

FRANCHISE AGREEMENT FOR COLLECTION AND DISPOSAL OF SOLID WASTE

THIS AGREEMENT is made and entered into on the 6th day of February, 1996, by and between the COUNTY OF CLARK, a political subdivision of the State of Nevada, hereinafter called "COUNTY" and SILVER STATE DISPOSAL SERVICE, INC., a Nevada corporation, hereinafter called "CONTRACTOR."

RECITALS:

WHEREAS, Federal and State regulations mandate environmentally sound solid waste disposal; and,

WHEREAS, the Board of County Commissioners may provide solid waste collection services within the unincorporated COUNTY; and,

WHEREAS, the Board of County Commissioners, pursuant to NRS 244.187 and 244.188 may grant an exclusive franchise to any person to perform collection and disposal of "garbage and other waste", collectively called solid waste; and,

WHEREAS, solid waste collection service and curbside recycling are presently provided by exclusive franchises in certain urban and rural solid waste service areas and,

WHEREAS, the Board of County Commissioners has determined that franchised solid waste collection service, curbside recycling and household hazardous waste collection provide the most effective approach to environmentally sound solid waste collection and disposal services; and,

WHEREAS, the Board of County Commissioners desires to provide

environmentally sound solid waste collection and disposal services for certain rural service areas of unincorporated Clark County; and,

WHEREAS, the CONTRACTOR is willing to perform solid waste collection and disposal services within the aforementioned rural service areas; and,

WHEREAS, the COUNTY and the CONTRACTOR desire to define rate-setting methodology and incorporate and merge the existing contract and amendments into a single new exclusive contract for all of the collection and disposal of solid waste, residential and multifamily recycling and household hazardous waste collection and disposal within the rural and urban solid waste service areas of unincorporated Clark County as defined in this agreement.

NOW, THEREFORE, the parties agree as follows:

1. For and in consideration of the demands, terms, covenants, agreements and conditions herein contained, CONTRACTOR hereby agrees to collect and dispose of solid waste as described in Title 9, Chapter 9.04 of the Clark County Code and amendments thereto, and in conformity with all applicable laws, regulations and ordinances, from the receptacles kept and maintained by the places of business, public buildings, hotels, mobile home parks, multifamily dwellings and single family dwellings within the boundaries of the Urban Solid Waste Service Area

(hereinafter referred to as the Urban Area), as more particularly described in Exhibit "A" and delineated on the maps marked Exhibits "B-1 and B-2" which exhibits are attached hereto and by this reference made a part hereof, as provided for in Chapter 9.04; and the Rural Solid Waste Service Area (hereinafter referred to as the Rural Area), as more particularly described in Exhibit "C" and delineated on the maps marked Exhibits "D-1 through D-6" which exhibits are attached hereto and by this reference made a part hereof, as provided for in Chapter 9.04 of the Clark County Code and amendments thereto. CONTRACTOR and COUNTY agree that CONTRACTOR shall continue service for existing customers as of the effective date of this contract.

2. CONTRACTOR and COUNTY hereby agree that the demands, terms, covenants, agreements and conditions contained in all prior solid waste collection contracts and modifications are hereby rescinded and void, such prior solid waste collection contracts are hereby rescinded and replaced in their entirety by this exclusive contract.
3. CONTRACTOR agrees to own, purchase, contract for the purchase of, or lease, and shall at all times during the term hereof maintain and make available for the performance of the services required herein equipment in

good operating condition sufficient in quantity and quality to satisfy the need therefor as presently exists or may hereafter arise to fulfill the terms of this Contract. CONTRACTOR agrees to guarantee solid waste disposal for all solid waste collected under the terms of this Agreement.

4. This Contract shall become effective on February 6, 1996, and terminate on September 30, 2010, said effective and termination dates being subject to all additional provisions for extension or early termination contained within this contract. This contract may be cancelled by the CONTRACTOR with 180 days written notice to the COUNTY.
5. CONTRACTOR shall have the exclusive right and agrees to make solid waste collections and provide services at the service levels and rates for the solid waste service areas herein delineated and as specified within this contract and subject to the provisions in Title 9 of the Clark County Code and amendments thereto, Chapter 9.04. All solid waste so collected shall be hauled to authorized transfer stations, landfills, recycling facilities, or such other facilities which may be authorized by the Board of County Commissioners and agreed to by the CONTRACTOR. The routes requested by CONTRACTOR to be travelled within unincorporated Clark County to and from transfer stations

- and landfills or other authorized facilities shall be subject to agreement by CONTRACTOR and approval by COUNTY.
6. CONTRACTOR shall have the right to and agrees to make available within the areas specified within this contract an exclusive environmental Curbside Recycling Collection Program and an exclusive Household Hazardous Waste Collection Program for its residential customers in the Urban Solid Waste Service Areas and Rural Solid Waste Service Areas of Clark County. Under these programs:
- a. CONTRACTOR shall make collections of recyclable materials from residences biweekly on regularly scheduled solid waste pickup days as designated by CONTRACTOR. Curbside recycling collections shall be not less than two weeks apart. Recyclable materials collected shall include but not be limited to tin and aluminum cans, newspapers and magazines, glass and plastic bottles, cardboard (if broken down and stacked) and used or waste motor oil in containers provided by the customers, that do not leak and are not more than one (1) gallon capacity. Additional recyclable materials may be accepted at future dates. Recyclable materials collected under curbside recycling program provisions of this contract shall not be deposited in any landfill or other disposal

- site without specific approval of COUNTY.
- b. All recyclable material so collected shall be hauled to CONTRACTOR'S Recycling Center. In addition, selected loads of commercial solid waste may be transported in collection trucks to CONTRACTOR'S Recycling Center, at CONTRACTOR'S discretion. The recyclable materials shall then be separated and the remaining refuse shall then be hauled to a solid waste transfer station or the Apex landfill, or such other facilities as may be requested by CONTRACTOR and approved by the Board of County Commissioners for disposition. The routes to be travelled within unincorporated Clark County between the CONTRACTOR'S Recycling Center, Transfer Stations, and the disposal site or sites shall be subject to agreement by CONTRACTOR and approval by COUNTY.
- c. CONTRACTOR shall provide for and have the exclusive right for collection of household hazardous waste from residents. Collection shall be offered at least four (4) times per year for one (1) day during the second week of January, April, September, and November. Household hazardous waste that shall be accepted, up to five (5) gallons or forty (40) pounds per household per period, shall include paints, varnishes, stains,

thinners, household cleaners, furniture or metal polishes, liquid automotive products, pesticides, pool chemicals, photographic chemicals, art and hobby supplies, adhesives, batteries, and used or waste motor oil or other acceptable household hazardous waste. Waste that shall not be accepted includes radioactive materials, explosives, water reactives, compressed gases, business or commercial waste, infectious waste, unlabeled/unknown materials, or other materials or products as may, due to safety, health, or similar concerns, be designated by governmental authority and agreed to by CONTRACTOR as unacceptable household hazardous waste items. CONTRACTOR shall accept household hazardous waste materials at collection locations established by the CONTRACTOR, and shall inform customers of the dates, times and locations of pickups either by mail or by announcements in the local media.

7. CONTRACTOR shall maintain and operate their Silver State Recycles Nevada recycling facility in North Las Vegas for the duration of this Contract unless said facility shall be closed by an act of God, or other unforeseen act or condition necessitating closure beyond the control of CONTRACTOR.

8. CONTRACTOR shall maintain and operate the existing Shelbourne, Black Mountain (Henderson), and Cheyenne (North Las Vegas) transfer stations for the duration of this Contract unless said facilities shall be closed by an act of God, or other unforeseen act or condition necessitating closure beyond the control of CONTRACTOR. COUNTY and CONTRACTOR further agree that in the event the Board of County Commissioners determines that subsequent relocation of the Shelbourne transfer station is required by COUNTY, COUNTY and CONTRACTOR agree to relocation subject to payment by COUNTY of moving costs for non-real property used by CONTRACTOR as required by this Contract, and costs for required improvements necessary to provide equivalent operational facilities and capabilities, without cost to CONTRACTOR.
9. At its discretion, COUNTY shall make available to CONTRACTOR a site acceptable to CONTRACTOR and COUNTY within the Las Vegas Urban Solid Waste Collection Area of unincorporated Clark County for CONTRACTOR to develop and use for an additional transfer station. CONTRACTOR shall develop and place into operation said additional transfer station on said site, CONTRACTOR shall so do in accordance with the following conditions:
- a. Plans and specifications for said additional transfer

- station shall be approved by the Board of County Commissioners.
- b. Capacity of said additional transfer station shall be equal to or greater than the capacity of the Shelbourne Transfer Station as of January 1, 1993.
  - c. CONTRACTOR shall make all required site improvements for installation and operation of said additional transfer station without cost to the COUNTY, including but not limited to necessary roads, paving, utilities, landscaping and other improvements required as a condition of this contract and any zoning, licensing, or permitting for the site without cost to the COUNTY.
  - d. In the event the Board of County Commissioners determines that subsequent relocation of said additional transfer station is required by COUNTY, COUNTY and CONTRACTOR agree to relocation subject to payment of all moving costs and required improvements without cost to CONTRACTOR.
  - e. CONTRACTOR shall have the sole right to set rates and collect fees for operation of said transfer station. CONTRACTOR further agrees that the provisions of this Contract for payment of franchise fees shall apply to said transfer station.
  - f. CONTRACTOR agrees to complete and place said transfer

station into operation within eighteen months after a site is made available to CONTRACTOR by COUNTY, and COUNTY has approved the plans and specifications submitted by CONTRACTOR at COUNTY's request. CONTRACTOR further agrees to operate said transfer station for the duration of this Contract unless said facility shall be closed by an act of God, governmental action or other unforeseen act or condition necessitating closure beyond the control of CONTRACTOR.

g. COUNTY warrants that said transfer station site shall be free of waste materials deemed hazardous or toxic under provision of Federal, State or local law when said site is made available to CONTRACTOR.

9.1 In addition to maintaining and operating the transfer stations as specified in Sections 8 and 9, CONTRACTOR shall maintain and operate an additional transfer station for the duration of this Agreement unless said facility shall be closed by an act of God, or other unforeseen act or condition necessitating closure beyond the control of CONTRACTOR.

At its discretion, the COUNTY shall make available to CONTRACTOR a site acceptable to CONTRACTOR and COUNTY within the Las Vegas Urban Solid Waste collection area of

unincorporated Clark County for CONTRACTOR to develop and use for said additional transfer station. Such site shall be within the unincorporated area of Clark County within the vicinity of Vegas Valley Drive and Hollywood Boulevard. CONTRACTOR shall develop and place into operation said additional transfer station on said site in accordance with the following conditions:

- a. Plans and specification for said additional transfer station shall be approved by the Board of County Commissioners.
- b. Capacity shall be of a size to accommodate the needs of the area residents and the CONTRACTOR at said transfer station.
- c. CONTRACTOR shall have the sole right to set rates and collect fees for the operation of said transfer station, including establishing policies for acceptance and receipt of materials during the operation of the transfer station.
- d. CONTRACTOR agrees to complete and place said transfer station into operation as soon as practicable, but in any case within eighteen months, after a site is made available to CONTRACTOR by COUNTY and COUNTY has approved plans and specifications as submitted by CONTRACTOR pursuant to COUNTY'S request and CONTRACTOR

has been issued all permits pertaining thereto. Contractor will apply for all permits within sixty (60) days after COUNTY has approved site plans and specifications.

- e. COUNTY warrants that said transfer station site which it provides to CONTRACTOR shall be free of waste materials deemed hazardous or toxic under provisions of Federal, State, or local law when said site is made available to CONTRACTOR, and CONTRACTOR warrants that said site shall be returned to COUNTY in reasonably similar condition, free of waste materials deemed hazardous or toxic under provisions of Federal, State, or local law.
  - f. In the event that the need for said additional transfer station shall diminish over the years, as indicated by a significant decrease in use, the CONTRACTOR shall have the right to request discontinuance of operation of said transfer station by giving the COUNTY notice One Hundred and Twenty (120) days prior to closure, and such closure being approved by the Board of County Commissioners.
10. CONTRACTOR agrees to establish and place into operation a minimum of seven solid waste disposal convenience centers or transfer stations, one to serve each of the communities

within rural solid waste service areas as delineated in the attached Exhibits "C" and "D-1 through D-6"; specifically one site for each of the following communities: Mt. Charleston, Indian Springs, Overton/Logandale, Moapa/Glendale, Bunkerville, Searchlight, and Sandy Valley/Goodsprings. These centers shall provide residents of the area with alternative solid waste disposal, and at CONTRACTOR'S discretion, may be used as solid waste transfer stations for transshipment of solid waste to authorized landfills.

- a. Said rural convenience centers or transfer stations shall be located on mutually acceptable sites owned or controlled by the COUNTY or the CONTRACTOR and approved by the Board of County Commissioners.
- b. COUNTY and CONTRACTOR agree that CONTRACTOR shall have the right, subject to existing laws and codes, to determine physical layout, construction and operational characteristics of the sites. However, CONTRACTOR agrees to meet with COUNTY and local town advisory boards and citizens advisory committees within each area to obtain inputs and ascertain the desires of the residents for this service. CONTRACTOR agrees to operate convenience centers for public access a minimum of four (4) hours per day, a minimum

- of three (3) days per week, one such day being on a weekend.
- c. CONTRACTOR agrees to assume full costs and responsibility for site improvements, construction, operations, maintenance, and liability for operation of each convenience center or transfer site.
  - d. CONTRACTOR shall have the sole right to establish rates and collect fees from customers for disposal of solid waste at these centers.
  - e. CONTRACTOR and COUNTY agree that all such permanent or temporary convenience centers or transfer stations shall be placed in operation not later than one year after such sites are made available to CONTRACTOR by COUNTY or to COUNTY by CONTRACTOR. COUNTY agrees to provide paved ingress and egress to the sites from existing paved roads.
  - f. COUNTY and CONTRACTOR agree that upon CONTRACTOR's placing in operation all rural area convenience centers required by this contract or, in the alternative, the receipt by CONTRACTOR of a written declination of the Board of County Commissioners to have a convenience center or transfer station in a specified rural area, the termination date of this contract as specified in Paragraph 4, above, shall be

amended by contract modification to reflect an expiration date of September 30, 2020. Sites must be recommended by town advisory boards, and approved by the Board of County Commissioners no later than December 31, 1997, or CONTRACTOR will be excused from performance at that particular site.

11. CONTRACTOR shall have the exclusive right to collect and haul solid waste within unincorporated Clark County. CONTRACTOR shall have the exclusive right to operate a curbside recycling collection program for CONTRACTOR's single and multi-family residential customers during the period this contract is in force, subject to the provisions contained in this Contract and in Chapter 9.04 of the Clark County Code and amendments thereto, and except in instances where by reason of the provision of this Contract or by mutual agreement between COUNTY and CONTRACTOR the CONTRACTOR is excused and/or not required to make any collection.
12. CONTRACTOR shall make all collections of rates, fees and charges subject to provisions in Chapter 9.04 of the Clark County Code and amendments thereto, and shall establish and maintain an accounting system acceptable to COUNTY Director of Business License to insure full and complete records so as to reflect correctly and accurately the

gross receipts from the collection of solid waste under this contract, and full and complete records of the collection and disposition of quantities of recyclable materials under this Contract, shall also file with the COUNTY Director of Business License, within thirty (30) days after the end of the preceding quarter, a statement of the gross receipts derived from the collection of solid waste including curbside recycling under this contract, during the quarter next preceding the date of such statement, sworn to before a Notary Public. Such records and statements are, at the option and expense of the Director of Business License, subject to audit. All payments made to CONTRACTOR by users of CONTRACTOR' solid waste service provided under this Contract shall be evidenced by written receipts and shall be properly accounted for as revenue items. The books and records shall be produced for inspection at any time during normal business hours and shall be made available for auditing purposes at any time during normal business hours upon the request of the COUNTY Director of Business License.

13. CONTRACTOR shall provide for the payment on a quarterly basis, of a franchise license fee to COUNTY of five percent (5%) of the gross receipts derived from the collection of solid waste including curbside recycling

under this agreement, to include gross receipts for any additional services or service levels negotiated separately with customers from the rates contained in Chapter 9.04 of the Clark County Code and amendments thereto. Gross receipts mean cash collections on customer accounts less cash refunds. CONTRACTOR shall provide for payment on a quarterly basis of a franchise license fee to COUNTY of five percent (5%) of the gross receipts derived from fees paid by customers to deposit solid waste at transfer stations and solid waste convenience centers required by provisions of this Contract and operated by CONTRACTOR within unincorporated Clark County.

14. CONTRACTOR shall at all times keep on file with the Clark County Director of Business License a surety bond, or cash, or its equivalent, in the amount of Two Hundred Fifty Thousand Dollars (\$250,000.00), to be in a form acceptable to the Director of Business License to insure the collection of solid waste and its disposal as specified herein. Such bond shall be conditioned upon the faithful performance of this Contract and compliance with all applicable ordinances and laws of Clark County and the State of Nevada, and regulations of the Clark County Health District.

- a. In the event of a breach, for the time hereinafter

specified, said bond or cash shall be forfeited. In order that the public health and safety shall not be endangered thereby, CONTRACTOR agrees that after a hearing and determination thereof by the Board of County Commissioners if there is clear and convincing evidence to that a breach has occurred, the COUNTY shall have the right immediately to take over the collection of all solid waste and to take possession of such private land and equipment owned or leased by CONTRACTOR, and used by it in the performance of solid waste collection pursuant to this Contract, only to the extent that it may be necessary for COUNTY to temporarily provide such collection of solid waste. This possession by the COUNTY shall be limited to a period not to exceed three (3) months and during said period COUNTY shall pay to CONTRACTOR the reasonable rental value of similar private land and equipment.

b. Should a breach of this Contract result from an act of God, public enemy, or similar cause beyond CONTRACTOR'S control as determined by a hearing by the Board of County Commissioners, COUNTY shall have the right during such period to take over the collection of solid waste and equipment owned or leased by CONTRACTOR, and used by it in the performance of this

Agreement. COUNTY shall be reimbursed therefor by CONTRACTOR on a cost basis during the period of time that said solid waste collections are made by the COUNTY. Such reimbursement shall not exceed one Hundred Twenty-Five percent (125%) of CONTRACTOR'S costs for a like period of time immediately preceding said breach, such like period of time to be based upon the entire period said breach shall continue, notwithstanding the fact that such collections by COUNTY may not have commenced immediately upon the occurrence of said breach.

- c. In the event COUNTY shall take over the collection of solid waste, as in this paragraph provided, CONTRACTOR agrees to manage the office, including the preparation and mailing of bills and the collection of accounts receivable, with its administrative personnel and shall cooperate fully with COUNTY in facilitating the collection of solid waste.
  - d. COUNTY waiver of any breach shall not constitute a waiver of any subsequent breach, either of the same or any other provisions herein.
15. Not later than ten (10) calendar days after approval of this Agreement by the Board of County Commissioners the CONTRACTOR shall furnish the COUNTY Director of Business

License a policy or certificate of protective liability insurance in which the COUNTY shall be named as an additional insured with the CONTRACTOR as follows:

Comprehensive General Liability Insurance with a minimum limit of One Million Dollars (\$1,000,000) for bodily injury and property damage, including automobile and other than automobile and including accidental death.

16. The CONTRACTOR shall furnish and maintain in full force and effect during the term hereof, or any extension of this Contract, full compensation insurance in accordance with the Nevada Industrial Insurance Act and/or other State laws now in force, as the same may from time to time be amended.
17. The CONTRACTOR will be required by this Contract to appear in, and defend, all actions against the County of Clark arising out of the privileges conferred by this Contract, and CONTRACTOR agrees to hold the COUNTY harmless from all claims, damages or loss from any and all causes exclusively arising under performance of this contract for the duration of this Contract, unless such claims, damages or loss are directly attributable to the negligence or omission of the COUNTY or its other agents, servants or employees. The CONTRACTOR shall pay all other such losses, damages or claims for which the COUNTY may be

liable and save the COUNTY harmless from any accident or casualty, damages, losses, or claims which may happen or arise in conjunction with the performance of this Contract.

18. CONTRACTOR shall cause to be performed an annual financial audit in accordance with generally accepted auditing standards as of and for the year ended September 30 to be conducted by a licensed Certified Public Accountant selected by the CONTRACTOR. Such audit shall contain financial statements and note disclosures in conformity with generally accepted accounting principles. In conjunction with this audit, the auditor shall perform agreed-upon-procedures to attest to (1) the accuracy of the rate calculation as shown in Attachment "A" and (2) the accuracy of performance indicators shown in Attachment "B." CONTRACTOR records pertaining to the aforementioned Attachments shall, at the option and expense of the COUNTY, be subject to review by COUNTY personnel qualified in audit techniques and procedures. The financial audit and related agreed-upon-procedure reports shall be filed with the Director of Business License within the second quarter of the CONTRACTOR'S fiscal year.
19. It is mutually agreed that COUNTY and CONTRACTOR shall have the right to review the collection rates as contained

in Chapter 9.04 of the Clark County Code and amendments thereto not more frequently than once each year during the first quarter of each calendar year, at which time the Board of County Commissioners shall determine whether an increase or decrease in rates charged to customers should be made.

The following methodology will be used in determining proposed rate changes commencing with the year ending September 30, 1996:

- a. The CONTRACTOR'S income and expense accounts shall be allocated between (1) those amounts attributable to the exercise and performance of this exclusive solid waste disposal contract by and between the CONTRACTOR and the COUNTY and other exclusive municipal solid waste disposal contracts and (2) those not attributable to this and the other municipal contracts. Such income and expense accounts shall be known as contract and non-contract.
- b. The income and expense allocations shall be made in accordance with the following guidelines:
  - 1) Nellis Air Force Base Revenue and Incentive Store Revenue will be considered as non-contract revenue.
  - 2) The Cost of Premises at 770 East Sahara Avenue,

for contract purposes, will be calculated at fair rental value as determined by the CONTRACTOR and verified by the COUNTY to be reasonable. Such rental will be for actual square footage utilized and will be adjusted annually for current rental rates. The balance of costs will be allocated to non-contract revenues.

- 3) The computation for allocation of Nellis Air Force Base Costs will be based upon hours of operation of disposal trucks and personnel on a cost-per-hour basis.
- 4) Disposal personnel costs and operating costs, as well as Cheyenne vehicle maintenance costs, recycling costs, and hazardous waste removal costs are to be allocated on the relationship of Nellis Air Force Bases revenue to total disposal service revenues.
- 5) Administrative Expenses (as defined in Attachment "A") are allocated on the ratio of contract revenue and non-contract revenue to total revenue. Administrative Expenses will not exceed 15% of gross contract revenues. Any excess Administrative Expenses will reduce the expenses allowable for rate-making purposes, and actual

Administrative Expenses below 12% of gross contract revenues will be added to allowable income as an incentive to the CONTRACTOR.

- 6) Federal income taxes will be allocated as to the estimated amount attributable to the non-contract portion of net income, with the balance to be allocated to the contract category. Attachment "A" is an example of the aforementioned allocations and computations for the fiscal year ended September 30, 1995.
- c. Contract net income after taxes and franchise fees paid to the COUNTY will be used to determine if the desired rate of return has been realized during the CONTRACTOR'S most recent fiscal year. CONTRACTOR'S and COUNTY'S desired rate of return is 7% of contract revenues after Federal taxes and franchise fees paid to the COUNTY. In order to make a determination on the net income as computed in Attachment "A," net income must be adjusted for Administrative Expense excesses or for the CONTRACTOR'S incentive. The adjusted net income will be compared to 7% of contract revenues and the shortfall, if any, may be requested by the CONTRACTOR in addition to amounts required to result in a 7% return, provided that the CONTRACTOR

meets the performance standards to be set forth herein.

- d) CONTRACTOR agrees to provide to the COUNTY on an annual basis the following supplemental information (Attachment "B"), so that the COUNTY may determine the various performance indicators as it deems appropriate in the evaluation of the CONTRACTOR as it applies to increases in solid waste disposal rates:
- 1) Current year budget and actual expenses in prior year (Attachment "A")
  - 2) Number of collection vehicles
  - 3) Number of collection personnel
  - 4) Number of customers
  - 5) Tons of solid waste deposited in the landfill
  - 6) Number of collection man-hours paid
  - 7) Residential and multifamily recycling indicators
    - a. Tons of glass sold
    - b. Tons of paper sold
    - c. Tons of aluminum sold
    - d. Tons of steel/tin cans sold
    - e. Gallons of used motor oil sold
    - f. Tons of cardboard sold
    - g. Tons of plastic sold
  - 8) Landfill facilities

a. Number of personnel

b. Schedule of significant equipment used

Performance indicators will be monitored by the COUNTY for an initial period of three (3) years. Material negative deviations subsequent to the initial three (3) year period may be considered in determining future rate increases.

e. It is further mutually agreed that in the event the general wage scale in the vicinity of Clark County shall be materially increased or decreased during the term of this Contract, by reason of war, inflation, depression or other unavoidable happening, the parties hereto may, upon either party giving thirty (30) days notice in writing to the other, re-negotiate the rates and service levels as specified in Chapter 9.04 of the Clark County Code and amendments thereto to provide for such raising or lowering of wages.

f. In the event the County Commissioners determine, based upon sound and legitimate business and economic factors, that a requested rate increase should not be made or that the current rates then in existence should be lowered, CONTRACTOR shall have the right to terminate this Contract upon giving ninety (90) days written notice to the Board of County Commissioners of its intention so to do. In that event the Board of

County Commissioners may purchase or lease the equipment and property then owned and in use by said CONTRACTOR in accordance with the terms and conditions contained within this Contract to relating to Contract termination.

- g. In the event the COUNTY elects to rent said equipment, the period of rental shall be for a period of time mutually agreeable to the parties hereto. In the event the parties cannot agree as to matters in this paragraph contained, then the other provisions of this Contract shall apply.
20. CONTRACTOR agrees to provide data and reports necessary to fulfill requirements of the COUNTY and/or the Solid Waste Management Authority for assessing and reporting recycling and hazardous waste collection program results in conformance with applicable federal and state laws and regulations.
21. The rights and privileges granted by this Agreement are not assignable, either voluntarily or by operation of law without the consent of the Board of County Commissioners. In the event CONTRACTOR becomes insolvent or bankrupt, the rights or privileges granted hereby shall then be immediately cancelled and annulled, and COUNTY shall have the right to take over said business or substitute another

- contractor in its place and stead as provided by law.
22. Should CONTRACTOR fail or neglect to make any solid waste collections as required by this Contract within the time herein provided, the COUNTY shall, after two working days, have the right to temporarily make collection thereof and charge CONTRACTOR with the cost thereof.
  23. CONTRACTOR agrees to make collections as quietly as possible giving due consideration to residential areas in their route scheduling.
  24. CONTRACTOR shall indemnify and hold COUNTY harmless from any and all claims, demands, damages, costs, expenses and attorney fees to the extent based upon or arising out of the acts of omissions of CONTRACTOR, its officers, employees, subcontractors and other agents in equipping, maintaining, or servicing transfer stations and convenience centers unless such claims, damages or loss are directly attributable to the negligence or omission of the COUNTY or its other agents, servants or employees.
  25. In the event the Board of County Commissioner determines that the CONTRACTOR is in default under any of the provisions hereof, the Board of County Commissioners shall give the CONTRACTOR written notice thereof, specifying the provisions hereof under which the default has been

determined to exist and give the CONTRACTOR sixty (60) days within which to commence correction of any such default. In the event CONTRACTOR does not commence correction of any such default within said sixty days, as in this paragraph provided, then the COUNTY may terminate this Contract upon giving of thirty (30) days written notice to CONTRACTOR; and COUNTY may take possession of the equipment and other property of the CONTRACTOR as hereinbefore provided, and the bond deposited by CONTRACTOR in conformity with the provisions contained within this Contract shall be forfeited.

26. At the end or sooner termination of this Contract, COUNTY agrees to lease all usable equipment and other property belonging to and used exclusively by CONTRACTOR for solid waste collection required under terms of this contract, provided mutually satisfactory terms can be agreed upon between the parties. In the event the parties are unable to agree as to rental and other lease terms, COUNTY hereby shall then be entitled to buy all aforesaid usable equipment and other property owned and used by CONTRACTOR in the operation of its solid waste business within unincorporated Clark County at the fair market value as determined by an appraisal by an independent and mutually agreed upon appraiser.

27. CONTRACTOR and COUNTY agree that in the event any of the area delineated in the attached exhibits hereto shall subsequently be annexed or otherwise incorporated, this Contract shall abate to the extent of any such annexation or incorporation, and thereafter service to such area or areas shall be governed by the provisions of any solid waste collection and disposal franchise granted by such incorporated city.
28. CONTRACTOR and COUNTY agree that in the event any area or areas not within the Urban or Rural Service Areas as delineated in the attached Exhibits shall subsequently be provided solid waste collection service by CONTRACTOR, said area or areas shall be incorporated into the franchised Urban or Rural Service Areas or shall be designated as a Special Service Area as appropriate and as mutually agreed to by CONTRACTOR and COUNTY.
29. If any provision hereof shall, for any reason, be held to be invalid, such fact shall not be deemed to invalidate any other provision herein.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first above written.

COUNTY OF CLARK

BY *Yvonne Atkinson Gates*  
Yvonne Atkinson Gates, Chair  
Board of County Commissioners

ATTEST:

*Loretta Bowman*  
LORETTA BOWMAN, Clerk

SILVER STATE DISPOSAL SERVICE

BY *Joseph L. Anstett*  
Joseph L. Anstett, President

APPROVED AS TO COMPLIANCE  
WITH NEVADA LAW ONLY:

STEWART, L. BELL, DISTRICT ATTORNEY

BY: *Victor W. Biale*  
Deputy District Attorney