

MEMORANDUM OF UNDERSTANDING UNITED STATES OF AMERICA, U.S. CUSTOMS AND BORDER PROTECTION AND

THE CITY OF LONG BEACH

THIS MEMORANDUM OF UNDERSTANDING ("MOU") constitutes an agreement between the United States of America, U.S. Customs and Border Protection and the City of Long Beach, California, for the purpose of an agreement to incinerate controlled substances seized by law enforcement agencies in the State of California pursuant to applicable federal statutes.

PURPOSE:

The City of Long Beach, in order to assist U.S. Customs and Border Protection in its enforcement of federal drug laws, agrees to incinerate drugs seized by or in the custody of U.S. Customs and Border Protection at its Southeast Resource Recovery Facility (SERRF), a municipal solid waste incinerator located in and operated by the City of Long Beach. The destruction through incineration will be done in accordance with state and local environmental rules and regulations.

DEFINITION:

For the purpose of this MOU "U.S. Customs and Border Protection" is defined as a federal law enforcement agency having authority to enforce the laws of the United States.

TIME FRAME:

This MOU shall commence at 12:01 a.m. on July 1, 2006, and shall terminate at midnight on June 30, 2007, with no limitation on the volume of controlled substances to be destroyed by U.S. Customs and Border Protection.

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FINANCIAL:

In order to defray the expenses incurred by the City of Long Beach at their SERRF facility, U.S. Customs and Border Protection shall pay the City of Long Beach a fee, as soon as possible after execution of this MOU through normal purchase order procedures as governed by the National Finance Center of the U.S. Customs and Border Protection, of Seventy-Five Thousand Dollars (\$75,000) for the one (1) year period designated in this MOU.

LIABILITY:

Each party shall assume any liability imposed on it for injury caused by a negligent or wrongful act or omission of its officials, employees and agents during the performance of this MOU. Liability shall be imposed on the City of Long Beach in accordance with California Government Code Section 895.2. Liability shall be imposed on U.S. Customs and Border Protection in accordance with the Federal Tort Claims Act, 28 U.S.C. 2671 et seq. U.S. Customs and Border Protection shall defend, indemnify and hold harmless the City of Long Beach from any claim, demand, cause of action, loss, liability, damage, cost or other expense in accordance with the Federal Tort Claims Act. The City of Long Beach shall defend, indemnify and hold harmless the U.S. Customs and Border Protection from any claim, demand, cause of action, loss, liability damage, cost or other expense in accordance with Section 895.2.

TERMINATION OF AGREEMENT:

This MOU may be terminated by either party prior to June 30, 2007, by giving thirty (30) days' prior written notice to the other party, which thirty (30) days shall run from the date of deposit in the mail, first class, postage prepaid. In the case of termination prior to the expiration of this MOU, the City of Long Beach will refund Six Thousand Two Hundred Fifty Dollars (\$6,250.00) for each month remaining in the MOU to United States of America, U.S. Customs and Border Protection within thirty (30) days after the termination date.

AMENDMENTS:

This MOU may be amended only in writing and executed by the undersigned

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