FIRST AMENDMENT TO
AGREEMENT FOR DISPOSAL OF SOLID WASTE
BETWEEN THE CITY OF SAN RAMON AND
REPUBLIC SERVICES, INC.

This Amendment is entered into this ___ day of _____, 2010, between Republic Services, Inc., ("Contractor"), and the City of San Ramon ("City".)

RECITALS

On November 14, 1995, the parties entered into the *Agreement for Disposal of Solid Waste*, a full and complete copy of which is on file with the City Clerk (the "Agreement").

The parties now wish to amend the Agreement. The purpose of this amendment is to extend the term, modify compensation, and add composting services. Except as expressly modified by this First Amendment, all provisions of the aforementioned original agreement shall remain in full force and effect.

NOW, THEREFORE, the parties agree as follows:

1. Assignment:

The City entered into the original Agreement with Browning-Ferris Industries of California, Inc. Per Article 8.4 of the Agreement, the City consents to assignment of the Agreement to Republic Services, Inc., retroactive to the date of merger.

2. Article 1.26 of the original Agreement is amended to read:

1.26 Term of Agreement

The "Term" or "Term of this Agreement" shall be from November 14, 1995 through December 31st, 2019, and after that, with three options for extensions of one year per extension. Should all three options for extension be exercised, the Term would end on December 31st, 2022.

3. Article 2.3 of the original Agreement is amended to read:

2.3 Option Periods

Options to Extend for Three Additional One Year Periods. The City may extend the Term of the Agreement on the same terms and conditions for three additional periods of one year each. Notice of such intent to extend the term shall be given in writing not less than nine (9) months prior to the then-current expiration date of this Agreement. If the City does not exercise an option to extend this Agreement, it will otherwise expire at the end of the then-current expiration date.

4. Article 4.1 of the original Agreement is amended to read:

4.1 Gate Rate

Contractor shall bill the City's Designated Hauler directly for disposal of Franchised Solid Waste, and City's Designated Hauler shall pay such bills, as specified in Article 4.3.

During the Term of this Agreement, the Gate Rate for disposal of Franchised Solid Waste at Contractor's Landfill Facility shall consist of the total of two (2) components: (1) the "Base Rate" and (2) a component based on fess and taxes assessed on disposal of Solid Waste at Contractor's Landfill Facility (the "the Fee Component"). The initial Gate Rate on the Effective Date shall be $30.19 per ton (2,000 lbs), subject to adjustment as provided in this Article. The Gate Rate effective on January 1, 2010 shall be $43.33 per ton.

The initial Base Rate, commencing on the Effective Date, shall be $14.50 per ton of Franchised Solid Waste delivered to Contractor's Landfill Facility. The Base Rate effective on January 1, 2010 shall be $19.95 per ton.

On January 1, 2011, the $19.95 per ton 2010 Base Rate shall be automatically adjusted proportionate to the percentage change in the Annual Average CPI (All Urban Consumers) for the San Francisco/Oakland/San Jose Area (index CUURA422SA0). This CPI adjustment shall be the percentage change between the Annual Average of the CPI index for the fiscal year September 1st, 2008 through August 31st, 2009 and the Annual Average of the CPI index for the fiscal year September 1st 2009 through August 31st, 2010.

Each subsequent January 1st thereafter (starting with January 1, 2012) the Base Rate shall be automatically increased by 3%.

The Fee Component, as define herein, currently consists of State and local fees and taxes which total $15.69 per ton as of the Effective Date of this Agreement. The Fee Component as of January 1, 2010 is $23.38 per ton.

Local fees are fees imposed on the disposal of Solid Waste at Contractor's Landfill Facility by Alameda County, including other sub-agencies and join powers authorities such as the Alameda County Source Reduction and Recycling Board and the Alameda County Waste Management Authority. Taxes and fees herein are limited to those applied specifically to the disposal or acceptance of Solid Waste. Taxes such as real and personal property taxes and income taxes are not included as part of the Fee Component but are included within Contractor's calculation of the Base Rate. The Fee Component shall be automatically adjusted, when the total amount of governmental fees and taxes on disposal increases or decreases, to the new total of such fees and taxes. Such adjustments to the Fee Component shall take effect on the first January 1st following the effective date of the increase or decrease in the fees and taxes, with no retroactive adjustments.

5. The original Agreement is amended to add Article 12, below, in its entirety:

ARTICLE 12. ORGANIC MATERIALS COMPOSTING SERVICES

12.1 Definition of Organic Materials

Organic Materials means: 1) Green Waste or Yard Waste (per Article 1.17); 2) food scraps including meat, fish, shellfish, fowl, bones, fruit, vegetables, legumes, tubers, seeds, nuts, dairy products, grains, baked goods, pasta, etc.; 3) soiled paper products, including paper plates, bowls, cups, cup holders, towels, napkins, bags, food wrappers, food boxes, take-out containers, ice cream/milk/juice cartons, pizza boxes, waxed cardboard, coffee filters, tea bags, etc.; and 3) clean wood waste that is free of stain, paint, or coatings, including lumber, sawdust, pallets, crates, chop sticks, skewers, toothpicks, etc.; 4) compostable, biodegradable "plastic" products made from raw materials of agricultural origin, which meet ASTM D6400 specifications or equivalent.

12.2 Acceptance, Storage, Transfer, and Transport of Organic Materials

Contractor shall accept franchised Organic Materials at Contractor's Landfill Facility (Vasco Road Sanitary Landfill) from the City's Designated Hauler. Contractor shall weigh inbound loads of Organic Materials. Contractor shall store Organic Materials at Contractor's Landfill Facility, and keep them separated from other materials that will not be transferred to a compost facility. Contractor shall load the Organic Materials into transfer trailers and transport them to Approved Composting facilities. Except as provided in Article 12.3, none of the City's franchised Organic Materials may remain at Contractor's Landfill Facility. Contractor shall weigh outbound transfer loads of Organic Materials, either at Contractor's Landfill Facility and/or the Approved Composting Facilities.

12.3 Approved Composting Facilities

Contractor shall deliver Organic Materials to composting facilities approved in advance in writing by the City. As of January 1, 2010 the following facilities are Approved Composting Facilities:

Forward Resource Recovery Facility

9999 N. Austin Road

Manteca, CA 95336

SWIS # 39-AA-0020

Newby Island Compost Facility

1601 Dixon Landing Rd.

San Jose, CA 95035

SWIS# 43-AN-0017

12.4 Organic Materials Composting

Contractor shall ensure that all Organic Materials collected pursuant to this Agreement are diverted from Disposal in accordance with AB 939 (the California Integrated Waste Management Act, Public Resources Code § 40000 et seq.) and subsequent legislation and regulations, and are recycled into compost products and returned to the economic mainstream for use in landscaping or agriculture. Excepted as provided below, Organic Materials accepted by Contractor pursuant to this agreement may not be disposed of in a landfill nor utilized as alternative daily cover (ADC) at a landfill or for any other application or "beneficial use" at a landfill site without prior written consent from the CITY.

Contractor shall ensure, and document to the satisfaction of the City, that all Organic Materials collected pursuant to this Agreement are composted, and are composted such that the resulting compost has undergone the Process to Further Reduce Pathogens (PFRP) as outlined in "Standards for the Use and Disposal of Sewage Sludge", 40 Code of Federal Regulations Part 503 dated August 4, 1999 Appendix B to Part 503-Pathogen Treatment process, item B page 9404.

Contractor may market the residuals from the composting process (e.g. the "overs" from screening the finished compost) as biomass fuel, to the extent that biomass fuel is considered diversion from disposal in accordance with AB 939. CONTRACTOR may utilize residuals from the composting process (e.g. "overs") as Alternative Daily Cover (ADC) provided that the percentage utilized as ADC does not exceed 10% by weight of inbound Organic Materials. CONTRACTOR may dispose of residual contaminants (e.g. painted/treated wood, palm, cactus, and inorganic materials such as plastic, glass, and stone/rock/concrete that are not accepted in San Ramon's Organic Materials collection programs) and shall coordinate efforts with the City's Designated Hauler to ensure that such contamination is incidental (less than 1% by weight of inbound Organic Materials.)

12.2 Term of Composting Services

The services described in Article 12 shall commence on January 1, 2010 and shall continue pursuant to the Term of the Agreement as specified in Articles 1.26 and 2.3 of this Agreement.

12.5 Gate Rate for Organic Materials

Contractor shall bill the City's Designated Hauler directly for acceptance of franchised Organic Materials, per the same billing procedures specified for disposal billing in Article 4.3. The Gate Rate for Organic Materials shall be the entire compensation for the Organic Materials transfer, transport, and composting services specified in Article 12. Unlike the Gate Rate for Disposal of franchised Solid Waste, The Gate Rate for Organic Materials does not have a separate Fee Component.

The Gate Rate for franchised Organic Materials shall be $52.95 per ton (2,000 lbs.) commencing on January 1, 2010.

On January 1, 2011, the $52.95 per ton 2010 Gate Rate for Organic Materials shall be automatically adjusted proportionate to the percentage change in the Annual Average CPI (All Urban Consumers) for the San Francisco/Oakland/San Jose Area (index CUURA422SA0). This CPI adjustment shall be the percentage change between the Annual Average of the CPI index for the fiscal year September 1st, 2008 through August 31st, 2009 and the Annual Average of the CPI index for the fiscal year September 1st 2009 through August 31st, 2010.

Each subsequent January 1st thereafter (starting with January 1, 2012) the Base Rate shall be automatically increased by 3%.

6. Article 8.9 of the original Agreement is amended as follows:

8.9 Notices

If to City: City Manager
City of San Ramon
2228 Camino Ramon
San Ramon, CA 94568

With a copy to: Public Services Director
5000 Crow Canyon Road
San Ramon, CA 94582

If to Contractor: General Manager
Vasco Rd. Landfill
4001 North Vasco Road
Livermore, CA 94551

7. Article 8 of the original Agreement is amended to add:

8.23 Hours of Operation

Contractor shall accept Solid Waste and Organic Materials from City's Designated Hauler between the hours of 6:00 a.m. and 5:00 p.m. on each weekday (Monday-Friday) of the year, except for Thanksgiving Day, Christmas Day (December 25th) and New Years Day (January 1st.) Contractor shall accept Solid Waste and Organic Materials from City's Designated Hauler

on the days immediately following Thanksgiving Day, Christmas Day, and New Years Day, even when those days do not fall on a weekday. The day before a major holiday, the site may close at early (e.g. 2:00 p.m.) if such early closure has been properly notified to City's designated hauler at least two weeks in advance of such early closure.

Contractor shall accept Solid Waste and Organic Materials from City's Designated Hauler that is delivered either: 1) directly in route collection vehicles, or; 2) via a transfer station using transfer vehicles. City shall provide Contractor with adequate data from the City's Designated Hauler to verify that all franchised San Ramon Solid Waste and Organic Materials (or equivalent tonnage, by material type) are delivered to Contractor's Landfill Facility (Vasco Road Sanitary Landfill.) Moreover, City shall cause City's Designated Hauler to provide a monthly report that shows in sufficient detail by day all materials collected in the City of San Ramon and how they were transported to Contractor's disposal facility (either direct haul by route truck or via transfer truck).

8.24 Construction and Demolition Debris Recycling

Contractor shall construct and operate a construction and demolition recycling facility at Contractor's Landfill that includes an automated, elevated sorting line and a screen (if necessary), and is capable of diverting at least 50% of incoming construction and demolition debris from disposal. Such facility shall be constructed and operating by August 1, 2010.

8.25 Landfill Gas Capture and Recovery

Contractor shall comply with all applicable Federal, State, and local laws and regulations regarding the capture and treatment of landfill gas. Contractor shall investigate and pursue technologies to beneficially re-use landfill gas (e.g. generate electricity and/or convert to a vehicle fuel) and shall employ such technologies where economically and technologically feasible.

*****SIGNATURES ON NEXT PAGE*****

IN WITNESS WHEREOF the parties have executed this Agreement on the dates indicated below, the latest of which shall be deemed the effective date of this Agreement.

City of San Ramon
A Municipal Corporation "CITY"

_____
H. Abram Wilson, Mayor Date

_____
Herb Moniz, City Manager Date

Republic Services, Inc.
"CONTRACTOR"

_____
Signature Date

_____
Mike Caprio

_____
Market Vice President, Central California

The Foregoing Agreement Has Been Reviewed and Approval Is Recommended:

_____
Karen McNamara, Director Date
Public Services

APPROVED AS TO FORM:

_____
Date
City Attorney

ATTEST:

_____
Patricia Edwards Date
City Clerk

Resolution Number 2009-184
Approved by City Council