

**AMENDMENT NO. 1 TO AMENDED AND SUCCESSOR EXCLUSIVE SERVICE AREA
AGREEMENT NO. 17-568 FOR SOLID WASTE, RECYCLABLE MATERIALS, GREEN
WASTE AND ORGANIC MATERIALS SERVICES**

THIS AMENDMENT NO. 1 TO AMENDED AND SUCCESSOR EXCLUSIVE SERVICE AREA AGREEMENT NO. 17-568 ("Amendment No. 1") is made and entered into in Fresno, California, on this 6th day of November, 2018, between the County of Fresno, a political subdivision of the State of California, (hereinafter called "COUNTY"), and Orange Avenue Disposal, Inc., dba Industrial Waste & Salvage (hereinafter called "CONTRACTOR"), with reference to the following facts.

WITNESSETH:

WHEREAS the COUNTY and CONTRACTOR entered into an Exclusive Service Area Program Agreement ("Agreement") that was executed on October 31, 2017; and

WHEREAS, the CONTRACTOR is required to divert residential and commercial Solid Waste from landfilling; and

WHEREAS, the CONTRACTOR has requested that the COUNTY adopt a Recycling Surcharge on the maximum rates allowed for CONTRACTOR to charge for services under the Agreement to cover an increase in costs incurred as a result of unforeseen circumstances attributable to a combination of bans, tariffs and increasingly strict regulations governing the use of discarded materials recycled in China; and

WHEREAS, the purpose of this Amendment No. 1 is to provide temporary mitigation of those costs, for an interim period pending the development, through cooperation between COUNTY staff and representatives of the Exclusive Service Area Program waste haulers (including CONTRACTOR), of an appropriately indexed Recycling Surcharge process, as hereinafter set forth.

NOW, THEREFORE, in consideration of the foregoing premises and the mutual promises herein, the COUNTY and the CONTRACTOR agree as follows:

1. CONTRACTOR may charge for services under the Agreement, as hereby

1 amended, in accordance with the Maximum Rate Schedules listed in the
2 attached Revised Exhibit D from January 1, 2019 through June 30, 2020, and as
3 may be revised (subject to the provisions of the immediately following Paragraph
4 2) as of July 1, 2019 by the CPI adjustment that is scheduled under the
5 Agreement to occur on that date.

- 6 2. The Maximum Rate Schedules, Exhibit D hereto, include a fixed Recycling
7 Surcharge component of 1.45% that is listed therein as an overlay surcharge,
8 and that will not be subject to (and thus will be expressly excepted from the
9 applicability of) the annual CPI adjustment provided for in Paragraph 7.2.C of the
10 Agreement.
- 11 3. CONTRACTOR shall give notice to its Customers of its initiation of the rate
12 increase resulting from implementation of the Recycling Surcharge component in
13 accordance with the introductory paragraph of Section 7.3 of the Agreement
14 (which immediately precedes Section 7.3, Paragraph A of the Agreement).
- 15 4. The authorization herein provided by this Amendment No. 1 for CONTRACTOR to
16 charge the Recycling Surcharge component provided for herein will commence on
17 January 1, 2019, and unless it is expressly superseded by a subsequent
18 amendment to the Agreement, such authorization will expire on June 30, 2020.
19 COUNTY and CONTRACTOR agree to work together, from and after the date of
20 execution of this Amendment No. 1, to develop an appropriately indexed Recycling
21 Surcharge process that will more accurately address both positive and negative
22 fluctuations in the market value of recyclables collected within the Exclusive
23 Service Area Program territories over a more extended period of time. It is
24 anticipated that once it has been cooperatively developed, such Recycling
25 Surcharge process would be presented to the COUNTY's Board of Supervisors at
26 the earliest practicable date, as a proposed amendment to the Agreement to
27 supersede the provisions of this Amendment No. 1.

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1 EXECUTED AND EFFECTIVE as of the date first above set forth.

3 **CONTRACTOR**

COUNTY OF FRESNO

5 *R.M. Caglia*

7 (Authorized Signature)

8 Richard M. Caglia
9 Corporate Development

10 Print Name and Title

11 P.O. Box 4410

13 Mailing Address

14 Fresno CA 93709

16 City, State, and Zip Code

Sal Quintero

Sal Quintero, Chairperson of the Board
of Supervisors of the County of Fresno

ATTEST:

Bernice E. Seidel

Clerk of the Board of Supervisors

County of Fresno, State of California

By *Rosa Cuyt*

Deputy

EXHIBIT D
SCHEDULE OF MAXIMUM CART RATES

(\$ per month, per customer) -- Adjusted for American Avenue Tip Fee Increase July 2018
SER Rates Effective February 28, 2018
Recycling Surcharge Effective January 1, 2019

Zone 1

Cart Size	Current Rate (07/2017)	AADS Rate Adjustment	New Rate (07/2018)	Recycling Surcharge Overlay (01/2019) 1.45%	SER Overlay ⁽¹⁾ (02/28/2018)
30-gal cont	\$26.17	\$ 0.03	\$26.20	\$0.38	\$ 0.20
60-gal cont	\$31.50	\$ 0.06	\$31.56	\$0.46	\$ 0.36
90-gal cont	\$39.21	\$ 0.09	\$39.30	\$0.57	\$ 0.54

Zone 2 (a)

Cart Size	Current Rate (07/2017)	AADS Rate Adjustment	New Rate (07/2018)	Recycling Surcharge Overlay (01/2019) 1.45%	SER Overlay ⁽¹⁾ (02/28/2018)
30-gal cont	N/A	N/A	N/A	N/A	N/A
60-gal cont	\$40.45	\$ 0.06	\$40.51	\$0.59	\$ 0.36
90-gal cont	\$46.15	\$ 0.09	\$46.24	\$0.67	\$ 0.54

Zone 2 (b)

Cart Size	Current Rate (07/2017)	AADS Rate Adjustment	New Rate (07/2018)	Recycling Surcharge Overlay (01/2019) 1.45%	SER Overlay ⁽¹⁾ (02/28/2018)
30-gal cont	N/A	N/A	N/A	N/A	N/A
60-gal cont	\$34.54	\$ 0.06	\$34.60	\$0.50	\$ 0.36
90-gal cont	\$41.13	\$ 0.09	\$41.22	\$0.60	\$ 0.54

Zone 3

Cart Size	Current Rate (07/2017)	AADS Rate Adjustment	New Rate (07/2018)	Recycling Surcharge Overlay (01/2019) 1.45%	SER Overlay ⁽¹⁾ (02/28/2018)
30-gal cont	N/A	N/A	N/A	N/A	N/A
60-gal cont	\$45.87	\$ 0.06	\$45.93	\$0.67	\$0.36
90-gal cont	\$51.90	\$ 0.09	\$51.99	\$0.75	\$0.54

Notes

- SER Rate is only applicable to residents within the SER Territory (map attached). To Calculate the SER rate, a hauler will need to add current rate to SER Overlay. SER Overlay rates are not subject to CPI Increases.
- The rate to provide Organic Materials Collection and Processing Services shall be 60% of the comparable size and frequency of Solid Waste Collection Rates plus the actual cost per ton for Organic Materials Processing.
- Any bin service provided to residences (including 1, 2, and 3 cy Bins) will be reported as commercial service for reporting purposes.
- Recycling Surcharge to be implemented effective January 1, 2019 through and including June 30, 2020.

EXHIBIT D-1

SCHEDULE OF MAXIMUM BIN RATES

(\$ per month, per customer) -- Adjusted for American Avenue Tip Fee Increase July 2018

SER Rates effective February 28, 2018

Recycling Surcharge Effective January 1, 2019

Service Description	Service Rate Area																			
	Zone 1					Zone 2 (a)					Zone 2 (b)					Zone 3				
	Current Rate (07/2017)	AADS Rate Adjustment	New Rate (07/2018)	Recycling Surcharge Overlay (01/2019) 1.45%	SER Overlay (2) (02/28/2018)	Current Rate (07/2017)	AADS Rate Adjustment	New Rate (07/2018)	Recycling Surcharge Overlay (01/2019) 1.45%	SER Overlay (2) (02/28/2018)	Current Rate (07/2017)	AADS Rate Adjustment	New Rate (07/2018)	Recycling Surcharge Overlay (01/2019) 1.45%	SER Overlay (2) (02/28/2018)	Current Rate (07/2017)	AADS Rate Adjustment	New Rate (07/2018)	Recycling Surcharge Overlay (01/2019) 1.45%	SER Overlay (2) (02/28/2018)
1 cu yd, 1 pickup/wk	\$69.78	\$0.20	\$69.98	\$1.01	\$1.14	\$79.80	\$0.20	\$80.00	\$1.16	\$1.14	\$81.13	\$0.20	\$81.33	\$1.18	\$1.14	\$80.54	\$0.20	\$80.74	\$1.17	\$1.14
1 cu yd, 2 pickups/wk	\$129.10	\$0.39	\$129.49	\$1.88	\$2.28	\$139.08	\$0.39	\$139.47	\$2.02	\$2.28	\$138.05	\$0.39	\$138.44	\$2.01	\$2.28	\$141.39	\$0.39	\$141.78	\$2.06	\$2.28
1 cu yd, 3 pickups/wk	\$188.39	\$0.59	\$188.98	\$2.74	\$3.41	\$202.71	\$0.59	\$203.30	\$2.95	\$3.41	\$206.12	\$0.59	\$206.71	\$3.00	\$3.41	\$209.03	\$0.59	\$209.62	\$3.04	\$3.41
1 cu yd, 4 pickups/wk	\$247.66	\$0.78	\$248.44	\$3.60	\$4.55	\$271.62	\$0.78	\$272.40	\$3.95	\$4.55	\$279.79	\$0.78	\$280.57	\$4.07	\$4.55	\$281.81	\$0.78	\$282.59	\$4.10	\$4.55
1 cu yd, 5 pickups/wk	\$306.99	\$0.98	\$307.97	\$4.47	\$5.69	\$343.98	\$0.98	\$344.96	\$5.00	\$5.69	\$360.68	\$0.98	\$361.66	\$5.24	\$5.69	\$355.76	\$0.98	\$356.74	\$5.17	\$5.69
1 cu yd, 6 pickups/wk	\$366.28	\$1.17	\$367.45	\$5.33	\$6.83	\$419.56	\$1.17	\$420.73	\$6.10	\$6.83	\$450.53	\$1.17	\$451.70	\$6.55	\$6.83	\$432.85	\$1.17	\$434.02	\$6.29	\$6.83
1.5 cu yd, 1 pickup/wk ⁽¹⁾	\$81.12	\$0.29	\$81.41	\$1.18	\$1.71	\$92.79	\$0.29	\$93.08	\$1.35	\$1.71	\$90.24	\$0.29	\$90.53	\$1.31	\$1.71					
1.5 cu yd, 2 pickups/wk	\$150.20	\$0.59	\$150.79	\$2.19	\$3.41	\$164.43	\$0.59	\$165.02	\$2.39	\$3.41	\$154.95	\$0.59	\$155.54	\$2.26	\$3.41					
1.5 cu yd, 3 pickups/wk	\$219.27	\$0.88	\$220.15	\$3.19	\$5.12	\$240.81	\$0.88	\$241.69	\$3.50	\$5.12	\$230.24	\$0.88	\$231.12	\$3.35	\$5.12					
1.5 cu yd, 4 pickups/wk	\$288.32	\$1.17	\$289.49	\$4.20	\$6.83	\$323.04	\$1.17	\$324.21	\$4.70	\$6.83	\$315.21	\$1.17	\$316.38	\$4.59	\$6.83					
1.5 cu yd, 5 pickups/wk	\$357.38	\$1.46	\$358.84	\$5.20	\$8.53	\$408.54	\$1.46	\$410.00	\$5.95	\$8.53	\$408.62	\$1.46	\$410.08	\$5.95	\$8.53					
1.5 cu yd, 6 pickups/wk	\$426.45	\$1.76	\$428.21	\$6.21	\$10.24	\$497.27	\$1.76	\$499.03	\$7.24	\$10.24	\$507.24	\$1.76	\$509.00	\$7.38	\$10.24					
2 cu yd, 1 pickup/wk	\$91.66	\$0.39	\$92.05	\$1.33	\$2.28	\$106.06	\$0.39	\$106.45	\$1.54	\$2.28	\$99.50	\$0.39	\$99.89	\$1.45	\$2.28	\$113.15	\$0.39	\$113.54	\$1.65	\$2.28
2 cu yd, 2 pickups/wk	\$170.87	\$0.78	\$171.65	\$2.49	\$4.55	\$189.77	\$0.78	\$190.55	\$2.76	\$4.55	\$171.82	\$0.78	\$172.60	\$2.50	\$4.55	\$207.13	\$0.78	\$207.91	\$3.01	\$4.55
2 cu yd, 3 pickups/wk	\$250.13	\$1.17	\$251.30	\$3.64	\$6.83	\$278.90	\$1.17	\$280.07	\$4.06	\$6.83	\$254.35	\$1.17	\$255.52	\$3.71	\$6.83	\$284.11	\$1.17	\$285.28	\$4.14	\$6.83
2 cu yd, 4 pickups/wk	\$329.39	\$1.56	\$330.95	\$4.80	\$9.10	\$374.48	\$1.56	\$376.04	\$5.45	\$9.10	\$350.67	\$1.56	\$352.23	\$5.11	\$9.10	\$390.07	\$1.56	\$391.63	\$5.68	\$9.10
2 cu yd, 5 pickups/wk	\$408.63	\$1.95	\$410.58	\$5.95	\$11.38	\$473.22	\$1.95	\$475.17	\$6.89	\$11.38	\$456.60	\$1.95	\$458.55	\$6.65	\$11.38	\$493.84	\$1.95	\$495.79	\$7.19	\$11.38
2 cu yd, 6 pickups/wk	\$487.86	\$2.34	\$490.20	\$7.11	\$13.65	\$574.90	\$2.34	\$577.24	\$8.37	\$13.65	\$563.94	\$2.34	\$566.28	\$8.21	\$13.65	\$602.11	\$2.34	\$604.45	\$8.76	\$13.65
3 cu yd, 1 pickup/wk	\$111.76	\$0.59	\$112.35	\$1.63	\$3.41	\$134.51	\$0.59	\$135.10	\$1.96	\$3.41	\$122.55	\$0.59	\$123.14	\$1.79	\$3.41	\$147.62	\$0.59	\$148.21	\$2.15	\$3.41
3 cu yd, 2 pickups/wk	\$210.30	\$1.17	\$211.47	\$3.07	\$6.83	\$244.26	\$1.17	\$245.43	\$3.56	\$6.83	\$213.36	\$1.17	\$214.53	\$3.11	\$6.83	\$274.62	\$1.17	\$275.79	\$4.00	\$6.83
3 cu yd, 3 pickups/wk	\$308.86	\$1.76	\$310.62	\$4.50	\$10.24	\$360.61	\$1.76	\$362.37	\$5.25	\$10.24	\$318.22	\$1.76	\$319.98	\$4.64	\$10.24	\$368.49	\$1.76	\$370.25	\$5.37	\$10.24
3 cu yd, 4 pickups/wk	\$407.42	\$2.34	\$409.76	\$5.94	\$13.65	\$484.78	\$2.34	\$487.12	\$7.06	\$13.65	\$434.99	\$2.34	\$437.33	\$6.34	\$13.65	\$505.69	\$1.76	\$507.45	\$7.36	\$13.65
3 cu yd, 5 pickups/wk	\$506.00	\$2.93	\$508.93	\$7.38	\$17.06	\$612.59	\$2.93	\$615.52	\$8.93	\$17.06	\$553.87	\$2.93	\$556.80	\$8.07	\$17.06	\$641.76	\$2.93	\$644.69	\$9.35	\$17.06
3 cu yd, 6 pickups/wk	\$604.53	\$3.51	\$608.04	\$8.82	\$20.48	\$743.71	\$3.51	\$747.22	\$10.83	\$20.48	\$682.34	\$3.51	\$685.85	\$9.94	\$20.48	\$780.66	\$3.51	\$784.17	\$11.37	\$20.48
4 cu yd, 1 pickup/wk	\$122.77	\$0.78	\$123.55	\$1.79	\$4.55	\$164.77	\$0.78	\$165.55	\$2.40	\$4.55	\$147.39	\$0.78	\$148.17	\$2.15	\$4.55	\$189.85	\$0.78	\$190.63	\$2.76	\$4.55
4 cu yd, 2 pickups/wk	\$232.12	\$1.56	\$233.68	\$3.39	\$9.10	\$292.62	\$1.56	\$294.18	\$4.27	\$9.10	\$258.89	\$1.56	\$260.45	\$3.78	\$9.10	\$354.98	\$1.56	\$356.54	\$5.17	\$9.10
4 cu yd, 3 pickups/wk	\$341.41	\$2.34	\$343.75	\$4.98	\$13.65	\$447.71	\$2.34	\$450.05	\$6.53	\$13.65	\$386.70	\$2.34	\$389.04	\$5.64	\$13.65	\$477.44	\$2.34	\$479.78	\$6.96	\$13.65
4 cu yd, 4 pickups/wk	\$450.77	\$3.12	\$453.89	\$6.58	\$18.20	\$602.74	\$3.12	\$605.86	\$8.78	\$18.20	\$531.35	\$3.12	\$534.47	\$7.75	\$18.20	\$649.42	\$3.12	\$652.54	\$9.46	\$18.20
4 cu yd, 5 pickups/wk	\$560.09	\$3.90	\$563.99	\$8.18	\$22.75	\$761.72	\$3.90	\$765.62	\$11.10	\$22.75	\$678.89	\$3.90	\$682.79	\$9.90	\$22.75	\$822.24	\$3.90	\$826.14	\$11.98	\$22.75
4 cu yd, 6 pickups/wk	\$669.43	\$4.68	\$674.11	\$9.77	\$27.30	\$924.41	\$4.68	\$929.09	\$13.47	\$27.30	\$836.80	\$4.68	\$841.48	\$12.20	\$27.30	\$999.51	\$4.68	\$1,004.19	\$14.56	\$27.30
5 cu yd, 1 pickup/wk*	\$141.17	\$0.98	\$142.15	\$2.06	\$5.69	\$201.51	\$0.98	\$202.49	\$2.94	\$5.69	\$172.33	\$0.98	\$173.31	\$2.51	\$5.69					
5 cu yd, 2 pickups/wk	\$267.96	\$1.95	\$269.91	\$3.91	\$11.38	\$367.26	\$1.95	\$369.21	\$5.35	\$11.38	\$304.56	\$1.95	\$306.51	\$4.44	\$11.38					
5 cu yd, 3 pickups/wk	\$394.72	\$2.93	\$397.65	\$5.77	\$17.06	\$552.34	\$2.93	\$555.27	\$8.05	\$17.06	\$459.81	\$2.93	\$462.74	\$6.71	\$17.06					
5 cu yd, 4 pickups/wk	\$521.46	\$3.90	\$525.36	\$7.62	\$22.75	\$744.09	\$3.90	\$747.99	\$10.85	\$22.75	\$628.03	\$3.90	\$631.93	\$9.16	\$22.75					
5 cu yd, 5 pickups/wk	\$648.25	\$4.88	\$653.13	\$9.47	\$28.44	\$940.59	\$4.88	\$945.47	\$13.71	\$28.44	\$806.23	\$4.88	\$811.11	\$11.76	\$28.44					
5 cu yd, 6 pickups/wk	\$775.02	\$5.85	\$780.87	\$11.32	\$34.13	\$1,141.57	\$5.85	\$1,147.42	\$16.64	\$34.13	\$996.83	\$5.85	\$1,002.68	\$14.54	\$34.13					
6 cu yd, 1 pickup/wk	\$175.89	\$1.17	\$177.06	\$2.57	\$6.83	\$238.20	\$1.17	\$239.37	\$3.47	\$6.83	\$197.23	\$1.17	\$198.40	\$2.88	\$6.83	\$263.11	\$1.17	\$264.28	\$3.83	\$6.83
6 cu yd, 2 pickups/wk	\$333.29	\$2.34	\$335.63	\$4.87	\$13.65	\$441.85	\$2.34	\$444.19	\$6.44	\$13.65	\$350.15	\$2.34	\$352.49	\$5.11	\$13.65	\$494.21	\$2.34	\$496.55	\$7.20	\$13.65
6 cu yd, 3 pickups/wk	\$490.69	\$3.51	\$494.20	\$7.17	\$20.48	\$656.89	\$3.51	\$660.40	\$9.58	\$20.48	\$532.86	\$3.51	\$536.37	\$7.78	\$20.48	\$662.56	\$3.51	\$666.07	\$9.66	\$20.48
6 cu yd, 4 pickups/wk	\$648.05	\$4.68	\$652.73	\$9.46	\$27.30	\$885.40	\$4.68	\$890.08	\$12.91	\$27.30	\$724.70	\$4.68	\$729.38	\$10.58	\$27.30	\$894.00	\$4.68	\$898.68	\$13.03	\$27.30
6 cu yd, 5 pickups/wk	\$805.42	\$5.85	\$811.27	\$11.76	\$34.13	\$1,119.50	\$5.85	\$1,125.35	\$16.32	\$34.13	\$933.59	\$5.85	\$939.44	\$13.62	\$34.13	\$1,131.29	\$5.85	\$1,137.14	\$16.49	\$34.13
6 cu yd, 6 pickups/wk	\$962.85	\$7.00	\$969.85	\$14.06	\$40.95	\$1,358.78	\$7.00	\$1,365.78	\$19.80	\$40.95	\$1,156.92	\$7.00	\$1,163.92	\$16.88	\$40.95	\$1,374.43	\$7.00	\$1,381.43	\$20.03	\$40.95

Notes

- 1 - 1.5 and 5 cubic yard bins are provided at the discretion of the hauler. None of the Zone 3 service rate area haulers have proposed to provide these odd-sized containers, therefore, no rate is proposed in the Zone 3 service rate area.
- 2 - SER rate is only applicable to residents within the SER Territory (map attached). To calculate the SER rate, a hauler will need to add current rate to SER Overlay. SER Overlay rates are not subject to CPI increases.
- 3 - Correction to SER Overlay rate for Zones 1, 2a, 2b, and Zone 3 for service related to 6 cubic yards 6 pickups per week. Agreement rate table erroneously reflects a rounded amount of \$41.00.
- 4 - The rate to provide Organic Materials Collection and Processing Services shall be 80% of the comparable size and frequency of Solid Waste Collection Rates plus the actual cost per ton for Organic Materials Processing.
- 5 - Any bin service provided to residences (including 1, 2, and 3 cy Bins) will be reported as commercial service for reporting purposes.
- 6 - Recycling Surcharge to be implemented effective January 1, 2019 through and including June 30, 2020.