

REQUEST FOR PROPOSALS

for

**Alternative 1
(Class I Landfill Operations)**

and

**Alternative 2
(Solid Waste Transportation and Disposal Services)**

**at the Matlock Bend Landfill
in Loudon County, Tennessee**

Requested by the

**Loudon County Solid Waste Disposal Commission
100 River Road, Box 110
Loudon, Tennessee 37774**

January 2007

LCSWDC REQUEST FOR PROPOSALS

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ARTICLE 1
COVER LETTER

TO: Potential Proposers

FROM: Loudon County Solid Waste Disposal Commission

SUBJECT: Request for Proposals for Solid Waste Disposal Alternatives at the Matlock Bend Landfill in Loudon County, Tennessee

DATE: January 16, 2007

Qualified Proposers are invited to submit Proposals to the Loudon County Solid Waste Disposal Commission (“LCSWDC”) for Class I Landfill Operations (Alternative 1) and/or Solid Waste Transportation and Disposal Services (Alternative 2) for the Matlock Bend Landfill, which is located in Loudon County, Tennessee. Proposers may submit Proposals for either Alternative 1 or Alternative 2, or both provided they are submitted in separate bid envelopes.

Proposals must be made on the Proposal Forms and in accordance with all instructions to Proposers contained in the Request for Proposals package and any applicable Addendum. Copies of the Request for Proposals package, including all Contract Documents, Exhibits, and the Proposal Forms, may be obtained from the Loudon County Purchasing Office, 100 River Road, Box 110, Loudon, Tennessee, 37774 upon the payment of a \$150.00 non-refundable document fee for each set. No partial sets will be sold.

To be considered, Proposals shall be enclosed in a sealed envelope and delivered to the Loudon County Purchasing Office, at the above address on or before Tuesday, April 3, 2007 no later than 3:00 p.m. The envelope containing a Proposal for Alternative 1 must be sealed and plainly marked "LCSWDC Proposal for Alternative 1". The envelope containing a Proposal for Alternative 2 must be sealed and plainly marked “LCSWDC Proposal for Alternative 2”. **The Proposer shall supply one (1) original and nine (9) copies of each Proposal submitted.**

LCSWDC reserves the right to reject any or all Proposals, to waive irregularities and/or informalities in any Proposal, to evaluate Proposals, and to make and award a Contract in any manner, consistent with law, for the Proposal it determines to be in the best interest of the LCSWDC. LCSWDC shall in no way be liable for any costs incurred by any Proposer to prepare its Proposal in response to this invitation.

[End of Article]

ARTICLE 2
ADVERTISEMENT FOR PROPOSALS

REQUEST FOR PROPOSALS

for

Alternative 1
(Class I Landfill Operations)

or

Alternative 2
(Solid Waste Transportation and Disposal Services)

at the Matlock Bend Landfill in Loudon County, Tennessee

Sealed Proposals will be received by the Loudon County Solid Waste Disposal Commission (“LCSWDC”) for Class I Landfill Operations (Alternative 1) or Solid Waste Transportation and Disposal Services (Alternative 2) for the Matlock Bend Landfill, which is located in Loudon County, Tennessee. Proposers may submit Proposals for either Alternative 1 or Alternative 2, or both provided they are submitted in separate bid envelopes.

Proposals must be made on the Proposal Forms and in accordance with all instructions to Proposers contained in the Request for Proposals package and any applicable Addendum. Copies of the Request for Proposals package, including all Contract Documents, Exhibits, and the Proposal Forms, may be obtained from the Loudon County Purchasing Office, 100 River Road, Box 110, Loudon, Tennessee, 37774 upon the payment of a \$150.00 non-refundable document fee for each set. No partial sets will be sold.

Proposals shall be enclosed in a sealed envelope and delivered to the Loudon County Purchasing Office, at the above address on or before Tuesday, April 3, 2007 no later than 3:00 p.m. The envelope containing a Proposal for Alternative 1 must be sealed and plainly marked "LCSWDC Proposal for Alternative 1". The envelope containing a Proposal for Alternative 2 must be sealed and plainly marked “LCSWDC Proposal for Alternative 2”. **The Proposer shall supply one (1) original and nine (9) copies of each Proposal submitted.**

LCSWDC reserves the right to reject any or all Proposals, to waive irregularities and/or informalities in any Proposal, to evaluate Proposals, and to make and award a Contract in any manner, consistent with law, for the Proposal it determines to be in the best interest of the LCSWDC. LCSWDC shall in no way be liable for any costs incurred by any Proposer to prepare its Proposal in response to this invitation.

Date: January 16, 2007

[End of Article]

ARTICLE 3
GENERAL INFORMATION

3.01 Introduction

Sealed Proposals for solid waste disposal alternatives, as described herein, for the Matlock Bend Landfill located in Loudon, Tennessee, are hereby requested by the Loudon County Solid Waste Disposal Commission (“LCSWDC”) for the purpose of securing at a competitive price a Contract with a qualified Proposer as determined by the LCSWDC. Proposals will be received until Tuesday, April 3, 2007, 3:00 p.m., local time at the Loudon County Purchasing Office, 100 River Road, Box 110, Loudon, Tennessee 37774.

The LCSWDC will be evaluating alternatives for both the continued operation of Matlock Bend Landfill as a Class I Landfill (“Alternative 1”) and the transfer and haul of solid waste from Matlock Bend Landfill (“Alternative 2”). The LCSWDC intends to select the alternative based on the submitted Proposals that best meets the long-term needs of the LCSWDC and the governments and citizens it serves as determined by LCSWDC. Once the best alternative is selected, the LCSWDC desires to award a Contract to the responsive and responsible Proposer with the lowest cost (or highest benefit) to LCSWDC. Each of the alternatives under consideration is summarized below:

Alternative 1: The successful Proposer for Alternative 1, if that alternative is chosen by the LCSWDC, will perform on a turn key basis all activities associated with the daily operation and maintenance of the Matlock Bend Landfill during the term of the awarded Contract, including without limitation the permitting, design, engineering and construction of any future cells and phases, the acceptance and proper disposal of all tires delivered to the Landfill, the performance of administrative responsibilities relative to meetings and functions of the LCSWDC and all closure and post-closure work at the Landfill specified in the Specifications, including without limitation any and all necessary post-closure responsibilities and costs associated with Phase I of the Landfill (pre-Title D closed phase). The successful Proposer will furnish all labor, equipment and materials necessary to properly operate the Matlock Bend Landfill and perform the other specified responsibilities and furnish such Work during the term of the awarded Contract in compliance with all federal, state and local laws, ordinances and regulations, including the rules, regulations and guidelines promulgated and adopted by the Tennessee Solid Waste Control Board and the Tennessee Department of Environment and Conservation, and all applicable requirements and specifications in this RFP and the Contract. In return for its performance of the Work, Contractor shall be entitled to collect the tipping fees permitted under the Contract, subject to the payment of a host tipping fee and closure/post-closure security fee to the LCSWDC as provided in this RFP (less any allowable credits for the acceptance and disposal of tires as provided by the Specifications).

Alternative 2: The successful Proposer for Alternative 2, if that alternative is chosen by the LCSWDC, will design, construct, operate and maintain on behalf of the LCSWDC a transfer station at the Matlock Bend Landfill to handle the current and future solid waste needs of Loudon County and its citizens and provide all needed transportation services related to such solid waste for disposal at permitted landfill sites during the term of the awarded Contract. In

addition, the Proposer shall be responsible for accepting and properly disposing of all tires delivered to the transfer station, the performance of administrative responsibilities relative to meetings and functions of the LCSWDC, the procurement, supervision and management of closure activities on behalf of the LCSWDC for Phase II/IV of the Landfill to be closed at or near the commencement of the Contract (the actual closure cost for which shall be paid by the LCSWDC) and all post-closure work at the Landfill specified in the Specifications, including without limitation any and all necessary post-closure responsibilities and costs associated with Phase I of the Landfill (pre-Title D closed phase) and Phase II/IV once closed. The successful Proposer will furnish all labor, equipment and materials necessary to properly construct and operate the transfer station and perform the other specified responsibilities and furnish such Work during the term of the awarded Contract in compliance with all federal, state and local laws, ordinances and regulations, including the rules, regulations and guidelines promulgated and adopted by the Tennessee Solid Waste Control Board and the Tennessee Department of Environment and Conservation, and all applicable requirements and specifications in this RFP and the Contract. In return for its performance of the Work, Contractor shall be entitled to collect the tipping fees permitted under the Contract, subject to the payment of a host tipping fee and closure/post-closure security fee to the LCSWDC as provided in this RFP (less any allowable credits for the acceptance and disposal of tires as provided by the Specifications).

Qualified Proposers may bid on Alternatives 1 and/or Alternative 2. A separate Proposal must be submitted with each alternative bid.

3.02 Background

The LCSWDC was formed by an agreement entered into under the Interlocal Cooperation Act (T.C.A. § 12-9-101 *et seq.*) among Loudon County, Lenoir City and the City of Loudon to provide efficient operations of the Matlock Bend Class I Landfill. As part of the LCSWDC's responsibility for overall supervision of the Matlock Bend Class I Landfill, the LCSWDC is also given the authority to develop policy and to make all decisions about solid waste management disposal in Loudon County and is required to provide periodic review and study of the solid waste disposal problems and needs of Loudon County and its cities. The LCSWDC does not own nor does it have any operational responsibility for the convenience centers currently in operation in Loudon County.

The LCSWDC owns the Matlock Bend Class I Landfill located on Highway 72 in Loudon, Tennessee, which is currently operated by Santek Environmental, Inc. pursuant to an operations contract with the LCSWDC. The Landfill is located on property deeded to the LCSWDC and consists of approximately 151 acres of contiguous land that is diverse in topography. A general location map and topographical site map of the Landfill facility are attached as **Exhibit A** and **Exhibit B** to this RFP. A forty (40) acre footprint of the Landfill property is currently permitted under the Permit. Eighteen (18) acres of the permitted acreage in Phase II/IV is currently estimated to require final cover if/when closed. Phase I of the Landfill was closed in the early 1990's and is in a post-closure phase. Based on current waste disposal quantities and current operating conditions, consultants for the LCSWDC have estimated that the Landfill (the portion currently permitted) has approximately thirty (30) years of life remaining.

Proposers are encouraged to evaluate the facility location, design and operations plan, closure and post-closure plan, and the existing operations contract between the LCSWDC and Santek Environmental, Inc. The existing operations contract terminates on the earlier of (i) the date Cell C of Phase II/IV is filled to capacity as provided by the terms and conditions of such contract or (ii) June 1, 2008. The successful Proposer will be permitted access to the Landfill site prior to the termination of the existing operations contract to properly complete all necessary preparations, subject to the submittal and acceptance of a transition plan with the current operator. The successful Proposer must be prepared to commence operations at the Landfill upon the expiration of the current operations contract with Santek Environmental, Inc.

A copy of the Landfill's current permit, the current operator's operations agreement, and certain other documents pertaining to the Landfill and its operations are attached to this RFP as exhibits. Proposers desiring to examine or receive a copy of any other documents necessary to properly submit a Proposal shall make such request in writing addressed to the LCSWDC, in care of the Loudon County Purchasing Office, 100 River Road, Box 110, Loudon, Tennessee, 37774. All such requests for information must be made on or before March 9, 2007.

The populations of Loudon County, Tennessee and its two largest cities according to the 2000 Census are as follows:

Loudon County	39,086 (including all municipalities)
Lenoir City	6,819 (certified 2005 population)
City of Loudon	4,476 (certified 2005 population)

For additional demographic and commerce related information pertaining to Loudon County, Lenoir City and the City of Loudon, Proposers may contact the Loudon County Economic Planning Agency or the Loudon County Office of Planning or visit the following websites:

www.loudoncounty.com
www.loudoncountyyeda.org
www.loudoncountyplanning.com
www.city-data.com/city/Lenoir-City-Tennessee.html
www.loudoncity.com
www.2.tnecd.net/prospect/comm_data.htm

3.03 Definitions

For purposes of this Request for Proposals, the following definitions shall apply:

- (A) **“Addendum”** shall mean any written or graphic modification or interpretation of the RFP documents issued by the LCSWDC prior to the Proposal openings.
- (B) **“Class I Landfill”** shall mean a sanitary landfill which serves a municipal, institution, and/or rural population and is used or to be used for disposal of domestic wastes, commercial wastes, institutional waste, municipal waste, bulky wastes, landscaping and

land clearing wastes, industrial wastes, construction/demolition wastes, farming wastes, and dead animals.

- (C) **“Contract”** shall mean the contract awarded to the successful Proposer for either Alternative 1 or Alternative 2 and shall include all Contract Documents.
- (D) **“Contract Documents”** shall mean this Request for Proposals, Instructions to Proposers, Proposer’s Contract, Proposer’s Affidavit, Proposal Forms, General Contract Terms and Conditions, the Specifications, the Performance Bond/Letter of Credit and all Addenda or changes to the foregoing documents agreed to by the LCSWDC and the Contractor.
- (E) **“Contractor”** shall mean the Proposer(s) who is proposing to perform the Work for Alternative 1 or Alternative 2, and who submits a written Proposal in response to this Request for Proposals. This term is used interchangeably with “Proposer” or “Bidder”.
- (F) **“Disposal Site”** shall mean a refuse depository, including but not limited to sanitary landfills, convenience centers, transfer stations, incinerators, and waste processing/separation centers licensed and permitted or approved by all governmental bodies and agencies having jurisdiction and requiring such licenses, permits or appeals.
- (G) **“Environmental Laws”** shall mean any and all laws, statutes, regulations and judicial interpretations thereof of the United States and any state in which the Landfill is located, or of any other government or quasi-government authority having jurisdiction, that relate to the prevention, abatement or elimination of pollution and/or protection of the environment, including but not limited to the federal Comprehensive Environmental Response, Compensation and Liability Act of 1980 (“CERCLA”), 42 U.S.C. § 9601 et seq., the Resource Conservation and Recovery Act of 1976 (“RCRA”), 42 U.S.C. § 6901 et seq., the Clean Water Act (“CWA”), 33 U.S.C. § 1251 et seq., the Clean Air Act (“CAA”), 42 U.S.C. § 7401 et seq., the Safe Drinking Water Act (“SDWA”), 42 U.S.C. § 300f et seq., the Endangered Species Act (“ESA”), 16 U.S.C. § 1531 et seq., and the Toxic Substances Control Act (“TSCA”), 15 U.S.C. § 2601 et seq., together with any state statutes or local ordinances or other requirements serving any similar or related purposes.
- (H) **“EPA”** shall mean the U.S. Environmental Protection Agency.
- (I) **“Hazardous Waste”** shall mean a hazardous waste as defined in Rule 1200-1-11-.02(1)(c) of the state of Tennessee.
- (J) **“Infectious Medical Waste”** shall mean waste resulting from medical procedures that may cause or is capable of causing disease, such as:
 - (i) Biological waste, including blood and blood products, excretions, exudates, secretions, suctionings and other bodily fluids that cannot be directly discarded into a municipal sewer system, including solid or liquid waste from renal dialysis and waste materials reasonably contaminated with blood or body fluids.

(ii) Cultures and stocks and etiologic agents and associated biologicals, including specimen cultures and dishes and devices used to transfer, inoculate, and mix cultures; wastes from production of biologicals; and serums and discarded live and attenuated vaccines. Cultures under this subsection do not include throat and urine cultures.

(iii) Sharps that have been removed from their original sterile containers, including needles, IV tubing with needles attached, scalpel blades, lancets, glass tubes that could be broken during handling and syringes.

- (K) **“Landfill” or “Matlock Bend Landfill”** shall mean the Matlock Bend Class I Landfill located off Highway 72 in Loudon County, Tennessee, which is owned by the LCSWDC and currently operated by Santek Environmental, Inc. pursuant to an operations agreement that shall end no later than June 1, 2008, but which may terminate earlier upon Cell C being filled to capacity. As of January 1, 2007, the existing operator projects such termination will occur in January of 2008.
- (L) **“LCSWDC” or “Commission”** shall mean the Loudon County Solid Waste Disposal Commission.
- (M) **“Municipal Solid Waste”** shall mean waste that is normally composed of residential, commercial and institutional solid waste.
- (N) **“Permit”** shall mean permit number SNL #53-103-0203 issued by the Tennessee Department of Environment and Conservation, Division of Solid Waste Management for the design, construction and operation of the Matlock Bend Landfill.
- (O) **“Proposal”** shall mean any Proposer's written response to this RFP. This term is used interchangeably with "Bid Proposal" or “Bid”.
- (P) **“Proposer”** shall mean any person, firm, or corporation that submits a written Proposal in response to this RFP. This term is used interchangeably with “Contractor” or “Bidder”.
- (Q) **“Request for Proposals” or “RFP”** shall mean all the documents including Addenda issued by the LCSWDC as part of this request.
- (R) **“Solid Waste”** shall mean (i) all waste defined as solid waste by the Solid Waste Disposal Act or regulations promulgated thereunder and (ii) all waste defined as solid waste by the Tennessee Department of Environment and Conservation, Division of Solid Waste Management having jurisdiction over solid waste generated within such state, except that the term solid waste: (a) is intended to mean and include only those substances that are normally expected to be disposed of by employing generally accepted sanitary Class I landfill disposal methods; (b) shall exclude Hazardous Waste and Infectious-Medical Waste; (c) shall exclude radioactive waste and any sewage sludge;

and (d) shall be construed to have the narrower, less expansive definition where there exists a conflict in the definitions employed by two or more governmental agencies having concurrent or overlapping jurisdiction over solid waste generated within the state of Tennessee.

- (S) **“Special Waste”** shall mean waste material that is not characterized as being either Hazardous Waste or Infectious Medical Waste, and is not normally found in the household waste stream. Special waste is comprised of solid wastes that are difficult to handle, and which require special precautions because of hazardous properties or the nature of the waste creates waste management problems in normal operations. Examples include asbestos, hospital wastes and sludges. Special Wastes are not permitted to be disposed of at the Landfill unless authorized under the Permit and approved in advance by the LCSWDC.
- (T) **“TDEC”** shall mean the Tennessee Department of Environment and Conservation.
- (U) **“Transfer Station”** shall mean a combination of structures, machinery or devices at a place or facility that receives solid waste taken from municipal and/or private vehicles and which waste is placed in other transportation units for movement to another solid waste management facility.
- (V) **“Unacceptable Waste”** shall mean "Infectious Medical Waste," "Hazardous Waste", or any other waste that is prohibited from being disposed at the Landfill under the Permit or any local, state or federal law.
- (W) **“Work”** shall mean the entire completed construction, if any, and performance of all services required to be furnished or performed under the Contract Documents.

3.04 Anticipated Solid Waste Tonnages and Collection

The following quantities and locations are for reference only. Proposers are encouraged to verify their own quantities and locations.

Annual Solid Waste - Approximately 63,948 (2004)/74,540 (2005) tons of municipal solid waste per year are disposed in the Matlock Bend Landfill. This amount of waste includes residential and commercial waste from Loudon County and the cities of Loudon and Lenoir City, which in total accounted for approximately 33% (based on fiscal year ending June 30, 2004)/20% (based on fiscal year ending June 30, 2005) of the annual tons per year disposed of at the Landfill. Approximately another 12,577 (2004)/ 12,869 (2005) tons per year of waste generated within Loudon County and its cities are transported and disposed in the Chestnut Ridge Class I Landfill located in Anderson County and approximately another 4,678 (2004)/ 8,802 (2005) tons per year of waste generated within Loudon County and its cities are transported and disposed at the Meadow Branch Class I Landfill located in McMinn County. These approximations are reported in the Loudon County Solid Waste Regional Annual Progress Report for 2005. A copy of that report is provided as **Exhibit C** to this RFP. THE LCSWDC CANNOT

AND DOES NOT GUARANTEE THESE AMOUNTS.

Solid Waste Collection - Loudon County currently operates three (3) convenience center sites for the collection of residential solid waste. Lenoir City and the City of Loudon operate curbside residential solid waste collection services.

Customer Collection Report – An unaudited report showing the tonnages received at the Matlock Bend Landfill by customer for the LCSWDC’s fiscal years ending June 30, 2004, June 30, 2005 and June 30, 2006 is provided as **Exhibit D** to this RFP. THE LCSWDC MAKES NO REPRESENTATION AS TO THE ACCURACY OF SUCH REPORT, THE DATA OF WHICH WAS SUPPLIED BY LCSWDC’S CURRENT OPERATOR.

3.05 Schedule of Events (subject to change)

A proposed schedule of events for this Request for Proposals and the Contract award, including operations commencement, is provided below:

EVENT	DATE	LOCATION
Approval of RFP Package	January 9, 2007	LCSWDC (regular meeting) at Loudon County Courthouse Annex
Mailing and Advertising of RFP	January 16, 2007	Loudon County at Purchasing Office
Comment Period	January 16, 2007 to March 9, 2007	Send to LCSWDC
Pre-Proposal Conference	February 20, 2007 (1:00 pm EST)	LCSWDC at Loudon County Annex 101 Mulberry Street Loudon, TN 37774
Site Visit	February 20, 2007	Matlock Bend LF (following Pre-Proposal Conference)
Submittal of Proposals	April 3, 2007 (by 3:00 p.m.)	LCSWDC c/o Loudon County Purchasing Office
Opening of Proposal and Legal Review	April 4, 2007	Review Committee Loudon County Purchasing Office
Delivery of List of Bidders and Proposals	April 10, 2007	LCSWDC (regular meeting)

Public Presentations by Bidders (15 minutes each)	April 10, 2007	LCSWDC (regular meeting)
Final Evaluation and Contractor Selection	April 24, 2007	LCSWDC (4:00 pm special meeting)
Contract Finalization	April 24 thru May 11, 2007	LCSWDC and Contractor
Contract Approval	May 15, 2007	LCSWDC (regular meeting)
Operations Commencement*	June 1, 2007 thru June 1, 2008	Matlock Bend LF

*Variable Date: Depends on termination date of the current operator's operations contract. The successful Proposer will be permitted to perform specified preliminary activity at the site prior to the termination of the existing operations contract subject to applicable Contract requirements.

The LCSWDC reserves the right to delay or revise the above schedule of events when necessary or convenient as determined in the sole discretion of the LCSWDC.

3.06 Award of Contract

The selection of the successful Proposer is expected to be made within approximately 100 calendar days after the advertisement of this RFP. The successful Proposer will be notified by a Notice of Award sent by certified mail to the address shown on Proposer's Bid Proposal, that its Bid Proposal has been accepted and that the Proposer has been awarded the Contract, subject to the satisfactory completion of the Contract and its approval by the LCSWDC.

3.07 Execution of Contract

On or before May 11, 2007, which is four days prior to the regular meeting date at which the LCSWDC shall approve the Contract, the Proposer to whom an award is made shall execute and return the Contract and the required number of copies, and shall furnish the required Contract performance security (i.e., Performance Bond/Letter of Credit) and any insurance certificates satisfactory to the LCSWDC as required by this RFP.

3.08 Commencement of Operations

The current operations contract for the Landfill with Santek Environmental, Inc. terminates on the earlier of (i) June 1, 2008 or (ii) the date Cell C is filled to capacity as provided in such contract. The successful Proposer will be expected to enter into the Contract as of the date it is approved by the LCSWDC, but the commencement of actual operations under the Contract at the Landfill shall be delayed to coincide with the termination date of the existing operations contract with Santek Environmental, Inc. During this interim period between the Contract effective date and the operations commencement date, the successful Proposer shall be granted access to the

Landfill subject to the submittal and approval of an acceptable transition plan with the current operator. This preliminary access will allow the successful Proposer to design and construct any necessary improvements at the Landfill to facilitate the assumption of operations (Alternative 1) or commencement of transfer station operations (Alternative 2) at the Landfill by the successful Proposer as of the date the existing operations contract terminates. Based on the operator's estimates as of January 1, 2007, which are provided monthly to LCSWDC, Cell C is projected to be filled by January of 2008, at which time the successful Proposer must be ready to assume and perform the Work under the Contract. The LCSWDC makes no representation or warranty as to the accuracy of the estimated fill date for Cell C. The successful Proposer must be able and ready to commence operations earlier than January 2008 if Cell C is filled prior to that date.

3.09 Term of Contract

The Contract term shall be for a period of twenty (20) years commencing as of the effective date of the Contract, and the Contract shall also provide LCSWDC with two (2) one-year extension periods, each of which may be exercised by the LCSWDC at its option upon written notice to Contractor provided at least 120 days prior to the Contract's termination date, or if applicable the extension period's termination date. If Alternative 1 is selected, the Contractor shall be required to provide a minimum of two years' cell capacity at the end of the Contract's initial term based on the average tonnages received during the two years immediately preceding the Contract's termination (but in no event less than 120,000 tons of capacity).

3.10 Pre-Proposal Conference and Site Visit/Alternative Registration

A Pre-Proposal Conference will be held on February 20, 2007 at 1:00 p.m. at the Loudon County Annex, 101 Mulberry Street, Loudon, Tennessee to address any questions about the information contained in this RFP. A site visit will also be conducted on the date of the Pre-Proposal Conference immediately following the conference. Any interested party is encouraged to attend the conference and site visit prior to submitting a Proposal to fully inform themselves of all conditions and limitations related to this RFP, but attendance is not required.

Any interested party that intends to submit a Proposal but which does not attend the Pre-Proposal Conference, must register its name and address with the LCSWDC on or before the date of the Pre-Proposal Conference if it desires to receive timely all Contract Addenda and notices relative to the RFP process. A Proposer's name and address may be registered with the LCSWDC by sending such information to LCSWDC, in care of the Loudon County Purchasing Office, 100 River Road, Box 110, Loudon, Tennessee 37774 (or faxed to such office at 865-458-4871).

3.11 Comment Period -- Inquiries and Interpretations of RFP

All interested Proposers are invited to submit written comments, inquiries and requests for interpretation regarding this RFP to the LCSWDC no later than March 9, 2007. Such comments shall include any complaints, objections, protests or claimed deficiencies regarding the RFP documents or the RFP process, as well as any suggestions for clarifying or improving the same. Comments shall be in writing addressed to the LCSWDC, in care of the Loudon County Purchasing Office, 100 River Road, Box 110, Loudon, Tennessee 37774 (or faxed to such office

at 865-458-4871). The LCSWDC reserves the right to amend this RFP and the RFP process by the issuance of one or more Addenda prior to the deadline for the submittal of Proposals. Any deficiency in the RFP documents not brought to the attention of the LCSWDC during the comment period shall be considered waived by all Proposers failing to submit a written comment regarding the same before the end of the comment period.

Explanations, interpretations and any supplemental instructions regarding this RFP or the RFP process desired by a prospective Proposer shall be requested of the LCSWDC in writing, and if a response or an explanation is necessary, a reply shall be made in the form of an Addendum, a copy of which will be forwarded to each Proposer (at their respective addresses furnished at the Pre-Proposal conference or registered with the LCSWDC at the address provided above for comments). Every request for such explanation shall be in writing addressed to the LCSWDC at the address listed above for comments. Any verbal statements regarding the same by any person prior to the award shall be unauthorized and not binding. No comment or inquiry received after the end of the comment period, March 9, 2007, will be given consideration.

Failure of a Proposer to receive or acknowledge any Addendum shall not relieve the Proposer of any obligation under the bid. Addenda issued to Proposers prior to the date of receipt of Proposals shall become a part of the Contract Documents, and all Proposers shall include the Work described in the Addenda.

3.12 Public Presentation Requirement

Unless otherwise excused by the LCSWDC, each Proposer shall be required to make a summary presentation highlighting the features of its proposal at the LCSWDC's regular meeting to be held on April 10, 2007. The presentation shall be limited to 15 minutes, and the Proposer should be prepared to answer any questions from the LCSWDC.

3.13 No Contact Period

Except for contacts and communications expressly provided for by this RFP, for the period commencing on the date this RFP is advertised (January 17, 2007) until the LCSWDC selects the Contractor (or otherwise terminates the RFP process if earlier), all Proposers are prohibited from contacting any individual member of the LCSWDC regarding its proposal, this RFP, or the evaluation of any submitted Proposal. A list of all current members of the LCSWDC is included with this RFP as **Exhibit E**. Such prohibition shall not apply to written communications directed to the entire LCSWDC or its agents. Any Proposer who violates this provision may be disqualified by the LCSWDC at any time during the RFP process, in which case the disqualified Proposer's Proposal will not be considered by the LCSWDC.

[End of Article]

ARTICLE 4
PROPOSER QUALIFICATIONS AND DISQUALIFICATION

4.01 Competency of Proposer

The opening of the Proposal shall not be construed as an acceptance of the Proposer as a qualified, responsible Proposer. The LCSWDC reserves the right to determine the competence and responsibility of a Proposer from the LCSWDC's knowledge of the Proposer's qualifications or from other sources.

In order to determine whether the Proposer is a qualified, responsible Proposer, the following information and supporting data regarding the qualifications of the Proposer **shall be submitted to the LCSWDC with the Proposal:**

- (a) A copy of the latest available certified financial statement of the Proposer (or its parent corporation if the Proposer is a subsidiary or if division financial statements are not prepared and generally available) certified by a certified public accountant.
- (b) Evidence that the Proposer is in good standing under the laws of the state of Tennessee, and in the case of corporations or limited liability companies organized under the laws of any other state, evidence that the Proposer is licensed to do business and in good standing under the laws of the state of Tennessee or a sworn statement that it will take all necessary action to become so licensed if its Proposal is accepted.
- (c) Evidence in form and substance satisfactory to the LCSWDC that the Proposer (or Proposer's subsidiaries or affiliates) has been in existence as a going concern for at least (3) years and possesses not less than (3) years actual operating experience as a going concern in the solid waste management and disposal industry.
- (d) Such additional information as will satisfy the LCSWDC that the Proposer is adequately prepared to perform and fulfill the Contract.

The Proposer may satisfy any or all of the experience and qualification requirements of this section by submitting the experience and qualifications of its parent organization and subsidiaries or affiliates of the parent.

4.02 Technical Qualifications

The Proposal shall include sufficient information to demonstrate that the Proposer has the necessary qualifications and at least three years of experience to design, construct and/or operate and administer a Class I Landfill if Alternative 1, or to design, construct and operate and administer a Transfer Station if Alternative 2. If subcontractors are proposed, they must be

identified in the Proposal along with a clear explanation of their roles and responsibilities. Evidence must be submitted that such subcontractors also meet a minimum of three years of experience regarding any services to be performed by the subcontractor. The Proposal shall include a narrative describing the qualifications and experience of the Proposer relative to (i) sanitary disposal services, (ii) sanitary landfill design and construction (or transfer station design and construction if Alternative 2) and (iii) sanitary landfill operation (or transfer station operation if Alternative 2).

The Proposal shall include a complete listing of all (i) Class I Landfills and (ii) transfer stations for sanitary waste currently under design, construction and/or operation by the Proposer and any affiliates in Tennessee and its neighboring states. If the Proposer has no such facilities in those states, a listing of other facilities in the United States may be submitted. The list shall include the following information:

- Name of landfill/transfer station
- Location
- Site Owner
- Permitted capacity
- Average annual wastes received
- Starting date of Proposer's operations
- Types of wastes received
- Example of design, construction, and/or operation & maintenance reports
- List of references and a statement of permission to contact references.

The Proposal shall also include:

- (a) A list of all civil or criminal fines or penalties (including specifically without limitation any fines or penalties related to any environmental actions or regulatory matters) assessed within the past five (5) years against the Proposer, any predecessor of the Proposer, or any landfill or transfer station designed, constructed and/or operated by either. For Proposers operating more than six (6) landfills or transfer stations, this list shall only include those facilities located in Tennessee and the six facilities located out of state (or such lesser number if less than six facilities are located outside of Tennessee) that are the closest distance to the Landfill (the "Review Sites");
- (b) Resumes of both key site and key company personnel to demonstrate the Proposer's staffing and capability to design, construct and/or manage, supervise, operate, and maintain the landfill or transfer station operations; and
- (c) A detailed safety, training and contingency program for personnel to be located at the site.

4.03 Financial and Environmental Compliance Qualifications

The Proposal shall include sufficient information to demonstrate that the Proposer has the necessary financial strength to provide the services requested in this RFP:

- (a) The Proposer's most recent financial certified audit; and
- (b) A list of all positive or negative answers in reference to the following questions, each answer to include Proposer or any of its principals, if a company or corporation, and to include a time period of the last seven (7) years;
 - 1. List all prior judgments (provide date, amount, holder and explain origin) and indicate whether outstanding or satisfied.
 - 2. List all lawsuits (provide court where filed, the style of the case, and the court docket number) filed against the Proposer or any of its principal owners related to the Proposer's business or operations that concern the Review Sites.
 - 3. List the case and docket number of any voluntary or involuntary bankruptcy petitions filed by or against Proposer or any of its principals and provide court where filed.
 - 4. List all foreclosures filed against Proposer or any of its principals (provide date, amount, party foreclosing and court where filed).
 - 5. List all administrative, civil and criminal matters, actions or similar regulatory proceedings involving any violation or noncompliance with any environmental law or regulation (provide date, court or agency, style of matter and docket or reference number) filed against Proposer or any of its principal owners for any of the Review Sites.

4.04 Disqualification of Proposers

Although not intended to be an exhaustive list of causes for disqualification, any one or more of the following causes, among others, may be considered sufficient for the disqualification of a Proposer and the rejection of its Proposal:

- (a) Evidence of collusion among Proposers or with LCSWDC members, their immediate family members or their agents.
- (b) Lack of competency as revealed by the Proposer's financial statements or condition, experience, prior regulatory compliance, submittals to this RFP, or other factors.
- (c) Lack of responsibility as shown by past work, judged from the standpoint of workmanship as submitted.
- (d) Default on a previous municipal contract for failure to perform.

- (e) Any reason for disqualification provided by T.C.A. § 12-4-602.
- (f) For any other reason that constitutes “good cause” as determined by the LCSWDC and is noticed to the Proposer.

[End of Article]

ARTICLE 5
INSTRUCTIONS FOR PROPOSALS

5.01 Proposal Requirements

Proposals shall address all information in accordance with the format presented in this section. Proposals that do not address all of the requested information will be considered incomplete and may be rejected.

5.02 Proposal Format

Ten (10) copies of the Proposal shall be submitted including one marked “Original”.

Proposals may be submitted in one or more volumes, as necessary, with all information bound in three-ring binders, except as noted. The Proposals shall meet the following requirements:

- (a) The cover of each volume shall include the volume number, as necessary, title (including whether the proposal is for Alternative 1 or Alternative 2), name of Proposer, and the submittal date.
- (b) Proposal shall include a table of contents with clearly marked page numbers and appendix, as necessary, throughout the Proposal. All pages in the Proposal shall be sequentially numbered.

5.03 Proposal Submittal and Execution

All Proposals shall be made on the Proposal Forms included in this RFP and must be signed by the Proposer.

Proposals must be submitted in a sealed envelope or container bearing on the outside the name of the Proposer, its address, and plainly marked “LCSWDC Proposal for Alternative 1” or “LCSWDC Proposal for Alternative 2”. If forwarding by mail, the sealed envelope or container containing the Proposal must be enclosed in another envelope addressed as specified in the Proposal. The LCSWDC may consider as *irregular* any Proposal not prepared and submitted in accordance with the requirements of this RFP and may waive any informalities or reject any and all Proposals.

Any Proposal received after the time and date specified above shall not be opened or considered.

If the Proposer is a joint venture consisting of a combination of two or more legal entities, each joint venturer shall execute the Proposal.

Anyone signing a Proposal as an agent of another or others must submit with its Proposal, legal evidence of his or her authority to do so.

5.04 Proposal Content

All Proposals shall contain the following information:

- (a) A completed and properly executed Proposal form for the applicable Alternative.
- (b) Exhibit A - a general Plan of Operations that describes how the Proposer will operate the Landfill in a manner that conforms to all applicable rules, regulations, guidelines, specifications and other Contract requirements and which covers the Work as described in the Specifications for the applicable Alternative under the section entitled "General - Scope of Work". Proposers shall also provide details regarding alternate procedures that will be followed in case of equipment failure brought on by severe weather.

The Plan of Operation must address, but not be limited to, the following general services in facility operations as may be applicable to the Alternative for which the proposal is being submitted:

- 1. Routine Operation Engineering
 - 2. Surveying
 - 3. Ground and Surface Water Monitoring/NPDES Permit Requirements
 - 4. List of Equipment to be Used
 - 5. Preventive Equipment Maintenance
 - 6. Alternative Procedures for Equipment Failure/Severe Weather
 - 7. Scale House Activities
 - 8. Hazardous and Infectious Waste Screening
 - 9. LCSWDC and Board Meeting Assistance
 - 10. Erection and Maintenance of Facilities
 - 11. Controlling Access to the Landfill
 - 12. Municipal Solid Waste Leachate Control and Requirements
 - 13. Methane Gas Monitoring
 - 14. Permit Compliance
 - 15. Closure and Post-Closure Activities
- (c) Exhibit B - Phase-in Plan. The Proposer shall identify the proposed impact and solutions for phase-in activities related to taking over operations from the LCSWDC's existing operator of the Landfill. For Alternative 2 (Transfer Station), the Phase-in Plan must include a conceptual plan for the Transfer Station and any needed support facilities. The Proposer may propose changes to the existing structures and facilities owned by the LCSWDC as long as any proposed changes do not interfere with the operations of the current operator at the Landfill. The Proposer for Alternative 2 shall also provide a detailed schedule for completion of the Transfer Station and commencement of its operation that avoids any interruption of the acceptance of waste at the Landfill following the termination of the current operator's contract.

- (d) Exhibit C - Termination Transition Plan. Proposer shall prepare a Contract termination transition plan detailing how operation and management of the Landfill/Transfer Station shall be transferred to a new operator upon the termination of the Contract, including all necessary provisions for assuring the orderly continuation of Landfill/Transfer Station operations prior to and after the transfer of operators.
- (e) Exhibit D – Interruption of Operations Plan. Proposer shall prepare an interruptions of operations plan that details how operations should be resumed and continued in a prompt manner by the LCSWDC using the forces of Proposer or successor in the event of a operations shutdown resulting from a strike, bankruptcy, or Contract termination or similar unexpected shutdown of operations. The plan should detail the necessary steps the LCSWDC should take to properly restore and maintain the operations at the Landfill/Transfer Station.
- (f) Exhibit E - Estimated Tipping Fees. Proposers shall submit a schedule of the estimated yearly tipping fees for ten (10) years that it will charge the general public to perform all the required Work under the Contract Documents, including without limitation any required closure and post-closure, engineering and operations, and financing and amortization of capital projects. The tipping fees for the first two years will remain a fixed sum as proposed on the proposal form per the requirements of the Contract Documents, while the tipping fees for the remaining years should be projected so as to comply with the Change of Cost of Doing Business provisions of the Contract Documents.
- (g) Exhibit F- Statement of Willingness to Provide Performance Bond.
- (h) Exhibit G - Certified Financial Statements (see requirements of Article 4).
- (i) Exhibit H - Evidence of Good Standing (as required by Article 4).
- (j) Exhibit I - Statement of Experience (as required by Article 4).
- (k) Exhibit J - Proposer Non-Collusion Affidavit.

5.05 Bid Bond/Security

Each Proposal must be accompanied by one of the following forms of bid security in the amount of Fifty Thousand Dollars (\$50,000):

- (a) Cashier's check made payable to Loudon County Solid Waste Disposal Commission;
- (b) Certified check made payable to Loudon County Solid Waste Disposal Commission; or

(c) Bid Bond from a corporate surety licensed to do business in the state of Tennessee and acceptable to the LCSWDC. The Bid Bond should be in the form of that bid bond provided in Article 12 to this RFP.

The bid security shall be forfeited as liquidated damages should the successful Proposer fail to enter into a Contract in accordance with this RFP. The bid security submitted by each unsuccessful Proposer will be returned to that Proposer. After an executed Contract has been properly submitted to the LCSWDC by the successful Proposer, the security will be retained until the required Performance Bond/Letter of Credit and insurance certificates have been provided and the Contract has been executed and approved by the LCSWDC.

Any attorney-in-fact who signs any bid bond required under this RFP must file with each bond a certified and effectively dated copy of his or her power of attorney.

5.06 Proposer's Understanding

Before submitting a Proposal, the Proposer shall fully examine and read this RFP. The Proposer shall visit the LCSWDC facilities and fully inform itself of all conditions on, in, at and around the Landfill. All Proposers will be responsible for familiarizing themselves with all specifications, Contract Documents, drawings, conditions and limitations. Failure to do so will not relieve the successful Proposer of its obligation to enter into a Contract and to completely perform the Contract in strict accordance with this RFP and other Contract Documents.

5.07 Name, Address and Legal Status of Proposer

The Proposal must be properly signed in ink and the complete mailing address of the Proposer provided. The legal status of the Proposer, whether a corporation, partnership, other business entity, or individual, shall also be stated in the Proposal.

A corporation or limited liability company shall execute the Proposal by its duly authorized officers in accordance with its corporate by-laws or governing documents and shall also list the state in which it is incorporated or organized. Any partnership or individual that submits a Proposal shall provide the full names and complete mailing addresses of all persons interested therein.

5.08 Proposal Withdrawal

Any Proposer may withdraw its Proposal prior to the scheduled time for the opening of Proposals or authorized postponement thereof by providing written notice to the Loudon County Purchasing Office at 100 River Road, Box 110, Loudon, Tennessee 37774 (or faxed to such office at 865-458-4871). In such event, the LCSWDC shall return the Bid Bond/Security submitted with the Proposal to the Proposer.

5.09 Pre-award Costs

This RFP does not commit the LCSWDC to pay any costs incurred or associated with the development, preparation, review, submission, and/or presentation of Proposals submitted by Proposers. All costs incurred by a Proposer in responding to the RFP are the responsibility of that Proposer.

5.10 Reservations

The LCSWDC will only choose one of the Alternatives for this RFP. The LCSWDC also reserves the right to accept or reject any and all Proposals and to waive defects or irregularities in any Proposal. This RFP does not commit the LCSWDC to procure a Contract for the services described under either Alternative. A Proposer shall have no interest in the Contract until it is approved by the LCSWDC, which the LCSWDC reserves the right to approve or not approve, with or without cause, at any time up to the scheduled time for approval of the Contract by the LCSWDC.

All Proposals shall become the property of the LCSWDC, and the LCSWDC shall have no obligation to return any proposal submitted in connection with this RFP.

[End of Article]

ARTICLE 6
EVALUATION OF PROPOSALS

6.01 Receipt and Opening of Proposals

The Loudon County Purchasing Office, acting as agent for the LCSWDC on this RFP, shall open all Proposals that are submitted timely in accordance with this RFP and shall list by Alternative each Proposer's name in alphabetical order. The list of the received Proposals shall be considered a record of the LCSWDC and shall be made available for public inspection as a public record. The Loudon County Purchasing Office, with the assistance of legal counsel for the LCSWDC, shall also inspect each Proposal to assure that it contains the required contents per the terms of this RFP and will upon completion of such initial inspection present a copy of each Proposal timely received to each member of the LCSWDC at the LCSWDC's regular meeting on April 10, 2007, together with a notation of any deficiencies in the required contents of each Proposal. Unless otherwise required by law, the opened Proposals shall be available for public inspection only after the completion of evaluation by the LCSWDC. Upon the completion of evaluation by the LCSWDC, all Proposals submitted will be considered records of the LCSWDC available for public inspection. The LCSWDC reserves the right to recess, reschedule or delay its meetings for selecting the Contractor upon notice to all Proposers and the public.

6.02 Evaluation and Selection Process

All Proposals submitted on time will be reviewed and considered by the LCSWDC, provided they contain the information required by this RFP. Following the completion of the public presentation by Proposers at the LCSWDC's regular meeting planned for April 10, 2007, each member of the LCSWDC shall initially score the qualified proposals individually. LCSWDC members shall thereafter review and finalize their individual scores in an open special meeting of the LCSWDC scheduled for April 24, 2007, at which time it is anticipated that the successful Proposer will be selected. Initial scores by individual LCSWDC members shall not be determinative of the winning bid, and each member of the LCSWDC has the right to review and revise any initial or interim scoring for any and all Proposers until the LCSWDC concludes its deliberations on the bid evaluations and selects the winning Proposer. A copy of the proposed evaluation form that will be used by each LCSWDC member to initially evaluate each qualified Proposer is attached to this RFP as **Exhibit F**.

If a Contract is awarded, LCSWDC will award the Contract to the qualified, responsible and responsive Proposer whose Proposal results in the highest net benefit to LCSWDC. In determining the highest net benefit to LCSWDC, the LCSWDC will evaluate the Proposals upon the following considerations:

Proposed costs and benefits	25 points
Financial strength and company structure	15 points
Transition plans	15 points
Prior experience and references	15 points
Understanding of Work and Operational Plan	15 points
History of Environmental Compliance	15 points

100 points total

In order for a Proposal to be accepted, the Proposer must meet all Contract requirements and specifications. The LCSWDC reserves the right in its sole discretion to reject any and all Proposals and may waive any or all nonconformities or irregularities so long as doing so promotes a fair, open and competitive bidding process.

[End of Article]

ARTICLE 7
GENERAL CONTRACT TERMS AND CONDITIONS

7.01 Introduction

The following are the proposed definitions for the Contract to be entered into with the Contractor who is awarded the Contract under this RFP. Before execution, the LCSWDC and the Contractor may vary these definitions (as well as those in Section 3.03) in the Contract if necessary for clarity or to remove any ambiguity or interpretation issues.

7.02 Definitions

- (A) **“Active Landfill Face”** shall mean the sloped area of the daily cell where the solid waste (as defined herein) is deposited into the Landfill to be worked, compacted, and covered.
- (B) **“Area Governmental Users”** shall mean Loudon County, the City of Lenoir City, the City of Loudon and each of their related board and agencies.
- (C) **“Calendar Days”** shall mean every day shown on the calendar, Sundays and holidays included.
- (D) **“Cover”** or **“Cover Material”** shall mean any soil, or other cover material approved by TDEC, used to cover the “Solid Waste” or “Special Waste” disposed of at the Landfill.
- (E) **“Design and Construction Drawings”** shall mean all design details and construction drawings that pertain to this Proposal.
- (F) **“Equipment”** shall mean all dozers, graders, front loaders, scraper, and any other grading, spreading or compacting equipment.
- (G) **“Inspector”** shall mean an authorized representative of the LCSWDC assigned to inspect the Work performed or being performed by the Contractor.
- (H) **“Tipping Area”** shall mean the area in which vehicles approach the active landfill face from the access/haul road and dispose of solid waste into the Landfill. The tipping area is generally an area comprised of 250 feet or greater in length times the width of the Active Landfill Face.

7.03 Conditions

Contractor shall thoroughly examine and be familiar with the specifications, scope and restrictions attending the execution of the Work under this RFP.

The failure or omission of the Contractor to receive or examine any form, instrument, Addendum, or other document referenced in or incorporated into this RFP, or to acquaint itself with existing conditions, shall in no way relieve the Contractor of any obligations with respect to the Contract or the performance of the Work thereunder. The LCSWDC shall make all such documents available to the Contractor upon request.

The Contractor shall make its own determination as to conditions and shall assume all risks and responsibilities and shall complete the Work in and under conditions it may encounter or create, without extra cost to the LCSWDC.

The Contractor's attention is directed to the fact that all applicable federal and state laws, local resolutions and ordinances, and the rules and regulations of all authorities having jurisdiction over the Work to be performed shall apply to the Proposal throughout the term of the Contract, and Contractor shall also be responsible for complying with any changes or revisions thereto.

7.04 Information Not Guaranteed

Information given in this RFP relating to existing conditions, accounting, financial or other tonnage data is from the best information available. All such information is furnished only for the information and convenience of the Contractor, and the Contractor should use its own judgment and prerogatives in evaluating, checking and verifying the information provided. The LCSWDC makes no guarantees and representations that any such information, including without limitation any prior tonnages received at the Landfill or any current estimated tonnages, is accurate or will continue at those levels in the future.

7.05 Contract Form

The Contractor chosen will be required to execute a Contract, the form of which is contained in Article 11 of this RFP.

7.06 Term of Contract/Extensions

The Contract period shall be for a term of twenty (20) years commencing from its execution and shall provide LCSWDC with two (2) one-year extension periods, each of which may be exercised by the LCSWDC's written notice to Contractor provided at least 120 days prior to the Contract's termination date, or if applicable the extension period's termination date. If Alternative 1 is selected, Contractor shall be required to provide a minimum of two years' cell capacity at the end of the Contract's initial term based on the average tonnages received during the two years immediately preceding the Contract's termination (but in no event less than 120,000 tons of capacity).

7.07 Effective Date and Operations Commencement

The awarded Contract shall be effective upon the approval of the final Contract by the LCSWDC and its execution by the parties, which is expected to be completed on May 15, 2007. Operational control of the Landfill or operation of the Transfer Station by the Contractor,

however, will not commence until the existing contract with Santek Environmental, Inc. terminates, which shall be the earlier of June 1, 2008 or the date Cell C is filled to capacity as provided in the current operations contract. During the interim period between the effective date of the Contract and the date operational control of the Landfill/Transfer Station is provided to the Contractor, the Contractor or its designated subcontractors shall be provided with reasonable access to the Landfill for the purpose of designing, constructing and starting up a new module in Phase II/IV of the Landfill for Alternative 1 (or the Transfer Station for Alternative 2) (collectively, the “Transition Activity”), provided the Contractor submits to the LCSWDC and the current operator, and agrees to comply with, a reasonably satisfactory transition plan that includes the following elements:

- (a) Provision of adequate personnel by the Contractor, or reimbursement of the current operator for its cost of providing such personnel, to properly coordinate increased traffic from the Transition Activity;
- (b) Provision of adequate additional on-site structures for the office space, construction supervision and equipment maintenance necessitated by the Transition Activity;
- (c) Provision of any additional utilities that may be required as a result of the Transition Activity;
- (d) Protection of on-site infrastructure (e.g., haul roads, groundwater monitoring wells, etc.) and the provision of adequate insurance and contractual indemnities to protect the current operator from any damage or liability that results or arises from the actions or inactions of the succeeding operator related to the Transition Activity;
- (e) Provision for the Contractor’s access to quality on-site soils needed for module construction and reasonable haul distances;
- (f) Provision for site security and reasonable access to the Landfill for the Transition Activity; and
- (g) The Contractor’s agreement to identify and cover all reasonable costs incurred by the current operator as a direct result of the Transition Activity.

7.08 Performance Bond/Letter of Credit

In order to provide security for the performance by Contractor of its obligations under the Contract, the Contractor shall provide and maintain throughout the Contract term an acceptable Performance Bond or irrevocable Letter of Credit, or a combination of the two, in a total amount equal to One Million Dollars (\$1,000,000). Such security shall be provided to the LCSWDC upon the execution and delivery of the Contract. The LCSWDC reserves the right after the first two years of the Contract to increase the amount of required security throughout the Contract term upon 180 days prior notice to the Contractor to an amount that reflects the estimated annual

expense for the services to be provided under the Contract for that year. The Contractor's failure to increase the required performance security within the time provided by such notice shall constitute a material default under the Contract for which the LCSWDC may claim against the performance security for relief.

The performance security shall also comply with the following additional requirements:

(a) Performance Bond:

In the event the Contractor delivers a Performance Bond, Contractor shall make, execute and deliver to the LCSWDC a good and sufficient surety bond, in a form approved by LCSWDC, to secure the faithful performance of the terms and conditions herein. Such bond shall include all obligations described in T.C.A. § 12-4-207 and shall be signed by the president or general officer of Contractor together with the signature of the corporate secretary and corporate seal. The surety shall be a surety company duly authorized to do business in the state of Tennessee and acceptable to the LCSWDC. Any attorney-in-fact who signs any performance bond required under this RFP must file with each bond a certified and effectively dated copy of his or her power of attorney. The surety bond shall extend for a minimum of two (2) years, and Contractor shall be responsible for extending or replacing the surety bond for periods of no less than two years each after the initial two-year bond period throughout the Contract's term. Contractor shall provide evidence of its ability to renew the bond at least ninety (90) days prior to the expiration of the existing bond or provide a letter of credit acceptable to the LCSWDC as substitute performance security. Failure to do so shall be a material breach of the Contract and shall entitle the LCSWDC to claim against the existing bond prior to its expiration. An acceptable form of the Performance Bond is included in this RFP in Article 12.

(b) Letter of Credit:

In the event the Contractor delivers an irrevocable Letter of Credit, such Letter of Credit shall be for a minimum of two (2) years, and shall automatically renew thereafter from year to year upon its initial expiration date unless the issuing bank notifies the LCSWDC of the credit's nonrenewal at least ninety (90) days prior to its expiration date. In such event, Contractor shall deliver a substitute letter of credit or performance bond at least thirty (30) days prior to the expiration of the existing letter of credit. Failure to do so shall be a material breach of the Contract and shall entitle the LCSWDC to claim against the existing letter of credit prior to its expiration.

Such Letter of Credit shall be in form and content which is acceptable to the LCSWDC, and shall be issued by a bank or financial institution having a credit rating for its long term debt of at least "A", or the equivalent thereof, from a nationally recognized credit rating agency. Such Letter of Credit shall be delivered to the LCSWDC upon the execution and delivery of the Contract to LCSWDC. An acceptable form of the Letter of Credit is included in this RFP in Article 12.

All Proposals must contain a statement of the Proposer's willingness and ability to furnish such security throughout the Contract term.

7.09 Indemnity

The Contractor will indemnify and save harmless the LCSWDC, its officers, agents, servants, and employees from and against any and all suits, actions, legal proceedings, claims, demands, damages, costs, expenses, and attorneys' fees to the extent resulting or arising from a willful or negligent act or omission of the Contractor, its officers, agents, servants, and employees in the performance of the Work under the awarded Contract, including without limitation the failure of the Contractor to comply with all Environmental Laws in performing the Work; provided, however, that the Contractor shall not be liable for any suits, actions, legal proceedings, claims, demands, damages, costs, expenses, or attorney's fees arising out of the LCSWDC's award of the Contract or a willful or negligent act or omissions of the LCSWDC, its officers, agents, servants, or employees.

7.10 Insurance

The Contractor shall at all times during the Contract term maintain in full force and effect Workman's Compensation, General Commercial Liability with Contractual Liability Coverage, Employer's Liability, Professional Liability, Property Damage Insurance, Pollution Liability, and Excess Umbrella Liability Insurance in at least the coverage limits specified below. All insurance shall be by insurers authorized to do business in the state of Tennessee and acceptable to the LCSWDC. Before commencement of the Work, the Contractor agrees to furnish the LCSWDC certificates of insurance or other evidence satisfactory to the LCSWDC to the effect that such insurance has been procured and is in force. The certificates shall contain the following expressed obligation:

"This is to certify that the policies of insurance described herein have been issued to the insured for whom this certificate is executed and are in force at this time. In the event of cancellation or material change in a policy affecting the certificate holder, thirty (30) days prior written notice will be given the certificate holder (including all named additional insureds)."

For the purpose of the awarded Contract, the Contractor shall carry the following types of insurance in at least the limits specified below:

COVERAGE	LIABILITY
Workman's Compensation	Statutory Limits
General Commercial Liability (with Contractual Liability coverage)	\$2,000,000 each occurrence
Employer's Liability	\$500,000
Professional Liability	\$1,000,000
Bodily Injury Liability Except Auto	\$500,000 each occurrence \$1,000,000 aggregate
Property Damage Liability Except Auto	\$500,000 each occurrence \$500,000 aggregate
Automobile Bodily Injury	\$500,000 each person

Automobile Property Damage Liability	\$500,000 each occurrence
Pollution Liability	\$1,000,000 each occurrence
Excess Umbrella Liability	\$5,000,000 each occurrence

The required coverage may be provided by the Contractor’s parent corporation subject to the approval of the LCSWDC.

Any insurance policies required to be carried pursuant to this section (with the exception of worker’s compensation) shall name the LCSWDC, its commissioners, officers, agents and employees as additional insureds.

7.11 Right to Inspect

The LCSWDC, or its designated agent, shall have the right to inspect the Landfill/Transfer Station during all operating hours and at such other times as may be deemed necessary to protect the interests of the LCSWDC. This right to inspect and audit the Landfill includes, but is not limited to the inspection of loads, scales, monitoring records, and all other records Contractor is required to maintain, including without limitation, injury and environmental incident reports and such other environmental or contractual compliance related records as the LCSWDC deems necessary or as required by applicable regulatory authority. During groundwater or other monitoring, the LCSWDC may have a representative present to inspect Contractor’s procedures and to receive split samples for independent testing, at LCSWDC’s expense. In addition to the foregoing, the LCSWDC shall have the right, on prior written notice to Contractor, to require Contractor to conduct such procedures and acquire such samples from Permit monitoring points or other monitoring points required by regulatory authorities, including groundwater and gas monitoring wells, at such times and in such manner as it deems necessary, provided any such discretionary inspections (not required by Permit or regulatory authorities) shall not interfere with Contractor’s operations and shall be at the LCSWDC’s sole cost and expense. In order to insure that the Contractor meets or exceeds all contractual obligations under the Contract, the LCSWDC shall have the right to review and approve (which approval shall not be unreasonably withheld) all proposed design, construction and operational plans, permit applications or other documents that are submitted to regulatory authorities, including requests for modifications, addenda or other additions. Contractor shall promptly provide to the LCSWDC all such information and supporting data requested for review.

7.12 Licenses and Permits

The Contractor shall obtain all licenses and permits (other than the license and permit granted by the Contract) applicable to the Landfill/Transfer Station and the Work to be performed under the Contract. LCSWDC shall cooperate fully with the Contractor in maintaining the Permit and any other licenses or permits necessary to operate the Landfill (or for Alternative 2, obtaining and maintaining a permit for the Transfer Station and any other necessary or related licenses or permits), which shall in each instance be issued in the name of the LCSWDC. Contractor shall not apply for any modification or amendment to the Permit (or the permit issued for the Transfer Station for Alternative 2) without the prior written approval of the LCSWDC. The Contractor will provide such managerial and technical assistance and cooperation to insure that all permits necessary to undertake and perform the Work are obtained and kept current and shall be

responsible for all costs related thereto, including without limitation the payment of any fees required by the federal, state or local government to obtain or maintain such licenses or permits related to the disposal of solid waste at the Landfill (or for Alternative 2, the collection of solid waste at the Transfer Station and transfer of such waste to appropriate disposal facilities).

7.13 Taxes, Fines, Penalties and Fees

The Contractor shall be responsible for all taxes, fines, penalties and fees resulting from its performance of the Work, including without limitation all surcharges and other tipping fees required to be paid to the state or other government pursuant to T.C.A. § 68-211-835, as may be amended from time to time, or any other provision of law. All such taxes, fines, penalties and fees shall be paid when due by the Contractor subject to Contractor's right of protest or appeal to the taxing or assessing authority for any such tax, fine, penalty or fee the Contractor reasonably determines to have been unjustly levied or assessed against it. The Contractor shall have no responsibility for the payment of any taxes assessed for periods prior to the date of the Contract, nor shall Contractor be liable for any fines or penalties that are directly attributable to the actions or omissions of the LCSWDC or its agents (other than Contractor) or actions or omissions that occurred prior to the Contractor's commencement of work (including both the Work under the Contract and any work performed prior to the commencement of the Contract) at the Landfill/Transfer Station.

7.14 Contractor's Employees

The Contractor shall employ for the Work only such superintendents, supervisors and workers who are careful, competent, and fully qualified to perform the duties or tasks assigned to them, including the operation of equipment, and shall dismiss any person employed by the Contractor, who in performance of the Work, engages in misconduct, or is incompetent, dishonest, or neglectful in the proper performance of his or her duties, or who neglects or refuses to comply with or carry out the directions of the Contractor. Contractor's superintendents must:

- (a) Work at the Landfill full-time;
- (b) Obtain and maintain all legally required certifications and comply with all other legal or regulatory requirements.

Contractor shall provide its employees involved with the Work with adequate training to perform the job responsibilities assigned to them and to assure their safety in the performance of their work activity. Contractor's employees shall be required to wear a clean uniform bearing the Contractor's name. Such employees shall additionally bear some means of individual identification as a name tag or identification card. At no time shall a Contractor's employee in any way identify or represent him/herself as an employee of the LSCWDC. Contractor shall also abide by all applicable federal, state and local laws and regulations pertaining to employment, employee selection, compensation, and such other matters as relate to the performance of the Work.

7.15 Equipment and Improvements

Except as provided in this section, the Contractor shall be responsible for providing all necessary equipment to perform the Work throughout the Contract term and any necessary improvements to the Landfill site (including for Alternative 2, the construction of the Transfer Station and related facilities). The only equipment currently owned by the LCSWDC at the Landfill is the scales and building improvements, which shall be provided to the Contractor for its use throughout the Contract term. The LCSWDC, however, makes no representation or warranty as to the operational condition of the scales and building improvements; and the Contractor shall be responsible for their maintenance, repair and replacement as needed to assure the continued operations of the Landfill (or Transfer Station for Alternative 2) throughout the Contract term. The Contractor may construct, at its sole expense, such additional or new structures as Contractor may desire for the performance of the Work or for an office and/or the storage and servicing of equipment used in the performance of the Contract, provided such structures comply with all applicable building codes, are constructed in a good and workman-like condition and comply with all other applicable laws. Any such structures erected by Contractor on the Landfill shall remain the property of the Contractor as long as the Contract is in force. Upon expiration of the Contract, the Contractor may remove any such structure erected by Contractor during the Contract term (except for the Transfer Station and its related fixture for Alternative 2), provided that any damage caused by removal shall be repaired by the Contractor at its expense. Any improvements remaining on the Landfill sixty (60) days after expiration of the Contract shall be deemed abandoned and shall become the property of LCSWDC. In the event Alternative 2 is selected, the Transfer Station and all related fixtures shall become the property of the LCSWDC upon the termination of the Contract and Contractor shall have no entitlement for reimbursement of any of the costs related thereto.

7.16 Reports, Meetings and Events

The Contractor shall report monthly to the LCSWDC on its operations and, unless otherwise excused by the LCSWDC, shall send an employee or representative familiar with Contractor's operations at the Landfill/Transfer Station to attend all meetings of the LCSWDC, including all regular meetings and any special called meetings and workshops. A monthly operations report shall be submitted to the LCSWDC at its regular meetings, or by mail to the members of the LCSDC if no regular meeting is held for a particular month. The monthly operations report shall also be promptly mailed or delivered by the Contractor to each member of the LCSWDC who is not in attendance at the meeting at which the report is presented. The monthly operations report shall include the following reports and information for the reporting period: (i) Tonnage Report showing the total amount of tons received and the source of such tonnage and respective fees charged therefore; (ii) Inspections Report detailing any inspection activity, findings and responses to any inspections conducted by regulatory authorities, including copies of any inspections reports issued by such authorities; (iii) Tire Report showing the tonnages of tires received; (iv) Engineering and Legal Report providing the estimated capacity of the active cells at the Landfill (for Alternative I only, which shall be based on an annual physical or aerial survey and estimated monthly during the interim based on the tonnages received) and any significant engineering or legal issues of concern relative to the operations of the Landfill/Transfer Station that the Contractor becomes aware of during the reporting period including without limitation

notice of any litigation filed during the period involving the Landfill/Transfer Station or arising from its operations; (v) Financial Report showing the calculation of fees required to be paid under the Contract to the LCSWDC; and (vi) such additional information or reports as are required to properly inform the LCSWDC of the ongoing operations and management of the Landfill/Transfer Station by Contractor under the Contract.

Contractor shall also be responsible for preparing a set of draft minutes of all meetings of the LCSWDC for submittal to the members of the LCSWDC prior to its next regular meeting. The minutes shall be prepared in the form required by the LCSWDC.

Each calendar year, the Contractor shall also timely prepare and submit for LCSWDC approval, the Annual Solid Waste Report required to be filed with TDEC. The Contractor shall also be responsible for timely filing the report with the proper regulatory authority upon its approval by the LCSWDC.

Once each calendar year, the Contractor shall also manage, organize and staff on behalf of the LCSWDC the annual hazardous waste disposal day for Loudon County and shall provide such information and technical assistance at such event related to the Landfill's operation and procedures as directed by the LCSWDC. Each year prior to the actual event, the Contractor shall submit a written organizational plan to the LCSWDC for review and input that will detail how the Contractor proposes to organize, manage, publicize, staff and report the results of the event to the LCSWDC.

7.17 Fees and Fee Adjustments

(a) Tipping Fees. Except as otherwise provided below, the Contractor shall assess a reasonable per ton tipping fee to all users of the Landfill/Transfer Station during the term of the Contract so as to adequately perform the Work and provide for the operations and construction activities described in this RFP and to properly maintain compliance with all applicable contract and regulatory requirements. The per ton tipping fee shall reflect market conditions for the area and be charged to all users including the general public except as otherwise provided by this section. For at least the initial two years of operations under the Contract, commencing with the Contractor's commencement of operations under the Contract, the tipping fee shall be that amount listed on the Contractor's bid Proposal. Area Governmental Users (which are Loudon County, Lenoir City, the City of Loudon and their related board and agencies) shall not be charged a tipping fee in excess of that charged to the general public and for at least the first two years of operations under the Contract, the tipping fee for Area Governmental Users shall be that amount listed on the Contractor's bid Proposal. Contractor may discount its general tipping fee to volume users or for permitted special waste in accordance with area market conditions but shall report such discounts to the LCSWDC each year. Once established, the tipping fees charged the general public and Area Governmental Users shall only be changed during the Contract term in accordance with the Cost of Doing Business Adjustment provisions in subsection (d) below.

(b) Host Fees/Minimum Fee. During the Contract term, Contractor agrees to pay the LCSWDC a host tipping fee per ton as proposed on the Contractor's bid Proposal, subject to the

minimum fee provisions provided in this subsection. The host tipping fee shall be expressed as a percentage of the tipping fees and accordingly, shall increase (or decrease) in dollar amount per ton as the tipping fee per ton increases (or decreases) during the Contract term. Notwithstanding anything else to the contrary in the Contract or this RFP, beginning for the month the Contractor commences operations at the Landfill, Contractor shall guarantee the LCSWDC a monthly host fee minimum of \$10,000 per month, which minimum fee shall be increased each July 1 the Contractor increases its tipping fees by the same CPI percentage adjustment provided in subsection (d) below. Contractor shall be entitled to an offset against the monthly minimum host fee equal to the host fees paid to the LCSWDC for that month. All host fees (including any amounts required to pay the minimum host fee amount) shall be paid to the LCSWDC on or before the 20th day of the following month for which they are due.

(c) Closure and Post-Closure Security Fees. The Contractor for Alternative 1 shall pay the LCSWDC a per ton closure security fee for all waste accepted by Contractor under the Contract in an amount equal to the greater of \$1.00 per ton or five percent (5%) of the tipping fee charged to the customer by Contractor. The closure security fee for Alternative 2 shall be a reduced amount equal to the greater of \$0.20 per ton or one percent (1%) of the tipping fee charged to the customer by Contractor. The closure security fee shall be used by the LCSWDC to establish and maintain adequate financial reserves for the payment of closure and post-closure costs required at the Landfill. The payment of the security fee shall not relieve Contractor of any of its obligations for closure and post-closure costs under the Contract as specified in this RFP, and Contractor shall have no entitlement to the same. The LCSWDC reserves the right to use excess reserves accumulated from the closure fees, in such amounts as it shall determine, for any lawful purpose.

(d) Cost of Doing Business Adjustments. The tipping fees (for general public and Area Governmental Users) charged by the Contractor as provided in the Contractor's bid Proposal may be decreased at any time but only increased by the Contractor annually during the Contract term each July 1 following the first full two years of operations by Contractor. Any annual increase shall not exceed the changes in the cost of doing business, as measured by fluctuations in the Consumer Price Index (CPI) for all urban consumers-United States as published by the Department of Labor, Bureau of Labor Statistics. If Contractor elects to make any such adjustments, it shall provide the LCSWDC with written notice of the adjustment prior to its effect. Increases to the tipping fees in excess of the CPI or adjustments to such fees at any time during the Contract term other than that provided for above may be authorized by the LCSWDC upon the Contractor's filing of a petition for extraordinary relief with the LCSWDC containing such facts and information as the LCSWDC may require to consider and decide whether such extraordinary relief is warranted under the circumstances. The LCSWDC shall consider and decide all matters related to any such petition in its sole discretion and shall have no obligation to grant any relief under any circumstance.

7.18 Payment and Billing

(a) Payments to LCSWDC. The payment by Contractor of all host fees and closure/security fees required under the Contract shall be paid for each calendar month on or before the twentieth (20th) calendar day following the end of the calendar month for which the

fees are being paid. All payments shall be sent to the LCSWDC or its authorized agent as may be noticed from time to time by the LCSWDC to the Contractor. A late charge of one and one half percent (1½ %) of the payment may be charged by the LCSWDC for any payment received after its due date.

(b) Contractor Billing and Collections for Customers. The Contractor shall be responsible for providing all billing and collections of the fees for the services it provides each customer using the Landfill/Transfer Station. The Contractor shall provide customers the option of paying by cash or being billed for services on a monthly or less frequent basis; however, the Contractor may establish reasonable minimum service requirements for monthly billing. Such billing and payment shall be based on the rates permitted by the Contract.

(c) Contractor Billings to LCSWDC and Area Governmental Users. The Contractor shall bill the LCSWDC and all Area Governmental Users (i.e., Loudon County, Lenoir City and Loudon City and any of their related agencies or boards) on a monthly basis for service rendered within ten (10) calendar days following the end of the calendar month for which the services are provided, and the LCSWDC and the Area Governmental User shall pay the Contractor on or before the fifteenth (15th) calendar day of the next month without incurring any penalties or interest (e.g., an invoice for services rendered in March shall be issued by April 10th and shall be paid by May 15th). Such billing and payment shall be based on the rates permitted by the Contract. All billing shall be sent to the LCSWDC or its authorized agent as may be noticed from time to time by the LCSWDC to the Contractor.

(d) Termination of Service for Delinquent Payment. The Contractor may require cash only or discontinue provision of service to any customer who is delinquent in payment for service, in accordance with the Contractor's payment terms, and has been notified of delinquency and fails to remedy the situation to the Contractor's discretion.

7.19 Records, Reports and Audits

(a) Reports Required. The Contractor's schedule of charges, contract or application forms for regular customer service, policy regarding the processing of customer complaints, and any other terms and conditions adopted as the Contractor's policy in connection with its customers shall be filed with the LCSWDC upon request.

(b) Records Required. The Contractor shall at all times maintain all financial and accounting records necessary to support Contractor's payment of all fees under the Contract to LCSWDC for a period of three (3) years following the year for which the payment was required to be made.

(c) Right of Audit. Contractor shall permit any duly authorized representative of the LCSWDC, upon receipt of advance written notice, to examine during normal business hours and on a nondisruptive basis any and all records as is reasonably necessary to ensure Contractor's compliance with the Contract, including without limitation Contractor's financial and accounting records and those records required to be maintained under this section. Such notice shall specifically reference the subsection of the Contract that is under review so that the Contractor

may organize the necessary books and records for easy access by the LCSWDC. The Contractor shall not be required to maintain any books and records for contract compliance purposes longer than three (3) years after the calendar year for which the record pertains. The LCSWDC agrees to treat as confidential any books or records that constitute proprietary or confidential information to the extent Contractor makes the LCSWDC aware of such confidentiality, but only to the extent the LCSWDC or its representatives may do so under law. If the LCSWDC believes it must release any such confidential books or records in the course of enforcing the Contract, or for any other reason, it shall advise Contractor in advance so that Contractor may take appropriate steps to protect its interests. Until otherwise ordered by a court or agency of competent jurisdiction, the LCSWDC agrees that, to the extent permitted by state and federal law, it shall deny access to any of Contractor's books and records marked confidential, as set forth above, to any person requesting or attempting to review the same that is not acting as LCSWDC's representative.

(d) Verification of Financial Records. The Contractor upon request of LCSWDC and no more than once in every three (3) year period while the Contract remains in effect, and for a period of two years following its termination, shall submit to the LCSWDC at LCSWDC's expense an audit or other financial statements prepared in accordance with generally accepted accounting principles by an independent Certified Public Accountant, to verify the accuracy of the yearly statements of revenues submitted by Contractor to LCSWDC pursuant to the Contract.

7.20 Tire Disposal Program

Except as otherwise provided in this section, the Contractor shall administer and operate on behalf of the LCSWDC a tire collection and disposal program at the Landfill/Transfer Station throughout the Contract term. The tire collection and disposal program shall conform to all applicable laws and shall to the extent possible be administered and operated in such a manner as to allow Loudon County and/or the LCSWDC to continue receiving grants from the state of Tennessee for such program. Any grants received by the LCSWDC from the state of Tennessee during the Contract term for periods of time when the Contractor is administering and operating the program for the LCSWDC shall be promptly reported to the Contractor by the LCSWDC, and Contractor shall be given a credit in an amount equal to the grant received by the LCSWDC against any future host fees to be paid to the LCSWDC by Contractor under the Contract. The credit shall be applied to any host fees due the LCSWDC by the Contractor for the month first following the LCSWDC's receipt of the grant funds. The LCSWDC neither warrants nor guarantees that any future grants are available from the state of Tennessee for such program or that Loudon County or the LCSWDC shall be entitled to the same under the terms of the Contract. Whether or not any such grants are available, and notwithstanding the amount of such grants in the future, Contractor shall continue to be responsible for administering and operating the tire disposal program in accordance with the remaining requirements of this section. The LCSWDC will cooperate with the Contractor and use reasonable efforts to apply for and obtain any available grants for such program. Notwithstanding the above stated requirements of this section, the LCSWDC reserves the right to terminate the Contractor's obligation to accept and dispose of tires that are delivered to the Landfill upon ninety (90) days notice to Contractor. Such right of termination may be exercised from time to time throughout the Contract term. In the event of any such termination, Contractor shall resume its tire acceptance and disposal

services at the Landfill upon 120 days prior notice to the Contractor by the LCSWDC. Such resumed services shall be commenced by the Contractor without any startup charge, implementation fee or other expense to the LCSWDC except for its right to a future credit against host fees as provided above.

7.21 Compliance with Law

The Contractor shall perform all Work and conduct all operations under the Contract in compliance at all times with all applicable federal, state and local laws and regulations, including without limitation all Environmental Laws, as may be changed from time to time, and in accordance with the requirements of the Permit. By way of example, and not as a limitation, Contractor shall be responsible for all regulatory compliance during the Contract term such as monitoring well installations and maintenance thereof, whether related to an existing or new monitoring well station and whether required by the Permit or regulatory action.

7.22 Compliance with Contracting Law for Improvements (Bonding)

Prior to the commencement of any portion of the Work at the Landfill/Transfer Station that constitutes a public work as contemplated by T.C.A. § 12-4-201, the Contractor shall provide the LCSWDC with a payment bond for the payment of all labor and materials in the amount of one hundred percent (100%) of the contract amount for such work. The bond shall be issued in compliance with T.C.A. § 12-4-201 et seq. and in a form satisfactory to the LCSWDC by a surety licensed to do business in the state of Tennessee. Bonds will be accepted only from sureties on the current U.S. Treasury list of approved sureties as published in the U.S. Treasury Department Circular 570. A valid Power of Attorney must be attached to the bond.

7.23 Nondiscrimination

The Contractor shall not discriminate against any person because of race, sex, age, creed, color, religion, national origin or disability in the performance of the Work or the discharge of its obligations and responsibilities under the Contract.

7.24 Default and/or Termination of Contract

In addition to any other Contract termination provided for under the Contract, if the Contractor:

- (a) Violates any provision or condition of the Contract;
- (b) Fails to begin the Work under the Contract within the time specified therein;
- (c) Fails to perform the Work with sufficient workers and equipment or with sufficient materials to assure the prompt and proper execution of the Work;
- (d) Fails to perform the Work suitably or neglects or refuses to remove materials or to perform anew such Work as may be rejected as unacceptable and unsuitable;

- (e) Discontinues the prosecution of Work;
- (f) Fails to resume Work which has been discontinued within a reasonable time after notice to do so;
- (g) Fails to maintain the required contract performance security or to timely increase the amount of such security upon notice from the LCSWDC;
- (h) Dissolves, becomes insolvent or is declared bankrupt, or commits any act of bankruptcy or insolvency;
- (i) Makes an assignment for the benefit of creditor; or
- (j) If any other cause whatsoever, fails to carry on the Work in an acceptable manner, the LCSWDC will give notice to the Contractor as follows:
 - 1. A verbal notification from the LCSWDC to the Contractor (documented by the LCSWDC) that one or more of the above infractions have occurred; and
 - 2. A written notification from the LCSWDC stating the infraction(s), as were given in the verbal notification, and that if such infractions not be corrected within ten (10) days the LCSWDC will proceed to take full power and authority from the Contractor for Default of the Contract. A copy of such notification shall be sent to the Contractor's surety.

If the Contractor or its surety, within a period of ten (10) days after such notice, does not proceed in accordance therewith, then the LCSWDC will, upon written notification from the LCSWDC of the fact of such delay, neglect or default and the Contractor's failure to comply with such notice, have full power and authority without violating the Contract, to terminate the Contract and take such other remedies as are provided in the Contract or which are available under law.

7.25 Right to Terminate for Low Tonnages.

Notwithstanding any provision in this RFP or the Contract to the contrary, the LCSWDC shall have a unilateral right after the first three years of the Contract to terminate the Contract in the event the tonnages received at the Landfill should fall below 5,000 tons per month, based on a rolling six month average using the most recent six months, or below 60,000 tons per any fiscal year of the LCSWDC (either event hereafter being referred to as a "Early Termination Event"). In such event, for a period of 365 days immediately following the Early Termination Event, the LCSWDC shall have the right in its sole discretion to terminate the Contract by providing a written termination notice to the Contractor at least sixty (60) days prior to the date of termination. LCSWDC's decision or failure to terminate the Contract in the event of an Early Termination Event shall not affect its right of termination for any later Early Termination Event.

7.26 Assignment/Change of Control

The awarded Contract shall not be Transferred by the Contractor, nor shall the work to be performed under the awarded Contract be subcontracted or delegated, without the express written consent of the LCSWDC, which consent may be granted or withheld on terms and conditions as determined by LCSWDC in its reasonable discretion. In the event of an approved assignment, the assignee shall assume the liability of the Contractor and the Contractor shall remain liable thereunder unless otherwise released in writing by the LCSWDC. For the purpose of this section, the term “Transfer” or “Transferred” shall mean: (a) any assignment of the rights and benefits accruing to the Contractor under the awarded Contract; (b) any subcontracting or other delegation of the obligation to perform the work required to be performed by the Contractor under the awarded Contract; (c) any voluntary or involuntary transfer or assignment of the awarded Contract, whether direct or indirect, by operation of law or pursuant to any bankruptcy, insolvency, receivership or similar proceeding; (d) any merger, consolidation or other change of business form of the Contractor (whether or not the Contractor is the surviving entity); or (e) the transfer of 50% or more of the ownership or other beneficial interest in the Contractor or other transfer of the right to control the operations and business of the Contractor. Any Transfer made by the Contractor without the express written consent of LCSWDC shall constitute a material breach of the Contract for which the LCSWDC may elect to terminate the Contract upon thirty (30) days written notice to the Contractor. If the LCSWDC does not exercise such right of termination within 180 days after it receives written notification of a Transfer of the awarded Contract, its right to terminate the Contract as a result of such assignment shall expire.

7.27 Prohibition Against Collusion

The Contractor represents and agrees that it has not conveyed or offered or promised, directly or indirectly, to any member of the LCSWDC, employee, agent or representative of the LCSWDC, or any person representing or purporting to represent the LCSWDC, or any family member including spouse, parents, or children of the foregoing group, any remuneration, property, service, advantage or other consideration or benefit of value, to improperly influence or obtain the award of the Contract to Contractor. Contractor further agrees that it shall not employ as an employee, agent, consultant or independent contractor any member of such group for a period of five (5) years from the commencement of the Contract. Contractor’s violation of this requirement shall constitute a material breach of the Contract, in which the LCSWDC may terminate the Contract upon notice to the Contractor.

7.28 Point of Contact/Communications Requirements

All dealings, contacts, and communications between Contractor and the LCSWDC regarding Landfill/Transfer Station matters shall be directed by Contractor to the Chair of the LCSWDC or such other person designated by the LCSWDC. The LCSWDC shall promptly provide to Contractor at Contractor’s principal business office (or such other office address as designated by the Contractor) a copy of all letters, notices, and other written forms of communication received by LCSWDC from the state of Tennessee or any other governing body that concern the

Landfill/Transfer Station or the Contract. Contractor shall also promptly provide to the Chair of the LCSWDC a copy of all such letters, notices, and other written forms of communication received by Contractor that concern the Landfill/Transfer Station or the Contract.

7.29 Miscellaneous Contract Provisions

The following miscellaneous contract provisions shall apply to the Contract, and where applicable, this RFP:

- (a) Severability. If any part of any provision of the Contract or any other agreement, document or writing given pursuant to or in connection with the Contract shall be invalid or unenforceable under applicable law, said part shall be ineffective to the extent of such invalidity only, without in any way affecting the remaining parts of said provision or the remaining provisions of the Contract.
- (b) Waiver. The failure of either party under the Contract to give notice of default or to enforce or insist upon compliance with any of the terms or conditions of the Contract, the waiver of any term or condition of the Contract or the granting of an extension of time for performance shall not constitute the permanent waiver of any term or condition of the Contract, and the Contract and each of its provisions shall remain at all times in full force and effect until modified by authorized parties in writing.
- (c) Entire Contract. The Contract and all referenced Contract Documents therein embody the entire Contract and understanding of the parties with respect to the transactions contemplated thereby and supersede all prior written or oral commitments, arrangements or understandings with respect thereto. There are no representations, restrictions, agreements, promises, inducements, statements of intentions, warranties, covenants or undertakings with respect to the transactions contemplated thereby other than those expressly set forth therein.
- (d) Amendment. The Contract cannot be amended, modified or supplemented by any of the parties in any respect except by a subsequent written Contract entered into by both parties.
- (e) Headings. Headings in this RFP and the Contract are for convenience only and shall not be used to interpret or construe any of the provisions of this RFP or the Contract.
- (f) Gender. As used in the Contract, the singular shall include the plural, the plural the singular, and the use of any gender shall be applicable to all genders, as the context requires.
- (g) Governing Law and Jurisdiction. Any and all disputes arising out of this RFP or the Contract (and all actions relating to validity, construction, interpretation and enforcement of the Contract) shall be governed, construed and enforced according

to the laws of the state of Tennessee, and shall be instituted and litigated in the courts of the state of Tennessee. In accordance therewith, all Proposers submitting proposals in response to this RFP and the parties to the Contract submit to such jurisdiction in Loudon County, Tennessee.

- (h) Notices. All notices, requests, demands and other communications provided for by the Contract shall be in writing and shall be deemed to have been given (i) when delivered in person; or (ii) when forwarded by a nationally recognized overnight courier service or mailed certified mail, return-receipt requested, to the address of party as set forth in the Contract or to such changed address as the party may have noticed to the other party. Any notice of change of address shall only be effective, however, when received.
- (i) Specific Performance. The parties hereto recognize that any breach of the terms of the Contract may give rise to irreparable harm for which money damages would not be an adequate remedy and accordingly agree that, in addition to all other remedies available to the parties, any non-breaching party shall be entitled to enforce the terms of the Contract by a decree of specific performance without the necessity of proving the inadequacy of money damages as a remedy.
- (j) Attorneys' Fees. If any legal action is necessary to enforce the terms of the Contract, the prevailing party shall be entitled to reasonable attorneys' fees, court costs and all reasonable costs of collection, in addition to any other relief to which that party may be entitled.
- (k) Counterparts. The Contract may be executed in any number of counterparts, each of which when so executed shall be deemed to be an original and all of which taken together shall constitute but one and the same instrument.
- (l) Further Assurances. Each party to the Contract agrees that, when requested to do so by the other party, such party will furnish to the other party certified extracts from the minutes of each board or legislative body required to approve the Contract in order to make the same binding upon the party furnishing such certified extracts. Each of the parties to the Contract further agrees to do any act or thing and execute any and all instruments that are necessary and proper to make effective the provisions of the Contract.
- (m) No Partnership. The provision of the Work under the Contract or any service required there under shall not create a partnership or joint venture between the parties.
- (n) Survival of Provisions. The provisions of the Contract regarding any indemnity or any other covenant to which a party would have a reasonable expectation of continuance shall survive the termination of the Contract.

- (o) Cooperation. The parties to the Contract agree that they will cooperate with each other in all matters that are reasonable necessary or desirable to facilitate the performance of their respective obligations under the Contract with a minimum of expense, trouble and interference with service; and each party agrees to comply with the reasonable requests of the other party in connection therewith.

- (p) Force Majeure. If either party shall be delayed or hindered in or prevented from the performance of any act required under the Contract except for the payment of money there under, by reason of strikes, lockouts, labor trouble, riots, insurrection, war or other reason of like nature not the fault of the party delayed, then performance of such act shall be excused for the period of the delay and the period for the performance of any such act shall be extended for a period equivalent to the period of delay. At the date of such delay or hindrance, the party excused from performance shall provide notice to the other party of the reason for such delay or hindrance.

[End of Article]

ARTICLE 8
SPECIFICATIONS – ALERNATIVE 1 (Operations)

8.01 General -- Scope of Work

If Alternative I is chosen by the LCSWDC, Contractor will perform on a turn key basis all activities associated with the daily operation and maintenance of the Matlock Bend Landfill during the term of the awarded Contract, including without limitation the permitting, design, engineering and construction of any future cells and phases, the acceptance and proper disposal of all tires delivered to the Landfill, the performance of administrative responsibilities relative to meetings and functions of the LCSWDC and all closure and post-closure work at the Landfill specified in the Specifications, including without limitation any and all necessary post-closure responsibilities and costs associated with Phase I of the Landfill (pre-Title D closed phase). The Contractor will furnish all labor, equipment and materials necessary to properly operate the Matlock Bend Landfill and perform the other specified responsibilities and furnish such Work during the term of the awarded Contract in compliance with all federal, state and local laws, ordinances and regulations, including the rules, regulations and guidelines promulgated and adopted by the Tennessee Solid Waste Control Board and the Tennessee Department of Environment and Conservation, and all applicable requirements and specifications in this RFP and the Contract. In return for its performance of the Work, Contractor shall be entitled to collect the tipping fees permitted under the Contract, subject to the payment of a host tipping fee and closure/post-closure security fee to the LCSWDC as provided in this RFP (less any allowable credits for the acceptance and disposal of tires as provided by the Specifications).

8.02 General Operating Requirements

During the Contract term, Contractor shall have the duty and responsibility to properly operate the Landfill in accordance with generally accepted standards for the operation of a landfill and shall maintain compliance with the Permit and applicable law. The Contractor shall also undertake and perform without limitation the following duties and responsibilities:

- (a) Place, compact (to the extent practicable) and cover Solid Waste received at the Landfill in accordance with the Permit and applicable law in a manner to best achieve operating efficiencies and maximum obtainable densities, including utilizing such techniques as spoils disposal, relocation of roads and the sequencing of space utilization within each major disposal cell. Once the Landfill is closed each day to the general public, the Contractor must also provide the necessary services and equipment until all the waste has been adequately covered, per state of Tennessee regulations.
- (b) Operate the Landfill's entry gate and scale in accordance with the Permit and applicable law, charge all users of the Landfill with the appropriate tipping fees and other charges permitted by the Contract, and maintain appropriate accounting records for all customer activity at the Landfill that may be verified and audited as required by the Contract;

- (c) Provide to the LCSWDC or its designee a copy of all reports filed with TDEC with respect to the status of Contractor's operations and compliance with the Permit and other required permits and licenses, and maintain at the Landfill a copy of such reports as well as a copy of the Permit and any other required permits or licenses for operation of the Landfill;
- (d) Report to the Chair of the LCSWDC, or other designated representative, any violations of the Permit or applicable law with respect to which it has received notice, and with respect to such violations occasioned by acts or omissions of Contractor, report all action taken or to be taken to correct such violations within seventy-two (72) hours after receipt of notice of violation and furnish to the LCSWDC all written reports and evaluations of the operation of the Landfill received by Contractor from TDEC or any other regulatory authority as a result of any inspection of the Landfill and the responses of Contractor;
- (e) Furnish sufficient personnel and all tools, materials and equipment necessary for the lawful, skillful and workmanlike operation of the Landfill including the presence of a experienced and qualified supervisor whenever the Landfill is open for operation;
- (f) Establish, maintain, test and analyze all groundwater monitoring wells in conformance with the Permit and all other requirements or orders of TDEC;
- (g) Install, maintain and monitor Landfill gas collection and control systems in conformance with the Permit and all other requirements or orders of TDEC;
- (h) Maintain buildings, structures, and all other facilities, including the entry gate, scale, fences and other barriers, and other structures and improvements reasonably required for the operation of the Landfill in accordance with the Permit or by the Tennessee Department of Health and Environment. Contractor shall not be required to fence the Landfill but will maintain all existing fences in good condition;
- (i) Pay normal and standard charges for all water, wastewater, electrical power, natural gas, internet and phone service utilized at the Landfill;
- (j) Maintain all roads at the Landfill;
- (k) Maintain and replace as necessary the existing system for the collection and disposal of leachate released from the Landfill including paying for all costs to treat such leachate charged by the City of Loudon Utility Department or any successor to such utility;
- (l) Ensure that no scavenging or salvage operations are permitted at the Landfill unless (i) the person doing so has the approval of TDEC and the LCSWDC, (ii)

such operations do not impede the normal routine disposal operations, and (iii) such operations are conducted by personnel working under the immediate and direct control of Contractor;

- (m) Ensure that no open burning is permitted unless specific approval of the LCSWDC has been received;
- (n) Provide good customer service to its customers in accordance with generally accepted standards for the operation of a Landfill/Transfer Station and treat all customers fairly and endeavor to respond to customer complaints in a timely and reasonable manner;
- (o) Perform all other obligations or activities required by the Permit, the Contract, and applicable law, as may be amended from time to time; and
- (p) On or before September 1 of each year during the term of the Contract, report to the LCSWDC the compaction and density achieved and air space used during the preceding July 1 - June 30 fiscal year as well as the remaining air space capacity of the Landfill (only the permitted portion) as of the end of such fiscal year. Contractor may provide the same report it provides to TDEC in satisfaction of this requirement.

8.03 Hours of Operation/Office Requirements

The Contractor shall receive solid waste from 7:30 a.m. until 3:00 p.m. Monday through Friday, and 7:30 a.m. until noon on Saturday. Contractor shall not take delivery of any wastes at the Landfill after dusk or conduct other operations that would disturb neighboring residents without the prior written consent of the LCSWDC. The Landfill will be closed on Sundays and on Christmas Day, New Year's Day, Memorial Day, July 4, Labor Day and Thanksgiving Day. Contractor shall, however, operate at the Landfill during such other hours as may be necessary to comply with the provisions of this RFP. Any deviation from this operation schedule must be approved in advance by the LCSWDC. The Contractor shall maintain an office or such other facilities through which it can be contacted at the Landfill. The office shall be equipped with sufficient telephones and shall have a responsible person in charge during all operating hours.

8.04 Acceptance of Acceptable Waste

The Contractor shall operate the Landfill to receive regular deliveries of acceptable waste according to the days and hours specified in this RFP from trucks, compactor-type vehicles, large dump trucks, private citizen vehicles and other vehicle types approved by the LCSWDC. The Contractor shall accept all waste which is delivered to the Landfill, except waste which is Unacceptable Waste as defined in this RFP, or so specified in the future by the LCSWDC.

8.05 Waste Screening

The Contractor shall provide inspection procedures that at a minimum shall include the following:

- (a) Waste shall be visually inspected as it is being tipped. Visual inspection shall be done by at least one person, whose duty is to monitor the tipping of waste. A communication device shall be provided that will allow communication between the inspector and the equipment operator;
- (b) The Contractor shall randomly select loads of waste delivered to the Landfill each day. The hauler shall be required to wait for the inspector to finish manually searching through the waste;
- (c) Records will be kept for each load physically inspected, and for any instances when Unacceptable Waste has been delivered to or found on the site. These records shall include, at a minimum, time, date, name of hauling firm, name of driver, source of waste, vehicle identification numbers, type and quantity of waste found and any other observations made by the inspector. The inspector and the hauler will both sign the record form to verify that the waste that has been inspected or found was delivered by the named hauler; and
- (d) The Contractor shall require the hauler to remove Unacceptable Waste from the Landfill immediately and in a manner which minimizes contamination of the Landfill. Provided, however, if any such Unacceptable Waste includes Hazardous Waste or any radioactive waste, Contractor shall notify TDEC and LCSWDC immediately and comply with all applicable laws relative to such waste.

8.06 Traffic Control

The Contractor shall have the responsibility for maintaining proper traffic control upon entering and exiting the Landfill. Such control shall assure the safe ingress and egress of all traffic entering and exiting the Landfill.

8.07 Security

The Contractor is responsible for 24-hour site security, 365-days a year, to ensure no unauthorized site entry and/or facility misuse.

8.08 Scales and Related Equipment

The operation of the weighing system located at the scale house will be the responsibility of the Contractor and the Contractor shall ensure that the scale equipment is properly maintained and calibrated within acceptable industry standards. The Contractor will be responsible for the operation of the weighing system, and for admitting public, commercial haulers and industrial

accounts into the facility. The Contractor will also be responsible for replacement of the system's equipment as needed.

8.09 Buildings

Buildings shall be maintained in good condition at all times. The Contractor shall be responsible for inspection, lubrication, adjustment, repair and maintenance, including replacement as necessary, of all building systems (including scale house) to include, but not necessarily be limited to plumbing, sumps, degreasers, and fixtures; heating, ventilating, and air conditioning systems, components, and devices; fire and dust suppression systems; and audio communications equipment. The Contractor shall also provide all needed janitorial services at the Landfill.

8.10 Roadways

Contractor shall be responsible for the construction and maintenance of all-weather roads running in and over the Landfill. Maintenance shall include but not be limited to grading, watering and snow removal. Watering for dust control will occur as needed. Contractor will also be responsible for painting and maintaining traffic directions lines on the roadways (including staging and storage area).

8.11 Litter Control and Burning

Measures shall be provided to control blowing litter. The entire site shall be cleaned of litter every day of operation or more frequently as needed. Contractor will provide portable litter screens and is required to keep these portable screens in a position to limit the blowing material from the Landfill. The Contractor shall erect such additional temporary or permanent fences, or take such measures as may be necessary to control the blowing of litter. Burning for litter control and other reasons is prohibited unless the Contractor obtains a burn permit from the necessary local or state fire authorities.

8.12 Surface Drainage

All surface drainage at the Landfill shall comply at all times with all applicable regulatory requirements and all applicable permits. Due to the configuration of the side slopes, surface runoff flowing from above the working level must be directed around the perimeter of the area being filled. Unless otherwise required by applicable regulations or the Permit, the top of the working level shall be sloped toward either one or both side slopes at a minimum of two percent (2%) and not to exceed five percent (5%).

8.13 Salvage

The LCSWDC retains all salvage rights. No salvage operations will be permitted at the Landfill. At the LCSWDC's discretion, recycling operations and composting may take place away from the active areas in accordance with a recycling plan, if any, adopted by the LCSWDC. The LCSWDC shall grant Contractor a right of first refusal to participate in any salvage operations at

the Landfill that the LCSWDC may adopt or approve in the future subject to such terms and conditions as may be adopted in the recycling plan and to all applicable requirements of law.

8.14 Accidental Fires/Fire Control

The Contractor shall have all primary responsibility for all fire control at the Landfill. In the event a fire should occur, the Contractor shall immediately close that section of the Landfill and notify the proper authorities. The Contractor shall make available all available employees and equipment, and shall continue to control the fire with maximum effort until officially relieved by proper fire authorities. All reasonable precautions, such as separation of “special wastes” and early removal of excavation of “hot spots,” shall be taken to prevent accidental ignition or spontaneous combustion of solid wastes within the Landfill. Water, stockpiled earth, or other means shall be available to extinguish such fires as they may occur. Each piece of Contractor's equipment working on the fill shall be equipped with a fire extinguisher and all of Contractor's employees stationed at the Landfill shall be familiar with their operation.

8.15 Signage

The Contractor shall provide and maintain signs to direct and control Landfill traffic at the working face and within the Landfill as well as signs regarding Unacceptable Wastes, hours of operation, and any other verbiage regarding acceptable waste disposal practices and rules at the Landfill.

8.16 Flow Limitation and Special Restrictions

Unless otherwise expressly permitted by the LCSWDC, the Contractor shall not be permitted to accept more than 800 tons of waste per day at the Landfill as calculated on a daily average for any running thirty (30) day period. Contractor shall also be prohibited from accepting waste at the Landfill that is transported from more than 150 miles without the prior written approval of the LCSWDC. Contractor is also prohibited from accepting sewage sludge at the Landfill unless previously authorized by the LCSWDC under terms and conditions prescribed by the LCSWDC. The LCSWDC also reserves the right to regulate or restrict any and all waste disposed of at the Landfill that causes any abnormal or usual smells or creates a public safety concern such that the continued disposal of such waste would result in obnoxious odors to the surrounding neighbors of the Landfill, create adverse facility conditions that were outside of the Landfill's prior operating history, or pose a public safety threat as reasonably determined by the LCSWDC. Contractor shall provide such periodic reports as may be requested by the LCSWDC to verify Contractor's compliance with these flow and waste restrictions.

8.17 Minimum Cell Capacity at Contract Termination

The Contractor shall operate the Landfill during the Contract term in such a manner as to assure adequate cell capacity at all times to meet the current and anticipated disposal needs of the citizens of Loudon County and the Area Governmental Users, and thereafter the other customers of Contractor. Contractor shall also assure a minimum of two years' cell capacity at the end of the Contract's initial term based on the average tonnages received during the two years

immediately preceding the Contract's termination (but in no event less than 120,000 tons of capacity).

8.18 C&D Operations Option

The LCSWDC, by itself or through its authorized contractors, reserves the right to open and operate a licensed Construction & Demolition landfill facility at the Landfill, and the Contractor agrees to cooperate with the LCSWDC to facilitate such operations, provided such operations are conducted in a manner that does not unreasonably interfere with the Contractor's obligations under the Contract. The LCSWDC agrees that if it commences any such operations, it will be performed in areas of the Landfill that will not unreasonably interrupt or interfere with Contractor's operations. Prior to undertaking any such operation, the LCSWDC shall grant Contractor a right of first refusal to participate in its proposed C&D facility on similar terms to that being offered to any other contractor or service provider, subject to all terms and conditions imposed by the LCSWDC on the facility and to all applicable requirements of law.

8.19 Landfill Generated Methane Gas Obligations and Rights

Contractor shall be responsible for managing Landfill gas in accordance with all state and federal regulations. All methane gas rights and related beneficial use of such gas resulting from Landfill operations are expressly reserved to the LCSWDC. The Contractor shall have no entitlement to the same and shall be prohibited from capturing or harvesting any such rights without the prior written consent of the LCSWDC. Prior to undertaking any gas salvage or recycling operations, the LCSWDC shall grant Contractor a right of first refusal to participate in such operations on similar terms to that being offered to any other contractor or service provider, subject to all terms and conditions imposed by the LCSWDC on the operations and to all applicable requirements of law.

8.20 Design and Construction Requirements for New Cells

Contractor shall design and construct all required cells to properly perform the Work under the Contract in a good and professional manner in keeping with current industry standards and in compliance with all applicable federal, state and local laws. Prior to commencing any such construction work at the Landfill, the Contractor shall be required to provide the LCSWDC with a payment bond for the payment of all labor and materials in the amount of one hundred percent (100%) of the contract amount. The bond shall be issued in compliance with T.C.A. § 12-4-201 et seq. and in a form satisfactory to the LCSWDC by a surety licensed to do business in the state of Tennessee. Bonds will be accepted only from sureties on the current U.S. Treasury list of approved sureties as published in the U.S. Treasury Department Circular 570. A valid Power of Attorney must be attached. The LCSWDC agrees to cooperate with Contractor in the review and approval of any proposed changes to the Permit or other modifications to the Landfill that may reduce construction costs of new cells or the cost of operations for the Landfill so long as the proposed change or modification does not adversely affect the LCSWDC.

8.21 Closure and Post-Closure Responsibility/Required Bond

Contractor shall throughout the Contract term provide at its cost all post-closure for Phase I of the Landfill, which shall be provided in accordance with the closure/post-closure plans submitted and approved by the state for Phase I and all other requirements of the state. To the extent the state of Tennessee, the Permit or applicable law requires during the Contract term the closure or post-closure of any portion of Phase II/IV of the Landfill or any other phases opened by Contractor, the Contractor shall also provide such closure and post-closure in accordance with the applicable closure/post-closure plans submitted and approved by the state for such phases and all other requirements of the state. The bond/security requirements of the state of Tennessee for the closure and post-closure of Phases I and II/IV of the Landfill are currently the responsibility of the LCSWDC, which with the pledge of Loudon County's share of state taxes is in compliance with all current state requirements relating to closure/post-closure security. The LCSWDC shall continue to be responsible for these bonding requirements as they relate to Phases I and II/IV of the Landfill during the Contract term. Any increased bonding requirements related to the opening of new phases of the Landfill by the Contractor during the Contract term or resulting from a modification of the existing Permit shall be the responsibility of the Contractor.

[End of Article]

ARTICLE 9
SPECIFICATIONS – ALTERNATIVE 2 (Transfer)

9.01 General -- Scope of Work

If Alternative II is chosen by the LCSWDC, Contractor will design, construct and maintain on behalf of the LCSWDC a transfer station at the Matlock Bend Landfill to handle the current and future solid waste needs of Loudon County and its citizens and provide all needed transportation services related to such solid waste for disposal at permitted landfill sites during the term of the Contract. In addition, the Contractor shall be responsible for accepting and properly disposing of all tires delivered to the transfer station, the performance of administrative responsibilities relative to meetings and functions of the LCSWDC, the procurement, supervision and management of closure activities on behalf of the LCSWDC for Phase II/IV of the Landfill to be closed at or near the commencement of the Contract (the actual closure cost for which shall be paid by the LCSWDC) and all post-closure work at the Landfill specified in the Specifications, including without limitation any and all necessary post-closure responsibilities and costs associated with Phase I of the Landfill (pre-Title D closed phase) and Phase II/IV once closed. The Contractor will furnish all labor, equipment and materials necessary to properly construct and operate the transfer station and perform the other specified responsibilities and will furnish such Work during the term of the awarded Contract in compliance with all federal, state and local laws, ordinances and regulations, including the rules, regulations and guidelines promulgated and adopted by the Tennessee Solid Waste Control Board and the Tennessee Department of Environment and Conservation, and all applicable requirements and specifications in this RFP and the Contract. In return for its performance of the Work, Contractor shall be entitled to collect the tipping fees permitted under the Contract, subject to the payment of a host tipping fee and closure/post-closure security fee to the LCSWDC as provided in this RFP (less any allowable credits for the acceptance and disposal of tires as provided by the Specifications).

9.02 General Operating Requirements

During the Contract term, Contractor shall have the duty and responsibility to properly operate the Transfer Station in accordance with generally accepted standards for the operation of a transfer station and shall maintain compliance with the Permit and applicable law. The Contractor shall also undertake and perform without limitation the following duties and responsibilities:

- (a) Continuously take such reasonable measures as may be necessary and proper to control and eliminate fire, smoke, odor, rodents, flies and all other public health menaces and pests on and around the Transfer Station. The Transfer Station shall be continuously policed by the Contractor to prevent fire and the blowing papers and trash and it shall be kept neat and sanitary at all times. The Contractor shall be responsible for obtaining at its own costs all necessary licenses, permits and approvals of governmental authorities and for any expenditures (leachate

treatment, etc.) that are necessary or required to be made at the Transfer Station pursuant to the requirements of any local, federal or state law, which shall all be issued in the name of the LCSWDC;

- (b) Operate the Transfer Station's entry gate and scale in accordance with the Permit and applicable law, charge all users of the Transfer Station with the appropriate tipping fees and other charges permitted by the Contract, and maintain appropriate accounting records for all customer activity at the Transfer Station that may be verified and audited as required by the Contract;
- (c) Provide to the LCSWDC or its designee a copy of all reports filed with TDEC with respect to the status of Contractor's operations and compliance with the required permits and licenses, and maintain at the Transfer Station a copy of such reports as well as a copy of the required permits or licenses for operation of the Transfer Station;
- (d) Report to the Chair of the LCSWDC, or other designated representative, any violations of any required permits or applicable law with respect to which it has received notice, and with respect to such violations occasioned by acts or omissions of Contractor, report all action taken or to be taken to correct such violations within seventy-two (72) hours after receipt of notice of violation and furnish to the LCSWDC all written reports and evaluations of the operation of the Transfer Station received by Contractor from TDEC or any other regulatory authority as a result of any inspection of the Transfer Station and the responses of Contractor;
- (e) Furnish sufficient personnel and all tools, materials and equipment necessary for the lawful, skillful and workmanlike operation of the Transfer Station including the presence of a experienced and qualified supervisor whenever the Transfer Station is open for operation;
- (f) Establish, maintain, test and analyze all groundwater monitoring wells in conformance with the Permit and all other requirements or orders of TDEC;
- (g) Install, maintain and monitor Landfill gas collection and control systems in conformance with the Permit and all other requirements or orders of TDEC;
- (h) Maintain buildings, structures, and all other facilities, including the entry gate, scale, fences and other barriers, and other structures and improvements reasonably required for the operation of the Transfer Station and to properly perform all post closure activity at the Landfill in accordance with the Permit and any required permits for the Transfer Station or that are required by the Tennessee Department of Health and Environment. Contractor shall not be required to fence the Landfill but will maintain all existing fences in good condition;

- (i) Pay normal and standard charges for all water, wastewater, electrical power, natural gas, internet and phone service utilized at the Transfer Station;
- (j) Maintain all roads at the Transfer Station;
- (k) Maintain and replace as necessary the existing system for the collection and disposal of leachate released from the Landfill including paying for all costs to treat such leachate charged by the City of Loudon Utility Department or any successor to such utility;
- (l) Ensure that no scavenging or salvage operations are permitted at the Landfill or Transfer Station unless (i) the person doing so has the approval of TDEC and the LCSWDC, (ii) such operations do not impede the normal routine disposal operations, and (iii) such operations are conducted by personnel working under the immediate and direct control of Contractor;
- (m) Ensure that no open burning is permitted unless specific approval of the LCSWDC has been received;
- (n) Provide good customer service to its customers in accordance with generally accepted standards for the operation of a Landfill/Transfer Station and treat all customers fairly and endeavor to respond to customer complaints in a timely and reasonable manner; and
- (o) Perform all other obligations or activities required by any of the permits required to operate the Transfer Station, the Contract, and applicable law, as may be amended from time to time.

9.03 Hours of Operation/Office Requirements

The Contractor shall receive solid waste from 7:30 a.m. until 4:30 p.m. Monday through Friday, and 7:30 a.m. until noon on Saturday. Contractor shall not take delivery of any wastes at the Transfer Station after dusk or conduct other operations that would disturb neighboring residents without the prior written consent of the LCSWDC. The Transfer Station will be closed on Sundays and on Christmas Day, New Year's Day, Memorial Day, July 4, Labor Day and Thanksgiving Day. Contractor shall, however, operate at the Landfill during such other hours as may be necessary to comply with the provisions of this RFP. Any deviation from this operation schedule must be approved in advance by the LCSWDC. The Contractor shall maintain an office or such other facilities through which it can be contacted at the Transfer Station site. The office shall be equipped with sufficient telephones and shall have a responsible person in charge during all operating hours.

9.04 Acceptance of Acceptable Waste

The Contractor shall operate the Transfer Station to receive regular deliveries of acceptable waste according to the days and hours specified in this RFP from trucks, compactor-type vehicles, large dump trucks, private citizen vehicles and other vehicle types approved by the LCSWDC. The Contractor shall accept all waste which is delivered to the Transfer Station, except waste which is Unacceptable Waste as defined in this RFP, or so specified in the future by the LCSWDC.

9.05 Waste Screening

The Contractor shall provide inspection procedures that at a minimum shall include the following:

- (a) Waste shall be visually inspected as it is being tipped. Visual inspection shall be done by at least one person, whose duty is to monitor the tipping of waste. A communication device shall be provided that will allow communication between the inspector and the equipment operator;
- (b) The Contractor shall randomly select loads of waste delivered to the Transfer Station each day. The hauler shall be required to wait for the inspector to finish manually searching through the waste;
- (c) Records will be kept for each load physically inspected, and for any instances when Unacceptable Waste has been delivered to or found on the site. These records shall include, at a minimum, time, date, name of hauling firm, name of driver, source of waste, vehicle identification numbers, type and quantity of waste found and any other observations made by the inspector. The inspector and the hauler will both sign the record form to verify that the waste that has been inspected or found was delivered by the named hauler; and
- (d) The Contractor shall require the hauler to remove Unacceptable Waste from the Transfer Station immediately and in a manner which minimizes contamination of the Transfer Station. Provided, however, if Unacceptable Waste includes radioactive waste, Contractor shall notify TDEC and LCSWDC immediately and comply with all applicable laws relative to such waste.

9.06 Traffic Control

The Contractor shall have the responsibility for maintaining proper traffic control upon entering and exiting the Transfer Station. Such control shall assure the safe ingress and egress of all traffic entering and exiting the Transfer Station.

9.07 Security

The Contractor is responsible for 24-hour site security, 365-days a year, to ensure no unauthorized site entry and/or facility misuse.

9.08 Scales and Related Equipment

The operation of the weighing system located at the scale house will be the responsibility of the Contractor and the Contractor shall ensure that the scale equipment is properly maintained and calibrated within acceptable industry standards. The Contractor will be responsible for the operation of the weighing system, and for admitting public, commercial haulers and industrial accounts into the facility. The Contractor will also be responsible for replacement of the system's equipment as needed.

9.09 Buildings

Buildings shall be maintained in good condition at all times. The Contractor shall be responsible for inspection, lubrication, adjustment, repair and maintenance, including replacement as necessary, of all building systems (including scale house) to include, but not necessarily be limited to plumbing, sumps, degreasers, and fixtures; heating, ventilating, and air conditioning systems, components, and devices; fire and dust suppression systems; and audio communications equipment. The Contractor shall also provide all needed janitorial services at the Transfer Station.

9.10 Roadways

Contractor shall be responsible for the construction and maintenance of all-weather roads running in and over the Transfer Station or which may be necessary to perform other Work related to the Landfill. Maintenance shall include but not be limited to grading, watering and snow removal. Watering for dust control will occur as needed. Contractor will also be responsible for painting and maintaining traffic directions lines on the roadways (including staging and storage area).

9.11 Litter Control and Burning

Measures shall be provided to control blowing litter. The entire site shall be cleaned of litter every day of operation or more frequently as needed. Contractor will provide portable litter screens and is required to keep these portable screens in a position to limit the blowing material from the Transfer Station. The Contractor shall erect such additional temporary or permanent fences, or take such measures as may be necessary to control the blowing of litter. Burning for litter control and other reason is prohibited unless the Contractor obtains a burn permit from the necessary local or state fire authorities.

9.12 Surface Drainage

All surface drainage at the Transfer Station and Landfill shall comply at all times with all applicable regulatory requirements and all applicable permits.

9.13 Salvage

The LCSWDC retains all salvage rights. No salvage operations will be permitted at the Transfer Station or Landfill. At the LCSWDC's discretion, recycling operations and composting may take place away from the active areas in accordance with a recycling plan, if any, adopted by the LCSWDC. The LCSWDC shall grant Contractor a right of first refusal to participate in any salvage operations at the Transfer Station or Landfill that the LCSWDC may adopt or approve in the future subject to such terms and conditions as may be adopted in the recycling plan and to all applicable requirements of law.

9.14 Accidental Fires/Fire Control

The Contractor shall have all primary responsibility for all fire control at the Transfer Station and Landfill. In the event a fire should occur, the Contractor shall immediately close that section of the Landfill or the Transfer Station and notify the proper authorities. The Contractor shall make available all available employees and equipment, and shall continue to control the fire with maximum effort until officially relieved by proper fire authorities. All reasonable precautions, such as separation of "special wastes" and early removal of excavation of "hot spots," shall be taken to prevent accidental ignition or spontaneous combustion of solid wastes within the Transfer Station and the Landfill. Water, stockpiled earth, or other means shall be available to extinguish such fires as they may occur. Each piece of Contractor's equipment working on the fill shall be equipped with a fire extinguisher and all of Contractor's employees stationed at the Transfer Station and Landfill shall be familiar with their operation.

9.15 Signage

The Contractor shall provide and maintain signs to direct and control all Transfer Station and Landfill traffic as well as signs regarding Unacceptable Wastes, hours of operation, and any other verbiage regarding acceptable waste disposal practices and rules at the facility.

9.16 Flow Limitation and Special Restrictions

Unless otherwise expressly permitted by the LCSWDC, the Contractor shall not be permitted to accept more than 800 tons of waste per day at the Transfer Station as calculated on a daily average for any running thirty (30) day period. Contractor shall also be prohibited from accepting waste at the Transfer Station that is transported from more than 150 miles without the prior written approval of the LCSWDC. The LCSWDC also reserves the right to regulate or restrict any and all waste collected at the Transfer Station that causes any abnormal or usual smells or creates a public safety concern such that the continued collection and transport of such waste would result in obnoxious odors to the surrounding neighbors of the Landfill, create adverse facility conditions that were outside of the Landfill's prior operating history, or a public

safety threat as reasonably determined by the LCSWDC. Contractor shall provide such periodic reports as may be requested by the LCSWDC to verify Contractor's compliance with these flow and waste restrictions.

9.17 C&D Operations Option

The LCSWDC, by itself or through its authorized contractors, reserves the right to open and operate a licensed Construction & Demolition landfill facility at the Landfill, and the Contractor agrees to cooperate with the LCSWDC to facilitate such operations, provided such operations are conducted in a manner that does not unreasonably interfere with the Contractor's obligations under the Contract. The LCSWDC agrees that if it commences any such operations, it will be performed in areas of the Landfill that will not unreasonably interrupt or interfere with Contractor's operations. Prior to undertaking any such operation, the LCSWDC shall grant Contractor a right of first refusal to participate in its proposed C&D facility on similar terms to that being offered to any other contractor or service provider, subject to all terms and conditions imposed by the LCSWDC on the facility and to all applicable requirements of law.

9.18 Landfill Generated Methane Gas Obligations and Reservation of Rights

Contractor shall be responsible for managing Landfill gas in accordance with all state and federal regulations. All methane gas rights and related beneficial use of such gas resulting from Landfill operations are expressly reserved to the LCSWDC. The Contractor shall have no entitlement to the same and shall be prohibited from capturing or harvesting any such rights without the prior written consent of the LCSWDC. Prior to undertaking any gas salvage or recycling operations, the LCSWDC shall grant Contractor a right of first refusal to participate in such operations on similar terms to that being offered to any other contractor or service provider, subject to all terms and conditions imposed by the LCSWDC on the operations and to all applicable requirements of law.

9.19 Closure and Post-Closure Responsibility/Required Bond

Contractor shall throughout the Contract term provide at its cost all post-closure for Phase I of the Landfill, which shall be provided in accordance with the closure/post-closure plans submitted and approved by the state for Phase I and all other requirements of the state. The Contractor shall also be responsible for procuring bids on behalf of the LCSWDC from a reputable and experienced contractor to perform all work and services necessary to properly close Phase II/IV of the Landfill in accordance with all applicable requirements of the Permit and applicable law. Said procurement shall be conducted in accordance with the procurement laws applicable to the LCSWDC and its other reasonable requirements and shall be managed and overseen by the Contractor in a timely manner to assure the closure is compliant with all time requirements of the state of Tennessee. The LCSWDC shall be responsible for the cost of such closure and shall approve the terms of the request for bids and any resulting contract with the successful bidder. The Contractor shall be responsible for preparing all necessary bid documents, specifications and contract documents, which shall be submitted timely to the LCSWDC for its review and input and final approval. The Contractor shall also as part of the Work under the Contract, monitor and inspect the work of the selected closure contractor and report regularly to the LCSWDC on

the work and its progress. Once closure of Phase II/IV of the Landfill is completed, Contractor shall thereafter during the Contract term also provide at its cost the post-closure for Phase II/IV of the Landfill in addition to Phase I in accordance with the applicable closure/post-closure plans submitted and approved by the state for such phases and all other requirements of the state.

The bond/security requirements of the state of Tennessee for the closure and post-closure of Phases I and II/IV of the Landfill are currently the responsibility of the LCSWDC, which with the pledge of Loudon County's share of state taxes is in compliance with all current state requirements relating to closure/post-closure security. The LCSWDC shall continue to be responsible for these bonding requirements as they relate to Phases I and II/IV of the Landfill during the Contract term.

[End of Article]

ARTICLE 10
AFFIDAVIT AND BID FORMS

10.01 PROPOSER’S NON-COLLUSION AFFIDAVIT

STATE OF _____
COUNTY OF _____

_____, being first duly sworn, deposes and says that:

The affiant states with respect to this Proposal to the LCSWDC located in Loudon County, Tennessee:

- (1) He/she is the _____ of _____, the firm that has submitted the attached Proposal.
- (2) He/she is fully informed respecting the preparation and contents of the attached Proposal and of all pertinent circumstances respecting such Proposal.
- (3) He/she hereby certifies for the firm submitting the Proposal that if the Contract is awarded to such firm that no member of the LCSWDC, employee, agent or representative of the LCSWDC, or any person representing or purporting to represent the LCSWDC, or any family member including spouse, parents, or children of the foregoing group, has received or has been offered or promised, directly or indirectly, any remuneration, property, service, advantage or other consideration or benefit of value, to improperly influence or obtain the award of the attached Proposal to said firm.
- (4) Such Proposal is genuine and is not a collusive or sham Proposal.
- (5) To the best of affiant’s knowledge, neither the said firm nor any of its officers, partners, owners, agents, representatives, employees or parties in interest, including this affiant, has in any way (i) colluded, conspired, connived or agreed, directly or indirectly, with any other vendor, firm or person to submit a collusive or sham Proposal in connection with the contract or agreement for which the attached Proposal has been submitted or to refrain from making a Proposal in connection with such contract or agreement; (ii) by means of collusion, communication or conference with any other firm, attempted or acted to fix any overhead, profit, or cost or benefit element of the Proposal price or the Proposal price of any other firm; or (iii) to secure through any collusion, conspiracy, connivance, or unlawful agreement any advantage against the LCSWDC or any person interested in the proposed contract or agreement.
- (6) To the best of affiant’s knowledge, the Proposal of service outlined in the attached Proposal is fair and proper and is not tainted by collusion, conspiracy, connivance, or unlawful agreement on the part of the firm or any of its agents, representatives, owners, employees, or parties including this affiant.
- (7) He/she certifies that the undersigned has full authority to bind the firm and that the undersigned has personally reviewed the information contained in the Request for Proposals and the attached Proposal, and all exhibits, appendices and attachments, and

does hereby attest to the accuracy of all information contained in such Proposal, including all exhibits and attachments.

- (8) He/she acknowledges that any misrepresentation contained in this Affidavit or the attached Proposal will result in immediate disqualification from any consideration in the Proposal process.

(Signed): _____
Title

Printed Name: _____
Date

Subscribed and sworn to before me this _____ day of _____, 2007.

Notary Public

My Commission expires _____

Firm Name: _____

Type of business organization (For example: corporation, LLC, partnership, proprietorship):

Address: _____

Telephone: _____

10.02 PROPOSAL FORM FOR ALERNATIVE 1

TO: LOUDON COUNTY SOLID WASTE DISPOSAL COMMISSION

FROM: _____

FOR: MATLOCK BEND SANITARY LANDFILL
ALTERNATIVE I (CLASS I LANDFILL OPERATIONS)

DATE SUBMITTED: _____, 2007

The undersigned Bidder, in compliance with your Request for Proposals for the operation of the Matlock Bend Sanitary Landfill and performance of such other Work as specified in the Contract Documents (the "Work"), having examined the Contract Documents and the site of the proposed Work, and being familiar with all of the conditions surrounding the site and the Work, including the availability of materials and labor, hereby proposes to perform the Work in accordance with the Contract Documents.

The Bidder proposes and agrees, if this Bid is accepted, to contract with the Loudon County Solid Waste Disposal Commission ("LCSWDC") in the form of the Contract Agreement specified, to furnish all necessary equipment, machinery, tools, apparatus, means of transportation and labor necessary to properly perform the Work during the Contract term in full and complete accordance with the reasonably intended requirements of the Contract Documents to the full and entire satisfaction of the LCSWDC with a definite understanding that no money will be allowed for extra Work, for the following fees and payments:

- A. General Public Tipping Fee per Ton to be retained by Contractor (Subject to adjustment after first two years of operation in accordance with Contract Documents) \$ _____ per ton
- B. Governmental Tipping Fee per Ton to be Retained by Contractor for Waste Delivered by or on Behalf of Area Governmental Users (Subject to adjustment after first two years of operation in accordance with Contract Documents) \$ _____ per ton
- C. Host Fee per Ton to be Paid by Contractor To LCSWDC (per the terms of the Contract Documents and subject to a minimum) \$ _____ per ton (state as a % of A above)
- D. Cost and Post-Closure Security Fee per Ton to Be Paid by Contractor to LCSWDC (per the terms of the Contract Documents) Fixed Fee per Contract Documents

The Bidder agrees hereby to commence Work under the Contract, with adequate personnel and equipment, on a date to be specified in a written Notice to Proceed, and to properly perform all Work under the Contract during the Contract's term and any extension thereof, all in accordance with the terms and conditions of the Contract Documents.

The Bidder furthermore agrees that, in the case of a failure to execute the Contract and provide the required contract security within ten days after receipt of the final Contract for execution, the attached Bid Bond/Bid Security accompanying this Bid and the monies payable thereon shall be paid into the funds of the LCSWDC as liquidated damages for such failure.

Attached to the original of this Proposal Form is a Bid Bond or other Bid Security in the sum of Fifty Thousand Dollars (\$50,000) according to the conditions of the Request for Proposals.

Bidder acknowledges receipt of the Following Addenda:

Addendum No. 1, dated: _____ Addendum No. 3, dated: _____

Addendum No. 2, dated: _____ Addendum No. 4, dated: _____

BIDDER: _____

By: _____
(name signed)

(name printed or typed)

Title: _____

Address: _____

Phone: _____

Attest: _____
(name signed)

(name printed)

Title: _____

(SEAL)

Note: Attest for a corporation must be by the corporate secretary; for a partnership by another partner; for an individual by a notary.

Note: If the Bidder is a corporation, the Bid shall be signed by an officer of the corporation; if a partnership, it must be signed by a partner. If signed by others, authority for the signature shall be attached.

The full names and addresses of persons or parties interested in the foregoing Bid, as principals, are as follows:

<u>Name</u>	<u>Address</u>
_____	_____
_____	_____
_____	_____
_____	_____

10.03 PROPOSAL FORM FOR ALTERNATIVE 2

TO: LOUDON COUNTY SOLID WASTE DISPOSAL COMMISSION

FROM: _____

FOR: MATLOCK BEND SANITARY LANDFILL
ALTERNATIVE 2 (SOLID WASTE TRANSPORTATION AND DISPOSAL SERVICES)

DATE SUBMITTED: _____, 2007

The undersigned Bidder, in compliance with your Request for Proposals for the construction and operation of a transfer station at the Matlock Bend Sanitary Landfill and performance of such other Work as specified in the Contract Documents (the "Work"), having examined the Contract Documents and the site of the proposed Work, and being familiar with all of the conditions surrounding the site and the Work, including the availability of materials and labor, hereby proposes to perform the Work in accordance with the Contract Documents.

The Bidder proposes and agrees, if this Bid is accepted, to contract with the Loudon County Solid Waste Disposal Commission ("LCSWDC") in the form of the Contract Agreement specified, to furnish all necessary equipment, machinery, tools, apparatus, means of transportation and labor necessary to properly perform the Work during the Contract term in full and complete accordance with the reasonably intended requirements of the Contract Documents to the full and entire satisfaction of the LCSWDC with a definite understanding that no money will be allowed for extra Work, for the following fees and payments:

- A. General Public Tipping Fee per Ton to be retained by Contractor (Subject to adjustment after first two years of operation in accordance with Contract Documents) \$_____ per ton
- B. Governmental Tipping Fee per Ton to be Retained by Contractor for Waste Delivered by or on Behalf of Area Governmental Users (Subject to adjustment after first two years of operation in accordance with Contract Documents) \$_____ per ton
- C. Host Fee per Ton to be Paid by Contractor To LCSWDC (per the terms of the Contract Documents and subject to a minimum) \$_____ per ton (state as % of A above)
- D. Cost and Post-Closure Security Fee per Ton to Be Paid by Contractor to LCSWDC (per the terms of the Contract Documents) Fixed Fee per Contract Documents

The Bidder agrees hereby to commence Work under the Contract, with adequate personnel and equipment, on a date to be specified in a written Notice to Proceed, and to properly perform all Work under the Contract during the Contract's term and any extension thereof, all in accordance with the terms and conditions of the Contract Documents.

The Bidder furthermore agrees that, in the case of a failure to execute the Contract and provide the required contract security within ten days after receipt of the final Contract for execution, the attached Bid Bond/Bid Security accompanying this Bid and the monies payable thereon shall be paid into the funds of the LCSWDC as liquidated damages for such failure.

Attached hereto is a Bid Bond or other Bid Security in the sum of Fifty Thousand Dollars (\$50,000) according to the conditions of the Request for Proposals.

Bidder acknowledges receipt of the Following Addenda:

Addendum No. 1, dated: _____ Addendum No. 3, dated: _____

Addendum No. 2, dated: _____ Addendum No. 4, dated: _____

BIDDER: _____

By: _____
(name signed)

(name printed or typed)

Title: _____

Address: _____

Phone: _____

Attest: _____
(name signed)

(name printed)

Title: _____

(SEAL)

Note: Attest for a corporation must be by the corporate secretary; for a partnership by another partner; for an individual by a notary.

Note: If the Bidder is a corporation, the Bid shall be signed by an officer of the corporation; if a partnership, it must be signed by a partner. If signed by others, authority for the signature shall be attached.

The full names and addresses of persons or parties interested in the foregoing Bid, as principals, are as follows:

<u>Name</u>	<u>Address</u>
_____	_____
_____	_____
_____	_____
_____	_____

[End of Article]

ARTICLE 11
FORM OF AGREEMENT

THIS AGREEMENT made this ____ day of 2007, by and between the Loudon County Solid Waste Disposal Commission, hereinafter called "OWNER", whose business address is 100 River Road, Box 106, Loudon, Tennessee 37774, and _____ doing business as [(an individual,) or (a partnership,) or (a corporation)] hereinafter called "CONTRACTOR", whose business address is [Insert Address].

WITNESSETH: That for and in consideration of the payments and agreements hereinafter mentioned:

1. The CONTRACTOR will commence and complete the WORK as described in the CONTRACT DOCUMENTS that pertain to [describe Alternative I or Alternative II as applicable] (hereinafter collectively called the "WORK"), and shall be allowed to charge such fees as are permitted by the CONTRACT DOCUMENTS, subject to the payments required to be made to OWNER thereunder.

2. The CONTRACTOR will furnish all of the materials, supplies, tools, equipment, labor, and other services necessary for the construction and completion of the WORK.

3. The CONTRACTOR will commence the WORK required by the CONTRACT DOCUMENTS in accordance with the NOTICE TO PROCEED and will faithfully prosecute and complete the same during the Contract term of twenty (20) years commencing on the date of this Agreement, unless the term is otherwise extended in accordance with the CONTRACT DOCUMENTS.

4. The CONTRACTOR agrees to perform all of the WORK described in the CONTRACT DOCUMENTS and comply with the terms therein for the consideration provided under the CONTRACT DOCUMENTS and as recited in the CONTRACTOR's Proposal.

5. The term "CONTRACT DOCUMENTS" means and includes the following:

- (A) ADVERTISEMENT FOR PROPOSAL;
- (B) REQUEST FOR PROPOSALS;
- (C) BID;
- (D) BID BOND;
- (E) AGREEMENT;
- (F) GENERAL CONTRACT TERMS & CONDITIONS;
- (G) SPECIFICATIONS FOR [ALTERNATIVE I/ALTERNATIVE II];
- (H) PERFORMANCE BOND/LETTER OF CREDIT;
- (I) NOTICE OF AWARD;
- (J) NOTICE TO PROCEED;
- (K) ALL CHANGE ORDERS ISSUED IN ACCORDANCE WITH THE CONTRACT DOCUMENTS; and

(L) THE FOLLOWING ADDENDA [HERE LIST ALL ADDENDA AND DATE ISSUED].

Each of the Contract Documents is included herewith as a part of this Agreement as if stated herein verbatim.

6. The CONTRACTOR will pay to the OWNER in the manner and at such times as set forth in the CONTRACT DOCUMENTS such fees and amounts as are required by the CONTRACT DOCUMENTS.

7. This Agreement shall be binding upon all parties hereto and their respective heirs, executors, administrators, successors, and assigns.

IN WITNESS WHEREOF, the parties hereto have executed or caused to be executed by their duly authorized official, this Agreement in three (3) original copies, each of which shall be deemed an original on the date first above written.

OWNER:

Loudon County Solid Waste Disposal Commission

By _____
Its _____

ATTEST:

By _____
Title _____

CONTRACTOR:

By _____
Its _____

ATTEST:

By _____
Title _____

[End of Article]

ARTICLE 12
FORM OF BONDS AND CONTRACT PERFORMANCE SECURITY

12.01 FORM of BID BOND

BID BOND

KNOW ALL MEN BY THESE PRESENTS, that we, the undersigned,
_____, a _____
as Principal; and

_____, a _____
as surety, are hereby held and firmly bound unto Loudon County Solid Waste Disposal Commission (“LCSWDC”) hereinafter called the Owner in the sum of Fifty Thousand Dollars (\$50,000.00) for the payment of which sum, well and truly to be made, we hereby jointly and severally bind ourselves, our heirs, executors, administrators, successors, and assigns.

The condition of the above obligation is such that whereas the Principal has submitted to the Owners a certain Bid, attached hereto and hereby made a part hereof, to enter into a contract in writing, for Solid Waste Disposal at the Matlock Bend Landfill in Loudon County, Tennessee,

NOW, THEREFORE,

- (a) If said Bid shall be rejected, or, in the alternate,
- (b) If said Bid shall be accepted and the Principal shall execute and deliver a Contract in accordance with and as required by the Bid and shall execute and deliver a Performance Bond or other acceptable performance security in accordance with and as required by the Bid and shall in all other respects perform the agreement created by the acceptance of said Bid,

Then, this obligation shall be void; otherwise the same shall remain in force and effect, it being expressly understood and agreed that the liability of the surety for any and all default of the Principal hereinunder shall be the amount of this obligation as herein stated.

The surety, for value received, hereby stipulates and agrees that the obligations of said surety and its bond shall be in no way impaired or affected by any extension of the time within which the Owner may accept such Bid; and said surety does hereby waive notice of such extension. The undersigned Principal and surety do further hereby consent and yield to the jurisdiction of the state civil courts of Loudon County, Tennessee.

IN WITNESS WHEREOF, the Principal and surety have caused these presents to be duly signed and sealed on this _____ of _____ 2007.

Signature of Principal

Name of Principal

Witness as to Principal:

Signature of Corporate Surety

Name of Corporate Surety

Witness as to Surety:

Business Address

Business Address

(SEAL)

Bonds will be accepted only from sureties on the current U.S. Treasury list of approved sureties as published in the U.S. Treasury Department Circular 570. A valid Power of Attorney must be attached.

12.02 FORM of PERFORMANCE BOND

PERFORMANCE BOND

KNOW ALL MEN BY THESE PRESENTS, that we the undersigned _____, a _____, hereinafter called the Principal, and _____, a _____, hereinafter called the Surety, are held and firmly bound unto Loudon County Solid Waste Disposal Commission (“LCSWDC”), in the full and just sum of _____ Dollars (\$_____) in lawful money of the United States of America, to be paid to the LCSWDC, its successors and assigns, to which payment well and truly to be made, we bind ourselves, our heirs, executors, administrators, successors and assigns, jointly and severally, firmly by these presents.

WHEREAS, the Principal has entered into a contract with LCSWDC (the “Contract”), dated _____ 2007, for Solid Waste Disposal at the Matlock Bend Landfill in Loudon County, Tennessee (the “Work”).

WHEREAS, it was one of the conditions of the award by LCSWDC, pursuant to which the Contract was entered into, that the Principal must execute and deliver to LSCDWD a performance bond with respect to the work of the Principal under the Contract.

NOW THEREFORE, the conditions of this obligation are such that if the Principal shall in all respects fully perform all of its obligations under and comply with all of the terms and conditions of the Contract, as may be amended, and shall fully and completely perform the Work in accordance with the terms and conditions of the Contract and shall pay and indemnify and save harmless LCSWDC from and against all costs, expenses, damages, injury or loss, to which LCSWDC may incur or otherwise be subjected to by reason of any default or other intentional or negligent failure to perform under the Contract, including but not limited to, costs and expenses incurred by LCSWDC in completing the Work after a default or other failure to perform the Contract by the Principal, its agents, employees or subcontractors, this obligation is to be void; otherwise to remain in full force and effect.

And, the Surety, for value received, hereby stipulates and agrees that no change, extension of time, or alteration or addition to the terms of the Contract or the Work to be performed thereunder or the plans or specifications accompanying the same shall in any way affect its obligation on this bond, and it does hereby waive notice of any such change, extension of time and alteration or addition to the terms of the Contract or to the Work or to the plans or the specifications.

In each and every suit brought against the Surety upon this bond by LCSWDC or any other obligee hereunder in which LCSWDC or such other obligee shall be successful, there shall be

assessed against the Surety in favor of LSCWDC and/or such other obligee reasonable counsel fees, which the Surety hereby expressly agrees to pay as part of the cost and expense of such suit.

The undersigned Principal and Surety do further hereby consent and yield to the jurisdiction of the state civil courts of Loudon County, Tennessee.

IN WITNESS WHEREOF, the Principal and Surety have caused these presents to be duly signed and sealed on this _____ of _____ 2007.

Signature of Principal

Name of Principal

Business Address

Witness as to Principal:

Signature of Corporate Surety

Name of Corporate Surety

Business Address

Witness as to Surety:

(SEAL)

Bonds will be accepted only from sureties on the current U.S. Treasury list of approved sureties as published in the U.S. Treasury Department Circular 570. A valid Power of Attorney must be attached.

12.03 FORM of LETTER OF CREDIT

(ON ISSUING BANK'S LETTERHEAD)

Loudon County Solid Waste Disposal Commission
101 Mulberry Street
Loudon County Annex
Loudon, Tennessee 37774

Letter of Credit No. _____
Date: _____, 200_

Ladies and Gentlemen:

For the account of _____,
we hereby authorize you or your transferee to draw on us at sight up to an aggregate amount of

Dollars (\$ _____).

This Credit is irrevocable and unconditional.

Drafts drawn under this Credit must specify the number of this Credit and be presented at the office identified below not later than _____. Any sight draft may be presented to us by electronic, reprographic, computerized or automated systems, or be a carbon copy, but in any event must visibly bear the word "original". If the document is signed, the signature may consist of (or may appear to us as) an original handwritten signature, a facsimile signature or any other mechanical or electronic method of authentication.

This Credit sets forth in full the terms of our obligations to you, and such undertaking shall not in any way be modified or amplified by any agreement in which this Credit is referred to or to which this Credit relates, and any such reference shall not be deemed to be incorporated herein by reference to any agreement.

We engage with you that drafts drawn under and in compliance with the terms of this Credit will be duly honored at _____.

Very truly yours,

(Name of Issuing Bank)

By _____
Printed Name of Officer: _____
Title: _____

[End of Article]

APPENDIX I

Proposal Response Checklist:

A. Suggested Table of Contents

1. Proposal Bid Form
2. Exhibit A -- General Plan of Operations
3. Exhibit B -- Phase In Plan
4. Exhibit C -- Termination Transition Plan
5. Exhibit D -- Interruption of Operations Plan
6. Exhibit E -- Estimated Tipping Fees
7. Exhibit F -- Statement of Willingness to Provide Performance Security
8. Exhibit G -- Certified Financial Statement
9. Exhibit H -- Evidence of Good Standing
10. Exhibit I -- Statement of Experience
11. Exhibit J -- Proposer's Non-Collusion Affidavit

B. Additional Reminders

1. Ten (10) copies to be included (one marked original) in sealed envelopes with proper identification on outside as required.
2. Cover sheet of proposal to include name of Proposer, submittal date and Alternative number being proposed.
3. Proposal to include a table of contents with clearly marked page numbers that are sequentially numbered.
4. Proposal to be properly signed in ink as required with complete mailing address.
5. Bid bond/security to be enclosed as required.
6. Attend Pre-Bid Conference on Tuesday, February 20, 2007 or register with the Loudon County Purchasing Office.
7. Make any comments or inquiries about RFP process by Friday, March 9, 2007.
8. **SUBMIT PROPOSAL(S) BY 3:00 P.M. ON TUESDAY, APRIL 3, 2007.**
9. Make Public Presentation on Tuesday, April 10, 2007 at 6:30 p.m.