

AGREEMENT FOR SOLID WASTE DISPOSAL

THIS AGREEMENT (this Agreement) is made and entered into this 1st day of October, 2002, by and between NASSAU COUNTY, a political subdivision of the State of Florida (hereinafter referred to as "The County") and GATEWAY DISPOSAL, a Florida Corporation (hereinafter referred to as "GATEWAY").

BACKGROUND FACTS

Nassau County operates the West Nassau Class I Sanitary Landfill (hereinafter referred to as "The Landfill") located on U.S. Highway 1, immediately north of Callahan, Florida, Nassau County, a political subdivision of the State of Florida (hereinafter referred to as "The County"). GATEWAY is developing and will continue to develop business arrangements with commercial, institutional, industrial, manufacturing, and other customers in the geographic area in which the West Nassau Landfill is permitted to accept Solid Waste. GATEWAY desires to dispose of Solid Waste generated by its customers within such area in the West Nassau Landfill. Nassau County has agreed to accept and dispose of Solid Waste from sources in the Permitted Service Area of the Landfill collected and delivered by GATEWAY.

The parties desire to enter this Agreement to provide for the disposal of Solid Waste generated in the Permitted Service Area and collected and delivered by GATEWAY to the West Nassau Landfill and to set forth the terms, conditions, rights and remedies of the parties thereunto appertaining.

RECITAL OF CONSIDERATION

NOW, THEREFORE, in consideration of the premises and mutual covenants herein, and for Ten Dollars and other good and valuable consideration, the receipt of which and the adequacy of which are mutually acknowledged, with each party accordingly waiving any challenge to the sufficiency of such consideration, it is mutually covenanted, promised and agreed by the parties hereto as follows: challenge to the sufficiency of such consideration, it is mutually covenanted, promised and agreed by the parties hereto as follows:

AGREEMENT

1. DEFINITIONS

- (a) "Ton", with respect to weights shall mean 2,000 pounds.

- (b) "Change in Law" means any amendments to, or promulgation of any federal, state, county, city, or local statute, rule, regulation, or ordinance first becoming effective after the date of this Agreement that imposes, changes, modifies, and/or alters requirements upon:
- (1) the design, construction, operation, maintenance or closure of the West Nassau Landfill;
 - (2) the disposal of Solid Waste at the West Nassau Landfill, or which statute, rule, regulation, or ordinance requires Nassau County to seek either an amendment or modification to, or reissuance of, any permits, licenses, certificates of public convenience and necessity, approval or authorization issued by any governmental body required for Nassau County. To construct, operate, maintain or close the West Nassau Landfill, or to dispose of Solid Waste of the West Nassau Landfill, or imposes additional requirements or prohibitions upon such construction, operation, maintenance, closure or disposal.
- (c) "Class I Solid Waste Disposal Facility" means any Class I Landfill so classified under Rule 62-701.340(3)(a) and (c), Florida Administrative Code, or any successor rule or regulation thereto, together with all contiguous land and structures, other appurtenances, and improvements on the land used for Solid Waste Management.
- (d) "Cost Substantiation" means, with respect to certain operating and capital costs or charges set forth in paragraph 5(d) for which Nassau County seeks to be compensated hereunder, the delivery to GATEWAY of a written statement signed by an authorized representative of the Contractor.
- (1) setting forth in reasonable detail the nature and amount of such cost or charge,
 - (2) stating in substance that such cost or charge was or will be actually paid or incurred by Nassau County as a direct result of an event giving Nassau County the right to be compensated therefor under this Agreement, and
 - (3) stating in substance that such cost or charge is reasonable with regard to then existing market

conditions for the equipment, materials, service, labor, commitment or other item provided.

- (e) "Department" means the Florida Department of Environmental Protection and any successor agency thereto.
- (f) "Disposal Fee" is defined in Paragraph 5(a).
- (g) "Hazardous Waste" means hazardous waste, as defined in Section 403.703(21), Florida Statutes, or any successor statute thereto, or agency rules(s) promulgated thereunder.
- (h) "Permit" means the written authorization issued by a regulatory agency with jurisdiction for the siting, construction and/or operation of a Solid Waste Disposal Facility, provided all procedural standards, performance standards and conditions set forth therein are met.
- (i) "Permitted Service Area" means the geographical area, as specified from time to time under applicable law, rules, regulations and Permits, from within which Solid Waste that is generated may be received for disposal at the West Nassau Landfill.
- (j) "Permit Modifications" means a change or alteration to the procedural standards, performance standards or conditions of a Permit.
- (k) "Scales" means a platform truck scale weighing device which meets with the design specifications and performance accuracy requirements of the scale code in the National Institute of Standards and Technologies Handbook 44, and which interfaces directly with a Solid Waste management system.
- (l) "Solid Waste" means Class I and other non-hazardous solid waste as described in Section 407.703(13) Florida Statutes permitted to be disposed in a lined Class I landfill under the rules and regulations of the Department.
- (m) "Solid Waste Disposal Facility" means any Solid Waste management facility as defined in Section 403.703(11) Florida Statutes permitted to be disposed in a lined Class I landfill under the rules and regulations of the Department.

- (n) "Tons Per Day" or "TPD" means the number of tons of Solid Waste delivered by GATEWAY to the West Nassau Landfill each operating day (excluding Sundays) averaged over each calendar month.
- (o) "Waste Screening Program" means a program for detecting and preventing regulated quantities of Hazardous Waste from entering a Class I Solid Waste Disposal Facility or Transfer Station and includes random inspection of incoming loads of Solid Waste, record keeping, training, and procedures to notify the proper regulatory agency (ies) when regulated quantities of Hazardous Waste have entered such Class I Solid Waste Disposal Facility or Transfer Station. Such program shall not conform at a minimum to the requirements of the applicable Permit, the rules of the Department as promulgated in the Florida Administrative Code, or as otherwise approved by the Department.
- (p) "West Nassau Landfill" means the Class I Solid Waste Disposal Facility portion of the facility owned by Nassau County located on U.S. Highway 1, immediately north of Callahan, Florida, and more particularly described in the text and map attached hereto as Exhibit "A" and in the Department's Permit No. SC45-174427, and includes any lands immediately contiguous to said facility which may later be included within the limits of the foregoing Permit or any successor operating Permit.

2. TERM

Unless sooner terminated or extended as provided herein, the initial term of this Agreement shall commence on the date hereof and shall continue until September 30, 2003. GATEWAY, at its option, with written consent of the county, may extend the Term for twenty four (24) consecutive calendar months from and after the initial term upon written notice given at least ninety (90) days prior to the expiration of said initial term. Nassau County and Gateway Disposal shall renegotiate the disposal fee if GATEWAY exercises its option to renew, and shall be subject to mutual agreement based upon market conditions and any increase in the county's operational cost.

3. RIGHTS AND OBLIGATIONS OF GATEWAY

- (a) On the date the initial term of the Agreement commences and continuing, throughout the Term of this Agreement (as it may be extended), GATEWAY shall have the right to deliver to the West Nassau Landfill, Solid Waste

generated in the Permitted Service Area, up to the maximum amount set forth in paragraph 4(a) hereof.

- (b) GATEWAY shall implement and enforce a program for preventing the deposit of regulated quantities of Hazardous Waste into its collection equipment, and for detecting any such Hazardous Waste in its equipment, in accordance with usual and customary waste collection practices.
- (c) GATEWAY shall provide notification to its customers in the Permitted Service Area that Hazardous Waste shall not be placed in GATEWAY'S equipment and GATEWAY shall use its reasonable business efforts to prevent the delivery by GATEWAY of any Hazardous Waste or any waste other than Solid Waste to the West Nassau Landfill. If any Hazardous Waste or any waste not permitted is disposed or at the West Nassau Landfill that is delivered by GATEWAY, GATEWAY will be responsible for the clean up and removal of said waste.

4. RIGHTS AND OBLIGATIONS OF NASSAU COUNTY

- (a) Beginning on the date the Term of this Agreement commences and continuing throughout the Term of this Agreement (as it may be extended), Nassau County shall cause to be accepted at the West Nassau Landfill for disposal therein all Solid Waste transported by GATEWAY from generators in the Permitted Service Area, but outside Nassau County, up to three hundred twenty-five (325) TPD; provided, however, that GATEWAY may increase such maximum subject to Nassau County's written consent. No later than June 1 of each year, beginning June 1, 2002, GATEWAY shall notify Nassau County of its best estimate of the quantity of Solid Waste to be delivered to the West Nassau Landfill from generators in the Permitted Service Area for the annual period beginning on the upcoming October 1.
- (b) Nassau County shall use its reasonable business efforts to prevent the disposal of Hazardous Waste or any waste other than Solid Waste at the West Nassau Landfill. As used herein, the term "reasonable business efforts" shall mean the implementation, rigorous enforcement, and continuous updating of a Waste Screening program as set forth in the most current edition of the document entitled "Waste Screening at Municipal Solid Waste Management Facilities," as periodically revised and published by the United States Environmental Protection Agency.

- (c) Nassau County shall maintain at the West Nassau Landfill such scales as may be required by law and/or any regulatory agency with jurisdiction, and shall cause all Solid Waste delivered by GATEWAY to be weighed thereon. The results of each such weighing shall be permanently and accurately recorded. Nassau County, at its cost and expense, shall test and recalibrate the scales as may be required by law or rule, or reasonably requested by GATEWAY. GATEWAY representatives may observe such weighing and recordation upon reasonable notice.
- (d) Nassau County shall maintain a weight record containing the weight, date, time, and vehicle identification number of each GATEWAY vehicle that delivers waste to the West Nassau Landfill. Nassau County shall deliver copies of such weight records to GATEWAY along with its invoice for disposal for that month, following the end of each calendar month.
- (e) In the event that the scales become inoperable so as to preclude the weighing of vehicles and Solid Waste, then Nassau County shall utilize other reasonable methods mutually agreed with GATEWAY to estimate or determine the basis for charging the Disposal Fee for Solid Waste generated in the Permitted Service Area.
- (f) GATEWAY shall have the right periodically review a copy of Nassau County's annual aerial survey and other engineering reports and calculations identifying the capacity remaining at the West Nassau Landfill.

5. CONSIDERATION AND DISPOSAL FEES

- (a) The total fee (including all taxes and other charges) to be charged to GATEWAY by Nassau County for receiving Solid Waste transported by GATEWAY from generators in the Permitted Service Area for disposal at the West Nassau Landfill shall be as follows (the "Disposal Fee"): The fee shall be twenty-three and 00/100 (\$23.00) per ton per month. If the annual monthly average drops below 3000 tons per month during the first year of the contract, Nassau County and Gateway Disposal will renegotiate the disposal fee. The amounts of the above described disposal fees have been established based on the expected annual volume of Solid Waste to be delivered by GATEWAY from sources in the Permitted Service Area. The Disposal Fee shall not be increased during the first year even if GATEWAY

fails to deliver to the West Nassau Landfill the expected annual volume of Solid Waste, except as expressly provided in paragraph 5(a) hereof.

- (c) GATEWAY shall deposit or issue to the County an irrevocable Letter of Credit/Payment Bond drawn on a bank chartered by the State of Florida which shall equal three months' established disposal fee. Payment of the Disposal Fee shall be made within thirty (30) days after GATEWAY receives an invoice from Nassau County. Following the delivery of written notice to GATEWAY that GATEWAY is thirty (30) days delinquent in paying the Disposal Fee, Nassau County may refuse to receive Solid Waste transported by GATEWAY to the West Nassau Landfill for disposal until the delinquent Disposal Fee has been paid in full.
- (d) In the event that Nassau County incurs additional capital or operating costs for the design, permitting, construction, operating, maintenance or closure of the West Nassau Landfill directly resulting from a Change in Law, Nassau County shall be entitled to proportionately (based on GATEWAY'S tonnage in relation to all tonnage) increase the Disposal Fee in an amount to compensate Nassau County for such increase in cost; provided, however, that Nassau County shall not be entitled to increase the Disposal Fee unless, within thirty (30) days after the Change in Law in question and at least thirty (30) days prior to the effective date of such increase, Nassau County gives GATEWAY, in writing, notice and a description of such Change in Law, a detailed explanation of the impact of the Change in Law upon Nassau County's operating and capital costs, and providing Cost Substantiation of such increased costs. GATEWAY shall have the right to seek reimbursement from its customers for any increase in the Disposal Fee due to a Change in Law.
- (e) Nassau County, for the duration of this Agreement: (i) shall have the continuing obligation, and shall take all actions necessary, and diligently, to apply for, timely seek renewal of, and maintain in good standing any and all Permits, including but not limited to those pertaining to construction, operating, stormwater, environmental matters, as may be necessary for the continuous and lawful operation of the West Nassau Landfill, and (ii) shall take no actions which would adversely affect the receipt and retention of any and all Permits, or cause adverse modification thereof, including, but not limited to, those pertaining to

construction, operating, stormwater, environmental matters, as may be necessary for the continuous and lawful operation of the West Nassau Landfill. In the event any such Permit is not in good standing, GATEWAY shall have the right to terminate this Agreement immediately upon written notice to Nassau County. Nassau County represents and warrants to GATEWAY, which warranty and representation shall survive any termination of this Agreement, that Nassau County currently has all Permits necessary for operation of the West Nassau Landfill and the receipt for disposal thereof of all Solid Waste which may be delivered thereto by GATEWAY under this Agreement.

- (f) GATEWAY shall not be entitled to deliver to the West Nassau Landfill Solid Waste generated in any county except those counties within the Permitted Service Area. IF GATEWAY desires to deliver Solid Waste generated in a county other than a county in the Permitted Service Area, GATEWAY shall cooperate with and assist Nassau County in obtaining such modifications. GATEWAY shall pay the out-of-pocket expenses (including reasonable Consultant's fees) incurred by Nassau County in obtaining such modifications.

6. MISCELLANEOUS

- (a) Limitations Upon Consent. Whenever, under the terms of this Agreement, either party is called upon to give its written consent, and except as provided under subparagraph (g), such written consent will not be unreasonably withheld.
- (b) Form of Consent. All consents and approvals of any kind required under this Agreement shall be in writing. Whenever under the terms of this Agreement either party is authorized to give consent, such consent may be given and shall be conclusively evidenced by a writing executed by an appropriate officer.
- (c) Notices, Documents, and Consents. All notices required to be given or authorized to be given by any party pursuant to this Agreement shall be in writing and shall be deemed delivered when served personally, when deposited with the United States Postal Service for delivery by certified mail, or when deposited with nationally recognized overnight delivery service for delivery, as follows:

To Nassau County: Walter D. Gossett
County Coordinator
Post Office Box 1010
Fernandina Beach, FL 32034

With a Copy to: Robert P. McIntyre
Solid Waste Director
440 South Kings Road
Callahan, FL 32011

To GATEWAY: General Manager
9798 Normandy Boulevard
Jacksonville, FL 32221

With a Copy to: Mary M. O'Brien
Vice President, Marketing
9250 Baymeadows Road
Suite 220
Jacksonville, FL 32256

- (d) Amendments. This Agreement may be amended from time to time only by written agreement duly authorized and executed by the parties hereto.
- (e) Severability. If any provisions of this Agreement shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of which provision shall not affect any of the remaining provisions of this Agreement, and this Agreement shall be enforced as if such invalid and unenforceable provision had not been contained herein.
- (f) Execution of Documents. Each party agrees that it will execute any and all documents or other instruments, and take such other action as is necessary to give effect to the terms and intent of this Agreement.
- (g) Assignment. Neither party may assign, transfer, or otherwise vest in any other person, any of its rights or obligations under this Agreement without the prior written consent of the other party. Except as otherwise expressly provided elsewhere in this Agreement, such consent may be withheld for any or no reason, the provisions of subparagraph (a) to the contrary notwithstanding.
- (h) Successors and Assigns. This Agreement shall be binding upon, and shall inure to the benefit of, the parties hereto and their respective successors and permitted assigns.

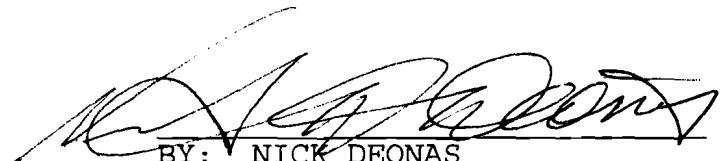
- (i) Waiver. No waiver by either party of any term or condition of this Agreement will be deemed or construed as a waiver of any other term or condition, nor shall a waiver of any breach be deemed to constitute a waiver of any subsequent breach, whether of the same or of a different section, subsection, paragraph, subparagraph, clause, phrase, or other provision of this Agreement. Making payments pursuant to this Agreement during the existence of a dispute shall not be deemed to and shall not constitute a waiver of any of the claims or defenses of the party making such payment.
- (j) Governing Law and Venue. This Agreement shall be governed and construed under and pursuant to the laws of the State of Florida, and the United States of America. Unless the parties otherwise agree, the venue of any action or proceeding brought under the provisions of this Agreement shall be Nassau County, Florida.
- (k) Confidentiality. All written materials and oral communications between either party shall be deemed public information and shall remain a matter of public record in perpetuity unless otherwise provided or allowed by law.
- (l) Time is of the Essence. Time is of the essence with respect to this Agreement and each of its terms and provisions.
- (m) Remedies. Any dispute arising under this contract, which is not disposed of by agreement, shall be decided by a mediator, who shall reduce his/her decision to writing and furnish a copy to both parties. Claims disputes, or other matters in question between the parties to this Agreement arising out of or relating to this Agreement or breach thereof shall be submitted to mediation in accordance with mediation rules as established by the Florida Supreme Court. Mediators shall be chosen from the Supreme Court approved list of mediators in the Fourth Judicial Circuit and the cost of mediation shall be borne by the contractor. The decision of the mediator shall be final and conclusive unless determined by a court of competent jurisdiction to be fraudulent, capricious, arbitrary, or so grossly erroneous as to necessarily imply bad faith or not supported by substantial evidence.
- (n) Attorneys' Fees and Costs. In the event of any action or administrative proceeding between the parties arising under this Agreement, the prevailing party will

be entitled to an award of reasonable attorneys' fees and costs, including such fees and costs incurred by it in the pursuit of any appellate proceedings, regardless of whether such action or administrative proceeding is pursued before any state or federal court or agency.

- (o) Transportation Corridor. Except in an emergency, GATEWAY will not transport Solid Waste over that portion of S.R. 200/U.S. Hwy. A1A lying between Yulee and Callahan or over that portion of S.R. 115 lying between the City of Jacksonville and Callahan.
- (p) Memorandum. The obligations of Nassau County under this Agreement shall be binding upon all its permitted successors and assigns and shall be a burden upon and shall run with the land upon which the West Nassau Landfill is situated, and upon request by GATEWAY, Nassau County shall execute a short form memorandum of this Agreement and the respective rights and obligations of the parties hereto for filing among the property records in Nassau County.


IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date and year first above written.

NASSAU COUNTY, a political
subdivision of the State of
Florida, by and through its
Board of County Commissioners



BY: NICK DEONAS
Its: Chairman

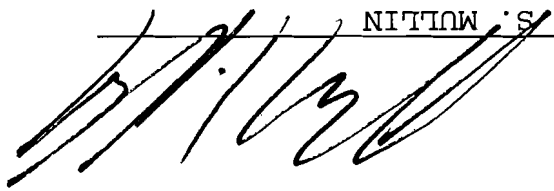
Attest:



J.M. "CHIP" OXLEY, JR.
Its: Ex-Officio Clerk

BY: Will Hill
 Name: Walter H. Hill
 Title: Chief Operating Officer

GATEWAY DISPOSAL

MICHAEL S. MULLIN


Approved as to form by the Nassau County Attorney:

Hunter/ES

REV NO.	DESCRIPTION	BY	DATE

**NASSAU COUNTY,
FLORIDA**

PROJECT NO. 1802D06000-0800-3130
 DRAWN BY: DRT
 CHECKED BY: SLH
 12/89

**Figure 1-1
SITE LOCATION MAP
WEST NASSAU LANDFILL**

