

**ADDENDUM NO. 1  
TO  
REQUEST FOR QUALIFICATIONS AND PROPOSALS  
FOR  
TRANSPORTATION AND DISPOSAL OF  
PROCESS RESIDUE, NON-PROCESSIBLE AND  
BYPASSED WASTES  
FROM  
MID-CONNECTICUT PROJECT  
HARTFORD, CONNECTICUT  
AND  
TRANSPORTATION AND DISPOSAL OF BYPASSED WASTES FROM  
WALLINGFORD RESOURCE RECOVERY FACILITY  
FY08-EN-002**

ISSUED BY:

**CONNECTICUT RESOURCES RECOVERY AUTHORITY**

100 Constitution Plaza, 6<sup>th</sup> Floor  
Hartford, CT 06103

April 7, 2008



**ADDENDUM NO. 1**  
**TO**  
**RFQ No. FY08-EN-002**  
TRANSPORTATION AND DISPOSAL OF PROCESS RESIDUE,  
NON-PROCESSIBLE AND BYPASSED WASTES  
FROM  
MID-CONNECTICUT PROJECT AND  
TRANSPORTATION AND DISPOSAL OF BYPASSED WASTES FROM  
WALLINGFORD RESOURCE RECOVERY FACILITY

**DRAFT CONTRACT**

1. Enclosed please find the Draft Contract as was identified in Section 5 of the RFQP.

**RESPONSE TO QUESTIONS**  
(Received through April 4, 2008)

1. **Question:** What are the limits on the required insurance policies requested in the RFQP?

**Response:** Required limits for response are set forth in Section 5 of the Draft Contract included with this Addendum No. 1.

2. **Question:** Does the value or amount of the performance bond for this contract go down after each completed year or is the original amount required each year until the end of the contract term?

**Response:** No, the value of the performance bond remains \$5,000,000 throughout the term of contract.

**AGREEMENT  
FOR**

**WASTE TRANSPORTATION AND DISPOSAL SERVICES  
FROM  
MID-CONNECTICUT RESOURCES RECOVERY FACILITY  
AND FROM  
WALLINGFORD RESOURCES RECOVERY FACILITY  
AND  
FROM TRANSFER STATIONS LOCATED IN ELLINGTON,  
ESSEX, TORRINGTON, AND WATERTOWN, CONNECTICUT**

**BETWEEN**

**THE CONNECTICUT RESOURCES RECOVERY AUTHORITY  
AND**

[\_\_\_\_\_]

[\_\_\_\_\_] 2008

**WASTE TRANSPORTATION AND DISPOSAL SERVICES FROM  
MID-CONNECTICUT RESOURCES RECOVERY FACILITY AND FROM  
WALLINGFORD RESOURCES RECOVERY FACILITY AND FROM TRANSFER  
STATIONS IN ELLINGTON, ESSEX, TORRINGTON, AND WATERTOWN,  
CONNECTICUT**

This AGREEMENT FOR WASTE TRANSPORTATION AND DISPOSAL SERVICES FROM MID-CONNECTICUT RESOURCES RECOVERY FACILITY AND FROM WALLINGFORD RESOURCES RECOVERY FACILITY AND FROM TRANSFER STATIONS IN ELLINGTON, ESSEX, TORRINGTON, AND WATERTOWN, CONNECTICUT is made and entered into as of the \_\_\_\_ day of \_\_\_\_, 2007, by and among the **CONNECTICUT RESOURCES RECOVERY AUTHORITY**, a body politic and corporate, constituting a public instrumentality and political subdivision of the State of Connecticut, and having a principal place of business at 100 Constitution Plaza, 6<sup>th</sup> Floor, Hartford, Connecticut 06103 ("**CRRA**"), and [\_\_\_\_], a [\_\_\_\_], having a principal place of business at [\_\_\_\_] ("**Contractor**").

**PRELIMINARY RECITAL**

CRRA is the owner of a certain resources recovery facility located on Reserve Road in Hartford, Connecticut (the "**Hartford Facility**") and the resources recovery facility located on South Cherry Street, Wallingford, Connecticut (the "**Wallingford Facility**") and several transfer stations located in Ellington, Essex, Torrington, and Watertown, Connecticut (the "**Transfer Stations**"; the Hartford Facility, the Wallingford Facility and the Transfer Stations are sometimes collectively referred to as the "**Facilities**" or in the singular as "**Facility**"). CRRA and Contractor now desire to enter into this Agreement in order to have Contractor transport and dispose (or cause the transportation and disposal) of Acceptable Waste generated by the Facilities to the Designated Landfill (as hereinafter defined).

**NOW, THEREFORE**, in consideration of the mutual covenants and promises contained herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, CRRA and Contractor hereby mutually agree and undertake as follows.

## TERMS AND CONDITIONS

### 1. General.

#### 1.1 Definitions.

**“Acceptable Waste”** means Bypassed Municipal Solid Waste, Process Residue and Non-processible Waste; provided that, under no circumstances shall Acceptable Waste include Unacceptable Waste, or waste that does not originate from the Facilities.

**“Acceptable Waste Loading Area”** means, at the (i) Hartford Facility: the process residue load-out area (ii) at the Wallingford Facility: the tip floor or waste recovery area, and at the Transfer Stations: the tip floor; or as the case may be, any area as directed by the scale operator or Facility operator.

**“Act of Bankruptcy”** means that (a) Contractor shall have commenced a voluntary case under any bankruptcy law, applied for or consented to the appointment of, or the taking of possession by, a receiver, trustee, assignee, custodian or liquidator of all or a substantial part of its assets, (b) Contractor shall have failed, or admitted in writing its inability generally, to pay its debts as such debts become due, (c) Contractor shall have made a general assignment for the benefit of creditors, (d) Contractor shall have been adjudicated a bankrupt, or shall have filed a petition or an answer seeking an arrangement with creditors, (e) Contractor shall have taken advantage of any insolvency law, or shall have submitted an answer admitting the material allegations of a petition in a bankruptcy or insolvency proceeding, (f) an order, judgment or decree for relief in respect of Contractor shall have been entered in an involuntary case, without the application, approval or consent of Contractor by any court of competent jurisdiction appointing a receiver, trustee, assignee, custodian or liquidator, for Contractor or for a substantial part of any of its assets and such order, judgment or decree shall continue unstayed and in effect for any period of one hundred eighty (180) consecutive days, (g) Contractor shall have filed a voluntary petition in bankruptcy, (h) Contractor shall have failed to remove an involuntary petition in bankruptcy filed against it within one hundred eighty (180) days of the filing thereof, or (i) an order for relief shall have been entered against Contractor under the provisions of the United States Bankruptcy Act, 11 U.S.C.A. §301. For purposes of this definition, the term Contractor shall mean Contractor or Guarantor.

**“Affiliate”** means a Person that, directly or indirectly, controls or is controlled by, or is under common control with, Contractor.

**“Agreement”** means this Agreement for Waste Transportation and Disposal Services from Mid-Connecticut Resources Recovery Facility and Wallingford Resources Recovery Facility and from Transfer Stations in Ellington, Essex, Torrington, and Watertown, Connecticut, between CRRA and Contractor, together with **Exhibits 1-8** (inclusive) attached hereto and made a part hereof and any written amendments, modifications or supplements hereto.

**“Applicable Laws”** means any applicable statute, law, constitution, charter, ordinance, resolution, judgment, order, permits (including but not limited to the Permits), decree, rule, regulation, directive, interpretation, standard or similar binding authority, which has been or shall be enacted, promulgated, issued or enforced by any judicial or Governmental Authority having jurisdiction.

**“Bypassed Municipal Solid Waste”** shall mean Municipal Solid Waste that is transported directly from the Transfer Stations or the Wallingford Facility to the Landfill.

**“Change in Law”** means any of the following events or conditions demonstrated to have, or which may upon showing of reasonable basis be expected to have, a material adverse effect on Contractor or CRRA, or on Contractor's or CRRA's ability to perform pursuant to this Agreement or on the operation of the Designated Landfill, if such event or condition is beyond the reasonable control of the party asserting the Change in Law, and not the result of willful or negligent action or a lack of reasonable diligence, of the party asserting the Change in Law:

(a) the adoption, promulgation, issuance, modification or official change in the interpretation after the date of this Agreement of any federal, state or local 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 federal, state or local governmental body, administrative agency or governmental official having jurisdiction;

(b) the order and/or judgment of any federal, state or local court, administrative agency or governmental officer or body, if it is not also the result of willful or negligent action or a lack of reasonable diligence of the party claiming the Change in Law; or

(c) the suspension, termination, interruption or failure of renewal of any permit, license, consent, authorization or approval essential to the operation or improvement of the Facilities or Designated Landfill 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 party claim the Change in Law.

The contesting in good faith of any such order, judgment, suspension, termination, interruption or failure of renewal shall not be construed as willful or negligent action or a lack of reasonable diligence of the party claiming the Change in Law.

**“Commencement Date”** means January 1, 2009.

**“Designated Landfill”** means the landfill [or landfills] located on [\_\_\_\_\_]  
\_\_\_\_\_] which Contractor owns, leases or operates or  
another alternative landfill [or landfills] approved by CRRA in advance in writing.

**“Disposal Prices”** shall have the meaning ascribed to it in Exhibit 1.

**“Environmental Claim”** means any investigation, notice, violation, demand, allegation, action, suit, injunction, judgment, order, consent, decree, penalty, fine, lien, proceeding or claim arising (a) pursuant to, or in connection with, an actual or alleged violation of, any Environmental Law, (b) in connection with any Hazardous Waste or actual or alleged Hazardous Waste Activity, (c) from any abatement, removal, remedial, corrective, or other response action in connection with a Hazardous Waste, Environmental Law or other order of a Governmental Authority or (d) from any actual or alleged damage, injury, threat, or harm to health, safety, natural resources, or the environment.

**“Environmental Law”** means any current or future Legal Requirement pertaining to (a) the protection of health, safety and the indoor or outdoor environment, (b) the conservation, management, or use of natural resources and wildlife, (c) the protection or use of soils and sediments, coastal, tidal or inland wetlands, surface water or groundwater, (d) the management, manufacture, possession, presence, use, generation, transportation, treatment, storage, disposal, Release, threatened Release, abatement, removal, remediation or handling of, or exposure to, any Hazardous Waste or (e) pollution (including any release to air, soils and sediments, coastal, tidal or inland wetlands, surface water or groundwater), and includes, without limitation, the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended, 42 U.S.C. §§9601 et seq., Solid Waste Disposal Act, as amended, 42 U.S.C. §§6901 et seq., Federal Water Pollution Control Act, as amended, 33 U.S.C. §§ 1251 et seq., Clean Air Act, 42 U.S.C. §§7401 et seq., Toxic Substances Control Act of 1976, 15 U.S.C. §§2601 et seq., Hazardous Materials Transportation Act, 49 U.S.C.A. §§ 1801 et seq., Occupational Safety and Health Act of 1970, as amended, 29 U.S.C. §§ 651 et seq., Oil Pollution Act of 1990, 33 U.S.C. §§ 2701 et seq., Emergency Planning and Community Right-to-Know Act of 1986, 42 U.S.C. §§11001 et seq., National Environmental Policy Act of 1969, 42 U.S.C. §§4321 et seq., Safe Drinking Water Act of 1974, as amended, 42 U.S.C. §§300(f) et seq., any similar, implementing or successor law, including, without limitation, laws enacted by the State of Connecticut or any other state, and any amendment thereto, and any, regulation, order or directive issued thereunder.

**“Facilities”** shall have the meaning as provided in the recitals.

**“Fuel Surcharge”** shall have the meaning ascribed to it in Exhibit 1.

**“Governmental Approval”** means any permit (including but not limited to the Permits), license, variance, certificate, consent, letter, clearance, closure, exemption, decision or action or approval of a Governmental Authority.

**“Governmental Authority”** means any international, foreign, federal, state, regional, county, or local department, agency, authority, commission or body having governmental, or quasi-governmental authority, or any instrumentality or subdivision thereof.

**“Guarantor”** shall refer to any party required to execute the Guaranty described in Section 31.

**“Guaranty”** shall mean a guaranty by a Guarantor substantially in the form of **Exhibit 7** hereto, or a parent guaranty, which has been approved by CRRA.

**“Hartford Facility”** shall have the meaning ascribed to it in the recitals of this Agreement.

**“Hartford Landfill”** shall mean the landfill located at 180 Liebert Rd., Hartford, CT 06120.

**“Hazardous Waste”** means waste which is defined or listed as a hazardous waste in the Solid Waste Disposal Act, 42 U.S.C., §6901, *et seq.*, as amended, Connecticut General Statutes §22a-115, as amended, and/or any regulations, rules or policies promulgated thereunder.

**“Legal Requirement”** means any treaty, convention, statute, law, regulation, ordinance, Governmental Approval, injunction, judgment, order, consent decree, or other requirement of any Governmental Authority.

**“Municipal Solid Waste”** means all materials or substances that are delivered in the ordinary course to the Facilities, including materials and substances that are unwanted, discarded or rejected as being spent, useless, worthless or in excess to the owners at the time of such discard or rejection, including but not limited to trash, garbage, refuse, rubbish, discarded materials from residential, commercial, municipal and industrial activities to the extent such industrial waste is generated from office or cafeteria operations or is similar in character to residential, commercial or municipal waste, but not including Hazardous Waste.

**“Non-processible Waste”** means that waste which is screened from Municipal Solid Waste from the Hartford Facility that is non-processible including, but not limited to, household furniture, chairs, tables, sofas, mattresses, carpets and rugs, cables, wood over 6 feet in length and width, rolls of banding materials, large metal pieces, auto parts, appliances and other oversized Municipal Solid Waste that can not be used at the Hartford Facility.

**“Operations Plan”** shall mean the plan prepared by Contractor and approved by CRRA that details Contractor’s framework to perform the Services under this Agreement, including but not limited to, an equipment plan, personnel plan, and



description of how the Services will be provided and the Scope of Services of the Agreement as set forth in **Exhibit 3**.

**“Operator”** shall mean the company or companies hired by CRRA to operate and maintain each Facility.

**“Permits”** means all permits, consents, licenses, approvals or authorizations issued by any Governmental Authority having jurisdiction over the transportation of Acceptable Waste hereunder.

**“Person”** means any individual, corporation, partnership, joint venture, association, joint-stock company, trust, unincorporated organization or Government Authority.

**“Process Residue”** means the residue generated at the Hartford Facility during the process of shredding and screening the Municipal Solid Waste through 1 inch diameter holes located within the waste trommels at the Hartford Facility. Process Residue typically consists of dirt, sand, stone, glass, organic material, metal, or any other material able to pass through 1 inch diameter trommel holes.

**“Property”** means the real property owned by CRRA and upon which the Facilities is situated.

**“Release”** means any spilling, leaking, pumping, pouring, emitting, emptying, discharging, injecting, escaping, leaching, dumping, or disposing into the indoor or outdoor environment, including, without limitation, the abandonment or discarding of barrels, drums, containers, tanks or other receptacles containing or previously containing any Hazardous Waste.

**“Service Fee”** means the per Ton service fee described in **Exhibit 1**.

**“Services”** means the services of transportation and disposal of Acceptable Waste from the Facilities to the Designated Landfill pursuant to the terms and conditions of this Agreement.

**“Scope of Services”** means the procedures and requirements set forth in **Exhibit 2** that govern the loading of Acceptable Waste into Contractor's Trailers at the Facilities, the weighing of such Trailers, and Contractor's transportation and disposal of Acceptable Waste from the Facilities to the Designated Landfill.

**“Subcontractor”** means [ ] or any other subcontractor of Contractor approved by CRRA pursuant to Section 11 hereof.

**“Ton”** means a "short ton", or 2,000 pounds.

**“Trailer”** means a leak proof trailer that can be loaded from the top, meets all Applicable Laws and is customarily used in the transportation industry to transport Acceptable Waste; however, “Trailer” shall also mean, and Contractor can use, in temporary emergency circumstances with prior notification and prior approval by CRRA or Operator, a leak proof roll-off container to transport Acceptable Waste that can be loaded from the top and meets all other specifications in this Agreement.

**“Transportation Prices”** shall have the meaning ascribed to it in Exhibit 1.

**“Unacceptable Waste”** means any material the receipt of which will cause Contractor to be in violation of any federal, state or local law, regulation, mandate, or any applicable Permit approval, certificate or license issued by a Governmental Authority. This includes, but is not limited to, Hazardous Waste, Radioactive Waste as defined in 42 USC § 2011 et seq., sludge, septage, liquid wastes, commercial quantities of asbestos, industrial waste, unprocessed tires, contained gaseous material, discarded automobiles, contaminated soils, medical waste and propane tanks and other explosive type materials.

**“Uncontrollable Circumstance”** means any of the following acts, events or conditions that have had, or may reasonably be expected to have, a material adverse effect on the rights or the obligations of either party under this Agreement, or a material adverse effect on the operation or use of the Facilities, if such act, event or condition is beyond the reasonable control of CRRA or Contractor, respectively, 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 an obligation or complying with any condition required of such party under this Agreement and is the proximate cause of such failure to perform or comply: an act of God, epidemic, landslide, lightning, earthquake, hurricane, fire, explosion, catastrophic storm, flood or similar occurrence, an act of war, terrorism, blockade, insurrection, riot, civil disturbance or similar occurrence.

**“Wallingford Facility”** shall have the meaning ascribed to it in the recitals to this Agreement.

**“Windsor Landfill”** shall mean the landfill located at 500 Huckleberry Rd., Windsor, Connecticut 06095.

## 1.2 Construction.

For purposes of this Agreement:

- (a) Capitalized terms used herein shall have the meanings set forth herein;
- (b) Whenever nouns or pronouns are used in this Agreement, the singular shall mean the plural, the plural shall mean the singular, and any gender shall mean all genders or any other gender, as the context may require;

(c) Words which have well-known technical or trade meanings are used herein in accordance with such recognized meanings unless otherwise specifically provided;

(d) All accounting terms not otherwise defined herein have the meanings assigned to them in accordance with "generally accepted accounting principles", and the term "generally accepted accounting principles" with respect to any computation required or permitted hereunder shall mean such accounting principles which are generally accepted at the date or time of such computation;

(e) The words "herein", "hereof" and "hereunder" and words of similar import refer to this Agreement as a whole and not to any particular Article, Section or Subsection;

(f) Reference to any particular party shall include that party's employees and the authorized agents of that party;

(g) All references to agreements are references to the agreements as the provisions thereof may be amended, modified or waived from time to time; and

(h) The captions contained in this Agreement have been inserted for convenience only and shall not affect or be effective to interpret, change or restrict the terms or provisions of this Agreement.

### 1.3 **Covenants and Representations.**

#### 1.3.1 **Covenants and Representations of Contractor.**

Contractor represents, warrants and covenants to CRRA that **[language will be adjusted if Contractor is a public entity]**:

(a) Contractor is a duly organized and validly existing in good standing in the jurisdiction of its incorporation and is duly qualified to transact business in each and every jurisdiction where such qualification is required to enable Contractor to perform its obligations under the terms of this Agreement. No Act of Bankruptcy has been commenced by or against Contractor or, if applicable, Guarantor.

(b) Contractor has full power, authority and legal right to enter into and perform its obligations hereunder, and the execution and delivery of this Agreement by Contractor, and the performance of all its obligations under this Agreement have been authorized by all required actions of Contractor, all as required by the charter, by-laws and applicable laws that regulate the conduct of Contractor's affairs.

(c) The execution and delivery of this Agreement by Contractor and the performance of all its obligations set forth herein do not conflict with and will not, nor with the passage of time or the giving of notice, constitute a breach of or an event of default under any charter, by-laws or resolutions of Contractor or any agreement, indenture, mortgage, trust, contract, permit or instrument to which Contractor is a party or by which Contractor is bound.

(d) This Agreement has been duly executed and delivered by Contractor and, as of the date hereof, constitutes a legal, valid and binding obligation of Contractor, enforceable against Contractor in accordance with its terms, except as enforcement thereof may be limited by any applicable bankruptcy, insolvency, reorganization, moratorium or other laws relating to or limiting creditors' rights generally or by the application of general principles of equity concerning remedies.

(e) Contractor is not currently in breach of or in default under any Applicable Laws that would materially adversely affect Contractor's ability to perform the Services hereunder, and Contractor has obtained all required Permits, approvals, and registrations necessary to transport and dispose of Acceptable Waste.

(f) The Designated Landfill is in compliance with all Applicable Laws that pertain to the ownership, design, construction and continued operation of such Designated Landfill.

(g) There is no action, suit or proceeding, at law or in equity, before or by any court or similar governmental authority pending or threatened against Contractor or, if applicable, Guarantor from which an unfavorable decision, ruling or finding would materially and adversely affect or enjoin the performance by Contractor of its obligations to perform the Services hereunder or the other transactions contemplated hereby, or that in any way would materially adversely affect the validity or enforceability of this Agreement, Contractor's or, if applicable, Guarantor's financial condition, or any other agreement or instrument entered into by Contractor in connection with the transaction contemplated hereby.

(h) Contractor is capable of and shall diligently (1) defend itself against any and all actions and causes of action pending (or threatened) against it that would, irrespective of the merits thereof, materially adversely affect the ability of Contractor to perform the Services and its obligations and observe its covenants and representations hereunder, and (2) prosecute any and all claims, which if waived or permitted to lapse, would materially adversely affect the ability of Contractor to perform the Services and its obligations and observe its covenants and representations hereunder; provided, however, that Contractor shall provide to CRRA notice of all such actions, causes of action and claims within seven (7) days of Contractor's receipt or filing thereof, as the case may be.

(i) Contractor represents that it has, by careful examination, satisfied itself as to the nature, scope, and location of the Services to be performed under this Agreement; the configuration of each Facility; the character, quality, and quantity of the materials to be encountered; the character, quality, and quantity of equipment, materials, and facilities needed preliminarily and throughout Contractor's performance of the Services; the general and local conditions; the availability of labor and materials; the Applicable Laws relating to Contractor's performance of the Services under this Agreement; and other matters which may affect Contractor's performance of the services under this Agreement. Having made such examinations essential to an understanding of the Services and the difficulties which may be encountered, Contractor represents that it has the necessary skill and expertise to accomplish the Services under this Agreement.

(j) Contractor agrees that, pursuant to Conn. Gen. Stat. § 22a-270 (as the same may be amended or superseded from time to time) CRRA is exempt from all State of Connecticut taxes and assessments. Without limiting the generality of the preceding sentence, Contractor also agrees that, pursuant to Conn. Gen. Stat. § 12-412(92) (as the same may be amended or superseded from time to time), "[t]he sales and use of any services or tangible personal property to be incorporated into or used or otherwise consumed in the operation of any project of [CRRA] . . . whether such purchases are made directly by CRRA or are reimbursed by CRRA to the lessee or operator of such project" is not subject to Connecticut Sales and Use Taxes. Accordingly, Contractor shall not charge CRRA any State of Connecticut taxes or assessments at any time in connection with Contractor's performance of this Agreement, nor shall Contractor include any State of Connecticut taxes or assessments in any rates, costs, prices or other charges to CRRA hereunder. The obligations of Contractor contained in the preceding sentence are absolute and shall apply notwithstanding any payment by Contractor of any State of Connecticut taxes or assessments in connection with its performance of this Agreement. Contractor represents and warrants that no State of Connecticut taxes or assessments were included in any rates, costs, prices or other charges presented to CRRA in any request for proposal or other submittal or proposal to CRRA in connection with this Agreement.

(k) Contractor either has full ownership of the Designated Landfill or has valid, unconditional and enforceable rights to use the Designated Landfill, including any rights that may exist under a lease or other operational agreement with the owner (the "Designated Landfill Operator"), for the continued use of the Designated Landfill through the term of this Agreement. As the owner or Designated Landfill Operator or both, Contractor has full Governmental Approval and Permits for the lawful operation of the Designated Landfill and shall continue to maintain such Governmental Approvals and Permits through the term of this Agreement. Contractor agrees not to (1) sell, assign or otherwise transfer ownership or its enforceable rights to use the Designated Landfill without the prior written consent of CRRA or (2) to sell, assign or otherwise transfer or modify the operation,

management or control of the Designated Landfill without the prior written consent of CRRA.

(l) The Designated Landfill has sufficient capacity for the disposal of Acceptable Waste under this Agreement for the entire term hereof and Contractor shall, during the term of this Agreement, maintain sufficient capacity at the Designated Landfill for all Acceptable Waste transported and delivered under this Agreement.

(m) Contractor either has full ownership of the vehicles and Trailers or has enforceable rights to use the vehicles and Trailers, including any rights that may exist under a lease or other operational agreement with the owner (the "Designated Transportation Operator"), for the continued use of the vehicle and Trailers through the term of this Agreement. As the owner or Designated Transportation Operator or both, Contractor has full Governmental Approval and Permits for the lawful operation of the vehicles and Trailers and shall continue to maintain such Governmental Approvals and Permits through the term of this Agreement. Contractor agrees not to (1) sell, assign or otherwise transfer ownership or its enforceable rights to use the vehicles or Trailers without the prior written consent of CRRA or (2) to sell, assign or otherwise transfer or modify the operation, management or control of the vehicles or Trailers without the prior written consent of CRRA.

(n) Contractor has all permits, approvals and licenses issued by any Governmental Authority that are necessary or required to haul, transport, ship and store, if applicable, Acceptable Waste. Contractor shall provide all such documents evidencing that such permits, approvals and licenses have been obtained and that Contractor is in good standing upon CRRA's request.

(o) During the term of this Agreement, Contractor shall, or cause others to, own, operate and maintain, at all times, the equipment necessary to perform the Services under this Agreement and the Designated Landfill in compliance with all Applicable Laws and shall take all actions necessary to maintain all permits, licenses and approvals necessary to perform the Services under this Agreement, including, without limitation, for the lawful ownership, operation and maintenance of the Designated Landfill. In addition, if during the term of this Agreement, additional Permits are required or compliance with additional governmental requirements is required in order to perform the Services under this Agreement, including, without limitation, to utilize the Designated Landfill in the manner contemplated by the terms of this Agreement, Contractor shall apply for and obtain such additional Permits or comply with such additional requirements on a timely basis or initial legal proceedings to contest such additional Permits or requirements. If Contractor fails to obtain such necessary permits due to its own actions, CRRA shall have the right, upon notice to Contractor, to make alternative arrangements for the transportation and disposal of Acceptable Waste and Contractor shall reimburse CRRA for all costs incurred in making such alternative arrangements within thirty days of receiving such invoice from CRRA.

(p) Contractor shall provide, or cause CRRA to be provided, with notice of the revocation of any Permits, the denial of any subsequently required Permits, or if the Designated Landfill does not meet all requirements of Applicable Law, within forty-eight (48) hours of Contractor's receipt thereof. In addition, Contractor shall provide or cause CRRA to be provided with true, correct and complete copies of any written or unwritten notice or knowledge of substantial non-compliance issued by any Governmental Authority, within three (3) days of Contractor's receipt thereof.

(q) The Designated Landfill is permitted by any applicable Governmental Authority to accept Acceptable Waste. Contractor shall provide copies of all such permits, licenses or approvals and evidence that Contractor is in good standing upon CRRA's request;

(r) The Designated Landfill is not in the National Priorities List, CERCLIS or any similar list established or maintained by any state Governmental Authority nor has the owner or the operator been notified that the Designated Landfill is subject to investigation for inclusion on any such list by any applicable Governmental Authority;

(s) Contractor warrants and represents, pursuant to Connecticut Public Act 04-245, Executive Order No. 1 and Connecticut Public Act 05-05, to the following:

(1) That no gifts were made between the date that CRRA began planning the project, services, procurement, lease or licensing arrangement covered by the contract and the date of execution of the contract, by (A) Contractor, (B) any principals and key personnel of Contractor who participated substantially in preparing the bid or proposal or the negotiation of the contract, (C) Contractor's spouse, or (D) any agent of Contractor or principals and key personnel who participated substantially in preparing the bid or proposal or the negotiation of the contract, to (i) any public official or state employee of the state agency or quasi-public agency soliciting bids or proposals for the contract, who participated substantially in the preparation of the bid solicitation or request for proposals for the contract or the negotiation or award of the contract, or (ii) any public official or state employee of any other state agency, who has supervisory or appointing authority over such state agency or quasi-public agency;

(2) That no such principals and key personnel of Contractor, or agent of Contractor or principals and key personnel, knows of any action by Contractor to circumvent such prohibition on gifts by providing for any other principals and key personnel, official, employee or agent of Contractor to provide a gift to any such public official or state employee; and

(3) That Contractor made the bid or proposal without fraud or collusion with any person.

(4) That Contractor informed all individuals within its company, entity or organization who are defined as a "principal of a state contractor or prospective state contractor" in Conn. Gen. Stat. § 9-333n(g)(1)(F), of the contribution and solicitation ban described in Conn. Gen. Stat. § 9-33n(g)(2)(A) and/or (B), as applicable; and have listed each such principal in the form attached hereto as Exhibit 9 and 10 and submitted, or will submit, to the State Elections Enforcement Commission.

(5) No individual who is a principal of Contractor as described in Conn. Gen. Stat. § 9-333n(g)(1)(F) will make or solicit a contribution in violation of Conn. Gen. Stat. § 9-33n(g)(2)(A) and/or (B), as applicable, and (D), and if any such contribution is made or solicited, Contractor shall be disqualified from being awarded this Agreement or this Agreement may be voided.

(t) The motor vehicles Contractor utilizes for the Services under this Agreement are not and will not be in violation of any Connecticut Department of Motor Vehicles or Federal Motor Carrier Safety Administration safety regulations.

### **1.3.2 Covenants and Representations of CRRA.**

CRRA represents, warrants and covenants to Contractor that:

(a) CRRA is duly organized and validly existing in good standing under the laws of the State of Connecticut and is duly qualified and has the power, authority and legal right, to enter into and perform its obligations set forth in this Agreement.

(b) The execution, delivery and performance of this Agreement by CRRA (1) has been duly authorized by the governing body of CRRA, (2) does not require any consent, approval or referendum of voters, and (3) will not violate any judgment, order, law or regulation applicable to CRRA or any provisions of CRRA's charter, by-laws or resolutions.

(c) The execution and delivery of this Agreement by CRRA, and the performance of all its obligations set forth herein do not conflict with, and will not, nor with the passage of time or the giving of notice, constitute a breach of or an event of default under any charter, by-laws or resolutions of CRRA or any agreement, indenture, mortgage, trust, contract, permit or instrument to which CRRA is a party or by which CRRA is bound. This Agreement has been duly executed and delivered and, as of the date hereof, constitutes a legal, valid and binding obligation of CRRA, enforceable against CRRA in accordance with its terms, except as enforcement thereof may be limited by any applicable bankruptcy, insolvency, reorganization, moratorium or other laws relating to or limiting creditors' rights generally or by the application of general principles of equity concerning remedies.



(d) To the knowledge of CRRA, there is no action, suit or proceeding, at law or in equity, before or by any court or similar Governmental Authority, pending or, to the knowledge of CRRA, threatened against CRRA that in any way would materially and adversely affect the validity or enforceability of this Agreement, or any other agreement or instrument entered into by CRRA in connection with the transaction contemplated hereby.

(e) Although Contractor is solely responsible for obtaining all Permits required to effectuate the performance of its obligations under this Agreement, CRRA shall cooperate with Contractor in all reasonable respects, with no cost or liability to CRRA, to procure and maintain any Permits that shall be necessary for Contractor to perform its obligations under the terms of this Agreement.

### **1.3.3 Additional Covenants and Representations of Contractor.**

(a) Contractor shall provide CRRA with immediate notice of any violations, citations, suits, regulatory proceedings, or prosecutions, received by or commenced against the Contractor, its employees, or its authorized subcontractors in connection with the performance of the Services.

(b) Contractor shall provide CRRA with immediate notice of any notices of violations, orders, warnings, letters of noncompliance from any Governmental Authority, violations, citations, suits, regulatory proceedings, claims, or prosecutions, received by or commenced against the Contractor, its employees, or its authorized subcontractors in connection with the ownership and operation of the Designated Landfill or with Contractor's transportation services.

(c) Contractor shall provide CRRA with immediate notice of any motor vehicle accidents in which the Contractor, its employees, or its authorized subcontractors are involved in the performance of the Services.

(d) Contractor shall cause, and shall cause any authorized subcontractors to cause, to comply with Applicable Laws governing drug and alcohol testing of its employee drivers.

(e) Contractor shall cause, and shall cause any authorized subcontractors to cause, all of its vehicles used to provide Services under this Agreement to comply with all Applicable Laws and to perform safety and maintenance inspections to ensure that all vehicles are safe to operate and maintained in good working order, including frequent inspections of brakes and equipment necessary to safely secure Trailers to vehicles. Contractor shall maintain accurate records of such inspections. No vehicle that is not thoroughly maintained in good working order shall be used for Services provided under this Agreement. CRRA shall have the right, but is not required, to review all inspection reports upon request.

(f) Contractor shall be responsible for the prompt payment of any and all fines, -penalties, or other monetary violations associated with the Services provided under this Agreement.

(g) Each motor vehicle utilized for this Agreement shall be in full compliance with all the terms and conditions of all provisions of the Connecticut General Statutes and regulations, or those of the jurisdiction where the motor vehicle is registered, as they may be amended, pertaining to the mechanical condition, equipment, marking and operation of motor vehicles of such type, class and weight, including but not limited to, requirements for motor vehicles having a gross vehicle weight rating of 18,000 pounds or more or motor vehicles otherwise described by provisions of Conn. Gen. Stat. § 14-163c(a) and all applicable provisions of the Federal Motor Carrier Safety Regulations as set forth in Title 49, Parts 382 to 399, inclusive, of the Code of Federal Regulations.

(h) Each individual who uses or operates a motor vehicle at any time in the performance of this Agreement shall have and maintain a motor vehicle operator's license or commercial driver's license of the appropriate class for the motor vehicle being used or operated. The license shall be in valid status, and shall not be expired, suspended or revoked by the Connecticut Department of Motor Vehicles or other applicable jurisdiction for any reason or any cause.

(i) Each motor vehicle used in the performance of this Agreement is duly registered with the Connecticut Department of Motor Vehicles in accordance with all applicable Connecticut General Statutes. Each such registration shall be in valid status, and shall not be expired, suspended or revoked by the Connecticut Department of Motor Vehicles for any reason or cause. If such motor vehicles are not registered with the Connecticut Department of Motor Vehicles, then it shall be duly registered with another state or commonwealth in accordance with such state's or commonwealth's applicable statutes. Each such registration shall be in valid status, and shall not be expired, suspended or revoked by such state or commonwealth for any reason or cause.

(j) Contractor represents and warrants that it is aware of and understands the hazards which are presented to persons, property, and the environment in the performing of transportation and disposal of Acceptable Waste as described in this Agreement.

2. **Services.**

2.1 **Scope.**

2.1.1 **General.**

Upon the Commencement Date, Contractor shall furnish all labor, administrative services, materials, fuel, supplies, tools, equipment, parts, facilities and any other property necessary to perform the Services in accordance with this Agreement and shall be compensated therefore pursuant to the provisions in Section 3.1. Contractor shall provide all personnel necessary to properly perform the Services. All Contractor personnel shall be properly trained, over the age of eighteen (18) and equipped with the requisite safety equipment and licensed to perform the assigned Services. All personnel used by Contractor shall be competent and skilled in the performance of the duties to which they are assigned and shall comply with all Applicable Laws and Permits and with all rules and regulations of the Facilities including, but not limited to, Operator's safety procedures at the Facilities outlined in **Exhibit 6** attached hereto.

2.1.2 **Commencement of Services.**

Contractor shall commence performing the Services in accordance with the terms of this Agreement on the Commencement Date.

2.1.3 **Acceptable Waste Provided by CRRA.**

In accordance with the terms and conditions of this Agreement, CRRA shall make available to Contractor for transportation and disposal Acceptable Waste from the Facilities and Contractor shall transport and dispose of Acceptable Waste at the Designated Landfill. The Services will cover all Process Residue and Non-processible Waste resulting from operations of the Hartford Facility and may include a portion or all Bypassed Municipal Solid Waste from the Transfer Stations or Wallingford Facility. Nothing contained in this Agreement is intended to constitute, and should not be construed as, a guaranty or warranty by CRRA to Contractor a particular volume of tonnage of Acceptable Waste for the term of this Agreement or for any other particular period of time. Contractor guarantees sufficient space at the Designated Landfill to dispose of Acceptable Waste for the term of this Agreement.

2.1.4 **Access to Facilities; Conditions.**

CRRA hereby grants to Contractor, during each Facility's normal hours of operation as provided in the Operations Plan, or any other hours as may be approved by a CRRA employee or agent, access to only those areas of the Facilities necessary for Contractor to perform its obligations under this Agreement, provided that: (a) Contractor shall not interfere with any other

operations being conducted at the Facilities by either CRRA, Operator or any other person or entity; and (b) Contractor is in compliance with all of the terms and conditions of this Agreement. If Contractor fails to comply with any of the foregoing conditions of access, CRRA shall provide Contractor with written notice of such failure and Contractor shall have thirty (30) days from the date of such notice to cure such failure. Notwithstanding the foregoing, in the event that any failure by Contractor to comply with any of the foregoing conditions of access causes an emergency situation that either interferes with any of the operations being conducted at the Facilities by either CRRA, Operator or any other person or entity (other than an interruption in the continuous loading and transport of Acceptable Waste by Contractor hereunder) or presents a safety or security hazard to the Facilities or to any personnel of CRRA or Operator working at the Facilities, then CRRA shall immediately notify Contractor of such failure and emergency situation, and upon Contractor's receipt of such notice Contractor shall take immediate action to cure such failure. If Contractor does not immediately cure such failure, then CRRA shall have the right, without any obligation to do so, to immediately cure such failure causing such emergency situation, and Contractor shall reimburse CRRA for any and all reasonable costs and expenses incurred by CRRA in taking such curative action. If, within the foregoing thirty (30) day cure period: (i) Contractor does not cure such failure, (ii) Contractor does not reimburse CRRA in full for any and all reasonable costs and expenses incurred by CRRA in taking any curative action, or (iii) CRRA, by taking any curative action, is unable to cure such failure, then such failure shall constitute a Contractor default hereunder and CRRA shall have the right to revoke the access granted to Contractor herein and to terminate this Agreement in accordance with Section 7.2 herein. Any payment obligations of Contractor under this Section 2.1.4 shall survive the termination of this Agreement.

**2.1.5 Notice of Hartford Facility or Wallingford Facility Maintenance or Shutdown.**

CRRA shall provide Contractor notice of any planned maintenance or shut-down of the Hartford Facility or the Wallingford Facility. CRRA shall also, as soon as practicable, notify Contractor of the date on which the Hartford Facility or the Wallingford Facility shall go back on-line from the planned maintenance or shut-down. CRRA agrees that, during the term of this Agreement, it shall provide Contractor with a copy of the annual schedule of planned Hartford Facility or the Wallingford Facility shutdowns as soon as the same is made available to CRRA. Contractor agrees that it will adhere to any necessary change in transportation services due to any planned maintenance or shut-down of the Hartford Facility or the Wallingford Facility pursuant to Section 2.2.7 herein.

#### **2.1.6 Storage of Trailers.**

CRRA covenants and agrees that, during the term of this Agreement, it shall provide sufficient space at the Hartford Facility for the storage by Contractor of Trailers containing Non-processible Waste and Process Residue, which shall conform to the requirements of the Hartford Facility.

#### **2.1.7 Direction of Services.**

CRRA may, where deemed reasonably necessary by CRRA, provide Contractor with instructions, guidance and directions in connection with Contractor's performance of the Services hereunder, and Contractor shall strictly and promptly comply with such instructions, guidance and directions.

#### **2.1.8 CRRA's Inspection Rights.**

CRRA shall have the right at all times during Contractor's performance of Services to inspect and observe Contractor's performance of the Services hereunder.

#### **2.1.9 Contractor Cooperation.**

Contractor shall perform all the Services in cooperation with CRRA and all CRRA contractors and/or agents. Such cooperation shall include, but not be limited to, routine reporting, and communications with CRRA and other parties. Such cooperation shall also involve scheduling of staff and Services hereunder, without limitation. Under no circumstances shall Contractor speak to or otherwise communicate with the press or any other media regarding its performance of Services under this Agreement. Contractor shall direct all inquiries from the press or any other media to CRRA.

#### **2.1.10 Performance of Services.**

Contractor shall perform and complete the Services hereunder in accordance with: (1) all instructions, guidance and directions deemed reasonably necessary by CRRA to Contractor; (2) the terms and conditions of this Agreement, including all exhibits and attachments hereto; (3) good industry standards applicable to Contractor and its performance of the Services hereunder; (4) highest level of professionalism, courtesy, and customer service both in its performance of the Services and in its interaction with CRRA's customers hereunder, including but not limited to, minimizing any interference or interruption with CRRA customers; and (5) all Applicable Laws, including but not limited to, any successor or additional federal, state and local laws, rules or regulations that may be promulgated by any governmental authority having jurisdiction over the CRRA, the Designated Landfill, or Services (hereinafter collectively referred to as the "Standards"). Contractor shall perform the Services such that the amount of

Acceptable Waste is transported, all in a manner that will maximize the economic benefit to CRRA and the Facilities.

## 2.2 Transportation and Disposal Services.

### 2.2.1 General.

Contractor shall transport and dispose of all Acceptable Waste from the Facilities to the Designated Landfill which is permitted and licensed to accept such Acceptable Waste pursuant to, but not limited to, the Scope of Services. Process Residue and Non-processible Waste shall be picked up by Contractor at the Hartford Facility in accordance with the Operations Plan. Bypassed Municipal Solid Waste shall be picked up by Contractor at the Transfer Stations or the Wallingford Facility or occasionally at the Hartford Facility, (1) upon notice by CRRA on the close of business on Thursday of a planned outage, by the following Monday, and (2) upon notice by CRRA of an emergency outage, within twenty four (24) hours of notice by CRRA, all in accordance with the Operations Plan.

### 2.2.2 Equipment. [This section will have to be adjusted if Contractor will use railways for transportation. Parties will agree to equipment terms at time such Proposal, if any, is accepted.]

Contractor shall own, lease or otherwise provide sufficient equipment, including, without limitation, transport vehicles and Trailers, to perform the Services hereunder. Contractor must adhere to and perform in accordance with its Operations Plan. All trucks and Trailers used by Contractor in the performance of the Services hereunder shall comply with all Applicable Laws, including but not limited to Environmental Laws, governing the transportation and disposal of Acceptable Waste hereunder, and all such trucks and Trailers shall be leak proof and covered throughout the entire trip from the Facilities to the Designated Landfill. Trailers must be capable of being top loaded. Trailers are to be provided with automatically activated and controlled tarp covers. The tarp covers shall enclose the entire length and width of the body of the Trailer and shall ensure that no Acceptable Waste or particulate matter, residue or dust emanates from or under the cover. In order to ensure no spillage, the tarp covers shall be placed on the Trailers immediately after the Trailers are loaded with Acceptable Waste at the Facilities by the Operator. All drivers employed by Contractor shall insure that there is no Acceptable Waste on the truck frame, body or cab prior to leaving the Acceptable Waste reception and load-out area at the Facilities and shall insure that Trailers are properly sealed and covered prior to departure from the Facilities. Contractor shall maintain all vehicles used in the performance of the Services in good condition and working order. CRRA shall have the right to refuse admittance to or exit from the Facilities of any vehicle that in its discretion is not so maintained. All vehicles shall have Contractor's name painted on the outside of each vehicle in letters at least six (6") inches high or bear such other

means of identification as may be acceptable to CRRA and Operator. Any vehicle, Trailer or other equipment that requires maintenance or repair shall be removed from the Facilities promptly by Contractor at its sole cost and expense and shall be maintained and repaired in accordance with manufacturer's specifications. No refueling shall be permitted at the Facilities.

### 2.2.3 Operations.

(a) CRRA shall cause Operator to load all Acceptable Waste into Contractor's Trailers at the Acceptable Waste Loading Area. All loading of Acceptable Waste shall be done in accordance with the Operations Plan and the Permits. Contractor shall fully cooperate and comply with the instructions of CRRA, CRRA's agents and Operator in its performance of the Services under this Agreement including, but not limited to, coordinating and scheduling the loading of Contractor's Trailers at the Acceptable Waste Loading Area. Contractor covenants and agrees that it shall, at all times during the term of this Agreement, provide an adequate number of Trailers so as to insure that no interruption of each Facility's Acceptable Waste loading operations occurs during the term of this Agreement.

(b) Contractor shall transport Acceptable Waste from the Facilities at such times and in the manner set forth in the Operations Plan and the Permits. After the Trailers are loaded with Acceptable Waste at the Facilities and covered by Operator with the trailer covers, Contractor shall not remove or add any Acceptable Waste or other materials from the Trailers from the time the Trailers are driven away from the Facilities until the load is delivered to the Designated Landfill. Contractor shall have a continuing obligation to protect against spillage or leakage of Acceptable Waste from its Trailers at all times after Acceptable Waste is loaded into the Trailers and covered by Operator, removed from the Facilities, and transported and delivered to the Designated Landfill.

(c) Each of Contractor's incoming empty Trailers, and each of Contractor's out-going Trailers loaded with Acceptable Waste, shall be weighed at each Facility's scale. The amount of Acceptable Waste provided to Contractor at each Facility shall be determined by certified scales at each Facility. The scales are operated and maintained by Operator and shall at least annually be certified as accurate in accordance with the standards set by Applicable Laws. CRRA shall cause Operator to provide Contractor's drivers with weight tickets from the certified scales at each Facility for all Acceptable Waste provided to Contractor. Contractor may have its representatives present at each Facility at any time to observe and verify the accuracy of the weighing of Acceptable Waste in accordance with the provisions of this subsection (c). During any period when there are no certified scales in operation at a Facility, CRRA will require Contractor to perform off-site weighing of Acceptable Waste loads at a certified scale designated by CRRA.

(d) Contractor shall implement the Operations Plan and shall provide notice to Operator and CRRA of any difficulties in such implementation. The parties shall cooperate in making temporary or permanent modifications to the Operations Plan which do not impair or hinder the operations of the Facilities or increase the costs of Operator, CRRA or Contractor.

(e) Contractor shall be fully responsible for the clean-up of any Acceptable Waste that is spilled during the transportation and disposal of the Acceptable Waste on any public or private road, railway or property. Contractor must act immediately, diligently and with all due dispatch to respond to the spill and to initiate clean-up activities in accordance with all Applicable Laws, and Contractor shall indemnify CRRA for and hold CRRA harmless against any and all claims or damages arising from or in connection with any such spill or clean-up activities. If clean-up of a spill is not initiated with all due haste by Contractor, CRRA, at its option but without any obligation to do so, may perform any clean-up not performed by Contractor and may deduct from any amount otherwise due to Contractor hereunder the costs incurred by CRRA in connection with any such clean-up.

(f) Contractor shall sweep clean the floor and sides of each and every Acceptable Waste hauling vehicle with a stiff bristle push broom immediately after each delivery of Acceptable Waste, depositing the Acceptable Waste generated from the sweeping activity in the Designated Landfill. The sweeping activity shall be conducted until the sides and floor of the Acceptable Waste hauling portion of the vehicle is appear visually "broom clean." In the event that the waste hauling vehicle will not be used to transport, or "back haul", another material or commodity, but instead will be used solely to transport Acceptable Waste on a dedicated basis from the Facilities to the Designated Landfill, broom cleaning of the hauling vehicle is not required.

(g) Contractor shall be responsible at its sole cost and expense for the repair and replacement of each Facility's equipment and structures damaged as a result of Contractor's negligence.

#### 2.2.4 **Testing of Waste.**

CRRA shall use commercially reasonable efforts to insure that all solid waste it provides for transportation and disposal to Contractor constitutes Acceptable Waste. In order to confirm that waste in the Trailers is Acceptable Waste, Contractor shall have the right to inspect Trailers and test waste at each Facility before transporting. The cost of any test shall be borne by Contractor.

In the event that Contractor discovers Unacceptable Waste in any load, Contractor shall attempt to segregate such Unacceptable Waste from the load and remove the Unacceptable Waste (if permitted to do so under Applicable Law). If the amount or type of Unacceptable Waste in a load is impractical to



segregate from the Acceptable Waste, Contractor may reject the entire load prior to transporting the load from the Facilities and the storage, transportation and disposal of such waste shall be the responsibility of CRRA.

**2.2.5 Title to Acceptable Waste.**

Title to Acceptable Waste shall pass to Contractor upon removal, whether by picking up a Trailer, or otherwise, at the Facilities for transportation to the Designated Landfill, whether or not Contractor elects to test such waste for acceptability. At no time shall title to Acceptable Waste revert back to CRRA after title passes to Contractor, regardless of any Change in Law.

**2.2.6 Method of Transportation of Acceptable Waste.**

Contractor shall transport all Acceptable Waste hereunder, along the routes designated in the Operations Plan, to the Designated Landfill for the entire term of this Agreement. Designated routes within the town or city where the Facilities are located or such routes as may be reasonably required by CRRA, may be altered by CRRA upon notice to Contractor.

**2.2.7 Change in Transportation Services.**

In the event that CRRA determines during the term of this Agreement that any revisions, modifications or changes to the transportation and disposal services, as set forth in Section 2.2 herein, are necessary, including, with limitation, a Hartford Facility shutdown according to Section 2.1.5, then pursuant to CRRA's request Contractor shall promptly commence and perform the work required for such revisions, modifications or changes, which work shall be performed by Contractor unless otherwise agreed to in writing by CRRA and Contractor. If any adjustment(s) to the Service Fees set forth in **Exhibit 1** is required, CRRA and Contractor shall mutually agree in writing on the amount of such adjustment(s) provided that the values for the existing services, to the extent applicable, shall be used to determine the appropriate increase or decrease for such adjustments. Contractor shall promptly commence and perform any work required by such revisions, modifications or changes even if CRRA and Contractor cannot agree on the amount of such adjustment(s).

**2.2.8 Authorized Subcontracting.**

**[IF APPLICABLE]** Contractor's obligations under this Section 2.2 may be performed pursuant to a Subcontract approved by CRRA in accordance with the terms of this Agreement, but in any event Contractor shall remain directly responsible for the performance of all obligations under this Agreement.

## 2.3 **Disposal Services.**

### 2.3.1 **General.**

Contractor shall accept and dispose of all Acceptable Waste at the Designated Landfill only, unless otherwise agreed to by CRRA in writing in advance.

### 2.3.2 **Delivery Confirmation.**

At the Designated Landfill, Contractor shall obtain a receipt showing that the load has been delivered. All Acceptable Waste shall be weighed at the Designated Landfill and Contractor shall obtain a weight ticket showing the amount of Acceptable Waste delivered. All shipping documents and delivery receipts, including load weights for such loads, shall be delivered to CRRA. All scales used at the Designated Landfill shall at least annually be certified as accurate in accordance with the standards set by Applicable Laws.

In the event that the weight ticket issued by the Designated Landfill for any given load reflects an amount that is materially more or less than the amount shown on the weight ticket issued by CRRA at the Facilities for such load, then the parties agree to promptly and diligently investigate the reasons for such material difference and to cooperate with each other in such investigation. Any costs associated with re-weighing the Acceptable Waste at the Designated Landfill shall be borne by Contractor. In the event that Acceptable Waste was unloaded from a Trailer prior to disposal at the Designated Landfill, or any materials were added to the Acceptable Waste, then Contractor shall be deemed to be in default of this Agreement under Section 7.2 hereof. For the purposes of this Section 2.3.3, the term "material" shall mean an amount on the weight ticket issued by the Designated Landfill that is one (1%) percent more or less than the amount shown on the weight ticket issued by CRRA.

### 2.3.3 **Notice of Change.**

Contractor shall immediately provide CRRA with written notice of any change or changes in the Designated Landfill or the operations thereof. Contractor shall immediately notify CRRA upon receipt of any notice, claim, letter of non-compliance, potential violation or suit or proceeding received from any Governmental Authority, adjacent property owner, citizen suit, third party or any Person relating to the Designated Landfill.

### 2.3.4 **Inspection Rights.**

(a) CRRA may, at its option and upon reasonable notice and during normal operating hours, inspect the condition of and manner of operation at the Designated Landfill, and review Permits, permit applications and operating plans for the Designated Landfill. Contractor acknowledges that CRRA shall have no

obligation to conduct such inspections and reviews, and that CRRA's failure to do so shall in no event constitute a waiver of Contractor's responsibility to comply with all Applicable Laws.

(b) In the event that CRRA, in the course of its inspection and review conducted under 2.3.4(a), discovers any violation by Contractor or any of its employees, subcontractors, or agents of any provision in this Agreement or any Applicable Laws, CRRA shall first provide Contractor with immediate notice of such violation and Contractor shall be wholly responsible for making any other required notifications pursuant to Applicable Law, including to Governmental Authorities. Contractor shall have the opportunity to cure such violation in accordance with Applicable Laws and the terms of Section 7.2 hereof.

### 2.3.5 **Authorized Subcontracting.**

**[IF APPLICABLE]** Contractor's obligations under Section 2.3 may be performed pursuant to a Subcontract approved by CRRA in accordance with the terms of this Agreement, but in any event Contractor shall remain directly responsible for the performance of all obligations under this Agreement.

## 3. **Service Fees and Payments.**

### 3.1 **Service Fee.**

From and after the Commencement Date, the Service Fee shall compensate the Contractor for all Services provided under this Agreement, including but not limited to the cost of all labor, equipment, utilities, fuel, chemicals, materials, supplies, insurances and financial security instruments, permits and authorizations, and third-party services and equipment.

The Service Fee shall be based on the Transportation Prices, Disposal Prices, Fuel Surcharge calculation as set forth in **Exhibit 1, Table 1** of this Agreement. Adjustment for Unforeseen Circumstances shall be made as prescribed by this Agreement.

Pursuant to Section 12-412 (88) of the Connecticut General Statutes, the provision of Services under this Agreement is exempt from the payment of sales and use tax under Section 22a-270 of the Connecticut General Statutes, and the Transportation Prices and Disposal Prices provided for in this Agreement do not include any such tax.

### 3.2 **Fuel Surcharge Adjustment**

Transportation Prices for truck transportation shall be subject to a monthly Fuel Surcharge. For every ten-cent (\$0.10) increase or decrease in the average price per gallon of diesel fuel (which for the purposes of this Section is agreed by the

parties to be \$3.500 as of the Contract Date), each Transportation Price shall be increased or decreased by the amount prescribed in **Exhibit 1, Tables 2 and 3**. Calculations shall be effective as of the first day of each month. The United States Bureau of Labor Statistics Average Price Data, Series ID: APU010074717, Northeast Urban, Automotive Diesel Fuel shall be used as the basis for the determination of average per gallon diesel prices that will be applied to calculate the adjustment.

### 3.3 **Billing and Payment.**

On or before the twentieth (20th) day of each month, Contractor shall issue to CRRA an itemized invoice for the charges due Contractor for all Acceptable Waste transported and disposed of by Contractor hereunder the immediately preceding month, which invoice shall include, at a minimum, the following information: (i) billing period; (ii) for each load of Acceptable Waste: the date of transportation, truck number, tonnage amount, the weight ticket number issued by the Facilities for such load, a copy of the weight ticket issued by the Designated Landfill for such load; and (iii) the amount(s) of the applicable per Ton Service Fee due. The Acceptable Waste tonnage set forth on all invoices to be prepared and submitted by Contractor hereunder shall be based upon weight tickets issued by the Operator or the operator of another scale approved by CRRA. Except as otherwise set forth herein, all of Contractor's invoices submitted under this Agreement shall be paid by CRRA not later than forty-five (45) days from the date of CRRA's receipt thereof. Invoices shall be payable at the address specified for Contractor herein or at such other address as Contractor may specify pursuant to Section 10.

### 3.4 **Invoice Disputes**

In the event that CRRA disputes any amounts billed by the Contractor, CRRA may either (i) pay the disputed amount when otherwise due and provide the Contractor with a written statement indicating the amount that is being disputed, providing all reasons known to CRRA for its objection to or disagreement with such amount, or (ii) withhold payment of the disputed amount and provide the Contractor with written objection as aforesaid within the time when such amount would otherwise have been payable. When any billing dispute is finally resolved, if payment by CRRA to the Contractor of amounts withheld by CRRA or amounts paid under protest is required, such payment shall be made within 45 days of the date of resolution.

## 4. **Indemnification.**

### 4.1 **General Indemnity.**

Contractor shall at all times protect, defend, indemnify and hold harmless CRRA and its board of directors, officers, agents and employees from and against any

and all liabilities, actions, claims, damages, losses, judgments, workers' compensation payments, costs and expenses (including but not 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) CRRA or any of its directors, officers, agents or employees, or (b) Contractor or any of its directors, officers, employees, agents or subcontractors, or (c) any other person, to the extent any such injuries, damage or damages are caused or alleged to have been caused in whole or in part by the acts, omissions or negligence of Contractor or any of its directors, officers, employees, agents or subcontractors. Contractor further undertakes to reimburse CRRA for damage to property of CRRA caused by Contractor or any of its directors, officers, employees, agents or subcontractors. The existence of insurance shall in no way limit the scope of this indemnification. Contractor's obligations under this Section 4 shall survive the termination or expiration of this Agreement.

Contractor shall be liable for, and indemnify CRRA for, any environmental contamination or violations of any Environmental Laws caused by or resulting from the performance of the Services provided for in this Agreement by Contractor or its agents.

#### **4.2 Contribution and Waiver.**

Contractor shall also indemnify, defend and hold harmless, and hereby waives any claim for contribution against CRRA and/or any of its directors, officers, agents and employees, for any Environmental Claim arising in whole or in part from the performance under this Agreement by Contractor, or any of its directors, officers, agents, employees, subcontractors, representatives or partners, irrespective of whether such performance is negligent or willful or breaches any term or provision of this Agreement.

#### **4.3 Scope.**

For purposes of Subsections 4.1 and 4.2 above, (i) the term Contractor shall mean and include Contractor, and/or any of its directors, officers, employees, agents, subcontractors, representatives or partners, and (ii) the term CRRA shall mean and include Operator, and/or any of its directors, officers, employees, agents, subcontractors, representatives or partners.

#### **4.4 Survival.**

The indemnities contained in this Section 4 of this Agreement shall survive the cancellation, expiration or termination of this Agreement.

5. **Insurance and Performance Security.**

5.1 **Insurance**

At all times during the term of this Agreement, Contractor shall, at its sole cost and expense, procure and maintain insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the work hereunder performed by the Contractor, its agents, employees or subcontractors and specifically identified in Subsection 5.2.

(a) **Minimum Scope of Insurance.** Coverage shall be at least as broad as:

1. Commercial General Liability insurance as specified by Insurance Services Office (occurrence, CG 0001).
2. Automobile Liability insurance as specified by Insurance Services Office, form number CA 0001, Symbol 1 (any auto) and with an MCS 90 endorsement and a CA 9948 endorsement attached if "pollutants" as defined in exclusion 11 of the commercial auto policy are identified.
3. Workers Compensation insurance as required by the state in which work is being done and Employers Liability insurance.
4. Pollution Legal Liability

The Contractor must furnish a certificate of insurance for Pollution Legal Liability with coverage for:

- a. bodily injury, sickness, disease, mental anguish or shock sustained by any person, including death;
- b. property damage including physical injury to or destruction of tangible property including the resulting loss of use thereof, clean up costs, and the loss of use of tangible property that has not been physically injured or destroyed;
- c. defense including costs, charges and expenses incurred in the investigation, adjustment or defense of claims for such compensatory damages.

For losses that arise from the insured facility (the Designated Landfill).

Coverage shall apply to sudden and non-sudden pollution conditions including the discharge, dispersal, release or escape of smoke, vapors, soot, fumes, acids, alkalis, toxic chemicals, liquids or gases, waste

materials or other irritants, contaminants or pollutants into or upon land, the atmosphere or any watercourse or body of water, which results in bodily injury or property damage.

(b) Minimum Limits of Insurance. Contractor shall maintain limits no less than:

1. General Liability: \$5,000,000 per occurrence for bodily injury, personal injury and property damage. If Commercial General Liability insurance or another equivalent coverage form with a general aggregate limit is used, either the general aggregate limit shall apply separately to the Services provided under this Agreement or the general aggregate limit shall be twice the required occurrence limit.
2. Automobile Liability: \$1,000,000 per accident for bodily injury and property damage, \$5,000,000 if "pollutants", as defined in CA 0001 exclusion 11, are identified.
3. Workers' compensation: Statutory limits.
4. Employer's Liability: \$1,000,000 per accident for bodily injury or disease.
5. Pollution Legal Liability: \$5,000,000 per loss/\$10,000,000 annual aggregate.

## 5.2 Additional Insurance Requirements.

(a) Deductibles and Self-insured Retentions. Any deductibles or self-insured retentions must be declared to and approved by CRRA. If any person is owed, pursuant to any policy required hereunder, any sum which is subject to a deductible, Contractor shall pay such deductible.

(b) Other Insurance Provisions. All policies are to contain, or be endorsed to contain, the following provisions:

1. CRRA, its subsidiaries, officials and employees are to be covered as additional insureds as respects: liability arising out of activities performed by or on behalf of the Contractor; products and completed operations of the Contractor; premises owned, occupied or used by the Contractor, or automobiles owned, leased, hired or borrowed by the Contractor. The coverage shall contain no special limitations on the scope of protection afforded to CRRA, its subsidiaries, officials and employees. The Contractor also agrees to notify CRRA thirty (30) days in advance of any cancellation or

change to insurance coverages shown on the certificate. The policies shall also include a standard severability of interest clause and hold CRRA free and harmless from all subrogation rights of any insurer.

2. For any claims related to the Services provided under this Agreement, the Contractor's and any subcontractor's insurance coverage shall be primary insurance as respects CRRA, its subsidiaries, officials and employees. No contributions are permitted from any insurance or self-insurance maintained by CRRA, its subsidiaries, officials and employees.
3. The Contractor's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability.
4. Each insurance policy required by this section shall be endorsed to state that coverage shall not be suspended, voided, changed, modified, altered, non-renewed or canceled by either party, reduced in coverage or in limits except after thirty (30) days' prior written notice by certified mail, return receipt requested, has been given to CRRA.
5. If any of the aforementioned insurance policies are written on a claims-made basis, the Contractor warrants that continuous coverage will be maintained or an extended discovery period will be exercised for a period of two years beginning from the time the Services under this Agreement are completed.

(c) Acceptability of Insurance. Insurance is to be placed with insurers with a current A.M. Best rating of no less than A- VII, and who are licensed to do business in Connecticut, unless otherwise approved by CRRA.

(d) Verification of Coverage. Upon the execution of this Agreement and, at any time during the term hereof, Contractor shall furnish CRRA with copies of the original endorsements affecting the coverage required under this Agreement. A certificate of coverage is also required. The certificates are to be signed by a person authorized by that insurer to bind coverage on its behalf. All certificates are to be received and approved by CRRA before work commences. As an alternative to the CRRA receiving certificates of insurance, the Contractor's insurer may provide complete, certified copies of all required insurance policies, including endorsements affecting the coverage required by these specifications.

(e) Subcontractors. Contractor shall include all subcontractors as insureds under its policies or shall furnish separate certificates and endorsements for each



subcontractor. All coverages for subcontractors shall be subject to all of the requirements stated herein.

### 5.3 **Performance Security.**

Upon Contractor's execution of this Agreement, Contractor shall furnish CRRA with a performance bond (the "Bond") in the amount of five million dollars (\$5,000,000.00). The Bond shall be in one of the forms set forth in **Exhibit 4** and shall be issued and executed by a surety acceptable to CRRA. Contractor shall maintain the Bond in full force and effect during the term of this Agreement. The Bond shall be automatically renewed by Contractor on an annual basis, unless not later than ninety (90) days prior to the then current expiration date of the Bond, Contractor notifies CRRA by registered mail that the surety of the Bond elects not to renew such Bond. Failure to maintain or renew the Bond under the aforesaid terms shall constitute a default by Contractor under Section 7.2 of this Agreement. If the surety on the Bond furnished by Contractor is declared a bankrupt or becomes insolvent or its right to do business is terminated in the State of Connecticut or it ceases to meet the above requirements or the surety elects not to renew the Bond due to no fault of Contractor, Contractor shall immediately substitute another bond and surety, subject to the requirements set forth in this Section 5.3. In the event Contractor fails to perform any of its obligations under this Agreement, CRRA shall have the right, in addition to all other rights and remedies available to CRRA hereunder or otherwise, to exercise any or all of CRRA's rights and remedies under the Bond.

## 6. **Uncontrollable Circumstances.**

### 6.1 **General.**

In the event either party is rendered unable, wholly or in part, by an Uncontrollable Circumstance, to carry out any of its obligations under this Agreement, then the obligations of such party, to the extent affected by such an Uncontrollable Circumstance and to the extent that such party is using its best efforts to mitigate damages caused by such Uncontrollable Circumstance and to resume performance at the earliest practicable time, shall be suspended during the continuance of any inability so caused by the Uncontrollable Circumstance but for no longer period. In the event that either party is unable to perform due to an Uncontrollable Circumstance for a period of ninety (90) days or more, the other party may terminate this Agreement in accordance with Section 7.2 hereof.

### 6.2 **Notice of Uncontrollable Circumstances.**

Either party shall notify the other by telephone on or as soon as possible after the date of experiencing an Uncontrollable Circumstance, followed as soon as practicable by a written notice of:

- (a) the Uncontrollable Circumstance and cause(s) thereof (if known);
- (b) its estimated duration and impact, if any, on the performance of any obligations under this Agreement;
- (c) the measures being taken to remove or mitigate the effect of such Uncontrollable Circumstance.

Additionally, such party shall provide prompt written notice to the other of the cessation or avoidance of such Uncontrollable Circumstance.

7. **Default and Termination; Remedies.**

7.1 **CRRA Default in Payment.**

In the event CRRA defaults in the payment of any sum when due hereunder, unless such default is cured within thirty (30) days after CRRA's receipt of written notice thereof from Contractor, Contractor may terminate this Agreement by written notice to CRRA of such intention.

7.2 **Contractor Default.**

The occurrence of any of the following events shall constitute a "Contractor Default":

- (a) Contractor fails to provide constant daily Services as required by this Agreement which disrupts the continuous loading or transport and disposal of Acceptable Waste by Contractor as required hereunder;
- (b) Contractor fails to maintain its insurance as required under Section 5.0 of this Agreement;
- (c) Contractor fails to maintain any Permits, licenses or approvals issued by any Governmental Authority for the continued use and operation of the Designated Landfill or to provide transportation services under this Agreement;
- (d) Contractor fails to perform any other obligations or covenants under this Agreement and such failure shall continue for thirty (30) days after the date Contractor receives notice from CRRA of such failure, provided that, subject to the prior approval of CRRA, in the case of any matter that is not reasonably susceptible to cure within such thirty (30) day period, such cure period may be extended for such additional time as may be reasonably necessary to complete such cure with diligence, not to exceed ninety (90) days in total, or Contractor fails to perform any such obligations or covenants more than twice within any ninety (90) day period, regardless of whether such failures are cured within any applicable notice and cure period;

(e) Contractor breaches any representation or warranty referenced herein, including, without limitation, any representations and warranties under section 1.3.1;

(f) Contractor or CRRA receives notice that the Designated Landfill is placed on the National Priorities list, CERCLIS, or other similar federal or state list; or

(g) Contractor commits an Act of Bankruptcy.

Upon the occurrence of a Contractor Default, CRRA shall have the right, but not the obligation, to (1) immediately cure such failure causing such disruption, and Contractor shall reimburse CRRA for any and all actual damages, including, but not limited to, the amount by which the actual costs of transportation and disposal incurred by CRRA exceeds the Fees provided under this Agreement, attorneys fees, consultant cost and fees, surcharges or other fees and expenses incurred by CRRA in taking such curative action within thirty (30) days after the receipt by Contractor of an invoice from CRRA for such actual damages; (2) terminate this Agreement by written notice to Contractor of such intention and/or pursue any and all other rights and/or remedies that CRRA may have against Contractor at law or in equity; and/or (3) seek to enforce the terms and covenants contained herein through specific performance or other such equitable relief as may be decreed or ordered or injunctive relief by a court of competent jurisdiction in addition to all other rights and remedies available at law, equity, or provided for in this Agreement. **[CRRA reserves the right to include a liquidated damages provision].**

All of the rights of CRRA hereunder shall be cumulative and may be exercised singly, together, or in such combination or order as CRRA may determine from time to time in its sole discretion. The exercise of any remedy hereunder shall not prohibit the exercise of other remedies available to CRRA under this Agreement or provided by law. CRRA's delay or failure to exercise any of its rights or powers contained herein shall not impair such rights or powers or be construed as a waiver of such remedies.

Any payment obligations of Contractor under this Section 7.2 shall survive the cancellation, expiration, interruption or termination of this Agreement.

## 8. **Compliance with Laws.**

Each party agrees that in the performance of its respective obligations hereunder, it will, and in the case of Contractor, Contractor will require its subcontractors to, qualify under, and comply with any and all Applicable Laws now in force and which may hereafter, during the term of this Agreement, be passed and become effective, applicable to it and its employees performing said obligations.

9. **Term; Renewal Options.**

(a) The base term of this Agreement shall begin on the Commencement Date and shall terminate, unless otherwise terminated or extended in accordance with the terms and provisions hereof,

(i) with respect to Services at and from the Hartford Facility or the Transfer Stations, at 11:59 p.m., on June 30, 2015, provided that so long as the extension conditions set forth in subsection (b) below are met, Contractor may extend the term of this Agreement as to such Services for up to two (2) additional, two (2)-year renewal terms: the first renewal term to be effective as of time of expiration of the original base term of this Agreement as to such Services and continuing until 11:59 p.m., on June 30, 2017; and, the second renewal term as to such Services to be effective as of the time of expiration of the first renewal term and continuing until 11:59 p.m. on June 30, 2019; and

(ii) with respect to Services at and from the Wallingford Facility, at 11:59 p.m. on June 30, 2010, provided that so long as the extension conditions set forth in subsection (b) below are met, Contractor may extend the term of this Agreement as to such Services for up to five (5) additional, one (1)-year renewal terms: the first renewal term to be effective as of time of expiration of the original base term of this Agreement as to such Services and continuing until 11:59 p.m., on June 30, 2011; and, any successive renewal term, up to four (4) additional renewal terms, commencing upon the expiration of the previous renewal term and continuing until 11:59 p.m. on June 30 of the following year, but in no event continuing later than 11:59 p.m. on June 30, 2015.

(b) Contractors rights to extend the term of this Agreement as contemplated by Section 9(a), shall be subject to the satisfaction of the following conditions:

(i) Contractor shall have given CRRA written notice of Contractor's intent to renew this Agreement as to all Services not later than six (6) months prior to the then-current expiration date of the initial base term or any renewal term, as the case may be (a "**Renewal Notice**"), time being of the essence;

(ii) Contractor shall have effectively exercised Contractor's extension rights as to the Services under this Agreement at each and every prior extension option arising under Section 9(a); and

(iii) All of Contractors' representations and warranties contained in this Agreement shall be true, accurate and complete, in all material respects, and Contractor shall not be in default of its obligations under this

Agreement, in each case, as of date of the Renewal Notice and as of effective date of the pertinent renewal term.

If Contractor effectively extends the term of this Agreement as to any Services as contemplated by subsections (a) and (b) of this Section 9, CRRA shall confirm the same in writing to Contactor and this Agreement shall continue in effect. If Contractor does not effectively extend the term of this Agreement, CRRA shall advise Contractor accordingly in writing and this Agreement shall terminate as to [such Services as were the subject of such renewal option] [DISCUSS]

10. **Notices.**

10.1 **General.**

All notices, demands, requests, proposals, consents or other communications whatsoever which this Agreement contemplates, authorizes, requires or permits any party to give to the other party, except as provided in Subsection 10.2, shall be in writing and shall be personally delivered or sent by overnight express mail service or registered or certified mail, return receipt requested, addressed to the respective party as specified in this Subsection 10.1. Any notice shall be deemed delivered on the date of personal delivery, the day after such notice is sent via overnight express mail service or, if by registered or certified mail, on the fifth (5th) business day after deposit in the mail.

Notices to Contractor shall be addressed and sent to:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Notices to CRRA shall be addressed and sent to:

Connecticut Resources Recovery Authority  
100 Constitution Plaza, 6<sup>th</sup> Floor  
Hartford, Connecticut 06103  
Attention: President

With a copy to:

Connecticut Resources Recovery Authority  
100 Constitution Plaza, 6<sup>th</sup> Floor  
Hartford, Connecticut 06103  
Attention: Director of Operations

Connecticut Resources Recovery Authority  
100 Constitution Plaza, 6<sup>th</sup> Floor  
Hartford, Connecticut 06103  
Attention: Director of Legal Services

Any party may from time to time designate an alternative address by notice to the other party given in accordance with this subsection.

10.2 **Routine Notices.**

Except when expressly required by this Agreement to be in writing, routine communications and advises relating to day to day operations of the parties at the Facilities may be given orally or in writing, but need not be in the form of a formal written notice to be operative.

10.3 **Emergency Notification.**

Contractor shall immediately notify CRRA and Operator by telephone and telecopier facsimile of the occurrence of a property lien, spill, fire, explosion or other emergency or accident requiring notification of any governmental entity, and Contractor shall be responsible for complying with all applicable Legal Requirements concerning notification with respect to such event. Contractor shall notify CRRA immediately of the occurrence of a notice of violation or other regulatory action arising out of this Agreement. Such notification shall be made formally by written notice to CRRA indicating the nature of any action affecting this Agreement and describing all corrective and remedial action undertaken or planned.

11. **Subcontractors.**

Contractor shall consult with CRRA before hiring any subcontractors to perform any Services hereunder. Except in the case of an emergency, which impairs or threatens to impair Contractor's performance hereunder, Contractor shall not enter into, or award any [other] subcontracts without CRRA's prior written consent. Contractor shall require all of its subcontractors, in writing, to abide by the terms and conditions of this Agreement, including, without limitation, compliance with all Applicable Laws. CRRA shall have the right to require any subcontractor, in writing, to make certain representations, warranties or covenants applicable to the services to be provided by such subcontractor. Moreover, the subcontracts between Contractor and such subcontractors shall specifically provide that, in the event of a default by Contractor under this Agreement, CRRA may directly enforce such subcontracts and make payments thereunder. Contractor shall provide CRRA with copies of all such subcontracts and all other contracts, amendments, books, records, accounts, correspondence and other materials necessary to enforce such subcontracts. Also the subcontracts between Contractor and its subcontractors shall specifically include

CRRA as a third party beneficiary and shall provide that such subcontractors shall not be excused from any of their obligations under such subcontracts by reason of any claims, setoffs, or other rights whatsoever that they may have with or against Contractor other than through such subcontracts.

**[CRRA reserves the right to add representations and warranties regarding any subcontract in force at the time of commencement of this Agreement, together with covenants regarding enforcement thereof.]**

12. **Waiver.**

The waiver by any party of any breach or violation of any term or condition of this Agreement shall only be valid if in writing and signed by the waiving party and shall not be deemed to be or construed as a waiver by such party of any other term or condition or of any subsequent breach or violation of the same or any other term or condition.

13. **Assignment.**

This Agreement shall not be assigned or transferred by any party without the prior written consent of the other party or any such assignment or transfer shall be void.

14. **Relationship of the Parties.**

Nothing in this Agreement shall be deemed to constitute any party a partner, agent or legal representative of the other party or to create any employment, agency or fiduciary relationship between the parties.

15. **Governing Law.**

This Agreement shall be governed by, and construed, interpreted and enforced in accordance with the laws of the State of Connecticut as such laws are applied to contracts between Connecticut residents entered into and to be performed entirely in Connecticut; provided, however, that in the event of a conflict between the laws of the State of Connecticut and a permit issued by any federal, state or local governmental authority, the terms of such permit shall control.

16. **Agent for Service.**

Contractor irrevocably: (a) agrees that any suit, action or other legal proceeding arising out of this Agreement must be brought in the courts of record of the State of Connecticut or the courts of the United States located within the State of Connecticut; (b) consents to the jurisdiction of each such court in any such suit, action or proceeding; and (c) waives any objection which it may have to the laying of the venue of any such suit, action or proceeding in any of such courts.

During the term of this Agreement Contractor designates The Secretary of State for the State of Connecticut, whose business address is 30 Trinity Street, Hartford, Connecticut 06106, as its agent (the "Agent") to accept and acknowledge on Contractor's behalf service of any and all process in any such suit, action or proceeding brought in any such court, and Contractor agrees and consents that any such service of process upon Agent shall be taken and held to be valid personal service upon Contractor whether or not Contractor shall then be doing, or at any time shall have done, business within the State of Connecticut and that any such service of process shall be of the same force and validity as if service were made upon Contractor according to the laws governing the validity and requirements of such service in the State of Connecticut, and Contractor waives all claims of error by reason of service on the Agent instead of Contractor. Agent shall not have any power or authority to enter any appearance or to file any pleadings in connection with any suit, action or other legal proceeding.

17. **Severability.**

In the event that any provision of this Agreement shall for any reason be determined to be invalid, illegal, or unenforceable in any respect, the parties hereto shall attempt to agree to such amendments, modifications or supplements of or to this Agreement or such other appropriate actions as shall, to the maximum extent practicable in light of such determination, implement and give effect to the intentions of the parties as reflected herein, and the other provisions of this Agreement shall, as so amended, modified or supplemented, or otherwise affected by such action, remain in full force and effect.

18. **Modification.**

This Agreement may not be amended, modified, or supplemented except by a writing signed by the parties hereto that specifically refers to this Agreement. Any oral representations or letters by the parties or accommodations shall not create a pattern or practice or course of dealing contrary to the written terms of this agreement unless this Agreement is formally amended, modified, or supplemented.

19. **Entirety.**

This Agreement supersedes all prior representations, negotiations and verbal or written communications by and between the parties hereto relating to the subject matter hereof and constitutes the entire agreement among the parties hereto in respect thereof.



20. **Counterparts.**

This Agreement may be executed in any number of counterparts by the parties hereto. Each such counterpart so executed shall be deemed to be an original and all such executed counterparts shall constitute but one and the same instrument.

21. **Contracts with Third Parties.**

Contractor shall provide CRRA with copies of any agreements, and any modifications or revisions to any agreement, promptly upon the execution thereof (or upon the execution of this Agreement, if applicable) which Contractor has with a third party for the transportation and disposal of Acceptable Waste pursuant to this Agreement.

22. **Non-Discrimination.**

Contractor agrees to the following: (1) Contractor agrees and warrants that in the performance of any services for CRRA hereunder Contractor will not discriminate or permit discrimination against any person or group of persons on the grounds of race, color, religious creed, age, marital status, national origin, ancestry, sex, sexual orientation, mental retardation or physical disability, including, but not limited to, blindness, unless it is shown by Contractor that such disability prevents performance of the services involved, in any manner prohibited by the laws of the United States or of the State of Connecticut. Contractor further agrees to take affirmative action to insure that applicants with job related qualifications are employed and that employees are treated when employed without regard to their race, color, religious creed, age, marital status, national origin, ancestry, sex, sexual orientation, mental retardation, or physical disability, including, but not limited to, blindness, unless it is shown by Contractor that such disability prevents performance of the services involved; (2) Contractor agrees, in all solicitations or advertisements for employees placed by or on behalf of Contractor, to state that it is an "affirmative action-equal opportunity employer" in accordance with regulations adopted by the Connecticut Commission on Human Rights and Opportunities (the "Commission"); (3) Contractor agrees to provide each labor union or representative of workers with which Contractor has a collective bargaining agreement or other contract or understanding and each vendor with which Contractor has a contract or understanding, a notice to be provided by the Commission, advising the labor union, workers' representative and vendor of Contractor's commitments under Sections 4a-60 and 4a-60a of the Connecticut General Statutes and to post copies of the notice in conspicuous places available to employees and applicants for employment; (4) Contractor agrees to comply with each applicable provision of Sections 4a-60, 4a-60a, 46a-68e, and 46a-68f, inclusive, of the Connecticut General Statutes and with each regulation or relevant order issued by the Commission pursuant to Sections 46a-56, 46a-68e, and 46a-68f of the Connecticut General Statutes; and (5)

Contractor agrees to provide the Commission with such information requested by the Commission, and permit access to pertinent books, records and accounts concerning the employment practices and procedures of Contractor as related to the applicable provisions of Sections 4a-60, 4a-60a and 46a-56 of the Connecticut General Statutes. If this Agreement is a public works contract, Contractor agrees and warrants that it will make good faith efforts to employ minority business enterprises as subcontractors and suppliers of materials in such public works project.

23. **Contractor's Employees.**

All persons employed by Contractor shall be solely subject to the direction of and responsible to Contractor and shall not be deemed to be employees of CRRA or Operator. All personnel used by Contractor shall comply with all Applicable Laws, including safety procedures of Operator at the Facilities to be provided to Contractor and attached hereto as **Exhibit 6.**

24. **Mechanic's Liens.**

Contractor shall claim no interest in the Facilities, the Property or any equipment, fixtures, materials or improvements of CRRA located or to be located thereon, and Contractor shall not file any mechanic's liens or other liens or security interests against CRRA or any of its properties, including but not limited to the Property. Contractor shall defend, indemnify and hold harmless CRRA against all costs associated with the filing of such liens or security interests by Contractor or its subcontractors or materialmen. Before any subcontractor or materialman of Contractor commences any services hereunder, Contractor shall deliver to CRRA an original waiver of mechanic's liens properly executed by such subcontractor or materialman. If any mechanic's lien is filed against CRRA or any of its properties in connection with the services hereunder, Contractor shall cause the same to be canceled and discharged of record within fifteen (15) days after the filing of such lien and, if Contractor fails to do so, CRRA may, at its option and without any obligation to do so, make any payment necessary to obtain such cancellation or discharge and the cost thereof, at CRRA's election, shall be either deducted from any payment due to Contractor hereunder or reimbursed to CRRA promptly upon demand by CRRA to Contractor.

25. **Withholding Taxes and Other Payments.**

No FICA (social security) payroll tax, state or federal income tax, federal unemployment tax or insurance payments, state disability tax or insurance payments or state unemployment tax or insurance payments shall be paid or deposited by CRRA with respect to Contractor, nor be withheld from payment to Contractor by CRRA. No workers' compensation insurance has been or will be obtained by CRRA on account of the services to be performed hereunder by Contractor, or its employees, agents, subcontractors or materialmen. Contractor

shall be responsible for paying or providing for all of the taxes, insurance and other payments described in this Section 25, and Contractor hereby agrees to indemnify and hold CRRA harmless against any and all such taxes, insurance and payments or other payments which CRRA may be required to pay in the event that Contractor's status hereunder is determined to be other than that of an independent contractor.

26. **Affidavits Concerning Gifts and Campaign Contributions.**

At the time Contractor submitted its proposal to CRRA, it simultaneously executed a document entitled Affidavit Concerning Gifts – Requests for Proposals and said document is attached hereto and made a part of this Agreement as **Exhibit 5.**

At the time of Contractor's execution of this Agreement, Contractor simultaneously executed a document entitled Affidavit Concerning Gifts – Contract Award and said document is attached hereto and made a part of this Agreement as **Exhibit 8.**

At the time Contractor submitted its proposal to CRRA, it simultaneously executed a document entitled State Contractor Or Prospective State Contractor Affidavit and said document is attached hereto and made a part of this Agreement as **Exhibit 9.**

At the time of Contractor's execution of this Agreement, Contractor simultaneously executed a document entitled State Contractor Or Prospective State Contractor Affidavit and said document is attached hereto and made a part of this Agreement as **Exhibit 10.**

27. **Compliance with Connecticut Executive Orders.** In so far as permitted by law, the parties acknowledge and agree to abide by the rules and regulations promulgated under the following Executive Orders:

(a) This Agreement is subject to the provisions of Executive Order No. Three of Governor Thomas J. Meskill promulgated June 16, 1971, and, as such, this Agreement may be cancelled, terminated or suspended by the state labor commissioner for violation of or noncompliance with said Executive Order No. Three, or any state or federal law concerning nondiscrimination, notwithstanding that the labor commissioner is not a party to this contract. The parties to this Agreement, as part of the consideration hereof, agree that said Executive Order No. Three is incorporated herein by reference and made a part hereof. The parties agree to abide by said Executive Order and agree that the state labor commissioner shall have continuing jurisdiction in respect to contract performance in regard to nondiscrimination, until the contract is completed or terminated prior to completion. The Contractor agrees, as part consideration hereof, that this Agreement is subject to the Guidelines and Rules issued by the

state labor commissioner to implement Executive Order No. Three, and that it will not discriminate in its employment practices or policies, will file all reports as required, and will fully cooperate with the State of Connecticut and the state labor commissioner.

(b) This Agreement is subject to the provisions of Executive Order No. Seventeen of Governor Thomas J. Meskill promulgated February 15, 1973, and, as such, this Agreement may be cancelled, terminated or suspended by the contracting agency or the State Labor Commissioner for violation of or noncompliance with said Executive Order No. Seventeen, notwithstanding that the Labor Commissioner may not be a party to this Agreement. The parties to this Agreement, as part of the consideration hereof, agree that Executive Order No. Seventeen is incorporated herein by reference and made a part hereof. The parties agree to abide by said Executive Order and agree that the contracting agency and the State Labor Commissioner shall have joint and several continuing jurisdiction in respect to contract performance in regard to listing all employment openings with the Connecticut State Employment Service.

(c) This Agreement is subject to the provisions of Executive Order No. Sixteen of Governor John G. Rowland promulgated August 4, 1999, and, as such, the Agreement may be canceled, terminated or suspended by the state for violation of or noncompliance with said Executive Order No. Sixteen. The parties to this Agreement, as part of the consideration hereof, agree that:

- (i) The Contractor shall prohibit employees from bringing into the state work site, except as may be required as a condition of employment, any weapon or dangerous instrument as defined in (ii);
- (ii) Weapon means any firearm, including a BB gun, whether loaded or unloaded, any knife (excluding a small pen or pocket knife), including a switchblade or other knife having an automatic spring release device, a stiletto, any police baton or nightstick or any martial arts weapon or electronic defense weapon. Dangerous instrument means any instrument, article, or substance that, under the circumstances, is capable of causing death or serious physical injury.
- (iii) The Contractor shall prohibit employees from attempting to use, or threaten to use, any such weapon or dangerous instrument in the state work site and employees shall be prohibited from causing, or threatening to cause, physical injury or death to any individual in the state work site.

- (iv) The Contractor shall adopt the above prohibitions as work rules, violations of which shall subject the employee to disciplinary action up to and including discharge. The Tenant shall insure and require that all employees are aware of such work rules.
- (v) The Contractor agrees that any subcontract it enters into in furtherance of the work to be performed hereunder shall contain provisions (i) through (iv) of this Section.

28. **Benefit and Burden.**

This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective permitted successors and assigns, and the assignor under any assignment of this Agreement shall remain responsible for the performance of its obligations hereunder as though no assignment shall have occurred.

29. **Forum Selection/Arbitration.**

Any and all claims and controversies arising out of or under this Agreement or a breach thereof shall be submitted to and resolved in Arbitration. All claims or controversies arising out of this Agreement or a breach thereof shall be settled and decided by an arbitration panel of three arbitrators in binding arbitration in accordance with the Commercial Arbitration Rules of the American Arbitration Association ("AAA"), as modified by the following provisions of this Paragraph:

- (a) Either CRRA or Contractor may initiate arbitration proceedings by giving notice of a dispute and a request to arbitrate to the other party and to the Regional Director of the AAA having jurisdiction in Hartford, Connecticut. Unless otherwise permitted by CRRA in writing, any arbitration proceedings must be initiated within ten (10) days of the initiating party's knowledge of the claim, dispute or matter in question;
- (b) CRRA and Contractor shall choose an arbitrator from the list provided by the AAA within ten (10) days after arbitration proceedings were initiated and the two selected arbitrators shall jointly select a third arbitrator to complete the panel;
- (c) The costs of arbitration shall be shared equally by the parties and each party shall bear its own costs, expenses and attorneys' fees unless the arbitration panel determines that the action or defense of the losing party was frivolous, in which event the arbitration panel may order that all or a portion of the costs of arbitration of the successful party, including but not limited to reasonable attorneys' fees and other costs, be paid by the losing party;

(d) All arbitration proceedings shall be held in Hartford, Connecticut. The arbitration panel may request any party to produce information deemed necessary by him or her for a fair determination of the issues. Each party so requested to produce information shall do so within fifteen (15) days of each such request or shall respond immediately to the request by explaining why compliance is not possible within fifteen (15) days. The arbitration panel may then order compliance and failure to comply with the order shall be deemed to be a default hereunder on the part of the non-complying party;

(e) The determination of the arbitration panel shall be final and binding upon the parties. The determination shall be in the form of a written reasoned award, with written findings of fact, and may be entered in and specifically enforced by any court of appropriate jurisdiction. While the arbitration panel shall select the remedy for all breaches of either party's obligations under this Agreement, the arbitration panel shall not modify the remedies specifically set forth in this Agreement for CRRA and Contractor;

(f) All legal issues arising in connection with a dispute to be determined by an arbitration panel shall be governed by the laws of the State of Connecticut as such laws are applied to contracts between Connecticut residents entered into and to be performed entirely in Connecticut; and

(g) During any arbitration proceeding that may be initiated hereunder, CRRA and Contractor shall continue to perform their respective obligations under this Agreement.

30. **Sales and Use Tax Exemption.**

Pursuant to Section 22a-270 of the Connecticut General Statutes, CRRA is exempt from all State of Connecticut taxes and assessments ("Connecticut Taxes") and the payment thereof. Without limiting the generality of the preceding sentence, the sale of any services or tangible personal property to be incorporated into or otherwise consumed in the operation of a CRRA Project is exempt from Connecticut Taxes, including without limitation Connecticut sales and use taxes, wherever purchased. Accordingly, Contractor shall not include in the Service Fees, and Contractor shall not charge or pass through any Connecticut Taxes to CRRA, including that portion of any combined tax or assessment representing any Connecticut Taxes, regardless of whether Contractor has incurred any Connecticut State Taxes in its performance of the Agreement.

CRRA expresses no opinion as to the eligibility for any tax exemption, or refund or other reimbursement, including without limitation any Connecticut Taxes, with respect to tangible personal property purchased at any location for use in the performance of Services contemplated by this Agreement.

Contractor should consult with its tax advisor or its attorney, and the Connecticut Department of Revenue Services (DRS) and any other applicable tax authority, with regard to such tax authorities' policies, procedures, recordkeeping and filing requirements for reimbursement of any taxes, including without limitation Connecticut Taxes, paid in the performance of Services under this Agreement and whether or not there is a mechanism available to Contractor for the reimbursement of taxes, including without limitation Connecticut Taxes, paid on fuel purchased for use in the performance of the Services under this Agreement.

31. **Corporate Guaranty.**

Contractor shall furnish CRRA with and maintain in full force and effect during the term of this Agreement a corporate guaranty from an entity CRRA, in its sole discretion, deems to be adequately capitalized, which guaranty shall be in the form set forth in **Exhibit 7**. If CRRA, in its sole discretion, determines that Contractor is not sufficiently capitalized to discharge its obligations hereunder, CRRA may require Contractor to provide, in addition to the corporate guaranty, a parent guaranty from an entity CRRA, in its sole discretion, deems to be adequately capitalized. In the event Contractor fails to perform any of its obligations under this Agreement, CRRA shall have the right, in addition to all other rights and remedies available to CRRA hereunder or otherwise, to exercise any or all of CRRA's rights and remedies under this Agreement against the Guarantor.

[Remainder of page intentionally blank. Signature page follows.]

**IN WITNESS WHEREOF**, this Agreement is executed as of the date hereinabove set forth.

**CONNECTICUT RESOURCES  
RECOVERY AUTHORITY**

By: \_\_\_\_\_  
Thomas D. Kirk  
Its President  
Duly Authorized

**CONTRACTOR**

By: \_\_\_\_\_



## **Agreement Exhibits**

Exhibit 1 – Service Fees

Exhibit 2 – Scope of Services

Exhibit 3 – Operations Plan

Exhibit 4 – Performance Bond

Exhibit 5 – Affidavit Concerning Gifts – Requests for Proposal

Exhibit 6 – Operator’s Safety Procedures

Exhibit 7 – Guaranty

Exhibit 8 –Affidavit Concerning Gifts – Contract Award

Exhibit 9 – State Contractor Or Prospective State Contractor Affidavit – Requests for Proposal

Exhibit 10 – State Contractor Or Prospective State Contractor Affidavit – Contract Award

## EXHIBIT 1

Transportation Prices, Disposal Prices, Fuel Surcharge Adjustments, Description of Service Fee Calculation and Examples of Service Fee and Transportation Price Adjustment Calculations

**PRICE PROPOSAL FORM 1**  
**Proposed Transportation and Disposal Prices**

**Connecticut Resources Recovery Authority**  
**Waste Transportation and Disposal Services**  
**Mid-Connecticut Project and Wallingford Resource Recovery Facility**

The undersigned hereby proposes to furnish the Connecticut Resources Recovery Authority with solid waste transportation and disposal services in accordance with CRRA's RFQP dated March 2008, and the undersigned's Proposal dated April 28, 2008.

**GUARANTEED FIXED PRICES FOR TRANSPORTATION AND DISPOSAL SERVICES**

	Contract Year 1 1/1/09- 6/30/09	Contract Year 2 7/1/09- 6/30/10	Contract Year 3 7/1/10- 6/30/11	Contract Year 4 7/1/11- 6/30/12	Contract Year 5 7/1/12- 6/30/13	Contract Year 6 7/1/13- 6/30/14	Contract Year 7 7/1/14- 6/30/15
1. <u>Transportation &amp; Disposal Prices – Mid-Connecticut Project</u> (dollars per ton)							
(a) Transportation Price (Process Residue from Hartford facility)							
(b) Transportation Price (Non-Processible Waste from Hartford facility)							
(c) Transportation Price (Bypassed Waste from Transfer Stations)							
(d) Process Residue Disposal Price							
(e) Non-Processible Waste Disposal Price							
(f) Bypassed Waste Disposal Price							

**PRICE PROPOSAL FORM 1 (continued)**  
**Proposed Transportation and Disposal Prices**  
**Guaranteed Fixed Prices for Transportation and Disposal Services**

2. Transportation & Disposal Prices – Wallingford Resource Recovery Facility

(a) Bypassed Waste Transportation Price		
(b) Bypassed Waste Disposal Price		

Contract Year 1 1/1/09–6/30/09  
 Contract Year 2 7/1/09–6/30/10

Contract Year 1 1/1/09 – 6/30/09	Contract Year 2 7/1/09– 6/30/10	Contract Year 3 7/12/10– 6/30/11	Contract Year 4 7/1/11– 6/30/12	Contract Year 5 7/12/12– 6/30/13	Contract Year 6 7/1/13– 6/30/14	Contract Year 7 7/1/14-6/30/15
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3. <u>Fuel Surcharge for Transportation</u> Monthly increase of/decrease to Transportation Prices – as provided in Price Proposal Form 2.	See Price Proposal Form 2	See Price Proposal Form 2	See Price Proposal Form 2	See Price Proposal Form 2	See Price Proposal Form 2	See Price Proposal Form 2
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<b>Signed:</b>	<b>Date:</b>
<b>Printed Name:</b>	
<b>Company:</b>	
<b>Address:</b>	
<b>Telephone:</b>	<b>Fax:</b>

**Connecticut Resources Recovery Authority  
Solid Waste Transportation and Disposal Services  
Mid-Connecticut Project and Wallingford Resource Recovery Facility**

The undersigned hereby proposes the following Fuel Surcharge Adjustments in accordance with CRRA's RFQP dated March 2008, and the undersigned's proposal dated April 28, 2008. If prices proposed vary for transportation of process waste, non-processible waste or bypassed waste, provide a separate table for each.

Proposers shall complete the Table PPF2-1 for truck transportation. Proposers proposing rail transportation shall propose a comparable rail-based adjustment to be provided in Table PPF2-2 based on a rail transport rate structure that shall be presented by the Proposer.

Table PPF2-1

**FUEL SURCHARGE FOR TRUCK TRANSPORTATION**

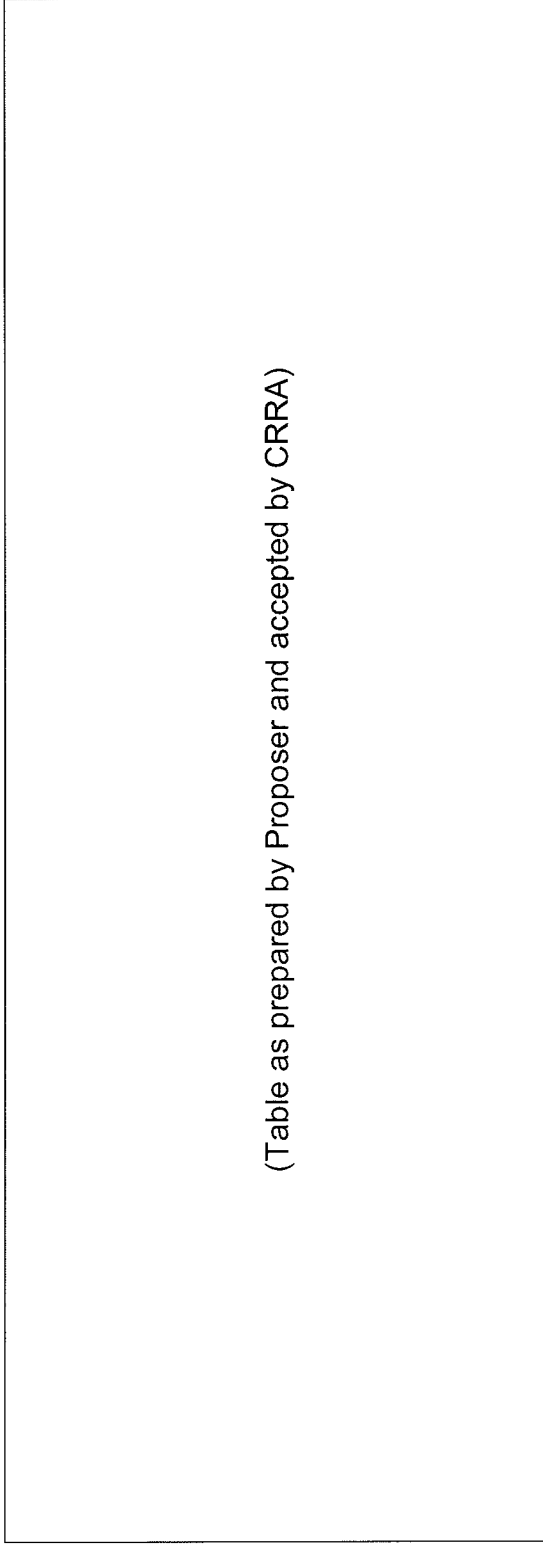
Average Price/Gallon <sup>(1)</sup>	Per Ton Surcharge(\$) (increase or decrease in per ton Transportation Prices proposed in Price Proposal Form 1)	Per Ton Surcharge(\$) (increase or decrease in per ton Transportation Prices proposed in Price Proposal Form 1)	Average Price/Gallon <sup>(1)</sup>	Per Ton Surcharge(\$) (increase or decrease in per ton Transportation Prices proposed in Price Proposal Form 1)
\$2.100 to	\$	\$	\$3.500 to	\$ 0.00
\$2.200 to	\$	\$	\$3.600 to	\$
\$2.300 to	\$	\$	\$3.700 to	\$
\$2.400 to	\$	\$	\$3.800 to	\$
\$2.500 to	\$	\$	\$3.900 to	\$
\$2.600 to	\$	\$	\$4.000 to	\$
\$2.700 to	\$	\$	\$4.100 to	\$
\$2.800 to	\$	\$	\$4.200 to	\$
\$2.900 to	\$	\$	\$4.300 to	\$
\$3.000 to	\$	\$	\$4.400 to	\$
\$3.100 to	\$	\$	\$4.500 to	\$
\$3.200 to	\$	\$	\$4.600 to	\$
\$3.300 to	\$	\$	\$4.700 to	\$
\$3.400 to	\$	\$	\$4.800 to	\$
			\$3.599 to	\$ 4.999
			\$3.699 to	\$ 5.009
			\$3.799 to	\$ 5.199
			\$3.899 to	\$ 5.299
			\$3.999 to	\$ 5.399
			\$4.009 to	\$ 5.499
			\$4.199 to	\$ 5.599
			\$4.299 to	\$ 5.699
			\$4.399 to	\$ 5.799
			\$4.499 to	\$ 5.899
			\$4.599 to	\$ 5.999
			\$4.699 to	\$ 6.009
			\$4.799 to	\$ 6.199
			\$4.899 to	\$ 6.299

<sup>(10)</sup>Bureau of Labor Statistics Average Price Data, Series ID APU010074717, Northeast Urban, Automotive Diesel Fuel, as reported monthly.

**Exhibit 1**

**Table 3**

**FUEL SURCHARGE FOR RAIL TRANSPORTATION**



(Table as prepared by Proposer and accepted by CRRRA)

## Exhibit 1

### Service Fee Calculation and Price Adjustment Calculations

The total Service Fee shall be calculated by multiplying the appropriate per Ton price for transportation and disposal by the appropriate actual number of Tons of waste transported and disposed that month, adjusted, as allowed, for any Fuel Surcharge or Service Price.

The monthly Service Fee without adjustments shall be calculated as follows:

$$SF = TP_{PR} + TP_{NPW} + TP_{TS} + TP_{WBW} + DP_{PR} + DP_{NPW} + DP_{BW} + DP_{WBW}$$

Where,

SF = Service Fee to be paid for Services provided during a subject month

$TP_{PR}$  = the Transportation Price (per ton) for Process Residue delivered to the Contractor at the Mid-Connecticut facility in Hartford, Connecticut times the number of Tons of such material delivered to the Contractor during such month

$TP_{NPW}$  = the Transportation Price (per ton) for Non-Processible Waste delivered to the Contractor at the Mid-Connecticut facility in Hartford, Connecticut times the number of tons of such material delivered to the Contractor during such month

$TP_{TS}$  = the Transportation Price (per Ton) for Bypassed Waste delivered to the Contractor at Transfer Stations located in Ellington, Essex, Torrington or Watertown, Connecticut times the number of tons of such materials delivered to the Contractor during such month

$TP_{WBW}$  = the Transportation Price (per Ton) for Bypassed Waste delivered to the Contractor at the Wallingford Facility times the number of tons of such materials delivered to the Contractor during such month

$DP_{PR}$  = the Disposal Price (per Ton) for Process Residue delivered to the Contractor times the number of Tons of such materials delivered to the Contractor during such month

$DP_{NPW}$  = the Disposal Price (per Ton) for Non-Processible Waste delivered to the Contractor times the number of Tons of such material delivered to the Contractor during such month

$DP_{BW}$  = the Disposal Price (per Ton) for Bypassed Waste delivered to the Contractor times the number of tons of such material delivered to the Contractor during such month

$DP_{WBW}$  = the Disposal Price (per Ton) for Bypassed Waste delivered to the Contractor at the Wallingford Facility times the number of tons of such material delivered to the Contractor during such month.

### 1. Example of Service Fee Calculation, without Adjustments

The assumptions and amounts used in the following examples are for illustrative purposes only and are not intended to reflect actual costs that may be incurred or prices that may be charged in any Contract Year.

The following illustrates the calculation of the Service Fee for a given month, where

$$SF = TP_{PR} + TP_{NPW} + TP_{TS} + TP_{WBW} + DP_{PR} + DP_{NPW} + DP_{BW} + DP_{WBW}$$

Component	(a) Per Ton Price	(b) Number of Tons in Month	Total For Component = (a) X (b)
$TP_{PR}$	\$20.00	5,500	\$110,000
$TP_{NPW}$	\$25.00	1,000	\$25,000
$TP_{TS}$	\$22.00	1,500	\$33,000
$TP_{WBW}$	\$21.00	<u>500</u>	<u>\$10,500</u>
		8,500	\$178,500
$DP_{PR}$	\$22.00	5,500	\$121,000
$DP_{NPW}$	\$10.00	1,000	10,000
$DP_{BW}$	\$23.00	1,500	\$34,500
$DP_{WBW}$	\$23.00	<u>500</u>	<u>\$11,500</u>
		8,500	\$177,000
		<b>Total Service Fee</b>	<b>\$355,500</b>

### 2. Examples of Fuel Surcharge Adjustments

#### Example 1 – Transportation Price Increase During Contract Year 1

1. Assume Contract Year 1 Transportation Prices are as follows:

- $TP_{PR}$  = \$20.00 per ton
- $TP_{NPW}$  = \$25.00 per ton
- $TP_{TS}$  = \$22.00 per ton
- $TP_{WBW}$  = \$21.00 per ton



2. Fuel Surcharge Adjustment = \$1.00 per ton for each ten-cent (\$0.10) increase or decrease in Average Price/Gallon
3. Threshold Average Price/Gallon (from Table 2) = \$3.500
4. Assume for May reported actual Average Price/Gallon = \$3.655
5. At an actual Average Price/Gallon of \$3.655, Fuel Surcharge Adjustment = amount from Table 2 = \$1.00
6. Adjusted monthly Transportation Prices for month = Transportation Price + \$1.00 =

$$\begin{aligned}
 TP_{PR} &= \$20.00 + \$1.00 = \$21.00 \text{ per ton} \\
 TP_{NPW} &= \$25.00 + \$1.00 = \$26.00 \text{ per ton} \\
 TP_{TS} &= \$22.00 + \$1.00 = \$23.00 \text{ per ton} \\
 TP_{WBW} &= \$21.00 + \$1.00 = \$22.00 \text{ per ton}
 \end{aligned}$$

Example 2 – Transportation Price Decrease During Contract Year 2

1. Assume Contract Year 2 Transportation Prices are as follows:

$$\begin{aligned}
 TP_{PR} &= \$20.60 \text{ per ton} \\
 TP_{NPW} &= \$25.75 \text{ per ton} \\
 TP_{TS} &= \$22.66 \text{ per ton} \\
 TP_{WBW} &= \$21.70 \text{ per ton}
 \end{aligned}$$

2. Fuel Surcharge Adjustment = \$1.00 per ton for each ten-cent (\$0.10) increase or decrease in Average Price/Gallon
3. Threshold Average Price/Gallon (from Table 2) = \$3.500
4. Assume for October reported actual Average Price/Gallon = \$3.008
5. At an actual Average Price/Gallon of \$3.008, Fuel Surcharge Adjustment = amount from Table 2 = - \$5.00
6. Adjusted monthly Transportation Prices for month = Transportation Price - \$5.00 =

$$\begin{aligned}
 TP_{PR} &= \$20.60 - \$5.00 = \$15.60 \text{ per ton} \\
 TP_{NPW} &= \$25.75 - \$5.00 = \$20.75 \text{ per ton} \\
 TP_{TS} &= \$22.66 - \$5.00 = \$17.66 \text{ per ton} \\
 TP_{WBW} &= \$21.70 - \$5.00 = \$16.70 \text{ per ton}
 \end{aligned}$$

**EXHIBIT 2  
SCOPE OF SERVICES**

**SCOPE OF SERVICES**

**See Section 4 of the Request for Qualifications and Proposals for Transportation and Disposal of Process Residue, Non-Processible Waste and Bypassed Wastes from Mid-Connecticut Project, Hartford, Connecticut and Transportation and Disposal of Bypassed Wastes from the Wallingford Resources Recovery Facility  
March, 2008**

**EXHIBIT 3  
OPERATIONS PLAN**

**EXHIBIT 4**  
**PERFORMANCE BOND**

**EXHIBIT 5  
AFFIDAVIT CONCERNING GIFTS  
REQUESTS FOR PROPOSALS**

**EXHIBIT 6**  
**OPERATOR'S SAFETY PROCEDURES**

**EXHIBIT 7  
GUARANTY**

**EXHIBIT 8  
AFFIDAVIT CONCERNING GIFTS  
CONTRACT AWARD**



**EXHIBIT 9**  
**STATE CONTRACTOR OR PROSPECTIVE STATE CONTRACTOR AFFIDAVIT –**  
**REQUESTS FOR PROPOSAL**

**EXHIBIT 10**  
**STATE CONTRACTOR OR PROSPECTIVE STATE CONTRACTOR AFFIDAVIT –**  
**CONTRACT AWARD**