

FIRST AMENDMENT TO
REIMBURSEMENT AGREEMENT FOR CITY SERVICES AND PROFESSIONAL
CONSULTANT SERVICES
BY AND BETWEEN THE CITY OF HAWAIIAN GARDENS
AND WASTE RESOURCES, INC.

THIS FIRST AMENDMENT TO THE Reimbursement Agreement (“Amendment”) is made effective as of this ____ day of ____, 2021, by and between the City of Hawaiian Gardens (“the City”), a municipal corporation, and Waste Resources, Inc., a California corporation (“WRI”). WRI and City may each be individually referred to herein as a “Party” and collectively referred to as the “Parties.”

RECITALS

WHEREAS, WRI is the solid waste hauler within the City of Hawaiian Gardens, County of Los Angeles, California, pursuant to that certain Exclusive Solid Waste Services Franchise Agreement, dated July 1, 2018, as the assignee of Commercial Waste Resources.

WHEREAS, The City and WRI discussed a potential rate increase under the Franchise Agreement. To facilitate the consideration of this Rate Increase, the City intends to engage consultants necessary for purposes of public education, Proposition 218 compliance, the attendant Franchise Agreement amendment, and related work (“Rate Increase Work”).

WHEREAS, the City and WRI entered into that specific Reimbursement Agreement dated May 25, 2021 (“Reimbursement Agreement”) for the City to perform all of the Rate Increase Work and for WRI to reimburse the City for all Rate Increase Work Costs.

WHEREAS, the City and WRI desire to amend the Reimbursement Agreement to: (1) include a do not exceed amount for the Reimbursement Agreement in the amount of one hundred thousand dollars (\$100,000.00) unless unilaterally increased in writing by WRI; (2) to place a term on the Reimbursement Agreement so that it ends no later than June 30, 2022; and (3) expressly acknowledge and agree that should the City’s Rate Increase Work not be completed upon reaching the applicable do not exceed limit or by the expiration of the Reimbursement Agreement, the City shall cease any and all work irrespective of whether the Rate Increase Work has been completed or the status of the Rate Increase Work.

TERMS

NOW THEREFORE, in consideration of the foregoing recitals, mutual understandings, and other good, valuable and sufficient consideration, the City and WRI agree as follows:

1. Incorporation of Recitals. The City and Consultant acknowledge that the above recitals are true and correct, and incorporate those recitals by reference into this Amendment.

2. Reimbursement of Rate Increase Costs. The City and WRI agreement to amend Section 2 (c) of the Reimbursement Agreement to read as follows:

c. City and WRI hereby acknowledge and agree that this Reimbursement Agreement shall have a do not exceed limit of one hundred thousand dollars (\$100,000.00) for the Rate Increase Work Costs unless increased in writing by

WRI at its sole discretion. City and WRI hereby acknowledge and agree that WRI's duty to reimburse the City is not contingent upon the approval or disapproval of the Rate Increase, or upon the result of any action of the City. Further, in the event the City reaches any applicable do not exceed amount and it is not raised by WRI, WRI expressly acknowledges and agrees that the City has no further obligation whatsoever to continue the Rate Increase Work irrespective of the status of the Rate Increase Work and the City shall stop all Rate Increase Work until the do not exceed amount is raised in writing by WRI. As an example, should the City complete all the necessary Rate Increase Work and the only thing remaining is a public hearing, if the do not exceed amount has been reached, the City shall stop all Rate Increase Work and will not schedule or conduct the public hearing unless WRI increases the do not exceed amount in writing in such an amount that would ensure that the City is fully reimbursed for the remaining Rate Increase Work Costs. The City does not guarantee the approval of the Rate Increase.

3. Term. The City and WRI agree to amend Section 3 of the Reimbursement Agreement to read as follows:

“3. Term. The term of this Agreement shall commence on the Effective Date and shall terminate when all work required to process the Rate Increase Work has been completed to the City's reasonable satisfaction, and WRI has satisfied all of its obligations under this Agreement including, without limitation, the obligation to reimburse the City for all Rate Increase Work Costs, whether or not paid by the City prior to the date of termination, or June 30, 2022, whatever is sooner. WRI expressly acknowledges and agrees that should this Agreement terminate prior to the completion of the Rate Increase Work, the City has no further obligation whatsoever to continue the Rate Increase Work irrespective of the status of the Rate Increase Work and the City shall stop all Rate Increase Work upon the termination date. As an example, should the City complete all the necessary Rate Increase Work and the only thing remaining is a public hearing, scheduled for July 1, 2022, the City shall be under no obligation to schedule or conduct the public hearing unless the termination date has been extended by the Parties.

4. No Further Amendments. Except as expressly stated herein, all other terms of the Reimbursement Agreement remain unchanged by this Amendment.

IN WITNESS WHEREOF, the City and Consultant have executed this Amendment as of the date and year first above written.

CITY OF HAWAIIAN GARDENS a California municipal corporation

CITY OF HAWAIIAN GARDENS

**Water Resources, INC.
a California Corporation**

Approved By:

Linda Hollinsworth
[Interim City Manager]

By: _____

Tommy Gendal
Chief Operating Officer

Approved as to Form:

Best Best & Krieger LLP
Megan Garibaldi, City Attorney

By: _____

Printed Name: _____
Its: _____

Attested By:

City Clerk