

NEIGHBORING MUNICIPALITY AGREEMENT

THIS AGREEMENT, signed on the dates set forth below by and between the **BOROUGH OF WIND GAP**, an incorporated Borough within Northampton County, Pennsylvania with its municipal offices at 29 Mechanic Street, Wind Gap, Pennsylvania (hereinafter "Wind Gap")

AND

WASTE MANAGEMENT OF PENNSYLVANIA with a business address at 1963 Pen Argyl Road, Pen Argyl, Pennsylvania 18072 (hereinafter "Waste Management", "WM", "GCSL" or "Facility")

WITNESSETH

WHEREAS, Waste Management is the owner and operator of Grand Central Sanitary Landfill (hereinafter "GCSL" or "Facility") a municipal solid waste landfill located at 1963 Pen Argyl Road, Pen Argyl, Northampton County, Pennsylvania; and,

WHEREAS, the Borough of Wind Gap is a neighboring community to the Facility, which because of its location is impacted by the operational traffic to and from the facility; and,

WHEREAS, because Waste Management has identified Wind Gap as a community impacted by its operations, it wishes to enter into a long term agreement with Wind Gap to assure that Waste Management mitigates any impact upon Wind Gap as well as protects the environment and the public health, safety and welfare of the citizens of Wind Gap; and,

WHEREAS, Waste Management and Wind Gap Borough officials and community leaders have identified social, economic and environmental issues of common interest; and,

WHEREAS, Waste Management and Wind Gap have also identified projects and priorities which require both immediate as well as long term monetary relief which Waste Management has agreed to provide in order to assist Wind Gap in the funding of its budget, community projects and organizations; and,

WHEREAS, on November 27, 2002 Waste Management proposed a Letter of Intent to enter into a Neighboring Municipality Agreement providing for immediate and long term funding, which Wind Gap officially resolved to accept at a duly noticed public

meeting of December 2, 2002 (a copy of the Letter of Intent is attached hereto, made a part hereof and marked Exhibit "A").

NOW THEREFORE, for and in consideration of the terms of the Letter of Intent as well as for other good and valuable consideration, Waste Management and Wind Gap agree as follows:

1. To position Waste Management to become a long term consistent, dependable and important source of revenue and resources for Wind Gap.
2. To establish a long term working relationship for the mutual benefit of the government, citizens, community organizations, facilities and projects of Wind Gap and Waste Management.
3. To mitigate the impact upon Wind Gap relating to traffic from the routine operation of GCSL.
4. To identify and discuss, social, economic and environmental issues of common interest to Wind Gap and to Waste Management and to work to address and negotiate solutions to those issues.
5. To provide immediate and long term funding for the Wind Gap operating budget as well as for Wind Gap community projects and organizations which could not

be accomplished without the financial assistance of Waste Management derived from the operations of GCSL.

The parties therefore further agree:

1. To always negotiate and deal with each other with respect and good faith.
2. That for as long as the GCSL Facility is permitted to accept and dispose of greater than a minimum quarterly average of 1,200 tons per day of solid waste, Waste Management will fund this Agreement.
3. That the provisions of the Letter of Intent of November 27, 2002 (Exhibit "A") are incorporated into this Agreement.
4. That in 2003, Waste Management shall fund the following items to support the Borough of Wind Gap, its facilities and community organizations:

(a)	Wind Gap Borough Park	<u>Cost or Value</u>
(i)	WM will contribute to defray the expenses of completing the public restroom	\$ 25,000.00
(ii)	WM will contribute to repave the tennis courts	\$ 3,500.00

(b)	Waste Tire Removal. WM will load, haul and properly dispose of 1,000 tons of shredded tires presently located on property within the Borough of Wind Gap	\$ 80,000.00
(c)	Police Vehicle. WM will contribute for the purchase of an SUV type police vehicle equipped with portable scales for the weighing of motor vehicles	\$ 35,000.00
(d)	Borough Utility Vehicle. WM will contribute toward the purchase of a new utility vehicle	\$ 16,000.00
(e)	Fire Company. WM will make an <i>annual</i> contribution to the Wind Gap Volunteer Fire Company (not to exceed the dollars matched by Borough Council donations and Volunteer Fire Department fund raisers) of up to	\$ 25,000.00
(f)	Free Trash/Recycling Collection. WM will collect and dispose of Wind Gap municipal waste in accordance with the terms of the Agreement dated June 3, 2002 without charge	\$185,000.00
(g)	Wind Gap Ambulance Corps. WM will make an <i>annual</i> contribution of \$1,500 per quarter	\$ 6,000.00
	Total municipal support 2003	<u>\$375,500.00</u>

5. **Long term Support.**

(a) Waste Management will contribute to Wind Gap **\$0.15** per ton of waste disposed of at the GCSL facility from January 1, 2003 through December 31, 2003.

(b) Waste Management will increase the contribution to **\$0.20** per ton of waste disposed of at the GCSL facility from January 1, 2004 through December 31, 2004.

(c) Waste Management will increase the contribution to **\$0.30** per ton of waste disposed of at the GCSL facility from January 1, 2005 through December 31, 2005.

(d) Waste Management will increase the contribution to **\$0.40** per ton of waste disposed of at the GCSL facility from January 1, 2006 through December 31, 2006, and continuing thereafter unless and until a change in this Agreement is mutually negotiated by Waste Management and Wind Gap.

(e) The long-term support (a-d) shall be paid quarterly. Wind Gap shall receive the first payment on or before April 1, 2003, retroactive to January 1, 2003.

6. Wind Gap acknowledges:

(a) That because of its limited tax base, the financial benefits that Wind Gap will receive from this Agreement cannot otherwise be obtained from its existing or projected sources of revenue.

(b) Any major tax increase would unduly burden the citizens of Wind Gap.

(c) No tax increase, however reasonable, would produce the predictable revenues that Wind Gap will receive from this Agreement.

8. Wind Gap will use the funds derived from this Agreement only for the direct benefit of its community organizations, taxpayers, citizens and the general public, and not for any legal, engineering, professional, or political services directed against the interests of Waste Management.

Miscellaneous

9. This Agreement shall bind the heirs, successors, devisees and assigns of Waste Management and Wind Gap.

10. If any provision of this Agreement shall be determined to be void by any Court of competent jurisdiction, then such determination shall not affect any other provision of this Agreement and all such other provisions shall remain in full force and effect.

11. All notices given under the terms of this Agreement shall be in writing and sent by registered or certified United States mail, return receipt requested, addressed to the party to be notified at the following addresses:

(a) If to Wind Gap: Wind Gap Borough Council
29 Mechanic Street
Wind Gap, PA 18091

(b) if to Waste Management: 1963 Pen Argyl Road
Pen Argyl, PA 18072

IN WITNESS WHEREOF, with the intent of being legally bound hereby, the parties hereto have caused this Agreement to be duly executed on the dates set forth below.

ATTEST:

BOROUGH OF WIND GAP

Louise Firestone
Louise Firestone, Secretary

By: Winton Male, Jr.
Winton Male, Jr., Council President

Date: 12/17/02

ATTEST:

WASTE MANAGEMENT OF PENNSYLVANIA

Joseph Krupovich
Joseph Krupovich
~~Secretary~~ District Controller

By: Scott Perin
Scott Perin
District Manager

Date: 12/20/02