

**CONDITIONAL AMENDED AND RESTATED
HOST AGREEMENT AND AGREEMENT FOR
THE OPERATION AND DEVELOPMENT
OF
CITY OF ROCHELLE LANDFILL NO. 2**

THIS AMENDED AND RESTATED HOST AGREEMENT AND AGREEMENT FOR THE OPERATION AND DEVELOPMENT OF CITY OF ROCHELLE LANDFILL NO. 2 (this "Agreement") is executed July __, 2021, by the CITY OF ROCHELLE, ILLINOIS ("CITY") and ROCHELLE WASTE DISPOSAL, L.L.C., an Illinois limited liability company ("OPERATOR"), and amends and restates in its entirety that certain RESTATEMENT OF HOST AGREEMENT and AGREEMENT FOR OPERATION/DEVELOPMENT OF CITY OF ROCHELLE LANDFILL NO. 2, dated September 26, 2006 (the "Restated Original Agreement").

RECITALS

WHEREAS, the CITY is the owner of the City of Rochelle Sanitary Landfill No. 2 which, at the time that the Restated Original Agreement was executed, was located approximately one mile east of the eastern most boundary of the City of Rochelle on Mulford Road in southern Ogle County, Illinois. The property which comprises the Rochelle Sanitary Landfill No. 2 was subsequently annexed into the CITY, which is more fully described and depicted on Exhibit B attached hereto (the "Landfill");

WHEREAS, OPERATOR currently leases and operates the Landfill pursuant to the Restated Original Agreement;

WHEREAS, the CITY and OPERATOR are interested in renegotiating the Restated Original Agreement for the continued lease, operation and development of the Landfill (until all present capacity and any capacity permitted by that certain expansion of the Landfill approved as of May 6, 2008 have been filled pursuant to the terms and conditions of this Agreement);

WHEREAS, The Original Agreement was subsequently amended by amendments dated December 19, 1998, and January 21, 1999, respectively and the CITY and OPERATOR desire to amend the Restated Original Agreement to eliminate the obligation to provide for the exhumation of the waste previously disposed of in "Unit 1" of the Landfill (the "Unit 1 Waste");

WHEREAS, The Original Agreement was subsequently amended by amendments dated December 19, 1998, and January 21, 1999, respectively and the CITY and OPERATOR desire to amend the Restated Original Agreement to eliminate the obligation for the CITY to reimburse the OPERATOR for any cost related to the improvement of the Mulford Road Improvements (as described herein);

WHEREAS, additionally, representatives of OPERATOR have provided certain operational and design information and recommendations to representatives of the CITY staff to assist them in developing design concepts and to clarify the position of OPERATOR as OPERATOR responsible for the operation of the Landfill;

WHEREAS, the CITY and the OPERATOR will modify the payments to the CITY (“Tipping Fees”) received by the CITY for the waste that consumes space at the Landfill, and specify additional waste, for which the CITY will receive compensation;

WHEREAS, OPERATOR desires to continue leasing, operating and further developing the Landfill pursuant to the terms and conditions set forth in this Agreement; and

WHEREAS, in addition to the foregoing, the Parties desire to reduce to writing the terms of all amendments to the Restated Original Agreement on which they have agreed and to completely amend and restate the Restated Original Agreement as amended in its entirety in a single document.

AGREEMENT

NOW, THEREFORE, in consideration of the mutual covenants and agreements herein contained, and in reliance upon the recitals set forth above which are incorporated herein by reference, it is hereby agreed that the CITY and OPERATOR amend and restate the RESTATEMENT OF HOST AGREEMENT AND AGREEMENT FOR OPERATION/DEVELOPMENT OF CITY OF ROCHELLE LANDFILL NO. 2 in its entirety to read as follows:

1. CONDITION PRECEDENT. Notwithstanding any other term or condition of this Agreement, it shall be a condition precedent to the effectiveness of this Agreement that the Landfill shall have received from the Illinois Environmental Protection Agency (“IEPA”) Final and Unappealable permit modification approvals (including approval that “Unit 1” shall be closed without exhumation of the “Unit 1” Waste pursuant to IEPA and United States Environmental Protection Agency (“USEPA”) guidelines) (the “Mod Permits”). For purposes of this Agreement, the phrase “Final and Unappealable” shall mean final for all purposes and not subject to further legal or administrative challenge or appeal. The date that the Mod Permits become Final and Unappealable shall be defined as the “Effective Date”. In the event that the Landfill does not receive Final and Unappealable Mod Permits from IEPA, this Agreement shall not become effective, and the terms and conditions of the Restated Original Agreement shall continue to apply and govern the relationship between the CITY and OPERATOR.

2. PREMISES.

2.1 Description. CITY hereby leases to OPERATOR, and OPERATOR leases for the term, upon all of the conditions set forth herein, as well as all of the conditions in the documents set forth in Exhibit A (which are attached hereto and incorporated herein by this reference), the real property and improvements commonly known as the City of Rochelle Sanitary Landfill (as described in Exhibit B attached hereto and incorporated herein by this reference).

3. TERM.

3.1 Lease Term. The term of the lease granted pursuant to this Agreement commenced on April 26, 1995 (*i.e.*, the date of the original Host Agreement and Agreement for Operation/Development of City of Rochelle Landfill No. 2, entered into by the Parties (the “Original Agreement”)) and shall continue for: (a) as long as any capacity permitted for the

disposal of solid waste remains in the real property described on **Exhibit B**; or (b) until December 31, 2040 if the period described in clause (a) above is more than twenty (20) years. The term of this lease shall continue during any temporary periods in which the permitted capacity is not available due to the termination or lapse of any necessary permit if OPERATOR is pursuing the necessary permits in a reasonable manner and is otherwise in compliance with all other provisions of this Agreement.

3.2 **Disposal Capacity Period.** OPERATOR shall provide CITY with disposal capacity until December 31, 2040, or for as long as capacity remains in the Landfill, whichever occurs first, for all residential solid waste generated within the City of Rochelle (as the boundaries of such municipality may be adjusted from time to time in the future during the term of this Agreement) and all nonhazardous solid waste generated by the CITY from its own activities (governmental/institutional waste). OPERATOR's obligation to provide the capacity outlined above shall continue during the term of this Agreement.

4. **OPERATIONS.**

4.1 **Waste Limits.** As long as any capacity permitted for the disposal of solid waste remains in the real property described on **Exhibit B** or in any expansion sited by OPERATOR pursuant to the terms of this Agreement or in any expansion sited by the CITY pursuant to the terms of this Agreement which is consistent with the terms of this Agreement, OPERATOR shall dispose of CITY's residential and governmental/institutional waste at no charge so long as such amounts collected do not exceed Seventeen Thousand and Seventy-one (17,071) tons per year in the first five (5) years under this Agreement. For purposes of this Agreement, the term "governmental/institutional waste" shall include POTW sludge generated by the CITY's sewage treatment plant. Thereafter, CITY shall be entitled to increase the initial, base annual cumulative waste generation figure for which no charge for disposal is assessed by a maximum of ten percent (10%) of the initial base annual waste generation figure for every subsequent five (5) year period included within the Host Agreement. In addition to the waste limits set forth herein, the CITY shall have the right to dispose, at no charge, of an additional Ten Thousand (10,000) tons per year of Clean Construction or Demolition Debris, or CCDD, at the Redesigned Landfill. Said CCDD shall not count against the CITY's waste limits otherwise set forth in this Agreement. For the purposes of this Agreement, the term "Clean Construction or Demolition Debris" or "CCDD" shall have the meaning set forth in Section 3.160(b) of the Illinois Environmental Protection Act [415 ILCS 5] (the "IEP Act"). For the avoidance of doubt, the annual cumulative waste generation figure for each five (5) year period shall be as follows:

<u>Applicable Five-Year Period</u>	<u>Annual Residential and Governmental/Institutional Waste Disposal Figure</u>	<u>Annual CCDD Disposal Figure</u>	<u>Annual Cumulative Waste Disposal Figure</u>
2021-2025	17,071	10,000	27,071
2026-2030	18,779	10,000	28,779
2031-2035	20,656	10,000	30,656
2036-2040	22,722	10,000	32,722
2041-2045	24,994	10,000	34,994

In the event that residential and governmental/institutional waste is accepted in an amount which exceeds the yearly waste disposal figure exempt from disposal charges set forth herein, then the charge for acceptance of the incremental waste volume above the yearly amount exempt from disposal charge shall be assessed at the lowest disposal rate which is actually being charged and/or received by OPERATOR at that time for similar municipal solid waste. In the event that OPERATOR provides or obtains disposal capacity for the CITY pursuant to Section 3.2 at any other facility, the charge or fee to the CITY shall not exceed the lowest charge which OPERATOR or any member of OPERATOR then charges for the disposal of municipal solid waste (in the case of a facility owned or controlled by OPERATOR or a member of OPERATOR) and in the case of disposal capacity provided at any other facility, shall be determined by the mutual agreement of the parties.

4.2 Standards. The Landfill shall be operated so as to comply with all provisions of the IEP Act, rules and regulations of the Illinois Environmental Protection Agency and the Illinois Pollution Control Board, the provisions of Subtitle D of The Resource Conservation and Recovery Act of 1976 (RCRA), as well as all conditions and requirements of any significant modification permit issued by the State of Illinois to the CITY, and any other applicable rules or regulations now in effect or enacted hereafter. Pursuant to the terms and conditions of this Agreement, OPERATOR proposes to redesign the Landfill so as to close “Unit 1” of the Landfill without exhuming and redisposing of the “Unit 1” Waste (the “Redesigned Landfill”). In addition, the proposed redesign of the Redesigned Landfill shall be designed, constructed and operated so as to comply with all provisions of the IEP Act, rules and regulations of the Illinois Environmental Protection Agency and the Illinois Pollution Control Board, the provisions of Subtitle D of RCRA, and any other applicable rules or regulations now in effect or enacted hereafter.

4.3 Flow Quantity.

(a) As part of the Fee Arrangement, OPERATOR guarantees a minimum fee payable under Section 5.4 below which is equivalent to a flow quantity of three hundred (300) tons per day for each full day that the Landfill is open to accept waste, and guarantees payment of all required Host Agreement fees or royalties on this minimum amount for the term of this Agreement. In this regard, OPERATOR and the CITY intend that, subject to holidays, the Landfill will be open to accept waste Monday through Friday and may be open for one-half day on Saturday. The minimum daily flow quantity shall be pro-rated for Saturdays and shall not apply to any day on which the Landfill would otherwise be closed but on which OPERATOR

opens the Landfill at the request of a third party to accept a specific load or loads of waste under unusual circumstances. Payment of such fees shall be made by OPERATOR to CITY on or before the 10th day of each month.

(b) In the event that an expansion of the Landfill which is consistent with the terms of this Agreement is applied for by the CITY in accordance with the provisions of this Agreement and such an expansion of the Landfill receives final and non-appealable local siting approval, the Expanded Facility will be permitted to receive not more than 650,000 tons of waste per year and a daily average limit of 2,500 tons per day; provided, however, that OPERATOR shall not exceed Ten (10%) Exempt Waste, as defined herein. Notwithstanding the foregoing, the CITY may grant a waiver of this volume limitation in the event of major emergencies or other unusual local projects requiring significant waste disposal. For the purposes of this Agreement, Exempt Waste shall be defined as set forth in 415 ILCS 5/22.15, et seq., excluding the CITY's residential and governmental/institutional Exempt Waste, as well as the construction waste from the CITY.

4.4 County Criterion. To the extent applicable, the Redesigned Landfill shall meet all duly enacted County siting criteria developed pursuant to the Ogle County Solid Waste Management Plan.

4.5 Waste Streams.

(a) The Redesigned Landfill shall accept no new special waste streams generated from outside a 100-mile radius of the incorporated city limits of the City of Rochelle, Illinois, without first receiving prior written approval by CITY so as to ensure that receipt of such special waste streams will not cause or threaten to cause a violation of any applicable federal, state and/or local law designed and/or intended to protect the human health, safety, welfare and/or the environment.

(b) The Redesigned Landfill will not be permitted to accept knowingly waste generated in the City of Chicago without the prior written approval of the CITY. OPERATOR will maintain accurate records, which are reasonably sufficient to allow the CITY to verify its compliance with the provisions of this Section.

(c) No free liquids may be accepted at the Redesigned Landfill without the prior written approval of the CITY.

(d) Upon reasonable suspicion of non-compliance with this Section 4.5, the CITY may require the inspection of specific loads designated by the CITY.

4.6 Inspection. OPERATOR shall insure adequate means to insure compliance with all terms and conditions of this Agreement, including (a) CITY compliance inspection access to the Redesigned Landfill, as well as access to records of operation and financial records, (b) reports on compliance with state post-closure trust fund contributions and all other ongoing financial assurance obligations.

4.7 Assignment or Transfer of Interest. OPERATOR shall not be allowed to sell, convey or otherwise assign its interest in or transfer operation of the Landfill without prior written approval by CITY (which approval shall not be unreasonably withheld or delayed following submission of

information sufficient to justify such sale, assignment or transfer), and further provided that CITY shall have the right to consider the ability of the proposed transferee (financially and operationally), to comply with all terms and conditions of this Agreement. For this purpose, a “transfer” of the Landfill will be considered to have occurred if: (a) there is a conveyance of the real property which comprises the Landfill to any person or firm which is not controlled by or under common control with OPERATOR or one of the current owners of the equity membership interests in OPERATOR; or (b) there is an assignment of this Agreement to any person or firm which is not controlled by or under common control with OPERATOR or one of the current owners of the equity membership interests in OPERATOR; or (c) there is a change in the ownership of over 50% of the equity ownership interests in OPERATOR, other than a change resulting from a transfer to a member of the transferor’s family or to a corporation or other business entity which is owned by the transferor or under common control with the transferor. OPERATOR shall notify the CITY in writing promptly upon the occurrence of a transfer. The notice shall include the effective date of the transfer and the name and address of any new owner, assignee or transferee. The option provided for in this Section shall be exercised by a written notice to the then OPERATOR of the Landfill within thirty (30) days after the CITY first has knowledge of the transfer.

4.8 Wage Compliance. OPERATOR must comply with all applicable prevailing wage provisions (if any) under state and/or federal law, as well as any and all other applicable wage and/or workplace provisions under state and/or federal law.

4.9 Disposal Space. During every year period under this Agreement that landfill capacity exists at the Landfill or the Redesigned Landfill, OPERATOR shall reserve sufficient capacity at the Landfill or the Redesigned Landfill for and give first priority to disposal of that volume of waste generated within the City of Rochelle which is exempt from disposal charges under Section 4.1 above; provided, however, the reservation of disposal capacity for CITY’s waste shall not be cumulative, and should the reserved annual disposal capacity not be utilized by CITY during any year term under this Agreement, that capacity may be utilized by OPERATOR for other than CITY waste. The Landfill shall accept no new special waste streams outside a 100-mile radius of the incorporated city limits of the City of Rochelle without first receiving prior written approval by CITY.

4.10 Acceptable Waste. The Landfill shall not knowingly accept, treat, or dispose of any waste which is defined as “hazardous” by the IEP Act; OPERATOR shall comply with all regulations of the Pollution Control Board relative to load checking, and shall immediately inform the City of Rochelle orally and in writing of any hazardous waste that has been accepted, received, stored, treated, disposed, or transported to or from the Landfill, and shall immediately take any and all steps necessary to properly remove such hazardous waste from the Landfill in accordance with all applicable federal, state and/or local laws.

4.11 Landfill Design and Operating Standards.

(a) The existing Landfill shall be operated so as to comply with all provisions of the IEP Act, rules and regulations of the Illinois Environmental Protection Agency and the Illinois Pollution Control Board, the provisions of Subtitle D of RCRA, as well as all conditions and requirements of any significant modification permit issued by the State of Illinois to the CITY

and any other applicable rules or regulations now in effect or enacted hereafter. In addition, the proposed re-design of the Landfill shall be designed, constructed and operated so as to comply with all provisions of the IEP Act, rules and regulations of the Illinois Environmental Protection Agency and the Illinois Pollution Control Board, the provisions of Subtitle D of RCRA, any other applicable rules or regulations now in effect or enacted hereafter.

(b) In the event that a redesign of the Landfill which is consistent with the terms of this Agreement is applied for by OPERATOR and the CITY and the Landfill receives Final and Unappealable Mod Permits from IEPA, the following terms shall apply, effective as of the date of such Final and Unappealable approval of the Mod Permits:

- (i) no waste will be received by rail;
- (ii) the overnight storage of waste in transfer trailers, collection trucks or other vehicles will not be allowed without the prior written approval of the CITY;
- (iii) no burning of waste will be allowed (other than the flaring of landfill gas, subject to appropriate permits);
- (iv) no composting of landscape waste materials will be allowed without the prior written approval of the CITY; provided, however, that this prohibition will not restrict the continuation of the current practice of land application of landscape waste;
- (v) the vertical and lateral extent of the actual waste placement will not exceed the boundaries and elevations for which the Landfill has obtained local siting approval and all necessary permits;
- (vi) final cover will be placed within sixty (60) days after the placement of the final lift, weather permitting;
- (vii) OPERATOR will direct transfer trailers using the Landfill to use the interstate system as much as possible;
- (viii) the property value protection plan provided for in the Host County Agreement dated December 19, 1995, between Ogle County and Rochelle Waste Disposal (the "Host County Agreement") will apply to all property within one mile from the Redesigned Landfill property boundary;
- (ix) the well protection plan provided for in the Host County Agreement will apply to all property within one mile from the Redesigned Landfill property boundary and will cover the municipal wells of the Village of Creston;
- (x) the Landfill will not re-circulate leachate without the CITY's approval (unless leachate recirculation is required by law or regulation);
- (xi) the maximum elevation of the Redesigned Landfill will not exceed 940 feet MSL;

(xii) the maximum operating hours that the Redesigned Landfill may be open to accept waste will be the currently permitted hours (6:00 a.m. to 6:00 p.m.).

(c) This Section 4.11(c) sets forth the CITY's interpretation of the following Siting Conditions:

(i) With respect to Siting Conditions 3 and 5, the purpose of the 10·7 cm/sec specification is to insure that silty clay backfill used to replace granular materials will be sufficiently impermeable to protect the environment. The CITY does not interpret these conditions as imposing an in situ testing requirement, and OPERATOR may demonstrate compliance through appropriate certification that the material used meets the specification, satisfactory to the Construction Quality Assurance (CQA) officer, without additional in situ testing.

(ii) With respect to the requirement of Condition 7 relating to wind and blowing litter, the purpose of this condition was to prevent litter blowing into neighboring properties. The CITY interprets this Condition as referring to wind speed at the active face of the landfill, and that the measurement of wind speed may be taken by OPERATOR and verified by the CITY Manager's designee at the CITY Manager's option. The CITY also interprets this condition as not requiring the shutdown of the Landfill as long as litter was not being blown onto the neighboring properties, and as requiring an immediate shutdown only when it becomes apparent that the Landfill cannot be operated without litter blowing onto neighboring properties.

(iii) With regard to Siting Conditions 9 and 10 (construction of an elevated platform at the scalehouse and the installation of a radiation detector, both within 60 days of Final and Unappealable siting approval), the CITY interprets those Conditions as being subject to force majeure (including delays caused by permitting requirements, shipping delays or inclement weather). The CITY also interprets Condition 10 as obligating the CITY and OPERATOR to cooperate in identifying the appropriate type of radiation detector and testing protocol to be used.

(iv) With regard to Siting Condition 11 (noise), it is the CITY's interpretation that compliance with this Condition will be measured by the applicable IEPA regulations.

(v) With regard to Siting Condition 11 (odor), the CITY interprets this Condition as utilizing a commercially reasonable standard for determining acceptable levels of odor, taking into account applicable governmental regulations (if any) and industry standards, the CITY interprets this Condition as imposing upon OPERATOR the duty of making diligent and commercially reasonable efforts to minimize both the intensity and duration of odor generated by the Landfill.

(vi) With regard to Siting Condition 13 (exhumation), subject to the Final and Unappealable issuance of the Mod Permits by IEPA, the CITY hereby agrees and acknowledges that OPERATOR shall have no obligation whatsoever to exhume or otherwise relocate the "Unit 1" Waste.

(vii) With regard to Siting Condition 16, the CITY hereby agrees and acknowledges that the new entrance to the Landfill has been built and completed at the new

location shown in the CITY's application for Site Location Approval within a time period that was mutually acceptable to the CITY and OPERATOR.

(viii) Siting Condition 22 requires OPERATOR to construct "operational screening berms", with the placement and limits of the operational screening berms to be subject to the approval of the City Manager, considering the factors specified in this condition. The CITY understands that when operational screening berms are used at other landfill facilities, the berms are constructed using waste material with the outward facing slope of the berm covered with soil or other suitable cover material. The CITY interprets Siting Condition 22 to allow the construction of the operational screening berms, where required by the City Manager, in a manner consistent with this practice.

(ix) Siting Condition 23 requires OPERATOR to construct a perimeter berm, and recommends that the berm be constructed at least 500 feet in advance of the easternmost edge of the cell being constructed. Siting Condition 23 also states that "the vegetation shall be established (with at least a one-year growing period) prior to waste being placed within 400 feet of a cell with active waste placement." The intention of the CITY in connection with this condition is to require effective visual screening. The CITY interprets this condition as requiring an undulating or irregularly shaped landscaped berm with a predominant height, including sight-obscuring fences, landscaping, or other features, that is not less than fourteen (14) feet when measured from the lowest adjoining point, and not fourteen (14) feet of continuous earthen berm.

(x) With regard to Siting Condition 25 (connecting upper and lower membranes), the CITY interprets this Condition as requiring the connection of the upper cap membrane and bottom liner membrane only if the connection can be made without causing damage to the membrane or voiding applicable warranties which would cause this Condition to fail of its essential purpose, which is to protect the environment.

(xi) With regard to Siting Conditions 26 and 28 (cost of consultant review), the CITY interprets these conditions as allowing the CITY and OPERATOR to agree on the use of a single, mutually-agreeable consultant for the preparation of the submittal in question, and further interprets these conditions as implying that the CITY would not unreasonably withhold its agreement to the use of a single, mutually-agreeable consultant.

(xii) With respect to Siting Condition 35 (traffic routes), the CITY interprets this condition as being limited to circumstances where the required traffic routes are not obstructed.

4.12 Costs Assumed by OPERATOR.

(a) Subject to the provisions of Section 4.12(b) below, all costs (present and future) associated with the design, construction, development, operation, closure and post-closure phases of the Landfill and the Redesigned Landfill, and any and all costs, fees, fines, penalties, and/or expenses that may arise in any way from the design, construction, development, operation, closure and post-closure of the Landfill and the Redesigned Landfill, are to be paid by, and are the sole responsibility of OPERATOR. OPERATOR shall also be responsible to pay any engineering, monitoring, and other professional fees and necessary expenses associated with the

Significant Modification process which were incurred by the CITY subsequent to the date of public notice of the Request for Proposal for bids (RFP) for the operation/development of City of Rochelle Landfill No. 2, which are related to ensuring that the Landfill and all expansions thereto comply with all applicable and relevant state, federal, and local statutes, rules, regulations, or ordinances. OPERATOR shall make adequate provision for and guarantee proper collection, handling, treatment and/or disposal of leachate generated at the Landfill and the Redesigned Landfill at its own expense. In the event that OPERATOR elects to send leachate to the CITY publicly owned treatment works for treatment and/or disposal, OPERATOR shall pay for all charges incurred in the treatment of constituents contained in the leachate. To the extent practicable, CITY agrees to charge OPERATOR for leachate treatment and disposal in a manner consistent with user treatment charges assessed to other users who generate leachate/waste stream which include the same type and level of constituents as are found in the leachate collected by OPERATOR from the Landfill and the Redesigned Landfill.

(b) Neither the CITY, nor the OPERATOR, shall seek further IEPA approval for expansion or modification of the Landfill except as set forth herein or as subsequently agreed to in writing by the Village of Creston and the CITY. In addition, neither the Village of Creston, nor the CITY, shall seek further siting or any other such steps individually or through an agent, operator, waste hauler, or otherwise participate in siting or placement of a waste facility within five (5) miles of the Village of Creston corporate limits, as they now exist or as they may exist in the future, without the agreement of the other.

(c) In the event that the CITY applies for local siting approval for an expansion of the Landfill, the CITY shall be responsible for all of the costs incurred in connection with the application and the local siting process, including the fees of any consultants, engineers, and other experts, filing fees, hearing officer fees, expenses of hearings and transcripts, and all other costs associated with the application or any appeal; provided, however, that the CITY shall not be responsible for any of OPERATOR'S costs related to the siting application or any siting appeal, including the fees of consultants, engineers and other experts, and OPERATOR shall be responsible for payment of the fees set forth in Section 5.

(d) OPERATOR has reconstructed Mulford Road to a rural standard with a two lane asphalt pavement suitable for 80,000 pound traffic (the "Mulford Road Improvements"). Pursuant to the Original Restated Agreement, OPERATOR and the CITY were obligated to share in the cost of the Mulford Road Improvements on the basis of linear foot frontage, with OPERATOR's frontage share being 7,813 feet (representing the footage on both sides of Mulford Road from Route 38 to the Union Pacific Railroad tracks, and the footage on the west side of Mulford Road from the railroad tracks to Creston Road) and the CITY's share being 2,573 feet (representing the footage on the east side of Mulford road from the railroad tracks to Creston Road). OPERATOR advanced the entire cost of the improvements and the CITY agreed to contribute its share upon completion of the improvements. Upon OPERATOR's receipt of the Final and Unappealable Mod Permits from IEPA, the CITY's obligation to repay OPERATOR for its share of the Mulford Road Improvements, which are approximately \$750,000.00, shall be waived and forgiven, and the CITY shall have no obligation with regard to payment for the Mulford Road Improvements.

4.13 Supplemental and Special Permits. OPERATOR shall be entitled to obtain, at the expense of OPERATOR, any state or federal Supplemental Permits, Significant Modification Permits, Renewal Permits, special waste stream permits, adjusted standards, variances, and other permits or authorizations, and any amendments or modifications to any of the foregoing, which OPERATOR determines to be necessary or appropriate for the operations, development, expansion, or closure of the landfill or for any corrective or remedial action relating to the landfill. OPERATOR will provide the CITY with reasonable prior notice of any such applications intended to be filed by OPERATOR and OPERATOR shall not seek any permit, variance, or standard which would have a material adverse effect on the CITY without the prior written approval of the CITY. The CITY will cooperate with OPERATOR in all such applications or petitions filed by OPERATOR.

4.14 Hauling Agreement. Simultaneously with the execution of the Original Agreement, the CITY and Rochelle Disposal Services, Inc. (the predecessor in interest to RRD Holdings Company doing business as Northern Illinois Disposal Services, Inc.) executed an agreement for the collection and transport of municipal solid waste which took effect when the Original Agreement was executed and the Significant Modification was issued (the "Hauling Agreement"). Upon their execution, each such agreement was independent of the other and a default under either agreement shall not constitute a default under the other. Additionally, the CITY has no obligation to re-negotiate any of the terms of the Hauling Agreement, nor has the CITY made any representation that it would re-negotiate the Hauling Agreement as part of this Agreement.

5. RENT, FEES, TAXES, ETC.

5.1 Redesign Permit Approval Fee. Upon OPERATOR's receipt of the Final and Unappealable Mod Permits from IEPA, OPERATOR shall pay to the City an amount equal to One Million Four Hundred Sixty Thousand Dollars (\$1,460,000.00).

5.2 Miscellaneous Costs. Subject to the provisions of Section 4.12(b) above, OPERATOR must pay for any and all engineering, monitoring and other professional fees, costs, and other necessary expenses incurred to insure that the Landfill (and all expansions thereto) comply with any and all applicable and relevant state, federal and local statutes, rules, regulations or ordinances (including but not limited to Part 811 regulations and applicable provisions of Subtitle D of RCRA). In addition, OPERATOR shall specifically reimburse CITY for engineering fees and costs incurred during the Significant Modification Application process from the date of issuance of the Request for Proposal for bids (RFP) for the operation/development of City of Rochelle Landfill No. 2 forward, the receipt of which is acknowledged by the CITY.

5.3 Taxes. OPERATOR assumes responsibility for and shall make proper payment of any and all taxes, fees, and levies made by all state, local and federal governmental entities with respect to operation of the landfill from the effective date of the Original Agreement forward.

5.4 Base Fee; Additional Fee; Supplemental Host Fee.

(a) In each calendar year of the term of this Agreement, OPERATOR agrees to pay to the CITY a Base Fee of Seventy-Five Thousand Dollars (\$75,000.00) per year payable in equal quarter-annual installments.

(b) In each calendar year of the term of this Agreement OPERATOR agrees to pay CITY an Additional Fee equal to the greater of (i) Two 35/100 Dollars (\$2.35) on each ton of Disposed Material; or (ii) six and one-tenth percent (6.1%) of the annual gross revenues received on an accrual basis by OPERATOR during the year under this Agreement (whichever amount is greater). For purposes of this Section 5.4(b), the term “Disposed Material” shall mean and include any material that (a) actually consumes permitted airspace or volume at the Landfill, as applicable, including cover or fill that is stored for later use, and (b) generates cash revenue for the OPERATOR. Payments of such Fees shall be made on a quarter-annual basis. Such Fees are in the nature of general revenues, and are not a fee, tax, or surcharge with regard to the permanent disposal of solid waste to be utilized for solid waste management purposes, but, rather, are general revenue fees which are to be collected under this Agreement in addition to any and all such other solid waste management/disposal fees, assessments and/or levies required by any state and/or local governmental entities.

(c) OPERATOR and Ogle County, Illinois (the County) entered into an Agreement dated December 19, 1998 (the County Agreement), which addresses certain issues raised by the County concerning development and operation of an expansion of the Landfill on property owned by the CITY and property owned by OPERATOR. Subsequent to the Original Host Agreement and the County Agreement, the CITY, the County, and the Village of Creston (the Village) have entered one or more agreements (the Intergovernmental Agreements) which address certain governmental issues relating to the development and operation of an expansion of the Landfill. In addition to the fees and other charges payable by OPERATOR under the preceding provisions of this Section, OPERATOR shall pay the CITY a Supplemental Host Fee equal to the lesser of: (a) one-half the amount which the CITY and the County are obligated to pay to the Village under the existing Intergovernmental Agreements in connection with the operation of any expansion of the Landfill; or (b) twenty-one cents (\$0.21) per ton of waste subject to the Host Fee payable under Section 4.4(b) (Covered Waste).

5.5 Tipping/Disposal Fees for Non-Exempt CITY Users. During the first and all subsequent years of operation of the Landfill and the Redesigned Landfill, OPERATOR shall charge a “tipping fee” (the fee charged by OPERATOR for the disposal of waste at the Landfill) for all commercial solid waste and non-hazardous special waste originating from the City of Rochelle which is not exempt from disposal/tipping fees at a fee no greater than the average fee actually charged for similar waste at comparable landfill facilities located within a seventy-five (75) mile radius of the City of Rochelle.

5.6 Additional Revenues to be Received by CITY.

(a) OPERATOR currently owns three parcels of real property adjacent to the Landfill (the “OPERATOR’s Property”). The parties acknowledge that OPERATOR’s Property is not presently part of the Landfill, but that OPERATOR intends to use OPERATOR’s Property for

purposes ancillary to the operation of the Landfill, including, without limitation, soil stockpiling. Within ninety (90) days following the Final and Unappealable issuance of the Mod Permits, Operator shall cause to be transferred to the Village of Creston in fee simple the real property located to the east of the Landfill, consisting of approximately 83.1 acres (consisting of all of PIN 25-22-40-002) and consisting of approximately 3.2 acres (consisting of all of PIN 25-23-100-002). Following the final closure of the Landfill, Operator shall cause to be transferred to the Village of Creston in fee simple a portion of the real property located to the East of the current Landfill, consisting of approximately 35 acres (consisting of a portion of PIN 28-22-400-003).

(b) OPERATOR shall be entitled to incorporate any stormwater conveyances or detention areas in the Additional Land in the development of OPERATOR's adjoining land as long as such development does not adversely affect their use in connection with the Redesigned Landfill and to utilize any wetlands which may be created in connection with the redesign of the Landfill for wetlands banking, wetlands credits, or similar purposes, in each case at the expense of OPERATOR.

(c) Within sixty (60) months following the Effective Date, OPERATOR shall, at its sole expense, relocate the waterway located on its adjoining land.

(d) OPERATOR hereby agrees that it shall not use any property within five (5) miles of the Landfill that is owned by OPERATOR as a landfill without the CITY's approval as long as waste disposal capacity which has received Final and Unappealable local siting approval remains in the Redesigned Landfill.

5.7 Verified Records of Waste Received. OPERATOR shall have a certified scale at the gate and all incoming waste and materials shall be weighed. Further, OPERATOR shall maintain a true and accurate copy of all records of waste and materials received at the Landfill for the benefit of the CITY and shall provide a copy of all such records to the CITY on a quarterly basis.

5.8 Utilities. OPERATOR shall pay for all water, gas, heat, light, power, telephone, sewerage, and other utilities and services which are supplied to the Landfill, together with any taxes, fees, or assessments thereon.

5.9 Maintenance. OPERATOR shall keep all buildings and other improvements upon the Redesigned Landfill (and any expansion thereof) in good condition and repair for the term of this Agreement.

5.10 Rochelle Area Community Foundation. Upon OPERATOR's receipt of the Final and Unappealable Mod Permits from IEPA, OPERATOR shall make a donation of Forty Thousand Dollars (\$40,000.00) to the Rochelle Area Community Foundation.

6. CITY OF ROCHELLE OBLIGATIONS.

6.1 Public Information. CITY shall make every reasonable effort to insure that factual and technically accurate information concerning the Landfill is made available to the public.

6.2 Cooperative Guarantee. CITY will cooperate with OPERATOR in all matters relating to the operation of the Landfill. To the extent not otherwise required by law or public policy, the CITY and its officers, council members and employees will not take any action which has the intended or probable effect of interfering unreasonably with the operation of the Landfill including, for example and not in limitation of the preceding general provisions such actions as the following: a) the approval of zoning, siting, or otherwise in the CITY of any transfer station, composting facility, waste incinerator, landfill, or other facility for the treatment, storage, or disposal of solid waste provided, however, that if under applicable law the CITY may not lawfully fail or refuse to approve the zoning or siting of such a facility, then the provisions of this clause shall be construed in such a manner as to require the CITY to prohibit or restrict such uses to the maximum extent allowed by law; b) the ownership or operation of any facility described in clause (a) by the CITY; c) the solicitation or recruitment of any facility described in clause (a) above; d) the discriminatory adoption, promulgation, or modification after the date of this Agreement of any CITY ordinance, code, tax, fee, or regulation, d) the referral of inquiries relating to solid waste disposal to a site other than the Landfill without reasonable grounds. The provisions of this Section shall not restrict in any way the ability of the CITY to enforce the terms of this Agreement, or to perform its duties under Section 39.2 of the IEP Act to decide any application for local siting approval filed with the CITY.

6.3 Redesign. CITY will cooperate with OPERATOR in its efforts to obtain approval for a redesign of the Landfill such that that “Unit 1” shall be closed without exhumation of the “Unit 1” Waste pursuant to IEPA and USEPA) guidelines.

6.4 Highway Maintenance. CITY shall suitably maintain all highways within its maintenance jurisdiction which are utilized by the landfill OPERATOR in its operation.

6.5 Representations of the CITY. The CITY represents and warrants that:

(a) The CITY has the full power, authority and legal right to enter into and perform this Agreement and the execution, delivery and performance hereof by the CITY (i) have the requisite approval of all governmental bodies, (ii) will not violate any judgment, order, law or regulation applicable to the CITY and (iii) do not (A) conflict with, (B) constitute a default under or (C) result in the creation of any lien, charge, encumbrance or security interest upon any assets of the CITY under any law, agreement or instrument to which the CITY is a party or by which the CITY or its assets may be bound or affected.

(b) This Agreement has been duly authorized, executed and delivered by the CITY; this Agreement constitutes a legal, valid and binding obligation of the CITY, enforceable in accordance with its terms, except as enforcement may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws affecting the enforcement of creditors’ rights generally, or by general equitable principles concerning remedies.

(c) There is no litigation, administrative action, site investigation, or similar action proceeding, pending or, to the knowledge of the CITY threatened against or affecting the CITY or the Landfill (i) challenging the validity of this Agreement or any agreements contemplated hereby, (ii) seeking to enjoin the performance by the CITY of its respective obligations

hereunder or thereunder or (iii) which, if adversely determined, would materially adversely affect the ability of the CITY or OPERATOR to perform its obligations.

(d) As of the date of this Agreement, the CITY holds merchantable fee simple title to the property described on **Exhibit B**.

6.6 **Quiet Enjoyment**. Upon payment of the fees and other payments and charges to be paid by OPERATOR under the terms of this Agreement and the performance by OPERATOR of all of its other obligations under this Agreement, OPERATOR will lawfully and quietly hold, occupy and enjoy the Property described on **Exhibit B** during the term of this Agreement.

6.7 **Memorandum**. The CITY and OPERATOR shall execute and record a memorandum of this Agreement in the Ogle County Recorder's Office.

7. **OVERSIGHT RESPONSIBILITIES**.

7.1 **Monitoring and Review**. The CITY'S designee shall monitor landfill activities and review user fee structures.

7.2 **Cooperative Guarantee**. OPERATOR shall be required to cooperate in all manner and in prompt fashion with CITY, its authorized agents and representatives in allowing access to the site, in allowing access to records and in complying with all other requirements concerning CITY landfill monitoring and inspection program.

7.3 **Document Access**. OPERATOR shall provide CITY, free of charge, copies of the following documents in any manner connected with the landfill property:

(a) those documents contemplated to be submitted by OPERATOR or its agents or consultants to any state or federal environmental regulatory agency; and

(b) correspondence with any state or federal environmental regulatory agency;

(c) those documents filed with or received from any state or federal regulatory agency relevant to charges, complaints or citations of environmental violations made by any governmental authority, and

(d) those documents reflecting charges to customers at the Landfill.

(e) any and all other documents related to operation of the Landfill and the disposal/recycling programs described herein in accord with all federal, state and local laws, regulations, rules and/or ordinances.

The CITY shall keep confidential all such documents which are entitled to confidentiality or an exemption from disclosure under the applicable provisions of the Freedom of Information Act. Whenever practicable, all such documents described herein above shall be provided to CITY a reasonable time prior to their anticipated submittal by OPERATOR and/or its agents and consultants to any state, local and/or federal regulatory agency, and CITY shall have a reasonable opportunity to review any such anticipated submitted and make comments and/or

suggested changes and modifications to the same. OPERATOR will provide CITY with any documents received by OPERATOR from any state, local and/or federal regulatory agency within ten (10) days of receipt thereof.

7.4 Inspection. CITY, its authorized agents and representatives shall:

(a) have the right to inspect at any reasonable time all of the operations of the Landfill;

(b) be permitted to inspect the books and records, pursuant to Section 7.5, which OPERATOR agrees to maintain on a daily basis pertaining to the weight of waste accepted at the landfill and the daily traffic count of vehicles utilizing the landfill (setting forth the size of each vehicle, the weight of waste each vehicle contains, the classification of waste, and its County of origin);

(c) be permitted to inspect reports concerning compliance with any and all applicable federal, state and/or local laws, statutes, regulations, rules and/or ordinances relating to operation of the Landfill and the disposal/recycling programs described herein.

7.5 Records and Books. OPERATOR shall maintain on a daily basis books and records pertaining to the weight of waste accepted at the landfill and the daily traffic count of vehicles utilizing the landfill (setting forth the size of each vehicle, the weight of waste each vehicle contains, the classification of waste, and its County of origin), and make available to the CITY for inspection on a daily basis copies of all such documents.

7.1 Unit 1.

(a) CITY will cooperate with OPERATOR in its efforts to obtain approval for a redesign of the Landfill such that “Unit 1” shall be closed without exhumation of the “Unit 1” Waste pursuant to IEPA and USEPA) guidelines.

(b) In the event that the Landfill fails to receive the Final and Unappealable Mod Permits: (i) the CITY will be responsible for the first eight hundred fifty thousand dollars (\$850,000.00) of the cost of excavating and re-disposing the “Unit 1” Waste; (ii) OPERATOR will be responsible for all costs of excavating and re-disposing the “Unit 1” Waste in excess of that amount; and (iii) OPERATOR will be responsible for obtaining any permits necessary for the excavation and re-disposal of the “Unit 1” Waste, and for the selection of contractors, consultants, and engineers to be utilized in the design, permitting, and performance of the excavation and re-disposal of the “Unit 1” Waste.

7.2 CITY Siting Authority. No provision of this Agreement shall be deemed to affect or limit the authority and responsibility of the CITY to decide an application for local siting approval under Section 39.2 of the IEP Act.

8. CLOSURE/POST CLOSURE.

8.1 Responsibility. OPERATOR shall assume responsibility for any and all closure/post-closure responsibilities (financial and otherwise) as listed in approved closure/post closure plans

for both the Landfill and the Redesigned Landfill; provided, however, that OPERATOR shall not be responsible for the cost of or financial assurance for closure or post-closure of any expansion pursuant to an application for local siting approval filed by the CITY unless the expansion is consistent with the terms of this Agreement.

9. INSURANCE & INDEMNIFICATION.

9.1 Hold Harmless and Indemnification Clause. OPERATOR agrees to indemnify, hold harmless and defend the City of Rochelle, its agents, servants, and employees, and each of them against and hold it and them harmless from and against any and all lawsuits, claims, demands, liabilities, losses and expenses (including court costs, litigation expenses and attorney's fees) for or on account of any injury to any person or any death at any time resulting from such injury, or any damage to property, which may arise or which may be alleged to have arisen out of or in connection with operation, construction and development of the landfill and any expansion thereof as well as in connection with the rendering of all other services covered by this Agreement. The foregoing indemnity shall not apply if such injury, death or damage is caused directly by the willful and wanton conduct of the City of Rochelle, its agents, servants, or employees or any other person indemnified hereunder.

9.2 Insurance. OPERATOR shall purchase and maintain such insurance as is necessary to fully protect OPERATOR and CITY from claims set forth below which may rise out of or result from OPERATOR's operations, conduct or activities. Such insurance shall include the City of Rochelle as an additional insured and, if such coverage is commercially available, shall include "Occurrence" basis wording issued by a company or companies qualified to do business in the State of Illinois, in the following type and minimum amounts:

(a) Claims under Worker's Compensation, disability benefit and other similar employee benefit acts.

(b) Claims for damages because of bodily injury, occupational sickness or disease, or death of his employees.

(c) Claims for damages because of bodily injury, sickness or disease, or death of any person other than his employees.

(d) Claims for costs and damages resulting from environmental hazards caused by operations (both on site and off site).

(e) Claims for damages because of injury to or destruction of tangible property, including loss and use resulting therefore of all buildings on the site.

(f) Any other source of liability is not excluded by the enumeration of the above.

(g) To ensure compliance with the indemnity clause, OPERATOR shall agree to carry liability insurance not less than the following initial limits of liability:

Minimum Limits of Liability

Per Occurrence/Aggregate	
Automobile Liability	\$500,000/\$500,000
Worker's Compensation	Statutory
General Liability	
Premises and Operations ^(a)	\$1,000,000/\$1,000,000
Contractual Liability	\$2,000,000/\$2,000,000
Completed Operations	\$1,000,000/\$1,000,000
Personal Injury	\$1,000,000/\$1,000,000
Environmental Impairment	\$500,000/\$500,000
Umbrella Liability	\$10,000,000/\$20,000,000

(a) Includes damage caused by lasting, collapse, or structural injury, or damage to underground utilities.

(h) So as to ensure maintenance of adequate levels of future insurance coverage during term of this Agreement, OPERATOR shall adjust and increase such levels of insurance coverage outlined above each five (5) year period included in the Host Agreement to account for increases in the CPI-U-US price index over the preceding five (5) years.

(i) OPERATOR agrees that with respect to the above required insurance, the City of Rochelle shall:

(i) Be named as additional insured as their interest may appear;

(ii) Be provided with thirty (30) days advance notice, in writing, of any proposed policy cancellation or change;

(iii) Be provided with Certificates of Insurance evidencing the above-required insurance, prior to commencement of this Agreement, and thereafter with certificates evidencing renewals or replacements of said policies of insurance at least fifteen (15) days prior to the expiration of cancellation of any such policies. Said Notices and Certificates of Insurance shall be provided to:

Office of the City Clerk
Rochelle Municipal Building
420 North 6th Street
Rochelle, IL 61068-0601

9.3 Contractor Responsibility. OPERATOR shall assume responsibility for all services offered in this proposal. CITY shall consider OPERATOR to be a point of contact with regard to all insurance matters, including payment of any and all charges resulting from the contract.

9.4 Third Party Claims. Promptly after the receipt by any party hereto of notice of any claim, action, suit or proceeding by any Person who is not a party to this Agreement (collectively, an "Action") which is subject to indemnification hereunder, such party (the "Indemnified Party") shall give reasonable written notice to the party from whom indemnification is claimed (the "Indemnifying Party"). At the sole expense and liability of the Indemnifying Party and within a

reasonable time after the giving of such notice by the Indemnified Party, the Indemnifying Party shall: (i) notify the Indemnified Party in writing of the Indemnifying Party's intention to assume the defense of such action, and (ii) retain legal counsel reasonably satisfactory to the Indemnified Party to conduct the defense of such Action. The Indemnified Party and the Indemnifying Party shall cooperate with the party assuming the defense in defending, compromising or settling any such Action in any manner that such party reasonably may request. If the Indemnifying Party so assumes the defense of any such Action, the Indemnified Party shall have the right to employ separate counsel and to participate in (but not control the defense, compromise, or settlement thereof, but the fees and expenses of such counsel shall be the expense of the Indemnified Party. No Indemnified Party shall settle or compromise any such Action for which it is entitled to indemnification hereunder without the prior written consent of the Indemnifying Party, unless the Indemnifying Party shall have failed, after reasonable notice thereof, to undertake control of such action in the manner provided above in this Section 9.4. No Indemnifying Party shall settle or compromise any such Action in which any relief other than the payment of money damages is sought against any Indemnified Party unless the Indemnified Party consents in writing to such compromise or settlement.

9.5 Payment Bonds. OPERATOR shall provide the CITY with a payment bond prior to the performance of any substantial improvements at the Landfill; provided, however, that OPERATOR shall not be required to provide a payment bond for any contract or subcontract under the terms of which the Contractor or subcontractor waives any rights which it would otherwise have to a lien or claim on the property against the CITY.

10. GENERAL COVENANTS.

10.1 Maintenance of Bonds, Licenses, Etc. OPERATOR shall maintain in full force and effect all licenses, bonds, franchises, leases, patents, contracts, and all other rights necessary to the profitable conduct of its business, including, without limitation, all notices, permits, or licenses, if any, filed or obtained with regard to compliance with all applicable federal, state and local statutes, rules, regulations and ordinances which are in any way related to the development, operation, remediation, or closure of the landfill or related to the rendering of all other services provided herein. OPERATOR shall comply with all applicable laws, statutes, rules, regulations and/or ordinances of all federal, state, and/or local governmental authorities, including, without limitation, all Environmental Laws.

10.2 Compliance with Environmental Laws. OPERATOR shall conduct its respective business so as to comply in all material respects with all applicable Environmental Laws, statutes, rules, regulations and/or ordinances in any way related to the operation, remediation, or closure of the landfill or related to the rendering of all other services described herein; provided, however, that nothing contained in this Section shall prevent OPERATOR from contesting, in good faith and by appropriate legal proceedings, any such laws, statutes, rules, regulations and/or ordinances or interpretation or application thereof; provided, further, that OPERATOR shall comply with the order of any court or other governmental body of applicable jurisdiction relating to such Environmental Laws pending prosecution of an appeal or proceedings for review, and shall have secured any necessary order, stay of enforcement, execution or other arrangement postponing enforcement or execution pending such appeal or proceedings for review.

10.3 Notices. If OPERATOR shall receive with respect to the Landfill: (a) notice that any violation of any Environmental Law, statute, rule, regulation and/or ordinance may have been committed or is about to be committed, (b) notice that any administrative or judicial complaint or order has been filed or is about to be filed against OPERATOR alleging violation of any Environmental Law, statute, rule, regulation and/or ordinance or requiring OPERATOR to take any action in connection with the release or threatened release of “hazardous substances” (as defined by law) into the environment, or c) any notice from a federal, state, or local governmental agency, court or private party alleging that OPERATOR may be liable or responsible for costs associated with a response, cleanup of a release or disposal of a “hazardous substance” into the environment or any damages caused thereby (including without limitation any notice that OPERATOR is a “potentially responsible party” as defined by CERCLA), OPERATOR shall provide the CITY with a copy of such notice within ten (10) days of the CITY’s receipt thereof. In addition, OPERATOR shall provide the CITY with notice of the enactment or promulgation of any Environmental Law, statute, rule, regulation and/or ordinance which may result in a material adverse change in the business, financial condition, or operations of OPERATOR as promptly as is reasonably possible after OPERATOR obtains knowledge thereof.

11. GUARANTEE OF PERFORMANCE. OPERATOR is an Illinois limited liability company owned by Winnebago Reclamation Service, Inc., an Illinois corporation (“WRS”). WRS shall cause its parent corporation, Waste Connections US Holdings, Inc., a Delaware corporation, to execute a Guaranty in the form attached to this Agreement as Exhibit C, (a true and accurate copy of which is attached hereto and incorporated herein by this reference).

12. DEFAULTS/REMEDIES.

12.1 Defaults. The occurrence of any one or more of the following events shall constitute a material default and breach of this Agreement by OPERATOR:

(a) The failure by OPERATOR to make any payment of rent or any other payment required to be made by OPERATOR hereunder, after ten (10) days written notice thereof.

(b) The failure of OPERATOR to correct or remedy promptly any alleged violation by OPERATOR of any law, regulation, approval, condition or permit relating to the development, operation, closure or post-closure care of the Landfill or the Redesigned Landfill. For this purpose, OPERATOR shall be deemed to have acted promptly if it corrects or commences the correction of the violation in question within the time allowed by the governmental agency in question. OPERATOR shall not be deemed to be in default under this Agreement for any such alleged violations for which the agency in question seeks a fine, civil penalty, or other similar imposition unless the agency in question establishes OPERATOR’s willful, persistent and repeated violation of the law, regulation or permit conditions.

(c) The failure by OPERATOR to observe or perform any of the other covenants, conditions or provisions of this Agreement to be observed or performed by OPERATOR, where such failure shall continue for a period of thirty (30) days after written notice thereof from CITY to OPERATOR; provided, however, that if the nature of OPERATOR’s default is such that more than thirty (30) days are reasonably required for its cure, then OPERATOR shall not be deemed

to be in default if OPERATOR commenced such cure within said thirty (30) day period and thereafter diligently prosecutes such cure to completion.

(d) (i) The making by OPERATOR of any general assignment, or general arrangement for the benefit of creditors; (ii) the filing by or against OPERATOR of a petition to have OPERATOR adjudged a bankrupt or a petition for reorganization or arrangement under any law relating to bankruptcy (unless, in the case of a petition filed against OPERATOR, the same is dismissed within sixty (60) days); (iii) the appointment of a trustee or receiver to take possession of substantially all of OPERATOR's assets located at the Premises or of OPERATOR's interest in this Agreement, where possession is not restored to OPERATOR within thirty (30) days; or (iv) the attachment, execution or other judicial seizure of substantially all of OPERATOR's assets located at the Premises or of OPERATOR's interest in this Agreement, where such seizure is not discharged within thirty (30) days.

12.2 Remedies. In the event of any default by OPERATOR hereunder, CITY may at any time thereafter, by a written notice and without limiting CITY in the exercise of any right or remedy which CITY may have by reason of such default or breach:

(a) Pursue, make claim under and/or recover on any and all outstanding bonds obtained and/or posted to insure the proper development and construction of the Landfill and the Redesigned Landfill during the term of this Agreement;

(b) Elect to re-enter, or take possession pursuant to legal proceedings and to terminate this Agreement; in which event CITY may recover from OPERATOR all damages it may incur by reason and consequence of OPERATOR's default including costs of recovering the premises, attorney's fees, court costs and litigation expenses as well as the present value at the time of such termination of the balance of any payments and/or charges reserved in this Agreement for the remainder of the stated original term, as well as any and all other damages and losses incurred by CITY as a consequence of OPERATOR's default, all of which amounts shall be immediately due and payable from OPERATOR to CITY;

(c) Re-enter, or take possession pursuant to legal proceedings and without terminating this Agreement, make such modification and/or improvements or take such other measures as may be necessary in order to relet the Premises for the remainder of the then-existing term for the highest bid reasonably obtainable. Upon such reletting, all payments and other sums received by the CITY from such reletting shall be applied first to the payment of the costs and expenses of such reletting, and the costs of such modifications and/or improvements or such other measures as may be necessary; and second to the payment of all other charges otherwise reserved and unpaid under this Agreement. In the event such sums received from the reletting are less than those amounts to be paid by OPERATOR hereunder, OPERATOR shall immediately pay any such deficiency to CITY as such deficiency amounts arise;

(d) Maintain OPERATOR's right to possession, in which case this Agreement shall continue in effect whether or not OPERATOR shall have abandoned the Premises. In such event, CITY shall be entitled to enforce all of CITY's rights and remedies under this Agreement, including the right to recover past due payments and charges as well as future payments and charges as they become due hereunder;

(e) Pursue any other remedy now or hereafter available to CITY under the laws or judicial decisions of the State of Illinois;

(f) In the event that the CITY elects to re-enter and take possession of the Landfill or the Redesignated Landfill upon a default by OPERATOR, whether or not the CITY elects to terminate this Agreement:

(a) In the event that the CITY closes the Landfill or the Redesignated Landfill upon re-entry, the CITY shall be entitled to apply any closure/post closure financial assurances which OPERATOR has provided to cover the costs of closure, post-closure care, and any corrective action, and OPERATOR shall take all steps necessary to enable the CITY to utilize any and all developmental, operational, closure/post closure and/or other financial assurances which OPERATOR has provided; however, that the use of any such financial assurances shall not relieve OPERATOR from liability for any shortfall;

(b) If the CITY does not close the Landfill or the Redesignated Landfill upon re-entry: i) OPERATOR shall be entitled to a credit against all amounts otherwise then due from OPERATOR as a result of its default, in an amount equal to the fair market value as of the date of termination of then permitted, developed, constructed, and available air space capacity at the Landfill plus the fair market value of any improvements constructed at the Landfill by OPERATOR which will be available for future cells or units at the Landfill; and (ii) the CITY shall not be entitled to utilize any closure/post-closure/corrective action financial assurances provided by OPERATOR to cover any costs of closure, post-closure care, or corrective action which are attributable to the operation of the Landfill or the Redesignated Landfill after re-entry by the CITY determined as if the CITY had closed the Landfill or the Redesignated Landfill on the date of its re-entry;

(c) In the event of uncured default by OPERATOR, OPERATOR shall take all steps necessary to enable the CITY to utilize any and all developmental, operational, closure/post closure or other performance/financial assurances and/or bonds which OPERATOR has posted or provided in connection with the terms and conditions of this Agreement.

12.3 Default by CITY. In the event of any failure of CITY to perform any of its obligations under this Agreement, OPERATOR shall give written notice to the CITY of the claimed default, and in the event CITY does not cure the default within thirty (30) days, OPERATOR shall have the option either of curing the default, advising CITY of the cost of curing the default and reducing its payment obligations by the amount paid by OPERATOR to cure the default, or to pursue any other remedy now or hereafter available to OPERATOR under the laws or judicial decisions of the State of Illinois.

12.4 Default Expenses. In the event of default by either party under the terms of this Agreement or the breach of any covenant of this Agreement, and the non-defaulting party brings legal proceedings to enforce and protect its rights and remedies under this Agreement, the defaulting party shall pay the reasonable attorneys' fees, court costs and expenses of the non-defaulting party should it prevail.

12.5 Interest on Past Due Obligations. Except as expressly herein provided, any amount due to CITY not paid when due shall bear interest at four percent (4%) over the Base Rate (the most favorable rate charged by Amcore for its most credit-worthy commercial customers) charged by Amcore Bank, N.A. Rockford from time to time. Payment of such interest shall not excuse or cure any default by OPERATOR under this Agreement.

13. GENERAL PROVISIONS.

13.1 Severability. The invalidity of any provision of this Agreement as determined by a court of competent jurisdiction shall in no way affect the validity of any other provisions hereof.

13.2 Incorporation of Prior Agreements; Amendments. This Agreement contains all agreements of the parties with respect to any matter mentioned herein. Except as contemplated pursuant to Section 1 of this Agreement, no prior agreement or understanding pertaining to any such matter (including, without limitation, the Original Agreement, the Restated Original Agreement, or any amendments thereto) shall be effective. This Agreement may be modified in writing only, signed by the parties in interest at the time of the modification.

13.3 Waivers. No waiver by CITY of any provision hereof shall be deemed a waiver of any other provision hereof or of any subsequent breach by OPERATOR of the same or any other provision. CITY's consent to or approval of any act shall not be deemed to render unnecessary the obtaining of CITY's consent to or approval of any subsequent act by OPERATOR. The acceptance of payments hereunder by CITY shall not be waiver of any preceding breach by OPERATOR of any provision hereof, other than the failure of OPERATOR to pay the particular payment so accepted, regardless of CITY's knowledge or such preceding breach at the time of acceptance of such payment. Prior to the execution of this Agreement, each of the parties has asserted or identified claims against the other arising under the Amended Host Agreement prior to the date of this Restatement. Except to the extent that this Agreement expressly provides for a waiver or release of a claim, this Agreement shall not affect any such claims and shall not constitute a waiver or release of any such claims.

13.4 Uncontrollable Circumstances. Notwithstanding anything to the contrary contained in this Agreement, neither the CITY nor OPERATOR shall be liable to the other for any failure or delay in performance of any obligation under this Agreement, other than an obligation to pay money, due to the occurrence of an Uncontrollable Circumstance and any such failure or delay shall not constitute an Event of Default under this Agreement, "Uncontrollable Circumstance" means any act, event or condition (other than labor strikes) that has had, or may reasonably be expected to have but requiring present action, a material adverse effect on the rights or the obligations of the parties under this Agreement, or a material adverse effect on the Landfill or the ownership, possession or operation by OPERATOR of the Landfill, if such act, event or condition is beyond the reasonable control of the party relying thereon as justification for not performing an obligation or complying with any condition required of such party under this Agreement. Such acts or events may include, but shall not be limited to, the following:

(a) an act of God, landslide, lightning, earthquake, fire, explosion, flood, sabotage or similar occurrence; acts of a public enemy, extortion, war, blockade or insurrection, riot or civil disturbance, epidemic or pandemic (or government restrictions imposed in response thereto);

(b) the order and/or judgment of any federal, state or local court, administrative agency or governmental body, excepting decisions of federal courts interpreting the federal tax laws and decisions of state courts interpreting state tax laws, if it is not also the result of the willful or negligent action or inaction of the party relying thereon; provided that neither the contesting in good faith of any such order and/or judgment nor the failure to so contest shall constitute or be construed as a willful or negligent action or inaction of such party;

(c) the failure to issue, suspension, termination, interruption, denial or failure of renewal of or the imposition of any new conditions upon any permit, license, consent, authorization or approval essential to the operation of the Landfill; provided that such act or event shall not be the result of the willful or negligent action or inaction of the party relying thereon and that neither the contesting in good faith of any such order nor the reasonable failure to so contest shall be construed as a willful or negligent action or inaction of such party;

(d) a Change in Law; provided, however, that a Change in Law shall excuse performance for only the period of time which is reasonably necessary to allow OPERATOR to comply and shall not excuse all further performance by OPERATOR unless the Change in Law is such that it effectively prohibits performance. For example, OPERATOR's performance under this Agreement would be excused if a Change in Law made it unlawful to dispose of municipal waste by kind filling or imposed taxes or other requirements which have the same effect;

(e) the failure of any appropriate federal, state, county or community public agency or private utility having operational jurisdiction in the area in which the Landfill is located, to provide and maintain utilities, services, water and sewer lines and power transmission lines to the Landfill which are required for and essential to the operation of the Landfill;

(f) the failure of any subcontractor or supplier to furnish labor, services, materials or equipment on the dates agreed to; provided that such failure is caused by an act, event or condition that would be an Uncontrollable Circumstance if it directly affected OPERATOR and that materially adversely affects OPERATOR's ability to perform its obligations, and that OPERATOR is not able reasonably to obtain - substitute labor, services, materials or equipment on the agreed-upon dates;

(g) the condemnation, taking, seizure, involuntary conversion or requisition of title to or use of the Landfill, or any material portion or part thereof by the action of any federal, state or local government or governmental agency or authority.

"Change in Law" means (a) the adoption, promulgation or modification or reinterpretation (including any change in enforcement policy) after the date of this Agreement of any federal, state, county, local municipal, or CITY statute, ordinance, permit, code or regulation not adopted, promulgated, modified and/or officially published on or before the date of this Agreement; or (b) the imposition after the date of this Agreement of any material conditions or change in government or judicial policy in connection with the issuance, renewal, modification or enforcement of any official permit, license or approval, which in the case of either (a) or (b) establishes requirements affecting the obligation of either party under this Agreement (other than payment obligations) or the design, construction, startup, operation, maintenance, cost or

construction of the Landfill more burdensome than the most stringent requirements (i) in effect as of the date of this Agreement, (ii) agreed to in any applications of OPERATOR for official permits, licenses or approvals, or (iii) contained in any official permits, licenses, or approvals with respect to the Landfill obtained as of the date of this Agreement or; c) the failure of any applicable federal, state or local governmental agency or unit having jurisdiction over the Landfill to issue any permit, license or approval necessary for the operation of the Landfill after the date of this Agreement, which permit, license or approval was not issuable on or before this Agreement. A change in federal, or state law affecting the taxation of income of the OPERATOR shall not be a Change in Law.

13.5 Cumulative Remedies. No remedy or election hereunder shall be deemed exclusive, but shall, wherever possible, be cumulative with all other remedies at law or in equity.

13.6 Covenants and Conditions. Each provision of this Agreement performable by OPERATOR shall be deemed both a covenant and a condition.

13.7 Binding Effect. Subject to any provisions hereof restricting assignment or subletting by OPERATOR and subject to the provisions of Section 4.7, this Agreement shall bind the parties, their personal representatives, successors, and assigns.

13.8 Governing Law. This Agreement shall be governed by the laws of the State of Illinois.

13.9 Notice. Notice shall be provided in writing by certified mail to the respective parties as follows:

CITY: Office of the City Clerk
Rochelle Municipal Building
420 North 6th Street
Rochelle, IL 61068-0601

with a copy to: Rochelle City Manager
Rochelle Municipal Building
420 North 6th Street
Rochelle, IL 61068-0601

OPERATOR: Rochelle Waste Disposal, L.L.C.
1161 S. Seventh St.
Rochelle, IL 61068

with a copy to: Waste Connections US Holdings, Inc.
3 Waterway Square Place, Suite 110
The Woodlands, TX 77380
Attention: Legal Department

IN WITNESS WHEREOF, the parties hereto have executed this Agreement the day and year first above written.

CITY OF ROCHELLE

ROCHELLE WASTE DISPOSAL, L.L.C.

By: _____
City Manager

By: _____
Name:
Title:

Attest: _____
City Clerk

EXHIBIT A

EXISTING SPECIAL CONDITIONS

1. In order to adequately secure the facility, and to assist in litter control, a perimeter fence, with a minimum height of eight (8) feet, shall be constructed.
2. Landfill Advisory Committee ("Committee") may be established by the City Council which shall consist of up to five (5) members. The City's mayor, with the advice and consent of the City Council, shall appoint the following to serve on the Committee: one (1) county representative, one (1) resident from each of the county, the City and the Village of Creston who has demonstrated an interest in the Landfill, and one (1) representative or member of the Operator's company. The Operator shall provide a summary of all technical and operating monitoring correspondence or communication submitted to axe IEPA pertaining to the expansion. The Committee may establish a schedule for meetings to review, discuss, or address facility operation, constructions, compliance and citizen complaints. Recommendations for any action by the Committee shall be by majority vote of approval or disapproval of the request by the Committee. Any Committee shall be presented to the City Mannger.
3. Any high permeability lenses found to intersect the excavation for the liner will be removed by over-excavation and replaced with a minimum of five (5) feet of cohesive silty clay backfill. The backfill shall be compacted to 95% of the Standard Proctor density and have a maximum triaxial permeability of 1×10^{-7} cm/sec., in accordance with the approved Construction Quality Assurance Program and properly documented by the CQA
4. Waste shall not be placed at a depth that allows less than a total of 15.3 feet of low permeability silty clay between the tope of the uppermost aquifer, as depicted on the Design Drawings (Sheets G4 through G15 of the Application).
5. If, during due excavation of waste in Unit 1, additional structural fill is required to maintain a minimum total thickness of 15.3 feet of low permeability silty clay between the bottom of the new liner and top of the uppermost aquifer, the structural backfill will be constructed of a cohesive silty clay and compacted to 95% of the Standard Proctor density and have a maximum triaxial permeability of 1×10^{-7} cm/sec., in accordance with the approved Construction Quality Assurance Program and properly documented by the CQA Officer. .
6. Litter from the expansion found on adjacent property shall be removed by the Operator in an expeditious manner with consent of the landowner. The collection of litter shall be initiated and completed on the same day that it is generated.

EXHIBIT A

7. The Operator shall employ temporary litter fences near the active face. Landfill operations should be suspended under the following conditions to minimize the potential for blowing litter:
 - When sustained winds reach 35 miles per hour.
 - When the Applicant determines that the Operator has not or is not able to adequately control blowing litter from leaving the facility.
8. The Operator shall, at a minimum, inspect on a daily basis the public rights of way, and areas adjacent to these rights of way, from landfill facility gate North on Mulford Road and along Route 38 West to the Interstate 39 interchange and Route 38 East through Creston to Woodlawn Road. Litter collection along these rights of way shall be performed at least once per week, and more often if the City Manager determines from review of evidence that is responsible for the litter.
9. The Operator shall construct an elevated platform at the existing scale house in order to inspect waste trucks within 60 days of receipt of final and non-appealable City Council siting approval.
10. The existing facility scale house shall be equipped with a radiation detector which shall be utilized for screening all loads entering the facility for radiological wastes within 60 days of receipt of final and non-appealable City Council siting approval.
11. The facility operations shall occur between the hours of 6:00 a.m. and 6:00 p.m. Monday to Saturday. If operations are ineffective at controlling odor, noise, dust and litter, and the Operator is unable to control or remedy these problems within 24 hours, the City Manager may require that active waste placement operating hours cease prior to 3:30 p.m. during weekdays and none on Saturdays until the problems are corrected.
12. During the exhumation of waste in Unit I, the Operator shall not allow leachate levels within any portion of the exhumed areas, at any time, to be in excess of one foot in height. In addition, during the exhumation activities, the Operator shall provide sufficient leachate storage, temporary or otherwise, as is necessary to satisfy this condition.
13. The Operator shall complete the exhumation and redisposal of waste from Unit I as soon as practicable, but in no event later than six (6) years from the date an IEPA permit is issued for the expansion, except as otherwise provided by the City Council for good cause shown. The waste exhumation and redisposal shall be restricted to the months of November, December, January, February and March unless it is demonstrated to the City Council that the process can occur in other months without off-site odor migration or other impacts associated with the process.
14. All exhumed and relocated waste, and the active face of the excavated area, shall be covered with a minimum six inches of soil at the end of each working day. Permitted

EXHIBIT A

alternative cover may be utilized only if approved in writing by the City Manager and the IEPA, and which alternative daily cover has proven to be effective at containing odor.

15. The excavated area of exhumed waste shall be covered with a minimum of twelve (12) inches of compacted soil on April 1 of each year, and at any time exhumation activities cease for a period longer than sixty (60) days.
16. Within five (5) years of the issuance of an IEPA permit for the expansion, the entrance to the landfill shall be built and completed at the proposed new entrance.
17. The Operator shall construct and maintain, at a minimum, a paved access road between the facility and the scale as identified on Drawing D9 October 2006 of the Application. Moreover, waste collection or transfer vehicles will be required to traverse the whole of this paved roadway prior to leaving the facility in order to minimize the potential for the tracking of mud onto surrounding roadways.
18. Overnight stacking of trucks at the existing entrance shall not be allowed. Overnight stacking may only be allowed after the proposed new entrance is constructed, and only within the perimeter fence on the proposed parking area. No trucks shall be allowed to enter parking area after 8:00 p.m. No truck shall be allowed to be staged outside the landfill gate prior to the opening of the landfill or its expansion.
19. If transfer trailers are to be located at the site overnight, the facility will be staffed with security personnel at all times the entrance gate is open.
20. The Operator shall confirm that the city wastewater treatment plant has adequate leachate management capacity to handle the anticipated generation of leachate during precipitation events (the 25-year, 24-hour storm event equaling 5.6 inches) and during the condition when a thin lift of waste is in place over the liner, and that any shortfall of leachate management capacity shall be met with leachate storage tanks on the landfill site. The leachate management system, at the time of approved closure, including storage and treatment plants acceptance of leachate, shall be capable of handling at least 40,000 gallons of leachate per day (the applicant calculated the post-closure rate from 353 gallons per acre and 111 acres, for an estimated 39,200 gallons per day generated after the cap is placed at closure).
21. The applicant shall install leachate drainage material that encourages rapid leachate drainage while not impacting the membrane line.
22. The plan of operations shall include the construction of operational screening berms of between six (6) and eight (8) feet in height along the Southern edge and partially along the East and West edges of operating cells to help to block the operations from view from Creston Road as well as help contain litter and reduce noise impacts. The Operator shall

EXHIBIT A

propose, and the City Manager shall consider for approval, placement and limits of the operational berms prior to each cell's development. Final approval must be obtained prior to new cell construction. The City Manager shall consider the height of the active face, the distance from the site boundary, and the presence of other visual barriers (such as Unit 2) and the effectiveness of other litter and noise control (such as litter fences and permanent perimeter berms) in making its determination.

23. Perimeter berms shall be built in advance of the cells in order to screen operations to a reasonable extent. It is recommended to require the berms to be built at least 500 feet in advance of the Eastern-most edge of the cell being constructed. By way of example, prior to completion of Cell 3's liner, the Southern berm along Creston Road shall be constructed from E 4,200 to E 6,500, which extends approximately 60-0 feet East of the cell. The vegetation shall be established (with at least a one-year growing period) prior to waste being placed within 400 feet of a cell with active waste placement. The berm shall be at least 14 feet in height, places between the waste footprint and Creston Road, and located between E 4,500 and E 7,500.
24. As part of cap system, the applicant shall install a geocomposite drainage layer the 40-mil membrane to enhance ensure long-term drainage from the cap, minimize infiltration through the cap, and enhance long-term slope stability.
25. The upper cap membrane and bottom liner membrane shall be connected to create a seal against landfill gas migration away from landfill.
26. The City Manager, and-it legal and technical consultants, shall have the right to be involved in the permitting for the horizontal and vertical expansion of the Rochelle Municipal Landfill. As part of this involvement, the City Manager and its consultants may attend meetings between the Operator and its and the IEPA. The City Manager and its consultants may also review and comment on Operator's application (provided such technical review and comment is conducted within 30 days of receipt of the information) prior to the Operator's submission of the applications to the IEPA. The technical review comments shall be incorporated into the applications or addressed to the satisfaction of the City Manager. The Operator agrees to reimburse the City for reasonable costs of its consultants to review and comment on the Operator's applications and submissions.
27. In applying for the IEPA permit the expansion, the Operator shall include all special conditions from the siting approval.
28. The Operator shall submit the groundwater impact assessment (GIA) planned to be IEPA as a permit application to the City Manager for review. The City Manager and its consultants may provide the Operator comment (within 30 days of receipt of the information) that must be incorporated or addressed to submitting the GIA to the IEPA as a permit application.

EXHIBIT A

29. The Operator agrees to provide at no cost to the City Council, all documents submitted to the IEPA in regard to the expansion.
30. The maximum height and lateral expansion shall not extend beyond those in the siting application.
31. The facility shall not accept more than an annual daily of 1,000 tons of waste per day with a maximum of 1,500 tons on any given operating day (absent special written consent given by the City Manager to exceed these levels on a limited basis to address emergency circumstances or public benefit purposes).
32. The Operator shall be responsible for the cleanliness of Mulford Road and routinely sweep Mulford Road between Creston Road and Route 38.
33. The following roadway improvement shall be made to Mulford Road, at the expense of the Operator, prior to acceptance of waste within the expanded facility waste footprint:
 - The reconstruction of Mulford Road between Route 38 and the existing landfill entrance shall be designed to a rural standard with a dust free, all weather surface, provide a design weight limit of 80,000 pounds and shall be at least two lanes wide.
34. The improvement to Mulford Road as described in special condition 33 above shall be completed from the existing landfill entrance to Creston Road, at the expense of the Operator, no than the date on which the proposed new entrance for the expansion is built and completed as required in Special Condition 16.
35. Transfer trailers going to and from the facility shall be contractually obligated to do so utilizing Route 38 West of Mulford Road to the Interstate 38 interchange. It shall also be the obligation of the Operator to enforce such obligation. Video camera shall be installed at the existing site entrance and at the proposed new entrance to monitor facility traffic entering and leaving the expansion on Mulford Road.
36. The expansion shall not accept any waste generated outside the service area defined in the siting application, except as specifically approved otherwise by the City Council in writing.
37. The landscape plan, including the berms and plantings along Mulford and Creston Roads, shall be implemented prior to and during construction of the expansions as described in the siting application and by the testimony of Applicant's land use and engineering experts.

EXHIBIT A

EXHIBIT B
DESCRIPTION AND DEPICTION OF THE LANDFILL

Parcel A

The Southwest 1/4 of the Southwest 1/4 of Section 22, in Township 40 North, Range 2 East of the 3rd. P.M. EXCEPT a tract described as follows: Beginning at a point on the South line of said Section 22, said point being 272.99 Feet East of the Southwest corner of said Section, as measured along said South line, thence continuing East (assumed bearing) along said South line, 188.70 feet, thence North 01 degrees 28 minutes West, 224.19 feet, thence North 88 degrees 28 minutes West 177.29 feet, and thence South 01 degrees 26 minutes West 228.93 feet to the point of beginning, in Ogle County, Illinois.

Parcel B

All that part of the North 1/2 of the South West 1/4 of Section 22, lying South of the Chicago and Northwestern Railroad right-of-way; all that part of the North West 1/4 of Section 22, lying South of the Chicago and Northwestern Railroad right-of-way; all in Township 40 North, Range 2 East of the 3rd Principal Meridian, Dement Township, County, Illinois.



EXHIBIT B

EXHIBIT C
GUARANTY

Guarantor:	WASTE CONNECTIONS US HOLDINGS, INC., a Delaware corporation
Agreement:	CONDITIONAL AMENDED AND RESTATED HOST AGREEMENT AND AGREEMENT FOR THE OPERATION AND DEVELOPMENT OF CITY OF ROCHELLE LANDFILL NO. 2 dated July __, 2021
Agreement Counterparties:	ROCHELLE WASTE DISPOSAL, L.L.C. CITY OF ROCHELLE, ILLINOIS
Date:	_____, 2021

In consideration for the CITY OF ROCHELLE, ILLINOIS (“CITY”) entering into the Agreement (defined above) with ROCHELLE WASTE DISPOSAL, L.L.C., an Illinois limited liability company (“OPERATOR”), and for other good and valuable consideration the receipt and sufficiency of which is hereby acknowledged, GUARANTOR (defined above) irrevocably and unconditionally guarantees to CITY, its successors and assigns, the full and timely payment and performance when due of all present and future contractual obligations and liabilities, whether such obligations be absolute, contingent, due or to become due, now existing or hereafter arising, of OPERATOR to CITY arising from the present and future obligations arising from said Agreement between OPERATOR and CITY and the due and punctual performance and observance of all covenants, conditions and agreements to be performed or observed by OPERATOR under the Agreement (collectively, the “Obligations”).

This instrument is intended to be and shall be construed to be a continuing, absolute, and unconditional guaranty and shall remain in full force and effect until satisfaction of said Agreement. This Guaranty is a guarantee of performance and payment and not of collection.

GUARANTOR waives any and all notice of the acceptance of this Guaranty, presentment, demand, notice of dishonor, protest, notice of any sale of collateral security, any notice of credits extended and all other notices whatsoever. GUARANTOR consents to any extensions of time for the payment of said account, to any changes in the terms of any settlement or adjustment thereof between CITY and OPERATOR and to any changes in the terms of any agreement entered into between CITY and OPERATOR. No delays on the part of CITY in the exercise of any right or remedy shall operate as a waiver thereof. The rights of CITY against OPERATOR are cumulative and shall not be exhausted by the exercise of any of CITY’s rights, hereunder or otherwise, against GUARANTOR or by any successive actions until and unless all indebtedness guaranteed hereunder has been paid. In the event of dissolution, insolvency or inability of the GUARANTOR to pay debts as they mature, or the assignment by the GUARANTOR for the benefit of creditors, the full amount that would be payable if all liabilities were then due and payable shall be due and payable by the GUARANTOR without notice or demand.

GUARANTOR shall reimburse CITY, on demand, for all reasonable attorneys’ fees and expenses incurred by CITY in the enforcement or attempted enforcement of any of CITY’s rights hereunder.

The obligations hereunder of GUARANTOR shall be binding upon its successors. However, this guaranty is not assignable by GUARANTOR and any attempted assignment is voidable at CITY’s option. Additionally, CITY’s rights hereunder are not assignable and any attempted assignment is voidable at GUARANTOR’s option.

EXHIBIT C

The GUARANTOR may exercise or assert any and all legal or equitable rights, defenses, counter claims or affirmative defenses under the Agreement or applicable law which OPERATOR could assert against any party seeking to enforce the Agreement against OPERATOR, and nothing in this Guaranty shall constitute a waiver thereof by the GUARANTOR. The obligation of GUARANTOR under this Guaranty shall be subject to any set-off, counterclaim, recoupment, defense or other right that OPERATOR may assert pursuant to the Agreement, if any.

This Guaranty constitute the entire agreement between GUARANTOR and CITY and supersedes and renders void all prior negotiations and agreements between said parties, whether written or oral, pertaining to the subject matter hereof.

CITY and GUARANTOR agree that this Guaranty shall be governed by and construed in accordance with the laws of the State of Illinois, without giving effect to any conflicts of laws principles thereof which would in the application of the laws of another jurisdiction.

Any provision of this Guaranty may be amended or modified only by an instrument in writing signed by CITY and GUARANTOR.

GUARANTOR represents and warrants that at the time of the execution and delivery of this Guaranty, nothing (whether financial condition or any other condition or situation) exists to impair in any way the obligations and liabilities of GUARANTOR to CITY under this Guaranty. GUARANTOR further represents and warrants that each of the persons signing this Guaranty on its behalf has been properly authorized by appropriate entity action to do so.

***[Remainder of Page Intentionally Left Blank;
Signatures appear on the following page.]***

IN WITNESS WHEREOF, this Guaranty is executed and delivered by GUARANTOR and CITY on the date first set forth above.

GUARANTOR:

**WASTE CONNECTIONS US HOLDINGS, INC., a
Delaware corporation**

By: _____
Name: _____
Title: _____

CITY:

THE CITY OF ROCHELLE, ILLINOIS

By: _____
Name: _____
Title: _____