

ORDINANCE NO. _____

AN ORDINANCE GRANTING **STERICYCLE, INC.**, ITS SUCCESSORS AND ASSIGNS, A NONEXCLUSIVE FRANCHISE FOR THE PRIVILEGE AND USE OF PUBLIC STREETS, ALLEYS, AND PUBLIC WAYS WITHIN THE CORPORATE LIMITS OF THE CITY OF COLLEGE STATION FOR THE PURPOSE OF ENGAGING IN THE BUSINESS OF COLLECTION AND DISPOSAL OF TREATED AND UNTREATED MEDICAL WASTE FROM VARIOUS HEALTH CARE-RELATED FACILITIES WITHIN THE CITY LIMITS; PRESCRIBING THE TERMS, CONDITIONS, OBLIGATIONS, AND LIMITATIONS UNDER WHICH SAID FRANCHISE SHALL BE EXERCISED; PROVIDING FOR THE CONSIDERATION; FOR PERIOD OF GRANT; FOR ASSIGNMENT; FOR METHOD OF ACCEPTANCE; FOR REPEAL OF CONFLICTING ORDINANCES AND FOR PARTIAL INVALIDITY.

WHEREAS, the City of College Station regulates, the collection and disposal of all solid waste generated from within the corporate limits of the City of College Station; and

WHEREAS, the City of College Station may, pursuant to Article XI of its Charter, grant franchises to other entities for the use of public streets, alleys and thoroughfares within the corporate limits of **CITY** and for the collection and disposal of treated and untreated medical wastes generated from within the corporate limits of the City of College Station; and

WHEREAS, **Stericycle, Inc.**, is engaged in the business of collection and disposal of treated and untreated medical waste from health care-related facilities and is requesting a franchise to operate its business within the City limits of the City of College Station; and

WHEREAS, the City of College Station (hereinafter referred to as "**CITY**"), believes it is in the best interest of College Station to offer **Stericycle, Inc.**, a franchise on such terms and conditions as will provide College Station with control and options necessary to provide for the public good; now, therefore,

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF COLLEGE STATION, TEXAS, THAT:

**I.
DEFINITIONS**

1.1 For the purposes of this Ordinance, when not inconsistent with the context, words used in the present tense include the future tense, words in the plural include the singular, and words in the singular include the plural, and the use of any gender shall be applicable to all genders whenever the sense requires. The words "shall" and "will" are mandatory and the word "may" is permissive. Words not defined in this Ordinance shall be given their common and ordinary meaning.

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1.2 For the purposes of this Ordinance, the following words, terms, phrases and their derivations shall have the meaning given in Section. 1.1

Franchise means this ordinance and all rights and obligations established herein or as it may be amended.

CITY means the City of College Station, a home rule municipal corporation in the State of Texas.

City Council or “Council” means the governing body of the City of College Station.

City Manager means the City official appointed by the City Council who is responsible for the daily operation of the City of College Station.

Brazos Valley Solid Waste Management Agency or **BVSWMA** means a permitted municipal solid waste facility jointly owned by the Cities of Bryan and College Station and operated by the City of College Station on behalf of the cities as authorized by an interlocal agreement.

Customers. Those health care-related facilities located within the **CITY** that generate treated and untreated medical waste.

Medical Wastes means medical wastes as that term is defined in 30 T.A.C. 330.2(74), (93), (141), and (141)(C) as it now exists or as is hereafter amended.

Treated or Processed Medical Waste is medical waste that has been treated as provided in 25 T.A.C. 1.133 and 1.136 as it now exists or as it is hereafter amended.

COMPANY means Stericycle, Inc., a privately held corporation incorporated in the State of Texas which provides medical waste management services for the healthcare industry as well as providing destruction services to major pharmaceutical manufacturers and which operates in the State of Texas as well as other states.

T.A.C. means the Texas Administrative Code as it now exists or as it is hereinafter amended.

Force Majeure means, without limitation, by the following enumeration, acts of God and the public enemy, the elements, fire, or accidents.

TCEQ means Texas Commission on Environmental Quality.

**II.
GRANT OF NONEXCLUSIVE FRANCHISE**

2.1 CITY hereby grants to COMPANY a nonexclusive franchise to operate and establish in College Station, as constituted as of the effective date of this Franchise, or as may hereafter be constituted to collect and dispose of treated and untreated medical waste from various health care-related facilities within the jurisdictional limits of CITY, and COMPANY is hereby granted passage and right-of-way on, along and across the streets, avenues, rights-of-way, alleys, and highways within the corporate limits of College Station, for any such service and lawful purpose as herein mentioned; provided that all such work, activity and undertakings by COMPANY shall be subject to the terms and provisions of this Franchise and the continuing exercise by College Station of its governmental and police powers, and provided further that nothing herein shall be construed to require or authorize COMPANY to exceed any rights granted herein or by the TCEQ.

2.2 Nothing in this Franchise shall be construed as granting any exclusive franchise or right.

**III.
FRANCHISE AND RENTAL FEES**

3.1. For and in consideration of the use of the CITY's rights-of-way, streets, alleys, highways, avenues and thoroughfares as well as in consideration of the covenants and agreements contained herein, COMPANY agrees to and shall pay to CITY upon acceptance of this Agreement and thereafter during the term hereof, a sum equivalent to five percent (5%) of COMPANY's monthly gross delivery and hauling revenues generated from COMPANY's provision of collection and disposal of treated and untreated medical waste services within the CITY. Said payment shall be paid quarterly to the CITY's Finance Department and shall be due by the twentieth of the month following the end of the previous quarter.

3.2 The franchise fee shall be in lieu of any and all other College Station imposed rentals or compensation or franchise, license, privilege, instrument, occupation, excise or revenue taxes or fees and all other exaction's or charges (except ad valorem property taxes, special assessments for local improvements, city sales tax, and such other charges for utility services imposed uniformly upon persons, firms or corporations then engaged in business within College Station) or permits upon or relating to the business, revenue, franchise, equipment, and other facilities of COMPANY and all other property of COMPANY and its activities, or any part thereof, in College Station which relate to the operation of COMPANY's medical waste collection business.

3.3 Payment after that date shall incur a ten percent (10%) penalty on the outstanding amount owed under this article, and after written notice by CITY, may constitute a basis for forfeiture or termination under this Franchise pursuant to Article VIII herein.

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**IV.
TERM OF FRANCHISE**

4.1 The term of this franchise shall be for a period of five (5) years beginning on the 15th day of October, 2005.

**V.
SERVICE TO BE PROVIDED BY COMPANY**

5.1 **COMPANY** shall furnish service consistent with the requirements and intent of this Franchise, and specified in this ordinance as now or hereafter approved by the Council or other regulatory authority having jurisdiction, without unreasonable discrimination, to all areas of College Station.

5.2 **COMPANY** shall maintain its property and equipment in good order and working condition, consistent with the needs of the services rendered therefrom and in accordance with 30 T.A.C. 330.1005(g) through (i).

5.3 **COMPANY** agrees that a standby vehicle shall always be available.

5.4 **COMPANY's** vehicles shall at all times be clearly marked with **COMPANY's** name and TCEQ registration number in letters not less than three (3) inches in height.

5.5 **COMPANY's** operations shall be conducted in a manner that minimizes noise, disturbance, and commotion.

5.6 **COMPANY** shall use all proper skill and care, and exercise all due and proper precautions that meet or exceed industry standards and TCEQ regulatory requirements to prevent injury to any person or person(s) and damage to any property.

5.7 **COMPANY** shall register their operations with the TCEQ prior to commencing operations under this Franchise and shall provide proof of such registration and renewal thereof annually to **CITY**.

5.8 AD VALOREM TAXES

COMPANY agrees to render a list annually of all personal property utilized in its treated and untreated medical waste operation services to Brazos County Appraisal District so that said personal property will be subject to ad valorem taxation by the applicable taxing entities.

5.9 DISPOSAL SITE FOR TREATED MEDICAL WASTE

Unless approved otherwise in writing by **CITY**, **COMPANY** shall utilize the BVSWMA landfill located on Rock Prairie Road, College Station or any other municipal landfill site designated by **CITY** for its municipal solid waste disposal for disposal of all treated medical waste collected by **COMPANY** from within the corporate limits of the City of College Station. Untreated medical waste collected by **COMPANY** within the corporate limits of the City of College Station will be treated and disposed of at any site of **COMPANY**'s selection, provided however, that any site used shall be permitted to accept this classification of waste by the appropriate regulatory authority.

5.10 CITY shall have access to all books of accounts and records of its business operations from which Gross Receipts may be determined.

5.11 COMPANY further agrees **CITY** may review its books and records, during normal business hours and on a non-disruptive basis, as reasonably necessary to monitor compliance with the terms hereof, or as otherwise required by law

- (a) **COMPANY** shall keep complete and accurate books of accounts and records of its business and operations from which Gross Receipts may be determined.
- (b) The following records and reports shall be filed monthly with the City Manager or his delegate:
 - i. Reports of all complaints and investigations received from any customer or regulatory authority and remedial action taken by **COMPANY** in response to said complaints.
 - ii. A listing of all **COMPANY**'s customer accounts and monthly revenue derived from collections made in the **CITY** under the terms of this Agreement. The reports shall include customer's name, address, frequency of pick-up, number of containers, pounds of waste collected by customer separated by treated and untreated, and monthly charges.

5.12 COMPLAINTS

COMPANY shall respond to any customer complaints. Any customer complaints received by **CITY** shall be forwarded to **COMPANY** within twenty-four (24) hours of their receipt. **COMPANY** shall notify **CITY** of action taken within twenty-four (24) hours following receipt of complaint. Failure to timely respond to Customer complaints by **COMPANY** may result in the imposition of a Twenty-five Dollar (\$25.00) per incident charge from **CITY** payable with the next payment due to **CITY** under Article III of this Agreement.

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5.13 COMPANY agrees to provide free service to CITY during periodic CITY clean-up campaigns and following natural disasters or Acts of God.

5.14 TERMINATION OF SERVICE

COMPANY must notify CITY in writing of termination of any customer's service for cause via registered mail within forty-eight (48) hours of said termination and the basis therefor.

**VI.
TITLE TO WASTE**

6.1 Sole and exclusive title to all treated and untreated medical waste collected by COMPANY under this Agreement shall pass to COMPANY when said waste is placed on COMPANY's truck.

**VII.
RATES, RULES AND REGULATIONS**

7.1 The COMPANY shall charge for the aforementioned services according to the rates set out in the Schedule of Rates attached hereto as Exhibit "A" and incorporated herein by reference. The Schedule of Rates may be revised periodically and must be submitted to the City Manager or his delegate upon each revision and will be attached to the original franchise agreement.

**VIII.
FORFEITURE AND TERMINATION OF FRANCHISE**

8.1 In addition to all other rights and powers retained by CITY under this Franchise or otherwise, CITY reserves the right to declare this Franchise forfeited and to terminate the Franchise and all rights and privileges of COMPANY hereunder in the event of a material breach of the terms, covenants, or conditions herein set forth. A material breach by COMPANY shall include, but not be limited to, the following:

1. Failure to pay the fee prescribed by Article III;
2. Failure to materially provide the services provided for in this Franchise;
3. Material misrepresentation of fact in the application for or negotiation of this Franchise;

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4. Conviction of any director, officer, employee, or agent of **COMPANY** of the offense of bribery or fraud connected with or resulting from the awarding of this Franchise;
5. Material misrepresentations of fact knowingly made to **CITY** with respect to or regarding **COMPANY**'s operations, management, revenues, services or reports required pursuant to this Franchise;
6. Revocation or denial of registration or renewal of registration by TCEQ;
7. Excessive interruption in service for a period of seventy-two (72) hours or more due to causes other than force majeure.

8.2 **COMPANY** shall not be excused by mere economic hardship nor by misfeasance or malfeasance of its directors, officers or employees.

8.3 **CITY** may after a hearing as described herein, revoke and cancel the Franchise by and between the parties and said Franchise shall be null and void. **CITY** shall mail notice to **COMPANY**, at the address designated herein or at such address as may be designated from time to time, by registered mail. The notice shall specify the time and place of the hearing and shall include the allegations being asserted for the revocation of this Agreement. The hearing shall be conducted in public before the City Council and **COMPANY** shall be allowed to present evidence and be given an opportunity to answer all reasons for the termination set forth in the notice. In the event that the Council determines that the allegations set forth are true as set forth in the notice, it may by majority vote cancel this Agreement between the parties at no penalty to the **CITY**.

IX. RECEIVERSHIP AND BANKRUPTCY

9.1 The Council shall have the right to cancel this Franchise one hundred twenty (120) days after the appointment of a receiver or trustee to take over and conduct the business of **COMPANY**, whether in receivership, reorganization, bankruptcy, other action or proceeding, whether voluntary or involuntary, unless such receivership or trusteeship shall have been vacated prior to the expiration of said one hundred twenty (120) days, unless:

9.2 Within one hundred twenty (120) days after his election or appointment, such receiver or trustee shall have fully complied with all the provisions of this franchise and remedied all defaults thereunder; or

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9.3 Such receiver or trustee, within one hundred twenty (120) days, shall have executed an agreement, duly approved by the court having jurisdiction, whereby the receiver or trustee assumes and agrees to be bound by each and every provision of this Franchise.

**X.
INDEMNIFICATION**

10.1 COMPANY shall not dispose of any untreated medical waste, special waste or other hazardous waste or any waste that the landfill is not permitted to accept by TCEQ. COMPANY hereby agrees to indemnify, defend and hold CITY harmless for disposal of any such waste whether intentional or inadvertent.

10.2 COMPANY shall indemnify and hold CITY harmless from any and all injuries to persons or claims of damage to property caused by COMPANY, its agents, employees, and representatives.

10.3 COMPANY agrees to and shall indemnify and hold harmless CITY, its officers, agents and employees, from and against any and all claims, losses, damages, causes of action, suits, and liability of every kind, including all expenses of litigation, court costs, and attorney's fees, for injury to or death of any person, or for damage to any property, arising out of or in connection with the services provided or medical waste collected, treated, or disposed of by COMPANY under this contract, regardless of whether such injuries, death or damages are caused in whole or in part by the negligence, including but not limited to the contractual comparative negligence, concurrent negligence or gross negligence, of CITY.

10.4 COMPANY assumes responsibility and liability and hereby agrees to indemnify the City of College Station from any liability caused by COMPANY's failure to comply with applicable federal, state or local laws and regulations, touching upon the maintenance of a safe and protected working environment, and the safe use and operation of machinery and equipment in that working environment.

**XI.
INSURANCE**

11.1 COMPANY shall procure and maintain at its sole cost and expense for the duration of the Agreement insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the work hereunder by COMPANY, its agents, representatives, volunteers, employees or subcontractors.

11.2 COMPANY's insurance coverage shall be primary insurance with respect to the CITY, its officials, employees and volunteers. Any insurance or self-insurance maintained by the

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CITY, its officials, employees or volunteers shall be considered in excess of the **COMPANY's** insurance and shall not contribute to it.

11.3 COMPANY shall include all subcontractors as additional insured under its policies or shall furnish separate certificates and endorsements for each subcontractor. All coverages for subcontractors shall be subject to all of the requirements stated herein.

11.4 All Certificates of Insurance and endorsements shall be furnished to the CITY's Representative at the time of execution of this Agreement, attached hereto as Exhibit B, and approved by the CITY before work commences.

A. *Standard Insurance Policies Required:*

1. Commercial General Liability Policy
2. Automobile Liability Policy
3. Workers' Compensation Policy
4. Pollution Liability Policy
5. Excess Liability Policy

B. *General Requirements Applicable to all Policies:*

1. Only Insurance Carriers licensed and admitted to do business in the State of Texas will be accepted.
2. Deductibles shall be listed on the Certificate of Insurance and are acceptable only on a per occurrence basis for property damage only.
3. "Claims Made" policies will not be accepted.
4. Each insurance policy shall be endorsed to state that coverage shall not be suspended, voided, canceled, reduced in coverage or in limits except after thirty (30) days prior written notice by certified mail, return receipt requested, has been given to the City of College Station.
5. Upon request, certified copies of all insurance policies shall be furnished to the City of College Station.
6. The City of College Station, its officials, employees and volunteers, are to be added as "Additional Insured" to all applicable Liability policies. The coverage shall contain no special limitations on the scope of protection afforded to the **CITY**, its officials, employees or volunteers.

C. *Commercial General Liability*

1. General Liability insurance shall be written by a carrier with a B+:VII or better rating in accordance with the current Best Key Rating Guide.
2. Minimum Limit of \$1,000,000.00 per and \$2,000,000.00 annual aggregate.

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3. Coverage shall be at least as broad as Insurance Service's Office Number CG 00 01.
4. No coverage shall be deleted from the standard policy without notification of individual exclusions being attached for review and acceptance.
5. The coverage shall include but not be limited to the following: premises/operations; independent contracts; products/completed operations; contractual liability (insuring the indemnity provided herein); and where exposures exist, "Explosion, Collapse, and Underground" coverage.

D. *Automobile Liability*

1. Business Automobile Liability insurance shall be written by a carrier with a B+:VII or better rating in accordance with the current Best Key Rating Guide.
2. Minimum Combined Single Limit of \$1,000,000.00 per occurrence for bodily injury and property damage.
3. The Business Auto Policy must show Symbol 1 in the Covered Autos portion of the liability section in Item 2 of the declarations page.
4. The coverage shall include owned or leased autos, non-owned autos, and hired cars.
5. COMPANY is responsible for any liability and/or costs that exceed the dollar limits set forth in this section.

E. *Workers' Compensation*

1. Employer's Liability limits of \$500,000/\$500,000/\$500,000 are required.
2. City of College Station shall be named as Alternate Employer on endorsement WC 99 03 OI unless written through TWCARP.
3. Texas Waiver of Our Right to Recover from Others Endorsement, WC 42 03 04 shall be included in this policy.
4. Texas must appear in Item 3A of the Workers' Compensation coverage or Item 3C must contain the following: All States except those listed in Item 3A and the States of NV, ND, OH, WA, WV, WY.

F. *Pollution Liability*

1. Minimum acceptable limit \$2,000,000 aggregate and \$1,000,000 per occurrence.
2. Pollution coverage endorsement CG 04 22 required.

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G. *Excess Liability*

1. Minimum acceptable limit \$2,000,000 aggregate and \$1,000,000 per occurrence.

H. *Certificates of Insurance*

Certificates of Insurance shall be prepared and executed by the insurance company or its authorized agent, and shall contain the following provisions and warranties:

1. The company is licensed and admitted to do business in the State of Texas.
2. The insurance policies provided by the insurance company are underwritten on forms that have been provided by the Texas State Board of Insurance or ISO.
3. All endorsements and insurance coverages according to requirements and instructions contained herein.
4. The form of the notice of cancellation, termination, or change in coverage provisions to the City of College Station.
5. Original endorsements affecting coverage required by this section shall be furnished with the certificates of insurance.

11.5 The coverage requirements set forth in this Article are in addition to those required under 30 T.A.C. 330.1005(j). **COMPANY** shall provide proof that it has met the requirements of 30 T.A.C. 330.1005(j) to **CITY** upon the execution of this Franchise by **COMPANY**.

11.6 **COMPANY** shall notify **CITY** by certified mail of the commencement of voluntary proceedings under Title 11 (Bankruptcy), United States Code, naming the **COMPANY** as debtor, within ten (10) business days after the commencement of the proceeding.

11.7 If **COMPANY** is deemed to be without financial assurance pursuant to 30 T.A.C. 330.1005(j), **COMPANY**'s operations shall be suspended until **COMPANY** establishes other acceptable financial assurance with the TCEQ and provides proof of same to **CITY**.

XII. GOVERNING LAW; LIMITATIONS; COMPLIANCE

12.1 This ordinance shall be construed in accordance with the **CITY**'s Charter and Code in effect on the Effective Date of this ordinance to the extent that such Charter and Code are not in conflict with or in violation of the constitution and laws of the United States or the State of Texas.

12.2 This ordinance shall be governed in accordance with the laws of the State of Texas.

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12.3 Notwithstanding any other provision in this franchise to the contrary, **CITY** and **COMPANY** shall at all times comply with all laws, rules and regulations of the state and federal government and any administrative agencies thereof, with respect to the subject matter of this ordinance.

**XVIII.
ASSIGNMENT**

13.1 This Agreement and the rights and obligations contained herein may not be assigned by **COMPANY** without the specific prior written approval of the City Council.

**XIV.
NOTICES**

14.1 All notices required under the terms of this Contract to be given by either party to the other shall be in writing, and unless otherwise specified in writing shall be sent to the parties at the addresses following:

CITY:
Tom Brymer, City Manager
City of College Station
P.O. Box 9960
College Station, Texas 77842

COMPANY:
David Farrar
Stericycle, Inc.
8950 Conroe Park North Drive
Conroe, Texas 77303

14.2 All notices shall be deemed to have been properly served only if sent by Registered or Certified Mail, to the person(s) at the address designated as above provided, or to any other person at the address which either party may hereinafter designate by written notice to the other party.

**XV.
AMENDMENTS**

15.1 It is understood and agreed by the parties to this Franchise that no alternation or variation to the terms of this Franchise shall be effective unless made in writing, approved by both parties, and attached to this Agreement to become a part hereof.

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**XVI.
SEVERABILITY**

16.1 If any section, sentence, clause or paragraph of this Ordinance is for any reason held to be invalid or illegal, or unenforceable, such invalidity, illegality or unenforceability shall not affect the remaining portions of the Ordinance other than the part or parts held invalid or unconstitutional.

**XVII.
AUTHORIZATION TO EXECUTE**

17.1 The parties signing the Franchise shall provide adequate proof of their authority to execute this Agreement. The Franchise shall inure to the benefit of and be binding upon the parties hereto and their respective successors or assigns, but shall not be assignable by either party without the written consent of the other party.

**XVIII.
ACCEPTANCE OF FRANCHISE BY COMPANY**

18.1 In accordance with CITY OF COLLEGE STATION CITY CHARTER, SECTION 103, this Ordinance shall be effective sixty (60) days after its adoption. **COMPANY** shall file its written acceptance of the terms and conditions of the Ordinance with the City Secretary within thirty (30) days from the final adoption of this Ordinance. Such acceptance shall be typed or printed on the letterhead of **COMPANY** and, with the blank spaces appropriately completed, shall be as follows:

Attn: City Manager

Stericycle, Inc. acting by and through the undersigned _____ who is acting within his/her official capacity and authority, hereby accepts the franchise to operate a medical waste collection service within the City of College Station, Texas ("College Station") as said franchise is set forth and provided in Ordinance No. _____ (the "Ordinance"). Stericycle, Inc. agrees to be bound and governed by each term, provision and condition of the Ordinance, to accept and to give the benefits provided for in the Ordinance in a business like and reasonable manner and in compliance with the Ordinance.

Stericycle, Inc.

By: _____
Name:
Title:

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**XIX.
PUBLIC HEARING**

19.1 It is hereby found and determined that the meetings at which this ordinance was passed were open to the public, as required by TEXAS GOVERNMENT CODE § 551 (Vernon 1994, Vernon Supp. 2003), as amended, and that advance public notice of time, place, and purpose of said meetings was given.

PASSED, ADOPTED and APPROVED by a majority vote of the City Council of the City of College Station on this the _____ day of _____, 2005.

STERICYCLE, INC.

CITY OF COLLEGE STATION

BY: David Furr
Title Facility Manager

BY: _____
RON SILVIA, Mayor

Date: 6-16-05

Date: _____

ATTEST:

CONNIE HOOKS, City Secretary
Date: _____

APPROVAL:

THOMAS BRYMER, City Manager
Date: _____

Jeff Kersten, Director of Fiscal Services
Date: _____

Carla A. Robinson
City Attorney
Date: _____

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First Consideration and Approval: _____

Second Consideration and Approval: _____

Third Consideration and Approval: _____

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Exhibit "A"
SCHEDULE OF RATES

Exhibit A
Rate Structure

Stop Fee	\$62.50	
Autoclave/Pound	0.18	(steam sterilization)
Incinerate/Pound	0.36	(path&chemo waste)
Box usage	1.05 per box	
Reusable Containers	0	no charge
Training		Stericycle customers, no charge for an inservice. Non Stericycle customers \$110.00 per hour

Stop fee is automatic.
State regs determine a generators usage of either autoclave or incinerate. Customer must segregate.

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Exhibit "B"

CERTIFICATES OF INSURANCE

MARSH

CERTIFICATE OF INSURANCE

CERTIFICATE NUMBER
CHI-000961223-09

PRODUCER

MARSH USA INC.
500 WEST MONROE STREET
CHICAGO, IL 60661
Attn: Ph: 312 627 6994; Fax: 312 627 6573

350208--wPOLL-04-05

WASH

INSURED

STERICYCLE, INC.
ATTN: LIZ BRANDEL
28161 N. KEITH DRIVE
LAKE FOREST, IL 60045

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER OTHER THAN THOSE PROVIDED IN THE POLICY. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES DESCRIBED HEREIN.

COMPANIES AFFORDING COVERAGE

COMPANY

A AMERICAN INT'L SPECIALTY LINES INS. COMPANY

COMPANY

B ZURICH AMERICAN INSURANCE COMPANY

COMPANY

C INSURANCE COMPANY OF THE STATE OF PENNSYLVANIA

COMPANY

D

COVERAGES

This certificate supersedes and replaces any previously issued certificate for the policy period noted below.

THIS IS TO CERTIFY THAT POLICIES OF INSURANCE DESCRIBED HEREIN HAVE BEEN ISSUED TO THE INSURED NAMED HEREIN FOR THE POLICY PERIOD INDICATED NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THE CERTIFICATE MAY BE ISSUED OR MAY PERTAIN. THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, CONDITIONS AND EXCLUSIONS OF SUCH POLICIES. AGGREGATE LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

CO LTR	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS	
A	GENERAL LIABILITY	EG 3779036	11/08/04	11/08/05	GENERAL AGGREGATE	\$ 2,000,000
	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY				PRODUCTS - COMP/OP AGG	\$ 2,000,000
	<input type="checkbox"/> CLAIMS MADE <input checked="" type="checkbox"/> OCCUR				PERSONAL & ADV INJURY	\$ 1,000,000
	<input type="checkbox"/> OWNER'S & CONTRACTOR'S PROT				EACH OCCURRENCE	\$ 1,000,000
					FIRE DAMAGE (Any one fire)	\$ 100,000
					MED EXP (Any one person)	\$ 10,000
B	AUTOMOBILE LIABILITY	TRK 9377341-01 (AOS)	11/08/04	11/08/05	COMBINED SINGLE LIMIT	\$ 5,000,000
B	<input checked="" type="checkbox"/> ANY AUTO	TRK 9377342-01 (VA)	11/08/04	11/08/05		
B	<input type="checkbox"/> ALL OWNED AUTOS	TRK 9377343-01 (TX)	11/08/04	11/08/05	BODILY INJURY (Per person)	\$
C	<input type="checkbox"/> SCHEDULED AUTOS	4604-1561	11/08/04	11/08/05	BODILY INJURY (Per accident)	\$
	<input type="checkbox"/> HIRED AUTOS				PROPERTY DAMAGE	\$
	<input checked="" type="checkbox"/> PHYSICAL DAMAGE					
	<input type="checkbox"/> SELF-INSURED					
	GARAGE LIABILITY				AUTO ONLY - EA ACCIDENT	\$
	<input type="checkbox"/> ANY AUTO				OTHER THAN AUTO ONLY:	
					EACH ACCIDENT	\$
					AGGREGATE	\$
A	EXCESS LIABILITY	BE 7411039	11/08/04	11/08/05	EACH OCCURRENCE	\$ 5,000,000
	<input checked="" type="checkbox"/> UMBRELLA FORM				AGGREGATE	\$ 5,000,000
	<input type="checkbox"/> OTHER THAN UMBRELLA FORM				SIR:	\$ 10,000
B	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY	WC 9377344-01 (AOS)	11/08/04	11/08/05	<input checked="" type="checkbox"/> WC STATUTORY LIMITS	
B	<input type="checkbox"/> THE PROPRIETOR/PARTNERS/EXECUTIVE OFFICERS ARE:	WC 9377345-01 (WI)	11/08/04	11/08/05	<input type="checkbox"/> OTHER	
	<input checked="" type="checkbox"/> INCL				EL EACH ACCIDENT	\$ 1,000,000
	<input type="checkbox"/> EXCL				EL DISEASE-POLICY LIMIT	\$ 1,000,000
	<input type="checkbox"/> OTHER				EL DISEASE-EACH EMPLOYEE	\$ 1,000,000
A	POLLUTION LEGAL LIABILITY	PLC 377 70 82	11/08/02	11/08/05	EACH OCCURRENCE	5,000,000
					AGGREGATE	10,000,000

DESCRIPTION OF OPERATIONS/LOCATIONS/VEHICLES/SPECIAL ITEMS

CERTIFICATE HOLDER IS INCLUDED AS AN ADDITIONAL INSURED ON THE GENERAL LIABILITY AND AUTOMOBILE LIABILITY. WORKERS' COMPENSATION POLICY INCLUDES A WAIVER OF SUBROGATION IN FAVOR OF CERTIFICATE HOLDER, TO THE EXTENT SUCH STATUS IS REQUIRED BY WRITTEN CONTRACT OR AGREEMENT WITH NAMED INSURED.

CERTIFICATE HOLDER

CITY OF COLLEGE STATION
P.O. BOX 9960
COLLEGE STATION, TX 77842

CANCELLATION

SHOULD ANY OF THE POLICIES DESCRIBED HEREIN BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE INSURER AFFORDING COVERAGE WILL ENDEAVOR TO MAIL 30 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED HEREIN, BUT FAILURE TO MAIL SUCH NOTICE SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE INSURER AFFORDING COVERAGE, ITS AGENTS OR REPRESENTATIVES, OR THE ISSUER OF THIS CERTIFICATE.

MARSH USA INC.

By: Christy N. Miller

Christy N. Miller

MM1(3/02)

VALID AS OF: 04/19/05

ENDORSEMENT FOR
MOTOR CARRIER POLICIES OF INSURANCE FOR PUBLIC LIABILITY
UNDER SECTIONS 29 AND 30 OF THE MOTOR CARRIER ACT OF 1980

Form Approved
OMB No. 2125-0074

Issued to Stericycle, Inc. of 28161 North Keith Drive, Lake Forest, IL 60045

Dated at 550 West Washington Blvd., Chicago, IL 60661 this 12 day of November, 2004

Amending Policy No. TRK 9377343-01 Effective Date 11/08/04

Name of Insurance Company ZURICH AMERICAN INSURANCE COMPANY

Telephone Number (312) 496-2400

Countersigned by [Signature]
Authorized Company Representative

The policy to which this endorsement is attached provides primary or excess insurance, as indicated by "", for the limits shown:

- This insurance is primary and the company shall not be liable for amounts in excess of \$3,000,000 for each accident.
 This insurance is excess and the company shall not be liable for amounts in excess of \$ _____ for each accident in excess of the underlying limit of \$ _____ for each accident.

Whenever required by the Federal Highway Administration (FHWA) or the Interstate Commerce Commission (ICC), the company agrees to furnish the FHWA or the ICC a duplicate of said policy and all its endorsements. The company also agrees, upon telephone request by an authorized representative of the FHWA or the ICC, to verify that the policy is in force as of a particular date.

Cancellation of this endorsement may be effected by the company or the insured by giving (1) thirty-five (35) days notice in writing to the other party (said 35 days notice to commence from the date the notice is mailed, proof of mailing shall be sufficient proof of notice), and (2) if the insured is subject to the ICC's jurisdiction, by providing thirty (30) days notice to the ICC (said 30 days notice to commence from the date the notice is received by the ICC at its office in Washington, D.C.).

DEFINITIONS AS USED IN THIS ENDORSEMENT

ACCIDENT includes continuous or repeated exposure to conditions which results in bodily injury, property damage, or environmental damage which the insured neither expected nor intended.

MOTOR VEHICLE means a land vehicle, machine, truck, tractor, trailer, or semitrailer propelled or drawn by mechanical power and used on a highway for transporting property, or any combination thereof.

BODILY INJURY means injury to the body, sickness, or disease to any person, including death resulting from any of these.

ENVIRONMENTAL RESTORATION means restitution for the

loss, damage, or destruction of natural resources arising out of the accidental discharge, dispersal, release or escape into or upon the land, atmosphere, watercourse, or body of water, of any commodity transported by a motor carrier. This shall include the cost of removal and the cost of necessary measures taken to minimize or mitigate damage to human health, the natural environment, fish, shellfish, and wildlife.

PROPERTY DAMAGE means damage to or loss of use of tangible property.

PUBLIC LIABILITY means liability for bodily injury, property damage, and environmental restoration.

The insurance policy to which this endorsement is attached provides automobile liability insurance and is amended to assure compliance by the insured, within the limits stated herein, as a motor carrier of property, with Sections 29 and 30 of the Motor Carrier Act of 1980 and the rules and regulations of the Federal Highway Administration (FHWA) and the Interstate Commerce Commission (ICC).

In consideration of the premium stated in the policy to which this endorsement is attached, the insurer (the company) agrees to pay, within the limits of liability described herein, any final judgment recovered against the insured for public liability resulting from negligence in the operation, maintenance or use of motor vehicles subject to the financial responsibility requirements of Sections 29 and 30 of the Motor Carrier Act of 1980 regardless of whether or not each motor vehicle is specifically described in the policy and whether or not such negligence occurs on any route or in any territory authorized to be served by the insured or elsewhere. Such insurance as is afforded, for public liability, does not apply to injury to or death of the insured's employees while engaged in the course of their employment, or property transported by the insured, designated as cargo. It is understood and agreed that no condition, provision, stipulation, or limitation contained in the policy, this endorsement, or any other

endorsement thereon, or violation thereof, shall relieve the company from liability or from the payment of any final judgment, within the limits of liability herein described, irrespective of the financial condition, insolvency or bankruptcy of the insured. However, all terms, conditions and limitations in the policy to which the endorsement is attached shall remain in full force and effect as binding between the insured and the company. The insured agrees to reimburse the company for any payment made by the company on account of any accident, claim, or suit involving a breach of the terms of the policy, and for any payment that the company would not have been obligated to make under the provisions of the policy except for the agreement contained in this endorsement.

It is further understood and agreed that, upon failure of the company to pay any final judgment recovered against the insured as provided herein, the judgment creditor may maintain an action in any court of competent jurisdiction against the company to compel such payment.

The limits of the company's liability for the amounts prescribed in this endorsement apply separately, to each accident, and any payment under the policy because of any one accident shall not operate to reduce the liability of the company for the payment of final judgments resulting from any other accident.

The Motor Carrier Act of 1980 requires limits of financial responsibility according to the type of carriage and commodity transported by the motor carrier. It is the MOTOR CARRIER'S obligation to obtain the required limits of financial responsibility.
THE SCHEDULE OF LIMITS SHOWN ON THE NEXT PAGE DOES NOT PROVIDE COVERAGE.

The limits shown in the schedule are for information purposes only.

**SCHEDULE OF LIMITS
Public Liability**

Type of Carriage	Commodity Transported	Minimum Insurance
(1) For-hire (In interstate or foreign commerce).	Property (nonhazardous).	\$ 750,000
(2) For-hire and Private (In interstate, foreign, or intrastate commerce).	Hazardous substances, as defined in 49 CFR 171.8, transported in cargo tanks, portable tanks, or hopper-type vehicles with capacities in excess of 3,500 water gallons; or in bulk Divisions 1.1, 1.2, and 1.3 materials; any quantity of Division 2.3 Hazard Zone A or Division 6.1, Packing Group 1, Hazard Zone A material; in bulk Division 2.1 or 2.2; or highway route controlled quantities of a Class 7 material as defined in 49 CFR 173.403.	5,000,000
(3) For-hire and Private (In interstate or foreign commerce: in any quantity) or (In intrastate commerce: in bulk only).	Oil listed in 49 CFR 172.101, hazardous materials and hazardous substances defined in 49 CFR 171.8 and listed in 49 CFR 172.101, but not mentioned in (2) above or (4) below.	1,000,000
(4) For-hire and Private (In interstate or foreign commerce).	Any quantity of Division 1.1, 1.2 or 1.3 material; any quantity of a Division 2.3, Hazard Zone A, or Division 6.1, Packing Group 1, Hazard Zone A material; or highway route controlled quantities of Class 7 material as defined in 49 CFR 173.403.	5,000,000

Note: The type of carriage listed under (1), (2), and (3) applies to vehicles with a gross vehicle weight rating of 10,000 pounds or more. The type of carriage listed under number (4) applies to all vehicles with a gross vehicle weight rating of less than 10,000 pounds.

**SCHEDULE OF LIMITS
Public Liability**

For-hire motor carriers of passengers operating in interstate or foreign commerce

Vehicle Seating Capacity	Minimum Insurance
(1) Any vehicle with a seating capacity of 16 passengers or more.	\$ 5,000,000
(2) Any vehicle with a seating capacity of 15 passengers or less.	1,500,000

Kathleen Hartnett White, *Chairman*
R. B. "Ralph" Marquez, *Commissioner*
Larry R. Soward, *Commissioner*



TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

Protecting Texas by Reducing and Preventing Pollution

August 3, 2004

Mr. David Farrar
Stericycle, Inc.
8950 Conroe Park North Dr.
Conroe, TX 77303-2132

Subject: Medical Waste Transporter Registration - Bexar, Cameron, Dallas and Montgomery Counties
Stericycle, Inc.
TCEQ Registration No: MSW - 50002

Expiration Date: 07/18/2005

Dear Mr. Farrar:

We have received your completed REGISTRATION FORM FOR TRANSPORTERS OF MEDICAL WASTE for the renewal of the above-referenced registration. A copy of this registration renewal conformation letter and enclosed application must be retained at your designated place of business and in each vehicle used to transport untreated special waste from health care related facilities (also known as untreated medical waste). Your assigned Texas Commission on Environmental Quality (TCEQ) registration number appears on the copy of the enclosed form and in the subject block of this letter. This number is to be used on the Regulated Medical Waste Manifest* (copy enclosed), when contacting the TCEQ, and on trucks and trailers used for the collection and transportation of untreated medical waste.

Acceptance of this registration renewal constitutes an acknowledgment that you will comply with Title 30 Texas Administrative Code Chapter 330, Subchapter Y, and with the pertinent laws of the State of Texas. This registration renewal does not indicate that your operation is in full compliance with TCEQ rules and regulations. The operation and management methods of your business are subject to TCEQ inspection and review at all times. Failure to comply with all state and federal rules and regulations regarding the transportation of untreated medical waste may result in enforcement action, revocation of your transporter registration, or both. A registration renewal application is to be submitted at least 60 days prior to the above expiration date. Each year, an annual report summarizing transportation activities for the preceding calendar year - January 1 through December 31 - is required by March 1.

Each of the following changes requires a written notification to the TCEQ within 15 days:

1. the amount of untreated special waste from health care related facilities or total operation is expanded by 50% over that originally registered;
2. the office or place of business is moved, or the mailing address is changed;
3. the name of registrant or owner of the operation is changed;
4. the name of the partners, corporate directors, or corporate officers change; or,
5. additional drivers are employed. (The notification for additional drivers may be done at six-month intervals.)

If you have any questions, please contact the Municipal Solid Waste (MSW) Registration Team at (512) 239-6001, select Option 2.

Sincerely,

Handwritten signature of Linda L. Ribble in cursive.

Linda L. Ribble
Registration & Reporting Section (MC 129)
Registration, Review, & Reporting Division

* The enclosed manifest form meets
USDOT and TCEQ regulations.

Enclosures

cc: Waste Section, TCEQ Region 04 Office, Arlington
Waste Section, TCEQ Region 12 Office, Houston

Waste Section, TCEQ Region 13 Office, San Antonio
Waste Section, TCEQ Region 15 Office, Harlingen



Municipal Solid Waste Division - Permits Section
 P.O. Box 13088
 Austin, TX 78711-3088

**REGISTRATION FORM FOR
 TRANSPORTERS OF MEDICAL WASTE**

This form is to be used by persons engaged in collecting and transporting medical waste, who are required to register with the Texas Natural Resource Conservation Commission in accordance with 30 TAC 330.1005(b) (relating to Transporters of Medical Waste).

Registration no. MSW 50002 Original Renewal

A. Name of Registrant: STERicycle Inc

<u>8950 CONROE PARK North DRIVE</u> STREET ADDRESS	<u>SAME</u> MAILING ADDRESS
<u>CONROE</u> <u>TEXAS</u> <u>77303-2132</u> CITY STATE ZIP	<u>STATE</u> <u>ZIP</u>
<u>DAVID Farnan</u> RESPONSIBLE PERSON	<u>936-441-8950</u> TELEPHONE NUMBER

B. Name of Owner: STERicycle Inc

<u>8950 CONROE PARK North DRIVE</u> STREET ADDRESS	<u>SAME</u> MAILING ADDRESS
<u>CONROE</u> <u>TEXAS</u> <u>77303-2132</u> CITY STATE ZIP	<u>STATE</u> <u>ZIP</u>
<u>DAVID Farnan</u> RESPONSIBLE PERSON	<u>936-441-8950</u> TELEPHONE NUMBER

C. Name, address, and telephone number of Partners, Corporate Officers and Directors, if any: Attach a list.

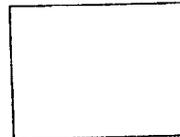
D. Medical waste transportation fee calculation chart for: 2004-2005 (year)

ANNUAL WEIGHT TRANSPORTED FEE RATE
 (Check appropriate box)

- 0 - 1,000 lbs. \$100
- 1,001 - 10,000 \$250
- 10,001 - 50,000 \$400
- Over 50,000 \$500

Fee due: \$ 500.00 Amount paid \$ 50000

LEAVE BLANK FOR
 TNRC USE



E. Provide evidence of financial responsibility in accordance with 30 TAC 330.1005(j):

Received

MAY 28 2004

Registration and Reporting Section

3107
 MSW LR
 5/28/04