

ESG Contract

AGREEMENT
for
OPERATIONS, MAINTENANCE AND
MANAGEMENT SERVICES
for
WAKULLA COUNTY, FLORIDA

THIS AGREEMENT is made on this ____ day of December, 2006, between WAKULLA COUNTY, FLORIDA (hereinafter "Wakulla County"), acting by and through its Board of County Commissioners, with a principal address for any notice required by this Agreement of 3093 Crawfordville Highway, P.O. Box 1263 Crawfordville, Florida, 32326, and ESG OPERATIONS, INC., (hereinafter "ESG") with a principal address for any notice required by this Agreement of 1815 Satellite Blvd, Suite 103, Duluth, GA 30097.

Wakulla County and ESG, for and in consideration of the mutual covenants, agreements and promises as hereinafter set forth, do hereby agree and contract as follows:

1. GENERAL

- 1.1 All definitions of words or phrases used in this Agreement are contained in Appendix A which is herewith incorporated by reference and made a part hereof.
- 1.2 All grounds, facilities, equipment, and vehicles now owned by Wakulla County or acquired by Wakulla County during the term of this Agreement shall remain the property of Wakulla County.
- 1.3 This Agreement shall be governed by and interpreted in accordance with the laws of the State of Florida.
- 1.4 This Agreement shall be binding upon the successors and assigns of each of the parties, but neither party will assign this Agreement without the prior written consent of the other party. Consent concerning a proposed assignment shall not be unreasonably withheld.
- 1.5 All notices shall be in writing and transmitted by hand delivery, overnight delivery or, certified mail to the address of the party stated above.
- 1.6 This Agreement, including Appendices, is the entire Agreement of the parties. This Agreement may be modified only by written agreement signed by both parties. Wherever used, the terms "ESG" and "Wakulla County" shall include the

respective officers, agents, directors, elected or appointed officials, and employees.

2. ESG's SCOPE OF SERVICES

ESG shall, pursuant to the terms and conditions of this Agreement, perform the following services as may be related to the Project (collectively the "Scope of Services"): within the capabilities of the staffing levels outlined in Article 2.3 and equipment availability and limitations

- 2.1 Implement and maintain an operator safety program in compliance with all applicable laws, rules and regulations and make recommendations to Wakulla County regarding the need, if any, for Wakulla County to rehabilitate, expand or modify the Project to comply with governmental safety regulations applicable to ESG's operations hereunder.
- 2.2 Be responsible for maintaining all manufacturers' warranties on new equipment purchased by Wakulla County for Project use and assist Wakulla County in enforcing existing warranties and guarantees applicable to equipment in use for the Project as of the date of this Agreement.
- 2.3 Operate and maintain Project over a 24-hour per day, seven-day per week period, under full-service contract operations and maintenance. The agreed on initial staffing levels to provide adequate operation and maintenance of the Project is

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thirty-six (36) full time employees or equivalent. ESG may utilize off-site staff to meet this requirement. ESG shall make every reasonable effort to maintain the agreed to staffing levels, but will not be in breach of this agreement for short term

fluctuations due to the time required to hire replacement employees. ESG and Wakulla County acknowledge that staffing for the Project may require modification due to the requirements of proper operation and fulfillment of the services to be provided pursuant to the terms of this Agreement. Following the initial six (6) months of this Agreement, ESG may, at any time during the term of this Agreement, recommend an alteration in staffing for consideration and approval by Wakulla County.

2.4 Provide training for personnel in areas of operation, maintenance, safety, supervisory skills, laboratory and energy management. Staff the Project with employees who have met the certification requirements of the State of Florida as may be specifically related to the Project tasks performed by the employee in question.

2.5 Provide Wakulla County with a schedule for preventive maintenance on all Wakulla County owned equipment utilized to execute the Scope of Services to be performed by ESG in accordance with manufacturer's recommendations or good
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maintenance practices at intervals and in sufficient detail as may be determined by the Wakulla County. Such a maintenance program must include documentation of corrective and preventive maintenance and a spare parts inventory.

2.6 Perform other services that are incidental to, but not included in, the Scope of

Services as directed by Wakulla County. Such services will be invoiced to Wakulla County at ESG's Cost plus ten percent (10%), excluding memberships and training supplies.

2.1 SOLID WASTE

2.1.1 Operate Lower Bridge Road Landfill forty-two (42) hours per week providing scale house operation and screening of incoming wastes.

2.1.2 Operate C&D (Class III) cell located at the Lower Bridge Road Landfill

2.1.3 Operate transfer station, including hauling of approximately 7000 tons per year to

Wakulla County designated site within 100 miles of Lower Bridge Landfill.

2.1.4 Store and manage subcontractor disposal of recyclable materials and tires.

2.1.5 Oversee recycling program consisting of packaging and marketing.

2.1.6 Collect and haul leachate from closed Class I Landfill.

2.1.7 Groundwater monitoring program management.

2.1.8 Maintenance of site and equipment used at Landfill.

2.1.9 Complete reporting to State of Florida for all grants.

2.1.10 Manage billing and collections of commercial and residential haulers to Landfill,

pursuant to Wakulla County policy.

2.1.11 Administer and manage Grant Funds related to solid waste, which includes Tire

Abatement, Recycling and Small County Grants. ESG shall follow guidelines and regulations regarding grants. Wakulla County has the approval responsibility.

2.1.12 Administer the Household Hazardous Waste amnesty day with Wakulla County funding through Grants, Local Abatements or fees.

2.1.13 Operate Smith Creek collection site

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2.1.14 Management of the long term care program in effect as of the date of this Agreement at Medart Landfill, including mowing the site.

2.2 ROAD AND BRIDGES

2.2.1 Provide qualified employees to operate five motor graders to maintain unpaved roads.

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- 2.2.2 General maintenance of paved roads to include pothole repairs, shoulder repair and removal of debris.
 - 2.2.3 Installation and maintenance of signage provided by Wakulla County in accordance with standard industry practices and DOT regulations.
 - 2.2.4 Provide service to the cities of St. Marks and Sopchoppy in accordance with terms and conditions in effect as of the date of this Agreement of the interlocal agreements between Wakulla County and said two cities.
 - 2.2.5 Manage routine maintenance and repair for all traffic lights county wide.
 - 2.2.6 Provide labor and utilize Wakulla County owned equipment for construction projects at no additional cost to Wakulla County, to include installation of new roads, road stabilization, drainage projects, and other capital improvement projects as requested by the Board of County Commissioners and agreed to by ESG. With the exception of the labor to be provided by ESG, Wakulla County shall be responsible for all costs associated with said construction project(s).
 - 2.2.7 Mowing and trimming of county roads and rights of ways using boom mower and bushhog pursuant to a reasonable schedule as determined by ESG.
 - 2.2.8 Maintenance and cleaning of drainage ditches located within county right of way pursuant to a reasonable schedule as determined by ESG.
 - 2.2.9 Haul sludge from Otter Creek Wastewater Treatment plant to Springhill regional landfill.
 - 2.2.10 Install and/or replace culverts county wide, as determined necessary by ESG.
 - 2.2.11 After hour call outs for tree removal or other emergency projects.
 - 2.2.12 Remove from a Wakulla County designated site haul and place fill dirt for landfill operations (approximately 1000 cubic yards per year)
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2.3 FLEET & FACILITY MAINTENANCE

- 2.3.1 Maintain all vehicles used by ESG to perform the Scope of Services under this Agreement to the maximum extent possible.
- 2.3.2 To the maximum extent possible, maintain all county vehicles under the control of the Board of County Commissioners on a pass-through basis. Repair and maintenance parts to be purchased by Wakulla County.
- 2.3.3 Maintain all grounds occupied by ESG. Maintain grounds on other County offices as requested, on a non-routine, as available basis.
- 2.3.4 Operate and provide billing services for the Wakulla County central fuel facility located at Trice Lane.

2.4 WASTEWATER

- 2.4.1 Within the design capacity and capability of the Wakulla County Wastewater Facility manage, operate, and maintain the 0.600 mgd extended aeration sewage plant including a 46 acre sprayfield so that the effluent discharged meets the requirements of the Florida Department of Environmental Protection
- 2.4.2 Staff the wastewater plant in accordance with the certification requirements of the State of Florida.
- 2.4.3 Maintain grounds of the wastewater plant, which includes cutting the grass and weed eating.
- 2.4.4 Keep in compliance with all of DEP rules and regulations, prepare and submit to county permit required monthly reporting.
- 2.4.5 Check and maintain all lift stations (currently forty-seven lift stations as of 12/06).
- 2.4.6 Install in house or contract installation of sewer mains and laterals and repair any

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damages.

2.4.7 Perform locates of existing wastewater utilities as staffing levels allow. ESG

shall not be responsible for damaged utilities due to unperformed locates. ESG shall be responsible up to an annual aggregate of \$2,500 for inaccurate wastewater utility locates.

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2.4.8 Maintain the present industrial waste sampling and laboratory analysis program, as described in Wakulla County Pretreatment Ordinance. Results of all industrial sampling and testing shall be reported to COUNTY in a timely manner.

2.4.9 Groundwater monitoring program management.

2.4.10 Perform all laboratory analysis required by the plant performance portion of the Otter Creek Wastewater permit.

2.4.11 ESG may alter the process and/or facilities to achieve the objectives of this

Agreement; provided, however, no alteration shall be without Wakulla County's written approval if alteration shall cost in excess of Two Thousand Dollars (\$2,000.00).

2.4.12 Prepare state and federal permit plant performance reports and submit them to the

Wakulla County for review and approval prior to transmittal by ESG to appropriate agencies. Any unreasonable costs incurred in preparing said reports on account of an error or omission by ESG shall be borne by ESG and not the Wakulla County.

2.4.13 Provide for the collection and hauling of screenings, grit, sludge and scum ("Waste") to Wakulla County's existing or approved disposal sites. It shall be the sole right and responsibility of Wakulla County to designate, approve or select landfill facilities to be used by ESG for Wakulla County's waste materials. All Waste and/or byproduct generated during ESG's performance of services are and shall remain the sole and exclusive property of the Wakulla County. All manifests or other documentation required for disposal of Waste shall be signed by or in the name of the Wakulla County.

2.4.14 Upon termination of contract, ESG shall leave all unused chemicals purchased by Wakulla County for operation of the wastewater treatment facility.

2.5 WATER PLANT

2.5.1 All meter installations and repairs.

2.5.2 Operate and maintain Riversink Water Plant to keep in compliance, which includes monthly reports to FDEP.

2.5.3 Read water meters and bill all customers monthly (Currently 107 as of 12/06))
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2.5.4 Turn on and off water meters.

2.5.5 Maintain grounds of the water plant.

2.5.6 Perform all laboratory testing required on a frequency of monthly or less.

2.5.7 Upon termination of contract, ESG shall leave all unused chemicals purchased by

Wakulla County for operation of the wastewater treatment facility

2.6 ADMINISTRATIVE

2.6.1 Interface with state regulatory agencies in solid waste, wetlands, wastewater, water, stormwater, and other various fields.

2.6.2 Investigate and respond to citizen complaints.

2.6.3 Coordinate and facilitate permit renewals and expansions for solid waste, wastewater, and water operations.

2.6.4 Work with various engineering firms on county road and sewer projects.

2.6.5 Assist Wakulla County Grants Department on an as needed basis when applying for various grants.

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- 2.6.6 Represent Wakulla County when dealing with regulatory agencies.
 - 2.6.7 Make daily deposits of Wakulla County revenue billed by ESG in accordance with county policies. Provide Clerk of Court with a receivable report on a monthly basis.
 - 2.6.8 Provide a computerized maintenance management and asset management system that furnishes complete and accurate records and is capable of readily providing historical data and trends.
 - 2.6.9 Provide the COUNTY within the first ninety (90) days a listing of any recommended capital improvements that ESG believes will be required for any of the facilities covered under this Agreement. ESG will not be relieved of his responsibility to perform up to the capabilities of the existing facilities if the recommendations are not implemented, however.
3. SCOPE OF SERVICE - WAKULLA COUNTY
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Wakulla County shall:

- 3.1 Provide for all Capital Expenditures.
 - 3.2 Maintain all existing Project warranties, guarantees, easements, and licenses that have been granted to Wakulla County.
 - 3.3 Pay all property, franchise, or other taxes associated with the Project.
 - 3.4 Provide ESG, within a reasonable time after a request by ESG, use at no cost of any piece of Wakulla County's heavy equipment that is available so that ESG may discharge its obligations under this Agreement in the most cost-effective manner. ESG shall not use or allow the use of any City heavy equipment under ESG's control by any person who is not trained and qualified in the operation of the heavy equipment in question, including licensing and certification, where appropriate.
 - 3.5 Provide all licenses and tags for vehicles used in connection with the Project.
 - 3.6 Provide for ESG's use all vehicles, computers, copy machines, tools and equipment currently in use at the Project, including the vehicles described in Appendix B.
 - 3.7 Pay directly to the vendors or suppliers the following Project costs:
 - 3.7.A All Repair, Maintenance and Consumables costs.
 - 3.7.B All hauling costs and tipping fees for grit, sludge and screening.
 - 3.7.C All power costs associated with the Project.
 - 3.7.D All potable water costs associated with the Project.
 - 3.7.E All diesel and gasoline fuel costs.
 - 3.8 Pay ESG the amount specified in Article 4.1 to operate the Project.
4. COMPENSATION
- 4.1 Wakulla County shall pay to ESG a base fee for the Scope of Services defined by Section 2 of this Agreement. The base fee shall not include services which are not specifically defined by Section 2 of this Agreement. The base fee for the initial term of this Agreement shall be Two Million and Forty Six Thousand
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Dollars (\$2,046,000). The base fee shall be payable in advance in equal monthly installments and for the initial term of this Agreement the monthly amount shall be One Hundred-Seventy Thousand and Five Hundred Dollars (\$170,500). Said base fee shall be for a period beginning on January 1, 2007 and ending on December 31, 2007. Thereafter, the Base Fee will be negotiated as described in Article 4.2.

4.2 The base fee shall be negotiated and agreed each year not less than three (3) months prior to the beginning of each subsequent Contract Year. In the event the Wakulla County and ESG fail to agree, the base fee will be determined by the application of the base fee adjustment formula shown in Appendix D which is incorporated by reference and made a part hereof. ESG shall provide the Wakulla County written notice no later than September 1st of each Contract Year to initiate the negotiation process.

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4.3 NOT USED.

4.4 NOT USED.

4.5 In the event a change in the scope of services becomes necessary as a result of ESG's obligations under Section 2, Wakulla County and ESG will negotiate a commensurate adjustment in base fee.

4.6 NOT USED.

5. PAYMENT OF COMPENSATION

5.1 One-twelfth (1/12) of the base fee for the current Contract Year shall be due and

payable on the first day of the month for each month that services are provided.

5.2 All other compensation in addition to the monthly Base Fee is due on receipt of ESG's invoice and payable within thirty (30) days; provided, however, Wakulla County may contest any such invoice in the exercise of good faith, and may delay payment of sums that are being contested.

5.3 Wakulla County shall pay interest at an annual rate equal to First National Bank of Gwinnett's prime rate plus one and one-half percent (1-1/2%) (said amount of interest not to exceed any limitation provided by law) on payments not paid and received within thirty(30) calendar days, such interest being calculated from the due date of the payment.

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6. INDEMNITY, LIABILITY AND INSURANCE

6.1 ESG hereby agrees to and shall hold Wakulla County harmless and its agents, assigns, officers and employees, from any liability or damages for property damage or bodily injury, including death, which may arise from ESG's negligent operations, willful misconduct or material breach of contract under this Agreement, to the proportion such negligence, willful misconduct or material breach of contract contributed to the damages, injury, or loss. Wakulla County, to the extent allowed by law, agrees to and shall hold ESG harmless from any liability or damages for property damage or bodily injury, including death, which may arise from Wakulla County's negligence.

6.2 In any Contract Year, ESG shall be liable for those fines or civil penalties to a maximum aggregate of Fifty Thousand Dollars (\$50,000) for the Contract Year in question, which may be imposed by a regulatory agency having jurisdiction for violations of the effluent quality requirements specified in Article 2.1, that are a result of ESG's negligent operation. Wakulla County will assist ESG to contest any such fines in administrative proceedings and/or in court prior to any payment by ESG. ESG shall pay the costs of contesting any such fines.

6.3 ESG's liability to Wakulla County under this Agreement specifically excludes any and all indirect or consequential damages arising from the operation, maintenance, and management of Project. However, in the event the indirect or consequential damages incurred are the direct result of ESG's sole negligence or material breach of the terms of this Agreement this exclusion shall not be applicable. Wakulla County's liability to ESG under this Agreement specifically excludes any and all indirect or consequential damages arising from the Wakulla County's negligence.

6.4 ESG and Wakulla County recognize that existing conditions within the sanitary sewer collection system vary and that failures may occur in the system over time. ESG's scope of work is limited to operation and maintenance of the Wakulla County's wastewater treatment facility and lift stations. The Wakulla County is responsible for maintenance of free-flowing conditions within the collection system and to clean the sanitary collection system as needed over the course of this Agreement. ESG shall be responsible only for injury, property damage or economic loss that was caused by ESG's negligence or willful misconduct. Furthermore, Wakulla County, to the extent allowed by law, agrees to indemnify ESG against such claims for injury, property damage, or economic loss arising from failures in the sanitary collection system unless such claims are caused by ESG's negligence, willful misconduct or material breach by ESG of its obligations pursuant to the terms of this Agreement. This Article takes

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precedence over any conflicting Article of this Agreement, and extends to ESG, its officers, employees, and subcontractors.

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6.5 Each party shall obtain and maintain insurance coverage of a type and in the amounts described in Appendix E which is incorporated by reference and made a part hereof. Each party shall name the other party as an additional insured on all insurance policies covering the Project and shall provide the other party with satisfactory proof of insurance.

6.6 It is understood and agreed that, in seeking the services of ESG under this Agreement, Wakulla County is requesting ESG to undertake uninsurable obligations for Wakulla County's benefit involving the presence or potential presence of hazardous substances. Therefore, Wakulla County, to the extent allowed by law, agrees to hold harmless, indemnify, and defend ESG from and against any and all claims, losses, damages, liability, and costs including, but not limited to, costs of defense arising out of or in any way connected with the presence, discharge, release, or escape of contaminants of any kind, excepting only such liability as may arise out of the sole negligence, willful misconduct or breach of Contract of ESG in the performance of services under this Agreement or other breach by ESG of its promises, covenants or obligations pursuant to this Agreement.

7. TERM AND TERMINATION; DEFAULT REMEDIES

7.1 The initial term of this Agreement shall be ten (10) years commencing on January 1, 2007. Thereafter, this Agreement shall be automatically renewed for a successive term of five (5) years unless canceled by either party no less than one

hundred and twenty (120) days prior to the expiration date of the initial or successive term.

7.2 Notwithstanding the other terms and conditions set forth herein the Wakulla County maintains the right to terminate this Agreement for the following reasons:

a) ESG management is not performing satisfactorily, and reasonable efforts are not being made on ESG's behalf to correct the problem. If reasonable efforts have not been initiated by ESG and reported to Wakulla County in writing by ESG within 45 days of ESG's receipt of written notice from the Wakulla County specifying the performance for which the Wakulla County is dissatisfied, Wakulla County may terminate this Agreement by providing 15 days written notice to ESG of termination and the basis thereof.

b) Sufficient documentation is provided to ESG not less than 120 days prior to the close of any fiscal year of the Wakulla County, that the Wakulla County will be unable financially due to budgetary constraints to continue the services provided by ESG under the terms of this Agreement in the forthcoming fiscal year of the Wakulla County.

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c) Upon written notice to ESG of no less than Ninety (90) days prior to the end of a Contract Year, Wakulla County may terminate this agreement for convenience. Should Wakulla County exercise termination for convenience on or before December 31st, 2007, Wakulla County shall Pay ESG a lump sum payment of \$50,000 for demobilization and transition costs. This lump sum payment shall be in addition to any other compensation due ESG under the terms of this Agreement as of the effective date of the termination by the Wakulla County. In the event the Wakulla County terminates this Agreement for convenience after December 31st, 2007, ESG shall only be entitled to compensation due under the terms of this agreement as of the effective date of termination by the Wakulla County.

d) Upon a 90-day written notice to Wakulla County, ESG may terminate this agreement for convenience.

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7.3 Upon notice of termination by Wakulla County, ESG shall assist Wakulla County at a mutually agreeable price for the purpose of assisting the Wakulla County's resumption of the operation of the Project. ESG will provide Wakulla County at the date of termination the quantities of chemicals shown in Appendix C, which is incorporated by reference and made a part hereof. Wakulla County will pay ESG for the Cost of quantities in excess of the quantities shown in Appendix C. If additional Cost is incurred by ESG at request of Wakulla County, Wakulla County shall pay ESG such Cost in accordance with Article 5.2.

8. LABOR DISPUTES; FORCE MAJEURE

8.1 In the event activities by Wakulla County's employee groups or unions cause a disruption in ESG's ability to perform at the Project, Wakulla County, with ESG's assistance or ESG, at its own option, may seek appropriate injunctive court orders. During any such disruption, ESG shall operate the facilities on a best-efforts basis until any such disruptions cease.

8.2 Neither party shall be liable for its failure to perform its obligations under this

Agreement if performance is made impractical, abnormally difficult, or abnormally costly, as a result of any unforeseen occurrence beyond its reasonable control. The party invoking this Force Majeure clause shall notify the other party immediately by verbal communication and in writing by certified mail of the nature and extent of the contingency within ten (10) working days after its occurrence.

9. MISCELLANEOUS

9.1 Wakulla County and ESG recognize that the environment of Wakulla County, specifically its rivers, springs, bays and estuaries, are a vital part of the fragile

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environment and economy of Wakulla County and that Wakulla County has long been dependent on same for industry, tourism and its economy. Therefore, it is imperative that the parties continue protection of the environment foremost in all their action under this Agreement at all times.

9.2 In the event the Florida Department of Transportation adds or subtracts mileage from the secondary road system in Wakulla County, negotiation must take place between ESG and Wakulla County in regard to the mileage increase or decrease and the effect on the budget, given the amount of monies currently available to Wakulla County for secondary road system purposes.

9.3 The budgets of the Solid Waste and Recycling Department contain certain grants of funds from the State of Florida. In the event said grants are not forthcoming the budgets of those departments and the budgets of the departments may have to be adjusted, the Agreement must by like amount be modified due to said deficit. Both parties indicate their approval of this Agreement by their signatures below.

Authorized signatures: Authorized signature:

ESG OPERATIONS, INC. WAKULLA COUNTY, FLORIDA

By: _____ By: _____
John Clay Sykes, PE, Principal Printed Name: _____
Title: _____

By: _____
Daniel E. Groselle, Jr., PE, Principal

Date: _____ Date: _____

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A. 1 The "Project" means all equipment, vehicles, grounds, and facilities described in Appendix B and where appropriate, in accordance with the terms of this Agreement, the management, operations, and maintenance of such.

A. 2 "Capital Expenditures" means any expenditures for (1) the purchase of new equipment or facility items that cost more than Two Thousand Five Hundred Dollars (\$2,500.00) for a single item or Four Thousand Dollars (\$4,000) in the aggregate; or (2) major repairs that extend equipment or facility service life and cost more than Two Thousand Five Hundred Dollars (\$2,500.00) for a single item or Four Thousand Dollars (\$4,000) in the aggregate; or (3) expenditures that are planned and budgeted by Wakulla County.

A. 3 "Cost" means the total of all costs determined on an accrual basis in accordance with generally accepted accounting principles, including but not limited to direct labor, labor overhead, chemicals, materials, supplies, utilities, equipment, maintenance, repair, and outside services.

A. 4 "Maintenance" means the cost of those routine and/or repetitive activities required or recommended by the equipment or facility manufacturer or ESG to maximize the service life of the equipment, sewer, vehicles, and facility.

A. 5 "Repairs" means the cost of those nonroutine/nonrepetitive activities required for operational continuity, safety, and performance generally resulting from failure or to avert a failure of the equipment, sewer, vehicle, or facility or some component thereof.

A. 5a "Consumables" means the costs of those items consumed during the normal course of providing public works services. These items include, but are not limited to asphalt mix, "cold-mix" type asphalt repair materials, gravel or other paving materials, herbicides and insecticides, growth retardants, geotextile fabrics, rip-rap or other erosion control materials, ornamental plants, road striping materials, etc.

A. 6 "Biologically Toxic Substances" means any substance or combination of substances contained in the plant influent in sufficiently high concentrations so as to interfere with the biological processes necessary for the removal of the organic and chemical constituents of the wastewater required to meet the discharge requirements of Wakulla County's NPDES permit. Biologically toxic substances include but are not limited to heavy metals, phenols, cyanides, pesticides, and herbicides.

A. 7 "Adequate Nutrients" means plant influent nitrogen, phosphorous, and iron contents proportional to BOD5 in the ratio of five (5) parts nitrogen, one (1) part phosphorous, and one-half (0.5) part iron for each one hundred (100) parts BOD5.

A. 8 "Contract Year" means each year subsequent to the initial year of January 1st, 2007 through December 31st, 2007, for which this Agreement is in effect.

A. 9 "Fiscal Year" shall mean for Wakulla County that period beginning any July 1 and

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ending the next
following June 30.
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Appendix B – DESCRIPTION OF FACILITIES AND
INVENTORY

The Facilities shall include all of the following, in existence as of the
commencement
date hereof:

Wakulla County .600 mgd Wastewater Treatment Plant Located at 2146 Lawhon
Mill Road, Wakulla, Florida.

All Wakulla County maintained paved and unpaved roads

Pumping Stations:

Number Location

- 1 162 River Dr.
- 2 2278 Surf Rd
- 3 2484 Surf Rd.
- 4 2792 Surf Rd.
- 5 197 Mashers Sands
- 6 548 Mashers Sands Rd.
- 7 1 Blue Heron Way
- 8 18 Walker St.
- 9 3 Tully Ave.

- 10 40 Levy Bay Rd.
- 11 40 Mississippi Ave.
- 12 3870 Coastal Hwy.
- 13 801 Mashers Sands Rd.
- 14 905 Mashers Sands Rd.
- 15 19 Jer-Be-Low Blvd.
- 16 230 Levy Bay Rd.
- 17 21 Paradise Ln.
- 18 163 Tie Creek Dr.
- 19 20 Knotty Pine St.
- 20 21 Churchill Dr.
- 21 88 Carriage Dr.
- 22 533 Emmett Whaley Rd.
- 23 15 Oak St.
- 24 Winn Dixie
- 25 28 Love St.
- 26 57 Sopchoppy Hwy.
- 27 73 Country Way
- 28 216 Otter Lake Rd.
- 29 4707 Crawfordville Hwy
- 30 84 Taylor St.
- 31 1153 Wakulla Arran St.
- 32 28 Bunting Dr.
- 33 46 Warrior Way
- 34 78 Jer-Be-Lou Blvd

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- 35 26 Hickory Ave.
- 36 33 Snails Pace Ln.

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- 37 15 Turtle Creek Ln.
- 38 30 Jasper Thomas Rd.
- 39 2065 Crawfordville Hwy
- 40 410 Wakulla Arran Rd/Sav. . For.
- 41 32 Mallard Pond
- 42 The Hammocks
- 43 Bridlewood Apts
- 44 Century Park
- 45 The Refuge
- 46 Hidden Meadows

Garbage Pick up Locations identified in Section 1.13, facility description:

- 1. Remote drop site on Lawhon Mill Road in Otter Creek area.
- 2. Remote drop site in Smith Creek (honor system receptacle)

Traffic control devices:

- 1. Traffic signal at intersection of Lower Bridge Road and US 319
 - 2. Traffic signal at intersection of SR 267 and US 319
 - 3. Flashing signal at intersection of US 98 and Spring Creek Highway
 - 4. Flashing signal at intersection of Shadeville Highway and Spring Creek Highway
 - 5. Flashing signal at intersection of US 98 and Mashas Sands Road
 - 6. Flashing signal at intersection of Wakulla Springs Road and SR 267
 - 7. Flashing signal at intersection of SR 267 and SR 263
 - 8. Flashing signal at intersection of SR 263 and US 98
 - 9. Security light at Rock Landing Boat Dock
- Lower Bridge Landfill, excluding recycling operations

Medart Landfill

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The following is the inventory of equipment and chemicals present as of 12/12/2006

VEH. #	'S	VEHICLE	YEAR	&	TYPE	VIN	NUMBER	TAG	NUMBER
ROAD & BRIDGE									
RB-1	2004	CV 713	MACK	1M2AG11C75M018666	127095				
RB-2	2004	CV 713	MACK	1M2AG11C95M018667	127094				
RB-3	2004	CV 713	MACK	1M2AG11C05M018668	127093				
RB-4	1990	FORD L 8000	DUMP TRUCK	1FDZW82A4NNA12586	95167				
RB-5	2000	CHEVY 4 X 4 1/2 TON	V-8	1GCEK14TZYE113778	127099				
RB-6	2000	CHEVY 4X4 1/2 TON	V-8	1GCEK14TYE116651	127601				
RB-7	2000	CHEVY 4X4 1/2 TON	V-8	1GCE14TOYE106504	127100				
RB-8	1994	FORD F-150	1FTEF15Y8RNB40130	146019					
RB-9									
RB-10	2005	CHEV. C1500	1GCEC14V05Z280837	127088					
RB-11	1986	C-20 CHEVY - red	1GCGC24JOGF319457	51674					
RB-12	2005	CHEVY COLORADO	1GCCS146358263443	195054					
RB-13	2002	F-150 FORD	V-8 1FTRF17W92NC07451						
RB-14	2000	F-350 FORD	FLATBED 1FDWF36FOY3D67738	194179					
RB-15	1990	F-800 FORD	FLATBED 1FDXK84P5LVA23775	70481					
RB-16	2000	CHEVY 3500	V-8 1GBJK34J84F411338	89613					
RB-17	1999	G3WD	GRADALL 136373						
RB-18	TS--90	FORD	-ARM MOWER TRACTOR MOWER						
RB-19	1990	J. D. 624E	- LOADER DWG624ED522860	LOADER					
RB-20	2001	J. D. 544H	-WHEEL LOADER DW544HX579115	LOADER					
RB-21	2000	J. D. 200	CLC - EXCAVATOR FF200CX503247	EXCAVATOR					
RB-22	2006	J. D. 270	- EXCAVATOR FF270DX703185	EXCAVATOR					
RB-23	DEM.	TRAILER DORSEY	1DTD28C23YS080974	89612	TRLR.				
RB-24	1999	FOUNTAIN LOWBOY	4LF4S4935Y3508948	TRAILER					
RB-25	INTERSTATE	TRLR.	3WHEEL/GRAY 1JKOBS305A090019	TRAILER					

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RB-26 J. D. TRAILER GREEN TRAILER - GREEN
RB-28 1989 L-8000 FORD 1FDYW82A4KVA14880 95157
RB-29 CAT. VIBRATER ROLLER CS-563C 4KN01309
RB-30 FORK LIFT TCM320 55705005
RB-31 S-10 4X4 PK 1GCCT14Z2M8113796 95164
RB-32 VERMEER WOODCHIPPER 1VRC1413K1001072 95161
RB-33 FORD ROTAVATOR MELETTY
RB-34 MILLER BOBCAT 225 D963510408
RB-35 1992 FORD F150 1FTDF15YONNA51948 52861
RB-36 STEAM CLEANER CLARK DELCO 994370781
RB-37 COATS TIRE CHANGER RIM CLAMP 129447161

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RB-38 AIR COMPRESSOR
RB-39 TIRE BALANCE FOR LG. TRK.
TIRES
PM202
RB-41 AUTO LIFT GS013X
RB-42 ROBIN AIR RECOVERY SYSTEM WC-SW-707
RB-41
RB-44 2005 CHEVY COLORADO W/DIESEL TANK 1GCCS146558260043 231519
RB-45 2005 CHEVY COLORADO W/DIESEL TANK 1GCCS146858261607 231520
WASTE WATER
WW-2 F-350 FORD 4X4 W/BOOM 1FDK38G3MNA49918 95176
WW-3 EMERG. GENERATOR 3208 CAT 2180
WW-4 416 BACKHOE 4ZN16310
WW-5 680 Z TRACK MOWER TCF680X011784 54" IRON DECK
WW-6 1995 FORD H SKIDSTER LX665 878501
WW-7 4700 TANKER 2790157
WW-8 WATERPUMP(DYNA PRIME)
WW-9 2005 CHEV 2500 HD (TOMMY) 1GCHC24U45E262567
WW-11 1993 F150 FORD 1FTDF15Y4RNA50050 146020
SOLID WASTE
SW-1 2001 DODGE 4X4 D-150 PK 1B7HF16Y31SZ75100 194195
SW-2 1994 CHEVY 1/2 TON 1GCDC14Z7R2271539 120349
SW-3 1999 CHEVY 3/4 TON W/ DIESEL TANK 1GCBC24R4X2726542 164573
SW-4
SW-5 1994 RANGER 1FTCR10AZRVE61983 146033
SW-6 10' UTILITY TRAILER CSMFBF2061129379
SW-7
SW-8
2004 MACK -TRANSFER TRK
1MAA18YX4N156198 1MAA18YX4N156198 127079
SW-9 1999 GALBREATH TRAILER 1G9F1392XXA157123 127078
SW-10 GALBREATH TRAILER BLN01912
SW-11 2001 420D BACKHOE CAT. CAT0420DPBLN01912
SW-12 2002 650 H DOZER J. D. T0650HX903602
SW13/RB27 2000 MACK 427 CH Transport truck 1M2AA18YXYW119647 127080
SW-14
SW15
SW-16
SW-17
SW-18 INT. BALER 1190-343
SW-19 12 RECYCLING TRAILERS 0011-0022
FREON RECOVERY MACHINE 17500B - SN02236

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RECYCLING
R-1 2000 MACK RD 6885 ROLL OFF 1MXPZ67CZYM052385 127081

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R-2 1990 MACK DM 6903 ROLL OFF 1MZB209COMM008559 203042
R-3 2002 246 SKIDSTER CAT. CAT00246J5SZ06186
R-4 2005 F250 XL SUPER DUTY 1FTSW20515EB57092

RHINO RECYCLER 20' 5 COMPART
RHINO RECYCLER 20' 5 COMPART

TRACTORS

T-1 FORD 7740 002808B MOWER
T-2 J. D. 5510 1999 LV55105S250419 MOWER
T-3 J. D. 5510 4X4 LV5510S450113 MOWER
T-4 FORD 7740 1984 C712218 MIS
T-5 FORD 5000 P T TRACTOR
T-6 J. D. 4700 SHOULDER WORKER
T-7 FORD 8630 4X4 ROTOVATOR
T-8 FORD 4610 BC33564 LANDFILL

MOWERS

M-1 3715 BUSH HOG R&B
M-2 10' 1518 J. D. LANDFILL
M-3 15' 1518 J. D. WASTEWATER
M-4
M-5 687 Z TRACK J. D. TC687X030906 LANDFILL

GRADER TRUCKS

GT-1 2002 CHEVY S-10 1GCCS145928195558 203037
GT-2 2002 CHEVY S-10 1GCCS145928195734 130922
GT-3 2002 CHEVY S-10 1GCCS145228195929 147030
GT-4 2002 CHEVY S-10 1GCC5145228196028 70465

GRADERS

G-1 12H CATERPILLER CAT0012HVAMZ00674
G-2 12 H CATERPILLER CAT0012HAAMZ00670
G-3 12H CATERPILLER CAT0012HVAMZ00677
G-4 12H CATERPILLER CAT0012HAAMZ00664
G-5 12 H CATERPILLER CAT0012HVAMZ00680

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G-6 1994 670B J. D. DW670DX549272
MISCELLANEOUS
TRAILER FOR PORTABLE WELDER 130906
HOWARD ROTOVATOR HR-30 630A
RICOH COPIER DF75ARDF
RICOH COPIER MDC2500 L3665600083
COMMERCIAL SCALE FSC-HTHB
PORTABLE BLDG
SLUDGEMATE&INJECTION SYSTEM SM-20-WS-TS
MAGNUM 66W PRECRUSHER COMPACTOR M66WPC
CONCRETE TANK 1050 GALL LEACHATE TANK
BLUE ROLL OFF CONTAINER RHINO RECYCLER 20 FT
HAND TOOLS
MANHOLE BLOWER-HOMELITE 42200070
5HP SKID SPRAYER 200 G CAP. 2.01E+11
RECYCLE BLDG STEEL BLDG W/4 BAYS
DELL LAPTOP COMPUTER 89FYK81 MOSQ Control ?
DELL LAPTOP COMPUTER 2BFYK81 MOSQ Control ?
FMU FUEL MASTER CONTROL 6068
FUEL MASTER COMPUTER 6060016
ADR PEEK TRAFFIC COUNTER 20050307
ADR PEEK TRAFFIC COUNTER 20050307
Chemical Inventory as of
1 Dec 06
Sodium Hypochlorite 330 gallons Wastewater
Polymer 110 gallons Wastewater
ESG Owned
Vehicles/Equipment

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Wastewater 2006 GMC 1500 Sierra
4X4
3GTEK14V56G190247
Wastewater 2007 GMC 1500 Sierra
4X4 1GTEK14V57Z192906
Wastewater
Dell Opti pl ex 320 Desktop
Computer 00045-693-645-357
Public Works Admi ni strati on -
Nannette
Dell Opti pl ex 745 Desktop
Computer 00043-730-615-966
Public Works Admi ni strati on - Teri
Dell Opti pl ex 320 Desktop
Computer 00045-693-727-717
Public Works - Proj ect Manager
Latitude 620 Laptop
Computer

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WASTEWATER PROJECT CHARACTERISTICS

NPDES PERMIT AND PROJECT CHARACTERISTICS

C.1 ESG will operate Project so that effluent will meet the requirement of NPDES permit No. _____ (copy attached). ESG shall be responsible for meeting the effluent quality requirements of Wakulla County's NPDES permit unless one or more of the following occurs; (1) the Project influent does not contain Adequate Nutrients to support operation of Project biological processes and/or contains Biologically Toxic Substances that cannot be removed by the existing process and facilities; (2) dischargers into Wakulla County's sewer system violate any or all regulations as stated in the Water and Sewer Ordinance; (3) the flow, influent BOD5, suspended solids and/or ammonia loading exceeds the Project design parameters for the WWTP facility, which are 3.0 million gallons of flow per day, 5000 pounds of BOD5 per day, 5000 pounds of suspended solids, 450 pounds of ammonia, and a daily peaking factor of 1.3 times flow.

C.2 In the event any one of the Project influent characteristics, suspended solids, BOD5, or flow, exceeds the design parameters stated above, ESG shall return the plant effluent to the characteristics required by the NPDES permit in accordance with the following schedule after Project influent characteristics return to within design parameters.
Characteristics Exceeding Recovery Period
Design Parameters By Maximum

- 10% or Less 5 days
- Above 10% Less than 20% 10 days
- 20% and Above 30 days

Notwithstanding the above schedule, if the failure to meet effluent quality
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Limitations is caused by the presence of Biologically Toxic Substances or the Lack of Adequate Nutrients in the influent, then ESG will have a thirty (30) day recovery period after the influent is free from said substances or contains Adequate Nutrients.

C. 3 ESG shall not be responsible for fines or legal action as a result of discharge violations within the period that influent exceeds design parameters, does not contain Adequate Nutrients, contains Biologically Toxic Substances, and the subsequent recovery period.
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Appendix C - VEHICLE DESCRIPTION

NOT USED

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Appendix D - BASE FEE ADJUSTMENT FORMULA

$BF = BF_0 \times C/Co$

Where:

BF_0 = Base fee specified in Article 4.1

BF = Adjusted base fee

Co = CPI for All Urban Consumers (U.S. City Average) as published by U.S. Department of Labor, Bureau of Labor Statistics in the CPI Detailed Report for the month three (3) months prior to ESG beginning service under this Agreement

C = CPI for All Urban Consumers (U.S. City Average) as published by U.S. Department of Labor, Bureau of Labor Statistics in the CPI Detailed Report for the month three (3) months prior to the beginning of the period for which an adjusted base fee is being calculated

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Appendix E - INSURANCE COVERAGE

ESG shall maintain:

1. Statutory workers' compensation for all of ESG's employees at the Project as required by the State of Georgia
2. Comprehensive general liability insurance in a minimum amount not less than One Million Dollars (\$1,000,000.00) combined single limits for bodily injury and/or property damage.
3. Property damage and liability insurance in a minimum amount not less than One Million Dollars (\$1,000,000.00) for all vehicles owned and operated by ESG under this agreement.

Wakulla County shall maintain:

1. Property damage insurance for all property including vehicles owned by Wakulla County and operated by ESG under this Agreement. Any property including vehicles not properly or fully insured shall be the financial responsibility of Wakulla County.

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2. Comprehensive general liability insurance in a minimum amount not less than One Million Dollars (\$1,000,000.00) combined single limits for bodily injury and/or property damage.

3. Property damage and liability insurance in a minimum amount not less than One Million Dollars (\$1,000,000.00) for all vehicles owned by Wakulla County and operated by ESG

under this agreement.

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