

RESOLUTION NO. 2000 - 181

A RESOLUTION OF THE BOARD OF COUNTY COMMISSIONERS OF ST. JOHNS COUNTY, FLORIDA, AUTHORIZING A CONTRACT WITH REPUBLIC SERVICES OF FLORIDA LIMITED PARTNERSHIP, PROVIDING FOR THE ESTABLISHMENT OF A RATE PER TON TO BE PAID TO THE COUNTY FOR A SPECIFIC SOLID WASTE STREAM TO BE PROCESSED THROUGH THE COUNTY'S TILLMAN RIDGE TRANSFER STATION; PROVIDING AN EFFECTIVE DATE.

WHEREAS, Republic Services of Florida Limited Partnership, a Delaware limited partnership and successor by merger to Seaboard Waste Systems, Inc.(hereafter Seaboard) currently operates the St. Johns County Tillman Ridge Solid Waste Transfer Station pursuant to the Transfer Station and Solid Waste Removal Contract dated August 28, 1998; and

WHEREAS, the County and Seaboard have received a proposal from Waste Management, Inc. of Florida for the disposal of non-hazardous municipal solid waste generated by commercial customers in Putnam County, Florida at the Transfer Station, and

WHEREAS, the County staff has determined that the Transfer Station has excess capacity and can receive this specific out of County solid waste stream without any adverse impact to the operation of the Transfer Station; and

WHEREAS, County staff has recommended that the tipping fee on this specific solid waste stream be \$47.00 per ton; and

WHEREAS, Seaboard requires \$43.00 per ton as compensation for the operation, transportation and disposal of this specific solid waste stream; and

WHEREAS, \$4.00 per ton will be retained by the County and used within the Solid Waste Enterprise Fund, and

WHEREAS, Seaboard will transport this specific solid waste stream to the Broadhurst Landfill in Jessup, Georgia.

NOW THEREFORE, BE IT RESOLVED by the Board of County Commissioners of St. Johns County, Florida that:

Section 1. The County Administrator is authorized to execute a contract with Republic Services of Florida Limited Partnership as attached hereto.

Section 2. This contract shall become effective on the date of its execution by the County and Seaboard.

PASSED AND ADOPTED this 28th day of November 2000 by the Board of County Commissioners of St. Johns County, Florida.

**BOARD OF COUNTY COMMISSIONERS
OF ST. JOHNS COUNTY, FLORIDA**

BY: Mary F. Kohnke
Mary F. Kohnke, Chair

ATTEST: Cheryl Strickland, Clerk

BY: Patricia Alex Grande
Deputy Clerk



AGREEMENT FOR PROCESSING & DISPOSAL OF OUT OF COUNTY SOLID WASTE

This Agreement for Processing and Disposal of Out of County Solid Waste (Agreement) is made and entered into this ___ day of _____, 2000, by and between this Board of County Commissioners of St. Johns County, a political subdivision of the State of Florida (hereinafter County) and Republic Services of Florida Limited Partnership, a Delaware limited partnership and successor by merger to Seaboard Waste Systems, Inc. (hereinafter Seaboard).

RECITALS

Whereas, the County and Seaboard entered into the Transfer Station and Solid Waste Removal Contract on August 28, 1998 (hereinafter the Transfer Station Contract attached hereto as Exhibit "A") for the operation of the County's Tillman Ridge Solid Waste Transfer Station (Transfer Station) by Seaboard, and

Whereas, Seaboard has received a proposed contract from "Waste Management Inc. of Florida" (attached hereto as Exhibit "B") for the delivery to the Transfer Station of non-hazardous municipal solid waste generated by commercial customers in Putnam County, Florida as authorized by Section 3.19 of the Transfer Station Contract and approval by the St. Johns County Board of County Commissioners, and

Whereas, the County and Seaboard desire to enter into an agreement for the use of the Transfer Station to receive and process this specific out of County solid waste stream generated in Putnam County, and

Whereas, the County and Seaboard have agreed to the terms and conditions for the receipt, processing, transportation and disposal of the out of County solid waste.

Now therefore, in consideration of the foregoing premises which are made part of this Agreement, and the mutual covenants, terms and conditions contained herein, and for other good and valuable considerations, the receipt of which is hereby acknowledged, the parties hereto, each intending to be legally bound, agree as follows:

Article 1- Scope of this Agreement:

This Agreement shall authorize Seaboard to receive at the Transfer Station non-hazardous commercial solid waste generated in Putnam County, Florida and delivered to the Transfer Station by Waste Management Inc. of Florida (Waste Management) pursuant to a separate agreement between Seaboard and Waste Management such solid waste shall be limited to that processed pursuant to that contract (Exhibit B) between the Transfer Station Contractor and Waste Management, Inc.

Article 2 - Duration of the Agreement

This agreement shall become effective and shall commence on the date hereof, and shall continue in effect for two (2) years. This Agreement may be extended or renewed for successive one (1) year periods by the mutual consent of the County and Seaboard not less than 90 days prior to the expiration of the Agreement.

Article 3 - Processing, Transportation and Disposal

Seaboard shall be solely responsible for the processing of the out of County solid waste and the transportation and disposal of such waste. This Agreement shall not relieve Seaboard of its primary responsibility to St. Johns County as pursuant to the Transfer Station Contract.

- A) Seaboard will process the out of County solid waste in the same manner and efficiency as described in the Transfer Station Contract and the State of Florida Department of Environmental Protection permit to operate the Transfer Station. This Out of County solid waste will be reasonably segregated from the St. Johns County waste stream to the extent practicable.
- B) Seaboard will be responsible for the transportation of the Out of County solid waste to the disposal facility. In coming and out going records of the weights of this solid waste stream, prepared by the St. Johns County scale facility, will be utilized as the basis for invoicing Waste Management by Seaboard.
- C) To the extent that is reasonably practicable, Seaboard shall transport all out of County solid waste to its Broadhurst Landfill located in Wayne County, Georgia for disposal. Notwithstanding the above, the total tons of solid waste that Seaboard delivers to the Broadhurst Landfill each month for disposal shall be no less than the total tons of the out of County solid waste that is delivered to the County Transfer Station each month as determined by the County's weigh scales, recognizing that a certain amount of mixing of County and out of County solid waste may occur on the tipping floor of the County Transfer Station during normal operations.

Article 4 - Responsibilities of the County

The County shall be responsible to supply the required scale house personnel, facilities and equipment to measure and differentiate the weight amounts of “Out of County Waste” from “In County Waste” delivered by Waste Management to the Transfer Station on a daily basis. On a daily basis, the County will prepare a computer print out of the daily transactions of deliveries of Out of County solid waste. This document will be available to Seaboard for each day of operations. The County will bill Seaboard the cost per ton established for the right to process Out of County waste through the County Transfer Station on a monthly basis based on the accumulative daily computer print out records of tons of solid waste accepted from Putnam County.

Article 5 - St. Johns County Management Rights

The County solid waste staff will have the right to inspect the processing operation, loading of transportation vehicle and periodically contact the disposal facility to determine if the Transfer Station Contract or this agreement is being adhered to. Any notification of violations will be responded to as prescribed in the Transfer Station Contract.

Article 6 - Compensation

The charge to Waste Management for out of County solid waste delivered to the County Transfer Station pursuant to this Agreement shall be at \$47.00 per ton. Each load of out of County solid waste will be weighed on the County weight scale. A printed computer ticket will be produced in a three- (3) copy format. The driver of the vehicle shall receive one (1) copy, one (1) copy is retained by the County and one (1) copy will be provided to Seaboard.

The compensation to Seaboard to process out of County solid waste, with transportation of such solid waste to the Broadhurst Landfill in Jesup, Georgia for disposal shall be \$43.00 per ton.

The remaining \$4.00 per ton shall be retained by the County for the depreciation of the transfer station facility, infrastructure improvements, operation of the weigh station and personnel and other County solid waste department activities.

The \$4.00 per ton retained by the County will be administered on a monthly basis and will remain within the solid waste enterprise funding system.

Article 7 – C.P.I. or Rate Increase

Article 8 - Indemnity and Insurance

Indemnification and Insurance as defined in Article 1, Subset 1.3, 1.2, Indemnification, 1.5.4.3., Commercial General Liability Insurance 1.5.4.5., Umbrella Liability Insurance and 1.5.4.6., Environmental Impairment Liability Insurance shall be submitted in writing to the County in which will afford St. Johns County the same protection within the scope of this agreement as established in the Transfer Station and Solid Waste Removal Contract.

Article 9 – Termination

This agreement may be terminated without cause by either party. No termination may be effected unless the other party is given: 1) at least thirty (30) calendar days written notice delivered by certified mail, return receipt requested, and 2) an opportunity for consultation with the other party prior to termination.

Article 10 - Governing Law

Shall be that of the State of Florida. Venue for resolving any dispute regarding this contract shall be in St. Johns County, Florida.

Article 11 - Audit: Access to Records

The County agrees to provide Seaboard access during the term of this Agreement and for three (3) years after termination of this Agreement to all documents and records related to any transactions conducted pursuant to this Agreement.

Republic Services of Florida
Limited Partnership, Inc.

County Administrator
St. Johns County

Exhibit "A"
Draft 8/10/98

**TRANSFER STATION
AND SOLID WASTE REMOVAL CONTRACT**

SEABOARD WASTE SYSTEMS, INC.

ST. JOHNS COUNTY

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new date
7/30/98

TRANSFER STATION AND SOLID WASTE REMOVAL CONTRACT

Seaboard Waste Systems, Inc., a Florida corporation (hereinafter, the "Contractor") and the Board of County Commissioners of St. Johns County, Florida (hereinafter, the "Board") in consideration of the mutual promises, covenants, agreements and conditions contained herein, hereby agree, covenant and contract as of August 28, 1998, as follows:

ARTICLE I

GENERAL PROVISIONS

1.0 DEFINITIONS. Definitions for capitalized terms are contained in Exhibit "A."

1.1 TERM

The Term of this Contract shall be for seven (7) years from the Effective Date. Thereafter, this Contract may be renewed in the following manner, at the option of the Board, for additional Terms of five (5) years each.

At the end of any Term, the Board shall have the right, in its sole discretion, to renew, renegotiate, or terminate this Contract. The Board shall provide at least six (6) months Notice to the Contractor if its intention to renew, renegotiate, or terminate this Contract prior to the expiration of the initial Term, or any renewal Term.

1.2 TERMINATION AND SPECIAL CONDITIONS

1.2.1 For Cause

Except as otherwise provided herein, if either party commits a default (the "defaulting party") and continues or fails to cure such default for or during five (5) Days after the other party has given the defaulting party Notice of such default, the other party may, at its option, (i) terminate this Contract as of any date; (ii) cure the default at the expense of the defaulting party; and/or (iii) have recourse to any other right or remedy to which it may be entitled at law or in equity. The non-defaulting party's selection of any remedy specified herein shall not be construed as a waiver of any of the other specified options or any other rights at law or in equity related to the defaulting party's default.

If a default does not endanger the health, safety, or welfare of the County or its citizens, and in the exercise of due diligence a cure cannot reasonably be effected during the aforesaid five (5) day period, but can be cured within a reasonable time thereafter, such five (5) day period shall be extended for such reasonable time to allow the cure of the default during the extended cure period.

In the event either party waives a default by the other party, such waiver shall not be construed or determined to be a continuing waiver of the same or any subsequent default.

Each of the following shall constitute default:

1.2.1.1 Failure or Refusal of a Party to Comply with any Term or Terms of the Contract ("failure or refusal"), resulting in default

The persistent, repeated, or substantial failure or refusal by either party to substantially fulfill any of its material obligations in accordance with this Contract, unless excused or justified by a Force Majeure event, default by the other party, or other legally recognized cause customarily justifying or excusing non-performance; provided, however, that failure or refusal shall not constitute a default unless and until the failing or refusing party has been given Notice by the other party that a failure or refusal is deemed to exist, which will, unless corrected within five (5) days, constitute a default on the part of the failing or refusing party.

The events by which the Contractor shall be deemed to have failed or refused to fulfill a material obligation of this Contract shall include, but not be limited to:

- (i) Failing or refusing to begin work on the Commencement Date;
- (ii) Failing or refusing to continuously, timely and adequately perform the work and duties required by this Contract;
- (iii) Willful or negligent failure to comply with any Applicable Laws or the Permit;
- (iv) Breaching any material warranty or making any representation in this Contract that is materially untrue;
- (v) Failing to timely pay, when due, any sums owed to a Subcontractor for service(s) or material(s) provided pursuant to this Contract; or
- (vi) Failing to timely perform the work to satisfy the requirements established in this Contract.

1.2.1.2 Voluntary Bankruptcy

Written admission by a party that it is bankrupt; or filing by a party of a voluntary petition under the Federal Bankruptcy Act; or consent by a party to the court appointment of a receiver or trustee for all or a substantial portion of its property or business; or the making of any arrangement by a party with, or for the benefit of, its creditors or assigning to a trustee, receiver, or similar functionary (regardless of how designated) for the distribution or transfer of all or a substantial portion of a party's property or business; or by becoming insolvent.

1.2.1.3 Involuntary Bankruptcy

Final adjudication of a party as bankrupt under the Federal Bankruptcy Act.

Section 1.2.1. (continued). If this Contract is terminated pursuant to this Section 1.2.1., the Board may at its option buy, or lease, at fair market value, all or some of the On-site equipment, Transfer Tractors, and Transfer Trailers that are owned by the Contractor and used to perform this Contract. The fair market value for purchase or lease of the equipment shall be the average value that is established by the appraisals of three (3) qualified, independent appraisers. One appraiser shall be selected by the Board, a second appraiser shall be selected by the Contractor, and a third appraiser shall be selected by the first two appraisers. The Board and the Contractor shall each pay one-half the cost of the appraisals.

The appraisals shall be completed and the fair market value of the equipment shall be determined as soon as practical after the Notice of termination is received by the Contractor. If the Board exercises its option as stated above, the Board shall pay the Contractor for the purchase or lease of the equipment, and in the case of purchase, the Contractor shall provide the Board with clear and unencumbered title to the equipment, no later than 3 (three) Days after the appraisals are complete, and the Board's option to buy is provided to the Contractor by Notice. If the Board exercises a lease option, the lease shall be negotiated between the parties as soon as practical, and without undue delay. A lease term may run to the length the existing Term, at the Board's option.

1.2.2 Force Majeure

1.2.2.1 Obligations Excused

Notwithstanding any other provision in this Contract, neither the County nor the Contractor shall be liable to the other for that portion of any failure or delay in performance of any obligation under this Contract that is directly due to the occurrence of a Force Majeure event. As a condition precedent to such excuse from liability, the party experiencing a Force Majeure event shall:

- (a) Promptly notify the other party verbally; and

(b) As soon as practical, but in no event more than ten (10) Days thereafter, prepare and deliver to the other party a Notice with a written description of (1) the commencement of the Force Majeure event, (2) its estimated duration and cost impact, if any, on the party's obligations under this Contract, and (3) its estimated impact (other than cost), if any, on the party's obligations under this Contract; and,

(c) Perform the Continuing Obligations set forth in Section 1.2.2.2.

1.2.2.2 Continuing Obligations

Whenever a Force Majeure event shall occur, any party claiming any protection set forth in Section 1.2.2.1 shall, as quickly as possible, to the extent reasonable, eliminate the effect therefor, reduce the costs thereof, and resume full performance under this Contract.

The party claiming a Force Majeure event shall affirmatively prove to the other party the occurrence of the Force Majeure event and all resulting impacts, if any, to the performance of this Contract.

The parties recognize that nothing in this Section 1.2.2 and its subsections shall in any way limit any duty of each party, as otherwise specified within this Contract, to comply with all Applicable Laws and Permit provisions.

Although strikes, slowdowns, walk-outs, block-outs, industrial disturbances, or other labor disputes are not Force Majeure events, if such events occur, the Contractor or the County shall take all reasonable steps to continue their respective normal operations. Among such steps which may be required are the transfer of Contractor personnel from any other locations to the Transfer Station, hiring of additional short-term employees, and the Contractor contracting with other entities to provide the necessary equipment or labor required to perform the Contractor's responsibilities under this Contract.

1.2.3 Environmental Audit after Force Majeure or Termination

At the request of either party, the County and Contractor shall conduct a post Force Majeure or post-termination environmental audit of the Transfer Station and Site which shall commence within fourteen (14) Days after the Force Majeure or the termination of this Contract. The environmental audit shall be used, in conjunction with an environmental audit that shall be performed by the County before the Commencement Date, to determine whether the Contractor's activities have caused Pollution of the soil, groundwater or surface water at the Transfer Station or Site. The County shall furnish to the Contractor the results of the pre-Commencement Date audit. The environmental audit also will determine whether the Transfer Station and the Site are in compliance with the requirements of the Permits, Applicable Laws, and this Contract. The precise scope of work for the environmental audit shall be established upon mutual agreement of the parties. The cost of the environmental audit shall be shared equally by the County and the Contractor. This

section shall survive the termination of this Contract.

1.2.4 Interim Operations

In the event that this Contract is terminated for cause before the end of any Term, the Contractor shall continue operations for an interim period of up to one hundred twenty (120) Days if requested to do so by the County in order to allow the County to obtain the services of a successor contractor or to make arrangements to undertake operation of the Transfer Station and the disposal of Solid Waste with its own forces. The Contractor shall be paid for its services during said interim period at the rates in effect prior to issuance of the Notice of termination. This section shall survive the termination of this Contract.

1.2.5 Vacating the Transfer Station and Site

Upon vacating the Transfer Station and Site, the Contractor shall leave all structures, utilities, and improvements in good condition. The Contractor shall properly dispose of any accumulations of waste materials, rubbish, and other debris resulting from the Contractor's activities. The Contractor shall remove Contractor's tools, equipment, machinery, and surplus materials from the Transfer Station and Site, and shall leave the Transfer Station and Site clean. The Contractor shall restore to original condition (ordinary wear and tear excepted) any portions of the Transfer Station or Site that were altered or changed by the Contractor without the County's approval, unless otherwise directed by the County.

1.2.6 Termination Before the Commencement Date

If the Board terminates this Contract prior to one hundred twenty (120) Days before the Commencement Date, this Contract shall be deemed void ab initio. Under such circumstances, the Contractor shall not be entitled to and shall not recover any damages or costs from the County for any claims based on or resulting from the termination of this Contract, including but not limited to damages for lost profits or anticipated profits. The above sentence notwithstanding, any reasonable expenditures or commitments made by the Contractor in reliance on the existence of this Contract shall be equitably compensated by the County.

1.2.7 Termination Due to Increased Costs

At anytime during any Term of this Contract, the Board may at its option terminate this Contract if the Board determines that an event beyond the parties' control occurs that, while not reaching the level of a Force Majeure event, escalates price and costs to such level that the Board reasonably determines same to be excessive or not cost efficient to the County. Under such circumstances, the County shall give Notice of early termination at least six (6) months before the termination of the Contractor's services. As a prerequisite to exercising its option to terminate, the Board shall enter into good faith negotiations with the Contractor to determine if any reasonably cost effective method of operating under this Contract may exist. If such reasonably cost effective method

is determined to exist, the parties shall adopt such method and continue under this Contract.

Upon termination of this Contract pursuant to this Section 1.2.7, the County shall: (a) assume all of the obligations under this Contract; and (b) pay the Contractor, not later than sixty (60) Days after termination, for the services provided by the Contractor prior to the termination.

1.3 DAMAGES, INDEMNIFICATION, AND DEDUCTIONS

1.3.1 Liability, Indemnification, and Contribution

The provisions of this Section 1.3 shall survive the termination of this Contract.

1.3.1.1 Liability

The Contractor shall be liable for those injuries or conditions that are caused by or result from the Contractor's failure to operate the Transfer Station, or transport or dispose of Acceptable Waste, or appropriately handle any other type of waste in accordance with the terms of this Contract. The Contractor shall not be liable for those injuries or conditions that are caused solely by or result from the County's negligent activities at the Transfer Station or Site. To the extent that the County and Contractor are joint tortfeasors, losses shall be apportioned in the manner described in Section 1.3.1.3, below.

1.3.1.2 Indemnification

The Contractor shall protect, defend, hold harmless and indemnify the County (including its elected officials, agents, representatives and employees) from and against any and all claims, damages, demands, liabilities, losses, delays, fines, penalties, settlements, injuries and expenses of any kind or nature, including court costs and reasonable attorney's fees (including costs and fees for appeals, mediations, arbitrations, and administrative proceedings), (collectively "claims") which in any way arise out of, result from or relate to the Contractor's failure to operate the Transfer Station, or failure to haul or dispose of Acceptable Waste, or appropriately handle any other type of waste in accordance with the terms of this Contract and Applicable Laws, provided that any such claim is (a) attributable to bodily injury, sickness, disease, or death, or injury to or destruction of tangible personal property or natural resources, including the loss of use resulting therefrom, or Pollution, or actual or alleged violations of Applicable Laws, and (b) is caused by an act, omission, or negligence of the Contractor, any Subcontractor, anyone employed by any of them, or anyone for which acts any of them may be liable. The Contractor's obligations shall not be limited by, or in any way to, any insurance coverage, including but not limited to benefits payable under any Workers' Compensation acts, disability benefit acts, or other employee benefit acts, or by any provision in or exclusion or omission from any policy of insurance. The Contractor shall investigate, handle, respond to, provide a defense for and defend against any such claim at the Contractor's sole cost and expense, and shall bear any and all other costs and expenses related thereto, even if the claims are groundless, false or fraudulent.

If the County is entitled to be indemnified and defended by the Contractor in the manner described above and the Contractor fails to promptly assume and pay for the defense of any such claim, then the County may contest or settle any such claim and the Contractor shall pay any and all sums expended by the County in contesting or settling such claim (including costs, expenses, and attorney's fees). Any attorney or law firm hired by the Contractor to defend or represent the County with regard to any claim must first be approved in writing by the County. If the County and the Contractor are defendants with regard to any claim and it is determined by the County that there are or may be legal defenses available to the County which are different from or in addition to those defenses available to the Contractor, or if it is determined by the County that the County has or may have a claim against the Contractor, then the County shall have the right to select separate counsel to represent the County and to assert the County's legal defenses and claims against the Contractor. In such cases (except as pertaining to legal defenses and claims against the Contractor), the Contractor shall promptly pay all costs and expenses for the County's defense or claim, when and as such costs and expenses become due and payable.

1.3.1.3 Contribution

In the event of joint negligence on the part of the County and the Contractor, any loss shall be apportioned in accordance with the provisions of Section 768.31, Florida Statutes, the Uniform Contribution Among Tortfeasors Act, as it exists on the Effective Date, subject to the recovery limits set forth in Section 768.28, Florida Statutes, in effect on the Effective Date.

1.3.2 Parent Corporation Guarantee

If the Contractor fails or refuses to satisfy the requirements of Section 1.3.1.2 with regard to any claims listed in that section, then the Contractor's parent corporation (Republic Services, Inc.) shall satisfy the Contractor's obligations under Section 1.3.1.2, in accordance with the executed guarantee that is attached hereto as Exhibit "F."

1.3.3 Damages

Except where otherwise specifically provided, the measure of damages to be paid by the Contractor to the County or by the County to the Contractor, due to any failure by either the Contractor or the County to meet any of its obligations under this Contract shall be the actual damages incurred by the County or the Contractor, including any and all Consequential Damages. Said damages shall include, but shall not be limited to, the following damages:

1.3.3.1 Damages in the Event of Termination

If the Board terminates this Contract because of default or other cause by the Contractor, the Contractor shall be liable to the County for all actual damages incurred by the County as a result of Contractor's Default. The foregoing shall apply without regard to the County's rights pursuant to the Performance and Payment Bonds but in no event shall the County recover more than its actual damages.

1.3.3.2 Damages Due to Failure to Maintain the Transfer Station or County Equipment and/or Failure to Transfer and Dispose Acceptable Waste.

If, after Notice to Contractor and failure to cure pursuant to Section 1.2.1 of this Contract, the Contractor fails or refuses to maintain the County's Transfer Station or equipment in accordance with this Contract or fails to transfer, haul and dispose Acceptable Waste in accordance with this Contract, the County shall have the right to take such actions as were required to be taken by the Contractor (including but not limited to contracting with third parties) and the Contractor shall pay the County all costs and expenses reasonably incurred by the County for failing to maintain the Transfer Station or equipment and shall pay the County any costs or expenses in excess of the Service Fee if the Contractor fails to transfer, haul or dispose Acceptable Waste in accordance with this Contract, assuming the Service Fee is not paid to the Contractor in this event. The foregoing shall apply regardless of whether the Board terminates the Contractor and shall be in addition to any other damages for which the Contractor may be liable pursuant to other sections of this Contract.

1.3.3.3 The County's Damages Due to Contractor's Failure to Comply with Environmental Or Other Applicable Laws

If the Contractor or Subcontractor fails to comply with any applicable environmental regulations or other Applicable Laws, the Contractor shall pay to the County the following:

(a) All lawful fines, penalties, and forfeitures charged to the County by any judicial orders or by any governmental agency responsible for the enforcement of environmental or other Applicable Laws; and

(b) The actual costs incurred by the County as a result of the failure to comply with the environmental or other Applicable Laws, including any costs incurred in investigating and remedying the conditions which led to the failure to comply with the Applicable Laws.

1.3.4 Deductions

The parties acknowledge and agree that it may be difficult or impossible to accurately determine the amount of damages that would, or might, be incurred by the County due to those failure or circumstances described in this Section 1.3.4 and for which the Contractor would otherwise be liable. Accordingly in lieu of the County seeking actual damages or other remedies, deductions from the Service Fee may, at the sole option of the County, be assessed from time to time against the Contractor for the following failures to comply with this Contract:

(a) The Contractor shall:

- (i) remove all Solid Waste from the inside of the Transfer Station at the end of each Operating Day (except for Solid Waste that is being stored temporarily in containers in accordance with the Operations Manual);
- (ii) reasonably wash the tipping floor of the Transfer Station at the end of each Operating Day;
- (iii) securely and completely cover each transport trailer promptly as the trailer is filled with Acceptable Waste; and
- (iv) remove all transport trailers from the Site within 24 hours after the trailers are filled with Acceptable Waste (except for trailers filled on a Saturday or the day before a holiday, which shall be removed from the Site within 48 hours).

If the Contractor fails to comply with any one of these requirements, the Director may give Notice to the Contractor of the foregoing failure, and the County may assess a deduction from the Service Fee in the amount of Two Hundred Fifty Dollars (\$250) for each such Noticed failure.

(b) If the Contractor fails to adequately control litter as required by this Contract, the Director may give Notice to the Contractor of such failure. If the Contractor fails to remedy the failure within one (1) Operating Day of Notice from the Director, deductions in the amount of One Hundred Fifty Dollars (\$150) per day may be assessed against the Contractor until such time as the Director determines that the Contractor has remedied the failure. The Contractor shall not be deemed to violate the requirements of this paragraph if the Contractor has used reasonable care and the litter problem is caused primarily by high winds, heavy rains, or other severe weather.

(c) If the Contractor fails to operate and maintain the Leachate collection system at the Transfer Station as required by this Contract, the Director may give Notice to the Contractor of such failure. If the Contractor fails to remedy the failure within one (1) Operating Day of Notice from the Director, deductions in the amount of Four Hundred Dollars (\$400) per day may be assessed against the Contractor until such time as the Director determines that the Contractor has remedied the failure. If the Leachate collection system fails due to mechanical or structural causes that are not the fault or responsibility of the Contractor, the Contractor shall be given a reasonable time to cure the cause of the failure.

(d) If, due to Contractor's misconduct or negligence, the quality of surface water discharged from the Transfer Station falls below the standards established by the

Permits or Applicable Laws, the Director may give Notice of same to the Contractor. If the Contractor fails to remedy the conditions which produced the substandard surface water quality within two (2) Operating Days of Notice from the Director, deductions in the amount of Four Hundred Dollars (\$400) per day may be assessed against the Contractor until such time as the Director determines that the Contractor has remedied the conditions which produced the substandard surface water quality.

(e) If the Contractor damages, or fails to maintain the County's Transfer Station and equipment at the Transfer Station in the manner required by this Contract, the Director may give Notice to the Contractor of such damage or failure. If Contractor fails to remedy or reasonably provide or contract for the remedy of such damage or failure within three (3) Operating Days of Notice from the Director, deductions in the amount of Four Hundred Dollars (\$400) per day may be assessed against Contractor until such time as the Director determines that Contractor has remedied the foregoing damage or failure.

(f) If the Contractor fails to keep and utilize the levels of labor and equipment required by this Contract, the Director may give Notice of such failure to the Contractor. If the Contractor fails to remedy such failure within one (1) Operating Day of Notice from the Director, deductions in the amount of Four Hundred (\$400) per day may be assessed against Contractor until such time as the Director determines that Contractor has remedied the failure.

(g) If the Contractor's activities at the Transfer Station result in Objectionable Odors beyond the boundary of the Site, the Director may give Notice of such condition to the Contractor. If the Contractor fails to remedy the odor problem within two (2) Operating Days of Notice from the Director, deductions in the amount of Four Hundred Dollars (\$400) per day may be assessed against the Contractor until such time as the Director determines that the Contractor has remedied the problem.

If the Contractor fails to comply with any one of the requirements identified in subparagraphs (a) - (g), above, on three or more occasions in one Operating Year, the amount of the deduction for the third and subsequent failures pertaining to that requirement during such Operating Year may, at the County's sole option, be doubled.

If the Contractor objects to the County's claim of deductions, the Contractor may request non-binding arbitration pursuant to Section 1.5.19.

The County's election to apply or utilize any one or more deductions shall apply only to the specific Contractor's failure or failures for which the deduction is taken and will not require the County to continue using such deduction in lieu of other damages or remedies or to exercise or use its deduction option for other failures or for prior, continuing or subsequent failures of the same or similar nature.

1.3.5 Settlement and Release

If this Contract is terminated, the County shall, not later than sixty (60) Days after termination, pay to the Contractor any and all sums due, owing, and unpaid to the Contractor by the County for work performed through the date of termination, less any and all sums owed by the Contractor to the County and less any and all deductions or other offsets the County may have. In exchange for this payment by the County, the Contractor shall execute and deliver to the County a general release of the County, its elected officials, employees, representatives, and agents except for any unresolved claims for which the County has received written notice from the Contractor. Except with respect to the noticed unresolved claims, this payment to the Contractor shall constitute Contractor's full and final compensation under this Contract and the Contractor shall have no right to receive any further payments.

1.3.6 The provisions of Sections 1.3.1 through 1.3.6 shall survive termination of this Contract.

1.4 STATEMENT OF ASSURANCE

The Contractor, for the Term, will not on the grounds of race, color, national origin, religion, sex, age, handicap, or marital status, discriminate in any form or manner against said Contractor's employees or applicants for employment (as provided in Title VI of the 1964 Civil Rights Act, as amended, and the Florida Human Rights Act of 1977, as amended). The Contractor understands and agrees that this Contract is conditioned upon compliance with this Section 1.4. Furthermore, the Contractor will comply with Title VI of the Civil Rights Act of 1964, as amended, when federal grant(s) and other applicable federal and State laws are involved. Executive Orders and regulations prohibiting discrimination as hereinabove referenced are included by this reference thereto. This Section shall be interpreted to include Vietnam-Era Veterans and Disabled Veterans within its protective range of applicability.

The Contractor shall also comply with the applicable provisions of the Civil Rights Act of 1866; Civil Rights Act of 1871; Equal Pay Act of 1963; Civil Rights Act of 1964; Civil Rights Restoration Act of 1987; Age Discrimination Act of 1975; Florida Statute sections 112.042, 112.043, and 413.08; Age Discrimination and Employment Acts of 1967; Rehabilitation Act of 1973; Americans with Disabilities Act of 1990; Federal Civil Rights Act of 1991; Florida Civil Rights Act of 1992; any and all amendments to the foregoing; and all other Applicable Laws.

1.5 GENERAL CONDITIONS

1.5.1 Delivery of Bonds

The Contractor shall deliver to the County the required Performance and Payment Bonds on or before the Effective Date. The Bonds shall be delivered to the County at the following address:

St. Johns County
P.O. Drawer 349
St. Augustine, FL 32085-0349

1.5.2 Forfeiture of Proposal Security

The following shall be just cause for the County to declare this Contract and any proposal security therefor forfeited;

(a) Failure of the Contractor to deliver the required Certificates of Insurance on or by the Effective Date; or

(b) Failure of the Contractor to deliver the Performance and Payment Bond on or before the Effective Date, and recording said bonds in the public records of the County on or before the Effective Date.

1.5.3 Performance and Payment Bonds

The Contractor shall execute the Performance and Payment Bond included herein as security for the faithful performance and payment of all its obligations under this Contract. The Performance and Payment Bond shall be in the form and amounts specified in Exhibit "G" and shall be approved by the County. The surety or sureties shall be a company or companies acceptable to the County. The Performance and Payment Bond shall remain in full force and effect until all liabilities and obligations covered thereby have been performed, discharged, or are otherwise barred by applicable law. If the value of the work required by this Contract is increased, the County may require that the Performance and Payment Bond be amended accordingly.

1.5.4 Insurance Coverages Required of the Contractor

1.5.4.1 General Information

The Contractor shall purchase at its cost and maintain the following insurance coverages with insurance companies acceptable to the County for limits of liability of not less than as required herein. The Board of County Commissioners is to be an additional named insured under the Commercial General Liability, Automobile Liability, Umbrella Liability, and Environmental Impairment Liability policies with a "Separation of Insureds" Provision applicable to each policy. All liability insurance shall be on the "occurrence form." Each policy shall also provide that the Contractor's coverage is primary to any insurance or self-insurance program of the County and that the County shall not be directly responsible for the payment of any insurance premium due the insurance companies. The insurance coverages and limits required must be evidenced by properly executed Certificates of Insurance supplied by the Contractor as shown herein. Policies of insurance shall be with carriers admitted to do business in the State of Florida. Carriers shall be "A" rated and have financial rating size of "IX" or better, according to the A. M. Best Key Rating Guide.

Certificates of Insurance shall show the certificate holder as " The Board of County Commissioners of St. Johns County, P.O. Drawer 349, St. Augustine, Florida 32085-0349." The Certificate of Insurance shall reflect forty-five (45) Days' Notice of any cancellation or reduction in insurance coverage. No County property shall be occupied or work started under this Contract until the properly executed Certificates of Insurance have been received and approved by the County. On renewal at the end of each policy term, properly executed Certificates of Insurance must be delivered to the County at least forty-five (45) Days before expiration of the insurance policies for the County's review and approval so that there will be no interruption in the Contractor's work under this Contract due to the lack of proof of insurance. Certificates of Insurance, along with any subsequent Notices of change or cancellation, shall be provided to the County as specified at the following address:

County Administrator
P.O. Drawer 349
St. Augustine, FL 32085-0349

To the extent not otherwise stated herein, and in addition to any other requirements set forth herein, the Contractor will operate the Transfer Station in accordance with the following laws and regulations:

- (a) Chapter 440, Fla. Stat. (Workers' Compensation), as amended;
- (b) Florida Administrative Code Rule 38F and 38I, as amended, relating to Workers' Compensation;
- (c) 29 CFR 1910 and 29 CFR 1926, Occupational Safety and Health Act, General Industry Standards and Construction Industry Standards, respectively; and
- (d) The Toxic Substances Control Act (15 U.S.C. 2601, *et. seq.*), and any other state or federal laws, codes, or rules pertaining to toxic substances.

1.5.4.2 Workers' Compensation and Employer's Liability Insurance

Workers' Compensation and Employer's Liability Insurance shall be maintained by the Contractor in compliance with the laws of the State of Florida. The Employer's Liability limit shall not be less than Five Hundred Thousand Dollars (\$500,000) for each person-accident, \$500,000 each person-disease. If a Self-Insurance Workers' Compensation Program is used, it must be approved by the Insurance Commissioner of the State of Florida in accordance with the laws of the State of Florida.

1.5.4.3 Commercial General Liability Insurance

Commercial General Liability insurance shall be maintained by the Contractor with minimum combined single limits of One Million Dollars (\$1,000,000) including coverage parts

of bodily injury, personal injury, broad form property damage, blanket contractual liability, independent contractors, and products and completed operations. Any exclusion for explosion, underground damage, and collapse shall be removed.

1.5.4.4 Motor Vehicle (Automobiles and all other vehicles) Liability Insurance

Motor Vehicle (Automobiles and all other vehicles) Liability Insurance shall be maintained by the Contractor with minimum combined single limits of One Million Dollars (\$1,000,000) for all owned, hired, and non-owned vehicles.

1.5.4.5 Umbrella Liability Insurance

Umbrella Liability "Form Following" Insurance shall be maintained by the Contractor with a limit of not less than Five Million Dollars (\$5,000,000). Coverage shall be form following and drop down to underlying coverages where limits are eroded. Umbrella coverage shall mirror and be no more restrictive than the underlying coverage.

1.5.4.6 Environmental Impairment Liability Insurance

Environmental Impairment Liability Insurance shall be maintained by the Contractor with a limit of not less than Ten Million Dollars (\$10,000,000) for claims based on or arising from conditions at the Disposal Facility, unless the County specifically provides otherwise and gives Notice of such provision. Environmental Impairment Liability Insurance shall be maintained by the Contractor with a limit of not less than Two Million Dollars (\$2,000,000) for claims based on or arising from conditions at the Site, the Transfer Station and/or off-Site roadways.

1.5.4.7 Commercial Insurance on Structures Owned by County

The County shall carry Commercial Insurance on all buildings owned by it at the Site, including the Transfer Station; however, this shall not preclude the County from using self-insurance for a risk or a portion of a risk. County-owned fixtures shall likewise be insured by the County.

1.5.4.8 Noncompliance

Should the Contractor at any time fail to maintain the insurance coverages required in this Contract, the County, at its discretion, may purchase such coverages and charge the Contractor for such coverages purchased. The County shall be under no obligation to purchase such insurance or to be responsible for the coverages purchased or the financial stability of the insurance companies used.

1.5.4.9 Notice of Claims

The Contractor shall Notify the County of all accidents, incidents, events or injuries which the Contractor reasonably believes may result in a claim of \$50,000 or more, arising out of the Contractor's performance of this Contract, including but not limited to claims relating to workplace injuries. The Contractor shall Notify the County of any claim established and accepted as a liability under its commercial insurance or self insurance which is paid in an amount equal or greater than \$50,000.00. The Contractor shall Notify the County of any death arising out of the Contractor's performance under this Contract. The Contractor shall Notify the County of any and all events, accidents, injuries, incidents, suits or claims which name or otherwise may involve or create liability for the County, including, but not limited to events involving Pollution at the Transfer Station, Site or Disposal Facility. The Contractor's obligations hereunder do not include claims based upon any rights which exist or may exist under the laws pertaining to employment rights such as, but not limited to the 1964 Civil Rights Act, the Americans With Disabilities Act or the Family Medical Leave Act. All Notices required under this Section 1.5.4.9 shall be provided promptly.

1.5.5 Assignment

This Contract may not be assigned by either the County or the Contractor without the written consent of the other, and subject to such consent, shall be binding upon, and inure to the benefit of, the assignor's successors and assigns.

1.5.6 Contract Governed by Florida Law

This Contract shall be governed by and construed in accordance with the laws of the State of Florida, and it shall be binding upon, and inure to the benefit of, the parties, their permitted successors, and assigns. Any action to interpret and/or enforce this Contract shall be brought and maintained in the State of Florida. Venue shall be in St. Johns County, Florida.

1.5.7 Representatives of the Parties

The authorized representative of the Board for purposes of this Contract shall be the Director or a person designated by the Director. The authorized representative of the Contractor for purposes of this Contract shall be the General Manager of the Transfer Station. Either party may change its representative upon five (5) Days prior Notice to the other party.

1.5.8 Notices

All Notices and consents required or permitted by this Contract shall be in writing and transmitted in person or by registered or certified mail, return receipt requested, with notice deemed to be given upon receipt, as follows:

If to the Board/County:

County Administrator
P.O. Drawer 349
St. Augustine, FL 32085-0349

If to the Contractor:

Robert L. Crawford
Seaboard Waste Systems, Inc.
445 International Golf Parkway
St. Augustine, FL 32095

Copies also shall be provided by hand-delivery or regular U.S. Mail to the On-site representative of the County and Contractor.

Changes in the respective addresses to which such Notices may be directed may be made from time to time by either party by Notice to the other party.

1.5.9 Waiver. Unless otherwise specifically provided by this Contract, no delay or failure to exercise a right under this Contract shall impair such right or shall be construed to be a waiver thereof, but such right may be exercised from time to time and as often as deemed expedient. The failure of the County or Contractor at any time to require performance by the other party of any term of this Contract shall in no way affect the right of the County or Contractor thereafter to enforce same; nor shall waiver by the County or Contractor of any breach of any term of this Contract be taken or held to be a waiver of any succeeding breach of such term or as a waiver of any term itself. To be effective, any waiver shall be in writing and signed by the party granting such waiver. Any such waiver shall be limited to the particular right so waived and shall not be deemed to waive any other right under this Contract.

1.5.10 Representations of the Contractor

The Contractor represents that (a) it is a corporation duly organized under the laws of the State of Florida, or qualified to do business in the State of Florida, (b) this Contract has been duly authorized, executed, and delivered in the State of Florida, and (c) it has the required power and authority to perform this Contract.

1.5.11 Representations of the Board

The Board represents that (a) this Contract has been duly authorized, executed, and delivered by the Board in accordance with law, and (b) the Board has the required power and authority to enter into this Contract.

1.5.12 Headings

Captions and headings in this Contract are for ease of reference only and do not constitute a part of this Contract.

1.5.13 Counterparts

This Contract may be executed in more than one counterpart, each of which shall be deemed an original.

1.5.14 Severability

If any term, condition, covenant or obligation of this Contract is declared illegal, void or unenforceable, the remaining terms will not be affected but will remain in full force and effect, and this Contract shall be construed as if such illegal, void or unenforceable provision had never been contained herein.

1.5.15 Survivability

Any term, condition, covenant, or obligation which requires performance by a party subsequent to termination of this Contract shall remain enforceable against such party subsequent to such termination.

1.5.16 Third Party Beneficiaries

It is required between the parties hereto that no provision of this Contract is intended to create any third-party beneficiaries hereunder, or to authorize anyone not a party to this Contract to maintain an action pursuant to the terms or provisions of this Contract.

Contractor expressly acknowledges that the County is or may be a party to various Contracts which affect or may affect the Transfer Station. Contractor understands and agrees that it is not an intended or third-party beneficiary under any of these Contracts, and hereby waives any right to claim any interest therein.

1.5.17 Personal Liability

Nothing in this Contract shall be construed as creating any personal liability on the part of any officer, employee, agent or representative of the County or the Contractor.

1.5.18 Independent Contractor

When performing the activities required by this Contract, the Contractor will be acting in the capacity of an independent contractor and not as an agent, employee, partner, joint

venturer or associate of the County. The Contractor shall be solely responsible for the means, methods and procedures used by the Contractor to perform under this Contract. Neither the Contractor nor any of its employees, officers, agents or Subcontractors shall represent, act, or be deemed to be the agent, representative, employee, or servant of the County. The Contractor shall have no authority to bind the County to any Contract or contract.

1.5.19 Resolution of Disputes

The parties agree to reasonably cooperate with each other so as to allow each other to comply with their respective obligations hereunder. Prior to the filing of any action at law or in equity, the parties may, if both agree, submit any dispute to a non-binding arbitration process whereby each side appoints one of three arbitrators and the two appointees then select the third "neutral" arbitrator. The arbitration process shall be governed by the rules of the American Arbitration Association. Neither Contractor nor the County shall be bound by the decision reached pursuant to this process. Each party shall pay one half of the reasonable fees and expenses of the arbitrator plus its own expenses in connection with the resolution of disputes by arbitration.

1.5.20 Merger Clause

This Contract constitutes the entire Contract and understanding of the parties as to all matters addressed or referred to herein. This Contract supersedes all prior and contemporaneous Contracts and understandings, representations, negotiations and warranties, whether oral or written, relating to such matters.

1.5.21 Organization Employment Disclaimer

The Contractor hereby agrees that no person supplied by it in the performance of this Contract shall be an employee of the County and further agrees that no rights of the County's rules accrue to any such person. The Contractor shall have the total responsibility for all salaries, wages, bonuses, retirement, withholdings, worker's compensation, other benefits and taxes and premiums appurtenant thereto of its employees in the performance of this Contract.

1.5.22 Fair Dealing

The Contractor declares and warrants that the Contractor enters into this Contract without reliance on or engaging in any collusion, bribery or fraud, that all of the Contractor's representations in this Contract are made fairly and in good faith, and that no County Commissioner, County officer, or County employee, directly or indirectly owns more than 5% of the total assets or capital stock of the Contractor, nor will any such person directly or indirectly benefit by more than 5% from the profits or emoluments of this Contract. The Contractor warrants that it has not employed or retained any company or person, other than a bonafide employee working solely for the Contractor, to solicit or secure this contract and the Contractor has not paid or agreed to pay any person, company, corporation, individual or firm, other than a bonafide employee working solely

for the Contractor, any fee, commission, percentage, gift or any other compensation contingent upon or resulting from the award or making of this Contract. Further, the Contractor declares and warrants that the Contractor is not subject to the restrictions in Section 287.017, Florida Statutes, for a public entity crime.

1.5.23 Sovereign Immunity

Nothing in this Contract shall be interpreted or construed to mean that the County waives any of its sovereign immunities under the Florida Constitution or any Florida Statutes.

1.5.24 Amendment

Except as otherwise specifically provided herein, this Contract may be amended only by written instrument specifically referring to this Contract and executed with the same formalities as this Contract.

1.5.25 Order of Precedence

In the event of any conflict between the provisions of this Contract and those of the exhibits attached hereto, the provisions of this Contract shall govern.

1.5.26 Construction of Contract

Any doubtful or ambiguous provisions contained herein shall not be construed against the party that physically prepared this Contract. The rule sometimes referred to as "Fortius Contra Proferentum" shall not be applied to the interpretation of this Contract.

1.5.27 Terms Generally

Whenever the context may require, any pronoun which is used in this Contract shall include the corresponding masculine, feminine and neuter forms and the singular shall include the plural and vice versa. Unless otherwise specifically noted, the words "include", and "including" as used herein shall be deemed to be followed by the following phrase "without limitation." The words "agree," "Contract," "consent," "establish," "impose" as used herein shall be deemed to be followed by the phrase "which shall not be unreasonably withheld or delayed" except as specifically noted. Words or phrases which are defined herein by reference to a statute, rule or regulation shall have the meaning ascribed to such word or phrases as of the Effective Date, and as appropriate with regard to subsequent changes in such statutes, rules or regulations.

1.5.28 Exhibits

All exhibits attached hereto are specifically incorporated into and made a part of this Contract.

ARTICLE II

GENERAL TERMS AND CONDITIONS CONCERNING CONTRACTOR'S RESPONSIBILITIES

2.1 COMMENCEMENT OF OPERATIONS

The County shall give a Notice to Proceed to the Contractor at least thirty (30) Days before the Commencement Date. The County's Notice to Proceed shall identify and establish the Commencement Date. On the Commencement Date, the Contractor shall commence the operation and maintenance of the Transfer Station, and the transfer and disposal of Acceptable Wastes.

Prior to the Commencement Date, the Contractor shall have reasonable access to the Transfer Station to prepare for the commencement of operations.

At least three (3) Days prior to the Commencement Date, a joint meeting shall be held with representatives of the Contractor, the County, and other parties or government agencies which may be affected by or have jurisdiction over the Transfer Station or the Contractor's activities under this Contract. This meeting is intended to introduce the key personnel from each organization and to discuss the start of operations and other pertinent issues associated with the Transfer Station.

2.2 MINIMUM STANDARDS

This Contract contains performance standards and other requirements that shall govern the Contractor's activities. These requirements establish the minimum levels of performance that will be deemed acceptable by the County. In addition, it is the objective of this Contract that every aspect of the Contractor's work shall be performed safely and in accordance with the highest professional standards and best management practices for the Solid Waste industry.

2.3 PROHIBITIONS

Under no circumstances shall Contractor's activities cause: (a) Pollution or litter at the Transfer Station, Site, Disposal Facility or the transportation routes in between; (b) Objectionable Odors at the boundary of the Site; or (c) nuisance conditions.

2.4 REGULATORY COMPLIANCE

The Contractor shall operate the Transfer Station, and shall transport and dispose of the County's Acceptable Waste, in strict conformance with the provisions of all Permits and Applicable Laws. The Contractor shall comply with applicable local ordinances, zoning codes, and comprehensive land use plans.

The Contractor shall respond promptly to all citations, warning letters, notices of violation, emergency orders and other enforcement actions (collectively "citations") concerning all of the Contractor's activities including all citations concerning the Transfer Station, the Disposal Facility, and the transport and disposal of the County's Acceptable Waste. The Contractor shall provide Notice and a copy of any citation to the County on the next Operating Day after the citation is received by the Contractor. The Contractor shall pay all costs of investigating and responding to all citations, and shall pay all costs of correcting deficiencies and achieving compliance with all citations, and shall pay any fines and/or penalties assessed as a result of Contractor's non-compliance.

2.5 CUSTOMER AND COMMUNITY RELATIONS

All customer and public complaints and inquiries (collectively "complaints") about the Contractor's operations shall be the sole responsibility of the Contractor. The Contractor shall respond to all complaints by the end of the next Operating Day.

The Contractor shall prepare and use a standard form to record the hour, date and nature of any complaint. A copy of the form shall be submitted to the Director on the day when the complaint is received by the Contractor. Copies of written complaints shall be attached to the standard form. The form shall be updated, and resubmitted to the Director, to show how and when the Contractor responded to the Complaint. The Contractor shall keep copies of all complaints and forms in the Transfer Station at all times. All complaints and forms shall be deemed public records and subject to the provisions of the Public Records Act, Chapter 119 of the Florida Statutes, as amended.

The Contractor's standard form shall be submitted to the Director for review and approval at least thirty (30) Days before the Commencement Date.

2.6 CONTRACTOR'S PERSONNEL AND EQUIPMENT

The Contractor shall provide all equipment and personnel necessary to perform Contractor's duties in a safe, timely and efficient manner. All of the Contractor's employees shall be appropriately trained for the tasks assigned to them. All of the equipment used by the Contractor shall be appropriately designed, maintained and operated. The Contractor shall make arrangements for or have access to additional equipment and workers, as necessary, to ensure that the operation of the Transfer Station and the transfer and disposal of the Acceptable Waste is not interrupted or halted.

No changes in key personnel shall be made by the Contractor without prior written Notice to the Director.

The Director may, in his reasonable discretion, require the Contractor to dismiss or transfer any employee of the Contractor who the Director determines to be acting wanton, negligent in violation of this Contract, or unlawful in the performance of the Contractor's duties under this Contract. The Director will communicate with the Contractor before exercising this right.

2.7 SUBCONTRACTORS

The Contractor may utilize Subcontractors in the performance of the work required hereunder. The Contractor shall secure from each Subcontractor an indemnification Contract in favor of the County that is equivalent to the indemnification that will be required of the Contractor. The Contractor shall be responsible for the acts and omissions of its Subcontractors and for all persons that are directly or indirectly employed by the Subcontractors.

The Contractor further agrees to employ only those Subcontractors that have been approved by the Director. Such approval shall not be unreasonably withheld and shall be based on the Director's reasonable determination that the Subcontractor has the experience, equipment, personnel and financial resources to satisfactorily perform the work required by this Contract.

There shall be no contractual relationship between any Subcontractor and the County or any obligation on the part of the County to pay or see to the payment of any monies which may be due to any Subcontractor. No subcontract shall relieve the Contractor of its responsibilities.

2.8 MAINTENANCE OF TRANSFER STATION AND COUNTY EQUIPMENT

The Contractor is responsible for the appearance and maintenance of: (a) the Transfer Station; (b) the areas of the Site that are used by or under the control of the Contractor; and (c) the built-in equipment, if any, provided by the County for the operation of the Transfer Station. The Contractor shall perform all routine repairs and maintenance activities necessary to ensure that the County's Transfer Station and built-in equipment operate properly and reliably. At a minimum, maintenance includes those activities and services that are required to comply with the manufacturers' recommendations and warranties.

The Contractor is not responsible for repairs to the County's Transfer Station, Site, or equipment, when such repairs are required by the cumulative effect of normal wear and tear over time or by damage caused by an Act of God. The County shall undertake and complete those repairs to County's Transfer Station, Site or built-in equipment that are required by damage caused by an Act of God or by the cumulative effect of normal wear and tear over time. The Contractor is responsible for all other repairs, including malfunction, breakage, or wear and tear that is sudden and perceptible.

The Contractor shall keep appropriate records to demonstrate that Contractor has maintained the County's Transfer Station and equipment. At a minimum, the Contractor's records shall identify the date when the maintenance work was performed, the precise work that was performed, and the piece of equipment that was serviced.

The Contractor shall not change or alter the County's Transfer Station, built-in equipment or Site without the County's prior written approval. The Contractor shall provide the County with an inventory of the County's equipment upon termination of this Contract. The Transfer Station, built-in equipment, and Site shall be returned to the County in the same condition as released to the Contractor on the Commencement Date excluding normal wear and tear. The County shall have the

right to perform an annual inspection of the Transfer Station within 30 days of each anniversary of the Commencement Date.

2.9 OPERATIONS MANUAL AND SUPPLEMENTAL OPERATING REQUIREMENTS

The Contractor shall be responsible for preparation of an Operations Manual. The Contractor's Operations Manual shall be submitted to the Director for review and approval sixty (60) Days after the Effective Date. The Operations Manual may be included in the County's permit package submittal to the Florida Department of Environmental Protection (FDEP). The Operations Manual will establish additional requirements for the Contractor's performance. The Director is authorized to make changes to the Operations Manual during the first forty-five (45) days after its submittal to the Director. The Operations Manual may thereafter be modified or amended by mutual written agreement of the County and the Contractor. The Contractor and County will promptly make any and all modifications to the Operations Manual required by the FDEP. The Contractor shall be responsible for all costs associated with modification of the Operations Manual, except those modifications that are not required by FDEP but requested by the County.

The Operations Manual shall include the Contractor's Safety Plan which shall describe the Contractor's plans and procedures for ensuring that all aspects of the Contractor's work shall be performed in a safe and responsible manner. The Operations Manual shall include an Emergency Plan which shall describe the Contractor's plans and procedures for spills and emergencies on the Landfill Site or off-site roadways.

2.10 PAYMENT OF EXPENSES

Except as otherwise specifically provided for herein, the Contractor shall be solely responsible for and shall pay all costs and expenses incurred in the performance of its duties.

2.11 PERMITS AND LICENSES

Except as otherwise provided in Section 5.2, the Contractor shall secure, renew, modify if necessary, and pay for all permits, licenses, inspections, and other governmental charges that are necessary for the Contractor's activities, including truck registrations. The Contractor will be named as the operator in all permits for the operation of the Transfer Station.

2.12 TAXES, CHARGES AND LEVIES

The Contractor shall pay all sales, consumer, use, and other taxes, and all assessments and fees required by law for or arising out of the Contractor's activities; including without limitation, sales taxes, if any, levied by the State of Florida on the transfer of ownership of Solid Waste, or any portion thereof, to the Contractor.

2.13 PLANS AND SPECIFICATIONS

The Contractor shall keep in good order at least one complete set of all plans, specifications, drawings, addenda, modifications, and supplemental drawings concerning the Transfer Station as required by the FDEP operating permit. These documents shall be up to date and annotated to show any changes made to the Transfer Station during the Term of this Contract. These documents shall be kept at the Transfer Station, made available to the County for inspection and copying at all reasonable times, and delivered to the County upon termination of this Contract.

2.14 MAINTENANCE OF RECORDS

The Contractor shall develop and implement an organized system for keeping records concerning the Contractor's activities. At a minimum, the Contractor's records shall include copies of: (a) all Permits required for the Contractor's activities; (b) all complaints and forms, as described in Section 2.5; (c) all citations, as described in Section 2.4; (d) all correspondence to and from FDEP and other regulatory agencies directly or indirectly concerning the Contractor's activities; (e) the manufacturers' warranties and specifications for the County's Transfer Station, built in equipment, and any other equipment provided to the Contractor by the County; (f) all documents concerning the repair, maintenance or replacement of the County's Transfer Station, built in equipment, and any other equipment provided to the Contractor by the County; (g) the daily logs required by the Operations Manual; and (h) any other documents necessary or appropriate to confirm that Contractor has performed in accordance with this Contract.

The Contractor's records and documentation will be retained by the Contractor for a minimum of five (5) years from the date of termination of this Contract. The County and its authorized agents shall have the right, during normal business hours, to audit, inspect, and copy all such records and documentation as often as the County deems necessary during the Term of this Contract and during the period of five (5) years after the final termination of this Contract or such longer time as may be permitted by Applicable Law. The right to audit, inspect and copy records and documents shall be at the County's sole expense, and shall not extend to confidential or proprietary information that does not pertain to whether the Contractor is properly performing under this Contract.

ARTICLE III

CONTRACTOR'S RESPONSIBILITIES FOR THE OPERATION AND MAINTENANCE OF THE TRANSFER STATION

3.1 SOLID WASTE PROCESSING AT THE TRANSFER STATION

The Contractor shall be responsible for handling and processing all of the Solid Waste received at the Transfer Station. The Contractor shall inspect all of the Solid Waste received at the Transfer Station and determine whether the waste is acceptable. All of the Acceptable Waste that is delivered to the Transfer Station each day shall be accepted and loaded that day into Transfer Trailers for transport to the Disposal Facility.

The Contractor and the County shall use their best efforts to ensure that Unacceptable Waste, including Special Waste and Prohibited Waste, is not accepted at the Transfer Station. If Unacceptable Waste is accepted at the Transfer Station, the Unacceptable Waste shall be handled in the manner provided in this Contract or, if not addressed herein, the Contractor shall promptly remove the Unacceptable Waste from the Transfer Station and dispose of it in a lawful manner.

Trucks filled primarily or completely with Construction and Demolition Debris shall not be allowed to unload in the Transfer Station. However, if a small quantity of Construction and Demolition Debris is unloaded in the Transfer Station in a mixed load, the Construction and Demolition Debris may be handled as Acceptable Waste.

The County shall provide at the Transfer Station Site all of the containers needed for the temporary storage of all of the materials that are required by the County to be segregated at the Transfer Station, including Special Waste. The County will be responsible for the transport of any segregated Special Waste to the County's storage containers at the entrance of the Landfill. The County shall arrange and pay for the removal of the segregated Special Waste from the Transfer Station. The Contractor shall coordinate its activities with the County to ensure that the containers of segregated materials are removed from the Transfer Station Site in a timely manner.

3.2 RESTRICTIONS ON SPECIAL WASTE

The Contractor shall not knowingly accept and the County shall not knowingly deliver any Special Waste at the Transfer Station unless the Contractor receives the Director's prior written approval.

If Special Waste is accepted at the Transfer Station, it shall be handled in the following manner: (a) Waste Tires shall be removed from the Solid Waste by the Contractor and transported to the County's container at the Transfer Station Site's temporary storage area; and (b) White Goods, lead acid batteries, and containers of used oil shall be removed from the Solid Waste by the Contractor

and transported to the County's containers at the Transfer Station Site's temporary storage area.

3.3 PROHIBITED WASTE

Neither the County nor the Contractor shall knowingly accept any Prohibited Waste at the Transfer Station.

In the event, however, that Prohibited Waste is received at the Transfer Station, the Contractor shall attempt to have the transporter remove such waste within a reasonable time, not exceeding twelve (12) hours after delivery. If the Contractor is unable to identify the transporter that brought the Prohibited Waste to the Transfer Station, the Contractor shall take all reasonable steps to ensure that the Prohibited Waste is promptly removed from the Transfer Station and disposed of in a lawful manner. Under such circumstances, the Contractor and the County each shall pay one-half of any reasonable costs incurred for testing, transporting and disposing of the Prohibited Waste.

The Contractor shall notify the Director promptly whenever Prohibited Waste is received at the Transfer Station. The Contractor shall submit a written report to the Director within three (3) Operating Days concerning the Prohibited Waste and how it was handled by the Contractor.

3.4 SIGNS AT TRANSFER STATION

The County and Contractor shall determine the size, location and content of any signs needed at the Transfer Station, at the public drop-off area, and on the access roadways On-site, that are necessary for the safe and efficient operation of the Transfer Station. Such signs shall identify: (a) the types of materials that are accepted and prohibited at the Transfer Station; (b) the hours and Days of operation of the Transfer Station; and (c) other restrictions on access to or use of the Transfer Station. The County shall prepare, erect and maintain all exterior signs. The Contractor shall prepare, erect and maintain all signs inside the Transfer Station. All of the Contractor's signs at the Transfer Station shall be subject to the Director's prior written approval.

3.5 LEACHATE MANAGEMENT

The Contractor shall operate and maintain a leachate collection and disposal system in accordance with the Operations Manual, the Permits, and Applicable Laws. All leachate generated in the Transfer Station area shall be collected in the leachate collection system. The Contractor shall not allow leachate to be released into the soils, surface water or groundwater at the Site. The Contractor shall promptly clean up all environmentally damaging spills, leaks and other occurrences, whether leachate related or not, that occur at or on the Site. The Contractor shall coordinate with the County for leachate sampling.

The County will pay the reasonable cost of transportation and disposal of the leachate generated from the Contractor's activities at the Transfer Station up to an annual average daily maximum amount of 100 gallons per Operating Day. Based on 307 Operating Days per year, the County will therefor pay

for the transportation and disposal of up to 30,700 gallons of leachate per year. The Contractor shall pay or reimburse the County for the transport and disposal of leachate generated in the Transfer Station area in excess of 30,700 gallons during each Operating Year of this Contract. The figures for the initial Operating Year shall be equitably pro rated. The current cost of the County's leachate transportation and disposal is \$0.088 per gallon.

3.6 LITTER CONTROL

The Contractor shall collect and promptly remove all litter resulting from the operation of the Transfer Station in the Transfer Station area and adjacent areas. At a minimum, litter shall be collected at least daily.

3.7 FLOOR CLEANUP

The Contractor shall ensure that all Solid Waste is removed from the tipping floor of the transfer station at the end of each operating day and the floor is washed down with water to prevent nuisance odors or vector problems. Acceptable Waste may be temporarily stored in Transfer Trailers at the Transfer Station Site for a period not-to-exceed 24 hours (except for Solid Waste that is being stored temporarily in containers in accordance with the Operations Manual).

3.8 SCHEDULE OF OPERATIONS

The Contractor shall receive deliveries of Solid Waste at the Transfer Station between the hours of 7:00 A.M. and 6:00 P.M., Monday through Friday and between the hours of 7:00 A.M. and 3:00 P.M. on Saturday, which constitute normal hours of operation. The hours of operation for deliveries may be changed by the County upon reasonable Notice to the Contractor, but the total number of hours of operation shall not be increased. The Transfer Station shall be open to receive Solid Waste on all Days of the year except Sundays and the following holidays: New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, and Christmas Day. In cases where one of the foregoing holidays falls on a Sunday, the Contractor shall operate the Transfer Station on the preceding Saturday and the following Monday.

It is recognized by the Parties that the County has a separate contract for security at the Tillman Ridge Landfill site. The Contractor may operate at any time for the purpose of receiving or loading empty transport trailers and performing maintenance work. The Contractor shall give prior notice to the County's contracted security personnel of the Contractor's working hours when the Contractor or its Subcontractors will be at the Transfer Station or Site before or after normal hours of operation. The Contractor shall initiate transport of Acceptable Waste from the Transfer Station only during normal hours of operation so that the County's scale house operators can weigh the outgoing Acceptable Waste.

If emergency conditions, including but not limited to extreme wind or rainstorms, make it impractical to dispose of the resultant volume of Solid Waste during the normal hours of operation for the

Transfer Station, the Contractor shall open the Transfer Station on other Days (up to a maximum of five (5) Days per year) or at other times reasonably requested by the County, without additional charge to the County, except for the County's payment of the Service Fee for such tonnage of Acceptable Waste as may be delivered from the Transfer Station to the Disposal Facility.

3.9 PERSONNEL AT TRANSFER STATION

The Contractor shall have sufficient numbers of appropriately trained personnel on duty at all times when Solid Waste is being received, handled, or transported at or from the Transfer Station.

3.10 SITE ACCESS AND SECURITY

During normal hours of operation as described in Section 3.8, the Contractor shall control access to the Transfer Station, subject to the provisions of Section 3.11, and shall prevent unauthorized access and clandestine dumping at the Transfer Station. During normal hours of operation as described in Section 3.8, the Contractor shall be responsible for the security of the County's Transfer Station, equipment, and other assets. Other than during hours of operation, the Transfer Station shall be secured and all gates locked. The Contractor shall be present to unlock and lock the Transfer Station at the beginning and end of each day the Transfer Station is used by the Contractor.

3.11 RIGHT OF ACCESS FOR COUNTY

The Contractor shall provide unrestricted access at any time during operating hours to the Director and his or her designees, personnel of public safety agencies, and representatives of County, State and Federal regulatory agencies with jurisdiction over the Transfer Station. The Contractor also shall provide means for access by such persons during non-operating hours. The Contractor's access provisions for non-operating hours shall be subject to prior review and approval by the Director. The Contractor shall be given a reasonable opportunity to have a representative present for any inspections conducted during non-operating hours.

3.12 SAFETY

The Contractor shall be responsible for and shall provide for the personal safety of its personnel, waste haulers, County staff, regulatory agency inspectors, and the public when they are at the Transfer Station or On-Site. The Contractor shall follow all applicable federal, state, and local laws including, but not limited to, the Occupational Health and Safety Act. The Contractor may require that all persons entering the Transfer Station comply with reasonable safety rules established by the Contractor.

3.13 COOPERATION WITH WASTE HAULERS

The Contractor's activities at the Transfer Station will necessarily interface with activities of waste haulers. The Contractor shall be responsible for devising, implementing and ensuring coordinated methods for efficient ingress, unloading, and egress of waste hauling vehicles. The Contractor's methods and procedures shall be subject to review and approval by the Director.

3.14 OFFICES AND FURNISHINGS AT TRANSFER STATION

Except for the County's offices near the landfill entrance gate and the County's scale house, all of the offices and facilities in the Transfer Station and Site are available for use by the Contractor. All of the areas and offices occupied by the Contractor shall be maintained in good repair and in a clean, neat and orderly manner. The Contractor shall be responsible for obtaining and maintaining the furnishings, materials and equipment necessary for the areas occupied by the Contractor.

3.15 PAYMENT OF CONTRACTOR'S UTILITIES BILLS

Except as provided herein, the Contractor shall pay all of the monthly bills for the electricity, telephone, and other services provided to the Transfer Station. The Contractor shall arrange for connection and pay for the connection of any telephone service to the Transfer Station.

3.16 USE OF PREMISES

The Contractor shall confine its equipment, materials and workers to the areas authorized by the Operations Manual. The Contractor shall not unreasonably encumber the premises with materials, equipment, trailers, or trucks.

The Contractor shall not use the Transfer Station or any On-site area for activities other than those expressly authorized by this Contract, except with the advance written approval of the Director.

3.17 EDUCATIONAL FACILITIES AND PROGRAMS

The Contractor shall assist the County with the County's efforts to educate the public about Solid Waste management, the Transfer Station and the Disposal Facility.

3.18 CONTRACTOR'S TESTING RIGHTS

The Contractor may, at its sole expense, test the air, soil, water, or leachate, at the Transfer Station and Site at any time. The Contractor shall immediately furnish to the County the results of any tests, reports, or other documents resulting from said tests.

3.19 OUT-OF-COUNTY-WASTE

The Contractor may not solicit or accept Solid Waste at the Transfer Station that is generated outside of St. Johns County unless an interlocal agreement pertaining to such Solid Waste has been executed between the Board and the governmental entity having paramount jurisdiction over the area from which the Solid Waste is produced or unless the Board otherwise agrees in writing to such solicitation and acceptance.

ARTICLE IV

CONTRACTOR'S RESPONSIBILITIES FOR THE TRANSPORT AND DISPOSAL OF ACCEPTABLE WASTE

4.1 TRANSPORT AND DISPOSAL OF ACCEPTABLE WASTE

Commencing on the Commencement Date, and continuing on each day thereafter, the Contractor shall timely transport all Acceptable Waste from the Transfer Station to the Disposal Facility. In that regard, the Contractor shall, at a minimum, remove all transport trailers from the Site within 24 hours after the trailers are filled with Acceptable Waste (except for trailers filled on a Saturday or the day before a holiday, which shall be removed from the Site within 48 hours). Throughout the Term of this Contract, the Contractor shall be responsible for the safe, timely and lawful transport and disposal of all Acceptable Waste delivered to the Transfer Station, or collected and Direct Hauled. The Contractor's activities shall be conducted in accordance with all Applicable Laws, including laws governing highway weight limits and speed limits.

4.2 TRACTORS, TRAILERS, COLLECTION VEHICLES

The Contractor shall provide all of the tractor trucks, trailers and Collection Vehicles needed to haul the County's Acceptable Waste to the Disposal Facility. The Contractor shall make arrangements for or have access to additional tractor trucks, trailers or Collection Vehicles, if necessary, to ensure that there is no interruption in the operation of the Transfer Station or the timely disposal of the County's Acceptable Waste.

Prior to the Commencement Date, the Contractor shall obtain sufficient tractor trucks, trailers, and Collection Vehicles to transport the County's Acceptable Waste to the Disposal Facility. The Contractor shall replace the tractor trucks, trailers and Collection Vehicles as necessary to ensure that the Contractor has the ability to provide reliable service under this Contract.

4.3 LOADING, COVERING AND INSPECTING VEHICLES

The Contractor shall be responsible for loading Acceptable Waste into the trailers at the Transfer Station, transporting the Acceptable Waste to the Disposal Facility, and unloading the trailers at the Disposal Facility. Additionally, when utilizing Direct Haul, the Contractor shall be responsible for loading Acceptable Waste into Collection Vehicles and Direct Hauling said waste to the Disposal Facility.

All trailers and Collection Vehicles shall be covered by the Contractor promptly after being filled with Acceptable Waste and shall remain securely covered until unloaded.

Contractor's tractor trucks, trailers and Collection Vehicles shall be maintained by the Contractor in a clean and sanitary condition to prevent odors, vectors, or nuisance conditions. No litter or liquid

shall be allowed to be released from the trailers during transport of the Acceptable Waste.

All tractor trucks and trailers shall be inspected by the Contractor at the Transfer Station before every trip as part of Contractor's routine safety and operations program. All Collection Vehicles shall be inspected by the Contractor while empty of Solid Waste, prior to every collection cycle.

4.4 APPROVED TRUCK ROUTES

The Contractor shall use only the truck routes designated in the Operations Manual when transporting Acceptable Waste from the Transfer Station to the Disposal Facility. The Contractor shall use only the truck routes designated by the Director for Collection Vehicles used for Direct Haul to the Disposal Facility, for any portion of a trip outside of the Contractor's Franchise area. The approved routes for the Contractor's vehicles in St. Johns County may be changed by the Director when appropriate.

4.5 SIGNAGE ON TRUCKS AND TRAILERS

Each tractor truck and Collection Vehicle used to transport the County's Acceptable Waste shall bear the name and phone number of the Contractor in letters that are plainly visible and at least four inches high. Each transfer trailer shall be labeled in the same manner on each side (left and right) and on the tail gate. The signs or labels on the trailers shall be subject to the Director's prior written approval. No waste shall be delivered to the Disposal Facility under this Contract without the signage required by this Section 4.5.

4.6 THE DISPOSAL FACILITY

The Contractor shall at its expense unless otherwise expressly provided herein or by subsequent written agreement with the County, dispose all of the Acceptable Waste delivered to the Transfer Station, or otherwise collected and Direct Hauled by the Contractor pursuant to this Contract, at the Disposal Facility or Disposal Facilities designated by the County Administrator, or at such other Disposal Facilities as may be subsequently designated by the County Administrator. The County Administrator shall designate the Disposal Facility at least one hundred twenty (120) Days prior to the Commencement Date. The County, at its option, may identify and designate one or more alternate or substitute Disposal Facilities. In addition to the County Administrator designation stated above, any Disposal Facility shall be subject to approval by the Contractor, and such approval shall not be unreasonably withheld.

The Contractor shall submit to the Director a copy of the current operating permit for each designated Disposal Facility prior to seven (7) Days of the Effective Date, or within thirty (30) Days of any County Administrator approved change of a Disposal Facility and prior to thirty (30) Days of the effective date of any such change, and the Contractor shall submit to the Director any new or revised operating or closure permit within thirty (30) Days of receipt by a Disposal Facility. However, if notice and copies of said permits, including new, revised, and closure permits, will be

otherwise provided to the County by a written agreement between the County and a Disposal Facility, the Contractor need not provide notice or copies of said permits.

During the Term of this Contract, the Contractor shall, unless otherwise authorized by the County Administrator, only use a Disposal Facility for the disposal of Acceptable Waste from the Transfer Station, or otherwise collected and Direct Hauled. The County Administrator may during the Term of this Contract select or approve one or more substitute Disposal Facilities as the site or sites for the disposal of Acceptable Waste from the Transfer Station and/or otherwise collected and Direct Hauled. In such case the Contractor shall be required to deliver such Acceptable Waste as is identified by the County Administrator to such substitute Disposal Facility. The Contractor shall be given one hundred eighty (180) Days prior Notice before being required to dispose Acceptable Waste at such site.

The Contractor shall have each Disposal Facility and any County Administrator approved substitute Disposal Facility provide and certify the information required in the form provided in Exhibit "E." However, if said information will be otherwise provided and certified to the County by a written agreement between the County and the Disposal Facility, the Contractor need not provide for such information or certification.

4.7 SPILLS AND EMERGENCIES IN TRANSIT

If the Contractor's activities result in a spill or emergency on the Site or on off-Site roadways, the Contractor shall implement the emergency plan that is contained in the Operations Manual. The Contractor shall promptly notify the appropriate state's Highway Patrol and local sheriff if the spill or emergency occurs off-Site. The Contractor shall promptly initiate and complete all appropriate clean-up activities. The Contractor shall notify the Director verbally within twelve (12) hours and shall provide a written report to the Director within twenty-four (24) hours concerning the cause of the spill or emergency, the clean-up activities that were implemented, and the current status of the situation.

4.8 DISPOSAL OF UNACCEPTABLE WASTE

The Contractor shall promptly arrange and pay for the disposal of any Unacceptable Waste, including Special Waste and Prohibited Waste, that is loaded into the Transfer Trailers at the Transfer Station, removed from the Site by the Contractor, or collected and Direct Hauled, unless otherwise specified in this Contract.

4.9 PREREQUISITES PERTAINING TO DIRECT HAULING

In addition to any other requirements pertaining to Direct Hauling contained in this Contract, the Contractor expressly agrees that:

(a) only Solid Waste from the Contractor's Franchise area, if any, shall be Direct Hauled and weight measured at the Disposal Facility for the purposes of this Contract.

(b) no Solid Waste or any other material or waste shall be collected or mixed at any point with the Solid Waste originating in the Contractor's Franchise area.

(c) no Solid Waste or any other material or waste that has been transported from the Transfer Station shall be Direct Hauled and weight measured for the purposes of this Contract.

(d) if the Director reasonably believes that Solid Waste weight measurement pertaining to Direct Hauling becomes ambiguous, inaccurate, or otherwise not in accordance with this Contract, the Director may temporarily or permanently discontinue the practice of Direct Hauling under this Contract.

(e) the Contractor shall provide written Notice to the Director of its intent to Direct Haul. Such Notice shall contain a description of geographic areas that may be serviced by Direct Haul, and shall be updated whenever the Direct Haul geographic areas are changed.

ARTICLE V

COUNTY'S RESPONSIBILITIES

5.1 OWNERSHIP OF REAL PROPERTY

The County shall own and have the legal title to the Transfer Station and Site necessary to enable the County and the Contractor to perform their respective obligations pursuant to this Contract. The County shall obtain and maintain any and all land use servitudes, easements, and rights-of-way necessary for the performance of the Transfer Station and Site obligations of both the County and the Contractor pursuant to this Contract.

5.2 PERMITTING, DESIGN, AND CONSTRUCTION OF THE TRANSFER STATION

The County shall be responsible for obtaining the building construction and Florida Department of Environmental Protection (FDEP) permits required for construction and operation of the Transfer Station. The Contractor will be responsible for the preparation of the Operations Manual to be included in the County's submittal package to the FDEP as provided in Section 2.9 of this Contract. The County will be responsible for the design and construction of the Transfer Station.

5.3 OWNERSHIP OF TRANSFER STATION AND EQUIPMENT

The County shall own the Transfer Station and the other improvements to the Site. The Transfer Station shall include the transfer station building and associated built-in equipment.

5.4 ACCESS TO TRANSFER STATION

The County shall provide and maintain for the Contractor, its employees, agents, Subcontractors, and suppliers, full and complete access to the Transfer Station as necessary to carry out the requirements of this Contract.

5.5 MAINTENANCE OF TRANSFER STATION SITE

The County shall provide mowing, landscape maintenance and erosion control in those areas of the Site that are under the Contractor's control.

5.6 COLLECTION OF SOLID WASTE FEES

The County shall be responsible for collecting the fees that it charges persons that deliver Solid Waste to the Transfer Station. The County shall determine the amounts of such fees.

5.7 PAYMENT TO THE CONTRACTOR; PAYMENT TO THE DISPOSAL FACILITY IN CASE OF SEPARATE AGREEMENT

The County shall pay the Contractor every month the appropriate amounts computed in accordance with ARTICLE VI. The County shall pay directly to any Disposal Facility that has a direct agreement with the County pertaining to disposal of Solid Waste the amounts owed by the County to that Disposal Facility under such agreement.

Any and all payment obligations of the County under this Contract shall be funded and paid solely from Pledged Funds, or at the sole discretionary option of the County from other non-ad valorem revenue sources of the County that are available and may lawfully be used for such purpose. No ad valorem derived funds or any other funds or revenues of the County (other than Pledged Funds) shall be obligated under this Contract. No payment obligations under this Contract shall be compelled to be paid by the County from other than the Pledged Funds. If the County determines that sufficient funds are not available to fully compensate Contractor for Contractor's performance under this Contract, Contractor shall not be required to perform under this Contract thereafter.

5.8 MEASUREMENT OF ACCEPTABLE WASTE TONNAGE

The County shall be responsible for determining the number of Tons of Acceptable Waste transported from the Transfer Station to the Disposal Facility each Operating Month. The County's automated data collection system at the County's scale house shall be used to determine the number of Tons of Acceptable Waste transported from the Transfer Station to the Disposal Facility. All vehicles delivering Solid Waste to the Transfer Station will be weighed in and weighed out at the County's scale house to determine their net tonnage. All vehicles transporting Acceptable Waste from the Transfer Station to the Disposal Facility shall be weighed in and weighed out at the County's scale house. At the discretion of the Director, tare weights may be implemented for the purpose of determining "weighed in" weight. The Department will use its automated data collection system to produce a report that summarizes the relevant data for each reporting period.

The County, at its expense, shall be responsible in terms of this Contract for timely determining the number of Tons of Acceptable Waste Direct Hauled by the Contractor each Operating month to any Disposal Facility for which the County has entered an agreement providing for such disposal and such measurement. For the purposes of determining the number of Tons of Acceptable Waste Direct Hauled by the Contractor to a Disposal Facility, the tonnage of Solid Waste Direct Hauled and measured at said Disposal Facility shall be deemed the tonnage of Acceptable Waste Direct Hauled to said Disposal Facility, upon condition that the Contractor makes every effort to collect and Direct Haul only Acceptable Waste; otherwise Acceptable Waste shall be measured separately from Solid Waste at the expense of the Contractor. The County shall timely provide the Contractor with a copy of all disposal weight records furnished to the County by any said Disposal Facility.

If the County Administrator approved Disposal Facility is not the subject of an agreement as provided in the paragraph above, the Contractor, at its expense, shall ensure by written agreement with the Disposal Facility that (1) the Disposal Facility shall determine, using certified

scales, the number of Tons of Acceptable Waste Direct Hauled by the Contractor to said Disposal Facility each Operating Month; and (2) the Disposal Facility shall timely report to the County, in a writing suitable to the County, a disposal weight record of the number of Tons of Acceptable Waste Direct Hauled by the Contractor to said Disposal Facility each Operating Month.

5.9 SCALE HOUSE OPERATIONS

The County shall be responsible for the operation and maintenance of a scale house in the vicinity of the Transfer Station, and the costs thereof. The Contractor shall be provided access at all reasonable times to observe the operations of the scale house. The County shall perform all required calibration of the scales or shall arrange for such services to be performed by an independent contractor at the County's expense. The scales shall be calibrated at least semi-annually. The County shall provide the Contractor with copies of all relevant documents verifying calibration of the scales.

The County's scale operators shall retain the original weight records. All disposal tickets issued by the County will be consecutively numbered. The disposal tickets and any other scale house reports shall be available for inspection by the Contractor upon request. The County shall provide a copy of all weight records to the Contractor monthly. The Contractor may, at its option and at its expense, install a computerized system compatible with the County's weigh scale system and/or assign one or more inspectors to observe the County's operations. The County shall cooperate with said inspectors in the performance of their duties.

Hand receipts will be utilized if the Department's automated data collection system is inoperable. Hand receipt data for the reporting period will be entered into the automated system as soon as possible.

If the Department's scales are inoperable or under other circumstances approved by the Director, the number of Tons of Acceptable Waste transported by the Contractor from the Transfer Station to the Disposal Facility will be determined by the Disposal Facility using certified scales, and reported to the County in a writing suitable to the County, as a disposal weight record of the number of Tons of Acceptable Waste transported by the Contractor from the Transfer Station to said Disposal Facility for each Operating Month, or portion thereof the Department's scales are inoperable or under other circumstances approved by the Director. If the County has a direct agreement with the Disposal Facility pertaining to disposal of waste, the County shall be responsible in terms of this Contract for fees pertaining to measuring and reporting tonnage of Acceptable Waste from the Disposal Facility. If the Contractor, and not the County, has a direct agreement with the Disposal Facility pertaining to disposal of waste, the Contractor shall be responsible in terms of this Contract for fees pertaining to measuring and reporting tonnage of Acceptable Waste from the Disposal Facility.

5.10 PUBLIC DROP-OFF AREA

The County may operate and maintain a public drop-off area located near the scale house for the receipt of small quantities of Solid Waste, excluding Hazardous Waste, delivered by the

citizens of St. Johns County. The public drop-off area may be open to the public during the same Days and hours that the Transfer Station is open for receipt of Solid Waste. The County shall be responsible for transporting Acceptable Waste from the public drop-off area to the Transfer Station and coordinating this activity so as to not interfere with the Contractor's work.

5.11 ENVIRONMENTAL MONITORING

The County shall perform and pay for any groundwater, surface water, leachate, or other routine environmental monitoring at the Transfer Station that is required by FDEP or any regulatory agency with jurisdiction over the activities at the Transfer Station. The County will coordinate and pay for the cost of any routine environmental monitoring reports specified in the FDEP permit for the Transfer Station. However, the Contractor shall perform and pay for any enhanced or extraordinary environmental monitoring and reporting that is required as a result of Pollution or other problems caused by Contractor's activities. In the event of conflict between this Section 5.11 and Section 1.2.3, Section 1.2.3 shall prevail.

5.12 SOLID WASTE FLOW CONTROL

(a) To the extent allowed by law and the extent consistent with its then current Solid Waste Franchises, authorized collector and/or independent haulers contracts, and Solid Waste ordinance(s), throughout the Term, the County shall deliver or cause to be delivered all Acceptable Waste within its lawful control that is produced within the unincorporated area of the County to the Transfer Station, except that Acceptable Waste Direct Hauled under this Contract. The County shall to such extent instruct its permitted, Franchised, authorized, and licensed haulers to deliver all Acceptable Waste collected from within unincorporated St. Johns County to the Transfer Station. The County is not, however, obligated to file suit or take any enforcement action against any hauler to compel compliance with this subsection. The Contractor may at its option, as party to this Contract, file suit or take any enforcement action against any hauler to compel compliance with this subsection.

(b) Subparagraph (a) above notwithstanding, the County reserves the right to divert any or all Solid Waste to any other facility or location of the County's choice for the purpose of Recycling, removing Recovered Materials, removing organic materials, composting, recycling construction and demolition debris, or otherwise using or processing the Solid Waste, or when otherwise required by law.

5.13 OWNERSHIP OF SOLID WASTE

The Contractor shall possess no right, title, or ownership of any Solid Waste and Recyclable Material until the Solid Waste and Recyclable Material is delivered to the Transfer Station or loaded into a Collection Vehicle for Direct Haul. All right, title, ownership and responsibility for the Acceptable Waste and Unacceptable Waste shall pass to the Contractor (1) when the waste material is loaded onto the tipping floor at the Transfer Station, or (2) when waste material is loaded

into the Collection Vehicle for Direct Haul; except as provided for in Sections 3.2, 3.3, and 5.12(b) of this Contract.

The Contractor shall conduct resource recovery as market conditions allow, as reasonably determined by the Contractor. Any recyclable material that is removed by the Contractor shall not be considered Acceptable Waste for the purpose of payment of the Service Fee. The Contractor shall submit the types of materials recycled and the tonnage for each material to the Director on a quarterly basis.

ARTICLE VI

GENERAL PAYMENT PROVISIONS

6.1 SERVICE FEE

After each Operating Month, the County shall pay to the Contractor a monthly Service Fee in an amount that is computed in the manner set forth in this ARTICLE VI. The County's obligation to pay the Service Fee is qualified and limited as provided in Section 5.7 of this Contract. Payment of the Service Fee shall fully and completely compensate the Contractor for all of Contractor's duties, obligations and responsibilities under this Contract.

6.2 METHOD OF CALCULATING SERVICE FEE

A. For performing its duties under this Contract, the Contractor shall be paid by the County a monthly Service Fee for each Operating Month. The Service Fee shall be computed in the following manner:

1. Projected Annual Tonnage. Prior to the beginning of each Operating Year, the County and Contractor shall determine a Projected Annual Tonnage to be used for said Operating Year. If the County and Contractor cannot agree on a suitable figure, Projected Annual Tonnage shall be derived as (Actual Annual Tonnage for the expiring Operating Year x 1.05).¹
2. Per Ton rate. The Projected Annual Tonnage shall be used to derive the amount per Ton ("per Ton rate") the County shall pay the Contractor.
 - a. If the County enters into an interlocal agreement with Duval County for use of the Trail Ridge Landfill ("Trail Ridge") as the Disposal Facility for all or some of the Acceptable Waste covered by this Contract, the per Ton rate for Acceptable Waste delivered by the Contractor to Trail Ridge shall be derived from Schedule "C" (see Exhibit "C") based on the Projected Annual Tonnage. (Example, with a Projected Annual Tonnage of 80,000, the per Ton rate is \$7.25). The per Ton rate shall be the same for Acceptable Waste that was (1) transported from the Transfer Station to Trail Ridge by the Contractor; or (2) Direct Hauled to Trail Ridge by the Contractor.

¹ For the initial Operating Year, Projected Annual Tonnage shall be as determined by the County and the Contractor, or if not thereby agreed upon, derived as (1.05 x the total tonnage of Acceptable Waste disposed of by the Franchisees at the County's landfill (Tillman Ridge), for the 12 month period ending on the first calendar day of the month the Commencement Date falls in).

b. If the Broadhurst Environmental, Inc., 4800 Broadhurst Rd. W. Jessup, GA ("Broadhurst")² is used as a Disposal Facility for some or all of the Acceptable Waste covered by this Contract, the per Ton rate for Acceptable Waste delivered by the Contractor to Broadhurst shall be derived from Schedule "D" (see Exhibit "D") based on the Projected Annual Tonnage. (Example, with a Projected Annual Tonnage of 80,000, the per Ton rate is \$32.25).

c. If some other facility than Trail Ridge or Broadhurst is identified and used as a Disposal Facility for some or all of the Acceptable Waste covered by this Contract, and the County has not, by interlocal agreement or separate contract, agreed to directly pay the Disposal Fee to such Disposal Facility, the per Ton rate for Acceptable Waste delivered by the Contractor to such facility shall not exceed the per Ton rate derived from Schedule "D" based on the Projected Annual Tonnage. In the event that the combination of (1) the best commercially available tipping fee charged by such different Disposal Facility; and (2) the transport costs to any such different Disposal Facility are measurably less than the combination of the tipping fee and transport costs to Broadhurst, (as evidenced in Schedules C1C and C1B of the Negotiating Package Response submitted by Contractor for this Contract) the per Ton rate shall be equitably adjusted to reflect the lesser fees and/or cost.

The County and the Contractor agree that if any portion of the unincorporated area of St. Johns County (e.g., Ponte Vedra Beach) becomes incorporated during the Term of this Contract, forms its own Solid Waste disposal program, and contracts with Contractor or any of its affiliates or parent companies for the collection and disposal of Solid Waste, the County may still include the amount of tonnage projected to be disposed of or actually disposed under that contract in determining the County's Projected Annual Tonnage and Actual Annual Tonnage solely for the purpose of determining such per Ton rates as per this Contract.

3. Monthly tonnage. At the end of each Operating Month the Department shall determine for said month the total tonnage ("Monthly Tonnage") consisting of (1) Acceptable Waste that was removed and transported from the Transfer Station to the Disposal Facility by the Contractor;³ and (2)

² See Exhibit "E" for additional information pertaining to Broadhurst.

³ The Department shall use the Transaction Summary Report produced by the County's automated data collection system to support the Department's calculation of the actual

Acceptable Waste that was Direct Hauled by the Contractor to the Disposal Facility.⁴ Monthly Tonnage shall be rounded to the nearest full Ton.

4. Service Fee calculation. After each Operating Month, the Department will calculate the Service Fee pertaining to said month by multiplying the Monthly Tonnage by the current per Ton rate. In any Operating Month where there is a change from one Disposal Facility to another causing a change in the per Ton rate, a separate calculation shall be done for each portion of that Operating Month (before and after the change) based on the delivered tonnage and per Ton rate pertaining to each subject Disposal Facility, and the results shall be summed to determine the Service Fee for that month. In any Operating Month where two or more Disposal Facilities are utilized in combination, a separate calculation shall be done for each Disposal Facility, based on the delivered tonnage and per Ton rate pertaining to each subject Disposal Facility, and the results shall be summed to determine the Service Fee for that month.
5. End of year adjustment. At the end of each Operating Year, the Department shall determine the Actual Annual Tonnage for said Operating Year. If the Actual Annual Tonnage corresponds to a different per Ton rate than the per Ton rate corresponding to the Projected Annual Tonnage for said year, as determined by the applicable schedule(s) ("C" and/or "D"), an end of year adjustment shall be made in the following manner:

For any Operating Year that said adjustment is required, the Department shall multiply the Actual Annual Tonnage by the corresponding per Ton rate (or applicable portion of the Actual Annual Tonnage to applicable per Ton rates if more than one Disposal Facility was utilized during the Operating Year) to determine the total Service Fees the Contractor is entitled to for that Operating Year. If the Service Fees as calculated by using the per Ton rate corresponding to Actual Annual Tonnage is greater than the Service Fees as calculated and paid by using the per Ton rate corresponding to Projected Annual Tonnage, the Contractor shall be paid the difference. If the Service Fees as calculated by using the per Ton rate corresponding to Actual Annual Tonnage is less than the Service Fees as calculated and paid by using the per Ton rate corresponding to Projected Annual Tonnage, the County shall be credited the difference, except that at the end of the final Operating Year

Transfer Station tonnage of Acceptable Waste for each Operating Month.

⁴ Derived from the disposal weight records provided to the County as required by Section 5.8 of this Contract.

under this Contract, the Contractor shall pay the County the difference within 30 Days of such end of final Operating Year.

Any year end adjustment shall be paid to the Contractor or credited to the County, as required, no later than sixty (60) days after the expiration of the Operating Year subject of the adjustment.

6.3 REDUCTIONS IN SERVICE FEE

The amount of the Service Fee to be remitted to the Contractor each month shall be reduced by the amount of any deductions taken by the County as per Section 1.3.4., and a reduction in the Service Fee may be used to set off any damages, indemnification, contribution, or any other costs or fees incurred by the County to fulfill Contractor responsibilities, or remedy Contractor actions under this Contract.

6.4 PROCEDURE FOR PAYMENT OF SERVICE FEE

After each Operating Month, the Department shall calculate the amount of the Service Fee that is owed to the Contractor for such Operating Month, using the procedures provided in this Article VI. The Department shall submit a request for the payment of the Contractor's Service Fee to the County Finance Director, and a copy of the request for payment will be provided to the Contractor, within seven (7) Operating Days after the end of the Operating Month, or within five (5) Operating Days after receiving a disposal weight record from the Disposal Facility as provided in Section 5.8 of this Contract, whichever is later.

If the Contractor disagrees with the amount stated in the Department's request for payment, the Contractor shall notify the Director within three (3) Operating Days after the copy of the request for payment is received by the Contractor. The existence of a dispute shall not delay the payment of undisputed amounts. Payments to the Contractor of undisputed amounts will be made within forty five (45) Days after the date the request for payment is received in the office of the County Finance Director. In the event of a disputed amount, the parties shall attempt to discover the cause of any discrepancy between the parties' calculations, and if a resolution is not timely made, the parties shall promptly attempt to resolve the dispute as provided in Section 1.5.19.

6.5 ADJUSTMENTS TO PER TON RATES

6.5.1 Consumer Price Index Adjustment

Any annual adjustment in the per Ton rates for the Service Fee shall be based upon and equivalent to the same percentage as the annual percentage increase or decrease in the Consumer Price Index (CPI) for the South Urban Size C - 50,000 to 450,000 population as published by the U.S. Department of Labor, Bureau of Labor Statistics. After the first full year from the Commencement Date, if requested by the County or by the Contractor within 30 Days of and prior

to the beginning of the next ("new") Operating Year, the per Ton rates for the Service Fee shall be adjusted and effective at the beginning of the first calendar day of the fourth month of such new Operating Year, based on the annual percentage change in the revised CPI for the year ending on the last day of the month preceding the beginning of said new Operating Year. The revised per Ton rate for the Service Fee shall then be in effect until changed pursuant to this subsection. The following formula shall be used in determining the new per Ton rate:

$$[\text{New Per Ton Rate} = \frac{[(\text{CPI}_2 - \text{CPI}_1 + 1)] \times \text{Per Ton Rate for the expiring Operating Year}}{\text{CPI}_1}]$$

"CPI₁" - the published CPI for the month preceding the beginning of expiring Operating Year.

"CPI₂" - the published CPI for the month preceding the beginning of the new Operating Year.

Adjustments to the per Ton rates made in accordance with this Section are intended to reflect changes in the purchasing power of a given amount of money expressed in dollars. If the method of establishing the CPI is revised to more accurately reflect inflation or deflation, the revised-method CPI shall be used thereafter when calculating the adjustments to the per Ton rates for the Service Fee. If CPI₁ and CPI₂ are not expressed in relation to the same base period, the County shall make an appropriate statistical adjustment or conversion. If the CPI is discontinued, the County shall select another index, which must be representative of inflationary or deflationary trends in a manner similar to the prior CPI, and which is published by the United States government or by a reputable publisher of financial and economic indices. The Contractor may recommend an appropriate index to the County. If the County refuses to select an index that is acceptable to the Contractor, the parties shall promptly attempt to resolve the dispute as provided in Section 1.5.19.

If some other facility than Trail Ridge or Broadhurst is identified and used as the Disposal Facility for some or all of the Acceptable Waste covered by this Contract, and the tipping fee charged by that Disposal Facility to the County or the Contractor does not increase from an Operating Year to the next, or increases at a lower rate than the revised CPI increase for any period of time the revised CPI otherwise reflects an increase, the per Ton rate shall be equitably adjusted to reflect the lower, flat or lesser rate of increase of the tipping fee as a component of the overall per Ton rate.

6.5.2 LEGAL CHANGES ADJUSTMENT

After the Effective Date of this Contract, if there is a Change in Law which has the effect of establishing requirements which have caused or will cause a direct increase or a direct decrease in the Contractor's cost of performing its obligations under this Contract which are encompassed within the Service Fee (in comparison to that cost which would otherwise have existed), then:

(a) In the event of such increase in costs, Contractor may notify the County of such event and request an appropriate increase in the affected per Ton rate to reflect the increased cost of performing contract obligations that have been or will be affected by such Change in Law.

(b) In the event of such decrease in costs, the County may notify the Contractor of such event and request an appropriate decrease in the affected per Ton rate to reflect the decreased cost of performing contract obligations that have been or will be affected by such Change in Law. Decreases in cost shall be calculated on the same basis as increases in costs.

The purpose of any increase or decrease in affected per Ton rate requested and granted in connection with an increase or decrease in costs under this Section shall be to have the County bear 100% of the cost increase and obtain a benefit of 100% of the cost reduction.

To the extent either party is requesting an increase or decrease in the affected per Ton rate pursuant to this Section, that party (the "requesting party") shall provide the other with as much detail as possible as to the nature of the Change in Law, the basis for the assertion that such change has had or will have an effect on cost, the dollar amount per Ton of Acceptable Waste associated with such effect, and the underlying calculation of the change being sought in the per Ton rate. Upon the receipt of such information, the other party (the "responding party") shall promptly review the information and, within sixty (60) Days of such receipt, shall respond to the requesting party in writing, stating whether it agrees or disagrees with the requesting party's request. If the responding party agrees, then the parties promptly shall meet and adjust the affected per Ton rate in accordance with the request. If the responding party disagrees with the requesting party's request, then the parties shall promptly attempt to resolve the dispute as provided in Section 1.5.19.

If the Contractor requests an increase in affected per Ton rates as a result of a Change in Law, the County shall be entitled to audit the Contractor's financial and operational records related to the Contractor's request in order to verify the impact of the Change in Law on the Contractor's costs.

If an adjustment to an affected per Ton rate is made as a result of a Change in Law, the adjustment shall be applied commencing on the date the amount of the rate change is agreed to by the parties or retroactively to the date when non-binding arbitration pertaining to the dispute is scheduled or a law suit pertaining to the dispute is filed, whichever date is earlier (the "adjustment date"). If the adjustment date is a date other than an Operating Year anniversary date, the amount of the adjustment shall be equitably pro rated to assure that any increase or decrease in the amount of the total Service Fee computed each month after the adjustment date in that Operating Year does not apply the adjusted rate (or reflect its application) to tonnages of Acceptable Waste serviced by the Contractor prior to the adjustment date.

Any Change in Law that is general to the economy and is substantially reflected in the CPI shall not qualify as the basis for a Change of Law adjustment under this Section 6.5.2.

6.5.3 TRANSPORTATION AND DISPOSAL COSTS

The per Ton rates established in Schedule "D" are based on the cost of transportation to and disposal at the potential Disposal Facility designated in Exhibit "E." The Contractor warrants that such potential Disposal Facility will be available for the entire Term of this Contract.

IN WITNESS WHEREOF, the parties hereto have caused this Contract to be executed by their duly authorized representatives as of the date first set forth above.

BOARD OF COUNTY COMMISSIONERS
OF ST. JOHNS COUNTY, FLORIDA

By: _____

Ben W. Adams, Jr.
Ben W. Adams, Jr.
County Administrator

Attest: Cheryl Strickland, Clerk of Courts

By: _____

Stacy Malanier
Deputy Clerk

SEABOARD WASTE SYSTEMS, INC.

By: _____

Robert L. Crawford
Its VICE PRESIDENT/GEN MGR.

STATE OF FLORIDA
COUNTY OF

The foregoing instrument was acknowledged before me this 17th day of August, 1998 by Robert L. Crawford, the Vice President/General Manager of Seaboard Waste System, Inc., a Florida corporation, on behalf of the Corporation. He or she is personally known to me or has produced _____ as identification.

Laura S. Taylor, Notary Public
Laura S. Taylor

(Name of Notary, typed or printed)

Commission Number: _____

Commission Expires: _____

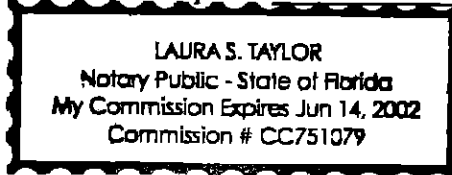


EXHIBIT "A"

DEFINITIONS

The following words and expressions (or pronouns used in their stead) shall, wherever they appear in the Contract (as defined below), have the following meanings:

1. "Acceptable Waste" is that portion of the Solid Waste that may be disposed of lawfully in a Class I Landfill, as defined by the Florida Department of Environmental Protection.
2. "Act of God" means hurricanes, tornadoes, landslides, lightning, earthquakes, fire, flood, explosion, sabotage or similar occurrence, acts of a public enemy, war, or insurrection, riot, or civil disturbance when not connected with labor unrest or disputes.
3. "Actual Annual Tonnage" shall mean the total tonnage for any particular Operating Year of (1) Acceptable Waste that was removed and transported from the Transfer Station to a Disposal Facility by the Contractor; and (2) Acceptable Waste that was Direct Hauled by the Contractor to a Disposal Facility.
4. "Applicable Laws" means all of the Permits applicable to or required for the Transfer Station, any Disposal Facility, and the other activities required by the Contract to be performed by the Contractor or the County, plus any local, state or federal statute, law, constitution, charter, ordinance, judgment, order, decree, rule, regulation, directive, policy, standard or similar binding authority, or a judicial or administrative interpretation of any of the same, which are enacted, adopted, promulgated, issued or enforced by a governmental body, in any manner directly relating to the Contract and the performance thereof.
5. "Board of County Commissioners" or "Board" shall mean the Board of County Commissioners of St. Johns County, Florida, which is the governing body of the County.
6. "Certificate of Insurance" shall mean a certificate evidencing the existence and current validity of the insurance policies required to be obtained by the Contractor.
7. "Change in Law" means (i) the adoption, promulgation, or modification after the Effective Date of any Applicable Laws that was not adopted, promulgated, or modified on or before the Effective Date, or (ii) the imposition of any material conditions in connection with the issuance, renewal, or modification of any Permits, license, or approval after the Effective Date, which in the case of either (i) or (ii) establishes requirements affecting the operation or maintenance of the Transfer Station, or the Contractor's performance under the Contract, that are significantly more burdensome than the most stringent requirements that are applicable to the Contract and in effect as of the Effective Date, agreed to in any applications of the Contractor or the County for Permits pending as of the Effective Date, or contained in any Permits with respect to the Contract obtained as of the Effective Date. A change in any federal, state, county, or other governmental entity tax law

or workers compensation law shall not be a Change of Law. However, in the event that a federal, state or local governmental entity imposes a fee, charge or tax after the Effective Date that applies to the Transfer Station or Disposal Facility per se, such fee, charge or tax shall be treated as a Change in Law. Further, a change in fuel taxes shall be treated as a Change in Law, but only to the extent that the fuel tax affects the cost of the diesel fuel that is purchased by the Contractor and used to transport Acceptable Waste from the Transfer Station to the Disposal Facility, or Direct Haul.

8. "Class I Landfill" shall be as defined in Rule 62-701.340(3)(a), F.A.C.
9. "Collection Vehicle" shall mean any vehicle operated by the Contractor used to collect and Direct Haul Acceptable Waste in its Franchise area.
10. "Commencement Date" means the date, stated in the County's Notice to Proceed, when the Contractor must commence operations at the Transfer Station and the transfer and disposal of Acceptable Waste. Such date shall not be later than July 1, 1999.
11. "Consequential Damages" shall mean any and all damages resulting from any act or omission on the part of the Contractor or the County.
12. "Consumer Price Index" shall mean Consumer Price Index (CPI) for the South Urban Size C - 50,000 to 450,000 population as published by the U.S. Department of Labor, Bureau of Labor Statistics.
13. "Construction and Demolition Debris" is as defined by Rule 62-701.200 (25), F.A.C.
14. "Contract" shall mean the Transfer Station and Solid Waste Removal Contract between the Board and the Contractor.
15. "Contractor" shall mean Seaboard Waste Systems, Inc., a Florida corporation.
16. "County" shall mean St. Johns County, Florida, a political subdivision of the State of Florida or the Board as the context allows.
17. "County Finance Director" shall mean the chief financial officer (Clerk of Court) of the County, or his or her designee.
18. "County Administrator" means the chief executive officer of the County or his or her designee.
19. "Day" shall mean one calendar day.
20. "Department" shall mean the St. Johns County Solid Waste Department or its successor department.

21. "Direct Haul" shall mean collecting and transporting Acceptable Waste directly from the Contractor's Franchise area or from Contractor's Transfer Station (said Contractor's Transfer Station shall by this Contract be subject to Board approval prior to construction) at Contractor's facility at 445 International Golf Parkway, provided that the average daily tons of Acceptable Waste so transfer hauled shall not exceed 25 tons per day, to a Disposal Facility in the manner and under the conditions set forth in the Contract.

22. "Director" shall mean the director of the Department or other persons so designated, employed or authorized by the County Administrator to act as such.

23. "Disposal Facility" is a County Administrator approved Solid Waste disposal facility, which has been properly permitted by the state in which the facility is located, and which lawfully may receive and dispose of Acceptable Waste.

24. "Effective Date" means the date first appearing on page one of the Contract.

25. "EPA" means the United States Environmental Protection Agency.

26. "F.A.C." means the Florida Administrative Code.

27. "FDEP" means the Florida Department of Environmental Protection.

28. "Force Majeure" shall mean:

(a) An Act of God, including hurricanes, tornadoes, landslides, lightning, earthquakes, fire, flood, explosion, sabotage or similar occurrence, acts of a public enemy, war, or insurrection, riot, or civil disturbance when not connected with labor unrest or disputes;

(b) The order or judgment of any federal, State, or local court, administrative agency or governmental body, excepting decisions of federal courts interpreting federal tax laws, and decisions of State courts interpreting State tax laws, if it is not also the result of the willful misconduct or negligent action or inaction of the party against whom it is entered or of a third party for whom the party relying thereon is responsible; provided that neither the contesting in good faith of any such order or judgment nor the failure to so contest shall constitute or be construed as a measure of willful misconduct or negligent action or inaction of such party;

(c) The failure to issue or the suspension, termination, interruption, denial, or failure of renewal of any Permits or approval essential to the operation of the Transfer Station or Disposal Facility; provided that such act or event shall not be the result of the misconduct or negligent action or inaction of the party claiming or seeking relief under the Contract because of a Force Majeure or of a third party for whom the party seeking such relief is responsible; and provided further that neither the contesting in good faith of any such action nor the failure to so contest shall constitute or be construed as a measure of misconduct or negligent action or inaction of such party;

(d) A Change in Law;

(e) The inability of any appropriate federal, State, County, or local public agency or private utility having operational jurisdiction in the area in which the Transfer Station is located, other than the County, to provide and maintain utilities, services, water and sewer lines, and power transmission lines which are required for and essential to the operation of the Transfer Station;

(f) Any unforeseen condition (including the presence of Hazardous Waste) which shall prevent, or require major redesign or change in, the construction or operation of the Transfer Station in accordance with the Contract, provided that the condition was unknown to the party claiming a Force Majeure, and could not have been discovered with reasonable diligence by such party, on or before the Effective Date; or

(g) The condemnation, taking, seizure, involuntary conversion, or requisition of title to or use of the Site or any material portion or part thereof taken by the action of any federal, State or local governmental agency or authorities, other than the County;

(h) Any act, event, or condition which is determined by mutual agreement of the County and Contractor to be of the same general type, and subject to the same conditions, as those set forth in subparagraphs (a) through (g) above.

"Force Majeure" shall not be deemed to include any act, event, or condition not described in subparagraphs (a) through (h) above, or any act, event, or condition over which a party relying thereon (including any third party for whose performance such party is responsible) reasonably has any influence or control, or, specifically, any act, event, or condition arising out of labor difficulties, labor shortages, or changing economic conditions.

29. "Franchise" shall mean a Solid Waste collection, transportation, and disposal franchise granted by St. Johns County, as described in St. Johns County Ordinance 89-20, as amended.

30. "Gross Revenues" shall mean all income and moneys received by the County from the tipping fees and charges that the County may charge from time to time specifically for the use of the System and all income and monies received by the County from non ad valorem assessments that the County may levy from time to time specifically for the use and/or availability of the System.

31. "Hazardous Waste" means a Solid Waste identified by the FDEP or EPA as a hazardous waste pursuant to Chapter 62-730, F.A.C.; the Resource Conservation and Recovery Act, as amended; the Comprehensive Environmental Response, Compensation and Liability Act, as amended; or other Applicable Laws.

32. "Leachate" is as defined by Rule 62-701.200(59), F.A.C.

33. "Monthly Tonnage" shall mean the total of (1) Acceptable Waste that was removed and

transported from the Transfer Station to the Disposal Facility by the Contractor; and (2) Acceptable Waste that was Direct Hauled by the Contractor to a Disposal Facility; each for any full calendar month under the Contract, and each for any partial calendar month at the beginning or end of the Contract that is reported for Service Fee calculation in lieu of a full calendar month. Monthly Tonnage shall be rounded to the nearest full Ton.

34. "Net Revenues" shall mean Gross Revenues less Operating Expenses.
35. "Notice" shall mean a written notice delivered by certified or registered mail, return receipt requested, or by hand delivery, or by overnight delivery service.
36. "Notice to Proceed" shall mean the Notice given by the County to the Contractor establishing the Commencement Date.
37. "Objectionable Odor" is as defined by Rule 62-210.200(203), F.A.C.
38. "On-site" means on the land described in Exhibit "B."
39. "Operating Day" means any day the Transfer Station is open for the receipt of Solid Waste.
40. "Operating Expenses" shall mean the County's cost and expenses, including attorneys' fees and the fees of other professionals, incurred or paid (i) for operation, maintenance, renovations, repairs and replacements with respect to the System, (ii) to administer, levy and collect tipping fees, non ad valorem assessments and/or any other fees or charges that are charged or imposed by the County specifically for the use of the services or facilities of the System, and/or (iii) to administer, defend, insure, finance, acquire, design, construct and/or otherwise protect, expand and/or improve the System, all to the extent properly attributable to the System in accordance with generally accepted accounting principles. Operating expenses shall also include payments made (or deposits made to any landfill management fund or any escrow or other account established by the County) for the purpose of monitoring and closing, or assuring the availability of financial resources for the monitoring and closing, of the landfills and other facilities of the System and the payment of all environmental clean up costs associated with such landfills and facilities.
41. "Operations Manual" shall mean the manual that describes the operation of the Transfer Station and all of the associated Solid Waste management activities.
42. "Operating Month" means, with respect to the initial Operating Month, the period commencing on the Commencement Date and ending on the last day of the calendar month. Thereafter, an Operating Month shall be the same as a calendar month, except that if the termination of this Contract occurs partially through a calendar month, that portion of the month under the Contract shall also be deemed an Operating Month.
43. "Operations Plan" means the plan that is submitted to FDEP pursuant to FDEP Rule 62-

701.801, F.A.C., and describes how the Transfer Station shall be operated.

44. "Operating Year" means, with respect to the initial Operating Year, the period commencing on the Commencement Date and ending on the following September 30th. Thereafter, an Operating Year shall be the twelve month period commencing October 1 and ending the following September 30 ("fiscal year"), except that if the termination of this Contract occurs partially through a fiscal year, that portion of the fiscal year under the Contract shall also be deemed an Operating Year.

45. "OSHA" shall mean the Occupational Safety and Health Act as passed by Congress and all of its Amendments.

46. "Performance and Payment Bonds" shall mean the surety bond provided by the Contractor.

47. "Permits" shall mean the permits from the Florida Department of Environmental Protection and all other governmental permits, licenses, authorizations and approvals required for the operation of the Transfer Station and the Disposal Facility and/or for the performance of the County and/or Contractor's obligations under the Contract.

48. "Pledged Funds" shall mean the Net Revenues.

49. "Pollution" shall have the meaning set forth in Section 403.031(7), Florida Statutes but without limiting such conditions to the outdoor atmosphere or waters of the State of Florida and shall also include such other adverse conditions as are deemed to be pollution under other Applicable Laws.

50. "Prohibited Wastes" are those waste materials that are prohibited at the Transfer Station, including, but not limited to, Hazardous Waste, asbestos, biomedical wastes, biological waste, radioactive waste, sludge and liquid wastes.

51. "Projected Annual Tonnage" shall mean the projected total Tons for any particular Operating Year of (1) Acceptable Waste to be removed and transported from the Transfer Station to a Disposal Facility by the Contractor; and (2) Acceptable Waste to be Direct Hauled by the Contractor to a Disposal Facility.

52. "RCRA" shall mean the Resource Conservation and Recovery Act, including but not limited to the 1984 Hazardous and Solid Waste Amendments and 40 CFR parts 257 and 258.

53. "Recovered Materials" is as defined by Rule 62-701.200 (92), F.A.C.

54. "Recyclable Material" is as defined by Rule 62-701.200(93), F.A.C.

55. "Recycling" is as defined by Rule 62-701.200(94), F.A.C.

56. "Revised CPP" shall mean the subsequent revision to the Consumer Price Index (CPI) for the South Urban Size C - 50,000 to 450,000 population as published by the U.S. Department of Labor, Bureau of Labor Statistics.
57. "Service Fee" shall mean the monthly payment to the Contractor from the County to compensate Contractor for all of Contractor's duties, obligations and responsibilities under this Contract. See ARTICLE VI.
58. "Site" means the real property that is described more specifically in Exhibit "B," which is attached hereto and incorporated herein by reference. The Site includes the proposed Transfer Station and any other structures on or improvements to the real property.
59. "Solid Waste" is as defined by Rule 62-701.200(102), F.A.C.
60. "Special Waste" means Yard Trash, White Goods, Waste Tires, used oil and lead acid batteries.
61. "Subcontractor" shall mean any separate corporation, firm, individual, joint venture, or combination thereof (other than employees of the Contractor) who or which contracts with the Contractor to furnish or actually furnishes labor, materials, or equipment for the performance of portions of the Contractor's duties under the Contract.
62. "Surety" shall mean one or more insurance companies, duly licensed to transact business in the State of Florida, which execute and issue the Performance and Payment Bonds required by this Contract.
63. "System" shall mean the County owned Solid Waste disposal site, facilities, supplies, materials, and/or services located at Tillman Ridge in St. Johns County as they exist on the Effective Date, the Transfer Station to be located in the County at Tillman Ridge, any additional Solid Waste facilities, equipment, supplies, materials, and/or services owned, used, or provided by the County, as they exist on the Effective Date, and any additional Solid Waste facilities, equipment, supplies, materials, and/or services owned, used, or provided by the County that the Board in its discretion may hereafter designate as part of the System; such designation to be made by one or more resolutions of the Board specifically designating such service, facility, equipment, supplies or materials as part of the System for the purpose of the Contract.
64. "Term" shall mean the initial term and any applicable renewal term as described in Section 1.1 of the Contract.
65. "Transaction Summary Report" means the report produced by the County's computer systems for each Operating Month, which summarizes the daily transactions at the County's weigh station for the Transfer Station.

66. "Transfer Station" means the Solid Waste transfer, processing and transportation facility that is or will be located at the Site.

67. "Transfer Tractor" shall mean the type or types of tractor trucks used in the Solid Waste industry to long haul Solid Waste.

67. "Transfer Trailer" shall mean the type or types of trailers used in the Solid Waste industry to long haul Solid Waste.

67. "Ton" shall mean 2,000 pounds.

68. "Unacceptable Waste" means any Solid Waste that cannot legally be disposed at a Class I Landfill under Applicable Laws. Unacceptable Waste includes but is not necessarily limited to Prohibited Waste and Special Waste.

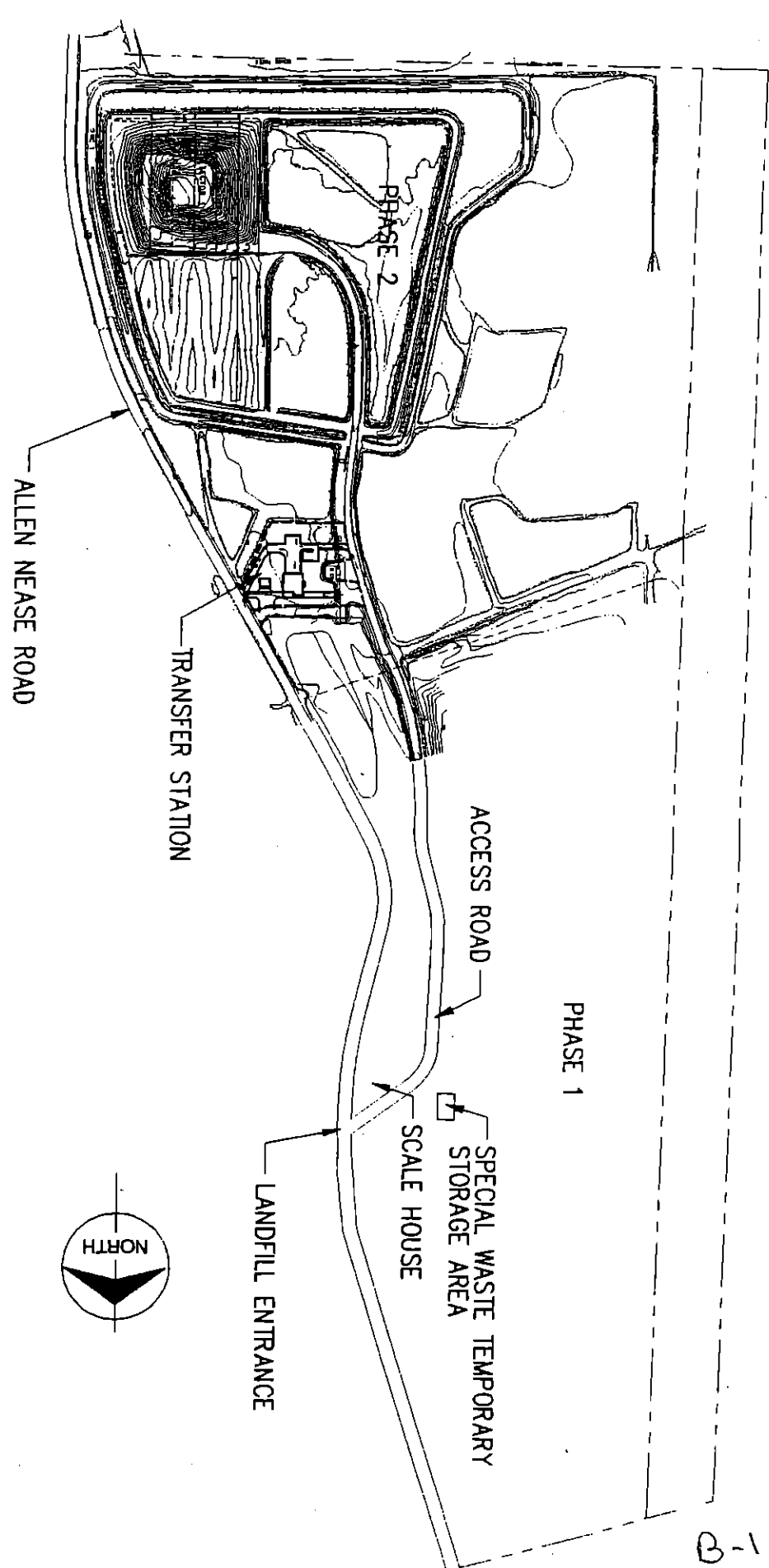
69. "Waste Tire" is as defined by Rule 62-701.200(122), F.A.C.

70. "White Goods" is as defined by Rule 62-701.200 (129), F.A.C.

71. "Yard Trash" is as defined by Rule 62-701.200 (131), F.A.C.

EXHIBIT "B"
TRANSFER STATION SITE
(See B-1 through B-3)

"B"

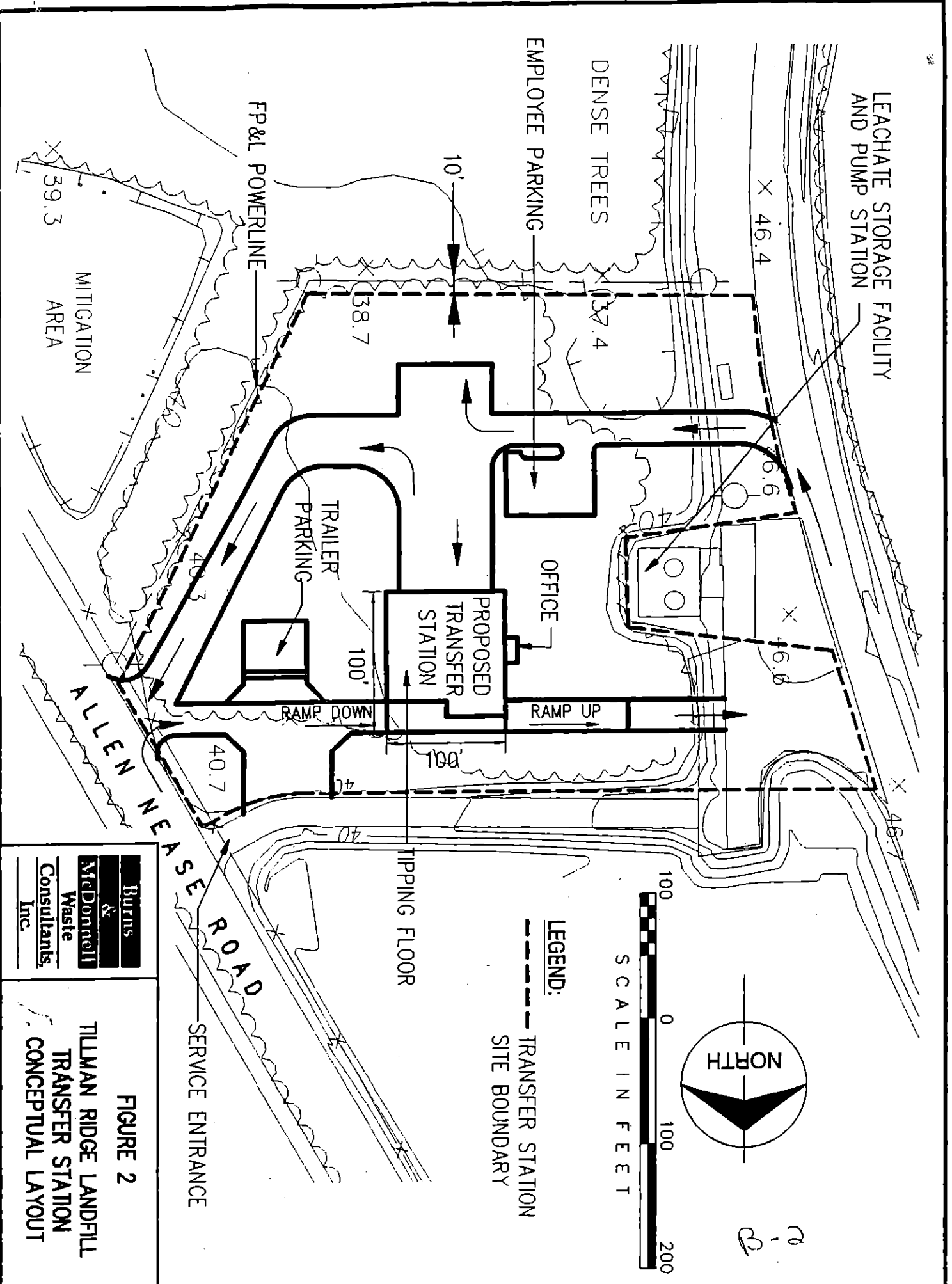


LEGEND:

- TRANSFER STATION BOUNDARY
- LANDFILL SITE BOUNDARY

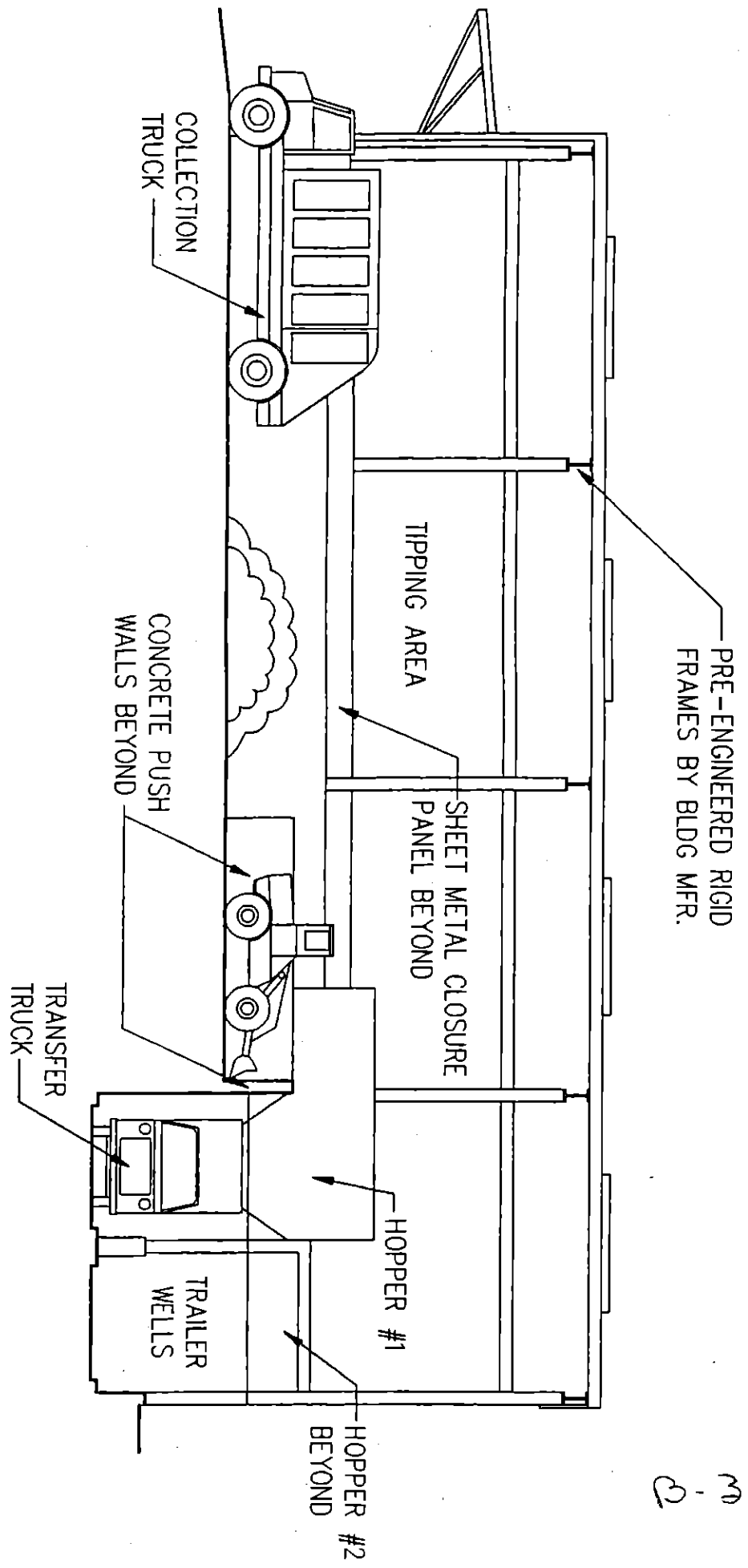
Byrnes & McDonnell
 Waste Consultants, Inc.

FIGURE 1
 TILLMAN RIDGE LANDFILL
 TRANSFER STATION
 CONCEPTUAL LAYOUT



Burns & McDonnell
 Waste Consultants, Inc.

FIGURE 2
 TILLMAN RIDGE LANDFILL
 TRANSFER STATION
 CONCEPTUAL LAYOUT



30-2

Hyuns
 &
McDonnell
 Waste
 Consultants
 Inc.

FIGURE 3
 TILLMAN RIDGE LANDFILL
 TRANSFER STATION
 CONCEPTUAL LAYOUT

EXHIBIT "C"

Schedule "C" - Trail Ridge Per Ton Rate

Annual Tonnage (Low)	Annual Tonnage (High)	Per Ton Rate
-	61,399	\$8.30
61,400	76,749	\$7.75
76,750	92,099	\$7.25
92,100	107,449	\$7.17
107,450	122,799	\$7.08
122,800	138,149	\$6.98
138,150	153,499	\$6.88
153,500	168,849	\$6.75
168,850	184,199	\$6.62
184,200	-	\$6.50

EXHIBIT "D"

Schedule "D" - Broadhurst Per Ton Rate

Annual Tonnage (Low)	Annual Tonnage (High)	Per Ton Rate
-	61,399	\$33.30
61,400	76,749	\$32.75
76,750	92,099	\$32.25
92,100	107,449	\$32.17
107,450	122,799	\$32.08
122,800	138,149	\$31.98
138,150	153,499	\$31.88
153,500	168,849	\$31.75
168,850	184,199	\$31.62
184,200	-	\$31.50

EXHIBIT "E"

BROADHURST DISPOSAL FACILITY INFORMATION

ITEM	DISPOSAL FACILITY
Name of Facility	Broadhurst Environmental, Inc.
Address of Facility	4800 Broadhurst Rd., W. Jessup, Georgia 31545
Telephone Number of Facility	(912) 530-7050
Distance of Facility from Tillman Ridge Landfill (miles)	129 Miles
State Permit Number	Ga EPD 151-014D (SL)
Total Permitted Airspace Capacity (Cubic Yards)	14,000,000
Estimated Remaining Airspace Capacity (Cubic Yards)	13,900,000
Permitted Disposal Rate (TPD)	Unlimited
Current Disposal Rate (include contracts and proposed contracts that will be using the Disposal Facility in the next 10 years) (Tons per Day)	700
Is the Disposal Facility under a CERCLA or RCRA Remedial Investigation? If yes, explain.	No
Does the Disposal Facility have a composite (clay & plastic) bottom liner and leachate collection system that meets the requirements of Subtitle "D"?	Yes

The Contractor has certified that the above information is true and that the above named facility is committed to accepting Class I Solid Waste from St. Johns County for the term of the Contract.

EXHIBIT "F"

GUARANTEE

This Guarantee is made as of this 18 day of August, 1998 by Republic Services, Inc., a Delaware corporation, ("Guarantor"), having its principal place of business at 110 SE 6th Street, Ft. Lauderdale FL 33301, to and for the benefit of St. Johns County, a political subdivision of the State of Florida, ("County").

WITNESSETH:

WHEREAS, Seaboard Waste Systems, Inc., a Florida corporation (the "Contractor"), has entered into a Transfer Station and Solid Waste Removal Contract (the "Contract") dated as of _____, 1998, with the County; and

WHEREAS, Guarantor is willing to guarantee, as set forth below, part of the Contractor's performance under the Contract; and

WHEREAS, the County would not enter into the Contract unless the Guarantor provided this Guarantee;

NOW, THEREFORE, as an inducement to the County to enter into the Contract, Guarantor agrees and promises as follows:

1. Guarantor hereby absolutely and unconditionally guarantees the full and prompt performance by the Contractor of all the Contractor's obligations under the Contract, in accordance with and subject to the terms and conditions therein, but solely with regard to performance and claims that involve, are based on, relate to or arise from Pollution at a Disposal Facility.
2. This Guarantee shall be governed by the laws of the State of Florida. Guarantor hereby agrees to the service of process in Florida for any claim or controversy arising out of the Guarantee or relating to any breach hereof. Guarantor agrees to submit to the exclusive jurisdiction of any court of competent jurisdiction in the State of Florida for the resolution of any claim or controversy concerning the Contract or this Guarantee.
3. This Guarantee shall be binding upon and enforceable against the Guarantor, its successors, or assigns (including any successor by merger or consolidation or any transferee of all or substantially all of the properties of Guarantor), whether or not such obligations are expressly assumed by such successor, assignee, or transferee. This Guarantee is for the benefit of the County and any permitted successors and assigns under the Contract.
4. Each and every event of default under Section 1.2 of the Contract shall give rise to

4. Each and every event of default under Section 1.2 of the Contract shall give rise to a separate cause of action hereunder. Separate actions may be brought hereunder by the County as each cause of action arises.

5. No waiver, amendment, release or modification of this Guarantee shall be established by delay, conduct, custom or course of dealing between the parties.

6. Guarantor shall not assign its obligation hereunder, except to a successor by merger or consolidation or to a transferee of all or substantially all of the assets of the Guarantor each of which must assume in writing the obligations of the Guarantor hereunder. Notice of any such assignment shall be given in writing to the County promptly, but in no event more than ninety (90) Days after the effective date of any such merger, consolidation or transfer.

7. This Guarantee may be enforced immediately by the County upon Contractor's default and failure to cure any such default. This Guarantee shall not be subject to any claim of Guarantor against any other person.

8. This Guarantee may be executed simultaneously in several counterparts, each of which shall be deemed an original, and all of which together shall constitute one and the same instrument. The invalidity or unenforceability of one or more provisions of this Guarantee shall not affect the validity or enforceability of the remaining portions of this Guarantee. This Guarantee is entered into by Guarantor solely and exclusively for the benefit of the County, and may be enforced against Guarantor by the County.

9. The Contract is adopted herein by reference.

10. The Guarantor hereby waives notice of any modifications to the terms of the Contract;

11. Any changes in or under the Contract and compliance or non-compliance with any formalities connected with the Contract or the giving by the County of any extension of time for the performance for the performance of said Contract, or any other forbearance on the part of either County or Contractor to the other, shall not in any way release the Contractor or the Guarantor, or either or any of them, their heirs, their personal representatives, successors, or assigns from liability hereunder, notice to the Guarantor of any such changes, alterations, extensions or forbearance being hereby waived.

12. The Guarantor hereby waives notice of renewals of the Contract that occur pursuant to Section 1.1 thereof.

13. Notices provided pursuant to this Guarantee for default shall be in writing and shall be served personally or sent by certified mail, return receipt requested, to:

County: County Administrator
P.O. Drawer 349
St. Augustine, FL 32085-0349

Guarantor: Republic Services, Inc.
(Address)

or to such other address as shall be designated by such party in a written notice to the other party hereto. Any notice given pursuant to this Section if transmitted by certified mail shall be effective immediately upon receipt, and if delivered by hand upon delivery.

IN WITNESS WHEREOF, Guarantor has executed this instrument the day and year first above written.

GUARANTOR
REPUBLIC SERVICES, INC.

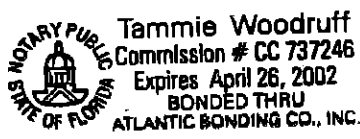
By: [Signature]
Its: Senior Vice President

Witness: [Signature]

Witness: [Signature]

STATE OF Florida
COUNTY OF Broward

The foregoing instrument was acknowledged before me this 18 day of August, 1998 by David A Barclay, as Senior Vice President of Republic Services, Inc., a Delaware corporation, on behalf of the Corporation. He or she is personally known to me or has produced _____ as identification.



Tammie Woodruff, Notary Public
Tammie Woodruff
(Name of Notary, typed or printed)
Commission Number: CC 737246
Commission Expires: 4.26.2002

EXHIBIT "G"

BOND NO. _____

PERFORMANCE AND PAYMENT BOND

KNOW ALL MEN BY THESE PRESENTS THAT, BY THIS BOND, Seaboard Waste Systems, Inc., a Florida corporation, (the "Contractor") and _____ (the "Surety"), a surety insurer chartered and existing under the laws of the State of _____ and authorized to do business in the State of Florida, are held and firmly bound unto the Board of County Commissioners of St. Johns County, Florida (the "County") in the sum of Five Million Dollars (\$5,000,000) lawful money of the United States of America for the payment whereof the Contractor and Surety bind themselves, their heirs, executors, administrators, personal representatives, successors, and assigns, jointly and severally.

WHEREAS, the Contractor and the County have entered into a Transfer Station and Solid Waste Removal Contract dated as of _____, 1998 (the "Contract"), which Contract (and its defined terms) is incorporated by reference herein in its entirety;

NOW THEREFORE, THE CONDITIONS OF THIS BOND ARE AS FOLLOWS:

1. If the Contractor shall fully, completely and timely perform each and all of the Contractor's duties under the terms, provisions and requirements of the Contract;
2. If the Contractor pays the County for all liabilities, losses, damages, claims, judgements, liens, delays, expenses, costs and attorney's fees, of all kinds, that the County incurs or sustains as a result of any default, failure or breach by the Contractor under the Contract;
3. If the Contractor timely performs the guarantees of all of the work and materials furnished under the Contract for the Terms specified in the Contract;
4. If the Contractor promptly makes payments to all persons and entities supplying Contractor with labor, materials, or supplies used directly or indirectly by Contractor in the prosecution of the work and services required under the Contract;
5. If the Contractor, the Surety, or both shall indemnify and hold harmless the County from any and all losses, liability, damages, claims, judgments, liens, costs, and fees of every description which the County may incur, sustain or suffer by reason of failure, breach or default on the part of the Contractor in the performance of any or all of the terms, provisions, or requirements of the Contract, and all damages resulting from appellate proceedings;

THEN THIS BOND shall be null and void; otherwise this bond shall remain in full force

IN WITNESS WHEREOF, the Contractor and the Surety have hereunto affixed their corporate seals and caused this bond to be signed by their duly authorized officers or agents, this _____ day of _____, 1998.

ATTEST:

CONTRACTOR : Seaboard Waste Systems, Inc.

Witness

By: _____
(Authorized Signature) (Contractor)

Witness

Printed Name

Title of Person Signing Above

Business Address

STATE OF
COUNTY OF

The foregoing instrument was acknowledged before me this ____ day of _____, 1998 by _____, the _____ of _____, a _____ corporation, on behalf of the corporation. He or she is personally known to me or has produced _____ as identification.

_____, Notary Public

(Name of Notary, typed or printed)

Commission Number: _____

Commission Expires: _____

SURETY: _____
Printed Name

Business Address

By: _____
Authorized Signature

Witness

Witness

STATE OF
COUNTY OF

The foregoing instrument was acknowledged before me this ____ day of _____, 1998 by _____, the _____ of _____ a _____ corporation, on behalf of the corporation. He or she is personally known to me or has produced _____ as identification.

_____, Notary Public

(Name of Notary, typed or printed)

Commission Number: _____

Commission Expires: _____

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DISPOSAL AGREEMENT

This Disposal Agreement (Agreement) is made and entered into this _____ day of _____, 2000, by and between Waste Management, Inc. of Florida, a Delaware corporation (Waste Management), and Republic Services of Florida Limited Partnership, a Delaware limited partnership doing business in St. Johns County, Florida as Seaboard Waste Systems (Seaboard).

RECITALS

It is hereby ascertained, determined and declared by the parties that:

- A. Seaboard operates the St. Johns County Tillman Ridge Solid Waste Transfer Station (Transfer Station) pursuant to the Transfer Station and Solid Waste Removal Contract dated August 28, 1998 (Transfer Station Contract) between the County and Seaboard.
- B. Waste Management wishes to deliver to the Transfer Station municipal solid waste that it collects from commercial customers in Putnam County, Florida for processing, transportation and disposal by Seaboard.
- C. The County's Board of County Commissioners has authorized Seaboard, pursuant to Resolution No. 2000-_____ and the Agreement for Processing Out of County Solid Waste dated November ____, 2000 between the County and Seaboard (Out of County Waste Agreement), to accept the Putnam Commercial Waste at the Transfer Station for processing, transportation and disposal.
- D. Waste Management and Seaboard have agreed, and the County and Seaboard have agreed, to the rates of compensation, terms and conditions for accepting, weighing, processing, transportation, and disposal of the Putnam Commercial Waste.

NOW THEREFORE, in consideration of the mutual promises contained herein, the parties agree as follows:

1. DEFINITIONS.
 - a) "County" means St. Johns County, a political subdivision of the State of Florida.
 - b) "Commencement Date" means the date that the Agreement for Processing and Disposal of Out of County Solid Waste between the County and Seaboard becomes effective.

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- c) "Unacceptable Waste" means any solid, semi-solid or liquid waste material which is defined by the laws of the State of Florida or the Florida Administrative Code as a hazardous waste or a special waste, or any other waste material having such physical characteristics as to potentially cause excess wear and tear or damage to the Transfer Station or to Seaboard's equipment.
 - d) "Putnam Commercial Waste" means non-hazardous municipal solid waste generated by commercial customers of Waste Management in Putnam County, Florida, excluding Unacceptable Waste as defined herein.
2. **TERM.** The term of this Agreement shall commence on the Commencement Date and shall continue in effect for two (2) years. This Agreement may be extended or renewed for successive one (1) year periods by the mutual consent of Waste Management and Seaboard not less than 90 days prior to the expiration of the term of this Agreement, provided, however, that the County and Seaboard shall first agree to such extension or renewal by similar extension or renewal of the Out of County Waste Agreement.
 3. **ACCEPTANCE OF PUTNAM COMMERCIAL WASTE.** Waste Management is authorized to deliver and Seaboard shall accept Putnam Commercial Waste at the Transfer Station during the term hereof, in an amount not to exceed 2,400 tons during each calendar month.
 4. **UNACCEPTABLE WASTE.** Waste Management shall be solely responsible for and shall immediately remove from the Transfer Station any Unacceptable Waste delivered to the Transfer Station by Waste Management.
 5. **CHARGES and PAYMENT.** Waste Management shall direct its waste collection vehicles to the County's weigh scale facility at the Transfer Station prior to unloading Putnam Commercial Waste on the Transfer Station tipping floor. The County has agreed pursuant, to the Out of County Waste Agreement, to weigh each load delivered by Waste Management and to maintain records of each transaction, and to provide such records to Seaboard for Seaboard's preparation and submission of a monthly invoice to Waste Management.

The rate that Seaboard shall charge Waste Management for acceptance of Putnam Commercial Waste is \$47.00 per ton. Seaboard shall prepare the monthly invoice following the end of each calendar month. Waste Management shall make full payment to Seaboard for the amount of the invoice within thirty (30) days of the invoice date. In the event that Waste Management does not make full payment within 30 days of invoice date, Seaboard may suspend acceptance of Putnam Commercial Waste until all

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amounts due are paid in full. Pursuant to the Out of County Waste Agreement, Seaboard shall remit \$4.00 per ton of Putnam Commercial Waste to the County and shall retain \$43.00 per ton, as compensation for the services provided by the County and Seaboard.

All of the rates of compensation provided herein shall be increased or decreased annually on each anniversary date of the Commencement Date by the annual percentage change in the Consumer Price Index, All Urban Consumers, U.S. City Average, All Items (1982-84=100).

6. NOTICES. All notices and other communications to be given hereunder shall be in writing and shall be provided by U.S. Mail or facsimile transmission, as appropriate, and shall be addressed as follows:

- a) To Waste Management:

Waste Management Inc. of Florida
170 County Landfill Road
Palatka, FL 32177
Attn.: General Manager
Telephone: (904) 328-5445
Fax: (904) 329-9664

- b) To Seaboard:

Seaboard Waste Systems
445 International Golf Parkway
St. Augustine, FL 32085
Attn.: General Manager
Telephone: (904) 825-0991
Fax: (904) 825-2103

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IN WITNESS WHEREOF, the parties have duly executed and delivered this agreement as of the day and year first above written.

WASTE MANAGEMENT, INC. OF FLORIDA

By: _____
Its: _____

REPUBLIC SERVICES OF FLORIDA
LIMITED PARTNERSHIP
d/b/a Seaboard Waste Systems

By: _____
Its: _____