

ADDENDUM B

**TO THE EXCLUSIVE SINGLE FAMILY DWELLING WASTE FRANCHISE
AGREEMENT BETWEEN
THE CITY OF FERNLEY AND WASTE MANAGEMENT, LLC**

This Addendum B to the Exclusive Single Family Dwelling Waste Franchise Agreement between the City of Fernley and Waste Management of Nevada, Inc., ("Agreement") is entered into this 19th day of June, 2013, by and between The City of Fernley ("City"), and Waste Management of Nevada, Inc. a Nevada Corporation ("Waste Management"); also referred to as "The Parties."

**AGREEMENT TO AMEND THE EXCLUSIVE SINGLE FAMILY DWELLING
WASTE FRANCHISE AGREEMENT**

On December 3, 2008, the City of Fernley and Trash Pros entered into an Exclusive Single Family Dwelling Waste Franchise Agreement, thereafter amended and restated on August 5, 2009, which provides the exclusive right to provide service to the residents of Fernley. This right was transferred in Addenda A to Waste Management, dated September 19th 2012 (the First Amended and Restated Exclusive Single Family Dwelling Waste Franchise Agreement and the Addenda A may collectively be referred to as the "Franchise Agreement").

The Exclusive Single Family Dwelling Waste Franchise Agreement contains in relevant part:

Section 2.04: Term. This exclusive franchise shall commence upon the effective date hereof, January 4th, 2009, and continue in full force and effect for a period of ten (10) years. This exclusive franchise shall

CoF Counsel
Management

Mayor

Waste Management

Waste Management Counsel

Waste

automatically extend for two (2) additional five (5) year terms, unless either party notifies the other in writing at least twelve (12) months prior to expiration of the then current term of its Intent not to extend the agreement.

The Parties hereby invoke the provision of the first extension for a definite period of five years. The Franchise Agreement will therefore be in full force and effect and extend until the 3rd day of December 2023, at which point the second extension may be reviewed as noted in the above provisions.

Waste Management and the City further agree to modify the terms of the Franchise Agreement as follows:

Section 3.05

The following sentence shall be deleted in its entirety "Franchisee shall be required to utilize an approved transfer station within a ten mile radius of Fernley City Hall." and replaced with the following:

"Franchisee shall be required to utilize an approved transfer station within the City Limits of Fernley. The City acknowledges that the existing approved Waste Management transfer station is located at 1100 US Highway 95A S, Fernley, Nevada 89408 ("Transfer Station") and is within City limits. The City agrees that It will take no action, and will prevent any action, to allow the annexation of the Transfer Station outside of the City Limits, and if that were to happen, Waste Management is relieved of the obligation to keep a transfer station within City Limits. Waste Management agrees that the Transfer Station shall be open for a minimum of five (5) days per week, including Saturday, as a drop off location for Fernley residents for refuse waste that is acceptable at the Transfer Station. The operational hours of the Transfer Station will be set by Waste Management. Waste Management agrees that there will be a 1 (one) yard minimum charge for disposal at the Transfer Station."

The last two paragraphs of Section 3.05 beginning "Upon approval of this Agreement" and "City agrees to provide timely review" shall be deleted in their entirety.

Section 5.07

The following sentence shall be added to the end of Section 5.07 A.:

"The City of Fernley agrees to process exemption requests for those that apply for the reasons stated on the applicable Application for Exemption from Garbage Service. Waste Management agrees that it will process exemption requests for tenant vacancies and seasonal vacancies."

Section 5.09

The term "25%" in the first sentence is deleted and is replaced with "50%".

The following sentences shall be added to the end of the Section 5.09:

"However, the standard rate will remain subject to adjustment by the Cost of Living Index in accordance with section 5.02 of the Franchise Agreement. Waste Management and the City agree that each party will contribute \$4,000 per year as a "Trash Subsidy" to assist low-income customers in paying their Waste Management bills, to be administered by Lyon County. The "Trash Subsidy" from Waste Management is due to Lyon County by July 30 each year.

The Parties hereby approve and consent to the addendum changes above of the Franchise Agreement. All of the other terms and conditions in the Franchise Agreement that are not modified by this Addendum B, shall remain in full force and effect. .

Each signatory for the Parties below has read the Addenda B, agrees to be bound by said document, and has the authority to bind their respective entity as listed.


CoF Counsel
Management

Mayor

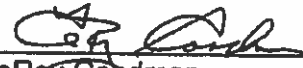
Waste Management

Waste Management Counsel
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DATED 6/28/2013


Waste Management of Nevada, Inc., a
Nevada corporation

DATED: 6/19/2013


LeRoy Goodman
Mayor, City of Fernley

Attest:
DATED: 6/19/2013

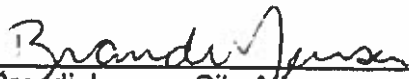

KIM SWANSON
City Clerk, City of Fernley

APPROVED AS TO FORM:

DATED: 7/1/2013


Attorney for Waste Management

DATED: 6/24/13


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Fernley, NV 89408
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Attorney for the City of Fernley