

Municipality: _____

RESIDUALS MANAGEMENT PARTICIPATION AGREEMENT

This RESIDUALS MANAGEMENT PARTICIPATION AGREEMENT (“Agreement”) dated as of April, 2019, is made by and among the CHITTENDEN SOLID WASTE DISTRICT (the “District”), and the member municipality of the District the name of which is set forth on the signature page of this Agreement (individually, a “Participant”; and, together with the other municipalities entering into similar participation agreements with the District, collectively, referred to as the “Participants”).

WHEREAS, the District and the Participant previously entered in a Residuals Management Participation Agreement, dated as of December 2013 (as the same may have been supplement or amended, the “Prior Agreement”);

WHEREAS, the District will enter, or has entered into, a new Residuals Management Service Agreement with New England Waste Services of ME, Inc., (d/b/a Casella Organics) and a wholly owned subsidiary of Casella Waste Systems, Inc. (“Casella Organics”) for the management of Residuals from the Wastewater Resource Recovery Facilities (WRRFs) from the District’s member municipalities (the “Casella Organics Contract”); and

WHEREAS, the Participant and the District desire to enter into this Agreement to continue to have the District manage the Residuals produced from the Participant’s WRRFs as set forth herein and under the Casella Organics Contract.

NOW THEREFORE, in consideration of the mutual obligations undertaken herein, and for other good and valuable consideration, the receipt of which is hereby acknowledged, the parties agree as follows:

1. Management of Residuals

- 1.1. The Participant shall provide to the District all Residuals generated or produced at all of the Participant's municipal Wastewater Resource Recovery Facilities (the “WRRFs”) and the District shall manage such Residuals as set forth herein.
- 1.2. The District shall accept Residuals, subject to the terms of this Agreement, the Casella Organics Contract (Exhibit A to this Agreement), and all applicable laws, rules, regulations and permits. All Residuals shall meet the standards set forth in the Casella Organics Contract and shall be managed and disposed of by the District pursuant to the Casella Organics Contract. In the event the Residuals do not meet the standard under the Casella Organics Contract or constitute “Non-Conforming Waste” as specified therein, the District shall not be responsible for managing such non-conforming Residuals.

- 1.3. The District will contract, or subcontract, for the management and disposal of Residuals. Residuals will be disposed of at a landfill Facility (as defined in the Casella Organics Contract) or managed recycling and processing at Grasslands, or other means as provided in the Casella Organics Contract.
- 1.4. The Participant shall allow the District, and its agents, upon not less than two days' notice, access to the WRRFs and all books and records relating to, or applicable to, the WRRFs in order to perform this Agreement and the Casella Organics Contract.
- 1.5. The District may reject Residuals that are Non-Conforming Waste, or that do not meet the Quality Standard.
- 1.6. In the event that Casella Organics is unable to manage or otherwise provide for disposal of Residuals under the Casella Organics Contract, but the Casella Organics Contract has not otherwise terminated, the District may dispose of such Residuals at an alternative facility or treatment process on a temporary basis not to exceed 6 months as may be designated by the District. If an alternate facility or treatment process is designated by the District, then the applicable Fees (as detailed in Sections 5, 6 and 7) may be adjusted by the District to fully cover the costs of such alternative facility or process.
- 1.7. If an alternate facility or treatment process is designated by the District due to a termination of the Casella Organics Contract, and, as a result, the sum of the applicable Fees are increased, then the Participant shall have the right to terminate participation in this Agreement. Any such termination shall be on not less than thirty (30) days' written notice to the District. Any such termination shall not affect the Participant's obligations or liabilities to the District arising prior to the effective date of such termination.
- 1.8. The Casella Organics Contract provides that Casella Organics may process and dispose of Residuals that meet the certain standards (as set forth in the Casella Organics Contract) at the Grasslands Manufacturing Facility located in Chateaugay, New York ("Grasslands"). If the Residuals provided by the Participant meet the standards for processing at the Grasslands Facility, the District will direct such Residuals to the Grasslands Facility to the extent allowed under the Casella Organics Contract, and taking into account the Residuals collected from the WRRFs of other Participants. On an annual basis, at the election of the Participant, by notice provided to the District not later than August 15th of each year, the Participant may elect to not use the Grasslands for processing and recycling of its Residuals. Upon such election, the District will exercise its rights, under the terms of the Casella Organics Contract, to request that the Residuals from the Participant's WRRFs(s) be disposed of at the Facility in accordance with and as set forth in the Casella Organics Contract and at the rate(s) as set forth therein.

2. Residuals Quality, Testing and Archiving; Changes in Residuals Generated

- 2.1. Upon the request of the District, the Participant shall provide all information to the District relative to current and proposed WRRF wastewater treatment processes, including the use or proposed use of chemicals or additives, which might materially affect the quality of the Residuals.
- 2.2. The Participant, at its expense, shall test all Residuals as required by the District, the Casella Organics Contract and as otherwise required by applicable law, regulation and permits. The Participant shall provide all test analyses and results which the Participant obtains, whether or not such tests are required by this Agreement, to the District within ten (10) days after the Participant's receipt, and within ten (10) after the District's request, to any third-party which the District specifies. Upon request, the District shall provide copies of the test analyses and results received from other Participants to the Participant.
- 2.3. If the Participant seeks to have the Residuals managed by the Grasslands Option as provided in the Casella Organics Contract, the Participant shall be required to take representative proportional samples of all Residuals removed for such disposal and all such Residuals shall comply with the criteria outlined in Casella Organics Contract, Exhibit D In the event the Participant is not able to meet the analytical testing frequency or maximum concentration standards for the Grasslands Option within a 90 day period, Residuals will be sent to the Facility at the cost identified in the Casella Organics Contract (Exhibit A). The Participant shall properly label and preserve samples until such time that the residual samples are:
 - a. Tested/Analyzed, and
 - b. The results are submitted to the District, and
 - c. The District notifies Participant that the sample may be discarded.
- 2.4. Upon the District's request, the Participant shall promptly provide a representative sample of Residuals.
- 2.5. A Participant must obtain the consent of the District prior to accepting, processing or dewatering Residuals from (i) another municipality which does not have a participation agreement with the District or (ii) a private entity. The foregoing shall not limit the Participant from treating wastewater from commercial and residential users within the municipality, landfill leachate, or septage, collected and treated through the Participant's normal wastewater treatment facilities.
 - 2.5.1 As a condition to issuing any required consent, the District may require test results for all parameters contained in the Casella Organics Contract on both representative historical and current samples of the material proposed for acceptance. Upon receipt of all test results reasonably required by the District, the District shall provide either its approval or disapproval within three business days

after receipt of all such required test results. Failure to provide disapproval within such period shall be deemed to be consent.

2.5.2 The generator of Residuals without a Participation Agreement shall also be subject to the Residuals Quality, Testing and Archiving requirements as contained in this Section 2. The Participant shall bear full responsibility for resulting Residuals quality delivered to the District.

3. Residuals Quality & Quality Standard

3.1. All Residuals to be managed by the District shall meet the Quality Standard. If the Residuals delivered by or on behalf of a Participant do not meet the Quality Standard and therefore constitute Non-Conforming Waste, then the District shall notify the Participant, and the Participant shall have the option, of:

(i) having the District process or dispose of such Residuals, in which case the Participant shall pay the District for all costs and expenses of processing and treatment of such Residuals to compensate the District for all costs and expenses of handling, processing and disposing of such Residuals, or

(ii) rejecting the delivery, in which case the Participant shall be required to dispose of the rejected Residuals in another manner, subject to all applicable laws and regulations. The District may reject the delivery of any Non-Conforming Waste notwithstanding the prior removal of such Residuals from the WRRF(s).

3.2. The District will use its reasonable efforts to identify the particular WRRF(s) that are the source of Non-Conforming Waste and shall promptly notify the Participants of the source and cause for such Non-Conforming Waste.

3.3. If the Participant discovers that Residuals constitute Non-Conforming Waste, the Participant shall immediately give the District notice thereof, together with a description of:

(a) the Residuals affected, dates of generation, quantity of residuals affected, method and location of dewatering, dates of shipment,

(b) relevant and material laboratory analyses with sampling and archiving methods,

(c) any known or suspected cause,

(d) any known or suspected hazards or dangers arising from the Nonconformity,

(e) the specific known or suspected nonconformity,

- (f) suggested handling and disposal, and
 - (g) corrective action that the Participant is taking or intends to take or cause to be taken to prevent the generation of such Non-Conforming Waste.
- 3.4. Any subsequent sampling and analyses costs of Participant's Residuals to verify results of earlier testing will be at the Participant's expense.
 - 3.5. The cost of any special sampling or analysis of other Residuals blended with the Participant's Non-Conforming Waste prior to delivery to Casella Organics shall be borne by the Participant delivering the Non-Conforming Waste to Casella Organics.
 - 3.6. The cost of any special sampling made with the Participant's Non-Conforming Waste shall be borne by the Participant delivering the Non-Conforming Waste to Casella Organics.
 - 3.7. Any modifications to the definition of the Quality Standard must be agreed upon by both parties and shall require an amendment to this Agreement.
 - 3.8. The Participant will undertake efforts to mitigate and minimize malodors of all Residuals at the WRRF utilizing appropriate best practices to avoid the Residuals being classified as creating Nuisance Odors under the Casella Organics Contract. In the event that the Residuals at the WRRF create Nuisance Odors under the Casella Organics Contract, the Participant will take all reasonable efforts to correct such malodors. The Participant acknowledges that the handling and disposal of its Residuals may be terminated under the provisions of the Casella Organics Contract.

4. Grasslands Option

- 4.1. The Casella Organics Contract provides that during the Term of the Agreement, Casella Organics will recycle the Residuals as identified in Exhibit B Casella Organics shall be responsible for marketing Class A product and Product from GMF at its own expense.

5. Processing Fees for Residuals

- 5.1. The Participants shall pay a Disposal Processing Fee per wet ton for the disposal and management of Residuals at the Facility as set forth in Exhibit B of the Casella Organics Contract. The Disposal Processing Fee shall be the sum of (1) the per wet ton rate charged the District under the Casella Organics Contract; plus (2) the Transportation Fuel Adjustor charged the District under the Casella Organics Contract; plus (3) the Vermont State Franchise Tax; plus (4) the District capital and administrative expense rate. The Disposal Processing Fee shall be paid for each

wet ton of Residuals generated from the WRRFs. The Transportation Fuel Adjustor will be calculated monthly as set forth in the Casella Organics Contract. The District's capital and administrative expense rate will be set annually by the District Board of Commissioners and may not exceed 15% of the per ton rate established under the Casella Organics Contract. The District's capital and administrative expense rate shall be based upon the District's costs and expenses, including administrative expenses, of managing biosolids and Residuals for the Participants. The District's initial capital and administrative expense rate as of January 1, 2018 is \$11.14 per ton but may change during the term of this Agreement. The District shall provide each Participant with documentation evidencing the determination of the capital and administrative expenses. The Participant acknowledges that the Disposal rate may increase in accordance with the terms of the Casella Organics Contract.

The District may establish a capital reserve fund and deposit amounts into such fund using a portion of the District's capital and administrative expense rate paid by the Participant. Such capital reserve fund may be used by the District for (i) unanticipated expenses in performing the District's duties and obligations under the Casella Organics Contract for the benefit of the Participants, (ii) if and when the District determines it necessary, to purchase equipment or trailers for purposes of assisting in the management and disposal of Residuals for the Participants, or (iii) analyses and studies to assist in the management of Residuals, and potential changes in environmental regulations of biosolids from the WRRFs.

- 5.2 If a Participant certifies in writing that their Residuals meet all applicable standards and requirements for the Grasslands Option, as set forth in the Casella Organics Contract, such Residuals are available for Grasslands, then the Processing Fee will be:
 - 5.2.1 The sum of (1) the Casella Organics Contract rate for Grasslands Option; plus (2) the Transportation Fuel Adjustor charged the District under the Casella Organics Contract; plus (3) the District capital and administrative expense rate.
- 5.3 If a Participant certifies in writing that their Residuals meet all applicable standards and requirements for Class A, as set forth in the Casella Organics Contract, such Residuals are available for Land Application, then the Processing Fee will be:
 - 5.3.1 The sum of (1) the Casella Organics Contract rate for Class A Land Application Option; plus (2) the Transportation Fuel Adjustor charged the District under the Casella Organics Contract; plus (3) the District capital and administrative expense rate.
- 5.4. All Processing Fees shall be due and payable within 20 days of the date of the District's invoice. The District may alter these fees upon prior written notice to the

Participants provided that the wet ton rate shall not exceed **115%** of the rate, per wet ton, due under the Casella Organics Contract.

6. Rate Adjustments

- 6.1. The Participants acknowledge that pursuant to Section 2.6 of the Casella Organics Contract, certain Rate Adjustments (as defined in the Casella Organics Contract) may be made subject to the District's approval. The District shall provide the Participants written notice of any proposed Rate Adjustment, together with reasonable justification therefore in order to seek approval of the proposed Rate Adjustment from the Participants. If a majority (based on average historic tonnage of Residuals produced at the WRRFs) of the Participants and the District accept the proposed Rate Adjustment, then such Rate Adjustment shall go into effect and apply to all Participants. The Participants acknowledge that if such a majority of the Participants rejects a proposed Rate Adjustment, the Casella Organics Contract may terminate in accordance with its terms.
- 6.2. The District will adjust all Rates hereunder annually (excluding any rates for fuel), on July 1st of each contract year, at a rate equal to the most recent annual percentage increase in the Consumer Price Index for All Urban Consumers (CPI-U), all items, "Northeast Urban Size B/C – All Items Less Energy", as published by the United States Department of Labor, Bureau of Labor Statistics, or a successor index. The Participants shall not have the right to reject the consumer price index adjustment as set forth in this Section 6.2.
- 6.3. The Participants further acknowledge that due to the combining of Residuals from the WRRFs of some or all of the Participants, it may not be possible or economically practicable for the District to determine which WRRF or WRRFs are the cause of the increased costs due to Residuals being Non-Conforming Waste. Accordingly, to the extent, if any, that the Costs are not covered by the Fees collected under Section 5 of this Agreement, the District shall calculate each Participant's Pro Rata Share based upon (a) the Participant's total number of wet tons of Residuals that may be part of such Non-Conforming Waste divided by (b) the total number of wet tons of Residuals from all Participants that may constitute such Non-Conforming Waste. The Participants shall be obligated to pay to the District their Pro Rata Share for all Costs not covered by any Processing Fee. Such amount shall be due within 60 days after receipt of an invoice from the District. The obligation of the Participants hereunder shall not limit or impair the member municipalities' responsibilities or obligations under the Charter.

7. Other Fees

- 7.1. The Participant shall pay, in addition to any Processing Fee, any additional fees imposed under the Casella Organics Contract to the extent caused by the Participant relating to collection of Residuals at the Participant's temporary or permanent dewatering facility(s). Demurrage charges are at the current rate of \$95.00 per hour

that Casella Organics must wait in excess of 60 minutes to load trailers at Participant's facilities or depart the Participant's facilities.

- 7.2. A charge will be made for the Minimum Load as follows. If in any month the average load weight is less than 27.00 tons, the Participant shall pay to the District, as invoiced, a surcharge to be calculated as follows: $\text{Surcharge} = (\text{actual number of loads per month} - \text{theoretical number of loads per month}) \times \text{the base rate of disposition}$. [NOTE: The Theoretical Number of Loads = $\text{total tons removed per month} \div 27.00 \text{ tons}$ (or 23 tons in the case of (Shelburne), which shall be calculated separately from all other WRRFs)]. Notwithstanding the foregoing, the Participant shall not be responsible for a Minimum Load charge to the extent the inability to meet a Minimum Load is the result of the District providing a trailer that is not capable of holding a Minimum Load or the Minimum Load charge is waived due to provisions of the Casella Organics Contract such as Containers returned with material in them.
- 7.3. The Participant shall pay, in addition to any Processing Fee, any additional taxes levied or imposed on the District for Residuals managed under the Casella Organics Contract. Such taxes shall be equitably apportioned by the District per wet ton of Residuals from all WRRFs managed by the District for the Participants.
- 7.4. In the event (i) the Casella Organics Contract is terminated and (ii) the District has extended the term of this Agreement under Section 9.2 hereof and is providing alternative disposal or treatment facilities for the Participant's Residuals, the wet ton rate for Processing Fees for the managing and disposal of Residuals shall be established by the District and shall be the sum of (1) the actual wet ton rate for such alternative disposal or treatment facility, plus (2) the District's capital and administrative expense rate, which rate shall be not more than 15% of the total per wet ton rate including fees and taxes paid for the alternative disposal or treatment or Residuals. The Processing Fee shall be paid for each wet ton of Residuals generated from the WRRFs(s). The Processing Fee shall be due and payable within 20 days of the date of the District's invoice.

8. Regulations; Operation; Books and Records

- 8.1. The Participant shall assist and cooperate with the District in enforcing the District's regulations and rules concerning Residuals. The current rules are set forth in Exhibit C. The District may amend Exhibit C with the prior approval of the Participants, such approval to not be unreasonably withheld or delayed.
- 8.2. The District will be responsible for the enforcement of District adopted ordinances and regulations. The Participant shall also assist and cooperate with the District in compliance with the terms of the Casella Organics Contract and any and all permits, licenses and approvals for performance of the Casella Organics Contract.

- 8.3 The District and the Participant shall keep adequate books, records and other documentation consistent with applicable regulatory requirements and in accordance with generally accepted accounting practices, pertaining to performance of the services required by this Agreement, including, without limitation, correspondence, instructions, plans, receipts, vouchers, sampling methods, analytical results and other memoranda.
- 8.4 Casella Organics is to operate, or cause to be operated, Grasslands in accordance with all applicable laws, rules and regulations and in compliance with all permits issued for Grasslands by any governmental authority with jurisdiction over Grasslands

9. Term

- 9.1. The term of this Agreement (the "Term") shall commence on the date of this Agreement and shall continue in effect until the expiration or termination of the Casella Organics Contract, subject to Section 9.2 below.
- 9.2 In the event the Casella Organics Contract is terminated, the District may, upon notice to the Participant, extend the term of this Agreement for such period of time that the District has secured alternative disposal or treatment facilities for Residuals. In the event the District so extends the term of this Agreement, the Participant shall have the option, upon not less than thirty (30) days' written notice to the District, to terminate its participation under this Agreement. Any such termination shall not affect the Participant's obligations or liabilities to the District arising prior to the effective date of such termination.
- 9.3. The Participant is obligated to use its good faith efforts to have all Residuals generated at the WRRFs meet the Quality Standard. In the event that, despite such good faith efforts, the Residuals generated from the WRRFs fail to meet the Quality Standard, and after blending with Residuals from the WRRFs of other Participants, is still Non-Conforming Waste when delivered to Casella Organics under the Casella Organics Contract, the Participant does not correct such failure within six months, either the District or the Participant may, upon written notice, remove the WRRF or WRRFs as the case may be from participation under this Agreement. Upon such removal, neither the District nor the Participant shall thereafter have any further obligation with respect to Residuals generated from such WRRF (or WRRFs, as the case may be). Any such removal shall not affect any liability or obligation of the Participant arising prior to such removal. In the event the Participant is removed from participation under this Agreement, it shall reimburse the District for its share of capital expenses incurred prior to the date of termination. Such capital expenses, and the Participant's share, shall be determined by the District and set forth in a schedule of capital expenses.

- 9.4. Any obligation for the payment of money, under Sections 5, 6, 7, 9, 10, or 14 of this Agreement shall survive termination of this Agreement and shall remain in full force and effect until discharged, satisfied, or specifically waived in writing.

10. Default

- 10.1 If any Participant fails to timely pay any amount due hereunder, or fails to timely perform any other obligation required hereunder, or seeks relief from creditors under any bankruptcy or insolvency law, or if any creditor of any Participant files a petition against such Participant under any bankruptcy or insolvency law, then such Participant shall be in default under this Agreement and the District shall be able to pursue all available remedies at law or in equity against such Participant. Without limiting the foregoing, upon any such default, the District may terminate the Participant's rights under this Agreement. All such remedies shall be cumulative. Any defaulting Participant shall be liable to the District for the District's costs of collection, including but not limited to reasonable attorneys' fees and any damages for which the District may be found liable under the Casella Organics Contract.
- 10.2 If any Participant defaults under this Agreement by not delivering all of their Residuals designated in Section 1 of this Agreement, then such defaulting Participant shall be liable, and the District shall have the right to collect damages from such defaulting party. Such damages shall include all lost revenues and Processing Fees and penalties and increased costs that would be due and payable under the Casella Organics Contract. Such damages to be based upon the losses and damages based upon the difference between the amount of Residuals to be delivered under this Agreement and the amount actually delivered. The default fee shall be due within 60 days after receipt of an invoice from the District. Past due payments shall be assessed a monthly late fee charge equivalent to 1% of the overdue payment.

11. General

- 11.1 In connection with the performance of all work and service hereunder, the District and the Participant agree to comply with all federal, state and local laws and ordinances and all lawful orders, rules and regulations of any constituted authority, applicable to their respective obligations hereunder, including but not limited to, social security and income tax withholding laws, unemployment compensation laws, environment, safety and health laws. In the performance of this Agreement, the District and the Participant shall not engage in any conduct or practice which violates applicable law, order or regulation prohibiting discrimination against any person by reason of race, religion, national origin, sex, sexual orientation, age, handicapped condition or veteran's status.
- 11.2 The District and the Participant agree to comply with all United States and Canadian federal, provincial, state or local laws, rules and regulations applicable to

their respective obligations hereunder or in connection herewith, including, but not limited to, the applicable requirements of the federal Solid Waste Disposal Act (“SWDA”), the Toxic Substances Control Act (“TSCA”), the Comprehensive Environmental Response, Compensation and Liability Act (“CERCLA”), the Environmental Protection Agency Rule Part 503, Vermont Department of Transportation rules, the Occupational Safety and Health Act (“OSHA”), and the Vermont Occupational Safety and Health Act (“VOSHA”), all as may be amended from time to time, and regulations promulgated and policies issued pursuant to SWDA, TSCA, CERCLA and OSHA and VOSHA. The District shall notify the Participant if it becomes aware of any changes in law that will affect the Participant's disposal and processing of Residuals under this Agreement.

12. Termination of Prior Agreement

- 12.1. Upon the effective date of this Agreement, the Prior Agreement shall terminate and be superseded by this Agreement.

13. Hazardous Waste

- 13.1. Nothing in this Agreement shall obligate the District to handle any Hazardous Waste in any manner. If Residuals are determined to be Hazardous Waste after removal from the WRRFs and prior to land application, the District shall suggest disposal options, but the District shall have no obligation to handle such material, and, unless otherwise agreed in writing, the Participant shall immediately collect and handle such material in accordance with all applicable laws, rules and regulations.

14. Indemnification

- 14.1. The Participant hereby agrees to indemnify and hold the District harmless from any and all loss, damages, suits, penalties, costs, liabilities and expenses (including, but not limited to, reasonable investigation and legal expenses) arising out of any claim for loss of or damage to property, including the District's property, and injuries to or death of persons, including the District's employees, to the extent caused by or resulting from; (i) the Participant's negligence or willful misconduct; or (ii) the Participant's provision to the District of Non-Conforming Waste or (iii) any breach of this Agreement by the Participant.
- 14.2. The District hereby agrees to indemnify and hold the Participant harmless from any and all loss, damages, suits, penalties, costs, liabilities and expenses (including, but not limited to, reasonable investigation and legal expenses) arising out of any claim for loss of or damage to property, including the District's property, and injuries to or death of persons, including the District's employees, to the extent caused by or resulting from; (i) the District's negligence or willful misconduct; or (ii) the District's breach of this Agreement. The foregoing shall not be construed to be a

guaranty by the District of any obligations of Casella Organics under the Casella Organics Contract.

15. Schedule of Exhibits

- 15.1. The following Exhibits are hereby included and incorporated as a part of this Agreement:

Exhibit A – Residuals Management Agreement (between the District and Casella Organics)

Exhibit B - General Definitions

Exhibit C - Rules and Regulations

16. Miscellaneous Provisions

- 16.1. Notwithstanding anything to the contrary contained in this Agreement, neither any Participant nor the District shall be liable for any failure or delay in performance of any obligation, other than an obligation to pay money, under this Agreement due to the occurrence of Force Majeure.
- 16.2. This Agreement may not be assigned by either party without the prior written consent of the other party, except that, without the consent of the Participants, the District may assign, pledge, or convey its interest hereunder as collateral security for loans or other financing. This Agreement shall be binding upon and inure to the benefit of the successors and assigns of the parties.
- 16.3. This Agreement may be amended only by written agreement duly executed by all parties.
- 16.4. If any provision of this Agreement or the application of such provision shall be determined to be invalid, illegal, or unenforceable, the remaining provisions of this Agreement shall not be affected by such determination and shall be valid and enforceable to the fullest extent permitted by law.
- 16.5. Captions and headings in this Agreement are for ease of reference only and do not constitute a part of this Agreement. This Agreement and its construction shall be governed by the laws of the State of Vermont.
- 16.6. The District and the Participants agree that from and after the date of execution of this Agreement, each party will, upon the request of any other, execute and deliver such other documents and instruments as may be reasonably required to carry out the purpose and intent of this Agreement.

IN WITNESS WHEREOF, the District and the Participant have duly executed this Agreement the day and year first above written.

In the Presence of:



Witness

**CHITTENDEN SOLID
WASTE DISTRICT**

By: Sarah Reeves
Name: Sarah Reeves
Title: Executive Director

In the Presence of:

Witness

PARTICIPANT:

By: _____
Name: _____
Title: _____

EXHIBIT A
COPY OF CASELLA ORGANICS CONTRACT

RESIDUALS MANAGEMENT SERVICE AGREEMENT

This Agreement is made by and between New England Waste Services of ME, Inc., (d/b/a Casella Organics) and a wholly owned subsidiary of Casella Waste Systems, Inc. (“Contractor”) with an office at 110 Main St, Suite 1308, Saco, ME 04072, and Chittenden Solid Waste District, a union municipal district formed under the laws of the State of Vermont (“Customer”) with an office at 1021 Redmond Road, Williston, Vermont 05495.

RECITALS

WHEREAS, Customer’s member municipalities operate the WRRFs, and, as a residual by-product thereof, such WRRFs generate approximately 13,000 wet tons per year combined of Residuals; and

WHEREAS, the parties desire for Contractor to provide a comprehensive service for the removal and disposition, and, to the extent provided herein, beneficial reuse, of said Residuals on the terms and conditions set forth herein and known as the “Agreement”.

NOW, THEREFORE, for good and valuable consideration, the undersigned parties hereby agree as follows:

DEFINITIONS

Each of the capitalized terms used in this Agreement, unless otherwise expressly defined in this Agreement, shall have the respective meanings as follows:

Class A

Biosolids: The dewatered Residuals produced by District member WRRF’s that (1) meet United States Environmental Protection Agency Chapter 503 A and Exceptional Quality Standards, (2) meet all of the regulatory requirements for general distribution (unfettered by regulatory burden such as requirements for site-by-site usage permits) as a soil product within the state of Vermont, (3) do not generate nuisance odors, (4) meet all requirements for land application in Vermont, (5) meet all the conditions provided by Vermont DEC in the Solid Waste Management Facility Certification (“SWMFC”) (6) are considered an agricultural amendment and do not require an improved surface for on-farm storage or have storage time limitations, (7) have an N-P-K nutrient value of approximately 7-3-0 (within a variance of 25% +/- from such values), and (8) are spreadable with conventional farm equipment and do not require specialized spreaders.

Containers The 40-60 cubic yard capacity trailers provided by the Contractor and utilized in the removal of the Residuals.

Contractor: New England Waste Services of ME, Inc., (d/b/a Casella Organics)
110 Main Street, Suite 1308
Saco, ME 04072

Customer: Chittenden Solid Waste District
1021 Redmond Road
Williston, VT 05495

Facility: The facility referred to in this Agreement is the Waste USA Landfill owned by New England Waste Services of Vermont, Inc., a wholly owned subsidiary of Casella Waste Systems, Inc., and located in Coventry Vermont.

Grasslands: The Grasslands Manufacturing Facility (Grasslands) is the facility licensed to recycle biosolids using alkaline lime stabilization and/or composting to create Class A biosolids products owned and operated by the Contractor and located in Chateaugay, NY.

Nuisance

Odors: Any malodor emitted by the Residuals which (i) is the subject of a complaint or notice by state or local regulatory agencies having jurisdiction over the Facility and/or Grasslands, and (ii) could reasonably jeopardize the Contractor's ability to obtain or maintain permits and operations at the Facility or Grasslands. Nuisance Odors will be assessed at the Facility or Grasslands.

In the event of missed or delays in scheduled container removals, or any material delay in Contractor's transportation of such Residuals from a WRRF to the Facility or Grasslands, any odors generated due to the container not being removed will be the responsibility of the Contractor and shall not constitute Nuisance Odors.

Residuals: The materials referenced in this Agreement are dewatered wastewater sludge, generated at the WRRFs.

Sites: Locations where Contractor provides the service of land application of Class A biosolids from the Customer.

WRRF: The WRRF's referred to in this Agreement are the Water Resource Recovery Facilities that are owned and operated by member municipalities within the Chittenden Solid Waste District, as follows: Burlington Main, Milton, Richmond, Essex Junction and Shelburne.

1. SERVICE

1.1. General. Contractor will collect at the WRRFs and transport and manage Residuals at the Facility, at Grasslands or at the Sites according to a schedule as set forth in Section 1.3 (the "Schedule").

- 1.1.1. Disposal. At the direction of Customer, Contractor will dispose of Residuals at the Facility that are not marketed as Class A Biosolids as identified in Exhibit A. Contractor will use reasonable business efforts to deliver Containers of residuals to the Facility the same day it is removed from the WRRF.
- 1.1.2. Recycling at Grasslands. At the direction of Customer, Contractor will recycle Residuals at Grasslands as identified on Exhibit A. Contractor shall be responsible for marketing product from Grasslands at its own expense. Contractor will use reasonable business efforts to deliver Containers of residuals to Grasslands the same day it is removed from the WRRF. Contractor reserves the right to divert no more than 20% of the Residuals directed to Grasslands, as per Exhibit A, to the Facility (at the Disposal rate) as necessary to meet Contractor's operational restrictions.
- 1.1.3. Class A Biosolids Marketing. Class A Biosolids shall be made available to the Contractor for distribution, marketing and sale. The Contractor agrees to: (a) use its best efforts to develop a diverse customer base as needed to meet the needs of the WRRF, in connection with the sale of Class A Biosolids; (b) ensure that customers are ready to receive the Class A Biosolids as they are produced; (c) determine appropriate product application rates for each customer; (d) ensure proper application setbacks and other site restrictions as may be needed in connection with Class A Biosolids; (e) provide agricultural sales specialists to increase the market value for the Class A Biosolids; (f) attend appropriate trade shows to promote and market the Class A Biosolids; and (g) use its best efforts to increase the price at which it is able to sell Class A Biosolids.

Class A material that leaves the WRRF as certified Class A will be assessed the Class A base rate regardless of the final destination. Any Residuals produced at any WRRF that are not Class A Biosolids, shall be treated in the same manner as, any other non-Class A Residuals under this Agreement.

- 1.1.4. The Customer shall be allowed to accept material from outside WRRF's provided it is processed at the WRRF and included in the representative sampling according to Section 6.1.
- 1.1.5. Other Utilization Options. Contractor retains the option, but not the obligation, to use the Residuals at the Landfill Disposal Rate pursuant to Article 2.1, for purposes and in a manner other than those specified above. Further, Contractor intends to research and evaluate alternative recycling and/or beneficial uses for Residuals and will propose to Customer those utilization options that receive Contractor's favorable evaluation and meet Contractor's cost structure. Any alternative recycling or beneficial reuse shall be subject to prior approval by the Customer.

1.1.6. Grit Removal. Customer may add grit into the Container, and such grit will be managed as a Residual. In no event shall Customer add grit to containers directed to Grasslands or comingle grit with Class A biosolids. If grit is to be transported in a separate roll-off container and not as part of the Residuals, Customer and Contractor will negotiate price in good faith for removal, transportation, and disposal.

1.2 Annual Residuals Removal Schedule. The annual distribution of material to Disposal and/or Recycling of Residuals from each WRRF may be updated annually by the Customer according to Exhibit A. Exhibit A may be modified to meet service requests of the Customer with mutual agreement of such modifications on an annual basis. Customer will notify Contractor of the distribution for the following calendar year by September 1 of each year, which shall then be implemented as soon as practicable but no later than January 1 of each such year. Contractor will make reasonable business efforts to accommodate Customer's request for modifications to the Schedule at other times of the year if possible

1.3 Weekly Residuals Removal Schedule. The Schedule for removal of Residuals shall be prepared by Customer weekly, based upon the WRRFs' dewatering or operating schedules and Contractor's reasonable service capabilities, and approved by the Contractor and mutually agreed each Thursday for the following week, provided that Customer will provide five (5) business days' notice for removal of Residuals from the Essex Junction WRRF. Customer will apply good faith efforts to accurately prepare the Schedule. In the event of an unanticipated change in the WRRFs' dewatering or operating schedules, Contractor will use reasonable business efforts to accommodate any Customer requested Schedule modifications to meet the dewatering or operating schedules of the WRRFs upon 48 hours' notice or as much notice as possible given reasonable business efforts. The Contractor will in good faith meet the requirements of the mutually agreed Schedule. Contractor will endeavor to give as much notice as possible in the event the Contractor cannot meet the Schedule. Contractor will provide a date and time for a follow up container removal which will be in no less than 24 hours of the scheduled removal. Contractor will remove filled containers from the sludge bays or other mutually agreed upon locations at the WRRFs pursuant to the Schedule. Unless otherwise mutually agreed, service is provided during regular business hours 6AM-3PM Monday – Friday, exclusive of holidays.

1.4 The Containers. Contractor will utilize 40-60 cubic yard capacity dump trailers. Contractor will provide at least one Container available for loading at each WRRF at all times. When delivered, Containers will be free from water and debris, and in good working condition and in compliance with all applicable laws and regulations. In the event of an operational issue, alternate size containers may be used during such an operational event but not for more than 30 continuous days. Contractor shall use best efforts to correct any such operational issues so as to provide appropriate containers.

Any Container staging at any facility will need to be approved by the WRRF operator where the staging is to take place.

Containers at any WRRF generating Class A biosolids will be washed prior to delivery according to guidelines set forth in Exhibit B.

The Contractor warrants and represents that it has the Containers and other equipment and employee resources required to perform this Agreement, and that such Containers and equipment shall at all times relevant to the performance of services hereunder be maintained in a good and safe condition and fit for the use as required.

1.5 Loading and Minimum Load. Customer will load Contractor's Containers evenly, to the level specified by Contractor. All Container loads for all WRRFs will be filled to a minimum of 27 tons per load, except the Shelburne WRRF which will be filled to a minimum of 23 tons per load (collectively, the "Minimum Load"). At the discretion of the Contractor, the Minimum Load quantities will be reduced to accommodate Contractor's operating requirements. Customer is responsible for not exceeding the maximum legal loads limits as identified by the Contractor. Contractor will provide notice to the Customer within 48 hours for all loads that fail to meet the Minimum Load, or that exceed the Maximum legal load size. After Contractor removes a loaded Container from a WRRF, the Contractor will position a replacement Container in the manner and at the location specified by the Customer. The determination of Minimum Loads shall be determined based upon the average load weights for each individual WRRFs over the month.

1.6 Regulatory Responsibilities and Approvals. As the manager of the Residuals, Contractor will provide itemized reports tracking the transportation and disposition of all Residuals, and other operations information regarding Contractor's services as may be required to enable Customer to prepare its regulatory reports and respond to inquiries from regulatory agencies. Contractor will use reasonable business efforts to obtain permits and approvals, as required to fulfill its responsibilities pursuant to this Agreement, and service under this Agreement is contingent upon receipt and maintenance of applicable permits and approvals. Once obtained, Contractor will use reasonable business efforts to maintain such permits and approvals. Contractor will provide, upon request, to Customer copies of all permits relevant to the performance of their obligations hereunder. As the generator of the Residuals, Customer and the respective WRRFs will provide Contractor with information about the production and/or waste treatment process generating the Residuals, the Residuals themselves, and the WRRF's operations, and Customer or WRRF personnel will execute permit applications and other certifications, all as may be reasonably necessary for Contractor to manage the Residuals as contemplated herein. At a minimum, permits, certifications and approvals will be updated or renewed annually.

The Contractor shall provide the Customer all such information and reports not later than 5 days after the close of the month.

The Contractor is solely responsible for assuring that all transportation activities required under this Contract are performed by the Contractor or the Contractor's subcontractor in compliance with all applicable federal, state and local environmental and public health laws, codes or regulations. The Contractor is solely responsible for obtaining and maintaining all permits and registrations necessary for the transportation of the Residuals.

The Customer and the Contractor agree that the Customer shall have no responsibility for any transportation or hauling activities related to the Residuals. The Contractor shall furnish as part of this Agreement sufficient trucks and/or trailers to handle the expected

quantities of Residuals. The Contractor shall be responsible for routine maintenance of these trucks and/or trailers. The Customer shall have the right to have a professional consultant or advisor inspect the Containers, the trucks, and/or trailers at any time, and, based upon such professional consultant's advice, the Customer may reject the use of the Containers, trucks, and/or trailers if the Customer determines the Containers, trucks, and/or trailers are not capable of safely and/or reliably performing the duties of Contractor under this Agreement.

Contractor shall operate, or cause to be operated, Grasslands and the Facility in accordance with all applicable laws, rules and regulations and in compliance with all permits issued for Grasslands and the Facility by any governmental authority with jurisdiction over Grasslands or the Facility. The Contractor shall obtain and maintain sufficient contracts for disposal of all Residuals at the Facility to accommodate all the Residuals generated at the WRRFs during the term of the Agreement.

1.7 Removal during Winter Conditions. During winter conditions, Containers scheduled to go to the Landfill, will be lined with plastic to prevent Residuals freezing to the Container. Non-stick coating will be applied to Containers Scheduled for Grasslands. Non-stick coating will be supplied and applied by Contractor at Contractor's expense to containers going to Grasslands. Contractor will use reasonable operational efforts to remove frozen Residuals.

2. PRICE & TERMS

2.1. Rates.

2.1.1. Base Rates. Customer will compensate Contractor per wet ton of Residuals removed and managed as follows:

Burlington Main: Landfill Disposal Rate at Waste USA	\$72.49
Burlington Main: Recycling Rate at Grasslands	\$87.35
Milton: Landfill Disposal Rate at Waste USA	\$72.49
Milton: Recycling Rate at Grasslands	\$79.35
Richmond: Landfill Disposal Rate at Waste USA	\$72.49
Richmond: Recycling Rate at Grasslands	\$79.35
Shelburne: Landfill Disposal Rate at Waste USA	\$72.49
Shelburne: Recycling Rate at Grasslands	\$79.35
Essex Junction: Landfill Disposal Rate at Waste USA	\$72.49
Essex Junction: Recycling Rate at Grasslands	\$79.35
Class A Product Distribution	\$27.00

If other WRRFs begin to produce Class A Biosolids, the rate for such Class A Biosolids will be the Class A Product Distribution Rate.

The Contractor shall pay the Customer fifty percent (50%) of all revenue generated from the sale of Class A Biosolids.

2.1.2. Demurrage. Loading and departure times of greater than sixty (60) minutes at a WRRF, when Contractor does not cause such delays, shall be billed to Customer at ninety-five dollars (\$95.00) per hour. In the event that Customer has no Container loaded and ready for removal according to the Schedule and cancels the pick-up upon Contractor's arrival at the WRRF, a minimum four (4) hour demurrage charge will be applied. Demurrage will not be assessed to a WRRF in the event the Contractor arrives to WRRF facility before or after regular business hours.

2.1.3. Applicable Taxes. All Rates herein are exclusive of taxes incurred by the Contractor to perform this Agreement. Customer is solely responsible for payment of all applicable taxes directly charged to Contractor for disposal or recycling of Residuals. Contractor represents that, to Contractor's actual knowledge, as of this date, there are no such taxes that would be due from the Customer under this Agreement, except the Vermont State Landfill (Franchise) Tax. Customer shall not be liable for any taxes on account of, or measured by, income of the Contractor or its affiliates or taxes associated with its employees or any subcontractors performing services under this Agreement or taxes arising from or related to Environmental Credits.

2.2. Minimum Load.

A charge will be made for the Minimum Load at the above rates for the minimum volumes (tons or yards) in the event that Customer fails to provide the Minimum Load, on a monthly average basis for each WRRF. The penalty will not apply in the event Contractor removes the Container prior to Scheduled pick-up time.

Minimum Load calculation shall be as follows: actual number of loads per month – the theoretical number of loads per month X base rate of disposition. Theoretical number of loads = total tons removed per month ÷ 27 tons (or 23 tons regarding Shelburne).

Monthly charges for Minimum Loads will not be applied to containers returned to a WRRF containing frozen Residuals.

2.3. Payment Terms & Credit Approval. Contractor's payment terms are Net thirty (30) days. Customer agrees to make payment at the office of Contractor specified on the invoice within thirty (30) days after the date of Contractor's invoice, and receipt of the back-up and supporting data. In the event Contractor has not received payment within thirty (30) days after the date of invoice, Customer will be responsible for paying a late fee on the unpaid balance. Such late fee shall be assessed monthly, beginning on the date of invoice, at the maximum rate allowed by applicable law or 18% per year, whichever is less. The parties agree that Contractor shall have the right to withhold, offset, recoup or debit any amounts owed (or become due and owing) to Contractor or any of its affiliates by Customer, whether under this Agreement or otherwise. The Contractor will provide a

monthly invoice to the Customer, with supporting data in an Excel spreadsheet format, no later than the 15th of the month. In the event the invoice is received after the 15th, the invoice contains errors not accurate to the months billing weights or pricing structure the Customer will be afforded 45 days for billing. No late fees shall be due in the event that the Customer, in good faith, disputes any charge and provides notice to the Contractor of such disputed charge.

2.4. Inflation Correction.

Contractor will increase all Rates hereunder annually (excluding any rates for transportation or fuel), on July 1st of each contract year at a rate equal to the most recent annual percentage increase in the Consumer Price Index for All Urban Consumers (CPI-U), all items, “Northeast Urban Size B/C – All Items Less Energy”, as published by the United States Department of Labor, Bureau of Labor Statistics, or a successor index, for the period between June 1st of the prior year to May 31st of the current year. The calculation shall be as follows:

Example Annual CPI adjustment FY2018

$$\{[(\text{average monthly series June 1}^{\text{st}} \text{ to May 31}^{\text{st}} \text{ FY2017; CPI-U}^*) - (\text{average monthly series June 1}^{\text{st}} \text{ to May 31}^{\text{st}} \text{ FY2018; CPI-U}^*)] / (\text{average monthly series June 1}^{\text{st}} \text{ to May 31}^{\text{st}} \text{ FY2017; CPI-U}^*)\} \times 100$$

*CPI-U as defined by the by the above paragraph

2.5. Fuel Adjustor. Contractor may assess a fee (the “Fuel Adjustor”) on a monthly basis to cover increases in Contractor’s costs caused by increases in the cost of diesel fuel over a floor price of \$3.26 per gallon (the “Floor Price”) based on the listed average price for diesel fuel for the month of service, as set forth on the EIA Retail On Highway Diesel Prices all types index for New England PADD 1A (the “Index”) or a successor index. Each month the Contractor will assess a Fuel Adjustor whenever the average monthly Index fuel price listed for the month of service (the “Service Month Index Price”) exceeds the Floor Price. The Service Month Index Price can be located on the internet at the following web site: <http://www.eia.gov/petroleum/gasdiesel/> and is listed in the spreadsheet link titled “full history”.

The Fuel Adjustor will be made according to the following formula:

$$[(\text{Service Month Index Price/Floor Price}) \times 7.0\% \times (\text{Base Rate per ton})] - [7.0\% \times \text{Base Rate per ton}] = \text{Fuel Adjustor, per ton.}$$

The following example is provided for clarification and reference purposes only:

Example:

Service Month Index = \$3.500

Floor Price = \$3.260

Base Rate per ton = \$72.49

$[(\$3.500/3.260) \times 7\% \times \$72.49] - (7\% \times \$72.49) = \0.37 per ton

2.6. Extraordinary Rate Adjustments.

2.6.1. Allowable Adjustments. Contractor may make the following adjustments (hereinafter "Rate Adjustments") to partially or fully cover increases in costs of Contractor's provision of services arising from any of the following occurrences (to the extent not resulting from the negligence or willful misconduct of Contractor or Contractor's violation of any permit, law or regulation): (i) receipt of Residuals which do not meet the Quality Standard or any material change in the quality of Residuals including Residuals with Nuisance Odors, (ii) material changes in Quantities as determined pursuant to Article 5 of this Agreement, (iii) material changes in any laws, ordinances, or regulatory requirements or guidelines or changes in interpretation or enforcement thereof, excluding any changes in tax laws related to Contractor's business, (iv) revocation, suspension, denial or modification of any permit, license or approval that is not the cause of Contractor's actions or negligence. All such Rate Adjustments in this Article 2.6.1 are subject to Customer's approval.

2.6.2. Procedure for Rate Adjustment. Contractor shall provide Customer with written Notice per 13.1 mail of any such Rate Adjustments and the effective date thereof, together with reasonable justification therefore. If Customer does not reject such Rate Adjustment in writing within thirty (30) days after Contractor first gives notice of such adjustment to Customer, Customer will be deemed to have approved such Rate Adjustment, provided, however, the notice of such Rate Adjustment shall expressly state that it is subject to acceptance unless rejected within thirty (30) days). If Customer rejects such Rate Adjustment, Contractor shall have the right to terminate this Agreement upon seven (7) days written notice, provided that Customer shall not have the right to reject the Inflation or Fuel Correction described above in Article 2.4 and 2.5. Notwithstanding Contractor's notice to so terminate this Agreement, Customer may extend this Agreement at the Contractor's adjusted rate for up to six (6) months after Contractor's notice of the Rate Adjustment; provided, Customer notifies Contractor in writing no more than fifteen days (15) after receiving Contractor's notice of the effective termination date, that Customer desires to so extend this Agreement. Customer's notice shall state the period of the extension.

2.7. Measurement & Reports. Contractor will weigh all Residuals on a certified scale at the Contractor's Facility, Grasslands, the WRRF or other suitable location, and Contractor's weight slips obtained at such scales shall be the basis for measurement and billing for Residuals managed under this Agreement. Contractor will provide Customer with a scale report or shipping report monthly via e-mail, regular mail or overnight delivery, subject to section 1.6. The scale report shall include a complete listing of the data on all the individual scale/shipping records. Prior to removing Containers or trailers loaded with Residuals from Customer's WRRF, representatives of both Customer and Contractor will sign a Shipping Record prepared by the Contractor to verify information about the load contained therein, Contractor will complete manifest at time of pick-up and both Contractor and Customer will sign the manifest if the Customer is available. If a representative of the Customer is not available at the time of service, the Shipping Record signed solely by the Contractor will be used to verify the information about the load. If certified scales are temporarily not available, the minimum load weight will be assessed.

2.8. Payment from Operating Revenues. Notwithstanding anything in this Agreement to the contrary, the payment of amounts due the Contractor under this Agreement are to be paid out of the ordinary annual income and revenues of the Customer. The Customer shall establish rates and charges to the owners and operators of the WRRFs sufficient in time and amount to meet such obligations hereunder and use diligent efforts to collect such amounts. The Customer represents that it expects to receive sufficient annual income and revenues from the owners and operators of the Plants so as to be able to meet such expected payment obligations to the Contractor. No provision of this Agreement shall be construed or interpreted as creating a general obligation or other indebtedness of the Customer for such obligations within the meaning of any constitutional or statutory limitation which proscribes such obligation or indebtedness. Contractor may suspend services hereunder upon thirty (30) days written notice to Customer if Customer fails to reasonably demonstrate within such thirty (30) day period that Customer has or will have sufficient income and revenues set forth above to pay amounts that will be due to Contractor for performance of services during the ensuing six month period. Nothing in this Article shall prevent Contractor from exercising the rights to terminate this Agreement or suspend services for Customer's failure to pay Contractor as elsewhere provided in this Agreement.

3. RESIDUALS QUALITY & QUALITY STANDARD

3.1. Quality Standard. Customer warrants that the Residuals identified in this Agreement and supplied to the Contractor are not classified as hazardous waste under United States Environmental Protection Agency (USEPA) and/or any other applicable laws & regulations, including but not limited to, state laws and regulations. The Residuals shall meet the requirements of applicable law, regulation and permits for the uses contemplated in this Agreement. Customer will provide Residuals that are not frozen. Customer will provide Residuals that are free of any trash, hazardous waste or other debris. The Residuals will have no free liquid, be free from Nuisance Odors, have a minimum total solids concentration of greater than fifteen percent (15%) and less than thirty-five (35%) and pass a paint filter test. Together, the above provisions of this Section 3.1 constitute the "Quality Standard." All materials generated at the WRRF that fail to meet this Quality Standard shall be called "Non-Conforming Waste". Contractor has the right to refuse any Non-

Conforming Waste in its sole discretion. Customer shall use reasonable business efforts to generate and provide to Contractor Residuals that meet the Quality Standard. Contractor shall have the right of first refusal to match any price to transport, process, recycle and/or dispose of Non-Conforming Waste. If required under applicable law, Customer shall provide Contractor with a Safety Data Sheet (SDS) referencing any Residuals, and Contractor will assist Customer in preparation of such SDS; provided, however that the Customer will not be obligated to perform any laboratory analysis other than that set forth in Exhibit C if needed in order to prepare an SDS.

3.2. Odor Control. Customer is responsible for providing Residuals that are free from Nuisance Odors. Residuals that cause Nuisance Odors at the Facility, Grasslands or Sites are Non-Conforming Waste per Section 3.1. Customer will actively manage the WRRFs and the Residuals to ensure that malodors will be mitigated such that Contractor can perform the services contemplated in this Agreement. If Contractor identifies any malodors of Residuals at a WRRF, it shall provide the Customer with written notice so as to allow the Customer a reasonable opportunity to implement corrective measures to reduce malodors so that such malodors do not give rise to Nuisance Odors. If, despite such efforts, the Contractor notifies the Customer that Nuisance Odors are present from Residuals collected from the WRRFs, the Customer shall have the right, at its option, to remove the particular WRRF and Residuals from the WRRF from being managed under this Agreement. If the Customer exercises its right to remove those Residuals from the WRRF that created Nuisance Odors from being managed under this Agreement, such removal shall not be a material reduction and shall not be a material change under this Agreement.

3.3. Timely Odor Notification. Customer is responsible for prompt notification to Contractor (within two (2) business days), of observable changes or process upsets that appear to reduce the effectiveness of the odor neutralizing compounds, or the general quantity of odor observed in the Residuals.

3.4. Changes in Quality. Customer will use reasonable efforts to notify Contractor in writing ninety (90) days in advance of any change in the treatment or manufacturing process at the WRRF that could materially affect the quality of the Residuals. Any material change in the composition of the Residuals to be generated may, in the discretion of Contractor, be considered a material change and, Contractor may seek a Rate Adjustment pursuant to Section 2.6.

4. TITLE

4.1. Title to Residuals shall pass to the Contractor upon the removal of the Containers by the Contractor or its subcontractors remove Residuals from the WRRFs. Title to and legal responsibility and liability for Non-Conforming Waste shall, at all times, remain with Customer. The provisions of this Section shall survive the termination of this Agreement without regard for the reason for termination.

4.2. In the event that any of the services performed by the Contractor further governmental and/or non-governmental environmental policy such that offsets, credits, tax effects and the like (hereinafter "Environmental Credits") are applicable to, or may result from, the performance of this Agreement, Contractor retains the right, title and benefit to such Environmental Credits, and Customer will cooperate with Contractor, at Contractor's

sole costs and expense, in providing documentation as may be reasonably necessary to obtain such Environmental Credits. In the event that Environmental Credits are generated from the facility operations, or processing at a WRRF, prior to Contractor taking title to Residuals, then the Environmental Credit shall remain with the municipality operating such WRRF.

5. QUANTITIES

5.1. Customer is not obligated to provide a minimum quantity of Residuals to Contractor. However, Customer will provide to the Contractor, and Contractor will manage pursuant to this Agreement, all of the Residuals generated at the WRRFs, exclusive of Class B Residuals generated at the Essex WRRF which are applied to farm land. Should the quantities vary by more than 20% of the quantities specified in the Recitals, this may be considered a material change and pursuant to Section 2.6, the Contractor may seek a Rate Adjustment. Removal of any Residuals under this Agreement as the result of such Residuals being determined to create Nuisance Odors shall not be counted when determining whether there has been a variance in quantities being managed under this Agreement.

6. RESIDUALS ANALYSES

6.1. Customer will pay for all laboratory analysis of Residuals (including sampling and sample shipment costs) as required by applicable laws and regulations for the uses contemplated in this Agreement, including those required by the Facility, Grasslands and WRRFs' permits. Customer is responsible for collecting a sample that is representative of all Residuals produced at or received at the WRRF. Failure by the Customer to provide analysis may cause interruptions in service. Contractor and Customer will promptly provide to each other all laboratory analyses and information which they obtain about the Residuals and which is required for regulatory reporting or necessary to implement their mutual obligations pursuant to this Agreement. Contractor will provide Customer with thirty (30) days written notice of when laboratory analysis of Residuals is needed to maintain compliance with all applicable laws and regulations for the uses contemplated in this Agreement. If Customer does not provide the analysis by the notice date, Contractor shall have the right to collect a sample of the Residuals for analysis, test it, and charge the Customer for the expense on a cost plus 15% basis.

Contractor will provide a schedule of all permit analyses requirements (Exhibit C) for each WRRF to maintain approval into the Facility and Grasslands. In the event of a change in permit or approval requirements, Contractor will provide Customer as much notice of the changes as possible. Changes to Exhibit C will be made if additional requirements are added due to changes in acceptance criteria at the Facility or Grasslands.

7. TERM, TERMINATION & SURVIVAL

7.1. Term. This Agreement shall be effective on February 1, 2019 (the "Effective Date"). The Initial Term of this Agreement shall be five (5) years, ending on January 31, 2024. At the conclusion of the Initial Term, the term shall be automatically extended for additional five (5) year terms, unless either party provides written notice of

non-extension to the other party by personal delivery, express mail or certified or registered mail, return receipt requested, at least twelve (12) months prior to the expiration of the Initial Term or any subsequent extension term.

7.2. Termination. Termination shall be permitted (i) as provided in Article 2.6.2; (ii) immediately upon notice by either party in the event that any of the representations and warranties contained in this Agreement are shown to be materially untrue; and (iii) for Breach, as provided for in Section 7.6 at any time by both parties upon mutual written agreement.

7.3. Possibility of the Right of First Refusal for New Technology. During the term of this Agreement, the Customer may decide to design, build, own, and operate new technologies and/or equipment, including but not limited to anaerobic digestion systems, gasification facility or a composting facility, for the management of its wastewater and/or Residuals (the "Work"). Customer may elect to design, build and/or operate such equipment or technologies on its own, or to pay a third party to do so. In the event that the Customer makes such a decision to conduct the Work, then Customer may: (i) provide Contractor with accurate information regarding Customer's schedule to start-up operations of such new technology and/or equipment and, (ii) if the Customer decides to have the new technologies and systems operated by a third party, then, at the same time, Customer may offer to Contractor the right of first refusal to operate according to Customer's terms and/or according to the same pricing, terms and conditions as those offered by a third party and acceptable to the Customer; provided, however, that the Customer shall not be obligated to enter into any contract with the Contractor if the Customer determines that (i) the Contractor does not have the experience, financial capability, or qualifications to operate such new technologies and equipment, or (ii) that the design and/or operation is proprietary and the facilities can only be operated by those who have sufficient licenses and rights to use such technology, or (ii) the operation of such technology is a component of a larger project for managing solid waste and the Customer has determined to utilize the services of a third party for such project. If Contractor declines to accept the rights of first refusal described above within ninety (90) days of the offer, then Customer may terminate this Agreement upon at least two (2) years and six (6) months written notice. It shall not be considered new technology and Work for purposes of this Agreement if the Customer merely implements improvements to its existing facilities to reduce the water content or quantity of Residuals, if such Residuals are managed in the same manner as of the effective date of this Agreement.

7.4. Termination for Bankruptcy. Either party may terminate this Agreement by giving written notice to the other party if the other party becomes insolvent, makes an assignment for the benefit of creditors, or a bankruptcy petition is filed by or against it (and not stayed within 90 days).

7.5. Termination for Proposed Rate Adjustment. If Contractor increases the rates hereunder pursuant to Subsection 2.6, and Customer rejects such rate increase pursuant thereto, Contractor may terminate this Agreement at any time thereafter effective upon thirty (30) days written notice from the date of such rejection. However, if Contractor so terminates this Agreement, then Customer may extend the Agreement at the increased rate as set forth in Section 2.6.

7.6. Breach and Nonpayment. Either party may cancel or terminate this Agreement ("terminating party") as a result of the other party's failure to substantially perform its obligations hereunder ("breaching party") provided that such failure continues for more than thirty (30) days after the terminating party has notified the breaching party thereof in writing; provided, however, that where such failure does not involve payment of money and cannot reasonably be cured within such thirty (30) day period, the terminating party may not cancel or terminate this Agreement if the breaching party cures such failure within such thirty (30) day period, or within a mutually agreeable time period thereafter. In the case of three (3) repeated deliveries of Non-Conforming Waste by the same WRRF to Contractor in a six (6) month period, Contractor may terminate service to that WRRF with thirty (30) days written notice to Customer. If any payment required to be made by Customer hereunder is past due, Contractor, in addition to all other rights and remedies it may have, may suspend any or all services until all past due amounts are paid.

8. INSURANCE; GUARANTY

8.1. Contractor and Customer agree to furnish each other upon request with certificates attesting to the existence of Worker's Compensation insurance providing statutory benefits and comprehensive business automobile and general liability insurance including bodily injury, property damage, environmental impairment liability and contractual liability with policy limits of not less than \$1,000,000 combined single limit, each occurrence.

8.2. Environmental Impairment Insurance. Contractor also agrees to furnish, upon request, certificates attesting to the existence of environmental impairment insurance applicable to bodily injury; property damage, including loss of use of damaged property or of property that has not been physically injured; cleanup costs; and defense, including costs and expenses incurred in the investigation, defense, or settlement of claims. The policy of insurance affording this required coverage shall be written in an amount of at least \$1,000,000 per loss with an annual aggregate of at least \$2,000,000 and by an insurer reasonably acceptable to Customer. If coverage of environmental impairment insurance is written on a claims-made basis, the Contractor warrants that any retroactive date applicable to coverage under the policy precedes the effective date of this Agreement, and that continuous coverage will be maintained or an extended discovery period will be exercised for a period of three (3) years beginning from the time that work under the Agreement is completed. Such obligation shall survive termination of the Agreement.

8.3. Guaranty. Contractor's parent corporation, Casella Waste Systems, Inc., has guaranteed the obligations of Contractor under this Agreement pursuant to separate instrument of guaranty.

9. COMPLIANCE WITH LAW AND RECORDKEEPING

9.1. Compliance. Contractor and Customer agree to comply with all applicable laws and regulations during the performance of their respective responsibilities under this Agreement.

9.2. Records. Contractor and Customer shall keep adequate books, records and other documentation consistent with applicable regulatory requirements and in accordance with generally accepted accounting practices, pertaining to performance of the services

required by this Agreement, including, without limitation, correspondence, instructions, plans, receipts, vouchers, and other memoranda.

9.3. Audits. Contractor agrees to permit, at all reasonable times, duly authorized representatives of Customer to inspect and have access to the books, records and documentation referenced herein, which directly relate to the performance of this Agreement, for the purpose of auditing and verifying the performance of services pursuant to this Agreement, the charges for such services, and the maintenance of records related to such services. Such access by Customer's representatives shall include the right to discuss such documentation with Contractor's personnel having knowledge of their contents and the right to copy such documentation. Contractor and Customer shall preserve all documentation pertaining to the services required by this Agreement for a period of three (3) years following completion of the services rendered by Contractor to Customer to which the documentation pertains or for any greater period of time required by law.

10. FORCE MAJEURE

10.1. Except for the obligation to pay for services rendered, neither party hereto shall be liable for its failure to perform hereunder, in whole or in part, due to contingencies beyond its reasonable control, including, but not limited to, strikes, riots, community opposition, war, fire, acts of God, injunction, compliance with changes in any law, regulation or order of any governmental body or any instrumentality thereof or with any changes in interpretation or the manner of enforcement thereof, the revocation, suspension, denial or modification of any permit, license or approval regarding transportation, processing, treatment, composting, land-application, handling and/or disposal of Residuals ("Force Majeure"); provided, however, that any party asserting Force Majeure shall give prompt written notice thereof to the other party and shall act diligently to resume performance at the earliest practicable time.

11. NON-CIRCUMVENTION, CONFIDENTIAL INFORMATION & INTELLECTUAL PROPERTY

11.1. Customer acknowledges that Contractor has developed expertise and know-how and expended time and money in connection herewith, including the development of outlets and relationships, and the development and maintenance of permits necessary for the use and disposition of Residuals. Therefore, Customer agrees that during the term of this Agreement and thereafter for one (1) year, Customer will not, directly or indirectly, induce any User or any owner, lessee, operator or manager of any Used Sites to accept or receive any Residuals for storage, application, use or handling. As mentioned herein, the term "Used Sites" means the Sites permitted and used by the Contractor during the term of the Contract (or Sites for which permit applications were submitted) to receive Residuals pursuant to this Agreement. "User" means any individual or entity, which has received Residuals from Contractor from WRRFs during the term of this Agreement. The provisions of this Section shall not be applicable to the Village of Essex Junction and any Residuals from the Essex Junction Plant meeting standards for agronomic utilization.

11.2. During the term of this Agreement, it may be necessary or desirable for the parties to exchange "Confidential" or propriety information as is required for each to perform its obligations hereunder, including but not limited to identification of Contractor's Facility(ies)

used for service hereunder, Contractor's rates, the content of this Agreement, and Contractor's customer list. To the extent provided by applicable law, each party agrees to use only for the intended purposes and to maintain in confidence any information designated herein or later in writing as "Confidential" by the other party during the term of this Agreement, and for a period of three years after termination of this Agreement. The standard of care for protecting such information, imposed on the party receiving such information, will be that degree of care the receiving party uses to prevent disclosure, publication or dissemination of its own confidential or proprietary information. However, obligations of confidentiality shall not apply to any information to the extent it is (a) in the public domain, (b) learned from a third party not in breach of any confidentiality obligation, (c) already known without restriction by the party receiving it at the time of disclosure, or (d) required by court or regulatory order to be disclosed. Contractor acknowledges that the Customer is a public body, and that this Agreement is a public record and available for public inspection.

11.3. Any and all inventions, improvements, techniques, methods, designs, processes, procedures and/or works of authorship developed, conceived, conceptualized, produced, described or made by Contractor or its employees, agents or subcontractors in connection with or related to the performance of Contractor's services under this Agreement (collectively, "Contractor's Intellectual Property"), whether or not patentable or copyrightable, shall at all times be and remain the sole and exclusive property of Contractor, and Contractor shall have and retain all rights and privileges of ownership therein and thereto, including, without limitation, the rights to file patent or trademark applications or copyright registrations, to license, assign, sell, transfer or convey any or all of the Contractor's Intellectual Property or any right or interest therein to any other person, firm or entity, and to receive and retain any and all fees, proceeds or other consideration attributable to any such license, assignment, sale, transfer or conveyance, provided that, during the Term of this Agreement, Contractor shall license to Customer all of the Contractor's Intellectual Property on a non-exclusive basis for use at the Facility without any additional charge, compensation or consideration therefor.

11.4. The provisions of this Section 11 shall survive the termination of this Agreement without regard for the reason for termination.

11.5. All processes, inventions, improvements, techniques, methods, and procedures for operations at the WRRFs shall be the intellectual property of Customer and the operators of those facilities, as applicable, and in no way shall be transferred to ownership of the Contractor.

12. EFFECTIVE DATE

This Agreement shall become effective as of March 1, 2019, provided that the Customer receives the approval of this Agreement from all member communities that operate WRRFs. In the event that the Customer does not obtain such approval by ~~April~~ ^{May} 30, 2019, then the Customer shall notify Contractor, and either the Customer or the Contractor may, upon written notice sent within ten (10) days of such date, terminate the Agreement or, if agreed by the Customer and the Contractor in writing, may remove from the scope of this Agreement those

WRRFs for which the Customer has not obtained the approval by such respective municipality that operates such WRRF.

13. GENERAL PROVISIONS

13.1. Notices. All notices to be given under this Agreement shall be in writing and delivered personally, or shall be mailed by U.S. Express, registered or certified mail, return receipt requested or an overnight service with receipt as follows:

CONTRACTOR:

New England Waste Services of ME, Inc	With a copy to
Casella Organics	Casella Waste Systems, Inc.
110 Main Street Suite 1308	25 Greens Hill Lane
Saco, ME 04072	Rutland, VT 05701
	Attn: Office of General Counsel

CUSTOMER

Chittenden Solid Waste District
1021 Redmond Road
Williston, VT 05495
Attn: Executive Director

13.2. Governing Law. This Agreement and any issues arising hereunder or relating hereto shall be governed by and construed in accordance with the laws of the State of Vermont, except for conflicts of laws provisions that would apply the substantive law of another state.

13.3. Venue. The Parties agree that all actions or proceedings arising in connection with this agreement shall be tried and litigated only in the state and federal courts sitting in Chittenden County, Vermont.

13.4. Representations and Warranties of Authority. Each party represents and warrants to the other that: a. it is duly qualified to do business and is in good standing in every jurisdiction in which this Agreement requires its performance; b. it has full power and authority to execute, deliver and perform its obligations under this Agreement; c. the execution, delivery and performance of this Agreement have been duly and validly authorized by all necessary action by such party; and d. the execution and delivery of this Agreement by such party and the performance of the terms, covenants and conditions contained herein will not violate the articles of incorporation or by-laws of such party, or any order of a court or arbitrator, and will not conflict with and will not constitute a material breach of, or default under, the provisions of any material contract by which either party is bound. These warranties shall survive the expiration or termination of this Agreement.

13.5. Entire Agreement. It is understood and agreed that all understandings and agreements heretofore had between and parties thereto are merged in this Agreement, which alone fully and completely expresses their agreement and contains all of the terms agreed upon between the parties with respect to the subject matter of this Agreement, and

that this Agreement is entered into after full investigation, neither party relying upon any statement or representation, not embodied in this Agreement, made by the other. All exhibits, schedules and other attachments are a part of this Agreement and the contents thereof are incorporated herein by reference.

13.6. Amendment. This Agreement may not be amended, modified or supplemented, except in writing and signed by the parties. If an amendment becomes necessary, both parties will use reasonable business efforts not to delay the process.

13.7. Non-Waiver. No waiver by any party to this Agreement of any failure or refusal by the other party to comply with its obligations shall be deemed a waiver of any other or subsequent failure or refusal to so comply. No waiver by either Customer or Contractor of any right or remedy hereunder shall be valid unless the same shall be in writing and signed by the Customer or Contractor giving such waiver. No waiver by either Customer or Contractor with respect to any default, misrepresentation, or breach of warranty or covenant hereunder shall be deemed to extend to any prior or subsequent default, misrepresentation, or breach of warranty or covenant hereunder or affect in any way any rights arising by virtue of any prior or subsequent such occurrence.

13.8. Severability; Modification Required By Law. If any term or provision of this Agreement shall be found by a court of competent jurisdiction to be invalid, illegal or otherwise unenforceable, the same shall not affect the other terms or provisions thereof or hereof or the whole of this Agreement, but such term or provision shall be deemed modified to the extent necessary in the court's opinion to render such term or provision enforceable, and the rights and obligations of the parties shall be construed and enforced accordingly, preserving to the fullest permissible extent the intent and agreement of the parties herein set forth.

13.9. Successors and Assigns. This Agreement and all of the provisions thereof and hereof shall be binding upon and inure to the benefit of the parties and their respective successors and permitted assigns.

13.10. Assignment. Neither this Agreement nor any of the rights, interests, obligations, and remedies hereunder shall be assigned by either party, including by operation of law, without the prior written consent of the other, such consent to not be unreasonably withheld, conditioned or delayed, except (1) to its parents, subsidiaries and affiliates, (2) at its expense, to a firm or corporation acquiring all or substantially all of the business and assets of the assigning party provided that the assignee assumes the obligations of the assigning party arising hereunder from and after the date of acquisition, and such firm or corporation has a favorable reputation in the field of waste management, and has the financial strength and operational capabilities to timely perform all obligations hereunder, and (3) as security to entities providing financing for the assigning party or for any of its affiliates or for construction, reconstruction, modification, replacement or operation of any of the facilities of the assigning party or its parents, subsidiaries or affiliates.

13.11. Survival. The provisions of the Indemnification and Representations and Warranties of Authority Sections of this Agreement shall survive the termination of this Agreement without regard for the reason for termination.

13.12. Construction. This Agreement and its exhibits and schedules are the result of negotiations between the parties and have been reviewed by all parties. Accordingly, this Agreement will be deemed to be the product of the parties thereto and no ambiguity will be construed in favor of or against any party.

13.13. Disclaimer of Joint Venture, Partnership, and Agency. This Agreement shall not be interpreted or construed to create an association, joint venture, or partnership between the parties or to impose any partnership obligation or liability upon either party. Neither party shall have any right, power or authority to enter into any agreement or undertaking for, or act on behalf of, or to act as or be an agent of representative of, or to otherwise bind, the other party.

13.14. Independent Contractor. Contractor's relationship with Customer under this Agreement shall be that of an independent contractor. The employees, procedures, equipment and facilities used by the Contractor shall at all times, be under its exclusive direction and control. Nothing in this Agreement shall be construed to designate the Contractor, or any of its employees, agents or subcontractors, as employees, agents, joint ventures or partners of Customer.

13.15. No Third Party Beneficiaries. Nothing in this Agreement, express or implied, is intended to confer upon any third party any rights, remedies, obligations, or liabilities under or by reason of this Agreement, except as expressly provided in this Agreement.

13.16. No Brokers. The parties agree that they have entered into this Agreement without the benefit or assistance of any brokers, and each party agrees to indemnify, defend and hold the other harmless from any and all costs, expenses, losses or liabilities arising out of any claim by any person or entity that such person or entity acted as or was retained by the indemnifying party as a finder or broker with respect to the transactions described herein.

13.17. Further Acts. Each party agrees to perform any further acts and to execute, acknowledge, and deliver any documents which may be reasonably necessary to carry out the provisions of this Agreement.

13.18. Counterparts. This Agreement may be executed in one or more counterparts, each of which will be deemed an original, but which together will constitute one and the same instrument.

13.19. Disputes.

13.19.1. Unless otherwise ordered by the court, if a claim or dispute arises out of this Agreement or its performance, the parties agree to endeavor in good faith to resolve it equitably through negotiation, or if that fails, through non-binding mediation under the rules of the American Arbitration Association, before having recourse to the courts. Each party shall bear its own costs and expenses related to any mediation including, without limitation, attorneys' fees. Each party shall bear an equal share of the arbitrators' and administrative fees of arbitration. However, prior to or during negotiation or mediation, either party may initiate litigation that would otherwise become barred by a statute of limitations.

13.19.2. Notwithstanding the foregoing to the contrary, the parties hereby understand and agree that where a party believes it may suffer immediate and irreparable harm and damage should a party fail to comply with any of its obligations under this Agreement and that monetary damages will be inadequate to compensate such party for such a breach of this Agreement, the parties agree that a party shall not be required to proceed with mediation as described herein but shall be entitled to all appropriate relief, including, without limitation, injunctive and other equitable relief, by a court of competent jurisdiction to enforce the terms of this Agreement including the payment of reasonable attorneys' fees and costs.

13.20. Indemnification.

13.20.1. Contractor Indemnification. Contractor, by acceptance of the Residuals identified in this Agreement, agrees, for itself, its successors, and assigns, to defend, indemnify, and hold harmless Customer, its members, officers, directors and employees from and against any and all loss, damage, suits, penalties, costs, liabilities, expenses, claims, and actions (including, but not limited to, reasonable investigation and legal expenses) arising from Contractor's handling, transporting, recycling or disposing of Residuals, to the extent said loss, damage, suits, penalties, costs, liabilities, expenses, claims, and/or actions result from the negligence or willful misconduct of Contractor or Contractor's breach of the terms and conditions of this Agreement. This indemnity shall be inapplicable to the extent that the loss, damage, suits, penalties, costs, liabilities, expenses, claims, and/or actions result from Customer's provision to Contractor of Hazardous Waste or Non-Conforming Waste.

13.20.2. Customer Indemnification. Customer hereby agrees for itself, its successors, and assigns, to defend indemnify, and hold harmless Contractor its shareholders, officers, directors and employees from and against any and all loss, damage, suits, penalties, costs, liabilities, expenses, claims, and actions (including, but not limited to, reasonable investigation and legal expenses) arising claim or any claim for loss of, or damage to, property, including Contractor's property, and injuries to, or death of persons, including Contractor's employees, to the extent said loss, damage, suits, penalties, costs, liabilities, expenses, claims, and/or actions result from the negligence or willful misconduct of Customer or Customer's breach of the terms and conditions of this Agreement. In the event of any claim arising out of the concurrent negligence of the Contractor and the Customer, the Customer's indemnification obligations under this section shall be limited to the extent of the Customer's negligence.

13.20.3. Special and Consequential Damages. Notwithstanding the provisions of Section 13.19.1 and 13.19.2, neither Customer nor Contractor shall be liable for any special or consequential damages sustained by the other in connection with their respective performance or non-performance under this Agreement.

(signature page follows)

Executed and agreed as of the day and year last written below.

**New England Waste Services of ME, Inc.
d/b/a Casella Organics**

By: Michael R Hodge
(signature)

Name: Michael R Hodge

Title: Vice President

Date: February 22, 2019

Chittenden Solid Waste District

By: Sarah Reeves
(signature)

Name: Sarah Reeves

Title: Executive Director

Date: 2-27-19

**EXHIBIT A
TO THE
RESIDUALS MANAGEMENT SERVICE AGREEMENT**

Between: Chittenden Solid Waste District
1021 Redmond Road
Williston, VT 05495

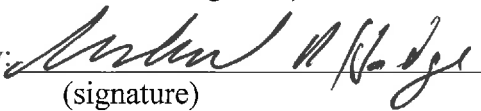
And: New England Waste Services of ME, Inc., (d/b/a Casella Organics)
110 Main Street, Suite 1308
Saco, ME 04072

Submission Date: This Exhibit A will be implemented per Article 1.2 of this Agreement.

Annual Residuals Removal Schedule

PLANT	% OF MATERIAL
Burlington Main: Landfill Disposal at Waste USA	~100%
Burlington Main: Recycling at Grasslands	~0%
Milton: Landfill Disposal at Waste USA	0%
Milton: Recycling at Grasslands	100%
Richmond: Landfill Disposal at Waste USA	0%
Richmond: Recycling at Grasslands	100%
Shelburne: Landfill Disposal at Waste USA	0%
Shelburne: Recycling at Grasslands	100%
<u>Essex Junction Volume EXCLUSIVE of Class B Residuals Applied to Land:</u>	
Essex Junction: Landfill Disposal at Waste USA	0%
Essex Junction: Recycling at Grasslands	100%


**New England Waste Service of ME, Inc.
(d.b.a. Casella Organics)**

By: 
(signature)
Name: Michael R Hodge

Title: Vice President

Date: February 22, 2019

Chittenden Solid Waste District

By: 
(signature)
Name: Sarah Reeves

Title: Executive Director and
General Manager

Date: 2-27-19

EXHIBIT B
[to come]

EXHIBIT C
ANALYSIS REQUIREMENTS

GRASSLANDS

Chittenden Grasslands Biosolids Analyses Frequency Requirements												
	January	February	March	April	May	June	July	August	September	October	November	December
Burlington Main	X	X	X	X	X	X	X	X	X	X	X	X
Essex Junction		X			X			X			X	
Milton		X			X			X			X	
Richmond		X			X			X			X	
Shelburne		X			X			X			X	

Grasslands Parameters Required Testing		
Group A Parameters		
Total Kjeldahl Nitrogen		
Ammonia		
Nitrate		
Total Phosphorous		
Total Potassium		
pH		
Paint Filter Test		
Total Solids		
Total Volatile Solids		
Group B Parameters	Max Concentration	Units
Arsenic (As)	41	
Cadmium (Cd)	10	
Chromium (total) (Cr)	1,000	
Copper (Cu)	1,500	
Lead (Pb)	300	mg/kg
Mercury (Hg)	10	dry weight
Molybdenum (Mo)	40	
Nickel (Ni)	200	
Selenium (Se)	100	
Zinc (Zn)	2,500	

FACILITY

July of each year each WWRF will have to sign a Casella Special Waste Characterization Form.

Facility Parameters Required Testing				
Group A Parameters				
Total Kjeldahl				
Nitrogen				
Ammonia				
Nitrate				
Total Phosphorous				
Total Potassium				
pH				
Paint Filter Test				
Total Solids				
Total Volatile Solids				
Group B Parameters	Max Concentration	Units		
Arsenic (As)	41	mg/kg dry weight		
Cadmium (Cd)	10			
Chromium (total) (Cr)	1,000			
Copper (Cu)	1,500			
Lead (Pb)	300			
Mercury (Hg)	10			
Molybdenum (Mo)	40			
Nickel (Ni)	200			
Selenium (Se)	100			
Zinc (Zn)	2,500			
Comprehensive Facility Approval Analysis (Every 3 years)		Plant	Next Due Date	Next Due Date
Testing Required: 1 representative composite sample; - pH, % solids, paint filter, ignitability, - TCLP RCRA 8 Metals, - TCLP Volatile Organic Compounds (VOCs), - TCLP Semi-Volatile Organic Compounds (VOC's), - TCLP Herbicides and Pesticides, - Total TPH - Reactive Cyanide and Reactive Sulfide, - PCB-totals. If any of the required testing could be ruled out based upon generator knowledge, provide an explanation and documentation for consideration (i.e. PCBs, Herbicides/Pesticides for residential ONLY WWTP sludge).		Burlington Main	7/1/2019	7/1/2021
		Sourth Burlington	7/1/2019	7/1/2021
		Essex Junction	7/1/2019	7/1/2021
		Shelburne	7/1/2019	7/1/2021
		Richmond	7/1/2019	7/1/2021
		Milton	7/1/2019	7/1/2021

CLASS A

WWRFs producing Class A material will provide the Contractor with monthly PFRP and VAR Attainment Certification Statements.

7512830_3:04341-00008

7516622_1:04341-00008

7516622_3:04341-00008

EXHIBIT B
GENERAL DEFINITIONS

“Agreement” shall mean this Residuals Management Participation Agreement for Member Municipalities, as the same may be amended or supplemented.

“Agronomic Utilization” shall have the meaning given in the Casella Organics Contract.

“Charter” means the District's Charter, as enacted by the Vermont Legislature (Municipal Act 17, Acts of 1991), as amended.

“District” shall mean the Chittenden Solid Waste District, and its successors and assigns.

“Cost” or “Costs” shall mean all expected and actual costs and expenses to be incurred by the District in connection with the construction, planning, permitting, operation, and maintenance, and performance of the Casella Organics Contract.

“Fees” shall mean the sum of the Processing Fee as detailed in Section 5 of this Agreement.

“Force Majeure” shall have the meaning given in the Casella Organics Contract.

“Grasslands” or “GMF” shall have the meaning given in the Casella Organics Contract.

“Hazardous Waste” shall have the meaning given in the Casella Organics Contract.

“Non-Conforming Waste” shall have the same meaning as provided in Section 3.1 of the Casella Organics Contract.

“Nuisance Odors” shall have the same meaning as provided in the Casella Organics Contract.

“Participant” shall mean any party (either a member municipality or other) which enters into a Participation Agreement with the District which provides for the management of Residuals by the District.

“WRRF(s)” shall mean the Participant's Water Resource Recovery Facility(s) .

“Quality Standard” shall have the same meaning as provided in Section 3.1 of the Casella Organics Contract.

“Residuals” shall mean wastewater biosolids generated from treatment of water, wastewater, or other wasted liquids at the WRRF(s).

EXHIBIT C
RULES AND REGULATIONS

These Rules and Regulations are subject to change upon approval from the District's Board of Commissioners:

1) Laboratory Analysis & Testing

- a) The Participant is responsible for the cost of all laboratory analysis of Residuals (including sampling and sample shipment costs).
- b) The Participant shall have all the required analyses performed as required by the WRRFs' permits, all applicable laws and regulations for the uses contemplated in this Agreement and those required by the Casella Organics Contract.
- c) The Participant shall insure the laboratory analyses are sensitive enough to comply with the values contained in the Casella Organics Contract. The Participant and the District must be able to determine from the analytical results whether a sample meets or exceeds the limits contained in Exhibit C of the Casella Organics Contract.
- d) The Participant shall furnish to the District a copy of all analytical results and quality assurance for residuals managed under this Agreement within 5 business days of receipt from the laboratory.
- e) The Participant will reimburse the District for costs and laboratory analyses, groundwater monitoring, and other testing required for obtaining and maintaining permits for Agronomic Utilization up to the Agronomic Utilization Analysis & Testing Annual Cap as set forth in Section 6 of the Casella Organics Contract. Analyses or tests for the purposes of Residuals management by Agronomic Utilization will not be performed without the prior written consent of the Participant.

2) Notifications

- a) The Participant shall use reasonable efforts to notify the District ninety (90) days in advance of any change in treatment process at the WRRFs(s) that could materially affect the quality of the Residuals.
- b) The Participant shall notify the District in writing within 5 business days if the Participant uses chlorination in the treatment process other than final effluent disinfection or cleaning of final clarifier weirs.
- c) The Participant shall immediately notify the District if they suspect higher than historical amounts materials entering the Participant's wastewater treatment WRRFs for:
 - i) any parameters contained in Exhibit C of the Casella Organics Contract or
 - ii) any other potential toxin
- d) The Participant shall notify and receive permission from the District prior to accepting any Residuals from municipalities or private entities not having a Participation Agreement with the District.
- e) A Participant who is responsible for dewatering Residuals and delivery directly to Casella Organics, shall provide, to both the District and Casella Organics, a schedule of full loads anticipated to be removed by Casella Organics during a given week, by Wednesday of the proceeding week.