

Exhibit C
Memorandum of Understanding Regarding Use of
Financial Assurance Reserve Fund (“FARF”) Pursuant to Landfill Agreements for
County Project Administration and Management

THIS MEMORANDUM OF UNDERSTANDING (“MOU”) regarding the use of funds in FARF is entered into in accordance with terms set forth in that certain Disposal Agreement dated December 27, 1988, between the City of Vancouver, a municipal corporation of the State of Washington (“City”), Clark County, a municipal subdivision of the State of Washington (“County”) and Leichner Brothers Land Reclamation Corp., a Washington corporation (“LBLR” or “Company”); that certain Settlement Agreement dated June 21, 1990, between City, County, and the Washington Utilities and Transportation Commission (“WUTC”), Company and its (former) affiliates, The Disposal Group, Inc. d/b/a Twin City Sanitary and Vancouver Sanitary, and Buchmann Sanitary Service, Inc (“Affiliates”); and that certain First Amendment to Disposal and Settlement Agreement dated July 9, 1996 between the City, County and Company. This MOU is effective as of the 10 of January 2012.

BACKGROUND:

- A. Company is owner and operator of the closed Leichner Landfill (hereinafter the “Site”), a sanitary landfill which served incorporated and unincorporated Clark County. The Site was closed on December 31, 1991.
- B. Beginning in 1987, The Washington State Department of Ecology (“Ecology”) issued a series of consent orders requiring investigation and remediation of contaminated groundwater beneath the Site. In 1996, Ecology and Company entered into a Consent Decree (“Consent Decree”) to provide for remedial action at the Site.
- C. On March 29, 1988, the City and County entered into a Solid Waste Reduction and Disposal Agreement to Direct the flow of solid waste, provide funding for landfill closure, and to establish and fund a landfill reserve fund now called the Financial Assurance Reserve Fund (“FARF”) held and administered by the County.
- D. The FARF Fund 6310 provides the financial resources to carry out closure, post closure and remedial actions at the Site required by Ecology and the Clark County Health Department (“CCHD”), formerly known as the Southwest Washington Health District.
- E. 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 under the supervision, monitoring and control of the FARF of the 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.

- F. On July 9, 1996, the City, County and Company agreed to enter into the First Amendment to Disposal and Settlement Agreement. The First Amendment modifies the terms and conditions set forth in the Disposal Agreement and Settlement Agreement to the extent it establishes procedures for payment of expenditures related to compliance with the Consent Decree and requires among other things, the establishment of an Oversight Committee responsible for management of the Site and the administration of the FARF related to overall compliance with Consent Decree.
- G. The Oversight Committee consists of various representatives from City, County, and Company and provides the opportunity for CCHD, WUTC and Ecology to designate a representative.
- H. The Oversight Committee reviews budget estimates for compliance with the Consent Decree on an annual basis, and approves the two-year Revised Environmental Compliance Budget ("RECB").
- I. The County, City and Company are engaged in on-going negotiations regarding the eventual redevelopment of the site for a future end-use including the potential for the County's purchase of the landfill properties.
- J. As of January 1, 2010, the Oversight Committee authorized the assigned County Staff person to release a request for proposal for on-going post-closure care of the site. The authorization included the development of a new Environmental Services Agreement for review and approval by the parties
- K. The approved RFP and Environmental Services Agreement shift primary responsibility for contract administration and management from the Company to the assigned County staff person.
- L. The parties acknowledge that the long-term and on-going nature of the project requires the attention of a professional staff person with the experience and training to complete assigned tasks and comply with the complex regulatory requirements of the site.
- M. The agreements recognize that the RECB is an estimate of the actual expenses necessary to comply with post-closure care. It is the intent of the agreements that those providing services are compensated from the FARF on a time and material basis for costs and expenses that are in conformance with the RECB, that are legal, and incurred in performance of the agreements.

NOW THEREFORE, IN CONSIDERATION OF THE PARTIES COMMITMENT TO REMEDIATE THE SITE IN COMPLIANCE WITH THE CONSENT DECREE AND MUTUAL COVENANTS AND PROMISES OF THE COLLECTIVE AGREEMENTS, THE PARTIES AGREE AS FOLLOWS:

1. County Department of Environmental Services Director is authorized to assign a County staff person to serve as County Project Manager for the Leichner Landfill Project (“the Project”).
2. County Department of Environmental Services Director is authorized to assign a County staff person(s) (“assigned County staff person”) to assist County Project Manager with the Project. Project tasks of the assigned County Staff Person are subject to a separate memorandum of understanding with approval by Oversight Committee.
3. The Oversight Committee will on an annual basis review the time spent by county staff associated with County administration/management of the Project.
4. The Oversight Committee will on an annual basis establish and approve a budget amount for positions associated with County administration/management of the Project.
5. The approved annual cost associated with County Project administration/management is included as a line item of the approved annual RECB.
6. The Oversight Committee will, on a bi-annual basis, establish and approve reimbursement of the two-year estimate of salary, benefit and overhead cost associated with County administration/management of the Project.
7. The Oversight Committee review and approval process shall conform to the same time schedule as the established County budget process.
8. The County is authorized to transfer funds from FARF 6310 to County enterprise fund 4014 (Solid Waste Fund) for the reimbursement of salary and benefit cost associated with County Project administration/management.
9. The assigned County Staff person is authorized to submit a monthly invoice for salary, benefit and overhead costs associated directly with the administration/management of the Project for reimbursement from FARF.
10. Disbursements from FARF for County administration/management of Project shall not exceed the amount approved in the annual RECB without Oversight Committee authorization in advance and an amendment to RECB
11. The Company and City shall receive an electronic copy of the monthly invoice for their records.

