

STATE OF NORTH CAROLINA
COUNTY OF ALAMANCE

FRANCHISE AGREEMENT FOR THE COLLECTION AND DISPOSAL OF
CONSTRUCTION AND DEMOLITION DEBRIS AND OPERATION OF A
CONSTRUCTION AND DEMOLITION DEBRIS LANDFILL WITHIN ALAMANCE
COUNTY, NORTH CAROLINA

This Franchise Agreement (“Agreement”) is made and entered into on the ____ day of _____, 2023, by and between Alamance County, a political subdivision of the State of North Carolina (“County”) and Meridian Waste North Carolina, LLC, a North Carolina limited liability company qualified to do and actually doing business in the State of North Carolina (“Company”).

WHEREAS, Company desires to acquire the business and ownership interests of Coble’s Sandrock, Inc., a company that currently holds a Construction and Demolition franchise with Alamance County; and

WHEREAS, Company desires to continue to operate the existing Construction and Demolition Landfill located at 5833 Foster Store Rd, Liberty, NC 27298 (“the Landfill”), and desires to transport construction and demolition waste to the Landfill; and

WHEREAS, Company has submitted an application to County to be granted a franchise to operate the Landfill and transport construction and demolition waste to the Landfill; and

WHEREAS, Alamance County has adopted the Solid Waste Management Ordinance, amended and effective on November 7, 2022; and

WHEREAS, Alamance County desires to allow Company to transport and collect construction and demolition waste within Alamance County and to operate the Landfill; and

WHEREAS, the Alamance County Board of Commissioners has found that Company satisfies all elements as defined in Section 3(2) of the Alamance County Solid Waste Management Ordinance; and

WHEREAS, at regularly scheduled public meetings the Alamance County Board of Commissioners passed an ordinance authorizing a non-exclusive Construction and Demolition Franchise Agreement with Company (“Franchise Ordinance”);

NOW, THEREFORE, in consideration of the promises and mutual covenants contained in this Agreement, the parties agree as follows:

1. Term. This Agreement extends for the life of the site of the Landfill, provided, however, that the right and privilege to operate this franchise in Alamance County is subject to all terms and conditions in the Alamance County Solid Waste Management Ordinance and to all terms and conditions as may be set forth in any amendment to the Solid Waste Management Ordinance by the Alamance County Board of Commissioners, and is subject to all terms, conditions, laws, and regulations set forth by the State of North Carolina and/or

the federal government. In the event of a conflict between the terms and conditions of the Franchise Ordinance and the Solid Waste Management Ordinance and this Agreement, the terms of the ordinances prevail.

2. Scope of Services. Company has been granted, pursuant to Ordinance No. ____, a non-exclusive franchise to operate a construction and demolition landfill within Alamance County and to transport construction and demolition waste into the Landfill. The population to be served by the Landfill will consist primarily of commercial contractors who specialize in construction, demolition, and land-clearing activities and haulers who haul materials generated from such activity.
3. Service Area. The area to be served by the Landfill will be limited to a service area consisting of the 27 named specific counties of the political boundary of Alamance County as follows:

<u>Alamance</u>	<u>Granville</u>	<u>Person</u>
<u>Caswell</u>	<u>Guilford</u>	<u>Randolph</u>
<u>Chatham</u>	<u>Harnett</u>	<u>Rockingham</u>
<u>Cumberland</u>	<u>Hoke</u>	<u>Rowan</u>
<u>Davidson</u>	<u>Johnson</u>	<u>Stanly</u>
<u>Davie</u>	<u>Lee</u>	<u>Stokes</u>
<u>Durham</u>	<u>Montgomery</u>	<u>Vance</u>
<u>Forsyth</u>	<u>Moore</u>	<u>Wake</u>
<u>Franklin</u>	<u>Orange</u>	<u>Yadkin</u>

4. Notwithstanding such service area, Company agrees to give first priority in terms of space in the landfill to Alamance County-entity generated waste.
5. Waste stream. The waste stream that may be accepted by the Landfill will be composed of waste or debris resulting from roofing, construction, remodeling, repair, or demolition operations on pavement, buildings, or other structures. Inert debris such as concrete, brick, concrete block, uncontaminated soil, gravel and rock, and wood will also be accepted. Company must monitor the waste offered to the landfill and reject any friable asbestos, organic/household wastes, wastes that have been in contact with petroleum, solvents, chemical waste containing PCBs, and waste that has been in contact with pesticides and herbicides. Company agrees that it will follow all applicable guidance from the State of North Carolina for handling, rejecting, or processing materials that contain or may contain asbestos and/or any other hazardous material regulated for disposal by the State or Federal Government.
6. Volume. Company agrees that the average daily volume of construction and demolition debris accepted at the Landfill will not exceed 600 tons based upon 365 operational days per year. The 600-ton limitation excludes any recyclable material.
7. Reduced Tipping Fees. Company will grant a reduced tipping fee to all Alamance County residents (proof of residence must be presented upon waste acceptance) delivering

residential DIY (Do-It-Yourself) C&D waste to the Landfill in an amount that is 90% of the posted gate rate at the Landfill. Company must give County written notice of any proposed gate rate tipping fee change at least sixty (60) days prior to the proposed effective date of the fee. Commercially-generated C&D waste does not qualify as residential C&D waste regardless of driver or business owner County residency.

8. Disaster Debris: Company will grant a reduced tipping fee for all Alamance County Disaster Debris waste transported to the Landfill on County vehicles or on behalf of a third-party contractor's vehicles contracted to collect and transport Disaster Debris C&D waste for the County based upon the North Carolina Governor's decree of a Disaster in the County. The rate shall be 75% of the posted gate rate at the Landfill and shall be honored for a period of 60 days following the Disaster unless otherwise mutually agreed to between The County and the Company for a different time period. Additionally, it is understood that the Company may petition the County and the State for modified Landfill operating hours to better manage the waste generated from a Disaster. Such approval shall not be unreasonably withheld.
9. Host Fees. Company will pay a host fee to County of \$1.00 per ton of waste disposed at the Landfill. The total fee to be paid to County will be based upon the monthly volume of construction and demolition waste disposed in the landfill and must be paid for each month by the 30th day of the following month. Electronic/ACH or check payments shall be an acceptable form of payment. The official volume of waste disposed in the Landfill will be based on Company's annual report filed with the State of North Carolina. If the annual report filed with the State of North Carolina shows total tonnage exceeding the sum of payments Company has paid County during that time, Company must remit payment to County for the difference in tonnage at the \$1.00 per ton rate within thirty (30) days of submitting Company's report to the State. The host fee rate specifically excludes payment for tons of recycle material collected and separated from construction and demolition debris and materials not disposed within the landfill. Examples of such materials not disposed within the landfill include cover dirt, road aggregate, clean concrete and similar materials used for compliance with regulatory requirements and Landfill maintenance.
10. Minimum Host Fee Guarantee. Without duplication of the amount paid pursuant to Paragraph 8 above, The Company shall guarantee a minimum annual host fee to the County for the life of this Agreement whether or not such volume has been received at the Landfill. Such minimum guarantee payment will be made by January 30 of each year based upon the final computation of host fee payments made during the previous year. For the avoidance of doubt the guaranteed host fee contemplated herein with respect to any calendar year shall be net of any amounts actually paid pursuant to Paragraph 8 above for such year, and, to the extent the fees paid pursuant to Paragraph 8 above for such year exceed the applicable minimum annual host fee for such year, no further amount shall be due and owing by the Company pursuant to this Paragraph 9 with respect to such year. Notwithstanding the foregoing, the Company shall not be liable for the minimum host fee payment if and to the extent the Company is prevented from accepting waste volume into the Landfill due to actions, rulings or decision of NC DEQ or any other local, state or federal governmental or regulatory body or in the event the landfill does not have the

necessary permitted airspace to allow the Company to accept enough tonnage to generate the minimum host fee payment. Year 2023 shall be prorated in the amounts listed below upon based upon the date of the approved NC DEQ permit modification reflecting the changes of this Alamance County Franchise Agreement.

2023 Partial Year:	\$50,000 (prorated)
Year 1:	\$50,000
Year 2:	\$75,000
Year 3+:	\$100,000

11. DOT Compliance. Prior to Company beginning operation of its franchise under this Agreement, Company agrees that it will comply with the requirements of N.C. Gen. Stat. § 130A-295.5 and provide to County a copy of any issued certification by the North Carolina Department of Transportation evidencing this compliance.
12. Litter Control. The Company will collect litter, whether or not it is generated by vehicles delivering materials to the Landfill, 0.5 miles on either side of the entrance of that state route on a monthly basis, weather permitting. This may or may not be coordinated in conjunction with the State's Adopt-A-Highway program.
13. Facility Beautification. The Company agrees to invest in the upgrade of the Landfill entrance and landscaping.
14. Community Involvement. The Company agrees to invest in the community by way of sponsorships, charitable donations, neighborhood events and/or educational experiences a minimum of two times per year.
15. Insurance. During the term of this Agreement, Company must maintain, at its expense, insurance coverage with minimum limits as follows:

<u>Coverage</u>	<u>Limits of Liability</u>
Commercial General Liability	\$3,000,000 per occurrence \$5,000,000 aggregate
Property Damage	\$1,000,000 per occurrence \$3,000,000 aggregate
Pollution Liability Policy	\$5,000,000 aggregate
Workers' Compensation	Statutory

Such coverage must comply with Section 3(12) of the Alamance County Solid Waste Management Ordinance, including but not limited to the fact that such insurance policies must contain a hold harmless clause indemnifying and defending County against claims made against Company, and such insurance policies must name County as an additional insured. By July 1 of each year, Company must submit proof of insurance to County. All

insurance policies shall be issued by companies authorized to do business under the laws of the State of North Carolina and shall be rated not less than “A” by A.M. Best and Company.

16. Financial Assurance for Closure & Post-Closure. The Company shall maintain NC DEQ mandated Financial Assurance for the closure and post-closure costs of the Landfill in compliance with North Carolina General Statutes §130A-295.2.
17. Indemnification. Company shall indemnify and hold harmless County, its Board of Commissioners, employees, agents, elected officials, and representatives from any and all liabilities and claims of every kind, including reasonable attorney’s fees, to which County may be subjected on account of performance under this Agreement, loss, destruction or damage to property, or on account of injury to or death of persons, to the extent caused by the negligence or willful misconduct of Company in the performance of this Agreement.
18. Material Terms. All terms and conditions of the Ordinance, this Agreement, and any amendment that may be enacted to either, are considered material and failure to perform any of the conditions by Company is considered a breach of this Agreement. Should Company fail to perform any of the terms and conditions, County has the right to immediately terminate the Agreement.
19. Assignment. Company can neither assign nor sublet any rights and obligations under this Agreement without the written consent of County, which consent County will not unreasonably withhold. Any attempted assignment shall be null and void, and will authorize County, at its discretion, to terminate this Agreement.
20. Notices. Any notice or other communication required or permitted under this Agreement shall be in writing and shall be deemed to have been given on the date personally delivered or deposited in the United States Postal Service, certified mail, return receipt requested, with adequate postage affixed, addressed as follows:

Alamance County
Attn: County Attorney
124 W Elm Street
Graham, NC 27253

Meridian Waste North Carolina, LLC
Attn: David Lavender
5925 Carnegie Blvd., Ste 370
Charlotte, NC 28209

Either party may change its address for notices under this Agreement by giving written notice of such change to the other party in accordance with the provisions of this paragraph.

21. Governing Law. This Agreement and the rights and obligations of the parties to this Agreement shall be construed and governed by the laws of the State of North Carolina, venue Alamance County.
22. State and Federal Requirements; County Terms and Conditions: By signing this Agreement, Company certifies that it is in compliance with all applicable State and Federal laws (including, but not limited to, N.C.G.S. §143-129(j) regarding E-Verify, legal

prohibitions against unlawful employment/workplace discrimination, and the requirement not to be listed on any divestment list published by the NC State Treasurer and any other Federal or State debarment or suspension lists).

23. Severability: If any provision of this Agreement is held unenforceable, then it shall be stricken and all remaining provisions of this Agreement shall remain in full force and effect.

24. Waiver: A waiver of any provision of this Agreement must be in writing, designated as such, and signed by the party against whom enforcement of the waiver is sought. The waiver of a breach of any provision of this Agreement shall not operate or be construed as a waiver of any subsequent or other breach thereof.

IN WITNESS WHEREOF, the parties have executed this Agreement in their official capacities with legal authority to do so.

Alamance County

Heidi York, County Manager

ATTEST: _____
Tory Frink, Clerk
Alamance County Board of Commissioners

Meridian Waste North Carolina, LLC

Chief Executive Officer

ATTEST: _____
Corporate Secretary or other appropriate corporate official