

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

469



FROM: Waste Management Department

SUBMITTAL DATE:
November 26, 2013

SUBJECT: Approval of Landfill Lease Agreements between the County of Riverside and the County Waste Management Department, All Districts, [No ongoing cost to County]

RECOMMENDED MOTION: That the Board of Supervisors:

1. Receive and File the attached landfill appraisal report by Valentine Appraisals and Associates; and;
2. Authorize the Chairman to execute the landfill lease agreements on behalf of the Board; and
3. Authorize the Auditor Controller to transfer the amounts set forth in the landfill leases from the Waste Management Enterprise Fund to the General Fund.

BACKGROUND:

Summary

As part of the County's effort to seek new General Fund revenue from the County's landfill system, the Board directed staff to appraise active, inactive and closed landfills in order to establish an annual landfill lease payment for landfills owned by the County, yet originally purchased with General Fund revenue. (continued)

Hans Kernkamp
General Manager-Chief Engineer

FINANCIAL DATA	Current Fiscal Year:	Next Fiscal Year:	Total Cost:	Ongoing Cost:	POLICY/CONSENT (per Exec. Office)
COST	\$ 8.48M	\$ 1.82M	\$ 53.9M	\$ 1.82M	Consent <input type="checkbox"/> Policy <input type="checkbox"/>
NET COUNTY COST	\$	\$	\$	\$	

SOURCE OF FUNDS: Waste Management Fund
Budget Adjustment: No
For Fiscal Year: FY13-14

C.E.O. RECOMMENDATION:

APPROVE

BY:
Alex Gann

County Executive Office Signature

MINUTES OF THE BOARD OF SUPERVISORS

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

Ayes: Jeffries, Tavaglione, Stone, Benoit and Ashley
Nays: None
Absent: None
Date: November 26, 2013
xc: Waste, Auditor

Kecia Harper-Ihem
Clerk of the Board
By:
Deputy

FISCAL PROCEDURES APPROVED
 PAUL ANGULO, CPA, AUDITOR-CONTROLLER
 BY:
 11/14/13

FORM APPROVED COUNTY COUNSEL
 BY:
 DALE A. GARDNER
 11/14/13
 DATE

Departmental Concurrence

A-30
 4/5 Vote
 Positions Added
 Change Order

SUBMITTAL TO THE BOARD OF SUPERVISORS, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA
FORM 11: Approval of Landfill Lease Agreements between the County of Riverside and the County
Waste Management Department, All Districts, [No ongoing cost to County]

DATE: November 26, 2013

PAGE: Page 2 of 2

BACKGROUND:

Summary (continued)

Under the authority of the Economic Development Agency, the County procured the services of Valentine Appraisal & Associates, to perform a valuation appraisal on twenty (20) County landfills (which were originally purchased with General Fund revenue) in order to determine the fair market value of each landfill. An annual lease rate was then established based on the fair market values determined by the appraisal. The total amount of annual rent as established by the appraisal report is \$1.82 million. The results of the appraisal report are summarized in Attachment A. County Counsel has prepared the attached landfill leases, which have a 30-year term to coincide with the State regulatory landfill performance period. Per the recommendation of Counsel, the leases should have an effective date of no more than four years in arrears. Therefore, the total amount to be transferred to the General Fund by today's recommended action is \$8.48 million (2/3 pro-rated back rent from November FY 09/10, FY10/11, FY 11/12, FY12/13 and FY 13/14). Staff is recommending that the Board execute the leases.

Impact on Citizens and Businesses

The lease agreements have been reviewed and determined to be exempt from CEQA pursuant to CEQA Guidelines 15061(b)(3). It can be seen with certainty that there is no possibility that the activity in question could have a significant effect on the environment; therefore, the activity is not subject to CEQA. Furthermore, the land lease agreements will not result in an increase in rates charged to landfill customers.

SUPPLEMENTAL:

Additional Fiscal Information

There is no cost to the General Fund related to this action. The lease agreements will generate new annual revenue of \$1.82 million for the next 30 years, for a total of \$53.9 million.

Contract History and Price Reasonableness

The appraisal contract was competitively bid and the appraisal was conducted by a certified licensed appraiser in accordance with the requirements set forth by the Uniform Standards of Professional Appraisal Practice (USPAP) of the Appraisal Foundation, California State law, and federal regulations.

EXHIBIT A

NAME	Appraisal	Per Acre	Appraisal Report	Lump Sum Payment
	Acres	Rent	Annual Rent	FY09/10 (partial) to FY12/13
ANZA	51.65	\$12,000	\$34,100	\$125,033
BADLANDS	1,096.38	\$8,500	\$512,600	\$1,879,533
BEAUMONT	10.69	\$12,000	\$7,100	\$26,033
BLYTHE	326.98	\$6,000	\$107,900	\$395,633
BUNDY CANYON	83.87	\$8,500	\$39,200	\$143,733
CORONA	18.91	\$13,000	\$13,500	\$49,500
DESERT HOT SPRINGS	200.00	\$6,000	\$66,000	\$242,000
DOUBLE BUTTE	574.07	\$8,500	\$268,400	\$984,133
HIGHGROVE	190.48	\$8,500	\$89,000	\$326,333
HOMELAND	4.26	\$8,000	\$1,900	\$6,967
IDYLLWILD	25.83	\$8,000	\$11,400	\$41,800
LAKEVIEW	7.10	\$12,000	\$4,700	\$17,233
LAMB CANYON	784.85	\$8,500	\$366,900	\$1,345,300
MEAD VALLEY	240.00	\$8,500	\$112,200	\$411,400
MECCA 1	20.00	\$12,000	\$13,200	\$48,400
MECCA 2	77.75	\$12,000	\$51,300	\$188,100
MENIFEE	19.09	\$8,000	\$8,400	\$30,800
MIRA LOMA	8.11	\$8,000	\$3,600	\$13,200
OASIS	154.47	\$7,000	\$59,500	\$218,167
WEST RIVERSIDE	70.69	\$12,000	\$46,700	\$171,233
Total	3,965.18		\$1,817,600	\$6,664,533

LANDFILL LEASE AGREEMENT

between

COUNTY OF RIVERSIDE
a political subdivision of the State of California

as Lessor

and

RIVERSIDE COUNTY WASTE MANAGEMENT DEPARTMENT

as Lessee

Blythe Landfill

NOV 26 2013 12-20

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LANDFILL LEASE AGREEMENT

THIS LANDFILL LEASE AGREEMENT ("Lease") is dated for reference purposes November 1, 2013, and is made by and between the **COUNTY OF RIVERSIDE**, a political subdivision of the State of California ("Lessor"), and **RIVERSIDE COUNTY WASTE MANAGEMENT DEPARTMENT** ("Lessee").

RECITALS

A. Lessor is the owner of the real estate otherwise known as the Blythe Landfill described on **EXHIBIT A** attached hereto ("Land") in the County of Riverside, California.

B. Lessor intends to lease the Land to Lessee pursuant to this Lease, and Lessee intends to use the land to operate and maintain a landfill.

C. Lessee shall pay an annual rental for use and occupancy of the Land retroactive to November 1, 2009.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are mutually acknowledged, the parties hereto agree as follows:

1. The Demise.

1.1 Demise. In consideration of the rents, covenants and agreements contained in this Lease, Lessor hereby leases the Land to Lessee, and Lessee hereby leases the Land from Lessor upon and subject to the conditions set forth in this Lease, and subject to all encumbrances and matters of record as of the date of this Lease.

1.2 Use of the Land. The Land shall be used and occupied only for the purpose of operating and maintaining a landfill. Lessee shall not use or permit the Land to be used for any other purpose without the prior written approval of Lessor.

1.3 Leasehold Encumbrances. The leasehold interest in the Land granted to Lessee by Lessor shall be subject only to those exceptions based upon a preliminary title report obtained by Lessee, a copy of which has been previously provided to and approved by Lessor.

2. Term.

2.1 Commencement. The term of this Lease shall commence on the "Effective Date," which is retroactively set as of November 1, 2009.

2.2 Duration. The term of this Lease shall commence on the Effective Date and shall terminate on June 30, 2039 ("Term").

3. Rent. Lessee shall pay to Lessor annual rent during the Term at the rate of \$107,900 per year payable, in whole, in advance, on or before July 1st for the Fiscal Year

beginning on that July 1st. For Fiscal Year 13-14, only, Lessee shall pay the annual rent within 30 calendar days of the full execution of this Lease. In addition, Lessee shall pay a lump sum of \$395,633 for pro-rated back rent owed for Fiscal Year 09-10; Fiscal Year 10-11; Fiscal Year 11-12; and Fiscal Year 12-13 within 30 calendar days of the full execution of this Lease.

4. Taxes. Lessee shall be solely responsible for the payment of and shall pay and discharge all taxes which are incurred under or in respect of this Lease.

5. Condition of the Land.

5.1 "As Is". Lessee hereby accepts the Land "as is" in its existing condition; provided, however, that Lessor shall be solely responsible for all claims, judgments, damages, penalties, fines, expenses, liabilities or losses relating to the presence, release or disposal of hazardous substances that (i) were present in the soil, groundwater or soil vapor on or under the Land as of the Effective Date of this Lease, (ii) are at any time present on any adjacent property owned or controlled by Lessor and which result in contamination of the Land, or (iii) contaminate the Land as a result of the act or omission of Lessor or the act or omission of any party for which Lessor is liable. Lessor's obligation shall include any costs of investigation or remediation of such toxic or hazard substances that may be required by any federal, state or local government agency. Lessor shall not be responsible for any claims, judgments, damages, penalties, fines, expenses, liabilities or losses relating to the release or disposal of hazardous substances on the Land caused by Lessee or by the act or omission of Lessee's contractors or their subcontractors or any other party for which Lessee is liable, and the responsibility for the same shall remain with Lessee.

5.2 Lessor's Right to Inspect. Lessor shall have the right to inspect the Land at any time.

6. Indemnity and Hold Harmless.

6.1 Indemnification by Lessor. To the extent authorized by law, Lessor shall indemnify, defend and hold harmless Lessee and its elected and appointed officers, officials, representatives, employees, and agents (the "Indemnified Lessee Parties") from and against any and all liability, demands, liens, damages, claims, causes of action, expenses, and fees (including reasonable attorney's fees and costs and expert witness fees) for bodily injury, property damage, and death (hereinafter collectively referred to as "Liabilities"), arising out of or relating to the negligent acts, errors, or omissions of Lessor including, without limitation, any breach of this Lease except to the extent that such Liabilities are caused by the negligence or willful misconduct of Lessee.

6.2 Indemnification by Lessee. To the extent authorized by law, Lessee shall indemnify, defend and hold harmless Lessor and its elected and appointed officers, officials, representatives, employees, and agents (the "Indemnified Lessor Parties") from and against any and all Liabilities (as defined in Section 6.1), arising out of or relating to the negligent acts, errors, or omissions of Lessee including, without limitation, any breach of this Lease except to the extent that such Liabilities are caused by the negligence or willful misconduct of Lessor.

6.3 Survival. The indemnification provisions of this Section shall remain in full force and effect and survive the termination and/or expiration of this Lease.

7. Eminent Domain. In the event of any taking of the Land, partial or whole, Lessor shall be entitled to the entire award judgment or settlement from the condemning authority for the value of the Land taken by the condemning authority.

8. Events of Default by Lessee and Lessor's Remedies.

8.1 Events of Default. The following occurrences or acts shall constitute an event of default under this Lease:

(a) **Failure to Perform.** If Lessee shall (i) default in making payment when due of any rent or any other amount payable by Lessee hereunder; or (ii) default in the observance or performance of any other substantial provision of this Lease to be observed or performed by Lessee hereunder; and, in either case, if such default shall continue for thirty (30) days, in each case after Lessor shall have given to Lessee notice specifying such default and demanding that the same be cured, or, with respect to a default under subsection (ii), if by reason of the nature thereof such default cannot be cured by the payment of money and cannot with due diligence be wholly cured within such period of thirty (30) days, if Lessee shall fail to proceed promptly to cure the same and thereafter prosecute the curing of such default and with all due diligence; it being intended in connection with a default not susceptible of being wholly cured with due diligence within such period that the time within which to cure the same shall be extended for such period as may be necessary to complete the curing of the same with all due diligence; or

(b) **Lessee's Financial Condition.** If Lessee shall make a general assignment for the benefit of creditors, or shall file a petition in bankruptcy, or shall be adjudicated as bankrupt or insolvent, or shall file a petition seeking any reorganization, arrangement, composition, readjustment, liquidation, dissolution or similar relief under any present or future statute, law or regulation, or shall file an answer admitting or shall fail seasonably to contest the material allegations of a petition filed against it in any such proceeding, or shall seek or consent to or acquiesce in the appointment of any trustee, receiver or liquidator of Lessee or any material part of its properties.

8.2 Remedies Upon Lessee's Default. In the event of any default by Lessee as defined hereinabove which default remains uncured after the expiration of the respective period set forth above, Lessor may exercise any remedy which may be available to Lessor at law or equity, including but not limited to actions for damages, and/or injunctive relief, including termination of this Lease.

8.3 Cumulative Rights and Remedies. The rights and remedies reserved to Lessor herein, including those not specifically described, shall be cumulative, and except as provided by California statutory law in effect at the time, Lessor may pursue any and all such rights and remedies at the same time or independently.

8.4 No Waiver. No delay or omission of Lessor to exercise any right or remedy shall, except as expressly provided herein, be construed as a waiver of any such right or

remedy or of any default by Lessee hereunder. The acceptance by Lessor of rent shall not be a waiver of any preceding breach or default by Lessee of any provision hereof, other than the failure of Lessee to pay the particular rent accepted, regardless of Lessor's knowledge of such preceding breach or default at the time of acceptance of such rent, or, except as expressly set forth herein, a waiver of Lessor's right to exercise any remedy available to Lessor by virtue of such breach or default.

8.5 Attorneys' Fees. In the event suit is brought by Lessor or Lessee relating to this Lease, including for the breach of any covenant or condition of this Lease, each party shall bear its own costs and expenses, including attorneys' fees, regardless of the prevailing party.

9. Quiet Enjoyment. If and so long as Lessee shall pay all rent payable by Lessee hereunder whenever the same shall become due and shall keep all of the covenants and conditions required by it to be kept during this Lease and shall perform all of its other obligations hereunder, Lessor covenants and agrees that Lessor will not interfere with the peaceful and quiet occupation and enjoyment of the Land by Lessee, which occupation and enjoyment shall be without hindrance, ejection or molestation by Lessor.

10. Compliance with Laws. Lessee shall not use the Land or permit anything to be done in or about the Land which will in any way conflict with any law, statute, ordinance or governmental rule or regulation now in force or which may hereafter be enacted or promulgated. Lessee shall, at its sole cost and expense, promptly comply with all laws, statutes, ordinances and governmental rules, regulations or requirements now in force or which may hereafter be in force, and obtain all permits, licenses or other approvals required by governmental agencies or bodies. Lessee shall further comply with the requirements of any board or other similar bodies now or hereafter constituted, relating to, or affecting the condition, use or occupancy of the Land.

11. Waiver Limitations. The waiver by either party of any term, covenant or condition herein contained on the part of the other party to be performed shall not be deemed a waiver of such term, covenant or condition for any subsequent breach of the same or any other term, covenant or condition herein contained. The subsequent acceptance by Lessor of Lessee's performance of any obligations hereunder shall not be deemed to be a waiver of any preceding breach by Lessee of any term, covenant or condition of this Lease.

12. Notices. All notices or requests required or permitted under this Lease shall be in writing, shall be personally delivered or sent by certified mail, return receipt requested, postage prepaid, by nationally recognized overnight courier or by confirmed email transmission and shall be deemed given when so delivered, received or emailed (provided sender obtains a confirmation of receipt). All notices or requests shall be sent as follows:

If to Lessor: County of Riverside
Real Estate Division
3403 Tenth Street, Suite 500
Riverside, California 92501

If to Lessee: Riverside County Waste Management Department
14310 Frederick Street
Moreno Valley, California 92553

Any party may change the address to which notices shall be sent by notice to the other party in the manner and with the effect set forth in this Section.

13. Assignment and Subleasing.

13.1 Subleasing. Any proposed subleases of the Land shall be subject to the review and prior written approval of Lessor. Lessee shall not sublease the Land without the prior written consent of Lessor.

13.2 Assignment. Lessee shall not assign, mortgage, or encumber this Lease or delegate the duties of Lessee under this Lease without the prior written consent of Lessor. A consent to one assignment shall not be deemed to be a consent by Lessor to any subsequent assignment. This Lease shall not, nor shall any interest of Lessee herein, be assignable by operation of law, without prior written consent of Lessor.

14. Miscellaneous.

14.1 Time of Essence. Time is of the essence in regard to performance of the covenants and agreements stated herein.

14.2 No Joint Venture or Agency. Nothing contained in this Lease nor any of the acts of the parties hereto shall be construed nor is it the intent of the parties, to create a joint venture or partnership between Lessor and Lessee, nor is either party the agent or representative of the other, and nothing in this Lease shall be construed to create any such agency relationship or to hold either party liable to anyone for goods delivered or services performed at the request of the other party.

14.3 Amendments. No change in or addition to or waiver or termination of this Lease or any part hereof, shall be valid unless made in writing and signed by or on behalf of the Lessor and Lessee.

14.4 Governing Law. This Lease shall be construed in accordance with and governed by the laws of the State of California.

14.5 Jurisdiction/Venue. In the event any action is brought to enforce any of the provisions of this Lease, the parties agree to be subject to exclusive in personam jurisdiction in the Superior Court of California, County of Riverside, and agree that in any such action venue shall lie exclusively in Riverside County, California.

14.6 Headings. The article, section and paragraph headings herein contained are for the purposes of identification and reference convenience only and shall not be considered in construing this Lease.

14.7 Successors and Assigns. Subject to the provisions hereof restricting the sublease or assignment by Lessee, all the terms and provisions of this Lease shall be binding upon and to the benefit of and be enforceable by the parties and the successors and assigns of the parties.

14.8 No Merger. In no event shall the leasehold interest of Lessee hereunder merge with any estate of Lessor in or to the Land and this Lease shall remain in full force and effect.

14.9 Counterparts; Recording of Memorandum. This Lease may be executed in several counterparts, each of which shall be deemed an original for all purposes. Either Lessor or Lessee shall have the right to record a memorandum of this Lease and the parties shall cooperate in execution of such memorandum.

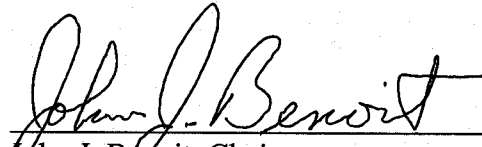
14.10 Schedule of Exhibits. This Lease includes the following exhibits attached hereto and incorporated herein by this reference.

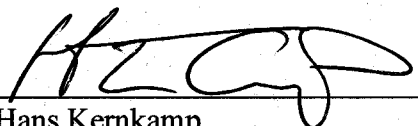
EXHIBIT A Land Legal Description

14.11 Approval. This Lease shall not be binding or effective until its approval by the Chairman of the Board of the Riverside County Board of Supervisors.


LESSOR:
COUNTY OF RIVERSIDE


LESSEE:
RIVERSIDE COUNTY
WASTE MANAGEMENT DEPARTMENT

By: 
John J. Benoit, Chairman
Board of Supervisors

By: 
Hans Kernkamp
General Manager-Chief Engineer

APPROVED AS TO FORM:
Pamela J. Walls
County Counsel

ATTEST:
KECIA HARPER-JHEM, Clerk
By: 
DEPUTY

By: 
Dale A. Gardner
Deputy County Counsel

California Certificate of Acknowledgment

STATE OF CALIFORNIA

COUNTY OF RIVERSIDE

} ss.

On _____, 2013, before me, _____, personally appeared _____, who proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument and acknowledged to me that [he/she] executed the same in [his/her] authorized capacity, and that by [his/her] signature on the instrument the person, or the entity upon behalf of which the person acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

(Signature of California Notary Public)

Additional Optional Information*

*Though the data below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent reattachment of this form.

DESCRIPTION OF ATTACHED DOCUMENT

Landfill Lease

(Title or Description of Attached Document)

Number of Pages: _____

Document Date: _____

(Additional Information)

CAPACITY CLAIMED BY THE SIGNER

- Individual
- Corporate Officer: _____
(Title)
- Partner (Limited)
- Partner (General)
- Attorney-in-Fact
- Trustee
- Guardian/Conservator
- Other: _____

SIGNER IS REPRESENTING:

SIGNER(S) OTHER THAN NAMED ABOVE:

California Certificate of Acknowledgment

STATE OF CALIFORNIA
COUNTY OF RIVERSIDE

} ss.

On _____, 2013, before me, _____, personally appeared _____, who proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument and acknowledged to me that [he/she] executed the same in [his/her] authorized capacity, and that by [his/her] signature on the instrument the person, or the entity upon behalf of which the person acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

(Signature of California Notary Public)

Additional Optional Information*

*Though the data below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent reattachment of this form.

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Landfill Lease

(Title or Description of Attached Document)

Number of Pages: _____

Document Date: _____

(Additional Information)

CAPACITY CLAIMED BY THE SIGNER

- Individual
- Corporate Officer: _____
(Title)
- Partner (Limited)
- Partner (General)
- Attorney-in-Fact
- Trustee
- Guardian/Conservator
- Other: _____

SIGNER IS REPRESENTING:

**SIGNER(S) OTHER THAN
NAMED ABOVE:**

EXHIBIT A
LAND LEGAL DESCRIPTION

Blythe Landfill (Active)

Assessor's Parcel Number (APN) for year 2013

APN: 812-340-003, 812-341-003, 815-171-001, and 815-172-001

Legal Description

PARCEL 1:

THE SOUTH HALF OF THE SOUTHEAST QUARTER OF SECTION 25, TOWNSHIP 5 SOUTH, RANGE 22 EAST, SAN BERNARDINO BASE AND MERIDIAN.

PARCEL 2:

GOVERNMENT LOTS 1,2,3 AND NORTHEAST QUARTER OF THE SOUTHWEST QUARTER AND THE EAST HALF OF THE NORTHWEST QUARTER OF SECTION 31. TOWNSHIP 31, RANGE 23 EAST, SAN BERNARDINO BASE AND MERIDIAN.

EXCEPTING THEREFROM THOSE PORTIONS OF MIDLAND ROAD, WHICH WERE ACCEPTED AND DECLARED A COUNTY HIGHWAY IN BOARD OF SUPERVISORS MINUTE BOOK 41. PAGE 557. RECORDED APRIL 25, 1949, RECORDS OF RIVERSIDE COUNTY. CALIFORNIA. AFFECTING PARCEL 1 AND PARCEL 2.

LANDFILL LEASE AGREEMENT

between

COUNTY OF RIVERSIDE
a political subdivision of the State of California

as Lessor

and

RIVERSIDE COUNTY WASTE MANAGEMENT DEPARTMENT

as Lessee

Beaumont Landfill

NOV 26 2013 12-20

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LANDFILL LEASE AGREEMENT

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RECITALS

- A.** Lessor is the owner of the real estate otherwise known as the Beaumont Landfill described on **EXHIBIT A** attached hereto ("Land") in the County of Riverside, California.
- B.** Lessor intends to lease the Land to Lessee pursuant to this Lease, and Lessee intends to use the land to operate and maintain a landfill.
- C.** Lessee shall pay an annual rental for use and occupancy of the Land retroactive to November 1, 2009.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are mutually acknowledged, the parties hereto agree as follows:

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1.3 Leasehold Encumbrances. The leasehold interest in the Land granted to Lessee by Lessor shall be subject only to those exceptions based upon a preliminary title report obtained by Lessee, a copy of which has been previously provided to and approved by Lessor.

2. Term.

2.1 Commencement. The term of this Lease shall commence on the "Effective Date," which is retroactively set as of November 1, 2009.

2.2 Duration. The term of this Lease shall commence on the Effective Date and shall terminate on June 30, 2039 ("Term").

3. Rent. Lessee shall pay to Lessor annual rent during the Term at the rate of \$7,100 per year payable, in whole, in advance, on or before July 1st for the Fiscal Year beginning on that

July 1st. For Fiscal Year 13-14, only, Lessee shall pay the annual rent within 30 calendar days of the full execution of this Lease. In addition, Lessee shall pay a lump sum of \$26,033 for pro-rated back rent owed for Fiscal Year 09-10; Fiscal Year 10-11; Fiscal Year 11-12; and Fiscal Year 12-13 within 30 calendar days of the full execution of this Lease.

4. Taxes. Lessee shall be solely responsible for the payment of and shall pay and discharge all taxes which are incurred under or in respect of this Lease.

5. Condition of the Land.

5.1 "As Is". Lessee hereby accepts the Land "as is" in its existing condition; provided, however, that Lessor shall be solely responsible for all claims, judgments, damages, penalties, fines, expenses, liabilities or losses relating to the presence, release or disposal of hazardous substances that (i) were present in the soil, groundwater or soil vapor on or under the Land as of the Effective Date of this Lease, (ii) are at any time present on any adjacent property owned or controlled by Lessor and which result in contamination of the Land, or (iii) contaminate the Land as a result of the act or omission of Lessor or the act or omission of any party for which Lessor is liable. Lessor's obligation shall include any costs of investigation or remediation of such toxic or hazard substances that may be required by any federal, state or local government agency. Lessor shall not be responsible for any claims, judgments, damages, penalties, fines, expenses, liabilities or losses relating to the release or disposal of hazardous substances on the Land caused by Lessee or by the act or omission of Lessee's contractors or their subcontractors or any other party for which Lessee is liable, and the responsibility for the same shall remain with Lessee.

5.2 Lessor's Right to Inspect. Lessor shall have the right to inspect the Land at any time.

6. Indemnity and Hold Harmless.

6.1 Indemnification by Lessor. To the extent authorized by law, Lessor shall indemnify, defend and hold harmless Lessee and its elected and appointed officers, officials, representatives, employees, and agents (the "Indemnified Lessee Parties") from and against any and all liability, demands, liens, damages, claims, causes of action, expenses, and fees (including reasonable attorney's fees and costs and expert witness fees) for bodily injury, property damage, and death (hereinafter collectively referred to as "Liabilities"), arising out of or relating to the negligent acts, errors, or omissions of Lessor including, without limitation, any breach of this Lease except to the extent that such Liabilities are caused by the negligence or willful misconduct of Lessee.

6.2 Indemnification by Lessee. To the extent authorized by law, Lessee shall indemnify, defend and hold harmless Lessor and its elected and appointed officers, officials, representatives, employees, and agents (the "Indemnified Lessor Parties") from and against any and all Liabilities (as defined in Section 6.1), arising out of or relating to the negligent acts, errors, or omissions of Lessee including, without limitation, any breach of this Lease except to the extent that such Liabilities are caused by the negligence or willful misconduct of Lessor.

6.3 Survival. The indemnification provisions of this Section shall remain in full force and effect and survive the termination and/or expiration of this Lease.

7. Eminent Domain. In the event of any taking of the Land, partial or whole, Lessor shall be entitled to the entire award judgment or settlement from the condemning authority for the value of the Land taken by the condemning authority.

8. Events of Default by Lessee and Lessor's Remedies.

8.1 Events of Default. The following occurrences or acts shall constitute an event of default under this Lease:

(a) **Failure to Perform.** If Lessee shall (i) default in making payment when due of any rent or any other amount payable by Lessee hereunder; or (ii) default in the observance or performance of any other substantial provision of this Lease to be observed or performed by Lessee hereunder; and, in either case, if such default shall continue for thirty (30) days, in each case after Lessor shall have given to Lessee notice specifying such default and demanding that the same be cured, or, with respect to a default under subsection (ii), if by reason of the nature thereof such default cannot be cured by the payment of money and cannot with due diligence be wholly cured within such period of thirty (30) days, if Lessee shall fail to proceed promptly to cure the same and thereafter prosecute the curing of such default and with all due diligence; it being intended in connection with a default not susceptible of being wholly cured with due diligence within such period that the time within which to cure the same shall be extended for such period as may be necessary to complete the curing of the same with all due diligence; or

(b) **Lessee's Financial Condition.** If Lessee shall make a general assignment for the benefit of creditors, or shall file a petition in bankruptcy, or shall be adjudicated as bankrupt or insolvent, or shall file a petition seeking any reorganization, arrangement, composition, readjustment, liquidation, dissolution or similar relief under any present or future statute, law or regulation, or shall file an answer admitting or shall fail seasonably to contest the material allegations of a petition filed against it in any such proceeding, or shall seek or consent to or acquiesce in the appointment of any trustee, receiver or liquidator of Lessee or any material part of its properties.

8.2 Remedies Upon Lessee's Default. In the event of any default by Lessee as defined hereinabove which default remains uncured after the expiration of the respective period set forth above, Lessor may exercise any remedy which may be available to Lessor at law or equity, including but not limited to actions for damages, and/or injunctive relief, including termination of this Lease.

8.3 Cumulative Rights and Remedies. The rights and remedies reserved to Lessor herein, including those not specifically described, shall be cumulative, and except as provided by California statutory law in effect at the time, Lessor may pursue any and all such rights and remedies at the same time or independently.

8.4 No Waiver. No delay or omission of Lessor to exercise any right or remedy shall, except as expressly provided herein, be construed as a waiver of any such right or

remedy or of any default by Lessee hereunder. The acceptance by Lessor of rent shall not be a waiver of any preceding breach or default by Lessee of any provision hereof, other than the failure of Lessee to pay the particular rent accepted, regardless of Lessor's knowledge of such preceding breach or default at the time of acceptance of such rent, or, except as expressly set forth herein, a waiver of Lessor's right to exercise any remedy available to Lessor by virtue of such breach or default.

8.5 Attorneys' Fees. In the event suit is brought by Lessor or Lessee relating to this Lease, including for the breach of any covenant or condition of this Lease, each party shall bear its own costs and expenses, including attorneys' fees, regardless of the prevailing party.

9. Quiet Enjoyment. If and so long as Lessee shall pay all rent payable by Lessee hereunder whenever the same shall become due and shall keep all of the covenants and conditions required by it to be kept during this Lease and shall perform all of its other obligations hereunder, Lessor covenants and agrees that Lessor will not interfere with the peaceful and quiet occupation and enjoyment of the Land by Lessee, which occupation and enjoyment shall be without hindrance, ejection or molestation by Lessor.

10. Compliance with Laws. Lessee shall not use the Land or permit anything to be done in or about the Land which will in any way conflict with any law, statute, ordinance or governmental rule or regulation now in force or which may hereafter be enacted or promulgated. Lessee shall, at its sole cost and expense, promptly comply with all laws, statutes, ordinances and governmental rules, regulations or requirements now in force or which may hereafter be in force, and obtain all permits, licenses or other approvals required by governmental agencies or bodies. Lessee shall further comply with the requirements of any board or other similar bodies now or hereafter constituted, relating to, or affecting the condition, use or occupancy of the Land.

11. Waiver Limitations. The waiver by either party of any term, covenant or condition herein contained on the part of the other party to be performed shall not be deemed a waiver of such term, covenant or condition for any subsequent breach of the same or any other term, covenant or condition herein contained. The subsequent acceptance by Lessor of Lessee's performance of any obligations hereunder shall not be deemed to be a waiver of any preceding breach by Lessee of any term, covenant or condition of this Lease.

12. Notices. All notices or requests required or permitted under this Lease shall be in writing, shall be personally delivered or sent by certified mail, return receipt requested, postage prepaid, by nationally recognized overnight courier or by confirmed email transmission and shall be deemed given when so delivered, received or emailed (provided sender obtains a confirmation of receipt). All notices or requests shall be sent as follows:

If to Lessor: County of Riverside
Real Estate Division
3403 Tenth Street, Suite 500
Riverside, California 92501

If to Lessee: Riverside County Waste Management Department
14310 Frederick Street
Moreno Valley, California 92553

Any party may change the address to which notices shall be sent by notice to the other party in the manner and with the effect set forth in this Section.

13. Assignment and Subleasing.

13.1 Subleasing. Any proposed subleases of the Land shall be subject to the review and prior written approval of Lessor. Lessee shall not sublease the Land without the prior written consent of Lessor.

13.2 Assignment. Lessee shall not assign, mortgage, or encumber this Lease or delegate the duties of Lessee under this Lease without the prior written consent of Lessor. A consent to one assignment shall not be deemed to be a consent by Lessor to any subsequent assignment. This Lease shall not, nor shall any interest of Lessee herein, be assignable by operation of law, without prior written consent of Lessor.

14. Miscellaneous.

14.1 Time of Essence. Time is of the essence in regard to performance of the covenants and agreements stated herein.

14.2 No Joint Venture or Agency. Nothing contained in this Lease nor any of the acts of the parties hereto shall be construed nor is it the intent of the parties, to create a joint venture or partnership between Lessor and Lessee, nor is either party the agent or representative of the other, and nothing in this Lease shall be construed to create any such agency relationship or to hold either party liable to anyone for goods delivered or services performed at the request of the other party.

14.3 Amendments. No change in or addition to or waiver or termination of this Lease or any part hereof, shall be valid unless made in writing and signed by or on behalf of the Lessor and Lessee.

14.4 Governing Law. This Lease shall be construed in accordance with and governed by the laws of the State of California.

14.5 Jurisdiction/Venue. In the event any action is brought to enforce any of the provisions of this Lease, the parties agree to be subject to exclusive in personam jurisdiction in the Superior Court of California, County of Riverside, and agree that in any such action venue shall lie exclusively in Riverside County, California.

14.6 Headings. The article, section and paragraph headings herein contained are for the purposes of identification and reference convenience only and shall not be considered in construing this Lease.

14.7 Successors and Assigns. Subject to the provisions hereof restricting the sublease or assignment by Lessee, all the terms and provisions of this Lease shall be binding upon and to the benefit of and be enforceable by the parties and the successors and assigns of the parties.

14.8 No Merger. In no event shall the leasehold interest of Lessee hereunder merge with any estate of Lessor in or to the Land and this Lease shall remain in full force and effect.

14.9 Counterparts; Recording of Memorandum. This Lease may be executed in several counterparts, each of which shall be deemed an original for all purposes. Either Lessor or Lessee shall have the right to record a memorandum of this Lease and the parties shall cooperate in execution of such memorandum.

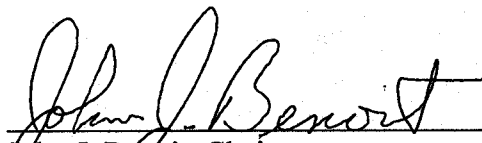
14.10 Schedule of Exhibits. This Lease includes the following exhibits attached hereto and incorporated herein by this reference.

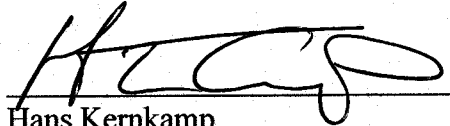
EXHIBIT A Land Legal Description

14.11 Approval. This Lease shall not be binding or effective until its approval by the Chairman of the Board of the Riverside County Board of Supervisors.


LESSOR:
COUNTY OF RIVERSIDE

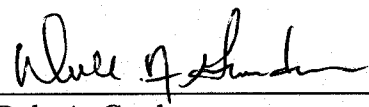
LESSEE:
RIVERSIDE COUNTY
WASTE MANAGEMENT DEPARTMENT

By: 
John J. Benoit, Chairman
Board of Supervisors

By: 
Hans Kernkamp
General Manager-Chief Engineer

APPROVED AS TO FORM:
Pamela J. Walls
County Counsel

ATTEST:
KECIA HARPER-IHEM, Clerk
By: 
DEPUTY

By: 
Dale A. Gardner
Deputy County Counsel

California Certificate of Acknowledgment

STATE OF CALIFORNIA

COUNTY OF RIVERSIDE

} ss.

On _____, 2013, before me, _____, personally appeared _____, who proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument and acknowledged to me that [he/she] executed the same in [his/her] authorized capacity, and that by [his/her] signature on the instrument the person, or the entity upon behalf of which the person acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

(Signature of California Notary Public)

Additional Optional Information*

*Though the data below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent reattachment of this form.

DESCRIPTION OF ATTACHED DOCUMENT

Landfill Lease

(Title or Description of Attached Document)

Number of Pages: _____

Document Date: _____

(Additional Information)

CAPACITY CLAIMED BY THE SIGNER

- Individual
- Corporate Officer: _____
(Title)
- Partner (Limited)
- Partner (General)
- Attorney-in-Fact
- Trustee
- Guardian/Conservator
- Other: _____

SIGNER IS REPRESENTING:

SIGNER(S) OTHER THAN NAMED ABOVE:

California Certificate of Acknowledgment

STATE OF CALIFORNIA

COUNTY OF RIVERSIDE

} ss.

On _____, 2013, before me, _____, personally appeared _____, who proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument and acknowledged to me that [he/she] executed the same in [his/her] authorized capacity, and that by [his/her] signature on the instrument the person, or the entity upon behalf of which the person acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

(Signature of California Notary Public)

Additional Optional Information*

*Though the data below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent reattachment of this form.

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Landfill Lease

(Title or Description of Attached Document)

Number of Pages: _____

Document Date: _____

(Additional Information)

CAPACITY CLAIMED BY THE SIGNER

- Individual
- Corporate Officer: _____
(Title)
- Partner (Limited)
- Partner (General)
- Attorney-in-Fact
- Trustee
- Guardian/Conservator
- Other: _____

SIGNER IS REPRESENTING:

**SIGNER(S) OTHER THAN
NAMED ABOVE:**

EXHIBIT A
LAND LEGAL DESCRIPTION

Beaumont Landfill (Inactive)

Assessor's Parcel Number (APN) for year 2013

APN 417-020-028, 421-060-008, and 417-020-027

Legal Description:

PARCEL A

A PORTION OF PARCEL 3 OF PARCEL MAP 25090, AS RECORDED IN PARCEL MAP BOOK 165, PAGES 69 THROUGH 71, AND AS SHOWN ON RECORD OF SURVEY RECORDED IN BOOK 97 OF RECORDS OF SURVEY, PAGE 77, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, BEING DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTHWEST CORNER OF SAID PARCEL 3;

THENCE SOUTH 87°34'04" EAST ALONG THE NORTH LINE OF PARCEL 3, A DISTANCE OF 826.02 FEET;

THENCE SOUTH 00°30'00" EAST, A DISTANCE OF 231.73 FEET;

THENCE SOUTH 60°12'00" WEST, A DISTANCE OF 230.90 FEET;

THENCE SOUTH 70°52'36" WEST, A DISTANCE OF 459.32 FEET;

THENCE SOUTH 00°30'00" EAST, A DISTANCE OF 166.63 FEET;

THENCE SOUTH 40°19'34" WEST, A DISTANCE OF 242.14 FEET;

THENCE NORTH 71°16'36" WEST, A DISTANCE OF 31.77 FEET TO A POINT ON THE WEST LINE OF SAID PARCEL 3;

THENCE NORTH 00°30'01" WEST ALONG SAID WEST LINE, A DISTANCE OF 873.07 FEET TO THE POINT OF BEGINNING;

TOGETHER WITH:

A PORTION OF THE NORTHEAST QUARTER OF SECTION 8, TOWNSHIP 3 SOUTH, RANGE 1 WEST, SAN BERNARDINO BASE AND MERIDIAN, AS SHOWN ON RECORD OF SURVEY RECORDED IN BOOK 97 OF RECORDS OF SURVEY, PAGE 77, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, BEING DESCRIBED AS FOLLOWS:

COMMENCING AT THE NORTHEAST CORNER OF SAID SECTION 8;

THENCE SOUTH 00°30'01" EAST ALONG THE EAST LINE OF SECTION 8. A DISTANCE OF 1427.45 FEET TO THE TRUE POINT OF BEGINNING;

THENCE SOUTH 00°30'01" EAST ALONG SAID EAST LINE, A DISTANCE OF 696.74 FEET;

THENCE NORTH 52°48'32" WEST, A DISTANCE OF 171.87 FEET;

THENCE NORTH 01° 35'54" WEST, A DISTANCE OF 228.33 FEET;

THENCE NORTH 20°37'21" EAST, A DISTANCE OF 389.54 FEET TO THE TRUE POINT OF BEGINNING.

PARCEL B

ALL THAT PORTION OF PARCEL 3 OF PARCEL MAP 25090, AS RECORDED IN PARCEL MAP BOOK 165, PAGES 69 THROUGH 71, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, BEING DESCRIBED AS FOLLOWS: SAID PARCEL 3, EXCEPTING THEREFROM PARCEL A AS DESCRIBED ABOVE.

LANDFILL LEASE AGREEMENT

between

COUNTY OF RIVERSIDE
a political subdivision of the State of California

as Lessor

and

RIVERSIDE COUNTY WASTE MANAGEMENT DEPARTMENT

as Lessee

Badlands Landfill

NOV 26 2013

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LANDFILL LEASE AGREEMENT

THIS LANDFILL LEASE AGREEMENT ("Lease") is dated for reference purposes November 1, 2013, and is made by and between the **COUNTY OF RIVERSIDE**, a political subdivision of the State of California ("Lessor"), and **RIVERSIDE COUNTY WASTE MANAGEMENT DEPARTMENT** ("Lessee").

RECITALS

A. Lessor is the owner of the real estate otherwise known as the Badlands Landfill described on **EXHIBIT A** attached hereto ("Land") in the County of Riverside, California.

B. Lessor intends to lease the Land to Lessee pursuant to this Lease, and Lessee intends to use the land to operate and maintain a landfill.

C. Lessee shall pay an annual rental for use and occupancy of the Land retroactive to November 1, 2009.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are mutually acknowledged, the parties hereto agree as follows:

1. The Demise.

1.1 Demise. In consideration of the rents, covenants and agreements contained in this Lease, Lessor hereby leases the Land to Lessee, and Lessee hereby leases the Land from Lessor upon and subject to the conditions set forth in this Lease, and subject to all encumbrances and matters of record as of the date of this Lease.

1.2 Use of the Land. The Land shall be used and occupied only for the purpose of operating and maintaining a landfill. Lessee shall not use or permit the Land to be used for any other purpose without the prior written approval of Lessor.

1.3 Leasehold Encumbrances. The leasehold interest in the Land granted to Lessee by Lessor shall be subject only to those exceptions based upon a preliminary title report obtained by Lessee, a copy of which has been previously provided to and approved by Lessor.

2. Term.

2.1 Commencement. The term of this Lease shall commence on the "Effective Date," which is retroactively set as of November 1, 2009.

2.2 Duration. The term of this Lease shall commence on the Effective Date and shall terminate on June 30, 2039 ("Term").

3. Rent. Lessee shall pay to Lessor annual rent during the Term at the rate of \$512,600 per year payable, in whole, in advance, on or before July 1st for the Fiscal Year

beginning on that July 1st. For Fiscal Year 13-14, only, Lessee shall pay the annual rent within 30 calendar days of the full execution of this Lease. In addition, Lessee shall pay a lump sum of \$ 1,879,533 for pro-rated back rent owed for Fiscal Year 09-10; Fiscal Year 10-11; Fiscal Year 11-12; and Fiscal Year 12-13 within 30 calendar days of the full execution of this Lease.

4. Taxes. Lessee shall be solely responsible for the payment of and shall pay and discharge all taxes which are incurred under or in respect of this Lease.

5. Condition of the Land.

5.1 "As Is". Lessee hereby accepts the Land "as is" in its existing condition; provided, however, that Lessor shall be solely responsible for all claims, judgments, damages, penalties, fines, expenses, liabilities or losses relating to the presence, release or disposal of hazardous substances that (i) were present in the soil, groundwater or soil vapor on or under the Land as of the Effective Date of this Lease, (ii) are at any time present on any adjacent property owned or controlled by Lessor and which result in contamination of the Land, or (iii) contaminate the Land as a result of the act or omission of Lessor or the act or omission of any party for which Lessor is liable. Lessor's obligation shall include any costs of investigation or remediation of such toxic or hazard substances that may be required by any federal, state or local government agency. Lessor shall not be responsible for any claims, judgments, damages, penalties, fines, expenses, liabilities or losses relating to the release or disposal of hazardous substances on the Land caused by Lessee or by the act or omission of Lessee's contractors or their subcontractors or any other party for which Lessee is liable, and the responsibility for the same shall remain with Lessee.

5.2 Lessor's Right to Inspect. Lessor shall have the right to inspect the Land at any time.

6. Indemnity and Hold Harmless.

6.1 Indemnification by Lessor. To the extent authorized by law, Lessor shall indemnify, defend and hold harmless Lessee and its elected and appointed officers, officials, representatives, employees, and agents (the "Indemnified Lessee Parties") from and against any and all liability, demands, liens, damages, claims, causes of action, expenses, and fees (including reasonable attorney's fees and costs and expert witness fees) for bodily injury, property damage, and death (hereinafter collectively referred to as "Liabilities"), arising out of or relating to the negligent acts, errors, or omissions of Lessor including, without limitation, any breach of this Lease except to the extent that such Liabilities are caused by the negligence or willful misconduct of Lessee.

6.2 Indemnification by Lessee. To the extent authorized by law, Lessee shall indemnify, defend and hold harmless Lessor and its elected and appointed officers, officials, representatives, employees, and agents (the "Indemnified Lessor Parties") from and against any and all Liabilities (as defined in Section 6.1), arising out of or relating to the negligent acts, errors, or omissions of Lessee including, without limitation, any breach of this Lease except to the extent that such Liabilities are caused by the negligence or willful misconduct of Lessor.

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(b) **Lessee's Financial Condition.** If Lessee shall make a general assignment for the benefit of creditors, or shall file a petition in bankruptcy, or shall be adjudicated as bankrupt or insolvent, or shall file a petition seeking any reorganization, arrangement, composition, readjustment, liquidation, dissolution or similar relief under any present or future statute, law or regulation, or shall file an answer admitting or shall fail seasonably to contest the material allegations of a petition filed against it in any such proceeding, or shall seek or consent to or acquiesce in the appointment of any trustee, receiver or liquidator of Lessee or any material part of its properties.

8.2 Remedies Upon Lessee's Default. In the event of any default by Lessee as defined hereinabove which default remains uncured after the expiration of the respective period set forth above, Lessor may exercise any remedy which may be available to Lessor at law or equity, including but not limited to actions for damages, and/or injunctive relief, including termination of this Lease.

8.3 Cumulative Rights and Remedies. The rights and remedies reserved to Lessor herein, including those not specifically described, shall be cumulative, and except as provided by California statutory law in effect at the time, Lessor may pursue any and all such rights and remedies at the same time or independently.

8.4 No Waiver. No delay or omission of Lessor to exercise any right or remedy shall, except as expressly provided herein, be construed as a waiver of any such right or

remedy or of any default by Lessee hereunder. The acceptance by Lessor of rent shall not be a waiver of any preceding breach or default by Lessee of any provision hereof, other than the failure of Lessee to pay the particular rent accepted, regardless of Lessor's knowledge of such preceding breach or default at the time of acceptance of such rent, or, except as expressly set forth herein, a waiver of Lessor's right to exercise any remedy available to Lessor by virtue of such breach or default.

8.5 Attorneys' Fees. In the event suit is brought by Lessor or Lessee relating to this Lease, including for the breach of any covenant or condition of this Lease, each party shall bear its own costs and expenses, including attorneys' fees, regardless of the prevailing party.

9. Quiet Enjoyment. If and so long as Lessee shall pay all rent payable by Lessee hereunder whenever the same shall become due and shall keep all of the covenants and conditions required by it to be kept during this Lease and shall perform all of its other obligations hereunder, Lessor covenants and agrees that Lessor will not interfere with the peaceful and quiet occupation and enjoyment of the Land by Lessee, which occupation and enjoyment shall be without hindrance, ejection or molestation by Lessor.

10. Compliance with Laws. Lessee shall not use the Land or permit anything to be done in or about the Land which will in any way conflict with any law, statute, ordinance or governmental rule or regulation now in force or which may hereafter be enacted or promulgated. Lessee shall, at its sole cost and expense, promptly comply with all laws, statutes, ordinances and governmental rules, regulations or requirements now in force or which may hereafter be in force, and obtain all permits, licenses or other approvals required by governmental agencies or bodies. Lessee shall further comply with the requirements of any board or other similar bodies now or hereafter constituted, relating to, or affecting the condition, use or occupancy of the Land.

11. Waiver Limitations. The waiver by either party of any term, covenant or condition herein contained on the part of the other party to be performed shall not be deemed a waiver of such term, covenant or condition for any subsequent breach of the same or any other term, covenant or condition herein contained. The subsequent acceptance by Lessor of Lessee's performance of any obligations hereunder shall not be deemed to be a waiver of any preceding breach by Lessee of any term, covenant or condition of this Lease.

12. Notices. All notices or requests required or permitted under this Lease shall be in writing, shall be personally delivered or sent by certified mail, return receipt requested, postage prepaid, by nationally recognized overnight courier or by confirmed email transmission and shall be deemed given when so delivered, received or emailed (provided sender obtains a confirmation of receipt). All notices or requests shall be sent as follows:

If to Lessor: County of Riverside
Real Estate Division
3403 Tenth Street, Suite 500
Riverside, California 92501

If to Lessee: Riverside County Waste Management Department
14310 Frederick Street
Moreno Valley, California 92553

Any party may change the address to which notices shall be sent by notice to the other party in the manner and with the effect set forth in this Section.

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13.1 Subleasing. Any proposed subleases of the Land shall be subject to the review and prior written approval of Lessor. Lessee shall not sublease the Land without the prior written consent of Lessor.

13.2 Assignment. Lessee shall not assign, mortgage, or encumber this Lease or delegate the duties of Lessee under this Lease without the prior written consent of Lessor. A consent to one assignment shall not be deemed to be a consent by Lessor to any subsequent assignment. This Lease shall not, nor shall any interest of Lessee herein, be assignable by operation of law, without prior written consent of Lessor.

14. Miscellaneous.

14.1 Time of Essence. Time is of the essence in regard to performance of the covenants and agreements stated herein.

14.2 No Joint Venture or Agency. Nothing contained in this Lease nor any of the acts of the parties hereto shall be construed nor is it the intent of the parties, to create a joint venture or partnership between Lessor and Lessee, nor is either party the agent or representative of the other, and nothing in this Lease shall be construed to create any such agency relationship or to hold either party liable to anyone for goods delivered or services performed at the request of the other party.

14.3 Amendments. No change in or addition to or waiver or termination of this Lease or any part hereof, shall be valid unless made in writing and signed by or on behalf of the Lessor and Lessee.

14.4 Governing Law. This Lease shall be construed in accordance with and governed by the laws of the State of California.

14.5 Jurisdiction/Venue. In the event any action is brought to enforce any of the provisions of this Lease, the parties agree to be subject to exclusive in personam jurisdiction in the Superior Court of California, County of Riverside, and agree that in any such action venue shall lie exclusively in Riverside County, California.

14.6 Headings. The article, section and paragraph headings herein contained are for the purposes of identification and reference convenience only and shall not be considered in construing this Lease.

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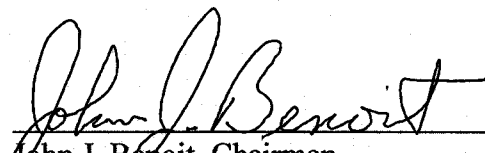
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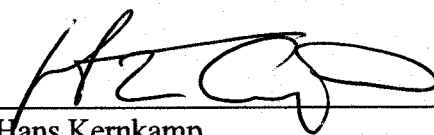
EXHIBIT A Land Legal Description

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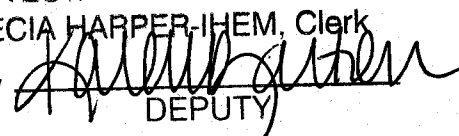
LESSOR:
COUNTY OF RIVERSIDE

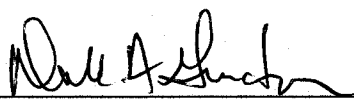
LESSEE:
RIVERSIDE COUNTY
WASTE MANAGEMENT DEPARTMENT

By: 
John J. Benoit, Chairman
Board of Supervisors

By: 
Hans Kernkamp
General Manager-Chief Engineer

APPROVED AS TO FORM:
Pamela J. Walls
County Counsel

ATTEST:
KECIA HARPER-IHEM, Clerk
By: 
DEPUTY

By: 
Dale A. Gardner
Deputy County Counsel

California Certificate of Acknowledgment

STATE OF CALIFORNIA

COUNTY OF RIVERSIDE

} ss.

On _____, 2013, before me, _____, personally appeared _____, who proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument and acknowledged to me that [he/she] executed the same in [his/her] authorized capacity, and that by [his/her] signature on the instrument the person, or the entity upon behalf of which the person acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

(Signature of California Notary Public)

Additional Optional Information*

*Though the data below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent reattachment of this form.

DESCRIPTION OF ATTACHED DOCUMENT

Landfill Lease

(Title or Description of Attached Document)

Number of Pages: _____

Document Date: _____

(Additional Information)

CAPACITY CLAIMED BY THE SIGNER

- Individual
- Corporate Officer: _____
(Title)
- Partner (Limited)
- Partner (General)
- Attorney-in-Fact
- Trustee
- Guardian/Conservator
- Other: _____

SIGNER IS REPRESENTING:

SIGNER(S) OTHER THAN NAMED ABOVE:

California Certificate of Acknowledgment

STATE OF CALIFORNIA
COUNTY OF RIVERSIDE

} ss.

On _____, 2013, before me, _____, personally appeared _____, who proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument and acknowledged to me that [he/she] executed the same in [his/her] authorized capacity, and that by [his/her] signature on the instrument the person, or the entity upon behalf of which the person acted, executed the instrument.

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- Partner (Limited)
- Partner (General)
- Attorney-in-Fact
- Trustee
- Guardian/Conservator
- Other: _____

SIGNER IS REPRESENTING:

SIGNER(S) OTHER THAN NAMED ABOVE:

EXHIBIT A
LAND LEGAL DESCRIPTION

Badlands Landfill (Active)

Assessor's Parcel Number (APN) for year 2013

APN 413-140-023, 413-140-034, 413-140-033, 413-140-030, 413-140-024, 413-140-036, 413-140-025, 422-030-015, 422-030-014, 422-030-011, and 422-050-014

Legal Description:

PARCEL A

THOSE PORTIONS OF GOVERNMENT LOTS 5, 6 AND 12, IN FRACTIONAL SECTION 4, TOWNSHIP 3 SOUTH, RANGE 2 WEST, SAN BERNARDINO BASE AND MERIDIAN, AS SHOWN BY UNITED STATES GOVERNMENT SURVEY APPROVED MARCH 25, 1910, LYING NORTHERLY OF THE FOLLOWING DESCRIBED LINE:

BEGINNING AT A POINT ON THE WEST LINE OF SAID SECTION 4, DISTANT ALONG SAID WEST LINE, SOUTH 01° 42' 13" EAST 300.65 FEET FROM THE WEST QUARTER CORNER OF SAID SECTION; THENCE NORTH 75° 54'34" EAST 2890.37 FEET, TO THE EAST LINE OF SAID GOVERNMENT LOT 6. EXCEPTING FROM SAID GOVERNMENT LOT 6, ALL WATER, OIL, MINERALS, ETC., TOGETHER WITH APPURTENANT RIGHTS THERETO, EXCEPT SURFACE RIGHTS, AS RESERVED BY MARY HENDRICK TRAUTWEIN, ET AL., IN DEED TO THE STATE OF CALIFORNIA, RECORDED JUNE 21, 1955, IN BOOK 1754 OF OFFICIAL RECORDS, PAGE 474, IN THE OFFICE OF THE COUNTY RECORDER, RIVERSIDE COUNTY, CALIFORNIA.

PARCEL B

GOVERNMENT LOTS 1 THROUGH 8, INCLUSIVE, AND THOSE PORTIONS OF GOVERNMENT LOTS 9 AND 10, ALL IN FRACTIONAL SECTION 5, TOWNSHIP 3 SOUTH, RANGE 2 WEST, SAN BERNARDINO BASE AND MERIDIAN, AS SHOWN BY UNITED STATES GOVERNMENT SURVEY APPROVED MARCH 25, 1910, LYING NORTHERLY OF THE FOLLOWING DESCRIBED LINE:

BEGINNING AT A POINT ON THE EAST LINE OF SAID SECTION, DISTANT ALONG SAID EAST LINE, SOUTH 01° 42' 13" EAST 300.65 FEET FROM THE EAST QUARTER CORNER OF SAID SECTION; THENCE SOUTH 77° 16'58" WEST, 2844.66 FEET, TO THE WEST LINE OF SAID GOVERNMENT LOT 10.

PARCELS C AND D

LOTS 1 AND 2 OR THE NORTHWEST 1/4, LOTS 3 AND 4 OF THE SOUTHWEST 1/4, NORTHEAST 1/4, EAST 1/2 OF NORTHWEST 1/4, EAST 1/2 OF THE SOUTHWEST 1/4, WEST 1/2 OF SOUTHEAST 1/4, NORTHEAST 1/4 OF SOUTHEAST 1/4, ALL IN SECTION 32, TOWNSHIP 2 SOUTH, RANGE 2 WEST, SAN BERNARDINO BASE AND MERIDIAN.

PARCEL E

THE SOUTHEAST ONE-QUARTER OF THE SOUTH EAST ONE-QUARTER OF SECTION 32,
TOWNSHIP 2 SOUTH, RANGE 2 WEST, SAN BERNARDINO BASE AND MERIDIAN.

LANDFILL LEASE AGREEMENT

between

COUNTY OF RIVERSIDE
a political subdivision of the State of California

as Lessor

and

RIVERSIDE COUNTY WASTE MANAGEMENT DEPARTMENT

as Lessee

Anza Landfill

NOV 26 2013

12-20

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LANDFILL LEASE AGREEMENT

THIS LANDFILL LEASE AGREEMENT ("Lease") is dated for reference purposes November 1, 2013, and is made by and between the **COUNTY OF RIVERSIDE**, a political subdivision of the State of California ("Lessor"), and **RIVERSIDE COUNTY WASTE MANAGEMENT DEPARTMENT** ("Lessee").

RECITALS

A. Lessor is the owner of the real estate otherwise known as the Anza Landfill described on **EXHIBIT A** attached hereto ("Land") in the County of Riverside, California.

B. Lessor intends to lease the Land to Lessee pursuant to this Lease, and Lessee intends to use the land to operate and maintain a landfill.

C. Lessee shall pay an annual rental for use and occupancy of the Land retroactive to November 1, 2009.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are mutually acknowledged, the parties hereto agree as follows:

1. The Demise.

1.1 Demise. In consideration of the rents, covenants and agreements contained in this Lease, Lessor hereby leases the Land to Lessee, and Lessee hereby leases the Land from Lessor upon and subject to the conditions set forth in this Lease, and subject to all encumbrances and matters of record as of the date of this Lease.

1.2 Use of the Land. The Land shall be used and occupied only for the purpose of operating and maintaining a landfill. Lessee shall not use or permit the Land to be used for any other purpose without the prior written approval of Lessor.

1.3 Leasehold Encumbrances. The leasehold interest in the Land granted to Lessee by Lessor shall be subject only to those exceptions based upon a preliminary title report obtained by Lessee, a copy of which has been previously provided to and approved by Lessor.

2. Term.

2.1 Commencement. The term of this Lease shall commence on the "Effective Date," which is retroactively set as of November 1, 2009.

2.2 Duration. The term of this Lease shall commence on the Effective Date and shall terminate on June 30, 2039 ("Term").

3. Rent. Lessee shall pay to Lessor annual rent during the Term at the rate of \$34,100 per year payable, in whole, in advance, on or before July 1st for the Fiscal Year

beginning on that July 1st. For Fiscal Year 13-14, only, Lessee shall pay the annual rent within 30 calendar days of the full execution of this Lease. In addition, Lessee shall pay a lump sum of \$125,033 for pro-rated back rent owed for Fiscal Year 09-10; Fiscal Year 10-11; Fiscal Year 11-12; and Fiscal Year 12-13 within 30 calendar days of the full execution of this Lease.

4. Taxes. Lessee shall be solely responsible for the payment of and shall pay and discharge all taxes which are incurred under or in respect of this Lease.

5. Condition of the Land.

5.1 "As Is". Lessee hereby accepts the Land "as is" in its existing condition; provided, however, that Lessor shall be solely responsible for all claims, judgments, damages, penalties, fines, expenses, liabilities or losses relating to the presence, release or disposal of hazardous substances that (i) were present in the soil, groundwater or soil vapor on or under the Land as of the Effective Date of this Lease, (ii) are at any time present on any adjacent property owned or controlled by Lessor and which result in contamination of the Land, or (iii) contaminate the Land as a result of the act or omission of Lessor or the act or omission of any party for which Lessor is liable. Lessor's obligation shall include any costs of investigation or remediation of such toxic or hazard substances that may be required by any federal, state or local government agency. Lessor shall not be responsible for any claims, judgments, damages, penalties, fines, expenses, liabilities or losses relating to the release or disposal of hazardous substances on the Land caused by Lessee or by the act or omission of Lessee's contractors or their subcontractors or any other party for which Lessee is liable, and the responsibility for the same shall remain with Lessee.

5.2 Lessor's Right to Inspect. Lessor shall have the right to inspect the Land at any time.

6. Indemnity and Hold Harmless.

6.1 Indemnification by Lessor. To the extent authorized by law, Lessor shall indemnify, defend and hold harmless Lessee and its elected and appointed officers, officials, representatives, employees, and agents (the "Indemnified Lessee Parties") from and against any and all liability, demands, liens, damages, claims, causes of action, expenses, and fees (including reasonable attorney's fees and costs and expert witness fees) for bodily injury, property damage, and death (hereinafter collectively referred to as "Liabilities"), arising out of or relating to the negligent acts, errors, or omissions of Lessor including, without limitation, any breach of this Lease except to the extent that such Liabilities are caused by the negligence or willful misconduct of Lessee.

6.2 Indemnification by Lessee. To the extent authorized by law, Lessee shall indemnify, defend and hold harmless Lessor and its elected and appointed officers, officials, representatives, employees, and agents (the "Indemnified Lessor Parties") from and against any and all Liabilities (as defined in Section 6.1), arising out of or relating to the negligent acts, errors, or omissions of Lessee including, without limitation, any breach of this Lease except to the extent that such Liabilities are caused by the negligence or willful misconduct of Lessor.

6.3 Survival. The indemnification provisions of this Section shall remain in full force and effect and survive the termination and/or expiration of this Lease.

7. Eminent Domain. In the event of any taking of the Land, partial or whole, Lessor shall be entitled to the entire award judgment or settlement from the condemning authority for the value of the Land taken by the condemning authority.

8. Events of Default by Lessee and Lessor's Remedies.

8.1 Events of Default. The following occurrences or acts shall constitute an event of default under this Lease:

(a) **Failure to Perform.** If Lessee shall (i) default in making payment when due of any rent or any other amount payable by Lessee hereunder; or (ii) default in the observance or performance of any other substantial provision of this Lease to be observed or performed by Lessee hereunder; and, in either case, if such default shall continue for thirty (30) days, in each case after Lessor shall have given to Lessee notice specifying such default and demanding that the same be cured, or, with respect to a default under subsection (ii), if by reason of the nature thereof such default cannot be cured by the payment of money and cannot with due diligence be wholly cured within such period of thirty (30) days, if Lessee shall fail to proceed promptly to cure the same and thereafter prosecute the curing of such default and with all due diligence; it being intended in connection with a default not susceptible of being wholly cured with due diligence within such period that the time within which to cure the same shall be extended for such period as may be necessary to complete the curing of the same with all due diligence; or

(b) **Lessee's Financial Condition.** If Lessee shall make a general assignment for the benefit of creditors, or shall file a petition in bankruptcy, or shall be adjudicated as bankrupt or insolvent, or shall file a petition seeking any reorganization, arrangement, composition, readjustment, liquidation, dissolution or similar relief under any present or future statute, law or regulation, or shall file an answer admitting or shall fail seasonably to contest the material allegations of a petition filed against it in any such proceeding, or shall seek or consent to or acquiesce in the appointment of any trustee, receiver or liquidator of Lessee or any material part of its properties.

8.2 Remedies Upon Lessee's Default. In the event of any default by Lessee as defined hereinabove which default remains uncured after the expiration of the respective period set forth above, Lessor may exercise any remedy which may be available to Lessor at law or equity, including but not limited to actions for damages, and/or injunctive relief, including termination of this Lease.

8.3 Cumulative Rights and Remedies. The rights and remedies reserved to Lessor herein, including those not specifically described, shall be cumulative, and except as provided by California statutory law in effect at the time, Lessor may pursue any and all such rights and remedies at the same time or independently.

8.4 No Waiver. No delay or omission of Lessor to exercise any right or remedy shall, except as expressly provided herein, be construed as a waiver of any such right or

remedy or of any default by Lessee hereunder. The acceptance by Lessor of rent shall not be a waiver of any preceding breach or default by Lessee of any provision hereof, other than the failure of Lessee to pay the particular rent accepted, regardless of Lessor's knowledge of such preceding breach or default at the time of acceptance of such rent, or, except as expressly set forth herein, a waiver of Lessor's right to exercise any remedy available to Lessor by virtue of such breach or default.

8.5 Attorneys' Fees. In the event suit is brought by Lessor or Lessee relating to this Lease, including for the breach of any covenant or condition of this Lease, each party shall bear its own costs and expenses, including attorneys' fees, regardless of the prevailing party.

9. Quiet Enjoyment. If and so long as Lessee shall pay all rent payable by Lessee hereunder whenever the same shall become due and shall keep all of the covenants and conditions required by it to be kept during this Lease and shall perform all of its other obligations hereunder, Lessor covenants and agrees that Lessor will not interfere with the peaceful and quiet occupation and enjoyment of the Land by Lessee, which occupation and enjoyment shall be without hindrance, ejection or molestation by Lessor.

10. Compliance with Laws. Lessee shall not use the Land or permit anything to be done in or about the Land which will in any way conflict with any law, statute, ordinance or governmental rule or regulation now in force or which may hereafter be enacted or promulgated. Lessee shall, at its sole cost and expense, promptly comply with all laws, statutes, ordinances and governmental rules, regulations or requirements now in force or which may hereafter be in force, and obtain all permits, licenses or other approvals required by governmental agencies or bodies. Lessee shall further comply with the requirements of any board or other similar bodies now or hereafter constituted, relating to, or affecting the condition, use or occupancy of the Land.

11. Waiver Limitations. The waiver by either party of any term, covenant or condition herein contained on the part of the other party to be performed shall not be deemed a waiver of such term, covenant or condition for any subsequent breach of the same or any other term, covenant or condition herein contained. The subsequent acceptance by Lessor of Lessee's performance of any obligations hereunder shall not be deemed to be a waiver of any preceding breach by Lessee of any term, covenant or condition of this Lease.

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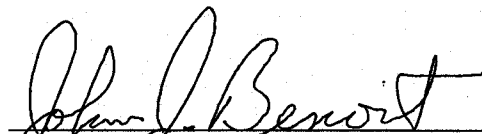
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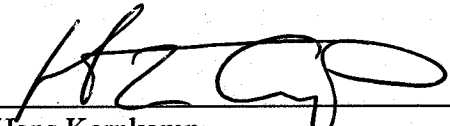
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LESSOR:
COUNTY OF RIVERSIDE

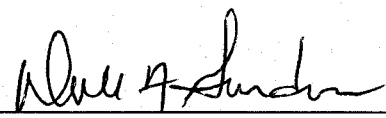
LESSEE:
RIVERSIDE COUNTY
WASTE MANAGEMENT DEPARTMENT

By: 
John J. Benoit, Chairman
Board of Supervisors

By: 
Hans Kernkamp
General Manager-Chief Engineer

APPROVED AS TO FORM:
Pamela J. Walls
County Counsel

ATTEST:
KEQIA HARPER-HEM, Clerk
By: 
DEPUTY

By: 
Dale A. Gardner
Deputy County Counsel

California Certificate of Acknowledgment

STATE OF CALIFORNIA

COUNTY OF RIVERSIDE

} ss.

On _____, 2013, before me, _____, personally appeared _____, who proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument and acknowledged to me that [he/she] executed the same in [his/her] authorized capacity, and that by [his/her] signature on the instrument the person, or the entity upon behalf of which the person acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

(Signature of California Notary Public)

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SIGNER IS REPRESENTING:

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COUNTY OF RIVERSIDE

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- Partner (Limited)
- Partner (General)
- Attorney-in-Fact
- Trustee
- Guardian/Conservator
- Other: _____

SIGNER IS REPRESENTING:

SIGNER(S) OTHER THAN NAMED ABOVE:

EXHIBIT A
LAND LEGAL DESCRIPTION

Anza Landfill (Closed)

Assessor's Parcel Number (APN) for year 2013

APNs: 576-210-004, 576-210-005, 576-210-006, 576-210-007, and 576-210-020

Legal Description:

SOUTHEAST ONE-QUARTER OF THE NORTHWEST ONE-QUARTER OF THE NORTHWEST ONE-QUARTER; SOUTHWEST ONE-QUARTER OF THE NORTHEAST ONE-QUARTER OF THE NORTHWEST ONEQUARTER; NORTHWEST ONE-QUARTER OF THE SOUTHEAST ONEQUARTER OF THE NORTHWEST ONE-QUARTER; AND NORTHEAST ONE-QUARTER OF THE SOUTHWEST ONE-QUARTER OF THE NORTHWEST ONE-QUARTER OF SECTION 25, TOWNSHIP 7 SOUTH, RANGE 3 EAST: TOGETHER WITH AN EASEMENT FOR INGRESS AND EGRESS OVER THAT PORTION OF THE WEST ONE-HALF OF THE WEST ONE-HALF OF THE NORTHWEST ONE-QUARTER OF SECTION 25, THAT IS CONTAINED IN A 50-FOOT WIDE STRIP OF LAND MEASLRES AT RIGHT ANGLES, BEING 25 FEET WIDE ON EACH SIDE OF THE FOLLOWING DESCRIBED CENTERLINE: BEGINNING AT A POINT ON THE WEST LINE OF SAID SECTION 25 FROM WHICH THE NORTHWEST CORNER BEARS NORTH A DISTANCE OF 1551.5 FEET; THENCE SOUTH 81 " 59' EAST, A DISTANCE OF 220.2 FEET; THENCE NORTH 70" 37' EAST, A DISTANCE OF 454.3 FEET; THENCE NORTH 55" 38' EAST TO THE WESTERLY LINE OF SAID ABOVE DESCRIBED 40-ACRE PARCEL OF LAND.

LANDFILL LEASE AGREEMENT

between

COUNTY OF RIVERSIDE
a political subdivision of the State of California

as Lessor

and

RIVERSIDE COUNTY WASTE MANAGEMENT DEPARTMENT

as Lessee

Bundy Canyon Landfill

NOV 26 2013

12-20

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LANDFILL LEASE AGREEMENT

THIS LANDFILL LEASE AGREEMENT ("Lease") is dated for reference purposes November 1, 2013, and is made by and between the **COUNTY OF RIVERSIDE**, a political subdivision of the State of California ("Lessor"), and **RIVERSIDE COUNTY WASTE MANAGEMENT DEPARTMENT** ("Lessee").

RECITALS

A. Lessor is the owner of the real estate otherwise known as the Bundy Canyon Landfill described on **EXHIBIT A** attached hereto ("Land") in the County of Riverside, California.

B. Lessor intends to lease the Land to Lessee pursuant to this Lease, and Lessee intends to use the land to operate and maintain a landfill.

C. Lessee shall pay an annual rental for use and occupancy of the Land retroactive to November 1, 2009.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are mutually acknowledged, the parties hereto agree as follows:

1. The Demise.

1.1 Demise. In consideration of the rents, covenants and agreements contained in this Lease, Lessor hereby leases the Land to Lessee, and Lessee hereby leases the Land from Lessor upon and subject to the conditions set forth in this Lease, and subject to all encumbrances and matters of record as of the date of this Lease.

1.2 Use of the Land. The Land shall be used and occupied only for the purpose of operating and maintaining a landfill. Lessee shall not use or permit the Land to be used for any other purpose without the prior written approval of Lessor.

1.3 Leasehold Encumbrances. The leasehold interest in the Land granted to Lessee by Lessor shall be subject only to those exceptions based upon a preliminary title report obtained by Lessee, a copy of which has been previously provided to and approved by Lessor.

2. Term.

2.1 Commencement. The term of this Lease shall commence on the "Effective Date," which is retroactively set as of November 1, 2009.

2.2 Duration. The term of this Lease shall commence on the Effective Date and shall terminate on June 30, 2039 ("Term").

3. **Rent.** Lessee shall pay to Lessor annual rent during the Term at the rate of \$39,200 per year payable, in whole, in advance, on or before July 1st for the Fiscal Year beginning on that July 1st. For Fiscal Year 13-14, only, Lessee shall pay the annual rent within 30 calendar days of the full execution of this Lease. In addition, Lessee shall pay a lump sum of \$143,733 for pro-rated back rent owed for Fiscal Year 09-10; Fiscal Year 10-11; Fiscal Year 11-12; and Fiscal Year 12-13 within 30 calendar days of the full execution of this Lease.

4. **Taxes.** Lessee shall be solely responsible for the payment of and shall pay and discharge all taxes which are incurred under or in respect of this Lease.

5. **Condition of the Land.**

5.1 **"As Is".** Lessee hereby accepts the Land "as is" in its existing condition; provided, however, that Lessor shall be solely responsible for all claims, judgments, damages, penalties, fines, expenses, liabilities or losses relating to the presence, release or disposal of hazardous substances that (i) were present in the soil, groundwater or soil vapor on or under the Land as of the Effective Date of this Lease, (ii) are at any time present on any adjacent property owned or controlled by Lessor and which result in contamination of the Land, or (iii) contaminate the Land as a result of the act or omission of Lessor or the act or omission of any party for which Lessor is liable. Lessor's obligation shall include any costs of investigation or remediation of such toxic or hazard substances that may be required by any federal, state or local government agency. Lessor shall not be responsible for any claims, judgments, damages, penalties, fines, expenses, liabilities or losses relating to the release or disposal of hazardous substances on the Land caused by Lessee or by the act or omission of Lessee's contractors or their subcontractors or any other party for which Lessee is liable, and the responsibility for the same shall remain with Lessee.

5.2 **Lessor's Right to Inspect.** Lessor shall have the right to inspect the Land at any time.

6. **Indemnity and Hold Harmless.**

6.1 **Indemnification by Lessor.** To the extent authorized by law, Lessor shall indemnify, defend and hold harmless Lessee and its elected and appointed officers, officials, representatives, employees, and agents (the "Indemnified Lessee Parties") from and against any and all liability, demands, liens, damages, claims, causes of action, expenses, and fees (including reasonable attorney's fees and costs and expert witness fees) for bodily injury, property damage, and death (hereinafter collectively referred to as "Liabilities"), arising out of or relating to the negligent acts, errors, or omissions of Lessor including, without limitation, any breach of this Lease except to the extent that such Liabilities are caused by the negligence or willful misconduct of Lessee.

6.2 **Indemnification by Lessee.** To the extent authorized by law, Lessee shall indemnify, defend and hold harmless Lessor and its elected and appointed officers, officials, representatives, employees, and agents (the "Indemnified Lessor Parties") from and against any and all Liabilities (as defined in Section 6.1), arising out of or relating to the negligent acts,

errors, or omissions of Lessee including, without limitation, any breach of this Lease except to the extent that such Liabilities are caused by the negligence or willful misconduct of Lessor.

6.3 Survival. The indemnification provisions of this Section shall remain in full force and effect and survive the termination and/or expiration of this Lease.

7. Eminent Domain. In the event of any taking of the Land, partial or whole, Lessor shall be entitled to the entire award judgment or settlement from the condemning authority for the value of the Land taken by the condemning authority.

8. Events of Default by Lessee and Lessor's Remedies.

8.1 Events of Default. The following occurrences or acts shall constitute an event of default under this Lease:

(a) **Failure to Perform.** If Lessee shall (i) default in making payment when due of any rent or any other amount payable by Lessee hereunder; or (ii) default in the observance or performance of any other substantial provision of this Lease to be observed or performed by Lessee hereunder; and, in either case, if such default shall continue for thirty (30) days, in each case after Lessor shall have given to Lessee notice specifying such default and demanding that the same be cured, or, with respect to a default under subsection (ii), if by reason of the nature thereof such default cannot be cured by the payment of money and cannot with due diligence be wholly cured within such period of thirty (30) days, if Lessee shall fail to proceed promptly to cure the same and thereafter prosecute the curing of such default and with all due diligence; it being intended in connection with a default not susceptible of being wholly cured with due diligence within such period that the time within which to cure the same shall be extended for such period as may be necessary to complete the curing of the same with all due diligence; or

(b) **Lessee's Financial Condition.** If Lessee shall make a general assignment for the benefit of creditors, or shall file a petition in bankruptcy, or shall be adjudicated as bankrupt or insolvent, or shall file a petition seeking any reorganization, arrangement, composition, readjustment, liquidation, dissolution or similar relief under any present or future statute, law or regulation, or shall file an answer admitting or shall fail seasonably to contest the material allegations of a petition filed against it in any such proceeding, or shall seek or consent to or acquiesce in the appointment of any trustee, receiver or liquidator of Lessee or any material part of its properties.

8.2 Remedies Upon Lessee's Default. In the event of any default by Lessee as defined hereinabove which default remains uncured after the expiration of the respective period set forth above, Lessor may exercise any remedy which may be available to Lessor at law or equity, including but not limited to actions for damages, and/or injunctive relief, including termination of this Lease.

8.3 Cumulative Rights and Remedies. The rights and remedies reserved to Lessor herein, including those not specifically described, shall be cumulative, and except as provided by California statutory law in effect at the time, Lessor may pursue any and all such rights and remedies at the same time or independently.

8.4 No Waiver. No delay or omission of Lessor to exercise any right or remedy shall, except as expressly provided herein, be construed as a waiver of any such right or remedy or of any default by Lessee hereunder. The acceptance by Lessor of rent shall not be a waiver of any preceding breach or default by Lessee of any provision hereof, other than the failure of Lessee to pay the particular rent accepted, regardless of Lessor's knowledge of such preceding breach or default at the time of acceptance of such rent, or, except as expressly set forth herein, a waiver of Lessor's right to exercise any remedy available to Lessor by virtue of such breach or default.

8.5 Attorneys' Fees. In the event suit is brought by Lessor or Lessee relating to this Lease, including for the breach of any covenant or condition of this Lease, each party shall bear its own costs and expenses, including attorneys' fees, regardless of the prevailing party.

9. Quiet Enjoyment. If and so long as Lessee shall pay all rent payable by Lessee hereunder whenever the same shall become due and shall keep all of the covenants and conditions required by it to be kept during this Lease and shall perform all of its other obligations hereunder, Lessor covenants and agrees that Lessor will not interfere with the peaceful and quiet occupation and enjoyment of the Land by Lessee, which occupation and enjoyment shall be without hindrance, ejection or molestation by Lessor.

10. Compliance with Laws. Lessee shall not use the Land or permit anything to be done in or about the Land which will in any way conflict with any law, statute, ordinance or governmental rule or regulation now in force or which may hereafter be enacted or promulgated. Lessee shall, at its sole cost and expense, promptly comply with all laws, statutes, ordinances and governmental rules, regulations or requirements now in force or which may hereafter be in force, and obtain all permits, licenses or other approvals required by governmental agencies or bodies. Lessee shall further comply with the requirements of any board or other similar bodies now or hereafter constituted, relating to, or affecting the condition, use or occupancy of the Land.

11. Waiver Limitations. The waiver by either party of any term, covenant or condition herein contained on the part of the other party to be performed shall not be deemed a waiver of such term, covenant or condition for any subsequent breach of the same or any other term, covenant or condition herein contained. The subsequent acceptance by Lessor of Lessee's performance of any obligations hereunder shall not be deemed to be a waiver of any preceding breach by Lessee of any term, covenant or condition of this Lease.

12. Notices. All notices or requests required or permitted under this Lease shall be in writing, shall be personally delivered or sent by certified mail, return receipt requested, postage prepaid, by nationally recognized overnight courier or by confirmed email transmission and shall be deemed given when so delivered, received or emailed (provided sender obtains a confirmation of receipt). All notices or requests shall be sent as follows:

If to Lessor: County of Riverside
Real Estate Division
3403 Tenth Street, Suite 500
Riverside, California 92501

If to Lessee: Riverside County Waste Management Department
14310 Frederick Street
Moreno Valley, California 92553

Any party may change the address to which notices shall be sent by notice to the other party in the manner and with the effect set forth in this Section.

13. Assignment and Subleasing.

13.1 Subleasing. Any proposed subleases of the Land shall be subject to the review and prior written approval of Lessor. Lessee shall not sublease the Land without the prior written consent of Lessor.

13.2 Assignment. Lessee shall not assign, mortgage, or encumber this Lease or delegate the duties of Lessee under this Lease without the prior written consent of Lessor. A consent to one assignment shall not be deemed to be a consent by Lessor to any subsequent assignment. This Lease shall not, nor shall any interest of Lessee herein, be assignable by operation of law, without prior written consent of Lessor.

14. Miscellaneous.

14.1 Time of Essence. Time is of the essence in regard to performance of the covenants and agreements stated herein.

14.2 No Joint Venture or Agency. Nothing contained in this Lease nor any of the acts of the parties hereto shall be construed nor is it the intent of the parties, to create a joint venture or partnership between Lessor and Lessee, nor is either party the agent or representative of the other, and nothing in this Lease shall be construed to create any such agency relationship or to hold either party liable to anyone for goods delivered or services performed at the request of the other party.

14.3 Amendments. No change in or addition to or waiver or termination of this Lease or any part hereof, shall be valid unless made in writing and signed by or on behalf of the Lessor and Lessee.

14.4 Governing Law. This Lease shall be construed in accordance with and governed by the laws of the State of California.

14.5 Jurisdiction/Venue. In the event any action is brought to enforce any of the provisions of this Lease, the parties agree to be subject to exclusive in personam jurisdiction in the Superior Court of California, County of Riverside, and agree that in any such action venue shall lie exclusively in Riverside County, California.

14.6 Headings. The article, section and paragraph headings herein contained are for the purposes of identification and reference convenience only and shall not be considered in construing this Lease.

14.7 Successors and Assigns. Subject to the provisions hereof restricting the sublease or assignment by Lessee, all the terms and provisions of this Lease shall be binding upon and to the benefit of and be enforceable by the parties and the successors and assigns of the parties.

14.8 No Merger. In no event shall the leasehold interest of Lessee hereunder merge with any estate of Lessor in or to the Land and this Lease shall remain in full force and effect.

14.9 Counterparts; Recording of Memorandum. This Lease may be executed in several counterparts, each of which shall be deemed an original for all purposes. Either Lessor or Lessee shall have the right to record a memorandum of this Lease and the parties shall cooperate in execution of such memorandum.

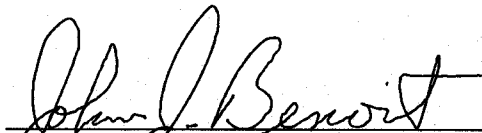
14.10 Schedule of Exhibits. This Lease includes the following exhibits attached hereto and incorporated herein by this reference.

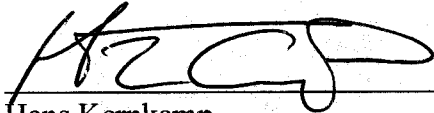
EXHIBIT A Land Legal Description

14.11 Approval. This Lease shall not be binding or effective until its approval by the Chairman of the Board of the Riverside County Board of Supervisors.


LESSOR:
COUNTY OF RIVERSIDE

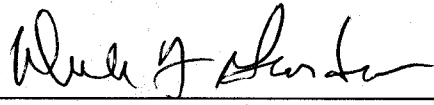
LESSEE:
RIVERSIDE COUNTY
WASTE MANAGEMENT DEPARTMENT

By: 
John J. Benoit, Chairman
Board of Supervisors

By: 
Hans Kernkamp
General Manager-Chief Engineer

APPROVED AS TO FORM:
Pamela J. Walls
County Counsel

ATTEST:
KECIA HARPER-IHEM, Clerk
By: 
DEPUTY

By: 
Dale A. Gardner
Deputy County Counsel

California Certificate of Acknowledgment

STATE OF CALIFORNIA

COUNTY OF RIVERSIDE

} ss.

On _____, 2013, before me, _____, personally appeared _____, who proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument and acknowledged to me that [he/she] executed the same in [his/her] authorized capacity, and that by [his/her] signature on the instrument the person, or the entity upon behalf of which the person acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

(Signature of California Notary Public)

Additional Optional Information*

*Though the data below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent reattachment of this form.

DESCRIPTION OF ATTACHED DOCUMENT

Landfill Lease

(Title or Description of Attached Document)

Number of Pages: _____

Document Date: _____

(Additional Information)

CAPACITY CLAIMED BY THE SIGNER

- Individual
- Corporate Officer: _____
(Title)
- Partner (Limited)
- Partner (General)
- Attorney-in-Fact
- Trustee
- Guardian/Conservator
- Other: _____

SIGNER IS REPRESENTING:

SIGNER(S) OTHER THAN NAMED ABOVE:

California Certificate of Acknowledgment

STATE OF CALIFORNIA
COUNTY OF RIVERSIDE

} ss.

On _____, 2013, before me, _____,
personally appeared _____, who proved to me on the basis of satisfactory evidence
to be the person whose name is subscribed to the within instrument and acknowledged to me that [he/she] executed
the same in [his/her] authorized capacity, and that by [his/her] signature on the instrument the person, or the entity
upon behalf of which the person acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is
true and correct.

WITNESS my hand and official seal.

(Signature of California Notary Public)

Additional Optional Information*

*Though the data below is not required by law, it may prove valuable to persons relying on the document and could
prevent fraudulent reattachment of this form.

DESCRIPTION OF ATTACHED DOCUMENT

Landfill Lease

(Title or Description of Attached Document)

Number of Pages: _____

Document Date: _____

(Additional Information)

CAPACITY CLAIMED BY THE SIGNER

- Individual
- Corporate Officer: _____
(Title)
- Partner (Limited)
- Partner (General)
- Attorney-in-Fact
- Trustee
- Guardian/Conservator
- Other: _____

SIGNER IS REPRESENTING:

**SIGNER(S) OTHER THAN
NAMED ABOVE:**

EXHIBIT A
LAND LEGAL DESCRIPTION

Bundy Canyon Landfill (Inactive)

Assessor's Parcel Number (APN) for year 2013

APNs: 366-300-077-0 and 366-300-079-2

Legal Description:

LOT 174 IN SEDCO TRACT NO.1 AS SHOWN BY MAP ON FILE IN BOOK 10, PAGES 58 THROUGH 75, INCLUSIVE OF MAPS, RIVERSIDE COUNTY RECORDS;

TOGETHER WITH THE EASTERLY 1/2 AND THE SOUTHEASTERLY 1/2 OF GAFFORD ROAD ADJOINING SAID LAND ON THE WEST AND NORTHWEST VACATED BY RESOLUTION NO. 88-359, OF THE BOARD OF SUPERVISORS OF RIVERSIDE COUNTY, A CERTIFIED COPY OF WHICH WAS RECORDED DECEMBER 8, 1988 AS INSTRUMENT NO. 356313, OFFICIAL RECORDS, AND BY RESOLUTION NO. 87-365, OF THE BOARD OF SUPERVISORS OF RIVERSIDE COUNTY, A CERTIFIED COPY OF WHICH WAS RECORDED NOVEMBER 20, 1987 AS INSTRUMENT NO. 333334, OFFICIAL RECORDS.

EXCEPTING THEREFROM THAT PORTION OF SAID LOT 174 LYING NORTHERLY OF THE SOUTHERLY LINE OF THE PROPERTY CONVEYED TO S.G.A., INC., A CALIFORNIA CORPORATION, BY DEED RECORDED NOVEMBER 16, 1993 AS INSTRUMENT NO. 457732, DESCRIBED AS FOLLOWS:

BEGINNING AT THE EAST QUARTER CORNER OF SECTION 23, TOWNSHIP 6 SOUTH, RANGE 4 WEST, SAN BERNARDINO MERIDIAN AS SHOWN BY SAID MAP ON FILE IN BOOK 10, PAGES 58 THROUGH 75 OF MAPS;

THENCE NORTH 89° 27' 33" WEST ALONG THE NORTHERLY LINE OF SAID LOT 174, A DISTANCE OF 638.17 FEET TO THE NORTHEAST CORNER OF GAFFORD ROAD AS SHOWN BY SAID MAP ON FILE IN BOOK 10, PAGES 58 THROUGH 75 OF MAPS;

THENCE NORTH 89° 24' 20" WEST ALONG THE NORTHERLY LINE OF SAID GAFFORD ROAD, A DISTANCE OF 22.74 FEET TO A POINT ON THE CENTERLINE OF GAFFORD ROAD VACATED PER INSTRUMENT NUMBER 356313, RECORDED DECEMBER 6, 1988, OFFICIAL RECORDS OF RIVERSIDE COUNTY, CALIFORNIA;

THENCE SOUTH 29° 01' 06" WEST ALONG THE CENTERLINE OF SAID GAFFORD ROAD VACATED, A DISTANCE OF 60.26 FEET TO A POINT ON THE SOUTHERLY RIGHT OF WAY LINE OF SAID GAFFORD ROAD AS SHOWN ON TRACT 23295, RECORDED IN BOOK 246, PAGES 74 THROUGH 77, RECORDS OF SAID RECORDER;

THENCE SOUTH 89° 24' 20" EAST ON A LINE PARALLEL WITH AND 53.00 FEET SOUTHERLY, AS MEASURED AT RIGHT ANGLES, TO THE NORTHERLY LINE OF SAID GAFFORD ROAD, A DISTANCE OF 51.45 FEET;

THENCE SOUTH 89° 27' 33" EAST AND PARALLEL TO THE NORTHERLY LINE OF SAID LOT 174, A DISTANCE OF 336.79 FEET;

THENCE NORTH $86^{\circ} 33' 00''$ EAST A DISTANCE OF 43.10 FEET, TO A POINT THAT LIES 50.00 FEET SOUTHERLY, AS MEASURED AT RIGHT ANGLES, TO THE NORTHERLY LINE OF SAID LOT 174;

THENCE SOUTH $89^{\circ} 27' 33''$ EAST ON A LINE PARALLEL TO THE NORTH LINE OF SAID LOT 174, A DISTANCE OF 22.53 FEET TO THE BEGINNING OF A TANGENT CURVE, CONCAVE NORTHERLY, AND HAVING A RADIUS OF 330.00 FEET;

THENCE NORTHEASTERLY 135.72 FEET ALONG SAID CURVE, THROUGH A CENTRAL ANGLE OF $23^{\circ} 33' 48''$, TO THE BEGINNING OF A REVERSE CURVE, CONCAVE SOUTHERLY, HAVING A RADIUS OF 270.00 FEET, A RADIAL LINE THROUGH SAID BEGINNING OF REVERSE CURVE BEARS NORTH $23^{\circ} 01' 21''$ WEST;

THENCE NORTHEASTERLY 107.06 FEET ALONG SAID CURVE, THROUGH A CENTRAL ANGLE OF $22^{\circ} 43' 10''$, TO A POINT ON THE EAST LINE OF SAID SECTION 23, TOWNSHIP 6 SOUTH, RANGE 4 WEST, SAID POINT ALSO BEING THE POINT OF BEGINNING;

ALSO EXCEPTING THEREFROM ANY PORTION LYING WITHIN TRACT 23284 AS SHOWN IN BOOK 195, PAGES 96 THROUGH 101 INCLUSIVE; ALSO EXCEPTING THEREFROM THAT PORTION LYING SOUTHERLY OF THE NORTH LINE OF BUNDY CANYON ROAD AS SHOWN ON TRACT 23281, AS PER MAP RECORDED IN BOOK 231 OF MAPS, PAGES 30 THROUGH 34, INCLUSIVE, RECORDS OF RIVERSIDE COUNTY.

LANDFILL LEASE AGREEMENT

between

COUNTY OF RIVERSIDE
a political subdivision of the State of California

as Lessor

and

RIVERSIDE COUNTY WASTE MANAGEMENT DEPARTMENT

as Lessee

Corona Landfill

NOV 26 2013

12-20

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LANDFILL LEASE AGREEMENT

THIS LANDFILL LEASE AGREEMENT ("Lease") is dated for reference purposes November 1, 2013, and is made by and between the **COUNTY OF RIVERSIDE**, a political subdivision of the State of California ("Lessor"), and **RIVERSIDE COUNTY WASTE MANAGEMENT DEPARTMENT** ("Lessee").

RECITALS

A. Lessor is the owner of the real estate otherwise known as the Corona Landfill described on **EXHIBIT A** attached hereto ("Land") in the County of Riverside, California.

B. Lessor intends to lease the Land to Lessee pursuant to this Lease, and Lessee intends to use the land to operate and maintain a landfill.

C. Lessee shall pay an annual rental for use and occupancy of the Land retroactive to November 1, 2009.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are mutually acknowledged, the parties hereto agree as follows:

1. The Demise.

1.1 Demise. In consideration of the rents, covenants and agreements contained in this Lease, Lessor hereby leases the Land to Lessee, and Lessee hereby leases the Land from Lessor upon and subject to the conditions set forth in this Lease, and subject to all encumbrances and matters of record as of the date of this Lease.

1.2 Use of the Land. The Land shall be used and occupied only for the purpose of operating and maintaining a landfill. Lessee shall not use or permit the Land to be used for any other purpose without the prior written approval of Lessor.

1.3 Leasehold Encumbrances. The leasehold interest in the Land granted to Lessee by Lessor shall be subject only to those exceptions based upon a preliminary title report obtained by Lessee, a copy of which has been previously provided to and approved by Lessor.

2. Term.

2.1 Commencement. The term of this Lease shall commence on the "Effective Date," which is retroactively set as of November 1, 2009.

2.2 Duration. The term of this Lease shall commence on the Effective Date and shall terminate on June 30, 2039 ("Term").

3. Rent. Lessee shall pay to Lessor annual rent during the Term at the rate of \$13,500 per year payable, in whole, in advance, on or before July 1st for the Fiscal Year

beginning on that July 1st. For Fiscal Year 13-14, only, Lessee shall pay the annual rent within 30 calendar days of the full execution of this Lease. In addition, Lessee shall pay a lump sum of \$49,500 for pro-rated back rent owed for Fiscal Year 09-10; Fiscal Year 10-11; Fiscal Year 11-12; and Fiscal Year 12-13 within 30 calendar days of the full execution of this Lease.

4. Taxes. Lessee shall be solely responsible for the payment of and shall pay and discharge all taxes which are incurred under or in respect of this Lease.

5. Condition of the Land.

5.1 "As Is". Lessee hereby accepts the Land "as is" in its existing condition; provided, however, that Lessor shall be solely responsible for all claims, judgments, damages, penalties, fines, expenses, liabilities or losses relating to the presence, release or disposal of hazardous substances that (i) were present in the soil, groundwater or soil vapor on or under the Land as of the Effective Date of this Lease, (ii) are at any time present on any adjacent property owned or controlled by Lessor and which result in contamination of the Land, or (iii) contaminate the Land as a result of the act or omission of Lessor or the act or omission of any party for which Lessor is liable. Lessor's obligation shall include any costs of investigation or remediation of such toxic or hazard substances that may be required by any federal, state or local government agency. Lessor shall not be responsible for any claims, judgments, damages, penalties, fines, expenses, liabilities or losses relating to the release or disposal of hazardous substances on the Land caused by Lessee or by the act or omission of Lessee's contractors or their subcontractors or any other party for which Lessee is liable, and the responsibility for the same shall remain with Lessee.

5.2 Lessor's Right to Inspect. Lessor shall have the right to inspect the Land at any time.

6. Indemnity and Hold Harmless.

6.1 Indemnification by Lessor. To the extent authorized by law, Lessor shall indemnify, defend and hold harmless Lessee and its elected and appointed officers, officials, representatives, employees, and agents (the "Indemnified Lessee Parties") from and against any and all liability, demands, liens, damages, claims, causes of action, expenses, and fees (including reasonable attorney's fees and costs and expert witness fees) for bodily injury, property damage, and death (hereinafter collectively referred to as "Liabilities"), arising out of or relating to the negligent acts, errors, or omissions of Lessor including, without limitation, any breach of this Lease except to the extent that such Liabilities are caused by the negligence or willful misconduct of Lessee.

6.2 Indemnification by Lessee. To the extent authorized by law, Lessee shall indemnify, defend and hold harmless Lessor and its elected and appointed officers, officials, representatives, employees, and agents (the "Indemnified Lessor Parties") from and against any and all Liabilities (as defined in Section 6.1), arising out of or relating to the negligent acts, errors, or omissions of Lessee including, without limitation, any breach of this Lease except to the extent that such Liabilities are caused by the negligence or willful misconduct of Lessor.

6.3 Survival. The indemnification provisions of this Section shall remain in full force and effect and survive the termination and/or expiration of this Lease.

7. Eminent Domain. In the event of any taking of the Land, partial or whole, Lessor shall be entitled to the entire award judgment or settlement from the condemning authority for the value of the Land taken by the condemning authority.

8. Events of Default by Lessee and Lessor's Remedies.

8.1 Events of Default. The following occurrences or acts shall constitute an event of default under this Lease:

(a) **Failure to Perform.** If Lessee shall (i) default in making payment when due of any rent or any other amount payable by Lessee hereunder; or (ii) default in the observance or performance of any other substantial provision of this Lease to be observed or performed by Lessee hereunder; and, in either case, if such default shall continue for thirty (30) days, in each case after Lessor shall have given to Lessee notice specifying such default and demanding that the same be cured, or, with respect to a default under subsection (ii), if by reason of the nature thereof such default cannot be cured by the payment of money and cannot with due diligence be wholly cured within such period of thirty (30) days, if Lessee shall fail to proceed promptly to cure the same and thereafter prosecute the curing of such default and with all due diligence; it being intended in connection with a default not susceptible of being wholly cured with due diligence within such period that the time within which to cure the same shall be extended for such period as may be necessary to complete the curing of the same with all due diligence; or

(b) **Lessee's Financial Condition.** If Lessee shall make a general assignment for the benefit of creditors, or shall file a petition in bankruptcy, or shall be adjudicated as bankrupt or insolvent, or shall file a petition seeking any reorganization, arrangement, composition, readjustment, liquidation, dissolution or similar relief under any present or future statute, law or regulation, or shall file an answer admitting or shall fail seasonably to contest the material allegations of a petition filed against it in any such proceeding, or shall seek or consent to or acquiesce in the appointment of any trustee, receiver or liquidator of Lessee or any material part of its properties.

8.2 Remedies Upon Lessee's Default. In the event of any default by Lessee as defined hereinabove which default remains uncured after the expiration of the respective period set forth above, Lessor may exercise any remedy which may be available to Lessor at law or equity, including but not limited to actions for damages, and/or injunctive relief, including termination of this Lease.

8.3 Cumulative Rights and Remedies. The rights and remedies reserved to Lessor herein, including those not specifically described, shall be cumulative, and except as provided by California statutory law in effect at the time, Lessor may pursue any and all such rights and remedies at the same time or independently.

8.4 No Waiver. No delay or omission of Lessor to exercise any right or remedy shall, except as expressly provided herein, be construed as a waiver of any such right or

remedy or of any default by Lessee hereunder. The acceptance by Lessor of rent shall not be a waiver of any preceding breach or default by Lessee of any provision hereof, other than the failure of Lessee to pay the particular rent accepted, regardless of Lessor's knowledge of such preceding breach or default at the time of acceptance of such rent, or, except as expressly set forth herein, a waiver of Lessor's right to exercise any remedy available to Lessor by virtue of such breach or default.

8.5 Attorneys' Fees. In the event suit is brought by Lessor or Lessee relating to this Lease, including for the breach of any covenant or condition of this Lease, each party shall bear its own costs and expenses, including attorneys' fees, regardless of the prevailing party.

9. Quiet Enjoyment. If and so long as Lessee shall pay all rent payable by Lessee hereunder whenever the same shall become due and shall keep all of the covenants and conditions required by it to be kept during this Lease and shall perform all of its other obligations hereunder, Lessor covenants and agrees that Lessor will not interfere with the peaceful and quiet occupation and enjoyment of the Land by Lessee, which occupation and enjoyment shall be without hindrance, ejection or molestation by Lessor.

10. Compliance with Laws. Lessee shall not use the Land or permit anything to be done in or about the Land which will in any way conflict with any law, statute, ordinance or governmental rule or regulation now in force or which may hereafter be enacted or promulgated. Lessee shall, at its sole cost and expense, promptly comply with all laws, statutes, ordinances and governmental rules, regulations or requirements now in force or which may hereafter be in force, and obtain all permits, licenses or other approvals required by governmental agencies or bodies. Lessee shall further comply with the requirements of any board or other similar bodies now or hereafter constituted, relating to, or affecting the condition, use or occupancy of the Land.

11. Waiver Limitations. The waiver by either party of any term, covenant or condition herein contained on the part of the other party to be performed shall not be deemed a waiver of such term, covenant or condition for any subsequent breach of the same or any other term, covenant or condition herein contained. The subsequent acceptance by Lessor of Lessee's performance of any obligations hereunder shall not be deemed to be a waiver of any preceding breach by Lessee of any term, covenant or condition of this Lease.

12. Notices. All notices or requests required or permitted under this Lease shall be in writing, shall be personally delivered or sent by certified mail, return receipt requested, postage prepaid, by nationally recognized overnight courier or by confirmed email transmission and shall be deemed given when so delivered, received or emailed (provided sender obtains a confirmation of receipt). All notices or requests shall be sent as follows:

If to Lessor: County of Riverside
Real Estate Division
3403 Tenth Street, Suite 500
Riverside, California 92501