

REVISED April 12, 2021

AMENDMENT NO. 1

TO THE EXCLUSIVE COLLECTION SERVICES CONTRACT FOR THE PROVISION OF RESIDENTIAL AND COMMERCIAL SOLID WASTE, RECYCLABLE MATERIALS AND ORGANIC WASTE COLLECTION SERVICES BETWEEN THE CITY OF ROLLING HILLS ESTATES AND USA WASTE OF CALIFORNIA, INC.

This Amendment No. 1 to the Collection Services Contract ("Amendment No. 1") is between the City of Rolling Hills Estates ("CITY"), and USA Waste of California, Inc. ("CONTRACTOR"), and is effective as of July 1, 2021.

Recitals

A. CITY and CONTRACTOR entered into that certain Collection Services Contract dated September 11, 2018 ("Contract"), pursuant to which CONTRACTOR agreed to provide residential and Commercial Solid Waste, Recyclable Materials and Organic Waste Collection Services (as such terms are defined in the Contract) effective October 1, 2018, for the period of October 1, 2018 through June 30, 2029.

B. On July 1, 2020, CONTRACTOR delayed the rate increase scheduled for July 1, 2020 due to concerns raised in the community in response to COVID-19.

C. CITY and CONTRACTOR desire to amend the Contract in order to correct references and add additional services to the Contract.

NOW, THEREFORE in consideration of the mutual covenants, agreements and consideration contained herein, **CITY** and **CONTRACTOR** agree as follows:

1. **Definitions, Article 1** is amended by incorporating the following new text in **bold** format and deleting text in ~~strikeout~~ format:

Kitchen Food Waste Pail. A plastic receptacle with a rated capacity not exceeding ~~one one and one-half (1.5) gallons~~ **two and one-half (2.5) gallons**, having a hinged lid, suitable for use in a SFD Service Unit for temporary storage of SFD Organic Waste that is approved for such purpose by CITY.

2. **Adjustments to Maximum Service Rates, Section 4.06** is amended by incorporating the following new text in **bold** format and deleting text in ~~strikeout~~ format:

4.06 Adjustments to Maximum Service Rates Using the Consumer Price Index (CPI-U WST); Extraordinary Adjustments.

4.06.1 Adjustments to Maximum Service Rates. Beginning on July 1, 2021**2022**, and annually thereafter, CONTRACTOR will, subject to compliance with all provisions of this Article, receive an annual adjustment in the Maximum Service Rates as set forth in Exhibit 1:

4.06.1.1 Adjustment to Maximum Service Rates. Contractor may increase the Maximum Service Rates as listed in Exhibit 1 for all service recipients by the same percentage as the change in CPI-U WST. The CPI-U WST adjustment will be calculated using the change in the 12-month annual

average of CPI-U WST index values between the January 1st and December 31st of the prior year, and the January 1st and December 31st of the year before the prior year (the prior previous year), each as published by the U.S. Department of Labor, Bureau of Labor Statistics. Therefore, the first CPI-U WST adjustment (effective July 1, 2024 ~~2022~~) will be based on the percentage change between the average index values for the period of January 1, 2020 ~~2021~~ through December 31, 2020 ~~2021~~ (the previous year) and January 1, 2019 ~~2020~~ through December 31, 2019 ~~2020~~ (the prior previous year). ~~In the event that CITY directs CONTRACTOR to begin collection and processing of Food Waste as part of standard SFD Collection Services, CONTRACTOR is entitled to an adjustment of the Service Rates to reflect its increased costs associated with implementing and operating an SFD Food Waste Collection Service in accordance with Article 23.~~

4.06.1.2 Rounding. Calculation of rates and determination of any annual adjustments will be made only in units of one cent (\$0.01) and will not result in a decrease to the rates currently in effect. Fractions of less than one cent (\$0.01) will not be considered in making adjustments. The indices will be truncated at four (4) decimal places for the adjustment calculations.

4.06.1.3 New Maximum Service Rates. CONTRACTOR'S must submit a request for an adjustment in the Maximum Service Rates to CITY in the same form as Exhibit 1, for confirmation by CITY that CONTRACTOR's calculations are correct. The request for an adjustment to the Maximum Service Rates must be submitted to CITY by May 1st of each Contract Year beginning May 1, 2024 ~~2022~~. If the request is not submitted to CITY by May 1st, CONTRACTOR will be deemed to have waived its right to a rate adjustment for that year.

4.06.1.4 CITY Approval of Maximum Service Rates. On or before June 1, 2024 ~~2022~~, and each June 1st annually thereafter during the term of this Contract, the City Administrator must notify CONTRACTOR that CITY has confirmed CONTRACTOR's calculation of the adjustments to the affected Maximum Service Rates to take place on the subsequent July 1st, or, that CITY has identified calculation errors that need to be rectified, in which case the parties will cooperate in good faith to reconcile the discrepancy before the new Maximum Service Rates take effect on July 1st.

4.06.2 Annual Rate Cap on Maximum Service Rates. For Contract Years 2021, 2022 and 2023, under no circumstance may the total increase to the Maximum Service Rates be below two and one-half percent (2.50%) or exceed seven percent (7%) in one Contract Year. In the event that total increase to the Maximum Service Rates as calculated in Section 4.06.1 above exceeds seven percent (7.00%) for Contract Years 2021, 2022 or 2023 or is below two and one-quarter percent (below 2.25%), the total adjustment for that year will equal seven percent (7.00%) or two and one-quarter percent (2.25%), respectively, and the amounts above seven percent (7.00%) or below two and one-quarter percent (2.25%) will be added to the rate adjustment percentage in the following year,

subject to the same floor and cap limitations and carryover. For Contract Years 2024, 2025, 2026, 2027, and 2028, under no circumstance may the total increase to the Maximum Service Rates be below three and one-quarter percent (below 3.25%) or exceed eight percent (8%) in one Contract Year. In the event that total increase to the Maximum Service Rates as calculated in Section 4.06.1 above exceeds eight percent (8.00%) for Contract Years 2024, 2025, 2026, 2027, and 2028, or is below three and one-quarter percent (3.25%), the total adjustment for that year will equal eight percent (8.00%) or three and one-quarter percent (3.25%), respectively, and the amounts above eight percent (8.00%) or below three and one-quarter percent (3.25%) will be added to the rate adjustment percentage in the following year, subject to the same floor and cap limitations and carryover.

4.06.3 Extraordinary Adjustment to Maximum Service Rates. In addition to adjustments to the Maximum Service Rates made in accordance with Article 23, CONTRACTOR may petition CITY in writing in conjunction with the annual rate adjustment application for an adjustment in the Maximum Service Rates in the event of extraordinary changes in costs or revenues related to providing services under this Agreement. Such changes may include material changes in the cost of disposal of Solid Waste; material changes in fuel prices; a material fluctuation in the markets or market price for Recyclable Materials; increases in the cost of collection, handling, processing, storing, transporting, marketing, or sale or other disposition of Organic Waste or Recyclable Materials; the need for increased promotional or educational activities pertaining to recycling or any changes to the definition of Recyclable Material. However, such changes may not include circumstances within the control of CONTRACTOR, such as changes in the purchase price of new equipment, amounts reimbursed by insurance companies, rebates of any type, or inaccurate estimates by CONTRACTOR of its cost of operations. Extraordinary rate adjustments will only be effective after approval by City Council and may not be applied retroactively.

CONTRACTOR'S request must contain substantial proof and justification to support the need for the adjustment. For each request brought pursuant to this section, CONTRACTOR must prepare a schedule documenting the extraordinary costs. Such request must be prepared in a form acceptable to CITY with support for assumptions made by CONTRACTOR in preparing the estimate.

CITY may request from CONTRACTOR such further information, as it deems necessary to fully evaluate the request and make its determination. CITY is entitled to a reimbursement of its costs in reviewing a request for an extraordinary adjustment. CITY will review CONTRACTOR'S request and, in CITY'S reasonable judgment, make the final determination as to whether an adjustment will be made, and, if an adjustment is permitted, the appropriate amount of the adjustment.

4.06.4 Performance Standards for Adjustments to Rates. In order to be eligible for a CPI-U WST adjustment under Section 4.06.1 or an extraordinary adjustment under Section 4.06.3, CONTRACTOR must cure any material default under Article 22 of this Agreement for which CITY has provided notice to CONTRACTOR.

4.06.5 Procedures in Event of Invalidation of Rate Adjustment. In the event that CITY is unable by operation of Applicable Law to approve or implement a rate increase under this Article 4, CONTRACTOR will have the right, within thirty (30) days after notice of any such inability to approve or invalidation of an approved rate increase, to request, in writing, that CITY negotiate in good faith regarding reductions in programs, services, or fees to compensate for any negative impact from the unapproved or invalidated rate increase. If CITY fails to commence negotiations in good faith or negotiations are not completed within forty-five (45) days following the date of receipt of CONTRACTOR'S request, either party may terminate this Agreement no earlier than ninety (90) days after written notice to the other.

3. **SFD Organic Waste Collection Service, Section 7.08** is amended by incorporating the following new text in **bold** format and deleting text in ~~strikeout~~ format:

7.08 SFD Organic Waste Collection Service. This service, which includes Green Waste only, is to begin on October 1, 2018. ~~Food Waste may be added to the Organic Waste Collection Service by mutual agreement between CITY and CONTRACTOR in accordance with Article 23.~~ **Organic Waste Collection Service will include the collection of mixed Food Waste and Green Waste beginning July 1, 2021.** This service is governed by the following terms and conditions:

7.08.1 Non-Collection. CONTRACTOR is not required to Collect Organic Waste if the Service Recipient does not segregate the Organic Waste from Solid Waste or Recyclable Materials. Furthermore, CONTRACTOR is not required to Collect Organic Wastes that are contaminated through commingling with Solid Waste or Recyclable Materials. CONTRACTOR will address contamination in accordance with Section 3.10.

7.08.2 Organic Waste Processing Services. Subject to Section 7.08.1, CONTRACTOR must ensure that all Organic Waste Collected pursuant to this Agreement is diverted from the landfill in accordance with AB 939, AB 1826, AB 1594, SB 1016 and SB 1383, and any subsequent or other Applicable Law.

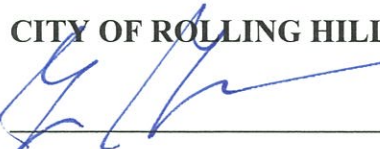
7.08.3 CONTRACTOR must ensure that the Organic Waste Collected pursuant to this Contract is not disposed of in a landfill, except for residue resulting from processing.

7.08.4 CONTRACTOR is responsible for the purchase and distribution of fully assembled and functional Kitchen Food Waste Pails to SFD Service Units in the Service Area, including to new Service Units that are added to CONTRACTOR'S Service Area during the term of this Agreement. The initial distribution of Kitchen Food Waste Pails must be completed no later than June 17, 2021 along with educational outreach materials as approved by City, and will be provided at no additional charge (one (1) pail per Dwelling Unit). The distribution to new Service Units must be completed within three (3) Work Days of receipt of notification from City or the Service Unit.

4. **Adjustments to Collection Service Charges and Rates, Exhibit 1** is amended to read as set forth in Exhibit 1 "Collection Service Rates", which is attached to and incorporated in this Amendment No. 1.

IN WITNESS WHEREOF, CITY and CONTRACTOR have executed this Amendment No. 1.

CITY OF ROLLING HILLS ESTATES ~~USA WASTE OF CALIFORNIA, INC.~~



Greg Grammer
City Manager



Doug Corcoran
USA Waste of California, Inc.

The foregoing Amendment has been reviewed and approval is recommended:



Alexa Davis
Assistant City Manager

**Exhibit 1 Collection Service Rates
Cost Form 1: SFD Collection Service Rates**

Container Size	Rate Effective 7/1/20 - 6/30/21	Rate Effective 7/1/21 - 6/30/22
A. Single-Family Dwelling Rates		
32-Gal	\$31.83	\$34.74
45-Gal	\$36.22	\$39.22
64-Gal	\$37.61	\$40.65
96-Gal	\$46.14	\$49.37
Town Homes Rates		
32-Gal	\$25.84	\$28.61
45-Gal	\$28.47	\$31.30
64-Gal	\$29.56	\$32.42
96-Gal	\$34.31	\$37.27
B. 3% Annual Prepayment Discount SFD Rates		
32-Gal	\$367.52	\$401.28
45-Gal	\$418.89	\$453.81
64-Gal	\$435.15	\$470.43
96-Gal	\$534.66	\$572.18
3% Annual Prepayment Discount Town Homes Rates		
32-Gal	\$297.62	\$329.81
45-Gal	\$328.41	\$361.29
64-Gal	\$341.27	\$374.44
96-Gal	\$396.74	\$431.16
C. Monthly Cost for Additional Garbage Carts		
32-Gal	\$7.26	\$7.42
45-Gal	\$8.72	\$8.92
64-Gal	\$10.17	\$10.40
96-Gal	\$13.07	\$13.36
Monthly Cost for Additional Recycling Carts		
32-Gal	\$0.00	\$0.00
45-Gal	\$0.00	\$0.00
64-Gal	\$0.00	\$0.00
96-Gal	\$0.00	\$0.00

Exhibit 1 Collection Service Rates
Cost Form 1: SFD Collection Service Rates

Container Size	Rate Effective 7/1/20 - 6/30/21	Rate Effective 7/1/21 - 6/30/22
D. Additional Large Item Collection		
Total (per CY)	\$31.95	\$32.67
E. Excess Cart Exchange		
Total (all cart sizes)	\$16.49	\$16.86
F. On Premise Collection		
Total (all cart sizes)	\$16.49	\$16.86
G. Additional Organic Cart (in excess of 4)		
Total (all cart sizes)	\$9.98	\$10.20
H. Residential Set-Up and Redelivery Fee		
Total	\$17.12	\$17.51
I. Replacement Kitchen Food Pail		
Total	No current rate	\$2.94

**Exhibit 1 Collection Service Rates
Cost Form 2: Commercial Collection Service Rates**

Effective 7/1/20 through 6/30/21

Container Size	Collection Frequency					
	1X	2X	3X	4X	5X	6X
1 CY	\$96.92	\$193.83	\$290.74	\$387.66	\$484.61	\$581.53
1.5 CY	\$108.35	\$216.72	\$325.07	\$433.47	\$541.82	\$650.19
2 CY	\$119.77	\$239.60	\$359.41	\$479.26	\$599.06	\$718.87
3 CY	\$142.68	\$285.40	\$428.07	\$570.81	\$713.53	\$856.20
4 CY	\$162.22	\$324.49	\$486.71	\$648.97	\$811.20	\$973.43
5 CY	\$184.77	\$369.52	\$554.31	\$739.05	\$923.84	\$1,108.58
6 CY	\$207.29	\$414.57	\$621.87	\$829.14	\$1,036.44	\$1,243.75
8 CY	\$252.35	\$504.68	\$756.98	\$1,009.34	\$1,261.67	\$1,514.02
20 CY (includes 4 tons disposal)	\$598.42	\$1,196.82	\$1,795.22	\$2,393.62	\$2,992.04	\$3,590.42
30 CY (includes 4 tons disposal)	\$632.75	\$1,265.46	\$1,898.21	\$2,530.93	\$3,163.68	\$3,796.38
40 CY (includes 4 tons disposal)	\$641.32	\$1,282.64	\$1,923.95	\$2,565.25	\$3,206.57	\$3,847.88
Compactor (includes 4 tons disposal)	\$649.91	\$1,299.79	\$1,949.69	\$2,599.59	\$3,249.48	\$3,899.36
	0-25 ft	26-49 ft	50-75 Ft	76-100 ft	101-125 ft	126+ ft
Push Rates	N/C	\$17.01	\$17.01	\$25.52	\$25.52	\$34.03
Cart or Bin Cleaning (each occurrence)	Cart		1 – 4 CY Bin Size		5+ CY Bin Size	
	\$17.01		\$41.77		\$50.13	
Container Size	Commercial Cart Collection Frequency					
	1X	2X	3X	4X	5X	6X
32 Gallon	\$50.98	\$101.95	\$151.67	\$203.89	\$254.85	\$305.81
45 Gallon	\$52.33	\$102.92	\$152.83	\$207.62	\$261.73	\$314.05
64 Gallon	\$54.35	\$108.68	\$160.36	\$217.39	\$271.76	\$326.10
96 Gallon	\$63.83	\$127.59	\$191.43	\$255.26	\$319.05	\$382.84

Exhibit 1 Collection Service Rates
Cost Form 2: Commercial Collection Service Rates

Commercial Organic Collection Frequency						
Container Size	1X	2X	3X			
64 Gallon	No Charge	\$193.84	\$288.04			
Each Additional Cart	\$82.45	\$164.87	\$245.40			
Commercial and Multi-Family Bin Miscellaneous Charges						
Locking Lids	\$15.48	Times number of bins times frequency per week.				
Scout Service	\$20.83	Times number of bins times frequency per week.				
Return-Trip Charge (each occurrence)	\$85.13	per occurrence				
Overflow	\$28.03	per occurrence				
Contamination	\$59.68	per occurrence				

Exhibit 1 Collection Service Rates
Cost Form 2: Commercial Collection Service Rates

Effective 7/1/21 through 6/30/22

Container Size	Collection Frequency					
	1X	2X	3X	4X	5X	6X
1 CY	\$105.59	\$211.18	\$316.76	\$422.36	\$527.98	\$633.58
1.5 CY	\$118.05	\$236.12	\$354.16	\$472.27	\$590.31	\$708.38
2 CY	\$130.49	\$261.04	\$391.58	\$522.15	\$652.68	\$783.21
3 CY	\$155.45	\$310.94	\$466.38	\$621.90	\$777.39	\$932.83
4 CY	\$176.74	\$353.53	\$530.27	\$707.05	\$883.80	\$1,060.55
5 CY	\$201.31	\$402.59	\$603.92	\$805.19	\$1,006.52	\$1,207.80
6 CY	\$225.84	\$451.67	\$677.53	\$903.35	\$1,129.20	\$1,355.07
20 CY (includes 4 tons disposal)	\$651.98	\$1,303.94	\$1,955.89	\$2,607.85	\$3,259.83	\$3,911.76
30 CY (includes 4 tons disposal)	\$689.38	\$1,378.72	\$2,068.10	\$2,757.45	\$3,446.83	\$4,136.16
40 CY (includes 4 tons disposal)	\$698.72	\$1,397.44	\$2,096.14	\$2,794.84	\$3,493.56	\$4,192.27
Compactor (includes 4 tons disposal)	\$708.08	\$1,416.12	\$2,124.19	\$2,832.25	\$3,540.31	\$4,248.35
	0-25 ft	26-49 ft	50-75 Ft	76-100 ft	101-125 ft	126+ ft
Push Rates	N/C	\$18.53	\$18.53	\$27.80	\$27.80	\$37.08
Cart or Bin Cleaning (each occurrence)	Cart		1 – 4 CY Bin Size		5+ CY Bin Size	
	\$18.53		\$45.51		\$54.62	
Container Size	Commercial Cart Collection Frequency					
	1X	2X	3X	4X	5X	6X
32 Gallon	\$55.54	\$111.07	\$165.24	\$222.14	\$277.66	\$333.18
45 Gallon	\$57.01	\$112.13	\$166.51	\$226.20	\$285.15	\$342.16
64 Gallon	\$59.21	\$118.41	\$174.71	\$236.85	\$296.08	\$355.29
96 Gallon	\$69.54	\$139.01	\$208.56	\$278.11	\$347.60	\$417.10

**Exhibit 1 Collection Service Rates
Cost Form 2: Commercial Collection Service Rates**

Commercial Organic (Food Waste) Collection Frequency			
Container Size	1X/Week (Mon)	2X/Week (Mon/Wed)	3X/Week (Mon/Wed/Fri)
64 Gallon	No Charge	\$211.19	\$313.82
Each Additional Cart	\$89.83	\$179.63	\$267.36

Commercial Green Waste Collection Frequency			
Container Size	1X/Week		
64 Gallon	\$22.88		
2 CY	\$137.28		

Commercial and Multi-Family Bin Miscellaneous Charges		
Locking Lids	\$16.87	Times number of bins times frequency per week.
Scout Service	\$22.69	Times number of bins times frequency per week.
Return-Trip Charge (each occurrence)	\$92.75	per occurrence
Overflow	\$30.54	per occurrence
Contamination	\$65.02	per occurrence

**Exhibit 1 Collection Service Rates
Cost Form 3: Manure Collection Service Rates**

Container Size	Rate Effective 7/1/19 - 6/30/21	Rate Effective 7/1/21 - 6/30/22
A. Manure Collection Rates Once Per Week Service		
45 Gal	\$86.35	\$94.08
64 Gal	\$97.10	\$105.79
96 Gal	\$113.29	\$123.43
1 CY	\$185.67	\$202.29
1.5 CY	\$197.64	\$215.33
2 CY	\$209.62	\$228.38
Scout Service / Container	\$35.02	\$38.15
Manure Collection Rates Twice Per Week Service		
45 Gal	Not offered	\$154.88
64 Gal	Not offered	\$173.37
96 Gal	Not offered	\$210.73
1 CY	Not offered	\$350.08
1.5 CY	Not offered	\$376.18
2 CY	Not offered	\$402.33
Scout Service / Container	Not offered	\$38.15
B. City Facility Manure Collection Once Per Week Service		
1 CY	\$40.19	\$43.79
Bin / Service Day	\$32.45	\$35.35

Exhibit 1 Collection Service Rates		
Cost Form 4: Temporary Construction and Demolition Collection Service Rates		
Container Size	Rate Effective 7/1/20 - 6/30/21	Rate Effective 7/1/21 - 6/30/22
10 CY Temp Roll Off	\$583.93	\$636.19
25 CY Temp Roll Off	\$620.84	\$676.41
40 CY Temp Roll Off	\$630.05	\$686.44
Roll-off Ancillary Fees		
Return-Trip Charge ⁽¹⁾ (per occurrence)	\$119.49	\$130.19
Relocation Charge ⁽²⁾ (per occurrence)	\$119.49	\$130.19
Temp RO Rental (>7days) (per each additional 7 days)	\$67.20	\$73.22
Disposal Charge (per ton)	\$67.62	\$73.67
Reactivation Service⁽³⁾ (per occurrence)	\$36.43	\$39.69
Insta-Bin Service⁽⁴⁾ (per occurrence)	134.03	\$146.02
<p>(1) Return trip only, if bin is unserviceable due to blockage.</p> <p>(2) Upon customer request only.</p> <p>(3) One-time charge automatically applied when account resumes service after service has been suspended due to a customer's continued late or delinquent payment after notice</p> <p>(4) Insta-bin service provided upon customer request for temporary service. This service does not replace on-call SFD Large Item Collection Service as specified in Article 7.12. The insta-bin service rate includes delivery, disposal, and removal of a 3 CY Insta-Bin.</p>		