

**MEMORANDUM OF UNDERSTANDING  
FOR MATERIALS RECOVERY FACILITY**

**THIS MEMORANDUM OF UNDERSTANDING (“MOU”),** relating to the Agreement for Materials Recovery Facility (the “MRF”) originally dated October 6, 1992, and including any amendments thereto (the “Contract”), is entered into by the **Broward Solid Waste Disposal District** (the “District”), by and through the Resource Recovery Board, its governing body (“RRB”); **Broward County**, a political subdivision of the State of Florida (“County”), by and through the Board of County Commissioners, and **Waste Management Inc. of Florida**, a Florida corporation (“Waste Management”).

**WITNESSETH:**

-WHEREAS, Waste Management and BFI Waste Systems of North America, Inc., a Delaware corporation, authorized to do business in the State of Florida, as successor-in-interest to Browning-Ferris Industries of Florida, Inc. and Browning-Ferris Industries, Inc. (“BFI”), and certain of their respective affiliates have entered into that certain Asset Purchase Agreement dated August 15, 2003 pursuant to which Waste Management proposes to acquire substantially all of the assets and operations of BFI within Broward County (the “Purchase Agreement”); and

WHEREAS, as required by and pursuant to Section 15.1 of the Contract, Waste Management and BFI have requested that the County, and the District consent to the assignment of the Contract;

WHEREAS, upon the execution of this MOU, the County and the District intend to provide their consent to the assignment of the Contract from BFI to Waste Management pursuant to a Consent to Assignment, to be executed by the County, Waste Management, BFI and acknowledged and agreed to by the RRB (“Consent to Assignment”) (a true and correct copy of the form of the Consent to Assignment is attached hereto as Exhibit “A”);

WHEREAS, as a condition to and in consideration for the District and the County granting their consent to the assignment of the Contract from BFI to Waste Management, Waste Management has agreed to undertake certain obligations with respect to the Contract and the MRF, under the terms and conditions contained herein;

NOW, THEREFORE, in consideration of the mutual terms, conditions, promises, covenants, and payments hereinafter set forth, the receipt and sufficiency of which are hereby acknowledged, the District, the County, and Waste Management agree as follows:

1. The foregoing recitals are true and correct and are incorporated herein by reference.
2. Subject to and upon the terms and conditions herein and those contained in the Consent to Assignment, including the Closing described in Paragraph 6 of the Consent to Assignment, the County and the District agree to consent to the assignment of the Contract from BFI to Waste Management, provided that Waste Management executes this MOU, and further provided that the County and the District’s Consent shall not impose any additional obligations on the County or the District or otherwise affect any of the rights of the County or the District under the Contract.

3. The Contract is being assigned to Waste Management, and Waste Management assumes total responsibility for the obligations thereunder. Waste Management has informed the County and the District that pursuant to an inter-company agreement, Recycle America Alliance, LLC ("Recycle America") will assume responsibility for day-to-day matters regarding the operation of the MRF, maintenance of the MRF, material marketing and future development of the MRF. Waste Management hereby assumes complete responsibility for any and all actions taken or not taken by Recycle America, and for any liability that Recycle America might incur regarding the MRF, the County and/or the District. All references to Waste Management below, also refer to and include Recycle America.
4. This Consent shall not operate as a waiver of any prohibition against further assignments without the County and the District's consent as provided in the Contract.
5. Malcolm-Pirnie has issued an initial operation assessment report for the MRF and will issue follow-up reports. Such reports identify deficient items at the MRF that need to be corrected. Malcolm-Pirnie's reports will include schedules for the additional repairs and/or corrections needed at the MRF. Waste Management will meet the schedules set forth in Malcolm-Pirnie's assessment reports of the MRF for the correction of deficient items at the MRF. Waste Management will first correct all safety related issues at the MRF. Waste Management will then make all structural repairs, and maintenance and cosmetic corrections at the MRF. In the event Waste Management is unable to correct deficient items according to the schedule set forth by Malcolm-Pirnie, it shall notify the District, and the County of such inability in writing. The parties shall then request that Malcolm-Pirnie set a reasonable time for Waste Management to complete the repairs. Waste Management agrees that it will make such corrections within a time period that is determined reasonable by Malcolm-Pirnie.  
\* Malcolm-Pirnie will have complete authority to determine what time period is reasonable for the needed corrections.
6. Waste Management agrees to allow the County, the District and/or Malcolm-Pirnie or other consultant or agent retained by the County or District, to conduct an annual facility inspection of the MRF, to determine Waste Management's compliance with the terms and conditions of the Contract, and all applicable federal, state or local laws, regulations and standards.
7. Waste Management agrees to take any action that might be necessary to ensure that the MRF, at all times, complies with the Occupations Safety and Health Act ("OHSA"), 29 U.S.C. § 651 et seq., and the OSHA regulations promulgated thereunder, 29 CFR § 1910.1 et seq.
8. Waste Management shall provide reports, invoices, and communications regarding the MRF to the County and the District using the same computer systems that are currently being used by BFI at the MRF. In the event Waste Management desires to use different computer systems at the MRF to provide reports, invoices, and communications to the County and the District, it shall first seek the consent of the District and the County, which consent shall not be unreasonably withheld.

9. Waste Management agrees to cooperate and work jointly with the County and the District in developing new markets for recyclable materials, including but not limited to, attempting to develop an alternate market for glass for use in beach sand or construction sand to mitigate present negative values.
10. Waste Management recognizes and agrees that the damages at law will be an insufficient remedy to the District and the County in the event that Waste Management violates the terms of this MOU, and that the District and the County will suffer irreparable harm if Waste Management does so violate the terms of this MOU. Therefore, in the event Waste Management breaches this MOU, the District and the County shall have the right not only to pursue an action at law for damages, but also to pursue an action for injunctive relief and specific performance of the terms of this MOU, without the necessity of posting bond, from any court of competent jurisdiction. Waste Management further agrees that in the event the District or the County incurs any fees or costs in order to enforce the provisions contained in this MOU, Waste Management shall pay all fees and costs so incurred by the District and the County, including, but not limited to, reasonable attorneys' fees and court costs incurred at any trial, appellate or bankruptcy court proceedings.
11. Any notices required by the terms of this MOU shall be delivered as directed therein:

To Waste Management at:

Waste Management Inc. of Florida  
2700 NW 48<sup>th</sup> Street  
Pompano Beach, FL 33073  
Attn: Ron Kaplan, Esq.

To the District at:

Resource Recovery Board  
Broward County Office of Integrated Waste Management  
One N. University Drive, Suite 400-B  
Plantation, FL 33325 Attn: Ron Greenstein

To the County at:

Broward County Office of Integrated Waste Management  
One N. University Drive, Suite 400-B  
Plantation, FL 33325  
Attn: Mary Beth Busutil

With a copy to:  
Broward County Attorney  
Broward County Governmental Center  
115 S. Andrews Avenue  
Ft. Lauderdale, Florida 33301

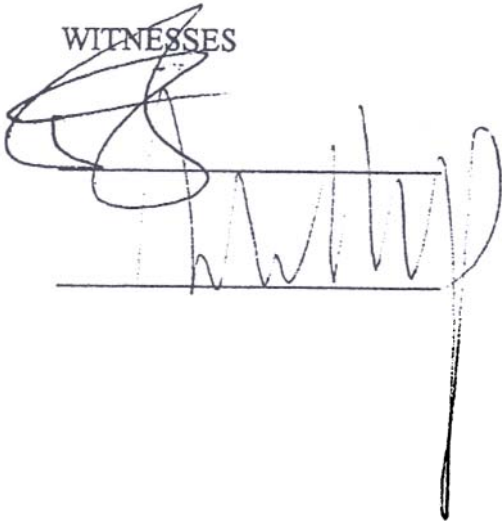
12. In case of a perceived conflict between the terms of the Contract, the Consent to Assignment and this MOU, the terms of this MOU shall govern.
13. The consideration for this MOU is the mutual benefits each according to the other party that presently exists, or is to be obtained by the parties, and the promise of each to the other. The adequacy of the consideration for this MOU is hereby admitted by all parties hereto.
14. The individuals executing this MOU on behalf of Waste Management represent that they have full authority to execute this document on behalf of the entity for whom they are acting herein.
15. All conditions precedent to the execution of this MOU have been fully satisfied by the respective signatories to this MOU.
16. This MOU may be executed in any number of counterparts which, collectively, shall constitute one and the same instrument. Facsimile signatures shall be effective as original signatures with regard to this MOU. Each party represents to the other that the execution and delivery of this MOU by such party have been properly authorized and that all signatures are genuine.

**(The remainder of this page is intentionally left blank.)**

IN WITNESS WHEREOF, the parties hereto have made and executed this MEMORANDUM OF UNDERSTANDING on the respective dates under each signature: the Broward Solid Waste Disposal District by and through its Resource Recovery Board, signing by and through its Chair, duly authorized to execute same by Resource Recovery Board action on the \_\_\_\_ day of \_\_\_\_\_ 2003; Broward County, by and through its Board of County Commissioners, signing by and through its Mayor or Vice Mayor, duly authorized to execute same by Board action on the \_\_\_\_ day of \_\_\_\_\_ 2003; and Waste Management Inc. of Florida, signing by and through its authorized signatory, duly authorized to execute same.

RRB

WITNESSES



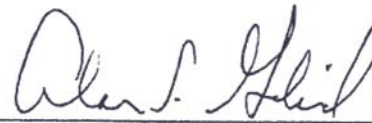
A large, stylized handwritten signature in black ink, written over a horizontal line. The signature is highly cursive and difficult to decipher.

BROWARD SOLID WASTE DISPOSAL DISTRICT, by and through its RESOURCE RECOVERY BOARD

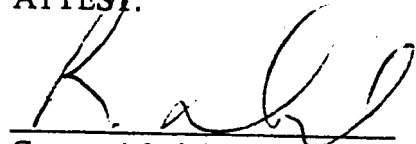
By:   
Chair

21<sup>st</sup> day of October 2003.

Approved as to form by  
Counsel to the Broward Solid Waste Disposal District

By:   
\_\_\_\_\_

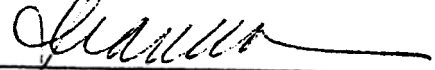
ATTEST:



County Administrator and  
Ex-Officio Clerk of the Board  
of County Commissioners of  
Broward County, Florida


COUNTY

BROWARD COUNTY, by and through its  
BOARD OF COUNTY COMMISSIONERS

By:   
Mayor

21 day of October 2003.

Approved as to form by  
Office of County Attorney  
Broward County, Florida  
EDWARD A. DION, County Attorney  
Governmental Center, Suite 423  
115 South Andrews Avenue  
Fort Lauderdale, Florida 33301  
Telephone: (954) 357-7600  
Telecopier: (954) 357-7641

By:   
Yasmi Govin  
Assistant County Attorney

WITNESSES

[Signature]

Christa Johnson

**WASTE MANAGEMENT**

Waste Management Inc. of Florida

By: John Casagrande  
John Casagrande, as authorized signatory  
16 day of Oct 2003.