

STATE OF NORTH CAROLINA

COUNTY OF UNION

ASSUMPTION OF SCRAP TIRE DISPOSAL AGREEMENT

THIS AGREEMENT is made and entered into as of _____, by and between UNION COUNTY, a political subdivision of the State of North Carolina, hereinafter referred to as “Union,” and U.S. TIRE HOLDINGS, LLC, a North Carolina limited liability company, hereinafter referred to as “Assignee.”

WITNESSETH:

WHEREAS, Union entered into an agreement dated 8 July 2019 (the “Agreement”) with U.S. TIRE RECYCLING PARTNERS LP, pursuant to which U.S. TIRE RECYCLING PARTNERS LP agreed to the collection, removal, transport, and disposal of scrap tires on Union’s behalf; and

WHEREAS, the Agreement is effective through June 30, 2024; and

WHEREAS, U.S. TIRE RECYCLING PARTNERS LP submitted financial documents indicating payment should be made to Assignee, a separate legal entity; and

WHEREAS, Assignee is willing to assume the Agreement and all terms and conditions contained therein, and, Union is willing to accept Assignee’s assumption of the Agreement.

NOW, THEREFORE, in consideration of the mutual covenants and agreements hereinafter set forth, the parties hereto do each contract and agree with the other as follows:

1. **Assumption of Agreement.** Effective as of the date first set forth herein, Assignee does hereby agree to assume all rights, interests, liabilities, and obligations in, to, and set forth in the Agreement, and agrees to perform and discharge, as and when due, all of the obligations of U.S. TIRE RECYCLING PARTNERS LP arising under the Agreement. Assignee agrees to indemnify Union against any claims related to this assumption agreement.
2. **Entire Agreement.** This Assumption of Scrap Tire Disposal Agreement and the Agreement embody the entire agreement and understanding of the parties hereto with respect to the subject matter hereof, and supersede all prior and contemporaneous agreements and understandings, oral or written, relative to said subject matter.

IN WITNESS WHEREOF, the parties hereto, acting under authority of their respective governing bodies, have hereunto set their hands and seals, and have caused this contract to be duly executed, this the day and year first above written.

UNION COUNTY:

BY: _____(SEAL)
Brian Matthews, County Manager

U.S. TIRE HOLDINGS, LLC:

BY: _____(SEAL)

Approved as to Legal Form: CJB

This Instrument Has Been Preaudited In The
Manner Required By The Local Government
Budget And Fiscal Control Act

Deputy Finance Officer

STATE OF NORTH CAROLINA

AGREEMENT

UNION COUNTY

THIS AGREEMENT is made and entered into as of the 8th day of July, 2019, by and between UNION COUNTY, a political subdivision of the State of North Carolina acting through the Department of Public Works whose address is 500 N. Main Street, Monroe, NC 28112, hereinafter referred to as "Union," and U.S. TIRE RECYCLING PARTNERS LP, a limited partnership authorized to do business in North Carolina whose address is 6322 Poplar Tent Road, Concord, NC 28027, hereinafter referred to as "U.S. Tire."

WITNESSETH:

WHEREAS, at Union's Solid Waste Management Facility (the "SWMF"), Union accepts scrap tires for recycling; and

WHEREAS, Union desires to enter into a contract for the collection, removal, transport, and disposal of such scrap tires; and

WHEREAS, U.S. Tire is willing to provide such services.

NOW, THEREFORE, in consideration of the mutual covenants and agreements hereinafter set forth, the parties hereto do each contract and agree with the other as follows:

1. U.S. Tire covenants and agrees to collect, remove, transport, and properly recycle and/or dispose of all scrap tires supplied, provided or turned over to it by Union for the price herein set out, subject, however, to the terms, conditions and limitations hereinafter contained. For the purposes of this Agreement the term "scrap tires" shall mean all rubber tires from cars, trucks, tractors, and off-road vehicles. Union will not allow other vendors to remove or dispose of scrap tires from the SWMF during the term of this Agreement; however, Union is not financially committed by this Agreement to provide any minimum number of scrap tires to U.S. Tire.

2. Union shall provide and designate a specific location within the SWMF for the collection, processing, transport, and proper recycling and/or disposal of tires, subject to approval by U.S. Tire. The location shall be suitably accessible and sufficiently large for maneuvering and loading of U.S. Tire's trucks.

3. During the term of this Agreement, U.S. Tire shall maintain on-site at the specific location designated within the SWMF at all times an appropriate container to be used for the loading of tires. Union shall load tires onto the container maintained at the SWMF, and U.S. Tire shall transport and dispose of said tires at U.S. Tire's facility at a cost to Union of Eight-Six Dollars and Sixty-Six Cents (\$86.66) per ton (the "Fee"). When a load of scrap tires includes "off-the-road" tires (OTRs), Union agrees to pay U.S. Tire Eighteen Cents (\$0.18) per pound of OTRs, in addition to the Fee. The weight of all tires so removed shall be determined upon exit by readings made on the scales maintained at the SWMF, which readings shall be deemed conclusive with regard to payment owing to U.S. Tire and with regard to credit for tires recycled. (See Paragraph 7.) There shall be a ten-ton minimum charge per load. All payments shall be conditioned upon appropriation by the Union

County Board of Commissioners of sufficient funds for each request for services. A Consumer Price Index ("CPI") adjustment will be calculated in March of each year and U.S. Tire will notify Union of any increase at that time. CPI adjustments will be applied to the contract price each year on the July 1. The CPI that shall be used to calculate the yearly adjustments shall be the CPI for All Urban Consumers/South Region, All Items. U.S. Tire reserves the right to reject or apply a special handling surcharge fee for any and all tires that appear to have been burned, buried or shredded prior to transfer to their facility.

The Fee is based on the base price of diesel fuel up to \$4.49 per gallon. The amount paid per ton may be varied on a monthly basis, as determined in accordance with the following schedule:

Price Per Gallon	Price Adjustment Per Mile
\$0.00 – \$4.49	None
\$4.50 – \$4.74	Add \$ 0.05
\$4.75 – \$4.99	Add \$ 0.10
\$5.00 – \$5.24	Add \$ 0.15
\$5.25 – \$5.49	Add \$ 0.20
\$5.50 – \$5.74	Add \$ 0.25
\$5.75 – \$5.99	Add \$ 0.30
\$6.00 – \$6.24	Add \$ 0.35
Each additional \$0.25/gallon	Add \$0.05

The number of miles per round trip is 89 miles. The price of diesel fuel for purposes of this Agreement shall be the diesel price for the East Coast, as obtained from the U.S. Energy Information Administration at <http://www.eia.gov/petroleum/gasdiesel/> or by phone from the Diesel Fuel Hotline at (202) 586-6966.

In the event of a discrepancy between records of Union and U.S. Tire, the invoice on which the discrepancy is shown shall be paid, less the amount of the discrepancy. A notice of discrepancy with all supporting documentation shall be promptly sent to U.S. Tire and the two parties shall reconcile records and invoices at the earliest possible date. Such reconciliation shall be reflected on the next invoice from U.S. Tire.

U.S. Tire shall remove each loaded container from the Union County Landfill and replace with an empty container within forty-eight (48) hours from receipt of notice from Union that the tires are ready for removal, with the exception of weekends and nationally recognized holidays.

4. At U.S. Tire's sole expense, U.S. Tire shall procure and maintain the following minimum insurances with insurers authorized to do business in North Carolina and rated A-VII or better by A.M. Best.

A. WORKERS' COMPENSATION

Statutory limits covering all employees, including Employer's Liability with limits of:

\$500,000	Each Accident
\$500,000	Disease - Each Employee
\$500,000	Disease - Policy Limit

- B. COMMERCIAL GENERAL LIABILITY
Covering Ongoing and Completed Operations involved in this Agreement.

\$2,000,000	General Aggregate
\$2,000,000	Products/Completed Operations Aggregate
\$1,000,000	Each Occurrence
\$1,000,000	Personal and Advertising Injury Limit
\$5,000	Medical Expense Limit

- C. COMMERCIAL AUTOMOBILE LIABILITY

\$1,000,000 Combined Single Limit - Any Auto

- D. POLLUTION LIABILITY INSURANCE

\$1,000,000 Claims Made

U.S. Tire shall provide evidence of continuation or renewal of Pollution Liability Insurance for a period of two (2) years following termination of the Agreement.

5. Additional Insurance Requirements

- A. U.S. Tire's General Liability policy shall be endorsed, specifically or generally, to include the following as Additional Insured:

UNION COUNTY, ITS OFFICERS, AGENTS AND EMPLOYEES ARE INCLUDED AS ADDITIONAL INSURED WITH RESPECTS TO THE GENERAL LIABILITY INSURANCE POLICY.

Additional Insured status for Completed Operations shall extend for a period of not less than three (3) years from the date of final payment.

- B. Before commencement of any work or event, U.S. Tire shall provide a Certificate of Insurance in satisfactory form as evidence of the insurances required above.
- C. U.S. Tire shall have no right of recovery or subrogation against Union County (including its officers, agents and employees).
- D. It is the intention of the parties that the insurance policies afforded by U.S. Tire shall protect both parties and be primary and non-contributory coverage for any and all losses covered by the above-described insurance.
- E. Union County shall have no liability with respect to U.S. Tire's personal property whether insured or not insured. Any deductible or self-insured retention is the sole responsibility of U.S. Tire.
- F. Notwithstanding the notification requirements of the Insurer, U.S. Tire hereby agrees to notify County's Risk Manager at 500 N. Main Street # 130, Monroe, NC 28112,

within two (2) days of the cancellation or substantive change of any insurance policy set out herein. Union, in its sole discretion, may deem failure to provide such notice as a breach of this Agreement.

- G. The Certificate of Insurance should note in the Description of Operations the following:

Department: Public Works – Solid Waste
Contract #: 5752

- H. Insurance procured by U.S. Tire shall not reduce nor limit U.S. Tire's contractual obligation to indemnify, save harmless and defend Union County for claims made or suits brought which result from or are in connection with the performance of this Agreement.

- I. Certificate Holder shall be listed as follows:

Union County
Attention: Keith A. Richards, Risk Manager
500 N. Main Street, Suite #130
Monroe, NC 28112

- J. If U.S. Tire is authorized to assign or subcontract any of its rights or duties hereunder and in fact does so, U.S. Tire shall ensure that the assignee or subcontractor satisfies all requirements of this Agreement, including, but not limited to, maintenance of the required insurances coverage and provision of certificate(s) of insurance and additional insured endorsement(s), in proper form prior to commencement of services.

6. U.S. Tire agrees to protect, defend, indemnify and hold Union County, its officers, employees and agents free and harmless from and against any and all losses, penalties, damages, settlements, costs, charges, professional fees or other expenses or liabilities of every kind and character arising out of or relating to any and all claims, liens, demands, obligations, actions, proceedings, or causes of action of every kind in connection with or arising out of this agreement and/or the performance hereof that are due, in whole or in part, to the negligence of U.S. Tire, its officers, employees, subcontractors or agents. U.S. Tire further agrees to investigate, handle, respond to, provide defense for, and defend the same at its sole expense and agrees to bear all other costs and expenses related thereto.

7. At the end of Union's fiscal year (July 1 – June 30), U.S. Tire shall provide Union with a letter certifying the total amount of tires recycled by U.S. Tire during the fiscal year and the percentage of those tires recycled which are attributable to Union, based on Union's pro rata share of all tires received by U.S. Tire. This certification letter shall be sufficient in content and form as to be accepted by the State of North Carolina in apportioning credit for tires disposed. The obligation of U.S. Tire to provide this letter shall survive the termination of this Agreement such that Union shall receive full credit for its pro rata share of tires recycled.

8. U.S. Tire shall provide, at its own proper expense, a suitable location and appropriate machinery and equipment to process and dispose of the tires it collects pursuant to this Agreement.

In its collection, removal, transportation and disposal of all tires or its provision of other services pursuant to this agreement, U.S. Tire shall comply with all laws, rules, regulations, ordinances, codes, orders and actions of the United States of America and of any state or political subdivision thereof or of any other governmental unit or agency that may now or hereafter be applicable to the performance of the services by U.S. Tire. In no case shall Union be liable or responsible for any of the costs of obtaining, preparing, maintaining or operating the facilities for disposing of tires, nor shall Union be liable for any costs, fines, penalties or any other expense(s) which may accrue to the improper disposal of tires. Tires shall be identified, with title passing to U.S. Tire and U.S. Tire obtaining insurable interest therein, at the moment U.S. Tire takes possession of each respective tire.

9. U.S. Tire shall invoice Union for all tires it has removed, at the rates herein provided, on the 5th day of each month following the month during which the tires were removed. Payment in full therefor shall be due within twenty (20) days after receipt of the invoice by Union's finance office. Each of the parties shall take all reasonable precautions to maintain an accurate accounting of all tires removed; provided, however, that the weight(s) of tires measured on the scales maintained at the SWMF shall be conclusive.

10. This Agreement shall commence July 1, 2019, and shall continue for a term of two (2) years (the "Initial Term"). Following the Initial Term, Union may, in its sole discretion, renew this Agreement for up to three (3) successive one-year terms. Either party may terminate this Agreement without cause upon the provision of sixty (60) days' written notice to the other party. Whenever notice is required to be given pursuant to the terms of this Agreement, such notice shall be deemed to have been sufficiently given when mailed by United States Mail, certified mail, return receipt requested, addressed to the parties as follows:

Union County:	Union County Manager 500 N. Main St., Suite 918 Monroe, NC 28112
with copy to:	Union County Public Works, Executive Director 500 N. Main St., Suite 400 Monroe, NC 28112
U.S. Tire:	U.S. Tire Recycling 6322 Poplar Tent Rd. Concord, N.C. 28027

Addresses to which notice is to be given may be changed at any time by either party by giving notice to the other as herein provided.

11. It is agreed by the parties hereto that U.S. Tire shall have the right to provide the services herein set out for other parties without limitations hereunder.

12. It is mutually understood and agreed that U.S. Tire is an independent contractor and not an agent of Union.

13. E-Verify is the federal program operated by the United States Department of Homeland Security and other federal agencies, or any successor or equivalent program, used to verify the work authorization of newly hired employees pursuant to federal law. U.S. Tire warrants

that U.S. Tire and any subcontractor performing work under this Agreement: (i) uses E-Verify if required to do so by North Carolina law; and (ii) otherwise complies with the requirements of Article 2 of Chapter 64 of the North Carolina General Statutes. A breach of this warranty by U.S. Tire will be considered a breach of this Agreement, which entitles Union County to terminate this Agreement, without penalty, upon notice to U.S. Tire.

14. This contract shall inure to the benefit of and be binding upon the parties hereto, their assigns and successors in interest. This Agreement contains the total agreement between the parties and may only be altered or amended by the parties hereto, in writing. The provisions hereof are severable, and should any provision be determined to be invalid, unlawful or otherwise null and void by any Court of competent jurisdiction, the other provisions shall remain in full force and effect and shall not thereby be affected unless such ruling shall make further performance hereunder impossible or impose an unconscionable burden upon one of the parties. This Agreement is made pursuant to and shall be construed under the laws of the State of North Carolina.

IN WITNESS WHEREOF, the parties hereto, acting under authority of their respective governing bodies, have caused this contract to be duly executed, this the day and year first above written.

ATTEST:

BY: Lynn D. West
Lynn West, Clerk to the Board

UNION COUNTY:

BY: William M. Watson
William M. Watson, County Manager

ATTEST:

BY: Bill Leonard
Approved as to Legal Form AM

U.S. TIRE RECYCLING PARTNERS, LP

BY: Gene Helton
Regional Vice President



This Instrument Has Been Preaudited In The
Manner Required By The Local Government
Budget And Fiscal Control Act.
Amanda M. Newt
Deputy Finance Officer

7/3/2019

Date: August 11, 2021

Via First Class Mail and Certified Mail (Return Receipt Requested)

Rick Payne
U.S. Tire Recycling
6322 Poplar Tent Road
Concord, NC 28027

**Re: Notice of Renewal of Scrap Tire Recycling Agreement between Union County,
North Carolina and U.S. Tire Recycling Partners LP**

Dear Mr. Payne:

Pursuant to Section 10 of the Agreement dated July 8, 2019, between Union County and U.S. Tire Recycling Partners LP (the "Agreement"), the Initial Term of the Agreement began on July 1, 2019, and runs for two years through June 30, 2021. Section 10 of the Agreement also provides that following the Initial Term, Union County may elect, in its sole discretion, to extend the Agreement for up to three (3) additional one-year terms (each a "Renewal Term").

Pursuant to the terms of the Agreement, this letter shall constitute Union County's notice that it is exercising its option to extend the Agreement for a first Renewal Term. The first Renewal Term shall run from July 1, 2021, through June 30, 2022. Union County reserves the right to exercise its ability to extend the Agreement for up to two additional one-year Renewal Terms in the future.

If there are any questions or concerns, please let us know.

Sincerely,

DocuSigned by:

A84957CDD7DF479...
William M. Watson
County Manager

cc: Ronald Gilkerson, Solid Waste Director



June 8, 2022

Via First Class Mail and Certified Mail (Return Receipt Requested)

Rick Payne
U.S. Tire Recycling
6322 Poplar Tent Road
Concord, NC 28027

Re: Notice of Renewal of Scrap Tire Recycling Agreement between Union County and U.S. Tire Recycling Partners LP

Dear Mr. Payne:

Pursuant to Section 10 of the Agreement dated July 8, 2019, between Union County and U.S. Tire Recycling Partners LP (the "Agreement"), the Initial Term of the Agreement began on July 1, 2019, and runs for two years through June 30, 2021. Section 10 of the Agreement also provides that following the Initial Term, Union County may elect, in its sole discretion, to extend the Agreement for up to three (3) additional one-year terms (each a "Renewal Term").

Pursuant to the terms of the Agreement, this letter shall constitute Union County's notice that it is exercising its option to extend the Agreement for a second Renewal Term. The second Renewal Term shall run from July 1, 2022, through June 30, 2023. Union County reserves the right to exercise its ability to extend the Agreement for one additional one-year Renewal Term in the future.

If there are any questions or concerns, please let us know.

Sincerely,

DocuSigned by:

A84957CDD7DF479...
William M. Watson
County Manager

cc: Jeff Caton, Interim Solid Waste Director

General Services/Solid Waste
500 N. Main Street
Monroe, NC 28112
T 704.296.4234
unioncountync.gov



Date: June 21, 2023

Via First Class Mail and Certified Mail (Return Receipt Requested)

Mr. Rick Payne
U.S. Tire Recycling Partners LP
6322 Poplar Tent Road
Concord, NC 28027

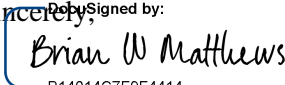
Re: Notice of Renewal of Scrap Tire Recycling Agreement between Union County, North Carolina and U.S. Tire Recycling Partners LP

Dear Mr. Payne:

Pursuant to Section 10 of the Agreement dated July 8, 2019, between Union County and U.S. Tire Recycling Partners LP (the "Agreement"), the Agreement became effective on July 1, 2019. Section 10 of the Agreement also provides that following an initial two-year term, Union County may, in its sole discretion, elect to renew the Agreement for up to three additional one-year terms.

This letter shall constitute Union County's notice that it is exercising its option to elect that the Agreement continue for a third one-year term. This one-year term shall run from July 1, 2023, through June 30, 2024.

If there are any questions or concerns, please let us know.

Sincerely,

B14014C7F9F4414...

Brian W. Matthews

County Manager

cc: Caleb Sinclair, Solid Waste Director

Procurement Department
500 N. Main Street
Monroe, NC 28112
T 704.283.3886
unioncountync.gov