

FIRST AMENDMENT TO WASTE DISPOSAL AND PROCESSING AGREEMENT

This First Amendment to the Waste Disposal and Processing Agreement (“First Amendment”) is dated _____ 2022 (“First Amendment Effective Date”) and is between G.B. SERVICES, INC., a Nevada corporation doing business as G&B RUBBISH AND ROLLOFF SERVICES INC., a California corporation ("Company") and COUNTY SANITATION DISTRICT NO. 2 OF LOS ANGELES COUNTY (the “District”), a county sanitation district organized and existing under the provisions of California Health and Safety Code Sections 4700 et seq. Company and the District are individually referred to in this Amendment as a "Party," and collectively, as the "Parties."

On June 24, 2020 ("Original Effective Date"), the District and Company, entered into the Waste Disposal and Processing Agreement (“Agreement”) for Company to deliver minimum quantities of solid waste to the District's Facilities at agreed rates, and to agree upon established rates for other solid waste management services with the requirements of this Agreement and its Exhibits.

The District’s Facilities in the Agreement included the Downey Area Recycling and Transfer Facility (“**DART**”). DART will no longer be operated by the District as of _____, 2022 and will no longer accept solid waste under the terms of the Agreement. The District also plans to lease a portion of the Puente Hills Materials Recovery Facility (“**PHMRF**”). As of _____, 2022, the District will no longer accept mixed recyclables from Company under this Agreement.

The Parties now intend to amend the Agreement to reflect these operational changes of the District.

All terms, conditions, and requirements of the Agreement remain unchanged unless explicitly identified here. The Agreement will be amended as follows:

1. Unless otherwise provided in this Amendment, the capitalized terms used in this First Amendment have the same meaning assigned to them in the Agreement.
2. The second paragraph of the Agreement shall be stricken and replaced with the following:

“The District owns and operates a solid waste recycling and transfer system in the County of Los Angeles, California, that includes the Puente Hills Materials Recovery Facility ("PHMRF") and the South Gate Transfer Station ("SGTS"). The PHMRF, and the SGTS are referred to collectively in this Agreement as the "District's Facilities.””

3. The third paragraph of the Agreement shall be stricken and replaced with the following:

“The District has adopted an ordinance known as the Ordinance Prescribing Fee and Charge Rates for Solid Waste Management Activities at the Puente Hills Materials Recovery Facility (MRF), the South Gate Transfer Station, and the Downey Area Recycling and Transfer (DART) Facility ("Ordinance"). The Ordinance provides for the District to enter into agreements with customers to accept specific quantities of solid waste

at the District's Facilities on agreed terms and conditions, which may include commitments for delivery of minimum quantities of solid waste.”

4. In the first sentence of Section 1.1(a), the clause “and source-separated recyclables” shall be stricken and the word “and” shall be added between the words “Greenwaste” and “Food Waste”.
5. In Section 3.2(b)(i), the following clause shall be added at the end of the first sentence, “if the Company requests a reduction; in no event will there be a reduction lower than Tier 1;”
6. Section 4.6 shall be deleted in its entirety.
7. Section 5.1 shall be stricken in its entirety and replaced with the following:

“PHMRF is currently open to receive waste from 4:00 a.m. to 5:00 p.m., Monday through Saturday SGTS is currently open to receive waste from 6:00 a.m. to 5:00 p.m., Monday through Saturday.”
8. The clause “and recyclables” that appears in the first and second sentences of Section 10.3 shall be stricken from both sentences.
9. Section 10.5 shall be added as follows:

“For Companies that deliver waste to PHMRF and SGTS (based on tonnage delivered for the three months before the First Amendment Effective Date) and cannot meet the Minimum Commitment Tonnage due to the reduction in their recyclables tonnage due to this Amendment and MSW Tonnage cannot meet Tier 1, the Company may request to terminate this Agreement. For Companies that deliver waste to DART (based on tonnage delivered for the three months before the First Amendment Effective Date) and cannot meet the Minimum Commitment Tonnage for all waste for Tier 1 due to the District not offering services at DART, the Company may request to terminate this Agreement.”
10. The last sentence of Section 11.5 shall be stricken.
11. In Section 11.7, To the District, the following shall be stricken, “Robert Asgian, rasgian@lacsdsd.org” and replaced with Habib Kharrat, hkharrat@lacsdsd.org”.
12. Table 1 shall be stricken and replaced with the attached Table 1.
13. Tables 2.1 and 2.2 shall be stricken in their entirety.

The Parties are signing this Amendment as of the First Amendment Effective Date.

COUNTY SANITATION DISTRICT
NO.2 OF LOS ANGELES COUNTY

By: _____
Chairperson

Attest

By: _____
Secretary

Approved as to Form:

By: _____
District Counsel

G.B. SERVICES, INC.
dba G&B RUBBISH AND ROLOFF
SERVICES

By: Ally Bullock
Its: PRSS

Table 1

Discount Factors Applied to Gate Rates for MSW Transfer

Tier No.	Monthly Tonnage Commitment delivered to Districts' Facilities		Discount Factors	MSW Transfer Contract Tip Fees (\$/ton)	
	at least the following tons per month	but less than the following tons per month		PHMRF	SGTS
	Gate Rates ^{1,2}				
1	450	1,000	0.00%	\$77.84	\$83.68
2	1,000	2,000	7.18%	\$72.25	\$77.67
3	2,000	3,000	8.18%	\$71.47	\$76.83
4	3,000	5,000	9.18%	\$70.69	\$76.00
5	5,000	7,000	10.18%	\$69.92	\$75.16
6	7,000	not applicable	11.18%	\$69.14	\$74.32
			12.18%	\$68.36	\$73.49

Footnote 1: Subject to ordinance modifications by the Sanitation Districts' Board of Directors.

Footnote 2: Example based on January 1, 2022 Gate Rate.