

services required by this Agreement, charging no more than the maximum rates authorized by Exhibit 1, except as provided herein.

11. New Sections 6.6 through 6.10 are added to the Agreement, as follows:

6.6 Compensation for Additional Services

In the event the Company provides other services desired by residential accounts for which a rate is not established in Exhibit 1, including but not limited to Bagster® Service, the Company and the residential account shall agree on a rate for such services, subject to review and approval by the City Manager in the event of dispute. Any rate established by this method shall only apply as between the Company and the individual residential account so negotiating the rate. New rates for any service shall not become generally applicable to residential accounts unless and until such rates are enacted into the rate schedule at Exhibit 1, subject to Section 6.8.

6.7 Disposal Price Adjustment

Beginning July 1, 2011, the compensation paid to Company shall be adjusted by Company each July 1 during the term of the Agreement to reflect the percentage increase or decrease since the Effective Date, or the date of any prior adjustment, or, if the amount of the per ton tipping fee to be charged in the future is known in advance, to reflect the per ton tipping fee that will be in effect, in the average tipping fee per ton charged by the Los Angeles County Landfill/Materials Recovery Facility at Puente Hills and the DART Materials Recovery Facility in Downey. The average tipping fee is the sum of the tipping fees at Puente Hills and DART, and then divided by two. For purposes of the first such adjustment to occur on July 1, 2011, the initial tipping fees utilized in the computation shall be \$38.26 per ton at Puente Hills and \$54.15 per ton at DART, or an average tipping fee of \$46.20. The tipping fee used for this calculation shall exclude all federal, state and local taxes, fees and assessments levied on or applicable to the processing, transportation or disposal of solid waste at Puente Hills or DART. The City Manager or his designee shall review the information submitted by Company and recommend the rate adjustment for approval by the City Council if the information submitted is determined to be accurate. Thereafter, the City Manager shall refer the proposed adjustment to the City Council for approval in its reasonable judgment, subject to Section 6.8. In addition, in light of