

May 1, 2015

Mr. Louie Pellegrini
Vice President
Alameda County Industries, Inc.
601 Aladdin Avenue
San Leandro, CA 94577

RE: TWELFTH AMENDMENT TO FRANCHISE AGREEMENT

Dear Mr. Pellegrini:

This letter is the Twelfth Amendment (the "Amendment") to the Franchise Agreement for Solid Waste, Recyclables, and Green Waste Services between the City of San Leandro and Alameda County Industries, Inc., dated February 1, 2000 (the "Agreement"). For good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the City of San Leandro and Alameda County Industries, Inc., hereby agree as follows:

1. Effective August 1, 2015, ACI is authorized to implement an 8.49% increase on all rates.
2. The 8.49% rate increase encompasses a 2.05% annual adjustment as provided for in Amendment 10 of the Agreement, a 2.14% increase as provided for in Amendment 11 of the Agreement, and a 4.3% increase as requested under Section 6.4 of the Agreement, entitled Special Rate Review.
3. Except as amended, the Agreement and all of its previously amendments, and unamended terms and provisions shall remain in full force and effect.

Please indicate Alameda County Industries, Inc.'s acceptance of this Amendment by signing and returning to me a copy of the Amendment.

Very truly yours,

Chris Zapata
City Manager

Accepted by Alameda County Industries, Inc.

Louie Pellegrini, Vice President