

**AGREEMENT FOR COLLECTION  
AND DISPOSAL OF SOLID WASTE**

THIS SOLID WASTE COLLECTION AND DISPOSAL AGREEMENT (this "Agreement") is made and entered by and between the City Council, City of Henderson, a municipal corporation of the State of Nevada, hereinafter called the "City", and Republic Silver State Disposal, Inc., a Nevada corporation, hereinafter called "Contractor".

**RECITALS:**

WHEREAS, federal and state regulations mandate environmentally sound solid waste collection and disposal; and

WHEREAS, it is declared to be the policy of the City to regulate the collection and disposal of solid waste and recyclables in a manner consistent with federal and state laws; and

WHEREAS, the City is authorized, pursuant to the Charter of the City of Henderson and applicable provisions of general laws of the State of Nevada, to enter into this Agreement and may, pursuant to NRS 268.081, grant an exclusive contract to any person to perform collection and disposal of "garbage and other waste", which collectively refer to solid waste herein; and

WHEREAS, solid waste collection and disposal service and curbside recycling are presently provided by Contractor within the City; and

WHEREAS, the City Council of the City has determined that franchised solid waste collection, transportation, and disposal service and curbside recycling and household hazardous waste collection provide the most effective approach to environmentally sound and economical solid waste collection and disposal services; and

WHEREAS, the City desires to continue providing environmentally sound solid waste collection and disposal services to residents and businesses within the municipal boundaries of the City; and

WHEREAS, Contractor represents it is willing and able to perform environmentally

sound solid waste collection and disposal services within the municipal boundaries of the City;  
and

WHEREAS, the City has assumed responsibilities in connection with the closure of the Henderson Landfill (the "Landfill"), in accordance with the Landfill Response Program Agreement (the "Landfill Agreement") between the City and the Nevada Division of Environmental Protection and the Clark County Health District; and

WHEREAS, the City is obligated under the Landfill Agreement to provide maintenance and closure oversight to the Landfill for a period of thirty (30) years from the date of closure (the "Closure Period"); and

WHEREAS, the City will incur long-term costs to provide the required maintenance and oversight to the Landfill during the Closure Period ("Closure Costs"); and

WHEREAS, Contractor, as a community partner, and not by way of any admission of liability whatsoever, will contribute Seven Million Eight Hundred Thousand Dollars (\$7,800,000) to the City, to aid the City in meeting such Closure Costs and other post-closure obligations as determined by the City under the Landfill Agreement, which contribution shall be payable to the City as set forth below; and

WHEREAS, the City and Contractor desire to incorporate and merge all existing solid waste collection contracts into a single new exclusive contract for collection and disposal of solid waste, residential recycling, and household hazardous waste collection and disposal within the municipal boundaries of the City.

NOW, THEREFORE, in consideration of the covenants and agreements herein contained, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereby covenant and agree as follows:

1. Definitions of terms in this Agreement shall be the same as those definitions listed in Title 5, Chapter 5.17 of the Henderson Municipal Code (the "Code"), and amendments

thereto.

2. For and in consideration of the demands, terms, covenants, agreements, and conditions herein contained, Contractor hereby agrees to collect and dispose of solid waste as described in the Code and amendments thereto, and in conformity with all applicable laws, regulations and ordinances existing and hereafter enacted or established. All provisions of the Code, and amendments thereto, shall be binding upon the Contractor, its successors and assigns. In the event of any conflict between any provisions of the Code and amendments thereto, and any provisions of this Agreement, the Code provision shall control.

3. Contractor and the City hereby agree that the demands, terms, covenants, agreements, and conditions contained in all prior solid waste collection contracts between the parties, and modifications thereto, are hereby terminated by mutual agreement and shall have no further force or effect, and that each party is released from any liability or obligation to the other party thereunder; except that the Sludge Hauling Agreement between City and Contractor shall remain in effect according to its terms.

4. Contemporaneous with the full execution of this Agreement, Contractor shall pay to the City the amount of Seven Million Eight Hundred Thousand Dollars (US\$7,800,000) by wire transfer of immediately available funds to a bank named and account designated by the City. This payment is to aid the City in meeting such Closure Costs and other post-closure obligations as determined by the City under the Landfill Agreement and shall not be construed as an admission of liability by Contractor. This Agreement is conditioned upon the City's receipt of such payment in full, execution of the Guaranty By Parent Corporation, attached hereto as Exhibit A and incorporated by reference herein, and execution of the Environmental Indemnification and Release Agreement, attached hereto as Exhibit B and incorporated by reference herein, as further provided in Section 37 hereunder.

5. Contractor agrees to own, purchase, contract for the purchase of, or lease, and

shall at all times during the term hereof maintain and make available for the performance of the services required herein, equipment in good operating condition and sufficient in quantity and quality to satisfy the need thereof as presently exists or may hereafter arise to fulfill the terms of this Agreement.

6. Subject to the payment described Section 4, this Agreement shall become effective as provided in Section 37 hereunder, and shall terminate on December 31, 2025, said termination date being subject to all additional provisions for extension or early termination contained herein. The aforementioned term shall be renewable for two (2) additional five (5) years terms, at the option of Contractor, upon the same terms and conditions, provided Contractor is not then in default of this Agreement and provided that Contractor gives written notice of its election to the City one hundred eighty (180) days or more prior to the expiration of this Agreement.

7. Contractor shall have the exclusive right to collect, transport and dispose of solid waste and agrees to make solid waste collections and provide services at the service levels and rates set forth in this Agreement and the Code, and amendments thereto. All solid waste so collected shall be transported to authorized and permitted transfer stations, landfills, recycling facilities, or such other facilities as permitted by the Southern Nevada Health District or any successor solid waste management agency (the "Solid Waste Management Authority").

a. Contractor will provide solid waste collection and disposal to all City-owned facilities and public buildings at service levels set forth in the Code, without charge to the City.

b. City vehicles may dispose of solid waste at any authorized transfer station, landfill, recycling facility, or such other facility or other disposal site owned or operated by Contractor within the City or Clark County, without charge to the City.

8. Except as otherwise provided in the Code, Contractor shall have the right

and agrees to make available within the municipal boundaries of the City, an exclusive environmental curbside recycling collection program and an exclusive household hazardous waste drop-off program for its residential customers, except in instances where by reason of the provisions of this Agreement or by mutual agreement between the City and Contractor, the Contractor is excused and/or not required to make any collection. Under the programs:

a. All recyclable material so collected shall be transported to Contractor's designated facility. In addition, selected loads of commercial solid waste may be transported in collection trucks to Contractor's recycling facility, at Contractor's discretion. The recyclable materials shall then be separated and the remaining refuse shall then be transported to a solid waste transfer station or the Apex Regional Landfill facility.

b. Contractor shall provide for and have the exclusive right for drop-off of household hazardous waste from residents. Drop-off shall be offered every quarter, on a Saturday. Household hazardous waste shall be accepted at drop-off locations established by Contractor, and Contractor shall inform customers of the dates, times, and locations of pick-ups either by mail, inserted into billing statements, or by announcements in the local media at least quarterly. Household hazardous waste that shall be accepted includes up to five (5) gallons or forty (40) pounds per household per collection period, and may include paints, varnishes, stains, thinners, household cleaners, furniture or metal polishes, liquid automotive products, pesticides, pool chemicals, photographic chemicals, art and hobby supplies, adhesives, batteries, and used oil or other acceptable household hazardous waste. Waste that shall not be accepted include radioactive materials, explosives, water reactives, compressed gases (including freon), business or commercial waste, infectious waste, unlabeled/unknown materials, or other materials or products as may, due to safety, health, or similar concerns, be designated by the City or other recognized governmental authority and agreed to by Contractor as unacceptable household hazardous waste materials.

9. Contractor shall maintain and operate its Republic Services Recycling Center in North Las Vegas for the duration of this Agreement unless said facility shall be closed by an act of God, governmental action, or other unforeseen act or condition necessitating closure or relocation beyond the control of Contractor.

10. Contractor shall maintain and operate the existing Henderson Transfer Station through the duration of this Agreement unless said facility shall close by an act of God, governmental action, or other unforeseen act or condition necessitating closure or relocation beyond the control of Contractor. In the event the City determines that subsequent relocation of the Henderson Transfer Station is required by the City, and Contractor agrees to such relocation, the City and Contractor shall meet to determine anticipated costs directly attributable to such relocation, including the cost of required site improvements, which shall be the responsibility of the City. Contractor shall have the exclusive right to set rates and collect fees for operation of the Henderson Transfer Station, or any future transfer stations which may be constructed within the City during the term of this Agreement or extensions. Contractor further agrees that the provisions of this Agreement for payment of license fees shall apply to the existing Henderson Transfer Station, and any other which may be constructed in the City of Henderson.

11. Contractor agrees to establish and place into operation additional transfer stations based upon the service requirements as determined by Contractor.

a. Said future transfer stations shall be located on mutually acceptable sites owned or controlled by the City or the Contractor and as approved by the City Council.

b. City and Contractor agree that Contractor shall have the right, subject to applicable laws, regulations and ordinances existing and hereafter enacted or established, to determine physical layout, construction, and operational characteristics of the sites. However, Contractor agrees to meet with the City and/or its designees or designated working groups



within the area of each proposed site to obtain site and service level information and feedback.

c. Contractor agrees to assume responsibility for all costs associated with site improvements, construction, operation, and maintenance, and liability for operation, of each transfer site.

12. Contractor shall make all collections, and set rates, fees, and charges subject to the provisions in the Code and amendments thereto, and shall establish and maintain an accounting system and full and complete records in accordance with generally accepted accounting principles and applicable state regulations, and acceptable to the City's Director of Finance, to reflect correctly and accurately the gross receipts from the collection of solid waste under this Agreement and the records of the collection and disposition of all recyclable materials of the Regional Franchise Jurisdiction service areas within Clark County, and will file with the City's Director of Finance, within thirty (30) days after the end of each preceding calendar quarter during the term of this Agreement, a sworn statement of the gross receipts derived from the collection, of solid waste and curbside recycling during the quarter next preceding the date of such sworn statement. At the option and expense of the City, such records and statements, receipts, contracts, records of requests for service, computer records, legends, or any other records used in the normal course of business and disks or other storage media and other like material which are appropriate to monitor compliance with the terms of this Agreement are subject to audit. All payments made by solid waste services customers of Contractor for services provided herein shall be properly accounted for as revenue items. Such books and records shall be retained for a period of five (5) years, and shall be produced to the City upon request for inspection at any time during normal business hours and shall be made available for auditing purposes, including the right to inspect, copy and audit at Contractor's office in the greater Las Vegas Valley at any time during normal business hours.

13. Contractor shall pay on a quarterly basis, a license fee to the City of five percent

(5%) of the gross receipts derived from the collection of solid waste and curbside recycling material under this Agreement, to include gross receipts for any additional services or service levels negotiated separately with customers from the rates contained in Chapter 5 of the Code and amendments thereto. Contractor shall further provide for payment on a quarterly basis of a license fee to the City of five percent (5%) of the gross receipts derived from fees paid by customers (excluding waste collected by Contractor) to deposit solid waste at Contractor's transfer station (or subsequent transfer stations or convenience centers) operated within the municipal boundaries of the City. Checks should be made payable to the City of Henderson and mailed or delivered to the City at the address for notice in Section 26. The place and time of payment may be changed at any time by City upon 30 days' written notice to Contractor. Mailed payments shall be deemed paid upon the date such payment is postmarked by the postal authorities.

14. Contractor shall at all times during the term of this Agreement keep on file with the City's Director of Finance a surety bond, or cash, or its equivalent, in the amount of Ten Million Dollars (\$10,000,000), in a form acceptable to the City, as security for compliance with the terms of this Agreement and applicable Code provisions and to insure the collection of solid waste and its disposal as specified herein. Such bond shall be conditioned upon the faithful performance of this Agreement and compliance with all applicable ordinances and laws of the City, the State of Nevada, and regulations of the Solid Waste Management Authority. Any or all of such bond may be claimed by the City as payment for damages, costs, or expenses the City suffers or incurs by reason of any act or omission of the Contractor in connection with this Agreement or its enforcement, including failure to compensate the City within ninety (90) days such compensation is due.

a. In order that the public health and safety shall not be endangered in the event of an uncured breach of Contractor's obligation to collect and dispose of solid waste,



Contractor agrees that after a hearing and determination upon clear and convincing evidence by the City Council that such a breach has occurred, which breach has not been cured in accordance with Section 23 hereof, said bond or cash shall be forfeited. City shall have the right to immediately take over the collection of all solid waste and to take possession of such private land and equipment owned or leased by Contractor, and used by it in the performance of solid waste collection pursuant to this Agreement, that may be necessary for the City to provide such collection of solid waste. This possession by the City shall be limited to a period not to exceed three (3) months and during said period the City shall pay to Contractor the reasonable rental value of similar private land and equipment.

b. Should a breach of this Agreement result from an act of God, public enemy, terrorist act, or similar cause beyond Contractor's control as determined by a hearing by the City Council, the City shall have the right during such period to take over the collection of solid waste and equipment owned or leased by Contractor, and used by it in the performance of this Agreement. The City shall be reimbursed therefor by Contractor on a cost basis during the period of time that said solid waste collections are made by the City. Such reimbursements shall not exceed one hundred twenty-five percent (125%) of Contractor's costs for a like period of time immediately preceding said breach, such like period of time to be based upon the entire period said breach shall continue, notwithstanding the fact that such collections by the City may not have commenced immediately upon the occurrence of said breach.

c. In the event the City shall take over the collection of solid waste, as in this paragraph provided, Contractor agrees to manage the office, including the preparation and mailing of bills and the collection of accounts receivable with its administrative personnel and shall cooperate fully with the City in facilitating the collection of solid waste.

d. The City's waiver of any breach, shall not constitute a waiver of any subsequent breach, either of the same or any other provisions herein

e. If bonds are used to satisfy the requirements of this Section 12, they shall be in accordance with the following:

(i) All bonds shall, in addition to all other costs, provide for payment of reasonable attorneys' fees.

(ii) All bonds shall be issued by a surety company authorized to do business in the State of Nevada, and which is listed in the U.S. Department of the Treasury Fiscal Service (Department Circular 570, Current Revision): companies holding certificates of authority as acceptable sureties on federal bonds and as acceptable reinsuring companies.

(iii) Contractor shall require the attorney-in-fact who executes the bonds on behalf of the surety to affix thereto a certified and current copy of his or her power of attorney.

(iv) All bonds prepared by a licensed nonresident agent must be countersigned by a resident agent per NRS 680A.300.

(v) All bonds shall guarantee the performance of all of Contractor's obligations under this Agreement and all applicable laws.

If this Agreement is renewed or otherwise extended beyond its original term, the bond amount required by this Section 12 shall be adjusted based upon the percentage of change in the CPI-U. Bond amount changes shall be effective as of July 1 following the tenth anniversary date of this Agreement, and shall be based upon the percentage change in the CPI-U for the preceding ten calendar years.

15. Not later than ten (10) calendar days after approval of this Agreement by the City Council, Contractor shall obtain and maintain at all times during the term of this Agreement insurance, and shall furnish the City's Director of Finance with a policy or original certificate of such insurance with endorsements in which the City, its council members, officers, and

employees shall be named as an additional insureds with Contractor, substantially as follows:

Comprehensive General Liability Insurance protecting City with a minimum limit of One Million Dollars (\$1,000,000) per occurrence (combined single limit) for bodily injury and property damage, including automobile and other than automobile and including accidental death, and in an amount not less than Two Million Dollars (\$2,000,000) annual aggregate for each personal injury liability

Such insurance shall not be canceled, nor shall the occurrence or aggregate limits set forth above be reduced, until the City has received at least thirty (30) days' advance written notice of such cancellation or change. Contractor shall be responsible for notifying the City of such change or cancellation.

16. Contractor shall furnish and maintain in full force and effect during the term hereof, or any extension of this Agreement, full worker's compensation insurance in accordance with the Nevada Industrial Insurance Act, as amended, and other applicable state and federal laws.

17. Contractor will be required by this Agreement to appear in and defend all actions against the City arising out of the privileges conferred herein, and Contractor agrees to indemnify, protect, and hold the City, its council members, officers, and employees harmless from all claims, damages, liabilities, fines, losses, charges, penalties, administrative and judicial proceedings and orders, judgments, and all costs and expenses incurred in connection therewith, including reasonable attorney's fees and costs of defense (collectively, the "Losses") from any and all causes directly or proximately arising from Contractor's performance of, or activities undertaken pursuant to, this Agreement including equipping, operating, or maintaining its facilities and Transfer Stations, unless such Losses are directly attributable to the sole negligence or omission of the City or its agents, employees, or representatives. Contractor shall pay all other such Losses for which the City may be liable and hold the City harmless from any

accident, casualty, damages, losses, or claims which may happen or arise in conjunction with the performance of this Agreement.

18. Contractor shall charge the collection rates and charges contained in Chapter 5 of the Code, and such rates and charges shall be adjusted as set forth therein. City and Contractor shall have the right to review the collection rates as contained in Chapter 5 of the Code and amendments thereto not more frequently than once each year.

a. In the absence of unforeseen economic circumstances, the City will authorize an adjustment in the rates to be charged for the collection, removal, and disposal of solid waste as contained in Chapter 5 of the Code and amendments thereto based on the percentage change in the Consumer Price Index, All Urban Consumers for All Items, U.S. City Average (1982-84=100), as published by the U.S. Department of Labor, Bureau of Labor Statistics, Washington, D.C. ("CPI-U"), for the calendar year immediately preceding, as provided in Chapter 5 of the Code. Contractor will submit the CPI-U adjustment calculation to the City Manager each year by February 1, for the period of December of the year preceding the prior year to December of the prior year. Contractor will also submit new rates increased at the same percentage increase as the CPI-U increase. The City Manager will verify the accuracy of the increase in the CPI-U and the increase in the rates and will notify Contractor of the approval of the new rates by April 1 each year, which shall then become effective on July 1 of each year during the term of this Agreement, and any renewal thereof.

b. In the event an unforeseen economic circumstance has occurred during the preceding calendar year, Contractor may request a rate adjustment which is not based on changes to the CPI-U. Contractor will submit verification of the unforeseen economic circumstance in writing to the City Manager with documentation supporting the rate increase request. Any rate adjustment based upon an unforeseen economic circumstance will require approval of the City Council.

19. Contractor agrees to provide data and reports necessary to fulfill the requirements of the City and/or the Solid Waste Management Authority for assessing and reporting of recycling and hazardous waste collection program results in conformance with applicable federal and state laws and regulations.

20. The rights and privileges granted by this Agreement are not assignable, either voluntarily or by operation of law, without the consent of the City Council. In the event Contractor becomes insolvent or bankrupt, the rights or privileges granted hereby shall then be immediately cancelled and annulled, and the City shall have the right to take over said business or substitute another contractor in its place and stead as provided by law.

21. Should Contractor fail or neglect to make any solid waste collections as required by this Agreement within the time herein provided, the City shall, after two working days, have the right to make collection thereof and charge Contractor with the cost thereof.

22. Contractor agrees to make collections as quietly as possible, giving due consideration to residential areas in its route scheduling, as well as weather considerations, allowing for early daily start times from June 1 through September 30 due to excessive daytime heat.

23. In the event the City determines that Contractor is in default under any of the provisions hereof, the City Council (and/or its manager) shall give Contractor written notice thereof, specifying the provisions hereof (and/or the Code) under which the default has been determined to exist and give Contractor sixty (60) days within which to correct any such default. In the event Contractor does not correct any such default within the applicable cure period, the City may enforce its rights against Republic Services, Inc., a Delaware corporation, as expressed in the "Guaranty By Parent Corporation" (attached hereto as Exhibit A), terminate this Agreement upon thirty (30) days' written notice to Contractor, the City may take possession of the equipment and other property of Contractor as hereinbefore provided, and the bond

deposited by Contractor in conformity with the provisions contained within this Agreement shall be forfeited.

24. Upon termination of this Agreement, the City agrees to lease all usable equipment and other property belonging to and used exclusively by Contractor for solid waste collection in the municipal boundaries of the City, provided the parties can mutually agree upon satisfactory terms. In the event the parties are unable to agree as to rental and other lease terms, the City shall be entitled to purchase and/or lease all aforesaid usable equipment and other property owned and used by Contractor in the operation of its solid waste business within the municipal boundaries of the City at the fair market value as determined by an appraisal by an independent and mutually agreed upon appraiser; however, the City's rights to purchase and/or lease may be assigned by City without consent.

25. The failure of either party to insist upon the strict performance of any of the provisions of this Agreement or any extension thereof, or the failure of either party to exercise any right, option, or remedy hereby reserved, shall not be construed as a waiver for the future of any such provision, right, option, or remedy, or as a waiver of any subsequent breach thereof.

26. Contractor is an independent contractor and not an employee of the City for any purpose.

27. All notices, requests, demands, or other communications hereunder shall be in writing, and shall be deemed to have been duly given as if delivered in person, when received by certified mail with return receipt requested, or otherwise actually delivered.

Notice to the City shall be sent to:

City Manager  
City of Henderson  
240 Water Street  
Henderson, NV 89015

Notice to Contractor shall be sent to:



Area President  
Republic Silver State Disposal, Inc.  
770 East Sahara Avenue  
Las Vegas, NV 89104

with a copy to:

General Counsel  
Republic Services, Inc.  
110 SE 6<sup>th</sup> Street  
28<sup>th</sup> Floor  
Fort Lauderdale, FL 33301

Either party may change the address at which it receives written notice by so notifying the other party in writing.

28. Should any section or any part of any section of this Agreement be rendered void, invalid, or unenforceable by any court of law, for any reason, such a determination shall not render void, invalid, or unenforceable any other section or any other part of any section of this Agreement.

29. This Agreement has been made and entered into in the State of Nevada, and the laws of the State of Nevada shall govern the validity and interpretation of this Agreement and the performance due hereunder. If suit is brought by a party to this Agreement, the parties agree that trial of such action shall be vested exclusively in the state courts of Nevada.

30. The drafting, execution, and delivery of this Agreement by the parties have been induced by no representations, statements, warranties, or agreements other than those expressed herein. This Agreement embodies the entire understanding of the parties, and there are no further or other agreements or understandings, written or oral, in effect between the parties relating to the subject matter hereof unless expressly referred to herein or expressly incorporated herein by reference thereto. This Agreement was drafted by both of the parties and, thus, shall not be construed against any party because that party initially drafted any particular provision.

31. Should either party bring suit to enforce any of the terms of this Agreement, the prevailing party shall be entitled to recover expenses of suit, including court costs and reasonable attorneys' fees.

32. This Agreement shall not be modified unless such modification is in writing and signed by both parties to this Agreement.

33. Each of the parties to this Agreement represents and warrants that it has the full right, power, legal capacity, and authority to enter into and perform the parties' respective obligations hereunder and that such obligations shall be binding upon such party without the requirement of the approval or consent of any other person or entity in connection herewith.

34. Contractor acknowledges that information submitted to the City is open to public inspection and copying under Nevada Public Record Law, Chapter 239 of the Nevada Revised Statutes. Contractor is responsible for becoming familiar and understanding the provisions of the Nevada Public Records Law. Contractor may identify information, such as trade secrets, proprietary financial records, customer information or technical information, submitted to the City as confidential. Contractor shall prominently mark any information for which it claims confidentiality with the word "Confidential" on each page of such information prior to submitting such information to the City. The City shall treat any information so marked as confidential until the City receives any request for disclosure of such information. Within five working days of receiving any such request, the City shall provide Contractor with written notice of the request, including a copy of the request. Contractor shall have five working days within which to provide a written response to the City, before the City will disclose any of the requested confidential information. The City retains the final discretion to determine whether to release the requested confidential information, in accordance with applicable laws.

35. It is not intended by any of the provisions of this Agreement to create for the public, or any member thereof, a third-party beneficiary right or remedy, or to authorize anyone

to maintain a suit for personal injuries or property damage pursuant to the provisions of this Agreement. The duties, obligations, and responsibilities of the City with respect to third parties shall remain as imposed by Nevada law.

36. Time is of the essence with regard to the performance of all of Contractor's obligations under this Agreement.

37. This Agreement shall become effective when each of the following five conditions is met:

- (i) execution hereof by the authorized representative of the Contractor;
- (ii) execution of the Guaranty By Parent Corporation, attached hereto as Exhibit A and incorporated by reference herein;
- (iii) execution of the Environmental Indemnification and Release Agreement, attached hereto as Exhibit B and incorporated by reference herein;
- (iv) approval hereof by the City Council and execution by the Mayor of the City; and
- (v) payment confirmation by the City of the full amount due under Section 4, which the City shall promptly determine following notification by Contractor that such payment has been made.

[END OF TEXT. SIGNATURES APPEAR ON NEXT PAGE]

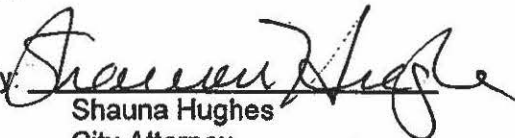
IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be legally executed in duplicate this 26<sup>th</sup> day of December, 2006.

**CITY OF HENDERSON, NEVADA**

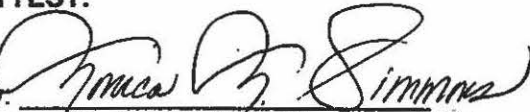
By:   
James Gibson  
Mayor

By:   
Steve Manson  
Finance Director

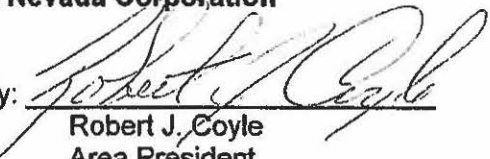
Approved as to form:

By:   
Shauna Hughes  
City Attorney

**ATTEST:**

By:   
Monica Martinez Simmons, CMC  
City Clerk

**REPUBLIC SILVER STATE DISPOSAL, INC.**  
A Nevada Corporation

By:   
Robert J. Coyle  
Area President

Approved as to form:

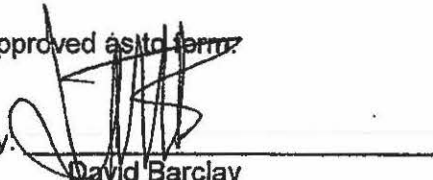
By:   
David Barclay  
Attorney for Republic Silver State Disposal, Inc.

EXHIBIT A

GUARANTY BY PARENT CORPORATION

WHEREAS, Republic Services, Inc., a Delaware corporation (the "Guarantor"), is the ultimate shareholder of Republic Silver State Disposal, Inc., a Nevada corporation (the "Company"); and

WHEREAS, the Company and the City Council, City of Henderson, a municipal corporation of the State of Nevada (the "City"), desire to enter into an Agreement for Collection and Disposal of Solid Waste, dated on or about the date of this Guaranty (the "Collection and Disposal Agreement"); and

WHEREAS, the City is unwilling to enter into the Collection and Disposal Agreement unless it receives a guaranty from the undersigned Guarantor with respect to the obligations of the Company to the City under the Collection and Disposal Agreement;

NOW, THEREFORE, in consideration of the premises and of other good and valuable consideration, the Guarantor hereby irrevocably covenants and guarantees the performance of all of the Company's obligations to the City under the Collection and Disposal Agreement, including the full and punctual payment of all monetary obligations required to be paid by the Company, their respective successors and assigns, to the City as expressed in the Collection and Disposal Agreement.

As set forth in Section 27 of the Collection and Disposal Agreement, Guarantor, at the address specified therein, shall be furnished with a duplicate copy of any notices, requests, demands, or other communications, including notices of default, to which the Company is entitled or which is served upon the Company at the time the same is sent to or served upon the Company. Guarantor hereby waives demand, protest, notice of any indulgences, or extensions granted of the Company provided a duplicate copy of any said notices, default, request, demand, or other communication be furnished to Guarantor at the time the same is sent to or served upon Republic Silver State Disposal, Inc.

In the event the Company does not correct any default within the applicable cure period expressed in the Collection and Disposal Agreement, Guarantor shall be granted ten (10) business days following receipt of written notice of any unresolved monetary defaults, thirty (30) days following receipt of written notice of any unresolved non-monetary defaults, to correct or remedy such defaults or cause such default to be corrected or remedied on behalf of the Company.

If any non-monetary default by the Company cannot reasonably be remedied within thirty (30) days after written notice of such non-monetary default, then Guarantor shall have such additional time as shall be reasonably necessary to remedy such non-monetary default, provided, however, that Guarantor shall pursue cure within the thirty (30) day period and shall be diligently prosecuting such cure to completion.

Notwithstanding anything herein to the contrary, any and all obligations of the Guarantor hereunder shall be subject to any defenses or rights of the Company under the Collection and

Disposal Agreement.

The provisions of this Guaranty shall be governed by the laws of the State of Nevada. This Guaranty, when executed and delivered by the Guarantor, will constitute the legal, valid and binding obligation of the Guarantor. No delay on the part of the City in exercising any rights hereunder or failure to exercise the same shall operate as a waiver of such rights. This Guaranty may not be modified except in a writing signed by the person(s) against whose interest such modification shall operate.

For purposes of providing Guarantor with written notice hereunder, Guarantor shall be furnished with a duplicate copy at the address set forth in the Collection and Disposal Agreement, as it may be amended from time to time.

IN WITNESS WHEREOF, the undersigned has executed this Guaranty as of this 22<sup>nd</sup> day of December, 2006.

REPUBLIC SERVICES, INC.  
A Delaware Corporation

By: 

Name: David A. Barclay

Title: Sr. Vice President & General Counsel

Date: 12/22/06



## EXHIBIT B

### ENVIRONMENTAL INDEMNIFICATION AND RELEASE AGREEMENT

THIS ENVIRONMENTAL INDEMNIFICATION AND RELEASE AGREEMENT ("Agreement") is made effective as of this \_\_\_\_ day of \_\_\_\_\_, 2006, by and between the CITY OF HENDERSON, NEVADA, a Nevada municipal corporation ("City") and REPUBLIC SILVER STATE DISPOSAL, INC., a Nevada corporation ("Republic") (individually a "Party" and collectively the "Parties").

#### Recitals

WHEREAS, the City has assumed responsibilities in connection with the closure of the Henderson Landfill, in accordance with the Landfill Response Program Agreement (the "LRPA") between the City and the Nevada Division of Environmental Protection and the Clark County Health District; and

WHEREAS, the City is obligated under the LRPA to provide maintenance and closure oversight to the Henderson Landfill for a period of thirty (30) years from the date of closure (the "Closure Period"); and

WHEREAS, the City will incur long-term costs to provide the required maintenance and oversight to the Henderson Landfill during the Closure Period ("Closure Costs"); and

WHEREAS, Republic, as a community partner, and not by way of any admission of liability whatsoever, will contribute Seven Million Eight Hundred Thousand Dollars (\$7,800,000) to the City, to aid the City in meeting such Closure Costs and other post-closure obligations as determined by the City under the LRPA; and

WHEREAS, Republic is a respondent to Administrative Order RCRA 7003-09-99-0005 with respect to the Sunrise Landfill issued by the United States Environmental Protection Agency and Findings of Violation and Order for Compliance Docket No. CWA-309-9-99-14 issued by the EPA, and includes respectively any amendment(s) or superseding order(s) ("Sunrise Landfill Orders") and owns and operates the Apex Landfill.

NOW, THEREFORE, in consideration of the foregoing recitals, the terms and conditions of this Agreement and other consideration, the sufficiency of which is hereby acknowledged, City and Republic agree as follows:

Definition of Terms. The following capitalized terms shall have the following meanings for purposes of this Agreement:

The term "Apex Landfill" means the real property and associated waste management and disposal facilities generally known as the Apex Regional Landfill and generally situated near the intersection of Interstate 15 and U.S. Highway 93 in Clark County, Nevada and within portions of Sections 7, 18, 19, and 20, Township 18 South, Range 64 East and Sections 13 and 24, Township 18 South, Range 63 East, Mount Diablo Meridian, comprising approximately 2,580 acres of property owned by Republic Dumpco, Inc., and all

related facilities including without limitation all solid waste transfer stations, convenience stations, and recycling facilities as they now exist or may hereafter be established.

The term "Costs" means all past, current, future, and contingent liability of any and every kind and nature, whether currently known or unknown including, without limitation, (i) liability resulting from or by reason of any conduct, cause or course of action whatsoever which has been done or omitted by a Party; (ii) any claims sounding in tort, negligence, contract, environmental or statutory liability or otherwise, including without limitation, claims by: (a) any third-party alleging claims for contribution, personal injury or real or personal property damage or by any other third-party or parties, including adjacent or non-adjacent property owners; or (b) any governmental authority, including, but not limited to, the State of Nevada or the United States Environmental Protection Agency, and any successor agencies; (iii) actions (including without limitation any citation, directive, order or investigation), administrative proceedings (including without limitation both formal and informal proceedings), judgments, damages, punitive damages, penalties, fines, fees (including without limitation reasonable attorneys' fees and expenses, consultant fees, and expert fees); (iv) liabilities (including without limitation sums paid in settlements of claims), or losses, together with all other costs and expenses of any kind or nature (including without limitation the cost of any environmental investigation or remediation required under any federal, state or local laws, ordinances, or regulations, or under any existing or future reported decision of a state, local or federal court); (v) liability related to any substances, materials and wastes imposing liability, including strict liability, for cleanup or response costs or expenses on any person or entity under any existing or future statutory or common law theory, all as amended, replaced or succeeded; (vi) liability for releases, seepages, migrations, discharges or spills of any Hazardous Material; (vii) liability for claims brought by or on behalf of any past or present tenants, occupants, or other users of the Sunrise Landfill, Apex Landfill or Henderson Landfill, as applicable.

The term "Environmental Contamination" means the presence, disposal, or release of any Hazardous Material at, on, above, under, within, or from the Sunrise Landfill, Apex Landfill or Henderson Landfill, as applicable, or any portion respectively thereof, whether past, present or future, including without limitation the presence or release of Hazardous Material in or into the air, soil, groundwater, or surface water at, on, above, under, within, or from the Sunrise Landfill, Apex Landfill or Henderson Landfill, as applicable, or any portion respectively thereof, and Hazardous Material that is transported or migrates from either property to other property. Without limiting the generality of the foregoing, the term Environmental Contamination shall include, without limitation, any and all Hazardous Material that is present at the Sunrise Landfill, Apex Landfill or Henderson Landfill, as applicable, or in the air, soil, groundwater, or surface water at, on, above, under, or within the applicable property, or any portion thereof, before, on, or after the date of this Agreement and that migrates, flows, percolates, diffuses, or in any way moves onto, into, or under the air, soil, groundwater or surface water at, on, above, under, or within other property, or any portion thereof, before, on, or after the date of this Agreement, irrespective of whether such Environmental Contamination shall be present or suspected to be present on or at the applicable property or in the air, soil, groundwater, or surface water at, on, about, above, under, or within the applicable property or other property, or any portion thereof, as a result of any release, discharge, disposal, dumping, spilling, or leaking (accidental or otherwise) onto the applicable property, or any portion thereof, occurring before, on, or after the date of this Agreement or caused by any person or entity.

The term "Hazardous Material" means any substance, material or waste, or combination thereof, the presence of which is regulated under any existing or future federal, state or local laws, consent agreements, unilateral administrative orders, ordinances or regulations, or under any existing or future reported decision of a state, local or federal court, including, but not limited to: (i) substances, materials and wastes that are now or become listed in the United States Department of Transportation Hazardous Materials Table (49 CFR 172.101) or by the United States Environmental Protection Agency (40 CFR Part 302), and amendments thereto, as hazardous substances; (ii) substances, materials and wastes designated as a "hazardous substance" pursuant to Section 311 of the Clean Water Act, 33 U.S.C. § 1251 et seq. (33 U.S.C. § 1321) or listed pursuant to Section 307 of the Clean Water Act (33 U.S.C. § 1317); (iii) substances, materials and wastes defined as a "hazardous waste" or "solid waste" pursuant to Section 1004 of the Resource Conservation and Recovery Act, 42 U.S.C. § 6903; (iv) substances, materials and wastes defined as a "hazardous substance" pursuant to Section 101 of the Comprehensive Environmental Response, Compensation, and Liability Act, 42 U.S.C. § 9601, et seq. (42 U.S.C. § 9601); (v) substances, materials and wastes defined as a "hazardous substance," "hazardous waste" or "dangerous waste" under the laws of the State of Nevada; (vi) petroleum and petroleum products; (vii) asbestos; (viii) polychlorinated biphenyls; and (ix) any substances, materials and wastes that are or become defined as a toxic or hazardous substance, material, pollutant or contaminant under any existing or future federal, state or local laws, consent agreements, unilateral administrative orders, ordinances or regulations, or under any existing or future reported decision of a state, local or federal court, or (x) any substances, materials and wastes, the presence of which requires or may require investigation or remediation under any existing or future statutory or common law theory, all as amended replaced or succeeded.

The term "Henderson Landfill" means the real property and associated waste management and disposal facilities generally known as the Henderson Landfill and generally situated within the S $\frac{1}{2}$ NW $\frac{1}{4}$ SW $\frac{1}{4}$ , and SW $\frac{1}{4}$ SW $\frac{1}{4}$  of Section 28, and the S $\frac{1}{2}$ SE $\frac{1}{4}$  of Section 29, Township 21 South, Range 63 East, Mount Diablo Meridian, comprising approximately 145 acres of property owned by the City by United States land patent Number 27-97-0010.

The term "LRPA" means the Landfill Response Program Agreement entered into among the State of Nevada, the Southern Nevada Health District and the City in March 1997.

The term "Sunrise Landfill" means the real property and associated waste management and disposal facilities generally known as the Sunrise Regional Landfill and generally situated within portions of Sections 1 and 12, Township 21 South, Range 62 East, Mount Diablo Meridian, comprising approximately 720 acres of federal public lands currently administered by the federal Bureau of Land Management as well as: (i) appurtenant waste management or disposal areas including the areas denoted as the "Eastern Perimeter Area," "Northeast Canyon Area," "Southern Wash Area," and "Western Burn Pit Area" in the RCRA Order; and (ii) any release or threatened release of any Hazardous Material associated in any manner with waste management or disposal activities at such areas.

Indemnification by Republic of City. Republic shall be responsible for and shall indemnify, protect, defend and hold harmless City and City's council members, officers, employees, agents, attorneys, representatives and contractors, and their successors and assigns from and against any and all Costs that arise directly or indirectly from, out of, or in

connection with any actual, alleged or suspected Environmental Contamination at or associated with Sunrise Landfill and Apex Landfill.

Release by Republic of City. Republic, for itself and its affiliates, directors, officers, shareholders, members, managers, employees, trustees, beneficiaries, agents, attorneys, representatives and contractors, and their successors and assigns, does hereby completely and irrevocably release and forever discharge City and its successors and assigns from any and all Costs that arise directly or indirectly from, out of, or in connection with any actual, alleged or suspected Environmental Contamination at or associated with Sunrise Landfill and Apex Landfill.

Indemnification by City of Republic Effective upon the receipt by the City from Republic of seven-million-eight-hundred-thousand dollars (\$7,800,000), City shall be responsible for and shall indemnify, protect, defend and hold harmless Republic and Republic's directors, officers, shareholders, employees, agents, attorneys, representatives and contractors, and their successors and assigns from and against any and all Costs that arise directly or indirectly from, out of, or in connection with any actual, alleged or suspected Environmental Contamination at or associated with the Henderson Landfill.

Release by City of Republic. Effective upon the satisfaction of the condition specified hereinabove in Section 4, City, for itself and its council members, officers, employees, agents, attorneys, representatives and contractors, and their successors and assigns, does hereby completely and irrevocably release and forever discharge Republic and its successors and assigns from any and all Costs that arise directly or indirectly from, out of, or in connection with any actual, alleged or suspected Environmental Contamination at or associated with the Henderson Landfill.

Performance Obligations. Performance of the obligation to indemnify shall be in conformance with all applicable federal, state and local laws, regulations, judicial orders, and all agreements affecting the Sunrise Landfill, Apex Landfill or Henderson Landfill, as applicable. In the event the relevant indemnitor shall fail to timely commence, cause to be commenced, or fail to diligently prosecute to completion its obligations under this Agreement, the indemnitee may, but shall not be required to, cause such obligations to be performed for the account of the relevant indemnitor, and all Costs thereof, or incurred in connection therewith, shall be covered as part of the environmental indemnification and paid by the relevant indemnitor. All such Costs shall be due and payable by the indemnitor upon demand therefor by the indemnitee.

Request for Information. Each indemnitor shall timely respond to an indemnitee's reasonable requests for information regarding its obligations under this Agreement.



## Miscellaneous.

Subrogation of Rights. If a Party fails to perform its obligations under this Indemnification Agreement, the other Party shall be subrogated to any rights the defaulting Party may have against any present, future or former owners, tenants, occupants, or other users of the Sunrise Landfill, Apex Landfill or Henderson Landfill, as applicable (or any portion respectively thereof), relating to the matters covered by this Indemnification Agreement.

Independent Obligations; Survival. The obligations of the under this Agreement are separate and distinct from the obligations of the Parties under any other agreement and other documents referenced respectively therein and executed in connection respectively therewith. This Indemnification Agreement may be enforced by a Party without regard to any other rights and remedies a Party may have against the other Party under any other agreement and other documents referenced respectively therein and executed in connection respectively therewith.

Default Interest. Any Costs and other payments required to be paid by a Party under this Agreement that are not paid on demand therefor shall thereupon be considered delinquent. In addition to all other rights and remedies of a Party against the other Party as provided herein, or under applicable law, the defaulting Party shall pay to the other Party, immediately upon demand therefor, interest on any such payments that are or have become delinquent at a rate that is the lesser of nine percent (9%) or the highest rate allowed under applicable laws. The interest shall be paid by the defaulting Party from the date such payment becomes delinquent through and including the date of payment of such delinquent sums.

Time. Time is of the essence of every provision contained in this Agreement. If the time for performance of any obligation hereunder shall fall on a Saturday, Sunday or Nevada or federal holiday, the time for performance shall be extended to the next day which is not a Saturday, Sunday or holiday.

Further Assurances. Each of the Parties shall execute and deliver any and all additional papers, documents and other assurances, and shall do any and all acts and things reasonably necessary in connection with the performance of its obligations hereunder in good faith to carry out the intent of the parties herein so long as such are consistent with the terms of this Agreement and impose no greater duties on the Party.

Attorneys' Fees. In the event suit or action is instituted to interpret or enforce the terms of this Agreement, or in connection with any arbitration or mediation of any dispute, the prevailing Party shall be entitled to recover from the other Party such sum as the court, arbitrator or mediator may adjudge reasonable as such Party's costs and attorney's fees, including such costs and fees as are incurred in any trial, on any appeal, in any bankruptcy proceeding (including the adjudication of issues peculiar to bankruptcy law) and in any petition for review.

Construction. Each Party acknowledges that: (a) it has been represented by independent counsel in connection with this Agreement; (b) it has executed this Indemnification Agreement with the advice of such counsel; and (c) this Agreement is the result of negotiations between the Parties and the advice and assistance of their respective counsel. Any uncertainty or ambiguity in this Agreement shall not be construed against the Party that drafted the

Agreement because that Party's counsel prepared this Agreement. The section headings contained in this Agreement are for convenience only and shall in no way enlarge or limit the scope or meaning of the various and several sections hereof. In the event of a conflict in the terms and conditions of this Agreement and any other agreement, the terms and conditions of this Agreement shall govern and control.

No Joint Venture; Benefit. This Indemnification Agreement is for the benefit of the Parties hereto, and except for the named indemnitees and their successors and assigns, no other person or entity will be entitled to rely on this Agreement, receive any benefit from it or enforce any provisions of it against either Party. Neither this Agreement nor anything contained in this Agreement shall create, or be deemed to create, a partnership, joint venture or other joint or equity type agreement between City and Republic.

Governing Law. This Agreement shall be construed and interpreted in accordance with and shall be governed and enforced in all respects according to the laws of the State of Nevada without regard to conflict of law principles.

Counterparts. This Agreement may be executed in one or more counterparts. All counterparts so executed shall constitute one contract, binding on all Parties, even though all Parties are not signatory to the same counterpart.

No Waiver. No covenant, term or condition of this Agreement, other than as expressly set forth herein, shall be deemed to have been waived by any Party hereto unless such waiver is in writing and executed by such Party.

Successors and Assigns. Neither City nor Republic shall assign this Agreement without the other Party's prior written consent, which consent such Party may withhold in its sole discretion. Subject to the previous sentence, this Agreement shall inure to the benefit of and be binding upon and enforceable against the Parties hereto and their respective successors and assigns. No assignment hereunder, whether consented to or not, shall be deemed to relieve either Party from any liability or obligation under this Agreement. The giving of consent to any assignment hereunder shall not release either Party from obtaining consent to any other assignment hereunder.

Notices. All notices, demands, deliveries and communications under this Agreement shall be in writing and shall be sent by (i) first class, registered or certified U.S. mail, postage prepaid, return receipt requested, (ii) nationally recognized overnight carrier, (iii) facsimile (provided the original notice is also sent via a nationally recognized overnight carrier on the next business day and received within three business days from deposit with the carrier), or (iv) personal delivery. All notices shall be deemed to have been given: three (3) business days following deposit of first class, registered or certified U.S. mail, one (1) business day following deposit with a nationally recognized overnight carrier, or upon receipt by facsimile or personal delivery, whichever occurs first. All notices shall be addressed to the relevant Party at the address below or to such other address as either Party may designate by notice pursuant to this Section:



Notice to the City shall be sent to:

City Manager  
City of Henderson  
240 Water Street  
Henderson, NV 89015

Notice to Republic shall be sent to:

Area President  
Republic Silver State Disposal, Inc.  
770 East Sahara Avenue  
Las Vegas, NV 89104

with a copy to:

General Counsel  
Republic Services, Inc.  
110 SE 6<sup>th</sup> Street  
28<sup>th</sup> Floor  
Fort Lauderdale, FL 33301

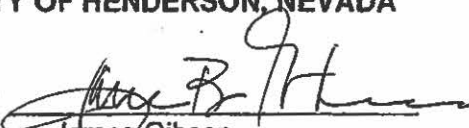
Entire Agreement. This Agreement contains the entire agreement of the Parties with respect to the subject matter hereof and supersedes any and all other written or oral understanding or agreement with regard to the subject matter hereof. No amendment, change or modification of this Agreement shall be valid, unless in writing and signed by City and Republic.

Authority. Each Party represents and warrants that it has the power and authority to enter into this Agreement and consummate the transactions contemplated herein, and the signatory or signatories hereto is or are duly authorized to execute and deliver this Agreement and perform all of such Party's obligations hereunder. By executing and delivering this Agreement, each Party represents and warrants that no further approval, authorization, or order of (or filing with) any court is required in connection with such Party's execution and delivery of this Agreement and no consent, approval, or order of any other body, entity or third party is required in connection with such Party's execution and delivery of this Agreement. Further, each Party acknowledges that it has voluntarily executed this Agreement upon its own behalf, with opportunity for advice of counsel of its own choosing, for the purpose of making a full and final compromise, adjustment and settlement of all claims and matters described above, and for the express purpose of forever precluding any controversy, litigation or expense relating thereto or arising therefrom. EACH PARTY WARRANTS THAT IT HAS COMPLETELY READ THIS INDEMNIFICATION, AND SPECIFICALLY THE RELEASE, ASSUMPTION OF RISK AND LIABILITIES AND INDEMNIFICATION PROVISIONS, AND FULLY UNDERSTANDS EACH AND EVERY SUCH PROVISION.


[END OF TEXT. SIGNATURES APPEAR ON NEXT PAGE]

IN WITNESS WHEREOF, City and Republic have executed this Agreement as of the day and year first written above.

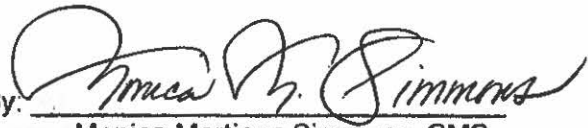
**CITY OF HENDERSON, NEVADA**

By:   
James Gibson  
Mayor

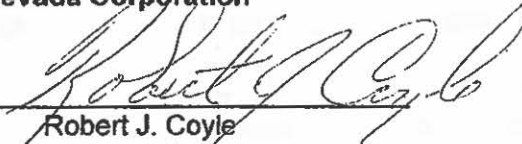
Approved as to form:

By:   
Shauna Hughes  
City Attorney

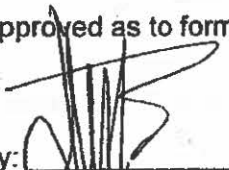
**ATTEST:**

By:   
Monica Martinez Simmons, CMC  
City Clerk

**REPUBLIC SILVER STATE DISPOSAL, INC.**  
A Nevada Corporation

By:   
Robert J. Coyle  
Area President

Approved as to form:

By:   
David Barclay  
Attorney for Republic Silver State Disposal, Inc.