the Effective Date) unless audits are required more frequently by any applicable law or regulation, or unless Stericycle consents. Member shall disclose the results of its audits to Stericycle to enable Stericycle to confirm its regulatory and contract compliance and to ensure Members continued satisfaction with the Services. Stericycle reserves the right to audit Member waste and programs to ensure compliance. Stericycle will provide reasonable time and notice to Member for audit.

#### **Allocation of Risk; Insurance**

6.0 **Allocation of Risk.** Unless the parties otherwise agree in writing in any particular case:

(a) **Pharmaceutical Waste and Third-Party Claims.** As between Member and Stericycle, Member shall be solely liable for all Losses to third parties (including Stericycle personnel or Stericycle's agents) caused by the handling, storage, transport, possession, ingestion, application, or other use of Pharmaceutical Waste until such time, if any, as it is accepted by Stericycle for disposal, as evidenced by the signature of Stericycle's representative, at which point Stericycle shall be solely liable for such Losses unless cause of such losses were due to improper packaging, marking or handling by the Member. These risk-of-loss provisions may be enforced by a claim for indemnification by the party not having the risk of loss hereunder in an action brought against such Party by a third party claimant, and the Party not having the risk of loss. This provision is not intended to impose upon the party bearing the risk of loss hereunder the additional duty to defend a third-party claim brought against the Party not having the risk of loss, but it may assume such duty if the Parties so agree.

(b) **Other Third-Party Claims.** As between Member and Stericycle, the allocation of loss respecting a Party's Losses caused by other third-party claims shall be provided by the state whose law applies to the substance of the third-party claim.

6.1 **Cooperation.** The parties shall reasonably cooperate in responding to or defending against any third-party claims.

6.2 **Insurance.**

(a) **Inter-Party Agreements.** Any agreement between the Parties respecting a loss or third-party claim may include as parties their respective insurers.

(b) **Assignment.** Either Party may assign its right to indemnity (or, if state law so provides, contribution) (whether contractual, common-law, or statutory) to its insurer.

(c) **Insurance Required.** Each Party shall maintain general liability insurance in amounts ordinary and customary for their respective lines of business and level of activity.

#### **Use of SubVendors**

7.0 **Use of SubVendors.** Stericycle may perform any of its obligations under this Pharmaceutical Waste Compliance Services Agreement through subVendors. Stericycle shall remain primarily liable to Member for the performance of all such obligations. Stericycle shall use due care in the selection and supervision of subVendors.

#### **Proprietary Waste Characterization**

8.0 **Proprietary Waste Characterization**

Stericycle's Waste Characterization software, processes, protocols data, reports, and other related intellectual property is proprietary and confidential and shall remain the property of Stericycle. Member agrees not to disclose Stericycle's proprietary and confidential waste characterization software, processes, protocols, reports, or data except on a need to know basis only for Member's employees whose job function requires access and use of the data. Member agrees that any disclosure by Member or Member's employees of Stericycle's proprietary and confidential Waste Characterization software, processes, protocols, data, reports and other related intellectual property is a breach of this Pharmaceutical Waste Compliance Services Agreement and will cause Stericycle irreparable harm.

#### **General**

9.0 **Amendment.** This Pharmaceutical Waste Compliance Services Agreement, together with its Exhibits, may be amended only by a writing signed by the Parties expressly described as an amendment to this Pharmaceutical Waste Compliance Services Agreement.

9.1 **Effect of Exhibits.** The Exhibits are incorporated by reference in this Pharmaceutical Waste Compliance Services Agreement. In the event of inconsistent provisions, the Exhibits shall control this Pharmaceutical Waste Compliance Services Agreement.

9.2 **Independent Vendor.** The relationship hereby established between Stericycle and Member is solely that of independent Vendors and this Pharmaceutical Waste Compliance Services Agreement shall not create an agency, partnership, joint venture or employer/employee relationship, and nothing hereunder shall be deemed to authorize

either Party to act for, represent or bind the other except as expressly provided in this Pharmaceutical Waste Compliance Services Agreement.

- 9.3 **HIPAA.** This Pharmaceutical Waste Compliance Services Agreement in no way implicates the operation or application of the Health Insurance Portability and Accountability Act of 1996 (HIPAA), and the Parties are not Business Associates of one another as defined therein.
- 9.4 **Force Majeure.** No act or failure to act that is not in compliance with this Pharmaceutical Waste Compliance Services Agreement shall be deemed a breach hereof, and a Party's performance of this Pharmaceutical Waste Compliance Services Agreement may be temporarily suspended, if such act, failure to act, or suspension is proximately caused by: (a) lightning, storms, earthquakes, landslides, flood, washouts, or other acts of God; (b) fires, explosions, or breakage of or accidents to plant, machinery, equipment, or storage; (c) strikes, lockouts, or other labor disturbances; (d) civil disturbances, sabotage, war, terrorism, blockades, insurrections, vandalism, riots, or epidemics; (e) acts of any governmental agency (other than acts to enforce laws or regulations in effect as of the Effective Date) or military authority; (f) unavailability of utilities or transportation; or, (g) any other cause, whether enumerated herein or otherwise, that is not reasonably within the control of the Party claiming suspension, which by the exercise of commercially practicable efforts, such Party is unable to overcome. A Party's claiming suspension or relief under this Section shall take all practicable steps to overcome the force majeure and to limit its duration and severity, and such relief shall cease upon the cessation of the force majeure. Notwithstanding the foregoing, any Party's lack of finances for whatever reason (including but not limited to general economic conditions), or a Party's or industries or geographical areas general financial condition, shall in no event be, a force majeure.
- 9.5 **Assignment Prohibited.** Subject to Stericycle's right to use subVendors, neither Party shall assign this Pharmaceutical Waste Compliance Services Agreement without the prior written consent of the other, provided that either Party may assign this Pharmaceutical Waste Compliance Services Agreement without the others consent to a Party acquiring substantially all of the business or assets of such Party to which the performance of this Pharmaceutical Waste Compliance Services Agreement relates. Either Party may assign this Pharmaceutical Waste Compliance Services Agreement without the others approval to any wholly-owned subsidiary or to any company of which it is a wholly-owned subsidiary, provided that in the case of Member, the effect of such assignment is not to materially decrease the amount of business transacted under this Pharmaceutical Waste Compliance Services Agreement. No permitted assignment shall relieve the assignor from any liability under this Pharmaceutical Waste Compliance Services Agreement, and the assignor shall be deemed to have guaranteed the assignees full and prompt performance of all of its obligations.
- 9.6 **Severability.** If any provision of this Pharmaceutical Waste Compliance Services Agreement or the application thereof to any Party or circumstance shall to any extent be ruled invalid or unenforceable in any jurisdiction, that provision shall be severed from this Pharmaceutical Waste Compliance Services Agreement as to such jurisdiction (but, to the extent permit by law, not elsewhere), and shall not affect the remainder hereof.
- 9.7 **Notices.** All notices, communications, demands and payments required or permitted to be given or made pursuant to this Pharmaceutical Waste Compliance Services Agreement shall be in writing and sent by receipt by certified or registered mail, postage prepaid, overnight messenger service with proof of delivery, facsimile, or personal delivery. All notices sent by certified or registered mail shall be considered to have been given two business days after being deposited in the mail. All notices sent by overnight messenger service, facsimile, or personal delivery should be considered to have been given when actually received by the intended recipient. Either Party may change the address designated by notifying the other Party in writing. A Party giving notice shall send a notice to any changed address of the recipient of which it has actual knowledge, whether or not the recipient has given them notice of its changed address hereunder.
- 9.8 **Non-Waiver.** No waiver of any obligation or right of either Party shall be effective unless in writing, executed by the Party against whom it is being enforced. Any such waiver shall not preclude a Party from exercising any other right or later exercising the same right. No delay in seeking a remedy for breach hereunder shall be deemed a waiver of such remedy, nor does any waiver of any right under this Pharmaceutical Waste Compliance Services Agreement imply waiver of any other right or waiver of any remedy for any subsequent breach.
- 9.9 **Interpretation.** The headings contained in this Pharmaceutical Waste Compliance Services Agreement are inserted for convenience of reference only and shall not be a part, control or affect the meaning hereof. Ambiguities, if any, in this Pharmaceutical Waste Compliance Services Agreement shall not be construed against any Party which may have, or may be deemed or claimed to have, authored the provision claimed to be ambiguous. Where necessary to read the Pharmaceutical Waste Compliance Services Agreement in a sensible fashion, the singular shall include the plural, the masculine shall include the feminine and neuter genders, and the present shall include the past and future, in all cases vice versa.

- 9.10 **Choice of Law.** The interpretation and enforcement of this Pharmaceutical Waste Compliance Services Agreement shall be governed by the law of the state of Delaware, without reference to its conflict of laws rules, unless this Pharmaceutical Waste Compliance Services Agreement otherwise provides.
- 9.11 **Counterparts; Facsimile Signatures.** This Pharmaceutical Waste Compliance Services Agreement may be executed in counterparts, which together shall be deemed a single Instrument. This Pharmaceutical Waste Compliance Services Agreement may be executed through the exchange of faxed signature pages. Faxed signatures shall have the same effect as original signatures.

# STERICYCLE HAZARDOUS WASTE ACCEPTANCE POLICY

## ACCEPTED WASTE STREAMS:

- ✓ **RCRA Hazardous Pharmaceuticals** - Must be characterized and certified as RCRA hazardous by the generator and, be packaged and labeled for transportation in accordance with applicable US EPA, US DOT and State regulations. Consult Stericycle Representative for specific requirements.
- ✓ **Non-RCRA Hazardous Pharmaceuticals** - Must be characterized and certified as non-RCRA hazardous material by the generator. Consult Stericycle Representative for specific requirements.
- ✓ **Trace-Chemotherapy Contaminated Waste** - RCRA Empty drug vials, syringes and needles, spill kits, IV tubing and bags, contaminated gloves and gowns, and related materials as defined in applicable laws, rules, regulations, or guidelines.
- ✓ **Bulk Chemotherapy Waste** - Non-RCRA Empty drug vials, syringes and needles, spill kits, IV tubing and bags, contaminated gloves and gowns, and related materials as defined in applicable laws, rules, regulations, or guidelines. Must be characterized and certified as RCRA hazardous by the generator and, be packaged and labeled for transportation in accordance with applicable US EPA, US DOT and State regulations. Consult Stericycle Representative for specific requirements.
- ✓ **Universal Pharmaceutical Waste** - Must be packaged and labeled for transportation in accordance with applicable US EPA, US DOT and State regulations. Consult Stericycle Representative for specific requirements. *(NOTE: Only available in States where RCRA hazardous pharmaceuticals are defined as Universal Waste.)*
- ✓ **Universal Waste** - Non-pharmaceutical universal waste (batteries, light bulbs, etc.)
- ✓ **RCRA Hazardous Waste** - Must be characterized and certified as RCRA hazardous by the generator and, must be packaged and labeled for transportation in accordance with applicable US EPA, US DOT and State regulations. Consult Stericycle Representative for specific requirements.
  - **Chemicals** - Formaldehyde, formalin, acids, alcohol, waste oil, solvents, reagents, fixer, developer
  - **Hazardous Waste** - Drums or other containers with a hazard warning symbol, batteries, and other heavy metals
  - **Radioactive Waste** - Any container with a radioactivity level that exceeds regulatory or permitted limits; lead-containing materials
  - **Compressed Gas Cylinders, Canisters, Inhalers, and Aerosol Cans**
  - **Any Mercury-Containing Material or Devices** - Any mercury thermometers, sphygmomanometers, laboratory or medical devices
  - **Mercury-Containing Dental Waste** - Non-contact and contact amalgam and products, chairside traps, amalgam sludge or vacuum pump filters, extracted teeth with mercury fillings, and empty amalgam capsules

RCRA Hazardous waste will be transported for disposal by either a Stericycle-owned or Stericycle-contracted RCRA hazardous waste transporter.

Member is solely responsible for ensuring the proper segregation of non-RCRA hazardous waste. If any RCRA hazardous pharmaceutical or RCRA hazardous non-pharmaceutical waste is found in the non-RCRA hazardous waste stream, then Member will be solely responsible for all resulting costs associated with the clean-up, transportation, treatment, and disposal of the waste by a company or companies permitted to clean-up, transport, treat, and dispose of such Non-conforming Waste.

Additional waste acceptance policies may apply based on state or permit specific requirements. Hazardous waste transportation services may be offered in certain geographical locations, under separate contract. Please refer to your local Stericycle Representative for additional information. For additional information on container labeling requirements, contact our Member Service Department at (866) 783-7422.



## EXHIBIT A

# **STERICYCLE PHARMACEUTICAL WASTE COMPLIANCE PROGRAM**

Stericycle, your partner in the management of regulated medical waste, is committed to helping your facility implement regulatory compliant solutions for your Rx Waste disposal needs. Our Pharmaceutical Waste Compliance Program is a hospital-wide program that will minimize environmental impact and regulatory exposure from improper identification, collection, and disposal of pharmaceutical waste. Stericycle's comprehensive, turn-key service will provide County of San Mateo with the best possible management of risk and long term liability due to our financial strength, regulatory expertise, and commitment to environmentally sound solutions for compliance needs.

## **PHARMACEUTICAL WASTE COMPLIANCE SERVICES**

Stericycle shall provide pharmaceutical waste compliance services to County of San Mateo. These services shall include:

### ***Phase I: Rx Formulary Waste Characterization, Program Design & Start-Up***

#### **Rx Formulary Waste Characterization**

The Formulary Waste Characterization provides your facility with information necessary to be compliant with Federal EPA/RCRA and DOT regulations concerning identification, sorting, packaging, labeling, and documentation of RCRA hazardous and non-RCRA hazardous pharmaceutical waste.

Stericycle will utilize its proprietary database - based on National Drug Codes (NDC numbers) to characterize your facilities formulary to identify:

- EPA/RCRA defined hazardous pharmaceuticals
- U.S. DOT waste class per NDC numbered pharmaceutical

A binder with the Rx waste characterization data will be provided to you.

Typically, there are some NDC's in the hospital formulary that are not found in Stericycle's database (currently contains over 300,000 NDC's). These include NDC's that are:

- Not identified by an NDC number
- Identified by a Member designated NDC number
- Compounded drugs

These items will require research and analysis by Stericycle staff to complete the waste characterization. This service is included with the waste characterization.

## **Pharmaceutical Waste Program Design & Start-Up**

Stericycle will assist your facility in designing the program elements needed for an effective Rx Waste Compliance Program. The program design, implementation, and training consists of up to 20 hours and includes:

- Assist in establishing the internal labeling system for pharmaceuticals dispensed from the pharmacy in order to allow hospital staff to properly identify waste streams
- Identification and set-up of satellite accumulation areas / points of collection
- Evaluate the Member's current centralized hazardous waste storage area and make recommendations on the space requirements, material flow, and necessary equipment to establish a central accumulation area appropriate for the Member's Rx waste compliance needs
- Assist in establishing the internal logistics system for satellite container supply, transfer, and storage
- Stericycle will recommend to the Member a set of containers to be used in the satellite accumulation areas. This container system is designed to work with the internal labeling system for pharmaceuticals dispensed from the Member's pharmacy to make it simple for clinicians to follow and be in compliance.
- Rx Waste Compliance Program training materials to be provided via CD include:
  - Clinicians & EVS Power Point Training Presentations (separate presentations)
  - Clinician Study Guide, Q&A Sheet and Competency Quiz
  - Pharmacy, Nursing & EVS "Need to Know" Handouts
  - IV Drain Disposal Guidelines Poster
  - Disposal Container Poster
  - Modular Training Manual
- Modular Training Manual consists of a three-module, self-study course with separate modules for general hospital personnel, clinicians (pharmacists and nurses), and environmental personnel. .

### ***Phase II: On-site Segregation & Disposal***

Stericycle shall provide on-site pharmaceutical waste labeling, and packing services by a Field Technician trained in proper handling and safety procedures. Member is solely responsible for segregating non-hazardous waste, hazardous waste, non-compatible hazardous and dual waste.

**\*\*In the event the Member account currently uses our Full Service Reusable Sharps Management Services \*\*** Stericycle will also provide internal transport of containers from the Satellite Accumulation Areas (SAA) to the Central Accumulation Area (CAA) for a fee noted on Exhibit A.

Transportation & Disposal services include:

- Manifested pickup of pharmaceutical waste from Member sites
- DOT Waste disposal containers with labeling
- Transport to a regulated destruction facility for disposal

DOT compliant waste disposal containers are used for the segregation, transport and disposal of pharmaceutical waste from the generator's (Member) designated hazardous waste accumulation area. The initial supply of waste disposal containers will be shipped to the Member based upon the number and type of DOT waste streams identified as a function of the initial Rx Formulary Waste Characterization and DOT Waste Stream Analysis.

### Phase III: On-going Rx Waste Characterization, Consulting, and Training

In order to keep the hospital's formulary waste characterization current, the hospital will be able to submit new NDC's for waste characterization to Stericycle. This will follow the same procedures as the initial waste characterization. This service is included in the monthly fee.

Member will receive characterization report updates each time a characterization is completed. A service fee will be charged for any additional reports requested by the Member.

A study research fee will be charged for waste characterization of Clinical Investigational compounds – including multi-component blinded studies.

Stericycle will keep the Member up-to-date with regulations and training through Stericycle's *AfterCare* program. *AfterCare* consists of on-going, hospital-wide service reviews by Stericycle's trained Healthcare Compliance Specialists as follows:

*AfterCare* includes an audit of the Satellite and Central Accumulation Areas, required regulatory paperwork, as well as waste disposal and segregation practices. Stericycle will assist the Member in improving any deficiencies found.

*AfterCare* annual training will consist of regulatory updates and review, as well as program review (helpful for new employees). The hospital training staff is expected to attend the annual training class. As in the start-up training class, clinicians are invited to attend to reduce the burden on the hospital training staff.

If requested by the Member, Stericycle will provide additional consulting and training services beyond what is included in the Phase 1 Start-up services or Phase 3 On-going Rx Waste Characterization, Consulting and Training. This could include additional training for the Member's staff. There will be a fee for any additional training.

## Pricing

### Monthly Fee Includes

<b>Flat Monthly Fee</b>
<b>\$ Locally Negotiated</b>

- Waste Characterization
  - Characterize the Formulary and provide an electronic copy per hospital
- Program Design & Start-up
  - Consultation on Central Accumulation Area (Hazardous Waste Storage Areas), Container Placement, and Internal Logistics
- Training
  - Pharmacy, Nursing, and EVS staff (20 hours and electronic files that can be loaded on training system)
- On-going characterization
  - Characterize new NDCs as they are added to the formulary
- Aftercare
  - On-going, scheduled, hospital-wide service audit and inspection:
- Annual Training & Audit
  - Annual Training to cover new regulations and refresher on current regulations
  - Regulatory Audit: accumulation areas, paperwork, segregation & disposal practice

### Hazardous Waste Packing Fee

\$65.00 per hour; portal-to-portal

### Transportation & Disposal Fees

Prices are quoted on a per container basis and vary by size of container. Disposal prices include waste transport and disposal.

State**	Non-Hazardous Waste*		RCRA Haz/Non-Infectious Waste*			RCRA/Infectious (Dual) Waste*	
	3.0 Cubic Foot Box	55 Gal Drum	5 Gal	30 Gal Drum	55 Gal Drum	5 Gal	30 Gal Drum

*\*Includes transportation & disposal*

**\*\*Hazardous and Non-Hazardous Waste Pricing varies by State**

**A \$200.00 stop charge will apply for hazardous waste collections.**

### Disposable Hazardous Containers Optional

2 gallon black with Lid	\$7.70 each
8 gallon black with Lid	\$19.00 each
55 gallon drum	\$50.00 each
30 gallon drum	\$35.00 each
5 gallon drum	\$10.00 each

### Optional Menu pricing for Initial start-up cost for container/hardware and on-going supplies:

**\*Note Member charged only for supplies ordered these are not required to be purchased from Stericycle.**

Gloves Nitrile Powder Free, Ansell/ Tnt- ( XLG)	\$ 8.64
6 Pack of Tape	\$ 7.72
Clip Board with Storage Area	\$ 22.93

Zip Lock Baggies - 1Qt. (500)	\$ 58.32
Zip Lock Baggies - 1 Gallon (250)	\$ 52.48
Paperwork Box	\$ 18.80
Tape Gun	\$ 5.68
Stability Base for 2 Gallon Container	\$ 11.32
Wall Mount for 2 Gallon Container	\$ 18.73
No Smoking Sign	\$ 13.68
Emergency Eye/ Face Wash Station	\$ 36.72
Hazardous Waste Sign	\$ 13.68
Authorized Persons Only Sign	\$ 13.68
Fire Extinguisher Sign	\$ 13.68
Plastic Spill Containment Platform One Drum	\$ 90.10
Plastic Spill Containment Platform Two Drum	\$ 124.60
Spill Response Kit 20 Gal	\$ 349.50
Scale Utility- Pelouze 250 lb Max Capacity	\$ 188.10
DOT Placard Kit	\$ 93.63
Cable Ties (pack of 100)	\$ 4.17
2 Gallon Black Aerosols Finished	\$ 7.70
2 Gallon Black Corrosives Finished	\$ 7.70
2 Gallon Black Flammables/Toxic Finished	\$ 7.70
2 Gallon Black Hazardous Waste Finished	\$ 7.70
2 Gallon Black Oxidizer Finished	\$ 7.70
2 Gallon Blue California Finished	\$ 7.70
2 Gallon Blue Compatible Finished	\$ 7.70
2 Gallon Blue Non-Hazardous Finished	\$ 7.70
2 Gallon Purple Finished	\$ 7.70
3 Gallon Blue California w/Vertical Lid Finished	\$ 14.93
4 Gallon Blue California w/Horizontal Lid Finished	\$ 24.23
4 Gallon Blue California w/Vertical Lid Finished	\$ 19.08
4 Gallon Blue Compatible w/Horizontal Lid Finished	\$ 21.63
4 Gallon Blue Compatible w/Vertical Lid Finished	\$ 17.10
4 Gallon Blue Non-Hazardous w/Horizontal Lid Finished	\$ 21.63
4 Gallon Blue Non-Hazardous w/Vertical Lid Finished	\$ 17.10
4 Gallon Purple Finished	\$ 21.63
8 Gallon Black Aerosols Finished	\$ 16.50
8 Gallon Black Corrosives Finished	\$ 16.50
8 Gallon Black Flammables/Toxic Finished	\$ 16.50
8 Gallon Black Hazardous Waste Finished	\$ 16.50
8 Gallon Black Oxidizer Finished	\$ 16.50
8 Gallon Blue California Finished	\$ 16.50
8 Gallon Blue Compatible Finished	\$ 16.50
8 Gallon Blue Non-Hazardous Finished	\$ 16.50
8 Gallon Purple Finished	\$ 16.50
Package of 500 liners for 8 Gallon Container	\$ 29.83
Standard Dolly for 8 Gallon Container	\$ 45.73
Step-on Dolly for 8 Gallon Container	\$ 67.37
Labels	\$ 0.47
BULK Label	\$ 0.50
NO SHARPS Label	\$ 0.50

Purple Dual Waste Label	\$ 0.47
Barcode Label for RX24	\$ 0.20
Barcode Label for RXBI	\$ 0.20
Tracking Label (50 Sheets - 6 Labels per Sheet)	\$ 0.02
TRACE Label	\$ 0.50
43 x 49 Red Bag Liner	\$ 0.32
43" X 49" RED BAG LINER	\$ 0.32
Plastic Caps for 2 Gal Containers (Red)	\$ 0.12
Large Overpack Box - 19.625 x 14.375 x 26.625	\$ 1.75
RX24	\$ 1.75
Small Overpack Box - 25 x 14.125 x 21.125	\$ 1.92
Wire Wall Mount for 4 Gallon Container	\$ 22.03
Wire Wall Mount for 8 Gallon Container	\$ 29.65
Zip Lock Bag Dispenser	\$ 26.00

### Optional Services

Characterization of Clinical Study Drugs	\$500.00 each
Additional Characterization Report (Hard Copy)	\$95.00 each
Additional Training	\$150 per hour plus travel expenses

## **EXHIBIT B**

## **EXCEPTIONS TO EXCLUSIVITY AND EXCLUDED LOCATIONS**

Member shall contract exclusively with Stericycle for the Services at all Acute Care Locations, with the following exceptions (to be left blank in the case of Member-wide exclusivity for all Services):

- (1) Acute Care Locations and facilities with respect to which Services shall be nonexclusive (i.e., they may receive Services from other providers):**
- (2) Services that shall be nonexclusive Member-wide (i.e., Member may receive these identified types of Services from other providers at any Member location):**
- (3) Excluded Acute Care Locations: Locations and facilities where Stericycle shall provide no Services:**

## **Exhibit C - Per Invoice Energy Surcharge**

Stericycle uses an index-based surcharge that is adjusted monthly. Changes to the surcharge will be effective the first business day of each month. The surcharge will be based on the National U.S. Average 'On Highway' Diesel Fuel Price reported by the U.S. Department of Energy for the prior month to the adjustment.

The prices on these indexes are published by the U.S. Dept. of Energy and Stericycle is not responsible for the information provided. [http://tonto.eia.doe.gov/dnav/pet/pet\\_pri\\_gnd\\_dcus\\_nus\\_m.htm](http://tonto.eia.doe.gov/dnav/pet/pet_pri_gnd_dcus_nus_m.htm)

### ***FUEL SURCHARGE TABLE***

Stericycle Energy Charge Table (prices per gallon)		
<i>At Least</i>	<i>But Less Than</i>	<i>Surcharge</i>
0	\$2.75	5.8%
\$2.76	\$3.00	6.3%
\$3.01	\$3.25	6.9%
\$3.26	\$3.50	7.4%
\$3.51	\$3.75	7.9%
\$3.76	\$4.00	8.5%
\$4.01	\$4.25	9.0%
\$4.26	\$4.50	9.6%
\$4.51	\$4.75	10.1%
\$4.76	\$5.00	10.7%
\$5.01	\$5.25	11.2%
\$5.26	\$5.50	11.7%
\$5.51	\$5.75	12.3%
\$5.76	\$6.00	12.8%

*Table will continue using the same methodology as illustrated above for Diesel prices in excess of \$6.01. Stericycle reserves the right to update or modify the fuel table without prior notice*



## **EXHIBIT F**

### **CORPORATE COMPLIANCE SMMC CODE OF CONDUCT (THIRD PARTIES)**

The person/entity listed below (the "Undersigned") recognizes and is fully dedicated to advancing SMMC's commitment to full compliance with all Federal, State, and other governmental health care program requirements, including its commitment to prepare and submit accurate claims consistent with such requirements.

The Undersigned will comply with all Federal, State or other governmental health care program requirements and with SMMC's policies and procedures relating to SMMC's Corporate Compliance Program, including the requirements set forth in the Corporate Integrity Agreement (CIA) to which SMMC is a party (available online at [http://oig.hhs.gov/fraud/cia/agreements/the\\_county\\_of\\_san\\_mateo\\_03062009.pdf](http://oig.hhs.gov/fraud/cia/agreements/the_county_of_san_mateo_03062009.pdf)).

The Undersigned, to the extent its contractual duties require it to submit the reports covered in this paragraph, will promptly submit accurate information for Federal health care cost reports including, but not limited to, the requirement to submit accurate information regarding acute available bed count for Disproportionate Share Hospital (DSH) payment.

The Undersigned will report to the SMMC Compliance Officer any suspected violation of any Federal health care program requirements or of SMMC's Compliance Program policies and procedures.

The Undersigned has the right to use the SMMC Disclosure Program by calling the Compliance Hotline or reporting incidents to the Compliance Officer. SMMC is committed to non-retaliation and will maintain, as appropriate, confidentiality and anonymity with respect to such disclosures.

The Undersigned understands that non-compliance with Federal health care program requirements and SMMC's Compliance Program policies and procedures, and failing to report such violations, could result in termination of the Agreement and/or any other penalties permitted by law.

The Undersigned is responsible for acquiring sufficient knowledge to recognize potential compliance issues applicable to the duties outlined in the Agreement and for appropriately seeking advice regarding such issues.

The Undersigned will not offer, give or accept any bribe, payment, gift, or thing of value to any person or entity with whom SMMC has or is seeking any business or regulatory relationship in relation to said business or regulatory relationship (other than payments authorized by law under such relationships). The Undersigned will promptly report the offering or receipt of such gifts to the SMMC Compliance Officer.


The Undersigned will not engage in any financial, business, or other activity which competes with SMMC/County business which may interfere or appear to interfere with the performance of the duties under the Agreement or that involve the use of SMMC/County property, facilities, or resources, except to the extent consistent with the SMMC/County Incompatible Activities and Outside Employment policy and the Agreement.

The Undersigned will cooperate fully and honestly with internal audits and monitoring programs to help assure that SMMC's compliance is maintained with all applicable federal/state regulations, the Joint Commission standards, and hospital system-wide policies.

**TO REPORT VIOLATIONS, CALL THE  
COMPLIANCE HOT LINE: (800) 965-9775**

The Undersigned hereby certifies by signing below that an authorized representative has received this Code of Conduct, understands it, has authority to commit the Undersigned to this Code of Conduct, and hereby commits the Undersigned to comply with this Code of Conduct.

STERICYCLE INC  
Name of Person/Entity (the "Undersigned")

 J.R. ROBERTS  
Signature and Printed Name

3/13/2014  
Date

## Attachment H

### Health Insurance Portability and Accountability Act (HIPAA) Business Associate Requirements

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#### **DEFINITIONS**

Terms used, but not otherwise defined, in this Schedule shall have the same meaning as those terms are defined in 45 Code of Federal Regulations section 160.103 164.304 and 164.501. (All regulatory references in this Schedule are to Title 45 of the Code of Federal Regulations unless otherwise specified.)

- a. **Designated Record Set.** "Designated Record Set" shall have the same meaning as the term "designated record set" in Section 164.501.
- b. **Electronic Protected Health Information.** "Electronic Protected Health Information" ("EPHI") means individually identifiable health information that is transmitted or maintained in electronic media, limited to the information created, received, maintained or transmitted by Business Associate from or on behalf of Covered Entity.
- c. **Individual.** "Individual" shall have the same meaning as the term "individual" in Section 164.501 and shall include a person who qualifies as a personal representative in accordance with Section 164.502(g).
- d. **Privacy Rule.** "Privacy Rule" shall mean the Standards for Privacy of Individually Identifiable Health Information at 45 Code of Federal Regulations Part 160 and Part 164, Subparts A and E.
- e. **Protected Health Information.** "Protected Health Information" shall have the same meaning as the term "protected health information" in Section 164.501 and is limited to the information created or received by Contractor from or on behalf of County.
- f. **Required By Law.** "Required by law" shall have the same meaning as the term "required by law" in Section 164.501.
- g. **Secretary.** "Secretary" shall mean the Secretary of the United States Department of Health and Human Services or his or her designee.
- h. **Security Incident.** "Security Incident" shall mean the attempted or successful unauthorized access, use, disclosure, modification, or destruction of information or interference with systems operations in an information system, but does not include minor incidents that occur on a daily basis, such as scans, "pings", or unsuccessful random attempts to penetrate computer networks or servers maintained by Business Associate
- i. **Security Rule.** "Security Rule" shall mean the Standards for the Protection of Electronic Protected Health Information at 45 CFR Part 160 and Part 164, Subparts A and C.

#### **OBLIGATIONS AND ACTIVITIES OF CONTRACTOR**

- a. Contractor agrees to not use or further disclose Protected Health Information other than as permitted or required by the Agreement or as required by law.
- b. Contractor agrees to use appropriate safeguards to prevent the use or disclosure of the Protected Health Information other than as provided for by this Agreement.
- c. Contractor agrees to mitigate, to the extent practicable, any harmful effect that is known to Contractor of a use or disclosure of Protected Health Information by Contractor in violation of the requirements of this Agreement.

- d. Contractor agrees to report to County any use or disclosure of the Protected Health Information not provided for by this Agreement.
- e. Contractor agrees to ensure that any agent, including a subcontractor, to whom it provides Protected Health Information received from, or created or received by Contractor on behalf of County, agrees to the same restrictions and conditions that apply through this Agreement to Contractor with respect to such information.
- f. If Contractor has protected health information in a designated record set, Contractor agrees to provide access, at the request of County, and in the time and manner designated by County, to Protected Health Information in a Designated Record Set, to County or, as directed by County, to an Individual in order to meet the requirements under Section 164.524.
- g. If Contractor has protected health information in a designated record set, Contractor agrees to make any amendment(s) to Protected Health Information in a Designated Record Set that the County directs or agrees to make pursuant to Section 164.526 at the request of County or an Individual, and in the time and manner designed by County.
- h. Contractor agrees to make internal practices, books, and records relating to the use and disclosure of Protected Health Information received from, or created or received by Contractor on behalf of, County available to the County, or at the request of the County to the Secretary, in a time and manner designated by the County or the Secretary, for purposes of the Secretary determining County's compliance with the Privacy Rule.
- i. Contractor agrees to document such disclosures of Protected Health Information and information related to such disclosures as would be required for County to respond to a request by an Individual for an accounting of disclosures of Protected Health Information in accordance with Section 164.528.
- j. Contractor agrees to provide to County or an Individual in the time and manner designated by County, information collected in accordance with Section (i) of this Schedule, to permit County to respond to a request by an Individual for an accounting of disclosures of Protected Health Information in accordance with Section 164.528.
- k. Contractor shall implement administrative, physical, and technical safeguards that reasonably and appropriately protect the confidentiality, integrity, and availability of EPHI that Contractor creates, receives, maintains, or transmits on behalf of County.
- l. Contractor shall conform to generally accepted system security principles and the requirements of the final HIPAA rule pertaining to the security of health information.
- m. Contractor shall ensure that any agent to whom it provides EPHI, including a subcontractor, agrees to implement reasonable and appropriate safeguards to protect such EPHI.
- n. Contractor shall report to County any Security Incident within 5 business days of becoming aware of such incident.
- o. Contractor shall make its policies, procedures, and documentation relating to the security and privacy of protected health information, including EPHI, available to the Secretary of the U.S. Department of Health and Human Services and, at County's request, to the County for purposes of the Secretary determining County's compliance with the HIPAA privacy and security regulations.

## **PERMITTED USES AND DISCLOSURES BY CONTRACTOR**

Except as otherwise limited in this Schedule, Contractor may use or disclose Protected Health Information to perform functions, activities, or services for, or on behalf of, County as specified in the Agreement; provided that such use or disclosure would not violate the Privacy Rule if done by County.

## **OBLIGATIONS OF COUNTY**

- a. County shall provide Contractor with the notice of privacy practices that County produces in accordance with Section 164.520, as well as any changes to such notice.
- b. County shall provide Contractor with any changes in, or revocation of, permission by Individual to use or disclose Protected Health Information, if such changes affect Contractor's permitted or required uses and disclosures.
- c. County shall notify Contractor of any restriction to the use or disclosure of Protected Health Information that County has agreed to in accordance with Section 164.522.

## **PERMISSABLE REQUESTS BY COUNTY**

County shall not request Contractor to use or disclose Protected Health Information in any manner that would not be permissible under the Privacy Rule if done by County, unless the Contractor will use or disclose Protected Health Information for, and if the Agreement provides for, data aggregation or management and administrative activities of Contractor.

## **DUTIES UPON TERMINATION OF AGREEMENT**

- a. Upon termination of the Agreement, for any reason, Contractor shall return or destroy all Protected Health Information received from County, or created or received by Contractor on behalf of County. This provision shall apply to Protected Health Information that is in the possession of subcontractors or agents of Contractor. Contractor shall retain no copies of the Protected Health Information.
- b. In the event that Contractor determines that returning or destroying Protected Health Information is infeasible, Contractor shall provide to County notification of the conditions that make return or destruction infeasible. Upon mutual agreement of the Parties that return or destruction of Protected Health Information is infeasible, Contractor shall extend the protections of the Agreement to such Protected Health Information and limit further uses and disclosures of such Protected Health Information to those purposes that make the return or destruction infeasible, for so long as Contractor maintains such Protected Health Information.

## **MISCELLANEOUS**

- a. Regulatory References. A reference in this Schedule to a section in the Privacy Rule means the section as in effect or as amended, and for which compliance is required.
- b. Amendment. The Parties agree to take such action as is necessary to amend this Schedule from time to time as is necessary for County to comply with the requirements of the Privacy Rule and the Health Insurance Portability and Accountability Act, Public Law 104-191.
- c. Survival. The respective rights and obligations of Contractor under this Schedule shall survive the termination of the Agreement.
- d. Interpretation. Any ambiguity in this Schedule shall be resolved in favor of a meaning that permits County to comply with the Privacy Rule.
- e. Reservation of Right to Monitor Activities. County reserves the right to monitor the security policies and procedures of Contractor

## ATTACHMENT I

### Assurance of Compliance with Section 504 of the Rehabilitation Act of 1973, as Amended

The undersigned (hereinafter called "Contractor(s)") hereby agrees that it will comply with Section 504 of the Rehabilitation Act of 1973, as amended, all requirements imposed by the applicable DHHS regulation, and all guidelines and interpretations issued pursuant thereto.

The Contractor(s) gives/give this assurance in consideration of for the purpose of obtaining contracts after the date of this assurance. The Contractor(s) recognizes/recognize and agrees/agree that contracts will be extended in reliance on the representations and agreements made in this assurance. This assurance is binding on the Contractor(s), its successors, transferees, and assignees, and the person or persons whose signatures appear below are authorized to sign this assurance on behalf of the Contractor(s).

The Contractor(s): (Check a or b)



a. Employs fewer than 15 persons.



b. Employs 15 or more persons and, pursuant to section 84.7 (a) of the regulation (45 C.F.R.

84.7 (a), has designated the following person(s) to coordinate its efforts to comply with the DHHS regulation.

Name of 504 Person:

Name of Contractor(s):

Stericycle Inc.

Street Address or P.O. Box:


3668 Enterprise Ave

City, State, Zip Code:

Hayward, CA 94545

I certify that the above information is complete and correct to the best of my knowledge

Signature:



Title of Authorized Official:

Regional Integrated accounts

Date:

3-13-2014

\*Exception: DHHS regulations state that: "If a recipient with fewer than 15 employees finds that, after consultation with a disabled person seeking its services, there is no method of complying with (the facility accessibility regulations) other than making a significant alteration in its existing facilities, the recipient may, as an alternative, refer the handicapped person to other providers of those services that are accessible."