

SECOND EXTENSION AGREEMENT

This Second Extension Agreement ("Extension") is made and entered into this ____ day of _____, 2012 by and between the City and County of Denver ("City"), a municipal corporation of the State of Colorado, Waste Management of Colorado, Inc. ("Waste Management"), a Colorado corporation, and Recycled Materials Company, Inc. ("RMC") a Colorado corporation (collectively "the Parties")

WHEREAS, the Parties are parties to a Lease and Agreement dated June 16, 2000 *("Lease Agreement") wherein RMC has leased from the City those certain premises ("Premises") located in Arapahoe County, Colorado, consisting of approximately 22 acres, plus or minus, in size and located approximately one (1) mile east of Gun Club Road just south of the Yale Avenue line, all within the E1/2 of Section 31, Township 4 South, Range 65 West of the 6th Principal Meridian; and

WHEREAS, the parties entered into an Extension Agreement dated August 17, 2010, wherein inter alia the term of the Lease Agreement was extended until December 31, 2011; and

WHEREAS, Waste Management has given its consent to the lease of the Premises to RMC; and,

WHEREAS, Waste Management requested proposals for similar recycling services during 2011 and received no proposals; and,

WHEREAS, the parties wish to further extend the term of the Lease Agreement and modify certain specific terms of the Lease Agreement;

NOW THEREFORE the Parties agree as follows:

1. LEASED PREMISES: Section 1 of the Lease Agreement shall be amended to read as follows:

"1. LEASED PREMISES: Subject to the terms of this Lease Agreement, the City agrees to lease, demise, and let unto RMC, and RMC leases from the City, those certain premises ("Premises") located in Arapahoe County, Colorado, consisting of approximately 22 acres, plus or minus, in size and located approximately one (1) mile east of Gun Club Road just south of the Yale Avenue section line, all within the E ½ of Section 31, Township 4 South, Range 65 West of the 6th Principal Meridian, and as further depicted on Exhibit A-1 and A-1a, attached hereto and incorporated herein by this reference. RMC shall have the option to add approximately an additional 15 acres of unoccupied real estate at DADS for construction of additional plants for the rental described in sections 3.a.ii and 3.b.ii below and all other terms of this Lease and Agreement and this Second Extension Agreement shall apply. This land shall be located Adjacent to the RMC Premises as further depicted on Exhibit A-2, attached hereto and incorporated herein ("Additional Leasehold"). RMC shall exercise its option by providing the City and Waste Management a legal description and diagram stating the location and the acreage to be leased within the area depicted on Exhibit A-2. Waste Management gives its consent to the City to lease the Premises to RMC."

2. Term. Section 2 of the Lease Agreement is amended to read as follows:

"2. TERM: The term of this Lease Agreement shall begin as of June 12, 2000 and expire December 31, 2014. The Lease and Agreement may be extended for two additional 3 year periods upon agreement of the Parties and amendment of this lease."

3. RENT AND FEE PAYMENT. Section 3 of the Lease Agreement shall be amended to read as follows:

"3. RENT AND FEE PAYMENT. RMC shall pay "Rent" in two components: "Base Rent" and "Production Site Rental".

a. Base Rent.

- i. Base Rent for the Premises shall be Two Thousand Six Hundred Dollars (\$2,600.00) per month paid in advance beginning on January 1, 2012. On January 1, 2013 and annually thereafter the Base Rent shall increase by 2.5%. This Base Rent applies to the original 22 acre site set forth in the Lease and Agreement.
- ii. Base Rent for the Additional Leasehold interests shall be Two Thousand Five Hundred Dollars (\$2,500) per plant constructed on the acreage, which shall increase by 2.5% on January 1 of each year.

b. Production Site Rental.

- i. Production Site Rental on the Premises shall be paid monthly, in arrears, based

1) on the quantity of the following-products sold on the Premises during the previous month:

| | |
|----------------------|---------------|
| Bituminous Pavement | \$0.75/ton |
| Ready Mixed Concrete | \$0.70/cy; OR |

2) On materials for recycling (rubble) entering the gate (prior to processing/recycling) at the Denver Arapahoe Disposal Site during the previous month for the following:

| | |
|---------------------------|---|
| CONCRETE | 5% OF INCOMING DISPOSAL AND ENVIRONMENTAL FEES AS CHARGED PER RMC GATE RATE |
| CONCRETE CONTAINING REBAR | |
| ASPHALT | |

If a new plant is constructed on the Premises; i.e. the original 22 acres, the Production Site Rental rates will be subject to negotiation and written agreement signed by the Manager of Environmental Health.

- ii. Production Site Rental for plants constructed on the Additional Leasehold shall be as mutually agreed upon in writing approved by the Manager of Environmental Health at the time of construction of any additional plant.
- c. The Rent shall be apportioned to the City and Waste Management as follows:
 - i. For the first \$80,000 of Rent to be paid in a year, RMC shall pay as rent to Denver fifty percent (50%) and as a user fee to Waste Management fifty percent (50%) of the Rent.
 - ii. For Rent in excess of \$80,000 in a year, RMC shall pay as rent to Denver sixty percent (60%) and as a user fee to Waste Management forty percent (40%) of the Rent.
- d. All past due installments shall bear interest at a rate of 12% per annum compounded annually until paid."
- e. If this agreement is terminated pursuant to Sections 14, 15, 16 (a) or 17 (a) and (b), then the Production Site Rental shall be based on the greater of the amount of product sold or the amount produced for the month in which the termination occurs and for each month thereafter that RMC continues to occupy the Premises. Costs of construction, installation and maintenance of infrastructure shall be calculated quarterly, in arrears, and deducted from the next quarter's Production Site Rental. RMC shall pay the Rent to City and Waste Management by a check to each due no later than the tenth day of the month.

4. REPAIRS. Section 6 of the Lease Agreement shall be amended to read as follows:

6. "REPAIRS:

(a) **By City and Waste Management:** Neither the City nor Waste Management shall be required to make any improvements to or repairs of any kind or character on the Premises during the term of this Lease and Agreement.

(b) **By RMC:** RMC shall be entitled to make the alterations in and additions to the Premises described in Section 4 and shall be entitled to make any necessary repairs to such alterations and additions during the term of this Lease and Agreement. RMC shall make no other alterations in, additions to, or repairs to the Premises without first obtaining the written consent of the City and Waste Management, which consent shall not be unreasonably withheld. RMC shall indemnify and hold the City and Waste Management harmless against any liability, loss, damage, costs or expenses, including attorneys fees, on account of any claims of any nature whatsoever, including but not

limited to, claims of liens by laborers, material suppliers, or others, arising from work performed for, or materials or supplies furnished to RMC or persons claiming under RMC.

(c) Any repairs to the electrical supply system shall be shared equally by Waste Management and RMC.”

5. **ELECTRONIC SIGNATURES AND ELECTRONIC RECORDS:** Waste Management and RMC consent to the use of electronic signatures by the City. The Lease Agreement, and any other documents requiring a signature hereunder, may be signed electronically by the City in the manner specified by the City. The Parties agree not to deny the legal effect or enforceability of the Lease Agreement solely because it is in electronic form or because an electronic record was used in its formation. The Parties agree not to object to the admissibility of the Agreement in the form of an electronic record, or a paper copy of an electronic document, or a paper copy of a document bearing an electronic signature, on the ground that it is an electronic record or electronic signature or that it is not in its original form or is not an original.

6. All other terms and conditions contained in the Lease Agreement shall remain in full force and effect through out the extended term of the Lease Agreement.

7. Counterparts. This Extension Agreement shall be executed in three (3) counterparts, each of which shall be deemed to be an original, and all of which, taken together, shall constitute one and the same instrument.

Contract Control Number: ENVHL-RC0Y007-02

Contractor Name: WASTE MANAGEMENT
OF COLORADO, INC.

By: _____

Name: Scott A. Bradley
(please print)

Title: V.P.
(please print)

ATTEST: [if required]

By: _____

Name: W.A. Jeffrey
(please print)

Title: Asst. Secretary
(please print)



Contract Control Number: ENVHL-RC0Y007-02

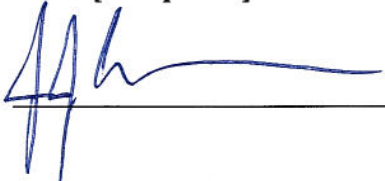
Contractor Name: RECYCLED MATERIALS COMPANY, INC.

By: 

Name: JASON L. BUSSENT
(please print)

Title: PRESIDENT
(please print)

ATTEST: [if required]

By: 

Name: JOHN J. ANDERSON
(please print)

Title: R.C. MANAGER
(please print)



Contract Control Number:

By: _____

Name: _____
(please print)

Title: _____
(please print)

ATTEST: [if required]

By: _____

Name: _____
(please print)

Title: _____
(please print)



Contract Control Number:

IN WITNESS WHEREOF, the parties have set their hands and affixed their seals at
Denver, Colorado as of

SEAL

CITY AND COUNTY OF DENVER

ATTEST:

By_____

APPROVED AS TO FORM:

REGISTERED AND COUNTERSIGNED:

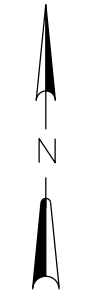
By_____

By_____

By_____



DRAWING FILE: \$FILE\$
PLOT DATE: 7/10/2012 \$TIMES\$



THIS DOCUMENT AND THE INFORMATION CONTAINED HEREIN IS THE PROPERTY OF WASTE MANAGEMENT ("WM"). THIS DOCUMENT IS, AND CONTAINS, CONFIDENTIAL AND TRADE SECRET INFORMATION OF WM. REPRODUCTION, DISCLOSURE OR USE THEREOF IS PERMISSIBLE ONLY AS PROVIDED BY CONTRACTOR OR AS EXPRESSLY AUTHORIZED IN WRITING BY WM. THIS DOCUMENT IS LOANED FOR LIMITED PURPOSES ONLY, AND REMAINS THE PROPERTY OF WM. IT IS TO BE RETURNED UPON REQUEST AND IN ALL EVENTS UPON COMPLETION OF THE PURPOSE OF THE LOAN.

| Revisions | | | |
|-----------|-------------|------|----|
| No. | Description | Date | By |
| | | | |
| | | | |

| | |
|--------------|-----|
| Approved By: | |
| Checked By: | DLH |
| Drawn By: | DLH |

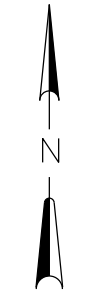
| |
|-------------------------------|
| Project Location: |
| Denver Arapahoe Disposal Site |
| Aurora, Colorado |

| | | |
|-------------------|-----------|---------------|
| Facility Location | | |
| Scale: | As Shown | Sheet Number: |
| Date: | JUNE 2012 | 1 |

| | | |
|---|-----------|------------------------|
| File Name: Co06 Compost Location 20120615.dgn | | |
| Scale: | As Shown | Sheet Number: 1 |
| Date: | JUNE 2012 | |



DRAWING FILE: \$FILES\$
PLOT DATE: 7/26/2012 1:51 PM



THIS DOCUMENT AND THE INFORMATION CONTAINED HEREIN IS THE PROPERTY OF WASTE MANAGEMENT ("WM"). THIS DOCUMENT IS, AND CONTAINS, CONFIDENTIAL AND TRADE SECRET INFORMATION OF WM. REPRODUCTION, DISCLOSURE OR USE THEREOF IS PERMISSIBLE ONLY AS PROVIDED BY CONTRACTOR OR AS EXPRESSLY AUTHORIZED IN WRITING BY WM. THIS DOCUMENT IS LOANED FOR LIMITED PURPOSES ONLY, AND REMAINS THE PROPERTY OF WM. IT IS TO BE RETURNED UPON REQUEST AND IN ALL EVENTS UPON COMPLETION OF THE PURPOSE OF THE LOAN.

| Revisions | | | |
|-----------|-------------|------|----|
| No. | Description | Date | By |
| | | | |
| | | | |

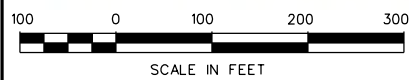
| | |
|--------------|-----|
| Approved By: | JTC |
| Checked By: | DLH |
| Drawn By: | DLH |

| | |
|-------------------|---|
| Project Location: | Denver Arapahoe Disposal Site Aurora, Colorado |
|-------------------|---|

| | | |
|---|--------------------------------|---------------|
| RMC, INC. AGGREGATE RECYCLING FACILITY | | |
| File Name: | Co06 RMC Location 20120710.dgn | Sheet Number: |
| Scale: | As Shown | 1 |
| Date: | JUNE 2012 | |



DRAWING FILE: \$FILES\$
PLOT DATE: 7/11/2012 \$TIMES\$



THIS DOCUMENT AND THE INFORMATION CONTAINED HEREIN IS THE PROPERTY OF WASTE MANAGEMENT ("WM"). THIS DOCUMENT IS, AND CONTAINS, CONFIDENTIAL AND TRADE SECRET INFORMATION OF WM. REPRODUCTION, DISCLOSURE OR USE THEREOF IS PERMISSIBLE ONLY AS PROVIDED BY CONTRACTOR OR AS EXPRESSLY AUTHORIZED IN WRITING BY WM. THIS DOCUMENT IS LOANED FOR LIMITED PURPOSES ONLY, AND REMAINS THE PROPERTY OF WM. IT IS TO BE RETURNED UPON REQUEST AND IN ALL EVENTS UPON COMPLETION OF THE PURPOSE OF THE LOAN.

| Revisions | | | |
|-----------|-------------|------|----|
| No. | Description | Date | By |
| | | | |
| | | | |

| | |
|--------------|-----|
| Approved By: | |
| Checked By: | DLH |
| Drawn By: | DLH |

Project Location:
Denver Arapahoe Disposal Site
Aurora, Colorado

**RMC, INC. AGGREGATE
RECYCLING FACILITY**

| | | |
|---|-----------|---------------|
| File Name: Co06 RMC Location 20120710.dgn | | |
| Scale: | As Shown | Sheet Number: |
| Date: | JUNE 2012 | 1 |

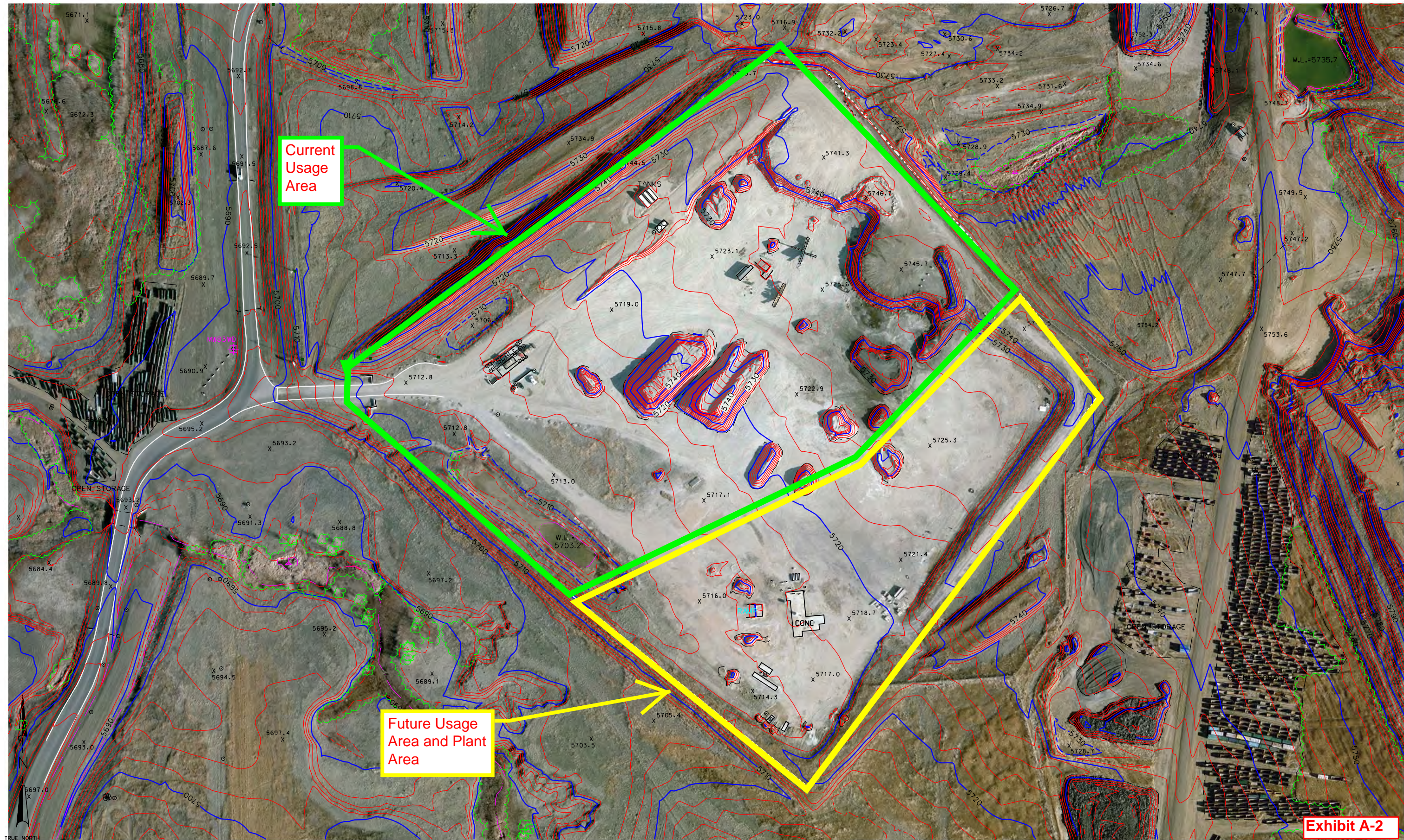


Exhibit A-2