

AGREEMENT FOR SOLID WASTE COLLECTION WITHIN THE TOWN OF SOUTH PRAIRIE

This Agreement for Solid Waste Collection within the Town of South Prairie ("this Contract") is made and entered into on the 4th day of August 2010 by and between the Town of South Prairie, a municipal corporation (hereafter "Town") and D.M. Disposal Co., Inc., a corporation (hereafter, "Contractor").

RECITALS

WHEREAS, the Town and the Contractor desire to enter into this Contract to provide one comprehensive agreement for the collection of solid waste generated within the Town of South Prairie; and

WHEREAS, this Contract is in the best interests of the Town, its residents, and the Contractor.

NOW, THEREFORE, in consideration of the mutual covenants, agreements, and promises herein contained, the Town and the Contractor do hereby agree as follows:

DEFINITIONS

The following terms shall have the following meanings unless the context otherwise specifies or requires:

Town: The Town of South Prairie, Pierce County, Washington.

Contract: This Agreement for Solid Waste Collection within the Town of South Prairie and any amendments, modifications or supplements hereto.

Contractor: D.M. Disposal Co., Inc.

Contractor's Inventory: The equipment used by the Contractor to perform this Contract.

County: Pierce County, Washington.

Curb or Curbside: A location on a property, within five feet of the edge of a Public Street that does not block sidewalks, driveways or on-street parking.

Garbage: Solid Waste excluding Recyclables and Yard Waste.

Mixed Paper: Magazines, junk mail, phone books, bond or ledger grade, cardboard and paper board packaging and other fibre-based materials meeting industry standards. Tissue paper, paper towels, frozen food containers, milk cartons, or paper packaging combined with plastic wax or foil are excluded from the definition of mixed paper.

Multifamily Residence: A multiple-unit Residence with five or more attached units or any Residence with two or more units that has consolidated collection services and billing.

Private Drive: A privately owned or maintained way serving fewer than four Residences or serving less than one Residence for every 100 yards in length.

Private Road: A privately owned and maintained way that allows for access by a service truck and which serves four or more Residences.

Public Street: Any public way used by the public for travel, including alleys.

Receptacle: A Solid Waste Container, Recycling Container, Yard Waste or Cart or other container used to contain Solid Waste or Recyclables or Yard Waste.

Recyclables: Aluminum cans; glass containers; high density polyethylene bottles, mixed paper, newspaper, polyethylene terephthalate bottles; polycoated cartons; scrap metals; tin; and such other materials that the Town and Contractor determines to be recyclable.

Recycling Cart: A 64 or 96 gallon plastic Receptacle for recyclables on wheels with handles and a tight-fitting cover, capable of being mechanically unloaded into collection vehicles operated by the Contractor in accordance with this Contract and which is less than one cubic yard in capacity.

Solid Waste: All Garbage, Recyclables, and Yard Waste as defined in this Contract.

Residence, Residential: Any house, dwelling, multi-unit residence, apartment house, trailer court or any building put to residential use.

Scrap Metals: Ferrous and Non-ferrous metals not to exceed two (2) feet in any direction and 35 pounds in weight per piece.

Single-Family Residence: All one-unit houses, as well as duplexes, triplexes, four-plexes or mobile homes with individual collection and billing located on a Public Street, Private Drive or Private Road. Single-Family Residences located in an area that the Town determines does not allow safe access, turn-around, or clearance for collection vehicles or on a Private Drive will be deemed to be Single-Family Residences if materials are set out adjacent to a Public Street or a Private Road.

Yard Waste: Leaves, grass, and clipping of woody and fleshy plants up to two (2) inches in diameter and three (3) feet in length collected in 96-gallon carts.

1. Term of Contract/Extensions

The term of the Contract shall commence on June 1, 2010, and expire on December 31, 2020. The Contract may be renewed for up to four (4) successive five (5) year terms. Such renewal shall occur automatically unless either party notifies the other in writing 180 days prior to expiration of the initial or any renewal term of its intent not to renew this Contract. The Contract may also be extended upon the mutual consent of the Town and the Contractor for an additional agreed upon term in order to facilitate changes associated with the implementation of new technology not required by the Contract or changes in service level frequency that improve the efficiencies and levels of service provided by Contractor. In the event the Town disincorporates during the term of this Agreement, the Agreement shall terminate upon the effective date of the Town's disincorporation and the Town shall revert to Murrey's Disposal or its successor's G-Certificated area and regulation by the Washington Utilities and Transportation Commission or its successor entity, if any.

Any amendment to the provisions of this Contract must be mutually agreed upon by the Town and the Contractor and must be in writing.

2. Scope of Work

2.1 General Collection System Requirements

2.1.1 Service Area

The Contract service area is the corporate limits of South Prairie, Pierce County, Washington, as of January 1, 2010.

2.1.2 Exclusive Right

The Contractor is the sole service provider for Solid Waste Collection to the entire Town. The compensation agreement described in this Contract has been developed by the Town and the Contractor and is mutually agreeable and is expressly predicated upon the exclusive service provider relationship. The Town may, in its discretion, enforce the exclusivity provisions of this Contract against third-party violators. The Contractor may independently enforce the exclusivity provisions of this Contract against third-party violators, including, but not limited to, seeking injunctive relief and/or damages, and the Town shall use good faith efforts to cooperate in any such enforcement act brought by the Contractor.

2.1.3 Hours/Days of Operation

All residential collection shall be made between the hours of 7:00 a.m. and 7:00 p.m., Monday through Friday, unless the Town in writing authorizes a temporary extension of hours or days. D.M. will notify customers in advance of scheduled days and approximate times for pick-up, as well as any changes to pick-up days or times.

2.1.4 Contractor Performance

If the Contractor shall appear to abandon or materially breach this Agreement or fail to fully and promptly comply with its obligations, the Town may declare the Contractor to be in default and notify the Contractor of its intentions to discontinue service thereunder. Upon notice to the Contractor, it shall have 72 hours to cure the stated material breach of default to the Town's reasonable satisfaction. If the breach of this Agreement is not of a materiality or magnitude to be deemed to endanger the public health, safety or welfare, the Town shall first give the Contractor thirty (30) days advance written notice to cure the breach of the Town's reasonable satisfaction.

2.1.5 Holiday Schedules

In the event any regular collection day is a legal holiday recognized by the State of Washington, Contractor may suspend collection for such day, but shall be required to provide collection service on the next business day following the holiday on which service was suspended.

2.1.6 Inclement Weather

When weather conditions are such that the Contractor's collection of Solid Waste would result in danger to the Contractor's staff, area residents, or property, the Contractor shall collect only in areas that in its reasonable discretion do not pose a danger to life or property. The Contractor shall notify the Town of the areas not served as a result of inclement weather.

Following a service interruption because of inclement weather, the Contractor shall work in coordination with the Town to implement an appropriate schedule for collecting solid waste from customers whose service was interrupted, and shall notify customers of this schedule.

2.1.7 Receptacles

2.1.7.1 Single-Family Residential Units

Solid Waste containers shall be supplied by customers. The Contractor shall provide Contractor-owned Recycling Carts to all Single-Family Residential Units for the collection of Recyclables. The Contractor shall also provide each subscribing Single Family Residential Unit with a Contractor-owned (96) gallon Receptacle for the disposal of Yard Waste.

2.1.7.2 Multi-Family Residential Units

Solid Waste containers shall be supplied by customers. The Contractor shall be responsible for providing Recycling Receptacles for use at Multi-Family Residential Units. Such Receptacles shall be of sufficient size to provide for the collection of all Recyclables generated at Multi-Family Residential Units, and shall be designed so as to permit source separation of Recyclables.

2.1.7.3 Replacement of Lost/Stolen Receptacles

Contractor may not charge for the replacement of lost or stolen recycling or yard waste receptacles. Where the receptacle has been damaged due to customer negligence, the Contractor

may charge a reasonable replacement charge for the receptacle. Contractor may also charge a reasonable replacement fee where a customer has removed the receptacle from the residence.

2.2 Collection Services

2.2.1 Garbage Collection

The Contractor shall provide Curbside collection of solid waste containers from all Single Family Residences not less than once per week during the term of this Contract according to routes established within the Town.

2.2.2 Recycling Collection

The Contractor shall provide Curbside collection of the Recycling Carts on a biweekly schedule year round on the same day as regular Garbage collection from all Single Family Residences. The Contractor shall also endeavor to collect Recyclables generated at Multi-Family Residential Units on the same day as regular Garbage collection.

2.2.2.1 Subject Materials

The defined list of Residential Recyclables shall be collected from all participating Single Family customers.

The Contractor shall collect all Residential Recyclables from Single Family Residences that are prepared as follows and uncontaminated with food or other residues:

Aluminum Cans:	All aluminum cans that are placed in the customer's Recycling Cart.
Cardboard:	All corrugated cardboard that is flattened and placed in customer's Recycling Cart. Large cardboard should be broken or cut down and placed in Recycling Cart.
Mixed Paper:	All Mixed Paper that is placed loosely in Recycling Cart. Shredded paper must be separately contained in a paper bag or cardboard box and placed in cart.
Newspaper:	All newspaper and advertising supplements that are delivered with newspapers that are placed loosely in the Recycling Cart.
PET and HDPE Bottles and Jugs:	All PET and HDPE bottles and jugs that are placed in the customers Recycling Cart. Other plastics and automotive product containers and lids are excluded.
Polycoated Cartons and Boxes:	All plastic-coated cartons and boxes that are flattened and placed in the customer's Recycling Cart.
Tin Cans:	All food and beverage cans with labels removed that are placed in the commingled Recycling Cart.

2.2.3 Yard Waste Collection

The Contractor shall provide Curbside collection of the Yard Waste containers on a biweekly schedule year round on the same day as regular Garbage collection from all Single Family Residences. The Contractor shall arrange with the owner the type of containers to be used at Multi-Family Residential Units.

2.2.4 Specific Collection Requirements

Receptacles shall be placed at the Curbside of each residential unit on collection days. Contractor may decline to collect any containers not so placed.

2.2.5 Unimproved Alleys/Private Roads

The Contractor shall collect Solid Waste in alleys and on Private Roads to the extent practicable and consistent with the collection services offered before this Contract.

In the event that the Contractor reasonably believes that a Private Road or Drive cannot be safely negotiated or that providing walk-in service is impractical due to distance or unsafe conditions, the Contractor may request that the Town evaluate on-site conditions and Contractor and the Town shall determine the best approach for providing safe service to the customer.

2.2.6 Extra Pick-Ups

The Contractor shall make occasional extra pick-ups of items, for customers pursuant to charges authorized by the Town and set forth in attached Exhibit A.

2.2.7 Ownership of Recyclables and Yard Waste/Landfill Disposal/Exception

The Contractor becomes the owner of the Recyclables and Yard Waste following collection and can market or dispose of them in any manner the Contractor deems to be economically feasible. Recyclables and Yard Waste which are collected by the Contractor shall not be disposed of in a landfill unless the Contractor has considered other alternatives and, after good faith efforts to locate a market, has determined that it is not possible or economically feasible to recycle or compost such items.

2.2.8 Vehicles

The Contractor shall furnish all vehicles, which shall be specially designed for the collection and hauling of garbage and waste products. The Contractor shall provide transportation of Recyclables and Yard Waste in vehicles, which are separate from the vehicles, which collect Garbage. Each vehicle shall have a tight metal body designed so as to prevent the scattering of Solid Waste and Recyclables. The Contractor shall, at its sole cost and expense, keep the vehicles clean, sanitary, neatly painted and in good running order.

2.3 Customer Service

2.3.1 Office

Contractor shall maintain an office where Contractor can be contacted by persons seeking information concerning Solid waste Collection. Such office shall be equipped with a telephone having a local number, and shall be open from 8:00 a.m. to 5:00 p.m. Monday through Friday, except for the holidays described herein.

2.3.2 Complaints

All complaints concerning collection shall be directed to the Contractor and shall be given prompt and courteous attention. The Contractor shall give all customers notice of where to direct complaints, and shall be available to receive complaints by phone between the hours of 8 a.m. and 5 p.m. Monday through Friday. In the event of missed collections, Contractor shall promptly investigate such complaints, and if verified, shall arrange for collection within one to two business days of the time the complaint was received. Complaints concerning billing shall be directed to the Town.

3. Compensation

3.1 Payments from Town to Contractor

The Contractor's current rates for collection, transportation and disposal services are shown in Exhibit A and by this reference incorporated herein. At the time the Town assumes the billing function under this Agreement, it reserves the right to adjust rates charged to customers in order to cover the costs and any additional tax burden it assumed in providing this service.

3.1.1 Changes in Processing/Disposal Fees

Exhibit A shall be periodically amended to reflect increases or decreases in costs of service, processing or disposal fees, which the Contractor is hereby authorized to pass-through. The Contractor shall give the Town appropriate but not less than forty-five (45) days advance notice of any proposed increases to the charges.

3.1.2 Successive Changes for Cost of Living Adjustments and for Fuel

The rates set forth in Exhibit A-1 shall be further subject to an annual cost of living adjustment calculated as follows: on March 1 of every year of this Contract, the rates and charges shown in Exhibit A-1 shall increase by 90% of the percentage change in the preceding year's October consumer price index for the Seattle-Tacoma-Bremerton Area for All Urban Consumers, all items, (1982-84 = 100) (CPI-U), as calculated and prepared by the United States Department of Labor, Bureau of Labor Statistics or its successor. The rates set forth in Exhibit A-1 shall be further subject to a diesel-CNG fuel surcharge assessed by Contractor to be approved by the Town based on the differential between the actual diesel-CNG fuel costs incurred over the initial base rate of \$3.50 per gallon at the execution of this Contract. Contractor shall provide Town with documentation of actual costs paid on request. If after instituting a fuel surcharge, diesel-CNG fuel prices decrease to or below the \$3.50 per gallon rate, the surcharge will be eliminated beginning at the next regular billing cycle. The approval for any fuel surcharge shall not be

unreasonably withheld by the Town. The Contractor shall provide the Town with notice of any proposed rate increase, in any event, not less than forty-five (45) days prior to the requested effective date of the proposed rate adjustment. Exhibit A-1 will subsequently be amended to reflect those revised rates.

3.1.3 Other Adjustments/Changes in Law

In addition to any disposal/processing fee adjustment, the Contractor shall also be permitted to adjust the rates under the Contract to account for any changes in local, state or federal laws which increase the cost of providing services pursuant to this Contract, including, but not limited to, the imposition of existing governmental taxes or fees. The Contractor may also request an adjustment to its charges described in Exhibit A in the event of natural disasters such as floods, earthquakes, landslides and fires, or other acts of God, which are beyond the reasonable control of the Contractor, which materially affect the Contractor's costs or revenues under this Contract. After documentation of the impact of such changes, the Town shall review the proposed rate changes and shall not unreasonably withhold approval of pass-through due to changes in local, state or federal law. The Contractor shall provide the Town ninety (90) days advance notice of any increase in charges unless prevented by circumstances beyond its control.

3.1.4 Service Restart and Redelivery Fees

Customers whose service is terminated and restarted within one year after the termination of their prior service shall be assessed a service restart fee in accordance with Exhibit A. The Town shall pay to the Contractor 50% of each restart fee collected as part of the following month's remittance to the Contractor. Additionally, upon restart of service, customers shall have the choice of paying a Receptacle redelivery fee in accordance with Exhibit A or customers may pick up their Receptacle(s) directly from Contractor at no charge.

3.1.5 Termination of service at the Town's request.

The Contractor shall terminate service to any customers requested by the Town due to non-payment, and shall not recommence service until authorized by the Town.

3.2 Compensation for Additional Services

The Contractor and Town may mutually agree in writing to have the Contractor provide new or other services. The Contractor may be compensated for additional services by the Town if the Contractor and Town agree to the additional services in writing prior to the services being performed. The Town and the Contractor shall have the option of adding rates for new services, or to accommodate unforeseen circumstances. The Contractor shall supply an adjusted rates schedule to the Town 45 days before new rates are to be effective.

3.3 Billing

Prior to the start of services under this Agreement, the Contractor shall provide the Town with a list of existing customers, including their names, addresses, and phone numbers if known. The Contractor shall add any new customers requested by the Town, shall notify the new customers of collection dates and times, and shall deliver recycling carts to the new customers and commence service within one week of adding the customer.

The Contractor shall report to the Town Clerk/Treasurer the total number of customers serviced during the preceding monthly period, include the type of service and the charges thereof and shall advise the Town Clerk/Treasurer of any changes in service, deletions, temporary terminations or requirements for additional service or extra charges. The Town shall immediately advise the Contractor of any change in service request. The Town shall enter the information into its billing system and shall send monthly billings to each customer. The Town shall be responsible for collections and payments from individual customers.

Within thirty days of receipt of approved invoice from the contractor, the Town shall remit at least 75% of the payment due. The Town shall remit the remaining payment due within 60 days of receipt of the invoice. The Town shall withhold two percent (2%) of each remittance to the Contractor as a franchise fee.

A fee of \$25.00 will apply to all checks or charges returned by a financial institution for insufficient funds plus applicable taxes, if any. A fee of \$20.00 will apply for redelivery of carts or other solid waste receptacles to customers when service is resumed which has been suspended or cancelled for non-payment.

The Contractor shall turn over all unrecovered receivables to the Town 45 days following the commencement of this agreement for the Town to collect. Any proceeds recovered shall be the property of the Town.

3.4 Taxes

The Contractor shall be responsible for payment of any and all state taxes on invoices for service paid by the City to Contractor. The City shall be responsible for any and all state and town taxes on charges collected from Customers. In applying authorized taxes and fees charged for the provision of solid waste collection, transportation and disposal services, Contractor shall not suffer any attrition in overall revenue for the services it performs.

3.5 Compulsory participation by Citizens

The Town shall at all times have in full force and effect an ordinance requiring all residential, commercial, government and institutional entities and establishments within the Town to use the Contractor's disposal service, provided, however the Town may, in its discretion, and upon a showing of exceptional circumstances allow for an exception to the mandatory refuse service upon written application of any business or resident. This shall in no way be construed to prevent residential customers from providing alternate means of disposing of garbage/refuse, in

addition to the use of Contractor provided mandatory refuse collection; provided that All customers shall be required to pay the applicable rates for collection services.

The collection of commercial recycling is not regulated by the Town.

The Contractor shall use its best efforts to provide collection service to all customers in the applicable service areas. However, upon the Town's written approval, the Contractor may deny or discontinue service to a customer if a customer's acts or omissions warrant the denial or discontinuance of service.

4. Recordkeeping and Audits

4.1 Recordkeeping

The Contractor shall at all times cooperate with the Town in providing all information relating to its service rendered under this Contract. The Contractor shall maintain records of the solid waste, recyclable materials and yard waste volume collected hereunder and the revenues collected therefrom. These records shall be maintained in such a manner as to readily support the amounts reported to the Town and shall reflect the rates and amounts charged to customers. The Contractor shall maintain these records for a minimum of six (6) years. The Town acknowledges that Contractor reports to Pierce County may satisfy many of these reporting requirements and will work with the Contractor to eliminate redundancies and to relieve it of the need to file separate reports to the Town where that information already exists or is otherwise readily available.

4.2 Audits

The Town shall have the right to reasonable access to Contractor's records during the Contractor's office hours and to have those records audited by a Town staff member or a Town-designated auditor, at the expense of the Town, any time during the Contract term and as often as the Town shall desire.

5. General Terms

5.1 Collection Right

The Contractor is designated as the exclusive Solid Waste, Curbside Recycling, and Yard Waste collection contractor for the Town during the term of this Contract and no other solid waste service provider or hauler shall have the right to pick-up Garbage, Solid Waste, Curbside Recycling, or Yard Waste during the term of this Contract which exclusive right Contractor and Town mutually agree to enforce.

5.2 Clean-Up

The Contractor agrees to facilitate a Town-wide clean-up once a year in the Spring, at no extra charge to the Town or customers. Customers shall be allowed to set out three extra cans or bags

of garbage, three bags or containers of yard waste and one major appliance during the annual cleanup/pickup.

5.3 Insurance

5.3.1 General Requirements

Subsequent to the award but prior to the execution of this Contract, the Contractor at its own expense shall obtain and file with the Town a Certificate of Insurance evidencing general comprehensive liability insurance coverage (including all of the coverages set forth below). This Certificate of Insurance shall be subject to approval by the Town's Risk Manager as to company, terms and coverages. All insurance shall be written on an occurrence basis.

Such liability insurance must specifically name the Town as an additional insured thereunder and must fully protect the Town from any and all claims and risks and losses in connection with any activities or omissions by the Contractor by virtue of this Contract.

Such liability insurance must be maintained in full force and effect at the Contractor's sole expense for liability for property damage or personal injury that may occur in connection with activities or omissions by the Contractor by virtue of this Contract. The Town shall be given 30 calendar days' prior written notice, by certified mail, of any cancellation, lapse, reduction or modification of such insurance. The requirements of this section may be satisfied by self-insurance.

5.3.2 Coverages

Said insurance policy and/or an endorsement thereto, as evidenced by the Certificate of Insurance, must provide the following minimum coverages and limits and contain the following provisions:

- Bodily Injury
- Employees as Additional Insured
- Premises/Operations Liability (M&C)
- Owners and Contractors Protective Liability
- Products and Completed Operations Liability
- Blanket Contractual Liability
- Broad Form Property Damage Liability (including completed operations)
- Personal Injury (with no employee exclusion)
- Automobile Liability (including coverage for owned, non-owned, leased or hired vehicles)
- Explosion, Collapse, Underground Damage (referred to as "X.C.U.")

5.4 Indemnification

5.4.1 Notice to the Contractor; Defense

The Contractor shall defend, indemnify, and hold the Town harmless from all claims for damages, including attorney fees, arising out of the Contractor's performance of this Agreement, except those damages arising from the negligence of the Town's employees or agents. In the event an action is brought against the Town for which indemnity may be sought against the Contractor, the Town shall promptly notify the Contractor in writing. The Contractor shall have the right to assume the investigation and defense, including the employment of counsel and the payment of all expenses. The Town shall fully cooperate with the Contractor in its defense of the Town, including consenting to all reasonable affirmative defenses and counterclaims asserted on behalf of the Town. The Town may employ separate counsel and participate in the investigation and defense, but the Town shall pay the fees and costs of that counsel. The Contractor shall control the defense of claims (including the assertion of counterclaims) against which it is providing indemnity under this section, and if the Town employs separate counsel, the Town shall assert all defenses and counterclaims reasonably available to it.

5.5 Arbitration

The parties agree to resolve any disputes, which arise under this Contract first by attempting to negotiate the dispute, with or without the help of a professional mediator. Disputes that cannot be resolved by mediation shall be submitted to arbitration. Any party seeking to commence arbitration hereunder shall send a written notice to the other party with a demand for arbitration. Such demand may be made at any time after a dispute has arisen up to the time that answers to a complaint have been filed by all necessary parties. All disputes arising under or in any way related to this Contract shall be resolved by arbitration, including but not limited to breach of contract claims or a claim that the arbitration provisions contained herein is inapplicable or unenforceable. Any dispute under this Contract shall be submitted for arbitration to Judicial Dispute Resolution, LLC.

The parties may agree to a single arbitrator. If the parties are unable to agree to a single arbitrator within ten (10) business days after a demand for arbitration has been given, each party shall select an independent arbitrator, who shall then select a third arbitrator. If the two chosen arbitrators are unable to agree on the appointment of a third arbitrator, then either party may petition the Superior Court of Pierce County for the appointment of a third arbitrator. The arbitration hearing shall be held within a reasonable time after the appointment of all arbitrators at a location to be agreed upon in King or Pierce County, Washington.

A decision of two of the three arbitrators shall be binding on the parties. Judgment on the arbitrators' award may be entered as if after trial, in accordance with Washington State law.

Each party shall be responsible for payment of arbitration expenses incurred by any arbitrator chosen by them and one-half of the expenses incurred by any arbitrator agreed upon by the parties, chosen by the arbitrators, or appointed by the court.

5.6 Assignment

The Contractor's rights and obligations under this Contract shall not be assigned or transferred to other parties without the prior written consent of the Town.

5.7 Waiver

The failure of either party at any time to require performance by the other of any provisions hereof shall in no way affect the right of that party thereafter to enforce the same. Waiver by a party of any breach of any provision hereof shall not be taken or held to be a waiver of any succeeding breach of such provision or as a waiver of any portion itself.

5.8 Laws to Govern

This Contract shall be governed by the laws of the State of Washington as to both interpretation and performance. Venue shall be Pierce County.

5.9 Compliance With Law

The Contractor, its officers, employees, agents and subcontractors shall comply with applicable federal, state, county, regional or local laws, statutes, rules, regulations or ordinances, including those of agencies having jurisdiction over the project, in performing its obligations under the Contract.

5.10 Permits and Licenses

The Contractor and subcontractors shall secure a Town business license from the Town. The Contractor shall have or shall obtain all permits and licenses necessary to provide the services herein at its sole expense.

5.11 Independent Contractor

The Town and the Contractor intend that the Contractor is an independent contractor under the Contract. The provision of services shall lie solely with the Contractor. No agent, employee, servant, or representative of the Contractor shall be deemed to be an employee, agent, servant, or representative of the Town.

5.12 Force Majeure

Neither party shall be liable to the other for any delay in, or failure of, performance of such obligations hereunder, except as may be specifically provided herein, when performance of such obligations is prevented or delayed by acts of God, fire, explosion, accident, flood, earthquake, epidemic, war, riot, rebellion, or injunctions.

The party asserting a right to suspend performance under this section must, within a reasonable time after it has knowledge of the cause, notify the other party of the cause for suspension, the performance suspended, and the anticipated duration of suspension. Upon receipt of such notice advising of a material or indefinite suspension of performance, and if such suspension

substantially impairs the value of this Contract to it, that party may, within a reasonable time (not to exceed 30 days), terminate this Contract.

The party asserting a right to suspend performance hereunder shall advise the other party when the suspending event has ended and when performance will be resumed.

5.13 Section Headings

Section headings appearing in this Contract have been inserted for the purpose of convenience and ready reference. Section headings do not purport to, and shall not be deemed to, define, limit or extend the scope or content of the clauses to which they pertain.

5.14 Severability

If any provision of the Contract shall be declared illegal, void, or unenforceable, the other provisions shall not be affected, but shall remain in full force and effect.

5.15 Modification

This Contract and the attachments attached hereto and incorporated herein by this reference represent the entire agreement between the Town and the Contractor with respect to the services to be provided under this Contract. No prior written or oral statement or proposal shall alter any term or provision of this Contract. This Contract may be modified or amended only by a written agreement duly executed hereto by authorized representatives of the Contractor and the Town.

5.16 Notices

All notices required or contemplated by this Contract shall be personally served or mailed (postage prepaid and return receipt requested), addressed to the parties as follows:

To Town: Town of South Prairie
Post Office Box F
South Prairie, WA 98385

To Contractor:
Attn.: Dan Schooler
Division Vice President
D.M. Disposal Co., Inc.
P.O. Box 399
Puyallup, WA 98371

Patrick J. Shea
Vice President, General Counsel and Secretary
Waste Connections, Inc.
2295 Iron Point Road, Suite 200
Folsom, CA 95630

5.17 Authority of Parties

Prior to or concurrent with the execution of this Contract, both the Town and the Contractor shall have been duly authorized by all necessary corporate action to enter into and execute and be bound by the terms and conditions of this Contract.

Executed on the day and year first herein above written:

TOWN

CONTRACTOR

Town of South Prairie

D.M. Disposal Co., Inc.

By: Peggy Levesque 8/14/10

By: Dan [Signature]

Title: Mayor

Title: DIVISION VICE PRESIDENT

Date: 8/4/2010

Date: 8/25/10

**TOWN OF SOUTH PRAIRIE
EXHIBIT A**

RESIDENTIAL

SERVICE	PRICE PER MONTH WITH RECYCLE	PRICE PER MONTH NO RECYCLE
MINI CAN	12.17	13.17
1 CAN	14.91	15.91
2 CANS	21.52	23.52
3 CANS	29.47	32.47
4 CANS	38.76	42.76
5 CANS	46.95	51.95
6 CANS	49.99	55.99
IMPROPER CAN	30.22	
RECYCLING	6.00	6.00
COMMODITY ADJ	(0.14)	(0.14)
EXTRA UNITS	3.75	
YARDWASTE	5.91	
YARDWASTE EXTRA	1.90	
REDELIVERY FEE YW OR RECY	17.50	
RETURN TRIP CHARGE YW/RECY	10.50	
RETURN TRIP CHARGE CANS	8.25	
PACKOUT	2.06	1ST 25 FEET
DRIVE-IN	4.62	
RESTART FEE	10.30	
RETURN CHECK FEE	20.00	
COMMERCIAL		
1YD ONCE A WEEK	78.03	
1.5YD ONCE A WEEK	107.99	
2YD ONCE A WEEK	134.19	
4YD ONCE A WEEK	251.79	
6YD ONCE A WEEK	345.66	
1YD EXTRA PICKUP	20.02	
1.5YD EXTRA PICKUP	28.94	
2YD EXTRA PICKUP	32.99	
4YD EXTRA PICKUP	60.15	
6YD EXTRA PICKUP	81.83	
RETURN TRIP CHARGE	15.40	
OVERTIME	70.00	MINIMUM CHARGE PER HOUR