

**SECOND AMENDMENT TO THE TRANSFER STATION AGREEMENT
BETWEEN THE CITY OF FREMONT AND BLT ENTERPRISES OF
FREEMONT, LLC FOR RECYCLABLES DIVERSION AND TRANSFER
SERVICES DATED APRIL 20, 2004**

1. WHEREAS, the City of Fremont, California (“City”) and BLT Enterprises of Fremont, LLC, (“Contractor”) have entered into the Agreement described in the title (the “Transfer Station Agreement”); and
2. WHEREAS, the City and Contractor have entered into a separate agreement entitled “Agreement between the City of Fremont and BLT Enterprises of Fremont, LLC for Curbside Recyclable Materials and Curbside Organic Waste Services (the “Recyclables Agreement”); and
3. WHEREAS, the Transfer Station Agreement, as amended, requires Contractor to increase the performance bond from \$2.5 Million Dollars to \$5 Million Dollars effective November 1, 2006, and the parties desire to change that date to July 2, 2007 to coincide with the opening of the transfer station for full operations; and
4. WHEREAS, The Transfer Station Agreement and the Recyclables Agreement both have the same insurance requirements and since the Contractor is providing both services in a single facility, Contractor has requested and City has agreed that the insurance requirement can be met with one policy provided that policy covers liability under both Agreements; and
5. WHEREAS, Contractor has requested and City has agreed to reduce the Pollution and/or Environmental Impairment Liability from \$3,000,000 each occurrence, to \$2,000,000 each occurrence, and \$10,000,000 policy aggregate to \$4,000,000 policy aggregate, and this reduction will result in a tip fee reduction of \$.06/ton applicable to City’s franchise waste; and
6. WHEREAS, Contractor has requested and City has agreed to eliminate the Errors and Omissions insurance requirements; and
7. WHEREAS, in order to dispose of residue at the Tri-Cities Landfill, Contractor will need to use smaller capacity walking floor transfer trailers, and City and Contractor have agreed that the compensation for this shall be an additional \$.58 per ton for City’s franchise waste and self haul waste; and
8. WHEREAS, as a result of the phased opening of the Transfer Station, certain provisions in the Transfer Station Agreement concerning the performance testing requirements need to be revised, and a certification schedule in anticipation of the Transfer Station opening has been agreed upon by City and Contractor; and
9. WHEREAS, Section 8.09 of the Transfer Station Agreement provides that the City and the Contractor agree to negotiate in good faith a separate agreement containing the

terms and conditions of a Household Hazardous Waste Facility, and this Exhibit 14 shall be that agreement; and

10. WHEREAS, City and Contractor have agreed upon the terms for development and operation of a Household Hazardous Waste Facility to be located at the Transfer Station Facility at 41149 Boyce Road, Fremont to be opened no later than July 1, 2008; and

11. WHEREAS, City will be entering into an agreement (MOU) with the Alameda County Waste Management Authority, hereinafter referred to as "Authority", which will provide funding for operations to City if the Household Hazardous Waste Facility is accessible to all Alameda County residents and a certain minimum household visits are served per year; and

12. WHEREAS, City will be submitting a grant application for funds to supplement the expenses of the HHW capital improvements and Contractor has agreed to provide certain information to assist in that grant application, and

13. WHEREAS, environmental review for this Household Hazardous Waste Disposal Facility has been conducted under the California Environmental Quality Act, Public Resources Code Section 21000 *et seq.*

NOW, THEREFORE, in consideration of the mutual promises, covenants, and conditions contained herein, and for other good and valuable consideration, the City and Contractor do hereby amend the Transfer Station Agreement and First Amendment through this Second Amendment as follows:

1. Section 8.10 and Exhibit 6 are hereby revised to add the following schedule change: An interim Drop-Off portion of the Drop-off/Buy Back Recycling Center will be open and available to the public on beginning July 2, 2007. The Drop-off/Buy-Back Recycling Center as described in Exhibit 6 will be open and available to the public on July 1, 2008.

2. A new Section 10.19 is hereby added as follows:

In order to dispose of Residue at the Tri-Cities Landfill, Contractor will need to use smaller capacity walking floor trailers. City and Contractor agree that the compensation for this additional equipment will be a surcharge on City's franchise waste and self haul rates of \$.58 per ton. This additional compensation will be applicable to all franchise waste and self haul waste delivered to the Tri-Cities Landfill via walking floor transfer trucks. Exhibit 1 (City of Fremont Mixed Municipal Waste Service Fee) and Exhibit 2 (Maximum Self Haul Service Fees) are hereby revised to reflect this additional compensation to Contractor. This surcharge is a fixed expense and will not be subject to the biennial adjustment.

3. Section 12.01 is hereby amended to read as follows:

Contractor shall secure and maintain in full force and effect during the Term adequate insurance that shall be no less than the types and amounts of insurance coverage listed in Exhibit 3. Contractor shall be responsible for payment of all premiums for its policies and shall pay such deductibles upon occurrence of an insured loss under their respective policies. The insurance requirements contained in this Transfer Station Agreement, are the same as the insurance requirements contained in the Recyclables Agreement. Since the Contractor is providing both services in a single facility, Contractor and City agree that the insurance requirements for both Agreements can be met with one policy at the level specified in this Second Amendment, provided that this policy covers all liability under both Agreements, as well as any liability for the Household Hazardous Waste Facility. Insurers must provide the City and Contractor with sixty (60) calendars days Notice of any cancellation, change or other modification and name the City as additional insured, with exception of cancellation due to non-payment of premium for which the insurers must provide thirty (30) calendars days Notice. Contractor shall supply a certificate of insurance and additional insured endorsement to the City showing compliance with this Article and Exhibit 3 or at City's request, Contractor shall supply a certified copy of the insurance policies to the City. The terms and obligations of this section shall survive termination of the Transfer Station Agreement, as amended.

4. Section 12.04 is hereby amended to read as follows:

12.04 Performance Bonds.

Prior to May 1, 2006, and until July 2, 2007, Contractor shall furnish and maintain a performance bond, (in a form reasonably Acceptable to the City and commercially available), and/or comparable instruments (s) approved by the City, or any combination thereof, (the "Surety Instruments") in the principal sum of Two Million Five Hundred Thousand (\$2,500,000) dollars. Beginning on July 2, 2007 the principal sum of that performance bond shall be increased to Five Million (\$5,000,000) dollars and shall be maintained throughout the Term of this Transfer Station Agreement. If the performance bond described herein is not commercially available, the parties shall meet and negotiate in good faith a substitute method of securing Contractor's performance. Contractor may fulfill its obligation under this Section with the Performance Bond provided under the Recyclables Agreement, provided the conditions in that bond cover all of the obligations under this Transfer Station Agreement as amended, the Household Hazardous Waste Exhibit 14, as well as the Recyclables Agreement. The bond conditions shall be subject to the written approval of the City Attorney.

The remainder of Section 12.04, as revised by the First Amendment, remains the same.

5. Exhibit 3, Insurance Requirements is hereby revised as follows:

B. Minimum Limits of Insurance- The Contractor shall maintain limits no less than:

- iv. Pollution and/ or Environmental Impairment Liability:** \$2,000,000 each occurrence/\$4,000,000 policy aggregate covering liability arising from the release

of waste materials and/or irritants, contaminants, or pollutants. Such coverage shall, if commercially available, without involvement of the City, automatically broaden in its form of coverage to include legislated changes in the definition of waste materials and/or irritants, contaminants, or pollutants. This policy shall stipulate this insurance is primary and no other insurance carried by the City will be called upon to contribute to a loss suffered by the Contractor hereunder and waive subrogation against the City and other additional insureds.

v. Errors and Omissions: *is hereby deleted in its entirety.*

B. Verification of Coverage. *The following language is hereby added to this Section:*

The Contractor shall submit to the Authority certificates of insurance for the policies listed above. The certificates shall provide that the insurer give written notice to Authority at least 10 days prior to cancellation of or any material changes in the policy.

6. 7.12 Contractor Certification of Preparedness *is hereby revised as follows:*

Certificate of Readiness

In recognition of the Facility opening in June, 2006 for recycling operations, the Parties have agreed to an expedited verification of performance readiness for the July 2, 2007 Operations Date. Contractor agrees to provide to City a detailed certificate of readiness by June 1, 2007, which will include a complete description of staffing and equipment for these new services.

7. Exhibit 1 and Exhibit 2 revisions. Exhibit 1 (City of Fremont Mixed Municipal Waste Service Fee) and Exhibit 2 (Maximum Self Haul Service Fees) *are hereby revised* to reflect the changes in the compensation to Contractor based on the walking floor trailers and revisions in insurance levels

8. A new Exhibit 14, titled Household Hazardous Waste Facility, is hereby added.

EXHIBIT 1
2ND AMENDMENT REVISION

CITY OF FREMONT
MIXED MUNICIPAL WASTE SERVICE FEE
JANUARY 2006 – DECEMBER 31, 2007

The Mixed Municipal Waste Service Fee and its components are presented in this Exhibit for four service fee scenarios related to the City of Fremont's Mixed Municipal Waste delivered to the Facility. All Mixed Municipal Waste Service Fee information shall be adjusted periodically in accordance with Section 10.03 of the Agreement.

<u>Service Fee Component</u>	City of Fremont's Mixed Municipal Waste Facility Fee Altamont Landfill Disposal			
	Fremont Only	Fremont and Newark	Fremont and Union City	Tri-Cities
Equipment component – transfer	1.67	1.67	1.67	\$1.67
Fixed component –other	13.26	13.11	11.83	11.68
Variable component – transfer	5.70	5.69	5.68	5.65
Variable component –other	6.78	5.11	4.78	4.24
Variable component – worker's compensation insurance	6.03	5.87	5.85	5.83
Fuel Component	1.15	1.15	1.15	1.15
Disposal Component*	20.65	20.63	20.63	20.59
Alameda County LEA inspection Fee	.12	.12	.12	.12
ACWMA Facility Operator's Fee	1.50	1.50	1.50	1.50
AC Household Hazardous Waste Fee	2.15	2.15	2.15	2.15
Fuel Tax – transfer	.30	.30	.30	.30
Proposed City Imposed Fee	n/a	n/a	n/a	n/a
Total Pass Through Component	4.07	4.07	4.07	4.07
Total Service Fee/ Ton	\$59.31	\$57.30	\$55.66	\$54.88

*88% of negotiated disposal rate

<u>Service Fee Component</u>	City of Fremont's Mixed Municipal Waste Facility Fee <u>Tri-Cities Recycling and Disposal Facility</u> <u>Disposal</u>			
	Fremont Only	Fremont and Newark	Fremont and Union City	Tri-Cities
Equipment component – transfer	.82	.82	.82	\$.82
Fixed component –other	13.26	13.11	11.83	11.68
Fixed component – walking floor equipment surcharge	.58	.58	.58	.58
Variable component – transfer	2.78	2.76	2.76	2.75
Variable component –other	6.78	5.11	4.78	4.24
Variable component – worker's compensation insurance	6.03	5.87	5.85	5.83
Fuel Component	.57	.57	.57	.57
Disposal Component*	24.82	24.82	24.82	24.82
Alameda County LEA inspection Fee	.12	.12	.12	.12
ACWMA Facility Operator's Fee	1.50	1.50	1.50	1.50
AC Household Hazardous Waste Fee	2.15	2.15	2.15	2.15
Fuel Tax – transfer	.15	.15	.15	.15
Proposed City Imposed Fee	n/a	n/a	N/a	n/a
Total Pass Through Component	3.92	3.92	3.92	3.92
Total Service Fee/ Ton	\$59.56	\$57.56	\$55.93	\$55.21

**94% of negotiated disposal rate

Contractor compensation for extended Facility Receiving Hours* \$ 300.21 per hour
Amount regarded as Significant * \$ 17,940.21
Report preparation costs considered in Section 8.11.b.3. * \$ 6,004.14

*Adjusted by CPI

EXHIBIT 2
2ND AMENDMENT REVISION
MAXIMUM SELF-HAUL SERVICE FEES
JANUARY 1, 2006 – DECEMBER 31, 2007

The maximum Self Haul Service Fees are presented in this Exhibit. The service Fee information is presented in January 1, 2004 dollars and shall be adjusted periodically in accordance with Section 10.04 of the Agreement.

Type of Permitted Material	Unit	Base Service Fee	Fee with Surcharge**
Garbage (minimum charge)	Load	\$28.26	\$28.52
Garbage	Ton	\$63.83	\$64.41
Green Waste/Wood Waste	Ton	\$62.57	\$63.15
Soil	Ton	\$62.57	\$63.15
Material for alternative daily cover (ADC)	Ton	\$62.57	\$63.15
Asphalt	Ton	\$62.57	\$63.15
Concrete	Ton	\$62.57	\$63.15
Concrete with Rebar	Ton	\$62.57	\$63.15
Demolition Debris	Ton	\$62.57	\$63.15
Tires (16 in or less)	Item*	\$ 5.75	
(>16 in. & <21 in)	Item*	\$11.50	
(Tractor/off road)	Item*	\$19.15	
(Bulk load)	Item*	\$11.50	
White Goods – Base	Item*	\$ 7.06	
White Goods – Freon Removal	Item*	\$21.20	
White Good – Per Mercury Switch	Item*	\$ 5.00	
Compacted loads of Mixed Municipal Waste	Ton	\$63.83	\$64.41
Tree Stumps and Poles	Ton	\$62.57	\$63.15
Certificate of Destruction (documents)	Ton	\$62.89	\$63.47

Certificate of Destruction (condemned) Ton \$62.89 \$63.47

* Contractor may round maximum self haul service fee for permitted materials charged by type to the nearest whole dollar (upward or downward)

**Applicable while transfer station residue is being disposed of at Tri-Cities Recycling and Disposal Facility

EXHIBIT 14

HOUSEHOLD HAZARDOUS WASTE FACILITY

Contractor shall under the provisions of this Exhibit 14, construct, develop and operate a permitted, permanent Household Hazardous Waste Facility (HHW) which will be part of the Fremont Transfer Station and Materials Recovery Facility, located at 41149 Boyce Road, Fremont Ca.

Article 1. Definitions

The contract terms shall have the meaning as described in the Transfer Station Agreement and the First Amendment except for those additional definitions below

a. Authority means the Alameda County Waste Management Authority.

b. CIWMB shall mean the California Integrated Waste Management Board

c. Conditionally Exempt Small Quantity Generator (CESQG) shall mean those businesses that are qualified to use the program pursuant to Section 25218, *et seq.*, of the California Health and Safety Code, and regulated by 40 CFR 261.5.

d. Disposal Facility means the facility for legal disposal of Household Hazardous Waste selected by the Contractor

e. Effective Date means the earlier of (i) July 1, 2008, or (ii) the Operations Commencement Date.

f. Electronic Waste means computers, entertainment electronics, mobile phones and other items that were once used for data processing, telecommunications, or entertainment in private households and businesses and have been discarded.

g. Execution Date means the date the final authorizing signature is provided to this Second Amendment

h. Facility means the Fremont Transfer Station and Materials Recovery Facility located at 41149 Boyce Road, including the Household Hazardous Waste Facility component,

which collects, handles, treats, stores, recycles or disposes of Household Hazardous Waste, including hazardous waste from CESQGs.

i. Household Hazardous Waste (HHW) are those wastes resulting from products purchased by the general public for household use which, because of their quality, concentration, or physical, chemical or infectious characteristics, may pose a substantial known or potential hazard to human health or the environment when improperly treated, disposed or otherwise managed. HHW means any hazardous waste generated incidental to occupying a place of residence. The term HHW shall also include Universal Waste that is accepted at County HHW facilities.

j. Minimum Service shall mean three thousand five hundred (3,500) households visits per fiscal year delivering HHW and serviced at the Facility. Households delivering solely Electronic Waste will not be credited toward the Minimum Service requirement. The first annual Minimum Service requirement from the Authority begins July 1, 2009 after the first complete twelve months of operation of the HHW Facility,

k. Memorandum of Understanding (MOU) means the agreement between the City and the Authority, including all exhibits, which are incorporated herein by reference, as this MOU may be amended from time to time.

l. Operations Commencement Date means the date on which the Facility starts accepting HHW from the countywide general public or from CESQGs. The operations commencement date shall be no later than July 1, 2008, unless agreed upon in writing by City.

m. Transfer Station Agreement means the Agreement between the City of Fremont and BLT Enterprises, LLC for Recyclables, Diversion and Transfer Services entered into April 20, 2004 and amended by the First Amendment in April 13, 2006

n. Universal Waste shall mean material identified by the California Department of Toxic substances and specified in the California Code of Regulations as belonging to a special class of hazardous waste. Universal Waste generally includes household items such as batteries, electronics, fluorescent lamps, thermometers and thermostats, mercury-containing products and devices and non-empty aerosol cans.

2. Term

The term of this Exhibit 14 to the Transfer Station Agreement shall become effective on the Execution Date of this Second Amendment and shall run concurrently with the term of the Transfer Station Agreement as amended or extended by City and Contractor, unless terminated earlier in accordance with Article 12 of the Transfer Station Agreement.

3. Authority Contribution

Pursuant to the MOU, the Authority has agreed to contribute to the City \$350,000 per year, adjustable annually by the Consumer Price Index, of the Household Hazardous Waste Fees

collected for the Authority's HHW program. These fees will subsidize the operating costs of providing household hazardous waste services at the Fremont site, since this Facility will be available to all County residents. In consideration for this contribution, the HHW Facility must provide Minimum Service and must be open to County residents for a minimum number of hours per month as specified by the MOU between the City and the Authority.

4. HHW Facility Development, Construction and Funding

a. Pursuant to the terms of the Transfer Station Agreement as amended, Contractor has agreed to develop, construct, equip and operate the HHW Facility. This sole responsibility includes overseeing all aspects of construction including bidding for construction; selecting construction firm(s); all aspects of managing construction including Site activity, budget and schedule management; ensuring that the HHW Facility is constructed according to, and is fully Operational substantially in accordance with the final Plans and Specifications, Facility Requirements (in Exhibit 6) and all Applicable Law.

b. City agrees to provide the funding for the initial capital improvements needed including HHW Facility Development and Construction. Contractor agrees to provide estimates for these Development and Construction costs , within 45 days after execution of this Second Amendment. City plans to apply for grant funding for a contribution toward these Development and Construction costs. Contractor agrees to cooperate with City in this grant fund application and provide all necessary information for the completion of its application.

c. Since City will be funding the capital costs of the HHW Facility, all costs for the Development and Construction of the HHW Facility, improvements and fixture will be excluded from the asset schedule described in the Transfer Station Agreement and therefore will not be subject to any reimbursement in the event City purchases the Transfer Station Facility. Contractor agrees to be responsible for all maintenance of the HHW Facility. Contractor agrees to reserve dedicated space to HHW operations, and such space will not be reduced or used for other purposes regardless of assignment of this contract or reduced HHW operating days/ hours without prior written consent of City's authorized representative.

d. Contractor shall keep complete and accurate records of the capital costs of designing and constructing the HHW Facility, including the cost of all facilities, equipment and furnishings such as tanks, dollies, computer(s), office furniture, basins, and safety features. Contractor shall provide City with all necessary documentation and other information necessary or convenient to support the application for grant funding.

e. Contractor agrees to request three bids for the construction of the HHW Facility and the City shall have the right to review those bids prior to award. BLT agrees to award the contract to the construction contractor with the lowest of the three bids and that contract price shall become the "Not -To-Exceed" amount. City agrees to pay the "Not To -

Exceed amount only. BLT shall contract with the construction contractor and shall be responsible for all payments to the construction contractor. Any requested change orders or revisions to the construction contract which affect the Not- To- Exceed amount or any additional improvements to be funded by City will require prior written City authorization.

5. Materials to be Accepted at Facility/Permit Compliance

The HHW Facility will accept a full range of HHW, including Universal Waste and Electronic Waste subject to permit restrictions, including, but not limited to the following: used oil, used oil filters, household batteries, small quantities of mercury, latex paints, pesticides and herbicides, kerosene, acids and bases, old gasoline, other household flammable liquids, ethylene glycol, lead acid batteries, household cleaners, fertilizers, oil based paints, paint strippers, lamp oil. Contractor is responsible for all permits and regulatory compliance issues, and the applicable procedures specified in Exhibit 9 of the Transfer Station Agreement, Load Checking and Tarping Policy shall be followed with all HHW Facility operations.

6. Hours and Service Requirements

Beginning on the Operations Commencement Date, Contractor shall have the drop off HHW Facility open and available to accept HHW from the countywide public, on those days and hours as determined by City during the agreed upon operating hours of the Transfer Station, for a minimum of twenty four (24) hours per month in order to achieve Minimum Service. The Facility will be open, on those days and hours as determined by City, to CESQGs for a minimum of four (4) hours per month. No appointments will be required for the public to use the HHW Facility during its open hours of operation. The Facility will accept HHW materials from County residents at no charge, except for CESQGs, which will pay the fees established by the County. The Facility will also accept Electronic Waste; however households delivering Electronic Waste only will not be counted toward the Minimum Service requirement. The Authority will be responsible for and bear all costs of marketing the Facility HHW program, except as supplemented by City, including advertising, direct mail notice to residents and web based information. Contractor or City will send a schedule of the HHW Facility hours to the Authority three (3) to six (6) months in advance of the date the hours go into effect.

7. HHW Recycling Requirements

Contractor agrees to maximize diversion, exchange and waste destruction options. Contractor further agrees to recycle at least 75% of the HHW materials received, consistent with Applicable Law and subject to market conditions for recycling materials. Since other facilities in the Alameda County Household Hazardous Waste Collection Program allow fuel blending and fuel substitution to count toward the required diversion percentage, for the purposes of this Exhibit 14 only, recycling shall include fuel blending and fuel substitution (incineration). Materials recycled through this fuel process will be credited toward the Authority's 75% requirement. However, the original definition of

“Divert (or Diversion) for Municipal Solid Waste in the Transfer Station Agreement, as amended, shall remain the same.

8. Exchange Program

Contractor shall operate an exchange program to maximize reuse of Household Hazardous Waste. Paint related materials shall be principally targeted for reuse through the exchange program. Contractor shall also set aside unopened containers of paint and other products for exchange and reuse, and such containers shall include motor oil and selected fertilizer products. City shall have the right and the discretion to direct unused paint to City selected programs or users.

9. Bulking of Waste/Use of Labpacks

Contractor shall seek to limit the number of labpacks generated for disposal by the HHW Facility as a means of minimizing disposal costs and maximizing materials diversion. Subject to permit restrictions and all reasonable safety precautions, Contractor shall bulk waste whenever possible for recycling and blended fuels programs. Such bulking typically includes latex paints for recycling by a local Contractor and bulking of oil based paints and compatible flammable liquids for blended fuel programs.

10. Increase or Reduction of Operations by City

Since the Authority may reduce or eliminate the funding available to the City to pay the operating costs of the HHW, the City reserves the right, upon ninety (90) days Notice to Contractor to suspend the operations and City shall give ninety (90) days Notice to Contractor to restart operations after such suspension. City has the right upon thirty (30) days Notice to Contractor to reduce the days/ hours of operation in order to maintain operating costs within the City’s annual budget or to increase the number of days/hours the Facility is open to order to increase the number of households served.

11. Small Quantity Generator Fees

The Authority currently has in place a program for CESQGs, pursuant to State and Federal regulations. Contractor agrees to provide the opportunity for the CESQGs to use the HHW Facility and will charge fees, which are set by the Alameda County Board of Supervisors. The rates to be charged for CESQG fees set by the Alameda County Board of Supervisors may be adjusted from time to time. Contractor agrees to charge the same fees as other Authority (County) HHW facilities as those rates may be updated.

12. Operational Expenses, Documentation and Adjustments

a. Contractor has provided initial estimates of annual operating costs to serve 3,500-5,000 households. After the operations commencement date, Contractor agrees to provide current operating costs in the monthly invoices as described in Section 16. Such invoices shall include a statement specifying all gross wages and benefits (Labor Costs) for the previous thirty days. Training of HHW Facility personnel shall be included in the verified Labor Costs. City agrees to pay Contractor ten percent (10%) above the City verified Labor Costs. In addition, the statement shall specify all expenses incurred by Contractor

for HHW activities such as hauling, recycling, destruction and disposal, services such as used oil recycling, used oil filter recycling, hazardous waste hauling, latex paint recycling, battery recycling and hazardous waste treatment. City shall pay all of the direct expenses at cost. In addition to the above, City agrees to pay Contractor a Three Thousand Five Hundred Dollars (\$3,500) administrative fee per month. Contractor agrees to credit all revenues from CESQG fees to City in the monthly invoices.

b. City shall have the right to request any documentation or other information that is reasonably necessary for City to properly evaluate any such invoices and to withhold payment pending receipt and evaluation of all information requested. Contractor hereby grants City permission to contact any vendor, supplier, contractor or subcontractor named in the invoice for the purposes of evaluation and/or verification of an invoice.

c. Since Contractor is required to comply with a 75% recycling requirement for the HHW materials, Contractor agrees to provide City with certificates of disposal for the final point of material disposition.

d. Since the HHW Facility will be accepting electronic waste, Contractor agrees to be certified and fully participate in the CIWMB State reimbursement program. Any such revenues from the state program will be deducted from the e-waste handling costs billed to the City.

e. City has the right to request that Contractor to use lower cost disposal options, such as those options available to the Authority at other county HHW facilities.

13. Jurisdiction Origin of Waste Accepted

Contractor shall accept HHW from residences within Alameda County, including incorporated cities within the County.

14. Breach and Default

In the event of Contractor breach or default, City has the rights, procedures and remedies available under Article 13 of the Transfer Station Agreement.

15. Reporting and Record Keeping Requirements

Contractor agrees to submit monthly invoices and supporting documentation to City for the HHW accepted at the HHW Facility for the preceding thirty days. Such documentation will show (i) the number of households provided with HHW Services and the number of CESQG served for the preceding period, (ii) the city of origination for each of the households and CESQGs, (iii) the types and tonnages of HHW, and (iv) the amount of each type of HHW materials that has been recycled. Contractor also agrees to complete the state mandated annual reports (Form 303 for submittal to the California Integrated Waste Management Board) and provide copies to City and to the Authority. Contractor agrees to assist City in the preparation of other regulatory reports. Contractor shall prepare all manifest documents and bills of lading in strict conformance with all local, state and federal regulations. Contractor will maintain all records in accordance

with state and federal law, and shall keep such records available upon reasonable notice from City for no less than seven (7) years.

16. Indemnification

In addition to the indemnification provisions in the Transfer Station Agreement, Contractor agrees to indemnify and holds harmless the City and the Authority, their officers, employees, and agents from and against any and all loss, liability, expense, claim, costs (including costs of defense), fines, penalties, consequences, and suits and damages of every kind, nature and description directly or indirectly arising from the negligent or intentional acts, errors, or omissions of the Contractor and its subcontractors, if any, in the performance of the Household Hazardous Waste Facility construction, development and operations, and Contractor shall pay all claims, damages, judgments, legal costs, adjustors' fees and attorneys' fees and attorneys' fees related thereto.

17. Execution

This Second Amendment shall be effective upon the date of execution by all parties.

18. Interpretation, Conflicts

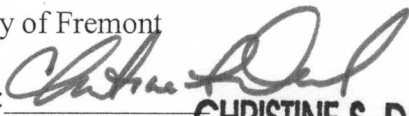
It is the intent of the parties that after the effective date of this Second Amendment, the Transfer Station Agreement and the First Amendment be interpreted so as to carry out the intent of the parties as expressed by the recitals and provisions of this Second Amendment. Any conflict between the terms of this Second Amendment and the Transfer Station Agreement and First Amendment or any ambiguities created therein shall be resolved in favor of the Second Amendment and the intent of the parties as expressed therein.

19. Terms

All other terms in the Transfer Station Agreement and the First Amendment not specifically amended by this Second Amendment shall remain in full force and effect. This Amendment is executed in three (3) duplicate originals, each of which is deemed to be an original.

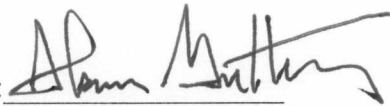
IN WITNESS THEREOF, the Parties have executed this Second Amendment on the dates written below.

CITY:
City of Fremont

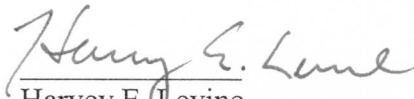
By: 
~~Fred Diaz~~
City Manager

CHRISTINE S. DANIEL
Deputy City Manager

CONTRACTOR

By: 
BLT ENTERPRISES OF
FREMONT, LLC

Approved as to Form:


Harvey E. Levine
City Attorney

Date: 5/1/07

Date: 6/28/07