

SECOND AMENDMENT TO AGREEMENT

Pursuant to City of San Antonio ("City") Ordinance 78715, dated September 15, 1993, the City and Texas Disposal Systems Landfill, Inc. ("TDSL") entered into an Agreement for municipal waste disposal ("Original Agreement"). On or about May 31, 1995, City and TDSL entered into a First Amendment to Agreement ("Amendment"). (The Original Agreement and Amendment and this Second Amendment are sometimes collectively referred to as "Agreement").

Sections 6G and H of the Agreement contemplated that City and TDSL would enter into negotiations concerning the use and operation of City's Starcrest (Northeast) Transfer Station located at 11601 Starcrest Drive ("Transfer Station"). City and TDSL have concluded their negotiations and now desire to amend the Agreement to incorporate the terms of the agreement they have reached concerning the lease, management, use, and operation of the Transfer Station. This Second Amendment to Agreement is based upon "Option III" as outlined in the City's Request for Proposals for Municipal Solid Waste Disposal Services dated April 19, 1995, the terms of which are incorporated by reference ("1995 RFP").

For a full and valuable consideration and the mutual covenants and benefits to each of the parties, City and TDSL have agreed to amend the Agreement as follows:

PURPOSE AND SEVERABILITY

The character of the subject matter of this instant Second Amendment clearly differs from that of the Original Agreement and its First Amendment. On the one hand, the two earlier instruments treat the parties' relationship pertaining to solid waste disposal at the TDSL owned landfill in Buda, Texas. On the other hand, this Second Amendment treats the management, use and lease of the City's Starcrest Transfer Station by TDSL for the benefit of the City and TDSL. Operation of the Transfer Station is an essential City service directly impacting public health. Therefore, it is paramount to the public interest in both relationships, that it be understood and agreed between the parties that the subject matter of this Second Amendment is in all ways severable from and independent of the subject matter of the Original Agreement and First Amendment in the event of a default under either the Original Agreement and its First Amendment or this Second Amendment with the exception of certain provisions as set forth in this Second Amendment. The City Council has approved the Second Amendment on condition that the two contractual relationships in question can be severed from one another in the event of a default of one of them. It is therefore intended and understood that a breach or violation in the relationship governed by the Original Agreement and First Amendment (waste disposal at the Buda, Texas, landfill) will not effect a breach of, or otherwise impact, the Second Amendment provisions for use and management of the Starcrest Transfer Station; and similarly, a breach of contract or violation which may prompt termination of the parties' relationship in the Starcrest Transfer Station shall not effect a termination of, or otherwise impact, the Original Agreement and its First Amendment pertaining to waste disposal at the landfill in Buda, Texas. City and TDSL recognize that this Second Amendment is dependent upon many of the base provisions of the Original Agreement and First Amendment. Therefore, notwithstanding anything to the contrary, in the event the Original Agreement and First

Amendment are terminated, the following sections of the Original Agreement and First Amendment shall continue in effect so long as the Second Amendment remains in effect:

Original Agreement, Section 2 - Binding Effect.

Original Agreement, Section 4 - Financial Statements.

First Amendment, Section 6 - Disposal Rates, Paragraphs B, C, D and E
(as modified by this Second Amendment).

Original Agreement and First Amendment, Section 9 - Recycling Area.

Original Agreement, Section 15 - Notices (except for new section 19C(1)(2) Extraordinary Contractual Remedies Available to City).

First Amendment, Section 17 - Dispute Resolution. (Pertains only to issues requiring "interpretation" and periodic adjustments to the Base Rate.)

TERM AND TERMINATION

Section 1, Term shall be amended to read as follows:

"This Agreement became effective as of September 20, 1993 and shall remain in effect until midnight September 30, 2025. It is further contemplated that this Agreement may be extended by the parties for five (5) consecutive one-year terms beginning at the end of the initial term through written agreement of the City and TDSL not less than ninety (90) days prior to the end of the initial term and the end of each consecutive one-year term, respectively.

Pursuant to the Original Agreement and First Amendment, the City's obligations to deliver solid waste to the TDSL landfill in Buda, Texas may be terminated by the City at anytime upon (i) the delivery of written notice to TDSL and (ii) the expiration of five (5) years from the date such notice was delivered in accordance with the terms of the Original Agreement.

This section does not and is not intended to modify termination options provided by the Original Agreement and First Amendment.

The term of this Second Amendment as it relates to the Transfer Station shall commence on January 15, 1998, and shall remain in effect until midnight on January 15, 2023, subject to TDSL's option to extend it. For the sum of one hundred dollars (\$100) and other good and valuable consideration in hand paid, the City has granted to TDSL an option to extend the term of this Second Amendment as it relates to the Transfer Station to midnight September 30, 2025 to coincide with the termination date of the Original Agreement and First Amendment (or such longer term if the parties have so agreed). Such option to extend may be exercised by TDSL at any time between January 15, 2022 and January 15, 2023 upon written notice to the City.

Regarding the Transfer Station, however, the City shall have the right to terminate this Second Amendment "for cause" in the event that TDSL defaults in its obligations under this Second Amendment and such default continues after the City has given TDSL written notice of such default and a reasonable opportunity to cure such default. In the event of such termination pertaining to the Transfer Station, City and TDSL shall continue to perform their respective obligations under the terms set forth in the Original Agreement and First Amendment in regard to delivery and disposal obligations at TDSL's landfill in Buda, Texas.

Notwithstanding any other provision in this Agreement, the City shall not have the right to terminate any of its obligations relating to this Second Amendment or TDSL's rights relating to the Transfer Station during the term of this Agreement (including the guaranteed volume) unless TDSL fails to perform its obligations under this Agreement in a manner which constitutes a material breach of this Agreement. This provision, however, shall not limit the City's termination options under the First Amendment or Original Agreement."

DISPOSAL RATES

Paragraph 6F shall be amended to read as follows:

"F. TDSL agrees to accept up to 500,000 tons per year of City solid waste hauled by any City vehicle or designated haulers (which includes a City contractor) during the term of this Agreement at the rates and adjusted in the manner set forth in this Agreement. All waste accepted by TDSL under the City's account shall be the City's waste or within the responsibility or control of the City. The City guarantees to deliver to TDSL a minimum of 100,000 tons of solid waste per year during the term of this Second Amendment either to the TDSL landfill in Buda or the Transfer Station, or any combination thereof. The 100,000 ton minimum includes the 50,000 ton guaranteed minimum set forth in the First Amendment; provided, however, the 100,000 ton minimum under this Second Amendment shall remain in place if the City elects to terminate the Original Agreement and First Amendment. Any diversion to other landfills of City tonnage obligations, which tonnage would have otherwise been processed through the Transfer Station, due to a breakdown or shutdown of the Transfer Station and which TDSL could have avoided by using reasonable care, or is caused by a weather-related emergency event which causes TDSL to be unable to haul waste from the Transfer Station, will be credited towards the City's minimum 100,000 ton guarantee. Notice of and the reason for such load diversion that is applicable to the 100,000 ton guarantee must be provided to TDSL on a daily basis. TDSL agrees to accept the City's regularly collected Municipal Solid Waste, which includes waste from all City departments, City contractors, and designated City haulers at the City's contracted price. All such materials brought to the Transfer Station (by City crews, designated haulers or City contractors) shall be used to calculate the City's 100,000 tons per year guarantee requirement. Such materials shall include the same type of waste, including small amounts of brush,

white goods and materials from citizen cleanup events, as has been customary for the City, as has been processed by the City through the Transfer Station from 1991 through 1996 and other solid waste appropriate for the Transfer Station. In consultation with the City, TDSL shall set standards as to what are acceptable materials. TDSL shall not unreasonably disallow any type of the City's solid waste from being delivered to and processed through the Transfer Station. The City's need to process additional volumes and types of solid waste materials appropriate for a transfer station shall be reasonably accommodated over time by good faith modifications to the Transfer Station by TDSL. The City shall deliver its waste on a regular basis, but the weekly volume may vary depending upon the City's work schedule, disposal plan and operation and maintenance of the Transfer Station.

TDSL shall provide the City with written reports on a monthly and annual basis which summarize the volumes and billings applicable to the City, and volumes of TDSL and third parties waste subject to royalty payments under this Agreement. City shall have the right to audit the volumes processed through the Transfer Station during normal business hours. Such audit shall be limited to volumes of solid waste and shall not include the financial records of TDSL or TDS. The parties acknowledge the City's interest in Transfer Station activities and its ownership of the real property preclude City ability to control application of the Open Records Act to the information provided to the City pursuant to the foregoing reporting requirement.

In order to be covered by this Agreement, a "City contractor" or "designated City hauler" shall be required to show written evidence of an agreement with the City to haul the City's waste into the Transfer Station. The City contractor or designated City hauler shall not be allowed to use the Transfer Station facility for solid waste collected from its own accounts other than the City of San Antonio, at the same rate as the City or under the account of the City. The City shall impose upon its contractors an obligation to observe this provision. TDSL and the City shall jointly establish the appropriate methodology for compliance with this requirement in the technical operations manual. The City and TDSL warrant they shall enter into no contractual agreements related to Third Parties having access to the Transfer Station in contravention of this provision to deprive TDSL of the rate to which it is entitled or deprive the City of its royalty due."

Paragraph G of Section 6 shall be deleted.

Paragraph I shall be amended to read as follows:

"TDSL shall not accept and shall reject any waste brought by third parties, the City or its designated haulers to the Transfer Station or disposal site that TDSL, in its sole discretion, considers to be unacceptable. TDSL will notify the City of the receipt and nature of such unacceptable waste. TDSL will arrange for the removal of the unacceptable waste and the expense of removal from the Transfer Station and the landfill shall be borne by the entity, firm or agency that delivered the

unacceptable waste to the respective facility. Unacceptable waste is defined as any waste that TDSL is not permitted to accept by state or federal law or regulation. Unacceptable waste delivered by third parties is not the City's responsibility."

TRANSFER STATION

A new section shall be added as follows:

"18. Transfer Station.

A. Effective January 15, 1998, unless extended by TDSL pursuant to paragraph R below, TDSL shall assume management responsibilities with full and exclusive operational control of the Transfer Station in the nature of a long-term management and lease agreement. Although, TDSL's activities are subject to certain City oversight by the City's on-site Program Manager as described below, TDSL shall be deemed to be an "independent contractor" with appropriate power and control to make decisions reasonably necessary to the management and operation of the Transfer Station within the scope of this Agreement. TDSL shall be allowed to receive and process commercial waste through the Transfer Station for itself and the account of others. All waste transferred through the Transfer Station shall be managed in accordance with the City's TNRCC permit, as modified or amended. TDSL shall be responsible for all taxes, fees and assessments levied against its ongoing business operations. TDSL and City acknowledge that the Transfer Station and its ancillary fixtures are owned by the City and therefore tax exempt. In the event that such real property tax exempt status changes, the disposal rates at the Transfer Station shall be increased to reflect any increase in operating costs caused by an increase in property taxes.

B. TDSL shall operate the Transfer Station at a minimum of Monday through Friday of each week from 7:00 a.m. to 5:00 p.m. At its option, TDSL may close the Transfer Station on holidays observed by the City Solid Waste Services residential collection crews. Operating hours during preplanned special events, holidays and scheduled make-up garbage days shall be adjusted to accommodate special needs of City crews at the City's contracted price. In unusual situations, the City will pay the cost of TDSL labor, if service is required by the City during other than TDSL ordinary operating hours. TDSL, at its sole discretion, may operate the Transfer Station on days and at times other than indicated above. TDSL shall secure the facility when the Transfer Station is closed. TDSL hereby reaffirms full premises liability during closed hours and non-operational hours.

C. Priority to City for Service: Pursuant to Ordinance No., 85263, passed December 5, 1996, which provides in part that this Second Amendment is intended to ensure to the City, "First priority for the City's use and access to the Transfer Station facilities, thereby affording the City a first right of service and limiting work or services available to third parties at any time the City may so

choose or need the station's capacity." It is understood that the purpose of the foregoing requirement is to protect the City's right to first priority for daily capacity at the Transfer Station.

- (1) At any time, City shall have the first right to service at the Transfer Station, but especially on Monday, Tuesday, Thursday, and Friday.
- (2) In case of simultaneous demand from the City and its designated haulers, and TDS or other haulers, the City and its designated haulers, and TDS and other haulers will wait in separate lines for the same services. When the City and its designated haulers and TDS and other haulers are waiting for the same services, the City, and its designated haulers, will be allowed to service four vehicles to every one by TDS or other haulers. TDSL shall use reasonable care to ensure that no vehicle of the City or its designated haulers will be required to wait more than 30 minutes. For purposes of this Agreement, TDSL shall be deemed to have used reasonable care even though trucks belonging to the City or its designated haulers have to wait more than 30 minutes, if the wait is due to large numbers (15 or more vehicles) of collection trucks owned by the City or its designated haulers arriving at the Transfer Station within approximately the same time period.
- (3) In the event that a City vehicle is required to wait longer than 30 minutes as a result of (i) TDSL not providing the City first right to service at the Transfer Station or (ii) TDSL being unable to provide normal services to the Transfer Station using reasonable care, the City's on-site Program Manager will determine, at his/her sole discretion, whether City vehicles are to be diverted to another landfill. If City vehicles are diverted due to the failure of TDSL to use reasonable care, TDSL will:
 - a. Pay the City the added cost to transport and dispose of waste at the BFI Tessmann Road Landfill, the WMI Covell Gardens landfill, or other disposal facilities, whichever is the lowest overall cost. (Preferably the charge will be consistent with existing City landfill contracts. However, if there is an increased cost, TDSL will pay the difference.)
 - b. Take immediate steps to put the Transfer Station back in service, and if necessary, TDSL will notify TNRCC of any deficiencies or operational changes.

- c. Credit towards the City's requirement to deliver 100,000 tons annually all tons diverted from the Transfer Station to another disposal facility.

The City shall immediately resume hauling waste through the Transfer Station at such time the problems causing the diversion have been remedied.

D. City and its designated haulers shall have first right of access to any and all capacity at the Transfer Station for full process and disposal services at the contract price. TDS will have second priority. Third parties will have last priority. When capacity is limited, access by third parties will be restricted depending on the capacity limitation. TDSL shall use reasonable efforts to accommodate City collection crews, shall calibrate and certify to the City proof of calibration of the scales on an annual basis and maintain the overall appearance of the site which shall include landscape, all necessary vector control and daily collection of wind blown paper and litter. TDSL shall operate the Transfer Station in compliance with TNRCC Municipal Solid Waste Management Regulations and the Transfer Station Permit Site Operating Plan.

E. City shall designate an on-site Program Manager to oversee the implementation of this Second Amendment. City's on-site Program Manager will monitor the TDSL management of the Transfer Station and the City vehicle access to Transfer Station, divert City vehicles as described above, ensure compliance during normal operations, and will process all complaints and alleged deficiencies, as defined under Section 19.

F. TDSL is responsible for picking up wind blown paper and litter which occurs from vehicles on and around the Transfer Station and from transfer trailers along the haul route. All paper and litter shall be collected on at least a weekly basis, or at anytime in response to a citizen or regulatory complaint, on Starcrest Drive from Jones Maltsberger to Wetmore Road or along the proposed Wurzbach Parkway from Wetmore Road to Jones-Maltsberger Road.

G. TDSL shall provide for disposal of dead animals collected on City streets and alleys and brought to the transfer station by the City or its designated haulers between the hours of 7:00 AM and 6:00 PM, Monday through Friday and 7:00 AM to Noon on Saturday. Temporary storage of dead animals will be provided by the City at other times. TDSL shall cooperate with the City to properly handle the temporary storage of dead animals during non operating hours at the Transfer Station.

H. TDSL shall maintain at its cost insurance coverage for City liability involving TDSL operation of the Transfer Station and the adjacent TDSL facility during the term of this Agreement. Failure to comply shall be deemed a breach of contract. This requirement is to be coordinated prior to signing of the agreement and

coordinated annually thereafter with the City's Risk Management Office. Such liability shall include TDSL and TDS commercial general liability, employee workers compensation, auto liability coverage and excess umbrella liability coverage. Section 7 of the 1995 RFP, concerning Indemnity, shall also apply to this Second Amendment. TDSL and TDS agree to list City as additional insured. Insurance coverages shall be as specified in the 1995 RFP, or as mutually agreed. Such indemnity shall not exceed the limits of insurance coverage required by this Agreement. TDSL shall require third party haulers including the City's designated haulers using the Transfer Station (other than City) to provide similar liability insurance coverage naming the City and TDSL as an additional insured.

I. TDSL shall provide and continue to provide during the term of this Second Amendment, Employee Health Insurance and retirement programs for its employees assigned to the Transfer Station. TDSL shall provide toilets and rest room facilities for both male and female City employees and vending machines for soft drinks and snacks. TDSL has offered employment to all City employees presently working at the Transfer Station, subject to their passing customary drug screening and physical examinations. The offer of employment remained in effect from December 18, 1996 until January 29, 1997 and employment will commence on the date TDSL begins operation of the Transfer Station.

J. TDSL, at its sole cost, shall have the right to develop, use and operate additional facilities at the Transfer Station site and the adjacent City-owned property (as generally contemplated and depicted on Attachment One) which consists of approximately four and one-half (4.5) acres of land, which are also leased to TDSL upon the terms of this Second Amendment. Any permanent improvements constructed by TDSL are subject to the approval of the City's Public Works Director or his successor, which approval will not be unreasonably withheld or delayed. Signage is subject to provisions of the City Code of the City of San Antonio, Chapter 28 and approval from the Director of Public Works. The timing, design and construction of any additional facilities or improvements shall be at the sole discretion of TDSL. Such additional facilities may include facilities used to process recyclables and compostables, facilities for vehicle and equipment maintenance, storage and offices and any other related activities. Once approved, City shall assist TDSL at TDSL's cost in obtaining and facilitating the approval and issuance of all required City permits, if any.

K. It is the intent of TDSL and the City to increase the operating efficiency of the Transfer Station and to incorporate direct dump trailers to allow the more efficient processing of solid waste collected by the City, its designated haulers, TDS and other haulers. In recognition of the permanent improvements planned by TDSL to the Transfer Station and the investment in equipment to use at the Transfer Station to load and transport the waste and at the TDSL landfill to unload the direct dump trailers, TDSL shall only be required to post a performance bond or irrevocable standby letter of credit for the performance of its obligations under this

Agreement as required below in Section 19D. On or before June 30, 2002, the TDSL investment in such equipment and improvements shall exceed \$1,500,000. Modification to the Transfer Station to facilitate open top dumping shall be accomplished within five (5) years as allowed by City and TNRCC, but the timing of other improvements shall be in the sole discretion of TDSL. Approvals for any such other improvements or modifications that are beneficial to the Transfer Station and/or contemplated in Section W below shall not be unreasonably withheld or delayed by the City. As necessary, City will assist TDSL in obtaining all necessary City permits, if any. Equipment and improvements which represent investment by TDSL shall at all times during the effective term of this Second Amendment, be maintained as reasonably required to deliver to the City those solid waste services and operational management services necessary to the City for the City's residential collected waste as contemplated by this Agreement. If TDSL allows equipment or improvements to fall into a state of disrepair below what is reasonably common in the industry for similar facilities and adversely impacts TDSL's ability to deliver such services, the City, at its option, after giving TDSL written notice and at least fifteen (15) days notice to cure such deficiency, may repair or replace the equipment or improvement in question and shall be reimbursed its reasonable costs by TDSL.

L. Subject to the terms of this Agreement, TDSL shall have the exclusive right to lease, manage, use, operate, improve, maintain and expand the Transfer Station, and shall have the right to use all capacity in the Transfer Station, over and above that used by the City, and the City's designated haulers for its own account and for other customers of TDSL. For this right, and for the right to use and improve the approximate 4.5 to 5 acres of land adjacent to the present Transfer Station, as shown in Attachment One, TDSL agrees to pay an annual fee, as specified in Paragraph S. The right to "lease" does not include the right to sub-lease the Transfer Station or any part thereof; however, it is understood that TDS shall have the same access to the Transfer Station as TDSL without the need to sublease. TDSL and the City agree to cooperate in dealing with any emergency or weather-related emergency event and to temporarily modify operations to assist the City in maintaining the community's health and safety and to comply with TNRCC permit requirements. TDSL shall have the right to mortgage, assign or encumber any trucks, trailers, equipment, other personalty or improvements owned by TDSL and used in connection with the Transfer Station; provided, however, TDSL shall not have the authority to create any lien, charge or encumbrance upon the Transfer Station itself or the real property. Upon request, City shall give any mortgagee or holder of TDSL's indebtedness, simultaneously with service on TDSL, a duplicate of any and all notices of demand or default. No liability for the payment of any sums or the performance of any obligations shall attach to or be imposed on any mortgagee or holder of indebtedness by the City or vice versa. Each party shall, without charge, at anytime from time to time, within fifteen (15) days after request by the other party, deliver a written instrument to the other party confirming that this Agreement is unmodified and in full force and effect and certifying that no defaults

exist, or if a default does exist specifying the nature and the action required to cure such default.

M. TDSL assumes liability for the performance of all applicable federal, state and local permit requirements related to the operation of this facility during the time it operates the facility and to ensure the operation remains in compliance. TDSL shall pay all regulatory fines and penalties directly attributable to the TDSL operation of the Transfer Station or use of City property. The City and TDSL shall apply for and acquire all future permits, permit modifications, and business operational licenses and permits at the cost of TDSL. As necessary, the City will assist in processing and executing required applications, permit modifications, amendments or related documents. The City shall continue to own the permit for operation of the Transfer Station during the term of this Second Amendment.

N. TDSL and its sister company, Texas Disposal Systems, Inc. (TDS), which shall be considered to be the same as TDSL for purposes of considering Transfer Station access, shall have the right to collect solid waste and process such waste through the Transfer Station. TDSL shall also have the right to accept solid waste from other haulers, to the extent that the acceptance of such volume does not interfere with the City's priority and the orderly acceptance of City collection vehicles.

O. TDSL agrees to allow the public and the City to use the Transfer Station for semi-annual one-day Citywide cleanup events each year at no cost. TDSL will install and operate a Citizen's Drop-off site for recyclable materials prior to June 1, 1998, subject to TDSL's ability to obtain all applicable governmental approvals. TDSL shall use reasonable efforts on behalf of the City to obtain such approvals.

P. On behalf of the City and itself, TDSL, at its cost, shall be responsible for obtaining future permits, business operational licenses, any governmental approvals, and permit modifications or amendments which are necessary for any improvements to or operation of the Transfer Station. Such improvements will require approval by the Director of Public Works, which approval shall not be unreasonably withheld or delayed. City shall cooperate with TDSL in obtaining such approvals and processing applications for governmental approvals, permit modifications or amendments which shall include but not be limited to the execution of all required documents, providing evidence of City's concurrence and support for such permit modifications and facilitating the issuance of any required City permits which shall not be unreasonably withheld or delayed by the City. In the event such permit modifications or approvals are not obtained, TDSL may continue to operate the Transfer Station in accordance with existing or otherwise applicable permits.

Q. Neither TDSL nor the City shall close or relocate the Transfer Station without the prior written consent of the other. The City shall not reduce the capacity

of the Transfer Station to receive or process solid waste materials during the term of this Second Amendment. City reserves the right to negotiate adjustment of the minimum 100,000 ton guarantee if state law changes regarding recycling or yard waste mandates and reduces total City waste volume to less than 300,000 tons annually.

R. In sufficient time for TDSL to perform its obligations under this Second Amendment, TDSL shall have ordered or acquired at its expense, a trailer tipper and any necessary trucks and trailers in order to facilitate the transfer of waste processed through the Transfer Station. Subject to applicable purchasing requirements, City and TDSL shall agree outside of this Agreement if and how the City's existing trucks and trailers will remain in place at the Transfer Station at least on a temporary basis. TDSL shall take over the operation of the Transfer Station within thirty (30) calendar days following (i) TDSL acquiring the City's existing trucks and trailers (with sale effective on date of startup), or (ii) TDSL being notified by the City that TDSL has the necessary authorization and can begin construction to retrofit one bay of the Transfer Station to use the new direct dump trailers needed to operate the Transfer Station and transport the City's waste, whichever occurs first.

S. TDSL shall pay a lease fee, for the use of the Transfer Station, the facilities at the Transfer Station and the land adjacent (the approximate 4.5 to 5 acres shown in Attachment One) to the Transfer Station, of \$100,000 annually to be paid in one lump sum on the fifteenth of September of each year, beginning September 15, 1998 and continuing on the same day of each year thereafter for annual periods beginning October 1, 1998. This annual payment may be increased annually beginning October 1, 2002, by the same CPI used for the previous respective year and thereafter to calculate the City's costs charged by TDSL.

T. City shall pay TDSL a disposal rate per ton for all municipal solid waste delivered to TDSL at the Transfer Station pursuant to this Second Amendment ("Disposal Rate at Transfer Station") of \$19.13 for the period of March 1, 1997 to September 30, 1997, and \$20.62 for the period of October 1, 1997 to September 30, 1998, which includes the current \$1.25/ton state fee. The pass through of any fees or change in fees shall be consistent with Section 6C and D of the First Amendment. The Disposal Rate at the Transfer Station shall be paid to TDSL periodically, but in no event more than thirty (30) days after City's receipt of an invoice from TDSL. Beginning on October 1, 1998, and continuing on the same date each year thereafter, the Disposal Rate at the Transfer Station shall be adjusted by the Consumer Price Index as defined in Section 6B of the First Amendment. The contractual cap of 5% shall no longer apply after September 30, 2005. The Disposal Rate at the Transfer Station does not include "special waste" which shall be at the same rate charged by TDSL to other similar customers. Schedule One attached to this Agreement summarizes the method for calculating the Disposal Rate at the Transfer Station, assuming a 5% or greater rate of inflation. A lower inflation rate will require a corresponding adjustment to the calculated rate, using the same methodology. City

shall pay TDSL a different disposal rate per ton for all municipal solid waste delivered directly to TDSL at the TDSL landfill, which delivery does not go through the Transfer Station in accordance with paragraph 6 of this Agreement (See First Amendment). Unless required by a federal or state regulation which impacts all similar Type I landfills in the State of Texas, no other operational costs or compliance requirement shall be allowed to affect the Disposal Rate at Transfer Station or Royalty rate during the term of this Contract.

U. TDSL shall pay a royalty to the City equal to \$0.75 for every ton of waste processed through the Transfer Station on behalf of "haulers" other than the City, the City's contractors and designated haulers and Texas Disposal Systems, Inc. (TDS) or TDSL ("Royalty"). This fee will increase each year by the same CPI percentage the disposal fee increases. The Royalty shall not apply to waste processed through the Transfer Station on behalf of the City, its contractors, its designated haulers, TDS or TDSL. The Royalty, as collected, shall be paid to the City monthly. The Royalty shall not apply to waste accepted at the Transfer Station during the public clean up events referenced in Section O above. TDSL/TDS shall not designate another commercial or residential waste hauler to haul waste into the Transfer Station under the TDSL/TDS account in order to avoid the payment of the Royalty. The City's contractors/designated haulers shall not haul commercial or residential waste into the Transfer Station under the account of the City, which has been collected from customers of City's contractors/designated haulers, in order to avoid the payment of the Royalty and/or the prevailing Disposal Rate at the Transfer Station for such hauler's waste. The methodology for determining any mixed loads compensation shall be developed in accordance with the procedure outlined in paragraph 6F above.

V. If the City permits and opens a new landfill to accept the City's waste, TDSL will haul the City's allocable tonnage of solid waste, over and above the 100,000 ton minimum from the Transfer Station to the new City landfill (not to exceed 400,000 tons per year), at the City's request, subject to a rate to be negotiated and agreed upon (Transfer Rate). The Transfer Rate shall be based upon the following factors:

- (i) Distance from the Transfer Station (to include fuel, vehicle maintenance and depreciation expense). Upon the City's request, a standard mileage rate will be established annually by TDSL.
- (ii) Travel, waiting and processing time (personnel cost). Upon the City's request, a standard hourly rate will be established annually by TDSL.
- (iii) Transfer Station operations (personnel and fixed costs). The Transfer Station operations cost, shall be applied on a prorata basis for all waste hauled on behalf of the City over and above TDSL's costs for operating the Transfer Station to process 100,000 tons per year. For example, if TDSL is

processing 300,000 tons per year and the City requested that TDSL haul 20,000 tons to the City's new landfill, the Transfer Rate would include 10% of TDSL's Transfer Station operational costs (i.e., $300,000 - 100,000 = 200,000 \div 20,000 = 10\%$).

- (iv) A profit margin to TDSL of 15%.
- (v) The total price paid will be the sum of the amounts determined in items (i) through (iv) above.

W. Use and Development of Transfer Station facilities:

- (1) No vehicle parking or equipment storage, operations, or development will occur between the existing development of the Transfer Station facility and Starcrest Drive nor will such activities occur between the existing development of the Transfer Station facility and the Blossom Park residential subdivision, which is generally on the northwest corner of the property, without the prior consent of the City's Director of Public Works. Landscaping, fencing, lawn maintenance, and clean up operations are permitted in this area, and TDSL will be responsible for the installation and maintenance of such facilities in this area.
- (2) TDSL and TDS will have the right to use the balance of the Transfer Station site and adjacent City owned property for sales and operations, vehicle and equipment maintenance, parking, storage and administrative functions. This area of land adjacent to the Transfer Station will include approximately five (5) acres of land between the Transfer Station and the proposed development of the Wurzbach Parkway. See Attachment One. TDSL will not in any way interfere with the development of Wurzbach Parkway and will adjust its facilities if such is absolutely necessary.
- (3) Any plan to add pavement, erect buildings, and add onto facilities beyond those generally described in Attachment One, or to expand parking to accommodate more than fifty (50) vehicles used for waste collection will require that notice be given by TDSL to the neighboring property owners. Notice will consist of hand delivery of flyers to each residence within an area bounded by Jones Maltsberger, Starcrest Drive and Lawrence Creek at least one week prior to any scheduled meeting with neighboring property owners. Comments by the neighbors will be considered by the

Director of Public Works prior to granting approval of plans for construction or expanded operations. The Director's decision is final. At a minimum, TDSL will meet annually with representatives of neighboring property owners to discuss plans, issues, operations, and concerns.

- (4) TDSL shall construct necessary sight screening berms, fences and landscaping around the outside boundary of the area where equipment will be parked and maintained as generally depicted on Attachment One."

X. TDSL and the City shall work together in good faith to develop a technical operations manual for the Transfer Station which shall include performance standards and routine procedures for operation of the Transfer Station on a daily basis. In an attempt to ensure that the Transfer Station is operated in an efficient manner, the City and TDSL shall review the technical manual at least once each year. The technical operations manual shall be updated as the parties may agree.

TERMINATION

Section 12 pertaining to termination shall be deleted for purposes of the subject matter of this Second Amendment; Section 12, however, shall continue to apply to the subject matter of the Original Agreement and that of the First Amendment, in accordance with its provisions, and as modified in the First Amendment.

DISPUTE RESOLUTIONS

New sections shall be added as follows:

"19. Legal and Administrative Remedies.

A. Administrative Resolution of noted deficiencies:

- (1) Citizens may report any complaints or alleged deficiencies to the Director of Public Works ("Director") or the City's on-site Program Manager, who will forward those complaints or alleged deficiencies in writing to TDSL within 48 hours.
 - a. A "complaint" is any problem noted by a citizen concerning the operation of the Transfer Station.
 - b. A "deficiency" in TDSL operations shall be defined as:
 - (i) anything which is a nuisance as defined under Title 30, Chapter 330 of the Texas Administrative Code, applicable to

operations of the Transfer Station for which TDSL is responsible as the operator of the Transfer Station;

(ii) anything that is not allowed within the City's Transfer Station Site Operating Permit and the applicable Municipal Solid Waste Management Regulations; or

(iii) anything which is in violation of a provision of this Second Amendment.

- (2) TDSL shall have 48 hours from its receipt of the notice to respond to any complaint or alleged deficiencies or develop a plan to correct such deficiencies. Plans must be achievable within a reasonable period of time.

As recited above, the City's on-site Program Manager shall process complaints and alleged deficiencies from citizens or City sources.

- (3) Repeated deficiencies or failure to perform may be referred to a Transfer Station Oversight Panel (TSOP) for review, at the discretion of the Director. The panel includes the Director of Public Works, Assistant Director of Public Works, Community Relations Director and the City Attorney. TDSL will receive written notice and have the right to be present and heard at all meetings of the panel and shall receive copies of minutes, reports and actions taken. TDSL shall be notified in writing of any recommended actions and TDSL shall have thirty (30) days from its receipt of the notice to correct any noted deficiencies unless a longer period is required to cure the deficiency or failure of performance in which event the Director shall establish a reasonable amount of time to cure the deficiency or failure to perform. If a state or federal regulatory agency requires action in a shorter period of time, that requirement shall prevail. The City may shorten the duration of additional cure periods for the same deficiency once TSOP has made a determination and established a cure period for that particular deficiency, unless TDSL is in the process of responding within the original cure period.

- (4) Repeated failures to correct deficiencies which constitute a material default under this Second Amendment may result in a 25% annual reduction in guaranteed volume, when a deficiency continues after year 1; 50% after year 2; 75% after year 3; and 100% after year 4.
- (5) Correction of deficiencies will negate the possible loss of tonnage. Such loss of tonnage will be calculated prorata based upon a twelve (12) month contract year.

- (6) Failure to correct reasonably curable deficiencies continuing for one year or more shall be a basis for termination of this Second Amendment, at the option of the City.
- (7) The Director of Public Works, independent of the TSOP process, reserves the right to advise TDSL in writing of any event which is alleged to be a material breach of this Agreement in which event the City and TDSL may avail themselves of all rights and legal remedies as set forth in the General and Extraordinary Contractual Remedies sections below.

B. General Legal Remedies.

- (1) In addition to the administrative remedies set forth above, City and TDSL shall each have all legal and equitable remedies available to such party under applicable law. In any legal proceeding to enforce this Agreement, the nonprevailing party shall be liable for the other party's attorneys fees and all costs of court. The administrative and contractual remedies set forth in this Agreement are not intended to waive or replace any legal or equitable remedies available to either party. If TDSL fails to perform any of its monetary or nonmonetary obligations under this Second Amendment, City may hold TDSL in default and pursue its available remedies. In addition, each party shall have a right of setoff against the other for any sums due from one party to the other. In the event either party is required to expend money to cure a default of the other, the party in default shall be obligated to pay the nondefaulting party on demand together with interest at the prime rate as established by Citibank N.A., New York plus two percent (2%) per annum, except as limited by applicable law.
- (2) Prior to the initiation of any legal proceeding, the City shall provide TDSL with written notice and a reasonable opportunity to cure any alleged default. The City shall likewise be afforded the same courtesy by TDSL and shall have a cure period of at least thirty (30) days. If the alleged default involves an issue which has imminent potential threat to health or safety, City shall make good faith efforts to notify TDSL and if TDSL fails to timely correct such condition, the City shall take such action as it deems necessary and charge TDSL directly or deduct its reasonable cost from any amounts owing TDSL. TDSL shall have a minimum of thirty (30) days from receipt of the notice to cure all other alleged defaults unless such default cannot reasonably be cured within such thirty (30) day period, in

which event the Director shall establish a reasonable amount of time under the circumstances.

- (3) Venue for any legal action relating to this Second Amendment shall be in Bexar County, Texas.
- (4) Except as provided in paragraph C(1) below, the City shall be required to pursue its judicial remedies in order to dispossess TDSL by a legal or equitable remedy to which the City may show itself justly entitled. TDSL may continue to operate the Transfer Station in accordance with this Second Amendment under duly made orders of a court of competent jurisdiction, as shall the City be similarly entitled to recover possession under such orders. Upon termination of this Second Amendment, or the expiration of the term, or upon the order of a court of competent jurisdiction, TDSL agrees to reasonably cooperate with City in the City's efforts to regain possession of the Transfer Station without a disruption in operations. In such event, TDSL shall physically surrender and deliver possession of the Transfer Station to the City together with permanent improvements and additions except signage, trademarks, trailers, trucks, vehicles, equipment, portable/modular buildings and other personal property. Such personalty TDSL agrees to remove at its expense and without damage to City property.
- (5) Except as provided in paragraph C(1) below, any transfer of possession and operation of the Transfer Station from TDSL to the City shall be through judicial remedy such as forcible entry and detainer, any other legal or equitable remedy approved by a court of competent jurisdiction, or by agreement of the parties. In seeking to regain possession through any legal or equitable means, City shall not be deemed to have waived its rights to pursue any other remedy against TDSL including without limitation an action for any damages incurred by the City. TDSL shall be liable for and shall pay to City all indebtedness accrued to the date of such repossession.
- (6) Neither bankruptcy, insolvency, nor the appointment of a trustee or receiver shall affect this Second Amendment so long as the respective party affected continues to perform its obligations.
- (7) In the event of a default, the defaulting party shall be liable to the nondefaulting party for reasonable attorneys' fees, costs of court and other costs reasonably incurred in enforcing the terms of this Second Amendment. Prior to the initiation of litigation or pursuit of judicial remedy, arising from any disputed issue, not addressed by remedy provided elsewhere in this Second Amendment, the parties agree to

engage in good faith mediation, subject to the guidelines of the First Amendment, Section 17.

- (8) TDSL acknowledges that the City is a municipal governmental entity, whose powers as a home rule city are limited under the Constitution of the State of Texas. The Constitution contains certain requirements to ensure that certain types of municipal contracts have an identified source of funding. To the extent that such Constitutional provisions are applicable, City and TDSL agree that the City's Solid Waste Enterprise Fund plus the lease payments and royalties paid by TDSL to the City pursuant to this Agreement provide an annual source of revenue to the City which is more than adequate to meet the City's obligations under this Second Amendment. However, if at any time during the term of this Second Amendment, the City loses access to such funds through the complete privatization of its solid waste services or a similar event to the extent that the City is left without a flow of funds to cover the cost of solid waste collection and disposal, the City, upon sixty (60) days written notice to TDSL, may terminate its obligation to deliver a minimum of 100,000 tons of waste to the Transfer Station during the time period that such revenues are unavailable to the City to use for the purpose of this Second Amendment. Upon receipt of such notice, TDSL at its option shall have a continuing right to either terminate this Second Amendment or continue to operate and manage the Transfer Station for its own account and on behalf of others (excluding the City and its designated haulers), subject to the obligation of TDSL to pay a lease and royalty to the City as provided in Section 18, S and U of this Second Amendment.

C. Extraordinary Contractual Remedies Available to City.

- (1) In recognition of the fact that the City requires daily access to the Transfer Station because the operation of the Station is an essential City service potentially impacting public health, the City shall have certain extraordinary remedies under the circumstances outlined in this paragraph. These extraordinary remedies are in addition to, and not to the exclusion of, any and all remedies the City may have at law and in equity to enforce the terms of this contract or to protect the public health, safety and welfare. In the event and only in the event TDSL fails to accept or is unable to accept solid waste from the City at the Transfer Station for a period of three or more operational days (as defined in Section 18B), City, not being in default, may following twenty-four (24) hours written notice delivered to an authorized representative of TDSL in person or by facsimile supported by written confirmation of delivery, or by posting prominently on the

corporate premises of TDSL/TDS and the Transfer Station, enter upon and take possession of the Transfer Station, alter locks and other security devices at the Transfer Station, and expel or remove TDSL and any other person who may be occupying said Transfer Station or any part thereof, and, if City so elects, (1) repossess for City's own use or (2) relet the Transfer Station on such terms as are reasonable and as City may deem advisable and receive the rent therefor. The City shall be entitled to take possession immediately upon the expiration of the notice period after the close of the third day of inoperation or shutdown of the Transfer Station upon written notice to TDSL of the City's intent to do so. The requisite notice may be regarded as that of an anticipatory action notice of intent to perform an action to secure and protect the public health, safety or welfare.

- (2) For purposes of paragraph (1) above, notices shall be delivered to: Texas Disposal Systems Landfill Inc./Texas Disposal Systems, Inc. main business offices, located at 7500 FM 1327, Buda, Texas "to the Attention" of the President. Notices sent by mail shall be addressed to P.O. Box 17126, Austin, Texas, 78760, or such other address as TDSL may designate in writing.
- (3) City shall not attempt to regain possession under the conditions set forth in the paragraph above if the failure of or inability of TDSL to accept solid waste from the City or others whom TDSL has contracted with at the Transfer Station for the requisite period is the result of an "unavoidable event." For the purpose of this Second Amendment, an "unavoidable event" shall be deemed to be any event, action, inaction, or activity beyond the direct control of TDSL affecting the flow of waste to or from the Transfer Station which would be reasonably likely to affect the City as the operator in a manner which would similarly yield the City unable to operate the Transfer Station which character of event shall include by way of example but not limitation, catastrophic flood, tornado, or other catastrophic acts of God, prolonged snow or ice storm, terrorist attack, fire or other serious casualty, any adverse condition caused by the City, prolonged failure of power from a power source, riots, catastrophic aerial or vehicular accident, governmental action limiting vehicular access to surrounding roadways. A reasonable time for TDSL to accommodate resumption of operations as a result of the unavoidable event shall be added to the three (3) day period referenced above. It shall not be an "unavoidable event" if TDSL is unable to accept solid waste from the City due to a TDSL equipment failure, or a permit violation leading to closure by a regulatory agency.

Upon contractual or judicial repossession of the Transfer Station by the City pursuant to this section and the general remedies above, the following terms shall apply:

- a. TDSL shall physically surrender and deliver possession to the City of the entire Transfer Station, together with all permanent improvements and additions, except signage, trade marks, vehicles, trucks, trailers, equipment, portable/modular buildings and other personal property. TDSL, in such case, shall reasonably assist in an orderly transfer of the Transfer Station to the City.
- b. Except as provided in paragraph C(1) above, TDSL hereby waives notice of such re-entry or repossession and of City's intent to re-enter or retake possession of the Transfer Station. Pursuit of any of the foregoing remedies shall not preclude pursuit of any other remedies by either party as provided by law, nor shall pursuit of any other such remedy constitute a forfeiture or waiver of any damages occurring to either party by reason of the violation of any of the terms, provisions and covenants of this Second Amendment. The loss or damage which City may suffer by reason of termination of this Second Amendment shall include the reasonable expense of repossession.
- c. Rightful exercise by City of any one or more remedies granted or otherwise available shall not be deemed to be a waiver of any other remedies available to the City or TDSL, whether by oral agreement or any operation of law. Such waiver can only occur by the written agreement of City and TDSL. No such alteration of security devices and no removal or other exercise of dominion by City over the property of TDSL or others at the Transfer Station shall be deemed unauthorized or constitute a conversion of the permanent improvements and real property at the Transfer Station. Upon any such possession by City, City shall allow TDSL immediate access to remove all signage, trademarks, trailers, trucks, vehicles, equipment, portable/modular buildings and other personal property.
- d. TDSL agrees that any re-entry by City may be pursuant to judgment obtained in forcible detainer proceedings or other legal proceedings or without the necessity for any legal proceedings, as City may elect, and City shall not be liable in trespass or otherwise.

- e. In the event that City elects to repossess the Transfer Station without terminating the Second Amendment, TDSL shall be liable for and shall pay to City all indebtedness accrued to the date of such repossession. In no event shall TDSL be entitled to any excess of any rent obtained by City.
- f. In case of repossession by the City pursuant to this section, TDSL shall also be liable for and shall pay to City, in addition to any sum provided to be paid above, all reasonable expenses incurred by City in connection with reletting the whole or any part of the Transfer Station or by City in enforcing City's remedies.
- g. If TDSL shall fail to make any payment or cure any default within the time herein provided, City, without being under any obligation to do so and without waiving such default, may make such payment and/or remedy such other default for the account of TDSL (and enter the Transfer Station for such purpose), and thereupon TDSL shall be obligated to, and hereby agrees to pay City, upon demand, as though such sums are additional rent, all reasonable costs, expenses and disbursements incurred by City in taking such remedial action.
- h. City shall return possession of the Transfer Station to TDSL and reinstate this Agreement, if within thirty (30) days of the City's repossession, TDSL provides written notice and evidence reasonably satisfactory to the City verifying that the event or condition which precluded TDSL from accepting waste for three (3) consecutive operational days has been cured or eliminated. Within three (3) days of the City's receipt of such notice and reasonably satisfactory evidence, City shall return operation of the Transfer Station to TDSL and this Agreement shall remain in effect as if such repossession had never occurred. The parties shall work together in good faith to reimburse one another, as reasonably appropriate, for operational costs and equipment usage during such thirty (30) day period.
- i. Except in the case of Council funding termination of the Solid Waste Enterprise Fund, the City shall not be obligated to mitigate its damages by means of relet, if the City determines it is in the public interest not to relet. City retains this right in the event of termination, regardless of theory

under which termination occurs. City acknowledges TDSL's limitation of liability set forth in paragraph D below.

D. Performance Bond.

- (1) TDSL shall post with the City a performance bond or irrevocable standby letter of credit in a form acceptable to the City which shall be renewed annually, prior to its expiration. The bond or letter of credit shall be posted with the City no later than two weeks from the date of commencement of the Second Amendment. Time is of the essence in this regard.
- (2) The amount of the bond or irrevocable standby letter of credit shall be One Million Dollars (\$1,000,000) during the term of this Agreement.
- (3) Notwithstanding anything to the contrary in this Second Amendment, as allowed by the 1995 RFP, the liability of TDSL for any and all damages, rents, costs and expenses, arising from a default by TDSL under this Second Amendment shall be limited to the amount of the Performance Bond or irrevocable standby letter of credit, as liquidated damages, which shall be the City's sole and exclusive remedy, it being impossible to ascertain the actual damages which might be incurred by the City as of the date of this Second Amendment. Such limitation is afforded TDSL only so long as the bond or letter of credit is duly maintained according to the requirements of this Second Amendment."

FIDUCIARY DUTY

A new section shall be added as follows:

"20. Fiduciary Duty to Each Other.

TDSL shall lease, manage and operate the Transfer Station in compliance with conditions of this Second Amendment to Agreement and all applicable permits owned by the City for and on behalf of the City, and such other permits as may be required for TDSL's operation. TDSL shall observe all applicable state and federal laws, rules and regulations and such applicable local rules and ordinances which have general application throughout the City which have been enacted to address issues of public health, safety or welfare. TDSL shall be responsible for any fines or penalties levied by the state or federal government as a result of TDSL's failure to comply with its permit obligations. Subject to the City's limited rights of termination recited

in Section 1 above, in the absence of a default by TDSL, City shall not alter or terminate its obligations under this agreement through the powers or authority which are unique to it as a governmental entity without compensating TDSL for its financial loss, insofar as permitted by law, unless the loss occurs as a result of a short-term emergency response action by the City of limited duration to preserve the public health, safety, or welfare, in which case TDSL shall not be compensated by the City." (10)

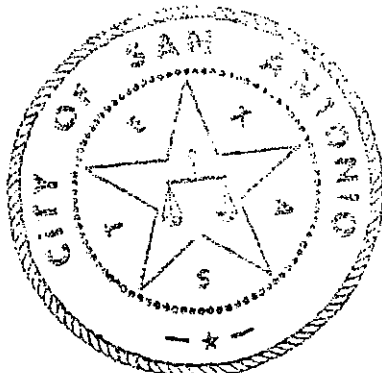
Except as modified by this Second Amendment, the Agreement shall remain in full force and effect as written and previously amended. This Second Amendment shall be deemed to control the parties' relationship in the City's Starcrest Transfer Station in the event of any conflict between it, the Agreement, or the 1995 RFP, all of which constitute all of the contract documents for the instant Transfer Station agreement.

Executed as of the 17th day of JANUARY, 1998. (10)

CITY OF SAN ANTONIO (9/13)

By: [Signature]
Alexander E. Briseño
City Manager

Date: JANUARY 17, 1998



TEXAS DISPOSAL SYSTEMS LANDFILL, INC.

By: [Signature]
Bob Gregory, President

Date: JANUARY 6, 1998

ATTESTED AND FILED IN THE
CITY'S OFFICIAL RECORDS

[Signature]
Norma Rodriguez, City Clerk

APPROVED AS TO FORM

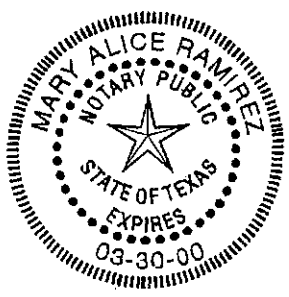
[Signature]
Frank J. Garza
City Attorney

THE STATE OF TEXAS §
 §
COUNTY OF BEXAR §

BEFORE ME, the undersigned authority, on this day personally appeared Alexander E. Briseño, City Manager, City of San Antonio, known to me to be the person and officer whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purposes and consideration therein expressed, in the capacity therein stated, and as the act and deed of said City of San Antonio.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this the 7th day of January, 1998.

(seal)



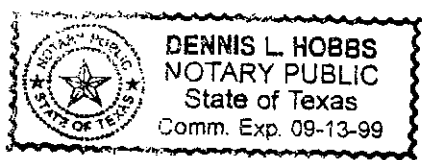
Mary Alice Ramirez
Notary Public
Bexar County, Texas

THE STATE OF TEXAS §
 §
COUNTY OF TRAVIS §

BEFORE ME, the undersigned authority, on this day personally appeared Bob Gregory, President, Texas Disposal Systems Landfill, Inc., known to me to be the person and officer whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purposes and consideration therein expressed, in the capacity therein stated, and as the act and deed of said corporation.

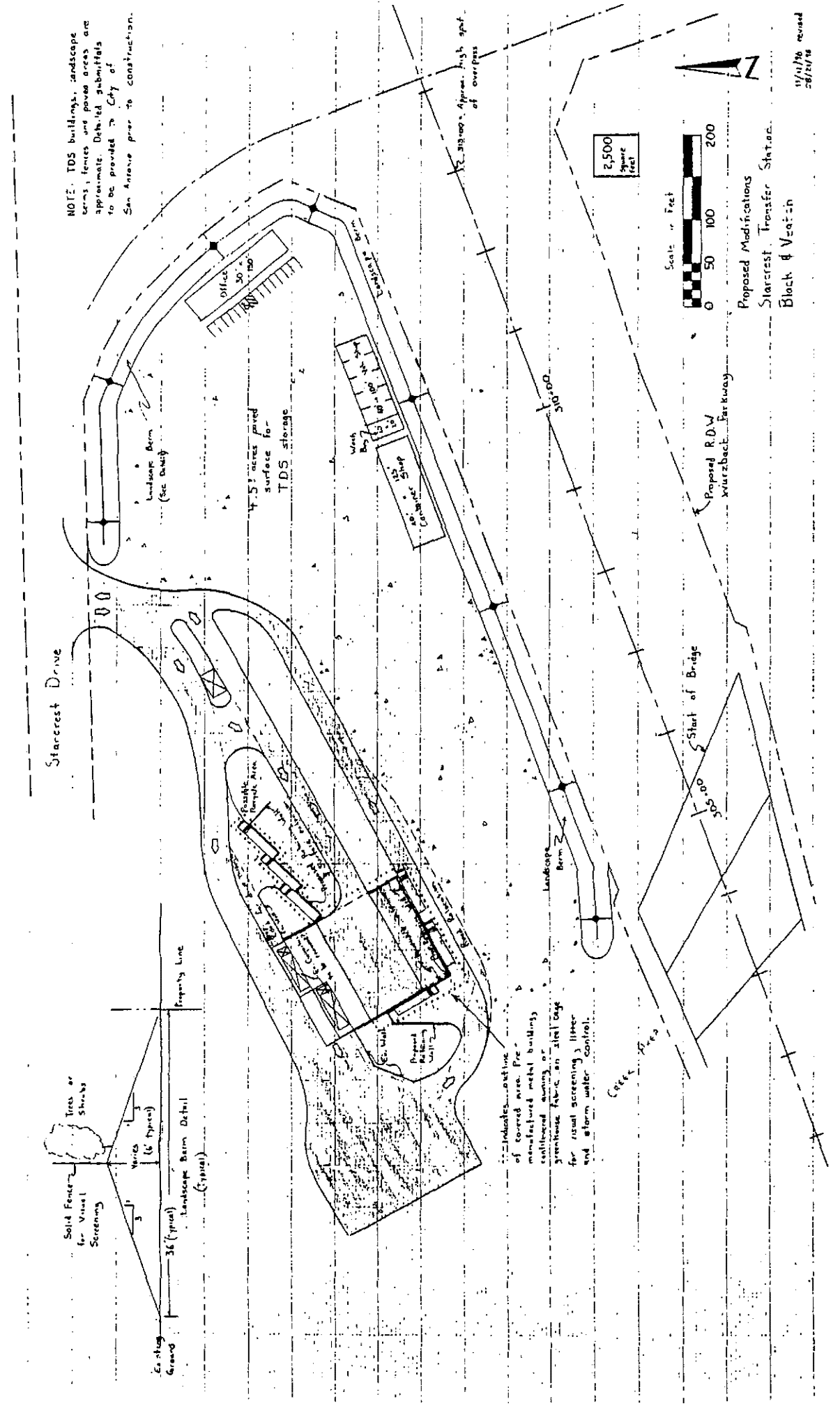
GIVEN UNDER MY HAND AND SEAL OF OFFICE this the 6th day of JANUARY, 1998.

(seal)

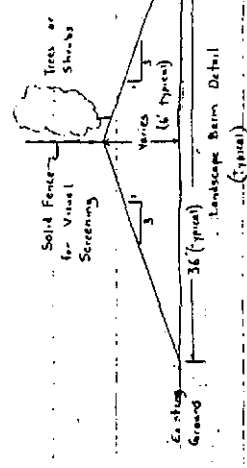


Dennis L. Hobbs
Notary Public
Travis County, Texas

Attachment One Draft Conceptual Plan



NOTE: TDS buildings, landscape berms, fences and paved areas are approximate. Detailed submittals to be provided to City of San Antonio prior to construction.



Indicates outline of covered area. For manufactured metal buildings, galvanized roofing or greenhouse fabric on steel cage for visual screening, litter and storm water control.

11/11/16 revised
28/10/16

SCHEDULE I

TEXAS DISPOSAL SYSTEMS LANDFILL, INC.
CITY OF SAN ANTONIO REQUEST FOR PROPOSAL
FOR MUNICIPAL SOLID WASTE DISPOSAL SERVICES
DISPOSAL COST ANALYSIS

OPTION III

(CPI adjusted for 10-1-95 to 10-1-96 CPI increase of 3.167%; estimated at 5% thereafter)

12/03/96

Start rate - \$17.88 per ton plus State fee

Year #	Year Beginning	CPI Factor	Cumulative CPI	(Memo) Landfill Disposal rate per ton with CPI	Transfer Station Disposal rate per ton with CPI	State Fee	Transfer Station Disposal rate per ton with State Fee	Negotiated Discount	Disposal Rate per ton with State fee	Tons Per Year	Annual Disposal Cost at the Transfer Station with State fee
1	10/01/95	N/A	1.000	\$10.900	\$17.880	\$1.25	\$19.130		\$19.130	0	
2	10/01/96	3.167%	1.032	\$11.445	\$18.446	\$1.25	\$19.696		\$19.696	0	
2.3	02/01/97			\$11.445	\$18.446	\$1.25	\$19.696	(\$0.57)	\$19.130	66,667	\$1,275,333
3	10/01/97	5%	1.083	\$12.542	\$19.368	\$1.25	\$20.618		\$20.618	100,000	\$2,061,800
4	10/01/98	5%	1.137	\$13.169	\$20.336	\$1.25	\$21.586		\$21.586	100,000	\$2,158,600
5	10/01/99	5%	1.194	\$13.828	\$21.353	\$1.25	\$22.603		\$22.603	100,000	\$2,260,300
6	10/01/2000	5%	1.254	\$14.519	\$22.421	\$1.25	\$23.671		\$23.671	100,000	\$2,367,100
7	10/01/2001	5%	1.317	\$15.245	\$23.542	\$1.25	\$24.792		\$24.792	100,000	\$2,479,200
8	10/01/2002	5%	1.383	\$16.007	\$24.719	\$1.25	\$25.969		\$25.969	100,000	\$2,596,900
9	10/01/2003	5%	1.452	\$16.807	\$25.955	\$1.25	\$27.205		\$27.205	100,000	\$2,720,500
10	10/01/2004	5%	1.524	\$17.648	\$27.253	\$1.25	\$28.503		\$28.503	100,000	\$2,850,300
11	10/01/2005	5%	1.600	\$18.530	\$28.616	\$1.25	\$29.866		\$29.866	100,000	\$2,986,600
12	10/01/2006	5%	1.680	\$19.457	\$30.047	\$1.25	\$31.297		\$31.297	100,000	\$3,129,700
13	10/01/2007	5%	1.765	\$20.430	\$31.549	\$1.25	\$32.799		\$32.799	100,000	\$3,279,900
14	10/01/2008	5%	1.853	\$21.451	\$33.126	\$1.25	\$34.376		\$34.376	100,000	\$3,437,600
15	10/01/2009	5%	1.945	\$22.524	\$34.782	\$1.25	\$36.032		\$36.032	100,000	\$3,603,200
16	10/01/2010	5%	2.043	\$23.650	\$36.521	\$1.25	\$37.771		\$37.771	100,000	\$3,777,100
17	10/01/2011	5%	2.145	\$24.832	\$38.347	\$1.25	\$39.597		\$39.597	100,000	\$3,959,700
18	10/01/2012	5%	2.252	\$26.074	\$40.264	\$1.25	\$41.514		\$41.514	100,000	\$4,151,400
19	10/01/2013	5%	2.365	\$27.378	\$42.277	\$1.25	\$43.527		\$43.527	100,000	\$4,352,700
20	10/01/2014	5%	2.483	\$28.746	\$44.391	\$1.25	\$45.641		\$45.641	100,000	\$4,564,100
21	10/01/2015	5%	2.607	\$30.184	\$46.611	\$1.25	\$47.861		\$47.861	100,000	\$4,786,100
22	10/01/2016	5%	2.737	\$31.693	\$48.942	\$1.25	\$50.192		\$50.192	100,000	\$5,019,200
23	10/01/2017	5%	2.874	\$33.278	\$51.389	\$1.25	\$52.639		\$52.639	100,000	\$5,263,900
24	10/01/2018	5%	3.018	\$34.942	\$53.958	\$1.25	\$55.208		\$55.208	100,000	\$5,520,800
25	10/01/2019	5%	3.169	\$36.689	\$56.656	\$1.25	\$57.906		\$57.906	100,000	\$5,790,600
26	10/01/2020	5%	3.327	\$38.523	\$59.489	\$1.25	\$60.739		\$60.739	100,000	\$6,073,900
27	10/01/2021	5%	3.494	\$40.449	\$62.463	\$1.25	\$63.713		\$63.713	100,000	\$6,371,300
28	10/01/2022	5%	3.668	\$42.472	\$65.586	\$1.25	\$66.836		\$66.836	100,000	\$6,683,600
29	10/01/2023	5%	3.852	\$44.595	\$68.865	\$1.25	\$70.115		\$70.115	100,000	\$7,011,500
30	10/01/2024	5%	4.044	\$46.825	\$72.308	\$1.25	\$73.558		\$73.558	100,000	\$7,355,800