

MANAGEMENT AGREEMENT

LEICHNER CAMPUS PURCHASE AND SALES AGREEMENT

This MANAGEMENT AGREEMENT is made and entered into as of this day July 24 of 2020, by and between **CITY OF VANCOUVER** ("City or Purchaser"), a municipal corporation, and **CLARK COUNTY** ("County or Seller), a political subdivision of the State of Washington (each a "Party" or collectively referred to as the "Parties"). **LEICHNER BROTHERS LAND RECLAMATION CORPORATION** ("Company"), is not a Party to this Agreement. This Agreement does not supersede or void the Management Agreement entered into by and between the County and Company dated November 21, 2012.

- A. WHEREAS, The City, County and Company entered into a certain Disposal Agreement on December 27, 1988 (the "Disposal Agreement"). The Disposal Agreement provided for the continuation and funding of the FARF with the supervision, monitoring and control of the FARF being the responsibility of County. The FARF was established with separate accounts, intended to fully fund the anticipated costs of mandated closure, post-closure and environmental compliance as well as self-insurance for environmental liability for the Site; and
- B. WHEREAS, Pursuant to the authority set forth in Chapters 35.21 and 36.58 of RCW and in accordance with the Settlement Agreement recorded under Cause Numbers TG-2325, 2236 and 2327 between City of Vancouver ("City"), County, Washington State Utilities and Transportation Commission ("WUTC"), Company and Affiliates, dated June 21, 1990 (the "Settlement Agreement"); and
- C. WHEREAS, On July 9, 1996, the Company, County, City and the WUTC entered into a certain First Amendment to the Disposal Agreement and Settlement Agreement; and
- D. WHEREAS, The County, City, WUTC and Waste Connections of Washington agreed to a Second Amendment to the Disposal Agreement and Settlement ("Second Amendment to Disposal Agreement and Settlement Agreement"). The WUTC issued an order approving execution of the Second Amendment to the Disposal Agreement and Settlement Agreement on September 27, 2012.
- E. WHEREAS, The Court filed a Consent Decree No. 96-2-03081 on July 17, 1996, which represented a negotiated settlement between Washington State Department of Ecology ("Ecology") and Company; and

- F. WHEREAS, the Consent Decree was amended on or around February 12, 2002 to modify the area designated under the Consent Decree (“1st Amendment to Consent Decree”); and
- G. WHEREAS, the Consent Decree was amended on or around March 19, 2013 to approve transfer of ownership of Company property to the County, and to memorialize County responsibility of implementing the terms and conditions of the Consent Decree (“2ND Amendment to Consent Decree”); and
- H. WHEREAS, Purchaser and Seller entered into a Purchase and Sale Agreement effective November 21, 2019 for real property located in Clark County (the “Property”) and more accurately described therein (the “Purchase Agreement”). The Purchase Agreement is attached as Exhibit A and incorporated herein for reference; and
- I. WHEREAS, the Purchase Agreement required in Section 8(e.) Contingent Conditions for the Parties to execute a mutually agreed upon Management Agreement by no later than close of sale. Exhibit A, Section 8(e.) Contingent Conditions, is herein incorporated in this Agreement for reference and
- J. WHEREAS, The Parties acknowledge that the Purchase Agreement does not contemplate certain necessary actions by the Parties to be completed after close of sale.

NOW, THEREFORE, in consideration of the promises and such other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereto agree as follows:

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- 1) The parties shall work jointly and collaboratively to complete, and obtain any required agency approvals for transfer of ownership of Property. The Parties acknowledge the Seller on November 12, 2019 submitted the required notifications to Ecology as described in the Purchase Agreement Section 8(b). On November 20, 2019 Ecology notified the parties that the intended use complies with the terms and conditions of the Restrictive Covenant. The parties acknowledge that this Section fulfills and satisfies the intent of Purchase Agreement Section 8. Contingent Conditions and Section 10.f. Consent Decree.
- 2) The parties shall work jointly and collaboratively to complete, and obtain any required agency approvals for all necessary amendments to the Consent Decree as described in Purchase Agreement Section 10(f) Representation and Condition of Property. The Parties Acknowledge that any actions necessary to amend the Consent Decree will occur after close of sale.

- 3) The Parties acknowledge that an Environmental Pollution Liability Policy (“Policy”) was bound by County on May 10, 2011 for the purpose of meeting financial and legal obligations of a future and unforeseen environmental liability at the Property. The initial term of Policy is ten years from June 2011 through June 2021. The Policy limits are \$20,000,000 per occurrence and \$40,000,000 in aggregate with a deductible of \$250,000. The deductible will be paid from FARF for successful claims. The Parties agree to authorize the voting members representing each Party on the Leichner Landfill Oversight Committee (“LLOC” and “LLOC Authorized Designees”) to renew Policy and limits of Policy prior to the end of the initial term and any subsequent term of Policy. The “LLOC Authorized Designees” shall approve use of FARF funds to renew Policy.
- 4) In light of the Parties' ongoing relationship as neighboring property owners, The Parties agree to the ongoing shared maintenance of all common improvements, future relocation and/or installation of a new perimeter fence, and other relevant items. The “LLOC Authorized Designees” shall approve use of FARF funds to relocate or install the landfill perimeter fence based on future development plans.
- 5) The Parties agree to conditions of Property Management. City is responsible for maintaining the Property including mowing, minor repairs to roads and fences of Property after purchase of real property is complete.
- 6) The Parties agree that the existing access easements on the purchased parcels remain in place, including the access road (see Exhibit B). The City allows the County access to the landfill for maintenance, monitoring and to monitor/maintain/install/abandon existing monitoring devices.
- 7) The Parties agree that the “Authorized LLOC Designees” shall approve use of FARF funds for installing, relocating and abandoning existing monitoring devices, with approval from Ecology, as needed for City operations.
- 8) The Parties agree that the “Authorized LLOC Designees” shall approve use of FARF funds for evaluating engineering impacts and cost associated with relocation of gas flare station and associated underground and above ground piping if determined necessary due to City operations and/or consistent with previously developed landfill improvement plans.
- 9) The Parties agree that any cost associated with physical relocation of gas flare station and associated underground and above ground piping if the City determines it is necessary due to City operations shall be the responsibility of the City.

