

Key Provisions of Draft Neighbor Municipality Agreement with Alliance Landfill

1. Permanent Closure of Landfill.

Alliance Landfill must permanently close the landfill upon exhaustion of the disposal capacity contained in its pending Area 2A expansion application. No portion of the Area 2A expansion is located in Old Forge.

2. Restrictive Covenants.

Restrictive covenants will be placed on the deeds for the real property in Taylor, Old Forge and Ransom owned by Alliance and its affiliates. These covenants will prevent Alliance or anyone else from thereafter using the land for refuse disposal activities or operations.

3. Transfer of Stocki Property to Borough.

The Agreement requires the transfer of the 94 acre Stocki Property to the Borough for \$1.00 upon final approval of the Area 2A expansion.

4. Borough Position on Area 2A Expansion.

In exchange for the permanent closure of the landfill and other financial considerations, the Agreement provides that Borough Council shall not oppose the Area 2A expansion. It also compels Borough Council, in most circumstances, to raise concerns about Landfill operations with Alliance. If Council's concerns are not satisfactorily resolved within seven (7) days, Council can take any action it deems appropriate, whether legal, administrative, regulatory or otherwise.

5. Exceptions to No Opposition by the Borough.

Borough Council can oppose the Area 2A expansion and deal directly with DEP/EPA or any other regulatory, administrative or legal body, without delay, if the Council's concern involves an immediate threat to health, life or property.

6. Environmental Benefits.

Alliance must implement the environmental benefits identified in Area 2A expansion application. See Exhibit "A" of draft Agreement.

7. Over \$37.4 Million in Payments to the Borough.

The Agreement provides for the payments to the Borough in excess of \$37,000,000.00 over the life of the Area 2A expansion.

8. Free Trash Collection and Disposal.

Alliance Landfill will provide, at no charge to the Borough, weekly trash collection and disposal for the Borough's residents during the life of the Area 2A expansion. Based on the Borough's current cost of providing this service, the Borough will save approximately \$5,430,000.00 over the life of the Area 2A expansion.

Breakdown of Financial Benefits to Borough

- At least \$750,000.00 will be paid to the Borough within thirty (30) days of execution of the Agreement.
- \$400,000.00 will be paid to the Borough within thirty (30) days after receipt all necessary approvals of the Area 2A Expansion.
- \$.67 will be paid to the Borough for each ton of Refuse disposed within the Landfill, commencing upon the execution of the Agreement. It is estimated that this fee will generate approximately \$335,000.00 per year for the first two years of the Agreement. This estimate is based on an estimated average daily volume of approximately 1600 tons per day for the first two years.
- \$1.20 per ton will be paid to the Borough commencing upon final approval of the Area 2A Expansion. At an average daily volume of 3600 tons per day, the Borough will receive approximately \$1,200,000.00.
- \$1.30 per ton will be paid to the Borough upon the first anniversary of the Area 2A Expansion.
- \$1.40 per ton will be paid to the Borough upon the second anniversary of the Area 2A Expansion.
- \$1.50 per ton will be paid to the Borough upon on the third anniversary of the Area 2A Expansion.
- \$1.65 per ton will be paid to the Borough upon the fourth anniversary of the Area 2A Expansion.

- Beginning on the tenth anniversary, the Fee to the Borough will increase annually based on a Consumer Price Index-related formula. Based on an estimated average daily volume of 3600 tons per day, the following payments will be paid to the Borough.

2019 – \$1.69 Million
2020 – \$1.79 Million
2021 – \$1.8 Million
2022 – \$1.86 Million
2023 – \$1.9 Million
2024 – \$1.97 Million
2025 – \$2.02 Million
2026 – \$2.09 Million
2027 - \$2.15 Million
2028 - \$2.17 Million