

VIA ELECTRONIC-MAIL

March 20, 2020

Notice of Force Majeure Event Preventing Full Contract Compliance Due To Coronavirus/COVID-19 and Resulting Declarations of Emergency and Executive Orders

USA Waste of California, Inc., and its affiliates (Waste Management) – especially its hard-working front-line employees – are working around the clock to ensure that we can continue to serve our customers and communities safely and with the least disruption reasonably possible in the face of the many challenges created by the COVID-19 virus, the resulting Declarations of Emergency, including the Governor's Executive Order N-33-20, and the many local county and city health and safety orders and guidelines to which all responsible citizens are attempting to comply (collectively "Orders"). As Waste Management works earnestly to continue to provide collection and processing services to our communities, the health and safety of our employees, customers and communities are our highest priority.

Likewise, Waste Management is striving to comply with the federal health and safety directives that have been issued in this time of emergency. One example of the operational changes implemented by Waste Management as a result of this unprecedented emergency occurred on March 18, 2020, when Waste Management temporarily closed residential call centers to promote social distancing among our call center employees to help prevent the spread of COVID-19. We are actively coordinating remote operations to serve our customers during this situation with the goal of resuming residential call handing from work-at-home employees as soon as possible. Although a number of our municipal contracts require Waste Management to provide call centers to provide residential customer support services, the decision to suspend operation of these centers temporarily and to shift to a work-at-home capability was the direct result of the COVID-19 pandemic and the state of emergency that exists. In addition, due to the inability to effectively implement social distancing at certain of our Material Recovery Facilities, we have closed these operations until further notice. Nonetheless, Waste Management is continuing to collect refuse, recycling, green and organic waste for its residential and commercial customers.

The COVID-19 situation is very fluid, and Waste Management expects, unfortunately, that other unforeseeable disruptions to our services may occur in the coming days. As a result, we are providing this **Notice of Force Majeure** to advise the city that the COVID-19 pandemic is a force majeure event under our contract. While we have not yet experienced any significant disruptions in collection services, we anticipate that such disruptions may occur as a result of the Orders and the COVID-19 pandemic, including:

- Inter-city, intrastate, interstate, or cross-border travel restrictions;
- Quarantines at, or shut-downs of, Waste Management facilities:

- Stay at Home, Shelter-in-place or other restrictive orders that restrict travel and business operations;
- Shut-down of Waste Management and/or third-party recycling and disposal facilities that restrict our ability to operate as normal;
- Worker shortages because of quarantines or sickness; and
- Fuel and other critical equipment, materials and supply shortages caused by, for example, vendor shut-downs; and
- Shut-down of commercial customers' businesses and requests for cessation of services by commercial customers.

At this time, no one can reliably predict the length of this event or how long potential service disruptions may last. Waste Management will continue to provide the city with prompt notice of our operational capabilities and changes as they occur.

To streamline our communications on COVID-19 related issues, including operational changes, future notifications will rely on this notice and will be sent to you by email. If you have any questions, please contact your Waste Management public sector representative.

We appreciate your understanding and flexibility in these challenging times.

Sincerely,

USA WASTE OF CALIFORNIA, INC.

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Larry Metter, President Southern California Area