

AGREEMENT

This Agreement is entered into as of the 21st day of FEBRUARY, 2014 between Janet R. Davidson, individually and on behalf of Marshall Landfill, Inc. and Marshall Processed Properties, Inc. (collectively "Marshall Landfill"), Jeannette Davidson, and Spokane Regional Health District.

RECITALS

A. Marshall Landfill, Inc. and Marshall Processed Properties, Inc. operated a landfill in Spokane County regulated by Spokane Regional Health District and the Washington State Department of Ecology.

B. On December 27, 1990, the parties entered into an agreement entitled *Marshall Landfill Post-Closure Financial Assurance Agreement*, pursuant to which Marshall Landfill deposited the sum of \$540,000.00 into an escrow account to be used exclusively for the purpose of post-closure activities related to the Landfill. SRHD was the beneficiary of the escrow account.

C. On June 2, 1993, SRHD granted Marshall Landfill's request for a variance to allow funds contained in the post-closure escrow account to be used to pay for groundwater monitoring at the site of the landfill. The variance required review and approval by the Director of Environmental Health of the Spokane Regional Health District prior to any disbursement from the escrow account.

D. Beginning in 2008, Marshall Landfill groundwater monitoring invoices were submitted to and paid out of the escrow account without the knowledge or approval of Spokane Regional Health District. Between 2008 and 2010 approximately \$61,877.97 was disbursed from the escrow account without the approval of SRHD as required by the variance.

E. In 2011, Marshall Landfill hired Jeannette Davidson as Administrator for the Marshall Landfill. Between January 2012 and August 2013, Jeannette Davidson submitted invoices to US Bank for payment out of the escrow account. These invoices contained charges for meetings, site visits, bonuses, storage and other activities that were not groundwater monitoring as authorized by the variance. These invoices were not approved for payment by SRHD, and would not have been approved since they were outside of the activities approved by the variance and in fact, groundwater monitoring had ceased at the site at the end of 2011. Jeannette Davidson received \$36,655.70 in unauthorized payments out of the escrow account.

F. In July 2013, SRHD became aware that unauthorized payments had been made out of the escrow account.

G. Through this Agreement, the parties wish to resolve the disputes between them as to the unauthorized disbursements out of the escrow account.

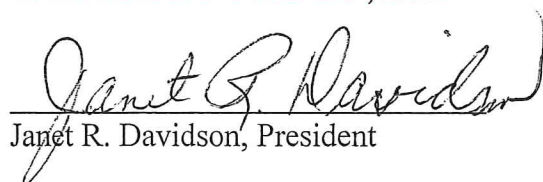
TERMS

For good and valuable consideration, receipt and sufficiency of which is acknowledged, the parties agree as follows:


1. Marshall Landfill agrees that funds remaining in the Marshall Landfill, Inc. Post-Closure account, wherever situated, may be used for any remaining water monitoring or other activities recommended by the Washington State Department of Ecology and/or Spokane Regional Health District.
2. Marshall Landfill agrees that SRHD may transfer the Marshall Landfill, Inc. Post-Closure account from U.S. Bank to Washington Trust Bank, or other financial institution, without further notice to or approval from Marshall Landfill. Marshall Landfill will promptly sign any necessary documentation to accomplish the transfer upon request. The transfer shall be accomplished through an inter-bank transfer and the money shall not be in Marshall Landfill, Janet Davidson or Jeannette Davidson's possession at any time.
3. Marshall Landfill agrees that Spokane Regional Health District may use escrow account funds to pay for any remaining groundwater monitoring that the Washington State Department of Ecology deems necessary or appropriate as set forth in paragraph 1 above. Once SRHD and the Department of Ecology have concluded that no further groundwater monitoring is necessary, the remaining funds in the escrow account shall be transferred to a closure account and applied to expenses to close the site without further notice to Marshall Landfill. The parties acknowledge and agree that there are insufficient funds in the escrow account to fund complete closure of the Marshall Landfill site.
4. Marshall Landfill and Jeannette Davidson hereby assign all rights they may have to assert an action against the escrow agent US Bank to Spokane Regional Health District.
5. Spokane Regional Health District releases Marshall Landfill from any obligation to repay funds previously paid out of the post closure account to Jeannette Davidson.

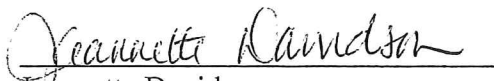
Dated this 21st day of February, 2014.

MARSHALL LANDFILL, INC.


Janet R. Davidson, President

SPOKANE REGIONAL HEALTH
DISTRICT


Lloyd I. Smith, Administrator
Spokane Regional Health District


Jeannette Davidson