

RE: Amendment of Agreement for Professional Services and Waiver of Rate Escalator Provision

Burrtec Waste Industries, Inc.,

On or about May 1, 2019, the City of Beaumont (“City”) and Burrtec Waste Industries, Inc. (“Burrtec”) (individually or collectively the “Party” or “Parties”), entered into an Agreement for Professional Services by Independent Contractor (“Agreement”) for Non-Hazardous Sludge Hauling Services. Under Section 4 of the Agreement, the rate per ton of sludge hauled to be paid to Burrtec is to be adjusted annually, each July 1st, by a flat 3% escalator. However, the City and Burrtec agree, by this Letter Agreement, to suspend the 3% escalation and amend the Agreement.

In March 2020, the President of the United States declared a National Emergency due to the COVID-19 pandemic. Similarly, state and local emergencies were proclaimed by the Governor of California and the legislative bodies of Riverside County and the City. As a result of the pandemic, the declaration of state and local emergency, and the “stay at home” orders issued by state and local governments across California and the country, oil and fuel prices have been significantly impacted. The Parties agree that the automatic 3% increase called for under the Agreement is not warranted at this time, and that the increase shall not take effect on July 1, 2020, as provided for under the Agreement. The Parties agree that the rates in effect as of the date of this Letter Agreement shall remain in place and unchanged until January 31, 2021. By or before January 2, 2021, the Parties will begin to meet and confer in an effort to come to a mutual agreement regarding the reinstatement of the rate escalator or an amendment to the rate escalator provision set forth in the Agreement. In the event the Parties are unable to come to a mutual agreement by or before January 31, 2021, after negotiating in good faith in accordance with this Letter Agreement, either Party may terminate the Agreement effective 20 days after providing written notice to the other Party. During that 20 day period, the last rate agreed upon by the Parties shall remain in effect.

By executing this Letter Agreement below, Burrtec agrees that this Letter Agreement accurately represents the understanding and agreement of the Parties. Burrtec agrees to and expressly waives the rate escalator provision of Section 4 of the Agreement in accordance with the agreed terms set forth in this Letter Agreement. Further, in accordance with Section 13.01 of the Agreement, the parties agree to modify the Agreement to permit either Party to terminate the Agreement in accordance with terms set forth in this Letter Agreement.

The Parties agree that all other terms and provision of the Agreement shall remain in full force and effect.

CITY OF BEAUMONT

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Todd Parton, City Manager

By executing this Letter Agreement, Burrtec agrees to the terms and provisions set forth herein. The individual executing this Letter Agreement warrants and represents that they have the authority to execute this Letter Agreement and bind Burrtec to the terms and provisions set forth herein.

BURRTEC WASTE INDUSTRIES, INC.

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By:  
Title: