



FIRST AMENDMENT TO SOLID WASTE HAULING SERVICES AGREEMENT

THIS FIRST AMENDMENT TO AGREEMENT made and entered into effect the 1st day of July, 2025, amends the services agreement entered into between **Orange Avenue Disposal Inc. dba Industrial Waste and Salvage (IWS)** and Del Rey Community Services District, a California municipal corporation (City).

AGREEMENT

NOW THEREFORE, the parties agree that the aforesaid Agreement be amended as follows:

1. The recitals to this Amendment are incorporated and made part of this First Amendment.
2. The term of this Agreement is extended to June 30, 2030.
3. Except as otherwise provided herein, the Agreement remains in full force and effect.

IN WITNESS WHEREOF, the parties have caused their duly authorized representatives to execute the Amendment below:

Del Rey Community Services District

**Orange Avenue Disposal, Inc. dba
Industrial Waste and Salvage**

Signature: _____

Signature: _____

Name & Title: Carlos Aras District Manager

Name & Title: RICHARD M. CAGLIA

Date: 6/20/2024

Date: 5/17/24 PRES., CORPORATE DEV.

DEL REY COMMUNITY SERVICES DISTRICT
SOLID WASTE HAULING SERVICES AGREEMENT

This Agreement is made and entered into on 6/18/, 2020, between **Industrial Waste & Salvage Co., a California Corporation** (hereinafter referred to as ("Contractor" or "IWS") and the **Del Rey Community Services District**, a California Community Service District operating under California Government Code Section 61000 et seq. ("District") for solid waste hauling services. **The effective date of this Agreement is July 1, 2020.**

RECITALS

WHEREAS, Contractor is engaged in the business of hauling, disposal, and recycling solid waste and recyclable materials in Fresno County, specifically the area covered by District; and

WHEREAS, Contractor warrants that it has the experience and ability to perform the services set forth below; and

WHEREAS, the parties acknowledge that IWS has provided trash hauling services to the District for over 13 years; and

WHEREAS, on May 21, 2020, the Board of Directors of the Del Rey Community Services District approved Resolution Number 2020-9 in which the District Manager was authorized to execute a solid waste hauling services agreement with IWS consistent with the material terms set forth in said Resolution; and

WHEREAS, Contractor and District desire to enter into this Agreement to set forth in the terms and conditions by which Contractor shall provide solid waste (trash) pick up, hauling, disposal, and recycling services as more particularly set forth below.

NOW THEREFORE, in consideration of the respective covenants herein contained, the parties agree as follows:

1.0 SCOPE OF SERVICES. In compliance with the terms and conditions of this Agreement as more particularly set forth below, Contractor shall perform the work and services set forth in the "Scope of Services", and "Community Benefits" attached hereto as Exhibits "A" and "B" and incorporated herein by reference. Contractor shall be paid in accordance with the Terms of Payment set forth in Exhibit "C". The parties agree to the Definitions set forth in Exhibit "D".

Contractor warrants that it has the experience and ability to perform all work and services required hereunder and that it shall diligently perform such work and services in a professional and satisfactory manner.

2.0 TERM OF CONTRACT. The term of this agreement is July 1, 2020, and will continue in effect for a term of five (5) years until June 30, 2025. Upon agreement by Contractor and District this Agreement may be extended at any time for an additional five (5) year period terminating on June 30, 2030. This contract may be terminated by giving one hundred twenty (120) days' written notice by either party in the event of default or breach by either party.

3.0 SERVICES.

3.1 SOLID WASTE HAULING. Commencing on the effective date, Contractor agrees to provide solid waste, green waste, and recyclable material (including any state-mandated organics/compost recycling) (collectively hereinafter referred to as "waste") containment, hauling, disposal, and recycling services, and all of the equipment necessary for such services as set forth in Exhibit "A" for and on behalf of the District during the term of this agreement. Contractor agrees to accept all waste pursuant to the terms of the Agreement, and shall haul such waste to a disposal, transfer, or recycling facility of its choosing. Upon deposit of materials into waste receptacles Contractor will take sole ownership of all such materials. This Agreement shall be exclusive as to residential services.

3.2 RECYCLING EDUCATION. Contractor agrees to hold bilingual educational forums twice a year at a venue agreed to by Contractor and the District. The intention of the forums is to promote recycling efforts within the community. Contractor will provide all educational materials for these events and will actively promote the events within the community.

3.3 COMMUNITY CLEAN UP. Contractor agrees to conduct a community clean up once per year for at least five hours, at the District Park or other named location, and will prepare a flier listing materials that may be accepted for hauling. This clean up shall be held on a day and time mutually agreed upon between the parties that will have maximum benefit to the community.

3.4 COMMUNITY BENEFITS. Contractor agrees to provide additional benefits to the District which are intended to enhance the quality of life in Del Rey, as set forth in Exhibit "B".

4.0 COMPENSATION & TERMS OF PAYMENT.

4.1 COMPENSATION. District shall pay Contractor according to the terms and rates set forth in Exhibit C, attached hereto and made a part hereof.

4.2 CONSUMER PRICE INDEX ADJUSTMENT ("C.P.I."). Beginning two (2) years after the commencement of this Agreement, hauling and disposal fees may be adjusted annually on the effective date each year by the actual change in the C.P.I. (as hereinafter defined) for the previous twelve (12) month period. Contractor will notify District thirty (30) days in advance of the proposed C.P.I. adjustment, of the expected amount of any adjustment allowed under this section with respect to such period. "C.P.I." means the consumer price index for the Western Region published by the United States Department of Labor Bureau of Labor Statistics ("BLS") or its successor. In the event of a negative change in the CPI, the rates shall not be adjusted negatively, but shall remain static for that rate period.

5.0 TERMS OF PAYMENT.

5.1 FEES, TAXES, AND OTHER ADJUSTMENTS. If during the term of the Agreement any state, federal, or local law, rule, regulation, or ordinance imposes any new or increased fees (including landfill Disposal Fees) or taxes on Contractor, or should Contractor incur unforeseen or uncontrollable increases in cost, it shall provide District with reasonable documentation of the increase in costs. District shall have ninety (90) days to accept or reject a compensatory price increase. If District rejects the price increase, the parties will meet and confer to resolve any dispute over the increase. If the parties cannot agree, Contractor may elect to terminate this Agreement by providing District with one hundred twenty (120) days' written notice.

5.2 TERMS OF PAYMENT. In accordance with Exhibit "C", each month, Contractor shall furnish to District an original invoice in a form approved by District for all work actually performed

during the preceding month. Submission of an invoice for payment under this Agreement, certifies that Contractor is in compliance with all provisions of the Agreement. The invoice shall detail charges for all solid waste hauling and any related and approved charges.

District shall independently review each invoice submitted by the Contractor to determine whether the work performed and expenses incurred are in compliance with the provisions of this Agreement. Except as to any charges for work performed which are disputed by District, District will use its best efforts to cause Contractor to be paid within thirty to forty five (30 to 45) days of receipt of Contractor's correct and undisputed invoice. District will make every effort to pay invoices within thirty (30) days; however, Contractor acknowledges and agrees that due to District's publicly-run warrant procedures, the District cannot guarantee that payment will occur exactly within this time period. In the event any charges or expenses are disputed by District, the invoice shall be returned by District to Contractor for correction and resubmission. Review and payment by the District of any invoice provided by the Contractor shall not constitute a waiver of any rights or remedies provided herein or any applicable law.

5.3 AUDIT PROCEDURE. District and Contractor will, at the end of each quarter, reconcile service addresses to avoid any discrepancy or confusion in billing amounts. Upon discovery of any billing discrepancy Contractor shall, with due diligence, correct the records in a timely manner.

5.4 RECORDS. All records generated and pertaining to the District are considered District records. If at any time either party is the subject of a Public Records Act request pertaining to District or its customers, District or Contractor shall immediately notify the parties and shall work cooperatively in the production of any responsive records or any objection or motions for protective order or other dispute in any administrative or court proceeding. Contractor will maintain records, conduct collection of data, and comply with applicable laws and regulations relating to solid waste hauling. Records, including customer information, shall be made available upon request by District after reasonable notice. Customer information and records shall be retained for a period of at least three (3) years, and shall be secured and backed up as required by best practices for waste haulers.

Contractor shall observe the privacy rights of customers, and shall not reveal any personally identifiable information to anyone without a lawful subpoena and without first notifying and contacting District.

5.5 ANNUAL REPORTS. Contractor will provide annual reports to the District which shall include but not be limited to a summary of services provided, number of customers served, hauling, disposal, and recycling statistics, charges, and community events.

6.0 ADDITIONAL SERVICES. District shall have the right at any time during the performance of the services, without invalidating this Agreement, to order extra work beyond that specified in the Scope of Services or make changes by altering, adding to or deducting from said work. No such extra work may be undertaken unless a written order is first given by the District Manager to the Contractor, incorporating therein any adjustment in (i) the Contract Sum for the actual cost of the extra work, and/or (ii) the time to perform this Agreement, which said adjustments are subject to the written approval of the Contractor. Any increase in compensation over the Contract Sum shall not exceed the amount of Five Thousand Dollars (\$5,000). Any greater increases, taken either separately or cumulatively, must be approved by the District Board. No claims for amounts due above the contracted price shall be valid unless the procedures established in this agreement are followed.

7.0 RESIDENTIAL & COMMERCIAL RECYCLING. District recognizes the importance of recycling. In an effort to increase diversion rates Contractor will draft and submit to the District Manager

a proposed mandatory recycling ordinance for residential and commercial accounts. District Manager may utilize such draft to develop a final ordinance to be presented to the District Board.

8.0 REPRESENTATIONS AND WARRANTIES.

8.1 CAPACITY TO CONTRACT. Contractor has full power, authority and legal right to enter into and to perform according to the terms of this Agreement.

8.2 COMPLIANCE WITH ALL APPLICABLE LAWS. Contractor shall at all times procure and maintain in effect all licenses and permits and conditions thereto for the hauling, disposal and generation of waste covered by this Agreement required by any and all agencies that may have jurisdiction over its operations. Contractor warrants that it is, and at all times during the Term will be, in compliance with all state and federal laws, permits, and licenses concerning the acceptable waste covered by this Agreement. Contractor is an independent contractor under the terms of this Agreement.

All work and services rendered hereunder shall be provided in accordance with all ordinances, resolutions, statutes, rules, and regulations of the District and any Federal, State or local governmental agency of competent jurisdiction.

8.3 LICENSES, PERMITS, FEES AND ASSESSMENTS. Contractor shall obtain at its sole cost and expense such licenses, permits, and approvals as may be required by law for the performance of the services required by the Agreement.

8.4 RIGHT TO REFUSE UNACCEPTABLE WASTE. District acknowledges and agrees that Contractor will only accept acceptable waste and Contractor has the right to reject any waste or load of waste defined as unacceptable under common usage of that term under state and federal law.

9.0 INSURANCE. During the terms of the Agreement, Contractor agrees to carry Worker's Compensation Insurance in a form and coverage approved under the State law.

Contractor further agrees to carry a broad form comprehensive public liability and property damage insurance with an aggregate loss limit of not less than \$1,000,000 per occurrence and at least \$2,000,000 aggregate. Contractor shall name District as a named insured on said insurance policy and shall provide an endorsement to that effect from the insurance company or companies to District within ten (10) days of approval of this Agreement. Contractor shall deliver to District copies of policies of insurance evidencing the insurance procured by Contractor or deliver in lieu thereof certificates of coverage from the issuing insurance company or companies. The certificates shall bear the company underwriting the policy, the policy number, the amount and required provisions set forth above. Said policies of insurance shall contain a provision that the policy shall not be canceled or terminated without thirty (30) days' prior written notice from the insurance company to be given to the District. Contractor agrees that on or before thirty (30) days prior to expiration of any insurance policy, Contractor will deliver to District written notification in the form of a receipt or other similar documents from the insurance company that said policy or policies had been renewed, or shall deliver certificates of coverage from another good and solvent insurance company for such coverage.

10.0 INDEMNIFICATION.

10.1 GENERAL INDEMNITY. To the furthest extent allowed by law, Contractor shall indemnify, hold harmless, and defend District and each of its officers, officials, employees, agents, and volunteers from any and all loss, liability, fines, penalties, forfeitures, costs, and damages (whether in contract, tort, or strict liability, including but not limited to, personal injury, death at any time, and property damage), and from any and all claims, demands, and actions in law or equity (including reasonable attorney's fees and litigation expense) that arise out of, pertain to, or related to the negligence, recklessness, or willful misconduct of Contractor, its principals, officers, employees, agents, or volunteers in the performance of this Agreement.

The indemnity obligation under this paragraph is in addition to and is not limited by any insurance which Contractor is otherwise required to maintain under this Agreement.

10.2 DEFENSE.

Immediately upon commencement of any lawsuits, claims, complaints, causes of actions, or other demands brought against District for liabilities arising out of or in any way connected to this Agreement, and in the event that Contractor is liable under the General Indemnity Section 10.1, Contractor shall: (1) defend District with attorney or counsel approved by District, and; (2) reimburse District for any out of pocket costs of defense. District may retain co-counsel at its own cost and expense and Contractor shall direct its counsel to assist and cooperate with District co-counsel.

11.0 BREACH, DEFAULT; SUSPENSION; TERMINATION.

11.1 NOTICE OF BREACH; CURE. "Breach" means any failure by Contractor to meet one or more of its obligations under this Agreement. If the District Manager determines that Contractor is in breach, the District may give notice identifying and describing the breach. Contractor may request to confer with District Manager within thirty (30) days of notice. Contractor shall cure the breach within: (1) thirty (30) days from the receipt of District's notice; or (2) a shorter period of time determined by District if District determines that the public health and safety so requires. Contractor may request additional time to correct the breach, but District may accept or reject that request in its sole discretion.

11.2 DEFAULTS, NOTICE, SUSPENSION AND TERMINATION.

a. Defaults. "Default" giving rise to a breach means any of the acts described below.

(i) Uncured or repeated breach: Contractor does not cure any breach of this Agreement within thirty (30) days of District's notice of such breach, unless due to uncontrollable circumstances, and Contractor has previously cured a specific instance of failure or refusal.

(ii) Failure to collect solid waste for seven (7) days unless due to uncontrollable circumstances, Contractor fails to provide services (other than Roll-off Boxes) for a period of: 1) seven (7) consecutive days following any scheduled collection date; or 2) seven (7) days in the aggregate from the date of this Agreement.

(iii) Failure to collect for more than seven (7) days -Contractor fails to provide services for more than seven (7) consecutive days, whether or not due to uncontrollable circumstances.

(iv) Failure to meet insurance / bond obligations with respect to insurance and other assurances of its performance under this Agreement.

(v) Bankruptcy or Insolvency: Contractor may be deemed to be "insolvent" if it has ceased to pay its debts in the ordinary course of business or cannot pay its debts as they become due, whether or not it has committed an act of bankruptcy and whether or not Contractor is insolvent within the meaning of the federal bankruptcy law. The filing of a bankruptcy or receivership whether caused or instituted by Contractor or other creditor shall be deemed a default and/or a breach of this Agreement.

(vi) Fraud or Misrepresentation: During the procurement of this Agreement or after the date of this Agreement, Contractor does any of the following with respect to this Agreement: 1) committed (or commits or attempts to commit) any fraud or deceit; 2) made (or makes) any intentional or material misrepresentations; 3) breaches any warranties; or 4) made (or makes) any materially false or misleading statement, representation, or warranty.

b. Suspension of Agreement. Together with any other rights or remedies District may exercise under this Agreement, the District Manager may suspend this Agreement and give immediate notice when default as set forth above has occurred, in whole or in part. The suspension shall continue only until Contractor demonstrates to District it can once again fully perform its obligations under this Agreement.

c. Termination. Together with any other rights or remedies that District has under this Agreement, the District Manager may terminate this Agreement effective on the "Termination Date" in whole or in part, upon the occurrence of any defaults listed above for more than ten (10) days regardless of the circumstances and whether or not the District Manager determines that the public health and safety has been negatively affected. District Manager in his or her sole discretion may choose any longer or shorter "Termination Date" following notice to Contractor upon determination that the public health and safety so require.

12.0 ASSIGNMENT. This Agreement shall not be assigned to any third party operator without the written consent of both parties.

13.0 AMENDMENTS. This Agreement constitutes the entire agreement between the parties and may not be amended without written notice and the written consent of the Board of Directors unless specifically authorized.

14.0 WAIVER. Waiver or default of any one provision herein shall not be deemed to be a waiver of any other provision herein, and shall not constitute a continuing waiver or default. No provision of this Agreement may be waived unless approved in writing by all parties and submitted to the Board of Directors for approval.

15.0 GOVERNING LAW AND VENUE. This Agreement shall be governed by, and construed and enforced in accordance with, the laws of the State of California. Venue for purposes of the filing of any action regarding enforcement or interpretation of this Agreement and any rights and duties hereunder shall be Fresno County, California.

16.0 ATTORNEY'S FEES. If either party to this Agreement is required to initiate or defend or made a party to any action or proceeding in any way connected with this Agreement, the prevailing party in such action or proceeding, in addition to any other relief which may be granted, whether legal or equitable, shall be entitled to recover reasonable attorney's fees and costs, whether or not the matter proceeds to judgment.

17.0 INTERPRETATION. The terms of this Agreement shall be construed in accordance with the meaning of the language used and shall not be construed for or against either party by reason of the authorship of this Agreement or any other rule of construction which might otherwise apply.

18.0 COUNTERPARTS. This Agreement may be executed in counterparts, each of which shall be deemed to be an original, and such counterparts shall constitute one and the same instrument.

19.0 WARRANTY & REPRESENTATION OF NON-COLLUSION. No official, officer, or employee of District has any financial interest, direct or indirect, in this Agreement, nor shall any official, officer, or employee of District participate in any decision relating to this Agreement which may affect his/her financial interest or the financial interest of any corporation, partnership, or association in which (s)he is directly or indirectly interested, or in violation of any corporation, partnership, or association in which (s)he is directly or indirectly interested, or in violation of any State or municipal statute or regulation. The determination of "financial interest" shall be consistent with State law and shall not include interests found to be "remote" or "noninterests" pursuant to Government Code Sections 1091 or 1091.5. Contractor warrants and represents that it has not paid or given, and will not pay or give, to any third party including, but not limited to, any District official, officer, or employee, any money, consideration, or other thing of value as a result or consequence of obtaining or being awarded any agreement. Contractor further warrants and represents that it has not engaged in any act(s), omission(s), or other conduct or collusion that would result in the payment of any money, consideration, or other thing of value to any third party including, but not limited to, any District official, officer, or employee, as a result of consequence of obtaining or being awarded any agreement. Contractor is aware of and understands that any such act(s), omission(s) or other conduct resulting in such payment of money, consideration, or other thing of value will render this Agreement void and of no force or effect.

Contractor's Authorized Initials _____

20.0 ENTIRE AGREEMENT. This Agreement and the attached Exhibits constitute the entire Agreement between the District and Contractor and supersedes any and all agreements, either oral or written, between the parties with respect to the rendering of services by Contractor. This Agreement shall be governed by and construed in accordance with the laws of the State of California.

**DEL REY COMMUNITY SERVICES
DISTRICT**

By: _____
Rumaldo Reyna, President

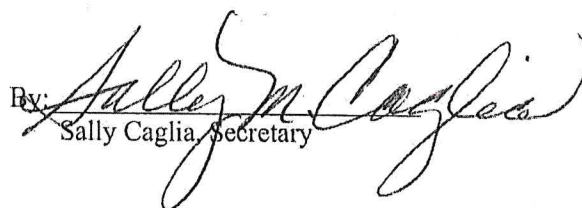
ATTEST:

By: _____
Carlos Arias, Secretary

CONTRACTOR

Industrial Waste & Salvage Co.,
a California Corporation

By: 
Richard Caglia
President, Corporate Development

By: 
Sally Caglia, Secretary

16.0 ATTORNEY'S FEES. If either party to this Agreement is required to initiate or defend or made a party to any action or proceeding in any way connected with this Agreement, the prevailing party in such action or proceeding, in addition to any other relief which may be granted, whether legal or equitable, shall be entitled to recover reasonable attorney's fees and costs, whether or not the matter proceeds to judgment.

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**DEL REY COMMUNITY SERVICES
DISTRICT**

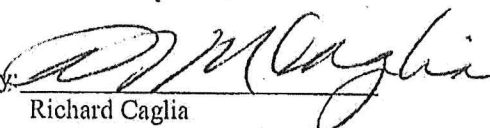
By: 
Rufaldo Reyna, President

ATTEST:

By: 
Carlos Arias, Secretary

CONTRACTOR

Industrial Waste & Salvage Co.,
a California Corporation

By: 
Richard Caglia
President, Corporate Development

By: 
Sally Caglia, Secretary

APPROVED AS TO FORM:

By: Tommi R. Saghatelian
Tommi R. Saghatelian
Aleshire & Wynder, LLP
District Counsel

Attachments: Exhibit A -Scope of Services
Exhibit B -Community Benefits
Exhibit C -Compensation & Schedule of Payment
Exhibit D -Definitions

EXHIBIT A

SCOPE OF SERVICES

SOLID WASTE HAULING BINS AND SERVICE REQUIREMENTS

A. Bins: Residential and Commercial Customers :

1. Approximately 292 - full sets of 96 gallon cans (residential & commercial) consisting of 1 Trash, 1 Recycle, and 1 Green Waste. Actual number will vary & fluctuate with the Del Rey population.
2. Approximately 24 - 96 gallon trash cans (residential and commercial accounts needing more than 1 can)
3. Approximately 5 - Commercial Sets - 1 Trash, 1 Recycle or 1 Green Waste - Depending on customer needs.
4. Approximately 1 - Commercial Recycling Service (Apartments)
5. Approximately 5 - 3 yard bins (commercial)
6. Approximately 4 - 5 yard bins (commercial)

B. Contractor Shall Provide Service & Pickup; Once Per Year Clean Up, & 2 Educational Forums, as follows:

1. Weekly Residential and Commercial solid waste service for all customers sets: Solid waste pickup shall be provided every Wednesday.
2. Every other week: Recycle Waste pickup: Example: Trash and Recycle, alternating Wednesdays.
3. Every other week: Green Waste pickup: Example: Trash and Green Waste, alternating Wednesdays.
4. Hauling of remainder of bins: once per week on Wednesdays except for the 3-yard and 5-yard bins, which shall be picked up once per week on Fridays.
5. Once per year, for a minimum of 5 hours, Contractor shall provide & conduct a community clean-up. Contractor shall prepare and distribute with District assistance, a flier explaining types of waste that may be accepted. The "Clean up at the Park" for the community including disposal of all trash and waste shall be conducted on a date and time acceptable to both parties in the best interests of the community.
6. Side Yard service at no charge for elderly and disabled customers.
7. Missed pickup as needed.
8. Educational forums twice per year, in English & Spanish, with written materials for community members to learn about trash hauling, recycling, green waste & environmental issues.

EXHIBIT B
COMMUNITY BENEFITS

Contractor will provide the following community benefits during this contract.

1. A one-time \$2,500 donation to District within 30 days of execution of this Agreement, to be used for any community enhancement deemed appropriate by District.
2. Annual cash donations to District annual Thanksgiving Dinner, Christmas Parade, National Night Out, Easter Egg hunt.
3. Periodic annual street sweeping in the community.
4. Two free dump vouchers to each resident to dispose of a pick-up load, approximately 2 cubic yards of waste at CARTS facility.
5. Sponsorship of one annual BBQ during National Night Out with hot dogs, chips, sodas, water or a food truck, if requested.
6. Sponsorship of an annual poster contest competition for elementary children grades 1-3, and 4-6 administered by the District. Each first prize winner will receive a \$50 Walmart gift card, 2nd place winners will receive a \$25 gift card provided by Contractor.
7. Assistance to District with grant writing efforts for state and federal funding programs for disadvantaged communities.
8. Sponsorship/cash donation for Christmas toy distribution for District children, administered by District.

EXHIBIT C
COMPENSATION &
SCHEDULE OF PAYMENTS

<u>Compensation.</u>	Monthly
i) Full sets of 96 gallon cans (residential & commercial) consisting of 1 Trash, 1 Recycle, and 1 Green Waste	\$19.48
ii) Approximately 24 – 96 gallon trash cans (residential and commercial accounts needing more than 1 can) monthly	\$4.31
iii) Approximately 5 - Commercial Sets 1 Trash, 1 Recycle or 1 Green Waste, monthly	\$17.06
iv) Approximately 1 - Commercial Recycling Service (Apartments)	\$71.98
v) Approximately 5 - 3 yard bins (commercial) (388)	\$77.60
vi) Approximately 4 - 5 yard bins (commercial)	\$258.64

Schedule & Terms Of Payment.

Each month, Contractor shall furnish to District an original invoice in a form approved by District for all work actually performed during the preceding month. Submission of an invoice for payment under this Agreement, certifies that Contractor is in compliance with all provisions of the Agreement.

Each invoice shall detail charges for all solid waste hauling and any related and approved charges. District shall independently review each invoice submitted by the Contractor to determine whether the work performed and expenses incurred are in compliance with the provisions of this Agreement.

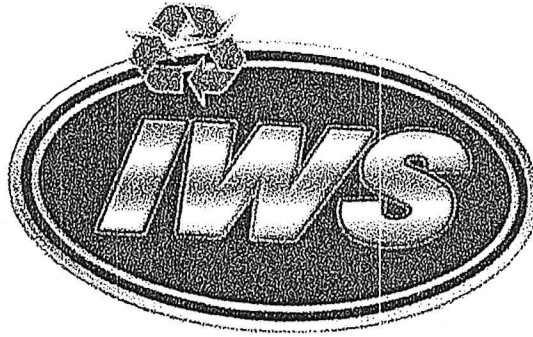
Except as to any charges for work performed which are disputed by District, District will use its best efforts to cause Contractor to be paid within thirty to forty five (30 to 45) days of receipt of Contractor's correct and undisputed invoice. District will make every effort to pay invoices within thirty (30) days; however, Contractor acknowledges and agrees that due to District's publicly-run warrant procedures, the District cannot guarantee that payment will occur exactly within this time period. In the event any charges or expenses are disputed by District, the invoice shall be returned by District to Contractor for correction and resubmission.

Review and payment by the District of any invoice provided by the Contractor shall not constitute a waiver of any rights or remedies provided herein or any applicable law.

EXHIBIT "D"

DEFINITIONS

1. "Waste" means any disposable solid waste including trash, green waste and recyclable materials. Waste delivered to a transfer station or the landfill, as applicable, shall have the required permits to receive such waste. Waste does not include hazardous or unacceptable waste and special waste.
2. "Recyclable Materials" means discarded materials intended for and capable of being returned to the economy in the form of raw materials for reuse including cardboard as defined by the California Public Resources Code, Division 30, Part 1, Chapter 2.
3. "Clean" means the material is reasonably free of contamination.
4. "Equipment" means any receptacle for waste provided and owned by Contractor for the purpose of storage or movement of materials and solid waste.
5. "Unacceptable Waste" means any special waste or hazardous waste that is not permitted to be transferred to any state licensed landfill or transfer station, any waste that contains free flowing liquids or waste that may pose harm to the public, and/or that Contractor deems, in its reasonable discretion, to be unacceptable.



April 14, 2014

Del Rey Community Service District
District Manager/Board Members/Residents
10649 E. Morro Street
P.O. Box 186
Del Rey, CA 93616-0186

RE: Amendment to Extend Service Agreement

We appreciate your business and would like you to consider an extension to our existing Service Agreement, dated July 1, 2008. The extension of the current contract will be for a period of six years as per the section titled, TERM OF CONTRACT, and will start beginning July 1, 2014 and will continue in effect until June 30, 2020, with no annual CPI adjustment for the first 2 years of the extended Service Agreement.

Terms of Extension will be as follows:

\$17.59 price per household per month

- Weekly pick up for 96 gallon trash container
- Bi-weekly pick up for 64 gallon recycling container
- Bi-weekly pick up for 96 gallon green waste container
- Once a year clean-up with Roll-Offs at Community Park
- Business/Commercial customers have the option of keeping their current two containers at current prices.

All other terms and conditions remain the same as the Service Agreement effective July 1, 2008. If you have any questions, please feel free to contact me at any time. I can be reached at (559) 233-1158.

We are pleased to continue providing service for the Del Rey Community Service District.

As per the original Service Agreement dated July 1, 2008 in the section called NOTICE OF AMENDMENTS: "Any notice, change, or amendment to this Agreement shall be delivered to the other party in writing, by email, or by fax only. No verbal changes or amendments will be considered valid. No changes, modifications, or amendments will be effective unless signed by both parties and in which such changes are clearly intended to amend this Agreement."

Please acknowledge acceptance of this amendment to the Service Agreement by returning this original, signed page to our office. A copy with original signatures will be delivered to your office.

Six year extension granted with the above noted change to the original Service Agreement effective July 1, 2008 and with no other changes to the original Service Agreement's terms and conditions.

Acknowledged by:

INDUSTRIAL WASTE AND SALVAGE

Date: 4/14/14

By: [Signature]
Richard Caglia, Director of Corporate Affairs

DEL REY COMMUNITY SERVICE DISTRICT

Date: 4/14/14

By: [Signature]
District Manager

SOLID WASTE AND RECYCLABLE MATERIALS SERVICE AGREEMENT

THIS AGREEMENT is made and entered into this June 5, 2008 between INDUSTRIAL WASTE & SALVAGE ("I.W.S.") and the DEL REY COMMUNITY SERVICES DISTRICT ("The District").

WHEREAS, I.W.S. is engaged in the business of hauling for disposal and recycling solid waste and recyclable materials in the Fresno County area.

WHEREAS, I.W.S. and The District desire to enter into this Agreement to set forth the terms and conditions by which I.W.S. shall provide exclusive hauling, disposal, and/or recycling services (as defined below).

NOW THEREFORE, in consideration of the respective covenants herein contained, the parties have agreed as follows:

Definitions:

"Acceptable Waste" means any waste that the transfer station or the landfill, as applicable, have the required permits to receive and that is Solid Waste, as defined herein, but shall exclude unacceptable waste, hazardous waste and special waste.

"Recyclable Materials" means discarded materials intended for and capable of being returned to the economy in the form of raw materials for reuse including Cardboard as defined by the California Public Resources Code, Division 30, Part 1, Chapter 2.

"Clean" means the material is free of contamination

"Equipment" means any receptacle for Acceptable Waste or Recyclable Materials provided and owned by I.W.S. for the purpose of storage or movement of materials.

"Construction and Demolition Debris" means materials as defined by the California Integrated Waste Management Board as debris generated from general construction and/or demolition activities including but not limited to wood, sheetrock, cement, metal, plastic, cardboard, paper, and clean inert materials.

"Unacceptable Waste" means any special waste or hazardous waste that is not permitted to be transferred to any state licensed landfill or transfer station, any waste that contains free flowing liquids, any waste that may pose harm to the public, and/or any waste that I.W.S. deems, as its reasonable discretion, to be unacceptable.

TERM OF CONTRACT: This agreement will become effective on July 1, 2008 and will continue in effect until June 30th, 2014. Upon agreement by I.W.S. and The

District the agreement may be extended at any time for an additional six (6) year period terminating on June 30th, 2020. If it is found at any time that either party is in violation of any of the terms of the Agreement and, after diligent efforts to resolve any dispute, and after having given sixty (60) days for the violating party to remedy the situation then after having given written notification to the violating party this Agreement may be terminated by the offended party.

SCOPE OF SERVICE: Commencing on the Effective Date, I.W.S. agrees to provide all of the equipment for solid waste and recyclable material containment, hauling, disposal, and recycling services for The District during the Term of this agreement. I.W.S. agrees to accept all Acceptable Waste pursuant to the terms of the Agreement. I.W.S. shall haul all such Acceptable Waste and Recyclable Materials to a disposal, transfer, or recycling facility of its choosing. Upon deposit of materials into waste and recycling receptacles I.W.S. will take sole ownership of all such materials.

COMPENSATION: The District shall pay I.W.S. as outlined in Exhibit A, which is attached hereto and made a part hereof inclusive of all fees for services performed in accordance with the Agreement and its terms as outlined below.

CONSUMER PRICE INDEX ADJUSTMENT (C.P.I.) beginning two (2) years after the commencement of this Agreement, hauling and disposal fees will be adjusted annually on the effective date each year by the actual change in the C.P.I. (as hereinafter defined) for the previous 12 month period. I.W.S. will notify The District 30 days in advance of the C.P.I. adjustment, of the expected amount of any adjustment allowed under this section with respect to such period. "C.P.I." means the consumer price index for All Urban Wage Earners and Clerical Workers, Los Angeles-Riverside-Orange County, CA, published by the United States Department of Labor Bureau of Labor Statistics ("BLS") or its successor.

FEES, TAXES, AND OTHER ADJUSTMENTS: If during the term of the Agreement any state, federal, or local law, rule, regulation, or ordinance imposes any new or increased fees (including landfill Disposal Fees) or taxes on I.W.S., or should I.W.S. incur unforeseen or uncontrollable increases in cost, it shall provide The District with reasonable documentation of the increase in costs. The District shall have thirty (30) days to accept or reject a compensatory price increase. If The District rejects the price increase, then I.W.S. may elect to terminate this Agreement by providing The District with thirty (30) days' written notice.

TERMS OF PAYMENT: I.W.S. shall invoice The District monthly in arrears for all fees described in Exhibit A within a reasonable time after the end of each month. The District shall pay the current invoice within thirty (30) days after receipt. Any amount due under this Agreement that is not paid in full by the invoiced party within thirty (30) days after the invoiced party receives the invoice shall be subject to a late charge on the overdue amount equal to one and one-half percent (1.5%), provided however that the late charge shall not apply to any amount that the invoiced party reasonably disputes until such dispute is resolved, and then shall apply only to the amount due beginning ten (10) days after the date such dispute is resolved.

AUDIT PROCEDURE: The District and I.W.S. will, at the end of each quarter, reconcile service addresses to avoid any confusion in billing amounts. Upon discovery of any billing discrepancy I.W.S. and The District will, with due diligence, correct the records in a timely manner.

EXCLUSIVE AGREEMENT: This Agreement constitutes an exclusive Agreement whereas The District confers upon I.W.S. exclusive handling and hauling rights to all Solid Waste and Recyclable Materials generated within The District with the exception of individual residents who choose to self haul their materials outside of The District. The District also grants I.W.S. exclusive rights to all construction and/or demolition open top container business within The District. I.W.S. will maintain first right of refusal on all non-construction open top business within The District.

RECYCLING EDUCATION: I.W.S. agrees to hold bilingual educational forums twice a year at a venue agreed to by I.W.S. and The District. The intention of the forums is to promote recycling efforts within the community. I.W.S. will provide all educational materials for these events and will actively promote the events within the community.

COMMERCIAL RECYCLING: The District recognizes the importance of recycling. In an effort to increase diversion rates The District will enact a mandatory recycling ordinance for all commercial accounts to be phased in over a 12 month period beginning with the contract effective date.

REPRESENTATIONS AND WARRANTIES: I.W.S. has full power, authority and legal right to enter into and to perform according to the terms of this Agreement. I.W.S. shall at all times procure and maintain in effect all licenses and permits and conditions thereto for the generation of Acceptable Waste covered by this Agreement required by any and all agencies that may have jurisdiction over its operations. I.W.S. warrants that it is, and at all times during the Term will be, in compliance with all state and federal laws, permits, and licenses concerning the Acceptable Waste covered by this Agreement. I.W.S. is an independent contractor under the terms of this Agreement.

RIGHT TO REFUSE UNACCEPTABLE WASTE: The District acknowledges and agrees that I.W.S. will only accept Acceptable Waste and I.W.S. has the right to reject any waste or load of waste at its sole discretion that it believes to contain Unacceptable waste.

INSURANCE: During the terms of the Agreement, I.W.S. agrees to carry Worker's Compensation Insurance in a form and coverage approved under the State law. I.W.S. further agrees to carry a broad form comprehensive public liability and property damage insurance with an aggregate loss limit of not less than \$1,000,000.00. I.W.S. shall name The District as a named insured on said insurance policy and shall provide an endorsement to that effect from the insurance company or companies. Additionally, I.W.S. shall deliver to The District policies of insurance evidencing the insurance procured by I.W.S. or deliver in lieu thereof, certificates of coverage from the insurance company or companies writing the policy or policies of insurance, which certificates

shall, among other things, designate the company writing the same, the policy number, the amount and provisions thereof. Said policy of insurance shall contain a provision that such policy shall not be canceled or terminated without thirty (30) days prior written notice from the insurance company to be given to The District. I.W.S. agrees that on or before ten (10) days prior to expiration of any insurance policy, I.W.S. will deliver to The District written notification in the form of a receipt or other similar documents from the insurance company that said policy or policies had been renewed, or shall deliver certificates of coverage from another good and solvent insurance company for such coverage.

INDEMNIFICATION: Notwithstanding anything to the contrary in the Agreement and irrespective of any insurance carried by I.W.S. for the benefit of The District, I.W.S. agrees to protect, indemnify and hold The District safe and harmless from any and all damages or liabilities of whatsoever nature arising out of the terms of this Agreement or arising out of this operation and the performance of the duties under this Agreement. This Agreement shall not be assigned to any third party operator without the written consent of both parties.

NOTICE OR AMENDMENTS: Any notice, change, or amendment to this Agreement shall be in delivered to the other party in writing, by email, or by fax only. No verbal changes or amendments will be considered valid. No changes, modifications, or amendments will be effective unless signed by both parties and in which such changes are clearly intended to amend this Agreement.

ENTIRE AGREEMENT: This Agreement and the attached Exhibit A constitute the entire Agreement between The District and I.W.S. and supersedes any and all agreements, either oral or written, between the parties with respect to the rendering of services by I.W.S. This Agreement shall be governed by and construed in accordance with the laws of the State of California.

INDUSTRIAL WASTE AND SALVAGE

Date 6/20/08

By: Ray Medley
Ray Medley

DEL REY COMMUNITY SERVICE DISTRICT

Date 6-17-08

By: [Signature]
District Manager

EXHIBIT A

I.W.S. is to perform the following services under the Agreement for Solid Waste and Recycling Disposal for The District.

Weekly solid waste collection and disposal service shall be performed including residential service utilizing toters provided by I.W.S., and commercial services using front load bins provided by I.W.S. Services will be provided once per week for residential customers and at a minimum of once per week for commercial accounts. Residential customers will be provided with one 96 gallon capacity wheeled container for solid waste. Front load bins will be provided in sizes ranging from 1 yard to 6 yard capacity dependent upon the needs of the commercial account.

I.W.S. is responsible for collecting and transporting clean commingled recyclables from residents and commercial accounts. I.W.S. will bear all costs for processing, and shall retain all rights to ownership and proceeds from the sale of the recovered recyclable material. Weekly collection services will be provided for residential and commercial accounts. A minimum 64 gallon capacity wheeled toter will be provided for residential customers and container ranging from the 96 gallon wheeled toter to all sizes of frontload bins will be available to commercial accounts dependant on expressed needs. Materials to be collected in the recycling receptacles are to include, but not be limited to, cardboard, newspaper, mixed waste paper, glass containers, aluminum cans, small scrap metal, tin cans, and all plastic film and plastic containers #1 through and including #7.

I.W.S. shall sponsor a bulky goods pick up event for 1 day per year and provide vouchers for District residents for disposal credit at Cedar Avenue Recycling and Transfer Station on a day agreed to with The District. Bulky goods pick up will be at a mutually agreed upon site and notice will be provided to district residents. Pick up or voucher delivery will not include Tires, Waste Oil, Hazardous Waste, Medical and/or Infectious Waste, Household Hazardous Waste, or any waste that, in the opinion of I.W.S., would present a significant risk to human health or the environment, cause a nuisance, or otherwise create or expose I.W.S. to potential liability. Residents will be limited to 1 ton per household of materials at each of the drop off and voucher events. Passenger Tires will be accepted at 4.00 each. Tires of other sizes will be accepted at I.W.S. determined rates. These events will be at no cost to the district or to the residents.

Because of rapid and unforeseen increasing diesel fuel costs, a fuel surcharge will be included in the bill on a quarterly basis. The base rate for highway #2 diesel will be \$4.75 per gallon. If the price of diesel continues to increase or, hopefully, decrease, based on published Department of Energy Data for California, the monthly rate will reflect the average price of diesel for the previous three-month period. The monthly service cost to Del Rey Community Services District will remain the same for a three month period. For every \$0.10 per gallon increase, the monthly rate will increase by \$0.0347 per house hold service. If the diesel price decreases by \$0.10 in a three month period, the monthly rate per house hold will decrease by \$0.0347 for the next three months.

I.W.S. shall be compensated as follows:

Solid Waste collection utilizing one 96 gallon toter	\$11.16 per month per household
64 gallon or larger recycling toter	\$ 3.15 per month per household
Extra 96 gallon solid waste toter	\$ 3.62 per month per household
Commercial Front Load containers	
Open Top Containers	\$5.01 per yard per month
Haul	\$150.00 each
Disposal	\$40.00 per ton
Clean Recyclable Disposal	\$ 0.00



Industrial Waste & Salvage
 3457 S. Cedar Ave. Fresno, CA 93725
 P.O. Box 446 Fresno, CA 93709
 (559) 233-1158 FAX (559) 441-4140

April 1st, 2013

Del Rey community Service District
 P.O. Box 186
 Del Rey, CA 93616

RE: CPI Increase Notification

Dear Hilda Ortiz,

Since the inception of our agreement certain operating costs have increased dramatically. The purpose of this letter is to request an annual rate adjustment effective June 1st, 2013 as allowed per our contract. The new prices shown below are based on the CPI All Urban Wage Earners and Clerical Workers, Los Angeles-Riverside-Orange County, CA based on the previous 12 month period.

<i>Current Unit Price</i>	<i>CPI Adjustment 2%</i>	<i>New Unit Price</i>
\$11.78	\$0.24	\$12.02
\$3.33	\$0.07	\$3.40
\$3.82	\$0.08	\$3.90
\$68.70	\$1.37	\$70.07
\$228.99	\$4.58	\$233.57

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2012	233.441	234.537	236.941	236.866	237.032	236.025	235.776	237.222	238.104	240.111	237.675	236.042
2013	238.015	239.753										

We value your business. If I could be of any assistance, please do not hesitate and call.

Sincerely,

Lara Smith
 Sales Coordinator

Del-Rey Proforma:

Community clean up:			Curb-side Clean up.	
Once per year clean up / open top containers:			Malaga 18 hours. tons 63.91 / 36 loads. 1.77	
Seven (7) Hours Total:			Del-Rey would be 6.30 hrs. at 3.55 tons per man hour.	
Five Roll-Off Trucks seven hours @ \$75.00 per hour.	\$	2,625.00	7.00 hrs.	24.85 tons
Bob Cat X-2	\$	986.00	Bob Cat	\$ 493.00
One supervisor.	\$	-	Bob Cat	\$ 493.00
Three helpers on the ground, at \$16.00 hr.each.	\$	336.00	Roll-off	\$ 525.00
Total	\$	3,947.000	Roll-off	\$ 525.00
Fifteen Roll-Off Boxes for 22.39 ton's, \$35.00 per ton.	\$	783.650	Roll-off	\$ 525.00
Total	\$	4,730.65	Roll-off	\$ 525.00
Per/Ton	\$	211.28	Front-load	\$ 595.00
Can Pick Up/ Automated Truck: 10 miles one way.			Man	\$ 112.00
Total lifts 648 ea. 10 hours total.			Man	\$ 112.00
Total Hours, includes CARTS drive out and back, dump, pre & post, fuel.			Man	\$ 112.00
Pre&post trip with fuel 1HR. 1hr \$ 85.00			Tons\$35	\$ 869.75
Drive Time One Way 15 min. 1hr \$ 85.00			Total	\$ 4,998.8
Dump @ CARTS 10 min. 20min \$ 28.33			per/ton	\$ 201.16
Side-Load cost \$85.00 per hour.			Bob cat \$250.00 per day.	
Pick up hours, 7hr/40m or 460min 0.71 min/per lift.			Fuel \$75.00	
Total	\$	849.99	Operator \$ 24.00 hr. W-Benes.	
Trash Tons. @\$35	10.11	\$ 353.85	proform14	
Recycle Tons.	1.38			
Total		\$ 1,203.84		
648 Lifts		Per/Lift \$ 1.858		

Del-Rey comp. study? Add totals for Recy @ schools
 Recy little and Del Rey school 7 3yd bins
 5:15 - 9:30/10 (4.5hr)
 2 96 gal containers
 14 3yd 1 wk
 4 5yd 2 wk
 309 Recy
 311 Trash
 (28 x 16 cans) Trash
 Current Recy: 12.02 Trash
 3.40