

COMPOST AGREEMENT

This Compost Agreement (the "Agreement") by and between **BARNSIDE FARM COMPOST FACILITY ("BFCF")** and the **NORTHERN MONTGOMERY COUNTY RECYCLING COMMISSION ("NMCRC")** is made this 5th day of December, 2008.

WITNESSETH:

Whereas, BFCF is operating a Pennsylvania Department of Environmental Protection ("PADEP") permitted compost facility on a five (5) acre site located on Haldeman Rd., in Lower Salford Township, Montgomery County, Pennsylvania (the "Facility"); and

Whereas, BFCF desires to increase the amount of leaf waste and yard waste it receives to process into compost and mulch for sale to end users; and

Whereas, member municipalities of the NMCRC who do not have curbside pick-up at least one time per month for leaf waste and yard waste are required to designate an official PADEP permitted compost facility for their residents to use as a drop off facility for leaf waste and yard waste; and

Whereas, the NMCRC member municipalities require that annual reports be received by January 31 of the following year to certify the total cubic yards of leaf waste and the total cubic yards of yard waste delivered to a PADEP permitted compost facility by each municipality, its residents or its contractors.

AGREEMENT

NOW, THEREFORE, the parties hereto, intending to be legally bound hereby, agree as follows:

1. **Term.**

a. **Initial Term.** For the three (3) year period commencing on the date of execution of this Agreement by BFCF and all NMCRC member municipalities, BFCF agrees to receive leaf waste and yard waste, at the Facility, which is collected by residents of member municipalities of the NMCRC, a member municipality of the NMCRC, any hauler collecting in a member municipality of the NMCRC, or any other collector authorized by the member municipality at the fixed fee schedule presented in Exhibit "A". Each NMCRC member municipality, its residents and haulers, and their respective agents and contractors, shall pay the most favorable gate rates BFCF can offer on a per yard basis, which are shown on Exhibit "A" attached hereto and incorporated herein, for materials they drop off at the Facility. All others shall pay the regular gate rates charged by BFCF.

b. **Automatic Renewal.** This Agreement shall automatically renew for a subsequent three (3) year period unless either party gives written notice at least sixty (60) days before the expiration of the initial term of its intent not to renew this Agreement.

2. **Operational Requirements.**

a. **Unacceptable Material and Responsibility for its Proper Disposal.**

BFCF shall accept the following materials at the Facility: leaf waste, leaves, grass clippings, brush, shrubs and tree clippings. BFCF requires that leaf waste and yard waste be separated prior to drop off, unless BFCF determines that such waste can be received on a commingled basis. All materials shall be delivered loose or in biodegradable bags acceptable to BFCF.

BFCF will not accept any of the following at the Facility: household hazardous waste, trash, metal, treated wood of any kind, branches over 4 (four) inches caliper or leaf waste in plastic bags.

At the time of delivery to the Facility or thereafter, BFCF shall use its best efforts to identify unacceptable materials and reject any load that it believes contains unacceptable materials.

b. **Documentation.**

BFCF shall be responsible for determining the municipality of origin for all compostable materials brought to the Facility. BFCF agrees to provide "drop off slips" in the form attached hereto as Exhibit "B" ("Drop Off Slips") to each municipality for use by its drivers, haulers and/or contractors. When a load of compostable materials arrives at the Facility, the driver shall present the Drop Off Slip or prepare a Drop Off Slip on a form which BFCF shall make available at the gate to the Facility. The driver shall be required to provide all the information requested on the Drop Off Slip.

Haulers who pick up compostable materials from more than one municipality shall be required to certify the percentage of the load from each municipality of origin on the Drop Off Slip. Haulers and customers who drop off compostable materials at the Facility originating from multiple municipalities shall specify each municipality of origin and the total quantity or percentage of materials originating from each such municipality. Any portion of the load originating from a NMCRC member municipality and dropped off by the municipality, its haulers or agents, shall receive the favorable gate rates set forth in this Agreement and the balance of the load shall be billed at the regular rates charged by BFCF.

BFCF shall prepare and maintain an accurate record of the total cubic yards of leaf waste and yard waste received at the Facility from each municipality, its haulers, contractors, residents and residents' contractors. In addition, BFCF shall make such records available at the Facility for review and inspection by each participating NMCRC member municipality and/or its designated agent or representative promptly upon request.

BFCF shall report the total cubic yards of leaf waste and the total cubic yards of yard waste received at the Facility during the preceding calendar year to the NMCRC-designated consultant by January 31 of each year. All reporting must comply with DEP regulations and other requirements and practices.

BFCF shall estimate the approximate cubic yard volume of acceptable material received based upon the size of each vehicle delivering leaf waste and yard waste, which vehicle types and corresponding cubic yard volumes are listed in Exhibit "C" attached hereto (the "Vehicle List"). If a vehicle delivering waste to the Facility is not included on the Vehicle List, then the BFCF operator on duty at the gate to the Facility shall determine the volume by comparing the size of such vehicle to similar vehicles identified on the Vehicle List.

In performing its obligations pursuant to this Agreement, BFCF shall comply in all respects with all applicable legal requirements issued or promulgated by PADEP from time to time, including without limitation, determining, recording and reporting the quantity of yard waste and leaf waste received by BFCF for composting at the Facility.

c. Hours of Operation.

BFCF hours of operation shall be as follows:

Monday through Friday: 7 AM to Noon and 1:30 PM to 4 PM
Saturdays - March 1 through June 30: 8 AM to Noon
Saturdays - October 1 through November 30: 8 AM to Noon
January, February, July, August, September, and
December 1 – 14 - open first Saturday of the month: 8 AM to Noon.
Other hours are by appointment with 24 hour notice.
Hours of operation by appointment only - December 15 through February 28
Closed Holidays.

d. Contact Information.

BFCF:

Phone: 610-888-7719 or 610-287-8880
Address: BFCF c/o Nancy Larkin
430 Dieber Road
Schwenksville, PA 19473

NMCRC:

Phone: 610-992-9990
Address: c/o Hough Associates
105 Town Center Rd., Ste#3
King of Prussia, PA 19406

or such other contact information as the parties may designate in writing.

3. Compliance with Legal Requirements.

BFCF shall comply and at all times operate the Facility in compliance with all laws, statutes, ordinances, rulings, regulations, codes, decrees, orders, judgments, conditions, restrictions, approvals, permits and requirements of, from or by any federal, state or local governmental or quasi-governmental agency, department, court, regulatory body, commission, authority, board, bureau or instrumentality of any of them, which exercises jurisdiction over the Property, the Facility or BFCF.

4. Finished Materials.

Beginning in January of 2009, BFCF shall make available to each of the member municipalities that delivered acceptable materials to BFCF in the prior contract year all finished product at a twenty percent (20%) discount in such quantities as may be agreed upon by the parties.

5. Parties.

The parties to this Agreement are BFCF, the NMCRC, and each of its member municipalities who have designated BFCF as the municipal PADEP-permitted compostable materials drop-off facility for such member municipality, as evidenced by the signatures affixed hereto.

6. Counterparts.

This Agreement may be executed in two or more counterparts, each of which shall be deemed an original but all of which taken together shall constitute one and the same instrument.

IN WITNESS WHEREOF, the parties hereto have duly executed this Agreement the day and year first above mentioned.

Barnside Farms Compost Facility

Attest: Walter F. Leckie, Jr.

Date Signed: 5 Dec 08

By: Alney Van Rook

**The Northern Montgomery County
Recycling Commission**

Attest: Richard Roller
Richard Roller, Secretary

By: Edward J. Brandt
Edward J. Brandt, Chairman

(Signature page continues)

MEMBER MUNICIPALITIES

Date Signed:

Ambler Borough

Attest: 

By: 

Address: 122 E. Butler Avenue
Ambler, PA 19002

Date Signed:

Township of Franconia

Attest: _____

By: _____

Address: P.O. Box 128
Franconia, PA 18924

Date Signed:

Borough of Hatfield

Attest: _____

By: _____

Address: P.O. Box 190
Hatfield, PA 19440

Date Signed:

Township of Hatfield

Attest: _____

By: _____

Address: 1950 School Road
Hatfield, PA 19440

Date Signed:

Township of Lower Gwynedd

Attest: _____

By: _____

Address: P.O. Box 625
Spring House, PA 19477

(Signature page continues)

MEMBER MUNICIPALITIES

Date Signed:

Ambler Borough

Attest: _____

By: _____

Address: 122 E. Butler Avenue
Ambler, PA 19002

Date Signed:

Township of Franconia

Attest: 11/17/2008

By: 

Address: P.O. Box 128
Franconia, PA 18924

Date Signed:

Borough of Hatfield

Attest: _____

By: _____

Address: P.O. Box 190
Hatfield, PA 19440

Date Signed:

Township of Hatfield

Attest: _____

By: _____

Address: 1950 School Road
Hatfield, PA 19440

Date Signed:

Township of Lower Gwynedd

Attest: _____

By: _____

Address: P.O. Box 625
Spring House, PA 19477

(Signature page continues)

MEMBER MUNICIPALITIES

Date Signed:

Ambler Borough

Attest: _____

By: _____

Address: 122 E. Butler Avenue
Ambler, PA 19002

Date Signed:

Township of Franconia

Attest: _____

By: _____

Address: P.O. Box 128
Franconia, PA 18924

Date Signed:

11/21/09

Borough of Hatfield

Attest: William J. Mauler

By: John H. Neer

PRESIDENT

Address: P.O. Box 190
Hatfield, PA 19440

Date Signed:

Township of Hatfield

Attest: _____

By: _____

Address: 1950 School Road
Hatfield, PA 19440

Date Signed:

Township of Lower Gwynedd

Attest: _____

By: _____

Address: P.O. Box 625
Spring House, PA 19477

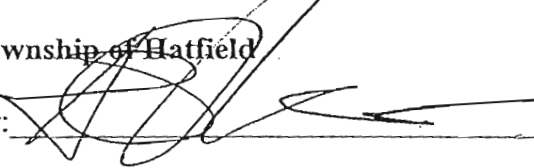
(Signature page continues)

MEMBER MUNICIPALITIES

Date Signed: _____ Ambler Borough
Attest: _____ By: _____
Address: 122 E. Butler Avenue
Ambler, PA 19002

Date Signed: _____ Township of Franconia
Attest: _____ By: _____
Address: P.O. Box 128
Franconia, PA 18924

Date Signed: _____ Borough of Hatfield
Attest: _____ By: _____
Address: P.O. Box 190
Hatfield, PA 19440

Date Signed: 2/4/09 Township of Hatfield
Attest: Kate Grubb By: 
Address: 1950 School Road
Hatfield, PA 19440

Date Signed: _____ Township of Lower Gwynedd
Attest: _____ By: _____
Address: P.O. Box 625
Spring House, PA 19477

(Signature page continues)

MEMBER MUNICIPALITIES

Date Signed:

Ambler Borough

Attest: _____

By: _____

Address: 122 E. Butler Avenue
Ambler, PA 19002

Date Signed:

Township of Franconia

Attest: _____

By: _____

Address: P.O. Box 128
Franconia, PA 18924

Date Signed:

Borough of Hatfield

Attest: _____

By: _____

Address: P.O. Box 190
Hatfield, PA 19440

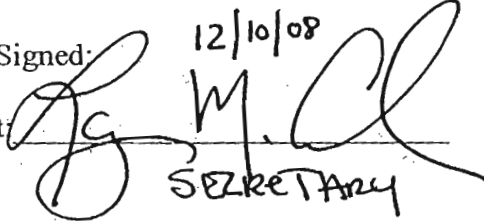
Date Signed:

Township of Hatfield

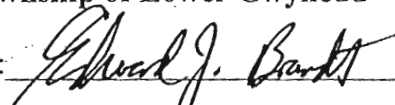
Attest: _____

By: _____

Address: 1950 School Road
Hatfield, PA 19440

Date Signed: 12/10/08
Attest: 
SECRETARY

Township of Lower Gwynedd

By: 

Address: P.O. Box 625
Spring House, PA 19477

(Signature page continues)

Date Signed:

Township of Lower Salford

Attest:

[Signature]
S. De Hon Plank, Township Manager

By:

[Signature]
Douglas Gifford, Chairman Board of Supervisors
Address: 379 Main Street
Harleysville, PA 19438

Date Signed:

Township of Montgomery

Attest: _____

By: _____

Address: P.O. Box 99
Montgomeryville, PA 18936

Date Signed:

Borough of North Wales

Attest: _____

By: _____

Address: Municipal Building
300 School Street
North Wales, PA 19454

Date Signed:

Borough of Souderton

Attest: _____

By: _____

Address: 31 West Summit Street
Souderton, PA 18964

Date Signed:

Borough of Telford

Attest: _____

By: _____

Address: 122 Penn Avenue
Telford, PA 18969

Date Signed:

Township of Towamencin

Attest: _____

By: _____

Address: P.O. Box 303
Kulpsville, PA 19443

Date Signed:

Township of Lower Salford

Attest: _____

By: _____

Address: 379 Main Street
Harleysville, PA 19438

Date Signed: 5-11-09

Township of Montgomery

Attest: Deborah A Rivas

By: Michael J FP

Address: P.O. Box 99
Montgomeryville, PA 18936

Date Signed:

Borough of North Wales

Attest: _____

By: _____

Address: Municipal Building
300 School Street
North Wales, PA 19454

Date Signed:

Borough of Souderton

Attest: _____

By: _____

Address: 31 West Summit Street
Souderton, PA 18964

Date Signed:

Borough of Telford

Attest: _____

By: _____

Address: 122 Penn Avenue
Telford, PA 18969

Date Signed:

Township of Towamencin

Attest: _____

By: _____

Address: P.O. Box 303
Kulpsville, PA 19443

Date Signed:

Township of Lower Salford

Attest: _____

By: _____

Address: 379 Main Street
Harleysville, PA 19438

Date Signed:

Township of Montgomery

Attest: _____

By: _____

Address: P.O. Box 99
Montgomeryville, PA 18936

Date Signed: 3/24/09

Borough of North Wales

Attest: Norm Patton

By: Mark Jankes

Address: Municipal Building
300 School Street
North Wales, PA 19454

Date Signed:

Borough of Souderton

Attest: _____

By: _____

Address: 31 West Summit Street
Souderton, PA 18964

Date Signed:

Borough of Telford

Attest: _____

By: _____

Address: 122 Penn Avenue
Telford, PA 18969

Date Signed:

Township of Towamencin

Attest: _____

By: _____

Address: P.O. Box 303
Kulpsville, PA 19443

Date Signed:

Township of Lower Salford

Attest: _____

By: _____

Address: 379 Main Street
Harleysville, PA 19438

Date Signed:

Township of Montgomery

Attest: _____

By: _____

Address: P.O. Box 99
Montgomeryville, PA 18936

Date Signed:

Borough of North Wales

Attest: _____

By: _____

Address: Municipal Building
300 School Street
North Wales, PA 19454

Date Signed: DECEMBER 1, 2008

Borough of Souderton

Attest:  _____

By:  _____

P. MICHAEL COLL, BOROUGH MANAGER/SEC

JOHN V. YOUNG, PRESIDENT

Address: 31 West Summit Street
Souderton, PA 18964

Date Signed:

Borough of Telford

Attest: _____

By: _____

Address: 122 Penn Avenue
Telford, PA 18969

Date Signed:

Township of Towamencin

Attest: _____

By: _____

Address: P.O. Box 303
Kulpsville, PA 19443

Date Signed:

Township of Lower Salford

Attest: _____

By: _____

Address: 379 Main Street
Harleysville, PA 19438

Date Signed:

Township of Montgomery

Attest: _____

By: _____

Address: P.O. Box 99
Montgomeryville, PA 18936

Date Signed:

Borough of North Wales

Attest: _____

By: _____

Address: Municipal Building
300 School Street
North Wales, PA 19454

Date Signed:

Borough of Souderton

Attest: _____

By: _____

Address: 31 West Summit Street
Souderton, PA 18964

Date Signed: 8/3/09

Borough of Telford

Attest: M. L. D. Ferri

By: Robert S. Beck

Address: 122 Penn Avenue
Telford, PA 18969

Date Signed:

Township of Towamencin

Attest: _____

By: _____

Address: P.O. Box 303
Kulpsville, PA 19443

Date Signed:

Township of Lower Salford

Attest: _____

By: _____

Address: 379 Main Street
Harleysville, PA 19438

Date Signed:

Township of Montgomery

Attest: _____

By: _____

Address: P.O. Box 99
Montgomeryville, PA 18936

Date Signed:

Borough of North Wales

Attest: _____

By: _____

Address: Municipal Building
300 School Street
North Wales, PA 19454

Date Signed:

Borough of Souderton

Attest: _____

By: _____

Address: 31 West Summit Street
Souderton, PA 18964

Date Signed:

Borough of Telford

Attest: _____

By: _____

Address: 122 Penn Avenue
Telford, PA 18969

Date Signed:

Township of Towamencin

Attest:  _____

By:  _____

Address: P.O. Box 303
Kulpsville, PA 19443

Exhibit "A"
Fixed Fee Schedule

FIXED FEE PER CUBIC YARD TO BE PAID TO BFCF FOR RECEIVING LEAF WASTE
AND YARD WASTE FROM PARTICIPATING NMCRC MUNICIPALITIES

Fixed Price Schedule

This Agreement guarantees the following tipping (dumping) fees to each NMCRC member municipality that enters into the Agreement for a period of three (3) years commencing in 2008 and ending on December 31, 2011; and any renewal or extended term (through December 31, 2014):

Seven Dollars (\$7.00) per cubic yard for leaves and grass clippings received loose or contained in recyclable bags. (Approx \$0.012 per pound)

Twelve Dollars (\$12.00) per cubic yard for clean yard waste (brush, chips and clippings). (Approx \$0.011 per pound)

Any other materials not defined above will not be accepted under the fixed price agreement. BFCF reserves the right to reject any load that includes unacceptable materials.

Price Adjustment

BFCF fees are based on current costs. BFCF reserves the right to increase pricing based on cost of living and handling costs, if necessary. A 10% fuel surcharge may be added to the fee schedule in any month for every dollar that diesel fuel prices exceed \$3.00 per gallon. If BFCF determines that a price increase is necessary, BFCF shall first meet with the NMCRC and review the pricing structure before instituting any price increase, except for the imposition of the foregoing fuel surcharge.

Payment

Payment from a member municipality for the actual cubic yards delivered by it or its agents is to be made within thirty (30) days from the date of receipt of an invoice from BFCF. A 1.5% per month late fee will be added for payments remaining unpaid in excess of thirty (30) days from the due date. Invoices will be presented no more frequently than monthly and no less frequently than quarterly.

BFCF shall include with each invoice submitted to a member municipality the quantity of material, expressed in cubic yards, of waste delivered to the Facility since the date of the last invoice issued to such member municipality. The invoice and documentation also will be made available for review by such municipality upon request.

Exhibit "C"

Vehicle List

<u>Type of Vehicle</u>	<u>Approximate Volume</u>
Pick up truck (6' bed)	1 cubic yard
Pick up truck (8' bed)	2 cubic yards
Small trailer (up to 8')	1-2 cubic yards
Pick up dump truck	3-4 cubic yards
Trailer (8'-12')	3-4 cubic yards
Stake body truck (10' bed)	4-4.5 cubic yards
Stake body truck (12' bed)	4-5 cubic yards
Single axle dump truck	4-5 cubic yards
Enclosed chipper truck	5-8 cubic yards
Tandem-axle dump truck	15-20 cubic yards
Tri-axle dump truck	25-30 cubic yards
Dump trailer	30-40 cubic yards
Walking floor trailer	80-100 cubic yards