## AMENDMENT NO. 1 TO AMENDED AND SUCCESSOR EXCLUSIVE SERVICE AREA AGREEMENT NO. 17-572 FOR SOLID WASTE, RECYCLABLE MATERIALS, GREEN WASTE AND ORGANIC MATERIALS SERVICES

THIS AMENDMENT NO. 1 TO AMENDED AND SUCCESSOR EXCLUSIVE SERVICE AREA AGREEMENT 17-572 ("Amendment No. 1") is made and entered into in Fresno, California, on this <u>6th</u> day of August, 2019, between the County of Fresno, a political subdivision of the State of California, (hereinafter called "COUNTY"), and Western Solid

Waste, a sole proprietorship owned and operated by Fred Dow (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

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the Recycling Surcharge component provided for herein will commence on October 1, 2019, and unless it is expressly superseded by a subsequent amendment to the Agreement, such authorization will expire on June 30, 2020.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

EXECUTED AND EFFECTIVE as of the date first above set forth. CONTRACTOR (Authorized Signature) Fred L. Dow, Owner Print Name and Title P.O. Box 254 Mailing Address Friant, CA 93626 City, State, and Zip Code 

## **COUNTY OF FRESNO**

Nathan Magsig, Chairman 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

Deputy