

CONTRACT FOR WATER TREATMENT PLANT RESIDUALS AND WATER
RECLAMATION FACILITY BIO-SOLIDS DEWATERING, HAULING, DISPOSAL, LAND
APPLICATION AND ASSOCIATED SERVICES

This contract is dated, made, and entered into as of the ____ day of _____, 20____, by the City of Durham (“City”) and SYNAGRO Central, LLC (“Contractor”), a limited liability company organized and existing under the laws of Delaware and authorized to do business in the State of North Carolina.

Sec. 1. Background and Purpose. This contract provides for the disposal – primarily, hauling and application to farmland – on a periodic basis, generally 4 to 5 times a year, of the sludges produced at the City of Durham’s water treatment plants and wastewater treatment (water reclamation) plants, and for other services related to Sludge specified herein. This work shall be performed in compliance with federal and state requirements, and with the City’s permit, WQ0003504, from the State of North Carolina, which allows land application of these sludges.

Term. The contract covers the period from January 1, 2015 through December 31, 2020.

Definitions. The following terms, otherwise not defined in the Contract, shall have the following meaning as used in this Contract including attachments and exhibits:

- a. “Water Sludge”: is sludge from the City’s water treatment plants,
- b. “Wastewater Sludge”: is sludge from the City’s water reclamation facilities,
- c. “Mixed Sludge”: is the combination of Water Sludge and Wastewater Sludge.
- d. “Sludge” or “Sludges”: includes Water Sludge, Wastewater Sludge, and Mixed Sludge.
- e. “Dewatered”: indicates Sludge that passes the paint filter test.
- f. “Liquid Sludge”: indicates Sludge that does not pass the paint filter test.
- g. “The Permit”: is the City’s permit, WQ0003504, from the State of North Carolina for the land application of Sludge, as it may be amended or renewed from time to time.
- h. “Conducting operations”: is hauling, transferring, treating, applying, and/or disposing of Sludge under this contract.
- i. “Landowner agreements”: are the agreements for the land application of Sludge to private property that are required by the State and executed by private landowners as part of the Permit.

Sec. 2. Services and Scope to be Performed. Presumption that Duty is Contractor’s. The Contractor shall provide for the hauling, testing, and disposal and/or application of Sludge. Contractor will transport Water Sludge from the City’s water plants to the City’s water reclamation facilities as listed in Exhibit A. There, Contractor will combine it with Wastewater Sludge in appropriate ratios meeting the conditions of the Permit. Contractor will remove Dewatered Sludge, which may be either Wastewater Sludge or Mixed Sludge, from the water reclamation facilities, haul the Dewatered Sludge, and apply it to land permitted in the Permit, in agronomic ratios, in accordance with the conditions of the Permit. Contractor will also provide, on a regular basis, the following services related to Sludge treatment, removal, and disposal and/or application: (a) sampling and testing as required by current applicable laws and regulations, (b) all landowner contacts and communication as required under the Permit, (c) administration of and amendments to the Permit, and (d) completing all information required to

be submitted under the Permit. These services are included in the prices specified in Section 5. . In this contract, “Work” means the services that the Contractor is required to perform pursuant to this contract and all of the Contractor’s duties to the City that arise out of this contract. Unless the context requires otherwise, if this contract states that a task is to be performed or that a duty is owed, it shall be presumed that the task or duty is the obligation of the Contractor.

Sec. 3. Additional Services. Contractor will also perform certain intermittent services generally consistent with the scope of this contract not on a regular basis, and only as directed by the City in writing. These services include, but are not limited to the following:

- (a) applying vector attraction reduction processes, either through alkaline stabilization or through incorporation into soil at the land application sites;
- (b) dewatering of Water Sludge or Wastewater Sludge;
- (c) pumping and hauling of water from the lagoon at the City’s compost facility at 2110 East Club Blvd. to the North Durham WRF;
- (d) providing tank cleaning services, and hauling Sludges to landfills or other facilities when Sludge cannot be applied to agricultural land.

Any such services which do not have pre-agreed prices set forth in the rate table contained in Section 5 of this contract shall be performed only upon agreement on the compensation for such services, which agreement shall be in a writing signed by the City Manager and the Contractor or otherwise as permitted pursuant to Section 12(l) of this Contract.

Sec. 4. Complete Work without Extra Cost. Except to the extent otherwise specifically stated in this contract, the Contractor shall obtain and provide, without additional cost to the City, all labor, materials, equipment, transportation, facilities, services, permits, and licenses necessary to perform the Work.

Sec. 5. Contractor’s Billings to City. Compensation. The Contractor shall send invoices to the City on a monthly basis for the amounts to be paid pursuant to this contract. Each invoice shall document, to the reasonable satisfaction of the City: such information as may be reasonably requested by the City. Within twenty days after the City receives an invoice, the City shall send the Contractor a check in payment for all undisputed amounts contained in the invoice.

The City shall pay the Contractor for the Work as follows:

SERVICE DESCRIPTION	RATE
Land Application of Dewatered Sludge	\$17.85/cu. yd.
Transfer of Water Sludge Residuals to WRF	\$5.79/ cu. yd.
Transfer of Liquid Sludge	\$0.0206/gal
VAR Compliance via Alkaline Stabilization	\$24.56/cu. yd.
VAR Compliance via Incorporation	\$4.11/cu. yd.
Land Application of Liquid Sludge	\$0.0423/gal
Transfer of Dewatered Sludge or other materials not suitable for land application, to Landfill or Processing Facility	\$4.90/loaded mile
Mechanical Dewatering – Brown WTP	\$435.00/dry ton
Mobilization for Mechanical Dewatering	\$0/Lump Sum
Disposal of Dewatered Sludge at Landfill or	\$ Cost + 10%

Processing Facility (Contractor paying disposal cost)	
Toxicity Characteristics Leaching Procedure (TCLP) Analysis	\$ Cost + 10%

- a) Fuel Surcharge: The above unit prices are based on an average fuel price of \$5.00/gallon or less. For each \$0.10/gallon increase thereafter add \$0.8% starting at \$5.01/gallon, based on the retail on-highway diesel price-lower Atlantic as published by the U.S. Department of Energy's Energy Information Administration. The fuel surcharge, if any, shall be calculated quarterly and applied to the following three (3) calendar months.
- b) Except as may be agreed to in writing by both parties, the rates shown in part a) above represent all of the compensation to be paid to Contractor under this contract, and include all related services specified in Section 2 as well as gasoline costs, equipment costs, insurance, overhead, and other costs required to perform the services set forth in Sections 2, 3 (to the extent listed in this Section 5) and 5.
- c) It is estimated that the annual quantity of Sludge the Contractor will apply to land pursuant to this contract will be 34,000 cubic yards. The estimate in the preceding sentence is not a guarantee of a minimum or maximum quantity of Sludge to be removed and payment shall be based on the actual amount of Sludge handled, and on other services performed, under this Contract.
- d) Dewatering services are estimated to be 40 dry tons per week at the Brown WTP. The estimates are not a guarantee of minimum or maximum quantity of Sludge to be dewatered and payment shall be based on the actual amount of the Sludge dewatered.
- e) The compensation due from the City to the Contractor after December 31, 2015 shall be adjusted for increases or decreases in the Consumer Price Index, CPI. The CPI is the All Urban Consumer Price Index published by the Bureau of Labor Statistics, U. S. Department of Labor, or the most nearly equivalent index if that index is discontinued. The increase will be based on the published CPI for the twelve months ending as of the end of the month preceding the submittal of the price increase. CPI adjustments shall automatically become effective the beginning of each calendar year starting 2016. Failure to designate a price increase by December 1 for the following calendar year and in accordance with this Section 5 shall result in the continuance of the preceding year's unit price. Whether the unit price is designated by a notice of increase, decrease or is the continuance of the preceding year's unit price, the unit price, once determined, shall remain constant the remainder of the year. In this Section 5, a year is a calendar year.
- f) Contractor may no more than once each calendar year, request an increase in the fixed prices set forth hereunder, due to changes in legal requirements (including Permit requirements), which shall be negotiated by the parties in good faith and be effective at the beginning of the next calendar year.

The City shall not be obligated to pay the Contractor any payments, fees, expenses, or compensation other than those authorized by this section or by subsequent amendment.

Sec. 6. Prompt Payment to Subcontractors. (a) Within 7 days of receipt by the Contractor of each payment from the City under this contract, the Contractor shall pay all Subcontractors (which term includes subconsultants and suppliers) based on work completed or service provided under the subcontract. Should any payment to the Subcontractor be delayed by more than 7 days after receipt of payment by the Contractor from the City under this contract, the Contractor shall pay the Subcontractor interest, beginning on the 8th day, at the rate of 1% per month or fraction thereof on such unpaid balance as may be due. By appropriate litigation, Subcontractors shall have the right to enforce this subsection (a) directly against the Contractor, but not against the City of Durham.

(b) If the individual assigned to administer this contract for the City (in this section, titled "Prompt Payment to Subcontractors," he or she will be referred to as the "Project Manager") determines that it is appropriate to enforce subsection (a) in this manner, the City may withhold from progress or final payments to the Contractor the sums estimated by the Project Manager to be

- (i) the amount of interest due to the Subcontractor under subsection (a), and/or
- (ii) the amounts past-due under subsection (a) to the Subcontractor but not exceeding 5% of the payment(s) due from the City to the Contractor.

This subsection (b) does not limit any other rights to withhold payments that the City may have.

(c) Nothing in this section (titled "Prompt Payment to Subcontractors") shall prevent the Contractor at the time of invoicing, application, and certification to the City from withholding invoicing, application, and certification to the City for payment to the Subcontractor for unsatisfactory job progress; defective goods, services, or construction not remedied; disputed work; third-party claims filed or reasonable evidence that such a claim will be filed; failure of the subcontractor to make timely payments for labor, equipment, and materials; damage to the Contractor or another subcontractor; reasonable evidence that the subcontract cannot be completed for the unpaid balance of the subcontract sum; or a reasonable amount for retainage not to exceed 10%.

(d) The Project Manager may require, as a prerequisite to making progress or final payments, that the Contractor provide statements from any Subcontractors designated by the Project Manager regarding the status of their accounts with the Contractor. The statements shall be in such format as the Project Manager reasonably requires, including notarization if so specified.

Sec. 7. Insurance.

a) During this Contract, Contractor shall maintain insurance for commercial general liability and environmental impairment liability, with a combined single limit of not less than \$1,000,000 per occurrence, and an aggregate of not less than \$3,000,000 of the following types:

Commercial General Liability, covering

- occurrence-type coverage
- premises/operations
- products/completed operations
- broad form property damage
- explosion, collapse, and underground hazards if such exist in the performance of this contract
- contractual liability
- independent contractors, if any are used in the performance of this contract

Environmental Impairment Liability, covering

- occurrence-type coverage
- sudden and non-sudden occurrences at application/disposal site

For these policies, the City of Durham must be named as additional insured. If the additional insurance endorsement is specific to the City, then an original of the additional insurance endorsement must be attached to the certificate. If the City's coverage as additional insured is through a blanket endorsement, the agent may indicate in the appropriate sections of the certificate that the policy includes a blanket additional insured endorsement with the endorsement form number, and that the City is covered under such endorsement.

b) In addition, during this contract Contractor shall maintain the following insurance:

Vehicle Liability, covering

- owned, hired, and non-owned vehicles
- employee-owned vehicles if used in the performance of this contract
- combined single limit not less than \$1,000,000 per accident

Workers' Compensation Insurance, covering

- statutory benefits
- covering employees; owners, partners, officers, and relatives (who work on this contract)
- employers' liability, any limits.

All insurance shall be provided by companies with Best rating of A or better authorized to do business in North Carolina. Proof of insurance shall be evidenced by an original certificate and by the additional original endorsements described above. Contractor shall send these to the City prior to Work beginning under this contract at the following address: Finance Director, City of Durham, 101 City Hall Plaza, Durham, NC 27701. Work shall not begin until approval has been received from the City's Finance Director, or the Director's delegee, the Risk Management Director. Contractor also agrees to comply with any reasonable City requirements regarding proof of continuous coverage, and notice to the City in event of cancellation of coverage.

c) Bonding

The Contractor shall be responsible to provide a performance bond in the amount of \$600,000 that shall be executed by surety companies licensed to do business in the State of North Carolina and satisfactory to the City.

Sec. 8. Performance of Work by City. If the Contractor fails to perform the Work and to cure such failure within 5 business days after notice from the City, the City may, in its discretion, perform or cause to be performed some or all of the Work until Contractor resumes performance thereof, and doing so shall not waive any of the City's rights and remedies. Before doing so, the City shall give the Contractor notice of its intention. The Contractor shall reimburse the City for additional costs incurred by the City in exercising its right to perform or cause to be performed some or all of the Work pursuant to this section.

Sec. 9. Exhibits. The following exhibits are made a part of this contract: Exhibit A Contractor Specifications for Sludge Removal and Related City Obligations containing 11 page(s).

In case of conflict between an exhibit and the text of this contract excluding the exhibit,

the text of this contract shall control.

Sec. 10. Notice. (a) All notices and other communications required or permitted by this contract shall be in writing and shall be given either by personal delivery, fax, UPS, Federal Express, or certified United States mail, return receipt requested, addressed as follows. The parties are requested to send a copy by email.

To the City:

Director of Water Management
City of Durham
101 City Hall Plaza
Durham, NC 27701-3329
The fax number is (919) 560-4479.
Email: Robert.Gasper@durhamnc.gov

To the Contractor:

Attn: James Henderson
Synagro Central LLC
435 Williams Ct. Suite 100
Baltimore, MD 21220
Telephone number is (757) 323-6688

The fax number is (443) 489-9041
Email: jhenderson@synagro.com

(b) Change of Address. Date Notice Deemed Given. A change of address, fax number, or person to receive notice may be made by either party by notice given to the other party. Any notice or other communication under this contract shall be deemed given and sent at the time of actual delivery, if it is personally delivered or sent by fax. If the notice or other communication is sent by United States mail, it shall be deemed given upon the third calendar day following the day on which such notice or other communication is deposited with the United States Postal Service or upon actual delivery, whichever first occurs.

Sec. 11. Indemnification. (a) To the maximum extent allowed by law, the Contractor shall defend, indemnify, and save harmless Indemnitees from and against all Charges to the extent that such Charges arise in any manner from, in connection with, or out of this contract as a result of acts or omissions of the Contractor or subcontractors or anyone directly or indirectly employed by any of them or anyone for whose acts any of them may be liable. In performing its duties under this subsection "a," the Contractor shall at its sole expense defend Indemnitees with legal counsel reasonably acceptable to City. (b) Definitions. As used in subsections "a" above and "c" below -- "Charges" means claims, judgments, costs, damages, losses, demands, liabilities, duties, obligations, fines, penalties, royalties, settlements, and expenses (included without limitation within "Charges" are (1) interest and reasonable attorneys' fees assessed as part of any such item, and (2) amounts for alleged violations of sedimentation pollution, erosion control, pollution, or other environmental laws, regulations, ordinances, rules, or orders -- including but not limited to any such alleged violation that arises out of the handling, transportation, deposit, or delivery of the items that are the subject of this contract). "Indemnitees" means City and its officers, officials, independent contractors, agents, and employees, excluding the Contractor. (c) Other Provisions Separate. Nothing in this section shall affect any warranties in favor of the City that are otherwise provided in or arise out of this contract. This section is in addition to and shall be construed separately from any other indemnification provisions that may be in this contract. (d) Survival. This section shall remain

in force despite termination of this contract (whether by expiration of the term or otherwise) and termination of the services of the Contractor under this contract. (e) Limitations of the Contractor's Obligation. If this section is in, or is in connection with, a contract relative to the design, planning, construction, alteration, repair or maintenance of a building, structure, highway, road, appurtenance or appliance, including moving, demolition and excavating connected therewith, then subsection "a" above shall not require the Contractor to indemnify or hold harmless Indemnitees against liability for damages arising out of bodily injury to persons or damage to property proximately caused by or resulting from the negligence, in whole or in part, of Indemnitees.

Sec. 12. Miscellaneous

(a) Choice of Law and Forum; Service of Process. (i) This contract shall be deemed made in Durham County, North Carolina. This contract shall be governed by and construed in accordance with the law of North Carolina. The exclusive forum and venue for all actions arising out of this contract shall be the North Carolina General Court of Justice, in Durham County. Such actions shall neither be commenced in nor removed to federal court. This subsection (a) shall not apply to subsequent actions to enforce a judgment entered in actions heard pursuant to this subsection. (ii) If the Contractor is not a natural person (for instance, the Contractor is a corporation or limited liability company), this subsection (ii) applies. "Agent for Service of Process" means every person now or hereafter appointed by the Contractor to be served or to accept service of process in any State of the United States. Without excluding any other method of service authorized by law, the Contractor agrees that every Agent for Service of Process is designated as its non-exclusive agent for service of process, summons, and complaint. The Contractor will instruct each Agent for Service of Process that after such agent receives the process, summons, or complaint, such agent shall promptly send it to the Contractor. This subsection (ii) does not apply while the Contractor maintains a registered agent in North Carolina with the office of the N. C. Secretary of State and such registered agent can be found with due diligence at the registered office.

(b) Waiver. No action or failure to act by the City shall constitute a waiver of any of its rights or remedies that arise out of this contract, nor shall such action or failure to act constitute approval of or acquiescence in a breach thereunder, except as may be specifically agreed in writing.

(c) Performance of Government Functions. Nothing contained in this contract shall be deemed or construed so as to in any way estop, limit, or impair the City from exercising or performing any regulatory, policing, legislative, governmental, or other powers or functions.

(d) Severability. If any provision of this contract shall be unenforceable, the remainder of this contract shall be enforceable to the extent permitted by law.

(e) Assignment, Successors and Assigns. Without the City's written consent, the Contractor shall not assign (which includes to delegate) any of its rights (including the right to payment) or duties that arise out of this contract. The City Manager may consent to an assignment without action by the City Council. Unless the City otherwise agrees in writing, the Contractor and all assignees shall be subject to all of the City's defenses and shall be liable for all of the Contractor's duties that arise out of this contract and all of the City's claims that arise out of this contract. Without granting the Contractor the right to assign, it is agreed that the duties of the Contractor that arise out of this contract shall be binding upon it and its heirs, personal representatives, successors, and assigns.

(f) Compliance with Law. In performing all of the Work, the Contractor shall comply with all applicable law.

(g) Notice of City Policy. THE CITY OPPOSES DISCRIMINATION ON THE BASIS OF RACE AND SEX AND URGES ALL OF ITS CONTRACTORS TO PROVIDE A FAIR OPPORTUNITY FOR MINORITIES AND WOMEN TO PARTICIPATE IN THEIR WORK

FORCE AND AS SUBCONTRACTORS AND VENDORS UNDER CITY CONTRACTS.

(h) EEO Provisions. During the performance of this contract the Contractor agrees as follows: (1) The Contractor shall not discriminate against any employee or applicant for employment because of race, color, religion, sex, national origin, political affiliation or belief, age, or handicap. The Contractor shall take affirmative action to insure that applicants are employed and that employees are treated equally during employment, without regard to race, color, religion, sex, national origin, political affiliation or belief, age, or handicap. Such action shall include but not be limited to the following: employment, upgrading, demotion, transfer, recruitment or advertising, layoff or termination, rates of pay or other forms of compensation, and selection for training, including apprenticeship. The Contractor shall post in conspicuous places, available to employees and applicants for employment, notices setting forth these EEO provisions. (2) The Contractor shall in all solicitations or advertisement for employees placed by or on behalf of the Contractor, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex, national origin, political affiliation or belief, age, or handicap. (3) The Contractor shall send a copy of the EEO provisions to each labor union or representative of workers with which it has a collective bargaining agreement or other contract or understanding. (4) In the event of the Contractor's noncompliance with these EEO provisions, the City may cancel, terminate, or suspend this contract, in whole or in part, and the City may declare the Contractor ineligible for further City contracts. (5) Unless exempted by the City Council of the City of Durham, the Contractor shall include these EEO provisions in every purchase order for goods to be used in performing this contract and in every subcontract related to this contract so that these EEO provisions will be binding upon such subcontractors and vendors.

(i) SDBE. The Contractor shall comply with all applicable provisions of Article III of Chapter 18 of the Durham City Code (Equal Business Opportunities Ordinance), as amended from time to time. The failure of the Contractor to comply with that article shall be a material breach of contract which may result in the rescission or termination of this contract and/or other appropriate remedies in accordance with the provisions of that article, this contract, and State law. Section 18-59(f) of that article provides, in part, "If the City Manager determines that the Contractor has failed to comply with the provisions of the Contract, the City Manager shall notify the Contractor in writing of the deficiencies. The Contractor shall have 14 days, or such time as specified in the Contract, to cure the deficiencies or establish that there are no deficiencies." It is stipulated and agreed that those two quoted sentences apply only to the Contractor's alleged violations of its obligations under Article III of Chapter 18 and not to the Contractor's alleged violations of other obligations.

(j) No Third Party Rights Created. This contract is intended for the benefit of the City and the Contractor and not any other person.

(k) Principles of Interpretation and Definitions. (1) The singular includes the plural and the plural the singular. The pronouns "it" and "its" include the masculine and feminine. References to statutes or regulations include all statutory or regulatory provisions consolidating, amending, or replacing the statute or regulation. References to contracts and agreements shall be deemed to include all amendments to them. The words "include," "including," etc. mean include, including, etc. without limitation. (2) References to a "Section" or "section" shall mean a section of this contract. (3) "Contract" and "Agreement," whether or not capitalized, refer to this instrument. (4) "Duties" includes obligations. (5) The word "person" includes natural persons, firms, companies, associations, partnerships, trusts, corporations, governmental agencies and units, and other legal entities. (6) The word "shall" is mandatory. (7) The word "day" means calendar day. (8) The word "Work" is defined in Section 2. (9) A definition in this contract will not apply to the extent the context requires otherwise.

(l) Modifications. Entire Agreement. A modification of this contract is not valid unless signed by both parties and otherwise in accordance with requirements of law. Further, a modification is not enforceable against the City unless it is signed by the City Manager, a deputy

or assistant City Manager, or, in limited circumstances, a City department director. This contract contains the entire agreement between the parties pertaining to the subject matter of this contract. With respect to that subject matter, there are no promises, agreements, conditions, inducements, warranties, or understandings, written or oral, expressed or implied, between the parties, other than as set forth or referenced in this contract.

(m) City's Manager's Authority. To the extent, if any, the City has the power to suspend or terminate this contract or the Contractor's services under this contract, that power may be exercised by City Manager or a deputy or assistant City Manager without City Council action.

Sec. 13. Termination for Convenience ("TFC"). (a) *Procedure.* Without limiting any party's right to terminate for breach, the parties agree that the City may, without cause, and in its discretion, terminate this contract for convenience by giving the Contractor 90 day written notice that refers to this section. TFC shall be effective at the time indicated in the notice. (b) *Obligations.* Upon TFC, all obligations that are still executory on both sides are discharged except that any right based on prior breach or performance survives, and the indemnification provisions and the section of this contract titled Trade Secrets and Confidentiality, if any, shall remain in force. At the time of TFC or as soon afterwards as is practical, the Contractor shall give the City all Work, including partly completed Work. In case of TFC, the Contractor shall follow the City's instructions as to which subcontracts to terminate. (c) *Payment.* The City shall pay the Contractor an equitable amount for the costs and charges that accrue because of the City's decisions with respect to the subcontracts, but excluding profit for the Contractor. Within 20 days after TFC, the City shall pay the Contractor one hundred dollars as a TFC fee and shall pay the Contractor for all Work performed except to the extent previously paid for. Work shall be paid for in accordance with the method (unit prices, hourly fees, etc.) to be used for payment had the Work been completed except to the extent it would be inequitable to either party, and if Work was to be paid for on a lump-sum basis, the City shall pay the part of the lump sum that reflects the percentage of completion attained for that Work. The Contractor shall not be entitled to any payment because of TFC except as stated in this section, whether on the basis of overhead, profit, damages, other economic loss, or otherwise.

Sec. 14. Force Majeure. Performance by a party may be delayed, suspended, or terminated for the following reasons, provided that the reason is beyond the reasonable control of the party claiming Force Majeure and directly prohibiting or restricting performance of the Work under this Contract: Acts of God, such as landslides, lightning, earthquakes, hurricanes, tornadoes, floods, blizzards and other adverse and inclement weather; fires; explosions; acts of a public enemy; wars, blockades, or terrorist attacks; insurrections, riots or civil disturbances;; change in law, regulation, permit or ordinance prohibiting or restricting the contractual obligations of the party claiming Force Majeure; orders or judgments issued by a state or federal court or regulatory agency (with the exception of orders or judgments resulting from the willful or negligent action of the party relying thereon); power failure and outages. In the case of a claim of Force Majeure under this paragraph, the party making the claim shall give to the other party prompt written notice of the Force Majeure with reasonably full details concerning it. Thereupon the obligation of the party giving the notice, so far as they are affected by the Force Majeure, shall be suspended during, but no longer than, the continuance of the Force Majeure, without penalty. The affected party shall use all possible diligence to remove the Force Majeure as quickly as possible. In the event of a claim of Force Majeure, and suspension or termination of performance by one party, the obligations of the other party shall cease insofar as they are dependent upon the performance of the party claiming Force Majeure.

Sec. 15 E-Verify Compliance. The contractor represents and covenants that the contractor and its subcontractors comply with the requirements of Article 2 of Chapter 64 of the North Carolina General Statutes (NCGS). In this E-Verify Compliance section, "contractor," "its subcontractors," and "comply" shall have the meanings intended by NCGS 160A-20.1(b). The City is relying on this section in entering into this contract. The parties agree to this section only to the extent authorized by law. If this section is held to be unenforceable or invalid in whole or in part, it shall be deemed amended to the extent necessary to make this contract comply with NCGS 160A-20.1(b).

[SIGNATURES APPEAR ON FOLLOWING PAGE(S)]

IN WITNESS WHEREOF, the City and the Contractor have caused this contract to be executed under seal themselves or by their respective duly authorized agents or officers.

ATTEST:

OWNER - CITY OF DURHAM

By: _____

SYNAGRO CENTRAL, LLC

By: _____
Manager

(Affix corporate seal.)

State of _____

ACKNOWLEDGMENT BY
SYNAGRO CENTRAL, LLC

County of _____

I, a notary public in and for said county and state, certify that
_____ personally (1) appeared before me this day, (2)
stated that he or she is a manager of [City staff – Insert the name of the Contractor here.], a
limited liability company organized and existing under the laws of the State of
_____, (3) acknowledged that the foregoing contract or
agreement with the City of Durham carries on the company's business in the usual way, and (4)
acknowledged the due execution, under seal, of the contract on behalf of the company. This the
_____ day of _____, 20_____.

My commission expires:

Notary Public