

proud past, promising future

March 7, 2012

David C. Gomez
Deputy Assistant Director, Water and Transportation
Washington Utilities and Transportation Commission
PO Box 47250
Olympia, WA 98504-7250

RE: Leichner Landfill Second Amendment to Disposal and Settlement Agreement

Dear Mr. Gomez,

In May of 2011, Clark County ("County") and Leichner Brothers Landfill Reclamation Corporation ("Company") executed a purchase and sale agreement ("PSA") to transfer ownership of the landfill properties to the County. A copy of the executed PSA has been enclosed for Washington Utilities and Transportation Commission ("UTC") staff review. The terms and conditions of the PSA require the parties to execute a second amendment to the Leichner Landfill Disposal and Settlement Agreement ("DSA"). The County, Company, City of Vancouver ("City") and UTC are all parties to the DSA. The County has been assigned lead agency status for communicating with UTC staff for the purposes of negotiating the amendment.

The County, City and Company have, subsequently, prepared a draft Second Amendment to the Disposal and Settlement Agreement for UTC staff review. In addition to the Draft Second Amendment to DSA, the County has prepared a draft financial assurance model for UTC staff review. The County is the trustee for the Leichner Landfill Financial Assurance Reserve Fund ("FARF"). The financial assurance model is designed to provide an estimate of current and future expenses associated with the administration, maintenance and monitoring of the site to determine if the FARF is sufficient to meet financial assurance requirements. The model also serves as an updated Exhibit A to the amended DSA and Exhibit E Financial Assurance to the Consent Decree. Copies of the draft Second Amendment to the DSA and financial assurance model have been enclosed for UTC staff review.

A proposed element of the draft Second Amendment to DSA is the termination of the role of the UTC in the future financial administration of the site. Upon execution of the Second Amendment to DSA, the site will be jointly managed by the County and City with the Company serving in a limited advisory role. Legal Counsel for the County, City and Company recommend that UTC staff review the potential for the parties to enter into simple termination agreement versus forwarding the amendment to the Commission for formal approval. The UTC no longer regulates landfills. UTC staff has had no active role in the financial administration of the site since the execution of the First Amendment to the Disposal and Settlement Agreement in 1996.

The County, City and Company jointly manage the site under the terms and conditions of the First Amendment to the Disposal and Settlement Agreement and a Consent Decree with the Washington Department of Ecology ("WDOE"). The WDOE has been notified of the pending sale and the need to amend the Consent Decree to reflect the change in ownership. The request to amend the Consent Decree will occur concurrently with the request for the UTC to amend the DSA.

The County, City and Company request UTC staff review the enclosed documents. Electronic versions of this correspondence and the aforementioned documents have been forwarded to your email address. Please forward any concerns or comments to Lawrence Watters, Deputy Prosecuting Attorney, Clark County Prosecuting Attorney. Mr. Watters can be reached via email at Lawrence.watters@clark.wa.gov or via telephone at (360) 397-2478 ext 4956.

Sincerely,

Michael Davis

Leichner Landfill Project Manager

Clark County Department of Environmental Services

(360) 397-2121 ext. 4920

CC:

Steve Horenstein, HLG
Craig Leichner, LBLRC
Mark Leichner, LBLRC
Peter Capell, Clark County
Michael Davis, Clark County
Lare Watters, Clark County
Kevin Gray, Clark County
Ted Gathe, City of Vancouver
Brian Carlson, City of Vancouver