

## RESIDENTIAL CURBSIDE RECYCLING AGREEMENT

This Residential Curbside Recycling Agreement (this "Agreement") is entered into as of the 23rd day of October, 2007, between the Norman Municipal Authority ("Authority"), acting by and through its duly authorized representative, and Waste Management of Oklahoma, Inc. ("Contractor"), an Oklahoma corporation, acting by and through its duly authorized representative.

### WITNESSETH:

**WHEREAS**, Authority desires to grant to Contractor the exclusive right to operate and maintain the service of residential recycling over, upon, along and across the present and future streets, alleys, bridges and public properties of City, subject to the terms of this Agreement; and

**WHEREAS**, Contractor desires to operate and maintain the service of residential recycling over, upon, along and across the present and future streets, alleys, bridges and public properties of the City, subject to the terms of this Agreement.

**NOW, THEREFORE**, for and in consideration of the sum of Ten Dollars (\$10.00) and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged and confessed, the parties hereto agree as follows:

1. **DEFINITIONS:**

- 1.01. **Authority:** The Norman Municipal Authority.
- 1.02. **City:** The City of Norman, Oklahoma.
- 1.03. **Contract Administrator:** That person, or his designee, designated by the City to administer and monitor the provisions of this Agreement.
- 1.04. **Contractor:** Waste Management of Oklahoma, Inc.
- 1.05. **Customer:** The owner or tenant of a Residential Unit located within the City, and identified by Authority as being eligible for and in need of the services provided by the Contractor under this Agreement.
- 1.06. **Processing Center:** A location to be utilized by Contractor for the purposes of sorting and preparing Recyclable Materials for sale.
- 1.07. **Recyclable Materials:** A material that has been recovered or diverted from the non-hazardous waste stream for purposes of reuse, recycling, or reclamation, a substantial portion of which is consistently used in the manufacture of products that may otherwise be produced using raw or virgin materials. Recyclable Materials are not solid waste. However,

Recyclable Materials may become solid waste at such time, if any, as it is abandoned or disposed of rather than recycled, whereupon it will be solid waste, with respect to the party actually abandoning or disposing of such material.

Recyclable Materials shall include the following: aluminum cans, newsprint (including glossy colored inserts), magazines, HDPE #2 milk containers and PETE #1 soda bottles, steel cans, tin cans, HDPE #2 colored plastics, glass bottles, and junk mail, but shall specifically exclude old corrugated cardboard (OCC).

1.08. **Recycling Container:** A plastic receptacle, designed for the purpose of curbside collection of Recyclable Materials, with minimum capacity of 18 gallons.

1.09. **Residential Unit:** A residential dwelling within the urban service area of the City occupied by a person or group of persons comprising not more than four families. A Residential Unit shall be deemed occupied when either water or domestic light and power services are being supplied thereto. A condominium dwelling, whether of single or multi-level construction, consisting of four units, shall be treated as a Residential Unit, except that each single-family dwelling within any such Residential Unit shall be billed separately as a Residential Unit.

2. **GRANT OF EXCLUSIVE FRANCHISE:**

Contractor is hereby granted the exclusive right and privilege, within the urban area of City, as shown on Exhibit "A" attached hereto and incorporated herein (the "Urban Area"), to conduct business for the purpose of collection of Recyclable Materials from Residential Units, subject to the terms hereof. Notwithstanding anything contained herein to the contrary, this Agreement specifically excludes City public school sites and City recycling drop-off routes.

3. **TERM:**

The term of this Agreement shall commence March 1, 2008, ("Commencement Date") and continue remain in full force and effect for a period of five (5) years; provided, however, the term of this Agreement may be extended for additional terms of five (5) years, each, upon the mutual agreement of the Authority and Contractor, on terms acceptable to both parties, in each party's sole discretion.

4. **RATES:**

Contractor is authorized to charge, and shall receive from Authority, the rates set forth on Schedule "B" attached hereto and incorporated herein by reference ("Base Rates"). The Base Rates are subject to adjustment as set forth in Section 9 below. In addition, Contractor shall be entitled to all proceeds from the sale of the Recyclable Materials.

5. **CONTRACTOR SERVICES:**

5.01. **Residential Recycling**

- (a) **Recyclable Collection:** Contractor shall provide once per week collection of Recyclable Materials placed in Recyclable Containers from Residential Units located in the Urban Area as described on Exhibit "A" to begin on the Commencement Date. Contractor shall not be required to collect any Recyclable Materials that are not placed in a Recycling Container, provided, however, that Contractor shall collect paper Recyclable Materials, which are placed in paper bags or sacks and placed beside the Recycling Container. In addition, Contractor shall not be required to collect Recyclable Materials if the Customer does not segregate the Recyclable Materials from the remainder of the residential waste, and Contractor shall not be required to collect contaminated Recyclable Materials.
- (b) **Recycling Containers:**
  - (i) Contractor shall provide one (1) Recycling Container to each Residential Unit at the commencement of this Agreement. Recycling Containers shall be placed by the Customer of a Residential Unit in a location that is readily accessible to Contractor and its collection equipment, not to exceed three (3) feet from the curb or edge of the travel portion of the street, road or alley, and not to be located in a manner that will block the driveway or mailbox or otherwise inhibit proper servicing. The Authority shall aid Contractor in resolving problems of Recycling Container location by the Customer. Customers shall not overload Recycling Containers.
  - (ii) The Recycling Containers furnished by the Contractor hereunder shall remain the property of Contractor, and the Customer will have no interest in the Recycling Containers. The Recycling Containers shall remain at the location of the Residential Unit where delivered by Contractor. The Customer shall be responsible for all loss or damage to the Recycling Containers, except for normal wear and tear or for loss or damage resulting from Contractor's handling of the equipment. Any Recycling Container removed from a Residential Unit shall be deemed lost, and Contractor shall be entitled to compensation from the Authority therefor. The Recycling Container shall be used only for its proper and intended purpose. Additional Recycling Containers are available for residential Customers at an additional charge

to be paid by the Customer. In the event a Recycling Container should be lost or damaged, Contractor agrees to replace such lost or damaged Recycling Container with a new Recycling Container, at a cost equal to Contractor's actual cost of such Recycling Container, including delivery.

(iii) At the commencement of this Agreement, Contractor shall provide a written notification to each Residential Unit advising the Customer that the Recyclable Containers are, and shall remain, the property of Contractor, and that the Customer shall have no ownership in such Recycling Containers. Contractor shall further advise Customers that such Customers shall be liable for loss or damage to such Recyclable Containers.

- (c) **Recycling education:** At the commencement of this Agreement, and upon receiving notification of a new Residential Unit Customer, Contractor shall provide written notification to each Residential Unit, advising the Customer as to what constitutes a Recyclable Material. Contractor shall provide descriptions of the Recyclable Materials and shall identify the Recyclable Materials in their general usage (eg. one gallon plastic milk containers, plastic two (2) liter bottles, etc.) so as to educate the Customer as to what materials constitute Recyclable Materials, and what do not.

- 5.02. **Deletion of Materials.** If any item comprising the Recyclable Materials becomes unfeasible to continue in the recycling program due to lack of volume, lack of adequate market pricing, or poor quality of items received, or the Certified Recycling Center utilized by Contractor is no longer accepting a certain item of Recyclables, then Authority or Contractor reserves the right to exclude or discontinue said item from the recycling program. Contractor does not guarantee the existence of a market or any buyer at any time for Recyclables.

If Contractor shall desire to no longer accept a certain item of Recyclables (an "Excluded Item"), Contractor shall provide the Authority written notice of such exclusive collection of the Excluded Item at least sixty (60) days prior to the commencement date of the non-collection. Contractor and Authority shall negotiate a replacement commodity, which replacement commodity shall be acceptable to both parties. In the event that Contractor and Authority cannot agree on a replacement commodity, then Contractor and Authority shall negotiate a modification in Base Rate to reflect the change in Recyclables, in each party's sole discretion.

Contractor shall also provide to the Authority documentation evidencing that the Excluded Item is no longer feasible to be collected for recycling.

- 5.03. **Other Materials.** Notwithstanding anything contained herein to the contrary, in no event shall Contractor be obligated to collect any materials or waste other than Recyclable Materials.

6. **COLLECTION OPERATION:**

- 6.01. **Hours of Operation:** Collection of Recyclable Materials shall begin no earlier than 7:00 a.m. and shall generally not extend beyond 6:00 p.m. No collection shall be made on Sunday. If collection of the Recyclable Materials will not be completed by 6:00 p.m., subject to the Force Majeure provisions set forth herein, Contractor shall notify the Authority advising of such late pickups for that day, and Contractor shall diligently pursue completion of such routes. If Contractor shall fail to notify the Authority of late collection, the Authority may fine Contractor \$100.00 per late day, which shall be deducted from the monthly bill due Contractor.
- 6.02. **Routes of Collection:** Collection routes shall be established by the Contractor as reasonably approved by Authority. Authority shall provide Contractor with maps of the City containing sufficient detail for Contractor to design collection routes. Contractor shall provide to the City route maps for approval by the Authority, which approval shall not be unreasonably withheld.
- 6.03. **Holidays:** The following shall be holidays for purposes of this Agreement:

New Year's Day  
Thanksgiving Day  
Christmas Day

Contractor may decide to observe any or all of the above-mentioned holidays by suspension or collection service on the holiday, but the Contractor shall be responsible for providing make-up collection for residential routes that occur on specified holidays. Make-up days shall be the next scheduled collection day following the holiday.

- 6.04. **Complaints:** Customer complaints shall be directed by the Authority to Contractor, and Contractor shall promptly resolve such complaint based on the nature of the complaint. Contractor shall be responsible for maintaining a log of complaints based on the information provided to Contractor by the Authority, and shall provide the Authority, on a monthly basis, with copies of all complaints indicating the date and hour of the complaint, nature of the complaint, and the manner and timing of its resolution. Any alleged missed pickups will be investigated and, if such allegations are verified, Contractor shall arrange for collection on the next business day after receipt of such complaint. If the missed pickup is a result of Customer related acts or omissions, the Authority shall take appropriate action to cause such Customer to subsequently properly set out



such Recyclable Materials.

- 6.05. **Collection Equipment:** Contractor, at its sole cost and expense, agrees to furnish, all trucks, equipment, machines, and labor which are reasonably necessary to adequately, efficiently, and properly collect and transport Recyclable Materials from Customers serviced by Contractor in accordance with this Agreement. Collection of such equipment shall not be allowed to leak nor scatter any Recyclable Materials within the limits of the City nor while in route to the Processing Facility.

All motor vehicles used in performance of the obligations herein created shall be clearly marked with the Contractor's name, telephone number and unit number legible from 150 feet. No advertising shall be permitted on vehicles. All collection equipment shall be maintained in a first class, safe, and efficient working condition throughout the term of this Agreement. Such vehicles shall be maintained and painted as often as necessary to preserve and present a well-kept appearance, and Contractor shall have a regular preventative maintenance program. Authority may inspect Contractor's vehicles at any time to insure compliance of equipment with this Agreement. Such vehicles shall be washed and painted or repainted as often as necessary to keep them in a neat and sanitary condition.

Contractor's employees driving and operating Contractor's vehicles shall at all times possess a valid commercial vehicle operator's license from the State of Oklahoma. Employees of Contractor who normally and regularly come in contact with the public shall bear some means of individual identification such as a name tag or identification card. Contractor's employees, officers, agents, and subcontractors shall, at no time, identify themselves or in any way represent themselves as being employees or agents of the City.

- 6.06. **Processing:** The Contractor shall deliver Recyclable Materials collected to a duly permitted Recycling Facility operated in compliance with state and federal laws, rules and regulations and the U.S. Environmental Protection Agency, and all Recyclable Materials shall be recycled at said facility, provided however, that residual non-recyclable materials will not be recycled.
- 6.07. **Spillage:** The Contractor shall not be responsible for scattered Recyclable Materials unless the same has been caused by Contractor, in which case all scattered Refuse shall be picked up immediately by Contractor.
- 6.08. **Vicious Animals:** Employees of the Contractor shall not be required to expose themselves to the dangers of vicious animals in order to accomplish Refuse collection service. Contractor shall immediately notify the Authority, in writing, of such condition and of his inability to make

collection.

6.09. **Reports:** Contractors shall, on a monthly and annual basis, provide the following recycling information to the Authority, together with such other information as may be mutually agreed upon by the parties:

- (i) Information relative to the number of Recycling Containers set out for collection each day for each route;
- (ii) Aggregate weight information for Recyclable Materials collected;
- (iii) Number of complaints received and the resolution for each complaint.

6.10. **Equal Employment Opportunities.** In connection with this Contract, Contractor shall not discriminate against any employee or applicant for employment because of race, color, religion, sex, national origin, age, marital status, being a handicapped or disadvantaged person, or disabled veteran.

6.11. **Point of Contact.** All dealings and contacts between Contractor and the Authority shall be directed between a representative of Contractor, or such other individual identified by Contractor, and the Contract Administrator designated by the Authority.

7. **LICENSE AND TAXES:**

Contractor shall obtain at its sole expense all licenses and permits required by the City and the State, and shall maintain same in full force and effect.

8. **BILLING:**

(a) The Authority shall provide billing and bill collection services for Residential Units during the term of this Agreement. Water/utility service records will be provided by the Authority to the Contractor within five (5) business days after the end of the month as a Residential Unit count. Within thirty (30) days of the end of each month during which collection services are provided by Contractor hereunder, Contractor shall submit to the Authority an invoice setting forth sums due by the Authority to Contractor for services rendered under this Agreement for the prior month. City shall remit to Contractor payment for such services within thirty (30) days after receipt of invoice. Past due invoices shall bear interest at the current Prime Interest Rate, as published in the Wall Street Journal.

(b) The Authority shall notify Contractor in writing of any Residential Unit Customer that has failed to pay the Authority for recycling collection services, and Contractor, upon written direction from Authority, shall cease servicing such delinquent Residential Unit until notified by the Authority.

9. **MODIFICATION TO RATES:**

Contractor shall be entitled to an increase in Base Rates from time to time during the term of this Agreement, and upon sixty (60) days' written notice to the Authority, to offset increases in Contractor's costs in processing or tipping fees, or as a result of changes in federal, state or local laws, rules or regulations, subsequent to the effective date of this Agreement. Documentation of such increases shall be submitted to the Authority at the same time Contractor provides sixty (60) days' written notice of the increase in Base Rates.

10. **AUTHORITY'S OBLIGATIONS:**

The Authority agrees to perform all obligations required of the Authority pursuant to the terms of this Agreement, including, but not limited, the following:

- (a) The Authority shall designate the Contract Administrator, who shall communicate Authority decisions to Contractor on a timely basis from time to time as required under this Agreement;
- (b) The Authority shall notify Contractor of Customers to be added or dropped from Contractor services, or of any change in Customer service;
- (c) The Authority shall timely pay Contractor pursuant to Section 8 of this Agreement;
- (d) The Authority shall timely inform Contractor of complaints made by Customers;
- (e) The Authority shall work with Contractor in good faith to resolve complex Customer service issues; and
- (f) The Authority shall educate Customers to encourage, promote and obtain proper recycling as required by this Agreement, including educating Residential Unit Customers to assure proper and timely Recycling Container set out, and proper recycling techniques to minimize commingling; provided, Contractor shall deliver to Customer such information, and on such periodic basis, as Contractor deems necessary relating to the recycling program.

11. **COMPLIANCE WITH LAWS; SAFETY:**

Contractor, its officers, agents, employees, contractors, and subcontractors, shall abide by and comply with all existing laws and laws which may be enacted by the federal, state, and local governments. It is expressly agreed that nothing in this Agreement shall be construed in any manner to abridge the right of Authority to pass or enforce necessary police and health regulation for the protection of its



inhabitants. It is further agreed and understood that, if the Authority calls the attention of Contractor to any such violations on the part of the Contractor, its officers, agents, employees, contractors, or subcontractors, then Contractor shall immediately desist from such activity and correct such violation. Contractor shall, at its own cost, secure all permits and licenses required by the Authority, City or the State of Oklahoma, and shall give all notice necessary and incidental to the performance of the work. Contractor shall establish and implement safety measures, policies and standards conforming to those required or recommended by governmental and quasi governmental authorities including, but not limited to, the requirements of the United States Occupational Safety and Health Act.

12. **OFFICE:**

Contractor shall maintain an office or such other facility through which it may be contacted by telephone without charge. Such office shall be equipped with sufficient telephones and shall have a responsible person in charge between the hours of 8:00 a.m. and 5:00 p.m., Monday through Friday.

13. **ENFORCEMENT:**

Authority grants unto Contractor the right to seek an injunction against any third party which is believed to be infringing on the rights of Contractor to this Agreement, including Contractor's exclusive franchise rights granted herein. By granting this right to Contractor, the Authority in no way reduces its right or obligation to enforce this Agreement or any other City ordinance relating to the collection Recyclable Materials. Furthermore, Contractor shall have all rights and remedies available to it under Oklahoma law to collect delinquent payment of fees by Authority. The Authority agrees to take all steps necessary and permitted by law to require Customers to comply with the terms of this Agreement.

14. **TRANSFERABILITY OF AGREEMENT:**

Other than by operation of law, no assignment of the Agreement or any right accruing under the Agreement shall be made in whole or in part by the Contractor without the express written consent of the Authority, which consent shall not be unreasonably withheld. Upon the assignment, the assignee shall assume the liability of the Contractor. Notwithstanding anything contained herein to the contrary, Contractor shall be permitted to assign this Agreement to an affiliate of Contractor without the Authority's consent.

15. **TERMINATION:**

Except as otherwise provided herein, if either party defaults in the performance of any of the covenants or conditions contained herein, and fails to cure such default within thirty (30) days after the non-defaulting party has given the defaulting party written notice of such default (or if such default is of a nature that it cannot be cured within such thirty (30) day period, the defaulting party fails to commence the curing of such default within such thirty (30) day period, and fails

to thereafter diligently pursue the curing thereof) (the "Cure Period"), the non-defaulting party may: (a) terminate this Agreement as of any date which the non-defaulting party may select, provided said date is at least thirty (30) days after the expiration of the Cure Period; (b) cure the default at the expense of the defaulting party; and/or (c) have recourse to any other right or remedy to which it may be entitled by law, including, but not limited to, the right to all damages or losses suffered as a result of such termination. In the event either party waives default by the other party, such waiver shall not be construed or determined to be a continuing waiver of the same or any subsequent breach or default.

16. **ARBITRATION:**

The parties shall endeavor to settle all disputes under, or relating to, this Agreement by amicable negotiations. Except as otherwise provided herein, any claim, dispute, disagreement or controversy that arises among the parties under or relating to this Agreement that is not amicably settled shall be submitted to mediation. If the parties remain unable to resolve the controversy through mediation, then the claim, dispute, disagreement or controversy shall be resolved by binding arbitration administered by the American Arbitration Association under its Commercial Arbitration Rules as follows:

- (a) An arbitration may be commenced by any party to this Agreement by the service of a written request for arbitration ("Request for Arbitration") upon the other party. Such Request for Arbitration shall summarize the controversy or claim to be arbitrated.
- (b) The arbitration shall be heard in Oklahoma City, Oklahoma before an arbitration panel comprised of three (3) arbitrators. Upon initiation of a Request for Arbitration by either party hereto, each party, within fifteen (15) days of the date of the Request for Arbitration, shall select an arbitrator. The arbitrators selected by the claimant and respondent shall, within ten (10) days of their appointment, select a third neutral arbitrator. In the event the two arbitrators are unable to agree upon a third arbitrator, then the American Arbitration Association ("AAA") shall appoint the third neutral arbitrator. Prior to commencement of hearings, each of the arbitrators appointed shall provide an undertaking of impartiality. In determining the appropriate background of the third arbitrator, the first two arbitrators shall give due consideration to the issues to be resolved.
- (c) All attorneys' fees and costs of the arbitration shall in the first instance be borne by the respective party incurring such costs and fees, but the arbitrator shall have the discretion to award costs and/or attorneys' fees as the arbitrator deems appropriate under the circumstances.
- (d) Judgment on the award rendered by the arbitrator may be entered in any court having jurisdiction thereof.

17. **FORCE MAJEURE:**

The performance of this Agreement may be suspended and the obligations of either party excused in the event of and during the period that such performance is prevented or delayed by a Force Majeure occurrence. "Force Majeure" shall mean:

- (a) Any actual or threatened act of God, including hurricanes, tornadoes, landslides, lightning, earthquakes, weather conditions, fire, flood, explosion, sabotage or similar occurrence, acts of a public enemy, extortion, war, blockade or insurrection, riot, civil disturbance, strike or other labor disturbances, governmental actions or regulations, governmental requests or requisitions for national defense, or breakdown or injury to, or shortage in, facilities used for the handling, processing or transportation of Solid Waste or any other cause beyond the reasonable control of either party;
- (b) The order or judgment of any federal, State, or local court, administrative agency or governmental body (excluding decisions of federal courts interpreting federal tax laws, and decisions of State courts interpreting State tax laws) if it is not also the result of the willful misconduct or negligent action or inaction of the party relying thereon; provided that neither the contesting in good faith of any such order or judgment nor the failure to so contest shall constitute or be construed as a measure of willful misconduct or negligent action or inaction of such party;
- (c) The suspension, termination, interruption, denial, or non-renewal of any permit or approval essential to the operation of the Contractor; or
- (d) A Change in Law. "Change in Law" means (i) the adoption, promulgation, or modification or reauthorization after the date of this Agreement of any law, regulation, order, statute, ordinance, rule or binding judicial or administrative ruling that was not adopted, promulgated, modified or reissued on or before the date of this Agreement, or (ii) the imposition of any material conditions in connection with the issuance, renewal, or modification of any permit, license, registration, notice of intent or approval after the date of this Agreement, which in the case of either (a) or (b) establishes requirements affecting a party's operation under this Agreement more burdensome than the requirements that are applicable to such party and in effect as of the date of this Agreement. A change in any federal, State, county, or other tax law or workers compensation law shall not be a Change of Law. However, in the event that a federal, State or local entity imposes a fee, charge or tax after the date of this Agreement that applies to a party's operations per se, such fee, charge or tax shall be treated as a Change in Law.

**18. EVIDENCE OF INSURANCE:**

Contractor shall procure and maintain for the duration of the Agreement, with a carrier reasonably acceptable to Authority, insurance against claims for injuries to persons or damages to property, which may arise from or in conjunction with the performance of the work hereunder by the Contractor, its agents, representatives, employees, or subcontractors. The policy or policies shall name the Authority as an additional insured, subject to Contractor's indemnities set forth herein, and shall contain a clause that the insurer will not cancel or decrease the insurance coverage without first giving the Authority thirty (30) days notice in writing. The cost of such insurance shall be borne by the Contractor and a Certificate of Insurance evidencing that such insurance has been procured and is in force will be forwarded to the Authority before commencement of work hereunder.

**Minimum Limits of Insurance:**

<b>Type Coverage</b>	<b>Per Occurrence Minimum</b>	<b>Aggregate Minimum</b>
Workers Compensation	As required by law and shall cover all employees including drivers.	As required by law.
Comprehensive & General Public Liability	\$1,000,000	\$1,000,000
Property Damage	\$1,000,000	\$1,000,000
Comprehensive Auto Liability Bodily Injury	\$1,000,000	
Comprehensive Auto Liability- Property Damage	\$500,000	
Employer's Liability	\$500,000	

**19. INDEMNITY:**

The Contractor shall indemnify Authority against any claims, actions, or suits, including court costs and reasonable attorneys' fees, to the extent caused by Contractor's negligent or willful conduct or misconduct in providing the services required by this Agreement. Upon obtaining knowledge of any matter giving rise to possible indemnification, the Authority shall notify the Contractor immediately. The Contractor shall have the right to defend or contest any such claim or demand in the name of the Authority. The Authority shall provide such cooperation in connection therewith as the Contractor may reasonably request and shall make available to the Contractor or its representatives all records and other

materials reasonably required in such defense. So long as the Contractor is contesting or defending any such claim or demand in good faith, no amount shall be deemed to be due hereunder unless the Authority has been required by order of any court to pay any sum arising from the subject matter of the suit.

20. **OWNERSHIP:**

Title to Recyclable Materials shall pass to Contractor when placed in Contractor's collection vehicle.

21. **SEVERABILITY:**

Should any portion of this Agreement be deemed invalid or unenforceable to any extent, the parties hereto agree that such provision shall be amended to the minimum extent necessary to make such provision enforceable, and the remainder of this Agreement shall not be affected thereby.

22. **PRIOR AGREEMENTS:**

This Agreement contains the entire agreement between the parties hereto with respect to the matter set forth herein. No provision of any other document, including any request for proposal, shall be deemed incorporated herein, it being the intent of the parties that this Agreement sets forth the full agreement of the parties with respect to the services described herein. No change, alteration or amendment will be binding on either party unless set forth in a document duly executed by all parties hereto.

23. **RECORDS:**

Authority and Contractor agree to maintain at their respective places of business adequate records relating to the performance of their respective duties under this Agreement. Such records shall be made available at any time during reasonable business hours for inspection by the other party, at the inspecting party's expense, and upon reasonable advance notice; provided, however, only records directly relating to this Agreement and necessary to substantiate invoicing must be disclosed to the other party.

24. **ATTORNEYS' FEES AND VENUE:**

In the event suit is filed by either party as a result of the performance or non-performance of the terms set forth in this agreement, the prevailing party shall recover its attorneys' fees and court costs, with venue of any such action to be in Cleveland County, Oklahoma.



25. NOTICES:

All notices or other communications required or permitted to be given pursuant to this Agreement shall be in writing and shall be considered as properly given (i) if mailed by first class United States mail, postage prepaid, registered or certified with return receipt requested, (ii) by delivering same in person to the intended addressee, (iii) by delivery to an independent third party commercial delivery service for same day or next day delivery and providing for evidence of receipt at the office of the intended addressee, or (iv) by prepaid telegram, telex, facsimile or electronic mail to the addressee. Notice so mailed shall be effective upon its deposit with the United States Postal Service or any successor thereto; notice sent by such a commercial delivery service shall be effective upon delivery to such commercial delivery service; notice given by personal delivery shall be effective only if and when received by the addressee; and notice given by other means shall be effective only if and when received at the office or designated place or machine of the intended addressee. Notwithstanding anything contained herein to the contrary, any notice of default under this agreement must be both (i) mailed by Certified Mail, Return Receipt Requested and (ii) faxed to the alleged defaulting party to constitute proper notice hereunder. For purposes of notice, the addresses of the parties shall be as set forth below; provided, however, that either party shall have the right to change its address for notice hereunder to any other location within the continental United States by the giving of thirty (30) days' notice to the other party in the manner set forth herein.

If to the Authority, at:

City of Norman, Oklahoma  
c/o Norman Municipal Authority  
201 West Gray  
Building C  
Norman, Oklahoma 73070  
ATTN: City Manager  
Email: \_\_\_\_\_

If to the Contractor at:

Waste Management of Oklahoma, Inc.  
5600 Northwest 4<sup>th</sup> Street  
Oklahoma City, Oklahoma 73127  
Email: \_\_\_\_\_

with a copy to:

Waste Management of Oklahoma, Inc.  
9708 Giles Road  
Austin, Texas 78754  
Attn: Senior Legal Counsel; and

CT Corporation System  
350 North St. Paul Street  
Dallas, Texas 75201

or such other addresses as the parties may hereafter specify by written notice delivered in accordance herewith.

26. **DISCRIMINATION PROHIBITED:**

Contractor, in the execution, performance, or attempted performance of this Agreement, shall not discriminate against any person or persons because of sex, race, religion, color, or national origin. Contractor must be an equal opportunity employer.

27. **CUSTOMER INCENTIVE PROGRAM:**

Contractor's driver(s) shall, on a monthly basis, select one participating Customer to receive a \$100 U.S. Savings Bond, to be provided by Contractor, as an incentive to participate in the recycling program. Contractor shall provide Authority with the address of the Customer selected for the Customer Incentive Program.

EFFECTIVE AS OF THE 23<sup>rd</sup> DAY OF October, 2007.

**AUTHORITY:**

NORMAN MUNICIPAL AUTHORITY

By: \_\_\_\_\_

Mayor: Cindy R. L.

**CONTRACTOR:**

WASTE MANAGEMENT OF  
OKLAHOMA, INC.

By: Rick Padgett

Its: MAGM

ATTEST:

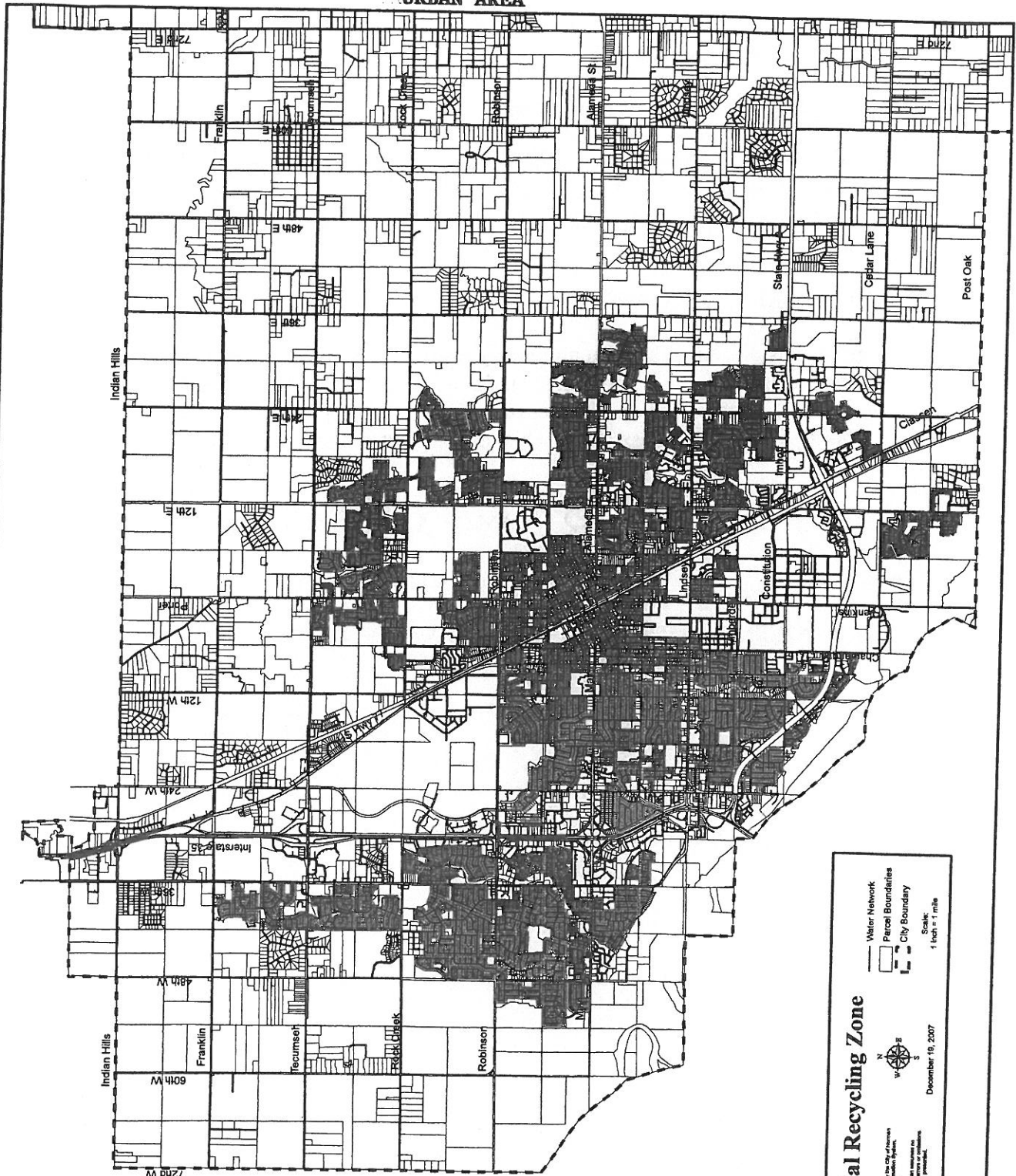
Mary H. H. H.  
City Secretary,

City of Norman, Oklahoma

APPROVED: A. H. H.

City Attorney

**EXHIBIT "A"**  
**URBAN AREA**



**Potential Recycling Zone**

Map produced by the City of Houston  
2007-2008  
The City of Houston assumes no  
responsibility for errors or omissions  
in this preliminary product.

Water Network  
Parcel Boundaries  
City Boundary

Scale:  
1 inch = 1 mile

December 19, 2007

**SCHEDULE "B"**

**Base Rates**

**SEPARATE UNIT PRICE FOR EACH YEAR OF THIS FIVE YEAR PROGRAM**

<i>SERVICE</i>	<i>YEAR 1</i>	<i>YEAR 2</i>	<i>YEAR 3</i>	<i>YEAR 4</i>	<i>YEAR 5</i>	<i>PER</i>
One pickup per week per residence in Urban Norman	\$2.24	\$2.46	\$2.71	\$2.98	\$3.28	Home per Month

Replacement or additional bin pricing for each Residential Unit will be determined by the actual cost of bin, including freight and delivery.