

Bio-Solid Waste
Landfill Disposal Agreement

This Bio-Solid Waste Disposal Agreement (“Agreement”) is dated as of December _____, 2013, and is made and entered into by and between Refuse, Inc. (“Company”) d/b/a Lockwood Regional Landfill, located in Lockwood, Nevada, (the “Landfill”) and The City of Sparks (the “Customer”) for the disposal of approximately 40,000 tons per year of Acceptable Waste from the Truckee Meadows Water Reclamation Facility as defined in Paragraph 1 to be delivered by Customer to Company.

1. Acceptable Waste. Commencing January 1, 2014 (the “Commencement Date”), Customer agrees to deliver and Company agrees to accept for disposal all of Customer’s Acceptable Waste as defined herein, which is estimated to be approximately 40,000 tons per year. Acceptable Waste shall consist of Bio-Solid Waste including sewer plant sludge from the Truckee Meadows Water Reclamation Facility. Acceptable Waste excludes special, hazardous, explosive, highly flammable, infectious, pathological, radioactive, residual, toxic or illegal waste, as defined under any federal, state or local statute, regulation or law. Customer shall not dispose of any other non-hazardous waste types without the express written consent of the Company. Customer shall submit for Company’s approval the Waste Release Permit issued to Customer by the Washoe County Health Department and any other necessary special waste applications required by law or by the Company’s permit and shall accurately manifest the amount of special waste to be disposed.

2. Term of Agreement. The initial term of this Agreement is eighteen (18) months from the Commencement Date set forth above (“Initial Term”). This Agreement shall automatically renew thereafter for additional 1-year periods, each (a “Renewal Term”), unless either party gives to the other party written notice of termination at least sixty (60) days prior to the termination of the Initial Term or any Renewal Term. This agreement provides for a total of four (4) Renewal Terms. Upon transmitting written notice of termination as provided herein, Customer shall pay to Company all monies due under this Agreement for the duration of the then-existing Term.

3. Rates for Disposal.

a. Weekday (Monday-Friday) Rates

During weekday (Monday-Friday) operating hours, the Company agrees to accept for disposal all of Customer’s Acceptable Waste at a rate of \$12.06 per ton plus the applicable environmental charge fee and fuel surcharge as described on www.wm.com . .

b. Saturday Rates

During Saturday operating hours, the Company agrees to accept for disposal all of Customer’s Acceptable Waste at a rate of \$21.50 per ton plus the applicable environmental charge fee and fuel surcharge as described on www.wm.com

c. Payment Terms

Company shall invoice Customer on a monthly basis based on actual volume of Acceptable Waste delivered to the Landfill, with the final invoice for each service year to include any unpaid portion of the Disposal Minimum. In the event the Customer fails to make any payments due hereunder within thirty (30) days of the date of Company’s invoice, Company may, at its option: (i) apply a late fee equal to the greater of 1.5% per month of the unpaid amount in your next bill, or maximum amount allowed by law, whichever is greater, (ii) suspend acceptance of Acceptable Waste at the Landfill, (iii) adjust the Disposal Rate, or (iv) terminate this

Agreement if Customer fails to make the past-due payment within five (5) business days of receipt of Company's default notice.

d. Annual Disposal Rate Increase

Commencing on July 1, 2015 and annually thereafter the Disposal Rates shall be subject to annual increases based upon the percentage of change in the Consumer Price Index, All Urban Consumers, U.S. City Average- Item: Garbage and Trash Collection (1983=100) ("CPI") as published by the Bureau of Labor Statistics, Washington, D.C. commencing with the index for March, 2015 being the base period for purposes of making adjustments. Rates adjusted in accordance with the CPI shall not be greater than six percent (6%) nor less than zero percent (0%) in any one-year regardless of the percentage change in the CPI.

Company shall provide Customer with new rates by June 1st of each adjustment year.

In addition, Company may increase the Disposal Rates to account for any material increase in disposal or landfill costs, or as may be necessary to reflect other increased operating costs resulting from other circumstances beyond Company's reasonable control, including, without limitation, changes in any Applicable Laws, imposition of taxes, fees, surcharges or other governmental charges, changes in the scope of Services and acts of God such as floods, fires, etc. Company shall submit documentation supporting any rate adjustment at the same time written notice of same is provided to Customer.

4. Compliance with Laws. Customer shall, in all matters relating to the collection, transportation and disposal of the Waste hereunder, comply with all applicable federal, state and local laws, regulations rules and orders relating to such activities. Customer represents and warrants that the waste it transports to the Landfill will not contain any unacceptable quantity of hazardous, radioactive or toxic materials or substances.

5. Operating Rules.

a. Company reserves the right to make and enforce reasonable rules and regulations concerning Landfill operations, the conduct of the drivers and others on Company premises, quantities and sources of waste, and any other matters necessary or desirable for the safe, legal and efficient operation of the Landfill. Customer agrees to conform to such rules and regulations as they may be established and amended from time to time.

b. Company shall have the right to refuse to allow disposal of any waste that does not conform to the requirements of this Agreement, that does not pass a paint filter test at the Landfill, or any waste which is not acceptable at the Landfill due to any applicable law, regulation, rule or order, even if only a part of the waste load is nonconforming. Customer shall inspect all waste at the place of collection, and shall remove any Unacceptable Waste before transporting it to the Landfill. Unacceptable Waste includes waste tires, radioactive, volatile, corrosive, flammable, explosive, biomedical, infectious, biohazardous, regulated medical or hazardous waste, toxic substance or material, as defined by, characterized or listed under applicable federal, state, or local laws or regulations. Company shall have the right to inspect all trucks waste haulers including Customer in order to determine whether the waste is conforming or nonconforming. It is understood, however, that the failure of Company to perform any such inspection, or the failure of Company to detect Unacceptable Waste despite such inspections, shall in no way relieve Customer of its obligations to dispose of only Acceptable Waste. Customer shall be responsible for and bear all reasonable expenses incurred by Company for the removal and proper disposal of Unacceptable Waste delivered by Customer.

c. All of the Acceptable Waste shall be weighed at the Landfill by the Company, and such weight or measurement shall be conclusive on the parties.

d. In the event that Customer's vehicle should become incapacitated or unable to move while on the Landfill premises, the Company may, but shall not be obligated to, provide assistance in moving the vehicle. In such circumstances, Customer's driver or agent shall make any necessary connections to Customer's vehicle and Customer expressly agrees that the Company shall have no liability for damage to Customer's vehicle or property while providing such assistance.

6. Right of Disposal. This Agreement does not grant any rights to dispose of waste other than in accordance herewith. Company reserves the right immediately to terminate access to the Landfill to Customer in the event of breach or violation by Customer of any of the terms of this Agreement, the Company's operating rules or payment policies or any applicable laws.

7. Indemnification.

(a) Customer shall indemnify, defend and hold harmless Company and its subsidiaries, affiliates and parent corporation, as applicable, and their respective offices, directors, employees and agents, from and against any and all claims, suites, losses, liabilities, assessments, damages, costs and expenses, including reasonable attorneys' fees, arising under federal, state or local laws, regulations or ordinances relating to pollution or protection of the environment, or relating to the collection, transportation or content of the Acceptable Waste, or resulting from injury (including death) to the person or damage to or loss of the property of anyone (including the Company and Customer, and employees of the Company and Customer), arising out of or in connection with the collection, transportation and disposal of Acceptable Waste by Customer; provided, however, that such indemnification shall not apply to claims for loss, damage, injury or death if caused by the negligence of the Company.

(b) Customer shall be responsible for and shall pay or reimburse Company for any and all expenses incurred by the Company as a result of breaches by Customer of its obligations hereunder, including, but not limited to, fines and clean-up expenses resulting from waste delivered by Customer and increased inspection, testing, study and analysis costs made necessary due to reasonable concerns of the Company as to the content of the Waste following discovery of Unacceptable Waste.

(c) The indemnification and other obligations stated in this Paragraph 7 shall survive the termination of this Agreement.

(d) The Customer does not waive any of the provisions or protections afforded to it under NRS Chapter 41.

8. Insurance. Customer shall maintain in full force and effect throughout the term of this Agreement the following types of insurance in at least the limits specified below:

Coverages	Minimum Limits of Liability
Worker's Compensation	Statutory
General Liability	\$1,000,000 combined single limit

Automobile Liability

\$1,000,000 combined single limit

All insurance will be by insurers authorized to do business in the state in which the Landfill is located. Prior to Customer being allowed on Landfill premises, Customer shall provide the Company with certificates of insurance or other satisfactory evidence that such insurance has been procured and is in force, naming the Company as an additional insured. Said policies shall not thereafter be cancelled, be permitted to expire, or be changed without thirty (30) days advance written notice to the Company.

9. Failure to Perform. Neither party hereto shall be liable for its failure to perform hereunder due to circumstances not its fault and beyond its reasonable control, including but not limited to strikes or other labor disputes; riots, civil disturbance or sabotage; fires, floods, explosions, accidents, weather or acts of God affecting either party hereto. In the event of any of the circumstances listed in the preceding sentence, or if any federal, state or local court or authority takes any action which would (i) close or restrict operations at the Landfill, (ii) limit the quantity or prohibit the disposal of waste at the Landfill, or (iii) limit the ability of or prohibit Customer from delivering waste to the Landfill, the Company shall have the right, at its option, to reduce, suspend or terminate Customer's access to the Landfill immediately, without prior notice and without any additional liabilities between the parties, other than Customer's payment obligations hereunder.

10. Miscellaneous.

a. This Agreement shall be governed by the laws of the state in which the Landfill is located.

b. No waiver of a breach of any of the covenants contained in this Agreement shall be construed to be a waiver of any prior or succeeding breach of the same covenant or of any other covenant of this Agreement.

c. No modification, release, discharge or waiver of any provision hereof shall be of any force or effect, unless in writing, signed by all parties to this Agreement.

d. Pursuant to Chapter 239 of NRS, Company and Customer shall treat as confidential and not disclose to others during or subsequent to the term of this Agreement, except as is necessary to perform this Agreement, any information (including any technical information, experience or data) regarding the other party's plans, programs, plants, processes, products, costs, equipment, operations or customers which may come within the knowledge of the parties or their employees in the performance of this Agreement, without in each instance securing the prior written consent of the other party.

e. If any term, covenant or provision of this Agreement shall be held to be invalid, illegal or unenforceable in any respect, this Agreement shall remain in effect and be construed without regard to such provision.

f. This Agreement constitutes the entire understanding between the parties, replacing and amending any prior agreements between the parties, and shall be binding upon all parties hereto, their successors, heirs, representatives and assigns. Any provision, term or condition in any acknowledgment, purchase order or other response by Customer which is addition to or different from the provisions of this Agreement shall be deemed objected to by the Company and shall be of no effect.

11. Notices. All notices required under this Agreement may be made by documented personal delivery, mailed by certified U.S. mail, postage prepaid, return receipt requested, sent by overnight carrier, or transmitted by confirmed facsimile to the parties' addresses on the signature page hereto, or to such other address as either party shall specify by written notice so given. Any notice sent by U.S. mail in the manner set forth above must also be sent by confirmed facsimile to be effective and shall be deemed given and received three (3) business days after the date deposited in the United States mail. Any notice or communication given by personal delivery or sent by overnight carrier or confirmed facsimile in the manner set forth above shall be deemed given upon documented receipt.

COMPANY AND CUSTOMER IN CONSIDERATION OF THE MUTUAL OBLIGATIONS CONTAINED HEREIN, AGREE THIS IS A LEGALLY BINDING AGREEMENT.

Customer:

City of Sparks

Company:

REFUSE, INC.

SIGNATURE (AUTHORIZED REPRESENTATIVE)

SIGNATURE(AUTHORIZED REPRESENTATIVE)

Name (Please Print)

Name (Please Print)

Title

Title

Date

Date

Address for Notice Purposes:

**TRUCKEE MEADOWS WATER
RECLAMATION FACILITY
8500 Clean Water Way
Sparks, Nevada 89431**

ATTN: _____

Phone: _____

Facsimile: _____

Address for Notice Purposes:

**LOCKWOOD REGIONAL LANDFILL
2401 Canyon Way
Sparks, Nevada 89434**

ATTN: Landfill/District Manager

Phone: (775) 342-0401

Facsimile: (775) 342-0101