



MARK PESTRELLA, Director

**COUNTY OF LOS ANGELES
DEPARTMENT OF PUBLIC WORKS**

"To Enrich Lives Through Effective and Caring Service"

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ADOPTED

BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES

24 September 18, 2018

CELIA ZAVALA
ACTING EXECUTIVE OFFICER

September 18, 2018

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, California 90012

Dear Supervisors:

**CHIQUITA CANYON LANDFILL
SECURED INDEMNIFICATION AGREEMENT
(SUPERVISORIAL DISTRICT 5)
(3 VOTES)**

SUBJECT

Public Works is seeking Board approval to approve the Secured Indemnification Agreement for the Chiquita Canyon Landfill, direct the Chair to execute the agreement, and delegate authority to Department of Public Works to accept annual renewal of the Letter of Credit or other security as he determines is in the best interest of the County.

IT IS RECOMMENDED THAT THE BOARD:

1. Find that the proposed Secured Indemnification Agreement is not subject to the California Environmental Quality Act for the reasons stated herein and the reasons reflected in the record of the agreement.
2. Approve the Secured Indemnification Agreement between the County of Los Angeles and Chiquita Canyon LLC., for the Chiquita Canyon Landfill, and direct the Chair to execute the agreement.
3. Delegate authority to the Director of Public Works or his designee to accept annual renewal of the Letter of Credit or other security as he or she determines is in the best interest of the County.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

On July 25, 2017, the Board of Supervisors approved Conditional Use Permit (CUP) No. 2004-00042-(5), issued to Chiquita Canyon LLC (CCL), for operation of the Chiquita Canyon Landfill in the

unincorporated community of Castaic. CCL is a subsidiary of Waste Connections, Inc. Exhibit A, the Implementation and Monitoring Program of the CUP, requires the execution of a Secured Indemnification Agreement (enclosed). The agreement requires CCL to indemnify the County for any liability incurred as a result of third party claims for damage or injury arising from the County's issuance of the CUP or CCL's violation thereof. It also requires CCL to indemnify the County for damages to public property that may result from CCL's operation of the Landfill and to reimburse any expenses incurred by the County in performing any on- and off-site remedial work necessitated by the landfill's failure to safely operate or maintain the landfill as required by law and by the CUP, or the landfill's failure to perform remedial work in a timely manner. The agreement also requires CCL to obtain a Letter of Credit or other security acceptable to the County to guarantee that CCL has the funds to meet its obligations to reimburse or indemnify the County.

Implementation of Strategic Plan Goals

The County Strategic Plan directs the provisions of Strategic Plan Goal II.3, Make Environmental Sustainability our Daily Reality. The County of Los Angeles has a regional responsibility to consider project impacts on the environment and have requirements that promote sustainable behaviors. The recommended actions will require Waste Connections to operate its landfill in a sustainable and safe manner so that it will not cause any impacts on the environment and the surrounding communities.

FISCAL IMPACT/FINANCING

There will be no impact to the County General Fund. CCL has submitted an acceptable Letter of Credit in the amount of \$10 million as security in the event that it fails to reimburse the County for covered expenses or covered claims set forth in the Agreement. The agreement further authorizes the County to draw the full amount of the security and place the drawn amount in a trust fund if CCL fails to replace or renew the Letter of Credit at least thirty (30) days before expiration or termination of the Letter of Credit. These funds would be reflected as revenue and appropriations in the Solid Waste Management Fund if budgetary authority is subsequently required.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

The agreement is being executed in accordance with Part VII of the Implementation and Monitoring Program for the Chiquita Canyon Landfill, which is attached to and is part of the CUP No. 2004-00042-(5), which was adopted by the Board of Supervisors on July 25, 2017, and became effective on July 28, 2017.

County Counsel has approved the agreement as to form.

ENVIRONMENTAL DOCUMENTATION

In accordance with Section 15378(b)(4) of the California Environmental Quality Act Guidelines, the proposed Secured Indemnification Agreement does not constitute a project because it involves governmental fiscal activities, which do not involve any commitment to a project and therefore is not subject to the requirements of California Environmental Quality Act. The Board of Supervisors certified a Final Environmental Impact Report for the CUP on June 27, 2017.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

The Honorable Board of Supervisors

9/18/2018

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The approval of this agreement will have no impact on current services or projects.

CONCLUSION

Please return one adopted copy of this letter and two signed copies of the original agreement to the Department of Public Works, Environmental Programs Division.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Mark Pestrella". The signature is fluid and cursive, written in a professional style.

MARK PESTRELLA

Director

MP:SA:jl

Enclosures

c: Chief Executive Office (Chia-Ann Yen)
County Counsel
Executive Office
Department of Public Health (Maurice Pantoja,
Solid Waste Management Program)
Department of Regional Planning (Sam Dea,
Richard Claghorn)

SECURED INDEMNIFICATION AGREEMENT

THIS SECURED INDEMNIFICATION AGREEMENT (this "**Agreement**") is made and entered into as of the 1st day of August, 2018, by and between the County of Los Angeles, a subdivision of the State of California (the "**County**"), and Chiquita Canyon, LLC ("**CCL**") (hereinafter together referred to as "**Party**" or "**Parties**").

RECITAL

This **Agreement** is made with reference to the following facts:

- A. CCL owns approximately 639 acres of land located at 29201 Henry Mayo Drive, in the unincorporated community of Castaic, California ("**Property**"), within the A-2 (Heavy Agricultural) and Community Standards District (CSD) Zoned Districts. CCL is the owner of the Chiquita Canyon Landfill, Class III non-hazardous solid waste landfill currently in operation on the subject Property ("**Landfill**").
- B. On July 25, 2017, the Los Angeles County Board of Supervisors (the "**Board**") among other actions, approved and issued Conditional Use Permit and Oak Tree Permit 2015-00007-(5) for the continued operation and expansion of the Landfill (the "**CUP**"). As part of the approval of the CUP, the Board also approved an attachment to the CUP entitled IMPLEMENTATION AND MONITORING PROGRAM, CHIQUITA CANYON LANDFILL EXPANSION ("**IMP**"), which imposes additional implementation and monitoring requirements on CCL to ensure compliance with the conditions of the CUP. The requirement that CCL comply with the IMP is included as a condition of the CUP.
- C. Part VII of the IMP requires CCL to enter into an agreement with the County ("**Indemnification Agreement**") providing for indemnification of the County for certain damages and loss, and reimbursement of certain expenses incurred by the County associated with CCL's operation of the Landfill, and securing performance of these obligations in the manner set forth herein. This Indemnification Agreement is intended to satisfy CCL's requirements under Part VII of the IMP, a true and correct copy of which is attached hereto as **Exhibit "A."**

NOW, THEREFORE, the Parties agree as follows:

1. Indemnification Obligation.

1.1 CCL shall indemnify the County for any liability, loss or expense incurred by the County from any claim, action or proceeding against the County by any third party as a result of the County's issuance of the CUP or CCL's violation thereof, except to the extent of any such liability, loss or expense arising from the sole negligence or willful misconduct of the County (hereafter "**Covered Claim**"). In the event that the County receives any claim, suit or demand that constitutes a Covered Claim, the County shall notify CCL as soon as reasonably practicable.

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1.2 In addition to the obligation to indemnify the County for Covered Claims pursuant to Paragraph 1.1, CCL shall indemnify the County for any damages to County property caused by CCL's operation of the Landfill and/or for any reasonable expense incurred by the County's performance of any on-site or off-site remedial work resulting from CCL's failure to operate or maintain the Landfill or any of its systems (including, without limitation, work related to the Environmental Protection and Control Systems (as defined in CUP), air quality and odor, and litter and dust control, noise control, vector control, and maintenance of slopes) at a level that meets the requirements of the CUP and applicable laws and implementing regulations.

1.3 If the County's Director of Public Works or Director of the Department of Public Health acting as the County's Health Officer or Local Enforcement Agency ("**LEA**") reasonably determines that CCL has failed to operate or maintain the Landfill as provided in Paragraph 1.2, he or she shall provide written notice to CCL and an opportunity to cure at least 30 days before commencing work to remediate the deficiency to the extent not cured by CCL, unless he or she reasonably determines that sooner remediation is necessary to protect public health, safety, or the environment and notifies CCL of the same in the County's written notice.

1.4 The Parties understand and agree that this Agreement is intended to satisfy the requirement of Part VII of the IMP only, and does not necessarily set forth the entirety of CCL's obligations to defend and indemnify the County, its agents, officers and employees, as set forth in the conditions of the CUP.

2. Indemnification Security.

2.1 As security, CCL shall deliver and tender to the County a letter of credit or such other security in a form reasonably acceptable to the County (with the letter of credit or such other security referred to as the "**Security**") in the amount of Ten Million Dollars (\$10,000,000) to secure CCL's obligations under this Agreement, including, without limitation, CCL's performance of its obligations set forth in Paragraph 1 above. A copy of the initial Security is attached hereto as **Exhibit "B"**.

2.2 The Security or a replacement or extension reasonably acceptable to the County shall remain in place during the term of the CUP and all closure and post-closure activities at the Landfill. The Security shall obligate the issuer to provide written notice to CCL and the County at least 90 days before the expiration, termination or cancellation of the Security for any reason. At least 30 days prior to the expiration, termination, or cancellation of the Security for any reason, CCL shall provide evidence to the County that it has obtained a replacement or renewal of the Security that will be effective on or before the date the Security would expire, terminate, or be cancelled that is reasonably acceptable to the County and meets the requirements of this Agreement.

2.3 The failure of CCL to meet the 30-day requirement to replace or renew the Security in accordance with 2.2 shall be considered a material breach of CCL's obligations under the CUP and the County shall have the right, at its sole and absolute discretion, to draw down the full amount of said Security. The County shall place the drawn account in a trust fund to secure CCL's performance under this Agreement. If CCL thereafter posts qualifying replacement Security, the County shall return the amount of the Security remaining in the trust fund to CCL. In addition, the County shall have the right to draw from the Security to pay for any and all of the County's reasonable and documented costs incurred in enforcing this Indemnification Agreement or collecting or administering any amounts of the Security.

3. Right of County to Draw on Security.

3.1 CCL's failure to indemnify the County as required in Paragraphs 1.1 and 1.2 of this Agreement within thirty (30) days of CCL's receipt of a Claims Notice (as defined in Paragraph 3.2) from the County shall be considered a material breach of CCL's indemnification obligation under this Agreement, which will entitle the County to drawn upon the Security to cover any Covered Expense. For purposes of this Indemnification Agreement, "**Covered Expense**" shall include any indemnifiable amounts incurred by the County in connection with a Covered Claim, and all expenses incurred by the County which CCL is required to indemnify under Paragraph 1.2.

3.2 Notwithstanding any other provision in this Agreement, in the event the County becomes aware of any claim, action or proceeding or any expenses as to which the County may be entitled to indemnification hereunder, the County shall promptly notify CCL in writing thereof (the "**Claims Notice**"), and in any event within thirty (30) days after (i) receipt of written notice of commencement of any third party litigation against the County (a "**Third Party Claim**"); (ii) receipt by the County of written notice of any Third Party Claim pursuant to an invoice, notice of claim or assessment against the County; or (iii) the County becomes aware of the existence of any other event in respect of which indemnification may be sought from CCL hereunder. The Claims Notice shall describe the claims, damages or expenses and the specific facts and circumstances in reasonable detail, and shall indicate the amount, if known, or an estimate, if possible, of the related expenses that have been or may be incurred or suffered by the County. The County shall fully cooperate with CCL in the defense of any such matter. If the County fails to timely deliver a Claims Notice to CCL, or if the County fails to cooperate fully in the defense of any such matter, CCL shall not thereafter be responsible to indemnify the County for such matter to the extent it can establish it has been prejudiced by such lack of compliance by the County.

4. Termination of this Agreement and the Security.

This Agreement shall terminate and the Security (including any drawn amounts maintained in a trust fund pursuant to Paragraph 2.3 above) shall be released, and returned to CCL or the appropriate party, free and clear of all claims under this Agreement, upon the occurrence of all of the following events:

- (a) Closure and Post-Closure Maintenance of the Project is completed as required by the CUP and federal, state and local laws and regulations;
- (b) All required remediation under the CUP has been resolved;
- (c) All Covered Claims have been resolved; and
- (d) CCL has paid the County for all Covered Expenses;

5. Miscellaneous.

5.1 Successors and Assigns. This Indemnification Agreement shall (a) be binding upon CCL and its successors and assigns and (b) inure to the benefit of and be enforceable by the County and its successors and assigns. CCL shall be released from all further responsibility or liability under this Agreement upon any transfer of all or substantially all of the assets constituting the Landfill in an asset sale, only upon the transferee assuming CCL's responsibilities under this Agreement and posting a replacement letter of credit or other security consistent with Paragraph 2.1 above as a replacement for the Security. In the event of any such transfer, CCL must:

5.1.1 Notify the County, in writing, of such transfer within ten calendar days; and

5.1.2 Notify the succeeding owner and operator by letter, a copy of which shall be filed with the County, of the existence of this Agreement; and

5.1.3 Provide any additional information reasonably requested by the County pertaining to any such transfer.

5.2 Modification or Waiver of this Agreement. This Agreement is intended by the Parties hereto as a final expression of their agreement and understanding with respect to the subject matter hereof and, together with the terms of the Security, the CUP and the IMP, is intended as a complete and exclusive statement thereof. No modification or waiver of any provision of this Agreement shall be effective unless the same shall be in writing and signed by the County and CCL. Any modification or waiver referred to in this Paragraph 5.2 shall be effective only in the specific instance and for the specific purposes for which given.

5.3 No Waiver of Rights by the Parties; Cumulative Rights. No course of dealing or failure or delay on the part of either Party in exercising any right, power or privilege hereunder shall preclude any other or further exercise or the exercise of any right, power or privilege. Each Party's remedies under this Agreement are cumulative and are not intended to be exclusive of any other remedies or means of redress to which a Party may be lawfully entitled.

5.4 Severability. In case any one or more of the provisions contained in this Agreement should be deemed invalid, illegal or unenforceable in any respect, the validity, legality and enforceability of the remaining provisions contained herein shall not in any way be affected or impaired thereby.

5.5 Governing Law. This Agreement shall be construed in accordance with and governed by the substantive laws, and not the conflicts of laws, of the State of California.

5.6 Consent to Venue and Waiver of Jury Trial. The Parties agree that any disputes arising out of or related in any way to this Agreement, including a breach of this Agreement, shall be filed exclusively in the state courts in Los Angeles County, California. The Parties consent and agree to the jurisdiction of such courts. Neither Party will argue or contend that it is not subject to the jurisdiction of such courts or that venue in Los Angeles County, California is improper. The Parties agree to waive any right to a trial by jury in any such dispute and that the matter will be tried solely to the court. The Parties understand that they are giving up valuable legal rights under this provision, including the right to trial by jury, and that they voluntarily and knowingly waive those rights.

5.7 Notices. All notices and communications hereunder shall be given by hand delivery, with a receipt being obtained therefore, by United States certified or registered mail, or by a nationally recognized overnight courier such as Federal Express. Notices and communications hereunder shall be effective when received and shall be sent to the following addresses (or to such other addresses of a Party hereto upon notification of such to the other Party in accordance herewith):

If to County, to: County of Los Angeles
Department of Public Works
900 South Fremont Avenue, 12th Floor
Alhambra, California 91803
Attention: Director of Public Works

with copies to: County of Los Angeles
Office of the County Counsel
648 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, California 90012
Attention: Public Works Division

County of Los Angeles
Department of Regional Planning
320 West Temple Street, 13th Floor
Los Angeles, California 90012
Attention: Administrative Services

If to CCL, to: Chiquita Canyon, LLC
29201 Henry Mayo Drive
Castaic, California 91384
Attention: District Manager

with copies to: Chiquita Canyon, LLC
c/o Waste Connections, Inc.

3 Waterway Square Place
Suite 110
The Woodlands, Texas 77380
Attention: General Counsel

5.8 Further Instruments. From time to time, the Parties hereto shall each execute and deliver in recordable form, if necessary, such further instruments and shall take such other action as the other Party reasonably may request in order to discharge and perform their respective covenants and obligations under this Agreement.

5.9 No Third-Party Beneficiaries. This Agreement is made exclusively for the benefit and solely for the protection of the County and CCL, and no other person or persons shall have the right to enforce the provisions hereof by action or legal proceedings or otherwise. The only Parties to this Agreement are the County and CCL and their respective successors-in-interest. There are no third party beneficiaries.

5.10 Definitions. Unless otherwise defined in this Agreement, all terms used herein shall be as defined in the CUP.

[Remainder of Page Intentionally Left Blank]

IN WITNESS WHEREOF, the Parties hereto have caused this Secured Indemnification Agreement to be signed by their respective officers thereunto duly authorized as of the date first above written.

ADOPTED
BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES

24 SEP 18 2018

Celia Zavala
CELIA ZAVALA
ACTING EXECUTIVE OFFICER

Chiquita Canyon, LLC.

By: *[Signature]*
Name: Ronald J. Mittelstaedt
Title: Chief Executive Officer

COUNTY OF LOS ANGELES



By: *[Signature]*
Chair, Board of Supervisors

ATTEST:

CELIA ZAVALA, Acting Executive Officer
Clerk of the Board of Supervisors
County of Los Angeles

I hereby certify that pursuant to Section 25103 of the Government Code, delivery of this document has been made.

By: *[Signature]*
Deputy SEP 18 2018

CELIA ZAVALA
Acting Executive Officer
Clerk of the Board of Supervisors

By: *[Signature]* SEP 18 2018
Deputy

APPROVED AS TO FORM:

MARY C. WICKHAM
County Counsel

By: *[Signature]*
Deputy

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ATTACHMENTS

- **Exhibit “A”** – Implementation and Monitoring Program
- **Exhibit “B”** – Letter of Credit/Security

IMPLEMENTATION AND MONITORING PROGRAM

**CHIQUITA CANYON LANDFILL EXPANSION
Attachment to the Conditions of Approval for
Conditional Use Permit Number 200400042**

PURPOSE. This implementation and monitoring program ("IMP") is intended to implement and ensure compliance with the conditions of Project No. R2004-00559 and its associated permits Conditional Use Permit No. 200400042 and Oak Tree Permit No. 201500007 ("Grant") and to complement the enforcement and monitoring programs routinely administered by County agencies and non-county public agencies during the life of the Grant. Unless otherwise defined in this IMP, terms herein shall have the same meaning as in the Conditions of Approval for the Grant.

PART I — LANDFILL ELEVATIONS. The following measures shall be carried out to monitor compliance with Condition Nos. 12, 26, 29, 38, 51, 53, 54, 55, 56, and 61 of this Grant, which establish the Limits of Fill.

- A. Before commencing expansion of the Landfill beyond the limits established by Conditional Use Permit No. 89-081, the Permittee shall install survey monuments around the perimeter of the Landfill, as depicted on Exhibit "A" and as established by the limits of Condition No. 29.

The specific spacing, location, and characteristics of the survey monuments shall be as specified by the Director of Public Works and shall be at points where they will not be subject to disturbance of Landfill development.

The survey monuments shall be inspected and approved by the Director of Public Works after installation, and the "as installed" plan shall be provided to the Director of Public Works.

Not less than 60 or more than 90 days before the deadline for the annual monitoring report required by Part XII of this IMP, the Permittee shall cause a licensed surveyor or registered civil engineer to conduct a survey of the Landfill's elevations and submit the results to the Director of Public Works for approval. Additional elevation surveys shall also be conducted by either of these professionals under the following circumstances: 1) in the event of an earthquake of magnitude (Richter) 5.0 or greater in the vicinity of the Facility; 2) as directed by the Director of Public Works as he or she deems necessary to monitor compliance with the conditions of approval of the Grant; or 3) upon completion of the Landfill's final fill design.

The Director of Public Works may also conduct or order on-site surveys as he or she deems necessary and shall promptly report any apparent violation revealed by the survey to the Director of the Department of Regional Planning and the DPH.

- B. If the Director of Public Works approves grading or other disturbance in

areas outside the Limits of Fill shown on Exhibit "A" pursuant to Condition No. 51 of the Grant, the Department of Public Works shall provide a copy of such approval to the Director of the Department of Regional Planning.

PART II — WASTE PLAN CONFORMANCE. The provisions of this Part II are intended to ensure compliance with the provisions of Condition Nos. 23-28, 42-45 of the Grant, and to conform Landfill operations with the Los Angeles County Countywide Integrated Waste Management Plan adopted pursuant to Division 30 of the Public Resources Code.

- A. The Permittee shall ensure the proper installation and maintenance of scales to verify the weight of Solid Waste received, disposed of, used for Beneficial Use Materials at the Facility, and/or otherwise diverted and sent off-site for further handling and/or processing. The Permittee shall maintain records necessary to document the following: (1) the aforementioned weights and their origin; (2) compliance with waste restrictions imposed pursuant to the conditions of the Grant; and (3) the fees charged for disposal at the Facility.
- B. All records shall be available for inspection by DPH, the Department of Public Works, the Department of Regional Planning, and the Treasurer and Tax Collector during normal business hours, and shall be forwarded to such agencies upon request.

PART III – DATA COLLECTION AND REPORTING. The provisions of this Part III are intended to enhance the continuing oversight of Landfill operations by reporting to the County all materials received, disposed, and beneficially used at the facility per the following.

- A. **Monthly.** Within 30 days after the end of each calendar month, Permittee shall submit the Monthly Report for that calendar month to the Department of Public Works in a form and manner determined by the Director of Public Works, including the following information:
 - a. The total number of commercial premises, multifamily premises, and residential premises, respectively, at which Permittee provided for regularly scheduled of Household Hazardous Waste collection or other measurement requested by County concerning these items;
 - b. ~~The~~ The respective total quantities of:
 - i. Solid waste (in tons), Recyclables (in tons), and any green waste and other compostable organic materials (in tons or, if not weighed at the Solid Waste Facility where it is delivered, in tons); and Beneficial Use material (in tons or measure approved by the Director of the Department of Public Works) received by Permittee;
 - ii. Materials recovered from those Recyclables, abandoned waste

(such as Certified Electronic Device (CED) or E-waste) and residual Solid Waste remaining after processing of Recyclables;

- c. The final destination of that residual Solid Waste;
- d. Where Permittee delivered those Recyclables; and
- e. Materials processed at the composting facility.
- f. The estimated number of holiday trees, and biomass received by Permittee and their final destination;
- g. Using reasonable business efforts, the estimated number and tons of bulky items, E-waste, and CEDs collected by Permittee (such as major appliances/white goods and metallic discards, used tires and other Solid Waste recovered by Permittee during any annual cleanup campaigns), and final destination thereof;
- h. The collection route maps and schedule for the entire service area, if any map or schedule has changed during the prior month;
- i. Any other information compiled from records or formatting of that information requested by the Director of Public Works;
- j. Number of vehicle loads of all vehicles coming to the facility; and
- k. Records of material received and processed at the composting facility.

PART IV — WASTE ORIGIN DATA ACCURACY. The provisions of this Part IV are intended to ensure compliance with the provisions of Condition No.23 of the Grant. The Permittee shall adopt measures at the Facility to ensure the accuracy of the Solid Waste quantity allocated to County unincorporated areas and each of the cities from which waste is received. These measures shall also ensure the accuracy of determining the waste attributable to the Santa Clarita Valley Area, each city within Los Angeles County, and sources outside Los Angeles County; for purposes of complying with Condition No. 117 of the Grant. These measures shall become effective upon the Effective Date. Under these measures:

- A. The Permittee shall require written and verifiable documentation on source jurisdiction(s) and site address(es) where the Solid Waste is generated for loads from waste hauling industry customers ("Direct Haul Loads"), and written and verifiable documentation on source jurisdiction(s) for loads from transfer/processing facilities ("Transfer/Processing Loads"), the documentation of which shall be in a form developed by the Department of Public Works and distributed by the Permittee to its customers;
- B. The Permittee shall exempt from such documentation all customers tendering a minimum load, defined as a load having a net weight of less than one ton. However, such customers shall be required to verbally

state the source of their loads; and the Permittee shall record this information for its records and include in its reports;

- C. The Permittee shall investigate and verify the accuracy of all documentation provided for Direct Haul Loads;
- D. The Permittee shall forward all documentation for Transfer/Processing Loads to the Department of Public Works for review and verification;
- E. The Permittee shall forward all source of origin documentation for Direct Haul Loads from Solid Waste enterprises/waste haulers owned and operated by the Permittee or its subsidiaries to the Department of Public Works for review and verification;
- F. The Permittee shall impose a fee in an amount to be determined by the Permittee in consultation with the Department of Public Works on Direct Haul Loads and self-haul loads that are tendered at the Facility without the required written documentation. The fee shall be non-refundable and shall offset the Permittee's cost to track non-complying loads and to follow-up with the customers involved;
- G. If the Director of Public Works determines that a Solid Waste enterprise, waste hauler, and/or Transfer/Processing operator has failed to substantiate the origin of the Solid Waste, the Department of Public Works shall notify and direct the Permittee to impose a non-refundable penalty of \$5.00 per ton of waste whose origin the solid waste enterprise, waste hauler, or Transfer/Processing operator has failed to substantiate for that reporting period, which reporting period shall not exceed one month. The Permittee shall be responsible for collecting the fine and submitting it to the Department of Public Works within 60 days following such notification. The fines received by the Department of Public Works shall offset the cost of administering the waste origin verification program and of implementing other programs to mitigate any costs or penalties the County incur under the California Integrated Waste Management Act of 1989, as amended, from such misallocation;
- H. Unless otherwise approved by the Director of Public Works, the Permittee shall suspend the disposal privileges of customers who fail to provide the written documentation required by this Part IV within 14 calendar days following the tendering of an applicable load at the Facility, or of those customers who provide false, misleading, or inaccurate written documentation. Each suspension shall last up to 60 days;
- I. The Permittee shall extend the suspension period set forth above and in appropriate circumstances terminate the customer's disposal privileges for Transfer/Processing operators or waste haulers that repeatedly fail to substantiate the origin of their waste loads as required in this Part IV, or who

fail to pay the required penalties;

- J. The Permittee shall provide a procedure for its customers to appeal the suspension to the Permittee, the Director of Public Works, or their designees, pursuant to this Part IV and for immediate reinstatement of such privileges if the appeal is successful; and
- K. If the Permittee or the Director of Public Works determines that the origin of a waste load has been incorrectly reported, the Permittee shall correct the data submitted to the disposal reporting system to ensure its accuracy.

Prior to the implementation of the above measures, the Permittee shall, subject to the approval of the Director of Public Works, develop a waste origin verification and reporting program to include, but not be limited to, an outreach program to educate all customers of the Facility regarding the need to provide waste origin information, the requirements of the measures adopted pursuant to this Part IV, and an explanation of the consequences for failure to comply with the measures. After the effective date of the adopted measures, the Permittee shall provide a 90-day grace period to its customers prior to taking any enforcement action to provide time for customer education on these measures. Based on the initial results obtained from the verification and reporting program, these measures may be amended or modified by the Director of Public Works. The Director of Public Works shall have the discretion to terminate the verification and reporting program at any time.

Twice monthly, the Permittee shall submit the results of the verification and reporting program to the Director of Public Works, along with any other written documentation on the waste load transactions at the Facility.

PART V — HAZARDOUS WASTE EXCLUSION. This Part V ensures compliance with Condition No. 48 of the Grant regarding the exclusion of liquid, radioactive and hazardous waste from the Facility.

The Permittee shall maintain a comprehensive waste load checking program which shall require that:

- A. All waste hauling vehicles shall be screened at the scales with a radiation detector device, acceptable to DPH, for the presence of radioactive materials;
- B. Sensors capable of detecting volatile organic compounds acceptable to DPH shall be available at the Facility and used as directed by DPH;
- D. The scale operator shall question all drivers of suspect loads as to the source and nature of the loads, and shall inspect for contamination all large loads of earth brought into the Facility from areas not known to be free of contamination; The Landfill's Working Face areas shall be continuously inspected for hazardous and liquid waste, medical waste, and radioactive waste/materials. This inspection shall be accomplished by equipment operators and spotters who have been trained through an inspection

program approved by DPH;

- E. Unless otherwise specified by DPH or the Department of Public Works, the Permittee shall conduct at least six manual inspections of randomly selected incoming loads each operating day, for a minimum of 36 inspections per week. In addition, the Permittee shall conduct a series of twelve, intensive unannounced manual inspections of loads over a twelve-month period during the life of the Grant; and
- F. If on the basis of above-described inspections, DPH or the Department of Public Works determines that significant amounts of prohibited waste are entering the Facility, DPH or the Department of Public Works may require an expanded inspection program, which may include additional, unannounced manual inspections.

PART VI — PROHIBITED MATERIALS. This Part VI ensures compliance with Condition Nos. 48, 49, and 50 of the Grant regarding the prohibited materials at the Facility.

The Permittee shall not receive, process, or dispose any of the prohibited waste at the Facility per the followings:

- A. Automobile shredder waste;
- B. Biosolid; Sludge or sewage sludge, as specified in the California Code of Regulations, Title 27, Division 2, Chapter 3, Article 1, Section 20690(b)(4), and any amendments thereto;
- C. Incinerator ash; radioactive material; hazardous waste, as defined in Title 22, Section 66261.3 of the California Code of Regulations; medical waste, as defined in Section 117690 of the California Health & Safety Code; liquid waste, as defined in Title 27, Section 20164 of the California Code of Regulations; and
- D. Waste that contains soluble pollutants in concentrations that exceed applicable water quality objectives; and waste that can cause degradation of waters in the State, as determined by the RWQCB.

The Permittee shall implement a comprehensive Waste Load Checking Program, approved by the Department of Public Works and DPH to preclude receipt or disposal of prohibited waste at the Landfill.

PART VII — INDEMNIFICATION AGREEMENT. Prior to the Effective Date, the Permittee shall enter into an agreement with the County to indemnify the County for any damages to public property which may result from Landfill operations and for any liability, loss, or expense incurred by the county as a result of its issuance of the Grant of the Permittee's violation thereof, or for any expense which may be incurred by the County in performing any on- and/or off-site remedial work necessitated by the Permittee's failure to operate or maintain the Facility at a level acceptable to the Director of Public Works or DPH, or for the Permittee's failure to perform any of this work in a timely manner, including but not limited to, work related to the Environmental Protection and Control Systems, air quality and odor, and litter and dust control, noise control, vector control, and maintenance of slopes. The standards for operation and maintenance shall be as established by the provisions of the Grant and all applicable laws and implementing regulations.

To secure performance of the agreement, the Permittee shall tender to the Director of Public Works a letter of credit or other security acceptable to the County in the amount of \$10 million.

The security shall be in addition to any and all other security required by federal, state and local law, regulations and permits, including the security requirements of the Grant and of the State landfill closure regulations.

PART VIII — BIOLOGICAL/HORTICULTURAL MONITORING. This Part VIII is intended to promote compliance with the provisions of Condition Nos. 61 and 62 of the Grant concerning on-site planting, revegetation, and maintenance.

- A. On or before the Effective Date of the Grant, the Permittee shall retain a horticulture/forester consultant to supervise the on- and off-site slope planting and oak tree mitigation programs required by the Grant and this IMP. The consultant shall be approved by the County Forester.

This consultant shall have the requisite education, training, experience, and professional standing to carry out the specific requirements of the position, as evidenced by appropriate licensing, registration and/or academic standing in the field of horticulture/forestry.

In addition to the horticulture/forester consultant, prior to the Effective Date of the Grant, the Permittee shall retain the services of a biology consultant, whose duties shall include: (a) the ongoing review of any updated listings of threatened and endangered species contained in the Federal Register for purposes of determining whether species existing at the Facility have been re-classified with a "Category 1" status; (b) notification of the Department of any change in status of any such species; and (c) participating in the revegetation program adopted for the Landfill.

This consultant shall have the requisite education, training, experience and professional standing to carry out the specific requirements of the position, as evidenced by appropriate licensing, registration and/or academic

standing in the field of biology.

- B. If any retained consultant pursuant to this Part VIII terminates employment at any time during the life of the Grant, including during the Post Closure Maintenance Period, a replacement consultant shall be retained and approved as provided in this Part VIII.

The Permittee shall create and maintain adequate records to track fill areas in accordance with the California Regional Water Quality Control Board requirements. These records shall indicate fill areas transferred to an inactive status which are potentially subject to the vegetation requirements in Condition Nos. 61 and 62. The Permittee shall make copies of such records available to the horticulture/forester consultant, DPH, the County Forester, and other interested regulatory agencies, when a Landfill area becomes inactive.

PART IX — ARCHEOLOGICAL/PALEONTOLOGICAL MONITORING. The Permittee shall implement the monitoring program described in this Part IX to conserve archaeological and paleontological resources as required by Condition No. 95 of the Grant.

- A. Before commencing grading activities in previously undisturbed areas, the Permittee shall nominate to the Director of the Department of Regional Planning, both a certified archaeologist and a qualified paleontologist from the Society of Professional Archaeologists which the Permittee intends to retain to perform the monitoring and conservation work required by this Part IX and Condition No. 95 of the Grant. If approved by the Director of the Department of Regional Planning, the archaeologist and paleontologist shall both submit a letter to the Director of the Department of Regional Planning stating that he/she has been retained to perform or supervise the work described herein, and that he/she agrees to report any failure of compliance with the Grant or this Part IX to the Director of Regional Planning.
- B. The archaeologist and the paleontologist shall each submit a written report to the Permittee to be included in the Permittee's annual monitoring report required by Part XIII of this IMP for as long as on-site excavation activity continues at the Facility.
- C. If either the archaeologist or paleontologist terminates employment before completion of the excavation work associated with the Facility, a replacement expert shall be selected, approved, retained and certified as described in this Part IX.

PART X — ANCILLARY FACILITIES. This Part X is intended to enhance compliance with Condition No. 26 of the Grant concerning the Ancillary Facilities at the Facility, and to verify that such Ancillary Facilities are consistent with the other conditions of the Grant and with the provisions of Title 22 of the Los Angeles County Code ("County Zoning Ordinance").

Before commencing development or obtaining a building permit for any Ancillary Facility, the Permittee shall submit to the Director of the Department of Regional Planning a site plan for such Ancillary Facility. The plan shall be in sufficient detail to establish compliance with the conditions of the Grant and with the standards of the County Zoning Ordinance, including the provisions relating to the development and maintenance of parking, screening and signs, as set forth in Chapter 52 of the County Zoning Ordinance.

PART XI — COMMUNITY ADVISORY COMMITTEE. The Community Advisory Committee ("CAC") shall consist of seven members appointed by the Fifth Supervisorial District and shall be governed by its Bylaws. The CAC shall serve as an advisory body to the Board of Supervisors, Regional Planning Commission, and County Staff on issues relating to the landfill, and as a conduit for the community to communicate with the Commission and other regulatory agencies on an ongoing basis regarding issues involving the development and operation of the Facility. The CAC shall be composed of persons who reside in the Santa Clarita Valley and who are recommended by recognized community and neighborhood associations. In addition, the Fifth Supervisorial District shall also appoint a representative to serve as a coordinator for the CAC.

For the life of the Grant, the Permittee shall continue to do the following regarding the CAC:

- A. Provide qualified personnel to regularly attend CAC meetings;
- B. Provide the CAC reasonable access to the Facility and information concerning Landfill operations necessary for the CAC to perform its functions;
- C. Provide accommodations for CAC meetings of Val Verde, Castaic, and other communities surrounding the Landfill.

The CAC shall be provided access to all reports submitted by the Permittee to any and all regulatory agencies required under the Grant, including the annual monitoring report required by Part XII of this IMP. The Permittee shall also consult the CAC on planning matters that could affect the physical development, closure date, or future use of the Facility.

PART XII — ANNUAL MONITORING REPORTS. This Part XII is intended to enhance the continuing oversight of Landfill operations and to supplement the routine enforcement activities of the various regulatory agencies having jurisdiction over the development, operation, and maintenance of the Facility.

- A. By March 1 of each year until the Landfill's Closure, the Permittee shall prepare and submit annual monitoring reports to the Commission and Technical Advisory Committee (which is described in Part XIV of this IMP), and to the CAC. At least 90 days prior to that date, draft copies of the report shall be submitted to the following entities for review and comment:
 1. DPH;

2. Director of the Department of Regional Planning;
3. Director of Public Works;
4. Los Angeles County Forester and Fire Warden;
5. Regional Water Quality Control Board-Los Angeles Region;
6. South Coast Air Quality Management District;
7. County Museum of Natural History; and
8. Community Advisory Committee;

The draft submittal to the above-referenced entities shall include a request that comments be sent to the Permittee within 30 days of receipt of the draft report, but no later than 30 days prior to the deadline for the final report. The Permittee shall provide documentation and certification to the Director of the Department of Regional Planning that the draft reports have been submitted to these entities and the agencies comments and proposal revisions have been fully incorporated in to the final report.

The Permittee shall respond to each comment received by these entities and shall include every comment and response with the final report submitted to the Commission, the Technical Advisory Committee and the CAC. A copy of the final report shall be provided to the local county library and posted on the Permittee's website.

Upon receipt of the monitoring report, the Commission and Technical Advisory Committee may request the Permittee to submit additional information as it deems necessary to carry out the purposes of this IMP.

B. Each monitoring report shall contain, at a minimum, the following:

1. A cumulative total of all Solid Waste disposed of, and Beneficial Use Materials received at the Landfill, the percent of total available capacity used, the remaining disposal capacity in volume and in tons, and a detailed site map/plan showing the sequence of Landfill operations;
2. A copy (which may be reduced and simplified to fit the report format) of the most recent approved Landfill survey (as required in Part I of this IMP) showing the Limits of the Fill, current elevations, and the height and extent of the current fill;
3. The achieved ratio of weight to volume of Solid Waste disposed of at the Landfill and a comparison of that ratio with the ratio achieved at comparable landfills in the County, with an explanation of any significant deviation;
4. A summary table of the rates (quantity per month and per calendar year) of materials received, disposed of, used for Beneficial Use

Materials at the Facility, and/or otherwise diverted and/or sent off-site for further handling/processing, for the period established by the Director of Public Works, or from the last monitoring report, in sufficient detail to explain significant changes and variations of the rates over time;

5. A summary of the measures taken by the Permittee to divert and recycle materials at the Facility, how the measures compare with waste management plans adopted by the County and various cities, and the overall effectiveness of such measures in achieving the intent of the Grant and the County's waste management plans;
6. A summary of the number and character of litter, noise, fugitive dust, and odor complaints received in the reporting period, the disposition of such complaints, and any new or additional measures taken to address or avoid future complaints;
7. A detailed accounting of any and all citations, notices of violation, or equivalent the Facility received from any regulatory agency for violations in operating the Facility (including violations related to litter, odor, fugitive dust, noise, Landfill gas, or other Environmental Protection and Control Systems), the disposition of the citations, and the penalties assessed and fees paid;
8. A report on all interim and final fill revegetation, including an assessment of the success of such revegetation and any additional measures necessary or proposed to effect successful revegetation;
9. The archaeological and paleontological reports required in Part XII;
10. A summary of the measures taken by the Permittee to promote and implement alternative technologies most appropriate for Southern California from an environmental and economic perspective, as required by Condition No. 119 and 126 of the Grant;

A summary of the measures taken by the Permittee to maintain roads and to develop transportation improvements in the surrounding areas of the Facility, as required by Condition No. 79 and 121 of the Grant;

11. A summary of the measures taken by the Permittee to minimize truck traffic at the Facility as required by Condition Nos. 47, 75-81 of the Grant;
12. A summary of the measures taken by the Permittee to control and mitigate odor nuisance generated by the Facility, including measures taken to mitigate odor generated from incoming waste hauling trucks/customers, working face areas, and landfill gas;

13. A summary of the measures taken by the Permittee to ensure effectiveness and adequacy of its landfill gas collection and management system, and to utilize Landfill gas to generate energy at the Facility as required by Condition No. 64 of the Grant; and
 14. A summary table of compliance status showing the status of compliance of each condition of approval, this IMP and MMRP. The table shall be in a format specified by the Director of Public Works in consultation with the TAC.
- C. Nothing in this Part XII shall be construed in any way to limit the authority of a Hearing Officer, the Commission, or the Board to initiate any proceeding to revoke or modify the Grant as provided in Condition No. 20 of the Grant or under Part 13, Chapter 56, of the County Zoning Ordinance.

PART XIII — COMPENSATION. The Permittee shall compensate all involved County departments for the expenses incurred in the administration of the Grant, including the administration of this IMP and the MMRP in the project's supporting environmental documentation, not otherwise covered by the fees paid for administration of the SWFP for the Facility. Such compensation shall be computed using the actual hours expended multiplied by the most current applicable hourly rates available at the time that the expenses are incurred, as approved by the County Auditor-Controller, including costs of personnel, equipment, and transportation costs.

PART XIV — TECHNICAL ADVISORY COMMITTEE ("TAC"). A committee of County departments, chaired by the Director of the Department of Regional Planning or his/her designee, shall be established for the purpose of reviewing, coordinating, and certifying the satisfactory implementation and/or completion of the plans, permits, and/or agreements required and/or authorized by the Grant, including the implementation and/or completion of the Conditions of Approval, this IMP, and the MMRP.

- A. Composition. The TAC shall be composed of representative(s) of the following County departments, and other County departments on an as-needed basis as determined by the Director of Regional Planning:
1. Department of Public Health;
 2. Department of Regional Planning;
 3. Department of Public Works; and
 4. The Forester and Fire Warden.
- B. Meeting/Purposes. The TAC shall meet at least twice a year to ensure the purposes of the conditions of the Grant are satisfied and to ensure compliance with the approvals and regulations of State and Federal agencies that regulate and permit the Facility. TAC's meetings shall be

open to members of the CAC, and reports to the TAC shall also be made available to the CAC. One of TAC's annual meetings shall be conducted to review the annual report submitted by the Permittee as required by Part XII of this IMP and to certify that all requirements of the conditions of the Grant have been met as reflected in the annual report. The TAC shall review specific requests from the CAC regarding compliance with the Grant.

In addition to any other TAC requirement of this Part XIV, the TAC shall determine compliance with the Grant: 1) within six months after the Effective Date; 2) prior to the Permittee's development of the Household Hazardous Waste Collection Facility, Conversion Technology, and Composting Facility Project (excluding final approval of plans, permits and agreements); and/or 3) prior to the Permittee's commencement of the Closure process. The TAC shall meet for this purpose and if all of the conditions and requirements of the Grant have been met for purposes of commencing any of these phases of the project, the TAC shall certify compliance.

- C. Access to the Facility and Information. The Permittee shall provide access to the TAC and its independent consultant(s) to all areas of the Facility during normal hours of operation and shall respond to all information requests from the TAC and its independent Consultant(s) in a timely manner as specified by the TAC regarding compliance with the conditions of the Grant and the MMRP.
- D. The Permittee may appeal an adverse determination of the TAC to the Director of the Department of Regional Planning, whose decision shall be final.
- E. Upon the effective date of the Grant, the Director of the Department of Regional Planning or the Director of Public Works, in consultation with the TAC shall retain the services of an independent engineering consultant to monitor any and/or all of the Conditions of approval and mitigation measures throughout the life of the Grant. The Permittee shall pay all costs for the independent consultant within 30 days of receiving the invoice for the consultant's services.

The independent consultant shall perform inspections of all activities at the Facility in accordance with the conditions of approval, at least once a month, and at other frequency deemed necessary by the Director of Public Works to perform monitoring, evaluation, and other tasks necessary to implement the requirements of the conditions of approval of the Grant. The independent consultant shall prepare and submit its quarterly report to the Director of Public Works with copies to the TAC, the CAC and other interested community representatives or groups. The Director of Public Works shall review the report and make recommendations to the Department for necessary enforcement actions in accordance with Condition No. 20 of the Grant.

Part XV – PERIODIC REVIEW.

- A. In accordance with Condition No. 37 of the Conditional Use Permit, not less than one year before the 5th anniversary of the effective date of this grant, the Permittee shall initiate a Periodic Review with the Department. Additional Periodic Reviews shall be initiated by the Permittee not less than one year before the 10th, 15th, 20th, and 25th anniversaries of the effective date of this grant. Additional Periodic Reviews may also be required at the discretion of the Director of Regional Planning. The purpose of the Periodic Reviews is to consider new or changed circumstances, such as physical development near the Project Site, improved technological innovations in environmental protection and control systems, and other best management practices that might significantly improve the operations of the Facility, and to determine if any changes to the facility operations and IMP are warranted based on the changed circumstances. To initiate the Periodic Review, the Permittee shall submit for review a permit requirement compliance study which details the status of the Permittee's compliance with the conditions of approval of this grant. Additionally, an updated Closure Plan and Post-Closure Maintenance Plan shall be submitted to the Department and the TAC for review at this time, as well as the comprehensive waste disposal study referred to in Condition No. 106 of the Conditional Use Permit, and any other information that is deemed necessary by the Department to ensure that the landfill operations are operating as efficiently and effectively as possible and that any potential adverse impacts are minimized, and that the Facility is not causing adverse impacts or nuisance in the surrounding communities.

The cost of the Periodic Reviews shall be borne by the Permittee and is to be paid through the draw-down account referred to in Condition No. 125. For each Periodic Review, a report based on the latest information shall be made to the Hearing Officer by Department staff at a public hearing pursuant to Part 4 of Chapter 22.60 of the County Code. Each report shall include a review of the performance of the landfill and recommendations for any actions to be taken if found necessary. Such actions may include changes or modifications to the IMP, including any measures necessary to ensure that the landfill will continue to operate in a safe and effective manner and the landfill closure will be accomplished timely and effectively. The decision of the Hearing Officer on the Periodic Review may be appealed to the Regional Planning Commission. The decision of the Regional Planning Commission shall be final.

Part XVI – LITTER CONTROL AND RECOVERY. This Part XVI is intended to enhance the Condition No. 82 of this Grant which required the Permittee to adopt a program that uses the most effective methods and technology to prevent waste that has entered an area under the Permittee's control from escaping the area in the form of litter. In addition to the following requirements, the program shall also include the requirements as specified under Condition No. 82, unless the DPH requires otherwise:

- a. At every active Working Face area, the Permittee shall install a primary portable litter fence of adequate height to control litter, and also a secondary fence 4 feet in height behind the primary fence when wind conditions dictate the need for a secondary fence. The Permittee shall employ Best Management Practices to control litter. On windy days, and when the fences are not sufficient, the Working Face shall be located within areas of minimal wind exposure or shall be closed, if so required by the DPH. The DPH, in coordination with the Department of Public Works, may require additional measures deemed necessary to effectively control litter, including, but not limited, requiring the Permittee to cease accepting all incoming waste during high wind conditions; and
- b. The landfill operator shall install and maintain temporary litter fences in those areas along the property perimeter that are regularly littered due to the location of the operating area, time of year, and climatic conditions. The landfill operator, the DPH and the CAC shall work together to identify littered areas in need of fencing.

Tonnage Breakdown For Years 1-7 (2017-2024)

Description	Daily Average Capacity (ton/day-6)	Daily Maximum Tonnage (tons/day)	Monthly Maximum Tonnage	Yearly Maximum Tonnage
Solid Waste	6,616	any combination	172,025	2,064,300
Beneficial Use/Composting	2,358	any combination	61,308	735,700
Total	8,974	12,000	233,333	2,800,000

Tonnage Breakdown For Years 8-30 (2025-2047)

Description	Daily Average Capacity (ton/day-6)	Daily Maximum Tonnage (tons/day)	Monthly Maximum Tonnage	Yearly Maximum Tonnage
Solid Waste	3,411	any combination	88,692	1,064,300
Beneficial Use/Composting	2,358	any combination	61,308	735,700
Total	5,769	12,000	150,000	1,800,000

Note: Daily Average Capacity is based on the Yearly Maximum Tonnage and 312 days of operations.

Summary of Fee Structure For Chiquita Canyon Landfill Expansion Project

CUP Condition No./IMP No.	Fee / Fund Type	Fees
19	Mitigation and Monitoring Fund	\$10,000 (initial deposit, refillable if balance is below 80%)
114	Net Tipping Fee	See Note 1
115	Waste Diversion Program Fund *	\$0.25+CPI/ton
116	Disaster Debris Planning Fund *	\$0.08+CPI/ton
117	Out-of-Area Fee	Variable Out-of-Santa Clarita Valley Fee (\$1.32-\$5.28/ton) and Out-of-County Fee (\$6.67/ton)
119	Countywide Siting Element/Alternative Technology Development	\$200,000/yr Not to exceed \$3 million total
120	Natural Habitat and Park Development Fund *	\$0.50+CPI/ton
121	Traffic Mitigation & Enhancement Fee *	\$0.50+CPI/ton
122	Planning Studies Fee	\$50,000 every other year
123	Community Benefit & Environmental & Educational Fund *	\$1.00+CPI/ton
124	HHWE-Waste Collection Fund	\$100,000+CPI/event 10 events per year
125	Routine Monitoring and Inspection Funds	\$20,000 initial deposit for inspection (refillable if balance is below 80%)
		\$50,000 initial deposit for incidental expenses (refillable if balance is below 80%)

Note 1: Quarterly fee equal to 10% of the sum of the following: (a) the net tipping fees collected at the Facility, (b) the revenue generated from the sale of Landfill gas at the Facility, less any federal, state, or local fees or taxes included in such revenue, and (c) the revenue generated by any other activity at the Facility, less any federal, state, or local fees or taxes included in such revenue.

Note 2: *Fees for Conditions No. 115, 116, 120, 121, and 123 apply only to solid waste, not to beneficial use materials.

Chiquita Canyon Landfill IMP/CUP Monitoring Reports Due Dates

Item Number	Type of Review/Report	Responsible Monitoring Agency	Frequency	Purpose
IMP PART I-A	Annual Monitoring Report	DPW	Once a Year (prior to use of the CUP and annually thereafter, March 1st)	Survey Monuments
IMP PART XII-A	Annual Monitoring Report Draft	DRP	Once a Year (90 days prior to March 1st)	To enhance the continuing oversight of Landfill operations
IMP PART XII-A	Annual Monitoring Report	DRP	Once a Year (due March 1st)	To Provide oversight of Landfill operations, activities, and maintenance of the facility
CUP-18	Annual Mitigation Monitoring	DRP	Once a Year (Due July 1st)	To depict the status of the Permittee's compliance with the required measures
CUP-37	Periodic Review	DRP	On the 10 th , 15 th , 20 th , and 25 th anniversary of the effective date of the new CUP	To allow the Hearing Officer and/or the Regional Planning Commission and TAC to review the studies submitted by the Permittee and issue a Finding of Fact and potentially approve changes to the IMP



Date: August 10, 2018

Irrevocable Standby Letter of Credit Number: S337658M

Issuing Bank:
MUFG Union Bank N.A.
Trade Service Operations
1980 Saturn Street, V02-906
Monterey Park, CA 91755

Beneficiary:
County of Los Angeles
Department of Public Works
900 South Fremont Avenue
Alhambra, California 91803
Attention: Fiscal Division Chief

Applicant:
Chiquita Canyon, LLC
3 Waterway Square Place, Suite 110
The Woodlands, Texas 77380
Attention: General Counsel

Amount
Not exceeding USD 10,000,000.00
Not exceeding Ten Million and 00/100's US Dollars

Date and Place of Expiry:
June 30, 2019 at our counters

Ladies/Gentlemen:

We hereby issue our Irrevocable Standby Letter of Credit No. S337658M ("Letter of Credit") in your favor, for account of Chiquita Canyon, LLC (Applicant), for an amount not to exceed in the aggregate USD 10,000,000.00 (Ten million and 00/100's lawful money of the United States of America) available by your draft(s) at sight on MUFG Union Bank, N.A., 1980 Saturn St., Monterey Park, CA 91755, Attention: Standby Letter of Credit Department at our counters on June 30, 2019.

We undertake that the drawing under this Letter of Credit will be honored upon presentation of your draft(s) at sight on MUFG Union Bank, N.A. accompanied by the below documents at our office located at 1980 Saturn St., Monterey Park, CA 91755, Attention: Standby Letter of Credit Department on or before June 30, 2019 or any automatically extended expiration date as hereinafter provided.

Partial drawings on this Letter of Credit by the Beneficiary are permitted.

WHEREAS, the Applicant has entered into that certain Secured Indemnification Agreement, dated as of August 1st, 2018, with the Beneficiary (the "Contract"); and WHEREAS, the Contract requires the Applicant to deliver and tender to Beneficiary a security in a form acceptable to Beneficiary, in the amount of this Letter of Credit, to secure the Applicant's obligations under the Contract.

A handwritten signature in black ink, appearing to be 'UB' or similar initials, located in the bottom right corner of the page.



NOW THEREFORE, THE CONDITION OF THIS OBLIGATION is such that if the Applicant, its executors, administrators, successors and assigns shall promptly and faithfully perform the Contract, according to the terms, stipulations or conditions thereof, then this Letter of Credit shall become null and void, otherwise to remain in full force and effect.

Notwithstanding the provisions of the Contract, the term of this Letter of Credit shall apply from August 10, 2018 until June 30, 2019, and such expiration date shall be automatically extended, without amendment, for a period of one year from its current or any future expiration date unless Issuing Bank decides not to extend this Letter of Credit. The Issuing Bank shall provide written notice to the Applicant and the Beneficiary at least 90 days before the expiration, termination or cancellation of this Letter of Credit for any reason. The failure of the Applicant to meet the 30-day requirement to replace or renew this Letter of Credit in accordance with the Contract shall be considered a material breach of the Contract and, in such instance, the Beneficiary shall have the right, at its sole and absolute discretion, to draw down the available full amount of this Letter of Credit in accordance with the Contract.

The liability of the Issuing Bank under this Letter of Credit and all amendment(s) issued in connection herewith shall not be cumulative and shall in no event exceed the amount set forth in this Letter of Credit or in any amendment(s) properly issued by the Issuing Bank.

No right of action shall accrue on this Letter of Credit to or for the use of any person or corporation other than the Beneficiary or the heirs, executors, administrators or successors of the Beneficiary, and this instrument may not be transferred or assigned without the written consent of the Issuing Bank.

Payment is available hereunder against presentation of your drafts drawn on us as hereinabove set forth accompanied by the following:

The Beneficiary's written statement signed by the Fiscal Division Chief of Department of Public Works: "The amount of this draft or a portion thereof is due and payable pursuant to the terms of that certain Secured Indemnification Agreement, dated as of August 1st, 2018, between Chiquita Canyon, LLC and the County of Los Angeles."

This Letter of Credit may be released at any time before its expiration date by the Beneficiary upon our receipt of a written notice signed by the Fiscal Division Chief of the Department of Public Works. If you require any assistance or have any questions regards this transaction, please call 1-800-858-9120-option 3, specifically referring to the number of this Letter of Credit.

Except as otherwise expressly stated herein, this Letter of Credit is subject to the "Uniform Customs and Practice for Documentary Credit (2007 Revision)," International Chamber of Commerce Publication No. 600. Notwithstanding Article 36 of said Publication, if this Credit expires during an interruption of business as described in Article 36, the Bank hereby specifically agrees to effect payment if this Letter of Credit is drawn within thirty (30) days after the resumption of business.

MUFG Union Bank, N.A.

A handwritten signature in cursive script, appearing to read 'Anton' followed by a flourish.

Authorized signature

ANTONIA BONDI, VP