

FORM APPROVED COUNTY COUNSEL
ROBERT E. BYRD, AUDITOR-CONTROLLER
BY Samuel Wong 8/2/10

SUBMITTAL TO THE BOARD OF SUPERVISORS
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA

905



SUBMITTAL DATE:
August 19, 2010

FROM: Economic Development Agency

SUBJECT: Revenue Ground Lease Agreement – Alternative Energy Projects

RECOMMENDED MOTION: That the Board of Supervisors approve the attached New Revenue Ground Lease Agreement and authorize the Chairman to execute the same on behalf of the County of Riverside (County).

BACKGROUND: In July, 2009, the Economic Development Agency, coordinating with the Waste Management Department, issued a Request for Proposal for Alternative Energy Projects in Riverside County. The Request for Proposal requested proposals by private sector Alternative Energy Developers to construct Alternative Energy Facilities on closed County landfills. In return, the Developers would pay the County a percentage of their gross revenues generated from the sales of energy and pay a monthly rental. The closed landfill sites included over 1,900 acres in the County, operated and controlled by the Waste Management Department, including closed landfills in Coachella, Highgrove, Anza, Mecca, Beaumont, Desert Hot Springs, Bundy Canyon, Corona, Mira Loma, Idyllwild, and Mead Valley.

(Continued)

Robert Field
Assistant County Executive Officer/EDA

FINANCIAL DATA	Current F.Y. Total Cost:	\$0	In Current Year Budget:	No
	Current F.Y. Net County Cost:	\$0	Budget Adjustment:	No
	Annual Net County Cost:	(\$5,350,000)	For Fiscal Year:	2010/11

SOURCE OF FUNDS: Revenue Lease-Monthly Rental and Concessions Income from Sales of Electricity by Private Developer	Positions To Be Deleted Per A-30	<input type="checkbox"/>
	Requires 4/5 Vote	<input type="checkbox"/>

C.E.O. RECOMMENDATION: APPROVE

BY: Jennifer L. Sargent
Jennifer L. Sargent

County Executive Office Signature

MINUTES OF THE BOARD OF SUPERVISORS

On motion of Supervisor Tavaglione, seconded by Supervisor Stone and duly carried by unanimous vote, IT WAS ORDERED that the above matter is approved as recommended.

Ayes: ~~Buster~~, Tavaglione, Stone, Benoit and Ashley
Nays: ~~None~~
Absent: ~~None~~
Date: August 31, 2010
xc: EDA, Waste, Auditor, CIP

Kecia Harper-Ihem
Clerk of the Board
By: [Signature]
Deputy

Prev. Agn. Ref.:

District: 1, 3, 4, 5 | Agenda Number:

ATTACHMENTS FILED
WITH THE CLERK OF THE BOARD

3.48

BACKGROUND: (Continued)

Responses to the Request for Proposal were evaluated based upon five categories: The Qualifications of the Developer/Owner, Design/Construction Background and Project Management, the Financial Proposal, and Property Management. Based on this, awards were granted to three firms. Optiflex Solar, LLC was one of the awardees.

The terms of the Revenue Ground Lease between Optiflex Solar, LLC and the County are as follows:

Leased Premises:	Anza, Mecca, Beaumont, and Desert Hot Springs Closed Landfills
Lessor:	County of Riverside
Lessee:	Optiflex Solar, LLC
Size:	Approximately 254 acres.
Term:	Twenty (20) Years
Rent:	Five (5%) percent of gross revenues, plus \$500.00 per month
Utilities:	To be paid for by Lessee
Custodial:	Provided by Lessee
Maintenance:	Provided by Lessee
Improvements:	Alternative Energy Facilities consisting of Solar Panels are to be constructed on the Closed Landfill Sites
Completion:	Twenty-Four Months from Execution of Lease
Estimated Annual Revenue to County:	Approximately \$5,350,000

FINANCIAL DATA:

This is a Revenue Ground Lease Agreement and there is no cost to the County.

1 **REVENUE GROUND LEASE**

2 OPTIFLEX SOLAR, LLC, a California Limited Liability Company, and
3 The COUNTY OF RIVERSIDE, on behalf of Waste Management Department

4 The **COUNTY OF RIVERSIDE**, a political subdivision of the State of California,
5 hereinafter called COUNTY, leases to **OPTIFLEX SOLAR, LLC** a California Limited Liability
6 Company, hereinafter called LESSEE, by entering into this Revenue Ground Lease ("Lease")
on 8-31-10, ("Effective Date") for the property described below,
upon following terms and conditions:

7 **1. Description.** The sites to be leased hereby consists of approximately two-
8 hundred and ninety five (295) acres of COUNTY-owned land situated on inactive Riverside
9 COUNTY landfill sites known as the Anza, Beaumont, Desert Hot Springs, and Mecca landfills,
10 which are located in Riverside COUNTY, California (see vicinity maps on Exhibit "A-1", "A-2",
11 "A-3", and "A-4") as more particularly described as a portion of Assessor's Parcel Numbers
12 576-210-004, 576-210-005, 576-210-006, 576-210-007, 576-210-020 for the Anza landfill,
13 421-060-008, 417-020-064 for the Beaumont landfill, 638-380-004 for the Desert Hot Springs
14 landfill, 729-100-006, 729-100-011 for the Mecca landfill as shown on the site plans attached
15 as Exhibits "B-1", and "B-2", "B-3" and "B-4", ("Leased Premises") attached hereto and by this
16 reference made a part of this Lease. Within one-hundred and eighty (180) days of execution of
17 this Lease, LESSEE, at LESSEE's expense, shall have the leased boundaries marked with
18 substantial survey monuments by a registered surveyor. Boundaries shall be re-staked, if
19 needed, after the improvements associated with the intended development at each site have
20 been completed. A plat map and legal description for each site will be prepared by the
21 COUNTY at LESSEE'S expense, and shall be incorporated when available, as Exhibit "F", into
22 this Lease Agreement.

23 **2. Use**

24 a. The Premises are leased hereby for the exclusive purpose of
25 developing and operating Alternative Energy Facilities consistent with all applicable regulatory
and legal requirements for closure and post-closure usage.

b. LESSEE and COUNTY acknowledge that a start-up period of twenty-
four (24) months is necessary to begin implementing the intended usage, due to the time
needed for planning approval and construction of the initial phase of the Alternative Energy
Facilities. During the initial twenty-four (24) month period which will commence upon the
Effective Date of this Lease, LESSEE shall prepare and submit to the appropriate agencies, at
their sole cost and expense, all of the required documents (including permit fees) that are
necessary to obtain approval for the planned facility including the use and operation of the
Alternative Energy Facilities. This includes, but is not limited to: Conditional Use Permit,
Environmental Review (including CEQA documentation/approvals), and a Revised Landfill
Closure and Post Closure Maintenance Plan (CPCMP), in compliance with all regulatory
requirements. Upon approval of all COUNTY land use and state regulatory permits, the
LESSEE shall within two (2) months submit to COUNTY construction plans and specifications
for the construction of the Alternative Energy Facilities.

1 c. LESSEE shall comply with all applicable zoning, building and
2 development regulations of any city, COUNTY, state or federal jurisdiction affecting the
3 Premises, and any directives of the Local Enforcement Agency affecting landfill post closure
4 operations of the Premises. Lessee shall be responsible for and the use of the Premises will
be subject to and contingent upon an environmental review pursuant to the California
Environmental Quality Act (CEQA) before any uses are made of the site.

5 d. Within twenty-four (24) months of the Effective Date, LESSEE shall
6 have obtained all final grading, building and other related permits, entitlements and approvals
7 necessary for LESSEE to proceed with the construction and development of the Alternative
8 Energy Facilities and to utilize the Premises for the uses described in Section 2 hereof
9 including, without limitation, all final permits, entitlements and approvals for (a) construction of
10 all equipment, fixtures, and other related improvements, (b) signs (in number size,
11 configuration and location satisfactory to LESSEE), (c) site use, and (d) vehicular and
12 pedestrian access to the Premises (collectively, the "Permits"). The twenty-four (24) month
13 period may be extended via an Amendment to this Ground Lease for up to two (2) additional
six (6) month periods upon the good faith determination of the COUNTY that reasonable
progress is being made by LESSEE toward preparing all required documents that are
14 necessary for LESSEE to obtain approvals for the planned facility as described in Section 2 of
15 this Lease Agreement. In the event LESSEE has not obtained the Permits within thirty-six
16 (36) months of the Effective Date, COUNTY in its sole and absolute discretion, may at anytime
17 thereafter, by giving thirty (30) days written notice to LESSEE, terminate this Lease. In the
18 event COUNTY elects to terminate this Lease, both Parties shall be relieved from any future
19 liabilities and/or obligations under this Lease, except for any indemnity obligations which shall
20 survive the termination of this Lease.

21 e. LESSEE shall install adequate signage on the Premises identifying
22 LESSEE as the operator to assist individuals in the matters of site operations, traffic flow, and
23 provide a contact of LESSEE (with phone number) to call in case of emergency.

24 f. LESSEE shall cooperate with COUNTY with its continued service or
25 further development of the gas collection system, flare station, and post closure maintenance.
LESSEE understands and acknowledges that the site is a landfill which produces hazardous
gases, and that several environmental controls including but not limited to the cover system,
groundwater monitoring network, gas probes, drainage facilities, flare station, and gas
collection system, will require repair and maintenance. Exhibit "D-1", "D-2", "D-3", "D-4" – Site
Maps, represents the sites, including the locations of some of the environmental controls and
other excluded areas that exist at the sites and is attached hereto and, by this reference made
a part of this Lease; however, it should be noted that other important controls may exist that
will need to be protected in place. LESSEE understands and acknowledges that it is their
responsibility to fully investigate the site conditions. COUNTY shall not be responsible for any
damage to LESSEE's site improvements, as a result of any COUNTY operations or
maintenance. LESSEE understands and agrees to reimburse COUNTY within forty five (45)
days of billing for any additional monitoring cost, maintenance cost, or modifications which in
the sole discretion of the COUNTY results from the proposed land use. Upon start of
construction by LESSEE, LESSEE shall take over the responsibility of performing certain post
closure maintenance tasks within the entire site and in accordance with the revised CPCMP
referred to in item 2.b above. This responsibility by LESSEE shall include, but not be limited to,
maintenance and repairs of the landfill cover system, surface drainage and erosion control

1 system, stormwater (NPDES) compliance, access roads, and site security. The COUNTY shall
2 continue to assume responsibility of ground water monitoring program, gas collection system
3 and flare station, and its regulatory reporting. LESSEE shall provide to the COUNTY a
4 performance bond (or other acceptable assurance approved by COUNTY'S counsel) in the
5 amount of One Hundred Fifty Thousand Dollars (\$150,000) to ensure proper implementation
6 of the CPCMP requirements that the LESSEE is responsible for as indicated above. This bond
7 amount shall be posted prior to the start of any construction at the Premises and maintained
8 throughout the Lease Term and be increased every year by three percent (3%).

9 **3. Monthly Lease Payment.** Lessee shall pay to County the sum of Five
10 Hundred Dollars (\$500.00) per month in advance, on or before the 20th day of each and every
11 month as a minimum monthly rental for the premises during the term of the lease, which is
12 outlined in paragraph number 4 below. This monthly lease payment will be made by LESSEE
13 to the County in addition to the percentage of gross revenue as outlined in paragraph five
14 below.

15 **4. Term.** The Term of this Lease shall be for a term of twenty (20) years
16 commencing on June 1, 2010, and expiring May 31, 2030. This Lease shall automatically
17 terminate at the end of twenty (20) years or sooner as allowed for under Section 19. Should
18 the LESSEE fail to obtain the necessary approvals for the project as outlined under Section 2,
19 and Section 6, within twenty four (24) months after the Effective Date, then it shall
20 automatically terminate, unless an extension is agreed to in writing by COUNTY, prior to the
21 termination date.

22 **5. Lease Payment, Percentage of Gross Revenues.**

23 a. In addition to the monthly lease payment, Lessee shall pay five
24 percent (5%) of the gross revenues received by LESSEE from third parties to the
25 COUNTY, each and every month as payment for the use of the Premises. Gross
Revenues shall be defined as all forms of compensation which are received from any
source by LESSEE including, but not limited to private or non-profit companies,
governmental agencies, utility companies or districts, the public, or other related third
parties. However, in the event payment is received for the month of commencement or
expiration of the Lease, hereof which is for less than one (1) full calendar month said
rent shall be pro-rated based upon the actual number of days of said month. The first
monthly payment shall be payable on the twentieth (20th) day of the month after the first
calendar month of operations. This payment shall be paid monthly to COUNTY on the
twentieth (20th) day of each month based on the gross revenues received for the prior
month. LESSEE shall provide a monthly statement of gross revenues received together
with the payment. Lessee shall utilize the monthly statement template as set forth in
Exhibit "G".

b. Upon COUNTY's request, LESSEE shall make available and provide
COUNTY access to all accounting records for review and determination of Total Gross
Revenues.

c. COUNTY shall provide thirty (30) days written notice to LESSEE that
COUNTY requires an audit of LESSEE'S records for the purpose of auditing the Gross
Revenues received by LESSEE. LESSEE shall provide COUNTY with a date, time and

1 location when and where COUNTY can meet to review LESSEE'S records. Records shall be
2 defined as including but not limited to accounting reports, operating statements, cash flow
3 statements, receipts, bank account statements and records, tax returns, and other related
4 accounting records. LESSEE'S failure to respond to COUNTY'S notice as set forth in this
5 paragraph or failure to provide said records shall be deemed a default of this agreement and
6 subject to Termination as set forth in Paragraph 19.

6. Improvements.

7 a. **Plan Review.** Upon approval of all COUNTY land use and state
8 regulatory permits in accordance with Section 2 (b), plans for any improvements, alterations or
9 installation of fixtures by LESSEE to accommodate the uses listed in Section 2 above, and any
10 proposed uses in the future by LESSEE, shall be submitted to COUNTY in writing in order to
11 obtain its written consent to proceed. Any denial shall be in writing and shall be accompanied
12 by reasons for the denial. The entire cost for the permitting, design, construction, etc. of the
13 improvements shall be the LESSEE's sole cost and expense. In constructing the
14 improvements LESSEE shall comply with the Conditions of Construction as set forth in Exhibit
15 "E" and the provisions of this agreement. Concurrent plan review submittal to County and
16 other applicable agencies is acceptable.

17 b. **Ownership of Improvements.** The existing improvements and
18 modifications thereto, including, but not limited to: the flare station, gas collection system,
19 landfill cover, and drainage system on the Premises shall remain the property of COUNTY.
20 Any new improvements constructed by LESSEE on the Premises shall be owned by LESSEE
21 until the expiration or sooner termination of the Term. LESSEE shall not, however, remove any
22 improvements from the Premises or waste, destroy or modify any improvements on the
23 Premises, except as permitted by this Lease or in the normal course of business for repair,
24 modification for enhanced operation, or replacement. The parties covenant and agree for
25 themselves and all persons claiming under them that the improvements are real property.
Upon expiration or sooner termination of the Term of this Lease, all new permanent
improvements placed on the Premises by LESSEE, (for example: suncatchers, lighting,
infrastructure, and other improvements fastened to the ground not including LESSEE owned
office or mobile equipment or other leased equipment) shall, become COUNTY's property free
and clear of all claims and encumbrances to or against them by LESSEE or any third person,
and LESSEE shall defend and indemnify COUNTY against all liability and loss arising from
any competing claims of ownership.

19 c. **Restoration Bond.** LESSEE shall provide a maintenance assurance,
20 clean up/restoration bond (or other acceptable assurance approved by COUNTY'S counsel) in
21 the amount of One Hundred Thousand Dollars (\$100,000) per landfill location which sum shall
22 be available to COUNTY to provide maintenance assurance for items that are not specified in
23 or covered by the CPCMP for the landfill, or environmental remediation to the Premises or
24 adjoining parcels in the event LESSEE activities cause environmental damage. This bond
25 amount shall be posted prior to the start of any construction at the Premises and maintained
throughout the Lease Term and be increased every year by three percent (3%).

24 d. **Regulatory Compliance and Approval.** All proposed improvements
25 shall be designed and constructed in compliance with all applicable laws, including but not
limited to the following: Federal, State, COUNTY, and Local building codes; Landfill

1 regulations, including but not limited to Federal Code of Regulations, Title 40 and California
2 Code of Regulations, Titles 14, 23, and 27; Fire codes; the Americans with Disabilities Act;
3 National Pollution Discharge and Elimination System (NPDES) requirements (as outlined in
4 Section 6.f.; and the Labor Code. Any improvements must either preserve landfill
5 environmental controls, or improve/replace existing controls with equal or better systems as
6 approved by the appropriate regulatory agencies and COUNTY.

7 i. **Third Party Quality Control/Quality Assurance.** Any
8 construction must be observed and documented by an independent third party QA/QC
9 consultant as required by California State Regulations, Title 27. The LESSEE will be required
10 to retain the appropriate consultant services to meet this regulatory requirement.

11 ii. **Written Approval.** The LESSEE shall be required to obtain
12 clear, definitive written approval of all planned improvements and activities from the
13 appropriate regulatory agencies. LESSEE shall also obtain written final acceptance of the
14 completed work from the appropriate regulatory agencies. All written approval and final
15 acceptance documentations from regulatory agencies shall be forwarded to the COUNTY.
16 LESSEE shall not continue with any work until COUNTY has received copies of the written
17 regulatory agency approval documentation and advised the LESSEE, in writing, that work may
18 begin on improvements.

19 **7. Custodial Maintenance and Responsibilities.**

20 a. LESSEE, at its expense shall provide for its own custodial/maintenance
21 services in connection with the Premises, including without limitation, keeping the building and
22 the grounds in a neat and attractive condition including weed abatement and litter control.

23 b. In addition to the requirements of Section 6, LESSEE shall promptly and
24 diligently repair, paint, restore, and replace as required to maintain, or to remedy all damage to
25 or destruction of all or any part of any improvements and/or the Premises. The completed
work of maintenance, compliance, repair, restoration, or replacement shall be equal in value,
quality and use to the condition of any improvements on the Premises before the event giving
rise to the work, except as expressly provided to the contrary in this Lease. COUNTY shall not
be required to furnish any services or facilities or to make any repairs or alterations of any kind
in or on the Premises. LESSEE shall be responsible for the repair of any damage to the gas
collection system, flare station, landfill cover or drainage system. COUNTY's election to
perform any obligation of LESSEE under this provision or LESSEE's failure or refusal to do so
shall not constitute a waiver of any right or remedy for LESSEE's default, and LESSEE shall
promptly reimburse, defend and indemnify COUNTY against all liability, loss, cost and
expense arising from such election.

26 i. For repairs and restoration of the landfill cover system, the
27 LESSEE shall replace any disturbed soil material with the requirements as found in the
28 attached Exhibit "C" – Cover Restoration Requirements. Third party observation and Quality
29 Assurance/Quality Control testing is required in accordance with Section 6 (d), and as stated
30 in the attached.

31 ii. Where applicable, any damage to the final cover system shall be
32 repaired and restored to its previous condition in accordance to its Closure and Postclosure

1 Maintenance Plan.

2 c. LESSEE waives the provisions of California Civil Code Sections 1941
3 and 1942 with respect to COUNTY obligations for lease ability of the Premises and LESSEE's
right to make repairs and deduct the expenses of such repairs from Lease payments.

4 d. LESSEE shall be responsible for fire prevention and control on the
5 Premises upon start of construction.

6 e. LESSEE shall be responsible for fencing and security of the Premises
upon start of construction.

7 f. LESSEE shall be responsible for drainage and storm water compliance
8 on the Premises during the entire term of this Agreement. The LESSEE shall prepare and
implement a Storm Water Pollution Prevention Plan (SWPPP) for construction of the
9 Alternative Energy Facilities, to address the existing site and any improvements within the
Premises, as required by State or Federal National Pollution Discharge and Elimination
10 System (NPDES) permitting requirements, as outlined in Section 6(d). The SWPPP is subject
to COUNTY acceptance. All required inspections, monitoring, maintenance and storm water
11 sampling are the responsibility of the LESSEE. The LESSEE shall notify COUNTY to inform
them of scheduled inspections so that the COUNTY may attend during the physical site
inspection.

12 g. LESSEE understands and acknowledges that there are several areas
13 that are excluded from Alternative Energy use as shown on Exhibit "B" – Site Map, attached
hereto and, by this reference made a part of this Lease. LESSEE shall be responsible for
14 protecting these areas in place.

15 **8. Physical Condition of the Land.** To the best of COUNTY's knowledge, and
without having made any independent investigation or study, the Premises are not
16 contaminated by any hazardous or toxic materials. Notwithstanding the foregoing language,
COUNTY makes no covenant, representation or warranty of any kind, nature or sort
17 respecting the condition of the soil or subsoil or any other physical or environmental condition
of the Premises or warrants whether the Leased Premises is suitable for LESSEE'S intended
18 use or purposes, LESSEE may, at its sole expense, perform any tests of the soil or subsoil of
the Premises it may deem necessary or appropriate, and COUNTY has heretofore
19 recommended, and hereby recommends, that LESSEE, prior to commencement of the term of
the Lease, conduct an environmental site assessment on the land in order to facilitate the
20 planning and conduct of the proposed operations by LESSEE, and LESSEE does hereby
assume any and all risk and responsibility for any such condition of the Premises, or the soil or
21 subsoil thereof throughout the entire term of the Lease, and, in accordance with Section 14(b),
shall indemnify, defend, save and hold harmless the COUNTY its Agencies, Districts, Special
22 Districts and Departments, their respective directors, officers, Board of Supervisors, elected
and appointed officials, employees, agents and representatives from and against any and all
23 claims, demands, debts, damages, liabilities, costs, expenses, suits, actions or causes of
action, which are in any manner related to the condition of the Premises, including, but not by
24 way of limitation, the soil and subsoil thereof, throughout the term of the Lease.

1
2 **9. Utilities.** LESSEE shall pay any applicable connection charges and pay for all
3 utility services, including, but not limited to, telephone, electric, and water services as may be
4 required in the maintenance, operation and use of the Premises. LESSEE shall also, at its own
expense, be completely responsible for completing and submitting its Application for
Interconnection and Interconnection Agreement to the appropriate utility, as well as providing
all required supporting documentation.

5 **10. Inspection of Premises.** COUNTY, through its duly authorized agents, shall
6 have, at any time, the right to enter the Premises for the purpose of inspecting, monitoring and
7 evaluating the obligations of LESSEE hereunder and for the purpose of doing any and all
things which it is obligated and has a right to do under this Lease.

8 **11. Quiet Enjoyment.** LESSEE shall have, hold and quietly enjoy the use of the
9 Premises so long as it shall fully and faithfully perform the terms and conditions that it is
required to do under this Lease.

10 **12. Compliance with Government Regulations.** LESSEE shall, at LESSEE's
11 sole cost and expense, comply with the requirements of all local, state and federal statutes,
12 regulations, rules, ordinances and orders now in force or which may be hereafter in force,
13 pertaining to the Premises. The final judgment, decree or order of any Court of competent
jurisdiction, or the admission of LESSEE in any action or proceedings against LESSEE,
whether LESSEE be a party thereto or not, that LESSEE has violated any such statutes,
regulations, rules, or ordinances, or orders, in the use of the Premises, shall be conclusive of
that fact as between COUNTY and LESSEE.

14 **13. COUNTY Approved Workplan Required Before Any Work**

15 a. All work done by LESSEE pursuant to this Agreement, including but not
16 limited to necessary investigations, surveys, studies, construction, type of equipment to be
17 used, etc., is strictly subject to Riverside COUNTY Waste Management Department's prior
18 written approval of a "Workplan" to be submitted by LESSEE which at a minimum shall include
19 but shall not be limited to: a clear description of the scope of work contemplated; maps
20 sufficient to analyze impacts to existing facilities; locations of proposed
21 investigation/disturbance (i.e., borings, compaction tests, excavations, etc.); any necessary
22 regulatory permits; a restoration plan to immediately return the facility to its pre-investigation
23 state; equipment types and specifications; schedule of activities; a Storm Water Pollution and
24 Prevention Plan (SWPPP) as stated in Section 7(f); a Spill Prevention Control and
25 Countermeasure (SPCC) Plan (if required pursuant to Federal Regulations 40 FCR part 112);
Emergency Action Plan; Hazardous Materials Business Emergency Plan (if storage of
hazardous materials exceeding fifty five (55) gallons of liquids, five hundred (500) pounds of
solids, or two hundred (200) cubic feet of compressed gases is considered); and a Health and
Safety Plan. LESSEE shall provide whatever additional information, or satisfy any additional
requirements, as may be required by COUNTY prior to the start of any work. The "Workplan"
must also be approved by the following entities: California Regional Water Quality Control
Board, California Integrated Waste Management Board, Riverside COUNTY Department of
Environment Health (Local Enforcement Agency), and the South Coast Air Quality
Management District, as stated in Section 6 (d).

1 b. Requirements of a Workplan may be waived by COUNTY for initial site
2 visits provided LESSEE submits a written request for each site visit stating the reason for the
3 inspection, the area to be inspected and provides a confirmation that no alterations of any kind
4 will be done to the ground or any engineering controls on the Premises.

5 **14. Insurance and Indemnity.**

6 a. **Insurance.** LESSEE shall obtain, or cause to be obtained, and keep in
7 force for the term of this Lease the following insurance policies which cover any acts or
8 omissions of LESSEE, or its employees, contractors, and agents engaged in the provision of
9 service specified in the Lease:

10 i. **Workers Compensation.** LESSEE shall obtain, or cause to
11 obtain, workers compensation coverage in accordance with the statutory requirements of the
12 State of California. .

13 ii. **Comprehensive General Liability.** LESSEE shall obtain and
14 maintain, or cause to be obtained and maintained, in full force and effect throughout the entire
15 Term of this Lease a Broad Form Comprehensive General Liability (occurrence) Policy with a
16 minimum limit of Three Million Dollars (\$3,000,000) aggregate and Two Million Dollars
17 (\$2,000,000) per occurrence for bodily injury and property damage. Said insurance shall
18 protect LESSEE, COUNTY, and their elected or appointed officials, employees, and agents,
19 from any claim for damages for bodily injury, including accidental death, as well as from any
20 claim for property damage which may arise from operation of the Premises and vehicles while
21 on the landfill site, whether such operations be by LESSEE itself, or by its agents and/or
22 employees. Copies of the policies or endorsements evidencing the above required insurance
23 coverage shall be filed with the Assistant County Executive Officer, Economic Development
24 Agency. All of the following endorsements are required to be made a part of the insurance
25 policies required by this Section:

1 1. It is understood and agreed by LESSEE that the
2 insurance provided by LESSEE, or insurance has caused to be provided, shall be primary
3 insurance and the COUNTY'S insurance and/or deductibles and/or self-insured program shall
4 not be construed as contributory.

5 2. LESSEE'S insurance shall act for each insured, as
6 though a separate policy had written for each. This, however, shall not act to increase the limit
7 of liability of the insuring company.

8 3. LESSEE shall cause its insurance carrier(s) to furnish
9 COUNTY by direct mail with certificate(s) of insurance showing that such insurance is in full
10 force and effect, and COUNTY is named as additional insured with respect to this Lease
11 Agreement and the obligations of LESSEE hereunder. Further, said certificate(s) shall contain
12 the covenant of the insurance carrier(s) that thirty (30) days written notice shall be given to
13 COUNTY prior to modification, cancellation or reduction in coverage of such insurance. In the
14 event of any such modification, cancellation or reduction in coverage and on the effective date
15 thereof, this Lease shall terminate forthwith, unless COUNTY receives prior to such effective
16 date another certificate from an insurance carrier that the insurance required herein is in full
17 force and effect.

1 iii. LESSEE shall procure and maintain a policy of insurance to cover
2 sudden and accidental and gradual release of any and all pollutants. Policy shall provide
3 coverage for bodily injury and property damage and clean up in an amount not less than One
4 Million Dollars (\$1,000,000) per occurrence and two million dollars (\$2,000,000) aggregate
5 which shall be excess the deductible or Self Insured Retention. Policy shall name COUNTY
6 and the Riverside COUNTY Waste Resources Management District as additional insured and
7 provide a waiver of subrogation in favor of COUNTY and the Riverside COUNTY Waste
8 Resources Management District. Any policy and its certificate provided for the insurance
9 required by this paragraph shall require an extended reporting period of one year with a
10 minimum ninety sixty (60) days notice of cancellation.

11 The limits of such insurance coverage, and companies, shall be subject to review and
12 approval by the Assistant County Executive Officer every year and may be modified at that
13 time at the Executive Officer's sole discretion and a demonstration of reasonable need. The
14 COUNTY shall be named as additional insured on all policies and endorsements.

15 **b. Indemnity.**

16 i. LESSEE represents that it has inspected the leased premises,
17 accepts the condition thereof and fully assumes any and all risks incidental to the use thereof.
18 COUNTY shall not be liable to LESSEE, its managing member, officers, agents, employees,
19 subcontractors or independent contractors for any personal injury or property damage suffered
20 by them which may result from hidden, latent or other dangerous conditions in, on, upon or
21 within the leased premises; provided, however, that such dangerous conditions are not caused
22 by the sole negligence of COUNTY, its officers, agents or employees.

23 ii. LESSEE shall indemnify and hold COUNTY, its Agencies,
24 Districts, Special Districts and Departments, their respective Directors, officers, Board of
25 Supervisors, elected and appointed officials, agents, employees, representatives and
independent contractors ("County Parties") free and harmless from any liability whatsoever,
based or asserted upon any act or omission of LESSEE, it managing member, officers,
agents, employees, subcontractors and independent contractors, for property damage, bodily
injury, or death (LESSEE'S employee included) or any other element of damage of any kind
or nature, relating to or in anywise connected with or arising from its use and responsibilities in
connection therewith of the leased premises or the condition thereof, and LESSEE shall
defend, at its expense, including without limitation, attorney fees, expert fees and investigation
expenses, County Parties, in any legal action based upon such alleged acts or omissions. The
obligations to indemnify and hold County Parties free and harmless herein shall survive until
any and all claims, actions and causes of action with respect to any and all such alleged acts
or omissions are fully finally barred by the applicable statute of limitations.

1 **15. Assignment.** Neither this Lease or any part thereof nor performance under the
2 Lease shall be assigned, delegated, subleased or transferred by LESSEE without the prior
3 written consent of COUNTY.

4 **16. Operating Permit Modifications.** LESSEE shall cooperate with COUNTY in
5 modifying operating permits as may be required by local, state, federal agencies or COUNTY.

1 **17. Toxic Materials.** During the Term of this Lease and any extensions thereof,
2 LESSEE shall not violate any federal, state or local law, or ordinance or regulation, relating to
3 industrial hygiene or to the environmental condition on, under or about the Premises including,
4 but not limited to, soil and groundwater conditions. Further, LESSEE, its successors, assigns
5 and or sublessee's, shall not use, generate, manufacture, produce, store or dispose of on,
6 under or about the Premises or transport to or from the Premises any flammable explosives,
7 asbestos, radioactive materials, hazardous wastes, toxic substances or related injurious
8 materials, whether injurious by themselves or in combination with other materials (collectively,
9 "hazardous materials"). For the purpose of this Lease, hazardous materials shall include, but
not be limited to, substances defined as "hazardous substances", "hazardous materials", or
"toxic substances" in the Comprehensive Environmental Response, Compensation and
Liability Act of 1980, as amended, 42 U.S.C. Section 9601, et seq.; the Hazardous Materials
Transportation Act, 49 U.S.C. Section 1801, et seq.; the Resource Conservation and Recovery
Act, 42 U.S.C. Section 6901, et seq.; and those substances defined as "hazardous wastes" in
Section 25117 of the California Health and Safety Code or as "hazardous substances" in
Section 25316 of the California Health and Safety Code; and in the regulations adopted in
publications promulgated pursuant to said laws.

10 **18. Employees and Agents of LESSEE.** It is understood and agreed that all
11 persons hired or engaged by LESSEE shall be considered to be employees or agents of
LESSEE and not of COUNTY.

12 **19. Termination.** The County's right to terminate this Lease as provided below in
13 this Section 19 is in addition to any other rights and remedies the County may have provided
within this Lease or at law or in equity.

14 a. COUNTY shall have the right to terminate this Lease immediately:

15 i. In the event LESSEE fails to perform any of its duties or
16 obligations hereunder.

17 ii. In the event LESSEE conducts any activity within the Premises
not authorized by this Lease.

18 iii. In the event LESSEE's use, contemplated or actual, of the
19 Premises in any manner whatsoever adversely affects or it is otherwise inconsistent with the
operation or use by COUNTY of the Premises.

20 b. COUNTY shall have the right to terminate any or all of the Premises
21 site(s) in the event LESSEE fails to satisfy the permitting and construction requirements of
22 Section 2, or, in the event LESSEE fails to use a Premises site(s). In the event LESSEE
23 determines that it will not build on any one or more of the sites described in Section 1. above
within twelve (12) months, the Lease will terminate with respect to that site or sites. In this
event, this Ground Lease and all of its terms and conditions will remain in full force and effect
as it pertains to the other Premises site(s).

24 **20. Binding on Successors.** LESSEE, its assigns and successors in interest,
25 shall be bound by all the terms and conditions contained in this Lease, and all of the parties
thereto shall be jointly and severally liable hereunder.

1
2 **21. Severability.** The invalidity of any provision in this Lease as determined by a
3 court of competent jurisdiction shall in no way affect the validity of any other provision hereof.

4 **22. Venue.** Any action at law or in equity brought by either of the parties hereto for
5 the purpose of enforcing a right or rights provided for by this Lease shall be tried in a court of
6 competent jurisdiction in the County of Riverside, State of California, and the parties hereto
7 waive all provisions of law providing for a change of venue in such proceedings to any other
8 county.

9 **23. Attorney's Fees.** In the event of any litigation between LESSEE and COUNTY
10 to enforce any of the provisions of this Lease or any right of either party hereto, the
11 unsuccessful party to such litigation agrees to pay to the successful party all costs and
12 expenses, including reasonable attorney's fees, incurred therein by the successful party, all of
13 which shall be included in and as a part of the judgment rendered in such litigation or
14 arbitration.

15 **24. Liens.** LESSEE shall not permit to be placed against the Premises, or any part
16 thereof, any design professionals', mechanics', materialmen's contractors or subcontractors'
17 liens with regard to LESSEE's actions upon the Premises. LESSEE agrees to hold COUNTY
18 harmless for any loss or expense, including reasonable attorneys' fees and costs, arising from
19 any such liens which might be filed against the Premises.

20 **25. Notices.** All notices, consents or other communications which are required or
21 permitted by this Agreement to be served on or given to any party shall be in writing and shall
22 be deemed served or given when personally delivered or, in lieu of personal delivery, on
23 receipt, rejection or return undelivered, when deposited in the United States mail, first-class,
24 certified or registered, postage prepaid, return receipt requested or overnight mail delivery
25 service, addressed to the applicable party at the address which is provided in this paragraph.
Unless notice of a different address has been given in accordance with this Section, all such
notices shall be addressed as follows:

COUNTY:

Economic Development Agency
3403 10th Street, Suite 500
Riverside, California 92501

Riverside County Waste Management Department
14310 Frederick Street
Moreno Valley, CA 92553

LESSEE:

Optiflex Solar, LLC
200 E Beverly Blvd, Suite 200
Montebello, California 90604

Or to such other addresses as from time to time shall be designated by the respective parties.

26. Estoppel Certificates.

a. In the event of a proposed sale or refinancing of the Leased Premises or
any part thereof, at any time and from time to time, within twenty (20) business days after
notice of request by either party, the other party shall execute, acknowledge, and deliver to the

1 requesting party, or to such other recipient as the notice shall direct, a statement certifying that
2 this Lease is unmodified and in full force and effect; or, if there have been modifications, that it
3 is in full force and effect as modified in the manner specified in the statement and
4 acknowledging that there are no uncured defaults or failures to perform any covenant or
5 provision of this Lease on the part of the requesting party or specifying any such defaults or
6 failures which are claimed to exist. The statement shall also state the dates to which the lease
7 payment and any other charges have been paid. The statement shall be such that it can be
8 relied on by any auditor, creditor, commercial banker, and investment banker of either party
9 and by any prospective purchaser or the lender of the Premises or all or any part or parts of
10 LESSEE's or COUNTY's interests under this Lease.

11 b. Either party's failure to execute, acknowledge, and deliver, on request,
12 the certified statement described above within the specified time shall constitute
13 acknowledgment by such party to all persons entitled to rely on the statement that this Lease
14 is unmodified and in full force and effect and that the lease payment and other charges have
15 been duly and fully paid to and including the respective due dates immediately preceding the
16 date of the notice of request and shall constitute a waiver, with respect to all persons entitled
17 to rely on the statement, of any defaults on the requesting party's part that may exist before
18 the date of the notice.

11 **27. Surrender of Premises.**

12 a. Prior to starting any construction, the LESSEE shall post a
13 Demolition/Restoration Bond which may be used for the removal of structures and restoration
14 of the land to its original condition at the end of the lease. The amount of this bond for each
15 construction phase shall be determined by the COUNTY after review of the Grading and
16 Construction Plans. This bond amount shall be posted prior to the start of any construction at
17 the site and maintained throughout the Lease Term and be increased every year by three
18 percent (3%).

19 b. At the expiration or earlier termination of the Term, LESSEE shall
20 surrender to COUNTY the possession of the Premises. Surrender or removal of
21 improvements shall be as directed in the provisions of this Lease on ownership of
22 improvements at expiration or termination. LESSEE shall leave the surrendered property and
23 any other property in good and clean condition. All property that LESSEE is not required to
24 surrender but that LESSEE does abandon shall, at COUNTY's election, become COUNTY's
25 property at expiration or the sooner termination of this Lease.

26 **28. Non Discrimination.** LESSEE shall not discriminate in its recruiting, hiring,
27 promotion, demotion or termination practices on the basis of race, religious creed, color,
28 national origin, ancestry, physical handicap, medical condition, marital status or sex in the
29 performance of this contract and, to the extent they shall be found to be applicable hereto,
30 shall comply with the provisions of the California Fair Employment Practices Act (commencing
31 with Section 1410 of the Labor code), and the Federal Civil Rights Act of 1964 (P.1. 88-352).

23 **29. Miscellaneous.**

24 a. **Governing Law.** This Lease shall be construed and interpreted in
25 accordance with the laws of the State of California.

1
2 b. **Covenants and Conditions.** All provisions, whether covenants or
conditions, on the part of LESSEE shall be deemed to be both covenants and conditions.

3 c. **Waiver.** The waiver by COUNTY or LESSEE of any breach or default
4 by the other party of any term, covenant, or condition herein contained shall not be deemed to
be a waiver of such term, covenant, or condition or any subsequent breach or default of the
5 same or any other term, covenant, or condition herein contained. The subsequent acceptance
of lease payment hereunder by the COUNTY shall not be deemed to be a waiver of any
6 preceding breach or default by LESSEE of any term, covenant, or condition of this Lease,
other than the failure to pay the particular lease payments so accepted, regardless of
7 COUNTY's knowledge of such preceding breach or default at the time of acceptance of such
lease payment.

8 d. **No Joint Venture.** Nothing contained herein shall be construed to
9 render the COUNTY in any way or for any purpose a partner, joint venturer, or associated in
any relationship with LESSEE other than that of COUNTY as Lessor and LESSEE, nor shall
10 this Lease be construed to authorize to act as agent for the other.

11 e. **Exhibits.** All exhibits to which reference is made in this Lease are
hereby incorporated by reference. Any reference to "this Lease" includes matters incorporated
12 by reference.

13 f. **Entire Agreement; Modification.** This Lease contains the entire
agreement between the Parties. No verbal agreement or implied covenant, representation,
14 inducement or understanding of any kind or nature shall be held to vary the provisions hereof,
any statements, law or custom to the contrary notwithstanding. No promise, representation,
15 warranty, or covenant not included in this Lease has been or is relied on by either party. Each
party has relied on its own inspection of the Premises and examination of this Lease, the
16 counsel of its own advisors, and the warranties, representations, and covenants in this Lease
itself. The failure or refusal of either party to inspect the Premises, to read this Lease or other
17 documents, or to obtain legal or other advice relevant to this transaction constitutes a waiver of
any objection, contention, or claim that might have been based on such reading, inspection, or
18 advice. No provision of this Lease may be amended or varied except by an agreement in
writing signed by the parties hereto and the lender under the first Leasehold encumbrance or
19 their respective successors.

20 g. **Consents to LESSEE.** Neither COUNTY's execution of this Lease nor
any consent or approval given by COUNTY hereunder in its capacity as COUNTY shall waive,
21 abridge, impair or otherwise affect COUNTY's powers and duties as a governmental body.
Any requirements under this Lease that LESSEE obtain consents or approvals of COUNTY
22 are in addition to and not in lieu of any requirements of law that LESSEE obtain approvals or
permits.

23 h. **Records.** COUNTY or any representative or designee thereof may
24 examine the books and records of LESSEE, or any officer, employee, agent, contractor,
affiliate, related person, assignee or franchise, as such books and records relate to, directly or
25 indirectly, the disposition of hazardous waste by LESSEE.

1 i. **Recordation of Memorandum of Lease.** This Lease shall not be
2 recorded. A memorandum of this Lease may be recorded. The parties would execute the
3 memorandum sufficient to give constructive notice of this Lease to subsequent purchasers and
4 lenders.

5 j. **Execution in Counterparts.** This Lease, or the memorandum of this
6 Lease, or both, may be executed in two or more counterparts, each of which shall be an
7 original, but all of which shall constitute one and the same instrument.

8 **30. Permits, Licenses and Taxes.** Except as provided otherwise herein, LESSEE
9 shall secure, at its expense, all necessary permits and licenses as it may be required to obtain,
10 and LESSEE shall pay for all fees and taxes levied or required by any authorized public entity.
11 LESSEE recognizes and understands that this Lease may create a possessory interest
12 subject to property taxation and that LESSEE may be subject to the payment of property taxes
13 levied on such interest.

14 **31. Paragraph Headings.** The paragraph headings herein are for the convenience
15 of the parties only, and shall not be deemed to govern, limit, modify or in any manner affect the
16 scope, meaning or intent of the provisions or language of this Lease. Any rule of construction
17 to the effect that ambiguities are to be resolved against the drafting party do not apply in
18 interpreting this Agreement.

19 **32. COUNTY's Representative.** COUNTY hereby appoints the General Manager-
20 Chief Engineer of the Waste Management Department as its authorized representative to
21 administer this Lease.

22 **33. Entire Lease.** This Lease is intended by the parties hereto as a final
23 expression of their understanding with respect to the subject matter hereof and as a complete
24 and exclusive statement of the terms and conditions thereof and supersedes any and all prior
25 and contemporaneous Lease, agreements and understandings, oral or written, in connection
therewith. This Lease may be changed or modified only upon the written consent of the
parties hereto.

26 **Attachments:**

27 Exhibit "A-1", "A-2", "A-3", "A-4" – Vicinity Map
28 Exhibit "B-1", "B-2", "B-3", "B-4" – Site Aerial including highlighted premises
29 Exhibit "C" – Cover Restoration Requirements
30 Exhibit "D-1", "D-2", "D-3", "D-4" – Site Maps with Excluded Areas
31 Exhibit "E" – Conditions of Construction
32 Exhibit "F" – Legal Description
33 Exhibit "G" – Monthly Gross Income Statement

34 ///

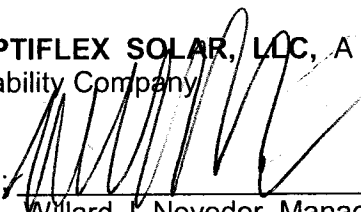
35 ///

36 ///

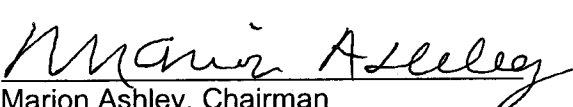
1 IN WITNESS WHEREOF, this Agreement has been executed and is effective on the date the
2 Board of Supervisors takes action on it.

3 Dated: AUG 31 2010

4 **OPTIFLEX SOLAR, LLC, A** California Limited
5 Liability Company

6 By: 
7 Willard J. Novodor, Managing Member

8 **COUNTY OF RIVERSIDE**, a political subdivision
9 of the State of California

10 By: 
11 Marion Ashley, Chairman
12 Board of Supervisors

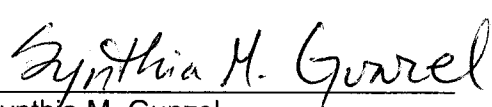
13 **ATTEST:**

14 Kecia Harper-Ihem
15 Clerk of the Board

16 By: 
17 Deputy

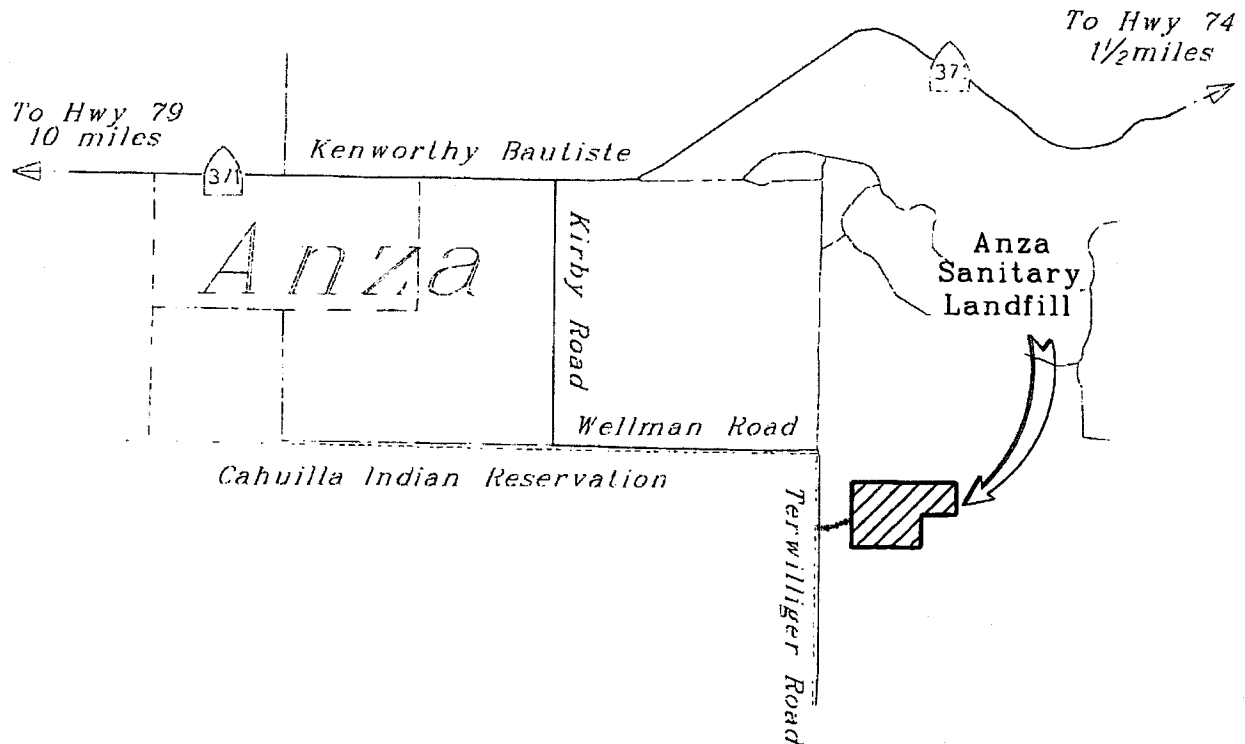
18 **APPROVED AS TO FORM:**

19 Pamela J. Walls
20 County Counsel

21 By: 
22 Cynthia M. Gunzel
23 Deputy County Counsel
24
25

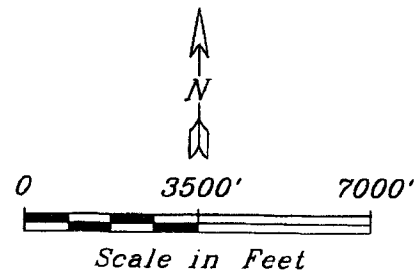
SG:GK
04/08/10
RV387
12.905


Anza Sanitary Landfill Vicinity Map Section 25 T7S R3E



Legend

Roads



 **Riverside County**
Waste Management Department

Anza Sanitary Landfill

Vicinity Map

Exhibit A-1

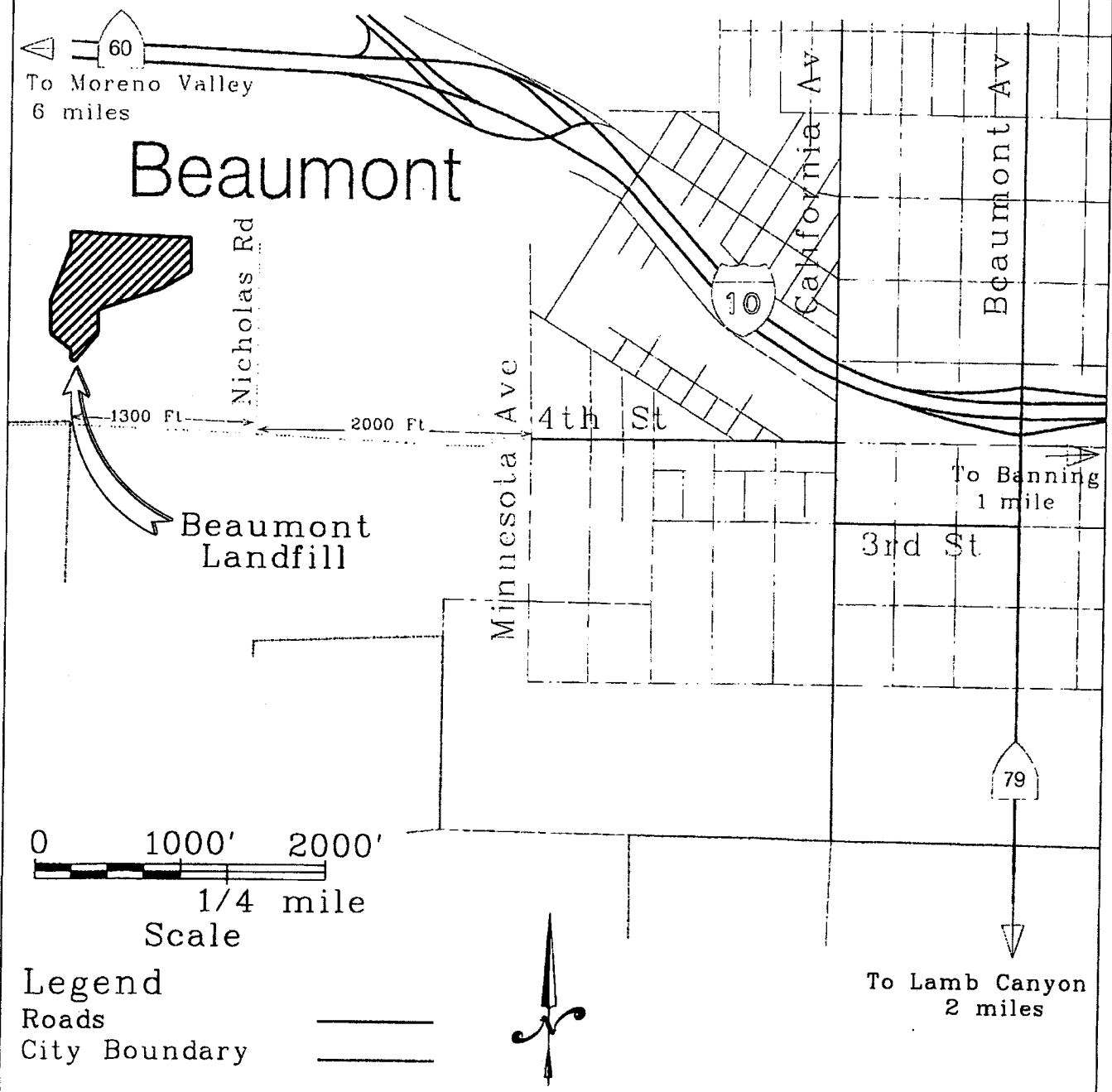
File Directory: /wmis2_d/sites/vicinity_maps/anvicinity.dgn


Date: July 2, 2009

Photo Date:

Scale: 1"=3500'

Beaumont Closed Landfill Vicinity Map Sections 8, 9 T3S R1W



 **Riverside County**
Waste Management Department

Beaumont Sanitary Landfill

Vicinity Map

Exhibit A-2

File Directory: [jwmilutx36lsvvicinity_mapsbevicinity.dgn](#)

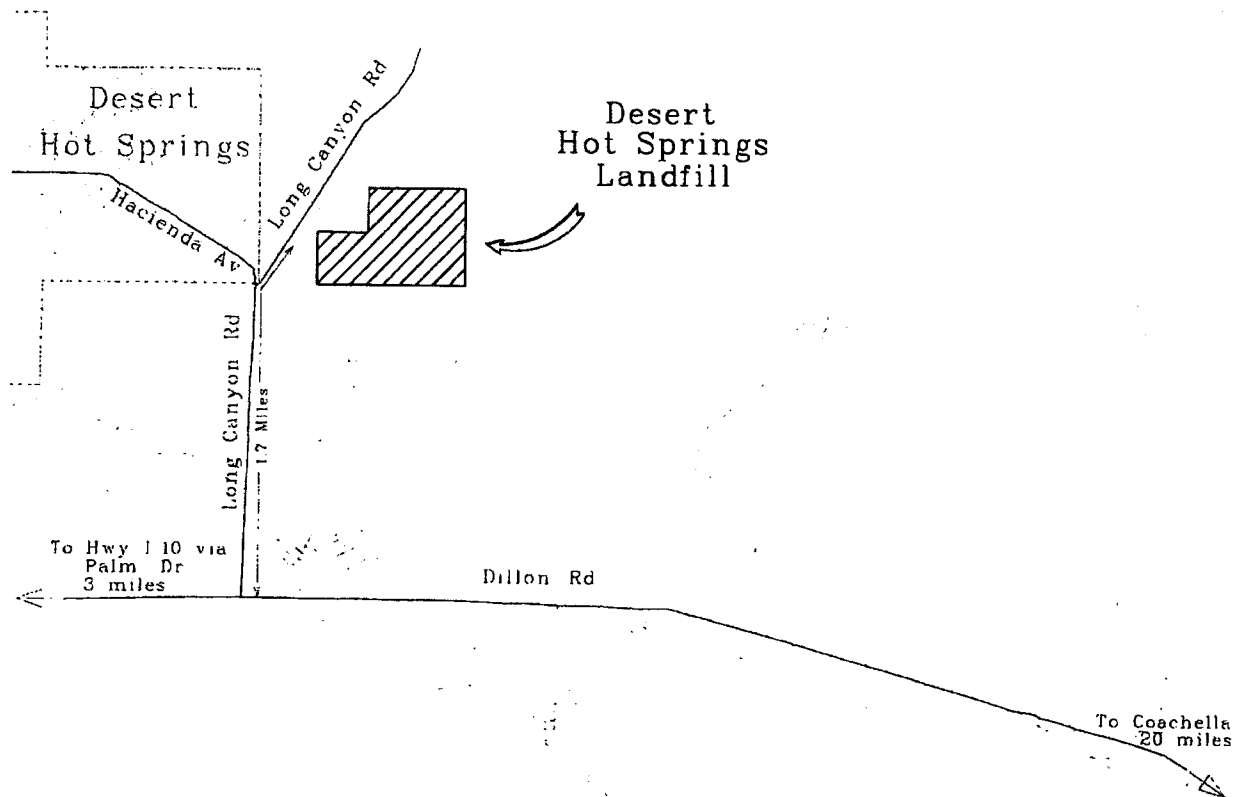
Date: July 2, 2009

Pen Table:

Photo Date:

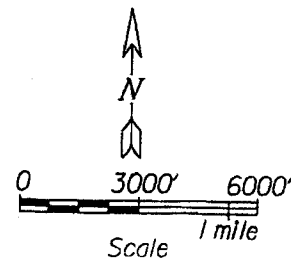
Scale: 1"=100'

Desert Hot Springs Sanitary Landfill Vicinity Map Section 34 T2S R5E

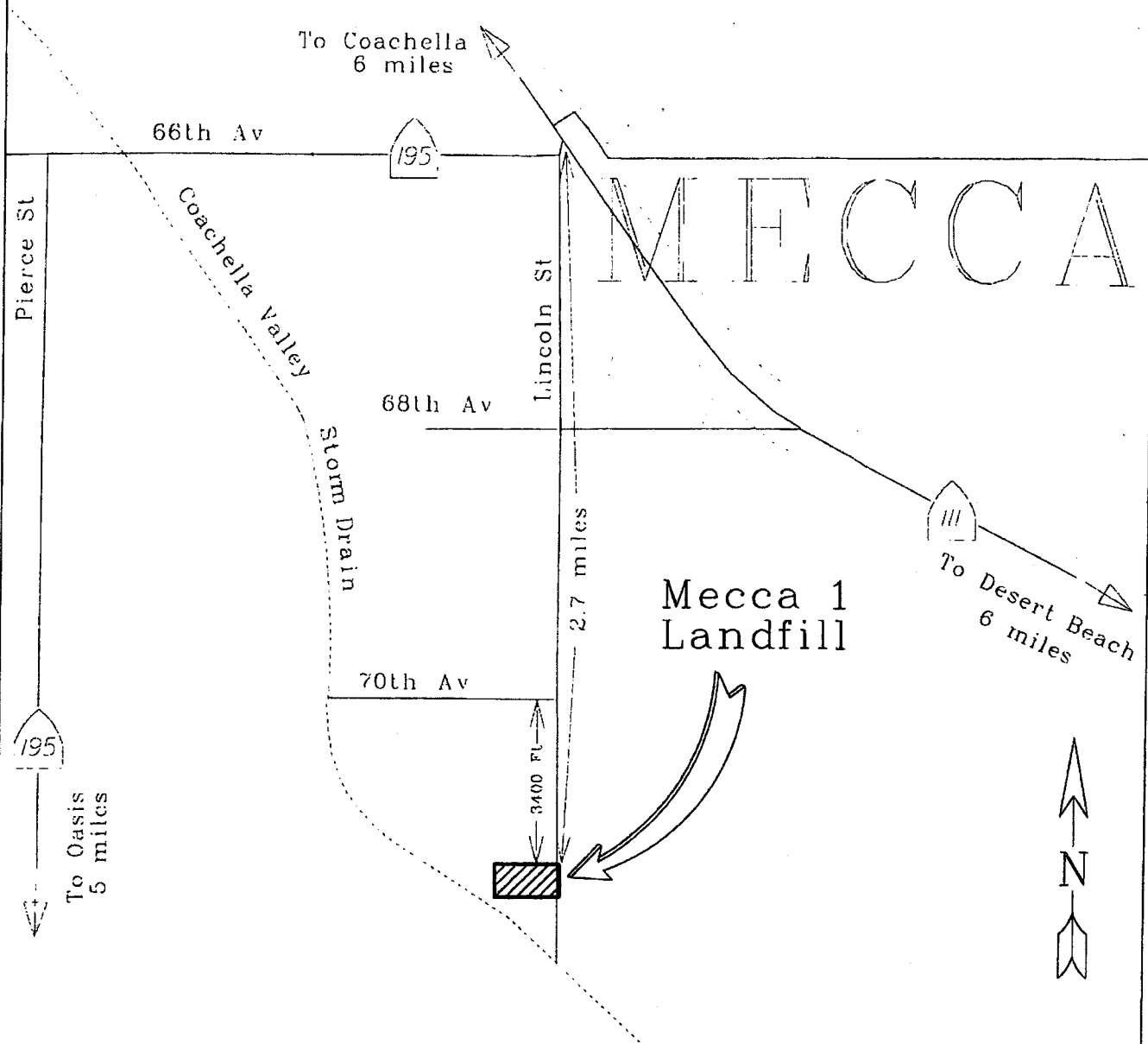


Legend

Roads ———



Mecca 1 Closed Landfill Vicinity Map Section 30 T7S R9E



Legend
Roads



Riverside County
Waste Management Department

Mecca 1 Sanitary Landfill

Vicinity Map

Exhibit A-4

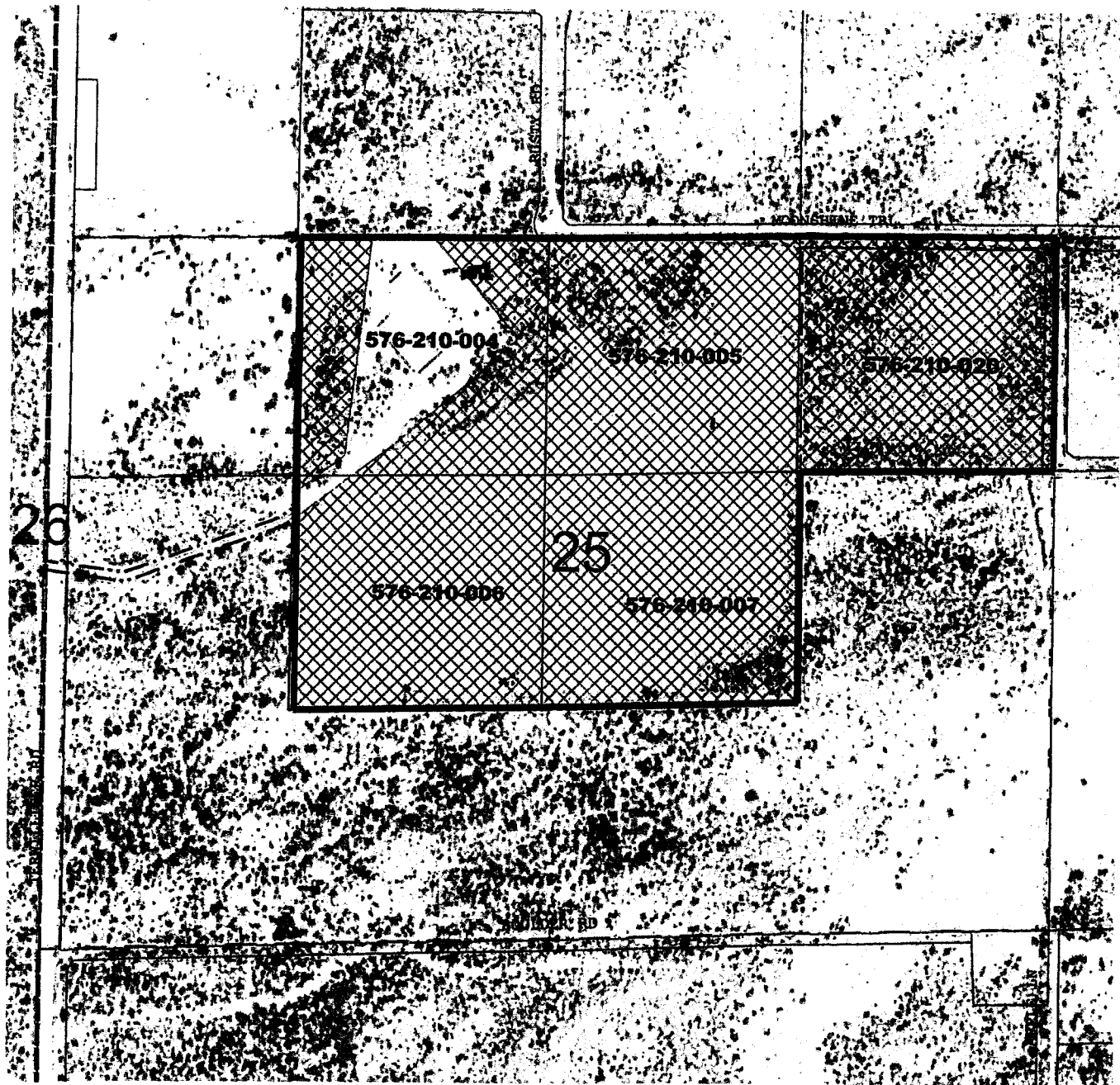
File Directory: /wmifs/usr3/sites/vicinity_maps/mecca1.dgn

Date: July 2, 2009

Pen Table:

Photo Date:

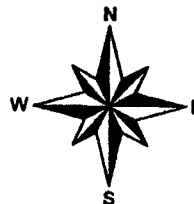
Scale: 1"=3000'




Ground Lease Area (approx. 47.9 acres)



Property Line



Anza Sanitary Landfill (Closed)
Parcel Map with Aerial Photo
Exhibit "B-1"

 **Riverside County**
Waste Management Department

This map is for graphical purpose only

Date: July 2, 2009

Not To Scale

421-060-008

8

417-020-064

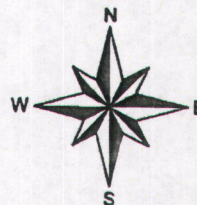
9



Ground Lease Area (approx. 10.7 acres)



Property Line



Beaumont Sanitary Landfill (Closed)
Parcel Map with Aerial Photo
Exhibit "B-2"

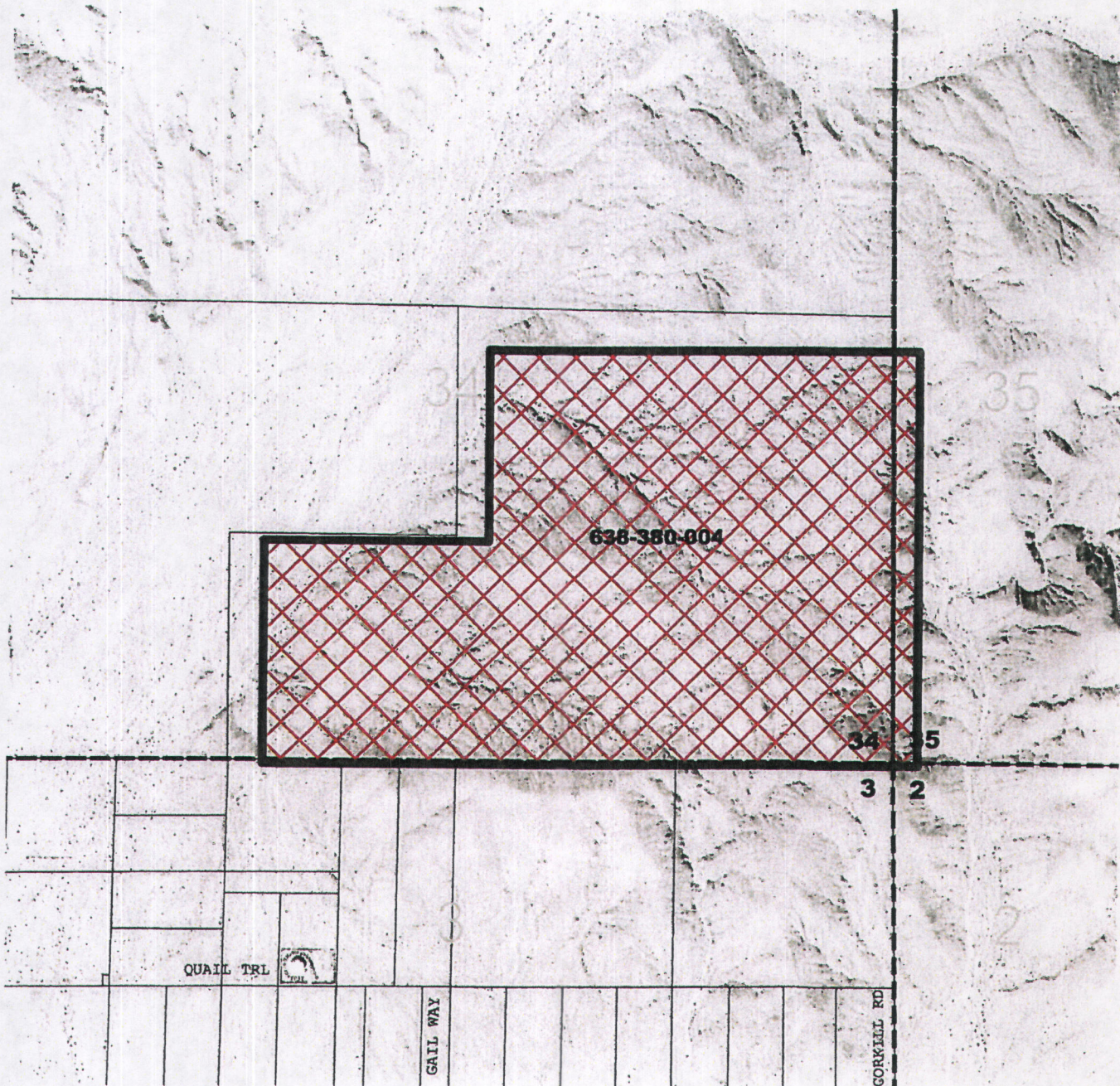


Riverside County
Waste Management Department

This map is for graphical purpose only

Date: July 6, 2009

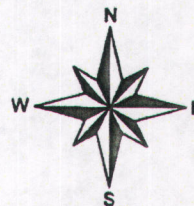
Not To Scale




Ground Lease Area (approx. 176 acres)



Property Line



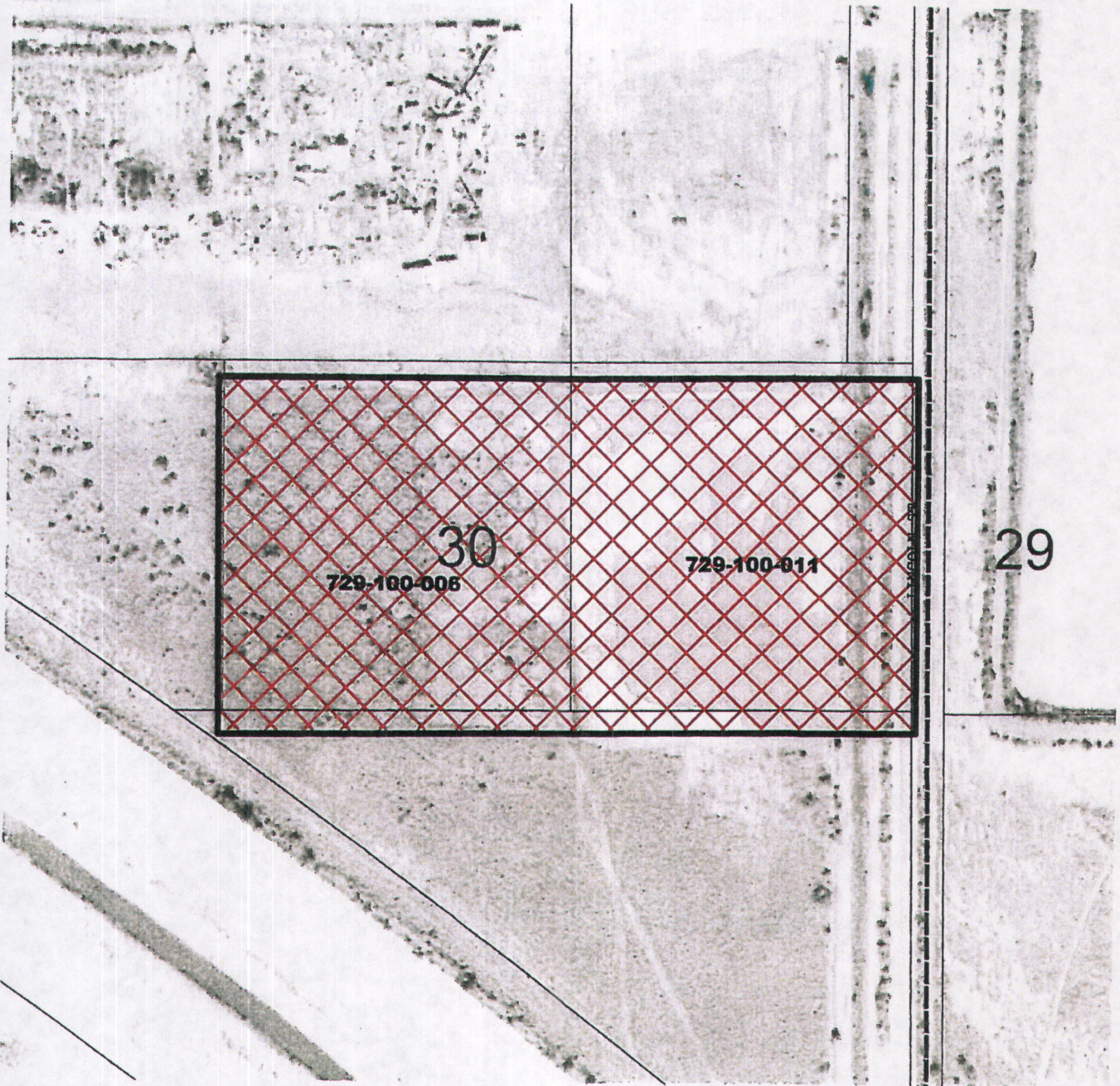
Desert Hot Springs Sanitary Landfill (Closed)
Parcel Map with Aerial Photo
Exhibit "B-3"

 **Riverside County**
Waste Management Department

This map is for graphical purpose only

Date: July 6, 2009

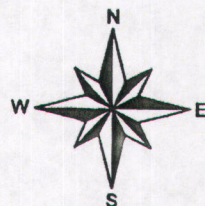
Not To Scale



Ground Lease Area (approx. 20 acres)



Property Line



Mecca 1 Sanitary Landfill (Closed)
Parcel Map with Aerial Photo
Exhibit "B-4"



Riverside County
Waste Management Department

This map is for graphical purpose only

Date: July 6, 2009

Not To Scale

EXHIBIT "C"

COVER RESTORATION REQUIREMENTS

In order to comply with the applicable State and Federal regulation for closed landfill units and to meet the performance standards set forth by these regulations, all inactive landfill sites owned by the COUNTY are capped with one of the following cover systems: prescriptive cover (per Section 21090 in Title 27 of the California Code of Regulation), monolithic cover (as an alternative final cover design to the prescriptive), or an approximately 12-inch thick layer of compacted clean soil. The primary goal of any cover system is to prevent or minimize the infiltration of water into the buried waste, thereby minimizing the production of leachate and gas which cause contamination to ground water and pose threat to public health and safety. The cover system at each site is defined in its specific Closure and Post Closure Maintenance Plan (CPCMP), if applicable to the facility. When a CPCMP is not available, it shall be assumed that the in place cover system consists of an approximate 12-inch thick layer of compacted clean soil. Any changes or damage that is made to the final cover system including grading or drainage control shall be repaired and restored in accordance with the approved CPCMP, or as otherwise specified by the COUNTY.

The following is a brief description of the three different cover systems installed at the COUNTY's inactive landfill sites:

Prescriptive cover: comprise of a 5-foot thick section containing the following layers from bottom to top:

- Foundation Layer – A layer of soil material, at least 2-feet thick that is place directly on the refuse
- Low-permeability Layer – A layer of clayey soil material, at least 1-foot thick, that is placed over the Foundation Layer and has a permeability no greater than 1.0×10^{-6} cm/sec, and
- Vegetative Layer – A layer of soil material at least 2-feet thick to support vegetative growth.

Monolithic cover: comprise of an approximately 4-foot thick soil layer section containing a good mix of gradation, including sand, silt, and clay, and has permeability no greater than 1.0×10^{-5} cm/sec throughout the cover section.

12-inch thick soil layer: consists of clean soil mix of sand, silt, and clay material placed at 90% relative compaction and graded to maintain a positive flow pattern towards the surrounding drainage control system.

For the prescriptive cover systems the Riverside COUNTY Waste Management Department (COUNTY) has been allowed to replace sections of the approved prescriptive cover section with a "monolithic" cover section. In this case, however, the replacement monolithic cover section must be at least 5-feet thick (in order to match that of the prescriptive cover) and contain a good mix of gradation, including sand, silt, and clay. Any monolithic cover section shall have a permeability of no more than 1.0×10^{-5} cm/sec throughout the cover section.

Regardless of the cover section used, all soil material must be moisture conditioned and compacted to achieve at least 90% relative compaction. All finished surfaces shall be smooth and promote positive drainage in accordance with the general hydrology concept in the CPCMP. Erosion control measure to promote vegetative growth, such as hydroseeding, shall be used on finished graded surfaces.

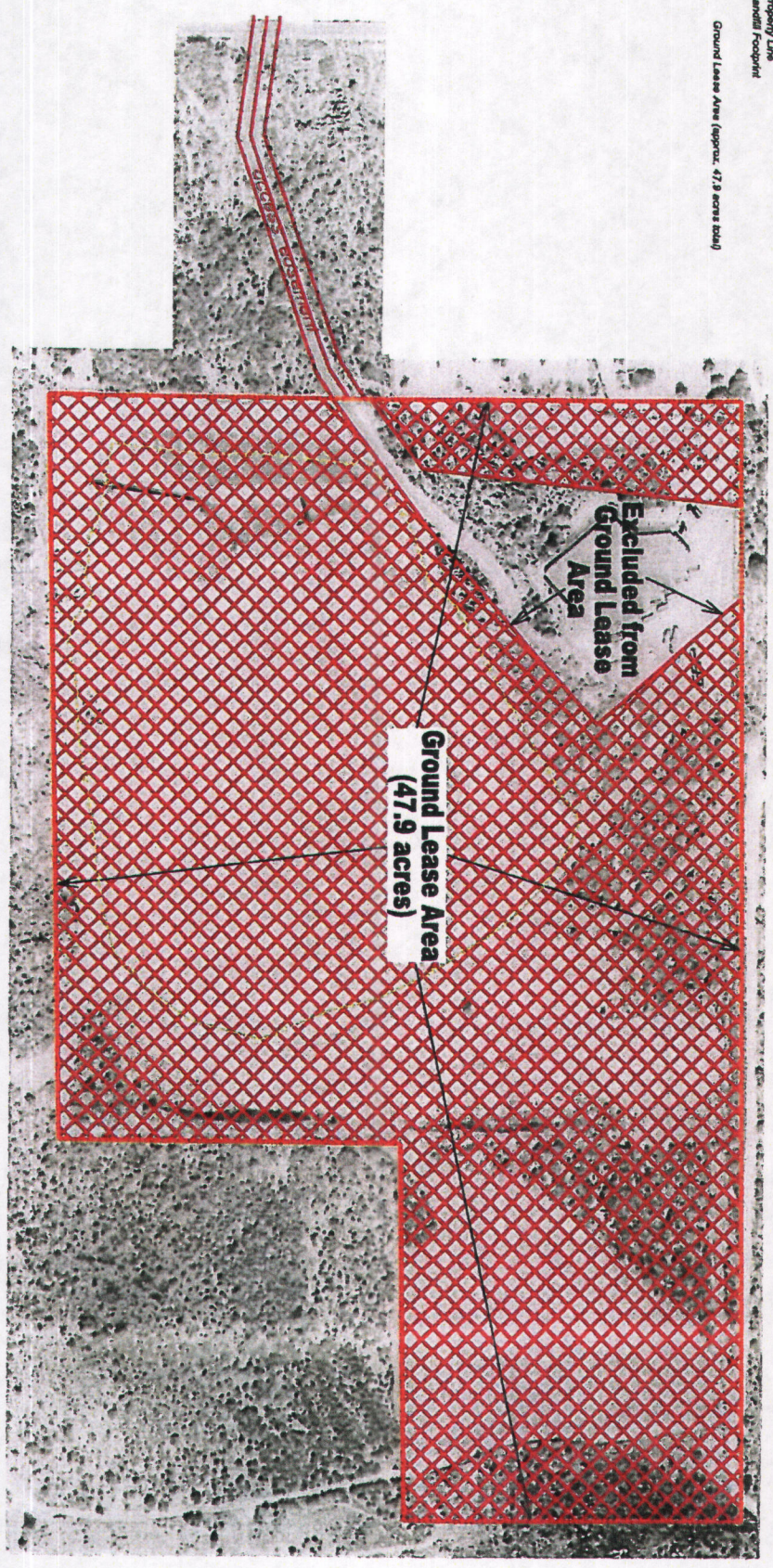
A third party QA/QC Consultant (approved by COUNTY) shall be retained by the LESSEE to perform the following standard soil tests for all finished grading work:

- Sieve Analysis – ASTM D422, One test per every 10,000 cy material placed
- Maximum Density and Optimum Moisture Content – ASTM D1557, One test per every 10,000 cy material placed
- Hydraulic Conductivity (Flexible Wall Method) – ASTM D5084, One test per every 5,000 cy material placed.
- Engineering Classification – ASTM D2487, One test per every 10,000 cy of material placed.

Third party QA/QC Consultant shall be on-site observing all work involved in processing, placing, and compacting material when performing grading work anywhere within the landfill facility.

All Cover Restoration Requirements are subject to the approval of the COUNTY, California Regional Water Quality Control Board, the Local Enforcement Agency, and the California Integrated Waste Management Board.

- Legend:
- Gas Probe
 - Water Well
 - Property Line
 - Landfill Footprint
 - Ground Lease Area (approx. 47.9 acres total)



NO.	REVISION	BY	APPROVED	DATE	DESIGNED BY	DRAWN BY
1						
2						
3						
4						
5						
6						
7						
8						
9						
10						

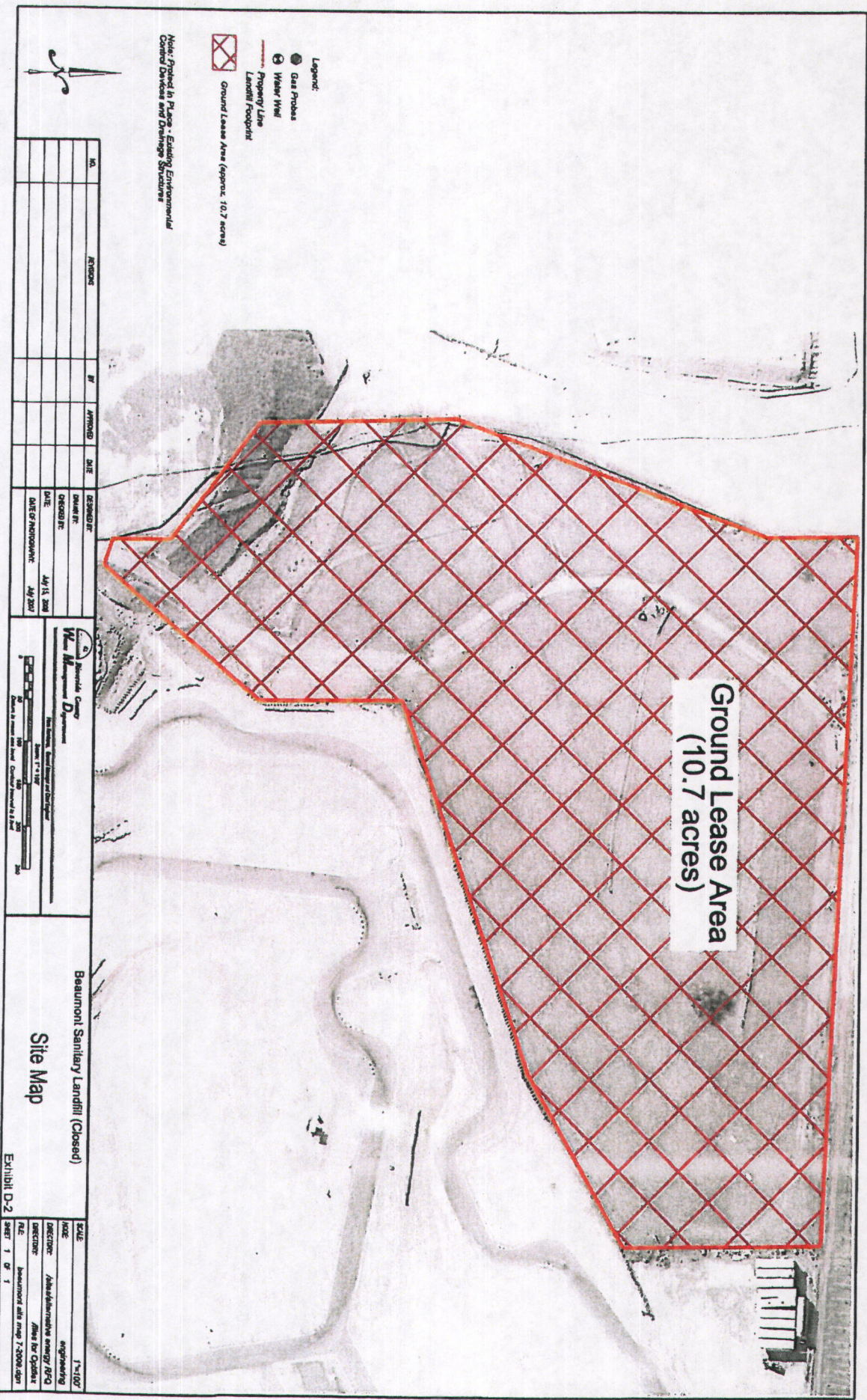
Wm. H. McLaughlin & Co., Inc.
Environmental Consulting Engineers
 1000 West 17th Street, Suite 100
 Denver, Colorado 80202
 Phone: 303.733.1100 Fax: 303.733.1101
 E-mail: info@wmhmc.com Website: www.wmhmc.com

Anza Sanitary Landfill (Closed)

Site Map

EXHIBIT D-1

SCALE:	1"=200'
DATE:	August 2007
PROJECT:	Atmospheric Emissions RFA
CLIENT:	City of Anza
FILE:	Anza site map 7-2000.dgn
SHEET:	1 OF 1




- Legend:
- Gas Probes
 - ⊗ Water Well
 - Property Line
 - Landfill Footprint
 - ⊠ Ground Lease Area (approx. 10.7 acres)

Note: Pinned in Place - Existing Environmental Control Devices and Drainage Structures



Ground Lease Area
(10.7 acres)

NO.	REVISION	BY	APPROVED	DATE	DESIGNED BY


W. M. Engineering & Design, Inc.
 1000 S. 10th Street, Suite 100
 Fort Worth, Texas 76104
 Phone: 817.335.1111
 Fax: 817.335.1112
 E-mail: info@wmengr.com
 Website: www.wmengr.com

Beaumont Sanitary Landfill (Closed)
Site Map
 Exhibit D-2

SCALE	1"=100'
DATE	August 1, 2004
DRAWN BY	W. M. Engineering & Design, Inc.
CHECKED BY	W. M. Engineering & Design, Inc.
DATE OF REVISION	Aug 2004
REVISION	Beaumont site map 1-2004.dgn
SHEET	1 of 1

Legend:
 Property Line
 Ground Lease Area (approx. 176 acres)



NO.	REVISION	BY	APPROVED	DATE	DESIGNED BY
1					DESIGNED BY
2					DATE
3					DATE OF PHOTOGRAPH
4					DATE
5					DATE
6					DATE
7					DATE
8					DATE
9					DATE
10					DATE

Desert Hot Springs Landfill (Closed)

Site Map

Scale: 1" = 300'

North Arrow

Legend:

- Property Line
- Ground Lease Area (approx. 176 acres)

NO.	REVISION	BY	APPROVED	DATE	DESIGNED BY
1					DESIGNED BY
2					DATE
3					DATE OF PHOTOGRAPH
4					DATE
5					DATE
6					DATE
7					DATE
8					DATE
9					DATE
10					DATE

EXHIBIT D-3

Sheet 1 of 1

EXHIBIT "E"

CONDITIONS OF CONSTRUCTION

Before any work of construction, alteration or repair is commenced on the Land or the Premises, and before any building materials have been delivered to the Land or the Premises by LESSEE or under LESSEE's authority, LESSEE shall comply with all the following conditions or procure COUNTY's written waiver of the condition or conditions:

1. LESSEE shall submit any changes to final working plans and specifications, and shall submit them first to the appropriate governmental agencies and then to COUNTY for approval. Changes from the plans shall be considered to be within the scope of the preliminary plans (a) if they are made to comply with suggestions, requests or requirements of a governmental agency or official in connection with the application for permit or approval, and (b) if they do not depart in size, utility, or value from the improvements described in the plans and specifications submitted to the appropriate governmental agencies and then COUNTY for approval.

Changes to the final construction plans and specifications shall be prepared by an architect or engineer licensed to practice in California, including but not limited to preliminary grading and drainage plans, soil tests, utilities, sewer and service connections, locations of ingress and egress to and from public thoroughfares, curbs, gutters, parkways, street lighting, designs and locations for outdoor signs, storage areas, architecture and landscaping, all sufficient to enable potential contractors and subcontractors to make reasonably accurate bid estimates. All improvements shall be constructed within the exterior property lines of the Premises; provided that required work beyond the Premises on utilities, access, and conditional use requirements do not violate this Provision. With the plans, LESSEE shall deliver to COUNTY the certificate of the Person who prepared the final changes to the plans and specifications (if not the COUNTY) certifying that LESSEE has fully paid for them or waiving payment and waiving any right to a Lien for preparing them and permitting COUNTY to use the plans without payment for purposes relevant to and consistent with this Lease.

LESSEE shall ensure that COUNTY receives concurrent copies of all correspondence, documents and drawings ("Papers") submitted by LESSEE to the various governmental agencies, and shall promptly deliver to COUNTY copies of all Papers received by LESSEE from such governmental agencies. LESSEE shall deliver to COUNTY one complete set of Plans and Specifications as approved by the governmental agencies.

2. Notify COUNTY of LESSEE's intention to commence a work of improvement at least twenty (20) days before commencement of any such work or delivery of any materials in connection therewith. The notice shall specify the approximate location and nature of the intended improvements. COUNTY shall have the right to post and maintain on the Premises any notices of nonresponsibility provided for under applicable law, and to inspect the Land and the Premises in relation to the construction at all reasonable times.

3. Furnish COUNTY with a true copy of LESSEE's contract with the general contractor. The contract shall give COUNTY the right but not the obligation to assume LESSEE's obligations and rights under that contract if LESSEE should default.

COUNTY may disapprove by notice given within thirty (30) business days following delivery of the copy of the contract. If LESSEE elects to act as general contractor, the reference above to contract and evidence shall be considered to apply to the subcontractor of each subcontract in excess of \$100,000.00.

4. Prior to twenty (20) days of LESSEE's commencement of a work of improvement on the Premises and/or delivery of materials therewith, LESSEE shall file with COUNTY (i) a payment bond in the favor of COUNTY in the amount of 100% of COUNTY'S estimate of the construction cost and (ii) a performance bond in the favor of COUNTY in the amount of 100% of COUNTY'S estimate of the construction cost securing LESSEE's faithful performance in any construction on the Premises in a bond form acceptable to COUNTY. These Bonds shall run concurrently for the period of construction. COUNTY shall release these bonds on the date that the facility(s) is deemed functional on a continuous basis as determined by COUNTY subject to LESSEE furnishing Performance Bonds, Insurance and Surety instruments required by this Lease. In the event that LESSEE's contractor supplies bonds which otherwise satisfy the foregoing requirements, LESSEE may not be required to supply duplicative bonds.

5. Procure and deliver to COUNTY, at LESSEE's expense, evidence of compliance with all then applicable codes, ordinances, regulations, and requirements for permits and approvals, including but not restricted to CEQA, NEPA, grading permits, building permits, zoning and planning requirements, and approvals from various governmental agencies and bodies having jurisdiction.

6. Deliver to COUNTY (1) certificates of insurance evidencing coverage for "builder's risk," (2) evidence of worker's compensation insurance covering all Persons employed in connection with the work and with respect to whom death or bodily injury claims could be asserted against COUNTY or the Premises, and (3) evidence that LESSEE has paid or caused to be paid all premiums for the coverage described above in this paragraph and any increase in premiums on insurance provided for in the provision on insurance, sufficient to assure maintenance of all insurance above during the anticipated course of the work. LESSEE shall maintain, keep in force, and pay all premiums required to maintain and keep in force all insurance above at all times during which such work is in progress.

LESSEE represents and warrants that all of the improvements constructed by LESSEE shall be constructed in compliance with the current COUNTY and State of California standards and laws applicable to the construction of public improvements, and in compliance with all applicable law or regulation with respect to the payment of prevailing wages, to the extent applicable to LESSEE. The parties agree that one of the purposes of this Lease is for the construction of the improvements on the Premises, and is not, nor is it intended to be, a public works contract. In performing this Lease, LESSEE is an independent contractor and not the agent of COUNTY. COUNTY shall not have any responsibility for payment to any contractor or supplier of LESSEE. Notwithstanding the foregoing, LESSEE understands that it may be subject to certain public contract requirements as provided by law, and to the extent that LESSEE is subject to such requirements, LESSEE shall comply with all such requirements.

EXHIBIT "F"

LEGAL DESCRIPTION

(TO BE PROVIDED)

EXHIBIT "G"

MONTHLY GROSS INCOME STATEMENT

LESSEE: _____

LEASE NO: _____

FOR THE MONTH OF: _____

GROSS REVENUE RECEIVED \$ _____

OTHER INCOME \$ _____

TOTAL AMOUNT \$ _____

FIVE PERCENT (5%) DUE TO COUNTY: \$ _____

TOTAL PAYABLE TO COUNTY \$ _____

I HEREBY CERTIFY UNDER PENALTY OF PERJURY THE ABOVE STATEMENTS ARE TRUE AND CORRECT.

Signed: _____
(Lessee)

Date: _____

Print: _____
(Lessee)