BIOSOLIDS DRYING SERVICES AGREEMENT

This Biosolids Drying Services Agreement (including all exhibits hereto, this "<u>Agreement</u>") is entered into as of **October_____, 2024** (the "<u>Effective Date</u>") by and between The City of Cartersville, GA ("<u>Client</u>") and Stircor Services of Georgia LLC. ("<u>Contractor</u>"). Client and Contractor are sometimes referred to herein individually as a "<u>Party</u>" and collectively as the "<u>Parties</u>".

WHEREAS, Client operates a biosolids processing facility located at 148 Walnut Grove SE, Cartersville, GA 30120 (the "Facility");

WHEREAS, as part of the operations of the Facility, sewage sludge biosolids are produced at the Facility which are suitable for thermal treatment for conversion to dewatered Class A biosolids material under 40 CFR 503 (the "Class A Material");

WHEREAS, Contractor has experience providing services and equipment for the thermal treatment of sewage sludge biosolids to produce Class A Material; and

WHEREAS, Client desires to engage Contractor to perform, and Contractor desires to perform certain services for Client, as more fully set forth herein, and in accordance with the terms and conditions of this Agreement.

NOW, THEREFORE, in consideration of the mutual promises contained herein, the Parties agree as follows:

1. DEFINITIONS; RULES OF INTERPRETATION

(a) <u>Definitions:</u>

"Affiliate" means, with respect to any Person, each Person that directly or indirectly controls, is controlled by, or is under common control with such designated Person. For purposes of this definition, "control" (including, with correlative meanings, the terms "controlled by" and "under common control with"), as used with respect to any Person, shall mean (a) the direct or indirect right to cast at least fifty percent (50%) of the votes exercisable at an annual general meeting (or its equivalent) of such Person or, if there are no such rights, ownership of at least fifty percent (50%) of the equity or other ownership interest in such Person, or (b) the right to direct the policies or operations of such Person.

"Applicable Laws" means all statutes, laws, treaties, ordinances, judgments, decrees, injunctions, writs, orders, regulations, permits, authorizations, and licenses of any governmental authority having proper jurisdiction over, or otherwise exercising authority with respect to, the Parties, or the performance of the obligations to be performed under this Agreement.

"Client Indemnitees" means Client and its Affiliates, and the assignees, subcontractors, members, directors, officers, employees, agents and vendors of each.

"Client Premises" means all real property, including any improvements located thereon, owned or controlled by Client or its Affiliates, including but not limited to the site of the Facility.

"Dried Biosolids" means biosolids processed by Contractor containing less than ten percent (10%) moisture by weight.

"Losses" means any and all liabilities, losses, costs, expenses (including, without limitation, reasonable outside attorneys' fees and the allocable costs of in-house counsel), or damages.

"Person" means any individual, sole proprietorship, corporation, and limited liability company, limited or general partnership, joint venture, association, joint-stock company, trust, incorporated organization, institution, public benefit corporation, unincorporated organization, governmental authority or other entity.

"Qualified Wet Biosolids" means sewage sludge biosolids containing no more than eighty-five percent (85%) moisture by weight.

"Subcontractor" means any third party retained or engaged, directly or indirectly (of any tier), by Contractor to perform any portion of the Services.

"Notice to Proceed Date" means the date the Client has substantially completed the work required to the site such that the Contractor may begin the process of installing Contractor owned equipment for the purposes of producing dried biosolids.

"Equipment Start-up Date" means the date the Contractor equipment is producing dried biosolids

"Project Sign Off Date" means the date the calculation of qualified wet biosolids commences for annual totals

The term "day" shall mean calendar day unless otherwise notated

(b) Other Definitions. Other terms are defined in provisions throughout this Agreement.

2. CONTRACTOR'S OBLIGATIONS

- (a) <u>Services</u>. Contractor, directly or through its Subcontractors, shall perform and complete the following services (collectively, the "Services") in accordance with the requirements of this Agreement, as the same may be adjusted pursuant to the terms of this Agreement:
- (i) Provide technical assistance to Client in obtaining any required approvals for thermal treatment of biosolids at the Facility;
- (ii) Provide, install and operate and maintain rotary drum dryer, scrubber, loader, cooling conveyor, control room, storage containers and related equipment and instrumentation (the "Drying Equipment");
- (iii) Obtain any required governmental approvals related to operation of the Equipment at the Client Premises;
- (iv) Provide labor for the operation and maintenance of the Equipment to process up to 18,000 tons of Qualified Wet Biosolids per consecutive twelve (12) month period; and

- (v) Provide data and other information in a format reasonably acceptable to Client necessary for Client's reporting requirements to the U.S. Environmental Protection Agency and/or GA EPD as otherwise required by Applicable Law.
- (vi) The Contractor shall maintain its equipment to produce Dried Biosolids that are conveyed to Client designated area.
- (vii) Should the contractor equipment be non-operational for a period of greater than 7 working days, defined as Monday-Friday, due solely to contractor related issues and the Client must dispose of the biosolids in a landfill due to lack of space in the wet biosolids storage area; contractor will pay cost of landfill disposal until drying equipment is operational. Landfill disposal fees will be applied as a credit towards existing contractor drying fees until such point that outstanding drying fees are met at which point Contractor will remit payment for disposal fees to Client. Client must provide invoices to Contractor in all instances to receive credit or payment for landfill disposal fees. The current landfill disposal fees for Client are:

2024 Landfill Disposal Fee: \$99.70 per Wet Ton

(viii) Contractor will provide monthly reports to Client on utility usage which are further defined in section 3 (b). This requirement depends upon the installation of meters for each defined utility which is the requirement of Contractor.

The Contractor's Services under this Agreement do not include the disposal of any Class A Materials.

- (b) <u>Subcontractors</u>. Subject to Client's prior written approval, which shall not be unreasonably withheld, Contractor may engage one or more Subcontractors to perform any portion of the Services. The use by Contractor of any Subcontractor shall not (i) relieve Contractor of its obligations or liabilities under this Agreement, (ii) create any relationship between Client, on the one hand, and any Subcontractor, on the other hand, or (iii) cause Client to have any responsibility for the actions or payment of such Subcontractor. As between Client and Contractor, Contractor shall be responsible for all acts and omissions of its Subcontractors in connection with any matter relating to this Agreement. Subcontractors will be required to submit same forms, as required by client, as Contractor.
- (c) <u>Site Activities</u>. With respect to Services rendered by Contractor at the Client Premises, Contractor shall comply, and shall cause any of its Subcontractors to comply, with the following requirements:
- (i) With the reasonable requests and the standard rules and regulations of Client regarding security, health, safety, and personal and professional conduct generally applicable to such Client Premises, and to otherwise conduct themselves in a businesslike manner. Contractor will provide, upon request, copies of health and safety plan.
- (ii) Contractor may bring onto Client Premises property belonging to Contractor which is required for the purposes of performing its obligations under this Agreement; provided, that Contractor shall ensure that any such property having a material value is clearly marked as belonging to Contractor. Client will not be responsible for any theft or damage to contractor equipment unless it arises from negligence on the part of the Client. Client will not operate contractor equipment.

- (iii) Contractor shall not use any Client Premises for any purpose other than for purposes of providing the Services.
- (iv) As of the Notice to Proceed Date, Contractor shall have visually inspected the particular portion(s) of any Client Premises where Services are to be performed, and the relevant surrounding areas, and shall have satisfied itself as to the nature of such Client Premises; and the nature and difficulty of the Services and any materials necessary for the completion of the Services. Notwithstanding the foregoing, Contractor will not be liable to Client for any damage to pavement or other driving surfaces at the Client Premises resulting from the delivery, installation, operation, or maintenance of the Equipment Unless it arises from negligence on the part of the Contractor.
- (v) Contractor shall not interfere with the operations of Client, its employees or other third parties employed on the Client Premises.

3. CLIENT'S OBLIGATIONS

- (a) <u>Site Access</u>. Client shall provide free and unencumbered access to areas of the Client Premises necessary for the Services as more fully identified in <u>Exhibit A</u>. Prior to commencement of the Services, Client will provide Contractor with all information in Client's possession regarding the sufficiency and suitability of the portion of the Client Premises designated for operation of the Equipment and provision of the Services, which information Contractor is entitled to reply upon.
- (b) <u>Utilities</u>. Client shall provide, at no cost to Contractor, all utilities necessary for the performance of the Services at the Client Premises, including adequate supplies of natural gas, electrical, and water. Client will pay all utility bills associated with the delivery of the service. Contractor shall provide estimated gas and utility usage per wet ton of material processed. Contractor shall be responsible for any costs associated with greater than 20% usage for the first 6 months of agreement and 10% for the duration of agreement. over the following Contractor-provided estimates for utility supplies based on a target 82% Moisture content dewatered biosolids:

Natural Gas Used: ____2.78M BTU per wet ton of biosolids processed

Water Consumption: ___260__ gallons per wet ton of biosolids processed

Electricity Used: 52 kW per wet ton of biosolids processed

- (c) Contractor shall provide a discount to Client on monthly fees for drying for any overages on utility usage as further defined in Section 2 a (viii). <u>Governmental Approval Assistance</u>. Client shall assist Contractor and provide required information necessary for Contractor to obtain any required governmental approvals in connection with the Services.
- (d) <u>Delivery of Qualified Wet Biosolids</u>. Client shall be responsible, at no cost to Contractor, for delivering sewage sludge biosolids that qualify as Qualified Wet Biosolids to a mutually agreed location on the Client Premises. Client agrees to deliver at least 10,000 Wet tons of Qualified Wet Biosolids to Contractor per consecutive twelve (12) month period (the "Biosolid Minimum"). The "Biosolid Minimum" will reduce to 9,000 Wet tons in years 2 and 3 of the agreement. Client shall only provide, and Contractor shall only be responsible for drying, sewage sludge biosolids that qualify as Qualified Wet Biosolids. Contractor may reject or refuse to dry any sewage sludge biosolids that do not qualify as Qualified Wet Biosolids. If Client requests that Contractor accept or dry any non-Qualified Wet Biosolids, Contractor shall

be entitled to an increase in the Unit Drying Price. The increase in Unit Drying Price will be \$10 per wet ton for each % decrease in total solids less than 15% with a minimum total solids percentage of 10%. Utility overages will not be applied for the period associated with Non-Qualified Wet biosolids. The initial calculation of Qualified Wet Biosolid annual requirements will commence at the Project Sign off date.

- (e) <u>Testing/Standards</u>. In order for Contractor to confirm that the sewage sludge biosolids provided by Client qualify as Qualified Wet Biosolids, Client shall provide Contractor with relevant information regarding the existing process/procedures associated with the production of dewatered biosolids including the addition of any additional materials (alum/polymer) or any known changes to the makeup of the biosolids or processes and procedures for the duration of the agreement.
- (f) <u>Use of the Equipment</u>. Client shall not use nor make any alterations, improvements, or repairs to the Equipment without prior written authorization from Contractor. If Client uses or alters the Equipment without Contractor's prior written authorization from Contractor, Client shall be responsible for any damage, costs, or other amounts incurred by Contractor as a result of Client's unauthorized use or alteration.

4. FEES AND PAYMENT

- (a) <u>Fees</u>. Contractor shall be compensated for the performance of the Services at the following rates:
- (i) Year (1) rate of \$105; One Hundred and Five and 00/100 Dollars () per wet ton of Qualified Wet Biosolids delivered by Client to Contractor (the "Unit Drying Price")
- (ii) Year (2) rate of \$85; Eighty-Five and 00/100 Dollars per wet ton of Qualified Wet Biosolids delivered by Client to the Contractor
- (iii) Year (3) rate of \$85; Eighty-Five and 00/100 Dollars per wet ton of Qualified Wet Biosolids delivered by Client to the Contractor. The Unit Drying Price shall be adjusted on the anniversary date each year during the term of this Agreement by multiplying the Unit Drying Price times one (1) plus the annual Consumer Price Index for All Urban Consumers (CPI-U) for the prior twelve (12) month period as published by the U.S. Department of Labor.
- (b) <u>Payment</u>. Contractor shall invoice Client monthly for the number of Qualified Wet Biosolids delivered by Client to Contractor during the preceding month times the Unit Drying Price. Payment is due within twenty (20) days of Client's receipt of Contractor's invoice and all supporting itemized documentation. Contractor will measure Wet Tons processed with a scale that is attached to the frontend loader which will be used to load qualified wet biosolids into dryer.
- (c) Annual Minimum. If Client fails to deliver Qualified Wet Biosolids in a twelve (12) month period year equal to or greater than the Biosolids Minimum, Client shall pay Contractor the Unit Drying Price for each wet ton less than the Biosolids Minimum (the "Biosolids Minimum Payment") so long as the Contractor's equipment was not cause for reduced quantities of biosolids."). Contractor shall submit its invoice for any Biosolids Minimum Payment on or before the end of the second month following the completion of the applicable twelve (12) month period. For the purpose of calculating the Biosolids Minimum Payment during any period of time less than a full twelve (12) month period , the Biosolids Minimum shall be prorated by the number of months and/or partial months Services were provided during that twelve (12) month period.

- (d) <u>Suspension</u>. In the event Client fails to pay any amount owed to Contractor within the time required under Section 4(b) and fails to cure such non-payment within fifteen (15) additional days following receipt of written notice from Contractor of such non-payment, Contractor shall have the right to suspend performance of the Services until Client cures such non-payment. Upon Client's cure of such non-payment, Contractor shall promptly resume performance of the Services.
- (e) <u>Mobilization, Timelines & Site Specific Fees</u>. Exhibit A contains proposed mobilization timelines, fees and site specific requests made by Client in association with the Agreement.

5. TERM AND TERMINATION

- (a) This Agreement shall be effective from the Effective Date for an initial term of three (3) years and shall automatically renew thereafter one (1) additional one (1) year term upon written agreement by both parties.
- (b) Termination without Cause. Either Party shall have the right to terminate this Agreement at any time, without cause, upon ninety (90) days advance written notice to the other Party. In the event Client terminates this Agreement pursuant to this Section 5(b), Contractor shall be entitled to (i) compensation for the Services performed up to the effective date of termination; plus (ii) the remaining balance (if any) of one million and fifty thousand dollars in year 1 of agreement (\$1,050,000), eight-hundred and fifty thousand dollars in year 2 of agreement (\$850,000) and eight-hundred and fifty thousand dollars (\$850,000) in year 3 of agreement less any amounts paid by client for that given year; plus (iii) reasonable demobilization charges (if any). Subsequent years of agreement will use the annual minimum of Qualified Wet Biosolids times the then current fee per wet ton to calculate the remaining balance fee.
- (c) <u>Contractor Events of Default</u>. The occurrence of any one or more of the following events shall constitute an event of default by Contractor (each, a "Contractor Event of Default"):
- (i) Contractor's suspension of business or liquidation proceedings, assignment for the benefit of creditors, appointment of a receiver for Contractor or Contractor's property, or Contractor having been adjudged bankrupt;
 - (ii) Contractor abandons performance of the Services;
- (iii) Contractor refuses or fails to supply sufficient properly skilled workers or proper equipment to complete the Services in accordance with the terms of this Agreement;
- (iv) Contractor fails to make payment to its Subcontractors or suppliers for materials, equipment, or labor in accordance with the respective agreements between Contractor and such Subcontractors or suppliers; or
- (v) Contractor commits any other material breach of this Agreement not otherwise specified in this Section 5(c) and fails to cure such breach within a period of fifteen (15) days following Contractor's receipt of written notice thereof from Client; provided, that if such breach cannot reasonably be cured within such fifteen (15) day period, and Contractor has commenced efforts to cure within such fifteen (15) day period, such cure period shall be extended by the amount of time reasonably required, as mutually agreed upon by both contractor and client, for Contractor to cure such breach.

- (d) <u>Client's Remedies for Contractor Event of Default.</u> Upon the occurrence of a Contractor Event of Default, Client shall have the following rights and remedies:
- (i) Client shall have the right to (A) terminate this Agreement upon an additional fifteen (15) days written notice of termination to Contractor, and (B) in Client's sole discretion, have the Services completed by itself or by others. Upon any such termination, Contractor shall promptly remove the Equipment from the Client Premises within 45 Days. Contractor shall not receive compensation for demobilization costs and shall not make a claim for such costs.
- (ii) Upon completion of the Services by the Client or third parties, the total cost of the Services and/or cost impact of the Contractor Event of Default shall be determined by the cost of landfill disposal for the remainder of the current 12-month period of agreement; and the Client shall give the Contractor notice of the amount that the Contractor shall pay the Client. However, in no event shall Contractor's liability to Client under this Agreement exceed five hundred thousand dollars (\$500,000) for the Services that were not completed.
- (iii) Within thirty (30) days of the date of termination, Contractor shall submit to Client an invoice for that portion of the amount due on the Services. Within sixty (60) days of completion of all the Services by Client or third parties necessitated by the Contractor Event of Default, Client shall determine the amount Contractor shall receive as compensation, if any, or the amount owed by Contractor, and Client shall notify Contractor accordingly. Failure of Client to provide notice of any amounts owed by Contractor within sixty (60) days of completion of all the Services by Client or third parties shall be deemed a waiver of such claims.
- (e) <u>Client Default</u>. If Client defaults under this Agreement and fails to cure within fifteen (15) days' written notice of Contractor's intent to terminate, Contractor may terminate this Agreement for cause and be entitled to compensation for the portions of the Services completed as defined in section 5 (b) plus costs incurred by reason of such termination.

6. CHANGES IN SCOPE OF SERVICES

- (a) <u>Changes</u>. Client may, without invalidating this Agreement, request a change to the Scope of Services (a "Change"). Upon reaching such mutual agreement, the Parties shall execute a written document describing the nature of the Change and any modifications to Contractor's compensation (a "Change Order").
- (b) The Parties acknowledge and agree that no Change shall be effective unless and until memorialized in a mutually executed Change Order. For the avoidance of doubt, any Change purportedly agreed verbally or otherwise, other than via mutually executed Change Order, shall have no force or effect.

7. REPRESENTATIONS AND WARRANTIES

- (a) <u>Representations and Warranties</u>. Each of Client and Contractor, respectively, hereby represents and warrants to the other, as of the date hereof, that:
- (i) it is an entity duly organized, validly existing and in good standing under the Applicable Laws of the jurisdiction in which it was formed and it has the requisite corporate or other applicable entity power and authority to execute, deliver and perform this Agreement;

- (ii) the execution, delivery and performance of this Agreement have been duly authorized by all requisite corporate or other applicable entity action;
- (iii) the person signing this Agreement is expressly authorized to execute this Agreement on behalf of, and to bind, the applicable Party;
- (iv) assuming the due authorization, execution and delivery of this Agreement by the other Party, this Agreement constitutes its valid and binding obligation, enforceable against it in accordance with its terms, except to the extent such enforceability is limited by bankruptcy, insolvency, moratorium or similar laws affecting or relating to the enforcement of creditors' rights generally and by general equitable principles (regardless of whether such enforcement is considered in a proceeding in equity or at law); and
- (v) it has all governmental consents, license, permits or other authorizations required to permit it to operate or conduct its business now and as contemplated by this Agreement at the time of equipment start up.
- (b) <u>Disclaimer</u>. EXCEPT AS OTHERWISE SET FORTH IN THIS AGREEMENT, CONTRACTOR MAKES NO, AND EXPRESSLY DISCLAIMS ANY, WARRANTIES OF ANY KIND OR NATURE, WHETHER EXPRESS OR IMPLIED, INCLUDING, BUT NOT LIMITED TO, WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR USE, WARRANTIES OF TITLE OR WARRANTIES OF ANY PRODUCTS OR SERVICES.

8. INDEMNIFICATION; LIABILITY

(a) Indemnification.

- (i) To the fullest extent permitted by applicable law, Client shall indemnify and hold harmless Contractor from and against all Losses suffered or incurred by any of Contractor as a result of claims and causes of action (whether based on contract, tort or otherwise) by third parties, including any Affiliate of Client, related to or arising out of any bodily injury to, or death of, any personnel of Contractor or any Subcontractor of Contractor, or any physical damage to tangible property of Contractor or any of its personnel or subcontractors, to the extent that such injury or damage results from the negligent or intentional (if wrongful) act or omission of Client.
- (ii) To the fullest extent permitted by applicable law, Contractor shall indemnify, defend and hold harmless the Client Indemnitees from and against all Losses suffered or incurred by any of the Client Indemnitees in connection with claims and causes of action (whether based on contract, tort or otherwise) by third parties, including any Affiliate of Contractor, related to or arising out of any bodily injury to, or death of, any personnel of Client, or any physical damage to tangible property of Client or any of its personnel, to the extent that such injury or damage results from the negligent or intentional (if wrongful) act or omission of Contractor.
- (iii) Each indemnitee shall give prompt notice of its receipt of any threat, indication or other notice of any claim, investigation or demand that might give rise to any Losses required to be indemnified hereunder. The indemnifying Party shall have the right to conduct defense of such action at its sole expense. Each indemnifying Party shall reimburse the respective indemnitees for such Losses as they are incurred by such indemnitees.

(b) NO CONSEQUENTIAL DAMAGES. IN NO EVENT WILL EITHER PARTY BE LIABLE TO THE OTHER PARTY OR ANY OF THEIR RESPECTIVE AFFILIATES (OR THEIR RESPECTIVE SUCCESSORS OR PERMITTED ASSIGNS) FOR ANY CONSEQUENTIAL, INCIDENTAL, INDIRECT, PUNITIVE OR SPECIAL DAMAGES (INCLUDING LOSS OF PROFITS, DATA, BUSINESS OR GOODWILL) IN CONNECTION WITH THE PERFORMANCE OF THE SERVICES OR OTHERWISE UNDER THIS AGREEMENT, WHETHER OR NOT LIABILITY IS BASED ON BREACH OF CONTRACT, TORT, STRICT LIABILITY, BREACH OF WARRANTY, FAILURE OF ESSENTIAL PURPOSE OR OTHERWISE, AND EVEN IF SUCH PARTY IS ADVISED OF THE LIKELIHOOD OF SUCH DAMAGES; provided, however, that the foregoing waiver shall not apply to a Party's indemnification obligations set forth in this Agreement.

9. INSURANCE

During the term of the Agreement, Contractor shall maintain insurance with the following required coverages and limits and provide insurance certificates to Client evidencing that such insurance coverage is current and in effect, as follows:

- (a) <u>Workers' Compensation and Employers' Liability Insurance</u>. Statutory minimums for Worker's Compensation. Limit of liability for Employers' liability of \$500,000 per occurrence and in the aggregate.
- (b) <u>Automobile Liability Insurance</u>. Limit of liability of \$1,000,000 per occurrence, for all owned, non-owned and hired vehicles.
- (c) <u>Commercial General Liability Insurance</u>. Limit of liability of \$1,000,000 per occurrence with a \$2,000,000 Aggregate.
- (d) <u>Property Insurance</u>. Limit of liability for physical property damage, except automobile, \$1,000,000 per occurrence with a \$2,000,000 Aggregate.
- (e) <u>Evidence of Insurance</u>. Evidence of insurance required hereunder shall be in the form of certificates of insurance and shall be provided to Client prior to commencement of the Services. All policies shall contain a provision that the policies may not be canceled for nonpayment of premium without ten (10) days prior written notice provided to Client by the insurer. Contractor shall promptly advise Client of any change in insurance coverage below the above-referenced limits. Prior to expiration of the policies of insurance described above, Contractor shall submit a new certificate of insurance as evidence of the renewal of the policies described above with all of the required endorsements.
- (f) <u>Waiver of Subrogation</u>. The Parties hereby waive all rights of subrogation against the each other, any parent company, any subsidiary company, any entity controlling, controlled by or under common control of any such entity, and their respective owners, shareholders, partners, members, divisions, officers, directors, employees, trustees, representatives and agents, all of their respective successors and assigns, and any other entities required in this Agreement, for the recovery of damages to the extent those damages are covered by any insurance policy or policies.
- (g) <u>Increases In Coverage</u>. The above coverage amounts may be increased (but not decreased) or insurance products added by mutual written agreement of the Parties. Any such increases or additions with respect to insurance coverage set forth by separate written agreement shall not be deemed a conflict or inconsistency with the terms of this Agreement.

(h) <u>Insurer Rating</u>. All insurance required to be maintained shall be placed with financially sound and reputable insurers duly licensed and authorized in the State of Jurisdiction at the time of inception of such coverage with an AM Best Rating of A-VIII or higher and with coverage forms reasonably acceptable to the parties.

10. **FORCE MAJEURE**

- a) If Client or Contractor are unable to perform, or are delayed in its performance of any of its obligations under this Agreement including meeting the minimum biosolids requirement, except for Client's obligation to pay Contractor for the Services, by reason of any event of Force Majeure, such inability or delay shall be excused by such event and during such period thereafter as may be reasonably necessary for Client or Contractor (as the case may be) to correct the adverse effect of such event of Force Majeure.
- b) An event of "Force Majeure" shall mean any event or circumstance beyond the reasonable control of Client or Contractor (as the case may be) to the extent that it delays performance any obligations under this Agreement, including without limitation the following:
- i) Acts of God, tornadoes, hurricanes, floods, sinkholes, fires and explosions (except those caused by negligence of Client of Contractor (as the case may be), its agents, and assigns), landslides, earthquakes, epidemics, quarantine, pestilence, and abnormal or excessively inclement weather;
- ii) Labor strikes, acts of a public enemy, acts of war, terrorism, effects of nuclear radiation, blockages, insurrections, riots, civil disturbances, or national or international calamities; and
- iii) A change in any applicable law, regulation, rule, ordinance or permit condition, or the interpretation or enforcement thereof, limiting acceptance of dewatered biosolids facilities not in effect as of the date hereof.
- c) In order to be entitled to the benefit of this section, Client or Contractor (as the case may be) shall be required to give prompt written notice, as soon as reasonably possible, to the other Party specifying in details the event of Force Majeure and shall further be required to use commercially reasonable efforts to mitigate the effects of the event of Force Majeure on its performance under this Agreement.

11. **DISPUTE RESOLUTION**

- (a) <u>Negotiation</u>. Any dispute arising under or relating to this Agreement shall be decided in accordance with the following procedures. Upon the written demand of either Party, a representative of each Party shall meet within fifteen (15) days after demand therefor, or such other time as mutually agreed by the Parties, and attempt to resolve the dispute through negotiation. The designated representative shall be an employee of such Party having sufficient authority to resolve the dispute on behalf of such Party.
- (b) <u>Mediation</u>. If the Parties are unable to resolve a dispute through negotiations pursuant to Section 11(a), then either Party may demand mediation by serving a written demand on the other Party. The Parties shall then mutually agree to a mediator, whose fees shall be shared equally by the Parties. In

the event the Parties cannot mutually agree to a mediator, a mediator shall be selected by the American Arbitration Association pursuant to its Commercial Mediation Procedures then in effect.

- (c) <u>Litigation</u>. If the Parties are unable to resolve a dispute through mediation pursuant to Section 11(b) and as a condition precedent to further legal action, then either Party may exercise any right or remedy available under this Agreement or Applicable Laws. Any litigation shall commence in Bartow County Superior Court. The matter shall proceed as a bench trial tried to a single judge.
- (d) <u>Continued Performance</u>. Unless otherwise agreed by the Parties, the Parties shall continue to perform their respective obligations during the pendency of any dispute arising out or in connection with this Agreement.

12. MISCELLANEOUS PROVISIONS

(a) <u>Notices</u>. All consents, approvals, notices, reports, requests, acceptances and other communications required or permitted under this Agreement shall be in writing and shall be deemed given when actually received. All such communications shall be sent by hand, by first class mail, postage prepaid, or by facsimile or email with electronic receipt confirmation, to the receiving Party's address, facsimile number or email address below:

[CLIENT INFORMATION]
City of Cartersville
Cartersville Water Department
Attn: Sidney Forsyth
148 Walnut Grove SE
Cartersville, GA 30120

[CONTRACTOR INFORMATION] Stircor Services, Inc. Attn: Forrest Porterfield 41 Peabody Street Nashville, TN 37210

- (b) <u>Severability</u>. If any provision of this Agreement is held to be void, invalid or otherwise unenforceable, in whole or in part, the other provisions shall remain in full force and effect.
- (c) <u>Interpretation</u>. This Agreement is the result of negotiations among and has been reviewed by the Parties with the advice of counsel to the extent deemed necessary by any Party; accordingly, this Agreement shall be deemed to be the product of the Parties, and no ambiguity shall be construed in favor of or against any Party.
- (d) <u>Entire Agreement</u>. This Agreement constitutes the entire agreement between the Parties, and merges all prior and contemporaneous communications, with respect to the Services and the other matters contemplated by this Agreement. No amendment, modification, waiver or discharge of this Agreement shall be valid unless in writing and signed by an authorized representative of each Party.
- (e) <u>Governing Law, Venue</u>. This Agreement shall for all purposes be governed by and construed in accordance with the laws of the State of Georgia, excluding its conflicts of laws rules. Each Party consents to exclusive jurisdiction by the state court sitting in Bartow County, Georgia or federal court in the Northern District of Georgia, Rome Division. EACH PARTY KNOWINGLY, VOLUNTARILY, INTENTIONALLY AND IRREVOCABLY WAIVES ANY RIGHT IT MAY NOW OR HEREAFTER HAVE TO A TRIAL BY JURY WITH RESPECT TO ANY DISPUTE ARISING IN CONNECTION WITH THIS AGREEMENT.

- (f) <u>No Waiver</u>. No waiver or failure to exercise any option, right or privilege under the terms of this Agreement by either of the Parties hereto on any occasion or occasions shall be construed to be a waiver of the same on any other occasion or of any other option, right or privilege.
- (g) <u>Headings and References</u>. The headings and captions used in this Agreement are used for convenience only and are not to be considered in construing or interpreting this Agreement. All references in this Agreement to Sections or exhibits shall, unless otherwise provided, refer to Sections hereof or exhibits attached hereto, all of which exhibits are incorporated herein by this reference.
- (h) <u>Assignment</u>. Contractor's rights, obligations or claims under or with respect to this Agreement or the Services may not be assigned, in whole or in part, without the prior written consent of the Client provided, for purposes of the foregoing, the following shall be consider an "assignment" and "delegation" of this Agreement: (i) if Contractor sells or transfers all or substantially all of its assets to a third party, (ii) if any entity controlling Contractor sells or transfers such control to a third party, or (iii) if Contractor or any entity controlling Contractor merges with or into any other entity. Client may assign any of its rights or obligations under this Agreement to an Affiliate provided written notice is provided to Contractor.
- (i) <u>Survival of Provisions</u>. In order that the Parties hereto may fully exercise their respective rights and perform their respective obligations hereunder arising from the performance of the Services under this Agreement, such provisions of this Agreement required to ensure such exercise or performance shall survive the termination of this Agreement for any cause whatsoever.
- (j) Independent Contractor. Contractor shall be an independent contractor to Client and nothing in this Agreement shall be construed to create an employer-employee, principal-agent, or other legal relationship between Client and Contractor. It is expressly understood that neither Contractor nor its successors, assigns or representatives are or will be entitled to any of the benefits under Client's retirement or group insurance plans or any other employee benefits of Client. Contractor shall not hold itself out as being an officer, employee or agent of Client; or having the authority to negotiate, settle and/or commit Client to any legally binding agreement or to act as Client's agent except as may be specifically authorized by Client in writing on each and every occasion.
- (k) <u>Counterparts</u>. This Agreement may be executed in counterparts, any one of which need not contain the signature of more than one Party, but all of which, together, shall comprise one and the same agreement. Facsimile copies of signatures to this Agreement may be relied upon as an original.

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

CLIENT:	CONTRACTOR:
	[Stircor Services of Georgia LLC]
Signed:	Signed:
Name:	Name:
Title:	Title:
Signed:	
Name:	
Title:	
Signed:	
Name:	
Title:	

Exhibit A

Summary of Services:

- Client will deliver dewatered biosolids (target moisture 82%/not higher than 85%) to the
 designated biosolids holding area which is located next to the biosolids dewatering
 structure. Client will provide Contractor with the daily grab sample Moisture % taken
 following belt press dewatering process.
- Contractor will use front end loader to load dewatered biosolids into thermal dryer process technology. Contractor will measure Moisture % of dried product 4 times per day (approx. 8 hours) and will be responsible for treating of material to below 10% Moisture Content. Additional treatment of material required that is not below 10% moisture will be the responsibility of the Contractor. Contractor will keep Daily Logs of all moisture readings.
- Contractor will dry the biosolids and discharge into container provided by Client. Contractor will produce Class A dried biosolids which conforms with 40 CFR Part 503.
- Contractor will provide all specialized equipment reasonably required to produce the Class A Material to include, at minimum, containers, a rotary drum dryer, and all other ancillary equipment as defined in section 2 a (ii) and instrumentation required for the monitoring of the operation. Equipment will meet NFPA 820 Hazardous Area Classifications for Sludge Drying.
- Client will be responsible for the disposal of the Class A Dried Material.
- Contractor will provide all personnel for the operation and maintenance of the dryer.
- Client and Contractor will work collaboratively to determine schedules for removal of dried material from discharge area.
- Client and Contractor will work collaboratively to align dewatering schedule with drying schedule.

Mobilization Timelines, Site Specific & Set-Up Fees:

• Contractor will provide following site specific and set up activities and Client will reimburse Contractor for fees associated with these mobilization activities.

1	Deliver Storage Units
2	Order/ Delivery of Control Room
3	Deliver Dryer
4	Deliver Feed System
5	Set Dryer
6	Deliver Scrubber
7	Install Feed System
8	Set Dried Biosolids Roll-off Container
9	Install Scrubber
10	Set Cooling Conveyor System
11	Install Cooling Conveyor System
12	Run Equipment Electrical
14	Receive Control Room and Install
15	Mechanical Connections
17	Install Control Panel

- Contractor will work with Client, and client's third party provider(s), to arrange for plumbing and gas connections to contractor owned equipment
- Upon Notice to Proceed from Client to Contractor and subsequent agreement by Contractor that the site is prepared for mobilization, Client will commence the mobilization process with the following target timelines:
 - o Days from Notice to Proceed to Equipment Start-up Date: 121 Days (83 working days)
 - o Days from Equipment Start-up date to Project Sign off Date: 30 days (20 working Days)