

**City of La Marque POTW
SERVICE AGREEMENT CONTRACT**

This Service Agreement Contract (the "Contract"), dated 2.8, 2016 is entered into between Galveston County Landfill TX, L.P. d/b/a Galveston County LF doing business in the State of Texas (herein "Galveston County LF" or "Owner"), and the City of La Marque, a municipal corporation of the State of Texas (herein "City") for the provision of disposal capacity at the City publicly-owned treatment works ("POTW") for wastewater from the operation of the Galveston County LF.

WHEREAS, the City and Galveston County LF desire to enter into this Contract for the provision of disposal capacity at the City POTW for wastewater from the operation of the Galveston County LF, and agree as follows:

- I. Owner agrees to install and maintain, free of charge to the City, the approximate sixty foot 6" x 4" dual containment force main, including any portions or segments that ownership may be assigned to the City as a requirement by any other State or Federal agency, department, commission, law or rule (the "Force Main"). The City's responsibility shall begin at the agreed upon point where the Force Main enters the City's manhole adjacent to FM 1764 below the ground.
- II. The City shall have the right to enter on the property or premises for any purposes reasonably incidental to or necessitated by the terms and provisions of this Contract.
- III. Owner agrees to maintain a flow meter and sample station, the Force Main, and a meter pump to pump their wastewater for monitoring the quantity of sewage delivered to the City's collection system. The type and model of meter shall be approved by the City. Owner further agrees to test the accuracy and calibrate the meter upon installation and annually thereafter, in a manner approved by the City, with the results submitted to the City. Owner shall bear all costs associated with installation and maintenance of the flow meter and sample station, the Force Main, and a meter pump. Until the meter is installed and tested or in the event of a malfunction of the meter, Owner agrees to pay for a volume of sewage which is equivalent to previous billing actually provided to Owner for the billing period. In the event that the City questions the accuracy of the meter, the City shall have the right, at its own expense, to test the accuracy of the meter. If the meter is inaccurate by 5 percent or more, Owner agrees to repair and re-calibrate the meter at Owner's expense.
- IV. Owner agrees to comply with applicable City Code of Ordinances including the Article II Sewage Disposal Standards regarding the discharge of wastewater.

Owner will only discharge leachate and/or any other wastewater when approved and authorized by the City, including as approved or provided for within this Contract, and in accordance with local, state, and federal requirements.

- V. In the event of an overflow, bypass, or other noncompliance from the Owner's sanitary sewage collection system, Owner agrees to promptly report the noncompliance as required by State and Federal authorities. Owner also agrees to promptly mitigate any environmental hazard created by the noncompliance and to correct the problem which led to the noncompliance as required by State and Federal authorities. Owner also agrees to submit a copy of the notification and report of the mitigation to the City. Owner's collection system is defined as all of the pipes within Owner's facility transporting sewage from individual connections to the flow meter and sample station and pump discharge piping. The City's responsibility shall begin at the point where the Force Main enters the City's manhole adjacent to FM 1764 below the ground.
- VI. The City agrees to accept wastewater at a flow volume rate as determined in Attachment A, Section I for Owner under normal operating conditions. Additional flow volumes must be approved by the City prior to discharging to the City collection system. The City reserves the right to reject any additional flow.
- VII. The Owner agrees to pay to the City all charges for sewer service within thirty (30) days after receipt of a statement from the City. In the event of failure of Owner to pay said charges, City shall have the right, upon thirty (30) days' written notice to Owner, to refuse to accept further sewage from Owner.
- VIII. Owner will pay a rate of \$0.04/gallon for sewer services as established by this Contract, on a per gallon rate, for authorized pollutants and sanitary sewage discharge limits and applicable surcharges. Owner agrees to pay an additional surcharge for wastewater that exceeds the discharge limits set forth and as provided in Attachment A of this Contract. Determination of the concentrations of the Owner's waste shall be made by the City based on tests conducted on representative samples collected in accordance with this Contract. The Owner will be responsible for the charges incurred for all testing required by Appendix A, Section I.
- IX. Contemporaneously with the execution of this Contract, Owner shall deposit with the City the sum of five thousand dollars (\$5,000) (the "Security Deposit") to be held by the City as security for the performance of Owner's obligations under this Contract. In the event of any default in the payment when due of any amounts owing by Owner to the City pursuant to this Contract, the City may apply the Security Deposit towards the payment of the same. Upon the expiration or termination of this Contract and the payment in full of all amounts to be paid by

Owner to the City pursuant to this Contract, the balance of the Security Deposit that has not been applied to any amounts owing by Owner to the City pursuant to this Contract shall be promptly returned by the City to Owner.

- X. Owner agrees to enter into such contracts or agreements as may be reasonably required to carry out the purpose and intent of this Contract. The term of this Contract shall be for a period of five (5) years from and after the date of execution.
- XI. Owner may, from time to time, convey or assign this Contract with respect to all or any part of the land contained within Owner's boundaries upon prior approval by the City of the assignee or assignees and only upon the condition that the assignee or assignees assume the liabilities, responsibilities, and obligations under this Contract with respect to the land involved in the assignment or assignments, or as may be otherwise approved by the City. Notwithstanding the foregoing, Owner may assign this Contract without the consent of the City, to an affiliate of Owner or to any person or entity that purchases any operations from Owner.
- XII. EFFECTIVE DATE AND TERM - This contract shall become effective, and performance shall begin on December 1, 2015. The Contract shall be for a five (5) year period beginning on December 1, 2015 and remain in full force until November 30, 2020. The initial term of the Contract may be extended for an additional five (5) years, upon the Mutual agreement of the Contractor and the City. Request for extension by the Contractor shall be submitted in writing, on or before March 1, 2020. The request for extension shall contain the proposed rate, including proposed formula for price increases, and any additional terms or conditions not contained in the original Contract Documents.

In connection with this agreement, notifications shall be sent to:

Galveston County Landfill TX, L.P.
3935 Avenue A
Santa Fe, TX 77510

Republic Services
General Counsel
18500 N. Allied Way
Phoenix, AZ 85054

Director of Public Services
City of La Marque POTW

1111 Bayou Road
La Marque, TX 77568

Any changes in said addresses may be made by notifying the other parties by certified mail of the new or changed address.

This Contract shall constitute a permit from the City to Owner for, and the City agrees that the Owner is authorized to, discharge into the City's collection system raw liquid waste in accordance with the effluent limitations, monitoring requirements and other conditions set forth in this Contract at the following location:

Proposed Manhole located on the Southeast side of FM 1764
approximately 60 feet from Avenue A
La Marque, TX 77568-4299

Executed in duplicate originals at La Marque, Texas on this 8th day of February, 2016, the City of La Marque acting herein by and through its City Manager and Galveston County LF, acting herein by and through its Authorized Representative, hereunto duly authorized.

ATTEST:

Robin Eldridge

CITY OF La MARQUE, TEXAS

By: Carole Butler
City Manager

ATTEST:

Mary Ann McQuinn

GALVESTON COUNTY LANDFILL TX, L.P.

By: [Signature]
Authorized Representative

STATE OF TEXAS

COUNTY OF HARRIS

BEFORE ME, the undersigned, a Notary Public in and for the said county and on this day personally appeared Brandon Rogers, Authorized Representative of GALVESTON COUNTY LANDFILL TX, L.P., known to me to be the person and officer whose name is subscribed to the foregoing instrument, and acknowledged to me that the same was the act of the said GALVESTON COUNTY LANDFILL TX, L.P., and that he executed the same as the act of such limited partnership for the purposes and consideration therein expressed, and in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this 25th day of January, 2016.



Mary Ann McGuire
Notary Public

STATE OF TEXAS

COUNTY OF Galveston

BEFORE ME, the undersigned, a Notary Public in and for the said county and on this day personally appeared Carol J. Butler, City Manager of the City of LaMarque, Texas, known to me to be the person and officer whose name is subscribed to the foregoing instrument, and acknowledged to me that the same was the act of the said City of LaMarque, Texas, and that he executed the same as the act of such municipal corporation for the purposes and consideration therein expressed, and in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this 8th day of February, 2016.



Robin R. Eldridge
Notary Public

ATTACHMENT A

SECTION I

PERMIT LIMITS

Parameter/Pollutant	Base Permit Limit	Maximum Permit Limit	Testing Schedule*
**** Dissolved Oxygen		Minimum of 1.0 mg/l	Prior to Discharge
Flow Volume	20,000 gpd monthly avg.	40,000 gpd maximum	Daily
pH	5.5	9.5	Monthly
Temperature	-	150°F	Monthly
Dissolved Methane	-	8.0 mg/l	Monthly
Metals: (Grab Sample)	-	-	-
Arsenic (As)	-	0.3 mg/l	Quarterly
Barium (Ba)	-	4.0 mg/l	Quarterly
Cadmium (Cd)	-	0.2 mg/l	Quarterly
Chromium (Cr)	-	5.0 mg/l	Quarterly
Copper (Cu)	-	2.0 mg/l	Quarterly
Lead (Pb)	-	1.5 mg/l	Quarterly
Manganese (Mn)	-	3.0 mg/l	Quarterly
Mercury (Hg)	-	0.02 mg/l	Quarterly
Nickel (Ni)	-	3.0 mg/l	Quarterly
Selenium (Se)	-	0.2 mg/l	Quarterly
Silver (Ag)	-	0.2 mg/l	Quarterly
Zinc (Zn)	-	6.0 mg/l	Quarterly
Cyanide	-	1.0 ppm	Quarterly
Phenols	-	1.0 ppm	Quarterly
Tin (Sn)	-	1.0 ppm	Quarterly
Iron (Fe)	-	5 ppm	Quarterly
Radioactive	-		Once a Year
	COLUMN 1	COLUMN 2	
**Biochemical Oxygen Demand (BOD)	350 mg/l	700 mg/l	Monthly
Total Suspended Solids (COD)	400 mg/l	800 mg/l	Monthly
**Ammonia as Nitrogen	100 mg/l	200 mg/l	Monthly
**Chemical Oxygen Demand (COD)	700 mg/l	1400 mg/l	Monthly
***Total Toxic Organics (TTO)	None	None	Once a Year

Sanitary Sewer Surcharge

A sanitary sewer surcharge shall be imposed under this section for discharges containing concentrations of pollutants above the Base Permit Limits in Column 1 of Appendix A, for those pollutants with Base Permit Limits. The City will calculate a sanitary sewer surcharge based on the monthly flow rate and mg/l, for every mg/l exceeding the Base Permit Limits (Column 1) up to the Maximum Permit Limits (Column 2). The surcharge will be at a rate of (\$0.397) per pound.

All discharge sampling will be in accordance with State and Federal requirements. This testing will be conducted at the frequencies listed in the Testing Schedule of Appendix A. All testing will be conducted by a laboratory that is approved by the City and the Owner. Laboratory acceptance documentation will be retained on site by Owner and submitted to City. The contract laboratory will be required to perform turn key sampling, collection, pick up and provide all test results to the City and the Owner.

All discharges shall comply with all other applicable laws, regulations, standards, and requirements of the City of La Marque and any other applicable Federal and/or State laws, regulations, standards, and requirements, including any such laws, regulations, standards and requirements that become effective during the term of this Contract.

* Alternate or increased sampling may be scheduled by the City on an as-needed basis. The City shall be responsible for charges incurred by additional sampling and analyses beyond the frequency indicated in Section I of Attachment A, unless such sampling and analysis is directly related to an ongoing investigation into an exceedance of the landfill discharge of one or more of the Maximum Permit Limits parameters as defined in Attachment A, Section I. In the event such an exceedance occurs, Owner shall be responsible for the charges incurred during the additional sampling and analyses.

**Demand Parameter Frequency may be reduced to Quarterly after the first year, with prior approval from the City.

***TTO=Total Toxic Organics is defined as the summation of all quantifiable values greater than 0.01 mg/l of the toxic organics listed in 40 CFR Part 433.11(e), including VOCs, BNA and Pesticides. TTO analyses will be performed annually for the first 3 years of discharge, then will be discontinued if no detectable levels of TTOs have been identified.

**** Dissolved Oxygen – Testing for Dissolved Oxygen shall be performed prior to any discharge. Should Dissolved Oxygen levels fall below 1.0 mg/l, discharge is prohibited.

- SECTION II

**PENALTY SCHEDULE
DISCHARGE EXCEEDANCE**

A penalty will be assessed for pollutant values that exceed the Maximum Permit Limits in Section I as follows:

<u>DEGREE OF PENALTY</u>	<u>AMOUNT PER PENALTY</u>
A. 1 to 25% outside of the Maximum Permit Limits-----	\$200.00
B. Greater than 25% outside of the Maximum Permit Limits up to 50%-----	\$400.00
C. Greater than 50% outside of the Maximum Permit Limits up to 75%-----	\$800.00
D. Greater than 75% outside of the Maximum Permit Limits-----	\$1600.00

The fees assessed per PENALTY will be based on monthly and quarterly test results. All quarterly tests with pollutant values that exceed the Maximum Permit Limits in Section I will be 3X (times) the amount per violation.

The City reserves the right to stop all discharge into the City's collection system in the event the waste stream becomes detrimental to the treatment and operation of the City's Wastewater Treatment Plant. Neither the assessment or payment of any penalty, nor the determination of the City to continue service after the assessment or payment of a penalty, nor the failure of the City to assess or collect a penalty, or to discontinue service, shall prevent the City from terminating service at any time where Maximum Permit Limits are or have been exceeded.