FIRST AMENDMENT TO MEMORANDUM OF UNDERSTANDING

as of December ______, 2006 is by and between the City of Jonesboro, Arkansas ("City") and the Craighead County Solid Waste Disposal Authority ("CCSWDA").

WHEREAS, City and CCSWDA entered into a Memorandum of Understanding dated April __, 2005 ("MOU") pursuant to which the parties stated certain agreements and understandings relating to the management and disposal of City's solid waste; and

WHEREAS, the MOU provides that CCSWDA shall transport City's Class 1 waste stream from the Transfer Station to CCSWDA's landfill; and

WHEREAS, the MOU further provides that CCSWDA shall provide hauling services, at no cost, from the Transfer Station to CCSWDA's Landfill for as long as City elects to use the Transfer Station to service its Class 1 waste stream; and

WHEREAS, City has decided to abandon its intentions to operate the Transfer Station for Class 1 waste management; and

WHEREAS, City and CCSWDA desire to execute this Amendment to modify the parties rights and obligations with respect to the management of the Transfer Station and the performance of related services.

NOW, THEREFORE, in consideration of the mutual promises contained in this Amendment, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereby agree as follows:

1. <u>Amended Paragraph 4</u>. As of the Effective Date, paragraph 4 of the MOU shall be amended and replaced in its entirety by the following provision:

Upon completion of the Improvements, CCSWDA shall cease operating the Transfer Station and shall take all actions necessary to finally close the Transfer Station in compliance with all applicable laws, regulations, rules, and orders.

- 2. Amended Paragraph 5. As of the Effective Date, paragraph 5 of the MOU shall be stricken from the MOU in its entirety and shall not be binding on or between the parties. The parties hereby forever waive and release one another from any and all obligations and responsibilities set forth in paragraph 5 of the MOU and those obligations shall be void.
- 3. <u>Effect on Agreement</u>. Except as modified by this Amendment, all terms of the MOU shall remain in full force and effect. All capitalized terms contained herein shall have the same meaning assigned such terms in the MOU unless otherwise stated herein.

4. <u>Conflicting Terms</u>. In the event of a conflict between the Amendment and the MOU, the terms of this Amendment shall control.

IN WITNESS WHEREOF, the parties hereto have executed this First Addendum to Memorandum of Agreement as of the day and year first written above.

CITY OF JONESBORO, ARKANSAS

CRAIGHEAD COUNTY SOLID WASTE DISPOSAL AUTHORITY

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L.M. Duncan, Chairman

Kevan Inboden, Vice-Chairman

ATTEST: