

## WASTE DISPOSAL AGREEMENT

This Waste Disposal Agreement (“**Agreement**”) is between the COUNTY SANITATION DISTRICT NO. 2 OF LOS ANGELES COUNTY, a county sanitation district organized and existing under the provisions of the County Sanitation District Act, California Health and Safety Code Section 4700 et seq. (the “**District**”) and USA WASTE OF CALIFORNIA, INC., a Delaware corporation (“**WM**”). The District and WM are referred to in this Agreement individually as a “**Party**” and collectively as the “**Parties.**” The terms and conditions of this Agreement become effective upon the date of execution by both parties (the “**Effective Date**”).

The District owns and operates a solid waste recycling and transfer system in the County of Los Angeles, California, that includes the Puente Hills Materials Recovery Facility (“**PHMRF**”) and the South Gate Transfer Station (“**SGTS**”). The District also owns and operates the A.K. Warren Water Resource Facility (“**Warren Facility**”). The PHMRF, SGTS, and Warren Facility are referred to collectively in this Agreement as the “**Facilities.**”

The District must dispose of residual municipal solid waste (“**MSW**”), as defined below, from PHMRF and SGTS, and must dispose of sewage residuals and miscellaneous sewer cleanings, including grit and other inert materials removed during cleaning-out of digesters, grit chambers, screenings and other processes from the Warren Facility (“**Waste Generated at Warren Facility**”), as defined below. MSW and Waste Generated at Warren Facility are collectively referred to in the Agreement as the “**Waste Materials**” as defined below.

WM owns and operates the El Sobrante Landfill located in Riverside County, and Waste Management of California, Inc., owns and operates the Simi Valley Landfill located in Ventura County. The landfills have permitted capacity available to accept imported Waste Materials and are permitted for the disposal of the Waste Materials.

WM has a landfill operating agreement with Riverside County titled First Amended and Restated Second El Sobrante Landfill Agreement, A Public-Private Project Between County Of Riverside And USA Waste Of California, Inc., dated August 6, 2018 which establishes a public-private partnership between WM and the County and sets forth the requirements for the operation of the Landfill (“**El Sobrante Second Agreement**”).

The District desires to use the El Sobrante Landfill as the location for disposal of its Waste Materials and the Simi Valley Landfill as a backup to El Sobrante Landfill, and WM is willing and able to accept the Waste Materials at the El Sobrante Landfill and, as a backup, the Simi Valley Landfill on the terms and conditions in this Agreement.

In consideration of the mutual promises, covenants, and conditions contained in this Agreement and for other good and valuable consideration, Parties therefore agree as follows:

1. Definitions

Capitalized terms in this Agreement will have the meanings set forth in this Section 1, or

as otherwise defined in this Agreement.

- 1.1. **“Acceptable Waste”** means garbage, refuse, rubbish and other materials and substances discarded or rejected as being spent, useless, worthless, or in excess to the owners at the time of such discard or rejection and which are normally disposed of, or collected from residential (single family or multi-family), commercial, industrial, governmental and institutional establishments, and which are acceptable for disposal at Class III landfills under Applicable Law. Acceptable Waste shall contain no Excluded Waste in whole or part. Acceptable Waste does not include Excluded Waste.
- 1.2. **“Agreement”** means this Waste Disposal Agreement as it may be amended or modified from time to time.
- 1.3. **“Applicable Law”** means all statutes, rules, regulations, ordinances, judgments, decrees, permits, orders, approvals or requirements of the United States, State of California, the Los Angeles County Code, the Riverside County Code, the Ventura County Code, and all regional, county, and local government authorities and agencies having applicable jurisdiction, that apply to or govern the facilities (El Sobrante Landfill or County Facilities) or the performance of the District’s or WM’s respective obligations under this Agreement, including without limitation the California Public Resources Code, Comprehensive Environmental Response, Compensation, and Liability Act, Resource Conservation and Recovery Act, California Environmental Quality Act, any legal entitlement, and any other rule, regulation, requirement, guideline, permit, action, determination or order of any governmental body having jurisdiction.
- 1.4. **“Chief Engineer”** means the District’s Chief Engineer and General Manager, or his or her designee who is an employee of the District.
- 1.5. **“Destination Landfill”** means the El Sobrante Landfill primarily or Simi Valley Landfill as backup to El Sobrante Landfill as set forth in this Agreement.
- 1.6. **“Disposal Rate”** means the tipping fee for Waste Materials as defined in Section 6.1.
- 1.7. **“El Sobrante Landfill”** means the Class III disposal facility owned and operated by WM and located at 10910 Dawson Canyon Road, Corona, CA 92877.
- 1.8. **“El Sobrante Second Agreement”** means the landfill operating agreement between WM and Riverside County titled First Amended and Restated Second El Sobrante Landfill Agreement, A Public-Private Project Between County Of Riverside And USA Waste Of California, Inc., dated August 6, 2018, which establishes a public-private partnership between WM and the County and sets forth the requirements for the operation of the Landfill.
- 1.9. **“Excluded Waste”** means any material that is (i) defined, regulated or listed as “hazardous,” “toxic,” a “pollutant,” or words of similar import under any Applicable

Laws; (ii) Hazardous Waste; (iii) “designated waste” as defined in California Water Code Section 13173; (iv) “medical waste” as defined under the California Medical Waste Management Act; (v) waste prohibited from receipt at Class III landfills by Applicable Law; (vi) prohibited from being received at the Destination Landfill under its permits or other Applicable Law; (vii) WM reasonably believes would, as a result of acceptance or upon disposal, be a violation of Applicable Law; or (viii) in WM's reasonable judgment would present a significant risk to human health or the environment, cause a nuisance or otherwise create or expose WM to potential liability.

- 1.10. **“Facility” or “Facilities”** means the PHMRF, SGTS, and Warren Facility.
- 1.11. **“Fees and Taxes”** means any and all federal, state, local or other taxes, assessments, fees, host charges, gross receipts taxes or charges, surcharges, or similar charges directly or indirectly related to the acceptance, processing, storage, burial or disposal of Waste Material that are paid by or imposed on WM or their operations by law, ordinance, rule, regulation, or agreement with a governmental authority, whether imposed retroactively or prospectively.
- 1.12. **“Hazardous Waste”** means any of the following: (a) any substances defined, regulated or listed (directly or by reference) as “Hazardous Substances,” “hazardous materials,” “Hazardous Wastes,” “acutely Hazardous Waste,” “extremely Hazardous Waste,” “toxic waste,” “pollutant” or “toxic substances” or similarly identified as hazardous to human health or the environment, in or pursuant to (i) the Comprehensive Environmental Response, Compensation and Liability Act of 1980, 42 USC §9601 et seq.(CERCLA); (ii) the Hazardous Materials Transportation Act, 49 USC §5101, et seq.; (iii) the Resource Conservation and Recovery Act, 42 USC §6901 et seq.; (iv) the Clean Water Act, 33 USC §1251 et seq.; (v) the California Health and Safety Code §§25110.02, 25115-25117, 25249.8, 25281, and 25316; (vi) the Clean Air Act, 42 USC §7401 et seq.; and (vii) California Water Code §13050; (b) any amendments, rules or regulations promulgated thereunder to such enumerated statutes or acts currently existing or hereafter enacted; and (c) any other special waste, hazardous or toxic substance, material, chemical, waste or pollutant identified as hazardous or toxic or regulated under any other Applicable Law, including, without limitation, friable asbestos, polychlorinated biphenyl’s, petroleum, natural gas and synthetic fuel products, and by-products.
- 1.13. **“Municipal Solid Waste” or “MSW”** means municipal solid and inert waste defined as “solid waste” in Public Resources Code §40191, which are Acceptable Waste.
- 1.14. **“PHMRF”** means the Puente Hills Materials Recovery Facility owned and operated by the District. The District leases a portion of PHMRF, which includes the recyclables sorting equipment to a third-party, who operates that portion of PHMRF. This facility is located at 13130 Crossroads Parkway South, City of Industry, CA 91746.
- 1.15. **“SGTS”** means the South Gate Transfer Station owned and operated by the District. This facility is located at 9530 Garfield Avenue, South Gate, CA 90280.

- 1.16. **“Simi Valley Landfill”** means the Class III disposal facility owned and operated by Waste Management of California, Inc., (**“WMOC”**) and located at 2801 N Madera Road, Simi Valley, CA 93065.
- 1.17. **“Tipper(s)”** means a piece of equipment typically utilized at a landfill designed to dump transfer trailers with stationary floors by means of a platform connected to large hydraulic lifting cylinder.
- 1.18. **“Warren Facility”** means the A.K. Warren Water Resource Facility owned and operated by the District. This facility is located at 24501 S. Figueroa Street, Carson, CA 90745.
- 1.19. **“Waste Generated at the Warren Facility”** means wastewater treatment plant residuals and miscellaneous sewer cleanings, including grit and other inert materials removed during the cleaning-out of digesters, grit chambers, screenings, and other processes, which are Acceptable Waste.
- 1.20. **“Waste Materials”** means MSW received and managed at PHMRF or SGTS and transported by the District for landfill disposal or Waste Generated at the Warren Facility, which requires landfill disposal, and which are Acceptable Waste.

## 2. Term

This delivery of Waste Materials by the District pursuant to this Agreement will commence on July 1, 2025, and continue until June 30, 2030 (**“Initial Term”**). This Agreement may be extended for two consecutive 60-month terms (each an **“Extended Term”**), if agreed in writing by the District and WM. At least 24-months prior to the expiration of the Initial Term (or any Extended Term), WM must provide written notice to the District of its request to enter into an Extended Term (**“Extension Request”**). If an extension to the Agreement is agreed to by the District, then WM will continue to furnish the services according to the conditions set forth in the Agreement throughout the Extended Term(s).

## 3. Delivery of Waste Materials

3.1 *Tonnage.* Commencing on July 1, 2025, the District shall deliver and shall cause all Waste Materials to be delivered to the Destination Landfills for disposal as follows: (i) maximum of 41,850 tons per month to El Sobrante Landfill (**“El Sobrante Landfill Maximum”**); and (ii) maximum of 20,000 tons per month in excess of El Sobrante Landfill Maximum to Simi Valley Landfill. The District has committed to delivering all Waste Materials delivered to or generated at the Facilities requiring landfill disposal to the Destination Landfills and WM has committed to having sufficient capacity to accept all Waste Materials up to the maximum monthly tonnage limits stated in this section. At the beginning of each month, the District will provide WM's representative a written tonnage estimate of deliveries of Waste Materials for the upcoming month. The District shall give WM fifteen (15) days prior written notice should the District anticipate an increase or decrease of greater than ten percent (10%) in the estimated tonnage to be delivered to El Sobrante Landfill.

3.2 *Destination Landfills.* The District shall deliver all Waste Materials to El Sobrante Landfill in accordance with this Agreement. The District may use Simi Valley Landfill or as an alternative disposal landfill in the event that (i) El Sobrante Landfill is closed or it cannot receive Waste Materials under Applicable Law; or (ii) factors like severe weather, traffic, or road closures impede the District's ability to deliver the Waste Materials to El Sobrante Landfill.

3.3 *Transportation.* The District may deliver Waste Materials to the Destination Landfill either by direct hauling by the District or may cause a third-party transporter contracted by the District to deliver all Waste Materials to the Destination Landfill. The District may use any type of transfer vehicles, including transfer trucks with tipping trailers to deliver Waste Materials to the Destination Landfill, at the Disposal Rate specified in Section 6. All transfer vehicles used to carry Waste Material shall be clearly marked and visible to the scale house operator, and must be designed and built to transport at least twenty (20) tons of MSW on public streets and highways. All transfer vehicles must be equipped with a tarping system to completely cover the trailer during transport of the Waste Materials to the Destination Landfill. All drivers must tarp the trailers prior to leaving the landfill to minimize litter. All tarps must be kept in good repair and free of holes and tears.

3.4 *Requirements Under El Sobrante Second Agreement With Riverside County.* The District acknowledges that WM operates the El Sobrante Landfill pursuant to the El Sobrante Second Agreement with Riverside County and that certain provisions of the El Sobrante Second Agreement impose requirements applicable to the District. In this regard, the District and WM agree to the following:

- a. The District shall not ship Waste Material that is prohibited from Landfill Disposal by Applicable Law;
- b. The District shall permit WM to inspect without notice the Facilities for compliance with Applicable Laws at the direction of the County of Riverside;
- c. The District shall permit the Riverside County LEA and/or Department of Environmental Health personnel to inspect the Facilities without prior notice from time-to-time, but not more often than once in any six-month period in the absence of a substantive violation of the terms of the Facility's permit;
- d. WM may terminate or suspend this Agreement if WM determines that a Facility is not operating in accordance with any required permit, or is not implementing its documented procedures, or that any community served by it is not meeting the provisions of any applicable State or federal law dealing with waste diversion; and
- e. The District shall provide a copy of its annual report to CalRecycle for AB 939 compliance to the Riverside County LEA.

3.5 *Delivery Hours.* The District may deliver Waste Materials from the Facilities to

WM during normal operating hours of the Destination Landfills as they may be set by WM. These are as follows:

- a. El Sobrante Landfill between 4:00 AM Monday through 6:00 PM Saturday every week.
- b. Simi Valley Landfill between 7:00 AM and 4:00 PM on Monday through Saturday.

WM encourages the District to deliver Waste Materials to El Sobrante Landfill between the hours of 5:30 PM and 3:30 AM Monday through Saturday. In addition, to substantially comply with a mitigation measure for the El Sobrante Landfill, travel on SR 91 by transfer vehicles through the City of Corona west of I-15 between 7:30 and 8:30 AM and 4:30 and 5:30 PM Monday through Friday is strictly prohibited.

3.6 *Jurisdiction Reporting.* The District agrees to furnish the Destination Landfills and Riverside County with jurisdictional information regarding the origin of the Waste Materials delivered to the Destination Landfills sufficient to allow WM to comply with reporting requirements under Applicable Law.

#### 4. Acceptance of Waste Materials from the Facilities

4.1 *Acceptance of Acceptable Waste.* WM shall accept Waste Materials from the Facilities that constitute Acceptable Waste at the Destination Landfill for disposal as follows: (i) maximum of 41,850 tons per month at the El Sobrante Landfill (“**El Sobrante Landfill Maximum**”); and (ii) maximum of 20,000 tons per month in excess of El Sobrante Landfill Maximum at Simi Valley Landfill. WM shall furnish all labor and supervision, supplies, materials, tools, machinery, equipment, and services necessary to or used in the performance of WM obligations under this Agreement.

4.2 *Weighing of Loads.* WM will cause each District transport vehicle to be weighed as it enters the Destination Landfill. The scale will be maintained in accordance with the requirements of Applicable Law, including but not limited to annual Department of Weights and Measures calibration. Upon the initial delivery by a tractor/trailer combination at the Destination Landfill, weighing will occur upon both entry and exit, and a tare weight recorded for future deliveries by the same tractor/trailer combination, such that weighing upon exit will not be required after the initial delivery.

4.3 *Scale House Operation by Riverside County.* In accordance with the El Sobrante Second Agreement, Riverside County personnel operate the scale house for the El Sobrante Landfill and perform the obligations under this Agreement that pertain to weighing of trucks and performing load check activities. WM will secure tonnage reports from Riverside County for the purpose of billing the District as defined in Section 7.3.

4.4 *Disposal Accounts.* WM shall provide separate disposal accounts for each of the Facilities to enable proper recording and tracking of tonnages for invoicing.

4.5 *Use of Tippers.* WM currently owns and operates five Tippers at El Sobrante Landfill

with up to four Tippers in use at any given time. At Simi Valley Landfill, WM currently owns and operates two Tippers. During the delivery hours specified in Section 3.4, WM will make Tippers available for use by the District or its subcontract haulers for the Waste Materials delivered to the Destination Landfill using tipper trailers under this Agreement.

4.6 *Trailer Clean Out.* WM will provide a suitable area in its sole discretion near the active working face of the Destination Landfill for drivers to sweep out their unloaded trailers prior to exiting the landfill provided WM is able to do so consistent with its health and safety policies and Applicable Law.

4.7 *Nonconforming Material; Excluded Waste.* In the event that District delivers Excluded Waste to the Destination Landfill, the Party who discovers the delivery of Excluded Waste shall provide immediate written or verbal notification thereof to the other Party. In addition, WM may reject at the time of delivery any load or portion of a load that reasonably appears not to conform to the definition of Acceptable Waste. If a load or portion of a load is rejected for any reason other than the presence of Excluded Waste, then WM may dispose of the load or portion of the load, and charge the District a rejection fee. The District shall take prompt measures to remove the Excluded Waste for proper handling and disposal at the District's own expense unless emergency conditions, permit requirements or health and safety policies and procedures require immediate removal, then WM may arrange for testing, inspection, removal, transportation and disposal of the Excluded Waste, with the actual and reasonable costs thereof to be borne by the District. Further, the District shall remove or arrange to have removed the Excluded Waste from the Destination Landfill within two (2) days of notice by WM (which notice may be by phone or email). If the Excluded Waste is not removed within such two (2) business days, WM will have the right and authority to arrange for removal, transportation and disposal of the Excluded Waste, and the District shall reimburse WM for WM's actual and reasonable costs related to the Excluded Waste. WM may inspect or analyze any material delivered by the District hereunder, or have others do so. The District shall promptly reimburse WM for all reasonable costs and expenses incurred by WM (including removal and disposal costs) in connection with any delivery of Excluded Waste hereunder or any failure by District to remove material as required by this section. At no time shall title, ownership or responsibility for Excluded Waste transfer to WM. The District shall indemnify and hold WM harmless from and against any and all loss, cost, damage, suit, liability, penalties, claim, settlement cost and expense (including, but not limited to, reasonable investigation and attorneys' fees) as incurred arising, caused by, or resulting from the delivery of or failure to remove, transport and dispose of Excluded Waste as provided in this section and in accordance with Applicable Law. This indemnity will survive the expiration or earlier termination of this Agreement.

## 5. Ownership

Title and ownership of the Waste Materials from the Facilities will transfer from the District to WM upon acceptance of Waste Materials at the Destination Landfill, provided, however, that title to, ownership of and liability for Excluded Waste shall remain with the District and shall at no time pass to WM.

## 6. Disposal Rate for Services

6.1 *Tipping Fees and Rate.* WM shall charge the District and the District shall pay WM a “**Disposal Rate**” per ton for all Waste Materials delivered to the Destination Landfills as defined

below. The Disposal Rate includes all applicable Fees and Taxes, excluding any Los Angeles County fees, which the District will pay directly to Los Angeles County.

MSW from PHMRF or SGTS	\$42.00 per ton
Waste Generated at Warren Facility	(i) \$42.00 per ton up to 5,000 tons per contract year; and (ii) \$58.98 per ton for tons in excess of 5,000 tons per contract year

6.2 *Adjustments.* Adjustments to the tipping fee will be made annually, on July 1, during the Initial Term or any Extended Term of the Agreement. The fee will be increased by any positive change in the Consumer Price Index for All Urban Consumers, CPI-U index (Not Seasonally Adjusted, Area: Los Angeles-Long Beach-Anaheim, CA, Item: All items, Base Period: 1982-84=100) as published by the United States Department of Labor's Bureau of Labor Statistics for the preceding 12-month period March to March and effective each July 1. The rate will not be adjusted if the change in the CPI is zero or negative. The initial adjustment will be July 1, 2026. WM shall provide written notice to the District on or before May 1 each year for any adjustments to the Disposal Rate.

6.3 *Pass Through Costs.* Either Disposal Rate may be further adjusted by WM to reflect any new or increased Fees and Taxes imposed on the handling, acceptance, or disposal of Waste Materials from the Facilities by the Designated Landfills, upon thirty (30) days written notice to the District. During this thirty-day period, the District will verify the accuracy of the proposed adjustment and the Parties agree to negotiate in good faith to resolve any dispute regarding the adjustment amount.

## 7. Payments for Services

7.1 WM shall invoice the District monthly, by the 15th business day of the following month, with respect to the Waste Materials delivered from the Facilities to the Destination Landfills during the prior calendar month. The invoice shall list the Facilities from which the Waste Materials originated, the amount of Waste Materials received from each Facility, and the amount due by multiplying the appropriate Disposal Rate by the tonnage received. Payment will be due and payable within thirty (30) days of receipt of the invoice. Late payments on any undisputed invoice or portion thereof may be subject to a late fee of 12.5% per annum on outstanding balances.

7.2 In the event the District disputes any portion of an invoice, it shall pay the undisputed portion in accordance with Section 7.1, and shall notify WM of the dispute and the specific grounds for the dispute no later than thirty (30) days after receiving an invoice from WM. The Parties shall make a good faith effort to settle any dispute. The District shall pay any remaining portion within fifteen (15) days of the resolution of the dispute.

7.3 A weight ticket generated at the Destination Landfill will determine weight for purposes of invoicing. The District may from time to time compare net weights based on another certified scale that is calibrated and maintained in accordance with Applicable Law. If the results of the comparison exceeds a 2% variance, the District and WM agree to negotiate and cooperate



in good faith to determine the cause of the discrepancy, determine the weight to use for billing purposes, adjust the payment to WM as necessary, and take corrective actions as needed.

## 8. Regulatory Compliance

The Parties shall comply with Applicable Law in the performance of this Agreement; and shall obtain and maintain any permits, licenses, or approvals, which are required for the performance of their respective obligations under this Agreement. The District shall comply with the standard rules and regulations of the Destination Landfill and the reasonable instructions of WM personnel, while on the premises.

## 9. Indemnity

9.1 Indemnification and Defense of the District. To the fullest extent permitted by law, WM will, with respect to its duties in connection with this Agreement, indemnify and hold harmless the District, its directors, officers, employees, and agents (collectively in this Section, “**District Indemnified Parties**”) from and against any and all liability, claims, allegations, demands, damage, losses, causes of action, proceedings, penalties, settlements, costs and expenses (including reasonable attorney's fees, court costs, and expert witness or consultant fees) including without limitation claims based in tort or for death or personal injury, or damage to property or for contribution or indemnity claimed by third parties against the District Indemnified Parties, whether known or unknown, contingent or otherwise arising, directly or indirectly, in whole or in part, out of any intentional, willful, or negligent act or omission of WM or its directors, officers, employees, agents or sub-contractors (collectively in this section “**WM Parties**”), breach of this Agreement by WM Parties, misrepresentation or willful misconduct by WM Parties, and claims by any employee of WM relating in any way to workers’ compensation (collectively “**Claims**” or individually “**Claim**”). Independent of the duty to indemnify and as a free-standing duty on the part of WM, WM shall defend the District Indemnified Parties against any Claims and shall continue this defense until the Claim is resolved, whether by settlement, judgment or otherwise. No finding or judgment of negligence, fault, breach or the like on the part of the WM Parties will be required for the duty to defend to arise. WM will notify the District of any Claim within ten (10) days. Likewise, the District will notify WM of any Claim, and will assist WM at WM’s sole expense, as may be reasonably requested, in the defense of the Claim.

Notwithstanding the above, the foregoing defense and indemnity shall not apply to Claims that directly or indirectly, arise from, are occasioned by, or relate to the active negligence or intentional acts or omissions of the District Indemnified Parties or any of them occurring in the course of the District’s performance of, or failure to perform, its obligations under this Agreement, acts or omissions in violation of Applicable Laws or the delivery of Excluded Waste to the Destination Landfills.

9.2 Indemnification and Defense of WM. To the fullest extent permitted by law, the District will, in connection with its duties under this Agreement, indemnify and hold harmless WM and its parent companies, partners, members, subsidiaries and affiliates, and each of their officers, directors, shareholders, employees, agents, representatives and successors and assigns (collectively in this Section, “**WM Indemnified Parties**”) from and against any and all liability, claims, allegations, demands, damage, losses, causes of action, proceedings, penalties, settlements,

costs and expenses (including reasonable attorney's fees, court costs, and expert witness or consultant fees) including without limitation claims based in tort or for death or personal injury, or damage to property or for contribution or indemnity claimed by third parties against WM Parties, whether known or unknown, contingent or otherwise arising, directly or indirectly, in whole or in part, out of any intentional, willful, or negligent act or omission of the District or its directors, officers, employees, agents or sub-contractors (collectively in this section "**District Parties**"), breach of this Agreement by the District Parties, misrepresentation or willful misconduct by the District Parties, and claims by any employee of the District relating in any way to workers' compensation (collectively "**Claims**" or individually "**Claim**"). Independent of the duty to indemnify and as a free-standing duty on the part of the District, the District will defend the WM Indemnified Parties against any Claims and will continue this defense until the Claim is resolved, whether by settlement, judgment or otherwise. No finding or judgment of negligence, fault, breach or the like on the part of the District Parties will be required for the duty to defend to arise. The District will notify WM of any Claim within ten (10) days. Likewise, will tender the defense of the Claim to the District, and will assist the District at the District's sole expense, as may be reasonably requested, in the defense of the Claim.

Notwithstanding the above, the foregoing defense and indemnity shall not apply to Claims that directly or indirectly, arise from, are occasioned by, or relate to the active negligence or intentional acts or omissions of the WM Parties or any of them occurring in the course of WM's performance of, or failure to perform, its obligations under this Agreement, or acts or omissions in violation of Applicable Laws.

9.3 A Party's indemnity obligations shall not be excused because of the Party's inability to evaluate an indemnitee's liability or because the Party evaluates such liability and determines that the indemnitee is not liable to the claimant. A Party seeking indemnity will notify the other party of any Claim promptly after becoming aware of such Claim, provided, however, that no delay in providing such notification will affect the indemnifying Party's indemnity obligations, unless (and only to the extent that) the indemnifying Party has been actually prejudiced by such delay. The indemnifying Party will not settle any Claims without the other Party's prior written consent, which shall not be unreasonably withheld, unless the settlement involves only the payment of money damages paid in full by the indemnifying Party; does not impose an injunction or other equitable relief upon the indemnitees subject to the settlement; does not constitute an admission of wrongdoing by any such indemnitee; and results in the unconditional release of such indemnitees with respect to all claims for which indemnity is sought. The Party seeking indemnity shall provide, to the indemnifying Party and its counsel, reasonable access to its employees, property and records reasonably related to the claim (excluding records protected by the attorney-client privilege or the work-product doctrine). A Party's provision of insurance shall not be construed as limiting such party's indemnity obligations hereunder.

9.4 The Parties indemnity obligations will survive the expiration or termination of this Agreement.

## 10. Insurance

10.1 The District shall maintain insurance in compliance with this section, and shall ensure that each subcontractor performing work hereunder also maintains insurance in compliance

with this section, as if the subcontractor were a party hereto. The District and each of its subcontractors performing work hereunder shall furnish insurance certificates evidencing the required coverages no later than the commencement date of the Initial Term of this Agreement, and thereafter upon each policy renewal. The District and each of its subcontractors performing work hereunder shall maintain the following policies with at least the following limits:

Workers' Compensation	Statutory limits for state(s) where goods or services provided	
Employer's Liability	Bodily Injury by Accident – Each Accident	\$1,000,000
Commercial General Liability	Each Occurrence	\$3,000,000
Automobile Liability	Combined Single Limit – Each Accident	\$3,000,000

10.2 Each policy required hereunder shall, or shall be endorsed to: (i) name WM, its affiliates, and their respective directors, officers, employees and agents as additional insureds; (ii) contain a waiver of subrogation in favor of WM and its affiliates; (iii) be primary, and any insurance or self-insurance maintained by such additional insureds shall be in excess and not contribute with it, except for the Workers' Compensation and Employer's Liability policies; (iv) remain in effect throughout the Term and, if written on a claims-made basis, for five (5) years thereafter; (v) contain "cross-liability" or "separation of insureds" coverage; (vi) be issued by companies licensed in the State of California with an A.M. Best rating of A-VII or better. If the issuer of any policy required hereunder is the subject of bankruptcy or insolvency proceedings, or becomes insolvent, the party that maintained such insurance shall within five (5) business days to substitute another policy and issuer, meeting the foregoing requirements. Each certificate must contain a statement of the insurer's obligation to notify the party to whom the certificate is addressed at least thirty (30) days (ten (10) days in the event of cancellation for non-payment) prior to cancellation of any policy covered thereunder.

## 11. Termination and Default

11.1 The terms "**Default**" or "**Event of Default**" mean the failure of a Party to observe or perform any material covenant, condition, or term of this Agreement.

11.2 Upon the occurrence of any Event of Default by either Party, the non-defaulting Party shall provide written notice to the defaulting Party of the Event of Default. The defaulting Party shall have the opportunity for consultation with the non-defaulting Party, which shall include an opportunity to cure the events leading to any substantial failure within thirty (30) calendar days of the non-defaulting party's written notice. If additional time is needed to effectuate a cure, such time may be requested in writing from the terminating party subject to the terminating Party's approval, which will not be unreasonably withheld.

11.3 Should the defaulting Party fail to cure the Event of Default pursuant to Section 11.2, the non-defaulting Party may terminate this Agreement and have recourse to any other right or remedy to which that Party may be entitled under Applicable Law including, but not limited to, the right to recover for all damage suffered as a result of the Event of Default.

11.4 Notwithstanding the paragraph immediately above, any Party may terminate this Agreement upon ten (10) days prior written notice, without opportunity to cure, in the event that the other Party becomes insolvent, unable or unwilling to pay its debts, files a bankruptcy petition, has a receiver appointed to manage its assets, or takes steps to liquidate its assets. Any monetary obligations incurred prior to termination will be immediately due and payable to the other Party at termination.

## 12. Force Majeure

Neither Party will be responsible or liable if such Party is prevented or delayed in performing their respective obligations under this Agreement during a force majeure event if that failure is due to causes beyond the WM's or the District's reasonable control. Such causes include, but are not limited to: civil disorder, acts of terrorism, "act of God" (including, but not limited to, floods, landslides, lightning, earthquakes, severe weather, fire, storms, freezing, pandemics, epidemics, quarantines or other natural disasters or catastrophic events, act of the public enemy, war, insurrection, riot, acts of any governmental entity, labor unrest (including but not limited to strike, work stoppage or slowdown, sick-out, picketing, or other concerted job action conducted by a Party's employees or directed at a Party), epidemics, pandemics, freight embargoes or delays in transportation, and changes in federal, state, or local law. The Party claiming excuse from performance shall immediately provide written notice to the other party and take commercially reasonable efforts required to recommence performance.

## 13. Miscellaneous

13.1 *Assignment.* A Party shall not sell, assign, or otherwise transfer, by operation of law or otherwise, its rights, interest or obligations under this Agreement, in whole or in part, without the prior written consent of the other Party, which shall not be unreasonably withheld or delayed.

13.2 *Independent Contractor.* Each Party is and will perform this Agreement as an independent contractor and, as such, will have and maintain complete control over all of its employees, agents and their conduct. Neither Party, nor anyone employed by it will be, represent, act, purport to act or be deemed to be the agent, representative or employee of the other Party. This Agreement will not be construed to create a partnership or joint venture relationship between the Parties.

13.3 *Entire Agreement.* This Agreement represents the full and entire understanding and agreement between the Parties relating to the matters covered in this Agreement and correctly sets forth the obligations of each Party and supersedes all prior negotiations and agreements, either written or oral. No prior oral or written representation, understanding or agreement is of any force or effect with respect to the matters provided in this Agreement.

13.4 *Action by Chief Engineer.* Except as otherwise provided in this Agreement, the Chief Engineer may take all actions on behalf of the District in connection with any approvals or actions required of or by the District under this Agreement and may execute amendments to this Agreement.

13.5 *Notices.* All notices or other communications to be given under this Agreement must be in writing and will be deemed given when mailed by United States mail, or by nationally-

recognized overnight courier with proof of delivery or acceptable electronic communication with proof of delivery.

To WM:

USA Waste of California, Inc.  
El Sobrante Landfill  
10910 Dawson Canyon Road  
Corona, CA 92877  
Attn: David Myers, Senior District Manager  
Email: [dmeyer9@wm.com](mailto:dmeyer9@wm.com)

With a Copy To:

USA Waste of California, Inc.  
9081 Tujunga Ave.  
Sun Valley, CA 91352  
Attn: Michael Hammer, President – Southern California Area  
Email: [MHammer@wm.com](mailto:MHammer@wm.com)

and

USA Waste of California, Inc.  
9081 Tujunga Ave.  
Sun Valley, CA 91352  
Attn: Asteghik Khajetoorians, Assistant General Counsel - West  
Email: [akhajeto@wm.com](mailto:akhajeto@wm.com)

To the District:

Chief Engineer and General Manager  
County Sanitation District No. 2 of Los Angeles County  
1955 Workman Mill Road  
Whittier, CA 90601  
Attn: Mark Revilla  
Email: [mrevilla@lacsdsd.org](mailto:mrevilla@lacsdsd.org)

The address to which communications may be delivered may be changed from time to time by a notice given in accordance with this Section. A notice is effective only: (1) upon receipt by the receiving Party and (2) if the Party giving the notice has complied with the requirements of this Section.

13.6 *Amendment.* No amendment, modification, or change to this Agreement will be effective unless the amendment, modification, or change is in writing and duly executed by the Parties.

13.7 *Governing Law and Venue.* This Agreement has been negotiated and executed in the State of California and shall be governed by and construed under the laws of the State of California, without reference to conflict of law provisions. In the event of any legal action to enforce or interpret this Agreement, the sole and exclusive venue shall be a court of competent jurisdiction located in Los Angeles, California, and the Parties hereto agree to and do hereby submit to the jurisdiction of such court, notwithstanding Code of Civil Procedure section 394.

13.8 *Warranty of Authority.* The Parties each warrant that the persons executing this Agreement on their behalf are authorized to do so, and that entering into this Agreement does not violate any provision of any other agreement to which that Party is bound.

13.9 *No Conflict.* Each party represents and warrants that its execution, delivery and performance of this Agreement has been duly authorized and does not and shall not conflict with or constitute a breach of: any agreement to which it is a party or by which it is bound; any provision of Applicable Law; or any other legal requirement.

13.10 *Remedies Cumulative.* All remedies afforded to any party hereto, either under this Agreement, at law, in equity or otherwise, shall be cumulative and not alternative. No failure or delay in exercising any right or remedy hereunder shall operate as a waiver thereof, nor shall any single or partial exercise thereof preclude any other or further exercise thereof.

13.11 *Severability.* Should any provision of this Agreement be determined to be void or unenforceable, such provision shall be severed from the whole and shall not affect any of the remaining provisions of this Agreement and the Agreement will continue as modified.

13.12 *Attorney's Fees.* In any action or proceeding to enforce or interpret any of the terms of this Agreement, the substantially prevailing party is entitled to an award of reasonable attorney's fees in the amount reasonably incurred in the prosecution or defense of that action. The term "prevailing party" means the party entitled to recover costs of suit, upon the conclusion of the matter, in accordance with the laws of the State of California.

13.13 *Construction.* Each Party has reviewed and has had the opportunity to revise this Agreement and the normal rule of construction to the effect that any ambiguities are to be resolved against the drafting party will not be employed in interpreting this Agreement or any amendment or exhibit.

13.14 *Third Party Beneficiary.* This Agreement is not intended or designed to or entered for the purpose of creating any benefit or right for any person or entity of any kind that is not a Party to this Agreement.

13.15 *Recitals.* The recitals to this Agreement are hereby incorporated into this Agreement by this reference.

13.16 *Counterparts.* This Agreement may be executed in counterparts, each of which shall be considered an original.

*[Signatures appear on following page.]*

IN WITNESS WHEREOF, the Parties are executing this Agreement effective as of the Date set forth below.

COUNTY SANITATION DISTRICT NO. 2  
OF LOS ANGELES COUNTY

By \_\_\_\_\_  
Chairperson, Board of Directors

Date \_\_\_\_\_

ATTEST:

By \_\_\_\_\_  
Secretary to the Board

Date \_\_\_\_\_

APPROVED AS TO FORM:  
Lewis Brisbois Bisgaard & Smith, LLP

By \_\_\_\_\_  
District Counsel

Date \_\_\_\_\_

USA Waste of California, Inc.

By \_\_\_\_\_

Name \_\_\_\_\_

Title \_\_\_\_\_

Date \_\_\_\_\_