

DISPOSAL AGREEMENT

THIS DISPOSAL AGREEMENT (the "Agreement") is made and entered into this 3rd day of March, 2025, by and between the Town of Wickenburg, Arizona, a municipal corporation ("Wickenburg"), and River Septic LLC, an Arizona corporation (aka River Septic) (aka Outlaw Septic) ("Hauler").

RECITALS

A. Wickenburg owns and operates the Wickenburg Wastewater Treatment Plant, located at 1006 S. Tegner St., Wickenburg, Arizona 85390, (the "Facility").

B. Wickenburg and Hauler desire to enter into an arrangement whereby Wickenburg will permit Hauler to deliver discharge hauled liquid waste to the Facility in accordance with the terms, limitations, reporting requirements and other conditions set forth in this Agreement.

TERMS AND CONDITIONS

NOW, THEREFORE, in consideration of the parties' mutual promises, and for other good and valuable consideration, the receipt and sufficiency of which are acknowledged, the parties agree as follows:

1. Delivery of Liquid Waste. Hauler shall deliver acceptable liquid waste collected to the Facility. As used in this Agreement, "Acceptable Waste" means all waste that is permitted under the governing permits and which is in compliance with the terms set forth in **Exhibit "A"** attached hereto and incorporated herein by this reference, to be delivered to the applicable Facility.

2. Disposal Fees. Hauler shall pay Wickenburg a disposal fee of \$0.12 for each gallon (the "Disposal Fee") of Acceptable Waste Hauler delivers to the Facility. Wickenburg shall transmit an itemized invoice to Hauler of all Disposal Fees and other charges under this Agreement on a monthly basis. Hauler shall pay all invoices within 30 days after the date of the invoice. Any amount due under this Agreement not paid when due shall bear a late fee at the rate of 5% per month. Additionally, there will be an administrative fee (set by Town Resolution) and all applicable federal, state, local or other taxes, fees, surcharges or similar charges related to the acceptance or disposal of Acceptable Waste at the Facility that are imposed by law, ordinance, agreement with a governmental authority, regulation or otherwise.

3. Term. Unless sooner terminated pursuant to Paragraph 4, this Agreement shall commence as of the date of this Agreement and shall remain in full force and effect for a period of three years thereafter. Thereafter, this Agreement may be renewed subject to any increase in the Disposal Fee set forth by Wickenburg and upon the written mutual agreement of the parties.

4. Termination. This Agreement may be terminated by either party for convenience with thirty (30) days written notice to the other party. This Agreement may be terminated by Wickenburg immediately for the following:

- Violation of any term or condition of this Agreement, or applicable State or Federal laws or Regulations;
- Entering into this Agreement by misrepresentation or failure to disclose fully all relevant facts in any document submitted to or discussions with Wickenburg;
- Promulgation of a more stringent Standard by State or Federal agencies having jurisdiction over reuse or discharge to receiving water;
- Changes in the processes used by Hauler or changes in the discharge volume or character;
- Changes in design or capability of the Facility or Wickenburg's Collection System;
- Failure to pay charges or fines;
- Failure of Hauler to report an accidental discharge;
- Increasing the use of wash down water or otherwise diluting the permitted waste for the purpose of meeting discharge limitations or requirements;
- Falsification by Hauler of any permit, report, manifest information or records';
- Failure of Hauler to report significant changes in operations or hauled waste characteristics;
- Tampering by Hauler with the Facility's monitoring or sampling equipment or sampling methodology;
- Refusing to allow Wickenburg timely access to the facility premises, vehicles or records; or
- Failure to complete an Authorization to Discharge Permit Application or manifest as required.

5. Delivery Procedures; Operation of the Facility.

(a) Acceptance of Acceptable Waste. Wickenburg shall have the right in its sole and absolute discretion to reject delivery of any waste offered for acceptance by Hauler that does not constitute Acceptable Waste.

(b) Conditions of Acceptance of Acceptable Waste. Hauler's delivery of Acceptable Waste to the Facility shall be regulated by conditions, requirements and procedures set forth in **Exhibit A**.

(c) Operation of the Facility. Wickenburg agrees to operate the Facility in compliance with all applicable federal, state and local laws, regulations, ordinances, rules, and permits and licenses (collectively "Applicable Laws"). Notwithstanding anything in this Agreement to the contrary, Wickenburg shall have the right, in its sole and absolute discretion, to terminate this Agreement.

(d) Authorization. Hauler shall obtain all permits, licenses, authorizations, notifications, approvals, certificates or other similar documents or actions in connection with the transportation, shipment and delivery of waste contemplated hereby.

6. Force Majeure. Except for Hauler's obligation to make payments to Wickenburg under this Agreement, either party's obligations under this Agreement may be suspended by a party

in the event of: (a) an occurrence beyond the reasonable control of that party which materially adversely affects the ability of the party to perform its obligations under this Agreement or to comply with the requirements of any governmental order, permit or other approval; (b) acts of God, landslides, lightning, earthquakes, hurricanes, tornadoes, severe weather, fires, explosions, floods, acts of a public enemy, war, terrorist acts, blockades, insurrections, riots or civil disturbances; (c) labor disputes, strikes, work slowdowns or work stoppages; or (d) order and/or judgments of any federal, state or local court, administrative agency or governmental body, or other entity, if not the result of (i) willful or negligent action of the party relying thereon or (ii) failure to act in accordance with this Agreement (provided, however, that the contesting in good faith by such party of any such order and/or judgment shall not constitute or be construed to constitute a willful or negligent action or inaction of such party).

7. Insurance Representations and Requirements

(a) General. Hauler agrees to comply with all Wickenburg ordinances and state and federal laws and regulations. Without limiting any obligations or liabilities of Hauler, Hauler shall purchase and maintain, at its own expense, hereinafter stipulated minimum insurance with insurance companies duly licensed by the State of Arizona (admitted insurer) with an AM Best, Inc. rating of A-7 or above or an equivalent qualified unlicensed insurer by the State of Arizona (non-admitted insurer) with policies and forms satisfactory to Wickenburg. Failure to maintain insurance as specified may result in termination of this Agreement at Wickenburg's option.

(b) No Representation of Coverage Adequacy. By requiring insurance herein, Wickenburg does not represent that coverage and limits will be adequate to protect Hauler. Wickenburg reserves the right to review any and all of the insurance policies and/or endorsements cited in this Agreement but have no obligation to do so. Failure to demand such evidence of full compliance with the insurance requirements set forth in this Agreement or failure to identify any insurance deficiency shall not relieve Hauler from nor be construed or deemed a waiver of its obligation to maintain the required insurance at all times during the performance of this Agreement.

(c) Additional Insured. All insurance coverage and self-insured retention or deductible portions, except Workers Compensation insurance and Professional Liability insurance if applicable, shall name, to the fullest extent permitted by law for claims arising out of the performance of this Agreement, Wickenburg, its agents, representative, officers, directors, officials and employees as Additional Insured as specified under the respective coverage sections of this Agreement.

(d) Coverage Term. All insurance required herein shall be maintained in full force and effect until all Services required to be performed under the terms of this Agreement is satisfactorily performed, completed and formally accepted by Wickenburg, unless specified otherwise in this Agreement.

(e) Primary Insurance. Hauler's insurance shall be primary insurance as respects performance of subject contract and in the protection of Wickenburg as an Additional Insured.

(f) Claims Made. In the event any insurance policies required by this Agreement are written on a "claims made" basis, coverage shall extend, either by keeping coverage in force or purchasing an extended reporting option, for three (3) years past completion and acceptance of the Services evidenced by submission of annual Certificates of Insurance citing applicable coverage is in force and contains the provisions as required herein for the three year period.

(g) Waiver. All policies, including Workers' Compensation Insurance, shall contain a waiver of rights of recovery (subrogation) against Wickenburg, its agents, representative, officials, directors, officers, and employees for any claims arising out of the Services of Hauler. Hauler shall arrange to have such subrogation waivers incorporated into each policy via formal written endorsement thereto.

(h) Policy Deductibles and/or Self Insured Retentions. The policies set forth in these requirements may provide coverage, which contain deductibles or self-insured retention amounts. Such deductibles or self- insured retention shall not be applicable with respect to the policy limits provided to Wickenburg. Hauler shall be solely responsible for any such deductible or self- insured retention amount. Wickenburg, at its option, may require Hauler to secure payment of such deductible or self- insured retention by a surety bond or irrevocable and unconditional Letter of Credit.

(i) Use of Sub-Haulers. If any Services under this Agreement are subcontracted in any way, Hauler shall execute written agreement with Sub-Hauler containing the same Indemnification Clause and Insurance Requirements set forth herein protecting Wickenburg and Hauler. Hauler shall be responsible for executing the agreement with Sub-Hauler and obtaining Certificates of Insurance verifying the insurance requirements.

(j) Evidence of Insurance. Prior to commencing any Services under this Agreement, Hauler shall furnish Wickenburg with Certificate(s) of Insurance, or formal endorsements as required by this Agreement, issued by Hauler's Insurer(s) as evidence that policies are placed with acceptable insurers as specified herein and provide the required coverages, conditions, and limits of coverage specified in this Agreement and that such coverage and provisions are in full force and effect. Acceptance and reliance by Wickenburg on a Certificate of Insurance shall not waive or alter in any way the insurance requirements or obligations of this Agreement. Such Certificate(s) shall identify the Agreement and be sent to the Wickenburg Risk Manager. If any of the above cited policies expire during the life of this Agreement, it shall be Hauler's responsibility to forward renewal Certificates within ten (10) days after the renewal date containing all the aforementioned insurance provisions. Certificates shall specifically

Cite the following provisions:

- (1) Wickenburg, its agents, representatives, officers, directors, officials and employees is an Additional Insured as follows:

- a. Commercial General Liability-Under ISO Form CG 20 10 11 8;5 or equivalent
 - b. Auto Liability-Under ISO Form CA 20 48 or equivalent.
 - c. Excess Liability-Follow Form to underlying insurance.
- (2) Hauler's insurance shall be primary insurance as respects performance of this Agreement.
- (3) All policies, including Workers' Compensation, waive rights of recovery (subrogation) against Wickenburg, its agents, representatives, officers, directors, officials and employees for any claims arising out of Services performed by Hauler under this Agreement.
- (4) Certificate shall cite a thirty (30) day advance notice cancellation provision. If ACORD Certificate of Insurance form is used, the phrases in the cancellation provision "endeavor to" and "but failure to mail such notice shall impose no obligation or liability of any kind upon the company, its agents or representatives" shall be deleted. Certificate forms other than ACORD form shall have similar restrictive language deleted.
- (k) Required Coverage:
 - (1) Commercial General Liability: Hauler shall maintain "occurrence" from Commercial Liability Insurance with an unimpaired limit of not less than \$1,000,000 for each occurrence, \$2,000,000 Products and Completed Operations Annual Aggregate, and a \$2,000,000 General Aggregate Limit. The policy shall cover liability arising from premises, operations, independent Haulers, products-completed operations, personal injury and advertising injury. Coverage under the policy will be at least as broad as Insurance Services Office, Inc. policy form CG 00 010 93 or equivalent thereof, including but not limited to, separation of insured clause. To the fullest extent allowed by law, for claims arising out of the performance of this Agreement, Wickenburg, its agents, representatives, officers, directors, officials and employees shall be cited as an Additional Insured Endorsement form CG 20 10 11 85 or equivalent, which shall read "Who is an Insured" (Section II) is amended to include as an insured the person or organization shown in the Schedule, but only with respect to liability arising out of "your work" for that insured by or for you". If any Excess insurance is utilized to fulfill the requirements of this paragraph, such Excess insurance shall be "follow form" equal or broader in coverage scope than underlying insurance.
 - (2) Vehicle Liability: Hauler shall maintain Business Automobile Liability Insurance with a limit of \$1,000,000 each occurrence on Hauler's owned, hired, and non-owned vehicles assigned to or used in the performance of the Hauler's Services under this Agreement. Coverage will be at least as broad as Insurance Services Office, Inc., coverage code "1" any auto policy form

CA 00 01 12 93 or equivalent thereof. To the fullest extent allowed by law, for claims arising out of performance of this Agreement, Wickenburg, its agents, representatives, officers, directors, officials and employees shall be cited as an Additional Insured under the Insurance Service Offices, Inc. Business Auto Policy Designated Insured Endorsement form CA 20 48 or equivalent. If any Excess insurance is utilized to fulfill the requirements of this paragraph, such Excess insurance shall be "follow form" equal or broader in coverage scope than underlying insurance.

- (3) Workers' Compensation Insurance: Hauler shall maintain Workers' Compensation insurance to cover obligations imposed by federal and state statutes having jurisdiction of Hauler's employees engaged in the performance Services under this Agreement and shall also maintain Employer Liability Insurance of not less than \$500,000 for each accident, \$500,000 disease for each employee and \$1,000,000 disease policy limit.

8. Indemnification

(a) To the fullest extent permitted by law, Hauler, its successors, assigns and guarantors, shall pay, defend, indemnify and hold harmless Wickenburg, its agents, officers, officials and employees from and against all demands, claims, proceedings, suits, damages, losses and expenses (including but not limited to attorney fees, court costs, and the cost of appellate proceedings), and all claim adjustment and handling expenses, relating to arising out of or alleged to have resulted from acts, errors, mistakes, omissions, Services caused in whole or in part by the Hauler, its agents, employees or any tier of Hauler's subcontractors related to the Services in the performance of this Agreement. Hauler's duty to defend, hold harmless and indemnify Wickenburg, its agents, officers, officials and employees shall arise in connection with any claim, damage, loss or expense that is attributable to bodily injury, sickness, disease, death, or injury to, impairment, or destruction of property including loss of use of resulting therefrom, caused in whole or in part by Hauler's acts, errors, mistakes, omissions, Services in the performance of this Agreement including any employee of the Hauler, any tier of Hauler's Sub-Hauler or any other person for whose acts, errors, mistakes, omissions, Services the Hauler may be legally liable including Wickenburg. Such indemnity does not extend to Wickenburg's negligence.

(b) Insurance provisions set forth in this Agreement are separate and independent from the indemnity provisions of this paragraph and shall not be construed in any way to limit the scope and magnitude of the indemnity provisions. The indemnity provisions of this paragraph shall not be construed in any way to limit the scope and magnitude and applicability of the insurance provisions.

9. General

(a) Independent Contractor. This Agreement does not create an employee/employer relationship between the parties. It is the parties' intention that Hauler will be an independent contractor and not Wickenburg's employee for all purposes, including, but not limited to, the application of the Fair Labor Standards Act, Federal Insurance Contribution Act, the

Social Security Act, the Federal Unemployment Tax Act, the Internal Revenue Code, the Immigration and Naturalization Act, Arizona revenue and taxation laws, Arizona Workers' Compensation Law, and Arizona Unemployment Insurance Law. This Agreement shall not be construed as creating any joint employment relationship between Hauler and Wickenburg, and Wickenburg will not be liable for any obligation incurred by Hauler, including but not limited to unpaid minimum wages and/or overtime premiums

(b) Non-Assignment. This Agreement is non-transferable and authorizes only Hauler and the vehicles specified herein to discharge hauled waste to the Facility.

(c) Entire Agreement. This Agreement supersedes all prior agreements, written or oral, with respect to the subject matter of this Agreement. Only a written instrument signed by both parties hereto may modify this Agreement.

(d) Severability. In the event that any one or more of the provisions contained in this Agreement is, for any reason, held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provisions of this Agreement, and all other provisions shall remain in full force and effect.

(e) Waiver. No delay or omission by a party in exercising any right under this Agreement will operate as a waiver of that or any other right. A waiver or consent given by a party on any occasion is effective only in that instance and will not be construed as a bar to or waiver of any right on any other occasion.

(f) Notice. Any notice, request, information or other document to be given under this Agreement shall be in writing and shall be given by hand delivery, certified or registered U.S. mail or a private courier service that provides evidence of receipt as part of the service, to the addresses set forth at the end of this Agreement.

(g) Choice of Law; Venue. This Agreement shall be governed by and construed in accordance with the internal laws of the State of Arizona, without giving effect to any choice or conflict of law provision or rule (whether of the State of Arizona or any other jurisdiction) that would cause the application of the laws of any jurisdiction other than the State of Arizona. The parties agree to the exclusive jurisdiction of the courts in the State of Arizona and agree that the State of Arizona shall be a proper place for venue in connection with any litigation initiated under this Agreement.

(h) Immigration Law Compliance Warranty. As required by A.R.S. § 41-4401, Hauler hereby warrants its compliance with all federal immigration laws and regulations that relate to its employees and A.R.S. § 23-214(A). Hauler further warrants that after hiring an employee, Hauler verifies the employment eligibility of the employee through the E-Verify program. If Hauler uses any subcontractors in performance of the Work, subcontractors shall warrant their compliance with all federal immigration laws and regulations that relate to its employees and A.R.S. § 23-214(A), and subcontractors shall further warrant that after hiring an employee, such subcontractor verifies the employment eligibility of the employee through the E-Verify program. A breach of this warranty shall be deemed a material breach of the Agreement.

that is subject to penalties up to and including termination of the Agreement. Contractor is subject to a penalty of \$100 per day for the first violation, \$500 per day for the second violation, and \$1,000 per day for the third violation. Town at its option may terminate the Contract after the third violation. Contractor shall not be deemed in material breach of this Contract if the Contractor and/or subcontractors establish compliance with the employment verification provisions of Sections 274A and 274B of the federal Immigration and Nationality Act and the E-Verify requirements contained in A.R.S. § 23-214(A). Town retains the legal right to inspect the papers of any Contractor or subcontractor employee who works on the Contract to ensure that the Contractor or subcontractor is complying with the warranty. Any inspection will be conducted after reasonable notice and at reasonable times. If state law is amended, the parties may modify this paragraph consistent with state law.

(i) Construction. The headings in this Agreement are inserted for convenience only, and shall not constitute a part of this Agreement or be used to construe or interpret any of its provisions. The parties have participated jointly in the negotiation and drafting of this Agreement. If a question of interpretation arises, this Agreement shall be construed as if drafted jointly by the parties, and no presumption or burden of proof shall arise favoring or disfavoring any party by virtue of the authorship of any provision of this Agreement.

(j) Counterparts. This Agreement may be executed in two or more original or facsimile counterparts each of which shall be deemed an original and all of which together shall constitute one and the same instrument.

(k) Attorneys' Fees. If any legal action or any other proceeding is brought for the enforcement of this Agreement, or because of an alleged dispute, breach, default, or misrepresentation in connection with any of the provisions of this Agreement, the prevailing party or parties shall be entitled to recover reasonable attorneys' fees and other costs incurred in that action or proceeding, in addition to any other relief to which it or they may be entitled.

(l) Time of the Essence. Time is of the essence of this Agreement.

IN WITNESS WHEREOF, the undersigned have entered this Agreement as of the day and year first above written.

TOWN OF WICKENBURG, ARIZONA

RIVER SEPTIC LLC

By _____
BG Bratcher, Mayor

By _____
Its: _____

Date signed: _____

Date signed: _____

Address:

Address:

Town of Wickenburg, Arizona
155 North Tegner Street, Suite A
Wickenburg, Arizona 85390

RIVER SEPTIC AND OUTLAW PORTABLES
Post Office Box 641
Parker, Arizona 85334

ATTEST:

Amy Brown, Town Clerk

APPROVED AS TO FORM:

Trish Stuhan, Town Attorney
Pierce Coleman PLLC