

FIRST AMENDMENT OF SOLID WASTE SERVICES AGREEMENT

This First Amendment of Solid Waste Services Agreement (this "Amendment") is entered into by and between the County of El Dorado ("County") and Waste Connections of California, Inc., a California corporation d/b/a El Dorado Disposal Service ("Grantee"), and is effective as of January 1, 2010. Capitalized terms not otherwise defined herein shall have the meanings ascribed to them in that certain Solid Waste Services Agreement, dated August 23, 2004 (the "Agreement"), between El Dorado County and USA Waste of California, Inc., d/b/a El Dorado Disposal Services (as the predecessor in interest to Grantee) ("USA Waste").

This Amendment is made with reference to the following recitals:

Whereas, effective August 23, 2004, the County entered into the Agreement with USA Waste, which granted USA Waste the exclusive right and obligation, subject to certain limitations, until December 31, 2012, to, among other things, collect and dispose of municipal solid waste generated by residential, commercial and industrial customers in the Franchise Area which encompasses a portion of the unincorporated West Slope of El Dorado County, as specifically identified in Exhibit A of the Agreement; and

Whereas, effective June 6, 2006, Grantee acquired certain assets, including, without limitation, the Agreement, from USA Waste; and

Whereas, effective June 6, 2006, the County consented to the assignment of the Agreement from USA Waste to Grantee; and

Whereas, the County and Grantee wish to amend the Agreement in certain respects to, among other things, clarify how rates under the Agreement are adjusted to reflect changes in the cost of living index.

NOW THEREFORE, the parties agree as follows:

1. Section 11.B of the Agreement is hereby amended in its entirety to read as follows:

Section 11 – Term

B. Renewal Options – The County shall have the right, in its sole discretion, to unilaterally extend the term of this Agreement for additional periods of one year each, up to a maximum of two such extensions. If the County elects to extend this Agreement for either one or both of these optional extension periods, the County shall give the Contractor notice of its election to exercise each such option a minimum of at least ninety (90) days before the current termination date of this Agreement. In the event the County exercises its options to extend the terms of the Franchise Agreement for one or both years, the rate setting procedures for the extension term will be in accordance with the December base period point to point CPI calculation as described in Section 22 herein or 0% whichever is greater.

2. Section 22.C of the Agreement is hereby amended in its entirety to read as follows:

Section 22 - Compensation

C. Inflation/Deflation Adjustment – Subject to the limitations specified in the foregoing paragraphs regarding New Services, Contractor’s rates for services described in Exhibit C (but exclusive of Franchise Fees) shall be adjusted annually effective July 1st of each year during the Term of this Agreement based on the Consumer Price Index- All Items - All Urban Consumers - California as published by the State of California, Department of Industrial Relations, Division of Labor Statistics and Research (Attachment A). The month to be used for purpose of measuring the point-to-point base period for which the adjustment shall be determined is December. Each December following the commencement of this Amendment shall be used for comparison purposes of the annual rate setting adjustment. By way of illustration, if the index for December 2008 is 120 and the index for December 2009 is 125 the rate adjustment for this period shall be a proposed rate increase of 4.2%.

In the event the CPI index is no longer published, the parties shall confer in good faith to select an alternative index and shall confirm their agreement on a substitute index in writing. If the parties are unable to agree on a substitute index, either party may submit the selection of the substitute index to binding arbitration before a single arbitrator pursuant to the Commercial Arbitration Rules of the American Arbitration Association. All percentages shall be computed to the second decimal place and the change in Contractor’s rates shall be calculated to the nearest cent (\$.01).


For purposes of the 2010 rate adjustment, the rate will be adjusted in the amount equal to the December base period point to point CPI described herein or 1.5% whichever is greater.

3. The recitals set forth above are hereby incorporated into this Amendment.
4. This Amendment may be executed in one or more facsimile or original counterparts, each of which shall be deemed an original and both of which together shall constitute one and the same instrument.
5. All terms and provisions of the Agreement not amended hereby, either expressly or by necessary implication, shall remain in full force and effect. From and after the date of this Amendment, all references to the term “Agreement” in this Amendment and in the original Agreement shall include the terms contained in this Amendment.
6. In the event of any conflict between the original terms of the Agreement and this Amendment, the terms of this Amendment shall prevail.
7. Each party executing this Amendment represents and warrants that it is duly authorized to cause this Amendment to be executed and delivered.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement the day and year last below written.

- - COUNTY OF EL DORADO - -
-County-

Dated: 1-12-10

By: 
Chair, Supervisor Norma Santiago
Board of Supervisors

ATTEST:

Dated: 1-12-10

By: 
Clerk of the
Board of Supervisors

- - WASTE CONNECTIONS OF CALIFORNIA, INC.
d/b/a EL DORADO DISPOSAL SERVICE - -
-Grantee-

Dated: 01/08/10

By: 
Ronald J. Mittelstaedt
Chief Executive Officer

ATTACHMENT A

See attached.

<http://www.dir.ca.gov/DLSR>

CONSUMER PRICE INDEX - CALIFORNIA

Los Angeles-Riverside-Orange Co., San Francisco-Oakland-San Jose, San Diego
United States City Average, 2008-2009

All Items
1982 - 1984 = 100

Year & Month	All Urban Consumers					Urban Wage Earners and Clerical Workers				
	California ^a	Los Angeles ^b Riverside Orange Co.	San Francisco ^b Oakland San Jose	San Diego ^b	U.S. City ^b Average	California ^a	Los Angeles ^b Riverside Orange Co.	San Francisco ^b Oakland San Jose	San Diego ^b	U.S. City ^b Average
2008 January	-	220.918	b		211.080	-	213.825	b		206.744
February	221.357	221.431	219.612		211.693	214.121	214.231	214.913		207.254
March	-	223.606	b		213.528	-	216.493	b		209.147
April	224.323	224.625	222.074		214.823	217.587	217.914	217.913		210.698
May	-	226.651	b		216.632	-	219.702	b		212.788
June	228.324	229.033	225.181	242.440	218.815	221.798	222.435	221.454	226.591	215.223
July	-	229.886	b		219.964	-	223.245	b		216.304
August	228.024	228.484	225.411		219.086	220.946	221.230	221.385		215.247
September	-	227.449	b		218.783	-	220.285	b		214.935
October	226.572	226.159	225.824		216.573	219.161	218.726	221.192		212.182
November		222.229	b		212.425		214.083	b		207.296
December	219.775	219.620	218.528	242.185	210.228	211.519	211.007	213.685	226.829	204.813
Annual Average	224.807	225.008	222.767	242.313	215.303	217.648	217.765	218.441	226.710	211.053
2009 January	-	220.719	b		211.143	-	212.454	b		205.700
February	222.181	221.439	222.166		212.193	214.017	213.234	216.797		206.708
March	-	221.376	b		212.709	-	213.013	b		207.218
April	222.896	221.693	223.854		213.240	214.689	213.405	218.587		207.925
May	-	222.522	b		213.856	-	214.446	b		208.774
June	224.994	223.906	225.692	240.885	215.693	217.322	216.145	220.996	225.482	210.972
July	-	224.010	b		215.351	-	216.128	b		210.526
August	225.438	224.507	225.801		215.834	217.743	216.628	221.279		211.156
September		225.226	b		215.969		217.302	b		211.322
October	226.035	225.264	226.051		216.177	218.458	217.474	221.708		211.549
November										
December										
Annual Average										

^a Weighted average of the consumer price indexes for Los Angeles-Anaheim-Riverside and San Francisco-Oakland-San Jose. A conversion factor has been included for comparability of 1987 data with 1986 and prior years. Computed by the Department of Industrial Relations, Division of Labor Statistics and Research from indexes issued by the U.S. Department of Labor.

^b Source: U.S. Department of Labor, Bureau of Labor Statistics. Beginning with January 1998 data, indices for San Francisco-Oakland-San Jose will be published bi-monthly on even months only (February, April, June, etc.). Beginning with the January 2007 data, indices published by the Bureau of Labor Statistics will be rounded to three decimal places (see <http://www.bls.gov/cpi/cpithreedec.htm>). The California indices conform to this change.