

SECOND ADDENDUM

THIS ADDENDUM is to the Contract between City of West Linn and Pacific Land Clearing, Inc. ("Contract") for operation of the Dan Davis Yard Debris Recycling Facility, originally effective on August, 1, 2004, and as modified by the August 1, 2010, Addendum and extended by Recology's extension letter of June 14, 2013.

Recitals:

1. There are competing businesses in the area that require Recology to be able to respond quickly to changes in the market to remain competitive.
2. Recology would like to extend the Agreement to July 31, 2015, to allow the continuation of its operations.

The Parties agree as follows:

Section 1. Section 3.1.2, Term of Contract, is replaced with the following:

The term of this Contract shall expire at midnight on July 31, 2015, unless Contractor or City provide thirty (30) days written notice of the intent to terminate the contract before expiration.

Section 2. Section 9.5, Assignment, is replaced with the following:

Contractor shall not assign its rights, nor delegate, subcontract or otherwise transfer its obligations under this Contract to any other Person, without the prior written consent of the City Manager. Any assignment made without the consent of the City Manager shall be void and the attempted assignment shall constitute a breach of this Agreement.

For purposes of this Section when used in reference to Contractor, "assignment" shall include, but not be limited to (i) a sale, exchange or other transfer of substantially all of Contractor's assets dedicated to service under this Contract to a third party; (ii) a sale, exchange or other transfer of outstanding common stock of Contractor to a third party provided said sale, exchange or transfer may result in a change of control of Contractor, excluding stock transfers among the existing shareholders; (iii) any dissolution, reorganization, consolidation, merger, re-capitalization, stock issuance or re-issuance, voting trust, pooling agreement, escrow arrangement, liquidation or other transaction to which results in a change of Ownership or control of contractor; (iv) any assignment by operation of law, including insolvency or bankruptcy, making assignment for the benefit of creditors, writ of attachment for an execution being levied against this Contract, appointment of a receiver taking possession of Contractor's property, or transfer occurring in the event of a probate proceeding; and (v) any combination of the foregoing (whether or not in related or contemporaneous transactions) which has the effect of any such transfer or change of Ownership, or change of control of Contractor.

Section 3. Article 6, Fees, is replaced with the following:

6.1 General

The Contractor's Compensation provided for in this Article shall be the full, entire and complete compensation due to the Contractor pursuant to this Contract for all labor, equipment, materials and supplies, taxes, insurance, bonds, overhead, processing, profit and all other things necessary to perform all the services required by this Contract in the manner and at the times prescribed.

The Contractor will perform the responsibilities and duties described in this Contract in consideration of the right to charge and collect from customers for services rendered at Rates approved by the City Council from time-to-time in accordance with this agreement. The Contractor does not look to City for the payment of any sums under this Contract.

6.2 Gate Fees

Contractor shall collect gate fees from all Persons who use the Facility in accordance with a fee schedule approved by the City Council. Contractor shall keep complete and accurate records of all fees collected and shall be responsible for the safekeeping of monies and negotiable instruments collected.

The gate fees for the Term are attached as Exhibit A, unless amended in accordance with this Contract. Contractor agrees to permit City of West Linn Departments to deposit/dump yard type debris/brush at no cost to the City. Unless and until the gate fees set forth on Exhibit A are adjusted by City Council, the Contractor will provide the service required by this Contract, charging no more and no less than the gate fees authorized by Exhibit A unless authorized to do so by the City Council. City and Contractor agree that the gate fees set forth on Exhibit A have been calculated to generate an amount of revenue necessary to compensate Contractor for its costs (including the City administrative fee) and profit.

6.3 City Administrative Fee

Contractor shall pay a fee of \$500 per month to City as compensation for City's administration of the Facility and other costs incurred by City. Contractor shall remit payment on or before the last day of each calendar month during the term of this Contract. City may increase the fee on thirty (30) days' notice to Contractor to cover additional costs, but any such increase shall be limited to a pass-through of the increased costs.

6.4 Gate Fees Following Contract Extension

If the Contract is extended beyond the initial term of one year, Contractor may request a change to the gate fees. Contractor shall provide the City Manager with a proforma statement of revenues and expenses projected to be incurred for the subsequent year, along with such supporting documents as the City Manager may require, as justification for the requested change. The City Council shall review the proforma statement of revenues and expenses for reasonableness and negotiate a revised gate fee with Contractor.

Section 4. The terms of this Addendum and the attached Exhibit shall govern if a conflict between the Contract and this Addendum occurs.

This Addendum was executed by its duly authorized officer, and Contractor has executed this Addendum on the date first written below.

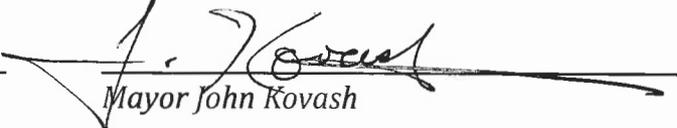
CONTRACTOR


David Dutra, General Manager

March 6, 2014

Date

CITY OF WEST LINN



Mayor John Kovash

March 17, 2014

Date

APPROVED AS TO FORM:


CITY ATTORNEY



June 14, 2013

Lance E Calvert, PE
Public Works Director / City Engineer
22500 Salamo Road
West Linn, Oregon 97068

RE: One (1) Year Extension of Dan Davis Yard Debris Recycling Facility Contract Between the City of West Linn and Recology.

Dear Mr. Calvert:

Recology is the contracted Dan Davis Yard Debris Recycling Facility operator. Pursuant to the 2010 contract extension by the City of West Linn and Recology, the contract is automatically extended for another one (1) year term through July 31, 2014. Recology does not request any amendments to the contract at this time.

Regards,

A handwritten signature in black ink, appearing to read 'Larry Wilkins', written over a horizontal line.

Larry Wilkins
General Manager

Cc: Mr. Dave Vaughn (via email)
Ms. Ame LeCocq (via email)

A handwritten signature in black ink, written over a horizontal line. To the left of the signature is a small 'x' mark.

**ADDENDUM TO THE CONTRACT
BETWEEN CITY OF WEST LINN
AND RECOLOGY
FOR THE OPERATION OF
THE DAN DAVIS RECYCLING CENTER**

The City Council, at their regular meeting of May 10, 2010, extended the Contract between the City of West Linn and Recology for the Operation of the Dan Davis Recycling Center from August 1, 2010 to July 31, 2012, with the option of a two-year rollover.

City Council also authorized a rate adjustment to commercial rates only.

In addition to the current contract, the following provisions are required:

1. Expand the list of acceptable materials to include clean soil, dirt and sod
2. Increase the hours of operation to better accommodate customers
3. Add additional retail storage bays to accommodate new landscaping materials such as bark and gravel

All contract clauses currently in effect shall carry forward in full force through this contract extension.

The parties indicate by their signatures below that they have authority to bind their party and agree to the contract extension through July 31, 2012.

In WITNESS WHEREOF, City and Contractor have executed this Addendum to the Contract as of the day and year first above written

ATTEST:  CITY OF WEST LINN ("City")

City of West Linn

APPROVED AS TO FORM:

CITY ATTORNEY

Recology Oregon Material Recovery
("CONTRACTOR") (Inc.)
By: 
Print Name: DAVID DUTRA
Title: VP. and General Manager



Memorandum

Date: April 28, 2010

To: Chris Jordan, City Manager

From: Gene Green, Public Works Director

Subject: Request for a Two-Year Extension to Contract

The Dan Davis Yard Debris Recycling franchise agreement with Recology ends July 31, 2010. We request an extension of two years, extending the agreement to July 31, 2012.

Recology has formally requested the extension and price increase with their letter dated April 26, 2010. The extension is allowed per Article 3, Term of Contract, and price increase per Article 6, Fees. The increase in fees will only apply to commercial rates. Residential rate will remain unchanged.

The extension will allow time for both the City and the Franchisee to discuss forming a new franchise agreement at the end of the extension period.

Your consideration would be appreciated.



April 26, 2010

Mr. Gene Green, Director
Department of Public Works
City of West Linn
22500 Salamo Rd.
West Linn, OR 97068

RE: Request to Extend Operating Agreement for the Dan Davis Yard Debris Recycling Facility

Dear Mr. Green:

On October 26, 2009 Recology Oregon Material Recovery Inc., operating under the name of PLC Recycling, received authorization to continue its operations of the Dan Davis Yard Debris Recycling Facility through July 31, 2010. Since then, we have worked hard to establish and implement new operating standards designed to increase efficiencies and enhance customer satisfaction and safety. Going forward and working with professionals', we hope to construct additional improvements intended to further expand services on behalf of the customers and the City of West Linn. The drafting of these conceptual plans are underway as are additional meetings with your office and the land owner (PGE).

In continued support for the facility's operation and above improvement activities, Recology is requesting a 24 month extension of the existing operating agreement (July 31, 2010 through July 31, 2012). In addition, we wish to propose revising the contracts language under Article 3 § 3:1.1 to allow automatic semi- annual extensions, unless the City of West Linn provides notification under agreeable to terms to the contrary. Such an extension will allow time for the necessary planning, engineering, and fiscal analysis associated with any approved site/operational enhancements. As your operator, we have implemented changes in order to improve the sites operating efficiencies, reporting capabilities, lower the risk of odors, improve traffic circulation and safety. In addition, we are requesting and would appreciate receiving the City's approval to:

- Expanded the list of acceptable materials
- Increase the hours of operations to better accommodate customers
- Add additional retail storage bays to accommodate new landscaping materials such as bark and gravel
- Adjust commercial/franchised hauler tip fee rates (*public rates remain unchanged*)

The table below should assist in evaluating our business model and requests as you compare the operation to others similar to Dan Davis Yard Debris Recycling Facility.

Dan Davis Yard Debris Recycling Facility

Comparative Rates, Services and Proposed Customer Rate Schedule
Effective July 1, 2010

Customer Service Material Type	Current Dan Davis Customer Rates		Average - All Other Similar Facility Rates		Proposed Adjusted Customer Rates	
	Rate Per Yard	Rate Per Ton	Rate Per Yard	Rate Per Ton	Rate Per Yard	Rate Per Ton
Minimum Charge	\$10.00	N/A	\$8.00 – 10.00	\$10.00	Unchanged	
Transaction Fee	\$ 1.00	N/A	\$0.00	\$0.00		N/A
Residential Yard Debris	\$8.75	N/A	\$10.00	\$45.00	Unchanged \$8.75	N/A
Commercial Yard Debris - Compacted	\$9.50	N/A	\$10.00	\$45.00	\$ 10.00	N/A
Commercial Yard Debris – Loose	\$8.25	N/A	\$10.00	\$45.00	\$ 9.75	N/A
Residential Urban Wood Waste	\$8.75	N/A	\$10.00	\$20.00	Unchanged	N/A
Commercial Urban Wood Waste (Loose)	\$8.25	N/A	\$10.00	\$20.00	\$ 9.75	N/A
Residential Clean Soils/Dirt and Sod	-	-	\$17.50	\$38.00	(NEW) \$ 14.75	N/A
Commercial Clean Soils/Dirt and Sod	-	-	\$17.50	\$38.00	(NEW) \$ 17.00	N/A
Drop-off Recyclables (Metals/ Other)	\$.00	-	Ukn.	Ukn.	\$.00	-

We are happy to respond with additional support for the proposed rate schedule which intended to improve current fiscal deficits. I'm sure our discussions and work together, along with receiving the City's approval, will realize long lasting beneficial changes for this very important facility and services offered to City of West Linn.

Please contact me should you or others have any questions or requirements.

Respectfully,



David Dutra
Vice President & General Manager

ARTICLE 3
TERM OF CONTRACT

3.1 Term of Contract

3.1.1 Effective Date

The effective date of this Contract shall be August 1, 2004 ("effective date").

3.1.2 Term of Contract

The term of this Contract shall be one (1) year, commencing at 12:00 a.m. August 1, 2004, and expiring at midnight July 31, 2005.

3.1.3 Options to Extend Term

City may, upon mutual agreement of the Board and Contractor, extend the Contract term for additional periods of one year each.

3.1.4 Conditions to Effectiveness of Contract

The obligation of City to permit this Contract to become effective and to perform its undertakings provided for in this Contract is subject to the satisfaction of each and all of the conditions set out below, each of which may be waived in whole or in part by City, upon City's expressed written consent. Waivers are limited to those expressed in writing, and are in the sole and exclusive discretion of City.

- a) Accuracy of Representations. Representations and warranties made by Contractor throughout this Contract are accurate, true and correct on and as of the effective date of this Contract.
- b) Absence of Litigation. There is no litigation pending or threatened in any court challenging the award of this Franchise to Contractor or the execution of this Contract or seeking to restrain or enjoin its performance.
- c) Furnishing of Insurance. Contractor has furnished evidence of the insurance required by Article 10.

- d) Effectiveness of City Council Action. City Council action approving this Contract shall have become effective pursuant to Oregon law prior to the effective date.

ARTICLE 6 FEES

6.1 General

The Contractor's Compensation provided for in this Article shall be the full, entire and complete compensation due to the Contractor pursuant to this Contract for all labor, equipment, materials and supplies, taxes, insurance, bonds, overhead, processing, profit and all other things necessary to perform all the services required by this Contract in the manner and at the times prescribed.

The Contractor will perform the responsibilities and duties described in this Contract in consideration of the right to charge and collect from customers for services rendered at Rates fixed by City from time-to-time in accordance with this agreement. The Contractor does not look to City for the payment of any sums under this Contract.

6.2 Gate Fees

Contractor shall collect gate fees from all Persons who use the Facility in accordance with a fee schedule approved by the City. Contractor shall keep complete and accurate records of all fees collected and shall be responsible for the safekeeping of monies and negotiable instruments collected.

The gate fees for the Term are those established by City Resolution No. ___ (a copy of which is attached as Exhibit 3), unless amended in accordance with this Contract. Contractor agrees to permit City of West Linn Departments to deposit/dump yard type debris/brush at no cost to the city. Unless and until the gate fees set forth on Exhibit 3 are adjusted by City, the Contractor will provide the service required by this Contract, charging no more and no less than the gate fees authorized by Exhibit 3 unless authorized to do so by City.

City and Contractor agree that the gate fees set forth on Exhibit 3 have been calculated to generate an amount of revenue necessary to compensate Contractor for its costs (including the City administrative fee) and profit.

6.3 City Administrative Fee

Contractor shall pay a fee of \$500 per month to City as compensation for City's administration of the Facility and other costs incurred by City. Contractor shall remit payment on or before the last day of each calendar month during the term of this Contract. City may increase the fee on thirty (30) days' notice to Contractor to cover additional costs, but any such increase shall be limited to a pass-through of the increased costs.

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