



Bill Halldin, City of Rocklin, Chair

John Reedy, City of Lincoln

Shanti Landon, Placer County

Bruce Houdesheldt, City of Roseville

Bonnie Gore, Placer County

Scott Scholz, General Manager

## WESTERN PLACER WASTE MANAGEMENT AUTHORITY MEETING OF THE BOARD OF DIRECTORS

June 11, 2026, 5:30 PM

Materials Recovery Facility Administration Building  
3013 Fiddymment Road, Roseville, CA 95747

*The WPWMA Board of Directors June 11, 2026 meeting will be open to in-person attendance. Meetings will be broadcast live on the WPWMA's YouTube channel <https://www.youtube.com/@wpwma>*

Materials related to an item on this Agenda submitted to the Board of Directors after distribution of the agenda packet are available for public inspection by emailing the Clerk of the Board at [info@wpwma.ca.gov](mailto:info@wpwma.ca.gov). The Western Placer Waste Management Authority is committed to ensuring that persons with disabilities are provided the resources to participate fully in its public meetings. If you require disability-related modifications or accommodations, please contact the Clerk of the Board at (916) 543-3960 or [info@wpwma.ca.gov](mailto:info@wpwma.ca.gov). If requested, the agenda shall be provided in appropriate alternative formats to persons with disabilities. All requests must be in writing and must be received by the Clerk three business days prior to the scheduled meeting for which you are requesting accommodation. Requests received after such time will be accommodated if time permits.

1. Call Meeting to Order
2. Pledge of Allegiance (Director Reedy)
3. Roll Call
4. Statement of Meeting Procedures
5. Public Comment

This is a time when persons may address the Board regarding items not on this Agenda. It is requested that comments be brief, since the Board is not permitted to take any action on items addressed under Public Comment.
6. Announcements & Information
  - a. Report from the General Manager (Scott Scholz) ---
  - b. Financial Reports (Stephen Fink) Pg. 3
  - c. Monthly Tonnage Reports (Will Scheffler) Pg. 5
  - d. Operator Update (FCC) ---
  - e. Facility Projects Update (Ryan Schmidt) Pg. 11
7. Consent Agenda
  - a. Minutes of the Board Meeting held May 14, 2026 Pg. 13  
Approve as submitted.
  - b. Memorandum of Understanding between WPWMA and the Placer County Auditor-Controller (Stephen Fink) Pg. 15
    1. Authorize the Chair and the General Manager, upon review and approval by WPWMA Counsel, to sign a Memorandum of Understanding with the Placer County Auditor-Controller related to

providing ongoing financial and accounting services for an annual cost of \$82,500.

2. Determine that the recommended action is not a project pursuant to California Environmental Quality Act Guidelines Section 15378.

8. Action Items

a. LFG Beneficial Use Agreement with Ameresco (Scott Scholz) Pg. 19

1. Authorize the General Manager, upon review and approval by WPWMA Counsel, to execute a landfill gas supply agreement and site lease with Ameresco Placer Energy LLC for operation of a landfill gas to energy facility at the Western Regional Sanitary Landfill.
2. Determine that the recommended action is categorically exempt pursuant to California Environmental Quality Act Guidelines Section 15301.

b. First Amended and Restated MRF Operating Agreement (Scott Scholz) Pg. 61

1. Authorize the Chair to execute the First Amended and Restated Operating Agreement between WPWMA and FCC Environmental Services California LLC for operation of the Materials Recovery Facility.
2. Determine that the recommended action is not a project pursuant to California Environmental Quality Act Guidelines Section 15378.

The supplemental document associated with this item is available at the WPWMA's administrative offices and online at <https://wpwma.ca.gov/about-us/meetings-agendas/>

9. Reports from Directors

10. Upcoming Agenda Items

Identification of any items the Board would like staff to address at a future meeting.

11. Adjournment

**Western Placer Waste Management Authority - Operations Fund Income Statement**  
(unaudited/depreciation excluded)  
Year-to-Date  
April 2026

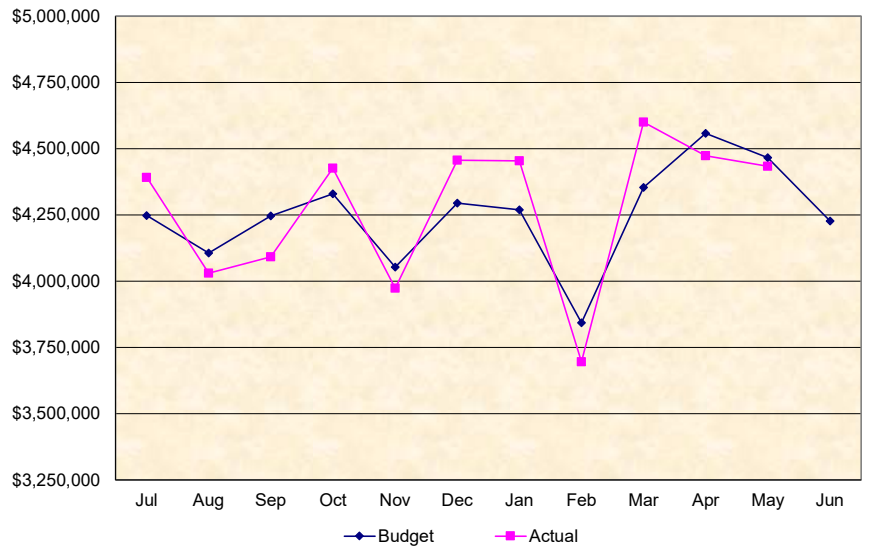
	Year to Date					Notes
	Annual Budget	Budget	Actuals	\$ Variance	% Variance	
<b>Revenue</b>						
42005:Fair Market Value Adjustment	-	-	(83,378)	(83,378)		Reversal of FY25 Placer County entry to book FMV. Per County, this is done so that they can easily just book to market at the end of the year.
42010:Investment Income						
Interest / Investment Income	837,480	697,900	1,019,804	321,904	46.1%	Placer County Investment Income performing better than budgeted
Interest with Fiscal Agent	290,747	242,289	443,488	201,199	83.0%	Series A Bond 2022 interest performing better than budgeted
42030:Rents and Concessions	508,130	423,442	315,417	(108,025)	-25.5%	Royalties are trending less than originally budgeted.
44270:State Aid - Other Programs	3,997,286	-	137,711	137,711		No Cal Recycle grant revenue received YTD.
46240:Sanitation Services - Other	28,278	-	-	-		This will post via a reclass at the end of fiscal year, roads improvements related revenue.
46250:Solid Waste Disposal	50,468,847	41,274,158	42,527,642	1,253,484	3.0%	Trending slightly better than budgeted
46360:Other Fees and Charges	-	-	174	174		
48030:Miscellaneous	50,000	41,667	1,051,550	1,009,883	2423.7%	Financing fees and liquidated damages assessment against FCC. Including 2 significant LDs in December, 262.7k Disincentive 3rd Quarter, 215.5k LD for November MRF delays. Also, Q1 Landfill Compaction Disincentive for 166k
49040: Gain/Loss on Fixed Asset Disposal	-	-	-	-		
49080: Operating Transfers In	-	-	-	-		
<b>Total Revenue</b>	<b>56,180,768</b>	<b>42,679,455</b>	<b>45,412,408</b>	<b>2,732,953</b>	<b>6.4%</b>	
<b>Expenses</b>						
<b>Capital Assets:</b>						
54430:Buildings & Improvements	4,278,954	2,852,636	3,046,353	(193,717)	-6.8%	25th Revenue Bond Disbursement for MRF project 1.9million, and 26th Revenue Bond Disbursement for MRF of 934k
54450:Equipment	1,844,811	461,203	206,814	254,389	55.2%	1.2 million equipment costs expensed in FY2025. Vehicles only purchased in FY2026.
54470:Infrastructure	2,230,000	200,000	-	200,000	100.0%	No charges realized YTD.
54480:Land Improvements	3,274,428	350,000	350,678	(678)	-0.2%	
<b>Operating Expenses:</b>						
51010:Wages and Salaries	3,785,509	3,154,591	2,859,227	295,364	9.4%	2 positions budgeted not hired for much of the year, Engineer and USW.
52030:Clothing and Personal	7,950	6,625	4,140	2,485	37.5%	We budgeted more for Clothing and Personal expenses than necessary.
52040:Communication Services Expense	7,500	6,250	5,673	577	9.2%	
52050:Food	1,000	833	3,342	(2,509)	-301.1%	Drinking water, Lunch and Learn food purchases, BOD food purchases
52060:Household Expense	1,500	1,250	845	405	32.4%	Alliant insurance services higher than projected. In addition, vehicle 6 month policy purchased for 6k. Placer County ISF charges are 136k per quarter, significantly higher than projected.
52080:Insurance	837,300	697,750	897,397	(199,647)	-28.6%	Seat covers and floor mats for new Colorados 1.2k, battery, trailer hitch for fusion welder, and other misc parts.
52140:Parts	1,000	833	2,952	(2,119)	-32.3%	Drone Deploy, Aqua Sierra Controls, Carolina Software (WasteWorks), GE Vernova (Engineering Software), EMS Bruel & Kjaer inc. (odor management).
52160:Maintenance	104,508	87,090	115,200	(28,110)	-60.7%	\$17.7k in building work orders during Q2. HVAC, Lightning, Electrical locks preventive maintenance.
52161:Maintenance - Building	15,000	15,000	24,102	(9,102)	20.8%	Anticipated projects not yet started, Parking lot grading, west property work. Projected to be well under budget for FY2026.
52170:Fuels & Lubricants	30,000	25,000	19,789	5,211	-224.3%	Perf Pipe and End Caps for Mod 6 LCRS Expansion, \$5.3k. 2 Generators \$2.6k, Perf Pip for Module 6 \$10.3k and other misc. parts.
52180:Materials - Buildings & Improvements	10,000	8,333	27,029	(18,695)	51.9%	
52220:Laboratory Supplies	12,500	10,417	5,014	5,403	-45.7%	Solid Waste Association, SWANA, REHS, SCADA servers warranty for 4.7k
52240:Professional / Membership Dues	12,000	10,000	14,568	(4,568)	100.0%	
52250:Services and Supplies	3,000	2,500	-	2,500	-218.0%	
52260:Misc Expense	200	167	530	(363)	-135.5%	New Scalehouse ticket vendor charging higher than expected. Reverting back to old vendor.
52320:Printing	20,000	16,667	39,242	(22,575)	57.5%	Office supplies, paper, toner, other stationary down YTD.
52330:Other Supplies	32,000	26,667	11,326	15,340	12.8%	
52340:Postage	3,000	2,500	2,179	321		SCS and Tetra Tech are behind on FY2026 billings related to the Gas System. In addition, credit card fee processing is lower than originally budgeted. We are projecting to come in much lower for the year.
52360:Prof. & Special Svcs - General	3,552,546	2,960,455	2,333,640	626,815	67.9%	Legal needs trending lower than budget.
52370:Professional and Special Services - Legal	300,000	250,000	80,338	169,662		
52380:Prof. & Special Svcs - Tech., Eng. & Env.						
SC3140 Building Maintenance Install and Repair Ser	25,000	20,833	27,049	(6,215)	-29.8%	3D technology services removal and replacement of 2 flare tower cameras in July for \$9k. Drain and patch liner with additional services in March for 16k.
SC3180 MRF Operations	29,847,543	24,469,364	24,864,583	(395,219)	-1.6%	We are receiving more overall tonnage than originally budgeted. See also favorable Solid Waste Revenue to budget of 3.0%.
SC3190 Landfill Operations	2,958,654	2,465,545	1,355,738	1,109,807	45.0%	We budgeted more Landfill Operations expense than necessary.
SC3320 Environmental and Ecological Services	40,000	33,333	23,750	9,584	28.8%	We budgeted more Environmental and Ecological Services expense than necessary.
SC3322 Hazardous Waste	500	417	-	417	100.0%	
52390:Prof. & Special Svcs - County	138,000	115,000	100,867	14,133	12.3%	County special services charges, ACO charges were \$25k less than expected. No further charges expected.
52400:Prof. & Special Svcs - IT	100,000	83,333	132,979	(49,646)	-59.6%	Placer County IT Core Charges and Countwide Systems billings trending far higher than budget.
52440:Rents and Leases - Equipment	100,000	83,333	32,012	51,322	61.6%	Dozer rental, Hot of California. Regrade the surface of landfill for water damage. Rental charges outstanding.
52450:Rents and Leases - Buildings & Improvements	100	83	-	83	100.0%	
52460:Small Tools & Instruments	3,000	2,500	2,754	(254)	-10.2%	
52470:Employee Benefit Systems	20,000	16,667	17,478	(812)	-4.9%	
52480:PC Acquisition	50,000	41,667	10,097	31,569	75.8%	Minimal PC purchases YTD.
52510:Commissioner's Fees	6,000	5,000	2,700	2,300	46.0%	We budgeted more Commissioner's Fees than necessary.
52540:Signing & Safety Material	15,000	12,500	94	12,406	99.2%	We budgeted more for Signing & Safety Material than necessary.
52560:Small Equipment	10,000	8,333	106,243	(97,910)	-1174.9%	McElroy Fusion Welder Accessories, \$9.2k. Chemical Storage Locker \$21.7k, LoCi land fill gas collection \$53k
52570:Advertising	506,635	422,196	269,596	152,600	36.1%	More spending to come later in the year. Total annual projected spending is \$323,193.
52580:Special Department Expense	10,000	8,333	2,256	6,077	72.9%	
52781:Employee Engagement Expense	2,500	2,083	922	1,162	55.8%	Employee Engagement Expenses lower than expected.
52785:Training / Education	15,000	12,500	1,206	11,294	90.4%	Training/education to be done later in the year.
52790:Transportation and Travel	30,000	25,000	7,540	17,460	69.8%	No fleet costs after July 2025. WPWMA purchased vehicles, annual cost should be closer to 10k.
52800:Utilities	160,000	133,333	143,521	(10,187)	-7.6%	Trending higher than projected YTD, sewer fees were billed for 43k.
52810:Operating Materials	2,000	1,667	-	1,667	100.0%	
53050:Debt Issuance Costs	-	-	-	-		
53060:Bond Interest	4,360,770	3,633,975	1,795,312	1,838,663	50.6%	Actual to budget difference is due to timing of interest payments.
53190:Taxes and Assessments	426,602	355,502	281,349	74,153	20.9%	NOV-5953 Accrued at \$170k, Actual Settlement of \$50k. Creating a budget surplus, other taxes are trending higher.
53250:Contributions to Other Agencies	287,895	287,895	287,895	-	0.0%	
53390:Transfer Out A-87 Costs	15,000	12,500	8,719	3,781	30.2%	Favorable variance due to timing of charges from County.
55510:Operating Transfer Out	-	-	-	-		
55561:Interfund/Intrafund Activities Out	-	-	-	-		
59000:Appropriation for Contingencies	-	-	-	-		
<b>Total Expenses</b>	<b>59,614,905</b>	<b>43,399,659</b>	<b>39,525,036</b>	<b>3,874,623</b>	<b>8.9%</b>	
<b>Net Income/(Loss)</b>	<b>(3,434,136)</b>	<b>(720,204)</b>	<b>5,887,372</b>	<b>6,607,576</b>	<b>-917.5%</b>	
<b>Additional non Income Statement Transactions:</b>						
Bond Proceeds	5,373,765	3,663,839	-	3,663,839	100.0%	
Planned use of Reserves	2,850,000	2,375,000	-	2,375,000	100.0%	
<b>Total with Bond Proceeds and Reserves</b>	<b>4,769,629</b>	<b>5,318,635</b>	<b>5,887,372</b>	<b>12,646,415</b>	<b>237.8%</b>	
<b>Notes:</b>						
1. Budgeted revenues and expenses are prorated equally each month of the fiscal year, whereas actual revenues and expenses reflect those realized as of the date of the report. This may lead to notable reported discrepancies between budgeted and actual amounts.						
2. Differences in the coding between the budgeted and actual revenues and expenses may result in notable reported discrepancies within the report.						
3. Additional non income Statement Transactions reflect amounts from WPWMA's Balance Sheet and are shown on this report for tracking and informational purposes only.						

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**Fiscal Year 2025-2026**

**Combined Revenue**

Month	Budget	Actual	Variance
Jul	\$4,246,987	\$4,390,621	\$143,634
Aug	\$4,106,583	\$4,030,242	(\$76,341)
Sep	\$4,246,501	\$4,091,655	(\$154,846)
Oct	\$4,329,871	\$4,426,425	\$96,554
Nov	\$4,052,986	\$3,973,407	(\$79,579)
Dec	\$4,294,654	\$4,455,941	\$161,287
Jan	\$4,268,591	\$4,453,385	\$184,794
Feb	\$3,843,061	\$3,695,845	(\$147,216)
Mar	\$4,353,120	\$4,599,905	\$246,785
Apr	\$4,558,131	\$4,473,349	(\$84,782)
May	\$4,466,077	\$4,433,768	(\$32,309)
Jun	\$4,226,592		
Totals:	\$50,993,154	\$47,024,542	\$257,980

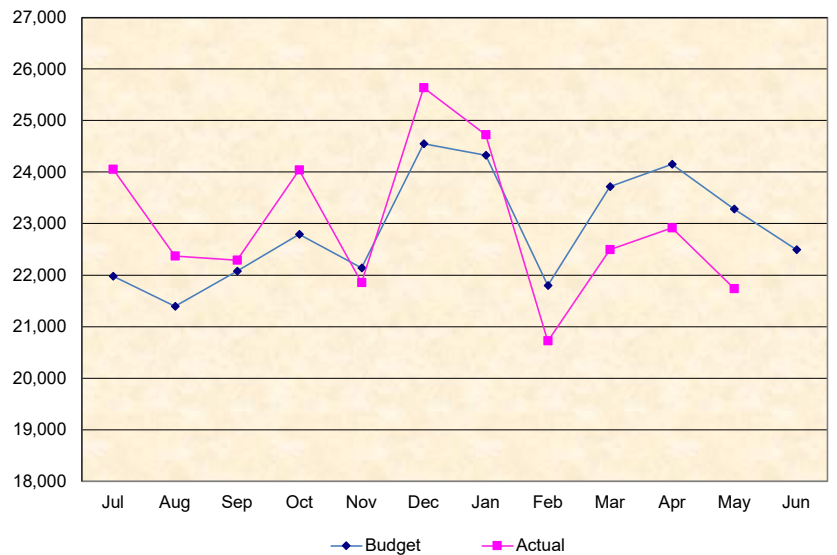


**Combined Tipping Fee Revenue Year to Date**

Budget	\$46,766,562
Actual:	\$47,024,542
Variance	\$257,980

**MSW Tonnage**

Month	Budget	Actual	Variance
Jul	21,976	24,053	2,077
Aug	21,395	22,371	975
Sep	22,080	22,289	209
Oct	22,793	24,038	1,244
Nov	22,137	21,854	(283)
Dec	24,550	25,637	1,087
Jan	24,323	24,726	403
Feb	21,795	20,722	(1,074)
Mar	23,720	22,491	(1,228)
Apr	24,151	22,914	(1,237)
May	23,282	21,736	(1,546)
Jun	22,492		
Totals:	274,694	252,830	627

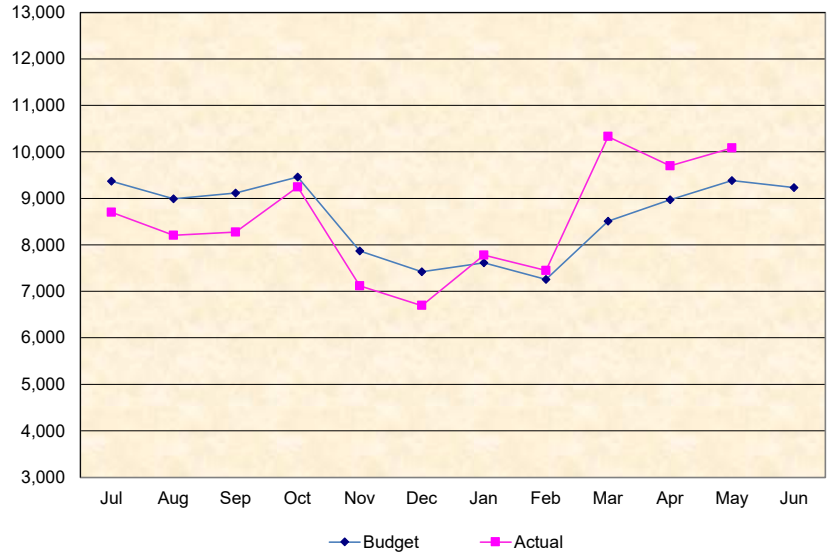


**MSW Tonnage Year to Date**

Budget:	252,203
Actual:	252,830
Variance	627

**C&D Tonnage**

Month	Budget	Actual	Variance
Jul	9,371	8,701	(670)
Aug	8,992	8,205	(787)
Sep	9,114	8,278	(836)
Oct	9,460	9,242	(218)
Nov	7,865	7,116	(750)
Dec	7,418	6,698	(720)
Jan	7,611	7,781	170
Feb	7,258	7,452	194
Mar	8,511	10,332	1,821
Apr	8,967	9,696	729
May	9,385	10,083	698
Jun	9,228		
Totals:	103,181	93,584	(369)

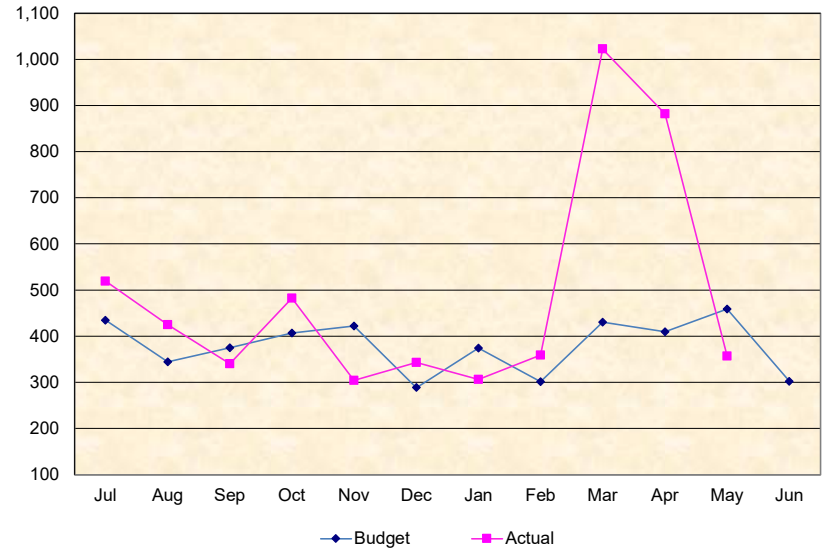


**C&D Tonnage Year to Date**

Budget:	93,953
Actual:	93,584
Variance	(369)

**Sludge & Mixed Inerts Tonnage**

Month	Budget	Actual	Variance
Jul	435	519	84
Aug	344	425	81
Sep	375	340	(35)
Oct	407	483	76
Nov	422	304	(117)
Dec	289	343	54
Jan	374	306	(68)
Feb	301	359	58
Mar	430	1,022	592
Apr	410	882	472
May	459	357	(102)
Jun	302		
Totals:	4,547	5,340	1,095

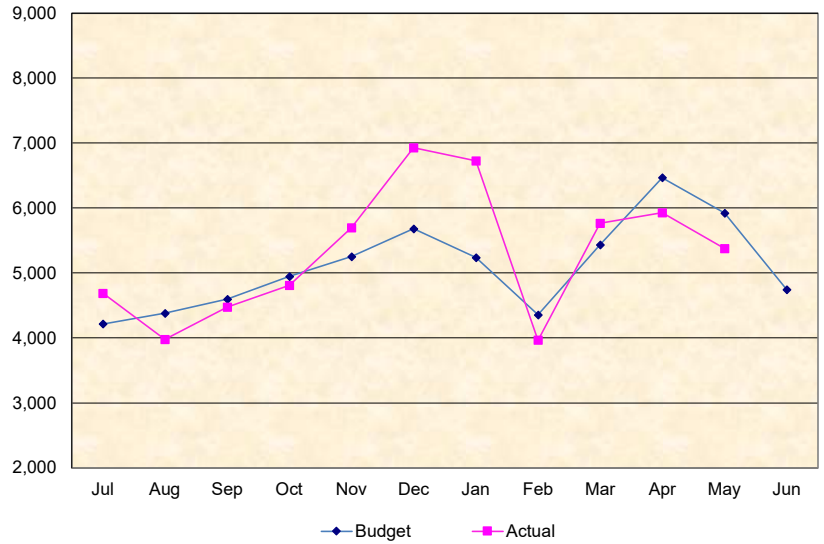


**Sludge & Mixed Inerts Tonnage Year to Date**

Budget:	4,245
Actual:	5,340
Variance	1,095

**Green Waste Tonnage**

Month	Budget	Actual	Variance
Jul	4,219	4,685	466
Aug	4,380	3,976	(404)
Sep	4,598	4,475	(123)
Oct	4,950	4,810	(139)
Nov	5,255	5,696	441
Dec	5,683	6,928	1,245
Jan	5,241	6,728	1,487
Feb	4,357	3,968	(389)
Mar	5,435	5,767	332
Apr	6,469	5,929	(540)
May	5,924	5,379	(546)
Jun	4,747		
Totals:	61,258	58,340	1,829

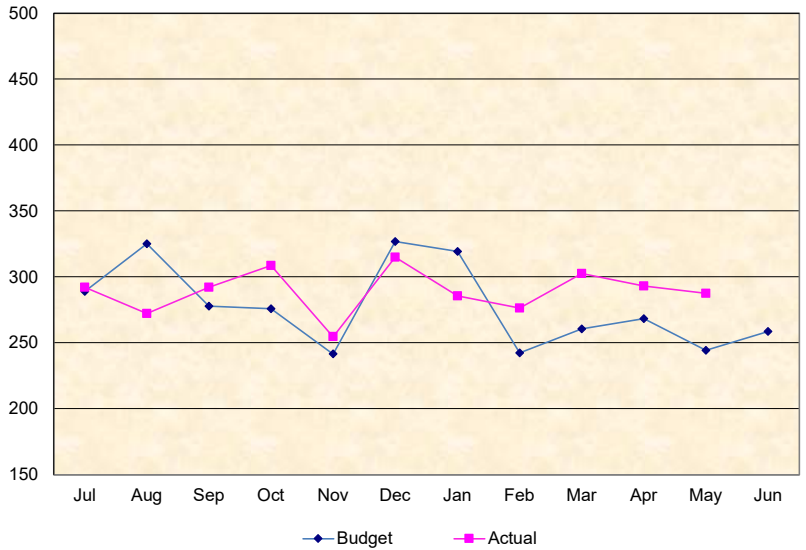


**Green Waste Tonnage Year to Date**

Budget:	56,510
Actual:	58,340
Variance	1,829

**Food Waste Tonnage**

Month	Budget	Actual	Variance
Jul	289	292	3
Aug	325	272	(53)
Sep	278	292	14
Oct	276	309	33
Nov	242	255	13
Dec	327	315	(12)
Jan	319	286	(34)
Feb	242	276	34
Mar	261	302	42
Apr	268	293	25
May	244	287	43
Jun	259		
Totals:	3,329	3,179	109

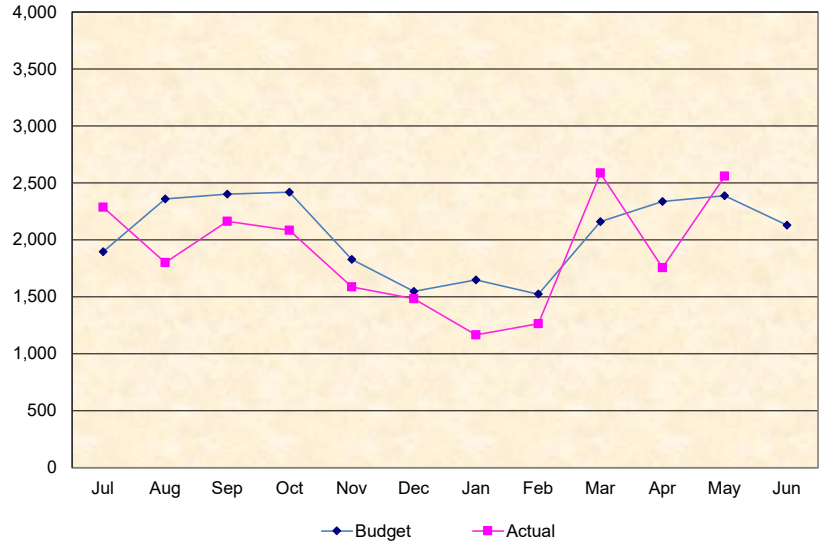


**Food Waste Tonnage Year to Date**

Budget:	3,071
Actual:	3,179
Variance	109

**Inerts Tonnage**

Month	Budget	Actual	Variance
Jul	1,896	2,287	390
Aug	2,358	1,800	(558)
Sep	2,401	2,163	(238)
Oct	2,419	2,083	(337)
Nov	1,828	1,585	(243)
Dec	1,546	1,483	(63)
Jan	1,648	1,166	(482)
Feb	1,524	1,263	(261)
Mar	2,160	2,585	425
Apr	2,338	1,754	(584)
May	2,387	2,557	170
Jun	2,129		
Totals:	24,634	20,726	(1,779)

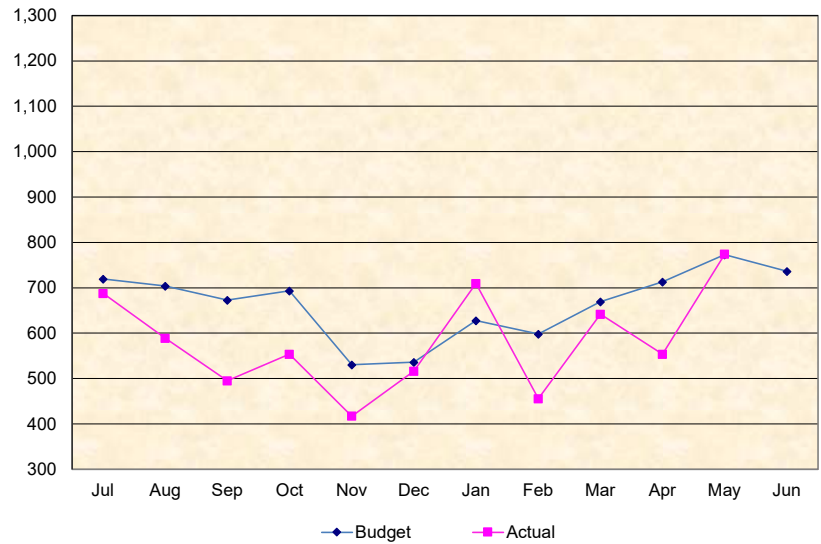


**Inerts Tonnage Year to Date**

Budget:	22,505
Actual:	20,726
Variance	(1,779)

**Wood Tonnage**

Month	Budget	Actual	Variance
Jul	719	687	(32)
Aug	704	589	(115)
Sep	673	495	(178)
Oct	694	553	(140)
Nov	531	417	(113)
Dec	536	516	(20)
Jan	628	710	82
Feb	598	456	(142)
Mar	669	642	(27)
Apr	713	554	(159)
May	773	775	2
Jun	736		
Totals:	7,974	6,394	(844)

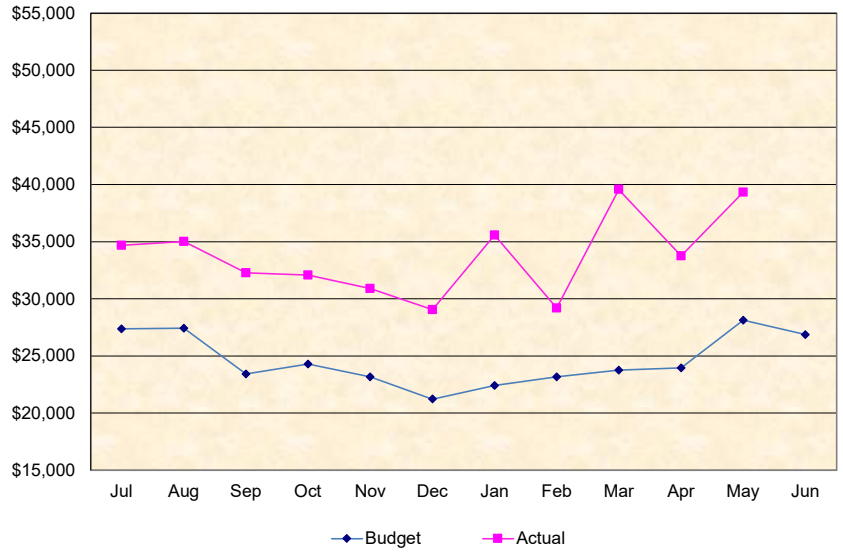


**Wood Tonnage Year to Date**

Budget:	7,238
Actual:	6,394
Variance	(844)

**Miscellaneous Tipping Fee Revenue**

Month	Budget	Actual	Variance
Jul	\$27,357	\$34,678	\$7,321
Aug	\$27,422	\$35,012	\$7,589
Sep	\$23,409	\$32,262	\$8,853
Oct	\$24,286	\$32,087	\$7,801
Nov	\$23,166	\$30,887	\$7,720
Dec	\$21,230	\$29,051	\$7,821
Jan	\$22,401	\$35,585	\$13,184
Feb	\$23,180	\$29,201	\$6,021
Mar	\$23,745	\$39,572	\$15,827
Apr	\$23,947	\$33,745	\$9,798
May	\$28,137	\$39,324	\$11,187
Jun	\$26,878		
Totals:	\$295,159	\$371,404	\$103,123



**Miscellaneous Tipping Fee Revenue Year to Date**

Budget:	\$268,281
Actual:	\$371,404
Variance	\$103,123

Miscellaneous tipping fee revenue reflects tipping fees received from tires, treated wood waste, appliances, and water treatment plant sludges.

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**MEMORANDUM  
WESTERN PLACER WASTE MANAGEMENT AUTHORITY**

TO: **WPWMA BOARD OF DIRECTORS**  
FROM: **SCOTT SCHOLZ / RYAN SCHMIDT** *RS*  
SUBJECT: **ITEM 6E: FACILITY PROJECTS UPDATE**

DATE: **JUNE 11, 2026**

**RECOMMENDED ACTION:**

None. This item is for information purposes only.

**BACKGROUND:**

This report focuses on ongoing projects across WPWMA's campus including the Materials Recovery Facility (MRF) and Western Regional Sanitary Landfill (WRSL).

**MRF Improvements**

As the project scope comes to a close, staff are working diligently with FCC to monitor all remaining punch-list items. WPWMA has received the first draft of the MRF performance test plan and is currently reviewing and providing comments.

Van Dyk continues installation of the MRF odor control equipment, with some final ducting and electrical remaining; completion is expected in mid-June.

Scale and scale-house construction north of the C&D facility is complete and staff are working with FCC to determine a final site traffic flow plan. Card-reader kiosks have been ordered and are expected to be installed in the Fall of 2026.

**Liner Investigation**

WPWMA staff are working with the project consultant to provide a final solution / mitigation proposal for further review by the Water Board.

**South Placer Wastewater Authority Compliance Project**

Offsite construction and prefabrication activities began on June 1, 2026, and onsite construction activities are expected to begin the week of June 8, 2026. The expected completion date for construction is August 15, 2026. The final compliance date is October 26, 2026.

**Odors**

Staff continue to work with FCC regarding intermittent odors from the compost and water quality ponds to ensure operational protocols are followed.

Jacobs Engineering is evaluating the power supply needs for additional aeration infrastructure in the south compost pond to reduce odors and staff will provide updates to your Board as this project progresses.

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1. Call Meeting to Order: Chair Halldin called the meeting to order at 5:30 PM.
2. Pledge of Allegiance: Director Gore led the Pledge of Allegiance.
3. Roll Call: All directors are present.
4. Statement of Meeting Procedures: Brittney Ward read the statement of meeting procedures.
5. Public Comment: None
6. Announcements & Information
  - a. Report from the General Manager

Scott Scholz provided the following updates:

    - WPWMA held its fourth Trash Bash event on April 25<sup>th</sup> drawing over 400 people from the community, the largest event to date.
    - WPWMA is in the process of recruiting an Assistant Engineer.
    - Scott reported that FCC exceeded the 75% SB 1383 organics recovery metric for last quarter's sampling conducted by Nothing Wasted and that the next quarterly sampling event is scheduled for late June.
    - FCC plans to give away compost to the community and will coordinate with WPWMA to devise a plan and advertise the free material.
    - The WPWMA's fourth Circular Economy Innovation Competition was held May 13<sup>th</sup>, and Forager Fuels was selected as the winner.
  - b. Financial Reports: Stephen Fink summarized the report and answered questions from the Board.
  - c. Monthly Tonnage Reports: Will Scheffler summarized the report and answered questions from the Board.
  - d. Renewable Placer Open House Update: Eric Oddo summarized the report. There were no questions from the Board.
  - e. Operator Update: Tony Perez summarized the results of the most recent SB 1383 sampling event and noted that FCC marketed their first load of MSW Organics compost. Chair Reedy inquired about the status of the paper drier and Tony explained that it should be operational in the next couple of months.
  - f. Facility Projects Update: Ryan Schmidt summarized the report and answered questions from the board.

7. Consent Agenda

a. Minutes of the Board Meeting held March 12, 2026

Staff recommended the Board approve the minutes as submitted.

b. Fifth Amendment to the Agreement with SCS Water Quality Monitoring

Staff recommended the Board:

1. Authorize the chair to sign the Fifth Amendment to the Agreement with SCS Engineers extending water quality monitoring services for an additional year for a total of \$208,500, increasing the total not-to-exceed cost of the Agreement to \$1,018,296.
2. Determine the recommended action is exempt from further environmental review pursuant to California Environmental Quality Act Guidelines Section 15306.

c. Fiscal Year 2025/26 Budget Amendment

Staff recommended the Board:

1. Approve a Fiscal Year 2025/26 Budget Amendment to deduct \$198,830.85 from Account 54450 Equipment and increase Account 54490 Intangible Assets by \$198,830.85.
2. Determine the recommended action is not a project pursuant to California Environmental Quality Act Guidelines Section 15378.

The Chair opened public comment; no comments were received.

**MOTION TO APPROVE THE CONSENT AGENDA: Landon/Houdesheldt/Unanimous**

8. Action Items:

a. Fiscal Year 2026/27 Budgets

Staff recommended the Board:

1. Approve the Fiscal Year 2026/27 Budgets.
2. Determine that the recommended action is not a project pursuant to California Environmental Quality Act Guidelines Section 15378.

Steven Fink summarized the report. Scott Scholz, Eric Oddo, Steven Fink, and Ryan Schmidt answered questions from the Board.

The Chair opened public comment; no comments were received.

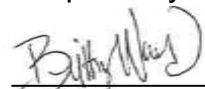
**MOTION TO APPROVE ITEM 8a: Houdesheldt/Gore/Unanimous**

9. Reports from Directors: Director Reedy expressed interest in working with companies to advance the WPWMA's circular economy goals. Chair Halldin announced Rocklin's Memorial Day and Brewfest events.

10. Upcoming Agenda Items: None.

11. Adjournment: Meeting was adjourned at 6:32 PM.

Respectfully Submitted,



Brittney Ward, Clerk of the Board

**MEMORANDUM  
WESTERN PLACER WASTE MANAGEMENT AUTHORITY**

TO: **WPWMA BOARD OF DIRECTORS** DATE: **JUNE 11, 2026**  
FROM: **SCOTT SCHOLZ / ERIC ODDO**   
SUBJECT: **ITEM 7B: MEMORANDUM OF UNDERSTANDING BETWEEN WPWMA  
AND THE PLACER COUNTY AUDITOR-CONTROLLER**

**RECOMMENDED ACTION:**

1. Authorize the Chair and the General Manager, upon review and approval by WPWMA Counsel, to sign a Memorandum of Understanding (MOU) with the Placer County Auditor-Controller related to providing ongoing financial and accounting services for an annual cost of \$82,500.
2. Determine that the recommended action is not a project pursuant to California Environmental Quality Act Guidelines Section 15378.

**BACKGROUND:**

The Auditor-Controller provides financial and accounting services to the WPWMA including: 1) general accounting services and use of the Placer County's centralized accounting system, 2) processing and payment of invoices, and 3) recording the WPWMA's annual budget to ensure revenues and payments are consistent with the approved budgets.

In late 2020, the Auditor-Controller notified the WPWMA that for special districts, joint powers authorities and other non-Placer County local governmental agencies, the Auditor-Controller's office wished to establish MOUs with the applicable agencies to more accurately and transparently reflect the cost of the services provided. Since that time, your Board has approved an annual MOU with the Auditor-Controller's office. Furthermore, consistent with the WPWMA's JPA Agreement and the May 9, 2024 MOU between the WPWMA and Placer County, the WPWMA is required to continue utilizing the services of Placer County's Auditor-Controller and to formalize the arrangement via an MOU.

**ENVIRONMENTAL CLEARANCE:**

The recommended action is not considered a "project" under CEQA guidelines Section 15378.

**FISCAL IMPACT:**

Under the proposed MOU, the WPWMA would remit an annual payment to the Auditor-Controller of \$82,500. This is an increase of \$7,500 compared to FY 2025/26. This is an anticipated expense, and sufficient funding was included in the FY 2026/27 Budget approved by your Board at the May 11, 2026 meeting to cover this cost.

**STRATEGIC PLAN/GOALS:**

Goal 5 – Maintain fiscally responsible systems.

ATTACHMENT: FY 2026/27 MOU



## COUNTY OF PLACER

## OFFICE OF THE AUDITOR-CONTROLLER

ANDREW C. SISK, CPA  
Auditor-Controller  
E-mail: [asisk@placer.ca.gov](mailto:asisk@placer.ca.gov)

NICOLE C. HOWARD, CPA  
Assistant Auditor-Controller  
E-mail: [nhoward@placer.ca.gov](mailto:nhoward@placer.ca.gov)

July 1, 2026

To the Board of Directors and Management  
Western Placer Waste Management Authority

The Auditor-Controller is pleased to confirm our understanding of the terms and costs of our services under this agreement for the 2026-2027 fiscal year.

### A. Scope of Services

The Auditor-Controller will provide the following services to Western Placer Waste Management Authority (Authority):

1. **General Accounting** – includes use of the County's centralized accounting system and reviewing and posting of financial system entries submitted by the Authority. Transactions will be reviewed for authorization by appropriate Authority personnel prior to processing. This also includes compiling the Authority's financial information to report within the County's Cost Plan, if applicable.
2. **Accounts Payable** – includes processing payment claims by warrant, wire, or ACH. Claims will be reviewed to validate authorized Authority signers have approved the payment prior to processing, recording, and mailing payments. Any invoices submitted for payment will be scanned and archived for retention. Reviewing invoices for mathematical accuracy and appropriateness of expenditure is not part of the service agreement. Maintaining vendors and payments for purposes of tax reporting along with issuing IRS Tax Form 1099 for the calendar year and biweekly State EDD Reporting, if applicable.
3. **Accounting Support** – includes responding to routine inquiries related to all accounting aspects and assisting the Authority with complex accounting transactions
4. **Capital Asset Accounting** – includes reviewing capital asset transactions to ensure compliance with the County's Capital Asset Guide. Registering capital assets in the accounting system, recording monthly depreciation, and performing monthly reconciliation of capital assets.
5. **Specialized Accounting** – includes accounting and recording of Governmental Accounting Standards Board (GASB) Statement No. 68, *Accounting and Financial Reporting for Pensions*, GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, GASB Statement No. 87, *Leases*, GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*, GASB Statement No. 101, *Compensated Absences*, and GASB Statement No 103, *Financial Reporting Model Improvements*.
6. **Payroll** – includes normal bi-weekly payroll processing including wage garnishments, recording, and mailing payments, submitting retirement and deferred compensation data, remitting tax payments, filing quarterly tax reports, issuing W-2 forms, and maintaining complete records. Abnormal or out of the ordinary payroll processing may require an additional fee.
7. **Adopted Budget** – includes recording the Authority's adopted budget, ensuring expenditures do not exceed authorized budget and processing any budget revisions.

8. **State Controller Office's Report** – includes compiling the State Controller Office's annual Financial Transaction Report.
9. **Financial Statement Compilation** – includes preparing the financial statements, the related notes to the financial statements, required supplementary information, and the statistical section of the annual comprehensive financial report.
10. **Financial Statement Audit** – includes coordinating the financial statement audit with the external auditors, working with the external auditors and responding to certain audit requests and inquiries.

B. Term

The term of this Agreement will commence on July 1, 2026, and end on June 30, 2027. Subject to written agreement of the parties, this agreement may be renewed annually.

C. Responsibilities of Auditor-Controller

The Auditor-Controller's responsibility under this Agreement is to perform the services enumerated above. The Auditor-Controller will not audit accounting entries, payment claims or budget transactions, nor will we validate the appropriateness of accounting transactions or claims for payment.

The Auditor-Controller's services are not designed to detect instances of fraud, or non-compliance with laws or regulations or significant errors; however, the Auditor-Controller will communicate to the Authority any known and suspected fraud, non-compliance with laws or regulations or significant errors that come to their attention. Neither the County nor the Auditor-Controller will be held liable should any instances of fraud, non-compliance with laws or regulations or significant errors be subsequently discovered by either the Authority or through a claim or lawsuit to the Authority.

D. Responsibilities of Authority Management

The Authority is responsible for (1) ensuring all transactions are submitted and/or approved by authorized staff, (2) reviewing all transactions prior to submittal to ensure appropriateness of the expenditure, compliance with laws or regulations and to check for significant errors and fraud, (3) retaining all source documents, and (4) providing all Authority Board authorized budgets and budget amendments. The Authority is encouraged to routinely provide accounting reports and payment registers to its Board for review.

The Authority agrees to inform County of significant non-compliance, fraud and/or errors immediately upon discovery.

For all services provided, Authority management agrees to assume all management responsibilities; oversee the services by designating an individual who possesses suitable skill, knowledge, and/or experience to understand the services; evaluate the adequacy and results of the services; and accept responsibility for the results of the services. Authority agrees to hold the County and the Auditor-Controller harmless for any subsequent claims or lawsuits that may arise from the results of the services.

Annual Cost and Billing

The annual cost of services identified above is \$82,500. The Authority will be billed by journal entry during the third quarter of the fiscal year for the entire annual costs. Specific billing details can be provided to the Authority upon request.

Agreement

The Auditor-Controller appreciates the opportunity to be of service to you and believes this letter accurately summarizes the significant terms of your agreement. This Agreement constitutes the entire agreement between the parties and supersedes all prior agreements. Please execute this document and return the original version to my office at your earliest convenience.

Sincerely,



Andrew C. Sisk, CPA  
Auditor-Controller

We, the undersigned, have read and agree to the terms of this Agreement. We represent we have the authority to execute this Agreement on behalf of Western Placer Waste Management Authority.

Authorized Signature: \_\_\_\_\_ Dated: \_\_\_\_\_

Authorized Board Signature (If Necessary): \_\_\_\_\_ Dated: \_\_\_\_\_

**MEMORANDUM  
WESTERN PLACER WASTE MANAGEMENT AUTHORITY**

TO: **WPWMA BOARD OF DIRECTORS** DATE: **JUNE 11, 2026**  
FROM: **SCOTT SCHOLZ / ERIC ODDO**   
SUBJECT: **ITEM 8A: LFG BENEFICIAL USE AGREEMENT WITH AMERESCO**

**RECOMMENDED ACTION:**

1. Authorize the General Manager, upon review and approval by WPWMA Counsel, to execute a landfill gas supply agreement and site lease (Agreement) with Ameresco Placer Energy, LLC (Ameresco) for operation of a landfill gas (LFG) to energy facility at the Western Regional Sanitary Landfill (WRSL).
2. Determine that the recommended action is categorically exempt pursuant to California Environmental Quality Act Guidelines Section 15301.

**BACKGROUND:**

At the November 10, 2022 meeting, your Board directed staff to develop a Request for Proposals (RFP) and conduct the public procurement process related to the beneficial use of LFG generated at the WRSL. In conjunction with legal counsel, staff prepared the RFP which allowed entities flexibility in proposing the beneficial use (e.g., electricity, pipeline injection of renewable natural gas, vehicle fuel, etc.) they deemed most appropriate and economically viable for the site.

On July 7, 2025, Placer County Procurement issued the RFP through its Bids and Tenders procurement platform on behalf of the WPWMA. This platform enables firms to receive email updates on the procurement process, upload proposals electronically, and digitally acknowledge all applicable policies, thereby reducing the potential for incomplete or unresponsive submissions. Of the 20 entities that registered for the project via Bids and Tenders, 7 submitted proposals.

An evaluation committee comprised of the WPWMA's General Manager, Program Manager, Senior Civil Engineer, and Operations Superintendent reviewed and ranked the proposals and interviewed the top 2 firms. The evaluation committee unanimously scored Ameresco as the top-ranked firm.

At the November 13, 2025 meeting, your Board authorized staff to finalize negotiations with Ameresco and return to your Board for final approval and execution of the Agreement. Over the preceding months, staff have been working with Ameresco to finalize an agreement. While a few minor, non-material items remain to be resolved, the Agreement will be substantially similar to the attached draft. To avoid further delays in implementing the Agreement, staff recommend your Board delegate authority to the General Manager to execute the final Agreement pending review and approval from WPWMA Counsel.

**ENVIRONMENTAL CLEARANCE:**

The recommended action is categorically exempt from further environmental review pursuant to Section 15301 “Existing Facilities” of the CEQA guidelines as Ameresco has proposed to continue the existing operation without any significant changes to the operation or infrastructure.

**FISCAL IMPACT:**

This is no direct fiscal impact associated with the recommended action of authorizing negotiations.

The proposed Agreement provides for royalty payments to the WPWMA equal to thirty percent (30%) of gross energy sales revenues net of sales related costs. Based on current LFG flow rates, staff anticipate this arrangement will yield approximately \$1.55 million in annual revenue to the WPWMA.

**STRATEGIC PLAN/GOALS:**

GOAL 2 – Enhance economic development and investment in innovation.

ATTACHMENT: DRAFT LANDFILL GAS SUPPLY AGREEMENT AND SITE LEASE

## LANDFILL GAS SUPPLY AGREEMENT AND SITE LEASE

THIS LANDFILL GAS SUPPLY AGREEMENT AND SITE LEASE (“**Agreement**”), dated as of \_\_\_\_\_, 2026, is entered between WESTERN PLACER WASTE MANAGEMENT AUTHORITY, a California joint powers authority, hereinafter referred to as “**WPWMA**,” and Ameresco Placer Energy LLC, a Delaware limited liability company, hereinafter referred to as “**Lessee**”. WPWMA and Lessee are hereinafter sometimes referred to individually as a “**Party**” and together as “**Parties**”.

### RECITALS

A. WPWMA owns and operates the Western Regional Sanitary Landfill (California Solid Waste Information System Number 31-AA-0210), located at 3195 Athens Avenue, Lincoln, California 95648, a map of which is attached hereto as **Exhibit “A”** (“**WRSL**”).

B. Landfill gas (“**LFG**”), consisting primarily of methane and carbon dioxide, is produced from decomposing refuse within the WRSL. WPWMA operates a gas collection and control system at the WRSL to control the discharge of LFG into the atmosphere and make beneficial use of LFG, including wells, pipelines, and an enclosed ground flare for the disposal of excess LFG (“**Gas Collection System**”).

C. Lessee has expertise with the conversion of LFG into products for beneficial use, such as renewable natural gas (“**RNG**”), renewable electricity (including products related to electrical generation such as resource adequacy and ancillary services recognized by the California Public Utilities Commission and the designated balancing authority) and other byproducts (including, without limitation, gas, materials, byproducts directly or indirectly generated, recovered, produced or resulting from Lessee’s possession or processing of LFG following the Delivery Point but excluding condensate) (collectively, “**LFG Products**”);

D. Lessee intends to acquire the existing power plant assets at the WRSL currently owned by Energy 2001, Inc., for the processing of LFG at the Site, excluding the solar array (“**Processing Facilities**”) and obtain a long-term supply of LFG from the WPWMA as source material for creation of LFG Products.

E. WPWMA has designated a portion of the WRSL as available for use in connection with the Processing Facilities (“**Site**”), a depiction of which is attached hereto as **Exhibit “B”**.

F. WPWMA is willing to enter into a long-term arrangement for the supply of LFG from the WRSL for use in the creation of LFG Products and to lease the Site to Lessee for the purpose of building, owning and operating the Processing Facilities in accordance with the terms and conditions set forth herein.

NOW, THEREFORE, in consideration of the mutual covenants and agreements herein contained, the Parties agree as follows:

1. Conditions Precedent to Agreement. The obligation of Lessee to commence operation of the Processing Facilities and begin purchasing LFG, in the event Lessee acquires the existing Processing Facilities, will be subject to the following conditions precedent:

(a) Design of Processing Facilities and Site Plan. Lessee intends to purchase the existing Processing Facilities from Energy 2001, Inc. pursuant to a separate transaction, and maintain the same project footprint and lease area, with any modifications to be approved by WSRL, such approval not to be unreasonably withheld. The final area to be leased by Lessee within the Site (or any areas agreed upon with the WPWMA to be included outside the Site) will be referred to in this Agreement as the "**Premises**", a legal description and depiction of which will replace Exhibit "B" in its entirety. Exhibit "B" attached hereto contains a preliminary depiction and/or description of the Premises.

(b) Financing. Lessee will have secured the financing necessary for the acquisition and operation of the Processing Facilities or represented to the WPWMA that the facility will be self-financed by Lessee.

(c) Interconnection Agreement and Offtake Agreement. Lessee shall have (i) entered into an interconnection agreement with the local gas or electric utility to interconnect the Processing Facilities with the utility's electric distribution system, or Lessee shall have assumed Energy 2001's existing interconnection agreement and received any required consent or approval from the utility counterparty; and (ii) entered into a power purchase agreement with the local gas or electric utility or other off takers for the LFG Products to be generated from the Processing Facilities. It is expressly understood by WPWMA that Lessee will not be obligated to proceed unless the terms and pricing for the interconnection agreement and power purchase agreement of LFG Products from the Processing Facilities are acceptable to Lessee, in its sole discretion.

(d) Permits and Approvals; Cooperation by WPWMA. Lessee and WPWMA will each be responsible for obtaining each of its own approvals and all federal, state and local permits and approvals necessary to carry out their respective obligations under this Agreement. Lessee shall have obtained all permits, authorizations, agreements and approvals necessary for the acquisition, and operation of the Processing Facilities and for the delivery and sale of LFG Products on terms and conditions that are acceptable to Lessee in its sole discretion and all conditions to the effectiveness of such permits, approvals, authorizations and agreements shall be satisfied. WPWMA shall reasonably cooperate with Lessee to contact regulatory agencies and obtain information that Lessee deems necessary or advisable for development of the Processing Facilities; *provided, however*, that the costs for obtaining such permits, licenses, instruments and approvals, including the reasonable and documented out-of-pocket costs and expenses incurred by WPWMA in cooperating with Lessee, will be paid by Lessee.

(e) CEQA. WPWMA will be the lead agency for evaluating the environmental impact of the Processing Facilities under the California Environmental Quality Act (“**CEQA**”). To the extent applicable, Lessee will be responsible for the preparation of all reports and other documentation necessary for CEQA compliance and the submission of those proposed documents to the WPWMA for its independent review, as well as complying with any mitigation measures that may be required in connection with the Processing Facilities. The completion of the CEQA process (if required) and approval by the WPWMA’s governing board will be a condition precedent, and the Parties agree that nothing herein constitutes a commitment by the WPWMA to issue any such approvals or otherwise restricts the WPWMA’s ability to impose feasible mitigation measures or consider feasible alternatives as part of its CEQA process. WPWMA will be solely responsible for CEQA compliance with respect to any of WPWMA’s obligations under this Agreement.

(f) Execution of all necessary easements (in recordable form) with WPWMA and/or third parties which are necessary or desirable in Lessee’s discretion, or required for the financing of the Processing Facilities, on terms and conditions acceptable to Lessee financing parties and to Lessee in its sole discretion.

(g) Lessee has closed on the acquisition, purchase and sale of the existing Processing Facilities owned by Energy 2001, Inc. and title to all such Processing Facilities has transferred to Lessee, and Lessee is prepared to commence operations and purchase of LFG.

(h) Simultaneous with, and effective on the Delivery Commencement Date, WPWMA shall terminate any prior leases or gas purchase agreements with Energy 2001, Inc. (“Prior Tenant”), if such agreements will be in effect on and as of the Delivery Commencement Date.

The date upon which (i) Lessee has confirmed in writing that all conditions precedent set forth in this Section 1 (excluding Section 1(e)) have been satisfied or waived by Lessee, and if any conditions are imposed on Lessee as part of the CEQA approval to be requested under Section 1(e), Lessee has accepted such conditions, and (ii) WPWMA has confirmed satisfaction of the condition in Section 1(e), will be the “**Delivery Commencement Date**”. It is expected the Conditions Precedent listed above will be satisfied no later than one hundred eighty (180) from the date; provided, that Lessee shall have the right to extend such 180-day period for an additional 90 days; provided further, that such 180-day period shall be extended equitably for any delays by a Governmental Authority in the CEQA process or in approving a permit under CEQA for the Processing Facilities. If the conditions precedent have not been satisfied or waived by Lessee with respect to all conditions excluding (e) within this period, then either WPWMA or Lessee may terminate this Agreement upon thirty (30) days written notice to the other Party without liability of either Party to the other; provided, if WPWMA is the party sending termination notice, Lessee may, within such 30-day period, reply by written notice to WPWMA that the conditions precedent applicable to Lessee have been satisfied or

waived and designating the Delivery Commencement Date, in which case WPWMA's notice of termination shall be deemed withdrawn. It is the intention of Lessee that the closing of the acquisition of the Processing Facilities from Energy 2001 shall occur simultaneously with the satisfaction of the conditions precedent, and WPWMA and Lessee shall coordinate and keep the other informed on the progress of completion of their respective conditions.

2. Supply of LFG.

(a) Delivery of LFG.

(i) Except as provided in this section 2(a), commencing on the Delivery Commencement Date and during the Term, WPWMA agrees to deliver to Lessee and Lessee agrees to accept LFG that is produced from the WRSL and the Gas Collection System in an amount necessary, from time to time, to operate the Processing Facilities at full capacity, as reasonably determined by Lessee, subject to curtailment or other operational impacts as set forth herein. Notwithstanding the first sentence of this Section 2(a)(i), for the first six (6) months after the Delivery Commencement Date, Lessee may perform maintenance, repair and optimization, and during such six-month period, Lessee shall not be required to operate the Processing Facilities at full capacity. The point of delivery for LFG from the Gas Collection System to the Processing Facilities will be as set forth on **Exhibit "C"** attached hereto ("**Delivery Point**") and title and responsibility for LFG will pass from WPWMA to Lessee at the Delivery Point. The volume of LFG delivered and accepted by Lessee will be metered using the existing meter; such meter readings are for information only. WPWMA will have access to all meter data. Lessee will be responsible for maintaining the existing meter in good condition and WPWMA will have the right to test the meter for accuracy from time to time, at WPWMA's cost. The compensation for LFG delivered and accepted by Lessee is as set forth in Section 5. WPWMA will have the right to retain and use up to one hundred fifty (150) scfm of LFG as necessary to properly maintain and operate the Gas Collection System and ensure the flare for excess LFG remains operational. During any period of time that the Processing Facilities are not in operation (in whole or in part), including without limitation, due to Force Majeure or a curtailment outside the control of Lessee that limits the ability of Lessee to export power to the grid, Lessee shall not be required to accept LFG. Lessee shall cause all LFG it takes delivery of at the Delivery Point to be (i) used or combusted in compliance with all applicable laws or (ii) redelivered to WPWMA if the Processing Facilities are not operational.

(ii) WPWMA hereby grants to Lessee the exclusive right to purchase, process, sell and utilize all LFG produced from the WRSL and the Gas Collection System. WPWMA shall not sell, deliver or allow the collection of any LFG to or by any third party or use such LFG for WPWMA's own purposes other than to flare any LFG not accepted by, or redelivered by, Lessee during the Term of this Agreement. Notwithstanding the foregoing, WPWMA will have the right to develop

additional facilities for the generation of LFG or other forms of biogas in connection with biomass or organic recycling or other projects that are independent of the Gas Collection System and do not divert any LFG from the existing Gas Collection System.

(iii) **Shutdown Notification.** WPWMA will use commercially reasonable efforts to provide Lessee advance notification of any scheduled full or partial shutdown of LFG flow to the Delivery Point as part of the proper and necessary construction, expansion, installation, operation, repair, and maintenance of the Gas Collection System so that Lessee may prepare the Processing Facilities for the shutdown. Lessee understands and agrees that shutdown of the Gas Collection System may result from unforeseen occurrences or Force Majeure Event such as electrical power failure or other conditions outside the control of WPWMA in which case WPWMA will make commercially reasonable efforts to return the Gas Collection System to full operation within a reasonable timeframe and will coordinate these efforts with Lessee in a reasonable manner.

(b) **Quantity of LFG.** WPWMA has provided Lessee with historical data on the quantity of LFG that is produced by the WRSL and projections of future production based on continuing use and expansion of the WRSL. Such projections are based on WPWMA's best estimates for its own operations at the WRSL, but do not constitute a guaranty of future demand by Lessee or the scope of WRSL operations. Lessee has had the opportunity to thoroughly review such data and conduct its own due diligence as to whether the quantity of LFG will be suitable for its purposes. Lessee will operate and maintain the Processing Facilities in good working condition throughout the Term in accordance with prudent industry practices, subject to reasonable limitations in the availability of parts and equipment. During the last five years of the Term, Lessee will not be required to replace a gas turbine that fails and is at the end of its useful life. Lessee will notify WPWMA no less than thirty (30) days in advance of any scheduled maintenance at the Processing Facilities, or as soon as reasonably possible of any unscheduled or emergency maintenance or shutdown or event of Force Majeure, as well as any curtailment in production as a result of the inability to export power to the grid that is beyond the control of Lessee, that would result in the inability of the Processing Facilities to accept LFG. Lessee will use good faith efforts to coordinate with WPWMA to schedule maintenance to minimize the frequency and duration of such events and will use commercially reasonable efforts to restore deliveries following an unscheduled interruption. WPWMA will be responsible for maintaining the Gas Collection System in good working condition as set forth in this Agreement to provide consistent deliveries of LFG to Lessee. Notwithstanding the foregoing, the WPWMA does not make any representation or warranty concerning the quantity of LFG that is produced by the WRSL during the Term as a result of normal operations and will not be liable to Lessee if the actual quantity produced is less than any particular quantity.

(c) **Quality of LFG.** WPWMA has provided Lessee with historical data on the quality of the LFG that is produced by the WRSL and Lessee has had the opportunity to thoroughly review such data and conduct its own due diligence. Based on

such review and due diligence, and assuming there is no material change in the quality of the LFG from such historical data, Lessee has determined that the quality of the LFG is sufficient for its purposes under this Agreement. WPWMA does not make any representation or warranty concerning the quality of the LFG that is delivered during the Term from the Gas Collection System and Lessee will be solely responsible for providing such conditioning and processing as is necessary for Lessee's manufacture of LFG Products. If there is a material change in the quality of LFG from the quality as shown by such historical data, and such change negatively affects Lessee's ability to comply with its air permit, or requires installation of additional emissions or other equipment, then Lessee shall have the right to suspend operations without being considered in default or breach of this Agreement. The Parties shall confer to determine the cause of the change in quality of LFG. If the change is caused by contaminants in the LFG, then such change shall be considered a Force Majeure Event.

(d) Excess Gas. WPWMA shall monitor the amount of LFG produced by the Gas Collection System throughout the Term and provide Lessee with periodic updates on the quantity of LFG at the WRSL. WPWMA will provide written notice to Lessee ("**Excess LFG Notice**") if, at any time after the Effective Date during the Term of this Agreement, WPWMA determines that there is a sustainable increase (which shall generally mean an increase that remains stable over a full operating year to account for seasonal changes) in the amount of LFG available for delivery by WPWMA to Lessee of twenty five percent (25%) or more in excess of the then average current flow of LFG (in scfm) used by the Processing Facilities operating at full capacity (inclusive of previous Expansion Excess LFG that Lessee has elected to use) (such incremental amount being defined as "**Expansion Excess LFG**"). The Excess LFG Notice shall quantify the approximate amount of Expansion Excess LFG based on the monitoring data, a copy of which will be provided to Lessee. Within six (6) months after Lessee's receipt of such Excess LFG Notice, Lessee shall have the exclusive option to notify the WPWMA in writing of Lessee's intention to expand and modify Lessee's Processing Facilities (or to have an affiliate of Lessee expand the Processing Facilities) to process such Expansion Excess LFG, or notify the WPWMA in writing of Lessee's election not to process the Expansion Excess LFG. The Lessee will have a non-exclusive option after such period if WPWMA has not committed the gas to an alternative use. If Lessee notifies WPWMA that it or its affiliate, will expand or modify Lessee's Processing Facilities to process such Expansion Excess LFG, Lessee shall provide WPWMA with any requested modification of the Premises or easements to accommodate the expansion, an estimate of the schedule for undertaking such expansion including the expected operational date of such expansion facilities and any requested extension of the Term necessary to amortize the cost of such expansion facilities. The expansion of the Processing Facilities will be subject to an amendment of this Agreement in form and substance reasonably acceptable to WPWMA and Lessee. Following agreement on the terms of expansion and execution of such amendment, Lessee shall use diligent efforts to complete any expansion within twenty four (24) months after receipt of all permits and approvals and agreement necessary to expand the Processing Facilities, subject to extension due to Force Majeure; provided such time shall be extended for so long as Lessee is diligently pursuing completion of the Processing Facilities expansion. If Lessee elects not to expand its

Processing Facilities to accept the Expansion Excess LFG, the WPWMA may sell any such Expansion Excess LFG to third parties in any manner that the WPWMA desires. The election of Lessee not to expand its Processing Facilities and process Expansion Excess LFG shall not affect the rights and obligations of the Parties hereunder with respect to LFG, other than Expansion Excess LFG, and WPWMA shall continue to make available first to Lessee, to the extent that it is available from the WWSL, LFG in quantities at least equal to all LFG needed to operate the Processing Facilities at full nameplate capacity. Expansion Excess LFG not used by Lessee shall be recovered in such a manner so as not to negatively impact or interfere with Lessee's operations or production and sales of LFG Products.

(e) Inspection of LFG Records. At the request of Lessee, WPWMA will provide access or copies at the option of WPWMA, to WPWMA's records regarding LFG production from the Gas Collection System, including data on quantity, gas constituents, production metrics, and any other records related to the operation and performance of the Gas Collection System. Lessee will not make such request more than twice per calendar year unless there is a reasonable basis to believe there are material discrepancies in the data. WPWMA will provide digital copies of such records to the extent available. Physical copies of requested documents will be at Lessee's expense.

### 3. Leased Premises.

(a) Premises. Effective upon the Delivery Commencement Date, WPWMA hereby leases to Lessee, and Lessee hereby leases from WPWMA, the Premises, subject to the terms of this Agreement.

(b) Utility Easements. Effective as of the Delivery Commencement Date, WPWMA grants to Lessee, for the benefit of Lessee and its agents, contractors, assignees, at no additional cost or expense to Lessee, non-exclusive easements on, over and across those portions of the WWSL and any property contiguous to the WWSL owned by WPWMA that are described on Exhibit "D" for the existing locations of the Processing Facilities installed on the WWSL outside of the Premises, including, without limitation, for pipelines or electric lines, conduit, poles or other equipment of Lessee ("**Utility Easements**"). To the extent included in the approved Project Plan or otherwise approved by WPWMA, WPWMA will grant to Lessee and the local electric or gas utility, Utility Easements between the Premises and the interconnection point with the local gas or electric utility, at locations approved by WPWMA. At Lessee's request, WPWMA shall grant such Utility Easements in writing in recordable form, and in a form(s) that is reasonably acceptable to WPWMA.

(c) Access Easement. Effective upon the Delivery Commencement Date, WPWMA grants to Lessee for the benefit of Lessee and its agents, contractors and assignees, at no additional cost or expense to Lessee, a non-exclusive easement, for ingress and egress on, over and across all access ways and driveways on the WWSL within that certain portion of land identified on Exhibit D hereto to and from the Premises from public ways serving the WWSL, subject to any reasonable security measures that

WPWMA may put in place along the perimeter of the WRSL and specifically including any security gate that may be installed to regulate access to the WRSL. Lessee will prioritize use of the roadways within the WSRL that have the most direct access to the Premises. WPWMA will cooperate with Lessee to ensure that such security measures do not materially interfere with Lessee's ingress and egress to access the Premises. At Lessee's request, WPWMA shall execute a separate easement instrument in recordable form to give record notice of Lessee's access easement rights.

(d) Additional Easements. Should additional easements become necessary for Lessee to operate the Process Facilities and sell LFG Products, and provided such additional easements do not impair the operation of the WRSL and Gas Collection System, then the Parties shall work in good faith to agree upon the location of such additional easements.

(e) Non-Interference. WPWMA shall not permit its tenants, licensees, employees or invitees to use any portion of the WRSL in any way which interferes with the operations of Lessee and Lessee will exercise its rights under this Agreement in a manner that does not interfere with the operations of the WPWMA.

4. Term. The "**Term**" of this Agreement will be that period of time commencing upon the Effective Date of this Agreement and continuing until the twentieth (20<sup>th</sup>) anniversary of the Delivery Commencement Date. The first day of the Term is referred to herein as the "**Commencement Date**". The last day of the Term is referred to herein as the "**Expiration Date**". Any extension or renewal of the Term will be subject to mutual agreement by WPWMA and Lessee. Sections 3, 5(b), 5(c), 6, 7, 11, 12, 14-18, 27, 38 of this Agreement shall become effective on the Delivery Commencement Date.

5. LFG Payments.

(a) During the period from the Commencement Date to the Delivery Commencement Date, Lessee will pay WPWMA the sum of One Thousand Dollars (\$1,000.00) per month as consideration for WPWMA's efforts towards achieving the conditions precedent.

(b) Payments for LFG. Commencing on the Delivery Commencement Date, Lessee will make the following payments to the WPWMA with respect to the delivery of LFG pursuant to Section 2:

Thirty percent (30%) of the Gross Revenue of Lessee ("**LFG Royalty**"). "**Gross Revenue**" will be equal to the gross revenue actually received by Lessee from the sale of LFG Products from the Processing Facilities during each month during the Term (or pro-rated amount thereof for periods during the Term that are less than a full calendar month), including any revenue derived from the sale of any Environmental Attributes less and net of (i) sales use, excise, gross receipts, value-added and similar transaction-based taxes or charges; (ii) discounts or credits given to the

offtaker of any LFG Products or Environmental Attributes, (iii) tolling fees for use of transmission facilities used to deliver LFG Products that are energy products; (iv) tolling fees for the use of pipelines for the delivery of RNG; (v) delivery of LFG Products via tanker (such as truck or rail) where the delivery to the offtaker is at the cost of Lessee; ; and (vi) fees paid to a designated authority for the registration and tracking of Environmental Attributes that is necessary for such Environmental Attributes to be sold..

(c) Payment to WPWMA.

(i) The LFG Royalty will be payable monthly within sixty (60) days of the end of each month during the Term and will be accompanied by a written statement showing the calculation of the LFG Royalty for such month, including each source of revenue and each cost item pursuant to Section 5(b). For each long term agreement to sell LFG Products, Lessee will provide a copy of the relevant purchase agreement, which may be redacted as to the identity of the offtaker. WPWMA will have the right to audit the monthly calculations of the LFG Royalty once during each calendar year by giving written notice to Lessee and Lessee will make its applicable books and records available to WPWMA and its agents during normal business hours. WPWMA will bear the cost of such audit unless Lessee is found to have underpaid the LFG Royalty by an amount in excess of three percent (3%) of the actual amount due, in which case Lessee will reimburse WPWMA for all costs of the audit.

(ii) Lessee must pay all amounts due to WPWMA in lawful money of the United States of America via electronic funds transfer to the account designated in writing by the WPWMA from time to time.

6. Use of the Premises.

(a) Permitted Use. Lessee is authorized to use the Premises to install, own, operate, maintain, upgrade, expand and repair the Processing Facilities for the purpose of conditioning and processing LFG for the creation, storage and sale of LFG Products and to carry out any other obligations of Lessee pursuant to this Agreement.

(b) Gas Monitoring and Management. WPWMA will be responsible for monitoring and managing the flow of gas within the Gas Collection System to the Delivery Point. If Lessee determines that storage facilities for the LFG are necessary to optimize production or operation, then Lessee may submit a plan to WPWMA to build such storage on or around the Premises. The storage plan will be subject to review and approval by WPWMA, which approval will not be unreasonably withheld provided that such storage does not create a risk to health or safety at the WRSL and that space for storage is reasonably available without disrupting WPWMA operations. Lessee will be responsible for all costs and permitting required to build and operate LFG storage facilities.

(c) Management of Byproducts. WPWMA will be responsible for the handling and disposal of landfill leachate and LFG condensate collection and conveyance equipment upstream of the Delivery Point (i.e. on WPWMA's side of Delivery Point). Lessee will be responsible for all LFG condensate produced downstream of the Delivery Point and/or at the Processing Facilities as a result of processing LFG derived and collected from the WRSL. Lessee shall be responsible for the collection and removal of condensate from the Lessee's condensate sumps, Lessee's condensate knockout vessel(s) and the Processing Facilities, and the proper handling and delivery of the condensate to WPWMA's leachate collection system (leachate manhole or cleanout) or leachate storage facilities. WPWMA is responsible for the proper handling and disposal of all condensate from the time it is received at the WPWMA's leachate collection system or leachate storage facilities. WPWMA shall accept condensate delivered by Lessee for no additional compensation. Lessee represents and warrants that it will not add any substances, chemicals or additives to the condensate produced from the processing of LFG provided by WPWMA. If condensate from the Processing Facilities is characterized or deemed to be hazardous material under applicable Environmental Laws due to (i) the LFG delivered by WPWMA at the Delivery Point, (ii) contamination from the WRSL or the Gas Collection System, (iii) changes in applicable law or regulatory standards, or (iv) any other factor outside of Lessee's reasonable control and not caused by Lessee's addition of substances or materials to the LFG, then WPWMA shall remain responsible for accepting such condensate and for all costs, expenses, and liabilities associated with the handling, treatment, storage, transportation, and disposal of such condensate as hazardous material, and WPWMA shall continue to accept such condensate from Lessee at no additional cost or charge to Lessee.

7. Lessee Operations and Improvements.

(a) Covenants of Lessee. Lessee will comply with the following covenants and obligations in connection with its operations on the Premises:

(i) Legal Compliance. Lessee will comply with the conditions and requirements of all permits and approvals issued in connection with the construction and operation of the Processing Facilities by Lessee and all federal, state and local laws, rules and regulations applicable to the activities of Lessee pursuant to this Agreement.

(ii) WPWMA Compliance Requirements. Lessee will further comply with the requirements of any permits and approvals applicable to the Premises as part of the WRSL, including the "Site Wide Odor Plan" prepared by the WPWMA related to the management of odors from the WRSL as approved by the WPWMA Board of Directors as of the Effective Date or as it may be amended during the term of this Agreement. The WPWMA Site Wide Odor Plan is available at [https://wpwma.ca.gov/wp-content/uploads/2025/02/SWOP-V2\\_UPDATE-DECEMBER-2024.pdf](https://wpwma.ca.gov/wp-content/uploads/2025/02/SWOP-V2_UPDATE-DECEMBER-2024.pdf). If any future change in law or the requirements of any permits and approvals that are applicable to the Premises or the Processing Facilities would create a material impairment in the cost of operations of the Processing Facilities, then Lessee will have the right to terminate this

Agreement on ninety (90) days written notice to WPWMA. Lessee may also present to WPWMA a price proposal that would permit Lessee to continue operating. Exhibit \_\_\_ contains a list of permits and approvals applicable to the Premises as of the Effective Date.

(iii) Environmental Testing. Lessee agrees to allow WPWMA to conduct safety and environmental testing at the Premises no less than once every calendar year. Such testing may include, but shall not be limited to, testing the integrity of the Processing Facilities for containment of LFG and LFG Products, air sampling, soil samples and water quality samples. WPWMA shall bear the costs of such testing. Lessee agrees to provide WPWMA prompt access to conduct any such testing, subject to reasonable notice given to Lessee. WPWMA also agrees to share with Lessee the results of any testing conducted at the Premises, including any testing required under Lessee's current permits.

(b) Environmental Credits and Environmental Attributes.

(i) As used herein the term "**Environmental Attributes**" means any and all credits, benefits, emissions reductions, offsets, and allowances, howsoever entitled, attributable to the generation from the Processing Facilities and its displacement of conventional energy generation. Environmental Attributes include but are not limited to Renewable Energy Credits, as well as: (1) any avoided emissions of pollutants to the air, soil or water such as sulfur oxides (SOx), nitrogen oxides (NOx), carbon monoxide (CO) and other pollutants; (2) any avoided emissions of carbon dioxide (CO<sub>2</sub>), methane (CH<sub>4</sub>), nitrous oxide, hydrofluorocarbons, perfluorocarbons, sulfur hexafluoride and other greenhouse gases (GHGs) that have been determined by the United Nations Intergovernmental Panel on Climate Change, or otherwise by law, to contribute to the actual or potential threat of altering the Earth's climate by trapping heat in the atmosphere; (3) the reporting rights to these avoided emissions, such as Green Tag Reporting Rights. Green Tags are accumulated on a MWh basis and one Green Tag represents the Environmental Attributes associated with one (1) MWh of energy generated by the Processing Facilities. Environmental Attributes do not include (i) any energy, capacity, reliability or other power attributes from the Processing Facilities or any expansion of the Processing Facilities, (ii) investment tax credits or production tax credits associated with the construction or operation of the Processing Facilities or WSRL and other financial incentives in the form of credits, Tax Credits, reductions, or allowances associated with the Processing Facilities that are applicable to a state or federal income taxation obligation, (iii) fuel-related subsidies or "tipping fees" that may be paid to WPWMA to accept certain fuels, or local subsidies received by the generator or owner of the WSRL for the destruction of particular preexisting pollutants or the promotion of local environmental benefits, or (iv) emission reduction credits encumbered or used by the Processing Facilities for compliance with local, state, or federal operating or air quality permits. "**Green Tag Reporting Rights**" means the right of a purchaser of renewable energy to report ownership of accumulated "green tags" in compliance with and to the extent permitted by applicable law and include rights under Section 1605(b) of the Energy Policy Act of 1992, and any present or future federal, state or local certification program

or emissions trading program, including pursuant to the WREGIS Operating Rules. “**Tax Credits**” means any production tax credits, investment tax credits, and any other state, local or federal tax credit, depreciation benefit, tax deduction related to the production of renewable energy by the Processing Facilities or Lessee’s ownership, expansion, modification of the Processing Facilities. “**Renewable Energy Credit**” has the meaning set forth in the California Public Utilities Code Section 399.12(h), as may be amended from time to time or as further defined or supplemented by law.

(ii) Environmental Credits. Lessee will, in its discretion, apply for and obtain all Environmental Attributes that are available in connection with the production of LFG Products. Lessee will own all such Environmental Attributes, subject to the payment of the LFG Royalty. Lessee owns and shall retain all rights to any Environmental Attributes and any Tax Credits, emission credits, certificates or similar benefits related to (1) ownership or operation of the Processing Facilities (including any destruction of LFG by the Processing Facilities) and the sale of LFG Products, and (2) the possession, ownership, processing of, or production of, and any other act or status relating to, LFG and LFG Products from and after when Lessee takes title of LFG at the Delivery Point, including, but not limited to Renewable Energy Credits/Certificates, carbon credits, greenhouse gas credits, or similar credits or certificates.

(iii) Retention of Attributes. WPWMA retains all rights to Environmental Attributes arising from its WRSL operations and LFG management activities prior to transfer of title to LFG at the Delivery Point. If WPWMA’s retention of Environmental Attributes would preclude Lessee from obtaining Environmental Attributes for LFG Products, Lessee’s rights shall take priority. WPWMA agrees to cooperate in good faith to transfer or relinquish Environmental Attribute interests as necessary to facilitate Lessee’s offtake agreements for LFG Products.

(iv) Biogas Producer Registration. WPWMA agrees to allow Lessee to register as the “Biogas Producer,” if required, to comply with Section 40 CFR 80.2 of the Renewable Fuel Standard Program or any other program or if deemed appropriate by Lessee and shall cooperate and assist Lessee with such registration and related reporting and provide Lessee with any such information required to be submitted in connection with such registration and any related reporting obligations.

(c) Construction of Lessee Improvements. All improvements required or permitted by this Agreement will be constructed by licensed contractors. Lessee shall be responsible for obtaining all permits and approvals necessary for construction and operation of the improvements, including without limitation, compliance with all building codes of Placer County or other applicable local jurisdiction, including any local fire agencies. All permitted improvements must be inspected and approved by Placer County and such other jurisdictions prior to use. WPWMA will reasonably cooperate with Lessee as necessary for the application process for any permits and approvals. All of Lessee’s contractors shall carry the insurance required by this Agreement while working on the Premises and shall name WPWMA as an additional insured. In the event of any substantial construction by Lessee on the Premises in connection with an expansion of

the Processing Facilities, then Lessee or its contractors of Lessee will provide payment bonds with respect to all work done on the Premises or within any easement area.

8. Delivery of Premises; Condition "AS-IS".

WPWMA shall deliver possession of the Premises to Lessee upon the Delivery Commencement Date free of any known defective, dangerous or unsafe conditions. Lessee acknowledges that Lessee has had an adequate opportunity to fully inspect the Premises and determine its suitability for Lessee's purposes. Except as set forth herein, Lessee acknowledges that neither WPWMA nor any agent of WPWMA has made any representation or warranty with respect to the availability of utilities or other services to the Premises, permits or other governmental approvals, the condition of the Premises or the suitability of the Premises for Lessee's business. Lessee additionally acknowledges that WPWMA shall not have any obligation for securing or protecting the Premises during the Term of this Agreement, and that neither WPWMA nor any agent of WPWMA has made any representation with respect to the safety or security of the Premises for Lessee's business. Lessee shall be solely responsible for providing adequate security and protection of the Premises during the Term of this Agreement. Subject to (and without limiting in any respect) the representations, warranties, covenants and obligations of WPWMA set forth herein, Lessee is accepting and leasing the Premises in its current condition, "as-is".

9. Liens.

(a) Subject to the provisions of Section 9(b) below, Lessee will keep the Premises free from any liens arising out of any work performed, materials furnished, or obligations incurred by Lessee. WPWMA has the right to post and keep posted on the Premises any notices that may be provided by law or which WPWMA may deem to be proper for the protection of WPWMA from such liens.

(b) Lessee has the right to contest the validity or amount of any lien or claimed lien, if Lessee takes all steps necessary to prevent any sale, foreclosure or forfeiture of the Premises or any portion thereof by reason of such nonpayment. On final determination of the lien or claimed lien, Lessee must immediately pay any judgment rendered with all proper costs and charges and have the lien or claimed lien released or judgment satisfied at Lessee's expense or Lessee may bond over the lien.

10. WPWMA Mortgages and Other Encumbrances.

(a) As of the date of execution of this Agreement, in the event the Premises or WPWMA's interest or estate therein, or any portion thereof, is subject to any existing mortgages or deeds of trust, WPWMA must obtain and deliver to Lessee, within ten (10) days after the date this Agreement is executed, written agreements from each holder of such mortgages or deeds of trust providing that, any such existing mortgage or deed of trust is, and will at all times remain, subordinate to this Agreement in form and substance reasonably acceptable to Lessee and Lessee's lenders. Such agreement shall

specify that Lessee will attorn to the person who acquires WPWMA's interest hereunder through any such mortgages or deeds of trust delivered to Lessee. WPWMA agrees to cause to be executed, acknowledged and delivered such further instruments evidencing such subordination of the lien of all such mortgages and deeds of trust to this Agreement as may reasonably be required by Lessee.

(b) This Agreement and Lessee's leasehold interest will be prior to any Encumbrance (as defined below) entered into and/or recorded after the date of this Agreement affecting all or part of the Premises. The word "**Encumbrance**" as used in this Section 10(b) is an all-inclusive term referring to: (a) a deed of trust, mortgage, and/or other security device, including the note and/or obligation that is secured thereby or other monetary encumbrance such as a judgment lien, tax lien, etc.; (b) easements of any kind or nature, including, without limitation, grants of rights of way; (c) leases, tenancy and rental agreements, including, without limitation, ground leases; (d) reservations of rights; and/or, (e) declarations of covenants, conditions and restrictions. This Agreement shall be in a first priority position over all such Encumbrances.

(c) With respect to Encumbrances entered into or recorded after the date of this Agreement, if WPWMA and/or any third party to an Encumbrance requires this Agreement be subordinate to such Encumbrance, this Agreement will be subordinate to that Encumbrance as long as the Encumbrance does not adversely affect Lessee's rights under or in this Agreement in any manner whatsoever and only if WPWMA, Lessee and the holder of such Encumbrance execute and deliver to Lessee a non-disturbance agreement in a commercially reasonable form, and reasonably acceptable to Lessee and Lessee's lenders stating that (i) no foreclosure (including, without limitation, a deed in lieu of foreclosure), and/or termination of any such Encumbrance will affect Lessee's rights under this Agreement, (ii) Lessee will attorn to any purchaser at a foreclosure sale, to any grantee or transferee of any deed given in lieu of foreclosure, or any successor of WPWMA, and (iii) the holder of such Encumbrance will not disturb Lessee's possession of the Site, easements.

(d) WPWMA may at any time, and from time to time, as it may see fit, mortgage, grant a deed of trust on, or otherwise hypothecate its fee estate in the Premises and/or its interest or rights hereunder, or any part thereof, subject always to Lessee's rights under this Agreement. No such alienation or encumbrance shall relieve WPWMA of any of its covenants, liabilities and obligations under this Agreement. In connection with any such mortgage, Lessee shall execute a commercially reasonable estoppel certificate. If WPWMA sells or transfers its fee ownership during the Term, WPWMA shall assign, and the purchaser or transferee shall assume, all obligations of WPWMA under this Agreement.

(e) Upon any default on the part of WPWMA, as set forth in Section 24, Lessee will give notice to any beneficiary of a deed of trust or mortgagee covering the Premises who has provided Lessee with written notice of their interest together with an address for receiving notice.

(f) At least twenty (20) days before termination of this Agreement by reason of WPWMA's default or breach under this Section 10, Lessee shall provide written notice to each such beneficiary or mortgagee of Lessee's intention to terminate this Agreement, which notice shall describe WPWMA's default or breach. Lessee may not terminate this Agreement because of WPWMA's default or breach if, within twenty (20) days after such written notice, any such beneficiary or mortgagee shall have: (i) cured all defaults or breaches described in said notice that can be cured by the payment of money; or (ii) if defaults or breaches are not curable by the payment of money, commenced to cure such defaults or breaches and continue diligently to prosecute the same towards completion.

(g) Lessee agrees that each lender to whom this Agreement has been assigned by WPWMA is an express third-party beneficiary hereof. Lessee shall not make any prepayment of rent more than one (1) month in advance without the prior written consent of each such lender.

#### 11. Insurance.

(a) Types and Amounts of Coverage: Lessee, at Lessee's sole cost and expense, shall procure from an insurance company or companies admitted to do business in the State of California, subject to the regulation of the California Insurance Commissioner, and with a rating in the most recent edition of Best's Insurance Reports of size category XV or larger, and a rating classification of A or better, except that the Pollution Liability policy may be issued by a company rated A-IX, and shall maintain all such insurance policies in force at all times during the term of this Agreement the following types and amounts of insurance. At the sole discretion of the WPWMA's Risk Manager, the following requirements may be modified, but only in advance by the WPWMA in writing, when the Lessee can provide the WPWMA's Risk Manager with proof of acceptable alternative methods of insuring the WPWMA's risks to be covered by the following insurance requirements.

(b) Workers' Compensation and Employer's Liability: Lessee shall maintain workers' compensation insurance covering its employees in statutory amounts and otherwise in compliance with the laws of the State of California. Lessee shall maintain Employer's Liability insurance in an amount not less than One Million Dollars (\$1,000,000) per accident or disease.

(c) General Liability and Automobile Liability: Lessee shall maintain comprehensive Commercial General Liability insurance with a combined single limit of not less than Four Million Dollars (\$4,000,000) per occurrence and Six Million Dollars (\$6,000,000) aggregate covering all claims and all legal liability for personal injury, bodily injury, death, and property damage, including the loss of use thereof, arising out of, or occasioned in any way by, directly, Lessee's performance of, services under this Agreement. The Commercial General Liability coverage may be provided by one or more policies including in combination with an excess liability policy. The insurance required by this subsection shall include:

- (i) Premises Operations (including X, C and U coverages).
- (ii) Independent Contractor's Protective.
- (iii) Products and Completed Operations, protecting against possible liability resulting from use of LFG Products generated by Lessee and used by another person.
- (iv) Personal Injury Liability
- (v) Broad Form Blanket Contractual, with no exclusions for bodily injury, personal injury or property damage
- (vi) Broad Form Property Damage, including Completed Operations.

Lessee shall also maintain Automobile Liability Insurance for each of Lessee's vehicles used in the performance of this Agreement, including owned, non-owned, leased or hired vehicles, in the minimum amount of One Million Dollars (\$1,000,000) combined single limit per occurrence.

(d) Form of Coverage. The Commercial General Liability and Automobile Liability insurance required herein shall be written on an "occurrence" (not an "accident"), rather than a "claims made" basis, if such coverage is readily obtainable for a commercially reasonable premium. If it is not so obtainable, Lessee must arrange for an extended reporting period ("tail coverage") to protect the WPWMA from claims filed within one (1) year after the expiration or termination of this Agreement relating to incidents that occurred prior to such expiration or termination. Any excess or umbrella policies shall be on a "following form" basis. The policy may not contain a deductible or self-insured retention of more than Ten Thousand Dollars (\$10,000.00) per occurrence or more than Fifty Thousand Dollars (\$50,000) annual aggregate without prior written approval of the WPWMA. The policy limit and the self-insured retention shall be adjusted as of each such five (5) year anniversary of the Commencement Date to reflect any increase in customary coverage amounts for similar facilities in Placer County. The existence of a self-insured retention or deductible shall not affect Lessee's duty to defend and indemnify the WPWMA as to claims below the self-insured retention or deductible level.

(e) Pollution Liability: Lessee shall purchase and thereafter maintain, so long as such insurance is available on a commercially reasonable basis, Pollution Liability insurance in the amount of Four Million Dollars (\$4,000,000) covering liability arising from the sudden and accidental release of pollution from the Leased Premises. "Tail coverage" shall be provided to extend coverage for one (1) year past the expiration or termination of this Agreement if the policy is not written on an occurrence basis.

(f) Property Damage: Lessee shall maintain property (fire, theft) Physical Damage insurance covering the the machinery and equipment that is owned by Contractor and used in providing service under this Agreement, with a deductible or self-insured retention of not greater than Fifty Thousand Dollars (\$50,000).

(g) Required Endorsements

(i) The Worker's Compensation policy shall contain endorsements in substantially the following form:

"Thirty (30) days prior written notice shall be given to the WPWMA in the event of cancellation of this policy. Such notice shall be sent to:

Western Placer Waste Management Authority  
c/o General Manager  
c/o Risk Manager  
Risk Management Division  
11491 B Avenue  
Auburn, CA 95603

Insurer waives all right of subrogation against the WPWMA and its officers and employees for losses arising from work performed for the WPWMA."

(ii) The Comprehensive General Liability policy shall contain endorsements in substantially the following form:

"Thirty (30) days prior written notice shall be given to the WPWMA in the event of cancellation of this policy. Such notice shall be sent to:

Western Placer Waste Management Authority  
c/o General Manager  
c/o Risk Manager  
Risk Management Division  
11491 B Avenue  
Auburn, CA 95603"

The WPWMA, its officers, employees, and agents are additional insureds on this policy.

With the exception of claims caused by WPWMA's negligence or willful misconduct, this policy shall be considered primary insurance as respects any other valid and collectible insurance maintained by the WPWMA, including any self-insured retention or program of self-insurance, and any other such insurance shall be considered excess insurance only.

Inclusion of the WPWMA as an additional insured shall not affect the WPWMA's rights as respects any claim, demand, suit or judgment brought or recovered against Contractor. This policy shall protect Contractor and the WPWMA in the same manner as though a separate policy had been issued to each, but this shall not operate to increase the company's liability as set forth in the policy beyond the amount shown or to which the company would have been liable if only one party had been named as an insured."

(iii) The property policy shall contain the following endorsements:

"Thirty (30) days prior written notice shall be given to the WPWMA in the event of cancellation of this policy. Such notice shall be sent to:

Western Placer Waste Management Authority  
c/o General Manager  
c/o Risk Manager  
Risk Management Division  
11491 B Avenue  
Auburn, CA 95603

The WPWMA, its officers, employees, and agents are additional insureds on this policy.

This policy shall be considered primary insurance as respects any other valid and collectible insurance maintained by the WPWMA, including any self-insured retention or program of self-insurance, and any other such insurance shall be considered excess insurance only.

Inclusion of the WPWMA as an insured shall not affect the WPWMA's rights as respects any claim, demand, suit or judgment brought or recovered against Contractor. This policy shall protect Contractor and the WPWMA in the same manner as though a separate policy had been issued to each, but this shall not operate to increase the company's liability as set forth in the policy beyond the amount shown or to which the company would have been liable if only one party had been named as an insured."

(h) Delivery of Proof of Coverage: No later than five (5) days after the Effective Date of this Agreement, Lessee shall furnish the WPWMA a certificate for each policy of insurance required herein in form and substance satisfactory to the WPWMA. Each such certificate shall show the type and amount of coverage, effective dates and dates of expiration of policies and shall have all required endorsements. If the WPWMA requests, copies of each policy, together with all endorsements, shall also be promptly delivered to the WPWMA. Lessee shall furnish renewal certificates to the WPWMA to demonstrate maintenance of the required coverages throughout the Term.

(i) Other Insurance Requirement: In the event any services are delegated to a subcontractor, Lessee shall require all such subcontractors to provide statutory workers' compensation insurance and employer's liability insurance for all of the subcontractor's employees engaged in the work. The liability insurance required herein shall cover Lessee's liability for acts of its subcontractors or each subcontractor must furnish evidence of insurance provided by it meeting all of the requirements of this Section. Lessee shall comply with all requirements of the insurers issuing policies and shall require its subcontractors to do so. The carrying of insurance shall not relieve Lessee from any obligation under this Agreement. If any Claim is made by any third party against Lessee or any subcontractor on account of any occurrence related to this Agreement, Lessee, shall promptly report the facts in writing to the insurance carrier and to the WPWMA.

## 12. Indemnification.

(a) Lessee shall defend, indemnify and hold harmless WPWMA, its elected officials, officers, employees, agents, from any and all actual or alleged third-party claims, demands, causes of action, regulatory actions or penalties, liability, loss, whether imposed by a court of law or by administrative action of any federal, state or local governmental body or agency ("**Claims**") for damage or injury to property or persons, including death, to the extent caused by any negligence or willful misconduct of Lessee, its personnel, employees, agents or subcontractors if such Claims arise out of Lessee's possession or use of the Premises or any easements or rights of way granted hereunder, or Lessee's activities on the Premises. This indemnification includes, without limitation, the payment of all penalties, fines, judgments, awards, decrees, reasonable attorney's fees and related costs or expenses, and the reimbursement of WPWMA, its elected officials, officers, employees, agents for all reasonable legal expenses and costs incurred by each of them. This indemnification will not apply to the extent that a Claim is caused by the negligence or willful misconduct of WPWMA or its employees or agents. Lessee's obligation to indemnify shall survive the expiration or termination of this Agreement for a period of one year, and shall not be restricted to insurance proceeds, if any, received by WPWMA, its elected officials, officers, employees, agents, or volunteers.

(b) WPWMA shall indemnify, defend and hold harmless Lessee and its directors, officers, employees and agents for, from and against any Claims for damage or injury to property or persons, including death to the extent caused by the negligence or willful misconduct of WPWMA, its employees, subcontractors, or WPWMA's activities while present on the Premises, or arising or growing out of or in any way connected with the use, operation, ownership, performance, non-performance, management, and control of the WRSL. This indemnification includes, without limitation, the payment of all penalties, fines, judgments, awards, decrees, reasonable attorney's fees and related costs or expenses, and the reimbursement of Lessee and its directors, officers, employees and agents for all legal expenses and costs incurred by each of them. This indemnification will not apply to the extent that a Claim is caused by the negligence or willful misconduct of Lessee or its employees or agents as determined by a court or administrative body of competent jurisdiction. WPWMA's obligation to indemnify shall

survive the expiration or termination of this Agreement, and shall not be restricted to insurance proceeds, if any, received by Lessee, its employees and agents.

(c) The provisions of this Section 12 shall not apply to any Claims related to or arising out of Hazardous Materials on the Premises, all of which shall be governed by the provisions of Section 38.

(d) In no event shall Lessee be liable to WPWMA for any claims arising from the ownership of the LFG (before the Delivery Point) or Gas Collection System.

13. Inspection. At all reasonable times, Lessee shall give WPWMA access to the Premises, with no less than forty-eight (48) hours' notice (except in the event of an emergency where no prior notice shall be required), provided that WPWMA shall use reasonable efforts to minimize interference with the Processing Facilities during such access and agrees to comply with Lessee's access, security, and safety protocols.

14. WPWMA Cooperation. WPWMA and Lessee agree that if and when any governmental entity or any public utility company requires the dedication, execution and delivery of any rights-of-way or easements over, under or through the Premises for the purpose of providing water, gas, steam, electricity, telephone, storm and sanitary sewer or any other necessary public utility service or facility for the benefit of the Premises in accordance with the intended use, subject to WPWMA's reasonable approval, WPWMA and Lessee will execute, acknowledge and deliver, such instruments or documents as may be reasonably required for such purpose.

15. Utility Services. At Lessee's sole cost and expense, Lessee will obtain and pay for, all utilities including, but not limited to, electricity, gas, potable water, reclaimed water, sewer and telephone and other services which Lessee requires with respect to the Premises. WPWMA shall allow Lessee, at Lessee's cost, to tie into WPWMA's fire hydrant loop for operational and safety purposes.

16. Maintenance and Repair.

(a) At all times during the term hereof, Lessee, at its sole cost and expense, shall operate its business on the Premises in a manner that will keep the Premises, every part thereof and all of the Processing Facilities, in good condition and repair, ordinary wear and tear and damage thereto by fire, earthquake, act of God or the elements excepted. To the extent that the Project Plan provides for landscaping within the Premises, such landscaping will be installed and maintained by Lessee. Lessee further agrees to comply with reasonable requirements of the WPWMA with respect to weed abatement and fire prevention within the Premises.

(b) If the Processing Facilities are damaged or destroyed by a risk that is covered by the insurance required by Section 11, then in Lessee's sole discretion and after receipt of insurance proceeds, Lessee may elect restore the Processing Facilities to substantially the same condition as they were immediately before the destruction or to

the extent covered by insurance and relevant pursuant to codes and requirements at the time. If Lessee chooses not to restore the Processing Facilities pursuant to this Section 16(b), then it shall notify WPWMA within ninety (90) days of receipt of insurance proceeds and such election shall constitute an early termination of this Agreement by Lessee in accordance with Section 23.

(c) If the Processing Facilities are materially damaged or destroyed by a risk that is not covered by the insurance, Lessee may terminate this Agreement at its sole discretion. Alternatively, Lessee may repair the facility at its sole cost and expense. Lessee will be required to give written notice to WPWMA of its intent to terminate or rebuild within six (6) months after the date on which the damage or destruction occurred. If Lessee does not elect to terminate the Agreement or fails to give timely notice of termination, Lessee must restore the Processing Facilities. If Lessee terminates this Agreement pursuant to this Section 16(c), termination shall be accomplished in accordance with Section 23.

(d) The provisions of Civil Code Sections 1932(2) and 1933(4), and any successor statutes, are inapplicable with respect to any destruction of the Processing Facilities (such sections providing that a lease terminates upon the destruction of a Premises unless otherwise agreed between the parties to the contrary).

17. Alterations; Expansion.

Lessee shall not make any material alterations, material additions or material improvements to or of the Premises or the Processing Facilities, or any part thereof without the prior written approval of WPWMA, which approval will not be unreasonably withheld, delayed or conditioned provided that such alterations, additions or improvements do not interfere with WPWMA's operations. All such material alterations, additions and improvements to the Premises will be made by Lessee at Lessee's sole cost and expense and shall comply with the requirements of Section 7(c). If Lessee requires additional acreage for an expansion of the Processing Facilities, Lessee and WPWMA will enter into good faith discussions to amend this Agreement, subject to the availability of such property and mutual agreement by Lessee and WPWMA on the terms of such amendment. Replacement of an engine generator set shall not be considered material improvement requiring WPWMA consent.

18. Taxes.

(a) Real Property Taxes and Assessments. Lessee shall be responsible for the timely payment of all personal property taxes and assessments, including without limitation, any and all utility, city or county assessments which are assessed, levied, confirmed or imposed on the Processing Facilities during the Term. Lessee acknowledges that the County of Placer may impose possessory interest tax to the leasehold interest of Lessee as a private party.

(b) Other Taxes. Lessee shall be responsible for the payment of all personal property taxes and any local, state or federal taxes or fees resulting from the operation of Lessee's business. Furthermore, Lessee shall be responsible for all costs associated with any utility improvements upon the Premises which are required for the business of Lessee.

(c) Lessee's Right to Contest. Before any delinquency occurs, Lessee has the right to contest or object to the amount or validity of any taxes by appropriate legal proceedings. WPWMA is not required to join in any such proceeding unless WPWMA's participation is necessary to prosecute the proceeding properly and Lessee has fully indemnified WPWMA to its reasonable satisfaction against all costs and expenses in connection with such proceeding.

19. Assignment and Subletting.

(a) Assignment. Except as otherwise permitted in Section 25, Lessee shall not assign, hypothecate or transfer, either directly or by operation of law, this Agreement or any interest herein without prior written consent of WPWMA.

(b) Subletting. Without the prior written consent of WPWMA, Lessee may not sublet the Premises, or any part thereof, or permit the use or occupancy of the Premises by any person other than Lessee. Lessee covenants and agrees that no sublease which is approved by WPWMA relieves Lessee from any of its covenants and obligations accruing after such sublease, and Lessee will remain liable under this Agreement for the full term hereof.

(c) Consent Not to be Unreasonably Withheld. Notwithstanding Sections 19(a) and (b), Lessee may, upon written notice to WPWMA, transfer its rights and obligations hereunder to an affiliated special purpose entity of Lessee in connection with any financing or internal restructuring of Lessee, if such assignee also takes assignment of the Processing Facilities and all other project assets and obligations to the extent assignable. Notwithstanding Sections 19(a) and (b), but subject to the first sentence of 19(c), Lessee may assign, hypothecate, transfer or sublet this Agreement or any interest herein with the prior written consent of WPWMA. Such consent of WPWMA shall not be unreasonably withheld or delayed, provided, however, that in determining whether to consent to any such assignment, hypothecation, transfer or subletting, WPWMA may consider any relevant factors or issues in connection therewith, including without limitation: (i) whether the proposed transferee has the same financial capability to perform all of Lessee's obligations under the Agreement; (ii) whether the proposed transferee has the technical knowledge and expertise to perform Lessee's obligations under the Agreement; (iii) the terms of any assignment or subletting of the Premises; and (iv) whether the proposed transfer might expose WPWMA to any material additional risk, liability or cost. WPWMA's determination as to whether the proposed transferee has sufficient financial capability to perform all of Lessee's obligations under the Agreement will be measured as of the date of proposed transfer and assignment and will not be limited to whether the transferee has the same financial capability as the transferor as of

the date this Agreement was executed. Upon any permitted assignment or other transfer, other than pursuant to the first sentence of this section 19(c) without WPWMA's consent, Lessee shall have no obligations under this Agreement or any of the agreements contemplated hereby. Any consent by WPWMA under this Section shall be in writing.

(d) No Waiver. Consent by WPWMA to any assignment or subletting of this Agreement shall not operate to exhaust WPWMA's rights under this Section 19. Any such additional assignment or subletting shall be subject in each instance to the provisions of this Section 19.

20. Memorandum of Agreement. Upon execution of this Agreement, the Parties shall execute, and Lessee may record a memorandum of this Agreement in the real property records office where the Property is located. Promptly following determination of the Commencement Date and the Expiration Date of the Term, the Parties may agree to execute and record an amendment to such memorandum of this Agreement, if necessary to update or correct the duration of the Term. Promptly upon termination of this Agreement, upon WPWMA's written request, Lessee shall execute, acknowledge and deliver to WPWMA a recordable instrument relinquishing all interest in the Premises.

21. Title to Improvements. Throughout the term of this Agreement, title to the Processing Facilities, and all changes, additions and alterations therein, and all renewals and replacements thereof, when made, erected, constructed, installed or placed upon the Premises are and shall remain vested in Lessee. During the term of this Agreement, Lessee alone is entitled to claim depreciation on the Lessee's improvements and all personalty and fixtures in or appurtenance thereto, and all changes, additions and alterations therein, for all taxation purposes. WPWMA acknowledges Lessee may desire to finance some or all of the equipment or personal property required to undertake work to be performed under this Agreement and hereby consents to any encumbrance or lien on the machinery, equipment, and fixtures that make up the Processing Facilities to obtain such financing, provided: Lessee shall give WPWMA notice of the existence of such encumbrance or lien together with the name and address of the holder of such encumbrance or lien, and a copy of the encumbrance or lien. The existence of such encumbrance or lien shall not relieve Lessee from any liability or responsibility for the performance of its obligations under this Agreement.

22. Events of Lessee's Default and WPWMA's Remedies.

(a) Events of Default. If one or more of the following events ("**Event of Default**") occurs, such occurrence constitutes a breach of this Agreement by Lessee:

(i) Lessee fails to pay any amount due to WPWMA as and when the same becomes due and payable, and such failure continues for more than sixty (60) days after WPWMA gives written notice thereof to Lessee;

(ii) Lessee fails to comply with any material legal or regulatory requirement, permit obligation applicable to Lessee or the Processing Facilities and such

failure is not remedied within thirty (30) days after WPWMA gives written notice thereof to Lessee; provided, if Lessee has commenced a cure and is diligently pursuing a cure, such 30-day period shall be extended until Lessee has completed such cure; or

(iii) Lessee fails to perform or observe any other agreement, covenant, condition or provision of this Agreement hereof to be performed or observed by Lessee as and when performance or observance is due, and such failure continues for more than thirty (30) days after WPWMA gives written notice thereof to Lessee or, if such default cannot be cured within said thirty (30) day period and Lessee fails within such period to commence with due diligence and dispatch the curing of such default or, having so commenced, thereafter fails to prosecute or complete with due diligence and dispatch the curing of such default.

(b) WPWMA's Right to Terminate. If an Event of Default occurs beyond notice and cure periods, and subject to Section [25] below, WPWMA at any time thereafter has the right to terminate this Agreement.

(c) Right to Enter. Subject to rights of Lessee's lenders, in the event of any termination of this Agreement by reason of Lessee's default (beyond notice and cure periods), WPWMA has the immediate right to enter upon and repossess the Premises, and any personal property of Lessee may be removed from the Premises and stored in any public warehouse at the risk and expense of Lessee.

(d) Cumulative Remedies. The remedies given to WPWMA or Lessee under this Agreement shall be cumulative and in addition and supplemental to all other rights or remedies which WPWMA or Lessee may have in equity, by statute or otherwise.

23. Lessee's Obligations Upon Expiration or Termination. Whenever this Agreement expires or is terminated, Lessee shall, in accordance with all applicable local, state and federal laws and standards, perform all of the following (which will be at Lessee's sole costs and expense unless there is a termination for default by WPWMA):

(a) Remove all of the Processing Facilities placed on the Premises by Lessee, under Lessee's direction, or while Lessee was in possession of the Premises, within one hundred eighty (180) days of the termination or expiration of this Agreement. Removal of improvements shall be at the direction of WPWMA who may, at WPWMA's absolute and sole discretion, agree to allow Lessee to surrender any Improvement, or portion thereof, to WPWMA in its "as is" condition. WPWMA hereby grants Lessee a temporary access easement during such 180-day period to enter onto the WRSL for purposes of completing removal of the Processing Facilities. This subsection shall survive termination of this Agreement. Should Lessee fail to remove any portion of the Processing Facilities as required under this Section, such property shall be deemed abandoned and shall become the property of WPWMA. Should WPWMA incur costs associated with the removal of abandoned equipment and/or site restoration associated with such abandonment, Lessee shall be liable for such cost. This liability shall expire twelve (12) months after the abandonment if WPWMA has not notified Lessee in writing

that site clean-up has been completed or is underway including the actual or estimated cost of such cleanup.

(b) In lieu of the obligations of Lessee pursuant to Section 23(a), WPWMA and Lessee, each in their sole discretion, may agree on a transfer of the Processing Facilities to WPWMA on terms and conditions to be mutually negotiated by the parties.

24. Events of WPWMA's Default and Lessee's Remedies.

(a) If one or more of the following events (each a "**WPWMA Event of Default**") occurs, such occurrence constitutes a breach of this Agreement by WPWMA:

(i) If WPWMA fails to perform or observe any other agreement, covenant, condition or provision of this Agreement to be performed or observed by WPWMA as and when performance or observance is due, and such failure continues for more than thirty (30) days after Lessee gives written notice thereof to WPWMA or, if the default cannot be cured within said thirty (30) day period, WPWMA fails within said period to commence with due diligence and dispatch the curing of such default or, having so commenced, thereafter fails to prosecute or complete with due diligence and dispatch the curing of such default.

(b) Lessee's Remedies. Upon the occurrence of a WPWMA Event of Default, Lessee will have all the rights and remedies available to it at law, in equity, by statute or otherwise.

25. Mortgaging of Leasehold Estate and Collateral Assignment. Notwithstanding any other provision of this Agreement, it is agreed that Lessee shall have the right to assign this Agreement as collateral security for financing and to mortgage or otherwise encumber its leasehold interest and/or easements and other rights in the Premises to a lender(s) in connection with any financing or refinancing of the purchase or operation of the Processing Facilities, in each case without consent of WPWMA. WPWMA agrees to execute any commercially reasonable documents consenting to such collateral assignment and mortgage as requested by Lessee from time to time provided that such documents do not make any material change in the rights and obligations of WPWMA under this Agreement. If Lessee collaterally assigns its interest in this Agreement and/or mortgages its leasehold estate and the collateral assignee, mortgagee or holders of the indebtedness secured by the leasehold mortgage or trust deed shall notify WPWMA, in the manner provided for the giving of notice, of the execution of such collateral assignment, mortgage or trust deed and name the place for service of notice upon such collateral assignee, mortgagee or holder of indebtedness, then, in such event, WPWMA agrees for the benefit of such collateral assignees, mortgagees or holders of indebtedness from time to time:

(a) That WPWMA will give to any such collateral assignee, mortgagee or holder of indebtedness simultaneously with service on Lessee, a duplicate of any and all notices or demands given by WPWMA to Lessee. Such notices shall be given in the manner and be subject to the terms of the notice provisions of this Agreement.

(b) That such collateral assignee, mortgagee or holder of indebtedness shall have the privilege and right but not the obligation, of performing any of Lessee's covenants and rights under this Agreement, of curing any default of Lessee or of exercising any election, option or privilege conferred upon Lessee by the terms of this Agreement.

(c) That no liability for the payment of rental or the performance of any of Lessee's covenants and agreements shall attach to or be imposed upon any mortgagee, trustee under any trust deed or holder of any indebtedness secured by any mortgage or trust deed upon the leasehold estate, unless such mortgagee, trustee or holder of indebtedness forecloses its interest and becomes the Lessee under this Agreement.

(d) That neither Party shall terminate this Agreement or any of its obligations hereunder as the result of any default of the other Party under this Agreement until after notice of such default is given by the non-defaulting party to the collateral assignee, mortgagee or holder of indebtedness and the expiration of cure periods which cure periods shall begin to run from the time notice is given to the alleged defaulting party and the collateral assignee, mortgagee, or holder of indebtedness.

(e) To the extent of and subject to the terms of any consent and agreement between WPWMA, Lessee, and Lessee's financing parties, compliance with all the terms of this Agreement by Lessee's financing parties within the cure period provided in this Section shall constitute performance as provided for in this Section.

26. Notices. All notices, demands, consents, approvals and other communications which may or are required to be given by either WPWMA or Lessee to the other under this Agreement will be deemed to have been fully given when made in writing and personally delivered or sent via commercial overnight courier, and addressed to WPWMA or Lessee at the address set forth below, or at such other addresses as WPWMA or Lessee may from time to time designate in writing in accordance with this Section 26:

WPWMA: Western Placer Waste Management Authority  
Attn: General Manager  
3013 Fiddymont Road  
Roseville, CA 95747  
Phone No.: (916) 543-3986  
Email Address: [sscholz@wpwma.ca.gov](mailto:sscholz@wpwma.ca.gov)

with a copy to: Best Best & Krieger LLP  
Attn: Ethan Walsh  
500 Capitol Mall  
Sacramento, CA 95814  
Phone No.: (916) 325-4000  
Email Address: [ethan.walsh@bbklaw.com](mailto:ethan.walsh@bbklaw.com)

Lessee: Ameresco Placer Energy LLC  
Attn: President- Alternative Fuels  
111 Speen Street, Suite 410  
Framingham, MA 01701  
Phone No.: 508-661-2200  
Email Address: [mbakas@ameresco.com](mailto:mbakas@ameresco.com)

with a copy to: Same address as above, Attn: General Counsel  
Email Address: [dcorrsin@ameresco.com](mailto:dcorrsin@ameresco.com)

27. Quiet Enjoyment; Waiver. WPWMA agrees that so long as Lessee is not in default hereunder, Lessee has the right to quiet enjoyment of the Premises without molestation or hindrance on the part of WPWMA. Notwithstanding the preceding sentence, Lessee hereby acknowledges that the Premises are located on the WPWMA's campus and adjacent to the WRSL which is owned and operated by WPWMA. Lessee hereby waives the right to assert any claim, demand or other legal action against WPWMA, including nuisance, arising out of WPWMA's operation of the WRSL. Notwithstanding the foregoing, nothing herein shall act as a waiver of Lessee's rights to assert claims, demands or other legal action against WPWMA for WPWMA's breach, default of failure to perform under this Agreement.

28. Authority. Each person executing this Agreement on behalf of WPWMA and Lessee hereby covenants and warrants that (a) the entity on whose behalf such person is signing is duly organized and validly existing under the laws of its state of organization; (b) such entity has and is qualified to do business in California; (c) such entity has full right and authority to enter into this Agreement and to perform all WPWMA's and Lessee's obligations hereunder; and (d) each person, or both of the persons if more than one signs, signing this Agreement on behalf of WPWMA or Lessee is duly and validly authorized to do so. The individuals signing on behalf of WPWMA further warrant that WPWMA is the fee owner of the Premises.

29. Warranties of WPWMA. WPWMA hereby agrees, warrants, and represents to Lessee, as of the date of execution of this Agreement, that:

a. WPWMA has not entered into any other agreements with respect to the LFG conveyed to Lessee under this Agreement or with respect to any of the other rights conveyed to Lessee pursuant to Section 2 of this Agreement. WPWMA warrants that Lessee shall receive the LFG free and clear of any liens or encumbrances. WPWMA hereby warrants to Lessee that WPWMA has the title to the Premises, access to the site, the WRS�, and the LFG;

b. The execution and delivery of this Agreement and related documents have been duly authorized, and constitute legal, valid, and binding obligations of WPWMA which are enforceable in accordance with their terms and do not violate any law, rule, or regulation.

30. No Waiver. The waiver by a Party of any breach of any term, covenant or condition herein contained shall not be deemed to be a waiver of such term, covenant or condition or any subsequent breach of the same or any other term, covenant or condition herein contained. The subsequent acceptance of rent hereunder by WPWMA shall not be deemed to be a waiver of any preceding breach by Lessee of any term, covenant or condition of this Agreement, other than the failure of Lessee to pay the particular rental so accepted, regardless of WPWMA's knowledge of such preceding breach at the time of acceptance of such rent.

31. Holding Over. If Lessee holds possession of the Premises after the term of this Agreement or any extension thereof, Lessee shall, at the option of WPWMA, to be exercised by WPWMA giving written notice to Lessee and not otherwise, become a Lessee from month-to-month upon the terms and conditions herein specified, so far as applicable, and shall continue to be such Lessee until ninety (90) days after Lessee shall have given to WPWMA, or WPWMA shall have given to Lessee, a written notice of intention to terminate such monthly tenancy.

32. Signage. Other than for compliance with the law or safety, Lessee will not place any signage on the Premises without prior written approval of WPWMA in WPWMA's sole discretion other than ground level signage to direct third parties to the Processing Facilities.

33. WPWMA acknowledges and agrees that Lessee is acquiring the Processing Facilities and related improvements (excluding the solar array) from the Prior Tenant pursuant to a separate transaction and is not acquiring the Processing Facilities from WPWMA. Lessee is not assuming, and shall not be deemed to have assumed, any liabilities, obligations, duties, covenants, defaults, payments, indemnities or responsibilities of Prior Tenant to WPWMA or to any third party, whether arising under any prior landfill gas purchase agreement, lease, license, easement, agreement or other arrangement between WPWMA and Prior Tenant or otherwise, whether arising before, on or after the Commencement Date. This Agreement constitutes a new and independent

agreement and lease between WPWMA and Lessee and is not an assignment, amendment or continuation of any prior lease or agreement between WPWMA and Prior Tenant. Notwithstanding anything to the contrary in this Agreement, Lessee's indemnification obligations shall not apply to, and shall expressly exclude, any matters arising from the acts or omissions of Prior Tenant or any breach or default by Prior Tenant under any agreement with WPWMA. Without limiting the foregoing, Lessee shall have no liability or responsibility for (i) any defaults of Prior Tenant, (ii) any unpaid rent, royalties, fees, charges or other amounts due or claimed to be due by Prior Tenant, (iii) any breach of any agreement between WPWMA and Prior Tenant, or (iv) any claims, actions or causes of action relating to the acts or omissions of Prior Tenant, in each case except to the extent expressly and specifically assumed by Lessee in writing. Lessee will provide a Phase 1 Environmental Assessment of the Premises prior to taking possession and control from the Prior Tenant to serve as a baseline of the condition of the Premises.

NEITHER WPWMA NOR LESSEE SHALL BE ENTITLED TO RECOVER FROM THE OTHER PARTY ANY INCIDENTAL, CONSEQUENTIAL, INDIRECT, SPECIAL OR PUNITIVE DAMAGES (INCLUDING, WITHOUT LIMITATION, DAMAGES FOR LOSS OF BUSINESS, LOSS OF PROFITS OR LOSS OF USE), WHETHER BASED ON CONTRACT, TORT (INCLUDING, WITHOUT LIMITATION, NEGLIGENCE), OR ANY OTHER CAUSE OF ACTION, EVEN IF THE OTHER PARTY HAS BEEN INFORMED OR SHOULD HAVE KNOWN OF THE POSSIBILITY OF SUCH DAMAGES; PROVIDED THAT THIS LIMITATION OF LIABILITY AND DAMAGES SHALL BE RESTRICTED TO CLAIMS BETWEEN THE PARTIES IN WHICH ONE PARTY TO THIS AGREEMENT OR ANY PERSON CLAIMING UNDER SUCH PARTY ALLEGES DAMAGES, AND SHALL NOT APPLY TO LIMIT THE TYPES OR AMOUNTS OF LIABILITY FOR THIRD PARTY CLAIMS FOR WHICH A PARTY TO THIS AGREEMENT SEEKS INDEMNIFICATION UNDER THIS AGREEMENT.

Notwithstanding anything in this Agreement, Lessee's liability to WPWMA, whether the claims by WPWMA are alleged to have arisen from the negligence of Lessee, its subcontractors, agents, employees, breach of warranty, breach of contract, strict liability or any other cause, shall not exceed a total amount for all claims by WPWMA against Lessee of either (i) One Million Dollars (\$1,000,000) for any periods prior to the Delivery Commencement Date or (ii) after the Delivery Commencement Date, Ten Million Dollars (\$10,000,000); provided that claims by WPWMA for indemnity against third party liability pursuant to this Agreement shall not be subject to such limitations.

For breach of any provision for which a remedy is provided in this Agreement, the liability of the defaulting Party shall be limited as set forth in such provision, and all other damages or remedies are hereby waived.

34. Force Majeure. Neither Party shall be deemed in default of this Agreement, nor shall such Party be responsible for, any cessation, interruption or delay in the performance of its obligations (excluding payment obligations) due to: earthquake, flood, fire, storm, natural disaster, act of God (inclusive without limitation of extreme weather events, drought, earthquake, fire, flood, lightning, hurricane, high winds or other natural disasters), war, terrorism, armed conflict, labor strike, lockout, boycott, failure of utility or

pipeline interconnection or transmission unexpected actions of utility or government authority, pandemic, supply chain disruptions, or other similar events beyond the reasonable control of a Party ("**Force Majeure Event**"), provided that the Party asking to be excused from performance as a result of such occurrence gives the other Party prompt written notice after the occurrence of the event and takes all steps reasonably necessary to mitigate the effects of the Force Majeure Event. The Party claiming the occurrence of Force Majeure Event shall use its commercially reasonable efforts to mitigate such event and resume performance as soon as reasonably practicable. If an event of force majeure continues for a period in excess of one hundred eighty days (180) days, then the Parties will meet and confer in good faith to determine whether it is economically and operationally feasible to mitigate the effects of the event or, if applicable, to rebuild, repair or modify the facilities of either Party as necessary to restore performance of the terms of this Agreement no later than eighteen (18) months from the commencement of the Force Majeure Event or such longer period which the Parties shall mutually agree upon. If the Parties are not able to identify a mutually acceptable plan to restore performance of this Agreement within such time period, then either Party may terminate this Agreement.

35. Complete Agreement. There are no written or oral agreements between WPWMA and Lessee affecting this Agreement, and this Agreement supersedes and cancels any and all previous negotiations, arrangements, brochures, agreements and understandings, oral or written, if any, between WPWMA and Lessee or displayed by WPWMA to Lessee with respect to the subject matter of this Agreement or the Premises. There are no representations between WPWMA and Lessee or between any real estate broker and Lessee other than those expressly set forth in this Agreement, and all reliance with respect to any representations is solely upon representations expressly set forth in this Agreement.

36. Amendment and Modification. This Agreement may not be amended or modified in any respect whatsoever except by an instrument in writing signed by WPWMA and Lessee. This Agreement and any instrument, agreement or document attached hereto or referred to herein, is intended by WPWMA and Lessee as the final expression of the agreement with respect to the terms and conditions set forth in this Agreement and any such instrument, agreement or document and as the complete and exclusive statement of the terms agreed to by WPWMA and Lessee.

37. Estoppel Certificates. At any time and from time to time but on not less than ten (10) days prior written request by WPWMA or Lessee, the other Party will execute, acknowledge and deliver to the requesting Party, a certificate certifying, if accurate:

(a) that this Agreement is unmodified and in full force and effect or, if there have been modifications, that this Agreement is in full force and effect as modified, and stating the date and nature of each modification;

(b) the date, if any, to which all rent and other sums payable hereunder have been paid;

(c) that no notice has been received by such Party of any default by such Party hereunder which has not been cured, except as to defaults specified in the certificate;

(d) that the other Party is not in default hereunder, except as to defaults specified in the certificate;

(e) the existence of any options or other rights to purchase the Premises;  
and

(f) such other factual matters as may be reasonably requested.

The certificate may be relied upon by any actual or prospective purchaser, mortgagee or beneficiary under any deed of trust of the Premises or any part thereof.

38. Hazardous Materials.

(a) At all times and in all respects each Party will comply with all federal, state and local laws, ordinances and regulations ("**Hazardous Materials Laws**") relating to industrial hygiene, environmental protection or the use, analysis, generation, manufacture, storage, disposal or transportation of any oil, flammable explosives, asbestos, area formaldehyde, radioactive materials or waste, or other hazardous, toxic, contaminated or polluting materials, substances or wastes, including, without limitation, any "hazardous substances", "hazardous wastes", "hazardous materials" or "toxic substances" under any such laws, ordinances or regulations, which hereinafter are referred to collectively as "**Hazardous Materials**".

(b) At its own expense, Lessee will cause any and all Hazardous Materials removed from the Premises to be removed and transported solely by duly licensed haulers to duly licensed facilities for final disposal of such materials and wastes, except for condensate, which shall be disposed of in accordance with Section 6(c) of this Agreement. Lessee will in all respects handle, treat, deal with and manage any and all Hazardous Materials in, on, under or about the Premises in conformity with all applicable Hazardous Materials Laws regarding management of such Hazardous Materials. Lessee will not take any remedial action in response to the presence of any Hazardous Materials in or about the Premises, or enter into any settlement agreement, consent decree or other compromise in respect to any claims relating to any Hazardous Materials in any way connected with the Premises, without first notifying WPWMA of Lessee's intention to do so and affording WPWMA ample opportunity to appear, intervene or otherwise appropriately assert and protect WPWMA's interest with respect thereto.

(c) Each Party immediately will notify the other in writing of:

(i) Any enforcement, cleanup, removal or other governmental or regulatory action instituted, completed or threatened pursuant to any Hazardous Materials Laws with respect to the Premises

(ii) Any claim made or threatened by any person against Lessee, WPWMA or the Premises relating to damage, contribution, cost recovery compensation, loss or injury resulting from or claimed to result from any Hazardous Materials; and

(iii) Any reports made to any environmental agency arising out of or in connection with any Hazardous Materials in or removed from the Premises, including any complaints, notices, warnings or asserted violations in connection therewith.

Each Party also will supply to the other as promptly as possible, and in any event within fifteen (15) business days after the first Party receives or sends the same, with copies of all claims, reports, complaints, notices, warnings or asserted violations, relating in any way to the Premises or Lessee's use thereof or WPWMA's use thereof. Each Party will deliver promptly to the other copies of hazardous waste manifests reflecting the legal and proper disposal of Hazardous Materials removed from the Premises, as applicable.

(d) Lessee will indemnify, defend, by counsel chosen by Lessee and reasonably acceptable to WPWMA, protect, and hold WPWMA and each of WPWMA's employees, agents, attorneys, successors and assigns, free and harmless from and against any and all claims, liabilities penalties, forfeitures, losses or expenses, including attorney's fees, for death of or injury to any person or damage to any property whatsoever, arising from or caused in whole or in part, directly or indirectly, by:

(i) The discharge of any Hazardous Materials placed in, under or about, the Premises by Lessee or at Lessee's direction in violation of Hazardous Materials Laws; or

(ii) Lessee's failure to comply with any valid and applicable Hazardous Materials Law.

(e) The obligations of Lessee pursuant to Section 38(d) includes, without limitation, all costs of any required or necessary repair, cleanup or detoxification or decontamination of the affected real property, and the preparation and implementation of any closure, remedial action or other required plans in connection therewith. The obligations of Lessee under Section 38(d) shall survive the expiration or earlier termination of the term of the Agreement.

(f) For purposes of the release and indemnity provisions hereof, any acts or omissions of a Party, or by employees, agents, assignees, contractors or subcontractors of such Party or others acting for or on behalf of such Party, whether or not they are negligent, intentional, willful or unlawful, will be strictly attributable to the Party.

39. Incorporation of Exhibits and Documents. Each and every exhibit or document referenced in this Agreement, whether or not attached to this Agreement, shall be incorporated into the body of this Agreement and each point of reference.

40. Miscellaneous.

(a) The words “**WPWMA**” and “**Lessee**” as used herein include the plural as well as the singular. If there is more than one Lessee or WPWMA, the obligations hereunder imposed upon Lessee or WPWMA are joint and several. Time is of the essence of this Agreement and each and all of its provisions. Subject to the provisions applicable to assignment, the agreements, covenants, conditions and provisions herein contained apply to and bind the personal representatives, heirs, successors and assigns of WPWMA and Lessee.

(b) This Agreement is construed to effectuate the normal and reasonable expectations of a sophisticated WPWMA and a sophisticated Lessee.

(c) This Agreement has been submitted by WPWMA and reviewed by Lessee, WPWMA, and their respective professional advisors. Lessee, WPWMA, and their respective advisors believe that this Agreement is the product of all of their efforts, that it expresses their agreement and that it should not be interpreted in favor of or against either Lessee or WPWMA.

(d) Should any dispute or claim arise between the Parties concerning the terms, interpretation, effect, or operation of this Agreement, the Parties agree to make good faith efforts to informally resolve such dispute or claim through discussions between the General Manager of WPWMA and the President/Chief Executive Officer of Lessee. If the Parties fail to resolve such disputes or claims, then either Party shall have the right to submit the dispute or claim to nonbinding mediation with Judicial Arbitration and Mediation Services in the County of Placer, State of California, which mediation will be carried out within thirty (30) days of the submission date. The Parties will share equally in the cost of mediation. If mediation does not arrive at a mutually acceptable resolution of the dispute, then either Party may pursue any remedy available to it in law or in equity.

(e) This Agreement is to be governed by and construed in accordance with the laws of the State of California. All disputes will be brought in the County of Placer.

(f) Good Faith. Each Party shall perform its obligations under this Agreement in good faith, acting reasonably, and reasonably cooperate with the other Party so that the other Party can meet its responsibilities and obligations under this Agreement.

(g) Independent Contractor. In the performance of any activities pursuant to this Agreement, Lessee shall be acting in the capacity of an independent contractor and not as an agent, employee, partner, joint venturer, or representative of WPWMA. Lessee shall be solely responsible for the means, methods, sequences, and

procedures utilized by Lessee in the full performance of this Agreement. Neither Lessee nor any of its employees, officers, agents, or any other individual directed to act on behalf of Lessee for any act related to the Agreement shall represent, act, purport to act, or be deemed to be the agent, representative, employee or servant of WPWMA.

(h) Severability. If any provision of this Agreement shall for any reason be held to be invalid, illegal, unenforceable, or in conflict with any law of a federal, state, or local government having jurisdiction over this Agreement, such provision shall be construed so as to make it enforceable to the greatest extent permitted, such provision shall remain in effect to the greatest extent permitted and the remaining provisions of this Agreement shall remain in full force and effect unless WPWMA or Lessee elect to terminate this Agreement. An election to terminate this Agreement based upon this provision shall be made within seven calendar days after the finding by the court becomes final. Notwithstanding any other portion of this Section 40, prior to terminating this Agreement, the Parties shall endeavor in good faith to substitute an enforceable provision that, to the maximum extent possible under applicable law, preserves the original intentions and economic positions of the Parties.

(i) Disclaimer of Joint Venture, Partnership, and Agency. This Agreement shall not be interpreted or construed to create an association, joint venture, or partnership between WPWMA and Lessee or to impose any partnership obligation or liability upon such Parties. Neither WPWMA nor Lessee shall have any right, power, or authority to enter into any agreement or undertaking for, or act on behalf of, or to act as or be an agent or representative of, or to otherwise bind, the other Party.

[signature page follows]

IN WITNESS WHEREOF, WPWMA and Lessee have executed this Agreement as of the day and year first herein above written.

**WPWMA:**

WESTERN PLACER WASTE MANAGEMENT  
AUTHORITY, a California joint powers  
authority

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: WPWMA Board Chair

Approved as to form:

\_\_\_\_\_  
Best Best & Krieger LLP

**LESSEE: Ameresco Placer Energy LLC**

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

DRAFT

**EXHIBIT "A"**

**MAP OF WRSL**

DRAFT

**EXHIBIT "B"**  
**SITE/PREMISES**

DRAFT

**EXHIBIT "C"**  
**DELIVERY POINT**

DRAFT

**Exhibit D**  
**Map of Easement Areas and Access Road**

DRAFT

**Exhibit E**  
**List of Permits and Approvals applicable to WSRL as of Effective Date**

DRAFT

**MEMORANDUM  
WESTERN PLACER WASTE MANAGEMENT AUTHORITY**

TO: **WPWMA BOARD OF DIRECTORS** DATE: **JUNE 11, 2026**  
FROM: **SCOTT SCHOLZ / ERIC ODDO**  
SUBJECT: **ITEM 8B: FIRST AMENDED AND RESTATED MRF OPERATING AGREEMENT**

**RECOMMENDED ACTION:**

1. Authorize the Chair to execute the First Amended and Restated Operating Agreement (Agreement) between WPWMA and FCC Environmental Services California LLC (FCC) for operation of the Materials Recovery Facility (MRF).
2. Determine the recommended action is not a project pursuant to California Environmental Quality Act Guidelines (CEQA) Section 15378.

**BACKGROUND:**

As reported to your Board at the September 11, 2025 meeting, FCC did not meet the contractually obligated minimum material recovery rates for Municipal Solid Waste (MSW) and Construction and Demolition (C&D) debris during FY 2024/25. As a result, FCC was liable to the WPWMA for a disincentive payment of \$994,210. Additionally, the contract default provisions were triggered since both the MSW and C&D recovery rates achieved by FCC were below contractually specified limits.

To address these issues, your Board directed staff to levy and collect the full disincentive payment from FCC and negotiate an amendment for your Board's consideration and approval. In October 2025, WPWMA received the full disincentive payment from FCC. Over the past several months, WPWMA and FCC have held numerous discussions to restructure the MRF operating agreement centered around the attached deal points.

In general, the proposed modifications to the agreement reflect: 1) greater accountability for meeting material diversion metrics including those in SB 1383, and 2) enhanced flexibility for the WPWMA to generate additional revenues through marketing excess facility processing capacity. Due to the complexity of several of the initial deal points including: 1) expansion of the compost pad and increase of composting capacity and 2) exclusive use of the administrative offices by the WPWMA, these issues are not resolved in the proposed Agreement. Staff anticipate addressing these topics separately in potential future amendments.

**ENVIRONMENTAL CLEARANCE:**

The recommended action is not a project pursuant to CEQA Guidelines Section 15378.

**FISCAL IMPACT:**

There is no direct fiscal impact associated with the recommended action.

**STRATEGIC PLAN/GOALS:**

GOAL 4 – Establish well-planned facility infrastructure and ensure its proper maintenance and operation

ATTACHMENT: DEAL POINT SUMMARY  
PROPOSED FIRST AMENDED AND RESTATED MRF OPERATING AGREEMENT (ON FILE WITH CLERK)

## 1. Facility Improvements Completion Date and Performance Testing

Establish a defined completion date for the facility improvements project and ramifications for any delays in demonstrating achievement of performance metrics.

**Status** Implemented **Section(s)** 5.18

**Summary:** Facility expansion completion date codified as no later than July 31, 2026. Systems performance testing must be completed by FCC within 90 days of expansion completion; \$150,000 penalty per month or portion thereof for not successfully completing systems performance testing.

## 2. MSW, C&D, and SB1383 Compliance

Evaluate MSW, C&D, and SB1383 compliance quarterly rather than annually.

**Status** Implemented **Section(s)** 5.15 A, B, D

**Summary:** Material recovery performance metrics will now be evaluated quarterly allowing WPWMA to respond and make course corrections in a more timely manner if diversion rates continue to track below contractual requirements.

## 3. MSW and C&D Guaranteed Minimum Recycling Levels

Establish consequences should FCC not meet the MSW or C&D GMRL following substantial completion of the facility expansion.

**Status** Implemented **Section(s)** 5.15 A and B

**Summary:** If FCC does not achieve a 58% MSW recovery rate and/or a 61.75% C&D recovery rate within 6 months after achieving substantial completion of the facility expansion, WPWMA and FCC agree to establish a temporary, 6-month reduction in the applicable GMRL to allow FCC to design, construct and install any necessary upgrades to the facility to achieve the 60% MSW and 65% C&D recovery rates at FCC's sole cost.

## 4. COLA Methodology

Revise the COLA methodology to remove the California minimum wage factor and rebalance the Employment Cost Index (ECI) and Producer Price Index (PPI) weighting factors to better match actual facility cost factors and consider establishing a minimum and maximum value for annual COLAs.

**Status** Implemented **Section(s)** 6.5

**Summary:** COLA methodology revised to remove California Minimum Wage component, CPI for San Francisco-Oakland-Hayward added, weighting factors for ECI, PPI, and CPI adjusted, and established annual COLA range of between 0% and 3.75% with no carryover provisions.

## 5. Increase Unit Disincentive Adjustment Rate

Increase the disincentive adjustment rate from 1% of processing fees to between 1.5 and 2%.

**Status** Implemented **Section(s)** 6.6 B

**Summary:** Disincentive adjustment rate for MSW and C&D established on a sliding scale between 1.0% and 1.6% depending on severity of material recovery shortfall (if any).

## 6. Material Processing Capacities

Clearly define the MSW & C&D processing capacities.

**Status** Implemented **Section(s)** 5.9 J

**Summary:** Establishes minimum processing capacities as defined in FCC’s January 11, 2021 and September 24, 2021 proposals (i.e., 110 tons per hour of MSW and 60 tons per hour of C&D) and addresses how capacities in excess of these amounts, if determined during the commissioning testing, are utilized and the possible impacts on minimum recovery level requirements.

## 7. Composting Capacity

Obligate FCC to partially or fully fund an expansion to the south composting pad as necessary to compost the estimated annual quantity of organics identified in the MRF operations RFP using an expansion design prepared by the WPWMA.

**Status** Not Implemented/Modified **Section(s)** 5.10

**Summary:** If actual greenwaste tonnages exceed the capacity of the greenwaste composting operation, FCC will remain obligated to grind the material and either transport the material to an on-site location identified by WPWMA or to an off-site third party. In both situations, FCC’s processing fee for the materials will be reduced by 50%; if materials are transported to an off-site third party, WPWMA will be obligated to pay for all third-party transportation and off-site processing costs. If relocated on-site, FCC is only obligated to move the material once; any further relocation on-site directed by the WPWMA (if any) will be at WPWMA’s cost.

## 8. CASP Residuals

Clarify that any residual materials from the CASP system must be weighed and classified as MSW residue for purposes of computing the MSW recovery rate.

**Status** Implemented **Section(s)** Exhibit I

**Summary:** Methodology specifically identifies any MSW residuals from the Organics Processing Facility that are subsequently landfilled will count against the MSW diversion rate calculation.

## 9. Customer Base

Clarify that the WPWMA has sole discretion to accept out of County materials and FCC’s requirement to accept these materials.

**Status** Implemented **Section(s)** 5.5

**Summary:** Text in Section 5.5 *Receipt and Processing of Waste from Outside the Primary Service Area* modified to require FCC to accept Out of County materials v. WPWMA requesting FCC accept these materials. If material composition is materially different from the WPWMA’s waste stream, the parties will meet and confer on adjustments to the applicable recovery level requirements.

## 10. SB1383 Organics Procurement

Modify provision to cover any entity with a flow commitment agreement while ensuring Member Agencies receive first priority to meet required procurement targets.

**Status** Implemented **Section(s)** Def 24 & Exhibit Q

**Summary:** Exhibit Q now states “Contractor shall meet the annual Recovered Organic Waste Product [procurement target] for each Participating Agency that has an active flow commitment agreement with the WPWMA...” The definition of Participating Agencies now includes “...any other municipality or special district...which has entered into a flow commitment agreement with the WPWMA.”

## 11. Quarterly SB 1383 Sampling

Shift the responsibility for performing quarterly sampling to the WPWMA and reduce FCC's MSW processing fees accordingly.

**Status** Implemented w/ modifications **Section(s)** 5.15 D

**Summary:** In lieu of the WPWMA directly taking on the quarterly 1383 sampling, WPWMA can require FCC to utilize an independent third party acceptable to the WPWMA to conduct the sampling and reporting.

## 12. Remove Inerts from C&D GMRL Calculation

Revise the C&D recovery rate calculation methodology to remove non-soil inerts.

**Status** Not Implemented **Section(s)** 5.11

**Summary:** Source separated non-soil inerts (e.g., rock, concrete, etc.) will continue to count towards the C&D diversion rate achieved by FCC to the degree that the materials qualify towards achievement of CalGreen material diversion standards.

## 13. Inert Processing Fee

Establish an escrow account where a portion (e.g., 50%) of the inert processing fee is held until the materials are processed and marketed. Establish a deadline for FCC to process and market existing material stockpiles and associated consequence for failure to comply.

**Status** Not implemented **Section(s)** 6.2 G

**Summary:** This provision was intended to provide an economic incentive to FCC to process inert materials in a timely manner and avoid excessive stockpiles of materials. In lieu of establishing an escrow account, FCC commits to maintaining the stockpile of unprocessed inert material to a volume of 5,000 cubic yards or less at all times.

## 14. Material Markets

Clarify that, within certain economic, technical, or regulatory constraints, the WPWMA can direct FCC to market materials to specific users. This provision could include some form of cap on the quantity of a given material the WPWMA could direct to specific users while allowing FCC full control to determine the market destination for the remainder.

**Status** Implemented **Section(s)** 5.2 & 5.23 A

**Summary:** Modifications to Section 5.2 allow WPWMA to redirect specific inbound materials to alternative locations or vendors in amounts equal to or less than 0.5% of overall inbound tonnage per month or 200 tons per month, whichever is less. Modifications to Section 5.23 A allow WPWMA to market materials to select entities as long as the specific commodity rates are at least 90% of the current rates earned by FCC from other vendors.

## 15. Select Operations

Consider removing select operations from the Agreement (e.g., HHW, Inerts Processing, roadway litter, composting, and SB1383 quarterly sampling) to be performed by WPWMA as necessary and back charge FCC for WPWMA's direct costs.

**Status** Implemented w/ modifications **Section(s)** 8.4

**Summary:** In the event FCC is in default and fails to diligently pursue the cure of the default within 30 days, WPWMA has the right to perform work under the agreement and seek reimbursement from FCC for any costs in excess of what WPWMA would have otherwise paid FCC to perform the work.

## 16. Administrative Offices

Codify WPWMA’s exclusive use of the administrative offices and reduce certain office maintenance obligations by FCC in exchange for FCC’s cost to secure other suitable on-site office space.

**Status** Not Implemented **Section(s)** N/A

**Summary:** Topic may be addressed in a subsequent amendment.

## 17. Rejected Loads

Update the “Misidentified Loads/Load Rejection” section to align with WPWMA Policy 24-01 “Material Processing” designed to maximize material recovery across the WPWMA’s Campus.

**Status** Implemented **Section(s)** Exhibit D

**Summary:** Specifically references WPWMA’s Material Processing Policy 24-01 to restrict the amount of materials that can be rejected by FCC and sent directly to the WRS� for disposal without advance approval by the General Manager.

## 18. Extended Producer Responsibility Provisions

Revise EPR-related sections to clarify responsibilities and compensation as appropriate.

**Status** Implemented **Section(s)** 5.9 F - I

**Summary:** WPWMA will only be obligated to pay FCC for documented third-party costs (plus 5%) only to the degree that the applicable EPR program economic model changes or the program ends.

## 19. Recovered Metals

Require installation and operation of secondary metal sort lines in the MRF and C&D to capture batteries, cylinders, and other prohibited wastes.

**Status** Not Implemented **Section(s)** N/A

**Summary:** FCC indicated it has made, and will continue to make, adjustments to the equipment to reduce this issue. If contamination of the metal stream persists, WPWMA will reconsider this deal point in any subsequent amendment.

## 20. General Manager Reference

Replace all references to “Executive Director” with “General Manager”

**Status** Implemented **Section(s)** Various

**Summary:** All references to “Executive Director” replaced with “General Manager”.

## 21. Consequential Damages Language

Clarify that consequential damages do not include direct damages associated with curing default, drawing on performance bond, or WPWMA exercising right to perform directly or indirectly.

**Status** Not Implemented **Section(s)** 7.4

**Summary:** Parties were unable to reach consensus on revisions to the language in this section.