

## WASTE TIRE RECYCLING SERVICE AGREEMENT

The following Agreement is made this 1st day of October 2004 by and between Nassau County Board of County Commissioners, Post Office Box 1010, Fernandina Beach, Florida 32035, and Florida Tire Recycling Inc. (hereinafter referred to as Company), for the collection, transportation and recycling of waste tires from the Nassau County Department of Solid Waste Management, whose address is 46026 Landfill Road, Callahan, Florida 32011.

Whereas the parties have agreed as follows:

1. Company will provide a 48' long, enclosed over-the road trailer in good physical condition with a floor having no holes or missing flooring to be placed at the West Nassau Landfill for the purpose of collecting waste tires accumulated by the County.
  - a. Nassau County agrees to provide a suitable staging area for the trailer. Said area shall be graded and shall allow ready access by the Company vehicle servicing the site.
  - b. Nassau County agrees to accept custody of the trailer and to reimburse Company for any damage to the trailer that may occur as a result of actions or negligence on the part of County personnel or customers.
2. Any type of waste tires may be loaded into the trailer including tires with rims. The parties also agree:
  - a. The waste tires will not exceed 1200 x 20 in size.
  - b. The waste tires shall be free of dirt, grease or hazardous wastes.
  - c. No cut, sectioned or baled tires shall be loaded into the trailer.
3. Any scrap metal salvaged from removing rims from waste tires that are loaded into the trailer shall become the property of the Company.
4. The trailer shall be loaded by County employees and/or customers and not by Company personnel.
5. Nassau County shall notify Company when trailer is full at which time Company shall dispatch an over-the-road tractor to drop an empty trailer and collect the full one within 48 hours of call. Title to the waste tires shall

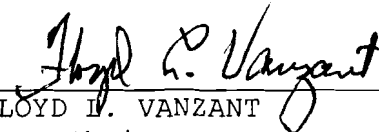
pass to Company when Company's vehicle exits County property.

6. Company shall not be liable for any personal injury or loss suffered by County personnel or customers that may occur to said personnel or customers while loading waste tires into the trailer unless trailer is deemed unsafe.
7. 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 Consultant/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. Contractor shall not stop work during pendency of mediation.
8. The cost to Nassau County for the services described are as follows:
  - a. The cost to transport (including fuel surcharge) and recycle the waste tires deposited into the trailer shall be \$97.50 per ton, minimum 10 tons per trailer.
  - b. Nassau County shall weigh Company's vehicle as it enters and exits the County's Solid Waste site and shall provide Company with a receipt showing the Net Weight collected which shall be used for rendering an invoice to the County.
  - c. The minimum weight per load of waste tires shall be ten (10) tons. If the Net Weight of a load is less than ten tons, the County shall be invoiced based on the minimum of ten tons. If the Net Weight of a load exceeds ten tons, the County shall be invoiced based on the actual weight.
  - d. The cost per ton includes the cost to remove the rim from any tires mounted on rims.
9. Company shall maintain permits from the Florida Department of Environmental protection for the collection

and processing of waste tires. Copies of current collection and processing permits are attached as Exhibit 1.


10. Company shall maintain Workers Compensation Insurance, automobile fleet insurance and commercial liability insurance in limits of not less than \$1 million (as applicable). Upon execution of this Agreement, Company shall cause a certificate of insurance to be issued to Nassau County evidencing such coverage.
11. The term of this Agreement shall be for one year beginning from the date first noticed above. This Agreement may be renewed subject to mutual agreement by both parties.
12. Notice shall be deemed to be properly given if delivered by hand, by registered mail or by commercial courier service to the addresses shown above.
13. This Agreement shall be interpreted under laws of the State of Florida.
14. This Agreement may not be assigned or transferred by either party and may only be amended by mutual written agreement executed by both parties.

BOARD OF COUNTY COMMISSIONERS  
NASSAU COUNTY, FLORIDA

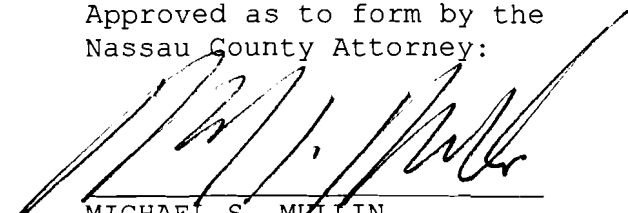
  
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FLOYD L. VANZANT  
Its: Chairman

ATTEST:

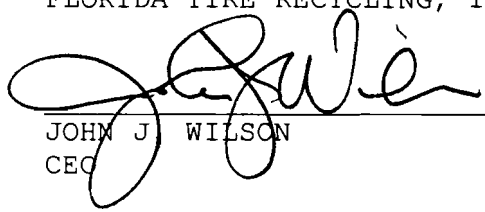
APPROVED 9-08-04

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

Approved as to form by the  
Nassau County Attorney:

  
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MICHAEL S. MELLIN

FLORIDA TIRE RECYCLING, INC.

A handwritten signature in black ink, appearing to read "John J. Wilson", is written over a horizontal line. The signature is stylized and cursive.

JOHN J. WILSON  
CEO