

EXHIBIT K

WATERBURY MSA

MUNICIPAL SOLID WASTE MANAGEMENT SERVICES CONTRACT

between the

CONNECTICUT RESOURCES RECOVERY AUTHORITY

and

THE CITY OF WATERBURY

CONTRACT
between
CONNECTICUT RESOURCES RECOVERY AUTHORITY
and
THE CITY OF WATERBURY
A MUNICIPALITY OF
THE STATE OF CONNECTICUT
TO PROVIDE SOLID WASTE MANAGEMENT SERVICES

PREAMBLE

THIS CONTRACT, is made and dated as of October 1, 1993 by and between the CONNECTICUT RESOURCES RECOVERY AUTHORITY (the "Authority"), a body politic and corporate, constituting a public instrumentality and political subdivision of the State of Connecticut (the "State") with its main offices at 179 Allyn Street, Hartford, Connecticut 06103, and the City of Waterbury (the "Municipality"), a municipality and political subdivision of the State with municipal offices at 236 Grand Street, Waterbury, Connecticut 06702 acting by and through its local legislative body, the municipal authority having legal jurisdiction over solid waste management within the corporate limits of the Municipality.

CONTRACT

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C.R.R.A.

W I T N E S S E T H :

WHEREAS, the Municipality is authorized to provide for and regulate the collection and disposal of garbage, trash, and waste generated within its corporate limits, either by contract or otherwise and may designate the area where such disposal may take place, and may prohibit disposal at other places;

WHEREAS, Section 22a-221 and 22a-275 of the Connecticut General Statutes as amended authorize the Municipality and the Municipality wishes (i) to enter into a contract with the Authority for resource recovery and waste disposal, (ii) to pay reasonable fees and charges established for such services and (iii) to pledge the full faith and credit of the Municipality for the payment of such fees and charges;

WHEREAS, the Authority, established pursuant to Chapter 446e of the Connecticut General Statutes as amended, has responsibility for implementing solid waste disposal and resource recovery systems and facilities and solid waste management services where necessary and desirable throughout the State in accordance with the State Solid Waste Management Plan and applicable statutes and regulations;

WHEREAS, the Municipality has received and reviewed such information and materials as it considers necessary or appropriate

for the execution of this Contract and has taken such action as is necessary, acting pursuant to its charter and/or the Connecticut General Statutes or Special Acts, as a condition to the execution of this Contract so as to cause this Contract to be enforceable on its terms and binding on the Municipality.

NOW, THEREFORE, in consideration of the undertakings and agreements hereinafter set forth, the Authority and the Municipality agree as follows:

ARTICLE I
DEFINITIONS

SECTION 101. Definitions. As used in this Contract, the words and terms listed in this Section shall have the following meanings:

"Authorized Representative of the Municipality" shall mean the Chief Elected Official of the Municipality or his or her appointee.

"Billing Period" shall mean a calendar month and shall end on the last working day of each such calendar month on which the offices of the Authority are open for business.

"Bulky Waste" shall mean construction, demolition and/or land clearing debris.

"Bypass" when used in relation to Acceptable Waste shall mean upon notice by the Authority the diversion by the Municipality of Acceptable Waste to one of the CRRA Systems other than the transfer station to which it is directed under this Contract.

"Change in Law" means any of the following events or conditions occurring after the date on which this Contract has been fully executed by all parties which is demonstrated to have, or which may reasonably be expected to have, a material adverse effect

on the Authority's or the Municipality's ability to perform pursuant to this Contract, or on the System or the acquisition, design, construction, equipping, start-up, operation, ownership or possession of any portion of the System, if such event or condition is beyond the reasonable control and not the result of willful or negligent action or a lack of reasonable diligence, of the party relying thereon as justification for not performing (the "Non-Performing Party") any obligation or complying with any condition required of such party under this Agreement:

(a) the adoption, promulgation, issuance, modification or official change in interpretation after the date on which this Contract has been fully executed by all parties of any state (except as limited below) or City of Waterbury law, regulation, rule, requirement, ruling or ordinance, unless such law, regulation, rule, requirement, ruling or ordinance was on or prior to such date duly adopted, promulgated, issued or otherwise officially modified or changed in interpretation, in each case in final form, to become effective without any further action by any state or City of Waterbury governmental body, administrative agency or governmental official having jurisdiction. It is the intent of the parties that changes in federal law, and local law enacted by a Municipality other than the City of Waterbury be specifically excepted from this definition;

(b) the suspension, termination, interruption or failure of renewal of any permit, license, consent, authorization or approval essential to the acquisition, design, construction, equipping, start-up operation, ownership or possession of the System as provided for herein or required with respect hereto, if it is not also the result of willful or negligent action or a lack of reasonable diligence of the Non-Performing Party, provided that the contesting of, or a good faith decision not to contest, any such suspension, termination, interruption or failure of renewal shall not be construed as willful or negligent action or a lack of reasonable diligence of such Non-Performing Party.

"City of Waterbury Landfill" shall mean the landfill owned by the Municipality and located at Mark Lane, Waterbury, Connecticut.

"Commencement Date" shall mean the date established pursuant to Section 8.01 of this Contract.

"Contract Year" shall mean the twelve-month period commencing at 12:01 a.m., prevailing time, on July 1 of each year, provided, however, that the first such Contract Year may be less than 12 months and shall commence on the Commencement Date.

"Facilities" shall mean the Authority's resource recovery facilities (in Hartford, Bridgeport, Preston and Wallingford), transfer stations, disposal sites and any alternative site or sites chosen by the Authority for processing or disposing of waste.

"Designee" shall mean private waste haulers or other private businesses which have contracts with the Municipality to haul Acceptable Waste only from within the boundaries of the Municipality, and which have satisfied the bonding and other requirements applied to private entities delivering Acceptable Waste to the Facilities.

"Force Majeure Event" means any event or condition having, or which may reasonably be expected to have, a material adverse effect on the Authority or the Municipality, or on the Authority's or the Municipality's ability to perform pursuant to this Agreement, or on the System or the acquisition, design, construction, equipping, start-up, operation, ownership or possession of any portion of the

System if such event or condition is beyond the reasonable control, and not the result of willful or negligent action or a lack of reasonable diligence, of the party relying thereon as justification for not performing (the "Non-Performing Party") any obligation or complying with any condition required of such party under this Agreement. The foregoing provisions shall not be construed to require that the Non-Performing Party observe a higher standard of conduct than that required by the usual and customary standards of the industry or other field of activity in question, as a condition to claiming the existence of a Force Majeure Event. Such events or conditions may include, but shall not be limited to, circumstances of the following kinds:

(a) an act of God, Change in Law, epidemic, landslide, lightning, earthquake, hurricane, fire, explosion, storm, flood or similar occurrence, an act of war, blockade, insurrection, riot, civil disturbance or similar occurrences, or damage caused directly or indirectly by Unacceptable Waste unless knowingly or negligently accepted by the Authority;

(b) a non Authority strike, lockout, work slowdown, or similar industrial or labor action which affects, impacts or impedes the Authority or the System; and

(c) the failure of any subcontractor or supplier selected with reasonable care and in good faith to furnish labor, services,

materials, or equipment in connection with the design, construction, equipping, operation or maintenance of the System by the date agreed to, as a result of a Force Majeure Event affecting such subcontractor or supplier, provided that the Non-Performing Party is not reasonably able to obtain timely substitute labor, services, materials or equipment on substantially equivalent terms;

"Month" shall mean a calendar month.

"Municipalities" shall mean the Municipality and any other users of the CRRA System.

"Municipality" shall mean the City of Waterbury.

"Project Manager" shall mean the person designated in Section 7.01 of this Contract.

"Service Payments" shall have the meaning set forth in Section 501 of this Contract.

"Small Haulers" shall mean private individuals licensed by the Municipality delivering Acceptable Waste or Bulky Waste pursuant to Section 201(d)(2) of this Contract.

"Solid Waste" shall mean unwanted and discarded solid materials consistent with the meaning of that term pursuant to

Section 22a-260(7) of the Connecticut General Statutes, excluding semi-solid, liquid materials collected and treated in a municipal sewerage system.

"State" shall mean the State of Connecticut.

"Torrington Transfer Station" shall mean the Authority's transfer station located at Old Dump Road in Torrington, Connecticut.

"Waterbury Bulky Waste Landfill" shall mean the bulky waste landfill owned by the Authority and located at 109 Nichols Drive, Waterbury, Connecticut.

"Watertown Transfer Station" shall mean the Authority's transfer station located on Echo Lake Road in Watertown, Connecticut.

"Week" shall mean a calendar week.

SECTION 102. As used in this Contract, the following words and terms (as well as any other terms bearing initial capitals not defined herein) shall have the same meanings as they have in the Mid-Connecticut Solid Waste Permitting, Disposal and Billing Procedures attached as Exhibit 1 and incorporated as part of this Contract.

- Acceptable Waste
- Bulky Waste
- CRRA System
- Hartford Landfill
- Mid-Connecticut System
- Unacceptable Waste

SECTION 103. General Definitions and Construction. As used in this Contract, except as otherwise expressly provided, all accounting terms not otherwise defined herein have the meanings assigned to them in accordance with generally accepted accounting principles.

ARTICLE II

SERVICES AND RESPONSIBILITIES

SECTION 201. Beginning on the Commencement Date, the Authority shall provide to the Municipality Waste disposal services as described in this Article II until June 30, 2013 and the Municipality shall deliver Acceptable Waste to the Facilities. Such Waste disposal services shall include:

- (a) The acceptance and disposal by the Authority of Acceptable Waste generated by the Municipality and delivered by or on behalf of the Municipality to the

Watertown Transfer Station. Non-Processible Waste shall not be delivered to the Watertown or any other Transfer Station.

- (b) The Authority may direct that the delivery of Acceptable Waste By-pass the Watertown Transfer Station and be delivered to the Torrington Transfer Station or any other of the Facilities. In this event the Authority will make good faith efforts to minimize the costs of By-passing such Acceptable Waste. In the event Acceptable Waste is By-passed to another one of the Facilities other than the Torrington Transfer Station, the Authority shall reimburse the Municipality the actual reasonable and necessary costs beyond the amount the Municipality would have incurred to deliver such Acceptable Waste to the Watertown Transfer Station. Provided, however, that there shall be no reimbursement for any such costs incurred by the Municipality as a result of Acceptable Waste being By-passed to the Torrington Transfer Station, for a maximum of two (2) days in any Contract Year.
- (c) On the date this Contract is fully executed by all parties, the Authority will accept Bulky Waste, delivered by City of Waterbury municipal vehicles which are automatic, self-dumping, at the Authority's Waterbury Bulky Waste Landfill at no charge consistent with prior

practice and policies, until the capacity of said landfill (and any expansions approved by all regulatory agencies having jurisdiction) has been reached.

- (d) The necessary access to the Facilities for any vehicle which meets the requirements of the attached Appendix 1 and which is authorized by the Municipality for the delivery of Acceptable Waste. The Municipality also understands and agrees that it is an essential part of this Contract that the Acceptable Waste which the Authority agrees to accept pursuant to this Section 201, will only be accepted at the Watertown Transfer Station, unless the Authority directs otherwise.
- (e) The non-exclusive use of the Facilities, as limited in this Contract; and
- (f) The disposal of Acceptable Waste (and Non-Processible Waste and Bulky Waste as limited by the terms of this Contract) in accordance with all requirements imposed by Federal and State authorities having jurisdiction.
- (g) The Authority shall provide a minimum of 10,000 cubic yards of incinerated sludge ash specified in a letter from the Metropolitan District Commission, dated April 13, 1993 and attached hereto, or other material

approved by the State of Connecticut Department of Environmental Protection as suitable for landfill cover material. Said material will be transported and delivered to the City of Waterbury Landfill at no charge.

(h) For any holiday observed by the Authority on which the Watertown Transfer Station is closed, the Authority shall provide access to the Watertown Transfer Station, on the same terms and conditions as a normal operating day, provided however that the City of Waterbury through its Superintendent of the Bureau of Waste Disposal notifies the Project Manager described in Section 801 of this Contract, at least two weeks in advance, that holiday access is required.

(i) Not less than 120 days prior to the commencement of each Contract Year, except the first Contract Year, the Authority shall estimate the Service Payment to be paid by the Municipality for such Contract Year and submit such information within the specified time to the Authorized Representative of the Municipality as well as the above-mentioned Superintendent of the Bureau of Waste Disposal, 199 Municipal Road, Waterbury, CT 06708.

SECTION 202. Facilities and Services Provided at the City of Waterbury Landfill. In addition to the Acceptable Waste

and Bulky Waste disposal services at the Watertown Transfer Station and Waterbury Bulky Waste Landfill described in Section 201, the Authority will provide the other facilities and services described in this Section 202 at the City of Waterbury Landfill.

(a) The Authority will design and build a reloading area at the Waterbury Landfill (the "Reloading Area"), at which the services described in subsection (b) of this Section will be provided. The Authority will use reasonable efforts to complete the Reloading Area within 120 days of the commencement of deliveries of Acceptable Waste by the Municipality pursuant to this Contract. The Reloading Area will be designed and built within the parameters of the Scope of Work attached as Appendix 3 to this Contract and made a part hereof. Within thirty (30) days of completion of construction of the Reloading Area, the Municipality shall inspect and, unless the Reloading Area does not conform to the parameters contained in Appendix 3, shall approve and accept the Reloading Area. Failure of the Municipality to inspect, approve and accept said Reloading Area shall result in automatic approval and acceptance. The Reloading Area shall at all times be the property of the Municipality and shall at all times be adequately operated, maintained and staffed so that the Authority may safely and efficiently fulfill its obligations described in subsection (b) of this Section, below.

(b) The Authority will provide the following services at the

Reloading Area:

(i) The Authority will deliver a 100 cubic yard transfer trailer to the Reloading Area, and said transfer trailer shall be maintained solely by the Municipality. The Authority shall be an invitee of the Municipality for this purpose and shall have no lease or other rights in the said City of Waterbury Landfill or the Reloading Area as a result of this Contract.

(ii) The Municipality may permit only the following materials to be disposed of in the transfer trailer at the Reloading Area, and only by the following persons. The Municipality shall at all times control and be otherwise responsible for said materials and, until accepted by the Authority and disposed of at the Facilities said materials shall remain the property of the Municipality.

(a) Acceptable Waste from:

Small Haulers (delivering in vehicles which are not automatic self-dumping);

(b) Non-processible Waste from:

Small Haulers (delivering in vehicles which are not automatic self-dumping);

City of Waterbury municipal vehicles;

Residents of Waterbury (delivering in vehicles which are not automatic self-dumping);

(c) Bulky Waste from:

Small Haulers delivering in vehicles which are not automatic self-dumping;

Residents of Waterbury delivering in vehicles which are not automatic self-dumping;

(iii) This transfer trailer will be collected by the Authority when it has reached its capacity and the Municipality so notifies the Authority, and will be replaced with a similar one.

(iv) This collected transfer trailer will be hauled by the Authority to the Hartford Landfill and the Bulky Waste, Non-Processible Waste and other Acceptable Waste disposed of at said Hartford Landfill. If the transfer trailer is found to contain any Unacceptable Waste the contents of the trailer will not be disposed of by the Authority but will be treated as Unacceptable Waste and as if it had been delivered to the Facilities by the Municipality.

(v) Prior to the completion of the Reloading Area, the Authority will provide a transfer trailer or 40 yard roll-offs at another mutually agreeable location at the City of Waterbury landfill. The Authority and the Municipality shall, with respect

to said trailer or roll-offs, operate in the same manner as with the permanent Reloading Area.

SECTION 203. Commencing on the Commencement Date established by operation of Section 801 of this Contract, the Municipality may deliver to the Facilities Acceptable Waste and Bulky Waste which the Municipality controls pursuant to its municipal collection program and which is delivered by or on behalf of the Municipality. Provided, however, that the Municipality may not deliver more than 3,500 tons of Acceptable Waste in any one month. Provided further, however, that the Municipality shall provide the Authority with prior notice, pursuant to Section 801, of the date on which it will first deliver Acceptable Waste to the Watertown Transfer Station (or the transfer trailer at the City of Waterbury Landfill, as appropriate). The amounts of Acceptable Waste required to be delivered to the Facilities pursuant to Section 401(a) shall be pro-rated to reflect any Contract Year that does not consist of 365 days.

ARTICLE III

FACILITIES REQUIREMENTS

SECTION 301. Requirements Regarding Acceptable Waste.

Notwithstanding any other provisions of this Contract, the Municipality agrees that the Acceptable Waste or Bulky Waste to be delivered to the Facilities shall meet each of the following requirements:

- (a) Acceptable Waste delivered to the Watertown Transfer Station by or on behalf of the City of Waterbury may only be delivered in vehicles which travel to and from the Watertown Transfer Station via Route 8 or Thomaston Avenue and not via Route 63.

- (b) Must be Acceptable Waste or Bulky Waste emanating from within the corporate boundaries of the Municipality. Unacceptable Waste may not be delivered to the Facilities.

- (c) Must not be of such quality or other nature as to materially impair the operation or capacity of the Facilities or any portion thereof, normal and reasonable wear and usage excepted;

- (d) Must not be of such quality or other nature as to materially impair the strength or the durability of the structures, equipment, or works which are a part of the Facilities or any portion thereof;

- (e) Must not be of such a quality or other nature as to create flammable or explosive conditions in the Facilities or any portion thereof;

- (f) Must not contain chemical or other properties which are deleterious, as determined by the Authority, to any part of the Facilities or capable of causing material damage to any part of the Facilities or to personnel; and
- (g) Must not include any hazardous or toxic substance as defined by applicable Federal or State law, regulation or other promulgation, except to the extent permitted by the Authority, from time to time, in writing at such points and under such conditions as the Authority shall prescribe.

The CRRA System is not intended to be used for the transportation, storage or disposal of hazardous waste, and the Municipality agrees to take all necessary or appropriate actions to ensure that hazardous waste is not delivered to the CRRA System and that no part of the CRRA System become classified as a hazardous or toxic materials storage or processing facility.

SECTION 302. Compliance With Requirements. The Municipality shall cause all Acceptable Waste and Bulky Waste at any time delivered directly or indirectly to the Facilities by it or on its behalf to comply with all requirements of the Authority, including the method and manner of delivery, including its rules and

regulations which may be amended from time to time. In all cases where such requirements involve technical or scientific analyses or determinations, the Authority shall have final authority as to methods, standards, criteria, significance, evaluation, and interpretation of such analyses and determinations. The Municipality shall permit no new deliveries and shall discontinue existing deliveries of Acceptable Waste or Bulky Waste by the Municipality or by its Designees which include any Acceptable Waste that does not comply with such requirements of the Authority. The Authority may, from time to time, make a determination of the respects in which Acceptable Waste or Bulky Waste delivered to the Facilities by the Municipality or its Designees is not in compliance with such requirements then in effect. The Authority shall provide the Municipality with notice of any such determination. A determination shall be considered final and binding sixty (60) days after such notice.

ARTICLE IV

SERVICE PAYMENTS

SECTION 401. Service Payments. Minimum Payments.

(a) Payments.

(i) Service Payments. The Authority shall impose and the Municipality shall pay Service Payments with respect to Acceptable Waste from the Municipality or its Designees, delivered to and accepted by the Authority in accordance with

Section 201 of this Contract.

(ii) Minimum Payments. The Municipality shall, during each Contract Year, either deliver 24,000 tons of Acceptable Waste, or pay the Service Payment specified in this Section 401 as if it had delivered that amount.

(b) The Service Payment for each Contract Year will equal the following:

1. For the first fifteen months after the Commencement Date, \$45.00 multiplied by the number of tons of Acceptable Waste accepted by the Facilities. Provided, however, that Acceptable Waste and Bulky Waste delivered in accordance with Section 202(b) shall be charged at the rate specified in Section 401(b)(3).
2. At the end of such first fifteen month period, \$56.00, escalated through the July 1 preceding the end of such period, by the Consumer Price Index calculated in accordance with Section 401(c) and multiplied by the number of tons of Acceptable Waste delivered by or on behalf of the Municipality and accepted by the Facilities during that Contract Year. For each subsequent Contract Year, \$56.00.

escalated on July 1 in accordance with Section 401(c).

3. For the first full Contract Year beginning July 1, 1993, for each ton of Non-Processible Waste, Bulky Waste or Acceptable Waste accepted in accordance with Section 202(b) at the Hartford Landfill or a similar substitute disposal site as directed by the Authority, \$56.00, multiplied by the number of such tons accepted at said landfill or disposal site. For each subsequent Contract Year said amount shall escalate by the Consumer Price Index calculated in accordance with Section 401(c).

(4) For the first Contract Year beginning July 1, 1993, for any holiday observed by the Authority for which access to the Watertown Transfer Station is requested in accordance with Section 201(h), a Service Payment in the amount of \$2,500.00 per day. For each subsequent Contract Year said Service Payment shall escalate by the Consumer Price Index calculated in accordance with Section 401(c).

(c) For each subsequent Contract Year after the initial Contract Year (which may be a partial Contract Year), the

per ton charges levied in accordance with Section 401(b) during the immediately preceding prior Contract Year shall be adjusted to reflect the change in cost of living as determined under the United States Consumer Price Index for All Urban Consumers; Selected Areas, All Items, (1982-84 = 100), published by the Bureau of Labor Statistics, United States Department of Labor (the "Index"). The adjustment shall be calculated as follows:

$$\begin{array}{l} \text{Annually Adjusted} \\ \text{Service Payment} \end{array} = \begin{array}{l} \text{Base Service} \\ \text{Payment} \end{array} \times (1 + [\text{change in}] \text{CPI})$$

Formula Definitions:

Annually Adjusted Service Payment = The Service Payment to be charged each Contract Year (July 1 - June 30). [excluding July 1, 1993].

Base Service Payment = The Service Payment as stated in Section 401(b)(2), 401(b)(3) and 401(b)(4).

$$\text{Change in CPI} = \frac{\text{CPI}_x - \text{CPI}_y}{\text{CPI}_y}$$

CPI Definitions:

CPI is the Consumer Price Index for all Urban Consumers (CPI-U) for all Urban Customers, Selected Areas, all Items, U.S. City Average (1982-84=100), as published by the United States Department of Labor of mutually agreeable index if such index is no longer published.

CPI_x is the CPI as of December of the calendar year immediately preceding the July 1 - June 30 Contract Year for which the Annually Adjusted Service payment is being calculated.

CPI_y is the CPI as of December 1992.

Provided, however, that the first such adjustment (fifteen months after the Commencement Date in accordance with Section 401(b)2) for the Service Payment for Acceptable Waste delivered to the Watertown Transfer Station shall reflect such percentage change between the Index for December 20, 1992 and the Index for the month of December of the calendar year immediately preceding the July 1, - June 30 calendar year in which this adjustment is made.

The only other means by which the Service Payment may be increased shall be pursuant to Article VII hereof.

- (d) The Municipality, after receipt of the estimate provided pursuant to Subsection 201(j) shall make all budgetary and other provisions or appropriations necessary to provide for and to authorize the payment by the Municipality to the Authority of the estimated Service Payment as such becomes due and payable.
- (e) The Service Payments by the Municipality shall be deemed to be current operating expenses of the Municipality.

SECTION 402. Bills to Municipality or its Designees. On or before the fifteenth (15th) day following the end of any Billing Period for which payments are required to be made, the Authority shall submit to the Municipality or its designees bills setting forth the portion of the Service Payment for such Billing Period. On or before the fortyfifth (45th) day following the date of such invoice, the Municipality or its designees shall pay to the Authority the full amount of such bill. All bills shall set forth the actual tons of Acceptable Waste delivered by the Municipality or its designees and accepted by the Authority during such Billing

Period.

SECTION 403. Failure to Pay Bill. The Authority may, whenever any amount due remains unpaid subsequent to the fortyfifth (45th) day after the due date, discontinue accepting Acceptable Waste from the Municipality or its designees. No such discontinuance shall relieve the Municipality from any of its obligations under this Contract, and the Municipality shall pay amounts owed by its designees which remain unpaid. However, the Authority shall attempt in good faith to obtain payment from such designees before seeking payment from the Municipality.

SECTION 404. Municipal Responsibility for Other Costs.
Certain Costs Specifically the Responsibility of the Authority.

(a) The Municipality shall pay to the Authority any other costs which arise from the acceptance or disposal of the Municipality's Acceptable Waste or Bulky Waste at the Facilities. Such costs will include but not be limited to:

- (1) Damage to the Facilities from either the delivery or processing of Acceptable Waste or Bulky Waste delivered by or on behalf of the Municipality, reasonable wear and tear excepted.
- (2) Any clean up, decontamination or repairs of the Facilities necessitated by the delivery or

processing of any Unacceptable Waste delivered by or on behalf of the Municipality.

(3) Increased cost resulting from a Change in Law, in accordance with Article VI.

(b) Any other provision of this Contract notwithstanding, the Authority specifically assumes responsibility to pay all costs associated with the following:

(1) The strict current requirements of the State of Connecticut Department of Environmental Protection applicable to ash landfills.

(2) The current requirements of the federal Clean Air Act, including the requirements regarding "de-NOX."

ARTICLE V

COVENANTS BY AUTHORITY

SECTION 501. Records and Accounts. The Authority shall keep proper books of record and account (separate from all other records and accounts) in which complete and correct entries shall be made of the transactions of the Authority relating to the Facilities, including records of the quantity, quality and other characteristics of Acceptable Waste delivered by the Municipality

and all other users of the Facilities and accepted by the Authority. Such books shall at all reasonable times be subject to the inspection of the Authorized Representative of the Municipality.

SECTION 502. Scale and Tests. The Authority will provide, and use scales or other devices or methods for determining the quantity, quality and other characteristics of all Acceptable Waste which shall be delivered and discharged to the Facilities by the Municipality.

SECTION 503. Insurance. The Authority shall at all times maintain or cause to be maintained with responsible insurers all such insurance as is customarily maintained with respect to facilities of like character to the Facilities and as may be reasonably required and obtainable within limits and costs reasonable by the Authority against loss or damage to the Facilities, against use and occupancy, and against public and other liability to the extent at least reasonably necessary to protect the interest of the Authority and Municipality. The insurance that the Authority agrees to provide for the Municipality's benefit is listed in Appendix 2. The Municipality will maintain or cause to be maintained by any designee delivering Acceptable Waste to the Facilities such insurance as specified in the attached Appendix 1.

SECTION 504. Certain Provisions Conditional. The provisions of this Contract requiring expenditure of monies by the Authority shall be deemed executory to the extent that the Authority shall have monies legally available for such purposes, and no monetary liability on account thereof shall be incurred by the Authority beyond monies legally available for such expenditures. The Authority shall not be deemed to be in default of this Contract if the operation of the Facilities shall be delayed or interrupted by the inability of the Authority or others to secure needed labor, materials, or by stormy or inclement weather which delays or impairs operation of the Facilities or any portion thereof, or by strikes, labor disputes, lockouts or like trouble among personnel which delay or impair operation of the Facilities, or by acts of God or the common enemy, or by acts or neglect of any Municipalities or their agents or employees, or by regulations or restrictions imposed by any governmental agency or authority, or by fire or other similar catastrophe or other similar delay beyond the control of the Authority, its agents or contractors.

SECTION 505. Effect of Breach. So long as the Authority shall render the service of accepting Acceptable Waste delivered by the Municipality pursuant to this Contract, failure on the part of the Authority in any instance or under any circumstances to observe or fully perform any other obligation assumed by or imposed upon it by this Contract or by law shall not relieve the Municipality of its obligations to make payments pursuant hereto or to fully

perform any other obligation required of it under this Contract.

If the Municipality alleges that the Authority has defaulted in any of its obligations under this Contract, the Municipality shall notify the Authority in writing of the nature of default and the section of the Contract which governs the obligation. The Municipality shall not declare an event of default or proceed with arbitration or any other remedy available to it as a result of the alleged default unless, within the sixty (60) days following the notice of the alleged default, the Authority has failed or refused to commence appropriate steps to cure such default or thereafter fails to diligently prosecute the same to completion. Provided, however, that the Municipality shall not be restrained for said sixty (60) days from proceeding with arbitration, or any other remedy available to it, if the breach alleged is the Authority's failure to accept Acceptable Waste pursuant to this Contract.

Provided, however, that the Authority agrees to reimburse the Municipality for all actual reasonable and necessary costs incurred by it which are 1.) related to the loading of Acceptable Waste into transfer trailers or 40 yard roll-offs at the City of Waterbury Landfill, 2.) a result of the failure of the Authority to complete the Reloading Area within the time specified by this Contract and 3.) are in excess of the costs related to the operation and maintenance of the Reloading Area which the Municipality will incur after the Reloading Area is completed.

ARTICLE VI

FORCE MAJEURE EVENTS

Section 601. Each party shall be excused without cost or liability to the other, for failure or delay in performance of any obligation set forth in this Agreement, by reason of a Force Majeure Event. This provision shall not, however, relieve the Authority or the Municipality from using all reasonable efforts to overcome or remove such Force Majeure Event. Such failure or delay shall be excused at any time during which performance is prevented by such Force Majeure Event, and during such period thereafter as may be reasonably necessary for the Authority or the Municipality to correct the adverse effect of such Force Majeure Event, provided that the Authority or the Municipality shall use its best efforts to obtain a stay or appeal any Force Majeure Event constituting a Change in Law if in the Authority's or the Municipality's good faith judgment, after consultation with counsel, such action is warranted. Each party shall give prompt notice of a Force Majeure Event to the other. Each party shall attempt to remedy with all reasonable dispatch the cause or causes constituting a Force Majeure Event; however, the settlement of strikes, lockouts, work slowdowns, and other similar industrial or labor action or of any legal actions or administrative proceedings shall be entirely in the discretion of the affected party and the affected party shall not be required to make settlement or strikes, lockouts, work slowdowns, and other similar industrial or labor actions or legal actions or administrative proceedings when such settlement is

unfavorable, in the judgment of the affected party.

Section 602. (a) In the event that a Change in Law occurs at any time after the date on which this Contract has been executed by all parties which in any way increases the Authority's capital cost, or its cost of operating, maintaining or owning the Facilities or decreases the revenue generated by the Facilities, the Service Payments shall be adjusted to reflect such cost or revenue impacts. The Service Payments adjustment each Contract Year shall be equal to the total cost of amortizing additional debt issued or equity contributed (including a reasonable return on such equity) if any, to finance the capital cost of such Change in Law, and/or equal to the increases in the Authority's operating, maintenance or ownership costs, or decreases in the Authority's revenues, multiplied by a fraction the numerator of which is the amount of Acceptable Waste specified in Section 401(a)(ii) and the denominator of which is the Mid-Connecticut Facility's capacity, which shall be defined as eighty percent (80%) of the maximum permitted capacity of the Mid-Connecticut Facility.

(b) Consistent with the foregoing, the Authority shall be entitled to an adjustment to the Service Payments for the aggregate amount from time to time of any Change in Law relating to taxes, fees, assessments or other changes, direct or indirect, levied or imposed by the Municipality or State of Connecticut, with the exclusion of:

(i) Any taxes, fees, assessments or other changes as may be measured by net income established on a basis that does not have the effect or impact of singling out the Authority, or waste disposal facilities, resource recovery facilities, incineration facilities, or similar facilities, and are payable by a broad range of businesses and industries (other than taxes, fees, assessments or other charges relative to environmental concerns or regulatory matters, which shall provide a basis for Service Payment adjustment irrespective of the general applicability thereof);

(ii) Any reduction in the value of the realizable tax benefits (i.e., investment tax credits, energy tax credits, depreciation allowances, and the like).

(c) The Authority and the Municipality agree that they will use their best efforts to minimize the total impact of any Change in Law. If the Municipality disputes the Authority's statements or summaries as to the effect of a Change in Law upon the Municipality's Service Payments the Municipality shall have the right to insist upon an independent third-party mutually agreeable to the Municipality and the Authority at that time. Such independent determination shall be final and binding upon the Municipality and the Authority.

ARTICLE VII

MISCELLANEOUS

SECTION 701. Effectiveness, Commencement Date and Duration of Contract. This Contract shall be in full force and effect and be legally binding upon the Authority and Municipality upon its execution by the Authority and the Municipality. The Authority shall not be required to perform any of its obligations under this Contract and the Municipality shall not be entitled to deliver Acceptable Waste or Bulky Waste to the Facilities unless and until:

- 1.) it has provided written notice of its intention to deliver such Acceptable Waste at least one-hundred and twenty (120) days prior to the commencement of such deliveries, and 2.) the Department of Environmental Protection has issued a minor permit to Permit No. SW-1530112 permitting the delivery of Waterbury Acceptable Waste to the Watertown Transfer Station. Provided, however, that if the Municipality begins such deliveries during the month of October, 1993, no such notice shall be required. Provided further, however, that if the Municipality does not provide such written notice by March 3, 1994 the Commencement Date shall be June 30, 1994. The date established by this notice shall be the Commencement Date. Notice under this section shall be provided to Project Manager, Mid-Connecticut Project, 211 Murphy Road, Hartford, Connecticut 06114.

This Contract shall remain in full force and effect through June 30, 2013, unless earlier terminated in accordance with its terms.

SECTION 702. Obligation of Municipality to Make Payments.

The Municipality hereby pledges the full faith and credit of the Municipality for the payment of all Service Payments to be made pursuant to this Contract and any other payments, including but not limited to, delayed-payment charges, and the costs and expenses of the Authority and its representatives in collecting overdue payments to be made by the Municipality or its designees under this Contract. The Municipality agrees that its obligation to make any such Service Payments and such other payments in the amounts and at the times herein specified, shall be absolute and unconditional and shall not be subject to any setoff, counterclaim, recoupment or defense (other than payment itself).

SECTION 703. Default of the Municipality and Remedies of Authority. The Authority shall have all the remedies prescribed by law and by this Contract for the enforcement and collection of any payments to be made by the Municipality under this Contract, including the right to refuse to accept Acceptable Waste from the Municipality. Notwithstanding the initiation or continuance of any such remedies, the Municipality shall remain obligated to make the payments required to be made by it under this Contract. The Municipality shall be deemed to be in default hereunder if for a period of twenty (20) days after the due date of any payment by it under this Contract the Municipality fails to pay the full amount of such payment.

SECTION 704. Disputes on Billing. In the event of any dispute as to any portion of any bill, the Municipality shall nevertheless pay the full amount of the disputed charges when due and shall, within twenty (20) days from the date of the disputed bill, give written notice of the dispute to the Authority. Such notice shall identify the disputed bill, state the amount in dispute and set forth a full statement of the grounds on which such dispute is based. No adjustment shall be considered or made for disputed charges until notice is given as aforesaid. The provisions for dispute resolution as set forth in Section 710 below shall apply to any such unresolved dispute.

SECTION 705. Notices, Documents and Consents. All notice or communications which are required or desired to be given or made pursuant to this Contract shall be sufficiently given or made if actually received or if sent by certified or registered mail, return receipt requested, to the party for whom intended at the address of such party stated above or at such other address of which such party shall have given written notice and shall be deemed given on the date so mailed.

SECTION 706. Conformity with Laws. Each party hereto agrees to abide and conform to all applicable laws of the United States of America, the State or any political subdivision thereof having any jurisdiction over the Facilities. Nothing in this Section, however, shall prevent any party hereto from contesting in good

faith the validity or applicability of any law through any appropriate legal proceedings.

SECTION 707. Nonassignability. Except as specifically set forth in this Contract, no party to this Contract may assign any interest in this Contract to any person without the consent of the other party, and the terms of this Contract shall inure to the benefit of and be binding upon the respective successors of each party hereto. Nothing herein contained, however, shall be construed as preventing the reorganization of any party hereto nor as preventing any other body corporate and politic succeeding to the rights, privileges, powers, immunities, liabilities, disabilities, functions and duties of a party hereto, as may be authorized by law, in the absence of any prejudicial impairment of any obligation imposed pursuant to this Contract.

SECTION 708. Amendments. This Contract may be amended from time to time by written agreement, duly authorized and executed by the parties to this Contract.

SECTION 709. Severability. If any provision of this Contract shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such provision shall not affect any of the remaining provisions of this Contract and this Contract shall be construed and enforced as if such invalid or unenforceable provision had not been contained within this Contract.

SECTION 710. Resolution of Dispute.

- (a) All disputes, disagreements and questions arising between the parties to this Contract shall be arbitrated under the auspices of the American Arbitration Association and pursuant to the rules for Contract arbitrations set forth by the American Arbitration Associations and in accordance with the following subsections (b) below. In the event of a conflict between the rules of the American Arbitration Association and the following subsections below the arbitration shall be conducted in the manner specified in the following subsections.
- (b) Any party wishing to resolve any dispute shall provide the other party with written, detailed notice of the existence and nature of such dispute. If, within fifteen (15) days, the dispute is not resolved to the satisfaction of both parties, then either party may initiate arbitration. The party serving notice of such dispute shall appoint a person to serve as one of the arbitrators and so advise the other party in writing. Within fifteen (15) days thereafter, the other party shall by written notice appoint a second person as an arbitrator and the two thus appointed shall select a third arbitrator to serve as Chairman of the panel of arbitrators; and such three arbitrators shall as promptly as possible determine such matters by majority vote;

provided, however, if the two arbitrators appointed by the parties shall be unable to agree upon the appointment of the third arbitrator within fifteen (15) calendar days after the appointment of the second arbitrator, both shall give written notice of such failure to agree to the parties, and, if the parties fail to agree upon the selection of such third arbitrator within fifteen (15) calendar days after the arbitrator appointed by the parties give notice as aforesaid, then within ten (10) calendar days thereafter any one of the parties upon written notice to the other party may request such appointment from and pursuant to the rules of the American Arbitration Association.

(c) Any party hereto shall be entitled to present evidence and argument to the arbitrators. Such arbitration shall be held in the City of Hartford, State of Connecticut in accordance with the prevailing Contract rules of the American Arbitration Association.

(d) The arbitrators shall have the right only to interpret and apply the terms of this Contract and may not change any such terms or deprive any party hereto of any right or remedy provided in this Contract.

(e) The determination of the majority of the arbitrators

shall be conclusive upon the parties and judgment upon the same may be entered in any court having jurisdiction thereof. The majority of the arbitrators shall give written notice to the parties stating their determination and shall furnish to each party a copy of such determination signed by them.

(f) During the pendency of the arbitration, the parties hereto will continue to perform their respective obligations under this Contract.

(g) Each party shall bear the fees and expenses it incurred in connection with any arbitration hereunder and of the arbitrator it selected. The fees of the third arbitrator shall be divided equally between the parties.

SECTION 711. Execution of Documents. This Contract shall be executed in two (2) or more counterparts, any of which shall be regarded for all purposes as an original and all of which constitute but one and the same instrument. Each party agrees that it will execute any and all deeds, documents or other instruments, and take such other actions as are necessary to give effect to the terms of this Contract.

SECTION 712. Waiver. No waiver by either party of any term

or condition of this Contract shall be deemed or construed as a waiver of any other term or condition, nor shall a waiver of any breach be deemed to constitute a waiver of any other breach, whether of the same or of a different article, section, subsection, paragraph, clause, phrase, or other provision of this Contract. Making payments pursuant to this Contract during the existence of a dispute shall not be deemed to and shall not constitute a waiver of any claims or defenses of the party making such payment.

SECTION 713. Entirety. This Contract merges and supersedes all prior negotiations, representations, and agreements between the parties hereto relating to the subject matter hereof and constitutes the entire agreement between the parties hereto in respect thereof.

IN WITNESS WHEREOF, the parties hereto have caused this Contract to be executed by their duly authorized officers as of the day and year first set forth above.

Witness:

CITY OF WATERBURY

Eileen Walsh
Barbara Bouley

By [Signature]
Its

APPROVED AS TO FORM
W. Conly
Asst to CORPORATION COUNSEL

CONNECTICUT RESOURCES
RECOVERY AUTHORITY

Susan Whedstone
Paul M.

BY Paul Stacey
Its President

N: \SM\WATER3.MSW

APPENDIX 1

MID-CONNECTICUT PERMITTING REGULATIONS

DRAFT

MID-CONNECTICUT PROJECT

PERMITTING, DISPOSAL AND BILLING PROCEDURES

CONNECTICUT RESOURCES RECOVERY AUTHORITY
MID-CONNECTICUT PROJECT
PERMITTING, DISPOSAL AND BILLING PROCEDURES

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ARTICLE I

General

Section 1.01 - Definitions. As used in these procedures, the following terms shall have the meanings as set forth below:

- (a) "Acceptable Recyclables" shall mean the following types of Solid Waste generated by and collected from residential, commercial, institutional and other establishments located within the corporate limits of any Participating Municipality, and deemed acceptable by the Authority in accordance with all applicable federal, state and local laws as well as these procedures for processing by and disposal at the Recycling Facilities: (i) Flint, Amber and Green Glass Food and Beverage Containers up to one (1) gallon in size; (ii) Metal (not 100% aluminum) Food and Beverage Containers up to one (1) gallon size; (iii) Aluminum (100%) used Food and Beverage Containers; (iv) Aluminum Foil; (v) PET Plastic Containers (code 1) up to three (3) liters in size; (vi) HDPE Plastic Containers (code 2) up to one (1) gallon in size; (vii) Newspapers including all the inserts; (viii) Corrugated Cardboard; and (ix) any other Solid Waste deemed by the Authority in its sole discretion to be Acceptable Recyclables.
- (b) "Acceptable Waste" shall mean Solid Waste generated by and collected from residential, commercial, institutional, industrial and other establishments located within the corporate limits of any Participating Municipality, and deemed acceptable by the Authority in accordance with all applicable federal, state and local laws as well as these procedures for processing by and disposal at the Waste Facilities. Acceptable Waste shall include but is not limited to the following: (i) scrap wood not exceeding six (6) feet in length or width or four (4) inches in thickness; (ii) single trees and large tree limbs not exceeding six (6) feet in length or four (4) inches in diameter and with branches cut to within six (6) inches of the trunk or limb, as the case may be; (iii) metal pipes, tracks and banding or cable and wire not exceeding three (3) feet in length and one and a half (1 1/2) inches in diameter; (iv) cleaned and emptied cans or drums not exceeding five (5) gallons in capacity and with covers removed; (v) automobile tires without rims exclusively from the residential Solid Waste stream and in limited quantities, if any, to be determined by the Authority on a day-to-day basis; (vi) paper butts or rolls, plastic or leather strappings or similar materials not exceeding three (3) feet in length or three (3) inches

in thickness and cut in half lengthwise; (vii) Non-processible Waste as defined herein; and (viii) any other Solid Waste deemed acceptable by the Authority in its sole discretion.

- (c) "Account" shall mean a statement of transactions during a fiscal period arising from a formal business arrangement between the Authority and a person, firm or Participating Municipality providing for the use of the Facilities and the services in connection therewith.
- (d) "Authority" or "CRRA" shall mean the Connecticut Resources Recovery Authority, a body politic and corporate, constituting a public instrumentality and political subdivision of the State of Connecticut.
- (e) Bulky Waste shall mean construction, demolition and/or land clearing debris.
- (f) "By-Pass Waste" shall mean Acceptable Waste that is ordinarily processed at the Facility but is instead diverted by the Authority for disposal at a Landfill or any other site designated by the Authority due to the in operation of the Facility, the temporary shutdown of the Facility for repairs or maintenance, or the overload of the Facility's waste processing capacity.
- (g) "Contaminated Soil" shall mean soil derived from fuel tank excavation, sludge residue, steel casting sands, metal washdown residue, rust/scale materials, foundry residue, grinding sludge and any other material deemed by the Authority in its sole discretion to be Contaminated Soil.
- (h) "Corrugated Cardboard" shall mean corrugated boxes and similar corrugated and kraft paper materials which have a minimum of contamination by food or other material.
- (i) "Facility" shall mean the Authority's Waste Processing Facility together with any proposed expansions thereof and modifications thereto, including but not limited to the expansion of the tip floor and the storage floor for refuse derived fuel, and the increase in the motor size of the primary shredders, all located or to be located in the South Meadow area of Hartford, Connecticut.

- (j) "Facilities" shall mean the Waste Facilities and the Recycling Facilities.
- (k) "Glass Food and Beverage Container" shall mean a glass bottle or jar used to package food products suitable for human or animal consumption.
- (l) "Landfill" shall mean any real property used by any Participating Municipality and the Authority for the disposal of Recycling Residue, By-Pass Waste, Non-Processible Waste, and residue from the processing and/or incineration of Acceptable Waste at the Waste Facilities.
- (m) "Metal Food and Beverage Container" shall mean an aluminum, bi-metal steel, tin-plated steel or other metallic can, plate or tray used to package food products suitable for human or animal consumption.
- (n) "Metropolitan District Commission" or "MDC" shall mean the Metropolitan District Commission, a body politic and corporate, constituting a municipal corporation in the State of Connecticut. The MDC, under written agreement with the Authority, currently operates the Facility, each Transfer Station and Recycling Transfer Station of the Project and the Hartford Landfill.
- (o) "Mixed Load" shall mean Solid Waste from more than one Participating Municipality stored and carried in a single vehicle, roll-off box or trailer and delivered to any of the Facilities.
- (p) "Municipal Solid Waste Management Services Contract" or "MSA" shall mean the contract between the Authority and a Participating Municipality for the processing and disposal at the Facilities of all Acceptable Waste and/or Acceptable Recyclables generated by the Participating Municipality within its boundaries.
- (q) "Newspaper" shall mean used or discarded newsprint which has a minimum of contamination by food or other material.
- (r) "Non-Processible Waste" shall mean Acceptable Waste that cannot be processed at the Facility and is normally disposed of at a Landfill, provided that the individual

items of such Acceptable Waste are 2,000 pounds or less in weight and physically of such size as to fit without compaction into an area having dimensions of three (3) feet in height, six (6) feet in width and seven (7) feet in length, including but not limited to the following: (i) household furniture, chairs, tables, sofas, mattresses, appliances and rugs; (ii) Bulky Waste; (iii) By-Pass Waste; (iv) individual items such as White Metals (as hereinafter defined) and blocks of metal that would in the Authority's sole discretion and determination cause damage to the Waste Facilities if processed and/or incinerated therein; (v) Contaminated Soil, provided it conforms to the requirements for delivery set forth in these procedures; (vi) Scrap/Light Weight Metals (as hereinafter defined); (vii) semi-solid and liquid Solid Waste derived from food or food by-products; (viii) bathroom fixtures, such as toilets, bathtubs and sinks; (ix) purged and emptied propane, butane and acetylene tanks with valves removed exclusively from the residential Solid Waste stream and in limited quantities, if any, to be determined by the Authority on a day-to-day basis; (x) Recycling Residue and (xi) any other Acceptable Waste deemed by the Authority in its sole discretion to be Non-Processible Waste.

- (s) "Non-Project Recycling Facility" shall mean the land and appurtenances thereon and structures where recycling, as defined in Section 22a-207(7) of the Connecticut General Statutes, is conducted, including but not limited to an Intermediate Processing Facility, as defined in Section 22a-260(25) of the Connecticut General Statutes, and a Solid Waste Facility, as defined in Section 22a-207(4) of the Connecticut General Statutes, which provides for recycling in its plan of operations, but excluding the Recycling Facility and the Recycling Transfer Stations.
- (t) "Operator" or "Operators" shall mean the organization or personnel in such organization under contract with the Authority for the operation of any of the Facilities.
- (u) "Participating Municipality" shall mean any town, city, borough or other political subdivision of and within the State of Connecticut, having legal jurisdiction over solid waste management within its corporate limits, and which has executed a Municipal Solid Waste Management Services Contract or made special arrangements with the Authority for the processing and disposal of Acceptable Waste and/or Acceptable Recyclables at the Facilities.

- (v) "Plastic Container" shall mean any plastic container used to package food products suitable for human or animal consumption, which container bears a recycling symbol and one of the following code numbers adopted by the Society for the Plastics Industry:
- (i) code number "1" and the initial "PET" or "PETE" underneath the code, as follows:
 - (ii) code number "2" and the initials "HDPE" underneath the code, as follows: ; and
 - (iii) such other code numbers as may from time-to-time be specified in these procedures.
- (w) "Permit Application" shall mean the form to be completed and submitted to the Authority for approval to deliver Acceptable Waste and/or Acceptable Recyclables to the Facilities.
- (x) "Permittee" shall mean those persons, corporations, firms, governmental agencies, quasi-governmental agencies, or other entities owning, leasing or operating vehicles, roll-off boxes or trailers, or a Recycling Facility, who have completed and submitted a Permit Application to the Authority and have been issued a permit to use the Facilities.
- (y) "Permit Number" shall mean the number assigned to a vehicle, trailer, roll-off box, or a Non-Project Recycling Facility, which has been approved by the Authority to use the Facilities.
- (z) "Private/Non-Commercial Hauler" shall mean a person or firm who does not derive income from the collection, transportation or disposal of waste.
- (aa) "Project" shall mean the Facilities constituting the Mid-Connecticut Project.
- (bb) "Project Manager" shall mean the Mid-Connecticut Project Manager or his designee.
- (cc) "Recycling Facility" shall mean the Authority's regional recycling center located at 123 and 211 Murphy Road in Hartford, Connecticut.

- (dd) Recycling Facilities" shall mean the Recycling Facility and any Recycling Transfer Station of the Project.
- (ee) Recycling Residue" shall mean Solid Waste remaining after the Recycling Facility or any Non-Project Recycling Facility has processed Solid Waste.
- (ff) Recycling Transfer Station" shall mean any of the facilities, including all roads appurtenant thereto, owned and/or operated by the Authority for receiving Acceptable Recyclables from any Participating Municipality for transport to the Recycling Facility for processing.
- (gg) Scrap/Light Weight Metals" shall mean scrap steel parts, aluminum sheets, pipes, desks, chairs, bicycle frames, lawn mowers with engines drained, file cabinets, springs, sheet metal, hot water heaters, cleaned and emptied fifty-five (55) gallon drums with the top and bottom covers removed, fencing, oil tanks and fuel tanks approved by the Authority for disposal and cleaned and rinsed in accordance with all applicable laws and regulations, and any other materials deemed by the Authority in its sole discretion to be Scrap/Light Weight Metals.
- (hh) Solid Waste" shall mean unwanted and discarded solid materials, consistent with the meaning of that term pursuant to Section 22a-260(7) of the Connecticut General Statutes, excluding semi-solid, liquid materials collected and treated in a municipal sewerage system.
- (ii) Transfer Station" shall mean any of the facilities, including all roads appurtenant thereto, owned and/or operated by the Authority for receiving Acceptable Waste from any Participating Municipality for transport to a destination of ultimate disposal.
- (jj) Unacceptable Recyclables" shall mean (i) Unacceptable Waste; (ii) any Solid Waste that is deemed by the Authority in its sole discretion to be not in conformance with the requirements for Acceptable Recyclables as set forth in these procedures; and (iii) any other waste deemed by the Authority in its sole discretion to be Unacceptable Recyclables.
- (kk) Unacceptable Waste" shall mean (i) explosives, pathological

or biological waste, hazardous chemicals or materials, paint and solvents, regulated medical wastes as defined in the EPA Standards for Tracking and Maintaining Medical Wastes, 40 C.F.R. Section 259.30 (1990), radioactive materials, oil and oil sludges, dust or powders, cesspool or other human waste, human or animal remains, motor vehicles, liquid waste (other than liquid Solid Waste derived from food or food by-products), and hazardous substances of any type or kind (including without limitation those substances regulated under 42 U.S.C. 6921-6925 and the regulations thereto adopted by the United States Environmental Protection Agency pursuant to the Resource Recovery Conservation and Recovery Act of 1976, 90 Stat. 2806 et. seq., 42 U.S.C. 6901 et. seq.), other than such insignificant quantities of the foregoing as are customarily found in normal household and commercial waste and as are permitted by state and federal law; (ii) any item of waste that is either smoldering or on fire; (iii) waste in quantities and concentrations which require special handling in their collection and/or processing such as bulk items, junked automobiles, large items of machinery and equipment and their component parts, batteries or waste oil; (iv) any other items of waste that would be likely to pose a threat to health or safety, or damage the processing equipment of the Facilities (except for ordinary wear and tear), or be in violation of any judicial decision, order, or action of any federal, state or local government or any agency thereof, or any other regulatory authority, or applicable law or regulation; (v) any solid waste that is deemed by the Authority in its sole discretion to be not in conformance with the requirements for Acceptable Waste or Non-Processible Waste as set forth in these procedures; and (vi) any other waste deemed by the Authority in its sole discretion to be Unacceptable Waste.

- (ll) "Waste Facilities" shall mean the Facility and any Transfer Station and Landfill of the Project.
- (mm) "Waste Hauler" shall mean a person or firm, including a "collector" as defined in Section 22a-220a(g) of the Connecticut General Statutes, whose main source of income is derived from the collection, transportation, and/or disposal of waste.
- (nn) "White Metals" shall mean large appliances or machinery, refrigerators, freezers, gas/electric stoves, dish washers, clothes washers and dryers, microwaves, copiers, computers, vending machines, air conditioners, industrial equipment and venting hood fans, and any other materials deemed by the Authority in its sole discretion to be White Metals.

Section 1.02 - General Principles of Interpretation.

- (a) The captions contained in these procedures have been inserted for convenience only and shall not affect or be effective to interpret, change or restrict the express terms or provisions of these procedures.
- (b) The use of the masculine gender refers to the feminine and neuter genders and the use of the singular includes the plural, and vice versa, whenever the context of these procedures so requires.
- (c) The Authority reserves the right to amend these procedures and the definitions herein from time to time as it deems necessary in its sole discretion.
- (d) These procedures are intended to comply and be consistent with each Municipal Solid Waste Management Services Contract for the Project. In the event of any conflict between these procedures and any Municipal Solid Waste Management Services Contract for the Project, the latter shall control.

ARTICLE II
PERMITTING

Section 2.01 - Permit Application.

- (a) Any Waste Hauler, Private Non-Commercial Hauler, Participating Municipality or any other person or entity that desires to use the Facilities shall obtain a permit in accordance with these procedures before delivering Acceptable Waste and/or Acceptable Recyclables to the Facilities.
- (b) Each applicant for a permit shall complete a Permit Application, a copy of which is attached hereto as Appendix A, and provide to the Authority all of the necessary information requested thereon, including but not limited to:
 - (i) the identification of each vehicle owned, leased or operated by the applicant or its agents and employees and to be used by the applicant for the delivery of Acceptable Waste and/or Acceptable Recyclables to the Facilities;
 - (ii)

all Participating Municipalities in which each such vehicle will collect Acceptable Waste and/or Acceptable Recyclables; and (iii) all certificates of insurance that the applicant is required to provide pursuant to Article III hereof. In connection with the foregoing, each applicant shall also execute and submit to the Authority all documents attached to the Permit Application, including but not limited to: (i) a Release of Liability and Indemnification Agreement/Attestation Agreement; (ii) a Credit Agreement; and (iii) a Financial Guarantee Bond or Letter of Credit.

Section 2.02 - Submission of Permit Application and Permit Fee.

- (a) Upon applicant's completion of the Permit Application and execution of all documents attached thereto, the applicant shall submit such Permit Application and documents to the Authority along with the pertinent permit fee for such applicant. The Permit Fees payable by each applicant hereunder are set forth in Appendix B attached hereto and shall be determined by the Authority on an annual basis.
- (b) Pursuant to the submission of a Permit Application to the Authority, each applicant and Permittee hereby agrees to cooperate with the Project Manager in any matter affecting the orderly operation of the Facilities and to fully abide by and comply with these procedures. In addition to the foregoing, each applicant and Permittee acknowledges and agrees that any failure to cooperate with the Project Manager or to abide by or comply with these procedures shall result in fines and/or suspension or revocation of disposal privileges at the Facilities.
- (c) If any Participating Municipality listed on an applicant's Permit Application files a written notice with the Authority objecting to the issuance of a permit to such applicant, then as a subsequent condition of any permit so issued the Permittee shall not deliver to the Facilities, nor shall the Authority accept from such Permittee, any Acceptable Waste and/or Acceptable Recyclables from the objecting Participating Municipality.

Section 2.03 - Guaranty of Payment.

Each applicant, other than a Participating Municipality, shall also submit along with its Permit Application a guaranty of payment

satisfactory to the Authority in all respects and in the form of either a letter of credit, a suretyship bond or a cashier's check and in an amount sufficient to cover two (2) months of waste disposal charges as estimated by the Authority. Each applicant and/or Permittee, other than a Participating Municipality, shall amend its letter of credit or suretyship bond, or provide any additional cashier's checks to the Authority in order to increase the foregoing amount if requested to do so by the Authority. Additionally, any Permittee, who has submitted to the Authority either a letter of credit or suretyship bond shall within thirty (30) days before the expiration of the same renew such letter of credit or suretyship bond and furnish the renewed letter of credit or suretyship bond to the Authority. If a Permittee's letter of credit or suretyship bond is cancelled or terminated due to the insolvency or bankruptcy of the issuing bank or insurance company, Permittee shall immediately submit to the Authority a new letter of credit or suretyship bond that complies with the requirements of this Section 2.03. If any Permittee who is subject to the requirements of this Section 2.03 fails to comply with the same, then the Authority may deny such Permittee any further access to the Facilities and/or revoke its permit for the same.

Section 2.04 - Issuance and Renewal of Permit.

- (a) Provided that the applicant has submitted its Permit Application and all other documents required to be submitted hereunder to the Authority, and such Permit Application and documents are complete and satisfactory in all respects to the Authority, then the Authority may issue a permit to the applicant.
- (b) Upon the issuance of a permit:
 - (i) the Permittee shall be assigned an Account number;
 - (ii) all of the vehicles listed on the Permittee's Permit Application shall be assigned a decal with a Permit Number, which decal shall be prominently and permanently affixed by the Permittee in a location clearly visible to the scalehouse operator and as designated by the Authority; and
 - (iii) each roll-off box or trailer listed on the Permittee's Permit Application shall be assigned a decal with a Permit Number, which decal shall be prominently and permanently affixed by the Permittee in a location clearly visible to the scalehouse operator and as designated by the Authority.
- (c) Permits issued during the fiscal year of July 1 through June

30 are effective and valid until the end of such year unless otherwise revoked by the Authority. Permits cannot be assigned or transferred. In order to effectively renew an existing permit, the Permittee shall complete and submit to the Authority a Renewal Permit Application, a copy of which is attached hereto as Appendix C, together with the pertinent renewal fee for the same within thirty (30) days before the end of each fiscal year. The renewal fees to be paid by each Permittee hereunder shall be determined by the Authority on an annual basis. Any Permittee who fails to perform its renewal obligations under this Section 2.04(c) shall be denied access to the Facilities by the Authority until such Permittee performs such renewal obligations.

Section 2.05 - Tare Weights.

Tare weights of all vehicles, trailers and roll-off boxes shall be established after delivery of the first load of Acceptable Waste and/or Acceptable Recyclables under a new permit at one of the Facilities. Tare Weights may be randomly checked by the scalehouse operator at any time.

Section 2.06 - Miscellaneous.

- (a) Each Participating Municipality shall receive from the Authority every month during each fiscal year a listing of all Permittees and the permits issued thereto.
- (b) In the event that a Permittee discontinues the use of any vehicle, roll-off box or trailer authorized under the Permittee's permit, or if the Permittee acquires any vehicle, roll-off box or trailer that is not authorized under the Permittee's permit, then the Permittee shall submit an amended Permit Application to the Authority pursuant and subject to the above procedures set forth in this Article II. In the event that a Permittee fails to submit an Amended Permit Application to the Authority as required above, the Authority shall have the right to suspend or revoke such Permittee's permit.
- (c) Nothing in these procedures shall be construed to prohibit a Participating Municipality from establishing its own permitting, registration and inspection requirements for its Waste Haulers or Private Non-Commercial Haulers, which are deemed to be in addition to these procedures.

ARTICLE III

INSURANCE AND INDEMNIFICATION

Section 3.01 - Insurance.

- (a) Each Permittee shall procure and maintain, at its own cost and expense, throughout the term of any permit issued to such Permittee, the following insurance, including any required endorsements thereto and amendments thereof:
- (i) Comprehensive General Liability Insurance with a broad form endorsement with a minimum combined single limit coverage for bodily injury and property damage of not less than one hundred thousand (\$100,000.00) dollars on a per occurrence basis;
 - (ii) Automobile Liability Insurance covering all owned, non-owned or hired vehicles with a minimum combined single limit coverage of not less than five hundred thousand (\$500,000.00) dollars on a per occurrence basis;
 - (iii) Workers' Compensation Insurance in such amounts as required by Connecticut law or certificate of self-insurance issued by the State of Connecticut's board of compensation commissioners pursuant to Section 31-284 of the Connecticut General Statutes; and
 - (iv) Employers' Liability Insurance with a minimum combined single limit coverage of not less than one hundred thousand (\$100,000.00) dollars.
- (b) Each Permittee shall submit along with its Permit Application to the Authority an executed original certificate or certificates for each above required insurance certifying that such insurance is in full force and effect and setting forth the requisite information referenced in Section 3.01(c) below. Additionally, each Permittee shall furnish to the Authority within thirty (30) days before the expiration of the coverage of each above required insurance a certificate or certificates containing the information in Section 3.01(c) below and certifying that such insurance has been renewed and remains in full force and effect.

- (c) All policies for each insurance required above shall: (i) name the Authority as an additional insured (this requirement shall not apply to Workers' Compensation Insurance and Employers' Liability Insurance); (ii) include a standard severability of interest clause; (iii) provide for not less than thirty (30) days' prior written notice to the Authority by registered or certified mail of any cancellation, non-renewal or change in coverage; (iv) hold the Authority free and harmless from all subrogation rights of the insurer; and (v) provide that such required insurance hereunder is the primary insurance and that any other similar insurance that the Authority may have shall be deemed in excess of such primary insurance.
- (d) All policies for each insurance required above shall be issued by insurance companies that are either licensed by the State of Connecticut and have a Best's Key Rating Guide of B+ VIII or better, or otherwise deemed acceptable by the Authority in its sole discretion.
- (e) Subject to the terms and conditions of this Section 3.01, Contractor may submit to the Authority documentation evidencing the existence of umbrella liability insurance coverage in order to satisfy the limits of coverage required hereunder for general liability, automobile and employers' liability insurance.
- (f) If any Permittee fails to comply with any of the foregoing insurance procedures, then the Authority may in its sole discretion deny such Permittee any further access to the Facilities and/or revoke its permit for same.
- (g) No provision of this Section 3.01 shall be construed or deemed to limit any Permittee's obligations under these procedures to pay damages or other costs and expenses.
- (h) The Authority shall not, because of accepting, rejecting, approving, or receiving any certificates of insurance required hereunder, incur any liability for: (i) the existence, non-existence, form or legal sufficiency of the insurance described on such certificates, (ii) the solvency of any insurer, or (iii) the payment of losses.

Section 3.02 - Indemnification. Each Permittee shall at all times indemnify, defend, and hold harmless the Authority, any Operator and their respective board of directors, officers, agents, and employees

from and against any and all claims, damages, losses, judgments, workers' compensation payments, expenses (including but limited to attorneys' fees) arising out of injuries to the person (including death), damage to property or other damages alleged to have been sustained by: (a) the Permittee, or its officers, agents and employees; (b) CRRA, any Operator or their respective board of directors, officers, agents, and employees; or (c) any other person, to the extent any such injuries or damages are caused or are alleged to have been caused in whole or in part by the acts, omissions, or negligence of the Permittee or its officers, agents, or employees. The Permittee further undertakes to reimburse CRRA for damage to property of CRRA caused by the Permittee or its officers, agents, or employees, or by faulty, defective, or unsuitable material or equipment used by it or them. The existence of insurance shall in no way limit the scope of this indemnification. The obligations of each Permittee under this Section 3.02 shall survive the termination or expiration of any permit issued to such Permittee pursuant to these procedures.

ARTICLE IV

OPERATING AND DISPOSAL PROCEDURES

Section 4.01 - Obligations of Participating Municipalities.

- (a) Each Participating Municipality that has executed a MSA for the Project shall cause to be delivered to the same by all appropriate means all Acceptable Waste and/or Acceptable Recyclables under the control of the Participating Municipality exercisable pursuant to its statutory authority or encompassed under its municipal collection program.
- (b) Each Participating Municipality shall be responsible for assuring that Acceptable Waste and/or Acceptable Recyclables within its corporate boundaries is properly controlled and that Acceptable Waste and/or Acceptable Recyclables from outside the Participating Municipality is not entering the Participating Municipality's municipal waste stream or being attributed to such Participating Municipality. The Authority will provide enforcement inspection services at the Facilities in order to assist the Participating Municipalities in complying with this particular obligation.

Section 4.02 - Delivery of Acceptable Waste.

- (a) Each Permittee shall deliver Acceptable Waste to those Waste Facilities designated by the Project Manager.
- (b) The Project Manager may not change the designated place to