

Fourth Amendment to the Solid Waste and Recycling Franchise Agreement  
Between the  
Malaga County Water District  
And  
Industrial Waste and Salvage  
For Solid Waste Collection,  
Green Waste Collection,  
Recycling Services  
Effective August 1,2016

**WHEREAS**, Malaga County Water District, ("District") and Orange Avenue Disposal Company, a California Corporation, dba Industrial Waste and Salvage (the "Contractor") or (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, (the "Agreement"); and

**WHEREAS**, Section 13.5 of the Agreement allows the Agreement to modified or amended of the Agreement provided that the Amendment is in writing and signed by the Parties; and

**WHEREAS**, the Franchise Agreement was previously amended to, among other things, make the Contractor the District's exclusive Franchisee for Roll-off Service; and

**WHEREAS**, the conversion to the Contractor being the exclusive Roll-off provider was subject to a greater number of customers exercising their right to continuation rights which negatively impacted the District and Contractor; and

**WHEREAS**, the conversion to the Contractor being the exclusive Roll-off provider also resulted in a greater than anticipated impact on the District's billing and administrative costs, which the Parties believe could be done more efficiently by the Contractor assuming the duty to bill commercial customers directly which will benefit the Parties and customers;

**WHEREAS**, the Parties desire to amend the Agreement to amend the term of the agreement and shift the duty of billing commercial customers from the District to Contractor.

**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. The Agreement shall be amended by amending Article 3 Section 3.2 of the Agreement to read as follows:

**“3.2 Term**

The initial term of this Agreement shall be twenty (20) years commencing August 1, 2016, through July 31, 2036. This Agreement will be automatically extended for five (5) years from August 1, 2036, through July 31, 2041 unless either party gives the other party notice of intent to not renew and terminate the Agreement effective August 1, 2036 on or before February 1, 2036. Thereafter, the Agreement may be extended for an additional five (5) years from August 1, 2041, through July 31, 2046, unless either party gives the other party Notice of Intent to Not Renew and Terminate the Agreement effective August 1, 2041, on or before February 1, 2041. This Agreement shall not be renewed for any additional period and shall terminate on August 1, 2046, unless terminated earlier.

Any such notice, properly given, shall serve to terminate the automatic five (5) year renewal and this Agreement shall remain in effect for the balance of the term then outstanding. In the event that either party exercises its right to terminate the automatic renewal provision under this paragraph, the parties may subsequently reinstate the automatic extension and renewal provision by mutual written agreement.

The foregoing notwithstanding, this Agreement remains terminable for cause in accordance with the procedures elsewhere provided herein.”

3. The Agreement shall be amended by amending Article 5 Section 5.1 subsection A of the Agreement to read as follows:

Article 5 Section 5.1 “...A. Residential Customer List

The District shall provide Contractor with, by the third Wednesday of each month, a list of all current solid waste, green waste, and recycling services Customers within the District for pick up the following Month. This Customer list will include an identification of all new Customers, existing Customers, and Customers whose account has been suspended or closed. Contractor will pick-up Containers from any suspended/closed account and pro-rate (if necessary) said account for billing purposes to the District. Contractor will deliver Containers to new or resumed account and bill the District at a pro-rated amount for services to that Customer for the billing month. Said billing may include a charge for picking up or delivering Containers as set forth in this Agreement and/or Exhibit 1.”

4. The Agreement shall be amended by amending Article 5 Section 5.1 subsection B of the Agreement to read as follows:

Article 5 Section 5.1 “...B. Non-Residential Billing.

Contractor shall perform the billing and collection for service to all Non-Residential Customers within the District Boundaries receiving services including, but not limited to, Roll-Off and Temporary and Bulky Item Service, subject to this Agreement. Contractor may use any billing method it deems appropriate so long as the District is provided with a monthly statement detailing the billing calculations for each Non-Residential Customer and the calculation of the Franchise Fee as set forth in Article 6 of this Agreement. Contractor shall remit payment of the Franchise Fee to the District monthly not more than sixty (60) days after the end of each monthly billing cycle.”

5. The Agreement shall be amended by amending Article 6 Section 6.3 subsection B of the Agreement as to read as follows:

Article 6 Section 6.3 “...B Commercial/Industrial Roll-Off Administrative/Franchise Fee. There will be a ten Percent (10%) Franchise Fee added to the Service Rates for Industrial/Commercial Roll-Off services, Pull-Fee and Tipping Fee. Contractor shall assess the ten percent (10%) Franchise Fee on Service Rates for Industrial/Commercial Roll-Off services, Pull-Fee and Tipping Fee and shall remit to the District the ten percent (10%) Franchise Fee as described herein. This franchise fee shall be remitted to the District no later than sixty (60) days from the close of the month. There shall be no Franchise Fee added to the Delivery or the bin/container rental fee. Additionally, Contractor shall assess a seven percent (7%) billing administration fee on Service Rates for Industrial/Commercial Roll-Off services, Pull-Fee and Tipping Fee for billing the commercial customers.

6. Effective Date.

The Effective Date of this Fourth Amendment to the Agreement shall be October 1, 2024.

7. Counterparts. This Fourth Amendment to the Agreement may be executed in counterparts, each of which shall be considered an original.

8. Authority. Authority to Execute. The signatories to this Fourth Amendment to the Agreement represent that they have the proper Authority to execute this Agreement on behalf of the Party they represent.

**IN WITNESS WHEREOF**, the Parties have executed this Fourth Amendment to the Solid Waste and Recycling Franchise Agreement between the Malaga County Water District and Industrial Waste and Salvage for Solid Waste Collection, Green Waste Collection, and Recycling Services.

**DISTRICT:**

MALAGA COUNTY WATER DISTRICT

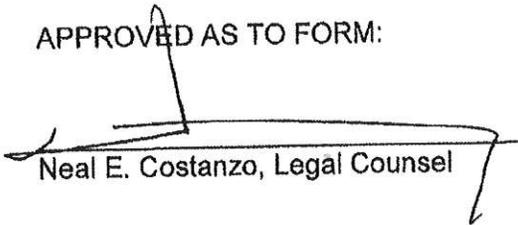
By   
Charles Garabedian, Jr. President  
Board of Directors of the  
Malaga County Water District

**CONTRACTOR:**

ORANGE AVENUE DISPOSAL  
DBA: INDUSTRIAL WASTE AND  
SALVAGE

By   
Richard Caglia  
President, Corp Development

APPROVED AS TO FORM:

  
Neal E. Costanzo, Legal Counsel