

**SOLID WASTE, YARD WASTE AND RECYCLING
COLLECTION, TRANSPORTATION AND
DISPOSAL SERVICES CONTRACT**

THIS CONTRACT is made and entered into this _____, 2008, by and between the City of Rochester Hills, a municipal corporation, with offices located at 1000 Rochester Hills Drive, Rochester Hills, Michigan 48309 (hereinafter called "City") and Allied Waste Services of North America, LLC, a Delaware limited liability company registered to do business in the State of Michigan, with offices located at _____, _____, Michigan _____, (hereafter called "Contractor").

WHEREAS, City has determined that contracting for solid waste, yard waste and recycling collection, transportation and disposal services is in the public interest;

WHEREAS, City has request proposals for qualified companies interested in performing solid waste, yard waste and recycling collection, transportation and disposal services for the City;

WHEREAS, the proposal of the Contractor has been received and determined by the City to be the most responsive proposal received at the best services value for the estimated costs;

WHEREAS, representatives of the City and the Contractor have met to negotiate the detailed terms of this Contract contained herein;

WHEREAS, the City desires to contract for the services; and

WHEREAS, the Contractor is willing to provide those services; and

NOW, THEREFORE, in consideration of the mutual promises and agreements herein set forth, the parties agree as follows:

1. Definitions. The terms used within this Contract shall be defined according to the definitions contained in Attachment A: "Program Definitions".
2. Contractor's Obligations. Contractor agrees to furnish solid waste, yard waste and recycling collection, transportation and disposal services to the City for the initial contract term beginning _____, 2009 and continuing to and including _____, unless earlier terminated. The City and the Contractor may agree to extend the contract for an additional five (5) year term. Contractor's request for an extension shall be submitted to the City nine month prior to the current expiration date. Granting requests for contract extension shall be at the sole discretion of the City and shall not be contestable or appealable by the Contractor. If the City agrees to accept the

extension, such extension shall be approved at least six months prior to the current expiration date.

All services shall be rendered in strict conformance with this Contract, the attached Contract documents (which specify additional terms and conditions related to the furnishing of the services) and the attachments hereto, which are made a part of this Contract. The Contract Documents include the Request for Proposals, Performance and Labor and Material Bonds, Certificates of Insurance, this Contract and any supplements or changes to these documents agreed by the parties. The Contractor shall furnish all labor, vehicles, tools, equipment, materials, buildings and lands, unless otherwise specified and shall perform all of the work called for and described in the Contract Documents relating to the collection, transportation and disposal of solid waste, yard waste and recyclables in the City. Contractor shall comply with any applicable regulations promulgated by the City regarding these services.

The services to be provided by the Contractor are detailed in Attachment B: "Contractors Services Specifications".

3. Compensation. For services satisfactorily provided under this Contract, City agrees that quarterly invoices be provided to Service Units by the Contractor in accordance with the Contractor's Service Specifications in Attachment B.
4. Furnishing of Proposed Routes; Notification of Rejected Refuse. Contractor shall adhere to the established routes and days of collection as designated by the City. Requested route changes shall be submitted in writing at least sixty (60) days in advance to the City's program manager or his designee. Contractor shall obtain final approval in writing for proposed route change from the City's program manager or his designee. Route changes shall not be unreasonably denied, except that the regular solid waste, yard waste, recyclables and bulky items/white goods collections shall be performed on the same day. Notice of route changes shall be furnished to the affected property owners by the Contractor at no expense to the City in advance of the proposed change after approval by the City. In addition, Contractor shall provide the City with prompt notice as to addresses where refuse was rejected for collection due to non-compliance with the terms of this contract.
5. Licenses. Contractor shall obtain at its own expense any licenses required by the federal, state or local governments necessary to operate the equipment and perform the work required by this contract. Employees and subcontractors of the Contractor shall be properly trained and have all licenses and endorsements required by federal, state and local laws in order to operate the equipment and vehicles utilized in the performance of this contract.
6. Vehicles. The Contractor shall submit for approval a list of all vehicles intended to be used in providing the services required by this contract, and

once approved, shall not be changed without the approval of the City's program manager or his designee. Each vehicle shall be equipped with radio communication between vehicles and a base station. Contractor's field supervisor(s) shall have a compatible mobile telephone available at all times to communicate with the City's program manager or his designee. All vehicles and equipment utilized by the Contractor in the performance of the services under this contract shall be kept in good repair and operating order, leak-proof, and clean and free of objectionable odors. All equipment and facilities used by the Contractor shall be subject to inspection for sanitation, safety and appearance and subject to approval or rejection by the City's program manager or his designee at any time. Rejected equipment must be replaced or repaired by the Contractor within a reasonable time stated by the City's program manager or his designee.

7. Employees. Contractor shall take reasonable precautions in the selection of its employees and subcontractors assigned to do work under this contract to ensure their honesty, courtesy, abilities and fitness. All of Contractor's employees shall wear approved uniforms and identification. Adequate supervision meeting the requirements of the Contract Documents shall be furnished by the Contractor over employees and subcontractors at all times while they are working within the City. Contractor agrees to reassign any employee or subcontractor who, in the reasonable judgment of the City, is violating this provision or any other provision of this contract. No person under the age of sixteen (16) years shall be employed or engaged under this contract. No person whose age or physical condition is such to make such person's employment dangerous to his health or safety or to the health or safety of others shall be employed under this contract, provided that this shall not operate against the employment of physically handicapped persons otherwise employable where such persons may be safely assigned to work which they are able to perform.
8. Nondiscrimination Against Persons with Disabilities. Contractor agrees that it, nor its subcontractors will not discriminate against any employee or applicant for employment with respect to hire, tenure, terms, conditions or privileges of employment or a matter directly or indirectly related to employment because of disabilities as defined in the Persons with Disabilities Civil Rights Act, that is related to such person's ability to perform the duties of a particular job or position. Any fines or penalties for violations of any laws, ordinances, or regulations relating to such matters shall be the sole responsibility of the Contractor.
9. Elliott-Larsen Civil Rights Act. Contractor shall not discriminate against any employee or applicant for employment to be employed in the performance of this contract with respect to such persons hire, tenure, terms, conditions or privileges of employment or any matter directly or indirectly related to that

employment because of such person's race, color, religion, national origin, ancestry, age, height, weight, gender (sex) and marital status.

10. Equipment Storage Yard and Maintenance Building. Prior to commencement of work under this contract, Contractor shall provide evidence that an approved equipment storage yard and maintenance building is available to service the collection vehicles during the term of this contract.
11. Complaints. All complaints made by residents regarding the collection and removal of solid waste, recyclables, yard waste/lawn debris or bulky items/white goods shall be received and investigated by the Contractor. A written report of the resolution of such complaint shall be returned to the City within twenty-four (24) hours. Complaints shall be resolved on a daily basis. If the City determines the Contractor is at fault and the complaint justified, the Contractor shall at its own expense take remedial action acceptable and satisfactory to the City.
12. Compliance with Applicable Laws. Contractor, its employees and agents shall, during the term of this contract, comply with all applicable federal, state and local laws, rules, regulations or orders pertaining to the activities and work which is the subject of this contract.

The Contractor shall pay all Federal, State and local taxes including, but not limited to property taxes, sales taxes, social security taxes, income taxes and fees, which may be chargeable against the labor, material, equipment, real estate or any other items necessary in the performance of this contract, provided that Contractor may pass through certain costs increases to adjust for the following: (1) increases in direct costs to Contractor and to all other solid waste transporters and/or disposal facilities in Oakland County, Michigan with respect to taxes, fees or other governmental charges (other than income or real property taxes) that are adopted or promulgated after the Effective Date of this Contract. Also, Contractor shall pass through certain cost decreases to adjust for decreases in direct costs to Contractor and to all other solid waste transporters and/or disposal facilities in Oakland County, Michigan resulting from enactments, repeal or changes in federal, state, county or local laws, ordinances, rules or regulations with respect to taxes, fees or other governmental charges (other than income or real property taxes) that are adopted or promulgated after the Effective Date of this Contract.

13. Compliance with Environmental Laws. Contractor, its employees, subcontractors and agents shall, during the term of this contract, comply with all applicable federal, state, regional, county or local laws, statutes, rules, regulations or ordinances concerning public health, safety or the environment including, but not limited to, the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended by the Superfund Amendments and Reauthorization Act of 1986, the Solid Waste Disposal Act,

as amended by the Resource Conservation and Recovery Act of 1976, as amended by the Solid and Hazardous Waste Amendments of 1984, the Federal Water Pollution Control Act, as amended by the Clean Water Act of 1977, the Toxic Substances Act of 1976, the Emergency Planning and Community Right-to-Know Act of 1986, the Clean Air Act of 1966, as amended, the National Environmental Policy Acts of 1975, the Natural Resources and Environmental Protection Acts, and all rules, regulations and guidance documents promulgated or published thereunder, and any federal, state, regional, county or local statutes, laws, rules, regulations or ordinances relating to public health, safety or the environment.

14. Disposal Site. The Contractor shall dispose of all solid waste, yard waste or recyclables collected at an appropriate location determined by the Contractor and approved by the City in compliance with all applicable laws.
15. Waiver/Indemnity.
 - a. Responsibility for Waste. Contractor shall be responsible for waste after it is loaded into the Contractor's collection vehicles. Additionally, title to waste shall pass to the Contractor when placed in Contractor's collection vehicle. The waste collected by Contractor pursuant to this Contract shall not include Excluded Waste. Title to and liability for any Excluded Waste shall remain with the generator or depositor of such waste and shall at no time pass to Contractor.
 - b. Waiver. The Contractor for itself, its successors and assigns further releases, waives, discharges and covenants not to sue the City, its officers, employees, agents and elected officials, successors and assigns from and against any and all actions or causes of action, claims, demands, liabilities, loss, damage or expense of whatsoever kind and nature, including attorney's fees and including claims for injury or death, on account of injury to the person or equipment of the Contractor resulting directly or indirectly from the performance of the work above referred to, however caused, including but not limited to, the negligence of the City.
 - c. Indemnity. To the fullest extent permitted by law, Contractor expressly agrees to indemnify, defend and hold the City harmless against all claims, suits, damages, expenses, costs, attorney fees, losses and liabilities arising out of bodily injury or property damage, pollution, contamination of or adverse effects on the environment or any violation of governmental laws, regulations or orders resulting from Contractor's performance of this Contract or collection, transportation or disposal of materials, based upon any negligent act or omission of Contractor or any employee, subcontractor or other person acting on Contractor's behalf (collectively, the "Contractor Parties") in connection with or incident to this contract or

the work to be performed by the Contractor Parties hereunder, or for any breach by the Contractor of its obligations pursuant to this Contract.

Contractor's obligation to indemnify, hold harmless and defend the City shall survive the expiration or termination of this Contract. By entering this Contract, the parties do not waive any immunities provided by law.

16. Insurance Requirements. The Contractor shall secure and keep in force during the entire term of this Contract, and any renewal or extension, the insurance coverages specified below. The Contractor shall not commence work under this contract until it has obtained the insurance required under this action. All coverages and bonds shall be with insurance carriers licensed or admitted to do business in Michigan and reasonably acceptable to the City. If any insurance is written with a deductible or self-insured retention, the Contractor shall be solely responsible for the deductible or self-insured retention. The purchase of insurance and the furnishing of a certificate of insurance shall not be construed to be fulfillment of the Contractor's indemnification obligation to the City.
- a. Worker's Compensation Insurance. The Contractor shall procure and maintain during the term of this contract Worker's Compensation Insurance and Employer's Liability Insurance in accordance with all applicable statutes of the State of Michigan.
 - b. Commercial General Liability Insurance. The Contractor shall procure and maintain during the life of this contract, Commercial General Liability Insurance on an "Occurrence" basis with limits of liability not less than \$5,000,000 per occurrence and aggregate combined single limit, Personal Injury, Bodily Injury and Property Damage. Coverage shall include the following extensions:
 - (1) Contractual Liability
 - (2) Products and Completed Operations with limits not less than \$5,000,000
 - (3) Independent Contractors Coverage
 - (4) Broad Form General Liability Extensions or equivalent
 - c. Motor Vehicle Liability Insurance. The Contractor shall procure and maintain during the life of this contract, Motor Vehicle Liability Insurance including Michigan No-Fault Coverages for all vehicles used in the performance of the contract. The Limits of Liability shall not be less than \$5,000,000 per accident combined single limit Bodily Injury and Property Damage.
 - d. Pollution Liability Insurance. The Contractor shall obtain coverage for the

duration of this contract for pollution legal liability (environmental impairment liability) including investigation and legal defense, for bodily injury and property damage, including loss of use of damaged property or of property that has not been physically damaged or destroyed. Such insurance must provide coverage for both on-site and off-site cleanup costs and cover gradual and sudden pollution. Limits of liability shall not be less than \$5,000,000 per incident or aggregate combined single limit Bodily Injury and Property Damage.

- e. Additional Insured. Commercial General Liability, Motor Vehicle Liability and Pollution Insurance shall include an endorsement stating the following shall be additional insureds: “The City of Rochester Hills, all elected and appointed officials, all employees and volunteers, all boards, commissions and/or authorities and their board members, employees and volunteers thereof. This coverage shall be primary to the Additional Insureds, and not contributing with any other insurance or similar protection available to the Additional Insureds, whether other available coverage be primary, contributing or excess.
 - f. Cancellation Notice. Workers Compensation Insurance, Commercial General Liability Insurance, Pollution and Motor Vehicle Liability Insurance, as described above, shall include an endorsement stating the following: “It is understood and agreed that Sixty (60) days Advance Written Notice of cancellation shall be sent to City of Rochester Hills, Purchasing Division, 1000 Rochester Hills Drive, Rochester Hills, Michigan 48309.”
 - a. Self Insurance. The City reserves the right to waive the insurance requirements set forth in this contract if the Contractor provides evidence on an annual basis of an established self-insurance program satisfactory to the City protecting against liabilities required to be assumed by Contractor under this contract. The Contractor must maintain a self-insurance program satisfactory to the City or secure and maintain the insurance set forth in this contract during the entire term of the contract.
17. Proof of Insurance. The Contractor shall provide the City at the time the contracts are returned for execution, a Certificate of Insurance evidencing the required coverages and endorsements.
18. Performance Guarantee.
- a. Performance Bond. The Contractor whose proposal is accepted, shall furnish at its own expense prior to execution of this Contract, a performance bond in the amount of \$500,000.

- b. Labor and Materials Bond. The Contractor shall furnish at its own expense prior to execution of this contract, a labor and materials payment bond in the amount of \$500,000.
 - c. Form of Bonds. All bonds shall be an insurance company or surety licensed and admitted to do business in the State of Michigan and acceptable to the City.
 - d. Default. Should the Contractor fail, neglect or refuse to perform its duties under the contract or shall otherwise be in default under the terms of the Contract, the City may immediately notify the bonding company . Due to the nature of the services being provided under this contract, the City may take whatever steps necessary to dispose of refuse until the surety provides an acceptable alternative. All costs incurred by the City due to the default of the Contractor, including attorney fees, shall be paid to the City by the bonding company based upon invoices submitted by the City on a monthly basis. The cost so incurred by the City shall be paid by the bonding company for the remaining period of the contract from the date of default.
19. Full Parent Guarantee. The Contractor shall provide an executed Full Parent Guarantee to the City in the form included herein, as a condition precedent to the performance of work and receipt of compensation as provided for in this contract.
20. Default/Termination. Except in the case of repeated defaults, the City shall provide written notice to the Contractor specifying the failure in order to give the Contractor an opportunity to cure the default. The City may terminate this contract prior to its expiration date upon twenty-four (24) hours written notice to the Contractor upon the occurrence of any of the following events of default:
- a. The failure by the Contractor to fulfill its obligations in a timely and proper manner in accordance with this contract.
 - b. The failure by the Contractor to perform any material covenants, agreements, terms or obligations set forth in this contract.
 - c. The Contractor ceases conducting business in a normal course by reason of insolvency or bankruptcy, whether voluntary or involuntary.
 - d. The Contractor assigning, delegating or subcontracting this contract without the prior written consent of the City.
 - e. The City suspends its involvement in solid waste, yard waste and recyclables collection, transportation and disposal services.

The City shall provide written notice to the Contractor specifying the default. The Contractor shall have twenty-four (24) hours to cure the failure. Further, if the Contractor promptly undertakes reasonable actions to cure the failure and diligently pursues same to completion to the satisfaction of the City, there shall be no default, unless the Contractor defaults in its performance on a repeated basis. In such event, the City may terminate this contract without written notice and opportunity to cure.

After the event of a default, which is not cured by Contractor as provided above, the City thereafter may terminate this contract by written notice of termination by City sent by certified mail, return receipt requested, to the Contractor. Upon such termination, the City may, in its discretion, instruct the Contractor to continue performance of the contract for a period up to an additional sixty (60) days after termination, in order to facilitate the City's use of a replacement contractor. If the City utilizes the Contractor for these additional services, it shall pay the Contractor at the rates provided for in the Contract.

After the event of a default, which is not cured by Contractor as provided above, the City shall have the right to rent or lease the equipment from the Contractor for the purpose of collecting, transporting and processing materials which Contractor is obligated to collect, transport and process pursuant to this agreement for a period not-to-exceed eighteen (18) months; in the case of equipment not owned by the Contractor, Contractor shall assign to the City, to the extent Contractor is permitted to do so under the instrument pursuant to which the Contractor possesses such equipment, the right to possess the equipment. If the City exercises its rights under this section, the City shall pay the Contractor the reasonable rental value of the equipment.

After the event of a default which is not cured by Contractor as provided as above, upon the occurrence of a default, the Contractor shall be liable to the City for any damages the City sustains by virtue of the Contractor's breach, and any reasonable costs the City incurs enforcing or attempting to enforce this contract, including reasonable attorney fees. The City may cause to be withheld any payment(s) to the Contractor for the purpose of set-off until such time as the exact amount of damages due to the City from the Contractor is determined by law or equity, provided the City promptly pursues said determination. It is expressly understood that the Contractor will remain liable for the above damages and costs the City sustains in excess of any set-offs.

In addition to any other available remedies, the City may assess the following financial charges for the violations set forth below in addition to any other remedies available with respect to such defaults:

1. Failure to clean up spilled refuse, or wash down a street as requested by the City to eliminate objectionable odors:
\$25.00 for each instance
2. Failure to clean vehicle, conveyances, containers, docks, yards, shops and other equipment as provided in the specifications:
\$50.00 for each instance
3. Failure to complete all routine pickups by 7:00 p.m. on the Scheduled day, \$100.00 for each failure or neglect of repeated Instance at same site.
4. Failure to collect solid waste, recyclables and yard waste within 24 Hours after notification of a complaint, \$100.00 for each failure or Neglect of repeated instance at same site.
5. Using vehicles assigned to the performance of this contract to Make private collections, except that Contractor may use Vehicles for other collections on days other than City collection days. \$500.00 for each instance.
6. Commingling refuse from private collections with City refuse in vehicles assigned to the performance of this contract, \$500.00 for each instance.
7. Failure to maintain vehicles in operable condition and acceptable appearance after inspection and notice by City:
\$500.00 for each instance.

The charges provided herein are not considered as penalties and were not calculated in contemplation or anticipation that the Contractor would default. In the event the Contractor does default or otherwise abandon the project, the City reserves the right to collect from the Contractor or its surety, in addition to the charges, the actual damages incurred by the City as a result of the default or abandonment.

Whenever a fee or charge is assessed pursuant to these subparagraphs, the City may deduct such charges from any amounts due the Contractor in any succeeding month or invoice the Contractor. The Contractor shall provide payment to the City within ten (10) days of the date of the invoice. Upon written request by the Contractor, the City shall furnish the Contractor with the details of the incident-giving rise to the fee(s) or charge(s).

20. Termination. In the event sufficient budgeted funds are not available for a new fiscal period, the City shall notify the vendor of such occurrence and the contract shall terminate on the last day of the current fiscal period without penalty or expense to the City.

21. Construction of Contract. To the extent a provision of this contract conflicts with a term, provision or condition contained in Section 1 of this contract, the specific contract provision in this contract shall take precedence over, govern and control the intent of the parties and shall supersede such other provisions contained in Section 1. To the extent a provision of this contract conflicts with a term, provision or condition contained in the specifications, the specific provision in this contract shall take precedence and control.
22. Assignment. This contract shall not be assigned, delegated or subcontracted by the Contractor without the prior written consent of the City, which consent shall not be unreasonably withheld. For purposes of this contract, a transfer of more than ten (10%) percent of the stock of the corporation or interest in a limited liability company or partnership, or the sale or transfer of more than fifty (50%) percent of the assets of Contractor to any person without the prior written consent of the City shall be considered to be an assignment. Notwithstanding anything to the contrary in this Contract, the City's consent will not be required if the ultimate parent of Contractor is merged with and into another entity or if Contractor assigns this Contract to an Affiliate of Contractor. "Affiliate of Contractor." "Affiliate" shall mean, with respect to Contractor, any other entity that directly, or indirectly through one or more intermediaries, controls is controlled by, or is under common control with Contractor.
23. Successors and Assigns. This contract shall be binding upon and inure to the benefit of the successors and assigns of the parties.
24. Modification. This contract, or any terms hereof, may be changed, waived, discharged or terminated, but only by an instrument in writing signed by the party against which enforcement of the change, waiver, discharge or termination is sought.
25. Cumulative Remedies. No right, power or remedy conferred upon or reserved to the City under this contract is intended to be exclusive of any other right, power or remedy, but each and every such right, power and remedy shall be cumulative and concurrent and shall be in addition to any other right, power or remedy given hereunder or now or hereafter existing at law or in equity or by statute.
26. Governing Law. This contract is made in and shall be governed by the laws of the State of Michigan.
27. Uncontrollable Event. Except for the City's obligation to pay amounts due under this Contract, any failure or delay in performance under this Contract by either party due to an Uncontrollable Event shall not constitute a breach of this Contract, but shall entitle the affected party to be relieved of performance under this Contract during the term of such event and for a reasonable time thereafter.
28. Contractor's Property. Except as otherwise provided in Section 4 of the Contractor's Services Specifications, all bins, carts, containers, trucks and any

other equipment that Contractor furnishes under this Contract shall remain Contractor's property. The City and its residents shall use the equipment only for its proper and intended purpose and shall not overload (by weight or volume), move or alter the equipment

IN WITNESS WHEREOF, the parties hereunder set their hands and seals the day and year first above written.

WITNESSES:

CITY OF ROCHESTER HILLS, a
Michigan municipal corporation (City)

By: _____
Bryan K. Barnett, Mayor

WITNESSES:

CONTRACTOR

ALLIED WASTE SERVICES OF NORTH
AMERICA, LLC

By: _____

Attachment B
Full Parent Guarantee

THIS GUARANTEE, made as of the ____ day of _____, 2008, by Browning-Ferris Industries, LLC, a Delaware limited liability company, having its principal place of business at 18500 North Allied Way, Phoenix, AZ 85054, IRS Employer Identification Number _____, ("Parent"), to and for the benefit of the City of Rochester Hills ("City").

WITNESSETH:

WHEREAS, Allied Waste Services of North America, LLC, a Delaware limited liability company ("Contractor"), the wholly owned subsidiary of the Parent, and the City have negotiated a Solid Waste Disposal Service Agreement dated _____, 2008 ("Contract"), which Contract is incorporated herein by reference and hereby made a part hereof:

WHEREAS, it is in the interest of Parent that the Contractor enter into the Contract with the City;

WHEREAS, the City is willing to enter into the contract only upon the condition that the Parent execute this Guarantee;

WHEREAS, the Parent is willing to guarantee, as set forth below, the performance of the Contractor under the contract; and

NOW, THEREFORE, as an inducement to City to enter into the contract, the Parent agrees as follows:

1. Parent hereby directly, unconditionally, irrevocably, and absolutely guarantees the full and prompt performance by the Contractor and by any successor or assign of the Contractor, of all of the Contractor's obligations and covenants under the Contract, including all amendments and supplement thereto, in accordance with the terms and conditions contained therein.
2. This Guarantee shall be governed by the laws of the State. Parent hereby agrees to the service of process in the State for any claim or controversy arising out of this Guarantee or relating to any breach and to submit to the exclusive jurisdiction of any court of competent jurisdiction in the State.
3. This Guarantee shall be binding upon and enforceable against Parent, its successors, assigns and legal representatives and is for the benefit of the City, its successors and assigns.
4. Notwithstanding anything contained herein to the contrary, the undertakings of the Parent set forth herein are absolute and the City shall be entitled to

enforce any or all of said undertakings against Parent without being first required to seek or obtain recourse against any other party or parties, including but not limited to the Contractor or any assignee of the Contractor, who are, or may be, liable therefore in whole or in part irrespective of any cause or state of facts whatever, including without limitation: the validity, regularity or enforceability of the contract; the existence or absence of any action to enforce the contract; any modification or amendment or compromise of or waiver of compliance with or consent to variation from any of the provisions of the contract by the Contractor; any release of any collateral or lien therefore; the recovery of any judgment against the Contractor to enforce the same any failure of or defect in the title or interest of the Contractor in the Facilities; any transfer, assignment or mortgaging, by the Contractor of all or any part of the interest of the Contractor in the Facilities; the bankruptcy or insolvency of the Contractor; or any other circumstance which might otherwise constitute a legal or equitable discharge of a guarantor or limit the recourse of the City to the Parent; provided, that notwithstanding the foregoing, Parent shall not be required to perform or cause the performance of any obligation from which the Contractor would be discharged, released or otherwise excused under the provisions of the contract. Parent hereby waives notice of acceptance of this Guarantee and of the creation, renewal, extension and accrual of the obligations guaranteed hereunder. Parent agrees that, without the necessity for any additional endorsement or guarantee by or any reservation of rights against Parent and without further assent by Parent, by mutual agreement between the City and the Contractor, they may, from time to time, renew, modify or compromise the liability of the Contractor for or upon any of the obligation hereby guaranteed or accept, sell, release, or surrender any collateral or lien therefore, all without releasing or discharging the liability of Parent hereunder. Parent hereby waives diligence, demand of payment, notice of default or nonpayment, filing of claims with a court in the event of reorganization, insolvency or bankruptcy of the Contractor, any right to require a proceeding first against the Contractor or with respect to any collateral or lien or any other requirement that the City exercises any remedy or take any other action against the Contractor or any other person or in respect of any collateral or lien before proceeding hereunder and any and all other notices required under the contract. This Guarantee is a continuing guarantee and shall continue to be effective or be reinstated, as applicable, if at any time any payment of any of the obligations hereby guaranteed is rescinded or is otherwise required to be returned upon reorganization, insolvency or bankruptcy of the Contractor or Parent or otherwise, all as though such payment had not been made.

Notwithstanding any provision in this Guarantee to the contrary, the Parent may raise any defense, counter claim or affirmative defense which the Contractor could assert against any party seeking to enforce this Guarantee against the Parent, and nothing in this Contract shall constitute a waiver thereof by the Parent.

5. The City may assign this Guarantee to any credit facility issuer as collateral security for the financing of the Facilities.
6. Parent agrees to pay all costs, expenses and fees, including all reasonable attorney fees, which may be incurred by the City in enforcing this Guarantee following the default on the part of the Parent hereunder whether the same shall be enforced by suit or otherwise.
7. The terms of this Guarantee may be enforce as to any one or more breaches either separately or cumulatively.
8. No remedy herein conferred upon or served to the City hereunder is intended to be exclusive of any other available remedy or remedies, but each and every such remedy shall be cumulative and shall be in addition to every other remedy given under this Guarantee and the Contract or hereinafter existing at law or in equity or by statute.
9. The invalidity or unenforceability of any one or more phrases, sentences or clauses in this Guarantee contained shall not affect the validity or enforceability of the remaining portions of this Guarantee, or any part thereof.
10. No amendment, change, modification or termination of this Guarantee shall be made except upon the written consent of Parent and the City.
11. The obligations of Parent under this Guarantee shall remain in full force and effect until (i) all obligations of the Contractor under the Contract shall have been fully performed or provided for in accordance with the Contract or (ii) the discharge, release or other excuse of said obligations in accordance with the terms of the Contract.
12. The obligations of Parent under this Guarantee shall not be affected by any set-off, counterclaim, recoupment, defense or other right that Parent may have against the City.
13. Any term used herein defined in the contract shall have the meaning attributed to it in the contract.
14. The Parent warrants and represents that, as of date of execution of this Guarantee:
 - a. The Parent has the power, authority and legal right to enter into this Guarantee and to perform its obligations and undertakings hereunder, and the execution, delivery and performance of this Guarantee by the Parent (i) have been duly authorized by all necessary company action on the part of the Parent, (ii) to the best of the Parent's knowledge, have the requisite approval of all federal, State and local governing bodies having

jurisdiction or authority with respect thereof, (iii) to the best of the Parent's knowledge, do not and will not violate any judgment, order, law or regulation applicable to the Parent; (iv) to the best of the Parent's knowledge, do not conflict with or constitute a default under any agreement or instrument to which the Parent is a party or by which the Parent or its assets may be bound or affected; and (v) do not violate any provision of the Parent's articles or certificate of incorporation or by-laws.

- b. This Guarantee has been duly executed and delivered by the Parent and constitutes the legal, valid and binding obligation of the Parent, enforceable against the Parent in accordance with its terms; and
- c. There are no pending or, to the knowledge of the Parent, threatened actions or proceedings before any court or administrative agency which could have a material adverse effect on the financial condition of the Parent, or the ability of the Parent to perform its obligations or undertakings under this Guarantee.

- 15. This Guarantee shall terminate and be without further effect upon the termination of the contract; provided, if upon termination of the contract there are monies owed by the Contractor to the City, this Contract shall continue to apply to such obligation of the Contractor until discharge.

IN WITNESS WHEREOF, Parent has executed this instrument the day and year first above written.

PARENT

Browning-Ferris Industries, LLC

By _____
Name _____
Title _____