

**REPORT/RECOMMENDATION TO THE BOARD OF DIRECTORS
OF THE SAN BERNARDINO COUNTY FIRE PROTECTION DISTRICT
AND RECORD OF ACTION**

July 28, 2020

FROM

DAN MUNSEY, Fire Chief/Fire Warden, San Bernardino County Fire Protection District

SUBJECT

Amendment to Revenue Agreement with PaintCare Inc. for Waste Paint Management Services

RECOMMENDATION(S)

Acting as the governing body of the San Bernardino County Fire Protection District (SBCFPD), approve **Amendment No. 2 to Revenue Agreement No. 12-783** with PaintCare Inc. that replaces the agreement's Attachment C (Pricing) and Attachment E (Model Invoice) for management of end-of-life paint products collected from the public at SBCFPD's Household Hazardous Waste facilities, with no change to the contract term that continues to automatically renew each year for an additional one-year period.

(Presenter: Dan Munsey, Fire Chief/Fire Warden, 387-5779)

COUNTY AND CHIEF EXECUTIVE OFFICER GOALS & OBJECTIVES

Operate in a Fiscally-Responsible and Business-Like Manner.

Provide for the Safety, Health and Social Service Needs of County Residents.

FINANCIAL IMPACT

Approval of this item will not result in the use of additional Discretionary General Funding (Net County Cost) as SBCFPD receives revenue from this agreement that offsets its costs associated with the paint recovery program. Based on the most recent fiscal year of actual data, this agreement is estimated to generate approximately \$60,000 in revenue for SBCFPD during 2020-21. Appropriation and revenue related to this agreement are included in SBCFPD's 2020-2021 budget and will be included in future recommended budgets.

Amendment No. 2 to Revenue Agreement No. 12-783 revises the compensation amounts to SBCFPD as specified in "Attachment C: Pricing" and "Attachment E: Model Invoice". While the compensation amounts are generally increasing with this amendment, the annual contract revenue to SBCFPD will vary depending on the level of resident participation in the paint recovery program.

Proposed changes to the pricing/compensation schedule from this amendment are summarized in the following table:

Description	Old Rate	New Rate	Increase
Paint Reprocessing Rate (per gallon)	\$5.40	\$6.15	\$0.75
Internal Transportation Rate (per box/tote/drum)	\$10.00	\$13.00	\$3.00

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The increased compensation amounts are needed because SBCFPD's program costs have grown since these rates were last revised.

BACKGROUND INFORMATION

The California Public Resources Code requires cities and counties to provide Household Hazardous Waste (HHW) Collection Programs for the safe collection, recycling, treatment and disposal of hazardous waste (including paint) that is generated by households in the city or county and should be separated from the solid waste stream. In addition, the California Legislature enacted legislation in September 2010 that requires Paint and Coating Manufacturers to take financial responsibility for managing end-of-life post-consumer architectural paint sold in the state.

PaintCare Inc. (PaintCare) is a non-profit 501(c)(3) organization established to represent paint manufacturers to plan and operate paint stewardship programs in those states that have passed paint stewardship laws. PaintCare has programs in many states and is the program utilized in California to carry out the mandate of the California Architectural Paint Recovery Program as set forth by California Public Resources Code sections 48700 through 48706.

On November 6, 2012 (Item No. 81), the Board of Directors (Board) approved Revenue Agreement No. 12-783 with PaintCare to manage end-of-life post-consumer paint products collected by SBCFPD's HHW Division. Pursuant to this agreement, PaintCare compensates SBCFPD for paint collected from County residents and small businesses. PaintCare also transports the waste paint to a recycling facility at no cost to SBCFPD

On January 12, 2016 (Item No. 49), the Board approved Amendment No. 1 to Revenue Agreement No. 12-783 that revised the agreement's Attachment C (Pricing) and Attachment E (Model Invoice).

PaintCare has now changed their pricing/compensation schedule as indicated on Attachments C and E of the recommended Amendment No. 2 to Revenue Agreement No. 12-783. Approval of this amendment will allow SBCFPD to continue to participate in the existing agreement with PaintCare at the new pricing/compensation rates.

This agreement automatically renews each year for an additional one-year term for the same consideration as during the previous contract period. This automatic renewal provision will continue until either party notifies the other in writing at least 60 days in advance of the renewal date of its desire not to continue the agreement.

PROCUREMENT

Not applicable since PaintCare is the only vendor authorized by the State of California to provide the subject services. Hence, the justification for including the automatic renewal language in the original agreement.

REVIEW BY OTHERS

This item has been reviewed by County Counsel (Scott Runyan, Deputy County Counsel, 387-5455) on July 9, 2020; Finance (Tom Forster, Administrative Analyst, 387-4635) on July 9, 2020; and County Finance and Administration (Matthew Erickson, County Chief Financial Officer, 387-5423) on July 13, 2020.

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Record of Action of the Board of Directors
San Bernardino County Fire Protection District

APPROVED (CONSENT CALENDAR)

Moved: Josie Gonzales Seconded: Robert A. Lovingood
Ayes: Robert A. Lovingood, Janice Rutherford, Dawn Rowe, Curt Hagman, Josie Gonzales

Lynna Monell, SECRETARY

BY _____
DATED: July 28, 2020



cc: SBCFD- Munsey w/agree
 Contractor- SBCFD w/agree
 File- w/agree
la 08/3/2020