

ADDENDUM TO FRANCHISE AGREEMENT

This Addendum to Franchise Agreement ("Addendum") is made and entered into on August 6, 2014 by CR&R Incorporated ("CR&R") and the City of Lake Forest ("City").

RECITALS

WHEREAS, City and CR&R entered into that certain Franchise Agreement for the Collection, Transportation, Processing and Diversion of Recyclable Materials and Other Materials and for the Collection, Transportation and Disposal of Municipal Solid Waste ("Agreement"); and

WHEREAS, pursuant to Section 12.02 of the Agreement, CR&R requested that the City establish new rates ("Additional Rates") for required services that were not initially included in the Agreement; and

WHEREAS, pursuant to Section 12.02 of the Agreement, the City Council of the City of Lake Forest ("City Council") passed a resolution authorizing the Additional Rates at a special meeting on April 29, 2014 ("Resolution"); and

WHEREAS, City and CR&R wish to supplement Attachment D-2 of the Agreement as set forth in this Addendum.

NOW, THEREFORE, in consideration of the foregoing, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

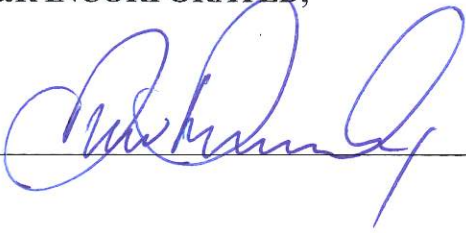
1. Addendum to Agreement. The Additional Rates set forth in Exhibit A, attached hereto and incorporated herein by reference, are added to Attachment D-2 of the Agreement.
2. Acknowledgment by CR&R. CR&R acknowledges that the City Council approved the Additional Rates pursuant to Section 12.02 of the Agreement through the Resolution. CR&R agrees to be bound by the Additional Rates until they are modified again by the City Council. CR&R agrees that through and including July 1, 2018 the Additional Rates will be adjusted for cost-of-living and disposal cost changes in the same manner as the other rates under the Agreement as permitted under the Resolution.
3. Counterparts. This Addendum may be executed in any number of counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.
4. Entire Contract. This Addendum represents the entire understanding of City and CR&R as to those matters contained in this Addendum, and supersedes and cancels any prior oral or

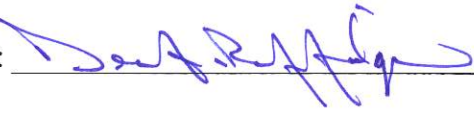
written understanding, promises or representations with respect to those matters covered in this Addendum, and it shall not be amended, altered or changed except by a written agreement signed by City and CR&R. The Agreement, as modified or clarified by this Addendum, shall remain in full force and effect. However, this Addendum supersedes any portion of the Agreement in which there are conflicting provisions.

5. Severability. If any provision of this Addendum shall be held invalid or unenforceable by a court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision of this Addendum unless elimination of such provision materially alters the rights and obligations set forth herein.

IN WITNESS WHEREOF, City and CR&R have executed this Addendum as of the date indicated above.

CR&R INCORPORATED,

By:  _____

By:  _____

CITY OF LAKE FOREST,

By:  _____
Robert C. Dunek, City Manager

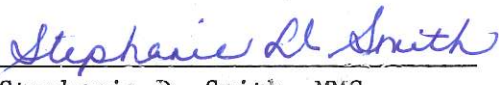
ATTEST:
By:  _____
Stephanie D. Smith, MMC
City Clerk

Exhibit A
Lake Forest Proposed Solid Waste Rates - Addendum

Commercial and Multi-Family

Bins	Number of pick-ups per week					
	1x	2x	3x	4x	5x	6x
Landfill						
2yd compactor	\$155.78	\$311.55	\$467.30	\$623.08	\$778.85	\$934.63
3yd compactor	\$197.28	\$295.90	\$493.18	\$690.45	\$887.73	\$1,094.85
4yd compactor	\$218.08	\$436.15	\$654.23	\$872.30	\$1,090.40	\$1,308.48

Bins	Number of pick-ups per week					
	1x	2x	3x	4x	5x	6x
Recycle (Single Material & Single Stream)						
2yd compactor	\$77.89	\$155.78	\$233.65	\$311.54	\$389.43	\$467.32
3yd compactor	\$98.64	\$147.95	\$246.59	\$345.23	\$443.87	\$547.43
4yd compactor	\$109.04	\$218.08	\$327.12	\$436.15	\$545.20	\$654.24

3yd Split bin	Number of pick-ups per week					
	1x	2x	3x	4x	5x	6x
Recycling discount						
1.5yd trash	\$45.58	\$72.22	\$124.31	\$177.58	\$295.96	\$355.16
1.5 yd recycle	\$22.79	\$36.11	\$62.15	\$88.79	\$147.98	\$177.58
Total Split Bin	\$68.37	\$108.33	\$186.46	\$266.37	\$443.94	\$532.74

Other Services

Extra pickups:	Rate:	Extra pickups:	Rate:
Residential Cart	\$10.00	Commercial Bin	\$55.00
		Commercial Cart	\$30.00
Cart Exchange Fee:		Sunday Service:	
Per cart	\$25.00	Commercial Bin:	\$55.00
Rolloff Service:			
False-run or dry run	\$75.00		