

NORTH CAROLINA
GUILFORD COUNTY

GUILFORD COUNTY ORDINANCE GRANTING
FRANCHISE FOR SANITARY LANDFILL

THIS AMENDED AND RESTATED FRANCHISE AGREEMENT is entered into between Guilford County ("County") and A-1 Sandrock, Inc. ("A-1") and adopted by ordinance pursuant to N.C. Gen. Stat. §§130A-294(b), §153A-136, and §153A-46, and Section 15.5-5 of the Guilford County Code, and other applicable laws.

WITNESSETH:

WHEREAS, A-1 and the County entered into a non-exclusive Franchise Agreement ("Franchise" or "Franchise Agreement") on October 3, 2013, allowing A-1 to operate a construction and demolition debris sanitary landfill on approximately 71.16 acres at 2111 Bishop Road ("the Property" or "Landfill"); and

WHEREAS, A-1 has operated the Landfill in a safe and efficient manner in accordance with applicable law and this Franchise, and in a safe and efficient manner not detrimental to the health, safety, and welfare of the citizens of Guilford County; and

WHEREAS, in 2018, the Guilford County Planning Board issue a Special Use Permit to A-1 so that, among other things, the height of the Landfill could be extended to 185 feet through use of a mechanically stabilized earth ("MSE") berm; and

WHEREAS, in 2018, A-1 requested amendments to the original Franchise Agreement (1) to increase the volume of its Landfill to accommodate the volumes of construction and demolition debris generated by the local and regional economy; (2) to extend the term limit of the original Franchise Agreement to allow more efficient planning for capital investments; (3) to increase the size of the facility and the Landfill footprint; and (4) to restate and affirm the requirements and conditions of the original Franchise Agreement; and

WHEREAS, on June 6, 2019 the County determined that increasing the tonnage limits, extending the term limit, and expanding the Facility size reflect a strong and growing local economy and will serve the citizens of the County and in light of those determinations it issued an amended and restated Franchise to A-1; and

WHEREAS, A-1 acquired an additional .78 acres already zoned CZ-HI and 14.732 acres zoned AG for expansion of its Landfill, which acreage was rezoned by the Guilford County Planning Board on January 11, 2023 to CZ-HI; and

WHEREAS, on January 11, 2023, the Guilford County Planning Board issued another Special Use Permit for a Construction and Demolition Debris Landfill that covered the original acreage plus the additional 15.512 for a total site that included approximately 86.68 acres, and that included a site plan with the MSE berms and maximum eight of 185 feet as approved in 2018; and

WHEREAS, the County has determined that (1) Technical Review Committee has found that the Landfill site plan meets all County requirements; and (2) the rezonings and Special Use Permit constitute full zoning approval, and therefore there is no further action required by the County and NCDEQ may proceed to review requirements for all State permits and, in the State's discretion, issue necessary permits.

NOW THEREFORE, THIS FRANCHISE AGREEMENT is hereby amended and restated upon the following terms:

1. **Term.** The term of this Franchise shall be "life of site" as defined in N.C. Gen. Stat. §130A-294(a)(a2).

2. **Non-Assignment.** This Franchise shall not be transferable or assignable in any manner, including by stock transfer, asset sale, lease, or otherwise. In the event of any proposed

transfer, this Franchise will automatically cease. A proposed transferee may apply prior to a transfer for a new Franchise and receive a decision prior to the date of transfer.

3. **Property.** This Franchise applies to 86.68 acres owned by A-1 with an at 2111 Bishop Road, Greensboro, North Carolina, and described on the site plan attached as Exhibit A.

4. **Regulatory Compliance.** Services shall be provided in a courteous and competent manner and in compliance with all laws and applicable permits issued by the N.C. Department of Environmental Quality (NCDEQ).

5. **Service Territory and Population to be Served.** A-1 shall not accept waste from any population or geographic region not allowed by such permits. The geographic area to be served by A-1 may include the following counties: Guilford, Randolph, Rockingham, Alamance, Forsyth, Davidson, Stokes, Surry, Yadkin, Caswell, Person, Orange, Durham, Chatham, Moore, Montgomery, Stanley, Rowan, Cabarrus, Lee, and Davie. Notwithstanding the aforementioned counties, the primary population to be served will be businesses and industries in Guilford County and the immediately surrounding counties.

6. **Waste Stream.** A-1 shall only accept construction and demolition debris as defined (a) in N.C. Gen. Stat. §130A-290(4), and (b) A-1's permits issued by NCDEQ, which waste shall be understood to include concrete, stumps, bricks, lumber, asphalt, brush, pallets, studs, sheetrock, shingles, insulation, cardboard, and plastic and paper packaging pertaining to construction products.

7. **Tonnage.** A-1 shall receive and process no more than 500 tons per day as an average calculation, consistent with NCDEQ permit requirements.

8. **Recycling.** A-1 shall recycle at least ten percent (10%) of the incoming waste stream as measured by total volume by weight or cubic yardage.

9. **Useful Life of Facility.** A projection of the useful life of the Landfill from 2023 is twenty (20) years.

10. **Closure Costs.** A projection of the maximum closure costs at a point ten (10) years from the present is two million dollars (\$2,000,000), which costs shall be bonded with NCDEQ. A-1 shall timely provide and update all financial assurance obligations as required by NCDEQ.

11. **Employment.** A-1 employs approximately 35 full-time employees, which number shall be updated with the County upon request.

12. **Equipment.** A-1 utilizes the following equipment: (2) excavators, (3) front end loaders, (2) off-road dump trucks, (1) water truck, (1) mechanized sorting line/screener, (1) horizontal grinder, (1) D-5 dozer, (1) D-6 dozer, (1) D-8 dozer, (1) Bobcat, (1) concrete crusher, (1) CAT 826 compactor.

13. **Fees.** The schedule of fees to be charged is attached as Exhibit B. The current tipping fee charged for C&D waste is \$45 per ton, which changes over time to remain competitive with market rates. A-1 may bill customers no more than one month in advance of service.

14. **Inspections and Records.** The County may enter the premises at any reasonable time to review operations and procedures and to examine all operational records relating to material accepted, tonnage and volume reports, recycling reports, and other operational information, including such records required to be provided to NCDEQ to confirm compliance with this Franchise Agreement and other laws. A-1 shall preserve and maintain the aforementioned records for at least ten (10) years past closure of the Facility.

15. **Hold Harmless.** A-1 shall be responsible for all acts or omissions arising out of ownership and/or operation of the landfill as required by state and federal law. A-1 expressly agrees to save and hold harmless and defend the County, its agents, employees and assigns, from

and against all claims, demands, acts, damages, and omissions whatever arising out of A-1's ownership and/or operation of the landfill, including all costs and attorney's fees.

16. **Insurance.** A-1 shall maintain general liability insurance against damage to persons or property arising out of the collection, transportation, or on-site disposal operations by A-1 or its agents at the Landfill. The aforementioned policy shall indemnify and hold the County harmless and shall name the County as an additional insured. Policy limits shall be not less than \$1,000,000 per incident and \$2,000,000 aggregate, which coverage shall be in addition to environmental pollution coverage. In addition to general liability and environmental pollution coverage, shall provide automobile, workers' compensation, and other insurance required by law. Certificates of insurance shall be provided to the County upon request. Copies of the approved liability and other referenced insurances are attached hereto as Exhibit C.

17. **Environmental Safety.** A-1 shall operate the landfill in a safe and lawful manner and be strictly liable for pollution and contamination except for Acts of God, acts of war, or contamination originating offsite and caused by third parties. A-1 further warrants that it will follow all applicable requirements of North Carolina General Statutes and the provisions of 15A NCAC Chapter 13B related to the disposal of solid waste, which statutes and regulations provide that the landfill may not contain hazardous or toxic waste or substances, which are defined to include those substances, materials, and wastes listed in the United States Department of Transportation Hazardous Materials Table (49 CFR 172.01) or by the Environmental Protection Agency as hazardous substances (40 CFR Part 302) and amendments thereto, or such substances, materials, and wastes which are or become regulated under any local, state, or federal law, including, without limitation, any material, waste or substance which is (i) petroleum, (ii) asbestos, (iii) polychlorinated biphenyls, (iv) designated as a Hazardous Substance pursuant to Section 331

of the Clean Water Act, 33 U.S.C. sec. 1251 et eq., (33 U.S.C. 1321) or listed pursuant to Section 307 of the Clean Water Act (33 U.S.C. 1371), (v) defined as a hazardous waste pursuant to Section 1004 of the Resource Conservation and Recovery Act, 42 U.S.C. 6901 et eq. (42 U.S.C. 6903) or (vi) defined as a hazardous substance pursuant to Section 101 of the Comprehensive Environmental Response, Compensation and Liability Act, 42 U.S.C. 9601 et eq. (42 U.S. C. 9601), except to the extent as expressly permitted by the state permit for this facility. It is agreed and understood that the County is an intended beneficiary of this strict liability and warranty and other warranties in this Franchising Agreement.

18. **Regular Reports and Governmental Oversight.** In addition to any reports submitted to NCDEQ, A-1 shall submit to the County no less than every 12 months the tonnage of incoming waste by county of origin, volume recycled, number of loads turned away (if any), reason for refusal and the identity of any customer of a refused load. Annual reports shall be submitted in a manner determined by the County.

19. **Facility Plan.** The proposed facility plan showing information required pursuant to N.C. Gen. Stat. §130A-294(a1)(2)(f) is attached as Exhibit D.

20. **Dangerous Conditions.** The County Manager or his or her designee(s) shall act as Administrator of this Franchise Agreement. In the event that the Administrator determines that the facility is operating in a manner which is contrary to this Franchise, he or she shall immediately inform A-1. If a dangerous condition is identified which reasonably threatens human life or safety, the Administrator shall inform NCDEQ, Division of Solid Waste.

21. **Violation and Revocation.** Upon breach of any material provision of this Franchise Agreement, A-1 may be subject to temporary or permanent revocation of the Franchise following ten (10) days' written notice and an opportunity to be heard by the Board of

Commissioners. The Board of Commissioners shall consider, among other relevant factors, the nature of the alleged violation, whether the violation resulted from force majeure beyond A-1's control, A-1's history of compliance with the Franchise Agreement and existing permits, the seriousness and number of violations, and steps taken to correct violations. Action by the County shall not include enforcement delegated to the State of North Carolina by statute or rule.

22. **Applicable Laws.** This Franchise Agreement shall be governed by the laws of the State of North Carolina, and any actions brought to enforce or interpret the Franchise Agreement shall be filed in Guilford County Superior Court. A-1 shall comply with bid restrictions, if any, and other applicable laws, including N.C.G.S. §143-1290 regarding E-verify.

23. **Entire Agreement and Amendment.** The Franchise Agreement constitutes the entire agreement between the parties for matters controlled by a franchise, but it does not negate conditions or restrictions imposed by zoning ordinance or the issued Special Use Permit. It shall not be amended except in writing and upon due approval of the Board of Commissioners.

24. **Effective Date.** This Franchise Agreement shall be effective upon approval by the Guilford County Board of Commissioners on second reading, as provided in N.C. Gen. Stat. §153A-46.

Approved on second reading this ____ day of _____, 2023.

GUILFORD COUNTY

ATTEST:

Guilford County Manager

Clerk to Board

(COUNTY SEAL)

A-1 SANDROCK, INC.

ATTEST:

President
Printed Name:_____

Corporate Secretary
Printed Name:_____

(CORPORATE SEAL)