



DILLO DIRT™ BIOSOLIDS COMPOST MARKETING AGREEMENT

The City of Austin agrees to sell compost produced from wastewater biosolids, tree trimmings, and yard trimmings under the trade name "Dillo Dirt™". This agreement outlines the guidelines and vendor requirements for the sale and distribution of Dillo Dirt™ to the general public for use as a soil conditioner. Potential vendors must first register and purchase tickets before being loaded with Dillo Dirt™ at the Hornsby Bend Biosolids Management Plant.

REGISTRATION

Potential vendors of Dillo Dirt™ must be registered by the City of Austin Water Utility Department before being allowed to purchase tickets. Applications to become a registered vendor are available online. Fill out the form online at www.ci.austin.tx.us/dillo/index.cfm. Registration applications will also be mailed in early January to each vendor registered for the previous year. Registration period is from January 1 through December 31 and is for the current calendar year only. Each calendar year will require registration reapplication. The purpose of registration is to ensure that vendors marketing this product comply with all Federal, State, and local regulations. Failure to comply with these regulations is grounds for revoking the vendor's registration. The completed application form must be received and approved by the Hornsby Bend Compost Manager before Dillo Dirt™ tickets may be purchased. Registration may also be done by mail to Compost Manager, 2210 S. FM 973, Austin, Texas 78725, or by fax to Compost Manager, (512) 972-1900.

Information to be provided on the vendor application form includes:

- Date of application
- Vendor name, address, phone number, and email address
- Hauling vehicle(s) description including make, license numbers and hauling capacity
- Current proof of vehicle insurance (fax to 512-972-1900)

PURCHASE OF DILLO DIRT™ TICKETS

Trip tickets may be purchased in person at:

Taps Office, Suite #200, Waller Creek Center, 625 E. 10th Street (10th St. just West of IH35)

Trip tickets may also be purchased by mail from:

Taps Office, Waller Creek Center, Suite #200, 625 E. 10th Street, Austin, Texas 78701

Tickets may be purchased by check, money order or by credit card. Office hours are 7:45 am through 4:30 pm Monday through Friday. Only registered vendors may purchase Dillo Dirt™ tickets. A sample trip ticket is on the next page. Each ticket is valid for up to 24 cubic yards of Dillo Dirt™. The City loading operator at Hornsby Bend will cross off the number of cubic yards loaded into the vendor's truck. Vendors are encouraged to take delivery of Dillo Dirt™ within 60 days of ticket purchase. Tickets have no expiration date, however. The City of Austin will make every effort to assure supply of Dillo Dirt™, but availability is not guaranteed or assured at any specific time.

SAMPLE TICKET

SAMPLE	SAMPLE SAMPLE
Serial No. 1 City of Austin 'Dillo Dirt' Ticket Stub	City of Austin Serial No. 'Dillo Dirt' Compost Sales Program Ticket Stub
Date	Company Name
Company	Registration No
Registration No.	Sold by
Total	yd3 Delivered 1 2 3 4 5 6 7 8 9 10 11 12
Sold By	13 14 15 16 17 18 19 20 21 22 23 24

LOADING AND RECEIVING DILLO DIRT™

The vendor receives Dillo Dirt[™] at the Hornsby Bend Biosolids Management Plant at 2210 S. FM 973. Hornsby Bend is approximately one mile north of Hwy 71, east on FM 973.

Loading hours Monday through Friday 7:30 am - 2:30 pm

Saturday Closed Sunday Closed

Dillo Dirt™ will not be available on Sundays or City holidays or on other days as notified by Hornsby Bend. City Holidays include: New Year's Day, Martin Luther King Day, President's Day, Memorial Day, Independence Day, Labor Day, Veteran's Day, Thanksgiving Day (Thursday and Friday), Christmas Eve and Christmas Day.

The vendor shall provide the City loading operator a valid Dillo Dirt™ ticket prior to receiving Dillo Dirt™. At this point, the loading operator will load Dillo Dirt™ into the vendor's truck. A minimum of six cubic yards of Dillo Dirt™ loaded per truck is required. Dillo Dirt™ weighs a minimum of approximately 1,000 pounds per cubic yard. It is the vendor's responsibility to assure that the truck used for transport has adequate hauling capacity. The loading operator will invalidate the ticket for the number of cubic yards of compost loaded into the vendor's truck. The loading operator will log the number of cubic yards of compost loaded, the date, and vendor name and permit number.

Dillo Dirt™ will be distributed on a first come, first served basis. In order to allow all registered vendors an equal opportunity to acquire Dillo Dirt™, a maximum of 120 cubic yards will be loaded on any one day to a single vendor. Exceptions will be made on a case-by-case basis with prior approval by the Dillo Dirt™ Compost Manager.

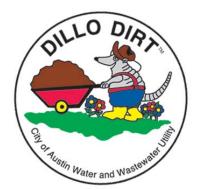
OTHER REQUIREMENTS

Each end user of Dillo Dirt™ (including mixes with Dillo Dirt™) must receive a "Notice to Consumers" as follows:

Notice to Consumers

Dillo Dirt™ is a wastewater biosolids (sludge) product of the City of Austin Water Utility which has been processed in a manner which meets all the United States Environmental Protection Agency (USEPA) and Texas Commission on Environmental Quality (TCEQ) requirements for Class A Exceptional Quality, which allows unrestricted use as a soil conditioner. The City of Austin recommends the use of Dillo Dirt™ primarily for landscaping including lawns and flower beds.

This required notice may be printed on bags, sales receipts or distributed to the customer/end user on a product information sheet. Failure to distribute this notice to each end user is grounds for revoking vendor registration.



All Dillo Dirt[™] marketed must be sold under the trade name of Dillo Dirt[™]. The Dillo Dirt[™] logo must be displayed in a size no smaller than 2" in diameter on all packaged or bagged Dillo Dirt[™] and Dillo Dirt[™] mixes.

Dillo Dirt™ will not be loaded unless the truck is equipped with tarps or closed containers to prevent blowing or spilling. The load must be covered and the covering firmly secured before leaving the Hornsby Bend plant site. The truck driver is expected to clean any portions of the truck on which Dillo Dirt™ has accumulated during loading.

Dillo Dirt[™] meets all Environmental Protection Agency and Texas Commission on Environmental Quality criteria for use by the general public. It is the responsibility of the vendor to provide the customer with information on how to properly and effectively use Dillo Dirt[™]. Questions may be addressed to:

Compost Manager Hornsby Bend Biosolids Management Plant 2210 S. FM 973 Austin. Texas 78725

Phone: (5 I2) 972-I954

Email: jody.slagle@ci.austin.tx.us

Chris Lippe, P.E.

Director

Austin Water Utility