

**MEMORANDUM OF UNDERSTANDING BETWEEN THE MALAGA COUNTY WATER DISTRICT AND INDUSTRIAL WASTE AND SALVAGE REGARDING THE TRANSFER OF BILLING FROM THE MALAGA COUNTY WATER DISTRICT TO INDUSTRIAL WASTE AND SALVAGE**

**RECITALS**

**WHEREAS;** the Malaga County Water District, ("District") and Orange Avenue Disposal Company, a California Corporation, dba Industrial Waste and Salvage (the "Contractor") (collectively referred to as the "Parties") entered into a Franchise Agreement for solid waste collection, green waste collection, and recycling services on or about the 23<sup>rd</sup> day of August, 2016 with an effective date of August 1, 2016, and as it has been amended (the "Franchise Agreement"); and

**WHEREAS;** the Parties entered in to a Fourth Amendment to the Agreement on September 24, 2024, (the "Amendment"); and

**WHEREAS;** the Amendment, among other things transfers the duty to bill commercial customers under the Agreement from the District to Contractor effective October 1, 2024; and

**WHEREAS;** the Parties desire to enter into this Memorandum of Understanding ("MOU") to facilitate a smooth transition from the District performing the commercial billing under the Agreement to the Contractor performing the billing for commercial customers under the Agreement.

**NOW, THEREFORE, THE PARTIES AGREE** as follows:

1. That the foregoing recitals are true and correct and are incorporated by this reference herein as though fully set forth at this point.
2. Contractor shall assume the duty of billing commercial customers as set forth in the Amendment.
3. District shall bill for commercial services up to and including September 30, 2024, in the same manner as the Parties have been utilizing under the Franchise Agreement.
4. Under the current commercial billing process, District has been paying Contractor as it receives payment from commercial customers. District billing is based on data received from Contractor and included on the next month's District billing along with the District water and sewer bills. For the month ending September 30, 2024, the District will bill commercial customers with the November water and sewer billing (for the period ending October 31, 2024). It is anticipated that the payment of Contractor Invoices will be made by December 31, 2024.
5. Contractor and District agree to work together to recover or otherwise resolve any delinquent accounts billed by the District for service on or before September 30,

2024. This includes, but is not limited to, the Contractor terminating service of any delinquent accounts and the District enforcing Contractor's exclusive right to provide service, as set forth in the Franchise Agreement.

6. Except to the extent of District's gross negligence or willful misconduct, and to the fullest extent permitted by law, Contractor agrees to indemnify, hold harmless, protect and defend District and District's employees, or directors, agents, representatives and contractors from any and all claims, causes of actions, liability, loss, costs and damages, for any claim rising out of or related to any act, omissions, or neglect of Contractor, or Contractor's agents, employees, representatives, or contractors, or arising from or related to Contractor's use or activities on or about the property of the District, including, but without limitation to, any claims related to any liens or encumbrances related to or resulting from this MOU. The provisions of this section shall survive the termination, cancellation, or expiration of this MOU.

7. The MOU shall be construed and enforced in accordance with the laws of the State of California. In the event of litigation between the parties, venue in state trial court shall lie exclusively in the County of Fresno and the prevailing party shall be entitled to recover costs of litigation including attorney's fees and expert witness fees.

8. This MOU may only be amended or modified upon written agreement by and between the parties hereto.

9. If any of the provisions contained in this MOU shall for any reason be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegalities, or unenforceability shall not affect any other provision of this MOU and this MOU shall be construed as if such invalid, illegal, or unenforceable provision had not been contained in this MOU.

10. This MOU is the entire agreement between the parties, and supersedes any prior agreement, representation, negotiation or correspondence between the parties except as expressed in this Agreement or otherwise provided for in this MOU, and no subsequent change or addition to this MOU shall be binding unless in writing and signed by both parties to this MOU.

11. The waiver by either party of any breach or violation of any provision of this MOU shall not be deemed a waiver of any breach or violation of any other provision nor of any subsequent breach or violation of the same or any other provisions. The acceptance of monies that become due hereunder shall not be deemed to be a waiver of any pre-existing or concurrent breach or violation by the parties of any provision(s) of this MOU.

12. The provisions of this MOU shall bind and insure to the benefit of the heirs, beneficiaries, successors, and assignees of the parties hereto. No assignment of any right, duty, or provision of this MOU shall be made by any party to this MOU without the express written consent of the other party.

13. All notices required or permitted under this MOU shall be in writing and shall be either personally delivered or sent by United States mail, first-class postage prepaid, addressed as follows:

TO THE DISTRICT: Malaga County Water District  
Attn: General Manager  
3580 S. Frank Street  
Fresno, California 93725

TO CONTRACTOR Industrial Waste and Salvage  
Attn: Richard Caglia  
3457 S. Cedar Avenue  
Fresno, California 93725

14. Each person signing below represents and warrants that he or she is duly authorized to sign and enter into this MOU. This MOU may be executed in counterparts or by facsimile, each of which shall be an original and all of which shall constitute one and the same MOU.

15. The effective date of this MOU shall be October 1, 2024.

**IN WITNESS WHEREOF**, the Parties have executed this Memorandum of Understanding Regarding the Transfer of Commercial Billing from the District to the Contractor effective October 1, 2024.

**DISTRICT:**

MALAGA COUNTY WATER DISTRICT

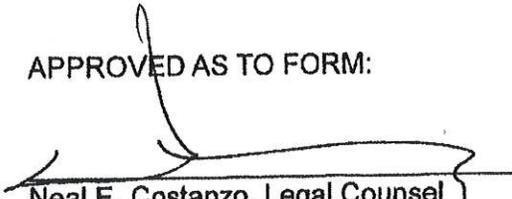
By   
Charles Garabedian, Jr. President  
Board of Directors of the  
Malaga County Water District

**CONTRACTOR:**

ORANGE AVENUE DISPOSAL  
DBA: INDUSTRIAL WASTE AND  
SALVAGE

By   
Richard Caglia  
President, Corp Development

APPROVED AS TO FORM:

  
Neal E. Costanzo, Legal Counsel