



Vitol BioMethane

9901 Valley Ranch Pkwy East
Suite 2060
Irving, Texas 75063
Tel (972) 402-6888

April 9, 2023

Mobile County Commission
205 Government St.
Mobile, AL 36602

Dear Mobile County Commissioners,

My name is Rob McGinley, and I am the VP of Renewable Partnerships at Vitol BioMethane (VBM). I am writing on behalf of VBM to express our strong support for Waste Management's (WM) proposed expansion of its municipal waste service area for the Chastang landfill. VBM believes that extending the trash service area will not only improve waste management efficiency, but also generate significant environmental and economic benefits for the Mobile area.

You may not be aware, but VBM is constructing a landfill gas to renewable natural gas (RNG) facility at the Chastang landfill. This facility will capture, process, and clean Chastang's landfill gas and turn it into a nearly pure methane/natural gas that can be used for power, especially for things like natural gas transportation vehicles. By using this landfill RNG to power vehicles, fossil fuels can and will be offset in equal measure, providing a valuable asset for the community and a critical benefit for the environment.

Ultimately, increasing trash volumes at the Chastang landfill will allow Mobile to capture even more of the naturally occurring RNG byproduct and provide additional support for and protection to the environment.

In the process of developing and constructing our facility, VBM has had an opportunity to work closely with WM, and VBM would like to take this opportunity to commend WM for their exemplary partnership to date. Our collaboration at the landfill has been very productive, characterized by a shared commitment to sustainability and innovation. Waste Management has proven to be an excellent partner, demonstrating professionalism and dedication to environmental stewardship. We are confident that this partnership will continue to thrive as the service area expands.

In conclusion, we strongly urge the County of Mobile to consider the benefits of expanding Waste Management's Chastang landfill service area. Together, we can enhance efficient waste management practices and drive economic growth and environmental stewardship for the community.

Thank you for considering our support. We look forward to the opportunity to continue our work with the Mobile area and Waste Management in this important endeavor.

Sincerely,

A handwritten signature in blue ink that reads "Rob McGinley". The signature is stylized with a large, looping "R" and "M".

VP of Renewable Partnerships
Vitol BioMethane (VBM)



WM Mobile Bay Environmental Center, Inc.
17045 Highway 43
Mount Vernon, AL 36560
(813) 786-6807

July 8, 2025

Mobile County Commission
205 Government Street
Mobile, AL 36644

Dear Commissioners:

On behalf of the Solid Waste Disposal Authority of the City of Mobile, WM-Mobile Bay Environmental Center, Inc. presents the attached application for expansion of the service area for the Chastang Landfill.

Please contact me at (813) 786-6807 if you have any questions regarding this correspondence.

Sincerely,

A handwritten signature in blue ink that reads "Michele H. Lersch". The signature is written in a cursive, flowing style.

Michele Lersch
Environmental Protection Manager

attachments: as noted above

cc: file

**PERMIT APPLICATION
FOR
SOLID WASTE FACILITY**

MOBILE COUNTY SOLID WASTE PLAN JURISDICTION

1. **FACILITY TYPE:** _____ TRASH LANDFILL

_____ C & D LANDFILL
_____ X _____ SANITARY LANDFILL
_____ OTHER (Explain)

2. **APPLICANT:**

Name Solid Waste Disposal Authority of the City of Mobile

Address 17045 Hwy 43

Mount Vernon, AL 36560

Telephone 251-829-4006

If applicant is a Corporation, please list:

Officers: Pete Riehm, Chairman

Reggie Copeland, Jr., Secretary

Principal Stockholders: _____

If applicant is a Partnership, please list principals:

3. **CONTACT PERSON(S):** (If different from No. 2)

Name (1) Michele Lersch (2) _____

Address 17045 Hwy 43 _____

Mount Vernon, AL 36560 _____

Telephone 813-786-6807 _____

4. **LANDOWNER:** (If different from No. 2)

Name Solid Waste Disposal Authority of the City of Mobile

Address 17045 Hwy 43

Mount Vernon, AL 36560

Telephone 251-829-4006

Attach copy of agreement from landowner giving permission to use site for the intended purpose. Contract attached

5. ADJACENT LANDOWNERS:

- a. Submit a list of all adjacent landowners including name and current mailing address. attached
- b. Submit a map identifying the proposed disposal site and all adjacent landowners listed in (a) above. State the source of your information. source = Mobile County tax records website

6. WASTE DESCRIPTION:

- a. X Household Solid Waste
 X Industrial Solid Waste
 X Other (specify) Special wastes approved by ADEM
- b. Chemical Analysis (when required)
- c. Describe and list all waste streams to be accepted at facility.
Be specific (household solid waste, wood boiler ash, foundry sand, discarded tires, dried sludge, limbs and stumps, etc.)
Non-hazardous, non-infectious, putrescible and non-putrescible
waste including household garbage, industrial waste, C&D debris,
appliances, trees, limbs, stumps, dried sludge, paper, and similar
type materials. Special wastes approved by ADEM
- d. What is the estimated maximum daily volume of waste to be received at the facility? 5000 tons/day (indicate tons/day or yd³/day)
- e. What geographic area or specific industry will waste be accepted from? (be specific) Alabama counties of Baldwin, Clarke, Choctaw, Conecuh, Covington, Escambia, Mobile, Monroe, and Washington;
Florida counties of Escambia, Okaloosa, Santa Rosa, and Walton;
Mississippi counties of Jackson, Harrison, Hancock, George, and Greene

f. Haulage of waste to the facility will be by whom?

WM vehicles and 3rd party waste haulers

g. Describe the principle type of transportation vehicle to be used to

transport waste: Roll offs, Dump trucks, Dump trailers

h. Approximately 60 vehicles per day (max.) will be generated as additional traffic on the main collector road to this solid waste facility.

i. Specify all proposed environmental monitoring systems (i.e. groundwater, explosive gas, leachate collection, liner systems). All dirt pits proposed for c&d landfills (others if required by the Environmental Director) are required to have explosive gas and ground water monitoring systems. Monitoring plans and the constituents monitored must be approved by the Environmental Director.

This is an existing sanitary landfill with all ADEM-required monitoring systems in place (liner, groundwater, leachate, air, explosive gas, stormwater)

7. SITE DESCRIPTION:

a. Attach location map with the site clearly identified. Acceptable

maps include a USGS 7.5 or 15 minute series, a county highway

map published by the State DOT, or approved equivalent. Attached

b. Location:

County Mobile

 of Section 13

Township 1N Range 1W

- c. Attach a legal property description and boundary plat of the disposal facility prepared by a land surveyor.
- d. Size of disposal facility (actual area to be utilized) 153 acres.
- e. Total area of property (if different from d.) 367 acres.

8. SITING STANDARDS: N/A - site is existing/already permitted

Note: When siting C&D landfills, preference will be given to existing dirt pits.

- a. Is the facility located within the 100-year flood plain?

YES _____ NO _____

Provide a current flood insurance rate map with the site identified.

- b. Is the facility located so as to protect surface and groundwater?

YES _____ NO _____

Explain on an attached sheet.

- c. Is a discharge to surface water proposed that may require an NPDES Permit?

YES _____ NO _____

Explain on an attached sheet.

- d. Is a discharge of dredged material or fill material into waters of the state proposed which may require a permit under Section

YES _____ NO _____

e. The bottom elevation of solid waste shall be a minimum of five feet above the seasonal high groundwater table or bedrock. The minimum depth to (CIRCLE ONE: Bedrock, groundwater) at this site is _____ feet. (Attach map showing location)

f. Are any sink holes, ponds, springs, swamps, streams, or drainage courses located within the disposal area?

YES _____ NO _____

g. If the answer to (f) is YES, explain.

h. For any type facility, identify any airport runway located within 10,000 feet of the site?

i. How many landfills (or similar type facility) are within a ten (10) mile radius of this proposed facility? _____

-
- j. Does the entrance to the facility meet current standards for sight distance? _____

Note: a commercial site plan approved by the County Engineer's office will be required.

- k. Will any stormwater runoff be directed to a road right-of-way? _____

9. **GENERAL:**

- a. Describe how the property boundaries will be clearly and permanently marked.

concrete markers

- b. Describe and/or show your planned progression of fill from

see attached drawing

- c. The life expectancy of the facility is 19 years.

- d. How will indiscriminate dumping be prevented (gates, fencing, etc)

Lockable gates, fencing, natural barriers, video monitoring

- e. Describe what equipment will be utilized in the disposal operation.

Compacter, bull dozers, excavators, track hoe, articulated dump trucks, water truck for dust control

- f. Describe what personnel will be utilized in the disposal operation.

District Operations Manager, Scalehouse Operators,
Heavy Equipment Operators, Administrative personnel,
Safety & Environmental Compliance Manager

- g. The applicant is responsible for compliance with all other requirements identified by applicable statutes and the ADEM Administrative Code. Chastang Sanitary Landfill is in full compliance.

- h. Special requirements for existing dirt pits proposed for c&d landfills: **N/A**

1. Groundwater monitoring plan.
2. Explosive gas monitoring plan.
3. No air space is allowed. The top elevation cannot exceed natural adjacent ground elevation.
4. Final grading plan.
5. Closure plan.

10. Alabama Code § 22-27-48:

A legal ad publication in the Mobile Press is one of the requirements of holding a host community approval public hearing and this ad will be handled by the Approving Jurisdiction.

Additionally, Act Nos. 86-480 and 87-500, Acts of Alabama Regular Sessions 1986 and 1987 provide certain requirements for the public hearing regarding a request for host community approval of any solid waste facility in Mobile County. These two Local Acts require that at least two competent representatives of the business entity that is to serve as the primary contractor for the solid waste facility project shall be present at the public hearing.

Finally, the Approving Jurisdiction will consider your proposal and will determine whether to approve or disapprove the site based on all information provided including the following considerations set forth in Alabama Code § 22-27-48:

1. The consistency of the proposal with the jurisdiction's solid waste management needs as identified in the Mobile County Solid Waste Management Plan;
2. The relationship of the proposal to local plans or existing development, or the absence thereof, to major transportation arteries and to existing state primary and secondary roads;

3. The location of the proposed facility in relationship to existing industries in the state that generate large volumes of solid waste, or the relationship to the areas projected for development of industries that will generate solid waste;
4. Cost and availability of public services, facilities and improvements required to support the proposed facility and protect public health, safety, and the environment;
5. The impact of proposed facility on public safety and provisions made to minimize the impact on public health and safety; and
6. The social and economic impacts of the proposed facility on the affected community, including changes in property values, and social or community perception.

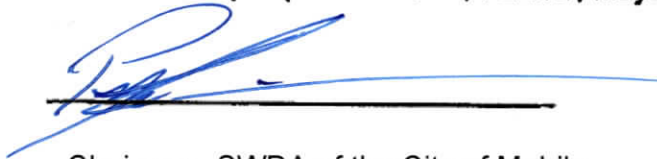
The applicant is required to complete all the information and submit the package with the \$6,000.00 fee payable to the Approving Jurisdiction with a formal written request for host community approval to locate a solid waste facility within the legal boundaries of the Approving Jurisdiction.

Please be reminded that the information you submit will be the criteria used to judge the merits of approval. The burden of satisfying the Approving Jurisdiction as to each of the above criteria falls squarely on the applicant. Failure to so satisfy the Approving Jurisdiction regarding each of these criteria may result in denial of your request for approval of the solid waste facility site.

CERTIFICATION:

I, Pete Riehm, certify under penalty of law
that this document and all attachments submitted are to the best of
my knowledge and belief, true, accurate, and complete.

SIGNATURE (Corporate Officer, Partner, Mayor, Chairman, etc.):



Chairman, SWDA of the City of Mobile

TITLE

ATTACHMENTS

to

“Permit Application for Solid Waste Facility”

for

Chastang Landfill

2025

SOLID WASTE MANAGEMENT CONTRACT
BETWEEN
THE CITY OF MOBILE SOLID WASTE AUTHORITY
AND
TRANSAMERICAN WASTE INDUSTRIES, INC.

RECEIVED OCT 15 1993

11:15 AM *L.E.J.*

CONTRACT

THIS CONTRACT is entered into on this 6 day of Oct., 1993, by and between THE CITY OF MOBILE SOLID WASTE AUTHORITY, a public body created pursuant to Ordinance of the City of Mobile and organized under the laws of the State of Alabama (the "Authority"), and TRANSAMERICAN WASTE INDUSTRIES, INC., a corporation organized under the laws of the State of Delaware ("Contractor"), and ~~qualified to do business in the State of Alabama.~~

R E C I T A L S:

WHEREAS, on the 2nd day of August, 1993, the Authority issued a Request for Proposals ("RFP"), a copy of which is attached to this Contract as Exhibit 1; and

WHEREAS, Contractor responded to the RFP, a copy of which Response dated August 23, 1993 is attached to this Contract as Exhibit 2; and

WHEREAS, Exhibits 1 and 2 are for information purposes only; and

WHEREAS, the Authority is desirous of contracting for the Work pursuant thereto, and

WHEREAS, the Authority is in possession of Exhibits 3 and 4 attached hereto, and have relied upon the contents thereof to determine to enter into this contract;

I. GENERAL PROVISIONS

1.1 Intent. It shall be the responsibility of the Contractor to perform all work hereunder in compliance with all ADEM, federal, state, county, and municipal laws, decrees, ordinances, and regulations, as well as all the rules, orders, decrees, and requirements of the above or of any other bodies or tribunals that have jurisdiction over the performance of this work. Any penalties assessed against Contractor by regulatory agencies shall apply only to work required by the Contract documents and shall apply only to periods of time after the Commencement Date.

Contractor shall have the right to rely upon the information contained in the RFP.

It is further intended that the Contractor have maximum flexibility in performing the landfill operations and other Solid Waste management operations contemplated by this Contract within the limits established by these specifications.

1.2 Contract Period. Subject to the termination provisions of this Contract, this Contract shall be effective upon execution by the parties hereto, and the Contractor intends to commence operation of all Solid Waste operations covered by this

Contract on or before October 9, 1993, or such other date as may be agreed upon between the parties (the "Commencement Date") and shall continue for an initial term of the greater of (i) 20 years from the Commencement Date or (ii) the life of the Landfill.

Notwithstanding the above, this Contract shall not become effective until the appropriate State Regulatory Agencies approve a vertical expansion for the Landfill extending the useful life of the Landfill for a period of at least two years.

1.3 Administrators. The Authority shall designate a Contract Administrator prior to the Commencement Date. Contractor shall also designate an individual to serve as its primary liaison with the Contract Administrator (the "Liaison Representative"). The Liaison Representative shall devote substantially all of his time and efforts to the administration of this Contract on behalf of Contractor.

1.4 Definitions. In general, the following terms shall be defined in the following manner throughout this Contract:

ADEM. The Alabama Department of Environmental Management or any agents, Boards or authorities appointed by them for the purpose of regulating the permitting, construction or operation of a sanitary Landfill.

Authority. The City of Mobile Solid Waste Authority or any successor entity so designated by the Mobile City Council to act as its representative.

City. The City of Mobile, Alabama.

Contract. This written agreement covering the performance of the Work and the furnishing of labor, materials and equipment for the operation of the Solid Waste Management Facilities. The Contract shall include the plans, specifications, and other documents specified herein.

Contract Year. A successive twelve-month period commencing for the first year on the Commencement Date and thereafter annually on the anniversary of the Commencement Date, except that the final Contract Year shall be for a period that ends on the expiration date or other termination date of this Contract.

Contractor. TransAmerican Waste Industries, Inc., a Delaware corporation, or a wholly-owned subsidiary thereof.

Demolition Waste. All debris and waste construction materials, including earth, rock, concrete, brick, plaster, plasterboard, glass, asphaltic concrete, plastics, wire and other ferrous materials derived from the construction of or the partial or total

demolition of buildings, roads or other structures, and meeting the definition of unclassified wastes as defined by the regulations of ADEM or the State of Alabama.

Deposit. Any money, bond or other asset required by the Contractor as security for payment to dispose of Solid Waste hereunder at the Landfill.

Hauler. Any individual, firm, entity or other party who collects Solid Waste for disposal at the Landfill.

Hazardous Waste. Any waste meeting the classification "Hazardous Waste" as defined by the laws or regulations of ADEM or the State of Alabama, or other local laws or regulations or the federal government, whichever regulations are the most restrictive, as well as any screenings from municipal sewage treatment plants and asbestos.

Landfill. The entire existing and proposed landfill included within the legal boundaries, more particularly described in Exhibit A attached hereto, commonly known as the Chastang, Alabama landfill, located approximately 28 miles north of the City, in Mobile County, or any other real property subsequently permitted under local, state or federal regulations and approved by the Authority and the Contractor, which as of the date of this Contract the Authority holds by ownership, which is duly permitted and constructed and on which the Authority and the City have operated since the commencement of operations of such landfill, and such future landfill expansions or acquisitions as may be contemplated by this Contract and which is to be furnished herein as the facility for the disposal of Solid Waste generated in the Service Area.

Landfill Site Plan. The printed plans and drawings showing the location, topography and engineered staged development of landfill areas for the Landfill, which plans are on file in the office of the Contract Administrator.

Mobile Solid Waste. All non-infectious industrial, commercial, residential and municipal or other Solid Waste that is generated within the Service Area, excluding waste that by law or regulation cannot be disposed of at a sanitary landfill. This term also excludes Hazardous Waste.

Permit. Written authorization granted by ADEM, other governing authority or any future authorized agent granting permission to operate a sanitary landfill for the disposal of Solid Waste.

Plans. The official plans, profiles, typical cross sections, general cross sections, working drawings and supplemental materials which show the location, character, dimensions and detail of the work to be done, and which are to be considered as a part of the Contract presently in effect or which may be prepared in the future.

Proposal. The Proposal submitted by Contractor to the Authority dated August 23, 1993 covering the Work to be performed by Contractor hereunder.

Recycling. Any process by which Solid Wastes or material which would become Solid Wastes are collected, separated or processed and reused or returned to use in the form of raw materials or products.

Refuse. All Solid Waste, and commercial and industrial Special Waste meeting the classification of such terms as defined by ADEM or the State of Alabama, and including, with limitation: wastes such as discarded materials from dwelling places, households, apartment houses, stores, office buildings, restaurants, hotels, institutions, and all commercial and industrial establishments, including waste or discarded food, animal and vegetable matter, paper, cardboard, wood, cans, glass, ashes and boxes, cuttings from trees, lawns, and gardens, septic tank pumping and dried digested sludge grit. The term "Refuse" as used herein does not include Hazardous Waste, contaminants which might be injurious to personnel engaged in Solid Waste handling, including, but not limited to, acids, explosives, radioactive materials, toxic industrial wastes; nor shall it include any materials that are, or in the future may be, prohibited from dumping by the regulations of ADEM or the State of Alabama, or by any other public agency, or by operation of law.

Roads.

Access Road - A paved all-weather road located outside the Landfill property, which terminates at the gate to the Landfill.

Haul Road - A paved or unpaved road in the Landfill which is provided to allow users of the Landfill to operate vehicles from the gate of the Landfill to the tipping area at the active face of the Landfill.

Service Road - All roads in the Landfill other than Haul Roads.

Service Area. The geographic area of the Landfill under this Contract shall be the Solid Waste generated in the city and the unincorporated areas of Mobile County, Alabama, including all municipalities therein, who elect to use the Landfill. However, the Authority will work with the Contractor to expand the Service Area if doing so is deemed by the Authority to be beneficial to the citizens of the City. Change of the Service Area shall be subject to approval of the Authority and the Governing Body of the City of Mobile

Solid Waste. All Refuse and Demolition Waste. ←

Special Waste. Those wastes requiring specific processing, handling or disposal techniques normally utilized for handling or disposal. Examples of such waste types include, but are not limited to, mining wastes, fly ash, bottom ash, sludges, drilling fluids and residue, debris or contaminated soil and water from the cleanup of a spill.

State Regulatory Agencies. The State of Alabama agencies that have the responsibility of regulating the operation and maintenance of a sanitary landfill.

Transfer Station. The Transfer/Recycling Station owned and/or operated by the Authority and/or the City, located within the limits of the City of Mobile, more particularly described in Exhibit B and commonly known as The Hickory Street Transfer Station.

Work. Contractor's obligation to manage and operate the Landfill and the Transfer Station, and to receive, process, recycle, haul, dispose of and otherwise handle Solid Waste and other wastes in a manner contemplated by this Contract, or any additions, deletions, or amendments hereto.

1.5 Independent Contractor. The Contractor is, for all purposes arising out of this Contract, an independent contractor and shall not be deemed an employee of the Authority. It is expressly understood and agreed that the Contractor shall in no event as a result of this Contract be entitled to any benefits to which Authority employees are entitled, including, but not limited to, overtime, any retirement benefits, worker compensation benefits, any injury leave or other leave benefits.

1.6 Inspection of Landfill by Contractor. File information pertaining to the Landfill is available for inspection at the Office of the Contract Administrator. This information may include plans, photogrammetry, fee collection history, permit conditions and other related materials.

The Contractor acknowledges that it will make its own examination, investigation and research regarding the proper method of doing the Work hereunder, and all plans, information and conditions affecting the Work to be done, and the labor, equipment and materials needed thereon, and the quantity of Work to be performed hereunder. Contractor shall make an independent environmental assessment of the Landfill and Transfer Station and will review all regulatory files relating to these facilities prior to the Commencement Date and this Contract shall not become effective until Contractor has reasonably satisfied itself as to such environmental conditions. The Contractor agrees that it will satisfy itself, by its own investigation and research regarding all such information and conditions, and that its conclusion to enter

into the Contract is based upon such investigation and research, and that it shall make no claim against the Authority because of any of the statements or interpretations by any officer or agent of the Authority which may prove to be, in any respect, erroneous, except as provided in Section 6.6.

1.7 Regulations for Use. The Authority is empowered to establish, in its discretion, reasonable regulations governing access to the Landfill, the use thereof and operations by the Contractor, Haulers, collectors and public within the Landfill. The regulations established by ADEM and the State of Alabama for the Landfill shall prevail.

1.8 Unacceptable Waste Procedures. The Contractor shall exert its diligent effort to prevent deposits on the Landfill or bury any contaminants ("Unacceptable Wastes") other than those permitted by ADEM, and the Authority shall exert its diligent efforts to enforce applicable laws, regulations and orders regarding the unlawful disposal of Unacceptable Wastes at the Landfill. It is recognized that some Unacceptable Wastes, including Hazardous Wastes, may occasionally be unloaded at the Landfill by the users thereof. The Contractor shall train all employees to recognize such Unacceptable Wastes and shall use diligent efforts to observe procedures set forth below:

- (a) The active operation of unloading, compacting and covering Solid Waste shall be suspended in the immediate vicinity of the identified Unacceptable Waste. Safety measures shall be instituted as necessary.
- (b) If the vehicle that transported the Unacceptable Waste can be identified and is still at the Landfill, the Contractor's employees shall record the license number and any other identifying signs or features of the vehicle, and shall request the operator of the vehicle to remain at the Landfill, and shall immediately notify appropriate agencies as designated by the Contract Administrator. The Contractor's employees shall endeavor to get the operator of the vehicle that delivered the Unacceptable Waste to take appropriate actions to properly dispose of the Unacceptable Waste.
- (c) If the vehicle that delivered the Unacceptable Waste cannot be identified or the vehicle leaves the Landfill, or the Unacceptable Waste is discovered before it has been accepted by Contractor, the Contractor, when authorized by the Contract Administrator, shall arrange for proper disposal of the Unacceptable Waste, and in the event the waste was delivered by the Authority or the City of Mobile, the Authority shall be solely responsible and the Authority shall be solely responsible for the costs of removal and disposal of the Unacceptable Waste.
- (d) The Contractor shall provide a written report on each discovery of Unacceptable Wastes. The report shall include documentation of interviews with all of the

Contractor's employees and others who witnessed the illegal dumping and/or discovered the Unacceptable Waste. The written report shall include descriptions of the suspected vehicle(s), operators of the vehicles, (and other information necessary for the Authority to determine who delivered the material and recover the disposal costs.) The Contractor agrees to cooperate and make employees available for any investigation, civil litigation or criminal proceedings regarding the delivery of Unacceptable Wastes. The Authority shall compensate the Contractor and/or Contractor's employees for actual time spent in preparing for or participating in court sessions, at its regular rate.

- (e) If any attempt is made to dispose of any barrels or other similar containers at the Landfill, Authority employees shall exert their diligent efforts to direct such individuals or entities attempting to make such disposal to a designated location within the Landfill so that the Contractor may inspect the contents of the containers for Unacceptable Waste.

1.9 Major Change Orders. All changes, deletions or additions in the Work may be negotiated as a change in the Payment Rate per ton used as the basis for compensation. Any such change in the Payment Rate per ton shall be considered as an amendment to the Contract, and shall be subject to approval of the Authority.

1.10 Assignment. This Contract or any portion thereof may not be assigned by the Contractor without consent of the Authority, except that the Contractor may assign money due or which shall accrue to it under the Contract. If given written notice, such assignment of money due shall be recognized by the Authority to the extent permitted by law, but any assignment of money shall be subject to all proper setoffs and withholdings in favor of the Authority and to all deductions provided for in the Contract.

1.11 Bankruptcy. In the event that the Contractor files a petition in bankruptcy, or any other type of insolvency proceeding is initiated, the Authority may give notice of termination of this Contract according to the provisions of Section 1.26.

1.12 Hold Harmless Clause. The Contractor agrees to at all times indemnify and save the Authority, the City, the Contract Administrator and their officers, agents, servants and employees free and harmless from any and all liability, claim of liability, loss, claim of loss, any and all suits, actions, legal proceedings,

claims, demands, damages, costs, orders (including consent and cleanup orders), and expenses (including engineering and attorney fees), which may arise from operations carried on by Contractor under this Contract, and relating to a period of time arising after the Commencement Date.

Notwithstanding any provision herein to the contrary, the City and the Authority agree at all times to indemnify and save the Contractor, its officers, agents, subcontractors and employees free and harmless from any and all liability, claim of liability, loss, claim of loss, any and all suits, actions, legal proceedings, claims, demands, damages, costs, orders (including consent and cleanup orders) and expenses (including engineering and attorney fees), which may arise from conditions that existed at the Landfill or the Transfer Station as of or relating to periods prior to the Commencement Date or that are attributable to actions of the Authority, the City or the Contract Administrator, including the Authority's and the City's obligation to obtain all Permits, orders and licenses required to be in place at the Landfill and Transfer Station as of the Commencement Date. If such Permits, orders and licenses are not in place as of the Commencement Date, and if the Contractor has not approved an ADEM draft permit, Contractor shall have no liability for closure or post-closure costs as set forth in Section 2.15. In case the Authority or the City is obligated to the Contractor for indemnification hereunder, the City and the Authority may work with the Contractor to mutually agree upon a plan to reimburse the Contractor for such items. In the event such permits, orders and licenses are not in place as of the commencement date, and Contractor has not approved an ADEM draft permit, the parties agree to cooperate in good faith for an alternative method of operation satisfactory to both parties.

1.13 Taxes, Assessments and Fees. The terms of this Contract may result in the creation of a possessory interest. If such a possessory interest is vested in the Contractor, the Contractor may be subject to the payment of personal property taxes levied on such interest. The Contractor shall be responsible for the payment of, and shall pay before delinquent, all taxes, assessments and fees assessed or levied upon the Contractor on the Landfill or any interest therein, on any buildings, structures, machines, appliances or other improvements of any nature whatsoever, or on any interest therein, or by reason of the business or other activities of the Contractor upon, or in connection with, the Landfill relating to periods during the term of this Contract. The Contractor further agrees not to allow such taxes, assessments or fees to become a delinquent lien against the Landfill or any improvements thereon. Nothing herein contained shall be deemed to prevent or prohibit the Contractor from contesting the validity or the amount of any such tax, assessment or fee in the manner authorized by law.

1.14. Insurance. The Contractor shall secure and maintain throughout the term of this Contract the following types of insurance with limits as shown to protect the Authority, the City, the Contract Administrator and the authorized agents and employees of all the above, from claims for bodily injury, death or property damage which may arise from the Contractor's operations

under this Contract, whether such operations be by Contractor or by an agent of Contractor or anyone employed by it directly or indirectly;

Workmen's Compensation Insurance

The Contractor shall procure and maintain during the life of this Contract Workmen's Compensation Insurance for all of its employees to be engaged in the Work under this Contract. In case any class of employees engaged in the Work under this Contract is not protected under the Workmen's Compensation Statute, the Contractor shall provide employer's general liability insurance for the protection of such of its employees as are not otherwise protected. Employer's Liability Insurance shall be a minimum of \$1,000,000 each occurrence.

Contractor's General Liability and Property Damage Insurance

The Contractor shall procure and maintain in full force and effect during the life of this Contract and including completed operations and coverage for underground explosion or collapse, a Comprehensive Liability Policy on a claims made or an occurrence basis and Property Damage Coverage on an each event basis. Comprehensive Liability Insurance shall be a yearly minimum of \$5,000,000 per occurrence, \$5,000,000 aggregate. Property Damage Coverage shall be a yearly minimum of \$5,000,000 each event, \$5,000,000 aggregate. All such policies may name the Authority, the City, the Contract Administrator and their members, agents, servants, and employees as additional insured in lieu of providing Protective Liability Coverage as set out below.

As an alternative to the above General Liability and Property Damage Insurance, the Authority may, at its discretion, approve a plan of self-insurance. Any such plan shall be submitted to the Authority for approval prior to entering into the Contract. If such plan is not satisfactory, coverage as designated will be provided as approved by the Authority.

Comprehensive Automobile Liability Insurance

The Contractor agrees to carry a Comprehensive Automobile Liability Policy providing bodily injury liability on an occurrence basis and providing Property Damage Liability on an accident basis. The policy shall protect the Contractor against all liability arising out of the use of automobiles, both private, passenger, and commercial, regardless of whether such vehicle shall be owned by the Contractor, owned by others, or hired. Limits of liability for Comprehensive Automobile Liability Insurance shall be \$1,000,000 per occurrence, \$1,000,000 aggregate.

Protective Liability Insurance

The Contractor shall at its expense provide Protective Liability policies issued in the names of the Authority, the city, and their officers, agents, servants, and employees covering their liability for operations of the Contractor. These policies shall provide limits of liability in the amount of \$5,000,000 each person; \$5,000,000 each accident, bodily injury; and \$5,000,000 each accident, property damage. This requirement may be waived if such coverage is provided under the General Liability and Property Damage Policies described above.

Three (3) executed copies of each subsequent endorsement affecting the coverage of policies, and of each cancellation shall be forwarded to the Authority.

Certificate of Insurance:

This Certificate shall be used in submitting evidence of compliance with the above requirements. The insurance company's representative shall execute four (4) signed copies of the Certificate plus such additional copies as may be required for the company's records. One (1) executed copy shall be forwarded to the Contractor for attachment to the original policy as an endorsement and three (3) copies shall be submitted to the Authority.

1.15 Performance Security. The Contractor shall provide the Authority, at its expense, with adequate performance security in a form acceptable to the Authority, in the amount of \$3,000,000. This security may be provided by either a surety bond, security fund established for the benefit of the Authority, an acceptable line of credit or by other appropriate manner. If the Contractor provides a surety bond, the Contractor shall be responsible for providing the Authority with satisfactory evidence that all security is in full effect throughout the term of this Contract. All performance security, whether provided by surety bond, security fund payable to the Authority, letter of credit or other manner shall remain in effect to fully indemnify and save the City and the Authority from all costs and damages which they may suffer by reason of any act or omission by the Contractor in its performance of this Contract. However, no suit, action or proceeding by reason of any default whatever shall be brought on the bond after a period of 24 months from the termination of this Contract.

1.16 Equal Service. The Contractor shall not by act or omission show partiality to any users of the Landfill, and the Contractor shall provide equal service to any and all users within these specifications and applicable regulations and standards, subject to the provisions of section 6.1.

1.17 Audit and Inspection of Records. The Contractor shall keep accurate records of all income and expenditures related to the operation of the Landfill and Transfer Station, and/or to any activity performed at the Facilities by the Contractor.

At any time during normal business hours and as often as the Authority may reasonably deem necessary, the Contractor shall make available to the Authority for examination all of its data and records with respect to all matters covered by this Contract, and shall permit the Authority to audit, examine, and make excerpts or transcripts from such data and records, and to make audits of all invoices, materials, payrolls, records of personnel, records of equipment usage if requested by the Contract Administrator, and other data relating to all matters covered by the Contract. The Contractor shall maintain such data and records in an accessible location within the State of Alabama.

The Authority or its authorized representative shall, until the expiration of two (2) years after final payment under the Contract, have reasonable access to and the right to examine directly any pertinent books, documents, papers and records of the Contractor relating to the Work. The right to audit and inspect records may be exercised at any time during normal business hours with reasonable advance notice.

The Authority shall permit the Contractor to inspect and audit all data and records of quantities of Solid Waste previously delivered to the Landfill and the Transfer Station. Contractor's access shall be any time during normal business hours and as often as Contractor may reasonably deem necessary. The Authority shall permit Contractor to audit, examine, and make excerpts or transcripts from such data and records. The Authority shall maintain such data and records in an accessible location. Contractor's right to inspect and audit shall expire two (2) years after final payment under the Contract.

1.18 Permits. The Authority and the City, as the case may be, shall be responsible, at their expense, for procuring all Permits, orders and licenses required for the Landfill and Transfer Station to be fully operational as of the Commencement Date. Contractor shall assist the Authority and the City in procuring such items, at the expense of the Authority and the City, as the case may be. All Permits, orders and licenses applicable to the Landfill and the Transfer Station shall be issued in the name of the Authority or the City, as the case may be. Except as provided above, the responsibility for securing and maintaining the same shall be that of the Contractor, and the Authority and the City, as the case may be, shall fully cooperate with the Contractor to secure and maintain the same. The Contractor shall comply with the provisions of all such Permits, orders and licenses. The Authority shall supply to the Contractor a copy of all permits,

orders and licenses and State Water Quality Control Board waste discharge requirements for the Landfill and the Transfer Station and the City and the Authority agree to support and assist the Contractor in obtaining any and all Permits necessary hereunder. In addition, the Authority agrees to immediately support a modification to the existing Permit at the Landfill to allow the Contractor to design, permit and develop the remaining acres in the Landfill and will cooperate with Contractor in the scheduling of and having appropriate representatives available for public hearings and meetings. Contractor shall be responsible for meeting governmental recycling requirements.

1.19 Control of the Work. The Contractor may not change any conditions of operation under this Contract without the prior written approval of the Contract Administrator.

1.20 Determination of Rights - Disputes. Notwithstanding any other provision to the contrary contained herein, all disputes under this contract including, without limitation, Equitable Rate Adjustments, shall be resolved by Alternative Dispute Resolution, if possible (both parties agree to enter into Alternative Dispute Resolution in good faith). All delinquent amounts due hereunder shall bear interest at the Prime Rate charged, from time to time, by AmSouth Bank.

1.21 Strike. In the event of a strike, the Landfill and the Transfer Station shall remain open to the public to the extent permitted by applicable laws, regulations and orders, and shall continue to be operated in accordance with the Contract provisions unless a mutually accepted disposal alternative is agreed upon between the Contractor and the Authority.

1.22 Force Majeure. Notwithstanding the foregoing, the Contractor shall not be assessed with damages during any delay in the performance of its obligations hereunder caused by events beyond the reasonable control of Contractor, including without limitation: acts of God, the public enemy, fires, floods, earthquakes, epidemics, quarantine restrictions, labor strikes, supplier's or vendor's strikes, freight embargoes and severe weather conditions, provided that such events are not the result of Contractor's material fault or negligence. The Contractor shall make reasonable efforts to mitigate the effects of said causes.

The Contractor shall not be assessed with damages for delay in performance of Contractor's obligations hereunder where such delay is caused by the Authority's failure to perform its obligations under this Contract.

1.23 Compliance with Laws. Contractor agrees to comply with all federal, state and local laws and regulations now in force and which may hereafter be in force during the term of this Contract, including compliance with all Permits, licenses, testing,

reporting and inspections, or latest regulations as amended.

1.24 OSHA. Contractor shall comply with the Department of Labor Safety and Health Regulations for construction promulgated under the Occupational Safety and Health Act of 1970 (PL-596) and under Section 107 of the Contract Work Hours and Safety Standard Act (PL91-54).

1.25 Discrimination. Contractor shall not discriminate against any person because of race, sex, age, creed, color, religion or national origin.

1.26 Default.

- (a) The Authority, after affording Contractor all appropriate legal remedies to contest the Authority's actions, may, subject to the provisions of Paragraph (c) below of this Subsection, by written notice of default to Contractor, terminate the whole or any part of this Contract in any one of the following circumstances:
 - (i) If Contractor materially fails to perform any material provisions of this Contract (including failure to comply with all Permit conditions, willfully accepting non-permitted wastes and failure to charge permitted rates), and does not cure or at least begin making a good faith effort to cure such failure within ninety (90) days after receipt of written notice from the Contract Administrator specifying such failure.
- (b) In the event the Authority terminates this Contract in whole or in part as provided in Paragraph (a) of this Subsection, the Authority shall have the right to assume control over the operation of the Landfill, without further payment or compensation to Contractor except for payment or compensation owed for periods prior to the termination, and to operate the Landfill for the remaining term of this Contract. Nothing herein shall relieve Contractor of any duties or liabilities assumed under this Contract or existing by virtue of law or regulations including, but not necessarily limited to, environmental damage or impairment or remedial actions that it may be liable for hereunder.
- (c) Except with respect to: (i) material violations of law by Contractor; or (ii) material defaults of Subcontractors, the Contractor shall not be subject to termination for default, as provided in Paragraph (a) of this Subsection, if the failure to perform under the terms and conditions of the Contract arises out of causes

beyond the reasonable control and without the material fault or negligence of the Contractor. Such causes may include, but are not restricted to, acts of God or the public enemy, acts of the City or the Authority in its contractual capacity, fires, floods, earthquakes, epidemics, quarantine restrictions, labor strikes, supplier's or vendor's strikes, freight embargoes and unusually severe weather. If the failure to perform is caused by the default of a Subcontractor, and if such default arises out of causes beyond the reasonable control of both the Contractor and Subcontractor, and without the material fault or negligence of either of them, the Contractor shall not be subject to termination for default for failure to perform. Contractor shall make every reasonable effort to mitigate the effects of said causes.

- (d) The rights and remedies of the Authority provided in this Subsection shall not be exclusive, and are in addition to any other rights and remedies provided by law or under this Contract.
- (e) Contractor shall have the right to terminate this Contract in the event the Authority or the City becomes insolvent or bankrupt or in the event of a material breach by the Authority or the City which, after a reasonable amount of time after written notice from Contractor, has not been cured.

1.27 Subcontracting. Contractor shall have the right to subcontract all or a substantial portion of any or all of the Work at the Landfill and the Transfer Station, with Authority's approval.

The Contractor shall give its personal attention to the fulfillment of the Contract and shall keep the Work under its control. No subcontractor shall be recognized as such, and all persons engaged in the Work shall be considered as employees of the Contractor, and it shall be held responsible for their Work, which shall be subject to the provisions of the Contract and specifications.

All workers at the Landfill and the Transfer Station shall come under the applicable labor provisions. Workers include, but are not limited to, employees of the Contractor, subcontractors and their employees, equipment rental firm employees and owner-operators. Workers do not include employees of suppliers solely involved in transporting materials and supplies to or from the location of the Landfill and the Transfer Station.

The Contractor shall bind, by written agreement, each equipment rental firm employed on the project to the conditions of the Contract regarding labor provisions.

1.28 Contractor's Licenses. Contractor shall obtain, at its expense, any federal, state and local licenses and certificates required to perform the described Work in accordance with all applicable laws.

1.29 Ownership Disclosure. At the request of the Contract Administrator, the Contractor shall provide proof of corporate entity and names of all its officers, principals, significant stockholders, employees, silent partners, and all other persons holding a beneficial interest in the Contractor.

1.30 Employees of Prior Operators. Contractor shall offer each employee of the Authority who is currently employed by the Authority at the Landfill and the Transfer Station an equivalent employment position with Contractor.

1.31 Covenant of Good Faith and Fair Dealing. The parties to this contract mutually covenant to perform all of their obligations hereunder, to exercise all discretion and rights granted hereunder, and to give all consents in a reasonable manner consistent with the standards of "good faith" and "fair dealing".

1.32 Mobile Solid Waste Stream. This Contract is based upon Contractor handling at the Landfill and the Transfer Station disposal requirements for Solid Waste generated only within the Service Area, which the Authority estimates will range from approximately 57,000 to 225,000 tons per Contract Year. These volumes may change in approximate proportion to population changes in the Service Area. During the term hereof, the Authority agrees to have delivered ~~601~~ Mobile Solid Waste Stream only to the Landfill or the Transfer Station and to no other sites, for disposal by Contractor. The Contractor shall also have the right to accept at the existing Landfill and the proposed expansion of the Landfill, over the term of this Contract, Solid Waste generated within the Service Area by any other parties at rates to be negotiated by Contractor and such parties, subject to complying with all applicable laws and permits, and the Authority agrees to assist the Contractor in negotiating agreements with Haulers and other municipalities within the Service Area for the disposal of their Solid Waste. The Authority also has the right to deliver to the Transfer Station Solid Waste and Recyclables and Contractor agrees to accept such materials at the Transfer Station, to market such recyclables and to transport such Solid Waste to the Landfill for disposal.

II. LANDFILL AND FACILITIES OPERATION

2.0 Annual Reports. The Contractor shall make annual reports to the Contract Administrator within 60 days after the end of each Contract Year regarding the operation of the Landfill and the Transfer Station and the activities contemplated hereunder. Such written report shall include financial reports for the operations of the Landfill detailing operational activities during the previous year including, but not limited to, Landfill capacity, the amount of waste received at the Landfill, the amount of waste recycled at the Landfill, and the Hazardous Waste removed through the load checking program. At the request of the Authority, the Contractor shall furnish to Authority its quarterly and annual reports to the Security Exchange Commission.

In addition, Contractor shall furnish to the Authority on a regular basis copies of all test and monitoring results, regulatory inspection reports, volume reports, waste certificates, regulatory correspondence, as-built drawings and other documents pertinent to monitoring the operation of the Landfill and the Transfer Station.

2.1 Hours of Operation. Refuse haulers and the public shall only deliver Solid Waste at the Landfill and the Transfer Station according to the days and hours set forth by law and in all relevant Permits. The Landfill and the Transfer Station will be required to be open for business, at a minimum, of Monday through Saturday from 7:00 a.m. to 5:00 p.m. (6 days a week). The Landfill and the Transfer Station may be closed on New Year's Day, Independence Day, Labor Day, Thanksgiving Day and Christmas Day. The Contractor shall notify and obtain prior approval in writing from the Authority for any variance from the scheduled hours.

The Contractor shall be at the Landfill and the Transfer Station and operating during the scheduled hours and such additional time as necessary to fulfill the requirements of the Contract.

2.2 Personnel. The Contractor shall assign personnel to perform operations at the Landfill and the Transfer Station on such days and during such hours that Solid Waste is being delivered and disposed of on the premises, as may be required to assure a smooth and efficient operation. Contractor shall assign adequate qualified personnel to operate equipment and direct traffic to the proper delivery and/or disposal area.

Contractor's personnel shall be provided with operating and safety training on landfill procedures and operations at the expense of Contractor. Records for each trainee shall be available as documentation for audit purposes.

An authorized representative of the Contractor shall be present at the Landfill and the Transfer Station at all times that any operations are being conducted thereon.

The Contractor shall file with the Contract Administrator the names, addresses and telephone numbers of authorized representatives who can be contacted at any time. These authorized representatives must maintain offices within the County of Mobile and be fully authorized and be equipped to respond to reasonable requests of the Contract Administrator.

If the Contract Administrator finds it necessary to give directions to assure compliance with the provisions of this Contract, the Contract Administrator shall give such directions in writing to the authorized representative of the Contractor.

2.3 Landfill Monitoring. Contractor shall periodically provide, at its expense, groundwater, surface water, air and Landfill gas monitoring, sampling and quality control at the Landfill, all in accordance with the Proposal, and shall provide the same information at its expense to the Authority with regard to all testing required by governmental agencies in the future. The Authority may periodically arrange for aerial or ground surveys of the Landfill to be used in conjunction with the Landfill plans to evaluate the Contractor's performance.

2.4 Facility Accessibility and Inspection. The Contractor shall ensure that the Landfill and Transfer Station are accessible at all times to City, state and federal officials for any purpose, including inspection, official tours or any other reasonable activity as determined by the Contract Administrator to be appropriate. The Contractor promptly shall notify the Contract Administrator of any inspections by other governmental agencies.

The Authority periodically shall have the right to inspect the Contractor's landfill operations. The inspection of the Work shall not relieve the Contractor of any obligation to fulfill the Contract as prescribed hereunder.

2.5 Equipment. The Authority agrees to sell, convey and transfer to Contractor all of the equipment, materials and facilities currently in operation at the Landfill and the Transfer Station, including 3 Rex trash compactor units, Model 370-A, 1 John Deere Crawler Tractor and 1-100,000 pound scale and other items set forth in Exhibit C attached hereto (the "Equipment"), which constitutes all of the equipment used by the Authority to perform work at the Landfill and the Transfer Station. The Authority represents and warrants that it has and will convey to Contractor good and marketable title to the Equipment, free and clear of all liens and encumbrances, and that the Equipment is in good working order. The Contractor shall provide all other landfill operating equipment at the Landfill and the Transfer Station as necessary to perform the tasks specified in this Contract. Such equipment shall be kept in good operating condition. Any inoperable equipment shall be repaired, refurbished or replaced by Contractor in accordance with industry standards.

Contractor agrees to purchase the Equipment for a price of \$410,000, said price to be paid to the Authority upon commencement of the contract

Authority shall cause to be furnished to the Contractor trailers, in the number presently used, for the hauling of waste from the Transfer Station to the Landfill. Contractor shall furnish the tractors to haul said trailers.

Except as set forth above, the Authority shall not be responsible for providing any equipment (by sale, lease, rent or otherwise) to Contractor, and all equipment used in connection with the performance of Contractor's obligations under this Contract shall be owned or leased by Contractor.

Contractor shall carry out an Equipment maintenance program as set forth in the Proposal.

2.6 Litter, Dust and Noise Control. The Contractor shall use its diligent efforts to maintain and keep free of litter and other foreign material all areas within the Landfill and on all Access Roads within a minimum of one-fourth mile of the gate to the Landfill. Contractor shall, in accordance with industry standards, be solely responsible for maintaining the Landfill and Transfer Station in a clean, vector-free, and sanitary condition (normal wear and tear excepted), and shall be responsible for any public nuisance created as a result of Contractor's Work hereunder.

The Contractor shall furnish, maintain and use such dust control equipment as may be reasonably necessary to protect employees, the public and adjacent properties and to minimize the creation of dust at the Landfill, as set forth in the Proposal.

The Contractor shall comply with all provisions of city or county noise ordinances applying to the Landfill.

2.7 Wind Screens (Temporary). The Contractor shall furnish portable wind screens which the Contractor shall use during periods of high wind to contain blowing waste, such as paper and other light debris. Suitable equipment and adequate personnel shall be provided to collect windblown waste, as needed, to keep the screens cleared of such waste and to relocate screens cleared of such waste.

2.8 Landfill Gas and Leachate Monitoring and Control. The Contractor shall provide a landfill gas and leachate monitoring program for methane migration as set forth in the Proposal.

2.9 Placement and Compaction of Solid Waste. Unless otherwise required by the State Regulatory Agencies and confirmed by the Contract Administrator, all Solid Waste delivered to the

disposal area shall be placed, compacted, and covered daily by the Contractor. All Solid Waste shall be placed at the Landfill each day, and shall be compacted and covered before the end of the day to prevent fire, development of vector problems, blowing papers, unsightly conditions, and intrusion of surface waters. Placement of daily cover over the work face may be waived at the discretion of the Contract Administrator, subject to approval of appropriate Regulatory Agencies. Cover material shall consist of native clays, weathered rock or other material approved by the Contract Administrator. -84
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2.10 Placement and Compaction of Cover Materials. Cover material shall be spread in lifts. Cover material shall be watered or dried, as required, to bring the soil as close as practicable to the recommended water content for proper compaction, and then compacted by suitable equipment and methods. Minimum compacted thickness of cover shall comply with state regulatory requirements.

2.11 Demolition Waste. Demolition Waste may be placed upon the natural subgrade or within the sanitary fill. *

2.12 Safety. The Contractor stipulates that it is aware that the operation of heavy equipment at the Landfill, which is near automobiles, trucks, and other vehicles using the Landfill or delivering Solid Waste to the Landfill, is extremely hazardous.

Whenever in the Authority's reasonable opinion the Contractor's operations create a condition hazardous to traffic or to the public, Contractor shall, at its expense and without cost to the Authority, furnish, erect, and maintain such fences, barricades, lights, signs and other devices and take such other protective measures as are necessary to prevent accidents, damage or injury to the public. The Contractor shall also furnish, at its expense and without cost to the Authority, such flagmen as are necessary to give adequate warning to traffic or to the public of any dangerous conditions to be encountered.

2.13 Title to Solid Waste. Title to all Solid Waste shall remain with and vest in the Authority until such time as the Solid Waste has been properly deposited at the Landfill or a transfer site operated by the Contractor, for disposal by the Contractor.

2.14 Final Cleanup. Upon completion of this Contract or Landfill closure and before final compensation is made, the Contractor shall remove from the Landfill and adjoining property, and dispose of all surplus and discarded materials, rubbish, temporary structures, construction equipment and debris which may have accumulated during the life of this Contract.

2.15 Landfill closure. Contractor shall be solely responsible for properly closing the Landfill, the proposed

Landfill and the Transfer Station according to state and local regulations, including mitigation measures, monitoring, vegetation, final cover placement and post-closure maintenance.

Notwithstanding the above, the Contractor shall, at its expense, provide the Authority with a detailed comprehensive closure and post-closure plan for the existing Landfill within 90 days of the Commencement Date.

2.16 Load Checking. Contractor shall operate a program of spot-checking loads of Solid Waste delivered to the Landfill and the Transfer Station in compliance with all Government Requirements.

2.17 Scale and Separate Tipping Areas for the General Public. Contractor shall provide a scale at all times during the term of this Agreement and a separate tipping areas and facilities at the Landfill for the general public.

2.18 Transfer Station. Contractor shall operate and manage the Transfer Station for the collection and separation of Recyclable refuse that has commercial value ("Recyclable Refuse"), including without limitation glass, aluminum and steel cans, plastics, newsprint and other paper products and other Refuse to be mutually agreed upon by the parties, and for the deposit by the Authority of Solid Waste to be transported by Contractor for disposal at the Landfill.

Contractor shall have the right to market the Recyclable Refuse and will assist the Authority with information on new techniques used in Recycling. Net proceeds from the sale of Recyclables shall be applied to community projects or 501(c)(3) or 501(c)(7) corporations to be agreed upon by Contractor and the Authority.

III. CONTRACTOR'S RESPONSIBILITY FOR LANDFILL OPERATION AND MAINTENANCE

Except as otherwise provided herein, the Contractor shall, at its expense, operate and maintain the entirety of the Landfill and the Transfer Station, including, but not limited to, the specific items listed below:

3.1 Haul Roads and Service Roads. It shall be the Contractor's responsibility to provide and maintain at its expense all Haul Roads and Service Roads within the Landfill and the Transfer Station required for the purposes of transporting Solid Waste to the actual point of disposal, or transporting earth materials for fill within the property, and such other roads within the Landfill as may be required for its convenience. Haul Roads shall be well maintained and shall provide safe all-weather access at all times.

The Authority shall, at all times and at its expense, provide and maintain adequate and reasonable access roads and Haul Roads to and from the Landfill and the Transfer Station for the delivery of materials at those sites as set forth herein and for the departure of vehicles from those sites.

3.2 Fire Protection. The Contractor shall have the right to use and maintain existing water lines and/or water storage at the Landfill and the Transfer Station as may be required for fire fighting. Contractor shall be responsible for payment of utilities on the Landfill site and Transfer Station site (if operating the same) incidental to operation. In the event of a fire, the Contractor shall immediately notify the local fire fighting agency, and shall diligently work to extinguish the fire.

3.3 Access to Tipping Area. The Contractor shall ensure that the deck surface of the active landfill area of the Landfill be relatively level and free from potholes or depressions so that vehicles may have clear and safe access to the tipping areas at all times.

3.4 Signs and Traffic. The Contractor shall provide and maintain all existing and future signs displaying rules applicable to the Landfill and the Transfer Station in a clean and readable condition. The Contractor shall provide and maintain signs for the convenience of the vehicles using the Landfill and the Transfer Station and for safe and efficient traffic flow to and from the tipping areas.

3.5 Gate Control. Contractor shall provide a Gate Control Program at the Landfill as set forth in the Proposal.

IV. AUTHORITY'S OBLIGATIONS

4.1 Authority's Responsibility for Facility Operation and Maintenance.

The Authority, at its expense, shall be responsible for maintaining the access road from Highway 43 to the gate of the Landfill and the existing city streets to the gate of the Transfer Station.

4.2 Transitional Obligations.

The Authority shall transfer and assign to the Contractor all consumable items and materials currently located at the Landfill and the Transfer Station and will use its best efforts to assist the Contractor in an efficient transition hereunder.

V. NEW LANDFILL FACILITY

5.1 Contractor's Responsibility. The Contractor agrees, at its cost, to design, construct, build, operate and manage a new landfill facility located immediately adjacent to the existing Landfill, in accordance with all present and currently anticipated state and federal laws, regulations and criteria including, but not limited to, regulations commonly referred to as RCRA "Subtitle D" Criteria for Sanitary Landfill, and ADEM regulations and guidelines resulting from AL Act 89-824, and to use its best efforts to obtain all licenses, permits and approvals necessary to open and operate this facility (the "New Landfill"). The New Landfill is to be owned by the Authority, is intended to be used to meet the Solid Waste disposal needs of the residents of the Service Area during the term of this Contract, and all Permits for this facility shall be issued in the name of the Authority.

5.2 Authority's Responsibility. The Authority agrees to assist the Contractor in obtaining any and all Permits, licenses and approvals necessary to open and operate the New Landfill and, once the New Landfill has been opened, to dispose at the New Landfill of all the City of Mobile Solid Waste generated within the Service Area.

5.3 Contractor's Rights. The Contractor shall have the right to dispose at the New Landfill of Solid Waste generated within the Service Area from any other parties in addition to the Authority, provided it complies with all laws, rules and regulations governing the New Landfill.

5.4 All Parties' Rights and Duties. Except as otherwise set forth in this Contract, all terms and conditions in this Contract applicable to the Contractor's, the City's, the Contract Administrator's and the Authority's rights, duties and obligations governing the Landfill shall also apply to the New Landfill.

5.5 Reimbursement By Contractor. Upon Commencement Date, Contractor shall give to the Authority and/or the City a credit for tipping fees and hauling fees owed by the Authority and/or the City to the Contractor in an amount equal to the sums paid by the Authority and/or the City for all engineering costs incurred up to the date of execution of this contract, relating to obtaining Permits, closure costs, and engineering studies for the New Landfill, which costs the Authority estimates to be approximately \$1,050,000.00, to which shall be added the flat sum of \$63,000.00 interest. The Authority will be obligated to properly document and substantiate to the Contractor's satisfaction all such costs it has incurred. To this end, the Contractor shall collect and apply all funds collected from the Authority's accounts receivable relating to the Landfill and the Transfer Station to reduce this outstanding indebtedness. This credit shall not affect the obligation of the Contractor to pay royalty pursuant to Section 6.2.

VI. COMPENSATION

6.1 Payment Rate. Except as otherwise specifically provided in this Contract, the Authority shall pay the Contractor \$20.00 per ton for each ton of Solid Waste delivered to the Landfill from within the Service Area by the Authority, plus \$7.50 per ton for each ton of material delivered by the Authority to the Transfer Station and hauled to the Landfill by the Contractor during the term of this Contract. These fees shall be subject to adjustment pursuant to Section 6.6. The Contractor shall negotiate its own rates for the disposal of permitted materials from third parties at the Landfill, which rates will be prominently displayed at the Landfill, and shall receive no fees from the Authority for such materials.

6.2 Royalty Payment. The Contractor agrees to pay the Authority royalties in the amount of 5% of the gross revenue received by the Contractor from all Solid Waste deposited at the Landfill by the City or by third parties during the term of this Contract. This royalty shall be payable quarterly, based on gate proceeds, out of proceeds actually received by Contractor.

6.3 OMITTED

6.4 Verification of Weights. The quantities of Solid Waste delivered to the Landfill and the Transfer Station for processing, handling or disposal shall be measured by scale ton, based on weight slips for each load weighed. Such weight slips shall show the gross weight of the truck, including that of the Solid Waste, the tare weight of the truck and the net weight of the Solid Waste. Weight slips and minimum load slips obtained when the Solid Waste is received and weighed at the Landfill and Transfer Station shall be used as the basis of payment.

6.5 Payment Terms. For all Solid Waste deposited by the Authority at the Landfill and the Transfer Station, the Authority shall pay Contractor in full on a net thirty-day basis. For all materials deposited by third party Haulers, Contractor shall negotiate reasonable and acceptable payment terms, including appropriate Deposits, with such Haulers.

6.6 Price Adjustments. The Contractor and the Authority recognize that during the life of this Contract many circumstances may arise which cannot be predicted or foreseen. It is the intent of this Section to set forth reasonable expectations as to the items which could produce these circumstances, and to provide a means of arriving at adjustments in Payments or compensation hereunder to Contractor to reflect the resulting cost impacts.

Except as otherwise provided herein, the per ton fees payable to Contractor shall not be adjusted during the first two Contract Years. Each Contract Year thereafter, such fees shall, at the request of Contractor, be adjusted to reflect the change in the cost of Contractor doing business hereunder, in an amount to be mutually agreed upon by Contractor and the Authority, not to exceed the change in the Consumer Price Index, or the Competitive Price Index, whichever is the lowest.

Said negotiations may include, but not necessarily be limited to, the following situations:

- (i) compensation to Contractor for the design and/or construction of on-site betterments;
- (ii) material changes in tonnage delivered to the Landfill or the Transfer Station;
- (iii) changes in labor and/or equipment requirements or rates;
- (iv) unexpected cost changes by Contractor.

The adjusted proposal price resulting from said negotiations shall include compensation for all labor, equipment and materials necessary to perform this Contract as may be amended by said negotiations.

Notwithstanding any provision in this Contract to the contrary, the Authority shall reimburse Contractor for any increases in Contractor's costs due to laws, rules, regulations or ordinances that become effective or have different interpretations after the date this Contract is entered into and that have an adverse impact on Contractor hereunder. Furthermore, in the event that Contractor incurs any material increase in costs as a result of events which it could not reasonably foresee which arise after the date this Contract is entered into and which are beyond the reasonable control of the Contractor (including price increases, operating cost increases, reductions in revenue expectations, reduction in volume of the Mobile Waste Stream deposited at the Landfill below the represented figures in the RFP, equipment or repair costs or other similar items), such that either Contractor's purpose in entering into this Contract shall be frustrated or its performance hereunder or its financial expectations from this Contract would be adversely affected, there shall be an immediate equitable adjustment of the rates and/or other compensation ("Equitable Rate Adjustment") paid under this Contract by the Authority to the Contractor so as to compensate Contractor for such increased costs, in the manner as shall otherwise be provided herein. *

The Authority shall reimburse the Contractor for any surcharge, fee, duty, tax or other charges imposed by federal, state or local government or any agency thereof, for the purpose of funding solid waste management programs. Such items shall be cause for an automatic and immediate rate adjustment in the amount of such fee, duty, tax or charge.

In addition to the above, either Contractor or the Authority shall be allowed to initiate actions and to agree to rate adjustments hereunder that would result from the implementation of methods, processes or other technology for the benefit of the environment, the public and/or the community and that were not contemplated hereunder.

For such adjustments, Contractor shall petition the Authority prior to any such adjustment and shall be responsible for documenting, to the Authority's reasonable satisfaction, the cause for the adjustment and the Authority shall render a decision within 30 days after the Contractor has provided such documentation. Contractor shall give reasonable notice to Haulers of rate increases hereunder.

The cost of fines or penalties imposed for violations by Contractor of Permit conditions, laws or regulations shall not be considered as cause for a rate adjustment.

The Authority and the Contractor may, prior to the first day of October of each Contract Year, negotiate adjustments in the Payment Rate and any other provision of the Contract.

6.7 Changes in Technology. If improvements in technology dictate significant changes in the currently accepted means of disposing of Solid Waste which are not reasonably foreseeable to the parties at this time, this Contract shall be renegotiated, in a manner so as to enable the Contractor to adopt such changes.

VII. OTHER PROVISIONS

7.1 Notices. All notices or other communications required or permitted hereunder shall be sent by telecopier or by express mail, addressed as follows or to such other addresses as may be designated hereunder from time to time:

Contractor:

TransAmerican Waste Industries, Inc.
314 N. Post Oak Lane
Houston, Texas 77024
Attn: Chairman

With a copy to:

Marr and Friedlander, P.C.
740 Museum Drive
P.O. Box 8548
Mobile, Alabama 36608
Attn: Maury Friedlander, Esq.

Authority:

The City of Mobile
Solid Waste Authority
P.O. Box 1827
Mobile, Alabama 36633
Attn: Chairman

With a copy to:

Attorney for Authority

7.2 Affirmative Action and Equal Employment Opportunity.
Contractor shall comply with all affirmative action and equal employment opportunity requirements as set forth herein or as required by applicable laws, rules or regulations.

7.3 Miscellaneous. This Contract, including the Exhibits, represents the complete agreement between the parties, and it supersedes all prior agreements, Requests for Proposals, and Proposals. The section headings are used only for convenience and are not to be used in determining the intent of the parties or in otherwise interpreting this Contract. If any provision of this Contract shall be declared illegal, void or unenforceable, the other provisions shall not be affected but shall remain in full force and effect, unless the resulting interpretation of the Contract shall materially alter the obligations of either party so as to work an unfair hardship on such party (the "Burdened Party"), in which case the Burdened Party shall have the option to request a renegotiation of the Contract and/or to terminate this Contract upon ninety (90) days advance written notice to the other party. This Contract may be modified, amended, discharged or waived only by an agreement in writing signed by each party. This Contract shall be binding upon and will inure to the benefit of the heirs, executors, administrators, successors and assigns of the respective parties hereto. This Contract may be executed in counterparts,

each of which, when so executed and delivered, shall constitute an original, fully enforceable counterpart for all purposes. This Contract will be governed by and construed according to the laws of the State of Alabama. Time is of the essence in this Contract and in each of its provisions.

IN WITNESS WHEREOF, this Contract has been duly executed as of the date first set forth above.

THE CITY OF MOBILE SOLID WASTE AUTHORITY

By: *D. C. Wyatt*
Name:
Title:

TRANSAMERICAN WASTE INDUSTRIES, INC.

By: *J. R. Hall*
Name: *J. R. Hall*
Title: *President*

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STATE OF ALABAMA)

COUNTY OF MOBILE)

Before me, the undersigned, a Notary Public in and for said State and County, personally appeared JON R. HALL, whose name as President of TRANSAMERICAN WASTE INDUSTRIES, INC., a corporation, is signed to the foregoing instrument and who is known to me, acknowledged before me on this date that, being informed of the contents of said instrument, he, as such officer and with full authority, executed the same voluntarily for and as the act of said corporation on the day the same bears date.

GIVEN under my hand and seal on this the 6 day of September, 1993.
0670941

NOTARY PUBLIC

(SEAL)

STATE OF ALABAMA)

COUNTY OF MOBILE)

Before me, the undersigned, a Notary Public in and for said State and County, personally appeared LEONARD C. WYATT, whose name as Chairman of THE CITY OF MOBILE SOLID WASTE AUTHORITY, is signed to the foregoing instrument and who is known to me, acknowledged before me on this date that, being informed of the contents of said instrument, he, as such Chairman and with full authority, executed the same voluntarily for and as the act of said Solid Waste Authority on the day the same bears date.

GIVEN under my hand and seal on this the 6 day of September, 1993.
0670942

NOTARY PUBLIC

(SEAL)

TABLE 1

ADJACENT PROPERTY OWNERS

Chastang Sanitary Landfill

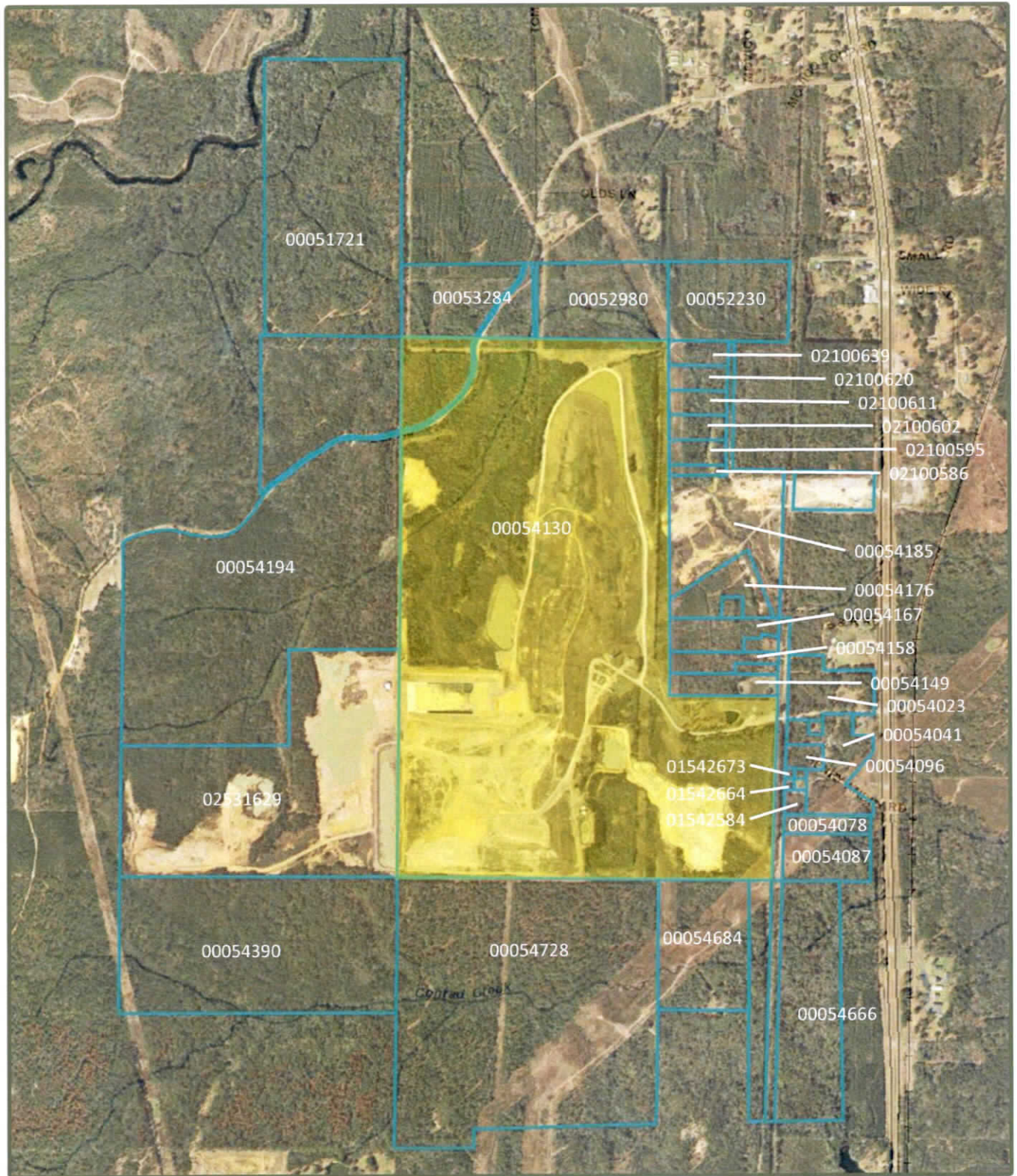
KEYX	PARCEL	NAME	ADDRESS	CITY	STATE	ZIP
02100611	R020906130000001.022	GOULD ALARIC L	705 EAST SALVIA ST	MOBILE	AL	36606
1542664	R020906130000017.01	IRBY ISAAC & GLADYS	16911 F HIGHWAY 43	MT VERNON	AL	36560
00052230	R020901120000036.02	TAMARACK TIMBERCO AL LLC	5605 WOODBINE RD	PACE	FL	32571
00054130	R020906130000022.	MOBILE CITY OF THE SOLID WASTE DISPOSAL AUTHORITY	17045 HIGHWAY 43	MT VERNON	AL	36560
00051721	R020901110000008.000	WELDON JEANETTE GOODYEAR & SUSANNE SMITH MCAVOY	754 EVERGREEN ST	FAIRHOPE	AL	36582
00054390	R020906230000001.000	WOODYARD GEORGE	178 WOODYARD ST	MCINTOSH	AL	36553
00054185	R020906130000027.000	WHITFIELD TRUCKING INC	PO BOX 13097	MOBILE	AL	36663
01542673	R020906130000018.	IRBY ISAAC & GLADYS	16911 F HIGHWAY 43	MT VERNON	AL	36560
00052980	R020901120000102.000	ELEY GLADYS RANDALL	290 DONA DRIVE	MANDEVILLE	LA	70448
02531629	R020906140000001.017	MOBILE CITY OF THE SOLID WASTE DISPOSAL AUTHORITY	17045 HIGHWAY 43	MT VERNON	AL	36560
00054087	R020906130000014.000	AGNEW ANDREA COLETTE	863 GRANT PARK DR	MOBILE	AL	36606
00054023	R020906130000010.000	CHIPPEWA LAKES LLC	P O BOX 2672	MOBILE	AL	36602
00054684	R020906240000009.000	STIELL AMELIA	159 LAKEVIEW LOOP	DAPHNE	AL	36526
		CHASTANG IDA BELL				
02100639	R020906130000001.024.	C/O VANESSA MARIA CHASTANG	1909 ROSEDALE RD	MOBILE	AL	36605
		ELEY GLADYS R PATRICIA R				
00053284	R020901120000125.	BREHM & JOHN MCENERY ROBERTSON JR	290 DONA DRIVE	MANDEVILLE	LA	70448
00054167	R020906130000025.000	HOWELL EDDIE L	PO BOX 96	SAINT STEPHENS	AL	36569
01542584	R020906130000016.000	IRBY ISSAC & GLADYS	16911 F HIGHWAY 43	MT VERNON	AL	36560
00054666	R020906240000008.09	CHASTANG PATRONIA	P O BOX 2672	MOBILE	AL	36652
00054176	R020906130000026.000	ANDRY RANDOLPH SR, RENETTA TRENICE	11726 OLD HIGHWAY 43	AXIS	AL	36505
02100586	R020906130000001.019	SPRAGGINGS CARL	3823 NEWTON ST	MOBILE	AL	36612
00054078	R020906130000013.000	CHIPPEWA LAKES LLC	P O BOX 2672	MOBILE	AL	36652
00054194	R020906140000001.000	CHIPPEWA LAKES LLC	P O BOX 2672	MOBILE	AL	36652

TABLE 1

ADJACENT PROPERTY OWNERS

Chastang Sanitary Landfill

KEYX	PARCEL	NAME	ADDRESS	CITY	STATE	ZIP
00054158	R020906130000024.000	BETTIS TERECA	PO BOX 705	CREOLA	AL	36525
02100595	R020906130000001.020	PHILLIPS BETTY	9305 OLD HWY 43	CREOLA	AL	36525
02100620	R020906130000001.023	ATCHLEY CHARLES EDWARD	425 ALBERT DR	GARDENDALE	AL	35071
00054149	R020906130000023.000	WILLIAMS LARRY NOBLE & LENA H	PO BOX 35	BUCKS	AL	36512
00054728	R020906240000012.01	ANDRY MARTHA (LIFE ESTATE)	16324 HIGHWAY 43	MOUNT VERNON	AL	36560
00054096	R020906130000019.000	ANDRY NOEL ALEXANDER SR MARGARET ANDRY SPENCER	P O BOX 441	MT VERNON	AL	36560
00054041	R020906130000011.000	MEARER AUGUSTINE IV AS	PO BOX 2672	MOBILE	AL	36652
02100602	R020906130000001.021	CHASTANG PIERCE A	2773 S THOMPSON DR	MOBILE	AL	36606



Note:
Imagery and parcel locations
by City of Mobile GIS

Map Location

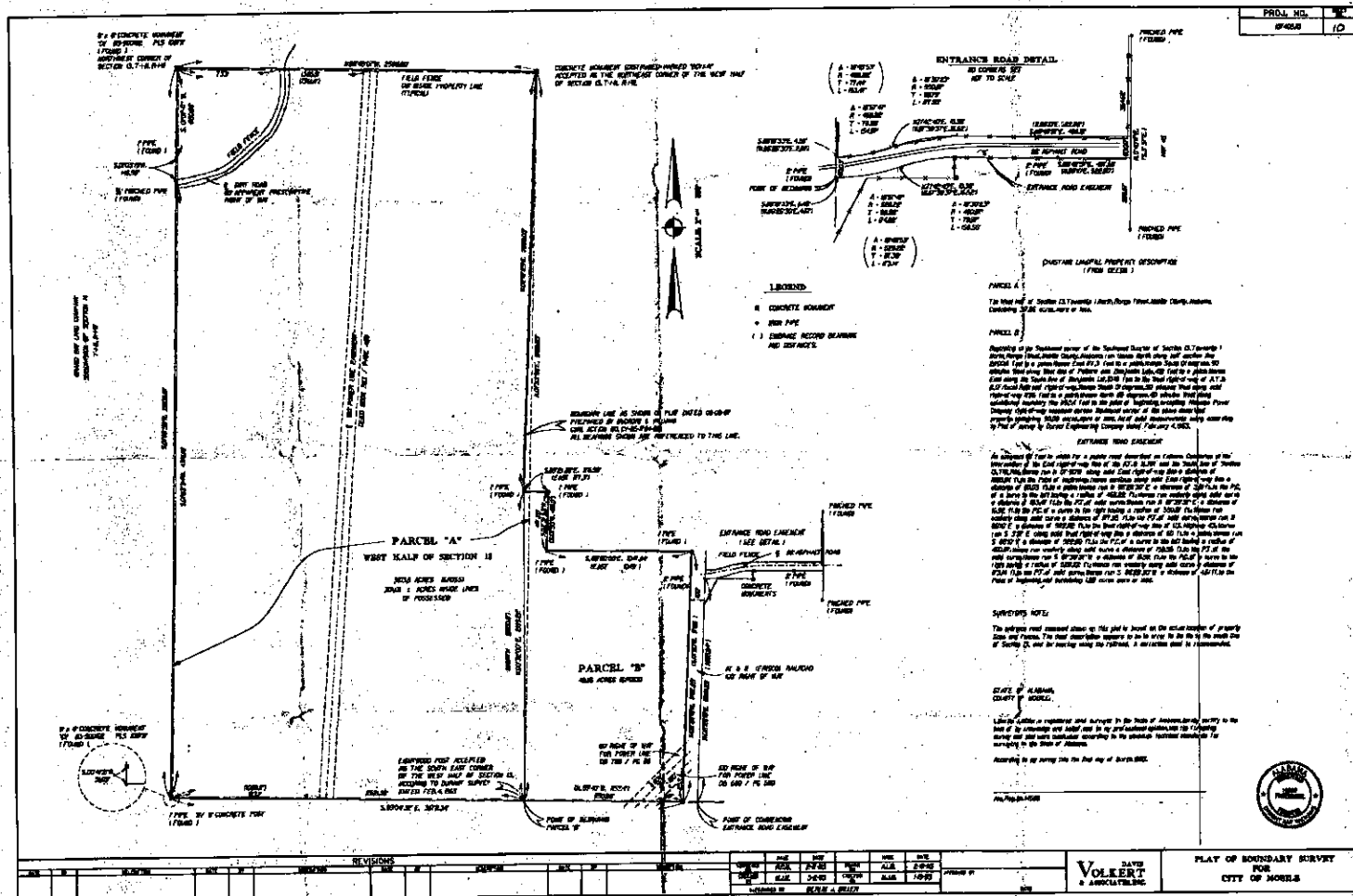


ADJACENT PROPERTY PARCELS
Chastang Sanitary Landfill
Mt. Vernon, Mobile County, Alabama



Drawn: APD
Engineer: JJB
Proj. No.: 230102

FIGURE 2



PARCEL A

The West half of Section 13, Township 1 North, Range 1 West, Mobile County, Alabama.
Containing 317.66 acres, more or less.

PARCEL B

Beginning at the Southwest corner of the Southeast Quarter of Section 13, Township 1 North, Range 1 West, Mobile County, Alabama; run thence North along half section line 2200.8 feet to a point; thence East 177.3 feet to a point; thence South 01 degrees, 50 minutes West along West line of Pollard and Benjamin Lots, 418 feet to a point; thence East along the South line of Benjamin Lot, 1049 feet to the West right-of-way of A.T. & N. (Frisco) Railroad right-of-way; thence South 01 degrees, 50 minutes West along said right-of-way 1786 feet to a point; thence North 89 degrees, 40 minutes West along established boundary line 1152.1 feet to the point of beginning, excepting Alabama Power Company right-of-way easement across Southeast corner of the above described property; containing 50.08 acres, more or less. All of said measurements being according to Plat of survey by Durant Engineering Company dated February 4, 1963.

ENTRANCE ROAD EASEMENT

An easement 60 feet in width for a public road described as follows: Commence at the Intersection of the East right-of-way line of the A.T. & N. RR and the South line of Section 13, T1N, R1W; thence run N 01° 50' W along said East right-of-way line a distance of 1655.94 ft. to the Point of beginning; thence continue along said East right-of-way line a distance of 60.03 ft. to a point; thence run N 86° 26' 30" E a distance of 2.81 ft. to the P.C. of a curve to the left having a radius of 468.22 ft.; thence run easterly along said curve a distance of 153.47 ft. to the P.T. of said curve; thence run N 67° 39' 37" E a distance of 16.52 ft. to the P.C. of a curve to the right having a radius of 590.87 ft.; thence run easterly along said curve a distance of 177.93 ft. to the P.T. of said curve; thence run N 86° 10' E a distance of 522.82 ft. to the West right-of-way line of U.S. Highway 43; thence run S 33° E along said West right-of-way line a distance of 60 ft. to a point; thence run S 86° 10' W a distance of 522.60 ft. to the P.C. of a curve to the left having a radius of 490.87 ft.; thence run westerly along said curve a distance of 158.55 ft. to the P.T. of the said curve; thence run S 67° 39' 37" W a distance of 16.52 ft. to the P.C. of a curve to the right having a radius of 528.22 ft.; thence run westerly along said curve a distance of 173.14 ft. to the P.T. of said curve; thence run S 86° 26' 30" W a distance of 4.61 ft. to the Point of beginning, and containing 1.28 acres more or less.

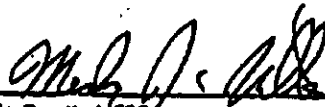
SURVEYOR'S NOTE:

The entrance road easement shown on this plat is based on the actual location of property lines and fences. The deed description appears to be in error in its tie to the south line of Section 13, and its bearing along the railroad. A correction deed is recommended.

STATE OF ALABAMA
COUNTY OF MOBILE:

I, Merlin J. Miller, a registered land surveyor in the State of Alabama, hereby certify to the best of my knowledge and belief, and in my professional opinion, that the foregoing survey and plat were conducted according to the minimum technical standards for surveying in the State of Alabama.

According to my survey this the 2nd day of March, 1993.


No. Reg. No. 14986



