#### THE INFORMATION IN THIS BOX IS NOT A PART OF THE CONTRACT AND IS FOR COUNTY USE ONLY



Contract Number 98-959 A-7

**SAP Number** 4400010789

## Public Works – Solid Waste Management Division

Department Contract Representative	Darren J. Meeka, Deputy Director	
Telephone Number	(909) 387-4701	
Contractor	City of Hesperia	
Contractor Representative	Nils Bentsen, City Manager	
Telephone Number	(760) 947-1025	
Contract Term	11/17/1998 – 6/30/2026	
Original Contract Amount	Various	
Amendment Amount		
Total Contract Amount		
Cost Center	6700004250	

# CONTRACT 98-959, AMENDMENT NO. 7 WASTE DISPOSAL AGREEMENT WITH CITY OF HESPERIA

Briefly describe the general nature of the contract: The Waste Disposal Agreement (WDA) that is the subject of this amendment is an agreement between the County and the City of Hesperia for use of the County landfill system. Amendment No. 1 was to implement the "Article 19 Solid Waste" component of the County's waste management system and define the City's share of that revenue. Amendment No. 2 was to increase the annual maximum limits of "Article 19 Solid Waste" in the County landfill system. Amendment No. 3 allowed the County to charge the fee of \$10.00 per ton (prorated) for identified controllable waste of the City (e.g., roll off container trucks and other County/City vehicles such as pickups and dump trucks) and have such waste subject to being processed in the recycling program. Amendment No. 4 allowed the County to calculate the annual cost of living adjustment earlier in the calendar year. Amendment No. 5 extended the end date of the WDA to June 30, 2016. Amendment No. 6 allowed the Parties to extend the end date of the WDA to June 30, 2021, apply an annual fixed WDA renewal discount adjustment of \$0.82 per ton for the term of the WDA, and allow the County to enter into agreements to accept in-County waste from non-WDA users of the Disposal System at a rate lower than the WDA Contract Rate in exchange for the sharing of the net revenue generated from those agreements.

This Amendment No.7 will extend the end date of the WDA to June 30, 2026 and reset the WDA Contract Rate to \$38.00 per ton, effective July 1, 2021.

FOR COUNTY USE ONLY		
Approved as to Legal Form	Reviewed for Contract Compliance	Reviewed/Approved by Department
SEE ATTACHED	· Andy Solar	· /l/
Jolena Grider, Deputy County Counsel	Andy Silao, P.E	Brendon Biggs, Director
Date	Date 6/21/2021	Date

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FOR COUNTY USE ONLY		
Approved as to Legal Form	Reviewed for Contract Compliance	Reviewed/Approved by Department
Jolena Grider, Deputy County Counsel	Andy Silao, P.E.	Brendon Biggs, Director
Date	Date	Date

## AMENDMENT NO. 7 TO THE WASTE DISPOSAL AGREEMENT

On November 17, 1998, the City of Hesperia ("City") and the County of San Bernardino ("County") entered into a Waste Disposal Agreement ("WDA"). The parties hereby amend the WDA, on the Effective Date as provided herein, by their respective execution of this agreement (hereinafter "Amendment").

### Recitals

- A. The parties have previously entered into the following amendments to the WDA. Amendment No. 1 to the WDA was to implement the "Article 19 Solid Waste" component of the County's waste management system and define the City's share of that revenue. Amendment No. 2 was to increase the annual maximum limits of "Article 19 Solid Waste" in the County landfill system. Amendment No. 3 allowed the County to charge the fee of \$10.00 per ton (prorated) for identified controllable waste of the City (e.g., roll off container trucks and other County/City vehicles such as pickups and dump trucks) and have such waste subject to being processed in the recycling program. Amendment No. 4 allowed the County to calculate the annual cost of living adjustment earlier in the calendar year. Amendment No. 5 extended the end date of the WDA to June 30, 2016. Amendment No. 6 extended the term of the WDA to June 30, 2021, applied an annual fixed WDA renewal discount adjustment of \$0.82 per ton for the term of the WDA, and allowed the County to enter into agreements to accept in-County waste from non-WDA users of the Disposal System at a rate lower than the WDA Contract Rate in exchange for sharing the net revenue generated from those agreements.
- B. In connection with the ongoing administration of the WDA, the parties have determined it is now in their best interests to change the termination date to June 30, 2026.
- C. This change in the termination date will assist both the City and the County in planning for future fiscal years' budgeting of solid waste disposal services and costs.
- D. The parties have determined it is in their best interests to reset the WDA Contract Rate to \$38.00 per ton, effective July 1, 2021, adjusted annually according to the WDA.

NOW THEREFORE, in consideration of the forgoing recitals and the following covenants and promises the Parties agree as follows:

- 1. Amended Section 4.2 CONTRACT RATE. (A) Generally. This section is amended in its entirety to read:
  - SECTION 4.2. <u>CONTRACT RATE</u>. (A) <u>Generally</u>. Effective July 1, 2021, the Contract Rate payable by each Franchise Hauler shall be \$38.00 per ton, subject to potential adjustment necessary to reflect the circumstances set forth below:
    - (i) increased costs incurred by the County (in excess of available insurance proceeds) due to the occurrence of one or more Uncontrollable Circumstances, including Changes in Law; and
    - (ii) escalation during the Term of this Agreement calculated in accordance with Section 4.2(B).

Prior to adjusting the Contract Rate as a result of any of the circumstances described in Section 4.2(A)(i), the County shall utilize the following remedy: reduce the costs of operating the Disposal System to the extent practicable.

Any adjustments to the Contract Rate permitted by Section 4.2(A)(i) shall be calculated by the County to reflect the actual costs or expenses of addressing the circumstance or circumstances pursuant to which the adjustment is authorized, and shall also reflect, where applicable, the then remaining

capacity in the Disposal System. Such adjustment may not reflect circumstances other than the circumstances described in Section 4.2(A)(i).

2. <u>Amended Section 4.2. CONTRACT RATE.</u> (B) Calculation of Escalation. This section is amended in its entirety to read:

SECTION 4.2. <u>CONTRACT RATE</u>. (B) <u>Calculation of Escalation</u>. For purposes of Section 4.2(A)(ii), the Contract Rate shall be adjusted in accordance with the formula described in this Section each July 1 during the term hereof, commencing July 1, 2022. The adjustment shall be calculated in accordance with the following formula:

Contract Rate = Fixed Portion + [Escalating Portion x Index]

Where,

Fixed Portion = \$10.87

Escalating Portion = \$27.13

Index = Price Index, which shall be determined in accordance with the following formula:

 $I = .7[PPI_1/PPI_2] + .3[EI_1/EI_2]$ 

PPI<sub>1</sub> = The Producer Price Index, Industrial Commodities Commodity Data, as published at the United States Department of Labor, Bureau of Labor Statistics web site, Series ID WPU03 thru 15 for the month of September in the year prior to the year for which the adjustment is being made (e.g., the adjustment effective July 1, 2011 will use the September 2010 value)

PPI<sub>2</sub> = Producer Price Index, Industrial Commodities Commodity Data for the month of September, 1997

- El<sub>1</sub> = Employment Cost Index, Total Compensation, Private Industry All Workers, as published at the United States Department of Labor, Bureau of Labor Statistics web site, Series ID: CIU20100000000001 for the last quarter of the year preceding the year for which the adjustment is being made (e.g., the adjustment effective July 1, 2011 will use the third quarter, 2010 value)
- El<sub>2</sub> = Employment Cost Index, Compensation, Private Industry All Workers, as published at the United States Department of Labor, Bureau of Labor Statistics web site, Table 3, established for the third quarter of 1997.

Effective July 1, 2022, and each July 1 thereafter during the term of the Agreement, the Contract Rate adjustment will be calculated as provided above, except that an annual fixed WDA renewal discount adjustment of \$0.82 per ton will be applied after the annual Cost of Living Adjustment (COLA) adjustment.

If at any time either the Employment Cost Index or the Producer Price Index is no longer published, or are otherwise unavailable, then the COLA shall be determined by using standard official statistics measuring changes to, respectively, labor costs and cost of materials, as the parties shall mutually agree.

3. Amended Section 6.1 EFFECTIVE DATE AND TERM. (A) Term. This section is amended in its entirety to read:

SECTION 6.1. EFFECTIVE DATE AND TERM. (A) <u>Term.</u> This Agreement shall become effective, shall be in full force and effect and shall be legally binding upon the City and the County from the Contract

Date and shall continue in full force and effect until June 30, 2026, unless earlier terminated in accordance with its terms.

- 4. Effective Date. This Amendment shall be effective if and only when all fifteen cities/towns listed on Exhibit A have each adopted and executed a counterpart of this Amendment No. 7 (the amendment number may differ for each city/town listed on Exhibit A) and such amendment has been adopted and executed by the County on or before June 30, 2021. In all events, the conditions in the forgoing sentence shall occur otherwise this Amendment No. 7 shall be null and void and without any effect whatsoever.
- 5. This Amendment may be executed in any number of counterparts, each of which so executed shall be deemed to be an original, and such counterparts shall together constitute one and the same Amendment. The parties shall be entitled to sign and transmit an electronic signature of this Amendment (whether by facsimile, PDF or other email transmission), which signature shall be binding on the party whose name is contained therein. Each party providing an electronic signature agrees to promptly execute and deliver to the other party an original signed Amendment upon request.
- 6. No other amendments. Except as modified in this Amendment (or in any prior Amendment(s)) all other terms and conditions of the WDA, including without limit those contained in any prior Amendment, shall remain in full force and effect.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed by their duly authorized officers or representatives as of the day and year first above written.

COUNTY OF SAN BERNARDINO		City of Hesperia
1 11	(Print	or type name of corporation, company, contractor, etc.)
Curt Hagman, Chairman, Board of Super	visors By _	(Authorized signature - sign in blue ink)
Dated: JUN 2 2 2021	Name	Nils Bentsen
SIGNED AND CERTIFIED THAT A COP		<del></del>
DOCUMENT HAS BEEN DELIVERED TO	O THE	
CHAIRMAN OF THE CARD	Title	City Manager
Lynna Monell Ger of the Board of	Spoervisors	
Of the Gounty of San  By  Deputy	ernardino Dated	5-13-21
	Addre	9700 Seventh Avenue
	<i></i>	Hesperia, CA 92345
ARDINO COULT		
Approved as to Legal Form	Reviewed for Contract Compliance	Reviewed/Approved by Department
SEE ATTACHED	· Hady Sala	> //n
Jolena Grider, Deputy County Counsel	Andy Silao, P.E.	Brendon Biggs, Director
Date	Date6/21/2024	Date

IN WITNESS WHEREOF, the parties have caused this Amendment to be executed by their duly authorized officers or representatives as of the day and year first above written.

COUNTY OF SAN BERNARDINO	OUNTY OF SAN BERNARDINO		City of Hesperia	
		(Print or typ	e name of corporation, company, contractor, etc.)	
<b>&gt;</b>		Ву		
Curt Hagman, Chairman, Board of Supe	ervisors	,	(Authorized signature - sign in blue ink)	
Dated:		Name		
SIGNED AND CERTIFIED THAT A CO			(Print or type name of person signing contract)	
DOCUMENT HAS BEEN DELIVERED CHAIRMAN OF THE BOARD	TO THE	Title		
Lynna Monell Clerk of the Board of	of Supervisors	1100	(Print or Type)	
of the County of Sa				
By Deputy		Dated:		
Deputy		Address	9700 Seventh Avenue	
			Hesperia, CA 92345	
Approved as to Legal Form	Reviewed for Contract Con	npliance	Reviewed/Approved by Department	
- slona Civifer	<b>&gt;</b>		<b>&gt;</b>	
Jolena Grider Deputy County Counsel	Andy Silao, P.E.		Brendon Biggs, Director	
Date (9/14/2)	Date		Date	

#### **EXHIBIT A**

### CITIES/TOWNS WITH A WASTE DELIVERY AGREEMENT WITH THE COUNTY OF SAN BERNARDINO OFFERED THIS AMENDMENT JUNE 2021 FOR AN AGREEMENT END DATE OF JUNE 30, 2026

- 1. ADELANTO
- 2. APPLE VALLEY
- 3. BARSTOW
- 4. BIG BEAR LAKE
- COLTON
- 6. FONTANA
- 7. GRAND TERRACE
- 8. HESPERIA
- 9. HIGHLAND
- 10. LOMA LINDA
- 11. RIALTO
- 12. TWENTYNINE PALMS
- 13. VICTORVILLE
- 14. YUCAIPA
- 15. YUCCA VALLEY