

## WASTE DISPOSAL AND PROCESSING AGREEMENT

This Waste Disposal and Processing Agreement (“**Agreement**”) is dated September 28, 2022, and is between VALLEY VISTA SERVICES, INC., a California corporation (“**Company**”) and COUNTY SANITATION DISTRICT NO. 2 OF LOS ANGELES COUNTY, a county sanitation district organized and existing under the provisions of the County Sanitation District Act, Health and Safety Code Section 4700 *et seq.* (the “**District**”). The District and Company are referred to in this Agreement individually as a “**Party**” and collectively as “the **Parties**.” The terms and conditions of this Agreement become effective on October 1, 2022 (the “**Effective Date**”).

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**”). PHMRF and SGTS are referred to collectively in this Agreement as the “**District’s Facilities**.”

The District has adopted an ordinance known as the *An 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. The Ordinance also provides for the District to supply other solid waste management services at the District’s Facilities pursuant to agreements with customers, including the processing of food waste, and to establish fees, rates, and charges applicable to those services.

Company is willing to commit 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.

The Parties therefore agree as follows:

1. Definitions

Capitalized terms in this Agreement will have the meanings set forth in this Section 1, or as otherwise defined in this Agreement.

1.1 “**Acceptable Waste**” means waste that meets the following type and source of waste requirements:

a. Types of Waste: The types of waste that the District accepts at the District’s Facilities, including municipal solid and inert waste (“**MSW**”), Greenwaste, and source-separated Food Waste. The District may change the types of wastes it accepts at the District’s Facilities at any time and from time to time.

b. Source of Waste: The waste must have been:

(i) Collected by Company in trucks owned or leased by Company, or received at transfer stations or processing facilities owned by Company and collected

or transferred by Company pursuant to franchise agreements or contracts between Company and waste generators; or

(ii) Waste that meets the conditions of Section 1.1.b(i) and is delivered by Company directly to a Third Party Transfer Station that delivers an equivalent amount of waste to the District's Facilities ("**Third Party Transfer Station Acceptable Waste**"). All references in this Agreement to Monthly Tonnage Commitment and Acceptable Waste include Third Party Transfer Station Acceptable Waste.

1.2 "**Chief Engineer**" means the District's Chief Engineer and General Manager, or his or her designee who is an employee of the District.

1.3 "**Fees and Taxes**" means any and all federal, state, local or other taxes, assessments, fees, host charges, gross receipts taxes or charges, surcharges, or similar charges directly or indirectly related to the acceptance, processing, storage, burial or disposal of material that are paid by or imposed on the District or the District's Facilities or operations by law, ordinance, rule, regulation, or agreement with a governmental authority, whether imposed retroactively or prospectively.

1.4 "**Food Waste**" means source-separated food waste that has no more than 3% contamination by weight and is free of excessive amounts of small contamination that makes removal by hand difficult (e.g. oil, grease, bones, packaging, paper, cups, utensils, plastic containers, plastic bags, etc.). Acceptable materials in any quantity include fruits, vegetables, pastas, grains, rice, beans, bread, cheese, pastries and waste meat, eggs, poultry and fish material from residential sources and restaurants. Upon the Chief Engineer's written approval, and subject to any conditions established by the Chief Engineer, Food Waste specifications may be changed and could also include wet-routed food and organic waste.

1.5 "**Greenwaste**" or "**Green Waste**" means source-separated trimmings from lawns, bushes and trees. The following items may not be in Green Waste loads: manure, palm fronds, limbs or stumps larger than six inches in diameter or eight feet in length, trash, dirt, piping or other items that are not vegetation. The District will not accept as Green Waste loads that are odorous.

1.6 "**MSW**" means municipal solid and inert waste.

1.7 "**MSW Transfer**" means MSW received by the District that will be transferred offsite and may or may not include additional processing for diversion, at the District's sole discretion.

1.8 "**Orange County Differential Fee**" means the additional transportation fee and landfill tipping fee that the District has to pay at Orange County landfills for the disposal of waste that originates in Orange County relative to the tipping fee for waste that originates outside of Orange County. The initial Orange County Differential Fee is \$15.05 per ton.

1.9 "**Third Party Transfer Station**" is a transfer station that is not owned or operated by Company.

1.10 “**Tipping Fee**” or “**Tipping Fees**” are the amounts payable to the District for each load of Acceptable Waste delivered to the District’s Facilities.

2. Term

This Agreement will become effective on October 1, 2022 and will expire at 11:59 p.m. on December 31, 2025, unless terminated sooner under the provisions of Section 10. The requirements for the Company to deliver and pay for Shortfall Tonnage will terminate on June 30, 2026.

3. Minimum Tonnage Commitment

3.1 During each calendar month of this Agreement, Company shall deliver to the District’s Facilities at least the number of tons of Acceptable Waste that is equal to the Monthly Tonnage Commitment, defined below.

3.2 The Company’s “**Monthly Tonnage Commitment**” is 1,000 tons per month minimum (Tier 2, as shown on the attached Table 1) including MSW, Green waste and Food Waste. The District shall reserve capacity at the District’s Facilities to accept at least the amount of the Monthly Tonnage Commitment from the Company each month.

a. Voluntary Increases. The Company may increase the Monthly Tonnage Commitment at any time by written notice to the District, which increase will become effective in the calendar month in which the notice is received by the District, and will continue in effect for the remainder of the term of this Agreement.

b. Decreases. The Chief Engineer shall prospectively reduce the Company’s Monthly Tonnage Commitment following a written request by the Company based on the following conditions only in addition to other provisions of this Agreement:

(i) If the District stops accepting any type of waste that was previously Acceptable Waste that Company delivered to the District’s Facilities, then the District will proportionately reduce the Company’s Monthly Tonnage Commitment; or

(ii) A verifiable loss of tonnage due to a franchise or licensing action by a public agency through no fault of Company.

3.3 If Company fails to deliver the Monthly Tonnage Commitment during any calendar month (a “**Shortfall**”), subject to Company’s right to make up Shortfall as described in the following sentence, Company shall be liable to the District for the Tipping Fee on the difference between the Monthly Tonnage Commitment and the actual tonnage delivered by Company (the difference, the “**Shortfall Tonnage**”). During the six calendar months following a Shortfall, Company may make up the Shortfall by delivering Acceptable Waste in the Shortfall Tonnage amount to the District’s Facilities in addition to the Monthly Tonnage Commitment. To the extent that Company fails to make up the Shortfall Tonnage during the following six months, the District shall add the Company’s liability for the Shortfall to Company’s regular monthly notice of charges as a separate item. The amount of the Company’s liability will be the remaining tons of Shortfall multiplied by the Company’s Tier rate for MSW Transfer at PHMRF for the

month in which the Shortfall occurred. After December 31, 2025, the amount of the Company's liability will be the remaining tons of Shortfall multiplied by the posted Gate Rate for MSW at the PHMRF.

3.4 No Brokering. The Monthly Tonnage Commitment may only be met through Company's own collected Acceptable Waste. Company shall not include, and the District will not accept, as any part of the Company's Monthly Tonnage Commitment any waste collected by third party hauling companies. The Company shall pay the applicable posted Gate Rate for any third party hauling company-collected waste that the Company delivers to the District's Facilities.

#### 4. Tipping Fees and Rate Discounts

4.1 Tipping Fee. The Company shall pay a Tipping Fee to the District for each load of Acceptable Waste that Company delivers to the District's Facilities.

4.2 Gate Rate; Volume Discount Rates. For MSW Transfer and Greenwaste, the District has established a general rate known as the "**Gate Rate**" for each waste type that includes all Fees and Taxes. In exchange for the delivery of the guaranteed Monthly Tonnage Commitment, the District will discount the Company's per-ton Tipping Fee rates as set forth in the attached Table 1, and as further described below. If there is any conflict between the language in the sections below and Table 1, Table 1 will govern.

a. MSW Transfer. The Company's MSW Transfer Tipping Fee rate will be the Gate Rate reduced by the applicable discount factor for the Company's Monthly Tonnage Commitment. Discount factors for MSW Transfer are shown in Table 1. For waste originating in Orange County, the Tipping Fees for MSW Transfer are the rates in Table 1 plus the Orange County Differential Fee.

b. Food Waste. The initial Tipping Fee rate for source-separated Food Waste is \$10.00 per ton less than the posted Gate Rate for Food Waste at the PHMRF. Unacceptable Food Waste will be charged the applicable per-ton MSW Transfer Tipping Fee rate and may qualify to be partially diverted depending on the quality of the load.

c. Greenwaste. The Tipping Fee rate for Greenwaste will be the posted Gate Rate for Greenwaste at the District's Facilities. Unacceptable Greenwaste will be charged the applicable per-ton MSW Transfer Tipping Fee rate and may qualify to be partially diverted depending on the quality of the load.

4.3 Tipping Fees for Tonnages in Excess of Monthly Tonnage Commitment. If the Company delivers tonnage in excess of the upper tonnage limit of the Tier associated with its Monthly Tonnage Commitment, then the Company will be billed by the District at Tipping Fee rates associated with the next Tier for the total actual monthly tons delivered, with the condition that the Company can only qualify for Tipping Fees rates corresponding to the next higher Tier above its committed Tier. However, if the Company delivers tonnage to the District's Facilities in excess of the upper tonnage limit of the Tier associated with its Monthly Tonnage Commitment for a period of six consecutive months, then beginning in the seventh month, the Company will no longer qualify for the Tipping Fees associated with the higher Tier unless the Company increases

its Monthly Tonnage Commitment to the higher Tier by providing the District with written notice pursuant to Section 3.2.a.

#### 4.4 Examples.

a. Example 1 – Within Tier: If the Company has a Tier 2 commitment (1,000-2,000 tons per month) and delivers 1,500 tons in July 2024, then the District will charge, and the Company shall pay Tier 2 Tipping Fees for all tonnage delivered in July 2024.

b. Example 2 – Exceeds Tier for Less Than Six Months: If the Company has a Tier 2 commitment and delivers 7,500 tons in July 2024 through November 2024 and 1,500 tons in December 2024, then the Company will be charged Tier 3 Tipping Fees for all tonnage delivered in July 2024 through November 2024 and Tier 2 rates for all tonnage delivered in December 2024.

c. Example 3 – Exceeds Tier for Longer Than Six Months: If the Company has a Tier 2 commitment and delivers 7,500 tons in July 2024 through January 2025, then the Company will be charged Tier 3 Tipping Fees for all tonnage delivered in July 2024 through December 2024 and Tier 2 rates for all tonnage delivered in January 2025 unless the Company increases its Monthly Tonnage Commitment to a Tier 6 level.

#### 4.5 Changes to Gate Rates.

a. The District may adjust the Gate Rates from time to time at its sole discretion. The Gate Rates are established by the District by or pursuant to the Ordinance.

b. The Gate Rate is composed of a base rate and Fees and Taxes(defined below).

c. The Parties acknowledge that solid waste disposal is a highly-regulated and highly-taxed enterprise. From time to time, state, federal, and local governments impose new Fees and Taxes or increase existing Fees and Taxes on the District's operation of the District's Facilities. In addition, changes in laws and regulations may require additional investment of capital and may cause the District's costs of operations to increase. If new or increased Fees and Taxes or additional regulatory compliance costs are imposed, assessed, levied on, or charged to the District, or if increased operational costs result from changes in regulations, permit conditions or regulatory interpretation, the District will adjust the applicable Gate Rate and Tipping Fee rates so that all such new or increased Fees and Taxes and cost increases are passed through to Company.

d. Beginning on July 1, 2023 and each July 1 thereafter, the District shall adjust the Orange County Differential Fee by the amount of any annual percent increase in the April to April Consumer Price Index for All Urban Consumers for Los Angeles-Long Beach-Anaheim.

e. At least 30 days before any increase in any Tipping Fee rates for MSW Transfer, Food Waste, or Greenwaste, the District shall notify Company of the District's

new rates, and the District shall include with the notice a description of how the new rates were calculated pursuant to this Agreement.

5. Use of District's Facilities

5.1 PHMRF is currently open to receive waste and recyclables from 4:00 a.m. to 5:00 p.m., Monday through Saturday. Monday through Friday and 6:00 a.m. to 1:30 p.m. on Saturday. SGTS is currently open to receive waste from 6:00 a.m. to 5:00 p.m., Monday through Saturday.

5.2 The District may change the hours of operation for the District's Facilities at any time and for any reason. The District shall give Company reasonable notice of any change to the hours of operation. The Monthly Tonnage Commitment will be proportionately reduced if there is any change in those hours of operation that materially affects Company's ability to meet the Monthly Tonnage Commitment. The District's Facilities will be closed on Sundays and on New Year's Day, Memorial Day, July 4th, Labor Day, Thanksgiving and Christmas Day. The District shall give the Company reasonable notice of any other closures; however, so long as any one of the District's Facilities is open, the Company's Monthly Tonnage Commitment will not be reduced.

6. Rejection of Waste

6.1 The District shall conditionally accept each load of Acceptable Waste delivered by Company's vehicles to the District's Facilities, but may, by written notice to Company, revoke its acceptance if the District determines that any waste delivered by Company either is not acceptable for receipt at the District's Facilities, or constitutes Unacceptable Waste as defined below (collectively "**Rejected Waste**"). The District's initial acceptance of Rejected Waste at the District's Facilities will not transfer ownership of the Rejected Waste to the District but merely creates a bailment, and the District's revocation of acceptance of the Rejected Waste will operate to immediately transfer the risk of loss and responsibility for proper disposal of the Rejected Waste to Company.

6.2 "**Unacceptable Waste**" means any waste that:

- a. If disposed of at the District's Facilities would violate any applicable law or any District permit condition;
- b. Is a hazardous waste or a hazardous substance as those terms are defined under applicable law;
- c. Is a designated waste or Class II waste under applicable law; or
- d. Has or may have constituents or components not specifically identified in any waste material profile or similar document and which, in judgment of the Chief Engineer increases the nature or extent of the hazard and risk of handling or disposing of the waste materials, but only if that judgment is consistently applied to all waste delivered to the District's Facilities.

6.3 Within 48 hours after receiving written notification from the District that identified wastes delivered to the District's Facilities by Company are Rejected Waste ("**Rejection Notice**"), Company shall (1) promptly re-take (or arrange to re-take) possession of the Rejected Waste or (2) make arrangements satisfactory to the District for the removal of the Rejected Waste from the District's Facilities. If Company fails to take possession of the Rejected Waste or make suitable arrangements satisfactory to the District within 48 hours of the Rejection Notice, the District may arrange for the removal of the Rejected Waste from the District's Facilities and for its transportation and disposal at a facility permitted to accept the Rejected Waste in accordance with applicable law and Company shall promptly reimburse the District for all of the District's costs and expenses incurred by the District in testing, clean-up (including remediation-related costs and expenses), handling, loading, preparing, transporting, storing, disposing, and returning the Rejected Waste to Company or transporting Rejected Waste to an alternative disposal facility upon the District's presentation of a notice of charges for such costs to Company.

## 7. Contamination

7.1 Food Waste must not have more than 3% contamination by weight. Greenwaste must not have more than 1% contamination by weight, which has been the standard for Greenwaste acceptance at the District's Facilities since November 1, 2013. Company's drivers will have the opportunity to clean up loads of Greenwaste and to put contamination back into their trucks as long as this effort can be conducted in a safe manner and does not unreasonably interfere with the operations of the District's Facilities. "**Contamination**" means anything that is not the primary commodity in each truckload of source-separated material delivered to the District's Facilities. Company shall not deliver any loads that contain any contamination that would impede the District's ability to receive, process, store, or sell the materials (e.g. the material creates excessive odors, attracts flies, etc.).

7.2 If the Chief Engineer determines that a load of source-separated materials is contaminated, then the Chief Engineer and Company shall negotiate in good faith to agree upon a price that is mutually acceptable for that load. Company shall use commercially reasonable efforts to have the generator of the material reduce the amount of contamination to a level acceptable to the District. If Company is unable to consistently provide loads that have an acceptable level of contamination from any particular generator, the Chief Engineer and Company shall negotiate in good faith to attempt to reach an agreement agree on a mutually-acceptable new price for the more-contaminated commodity.

## 8. Notice of Charges

8.1 The District shall give notice of charges to Company each month for all tons of Acceptable Waste delivered to the District's Facilities by Company during the preceding calendar month. Company shall pay all undisputed charges within 15 days after receipt of notice of charges.

8.2 Charges become delinquent 45 days after the date of the notice of charges. The District shall impose a service charge of 10% of the delinquent balance not paid within 75 days. If Company does not pay the account balance within 105 days, the District shall charge interest on the total of the unpaid balance and any service charges at the rate of 0.5% per month.

If Company has an unpaid balance for 105 days, the District may suspend Company's access to all solid waste facilities operated by the District until Company's account balance is paid in full. Suspension of Company's access to the District's solid waste facilities as a result of Company's uncured breach of this Agreement will not affect Company's obligation to meet its Monthly Tonnage Commitment.

8.3 If Company disputes the amount of any charges, Company shall give the District written notice of the dispute within 20 days after Company receives the notice of charges that contains the disputed charge. In the written notice of dispute, Company shall state the basis for the disputed amount with sufficient specificity to allow the District to investigate Company's claim. If Company fails to dispute a notice of charges within 20 days after the date of the notice of charges, Company will be conclusively presumed to have waived its right to dispute the amount of the notice of charges. Tonnage amounts of Acceptable Waste used for billing will be determined using the District's weigh scales at the District's Facilities at the time Company delivers each load of Acceptable Waste.

8.4 If Company uses or seeks to use the District's Solid Waste Disposal Credit Account system, then Company shall complete the District's Solid Waste Disposal Credit Application and comply with all the District's terms and conditions related to that application, except that timing for interest and service charges for the District's Facilities (only as defined in this Agreement) will be governed by the terms of this Agreement. The security deposit and all other requirements of the Solid Waste Disposal Credit Application will remain requirements of maintaining a credit account with the District.

8.5 Company may pay monthly invoices with a bank credit card. For credit card payments, a convenience fee will be charged in addition to the invoiced amount.

8.6 Company shall not deliver any waste to the District's Facilities that is defined as Unacceptable Waste under this Agreement. Only Acceptable Waste may be delivered to the District's Facilities under this Agreement. Company shall maintain commercially reasonable records and supporting source documents evidencing the origin of all waste delivered to the District's Facilities for a minimum of five years. The District may, through its duly authorized agents or representatives, examine and audit records and supporting source documents maintained by Company concerning the origin of waste delivered to the District's Facilities at any and all reasonable times after 30 days written notice for determining the accuracy of those records and of the reports provided to the District pursuant to this Agreement. The full cost of the audit, as determined by the District, must be paid by Company if any of the following conditions exist:

- a. The audit reveals that the Company engaged in deliberate brokering or knowingly delivered Unacceptable Waste; or
- b. Company has failed to maintain true and complete books, records, accounts, and supporting source documents substantially in accordance with this Section 8.6.

Otherwise the District shall bear the cost of the audit.



## 9. Indemnity

9.1 Company shall indemnify, defend, and hold harmless the District, its directors, officers, employees, agents, successors and assigns, and each of the other County Sanitation Districts of Los Angeles County, and their directors, officers, employees, agents successors and assigns, from and against any and all claims, actions, liabilities, damages, losses, costs, and expenses (including court costs and reasonable attorneys' fees and expenses), arising out of or in any way related to: (a) Company's performance of its obligations under this Agreement; (b) Company's use of the District's Facilities or areas adjacent or appurtenant to the District's Facilities; (c) the assertion by any third party of ownership of or any rights or interests in any waste or waste material accepted for disposal by the District; (d) any bodily injury, personal injury, or property damage caused by or resulting from any acts or omissions of Company; (e) delivery of waste that is not Acceptable Waste to the District's Facilities; (f) processing, transporting, or disposal of Rejected Waste; and (g) any violation by Company of applicable law.

9.2 The District shall indemnify, defend, and hold harmless Company, its directors, officers, employees, agents, successors and assigns, from and against any and all claims, actions, liabilities, damages, losses, costs, and expenses (including court costs and reasonable attorney's fees and expenses) arising out of: (a) the District's performance of its obligations under this Agreement; (b) any bodily injury, personal injury, or property damage solely caused by or solely resulting from acts or omissions of the District; and (c) any violation by the District of applicable law.

9.3 The Parties indemnity obligations will survive the expiration or earlier termination of this Agreement.

## 10. Termination and Default

10.1 The terms "**Default**" or "**Event of Default**" mean the failure of a Party to observe or perform any covenant, condition, or term of this Agreement.

10.2 Upon the occurrence of any other Event of Default by either Party, the non-defaulting Party may: (i) seek equitable relief from a Court of appropriate jurisdiction; or (ii) if the Event of Default continues for thirty days after notice of the Event of Default is provided to the other party, terminate this Agreement and have recourse to any other right or remedy to which that Party may be entitled by law or in equity, including, but not limited to, the right to recover for all damage or loss suffered as a result of the Event of Default.

10.3 If disposal at the Brea Olinda Landfill becomes unavailable to the District before December 31, 2025, the Gate Rate will be adjusted to identify the most cost-effective transportation and disposal option. If the amount of the Gate Rate adjustment exceeds 10% because of the unavailability of disposal at the Brea Olinda Landfill, this Agreement will be reopened for renegotiation. If the Parties cannot come to an agreement within 45 days after Brea Olinda Landfill becomes unavailable to the District, then this Agreement will terminate. Company's obligations to pay for Waste that has already been delivered shall survive any such termination.

## 11. Miscellaneous

11.1 *Assignment.* A Party shall not sell, assign, or otherwise transfer, by operation of law or otherwise, its rights or obligations under this Agreement, in whole or in part, without the prior written consent of the other Party.

11.2 *Independent Contractor.* Each Party is and will perform this Agreement as an independent contractor and, as such, will have and maintain complete control over all of its employees, agents and their conduct. Neither Party, nor anyone employed by it will be, represent, act, purport to act or be deemed to be the agent, representative or employee of the other Party.

11.3 *Waste Characterizations.* Upon request of Company, the District will perform up to five additional waste characterizations per year at a cost of \$500 per characterization for waste delivered to the PHMRF which amount will be added to the bill for the month wherein the waste characterization takes place. The Parties shall coordinate the dates and times of the characterizations in order to minimize operational impacts to the PHMRF.

11.4 *Tours.* The District shall accommodate reasonable requests by Company to provide tours of the District's Facilities to Company and Company's current or potential clients.

11.5 *Reporting.* The Company's deadline for reporting jurisdiction of origin for the preceding calendar month for MSW Transfer, Greenwaste and Food Waste transactions shall be by no later than the fifth calendar day of each calendar month.

11.6 *Entire Agreement.* This Agreement represents the entire understanding and agreement between the Parties relating to the transportation, storage, treatment, processing and disposal of the waste materials described in this Agreement and supersedes any and all prior agreements, whether written or oral, that may exist between the Parties regarding Company's disposal of waste at the District's Facilities, except that the Company shall also comply with all Solid Waste Disposal Credit Account requirements as described in Section 8.4. The Company shall comply with all ordinances adopted by the District's Board of Directors and all applicable regulations, laws, and site rules at the District's Facilities.

11.7 *Notices.* All notices or other communications to be given under this Agreement must be in writing and will be deemed given when mailed by United States mail, or by nationally-recognized overnight courier or acceptable electronic communication with proof of delivery:

To Company:

VALLEY VISTA SERVICES, INC.  
17445 RAILROAD STREET  
CITY OF INDUSTRY, CA 91748  
Attn: DAVID M PEREZ  
[DavidPerez@zerepmanagement.com](mailto:DavidPerez@zerepmanagement.com)

To the District:

Chief Engineer and General Manager  
County Sanitation District No. 2 of Los Angeles County  
1955 Workman Mill Road  
Whittier, CA 90601  
Attn: Habib Kharrat  
[hkharrat@lacsdsd.org](mailto:hkharrat@lacsdsd.org)

11.8 *Attorneys' Fees.* In the event of any dispute between the Parties with respect to the subject matter of this Agreement, the prevailing party will recover its costs and expenses, including reasonable attorney fees, witness fees (including experts), and discovery costs, all of which will be included in and as a part of the judgment or award rendered in that litigation or arbitration.

11.9 *Amendment.* No amendment, modification, or change to this Agreement will be effective unless the amendment, modification, or change is in writing and duly executed by the Parties.

11.10 *Applicable Law.* The terms and conditions of this Agreement will be construed in accordance with the laws of the State of California.

11.11 *Warranty of Authority.* The Parties each warrant that the persons executing this Agreement on its behalf are authorized to do so.

*[Signatures appear on following page.]*

IN WITNESS WHEREOF, the parties have hereto executed this Agreement on the day and year set forth above.

VALLEY VISTA SERVICES, INC.

COUNTY SANITATION DISTRICT NO. 2  
OF LOS ANGELES COUNTY

By David Perez

By \_\_\_\_\_  
Chairperson, Board of Directors

Title President

Date 9/17/2022 | 11:19:52 AM PDT

ATTEST:

By \_\_\_\_\_  
Secretary to the Board

APPROVED AS TO FORM:  
LEWIS, BRISBOIS, BISGAARD & SMITH  
LLP

By \_\_\_\_\_  
District Counsel

**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 <sup>1,2</sup>				
	Gate Rates <sup>1,2</sup>		0.00%	\$81.73	\$87.86
1	450	1,000	7.18%	\$75.86	\$81.55
2	1,000	2,000	8.18%	\$75.04	\$80.67
3	2,000	3,000	9.18%	\$74.23	\$79.79
4	3,000	5,000	10.18%	\$73.41	\$78.92
5	5,000	7,000	11.18%	\$72.59	\$78.04
6	7,000	not applicable	12.18%	\$71.78	\$77.16

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

Footnote 2: Effective July 1, 2022.