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BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

STERICYCLE OF WASHINGTON, INC.,

Complainant,

v.

WASTE MANAGEMENT OF  
WASHINGTON, INC., d/b/a WM  
HEALTHCARE SOLUTIONS OF  
WASHINGTON,

Respondent.

Docket No. TG-121597

DECLARATION OF STEPHEN JOHNSON  
IN SUPPORT OF STERICYCLE OF  
WASHINGTON, INC.'S MOTION FOR  
THIRD-PARTY DISCOVERY

1. I, Stephen B. Johnson, am over 18 and competent to testify as to the matters stated herein. I make this declaration based on my own personal knowledge.

2. I am counsel to Complainant Stericycle of Washington, Inc. in this matter.

3. Attached hereto as Exhibit A is a true and correct copy of a May 11, 2012 email from Waste Management employee Jeff Norton to Valley Medical Center employee Jeremy Wyatt produced to Stericycle by Waste Management in a Commission proceeding.

4. Attached hereto as Exhibit B is a true and correct copy of excerpts of Waste Management responses to Stericycle's data requests in this proceeding.

5. Attached hereto as Exhibit C is a true and correct copy of a November 1, 2011

1 email from J. Norton to M. Jefferies produced to Stericycle by Waste Management in a  
2 Commission proceeding.

3 6. Between June 12, 2013 and June 19, 2013 I attempted to contact both Juan  
4 Escalante and Rose Hong of Northwest Hospital in order to interview them informally about  
5 Stericycle's rebating claim in the above captioned matter. I telephoned Juan Escalante and left  
6 him multiple voice messages on June 12, 14, and 17 asking for a return call. Mr. Escalante did  
7 not return my calls.

8 7. After receiving no response from Mr. Escalante to my phone calls and voice  
9 messages, on June 18, 2013 I telephoned Rose Hong of Northwest Hospital to ask her questions  
10 about Northwest Hospital's negotiations with Waste Management and to seek her help in  
11 reaching Mr. Escalante. Ms. Hong did not answer and I left a telephone message. Later that  
12 day Mr. Escalante returned my calls. I explained the nature of Stericycle's dispute with Waste  
13 Management to Mr. Escalante. He stated that he needed to check with Northwest Hospital's  
14 "PR people" before he or Ms. Hong could speak with me.

15 8. The next day, June 19, 2013, I received a phone call from Associate General  
16 Counsel Hillary Domeika of University of Washington Medicine. Ms. Domeika identified  
17 herself as in-house counsel for Northwest Hospital. I explained the nature of Stericycle's  
18 complaint in this proceeding and my need to interview Ms. Hong and Mr. Escalante to  
19 investigate this complaint. Ms. Domeika listened and then stated that Mr. Escalante and Ms.  
20 Hong were "not interested" in participating in this proceeding and declined to make Northwest  
21 Hospital representatives available for interviews without a subpoena.

22 9. Attached hereto as Exhibit D is a true and correct copy of Waste Management's  
23 Integrated Services Agreement with Skagit Valley Hospital produced to Stericycle by Waste  
24 Management in a Commission proceeding.

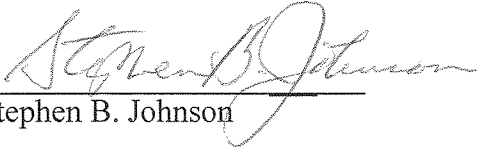
25 10. I have attempted to reach Neal Trebbe in order to interview him informally  
26 about communications between Waste Management and Valley Medical Center related to

1 Stericycle's rebating claim in the above captioned matter. I learned from Stericycle that Mr.  
2 Trebbe was in fact an employee of Aramark, Inc., which formerly operated Valley Medical  
3 Center's facilities department. I learned that Aramark no longer performs this function and  
4 Stericycle has learned that Mr. Trebbe no longer resides in Washington State.

5 11. In an attempt to reach Mr. Trebbe I contacted outside counsel for Aramark, Inc.  
6 on July 8, 2013 and explained the nature of Stericycle's complaint in this proceeding and my  
7 need to interview Mr. Trebbe. Aramark's counsel indicated that she would pass the request on  
8 to Aramark's in-house counsel for response. To date, however, I have received no response to  
9 this request.

10 I declare under penalty of perjury under the laws of the State of Washington that the  
11 foregoing is true and correct to the best of my knowledge and belief.

12 SIGNED this 17th day of July, 2013 at Seattle, Washington

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15 Stephen B. Johnson  
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CERTIFICATE OF SERVICE

I, Vickie L. Owen, certify under penalty of perjury under the laws of the State of Washington that, on July 19, 2013, I caused to be served on the person(s) listed below in the manner shown a copy of DECLARATION OF STEPHEN JOHNSON IN SUPPORT OF STERICYCLE OF WASHINGTON, INC.'S MOTION FOR THIRD-PARTY DISCOVERY:

Washington Utilities and Transportation Commission  
1300 S. Evergreen Park Dr. SW  
PO Box 47250  
Olympia, WA 98504-7250  
(360) 664-1160  
[records@utc.wa.gov](mailto:records@utc.wa.gov)

- Via Legal Messenger
- Via Facsimile
- Via FedEx
- Via Email

Administrative Law Judge  
Adam E. Torem  
[atorem@utc.wa.gov](mailto:atorem@utc.wa.gov)

- Via Email

Jessica Goldman  
Polly L. McNeill  
Summit Law Group  
315 5<sup>th</sup> Avenue South, Suite 1000  
Seattle, WA 98104  
[jessicag@summitlaw.com](mailto:jessicag@summitlaw.com)  
[pollym@summitlaw.com](mailto:pollym@summitlaw.com)  
[kathym@summitlaw.com](mailto:kathym@summitlaw.com)  
[deannas@summitlaw.com](mailto:deannas@summitlaw.com)

- Via Legal Messenger
- Via Facsimile
- Via U.S. Mail, First Class, Postage Prepaid
- Via Email

Steven W. Smith  
Office of the Attorney General  
Utilities and Transportation Division  
1400 S. Evergreen Park Drive SW  
PO Box 40128  
Olympia, WA 98504-0128  
(360) 664-1225  
(360) 586-5522 Fax  
[ssmith@utc.wa.gov](mailto:ssmith@utc.wa.gov)

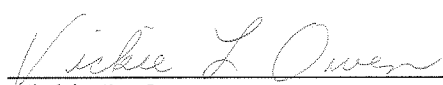
- Via Legal Messenger
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James K. Sells  
Attorney at Law  
PMB 22, 3110 Judson Street  
Gig Harbor, WA 98335  
[jamessells@comcast.net](mailto:jamessells@comcast.net)  
[cheryls@rsulaw.com](mailto:cheryls@rsulaw.com)  
*Attorney for Washington Refuse and  
Recycling Association*

- Via Legal Messenger
- Via Facsimile
- Via U.S. Mail, First Class,  
Postage Prepaid
- Via Email

Dated at Seattle, Washington this 19<sup>th</sup> day of July, 2013.

  
\_\_\_\_\_  
Vickie L. Owen  
[vowen@gsblaw.com](mailto:vowen@gsblaw.com)

## EXHIBIT A

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**From:** Norton, Jeffrey [<mailto:jnorton1@wm.com>]  
**Sent:** Friday, May 11, 2012 2:42 PM  
**To:** Jeremy Wyatt  
**Subject:** Costs follow up

Hello Jeremy...

Jesse is on vacation....I tracked down some of your costs....I don't have the disposal rate for the trash other than the haul fee of \$190.79

Your recycle is \$155 haul fee and \$70/ton processing.

I think I can get your fees down for recycling.....Let me see what I can do.

If we can also service you for medical waste (not your sharps service...the remainder of your medical waste) we can reduce your recycling to \$120 haul fee and \$15/ton processing. This is similar to what we did for Northwest Hospital.

Sincerely,

Jeff Norton  
Waste Management Healthcare Solutions  
Account Development Manager  
Northwest Region: WA/OR/ID/Northern CA/NV/AK  
cell: 360.913.4877 fax: 877 900 1814



Providing our customers with economic and environmental sustainability

*Privilege or confidential information may be contained in this message. This information is meant only for the use of the intended recipients. If you are not the intended recipient, or if the message has been addressed to you in error, do not read, disclose, reproduce, distribute, disseminate or otherwise use this transmission. Instead, please notify the sender by reply email, and then destroy all copies of the message and any attachments*

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**Waste Management recycles enough paper every year to save 41 million trees. Please recycle any printed emails.**

**DISCLAIMER:**

This message is confidential, intended only for the named recipient(s) and may contain information that is privileged or exempt from disclosure under applicable law. If you are not the intended recipient(s), you are notified that the dissemination, distribution or copying of this information is strictly prohibited. If you received this message in

WM000691

## EXHIBIT B

BEFORE THE WASHINGTON STATE  
UTILITIES AND TRANSPORTATION COMMISSION

STERICYCLE OF WASHINGTON, INC.,

Complainant,

v.

WASTE MANAGEMENT OF WASHINGTON,  
INC., d/b/a WM HEALTHCARE SOLUTIONS  
OF WASHINGTON,

Respondent.

Docket No. TG-121597

COMPLAINANT STERICYCLE OF  
WASHINGTON, INC.'S FIRST DATA  
REQUESTS TO APPLICANT WASTE  
MANAGEMENT **AND OBJECTIONS  
AND RESPONSES THERETO**

TO: WASTE MANAGEMENT OF WASHINGTON, INC.

Pursuant to WAC 480-07-400, 480-07-410, and Order 04 in the above captioned proceeding, Complainant Stericycle of Washington, Inc. ("Stericycle") propounds the following data requests to Respondent Waste Management of Washington, Inc. ("Waste Management" or "Respondent").

### **INSTRUCTIONS AND DEFINITIONS**

These data requests are continuing in nature, and if you obtain additional or different information after responding to them, you are required to file a supplemental response through the date of hearing. Each document requested in these data requests must be produced for inspection and copying at the offices of Garvey Schubert Barer, 1191 Second Avenue, 18th Floor, Seattle, Washington, or provided by some other mutually agreed method. Any electronic record requested in these data requests must be produced in a form and manner that is readable by conventional means and that preserves the record's metadata, including but not limited to title and subject, creation and modification dates, authors and editors, and sent and received dates. Any electronic records must be produced on a CD-ROM, DVD, or a portable hard drive.

If you object to answering any data request, in whole or in part, state your objections and state with particularity all of the factual and legal reasons supporting your objection in lieu of your answer. If you object on the ground of privilege, also state with particularity the nature and

6. WMW objects to these Data Requests to the degree they seek information about customers of WMW "Affiliates" outside the State of Washington as being overbroad, unduly burdensome, and not reasonably calculated to lead to the discovery of admissible evidence.

7. WMW objects to these Data Requests to the degree they seek information or documents which are not in the possession or subject to the control of WMW or WM Healthcare Solutions, Inc. Pursuant to Order 04 in this proceeding, on April 23, 2013, Tim Tucker of WM Healthcare Solutions, Inc. advised Talco Plastics, Inc. of these Data Requests. Robert Petty of Talco responded that Talco could not produce the requested information or documentation due to a nondisclosure agreement between Talco and Becton Dickinson. On April 23, 2013, Michael McInerney of WM Healthcare Solutions, Inc. advised Becton Dickinson Vice President Ranjeet Banerjee of the Data Requests and has not received any response from Becton Dickinson.

8. WMW objects to these Data Requests to the degree that they seek documents which reflect confidential business information or trade secrets. WMW will file a motion for a protective order pursuant to WAC 480-07-420.

### **DATA REQUESTS**

#### **DATA REQUEST NO. 1:**

Identify all entities to whom Waste Management has solicited, offered, and/or provided Biomedical Waste Services and to whom Waste Management has also solicited, offered, and/or provided Recycling Services from January 1, 2010 to the present.

#### **RESPONSE:**

Without waving its General Objections, WMW responds:

1. Northwest Hospital  
1550 N 115<sup>th</sup> Street  
Seattle, WA 98133
2. Valley Medical Center  
400 S 43<sup>rd</sup> Street  
Renton, WA 98055



3. Virginia Mason Medical Center  
1100 Ninth Avenue  
Seattle, WA 98101
4. Skagit Valley Hospital  
1415 E Kincaid  
Mount Vernon, WA 98273

**DATA REQUEST NO. 2:**

For each entity Identified in response to Data Request No. 1 and for the period from January 1, 2010 to the present, (a) Identify the dates of each solicitation, offer, or agreement to provide Biomedical Waste Services or Recycling Services, (b) Identify the names of all individuals involved in or known by Waste Management to be aware of each solicitation, offer, or agreement to provide Biomedical Waste Services or Recycling Services, (c) Describe each Identified individual's involvement in or awareness of each solicitation, offer, or agreement to provide Biomedical Waste Services or Recycling Services, and (d) Identify the dates, if any, when the provision of Biomedical Waste Services and/or Recycling Services commenced and terminated.

**RESPONSE:**

Without waving its General Objections, WMW responds:

1. Northwest Hospital:
  - (a) Northwest Hospital has been a recycling customer of WMW since before 2010. WMW provided Northwest Hospital a service agreement for medical waste services on January 1, 2012 and which was executed by Northwest Hospital on February 15, 2012. WMW began providing medical waste services to Northwest Hospital in June 2012. *See* WM000210-12 and WM000259-63 produced in TG-120033 and the confidential documents which will be produced subject to a protective order.
  - (b) Juan Escalante: Manager, Environmental Services, 206.368.2125, [juan.escalante@nwhsea.org](mailto:juan.escalante@nwhsea.org).  
Rose Hong: Director, Facilities Services, [rose.hong@nwhsea.org](mailto:rose.hong@nwhsea.org).  
Jeff Norton: WM Healthcare Solutions, Inc., Account Development Manager (c/o Summit Law Group).  
Jason Mladenich: WM Healthcare Solutions, Inc., Program Manager, no longer with WM Healthcare Solutions, Inc.  
Mike Jefferies: WM of Oregon, Pricing Manager Pacific NW (c/o Summit Law Group).

- (c) Mr. Escalante was the main contact for Northwest Hospital during the entire process and he worked with Ms. Hong directly after meeting with Mr. Norton.

Ms. Hong had a few meetings with Mr. Norton, one prior to the contract being signed and a couple meetings regarding the contract language and execution.

Mr. Norton met with the Northwest Hospital representatives and was involved throughout the process.

Mr. Mladenich was present at some of the meetings with the Northwest Hospital representatives.

Mr. Jefferies approved the pricing for the single stream recycling.

- (d) WMW began providing medical waste services to Northwest Hospital on June 1, 2012.

2. Valley Medical Center:

- (a) Valley Medical Center has been a recycling customer of WMW since before 2010. WMW had preliminary discussions with Valley Medical Center about medical waste services in January 2011. *See* WM000690-92 produced in TG-120033 and the confidential documents which will be produced subject to a protective order.

- (b) Jeremy Wyatt: Supervisor, Preoperative Services, 425.228.3440 ext. 6399, [Jeremy\\_wyatt@valleymed.org](mailto:Jeremy_wyatt@valleymed.org).

Neal Trebbe: Manager, Environmental Services, 425.656.5314, [Neal\\_Trebbe@valleymed.org](mailto:Neal_Trebbe@valleymed.org).

Jesse Helin: WMW, Outside Sales Representative (c/o Summit Law Group).

Jeff Norton: WM Healthcare Solutions, Inc., Account Development Manager (c/o Summit Law Group).

- (c) Mr. Wyatt met with Mr. Norton to discuss the “green team” and recycling services.

Mr. Trebbe met with Mr. Norton in the summer of 2010 to discuss medical waste services.

Mr. Helin worked with Mr. Norton to assist in regards to recycling services for Valley Medical Center including single stream, construction, and organics.

Mr. Norton worked with Mr. Wyatt to help increase recycling for on-campus and off-campus facilities.

(d) WMW has not provided medical waste services to Valley Medical Center.

3. Virginia Mason Medical Center:

(a) On July 1, 2011, WMW provided a proposal to Virginia Mason Medical Center. In early 2012, WMW provided Virginia Mason Medical Center an updated bid to provide recycling and medical waste services. *See also* WM000210-12 produced in TG-120033.

(b) Andy Flodin: Administrative Director Support Services, 206.341.1838, Andrew.Floding@vmmc.org.

Kelly Macy: Waste Management Recycle America, Recycling Subject Matter Expert (c/o Summit Law Group).

Jeff Norton: WM Healthcare Solutions, Inc., Account Development Manager (c/o Summit Law Group).

(c) Mr. Flodin has knowledge that WMW's recycling bid matched Virginia Mason's then-current service arrangement and that WMW's medical waste bid was at tariff rates.

Mr. Macy has knowledge that WMW's recycling bid matched Virginia Mason's then-current service arrangement and he approved the pricing.

Mr. Norton worked on and coordinated the proposal for multiple services at Virginia Mason Medical Center, including communicating with Mr. Flodin.

(d) WMW has not provided recycling or medical waste services to Virginia Mason.

4. Skagit Valley Hospital:

(a) In early 2010, WMW bid to provide various waste services to Skagit Valley Hospital including recycling and medical waste collection. On October 15, 2011, WMW entered into a contract to provide these services. In November 2011, WMW began providing both services. *See* WM000219-56 produced in TG-120033.

(b) Rob Spohn: No longer with Skagit Valley Hospital and contact information is not known.

Richard Delaney: Director of Facilities, rdelaney@skagitvalleyhospital.org.

Phil Holboy: Finance Director, pholboy@skagitvalleyhospital.org.

Bill Thomas: Director, Materials Management, 360.428.8264, wthomas@skagitvalleyhospital.org.

**DATA REQUEST NO. 3:**

For each entity Identified in response to Data Request No. 1 and for the period from January 1, 2010 to the present, Describe (a) the terms and conditions, written, oral, or in practice, of each solicitation, offer, or agreement to provide Biomedical Waste Services and (b) the terms and conditions, written, oral, or in practice, of each solicitation, offer, or agreement to provide Recycling Services.

**RESPONSE:**

Without waving its General Objections, WMW responds:

1. Northwest Hospital: The terms and conditions are set forth in the agreement which was produced in TG-120033 at WM000259-263. WMW proposed that if Northwest Hospital contracted for three services with WMW, WMW would also provide tracking and on-site auditing to help reduce solid waste and medical waste and increase recycling.
2. Valley Medical Center: No terms were discussed.
3. Virginia Mason Medical Center: WMW's proposal was produced in TG-120033 at WM000264-67.
4. Skagit Valley Hospital: The terms and conditions are set forth in the agreement which was produced in TG-120033 as WM000219-56.

**DATA REQUEST NO. 4:**

Produce all Communications Related to each solicitation, offer, or agreement to provide Biomedical Waste Services or Recycling Services Identified in response to Data Request Nos. 2 and 3. The records produced should include, but not be limited to, all responsive Communications involving Waste Management's employees or representatives, employees or representatives of any Affiliate of Waste Management, and employees or representatives of any third party entity, including the entities Identified in response to Data Request No. 1.

**RESPONSE:**

Without waving its General Objections, *see* the documents produced in TG-120033 and the confidential documents which will be produced upon the issuance of a protective order.

**DATA REQUEST NO. 5:**

Describe any undocumented Communications Related to each solicitation, offer, or agreement to provide Biomedical Waste Services or Recycling Services Identified in response to Data Request Nos. 2 and 3. These Communications should include, but not be limited to, all responsive Communications involving Waste Management's employees or representatives, employees or

**RESPONSE:**

WMW has not yet determined which documents and other materials it will offer in this proceeding.

**DATA REQUEST NO. 37:**

Produce all Documents that You consulted or referred to in responding to these Data Requests and all Documents identified or referenced in Your responses to these Data Requests.

**RESPONSE:**

WMW objects that this Data Request is overbroad, unduly burdensome, and not reasonably calculated to lead to the discovery of admissible evidence. Without waving this objection or its General Objections, *see* WMW's responses to each of the Data Requests above.

**DATA REQUEST NO. 38:**

With respect to each of the foregoing Data Requests, please provide the name of each person who assisted in the preparation of Your response.

**RESPONSE:**

Jeff Daub, Jeff Norton, Michael McInerney, Tim Tucker, Steve Merritt, David Mayfield, Tia Daniels, Andrew Kenefick, and Jessica Goldman.

RESPONSES AND OBJECTIONS DATED this 6th day of May, 2013.

SUMMIT LAW GROUP PLLC

By



Polly L. McNeill, WSBA #17437  
Jessica L. Goldman, WSBA #21856  
pollym@summitlaw.com  
jessicag@summitlaw.com

*Attorneys for Waste Management of  
Washington, Inc.*

## EXHIBIT C

**From:** Jefferies, Mike  
**Sent:** Tuesday, November 01, 2011 3:55 PM  
**To:** Norton, Jeffrey; Paulmier, Carlton  
**Subject:** RE: Skagit Organics Rates


Jeff,

Pricing is still good on the Northwest Hospital. Carlton, where would you go with a 30 yd box of recycling? CRC?

Mike

Michael J. Jefferies  
Area Pricing Manager  
Waste Management - Pacific Northwest

Office Phone: (503) 331-2251  
Cell Phone: (503) 780-9347  
Fax: (503) 331-2270  
Email: [mjefferies@wm.com](mailto:mjefferies@wm.com)

 Please don't print this e-mail unless you really need to. Thanks

### Did you Know?

- \*WM recycles enough paper to save more than 41 million trees.*
- \*WM generates enough green energy to power more than a million homes.*
- \*WM landfills provide more than 17,000 acres of protected wildlife habitat.*

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**From:** Norton, Jeffrey  
**Sent:** Tuesday, November 01, 2011 3:47 PM  
**To:** Jefferies, Mike  
**Subject:** RE: Skagit Organics Rates

Hello Mike,

Did we figure out where Carlton would be taking the 30 yd recycling box?

Also, a while back we were about to lose the business for recycling at Northwest Hospital and we spoke about giving them a \$40/ton rebate for their single stream (incl. OCC), We are also charging them a \$95 haul charge.

Clean Scapes and Allied were offering them similar options.

They have finally let me know they are going to go with us as well as switch their medical waste service to us.

I just want to make sure we are still OK with this.

Thanks,

Jeff Norton

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**From:** Jefferies, Mike  
**Sent:** Wednesday, October 26, 2011 9:01 AM  
**To:** Norton, Jeffrey  
**Cc:** Paulmier, Carlton

## EXHIBIT D



### WM HEALTHCARE SOLUTIONS INTEGRATED CONTRACT AND SERVICES AGREEMENT

*This INTEGRATED CONTRACT AND SERVICES Agreement ("Agreement") is entered effective as of the date last executed below on the signature page ("Effective Date"), by and between WM Healthcare Solutions, Inc., a Delaware corporation ("WMHS") and Skagit Valley Hospital, a Mount Vernon, WA ("Customer") with reference to the following facts:*

*A. WMHS is in the business of providing full service consulting and management services to health care institutions and ancillary business enterprises with regard to maximizing value and increasing the Customer's satisfaction with respect to the Services represented in the various Attachments of this Agreement;*

*B. Customer wishes to retain WMHS to perform certain consulting, management and other services pursuant to the terms set forth herein, and WMHS wishes to provide such services to Customer on such terms;*

*NOW, THEREFORE, the parties agree as follows:*

1. **Services.** WMHS, itself or through its affiliates and subcontractors, shall have the exclusive right to provide the Customer the specified services set forth in an Attachment(s) (the "Services"). Each service shall have its own Attachment. Should the Customer desire WMHS to perform additional services, the relevant attachment(s) shall be prepared, signed by both parties, and attached to this Agreement. The terms of each Attachment and any amendments or supplements thereto are hereby incorporated by reference herein in their entirety, and the specific terms of a particular Attachment shall control if such terms differ from the terms of this Agreement, as these services may include the management of various waste streams. Unless specified otherwise in an Attachment to this Agreement, Customer represents and warrants that it is fully aware of the type and character of the wastes it generates, and Customer acknowledges that it has the undeleagable duty to ensure proper classification, segregation, packaging and storage prior to pick up of each of its waste streams. Notwithstanding anything contained in this Agreement or any Attachment to the contrary, to the extent that WMHS is simply being appointed to act solely as a billing agent on behalf of the Customer for a particular waste stream(s), WMHS is only assuming the role of an agent for a disclosed principal and shall have no liabilities arising out of existing agreements between Customer and its vendors (if applicable, see Pricing Schedule Attachment). To the extent that WMHS is solely acting as an agent for Customer with respect to billing and invoice management for services rendered to Customer by other third party vendors, WMHS shall be appointed by Customer as an agent to act on its behalf in the management of any existing contracts with third party waste management vendors, Customer agrees to provide written instruction to each third party vendor to recognize the authority of WMHS to act on behalf of Customer, and WMHS will provide assistance in accomplishing notification of third party vendors. Customer agrees to indemnify, save harmless and defend WMHS and its affiliates from, and accept full responsibility for, any and all liability arising out of the use of its vendor's services.

The Agreement includes an Attachment that lists the

locations of the Customer where Services will be provided. Such list of locations may be amended from time to time by the parties in writing. This Attachment is hereby incorporated by reference herein in its entirety.

2. **Proper Waste.** Customer acknowledges and understands that WMHS may enter into contracts with third party Service Providers ("Service Provider") to provide selected services including, but not limited to, the transport and/or disposal of certain waste streams generated by Customer and specifically identified, defined and made subject to this Agreement by virtue of the signed Attachment relating thereto ("Proper Waste"). Customer agrees to not deposit into Service Provider's or WMHS' equipment or place for collection any waste of a type not specifically covered by the Attachment. Any waste other than Proper Waste constitutes "Excluded Waste". If requested by WMHS, Customer shall provide WMHS or Service Provider with a Profile Sheet describing all waste materials with respect to which Services will be performed and, when required by WMHS or Service Provider, a representative sample of such waste materials. Customer shall update such information immediately upon becoming aware of any material change in the type or characteristic of the waste. Profile Sheet means a form provided by WMHS, which Customer shall complete describing in detail the nature and characteristics of Customer's waste materials. Profile sheets shall be submitted to WMHS for review and approval prior to commencement of services.

3. **Fees.** Customer shall pay the fees for the Services as set forth on the Attachment(s). Fees shall be invoiced on a monthly basis, and shall be due and payable net fifteen (15) days from the date of invoice. Interest shall be due at the rate of one and one-half percent, or such lower rate as may be required by law, per month or fraction thereof on all amounts past due.

4. **Fee Adjustments.** Unless specified otherwise in an Attachment to this Agreement, because disposal and fuel costs constitute a significant portion of the cost of the services to be provided hereunder and because contracts with other Service Providers may enable the Service Provider to increase the rates the Service Provider charges to WMHS, Customer agrees that WMHS may pass on to it under this Agreement any cost increases it directly incurs, or is obligated to pay to Service Providers under its Agreements with them, and related to Customer's Proper Waste. Such cost increases may also be due to any increase in disposal or fuel costs; any change in the composition of the Proper Waste; increased costs due to uncontrollable circumstances, including, without limitation, changes in local, state or federal laws or regulations, imposition of taxes, fees or surcharges and acts of God such as floods, fires, etc., or increases in other governmental charges assessed against or passed through to WMHS (other than income or real property taxes). Company may also increase the charges to reflect increases in the Consumer Price Index for the municipal or regional area in which the Services are rendered, increases in charges for reasons other than as provided above require the written consent of Customer. All rate adjustments as provided above shall take effect upon notification from Company to Customer. Customer shall pay the rates in full within 30 days of receipt of each invoice from Company. To the extent that WMHS is acting solely as a billing agent on behalf of Customer for a particular waste stream(s), vendor invoices shall be managed as provided in the Pricing Schedule Attachment and the applicable addendum. In the event that WMHS commences to provide direct collection, transportation, treatment and/or disposal services, fees



for those direct services shall be mutually agreed upon in writing by the parties prior to commencement of service.

5. Title. WMHS or the Service Provider shall acquire title to the Proper Waste when it is loaded into WMHS' or Service Provider's truck. Title to and liability for any Excluded Waste shall remain with the Customer.

6. Excluded Waste. In the event Customer delivers Excluded Waste to WMHS or a Service Provider, Customer shall, at its sole cost, immediately remove or arrange to have the Excluded Waste removed from the control or property of WMHS or the Service Provider. If the rejected waste is not so removed within three (3) days from delivery, WMHS or the Service Provider shall have the right and authority to handle and dispose of the Excluded Waste. Customer shall pay and/or reimburse WMHS or the Service Provider for any and all costs incurred as a result of or relating to their handling and disposition of the Excluded Waste, including, without limitation, costs of inspection, testing, analysis, handling, treatment and disposal, as well as internal costs incurred by WMHS in managing such an Excluded Waste event. In addition, Customer expressly agrees to defend, indemnify and hold harmless WMHS and Service Provider from and against any and all damages, penalties, fines and liabilities resulting from or arising out of, the delivery of Excluded Waste to WMHS or Service Provider.

7. Term. This Agreement shall commence on the Effective Date, and shall continue for an initial term of two (2) years from the date that Services first begin for any Proper Waste. This agreement will be extended for three (3) years beyond the initial term after evaluation of pricing and services by Customer, the extension will be signed by both parties and any pricing adjustments that are to be applied will be noted in the extension. In the event, the extension is not signed by the end of the initial term, this agreement will be in effect on for additional 6-month terms until the extension is executed or agreement is canceled in accordance with section 22.

8. Lease of Equipment. To the extent that, in conjunction with the Services, Customer elects to lease any equipment from WMHS for the storage or processing of waste or recyclable materials, Customer and WMHS shall enter into WMHS' form of Lease Agreement and any such transaction shall be separately governed by the terms thereof.

9. Equipment in General. The equipment, materials and improvements provided by WMHS to Customer or its agents, or for WMHS' use on Customer's property (the "Equipment") in performance of services hereunder shall remain the property of WMHS and Customer shall have no interest in such Equipment. Customer acknowledges that it is responsible for all loss and damage to the Equipment not caused by WMHS (except for normal wear and tear). Customer shall not overload (by weight or volume), move or alter the Equipment, and shall use the Equipment only for its proper and intended purpose.

10. Relationship of Parties. WMHS shall be deemed for all purposes to be an independent contractor, and nothing contained herein shall be construed as creating any relationship of employment, partnership, agency (express or implied), joint venture or similar arrangement between WMHS and the Customer.

11. Waste Transportation and Disposal. Except as provided otherwise in an Attachment, nothing contained within this Agreement shall be construed or interpreted as requiring WMHS to assume the status of (i) a generator, (ii) arranger or (iii) a storage, treatment or disposal facility as those terms are defined by the Resource Conservation and Recovery Act, 42 U.S.C. Section 6901 et seq., the Comprehensive Environmental Response, Compensation and Liability Act, 42 U.S.C. Section 9601 et seq., and any other applicable federal or state statutes, regulations, or rules. The Customer hereby acknowledges that while WMHS will offer complete waste solutions, the Customer is responsible for the nature and content of the waste it generates.

12. Independent Contractor. WMHS shall perform the Services in its capacity as an independent contractor and in such capacity will select and contract with waste haulers, transportation agents, and other third parties, and will advise regarding the selection and use of certain equipment and ultimate disposal sites for waste material. Neither Customer nor WMHS, nor their directors, officers, agents, employees or representatives, shall be, represent, act, purport to act or be deemed to be the agent, representative, employee or servant of the other.

13. Customer Warranties: Unless specified otherwise in an Attachment to this Agreement, Customer represents and warrants to WMHS:

- a. The description of and specifications pertaining to its waste materials in a profile sheet or other descriptions is and at all times will be true and correct in all material respects, and waste materials tendered to WMHS or Service Provider will at all times, including, without limitation, at the time of recertification of the waste materials, conform to the description and specifications contained in the profile sheet. Customer will immediately advise WMHS upon discovery of any material change in the nature or type of the waste material.
- b. Customer has made available to WMHS or Service Provider all information it has regarding the waste materials, and if Customer receives information that the waste materials described in the profile sheet present, or may present, a hazard or risk to persons or the environment not reasonably disclosed in the profile sheet, Customer will promptly report such information to WMHS and Service Provider;
- c. If Customer is not the Generator of the waste materials (with Generator as defined by federal, state and local laws), Customer has all necessary authority to enter into this Agreement with respect to the waste materials;
- d. Customer is under no legal restraint which prohibits the transfer of possession of such waste materials to WMHS;
- e. Customer shall comply with all applicable statutes, ordinances, laws, orders, rules and regulations and Company policies, and shall provide WMHS and Service Provider a safe work environment for Services performed on any premises owned or controlled by Customer including but not limited to if WMHS or Service Providers will be sorting or managing waste for Customer. Customer shall provide WMHS or Service Providers applicable facility safety rules and policies;
- f. If WMHS or Service Provider requests that work areas be secured, Customer will be solely responsible for securing such





work areas and for preventing anyone other than Contractor personnel from entering the designated work areas.

14. WMHS Warranties: WMHS represents and warrants to Customer that:

a. WMHS or Service Provider is engaged in the business of performing Services with respect to waste materials and has developed the requisite expertise to perform the Services agreed to by Customer and WMHS herein;

b. All WMHS or Service Provider vehicles and each Facility utilized to perform Services herein shall have all permits, licenses, certificates or approvals required under applicable laws and regulations for such Services; and

c. WMHS and Service Provider will perform Services for Customer in a safe and workmanlike manner, and in compliance with all statutes, ordinances, laws, orders, rules and regulations applicable to the Services.

15. Damage to Pavement/Equipment. WMHS shall not be responsible for damage to Customer's pavement or other driving surface due to the weight of the WMHS's vehicles. Any equipment supplied will remain WMHS's property. Customer will be responsible for any loss or damage resulting from Customer's use, possession or handling of the equipment, except for normal wear and tear. Customer will use the equipment only for its intended purpose and will not overload by weight or volume, move or alter the equipment and will take reasonable precautions to prevent others from doing the same. On collection day, Customer will provide unobstructed access to the equipment, and if the equipment is inaccessible or overloaded, Customer's service will be subject to an additional charge.

16. Negligence or Damage Caused by WMHS. WMHS shall indemnify, defend and hold Customer and its directors, officers, employees, agents and representatives harmless from and against any and all costs, losses, damages or expenses (excepting only consequential or liquidated damages) resulting from the negligence, intentional misconduct, breach of this Agreement or violation of law of WMHS' directors, officers, agents, employees or representatives performing services under this Agreement.

17. Hazardous Substances Indemnification. With respect to Proper Waste delivered by Customer and disposed of at a disposal facility owned and operated by WMHS or its parent, affiliate or subsidiary, WMHS agrees to indemnify, defend and hold harmless Customer for all claims, actual damages, natural resources damages, injuries, costs, response, remediation and removal costs, losses, liabilities, and expenses (including but not limited to reasonable attorneys' and experts' fees) of any kind whatsoever paid, incurred, or suffered by or against Customer arising from or attributable to any repair, clean up, removal action or response action undertaken pursuant to the Comprehensive Environmental Response, Compensation and Liability Act, 42 U.S.C. Section 9601 et seq. (CERCLA), or other similar federal, state or local law or regulations. This indemnity is intended to operate as an agreement of WMHS pursuant to Section 107(e) of CERCLA and any other relevant and applicable similar state law, rule or regulation to defend, protect, hold harmless and indemnify Customer.

18. Negligence or Damage Caused by Service Providers. WMHS shall not be liable to Customer under any theory of recovery (including without limitation, negligent selection) for any cost, loss, damage, or expense as a result of the actual performance, malfeasance, negligence, intentional misconduct, breach of any agreement or violation of law, of Service Provider, its directors, officers, employees, agents or representatives. Customer acknowledges that its remedy in such situations is to pursue the Service Provider to recover its costs, losses, damages or expenses.

19. Negligence or Damage Caused by Customer. Customer shall indemnify, defend and hold WMHS and its directors, officers, employees, agents, and representatives, and specifically including any Service Provider, harmless from and against any and all costs, losses, damages or expenses resulting from the negligence, intentional misconduct, breach of this Agreement or violation by Customer's directors, officers, employees, agents or representatives performing services under this Agreement. For example but not by limitation, failure to properly segregate, mark and package Proper Waste; or the lander of any Excluded Waste shall serve as the basis for Customer's indemnity under this paragraph, unless specified otherwise in an Attachment to this Agreement.

20. Confidentiality and Use of WM Materials. The parties acknowledge the competitive nature of the waste collection, transportation and disposal industry and agree that each of the parties derives a commercial benefit if the financial terms of their relationship are not discussed publicly or widely known. Accordingly, each of the parties hereto agrees to use its best efforts to keep the financial terms and conditions of this Agreement secret and confidential and to not publicly disclose such terms to any third party unless required to do so by law. At the expiration or termination of this Agreement, Customer shall promptly return to WMHS, or destroy and provide certification thereof if requested by WMHS, all materials, writings, posters, guidelines, instructions, equipment, models, mechanisms and the like obtained from or through WMHS or owned by WMHS or its affiliates, including, but not limited to, all WMHS or its affiliates' confidential information.

21. Force Majeure. In the event either party shall be prevented from performing its obligations hereunder due to governmental or administrative prohibitions, labor difficulties (including a breach or termination of its agreements with a Service Provider), acts of God, acts of public enemy, terrorist acts, riot, accidents, breakdown of equipment, weather conditions, delivery interruptions, or other causes beyond such party's control, the party so prevented shall, upon notice to the other party, be thereafter released from its obligations so long as such causes shall continue.

22. Termination; Liquidated Damages. Unless specified otherwise in an Attachment to this Agreement, (a) Either party may terminate this Agreement prior to the end of its then current term by providing ninety (90) days advance written notice to the other party of its material breach of this Agreement, such termination to be effective only if the other party fails to reasonably cure such alleged material breach within such ninety (90) day period (or, if the nature of the breach is such that a cure would reasonably take longer than 90 days, the contract will remain in effect so long as the breaching party promptly commences a cure and diligently pursues same until a cure is achieved). Such a termination shall not have the effect of



terminating the Customer's obligation to pay WMHS any fees resulting from WMHS' Services pursuant to a particular Attachment.

(b) If Customer breaches any material term or condition of this Agreement, including failure to pay on a timely basis, or if Customer becomes insolvent, the subject of an order for relief in bankruptcy, receivership, reorganization, dissolution, or similar law, or makes an assignment for the benefit of its Customers or if WMHS deems itself insecure as to payment the same shall constitute a default of this Agreement ("Default") and WMHS may terminate this Agreement for cause by delivering written notice of termination.

(c) If Customer terminates this Agreement for any reason other than as specified herein, or in the event WMHS terminates this Agreement as a result of Customer's Default, Customer shall pay liquidated damages calculated as follows: (1) If the remaining Initial Term or Renewal Term under this Agreement is six or more months, Customer shall pay an amount equal to its average monthly billings over the last six months, multiplied by six; (2) If the remaining Initial Term or Renewal Term under this Agreement is less than six months, Customer shall pay its average monthly billing over the last six months multiplied by the number of months remaining in the Initial Term or Renewal Term. Customer acknowledges that actual damage to WMHS in fact occurs when Customer defaults under this Agreement, and that the damage is difficult to fix or prove. Accordingly, the foregoing liquidated damage provision is reasonable and commensurate with the anticipated loss to WMHS and is an agreed fee, not a penalty. Collection of liquidated damages by WMHS shall be in addition to any rights or remedies available to Company under this Agreement or at common law.

**23. No Brokers.** Customer acknowledges that WMHS shall be obligated to take directions solely from Customer and authorized employees of Customer with regard to the subject matter of this Agreement; and WMHS shall not recognize any real or perceived claim of authority by, or be required to respond to, any third parties who may claim to have an agency or brokerage agreement to act on behalf of Customer.

**24. Vendors:** On behalf of the Customer, WMHS shall work with its own affiliates and subcontractors, and the qualified vendors who have been awarded service contracts with the Customer and coordinate activities associated with service transition with incumbent providers where applicable, to monitor and supervise equipment installation, service start up and ongoing operations. WMHS will evaluate subcontractor and vendor performance. As vendor contracts expire, WMHS will provide service through its affiliates or subcontractors or assist the Customer in procurement and negotiation of new vendor contracts. WMHS will provide initial and on-going management and coordination of in-service training to be furnished by the specific third party vendor associated with any of the services provided under this Agreement.

**25. Billing Agent:** WMHS shall work as "billing agent" for all services. Customer will provide information regarding existing agreements Customer has with other service providers where the waste stream is assigned to WMHS (including contract expiration dates, service information and cost), a signed letter of authorization to send to the service providers notifying them of WMHS' involvement in managing their services as Customer's agent, and a letter of introduction for WMHS to present to each facility manager on WMHS' first visit to each of Customer's sites, if applicable. Billing for services

provided prior to the Effective Date will be the responsibility of the Customer.

**26. Waste Services Invoice:** Provided that WMHS receives monthly invoices from its affiliates and subcontractors in a timely manner, WMHS shall audit, review for service accuracy and contract compliance, and consolidate such invoices into one "waste services invoice", that may include any other waste streams indicated in attached attachments and will provide the aggregated waste services invoice to Customer.

**27. Reporting:** WMHS will establish with the Customer a customized report format that will allow the Customer to access source data on-line and query the information to create specific reports applicable to the operations.

**28. Sustainability Initiatives:** WMHS personnel will identify and implement best-in-class alternatives for waste minimization, beneficial reuse, waste diversion, and recycling procedures. In this regard, WMHS will provide:

- a. Initial and on-going continuing education, internal messaging and communications necessary to support these protocols.
- b. External "operations management" that will include the supervision and responsibility to insure both the quality and timely delivery of services provided by the vendor partners. WMHS will provide one point-of-contact for all vendor relationships and will create service protocol that will mitigate service deficiencies and create problem resolutions procedures. WMHS will work with designated hospital staff to ensure the coordination and expediency of all services provided.
- c. Internal "operations management" (internal client stakeholders) that will include the identification and development of enhanced internal operation procedures relevant to the handling of all of the included waste categories. WMHS will help with the establishment and management of internal "green teams" that will directly support and promote all sustainability initiatives defined by the institution.

**29. Non-Solicitation of Service Providers.** Without prior written consent from WMHS, Customer will not solicit, directly or indirectly, the Services from Service Providers during the term of the Agreement and for 90 days after the termination of the Agreement.

**30. Changes in Scope of Services.** The parties agree that changes to the initial scope of services are best made in writing. However, the parties acknowledge that there may be circumstances when a written change order may not be possible at the time when such change order is needed. If Customer's representative (whom we believe in good faith is authorized by Customer) verbally requests WMHS or Service Provider to perform services which are not part of the initial scope of Services and WMHS or Service Provider agrees verbally to perform those additional services, Customer agrees that the



request and WMHS or Service Provider's acceptance will constitute a change order and the fees shall be adjusted accordingly. The parties further agree that, as soon as convenient thereafter, the parties will put the verbal change order in writing, to be signed by the parties.

31. Insurance. Each party shall procure and maintain, at its expense, during the term of this Agreement, at least the following insurance covering activities performed under, and contractual obligations undertaken in, this Agreement.

COVERAGE	LIMITS
Worker's Compensation	Statutory \$1,000,000
Employer's Liability	\$1,000,000 per occurrence
General Liability (bodily injury/property damages)	\$5,000,000 combined; single limit
Automobile Liability (bodily injury/property damages)	\$2,000,000 per occurrence
Pollution Liability	\$3,000,000 per occurrence; \$8,000,000 aggregate

Prior to commencing the Services, each party shall furnish to the other party certificates of the insurance required in the above sections. Such certificates shall provide that thirty (30) days written notice shall be given to the other party prior to cancellation of or material change in the coverage. Each party shall name the other party as an additional insured to the extent of their indemnity obligation on their respective General Liability and Automobile Liability insurance policies. FAILURE OF WMHS OR CUSTOMER TO PROVIDE INSURANCE AS HEREIN REQUIRED OR FAILURE OF WMHS OR CUSTOMER TO REQUIRE EVIDENCE OF INSURANCE OR TO NOTIFY THE OTHER PARTY OF ANY BREACH OF THE REQUIREMENTS OF THIS SECTION SHALL NOT BE DEEMED TO BE A WAIVER OF ANY OF THE TERMS AND CONDITIONS OF THIS CONTRACT, NOR SHALL THEY BE DEEMED TO BE A WAIVER OF THE OBLIGATIONS TO DEFEND, INDEMNIFY, AND HOLD HARMLESS AS REQUIRED HEREIN.

32. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State in which the services are to be performed and shall be enforced to the fullest extent permissible (including, but not by way of limitation, by injunction) under the laws applied by the courts in each State and jurisdiction in which enforcement is sought.

33. Severability. If any one or more of the provisions of this Agreement shall be declared invalid, void or unenforceable, the same shall not affect the validity or enforceability of any other provisions of this Agreement.

34. Binding Agreement Assignment. This Agreement shall be binding upon and inure to the benefit of WMHS and the Customer and their respective successors and assigns; provided however, that this Agreement may not be assigned by Customer without the prior written consent of WMHS.

35. Notice. All notices required or permitted to be given hereunder shall be given in writing and shall be deemed to have been given when personally delivered or mailed, by certified or registered mail, return receipt requested, addressed to the intended recipient as follows:

If to WMHS:

WM Healthcare Solutions  
1001 Fannin Street  
Houston, TX 77002  
Attn: General Counsel  
Facsimile: 713 209-9710

If to Customer:

Skagit Valley Hospital  
1415 E. Kirtland  
Mount Vernon WA 98273

36. Entire Agreement. This Agreement including any Attachments hereto, constitutes the entire agreement of WMHS and the Customer with respect to the subject matter hereof, and supersedes any previous agreement or understandings; written or oral. This Agreement may not be modified except in writing executed by both parties hereto.

IN WITNESS WHEREOF, the parties have executed this Agreement effective as the last date executed below.

WMHS:

By: Michael P. McInerney, President, WM Healthcare Solutions, Inc.

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

Customer:

By:   
Name & Title: Lori Driskley, CEO

Date: 10/15/11



Addendum A

Solid Waste Management

This Attachment to the INTEGRATED CONTRACT AND SERVICES Agreement ("AGREEMENT") originally dated September 1, 2011, between WM Healthcare Solutions, Inc., a Delaware corporation ("WMHS") and Skagit Valley Hospital ("CUSTOMER") is made effective November 1, 2011 ("Effective Date").

- 1. Services: WMHS shall begin the exclusive collection, management, transportation, disposal, and treatment of Solid Waste (as defined in Attachment 3).

Table with 6 columns: Plant Name, Address, Equipment, Location, Rate Per Pull, Rate per Ton. Rows include Skagit Valley Hospital, Skagit Valley Hospita-Kidney, and SKAGIT VALLEY HOSPITAL.

- 2. Flat Monthly Rate: (if applicable, see Pricing Attachment 2)

- 3. Volume:

It is understood and agreed that the rate above is based on a total annual volume not to exceed the following volumes by waste stream as measured by WMHS:

- a. ( 453 ) tons annually, 80 pulls annually

Additional weight exceeding ten percent (10%) of the stated annual amount shall be billed at the following rates:

- i. (\$300) ton

All of the terms, covenants and conditions set forth in the AGREEMENT and its Attachments are incorporated herein by reference as if the same had been set forth herein. If there is a conflict between the terms of this Attachment and the AGREEMENT, the terms of this Attachment shall prevail.

IN WITNESS WHEREOF, each party hereto has caused its duly authorized representative to execute this Attachment to the AGREEMENT as of the day and year first written above.

SKAGIT VALLEY HOSPITAL

WM HEALTHCARE SOLUTIONS, INC.

By: [Signature]
Authorized Agent

By: \_\_\_\_\_
Authorized Agent

Print Name: [Signature]

Print Name: \_\_\_\_\_

Print Title: \_\_\_\_\_

Print Title: \_\_\_\_\_

Date: 10/15/11

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



Addendum B

Recycling Services

This Attachment to the INTEGRATED CONTRACT AND SERVICES Agreement ("AGREEMENT") originally dated July 25, 2011, between WM Healthcare Solutions, Inc., a Delaware corporation ("WMHS") and Skagit Valley Hospital ("CUSTOMER") is made effective November 1, 2011 ("Effective Date").

- 1. Services: WMHS shall begin the exclusive collection, management, transportation, disposal, and treatment of Recycling Services (as defined in Attachment 3).

Table with 5 columns: Plant Name, Address, Equipment, Rate per Pull, Rate per ton. Row 1: Skagit Valley Hospital, 1415 E. Kincaid, Mount Vernon, WA, 98273, 8 y FEL plastic, Included, By FEL Cardboard.

- 2. CUSTOMER/Hospital retains responsibility of supplying interior collection containers for collection of the recyclable materials.
3. Additional Terms: Customer represents and warrants that it shall provide materials in accordance with WMHS specifications ("Specifications") set forth in the Exhibit R-1. In the event that the Recyclable Materials do not meet Specifications, Customer shall have the sole responsibility for any resulting settlement or adjustments. Except as specifically provided herein, Recyclable Materials specifically exclude, and Customer agrees not to deposit or permit the deposit for collection of, any waste tires, radioactive, volatile, corrosive, flammable, explosive, biomedical, infectious, bio-hazardous, regulated medical or hazardous waste, toxic substance or material, as defined by, characterized or listed under applicable federal, state, or local laws or regulations, or other waste not approved in writing by WMHS or other waste stated in the Exhibit R-1 as Excluded Waste (collectively, "Excluded Waste"). Title to and liability for Excluded Waste shall remain with Customer at all times. Title to Recyclable Materials shall vest in WMHS at time of pick-up or delivery. Customer warrants that the Recyclable Materials conform to the Specifications and that Customer has good title to the Recyclable Materials delivered, and that title to the same is conveyed free from liens, encumbrances, and security interests. Customer further warrants that, except as permitted herein, none of the Recyclable Materials under this Agreement constitutes or contains any Excluded Waste or that it contains any liquids or other objectionable substances.

All of the terms, covenants and conditions set forth in the AGREEMENT and its Attachments are incorporated herein by reference as if the same had been set forth herein. If there is a conflict between the terms of this Attachment and the AGREEMENT, the terms of this Attachment shall prevail.

IN WITNESS WHEREOF, each party hereto has caused its duly authorized representative to execute this Attachment to the AGREEMENT as of the day and year first written above.

SKAGIT VALLEY HOSPITAL

WM HEALTHCARE SOLUTIONS, INC.

By: [Signature]
Authorized Agent

By: \_\_\_\_\_
Authorized Agent

Print Name: [Signature]

Print Name: \_\_\_\_\_

Print Title: [Signature]

Print Title: \_\_\_\_\_

Date: 11/15/11

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



Addendum C

Regulated Medical Waste

This Attachment to the INTEGRATED CONTRACT AND SERVICES Agreement ("AGREEMENT") originally dated September 1, 2011, between WM Healthcare Solutions, Inc., a Delaware corporation ("WMHS") and Skagit Valley Hospital ("CUSTOMER") is made effective November 1, 2011 ("Effective Date").

- 1. Services: WMHS shall begin the exclusive collection, management, transportation, disposal and treatment of Regulated Medical Waste (as defined in Attachment 3).

Table with 6 columns: Plant Name, Address, Equipment, Location, Price per container [unless flat rate], Price per Pound [unless flat rate]. Row 1: Skagit Valley Hospital, 1415 E Kincaid Mount Vernon, WA, 2017 gallons, 30-32 gallons, 20-43 gallons, Hospital, Included in Flat Monthly, Included in Flat Monthly.

- 2. Flat Monthly Rate: (if applicable, see Pricing Attachment 2)

- 3. Volume:

It is understood and agreed that the rate above is based on a total annual volume not to exceed the following volumes by waste stream as measured by WMHS:

- a. ( 3000 ) containers annually (at hospital)

Additional volume exceeding ten percent (10%) of the stated annual amount shall be billed at the following rate:

- (i) Per most current Waste Management/Washington State approved tariff rates

All of the terms, covenants and conditions set forth in the AGREEMENT and its Attachments are incorporated herein by reference as if the same had been set forth herein. If there is a conflict between the terms of this Attachment and the AGREEMENT, the terms of this Attachment shall prevail.

IN WITNESS WHEREOF, each party hereto has caused its duly authorized representative to execute this Attachment to the AGREEMENT as of the day and year first written above.

SKAGIT VALLEY HOSPITAL

WM HEALTHCARE SOLUTIONS, INC.

By: [Signature]
Authorized Agent

By: \_\_\_\_\_
Authorized Agent

Print Name: [Signature]

Print Name: \_\_\_\_\_

Print Title: [Signature]

Print Title: \_\_\_\_\_

Date: 10/15/11

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



Addendum E

Confidential Documents

This Attachment to the INTEGRATED CONTRACT AND SERVICES Agreement ("AGREEMENT") originally dated September 1, 2011, between WM Healthcare Solutions, Inc., a Delaware corporation ("WMHS") and Skagit Valley Hospital ("CUSTOMER") is made effective November 1, 2011 ("Effective Date").

- 1. Services: WMHS shall begin the exclusive collection, management, transportation, disposal, and treatment of Confidential Documents (as defined in Attachment 3).

Table with 5 columns: Plant Name, Address, Description, Location, Price per Unit [unless flat rate]. Rows include Skagit Valley Hospital and Offsite Locations as per Attachment 1.

- 2. The flat rate includes up to 1800 tips annually (based on information provided by CUSTOMER). If tips vary by more than 5% than an extra: (a) \$5.75 per tip fee will be assessed. 3. Flat Monthly Rate: (if applicable, see Pricing Attachment 2)

I of the terms, covenants and conditions set forth in the AGREEMENT and its Attachments are incorporated herein by reference as if the same had been set forth herein. If there is a conflict between the terms of this Attachment and the AGREEMENT, the terms of this Attachment shall prevail.

IN WITNESS WHEREOF, each party hereto has caused its duly authorized representative to execute this Attachment to the AGREEMENT as of the day and year first written above.

SKAGIT VALLEY HOSPITAL
By: [Signature]
Authorized Agent
Print Name: Lori Danish
Print Title: [Signature]
Date: 10/15/11

WM HEALTHCARE SOLUTIONS, INC.
By: \_\_\_\_\_
Authorized Agent
Print Name: \_\_\_\_\_
Print Title: \_\_\_\_\_
Date: \_\_\_\_\_



pharm@ecology®

**Addendum F**  
**PharmEcology License and Service Offerings**

*November 1, 2011*

*Skagit Valley Hospital ("Client" or "You")*  
*1415 E. Kincaid*  
*Mount Vernon, WA, 98273*

- PharmE® Implementation Program: This three-year program provides your organization with all the tools and resources you need to design, implement, and maintain a compliant, cost-effective pharmaceutical waste management program.

**Redacted**

PharmEcology® Services provided by WM Healthcare Solutions, Inc., a Waste Management company.  
W124 N8925 Boundary Road, Menomonee Falls, WI 53051-2402  
Phone: 877-247-7430 Fax: (262) 250-8314 [www.pharmecology.com](http://www.pharmecology.com)  
Patent No.7,096,161 and Patent No. 7,366,640

HOU 406,904,910v3

WM000228





PharmEcology License and Services Agreement

between

WM Healthcare Solutions, Inc.
("PharmEcology" or "We")
W129N8925 Boundary Road
Menomonee Falls, WI 53051-2402

and

Skagit Valley Hospital
("Client" or "You")
1415 E. Kincaid
Mount Vernon, WA, 98273

Table with 4 columns: PharmE Licenses and Services, No. of Months, Fee/ Hospital Site, Total Cost. Row 1: PharmE Implementation Program, 36, 1, Included in Master Integrated Contract. Row 2: Total Cost (plus travel and expenses)

II. Miscellaneous

Redacted

2. This Agreement will become effective as of the date when both parties have signed this Agreement, as indicated below.

IN WITNESS WHEREOF, each party has caused its authorized agent to execute this Agreement as of the date set forth below such party's signature.

SKAGIT VALLEY HOSPITAL

WM HEALTHCARE SOLUTIONS, INC.

By: [Signature]
Authorized Agent

By: \_\_\_\_\_
Authorized Agent

Print Name: [Signature]
Print Title: \_\_\_\_\_
Date: 12/15/11

Print Name: \_\_\_\_\_
Print Title: \_\_\_\_\_
Date: \_\_\_\_\_

Please fax the signed License and Services Agreement to (262) 250-8314 or mail it to WM Healthcare Solutions, Inc., W124 N8925 Boundary Rd., Menomonee Falls, WI 53051-2402.

PharmEcology services provided by WM Healthcare Solutions, Inc., a Waste Management company.
W124 N8925 Boundary Road, Menomonee Falls, WI 53051-2402
Phone: 877-247-7430 Fax: (262) 250-8314 www.pharmecology.com
Patent No. 7,096,161 and Patent No. 7,366,640



pharm@ecology®

EXHIBIT A

General Terms and Conditions  
Redacted

PharmEcology® Services provided by WM Healthcare Solutions, Inc., a Waste Management company.  
W124 N8925 Boundary Road, Menomonee Falls, WI 53051-2402  
Phone: 877-247-7430 Fax: (262) 250-8314 [www.pharmecology.com](http://www.pharmecology.com)  
Patent No.7,096,161 and Patent No. 7,366,640 B2

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Redacted

PharmEcology® Services provided by WM Healthcare Solutions, Inc., a Waste Management company.  
W124 N8925 Boundary Road, Menomonee Falls, WI 53051-2402  
Phone: 877-247-7430 Fax: (262) 250-8314 [www.pharmecology.com](http://www.pharmecology.com)  
Patent No. 7,096,161 and Patent No. 7,366,640

A-2

**Error! Unknown document property name.**  
HOU 406,904,910v3

WM000231

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Redacted

PharmEcology\* Services provided by WM Healthcare Solutions, Inc., a Waste Management company.  
WI24 N8925 Boundary Road, Menomonee Falls, WI 53051-2402  
Phone: 877-247-7430 Fax: (262) 250-8314 [www.pharmecology.com](http://www.pharmecology.com)  
Patent No.7,096,161 and Patent No. 7,366,640

A-3

**Error! Unknown document property name.**  
HOU 406,904,910v3

WM000232

Redacted

PharmEcology® Services provided by WM Healthcare Solutions, Inc., a Waste Management company.  
W124 N8925 Boundary Road, Menomonee Falls, WI 53051-2402  
Phone: 877-247-7430 Fax: (262) 250-8314 [www.pharmecology.com](http://www.pharmecology.com)  
Patent No. 7,096,161 and Patent No. 7,366,640

A-4

**Error! Unknown document property name.**  
HOU 406,904,910v3

WM000233

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PharmEcology<sup>®</sup> Services provided by WM Healthcare Solutions, Inc., a Waste Management company.  
W124 N8925 Boundary Road, Menomonee Falls, WI 53051-2402  
Phone: 877-247-7430 Fax: (262) 250-8314 [www.pharmecology.com](http://www.pharmecology.com)  
Patent No. 7,096,161 and Patent No. 7,366,640

A-5

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HOU 406,904,910v3

WM000234



pharm@ecology®

EXHIBIT B  
Redacted

PharmEcology® Services provided by WM Healthcare Solutions, Inc., a Waste Management company.  
W124 N8925 Boundary Road, Menomonee Falls, WI 53051-2402  
Phone: 877-247-7430 Fax: (262) 250-8314 [www.pharmecology.com](http://www.pharmecology.com)  
Patent No. 7,096,161 and Patent No. 7,366,640

**Error! Unknown document property name.**  
HOU 408,904,910v3

WM000235

EXHIBIT C  
Redacted

PharmEcology® Services provided by WM Healthcare Solutions, Inc., a Waste Management company.  
W124 N8925 Boundary Road, Menomonee Falls, WI 53051-2402  
Phone: 877-247-7430 Fax: (262) 250-8314 [www.pharmecology.com](http://www.pharmecology.com)  
Patent No.7,096,161 and Patent No. 7,366,640



Redacted

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Phone: 877-247-7430 Fax: (262) 250-8314 [www.pharmecology.com](http://www.pharmecology.com)  
Patent No. 7,096,161 and Patent No. 7,366,640

HOU 406,904,910v3

WM000237

EXHIBIT D  
Redacted

PharmEcology® Services provided by WM Healthcare Solutions, Inc., a Waste Management company.  
W124 N892S Boundary Road, Menomonee Falls, WI 53051-2402  
Phone: 877-247-7430 Fax: (262) 250-8314 [www.pharmecology.com](http://www.pharmecology.com)  
Patent No.7,096,161 and Patent No. 7,366,640



pharm@ecology®

EXHIBIT E  
Redacted

PharmEcology® Services provided by WM Healthcare Solutions, Inc., a Waste Management company.  
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Phone: 877-247-7430 Fax: (262) 250-8314 [www.pharmecology.com](http://www.pharmecology.com)  
Patent No. 7,096,161 and Patent No. 7,366,640

**Error! Unknown document property name.**  
HOU 406,904,910v3

WM000239



pharm@ecology®

EXHIBIT F

Redacted

PharmEcology® Services provided by WM Healthcare Solutions, Inc., a Waste Management company.  
W124 N8925 Boundary Road, Menomonee Falls, WI 53051-2402  
Phone: 877-247-7430 Fax: (262) 250-8314 [www.pharmecology.com](http://www.pharmecology.com)  
Patent No. 7,096,161 and Patent No. 7,366,640

**Error! Unknown document property name.**  
HOU 406,904,910v3

WM000240

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EXHIBIT G

**Client's Organizations/Facilities Included in Agreement**

PharmEcology® Services provided by WM Healthcare Solutions, Inc., a Waste Management company.  
W124 N8925 Boundary Road, Menomonee Falls, WI 53051-2402  
Phone: 877-247-7430 Fax: (262) 250-8314 [www.pharmecology.com](http://www.pharmecology.com)  
Patent No. 7,096,161 and Patent No. 7,366,640

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*HOU 406,904,910v3*

WM000241



Attachment 1

**Customer Locations**

This is an Attachment to the INTEGRATED CONTRACT AND SERVICES Agreement ("AGREEMENT") dated November 1, 2011, between WM Healthcare Solutions, Inc., a Delaware corporation ("WMHS") and Skagit Valley Hospital ("CUSTOMER").

This Attachment lists the locations of the Customer where Services (as defined in the Agreement) will be provided by WMHS. Such list of locations may be amended from time to time by the parties in writing in a signed attachment.

As the list of locations of the Customer changes, the fees for the Customer will be adjusted accordingly and the Customer will be notified about the changed fees. (Refer to Addendums for waste streams serviced.)

List of Customer Locations:

Plant Name	Address	Billing Code	Contact	Contact Phone	Contact Email	
Skagit Valley Hospital	1415 E Kincaid Mount Vernon WA 98273		Robert Spohn	360-770-2659	rspohn@skagitvalleyhospital.org	MSW, Recycling, RMW, Shredding, Pharmecology
Skagit Valley Hospital-Kidney Ctr	208 South 14 <sup>th</sup> St., Mount Vernon, WA 98273		Robert Spohn	Same	Same	Shredding/MSW Compactor
Skagit Valley Cancer Center	307 south 13 <sup>th</sup> Street, Mount Vernon, WA 98273		Robert Spohn	Same	same	Shredding/Pharmecology
Skagit Valley Clinical Services Bldg	221 south 13 <sup>th</sup> Mount Vernon, WA 98273		Robert Spohn	Same	Same	Shredding only
Skagit Valley Human Resources Bldg	206 south 13 <sup>th</sup> St., Mount Vernon, Wa 98273		Robert Spohn	Same	Same	Shredding only
Skagit Valley Records Storage	1580 Port Drive, Burlington, WA 98233		Robert Spohn	Same	Same	Shredding only


All of the terms, covenants and conditions set forth in the AGREEMENT and its Attachments are incorporated herein by reference as if the same had been set forth herein. If there is a conflict between the terms of this Attachment and the AGREEMENT or another Attachment, the terms of this Attachment shall prevail.

IN WITNESS WHEREOF, each party hereto has caused its duly authorized representative to execute this Attachment to the AGREEMENT as of the day and year first written above.

SKAGIT VALLEY HOSPITAL

WM HEALTHCARE SOLUTIONS, INC.

By: [Signature]  
Authorized Agent

By: \_\_\_\_\_  
Authorized Agent

Print Name: Lori Daisley

Print Name: \_\_\_\_\_

Print Title: [Signature]

Print Title: \_\_\_\_\_

Date: 10/15/11

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



Attachment 2

Pricing Schedule  
Inclusive

This Attachment to the INTEGRATED CONTRACT AND SERVICES Agreement ("AGREEMENT") originally dated July 20, 2011, between WM Healthcare Solutions, Inc., a Delaware corporation ("WMHS") and Skagit Valley Hospital, a Hospital located in Mount Vernon, WA\_ ("CUSTOMER").

1. **Fixed Pricing:** Customer agrees to pay WMHS \$ 15,800 monthly and for the term of the Agreement for Services as indicated in the attached Addendums to the Agreement. It is understood and agreed that the rate stated above is based on a total annual weight not to exceed the following weights by waste stream as reported by WMHS. (See Addendums for volume breakdown.)

Addendum	Waste Stream	Included	Effective Date
A	Solid Waste Management	Yes	11/01/2011
B	Recycling Services	Yes	11/01/2011
C	Regulated Medical Waste	Yes	11/01/2011
D	Sharps	NO	
E	Confidential Documents	yes	11/01/2011
F	PharmEcology	Yes	11/01/2011
G	Universal Waste	NO	
H	Chemical Waste	NO	
I	Pharmaceutical Waste	NO	
J	Construction and Demolition	NO	
K	Recycling of Construction and Demolition	NO	
L	Sharps with Reusable Container	NO	
M	Sharps With Recyclable Container	NO	
N	Aphis Marpol Waste	NO	
O	Hazardous Waste	NO	
	Consulting Fee	YES	11/01/2011

2. **Billing Agent:** WMHS shall work as "billing agent" for waste services and will receive monthly invoices from its affiliates and any subcontractors and vendors that shall be reviewed, based on information provided by CUSTOMER, for service accuracy and contract compliance, and consolidated into one "waste services invoice" to be provided to the CUSTOMER. The invoice shall be provided to Customer at: Customer Name

Address/contact information; Skagit Valley Hospital, Attn: Robert Spohn, Environmental Services , PO Box 1376, Mount Vernon, WA 98273

3. **Waste Services Invoice:** Provided that WMHS receives monthly invoices from its affiliates and any subcontractors and vendors in a timely manner, WMHS shall consolidate such invoices into one "waste services invoice", that may include any other waste streams indicated in attached addendums and will provide the aggregated waste services invoice to CUSTOMER. Single consolidated invoice shall be formatted according to WMHS specifications, and will only contain those items listed in the pricing model to facilitate payment for the services rendered unless a mutually accepted format is agreed upon in writing. This agreed upon format must contain all of CUSTOMER's pertinent internal billing information including but not limited to CUSTOMER's departmental PO's



and/or multiple facility locations containing specific accounts payable contact information to retain CUSTOMER within their specified net terms as listed in Section 3-(Fees) of the Agreement.

4. Program Manager: WMHS will provide to the CUSTOMER a program manager for all facilities who will perform the following:
- (a) Work as the liaison between CUSTOMER and waste/recycling service providers ensuring appropriate dock-in and dock-out solutions either through WMHS or 3<sup>rd</sup> party operations.
  - (b) Work with CUSTOMER to ensure that the implementation of the plan is achieved on time and within the expected cost parameters.
  - (c) Assist with compliance of policies, procedures and regulations.
  - (d) Collaborate with WMHS to provide solutions to problems, share best practices, identify new opportunities, products and services.
  - (e) Work directly with CUSTOMER to identify objectives. Utilize and direct resources to implement plans and programs throughout all assigned facilities.

All of the terms, covenants and conditions set forth in the AGREEMENT and its Attachments are incorporated herein by reference as if the same had been set forth herein. If there is a conflict between the terms of this Attachment and the AGREEMENT, the terms of this Attachment shall prevail.

IN WITNESS WHEREOF, each party hereto has caused its duly authorized representative to execute this Attachment to the AGREEMENT as of the day and year first written above.

SKAGIT VALLEY HOSPITAL  
MOUNT VERNON, WA

By: [Signature]  
Authorized Agent  
Print Name: Wes Deish  
Print Title: [Signature]  
Date: 12.5.11

WM HEALTHCARE SOLUTIONS, INC.

By: \_\_\_\_\_  
Authorized Agent  
Print Name: \_\_\_\_\_  
Print Title: \_\_\_\_\_  
Date: \_\_\_\_\_



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Attachment 3

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Redacted

Medical Waste is any Solid Waste which is generated in the diagnosis, treatment or immunization of human beings or animals, in research pertaining thereto, or in the production or testing of biologicals. It does not include any Hazardous Waste identified or listed under relevant and applicable federal, state or local law, rule or regulation. (See 42 U.S.C. Section 6903(40) and related sections cited there). Medical Waste includes Regulated Medical Waste, Sharps Waste, Trace Chemotherapy Waste, Pathological Waste, Non-Hazardous Pharmaceutical Waste and Trauma Scene Waste. Medical Waste does not include Household Waste or Home-Generated Sharps Waste.

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### Attachment 3

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Regulated Medical Waste is any Medical Waste regulated by the United States Department of Transportation Hazardous Materials Transportation regulations. (See 49 C.F.R. Section 173.134(5)). This category of waste included in the definition of Medical Waste.

Sharps Waste means Solid Waste and or Medical Waste which is any item capable of cutting or piercing which is contaminated with biohazardous – infectious waste including, without limitation, (a) any device that has acute rigid corners, edges or protuberances capable of cutting or piercing, (b) hypodermic needles, syringes, blades, needles with attached tubing, syringes contaminated with biohazardous waste, acupuncture needles, and root canal files, (c) broken glass items, such as Pasteur pipettes and blood vials contaminated with biohazardous waste. Sharps Waste is a subset of Medical Waste and these wastes are included in the definition of Medical Waste.

Trace Chemotherapy Waste is a Solid Waste and or Medical Waste which has come into contact with chemotherapeutic, antineoplastic or cytotoxic agents, or other formulations which are used to kill or prevent the reproduction of malignant cells. Chemotherapy Waste includes contaminated gloves, disposable gowns, towels, wipes and pads as well as "empty" vials, ampoules, syringes, containers, inner liners, intravenous solution bags and attached tubing. There are specific requirements to achieve "empty" status under the Resource Conservation and Recovery Act, see 40 CFR Section 261.7.

Pathological Waste is a type of Medical Waste comprised of human or animal tissues, organs or body parts, removed during surgery, autopsy, or other medical procedure but shall not include any intact fetuses, heads or torsos, all of which shall be deemed Non-Conforming Waste. Non-Conforming Waste also shall include formaldehyde or other preservative agent, or a human corpse or part thereof which is intended for burial or cremation. Pathological Waste cannot be treated or disposed of at locations not permitted to accept such waste. Also WM must comply with any federal, state or local laws and regulations which may be more restrictive on the collection, treatment and disposal of Pathological Waste.

Non-Hazardous Pharmaceutical Waste is a Solid Waste consisting of, including but not limited to, a drug as defined in Section 109925 of the Federal Food, Drug and Cosmetic Act, as amended, (21 USC Section 321(g)(1)) for which a decision to discard has been made and which does not qualify as a Hazardous Waste.

Trauma Scene Waste is any Medical Waste which has been contaminated with human blood, bodily fluids or other residues from the scene of a serious human injury, illness or death, which has been removed, is to be removed, or is in the process of being removed from trauma scene by authorized law enforcement or fire department personnel, or a third party qualified and authorized to remove such waste from trauma scenes.

Pharmaceutical Waste means a Solid Waste comprised of prescription or over-the-counter human or veterinary drugs, or immediate precursors, including but not limited to, a drug as defined in Section 109925 of the Federal Food, Drug and Cosmetic Act, as amended, (21 USC Section 321(g)(1)) for which a decision to discard has been made. Pharmaceutical Waste may or may not also be a Hazardous Pharmaceutical Waste or may be a Non-Hazardous Pharmaceutical Waste. Any Pharmaceutical Waste may also be a Controlled Substance.

Non-Hazardous Pharmaceutical Waste is a Solid Waste consisting of including but not limited to, a drug as defined in Section 109925 of the Federal Food, Drug and Cosmetic Act, as amended, (21 USC Section 321(g)(1)) for which a decision to discard has been made and which do not qualify as a Hazardous Waste.

Hazardous Pharmaceutical Waste means a Pharmaceutical Waste which qualifies as a Hazardous Waste (or is declared to be a Hazardous Waste by agreement of the parties, sometimes referred to as PharmE® Hazardous Waste). Stringent waste management precautions and procedures are required in order to safely manage this kind of waste.

PharmE® Hazardous Waste is a solid waste which does not qualify as a Hazardous Waste, but which the parties to this Agreement decide should be subject to the safeguards imposed upon Hazardous Waste. This waste is also known as declared hazardous waste.



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## Attachment 3

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Redacted

Recycling means the collection, separation, processing and returning of materials to use in the form of raw materials for the production of new products. (See R-1 below)

Recycling of Solid Waste means the collection, separation, processing, and returning solid wastes to use in the form of raw materials for the production of new products. (See R-1 below)

Redacted

**R-1 – Recycling Specifications:**

**Recyclable Materials Accepted (Proper Waste):**

Aluminum food and beverage containers

Glass food and beverage containers – brown, clear, or green

Ferrous (Iron) cans

PET plastic containers with the symbol #1 – with screw tops only, without caps

HDPE natural plastic containers with the symbol #2 – narrow neck containers only (milk and water bottles)

HDPE pigmented plastic containers with the symbol #2 – narrow neck containers only, without caps (detergent, shampoo bottles, etc.)

Plastics with symbols #3, #4, #5, #6, #7-narrow and screw top containers

Newsprint

Old corrugated cardboard

Magazines

Catalogs

Cereal boxes

Telephone books



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### Attachment 3

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Printer paper  
Copier paper  
Mail  
All other office paper without wax liners

Recyclable Materials Not Accepted include but are not limited to Excluded Waste:

Microwave trays  
Mirrors  
Window or auto glass  
Light Bulbs  
Ceramics  
Porcelain  
Coat hangers  
Glass cookware/bakeware  
Household items such as cooking pots, toasters, etc.  
Any materials that are not Proper Waste

All glass containers must be empty and free of metal caps and rings and contain less than 5% food debris.  
All tin cans, bi-metal cans, and aluminum cans must be empty and contain less than 5% food debris.  
All aerosol cans must be empty with less than 5% content  
All plastic containers must be empty, caps removed; less than 5% food debris.  
All Fiber must be dry and free of food debris and other contaminating material.  
Tissues, paper towels or other paper that has been in contact with food is not acceptable.

Recyclables may contain up to 5% Unacceptable Materials, provided however, Recyclables may not:

1. Materially impair the strength or the durability of WMHS' or its affiliates' structures or equipment; or
2. Create flammable or explosive conditions in WMHS' or its affiliates' facilities;
3. Contain dry cell batteries or lead acid batteries;
4. Contain chemical or other properties which are deleterious or capable of causing material damage to any part of WMHS' or its affiliates' property, its personnel or the public; or
5. Contain Excluded Materials defined as any waste tires, radioactive, volatile, corrosive, flammable, explosive, biomedical, infectious, biohazardous, regulated medical or hazardous waste, toxic substance or material, as defined by, characterized or listed under applicable federal, state, or local laws or regulations, or other waste not approved in writing by WMHS.

WMHS reserves the right at its sole discretion upon notice to Customer to discontinue acceptance of any category of materials set forth above as a result of market conditions related to such materials and makes no representations as to the recyclability of the materials set forth above.

Loads not meeting the specifications may be rejected in whole or in part by WMHS.

All of the terms, covenants and conditions set forth in the AGREEMENT and its Attachments are incorporated herein by reference as if the same had been set forth herein. If there is a conflict between the terms of this Attachment and the AGREEMENT, the terms of this Attachment shall prevail.

IN WITNESS WHEREOF, each party hereto has caused its duly authorized representative to execute this Attachment to the AGREEMENT as of the day and year first written above.



---

Attachment 3

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SKAGIT VALLEY HOSPITAL

WM HEALTHCARE SOLUTIONS, INC.

By: [Signature]  
Authorized Agent

By: \_\_\_\_\_  
Authorized Agent

Print Name: Luci Driskin

Print Name: \_\_\_\_\_

Print Title: [Signature]

Print Title: \_\_\_\_\_

Date: 6/15/11

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

**EXHIBIT A  
SITE LIST FOR CLINIC MEDICAL WASTE PICKUP**

Additional Service Sites for Regulated Medical Waste at per unit pricing (not a part of the flat monthly fee)  
Charges will be based on the Waste Management Tariff on file with the Washington Utilities and Transportation Commission.

Site	Address	City	State	Phone number	Schedule	container	QTY
site 1	Skagit Valley RC-Mt Vernon	Mount Vernon	WA	98274 360-336-9757	1 X 8 WEEKS	43-GALLON TUB	1
site 2	Skagit Valley RC-Mt Vernon	Mount Vernon	WA	98274 360-438-2500	1 X 4 WEEKS	30 GALLON BOX	20
site 3	Skagit Valley RC-Stanwood	Stanwood	WA	98292 360-529-4583	1 X 2 WEEKS	31-GALLON TUB	1
site 4	Skagit Valley RC-Sedro Woolley	Sedro Woolley	WA	98284 360-856-4222	1 X 4 WEEKS	43-GALLON TUB	1
site 5	Skagit Valley RC-Camano	Camano Island	WA	98282 360-387-6398	1 X 4 WEEKS	43-GALLON TUB	1
site 6	Skagit Valley RC-Arlington	Arlington	WA	98223 360-435-2144	1 X 4 WEEKS	43-GALLON TUB	1
site 7	Skagit Valley RC-Arlington	Arlington	WA	98223 360-336-9757	1 X 4 WEEKS	43-GALLON TUB	1
site 8	Skagit Valley RC-Anacortes	Anacortes	WA	98221 360-293-0308	1 X 4 WEEKS	43-GALLON TUB	1
site 9	Skagit Valley RC-Oak Harbor	Oak Harbor	WA	98277 360-814-6200	1 x 12 weeks	43-GALLON TUB	1

SIGNED (SKAGIT VALLEY HOSPITAL)

SIGNED (WASTE MANAGEMENT)

By \_\_\_\_\_  
DATE 1/15/11

By \_\_\_\_\_  
DATE \_\_\_\_\_