

**AMENDMENT NO. 2
TO THE SOLID WASTE & RECYCLING SERVICES EXCLUSIVE AGREEMENT**

THIS AMENDMENT TO THE AGREEMENT FOR CONTRACT SERVICES (“Amendment”) by and between the CITY OF CYPRESS, a California municipal corporation and charter city (“City”) and VALLEY VISTA SERVICES, INC., a California corporation, doing business as Valley Vista Services of Orange County (“Collector”) is effective as of August 28, 2017 (“Effective Date”).

RECITALS

A. City granted to Collector an exclusive solid waste and recycling franchise by entering into that certain Solid Waste & Recycling Services Exclusive Agreement dated September 22, 2014 (“Agreement”), wherein Collector provided solid waste and recycling collection services to Customers (“Customer” or “Customers” as used in this Amendment shall have the same meaning as that term is defined in Section 1.29 of the Agreement).

B. Pursuant to Section 2.02 of the Agreement, the City desires to exercise its first option to extend the Agreement by two years, such that the Agreement shall expire at the close of business on June 30, 2027, unless earlier terminated in accordance with Article 13 of the Agreement.

C. City and Collector further desire to adjust the fees that the Collector may charge the Customers, and to make certain changes to Collector’s obligations under the Agreement.

TERMS

1. **Recitals.** The recitals set forth above are incorporated herein by this reference.

2. **Contract Changes.** The Agreement is amended as follows:

2.1 Section 2.02, “Term & Extended Term,” shall be modified as follows (~~strike through~~ represents deleted language while underline is added language):

“Unless earlier terminated in accordance with Article 13 of this Agreement, this Agreement shall continue in full force and effect until from and after July 1, 2015, and through and including the close of business on June 30, 2027 ~~June 30, 2025~~. City reserves the right, in its sole and unfettered discretion, to extend the term of this Agreement, under its then-existing terms and conditions, for a maximum of ~~one (1) two-year extended term, followed by two (2)~~ one-year extended terms. City shall give notice of its intention to extend the term, or any extended term, of this Agreement in writing not later than six (6) calendar months prior to expiration of the term or any extended term of the Agreement.”

2.2 Effective October 1, 2017, Section 4.03.3, "Marketing and Sale of Recyclable Materials," shall be modified as follows (~~strikethrough~~ represents deleted language while underline is added language):

"Collector shall be responsible for marketing and sale of all Recyclable Materials Collected pursuant to this Agreement. Collector may retain revenue from the sale of Recyclable Materials ~~and shall provide the City with an annual portion of the sales as specified in Section 8.07.~~"

2.3 Effective October 1, 2017, Sections 8.05, 8.06, 8.07, and 8.08 of the Agreement shall be deleted in their entirety.

2.4 Effective October 1, 2017, Section 8.09, "Acceptance of Payment by City," shall be modified as follows (~~strikethrough~~ represents deleted language while underline is added language):

"No acceptance by City of any payment shall be construed as an accord that the amount is the correct amount, nor shall such acceptance of payment be construed as a release of any claim City may have against Collector for any additional sums payable under the provisions of this Agreement. All amounts paid shall be subject to independent audit and recompilation by City. If, after the audit, such recompilation indicates an underpayment, Collector shall pay to City the amount of the underpayment within ten (10) days of receipt of written notice from City that such is the case. If, after the audit, such recompilation indicates an underpayment of more than one-half percent (0.5%) of the amounts as specified in Sections 8.01, 8.02, 8.03, and 8.04, ~~8.05, 8.06, 8.07 and 8.08~~, Collector shall reimburse City for all reasonable costs and expenses incurred in connection with the audit and recompilation, within ten (10) days of receipt of written notice from City that such is the case. Collector shall pay interest to the City for any underpayment at an annual rate of ten percent (10%). Should an audit disclose that Customers were overcharged for the period under review, Collector shall refund to Collector's Customers or to City, as directed by City, any overcharges within thirty (30) days following the date of the audit. Undercharges shall not be billed in arrears for more than ninety (90) days of service, with any remaining undercharges absorbed by Collector. Should an audit disclose that fees were overpaid by the Collector to City, City shall issue a credit against future fees payable by Collector in the amount of any overpayments made during the period ninety (90) days prior to the date of the audit, less costs and expenses incurred in connection with the audit and recompilation."

2.5 Section 4.05.1, “Residential and Multi-Family Premises On-Call Bulky Waste & E-Waste Collection,” shall be modified as follows (~~strickethrough~~ represents deleted language while underline is added language):

“The Collector shall provide Bulky Waste and Electronic Waste Collection Service to all Customers at Residential and Multi-Family Premises in the Service Area whose Bulky Waste have been placed within three (3) feet of the curb, swale, paved surface of the public roadway, closest accessible roadway, or other such location agreed to by the Collector and Customer, that will provide safe and efficient accessibility to the Collector’s Collection crew and vehicle.

Customers will be instructed to provide Collector with a minimum of forty-eight (48) hours’ notice of the need for Bulky Waste Collection Service, which shall take place on the Customer’s regular Collection day.

Customers at Residential and Multi-Family Premises are entitled to set out a total of two (2) ~~twelve (12)~~ items per year in any combination of collection days and number of items per year per Premises at no additional charge. For example, Customers may set out two (2) ~~twelve (12)~~ items for a single collection, or one (1) item on two (2) ~~twelve (12)~~ separate collection days ~~or any other combination of items and collections not to exceed twelve (12) total items per year per Premises.~~ For any collection of Bulky Waste beyond the minimum total of two (2) items per year, Collector shall provide Bulky Waste Pickup service to Customers at Residential and Multi-Family Premises in accordance with rates set forth in Exhibit 1 or as may be adjusted under the terms of this Agreement.”

2.6 The first 6 paragraphs of Section 6.08, “Graffiti Removal,” shall be modified as follows (~~strickethrough~~ represents deleted language while underline is added language):

“Collector shall, at its sole cost and expense, use and furnish all labor, supervision, equipment, materials, and transportation necessary for the satisfactory performance of graffiti removal services to public and private properties in the City of Cypress, as directed in conformance with all terms and conditions set forth in this Section, until December 31, 2017. Thereafter, Collector shall no longer be required to provide graffiti removal services as contemplated by this Section 6.08, “Graffiti Removal.” Ghosting or bleeding of graffiti through new surface material or original surface material is not acceptable.

Treatment for graffiti removal shall be executed on the affected areas only. Collector shall determine the most effective method(s) of removal at each location. The method(s) of removal shall vary depending on the condition of the surface. The City reserves the right to determine the method(s) of removal.

It is estimated that 50 percent of the graffiti removals consist of re-painting surfaces and the other 50 percent consist of sand-blasting, chemical blasting or a combination of the two.

Collector shall remove graffiti from surfaces that include, but are not limited to, the following:

Stucco Walls – Apply adequate coats of matching color exterior stucco paint to remove Graffiti.

Wood Walls – Apply adequate coats of matching exterior wood paint to remove Graffiti.

Concrete Walls – Wire brushing, painting, or the application of solvent. Use graffiti resistant sealant where necessary.

Fences – Wire brushing, painting, or the application of solvent. Use graffiti resistant sealant where necessary.

Curbs, sidewalks, signs (other than city-owned traffic signs), bridges, utility poles, and other structures – water blast, repaint, or clean with solvents.

Etched items – Etchings that can be repaired by painting shall be handled by the Collector (excluding glass or mirrors). If the Collector is aware of etched glass, it is the Collector's responsibility to report the etched glass or mirrors to the City.

At any time during the term of the Agreement, and upon request, Collector must demonstrate graffiti removal to the Public Works Director, or his designee, at a designated location, at no cost to the City."

2.7 Subject to Section 2.11 of this Amendment, Section 9.01, "Initial Rates," shall be modified as follows (~~strike through~~ represents deleted language while underline is added language):

“The rates that Collector may charge Customers through the Rate Year ending June 30, ~~2018-2016~~ shall not exceed the maximum rates set forth in Exhibit 1.”

2.8 Subject to Section 2.11 of this Amendment, Paragraph 1 of Section 9.02, “Schedule of Future Adjustments,” shall be modified as follows (~~strike through~~ represents deleted language while underline is added language):

“Beginning with the Rate Year starting July 1, ~~2018-2016~~ and ending on June 30, ~~2019-2017~~ and for all subsequent Rate Years, the maximum rates shown in Exhibit 1 may be adjusted upon request as described in this Section 9. The Collector shall submit its request in writing directly to City staff or via certified mail, on or before March 15, ~~2018-2016~~ and each succeeding year. Failure to submit a written request by March 15th of each year shall result in Collector waiving the right to request such an increase for the subsequent Rate Year. Missed rate adjustments may not be added to rate adjustment applications in ensuing years. The rates shall decrease automatically in accordance with Section 9 if either the disposal gate fee or the Consumer Price Index decreases. Rate adjustment calculations shall be separately performed for Residential Cart rates (Exhibit 2A), Commercial Bin and Cart rates (Exhibit 2B), Roll-off Box and Temporary Service rates (2C), and Other Service rates.

2.9 Subject to Section 2.11 of this Amendment, Exhibit 1 of this Amendment shall hereby replace Exhibit 1 of the Agreement.

2.10 Collector shall reimburse the City for all of the City’s costs incurred in complying with the requirements of Proposition 218 for the purpose of adopting the rates described in Exhibit 1 of this Amendment by December 31, 2017.

2.11 Sections 2.7, 2.8, and 2.9 of this Amendment shall not be effective and operative until the rates described in Exhibit 1 of this Amendment have been approved by the City Council after the completion of a Proposition 218 public hearing, without a majority of Customers protesting the adoption of such rates pursuant to Proposition 218. Further, Collector shall not utilize the rates described in Exhibit 1 of this Amendment until such rates have been approved by the City Council, without a majority of Customers protesting the adoption of such rates pursuant to Proposition 218, as determined at the sole and absolute discretion of the City Council after the completion of the Proposition 218 public hearing, and Collector has reimbursed the City for all of the City’s costs as contemplated by Section 2.10 of this Amendment.

3. Continuing Effect of Agreement. Except as amended by this Agreement, all provisions of the Agreement shall remain unchanged and in full force and effect. From and after the date of this Amendment, whenever the term “Agreement” appears in the Agreement, it shall mean the Agreement, as amended by this Amendment to the Agreement.

4. Affirmation of Agreement; Warranty Re Absence of Defaults. City and Collector each ratify and reaffirm each and every one of the respective rights and obligations arising under the Agreement. Each party represents and warrants to the other that there have been no written or oral modifications to the Agreement other than as provided herein. Each party represents and warrants to the other that the Agreement is currently an effective, valid, and binding obligation.

Collector represents and warrants to City that, as of the date of this Amendment, City is not in default of any material term of the Agreement and that there have been no events that, with the passing of time or the giving of notice, or both, would constitute a material default under the Agreement.

City represents and warrants to Collector that, as of the date of this Amendment, Collector is not in default of any material term of the Agreement and that there have been no events that, with the passing of time or the giving of notice, or both, would constitute a material default under the Agreement.

5. Adequate Consideration. The parties hereto irrevocably stipulate and agree that they have each received adequate and independent consideration for the performance of the obligations they have undertaken pursuant to this Amendment.


6. Authority. The persons executing this Agreement on behalf of the parties hereto warrant that (i) such party is duly organized and existing, (ii) they are duly authorized to execute and deliver this Agreement on behalf of said party, (iii) by so executing this Agreement, such party is formally bound to the provisions of this Agreement, and (iv) the entering into this Agreement does not violate any provision of any other Agreement to which said party is bound.

[SIGNATURES ON FOLLOWING PAGE]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the date and year first-above written.

CITY:

CITY OF CYPRESS, a municipal corporation


Paulo Morales, Mayor

ATTEST:

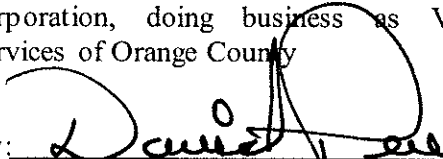

Denise Basham, City Clerk

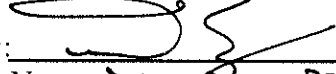
APPROVED AS TO FORM:
ALESHIRE & WYNDER, LLP


Anthony R. Taylor, City Attorney

COLLECTOR:

VALLEY VISTA SERVICES, INC., a California corporation, doing business as Valley Vista Services of Orange County

By: 
Name: DAVID PEREZ
Title: PRESIDENT

By: 
Name: DAVID M. PEREZ
Title: CORPORATE SECRETARY
Address: 17445 RAILROAD ST.
INDUSTRY, CA 91748

Two corporate officer signatures required when Collector is a corporation, with one signature required from each of the following groups: 1) Chairman of the Board, President or any Vice President; and 2) Secretary, any Assistant Secretary, Chief Financial Officer or any Assistant Treasurer. COLLECTOR'S SIGNATURES SHALL BE DULY NOTARIZED, AND APPROPRIATE ATTESTATIONS SHALL BE INCLUDED AS MAY BE REQUIRED BY THE BYLAWS, ARTICLES OF INCORPORATION, OR OTHER RULES OR REGULATIONS APPLICABLE TO COLLECTOR'S BUSINESS ENTITY.

ALL-PURPOSE ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California }
 County of Los Angeles } SS.

On Sept. 6, 2017, before me, Tanya Rosales, Notary Public,
DATE
 personally appeared David Perez & David M. Perez, who proved to me on the

basis of satisfactory evidence to be the person(s) whose name(s) ~~is~~/are subscribed to the within instrument and acknowledged to me that ~~he~~/~~she~~/they executed the same in ~~his~~/~~her~~/their authorized capacity(ies), and that by ~~his~~/~~her~~/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.



PLACE NOTARY SEAL IN ABOVE SPACE

Tanya Rosales
 NOTARY'S SIGNATURE

OPTIONAL INFORMATION

The information below is optional. However, it may prove valuable and could prevent fraudulent attachment of this form to an unauthorized document.

CAPACITY CLAIMED BY SIGNER (PRINCIPAL)

- INDIVIDUAL
- CORPORATE OFFICER _____ TITLE(S)
- PARTNER(S)
- ATTORNEY-IN-FACT
- GUARDIAN/CONSERVATOR
- SUBSCRIBING WITNESS
- OTHER: _____

DESCRIPTION OF ATTACHED DOCUMENT

 TITLE OR TYPE OF DOCUMENT

 NUMBER OF PAGES

 DATE OF DOCUMENT

SIGNER (PRINCIPAL) IS REPRESENTING:
 NAME OF PERSON(S) OR ENTITY(IES)

RIGHT THUMBPRINT OF SIGNER

OTHER

Top of thumbprint here

Exhibit 1

CART SERVICE		A	B	C	
Row	Rate Component	Old Index	New Index	Percent Change in Index ((Column B/Column A)-1)	
1	Collection ⁽¹⁾	263.815	263.815	0.00%	
2	Disposal ⁽²⁾	32.96	32.96	0.00%	
3	Green Waste ⁽³⁾	27.00	27.00	0.00%	
STEP TWO: Determine Weighted Change		D	E	F	
Row	Rate Component	Maximum Allowed Percentage Change	Component Weighting	Total Weighted Change (Column D x E)	
4	Collection Service ⁽⁴⁾	0.00%	75.00%	0.00%	
5	Disposal	0.00%	20.00%	0.00%	
6	Green Waste	0.00%	5.00%	0.00%	
6.5	Discretionary Rate Stabilization			7.50%	
7	Total Residential Cart Percentage Rate Adjustment			7.50%	
STEP THREE: Apply Percentage Change to Rates		G	H	I	J
Row	Rate Category	Current Rate	Total Weighted Percentage Change (from Row 7, Column F)	Rate Increase or Decrease (Column G x Column H)	Adjusted Rate (Column G + Column I)
8	RESIDENTIAL CART SERVICE – One 96-gallons capacity each; refuse, recycling, and green waste carts – weekly collection; billing provided by City billing Agent.	\$13.58	7.50%	1.02	14.60
9	Additional Refuse Cart(s) – Each.	\$5.24	7.50%	0.39	5.63
10	Additional Green Waste Cart(s) – Each after first 2.	\$26.18	7.50%	1.98	28.15
11	First Additional Green Waste Cart and All Additional Recycling Carts will be free of charge.	n/c	n/a	n/a	n/c
12	Cart Delivery (addition, removal or exchange) beyond two (2) per type per customer.	\$26.18	7.50%	1.98	28.15
13	Cart Replacement Due to Customer Damage.	\$52.37	7.50%	3.93	56.29
14	On-Call Bulky Waste / E-Waste (Up to two (2) items per year.)	n/c	n/a	n/a	n/c
15	On-Call Bulky Waste / E-Waste (beyond two (2) per year.)	\$52.37	7.50%	3.93	56.28
16	Annual Holiday Tree Collection	n/c	n/a	n/a	n/c
17	Cart Roll-Out Service – Incremental Charge (in addition to base charge in line 8).	\$26.18	7.50%	1.98	28.15

BIN/COMPACTOR SERVICE		A	B	C	
Row	Rate Component	Old Index	New Index	Percent Change in Index ((Column B/Column A)-1)	
1	Collection ⁽¹⁾	253.815	253.815	0.00%	
2	Disposal ⁽²⁾	32.98	32.98	0.00%	
STEP TWO: Determine Weighted Change		D	E	F	
Row	Rate Component	Maximum Allowed Percentage Change	Component Weighting	Total Weighted Change (Column D x E)	
3	Collection ⁽³⁾	0.00%	80.00%	0.00%	
4	Disposal	0.00%	20.00%	0.00%	
4.5	Discretionary Rate Stabilization			15.00%	
5	Total Commercial Service Percentage Rate Adjustment			15.00%	
STEP THREE: Apply Percentage Change to Rates		G	H	I	J
Row	Rate Category	Current Rate	Total Weighted Percentage Change (from Row 3 or 4, Column F)	Rate Increase or Decrease (Column G x Column H)	Adjusted Rate (Column G + Column I)
6	Refuse 2 Cu Yards 1 x WK	108.63	15.00%	15.99	122.62
7	Refuse 2 Cu Yards 2 X Wk	183.94	15.00%	27.59	211.53
8	Refuse 2 Cu Yards 3 X WK	245.62	15.00%	36.84	282.47
9	Refuse 2 Cu Yards 4 X Wk	307.31	15.00%	46.10	353.40
10	Refuse 2 Cu Yards 5 X Wk	367.01	15.00%	55.05	422.06
11	Refuse 2 Cu Yards 6 X Wk	427.45	15.00%	64.12	491.57
12	Refuse 3 Cu Yards 1 x Wk	115.06	15.00%	17.26	132.32
13	Refuse 3 Cu Yards 2 X Wk	190.37	15.00%	28.56	218.93
14	Refuse 3 Cu Yards 3 X Wk	260.46	15.00%	39.07	299.52
15	Refuse 3 Cu Yards 4 X Wk	327.40	15.00%	49.11	376.51
16	Refuse 3 Cu Yards 5 X Wk	392.25	15.00%	58.84	451.09
17	Refuse 3 Cu Yards 6 X Wk	460.24	15.00%	69.04	529.28
18	Refuse 4 Cu Yards 1 x Wk	157.66	15.00%	23.65	181.31
19	Refuse 4 Cu Yards 2 X Wk	257.33	15.00%	38.60	295.93
20	Refuse 4 Cu Yards 3 X Wk	312.62	15.00%	46.89	359.51
21	Refuse 4 Cu Yards 4 X Wk	366.87	15.00%	55.03	421.90
22	Refuse 4 Cu Yards 5 X Wk	422.14	15.00%	63.32	485.46
23	Refuse 4 Cu Yards 6 X Wk	483.38	15.00%	74.01	557.39
24	Extra Dump Refuse	41.84	15.00%	6.28	48.12
25	Locking Bin Fee 1x	15.79	15.00%	2.37	18.16
26	Locking Bin Fee 2x	21.06	15.00%	3.16	24.22
27	Locking Bin Fee 3x	28.32	15.00%	3.95	30.27
28	Locking Bin Fee 4x	31.59	15.00%	4.74	36.33
29	Locking Bin Fee 5x	36.85	15.00%	5.53	42.38
30	Locking Bin Fee 6x	42.12	15.00%	6.32	48.43
31	96 Gallon Cart	20.82	15.00%	3.14	24.06
32	96 Gallon Cart Extra Dump	10.48	15.00%	1.57	12.03
33	Compactor 2 Cu Yards 1 x WK	209.20	15.00%	31.38	240.58
34	Compactor 2 Cu Yards 2 X Wk	366.10	15.00%	54.92	421.02
35	Compactor 2 Cu Yards 3 X WK	491.62	15.00%	73.74	565.37
36	Compactor 2 Cu Yards 4 X Wk	627.60	15.00%	94.14	721.75
37	Compactor 2 Cu Yards 5 X Wk	732.21	15.00%	109.83	842.04
38	Compactor 2 Cu Yards 6 X Wk	836.81	15.00%	125.52	962.33
39	Compactor 3 Cu Yards 1 x Wk	230.12	15.00%	34.52	264.64
40	Compactor 3 Cu Yards 2 X Wk	376.58	15.00%	56.48	433.06
41	Compactor 3 Cu Yards 3 X Wk	523.00	15.00%	78.45	601.45
42	Compactor 3 Cu Yards 4 X Wk	653.75	15.00%	98.06	751.82
43	Compactor 3 Cu Yards 5 X Wk	784.51	15.00%	117.68	902.18
44	Compactor 3 Cu Yards 6 X Wk	920.49	15.00%	138.07	1,058.56
45	Compactor 4 Cu Yards 1 x Wk	261.04	15.00%	37.66	288.70
46	Compactor 4 Cu Yards 2 X Wk	387.02	15.00%	58.05	445.08
47	Compactor 4 Cu Yards 3 X Wk	654.36	15.00%	83.16	637.54
48	Compactor 4 Cu Yards 4 X Wk	879.90	15.00%	101.89	781.89
49	Compactor 4 Cu Yards 5 X Wk	836.81	15.00%	125.52	962.33
50	Compactor 4 Cu Yards 6 X Wk	1,004.17	15.00%	150.63	1,154.79

BIN GREEN WASTE SERVICES		A	B	C	
Row	Rate Component	Old Index	New Index	Percent Change in Index ((Column B/Column A)-1)	
1	Collection ⁽¹⁾	253.815	253.815	0.00%	
2	Disposal ⁽²⁾	27.00	27.00	0.00%	
STEP TWO: Determine Weighted Change		D	E	F	
Row	Rate Component	Maximum Allowed Percentage Change	Component Weighting	Total Weighted Change (Column D x E)	
3	Collection ⁽³⁾	0.00%	80.00%	0.00%	
4	Disposal	0.00%	20.00%	0.00%	
4.5	Discretionary Rate Stabilization			15.00%	
5	Total Commercial Service Percentage Rate Adjustment			15.00%	
STEP THREE: Apply Percentage Change to Rates		G	H	I	J
Row	Rate Category	Current Rate	Total Weighted Percentage Change (from Row 5 or 1, Column F)	Rate Increase or Decrease (Column G x Column H)	Adjusted Rate (Column G + Column I)
6	Green Waste 2 Cu Yards 1 x Wk	63.50	15.00%	9.52	73.02
7	Green Waste 2 Cu Yards 2 X Wk	83.50	15.00%	12.53	96.03
8	Green Waste 2 Cu Yards 3 X Wk	132.29	15.00%	19.84	152.13
9	Green Waste 2 Cu Yards 4 X Wk	190.50	15.00%	28.58	219.08
10	Green Waste 2 Cu Yards 5 X Wk	222.24	15.00%	33.34	255.58
11	Green Waste 2 Cu Yards 6 X Wk	253.99	15.00%	38.10	292.09
12	Green Waste 3 Cu Yards 1 x Wk	89.85	15.00%	13.48	103.33
13	Green Waste 3 Cu Yards 2 X Wk	105.83	15.00%	15.87	121.71
14	Green Waste 3 Cu Yards 3 X Wk	158.75	15.00%	23.81	182.56
15	Green Waste 3 Cu Yards 4 X Wk	211.88	15.00%	31.78	243.66
16	Green Waste 3 Cu Yards 5 X Wk	238.12	15.00%	35.72	273.84
17	Green Waste 3 Cu Yards 6 X Wk	278.18	15.00%	41.73	319.91
18	Green Waste 4 Cu Yards 1 x Wk	95.25	15.00%	14.29	109.54
19	Green Waste 4 Cu Yards 2 X Wk	158.75	15.00%	23.81	182.56
20	Green Waste 4 Cu Yards 3 X Wk	190.50	15.00%	28.58	219.08
21	Green Waste 4 Cu Yards 4 X Wk	232.83	15.00%	34.92	267.75
22	Green Waste 4 Cu Yards 5 X Wk	284.58	15.00%	42.69	327.27
23	Green Waste 4 Cu Yards 6 X Wk	291.03	15.00%	43.65	334.68
24	Locking Bin Fee 1x	15.79	15.00%	2.37	18.16
25	Locking Bin Fee 2x	21.06	15.00%	3.16	24.22
26	Locking Bin Fee 3x	26.32	15.00%	3.95	30.27
27	Locking Bin Fee 4x	31.59	15.00%	4.74	36.33
28	Locking Bin Fee 5x	36.85	15.00%	5.53	42.38
29	Locking Bin Fee 6x	42.12	15.00%	6.32	48.43
30	95 Gallon Cart	21.17	15.00%	3.17	24.34

BIN ORGANICS SERVICES		A	B	C	
Row	Rate Component	Old Index	New Index	Percent Change in Index ((Column B/Column A)-1)	
1	Collection ⁽¹⁾	253.815	253.815	0.00%	
2	Disposal ⁽²⁾	32.98	32.98	0.00%	
STEP TWO: Determine Weighted Change		D	E	F	
Row	Rate Component	Maximum Allowed Percentage Change	Component Weighting	Total Weighted Change (Column D x E)	
3	Collection ⁽³⁾	0.00%	80.00%	0.00%	
4	Disposal	0.00%	20.00%	0.00%	
4.5	Discretionary Rate Stabilization			15.00%	
5	Total Commercial Service Percentage Rate Adjustment			15.00%	
STEP THREE: Apply Percentage Change to Rates		G	H	I	J
Row	Rate Category	Current Rate	Total Weighted Percentage Change (from Row 5, Column F)	Rate Increase or Decrease (Column G x Column H)	Adjusted Rate (Column G + Column I)
6	Organics 2 Cu Yards 1 x Wk	127.98	15.00%	19.19	147.15
7	Organics 2 Cu Yards 2 X Wk	220.73	15.00%	33.11	253.84
8	Organics 2 Cu Yards 3 X Wk	294.75	15.00%	44.21	338.97
9	Organics 2 Cu Yards 4 X Wk	368.77	15.00%	55.32	424.09
10	Organics 2 Cu Yards 5 X Wk	440.41	15.00%	66.06	506.47
11	Organics 2 Cu Yards 6 X Wk	512.94	15.00%	76.94	589.88
12	Organics 3 Cu Yards 1 x Wk	138.07	15.00%	20.71	158.78
13	Organics 3 Cu Yards 2 X Wk	228.45	15.00%	34.27	262.72
14	Organics 3 Cu Yards 3 X Wk	312.55	15.00%	46.88	359.43
15	Organics 3 Cu Yards 4 X Wk	391.89	15.00%	58.74	450.37
16	Organics 3 Cu Yards 5 X Wk	470.70	15.00%	70.61	541.31
17	Organics 3 Cu Yards 6 X Wk	552.28	15.00%	82.84	635.14
18	Organics 4 Cu Yards 1 x Wk	189.20	15.00%	28.38	217.58
19	Organics 4 Cu Yards 2 X Wk	308.79	15.00%	46.32	355.11
20	Organics 4 Cu Yards 3 X Wk	375.15	15.00%	56.27	431.42
21	Organics 4 Cu Yards 4 X Wk	440.23	15.00%	66.03	506.27
22	Organics 4 Cu Yards 5 X Wk	506.57	15.00%	75.99	582.56
23	Organics 4 Cu Yards 6 X Wk	582.08	15.00%	86.61	668.67
24	95 Gallon Cart	88.42	15.00%	9.96	76.38

ROLL-OFF SERVICES		A	B	C	
Row	Rate Component	Old Index	New Index	Percent Change In Index ((Column B/Column A)-1)	
1	Collection ⁽¹⁾	253.815	253.815	0.00%	
2	Disposal ⁽²⁾	32.98	32.98	0.00%	
STEP TWO: Determine Weighted Change		D	E	F	
Row	Rate Component	Maximum Allowed Percentage Change	Component Weighting	Total Weighted Change (Column D x E)	
3	Total Roll-Off Collection & Other Services Percentage Rate Adjustment ⁽³⁾	0.00%	100.00%	0.00%	
4	Roll-Off Disposal ⁽³⁾	0.00%	100.00%	0.00%	
4.5	Discretionary Rate Stabilization			5.00%	
STEP THREE: Apply Percentage Change to Rates		G	H	I	J
Row	Rate Category	Current Rate	Total Weighted Percentage Change (from Row 3 & 4, Column F)	Rate Increase or Decrease (Column G x Column H)	Adjusted Rate (Column G + Column I)
5	MRF C&D Service Component ⁽⁴⁾	23.21	5.00%	1.16	24.37
6	Disposal Component	32.90	5.00%	1.65	34.55
7	Per Ton C&D MRF Processing Fee for C&D (Row 5 + Row 6) ⁽⁵⁾	56.11	5.00%		58.91
Row	Rate Category	Current Rate	Total Weighted Percentage Change (from Row 3 or 4, Column F)	Rate Increase or Decrease (Column G x Column H)	Adjusted Rate (Column G + Column I)
8	Roll-Off Or Compactor Service Up to 6 Tons	279.02		221.22	500.24
9	Roll-Off C&D Service Up to 6 Tons	279.02		367.44	646.46
10	Roll-Off Daily Rental (after 7 days with no dump)	10.53	5.00%	0.53	11.06
11	Roll-Off Dead Run	31.59	5.00%	1.58	33.17
12	Overloaded Container	40.74	5.00%	2.04	42.78
13	3-Yard Clean up Bin: includes one dump	126.35	5.00%	6.32	132.67
14	3-Yard Clean-up Bin (each dump)	52.65	5.00%	2.63	55.28
15	3-Yard Clean-up Bin Dead run	10.53	5.00%	0.53	11.06
16	3-Yard Clean-up Bin Rental (after 7 days with no dump)	5.26	5.00%	0.26	5.53

OTHER SERVICES		A	B	C	
Row	Rate Component	Old Index	New Index	Percent Change in Index ((Column B/Column A)-1)	
1	Collection ⁽¹⁾	253.815	253.815	0.00%	
2					
STEP TWO: Determine Weighted Change		D	E	F	
Row	Rate Component	Maximum Allowed Percentage Change	Component Weighting	Total Weighted Change (Column D x E)	
3	Collection ⁽¹⁾	0.00%	100.00%	0.00%	
4					
4.5	Discretionary Rate Stabilization			15.00%	
6	Total Commercial Service Percentage Rate Adjustment			15.00%	
STEP THREE: Apply Percentage Change to Rates		G	H	I	J
Row	Rate Category	Current Rate	Total Weighted Percentage Change (from Row 5, Column F)	Rate Increase or Decrease (Column G x Column H)	Adjusted Rate (Column G + Column I)
6	On-Call Bulky Waste - Commercial Premises	\$52.65	15.00%	7.90	60.54
7	On-Call Bulky Waste / E-Waste - Multi-Family Premises (Up to two (2) items per year.)				
8	On-Call Bulky Waste / E-Waste - Multi-Family Premises (Beyond two (2) items per year.)	\$52.65	15.00%	7.90	60.54
9	On-Call E-Waste & U-Waste Collection & Recycling - Commercial & Multi-Family Premises	\$52.65	15.00%	7.90	60.54
10	Household Hazardous Waste Collection - Multi-Family Premises	\$52.65	15.00%	7.90	60.54
11	Emergency Service	\$52.65	15.00%	7.90	60.54
12	Maximum Late Fee	8%			
13	Bin Washing Service beyond Once a Year	No Charge			

BIN SERVICE - RECYCLING		A	B	C	
Row	Rate Component	Old Index	New Index	Percent Change In Index ((Column B/Column A)-1)	
1	Collection ⁽¹⁾	283.815	283.815	0.00%	
2					
STEP TWO: Determine Weighted Change		D	E	F	
Row	Rate Component	Maximum Allowed Percentage Change	Component Weighting	Total Weighted Change (Column D x E)	
3	Collection ⁽¹⁾	0.00%	100.00%	0.00%	
4					
4.5	Discretionary Rate Stabilization			15.00%	
5	Total Commercial Service Percentage Rate Adjustment			15.00%	
STEP THREE: Apply Percentage Change to Rates		G	H	I	J
Row	Rate Category	Current Rate	Total Weighted Percentage Change (from Row 5, Column F)	Rate Increase or Decrease (Column G x Column H)	Adjusted Rate (Column G + Column I)
6	Recycling 3 Cu Yards 1 x Wk	53.87	15.00%	8.05	61.72
7	Recycling 3 Cu Yards 2 X Wk	92.58	15.00%	13.89	106.47
8	Recycling 3 Cu Yards 3 X Wk	123.62	15.00%	18.54	142.17
9	Recycling 3 Cu Yards 4 X Wk	154.67	15.00%	23.20	177.87
10	Recycling 3 Cu Yards 5 X Wk	184.71	15.00%	27.71	212.42
11	Recycling 3 Cu Yards 6 X Wk	215.14	15.00%	32.27	247.41
12	98 Gallon Cart Recycling	10.53	15.00%	1.58	12.11
13	Extra Dump Recycling - Bin	31.98	15.00%	4.74	36.33
14	Extra Dump Recycling - 98 Gal Cart	10.53	15.00%	1.58	12.11

Annual Performance Bond

Bond No. CMS0330350

KNOW ALL MEN BY THESE PRESENTS, that we, **VALLEY VISTA SERVICES, INC.**, as Principal, (hereinafter called the "Principal"), and **RLI INSURANCE COMPANY**, (hereinafter called the "Surety"), are held firmly bound unto **CITY OF CYPRESS** as Oblige, (hereinafter called the "Obligee"), in the maximum penal sum of ONE MILLION AND NO/100S Dollars, (\$ 1,000,000.00), good and lawful money of the United States of America, for the payment of which, well and truly to be made, we bind ourselves, our heirs, administrators, executors, successors, assigns, jointly and severally, firmly by these presents.

WHEREAS, the above bound Principal has entered into a certain written contract with the above mentioned Oblige described as: **EXCLUSIVE FRANCHISE AGREEMENT FOR THE PROVISION OF SOLID WASTE AND RECYCLING SERVICES**, contract is hereby referred to and made a part hereof as fully and to the same extent as if copied at length herein.

WHEREAS, the Oblige has agreed to accept a bond guaranteeing the performance of said contract for a period of only one year.

NOW, THEREFORE, the condition of this obligation is such that, if the Principal shall indemnify the Oblige for any and all loss that the Oblige may sustain by reason of the Principal's failure to comply with the terms and conditions of said Contract, then this obligation shall be null and void, otherwise it shall remain in full force and effect.

PROVIDED, HOWEVER, that:

1. The term of this bond is for the period commencing **MAY 1, 2018** and expiring on **JUNE 30, 2019**, unless released by the Oblige prior thereto. However, the term of this bond may be renewed for an additional one-year period(s) by the issuance of a Continuation Certificate by the Surety.
2. Neither nonrenewal by the Surety nor failure of the Principal to provide the Oblige with a replacement bond shall constitute default under this bond.
3. In the event the Principal shall be declared by the Oblige to be in default under the Contract, the Oblige shall provide the Surety with a written statement setting forth the particular facts of said default no later than thirty (30) days from the date of said default, which notice shall be sent to the Surety by registered mail to the address in stated in Section 6 below.
4. The Surety will have the right and opportunity, at its option, and in its sole discretion, to: a.) cure the default; b.) assume the remainder of the Contract and to perform or sublet same; c.) or to tender to the Oblige funds sufficient to pay the cost of completion less the balance of the Contract price up to an amount not to exceed the penal sum of the bond. In no event shall Surety be liable for fines, penalties, liquidated damages or forfeitures assessed against the Principal.
5. The Oblige's acceptance of this bond and reliance upon it as security constitutes its acknowledgement and agreement as to the terms under which it is offered and issued by the Surety.
6. All notices, demands and correspondence with respect to this bond shall be in writing and addressed to:

The Surety at: **6303 OWENSMOUTH AVE., 10TH FLOOR, WOODLAND HILLS, CA 91367**

The Principal at: **17445 EAST RAILROAD STREET, CITY OF INDUSTRY, CA 91748**

SIGNED, SEALED AND DATED this **20TH** day of **APRIL 2018**

Principal: **VALLEY VISTA SERVICES, INC.**

By: 

Title: **CORPORATE SECRETARY**

Surety: **RLI INSURANCE COMPANY**

By: 

Attorney-in-Fact

MARGARETA T. THORSEN

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

CIVIL CODE § 1189

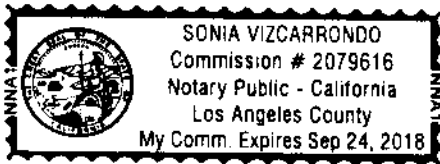
A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California)
County of Los Angeles)
On 11/20/18 before me, Sonia Vizcarrondo, Notary Public
Date Here Insert Name and Title of the Officer
personally appeared Margareta T. Thorsen
Name(s) of Signer(s)

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.



Signature Sonia Vizcarrondo
Signature of Notary Public

Place Notary Seal Above

OPTIONAL

Though this section is optional, completing this information can deter alteration of the document or fraudulent reattachment of this form to an unintended document.

Description of Attached Document

Title or Type of Document: _____ Document Date: _____
Number of Pages: _____ Signer(s) Other Than Named Above: _____

Capacity(ies) Claimed by Signer(s)

Signer's Name: Margareta T. Thorsen

- Corporate Officer – Title(s): _____
- Partner – Limited General
- Individual Attorney in Fact
- Trustee Guardian or Conservator
- Other: _____

Signer Is Representing: Surety Company

Signer's Name: _____

- Corporate Officer – Title(s): _____
- Partner – Limited General
- Individual Attorney in Fact
- Trustee Guardian or Conservator
- Other: _____

Signer Is Representing: _____

POWER OF ATTORNEY

RLI Insurance Company Contractors Bonding and Insurance Company

9025 N. Lindbergh Dr. Peoria, IL 61615
Phone: 800-645-2402

Know All Men by These Presents:

That this Power of Attorney is not valid or in effect unless attached to the bond which it authorizes executed, but may be detached by the approving officer if desired.

That **RLI Insurance Company** and/or **Contractors Bonding and Insurance Company**, each an Illinois corporation, (separately and together, the "Company") do hereby make, constitute and appoint:

Margareta T. Thorsen

in the City of Pasadena, State of California its true and lawful Agent(s) and Attorney(s) in Fact, with full power and authority hereby conferred, to sign, execute, acknowledge and deliver for and on its behalf as Surety, in general, any and all bonds and undertakings in an amount not to exceed Twenty Five Million Dollars (\$25,000,000.00) for any single obligation.

The acknowledgment and execution of such bond by the said Attorney in Fact shall be as binding upon the Company as if such bond had been executed and acknowledged by the regularly elected officers of the Company.

RLI Insurance Company and/or **Contractors Bonding and Insurance Company**, as applicable, have each further certified that the following is a true and exact copy of a Resolution adopted by the Board of Directors of each such corporation, and is now in force, to-wit:

"All bonds, policies, undertakings, Powers of Attorney or other obligations of the corporation shall be executed in the corporate name of the Company by the President, Secretary, any Assistant Secretary, Treasurer, or any Vice President, or by such other officers as the Board of Directors may authorize. The President, any Vice President, Secretary, any Assistant Secretary, or the Treasurer may appoint Attorneys in Fact or Agents who shall have authority to issue bonds, policies or undertakings in the name of the Company. The corporate seal is not necessary for the validity of any bonds, policies, undertakings, Powers of Attorney or other obligations of the corporation. The signature of any such officer and the corporate seal may be printed by facsimile."

IN WITNESS WHEREOF, the **RLI Insurance Company** and/or **Contractors Bonding and Insurance Company**, as applicable, have caused these presents to be executed by its respective Vice President with its corporate seal affixed this 12th day of April, 2018.



RLI Insurance Company
Contractors Bonding and Insurance Company

By: Barton W. Davis
Barton W. Davis Vice President

State of Illinois }
County of Peoria } SS

CERTIFICATE

On this 12th day of April, 2018, before me, a Notary Public, personally appeared Barton W. Davis, who being by me duly sworn, acknowledged that he signed the above Power of Attorney as the aforesaid officer of the **RLI Insurance Company** and/or **Contractors Bonding and Insurance Company** and acknowledged said instrument to be the voluntary act and deed of said corporation.

I, the undersigned officer of **RLI Insurance Company** and/or **Contractors Bonding and Insurance Company**, do hereby certify that the attached Power of Attorney is in full force and effect and is irrevocable; and furthermore, that the Resolution of the Company as set forth in the Power of Attorney, is now in force. In testimony whereof, I have hereunto set my hand and the seal of the **RLI Insurance Company** and/or **Contractors Bonding and Insurance Company** this 20 day of April, 2018.

By: Gretchen L. Johnigk
Gretchen L. Johnigk Notary Public

RLI Insurance Company
Contractors Bonding and Insurance Company

By: Jean M. Stephenson
Jean M. Stephenson Corporate Secretary

