

RESOLUTION NUMBER 04-10

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF KETCHUM, IDAHO, AUTHORIZING THE MAYOR TO EXECUTE AN ASSIGNMENT AND ASSUMPTION AGREEMENT BETWEEN PSI WASTE SYSTEMS, INC., AN IDAHO CORPORATION AND ORBAS, L.L.C., AN IDAHO LIMITED LIABILITY COMPANY D/B/A CLEAR CREEK DISPOSAL.

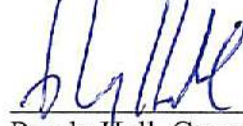
WHEREAS, the City of Ketchum adopted Ordinance No. 679, "AN ORDINANCE OF THE CITY OF KETCHUM, BLAINE COUNTY, GRANTING WOOD RIVER RUBBISH COMPANY, INC., A TEN (10) YEAR NON-EXCLUSIVE FRANCHISE TO COLLECT AND TRANSPORT SOLID WASTE WITHIN THE CITY OF KETCHUM; PROVIDING DEFINITION; PROVIDING POWERS OF THE CITY; PROVIDING TERM OF FRANCHISE; REQUIRING A FRANCHISE FEE; PROVIDING OFFICE LOCATION AND COMPLAINT PROCEDURES; PROVIDING FOR ROUTES AND COLLECTION SERVICES; PROVIDING MANDATORY COLLECTION OF RECYCLABLE MATERIALS AND OTHER SOLID WASTE; PROVIDING PERSONNEL AND EQUIPMENT REQUIREMENTS; PROVIDING AN EMERGENCY PROVISION; PROVIDING FOR COMPENSATION; PROVIDING CASH DEPOSIT OR LETTER OF CREDIT REQUIREMENTS; PROVIDING INSURANCE REQUIREMENTS; PROVIDING FOR LIQUIDATED DAMAGES; PROVIDING FRANCHISEE LIABILITY AND INDEMNITY REQUIREMENTS; PROVIDING FOR INSPECTION OF RECORDS; PROVIDING FOR REVOCATION FOR CAUSE; REQUIRING SAFETY REGULATION COMPLIANCE; REQUIREING WRITTEN ACCEPTANCE; RESTRICTING SALE OR ASSIGNMENT OF FRANCHISE; PROVIDING A SAVINGS AND SEVERABILITY CLAUSE; PROVIDING A REPEALER CLAUSE; AND PROVIDING AN EFFECTIVE DATE," on November 20, 1995 that granted a non-exclusive franchise to Wood River Rubbish, and provides that the operator can assign the franchise to another operator with the consent of the City of Ketchum.

NOW, THEREFORE, BE IT RESOLVED, by the Mayor and City Council of the City of Ketchum, Idaho:

1. The City Council of the City of Ketchum, Idaho, hereby authorizes and instructs the Mayor of said City to execute the attached Assignment and Assumption Agreement between PSI Waste Systems, Inc. and ORBAS, L.L.C., d/b/a Clear Creek Disposal.
2. Resolution Number 03-72 is rescinded and of no force and effect.

ADOPTED AND APPROVED this 20th day of January 2004.

CITY OF KETCHUM, IDAHO



Randy Hall, Council President

Attest:



Sandra Cady, CMC
City Clerk/Treasurer



THE CITY OF KETCHIKAN
ALASKA
OFFICE OF THE CITY CLERK
100 WEST BROADWAY
KETCHIKAN, ALASKA 99901
PHONE 465-1111

RESOLUTION NO. 12345
WHEREAS, the City of Ketchikan, Alaska, is desirous of...
AND WHEREAS, the City of Ketchikan, Alaska, is desirous of...
THEREFORE, the City of Ketchikan, Alaska, hereby...
PASSED AND ADOPTED at a regular meeting of the City Council...
this 12th day of January, 1998.
CITY CLERK

APPROVED AND FORWARDED:
CITY CLERK

BY: [Signature]

ATTEST:

[Signature]



ASSIGNMENT AND ASSUMPTION AGREEMENT

THIS ASSIGNMENT AND ASSUMPTION OF AGREEMENT (this "Assignment") is made this ___ day of January 2004, between PSI Waste Systems, Inc., an Idaho corporation ("Assignor"), and OBRAS, L.L.C., an Idaho limited liability company d/b/a Clear Creek Disposal ("Assignee").

RECITALS

A. Assignor is a party to that certain Ordinance 679 of the City of Ketchum, Idaho, dated November 20, 1995 (the "Ordinance") by and between Assignor, as successor in interest to Wood River Rubbish Company, Inc., and the City of Ketchum, Blaine County, Idaho (the "Municipality"), whereby the Municipality granted Assignor a non-exclusive franchise to provide waste collection, transportation and/or disposal services within the geographical limits of the Municipality.

B. Assignor desires to assign its rights title and interest in, to and under, and its obligations under, the Ordinance to Assignee in accordance with the terms and conditions set forth below.

TERMS AND CONDITIONS

IN CONSIDERATION of the foregoing, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto covenant and agree as follows:

1. Effective as of the closing (the "Closing") of the transactions contemplated by that certain Purchase and Sale of Assets Agreement dated December 31, 2003, by and among Assignor and Assignee (the "Purchase Agreement"), Assignor hereby assigns to Assignee all of Assignor's rights, title and interests in, to and under the Ordinance. Effective as of Closing, Assignee hereby agrees to perform all of Assignor's obligations under the Ordinance; provided, however, Assignee does not hereby waive any indemnification rights of Assignee against Assignor under Section 10.1 and Article 11 of the Purchase Agreement relating to obligations which accrued and/or were required to be performed prior to the completion of the Closing and those obligations which arose as a result of a breach by Assignor of the Ordinance on or prior to the Closing or a breach of Assignor's or its affiliates' representations, warranties, covenants and agreements under the Purchase Agreement.

2. The terms of this Assignment shall bind and inure to the benefit of the parties hereto and their respective heirs, legal representatives and successors and assigns.

3. This Assignment may be executed in any number of counterparts which, collectively, shall constitute one and the same instrument. Facsimile signatures shall be effective as original signatures with regard to this Assignment. Each party represents to the other that the execution and delivery of this Assignment by such party have been properly authorized and that all signatures hereon are genuine.

4. Notwithstanding anything herein to the contrary, in the event that the purchase transaction referenced in paragraph 1 above fails to close, this Assignment shall be of no force and effect.

[SIGNATURES ARE ON THE FOLLOWING PAGE]

IN WITNESS WHEREOF, Assignor and Assignee have executed this Assignment as of the date and year first written above.

ASSIGNOR:

PSI Waste Systems, Inc.

By: _____

Its: _____

ASSIGNEE:

ORBAS, L.L.C., d/b/a Clear Creek Disposal

By: [Signature]
Its: Managing Member

CONSENT OF MUNICIPALITY

Pursuant to the authorizing resolution dated January 20, 2004 by the City of Ketchum, the Municipality hereby consents to this Assignment.

City of Ketchum, Idaho

By: [Signature]
Its: Council President

Date: January 23, 2004

ATTEST:

[Signature]
Name: _____
Title: City Treasurer Clerk