LANDFILL AGREEMENT

Rockingham County and the City of Harrisonburg

This Landfill Agreement is made as of the 1st day of February, 2015, by and between the City of Harrisonburg, a Virginia municipal corporation (the City), and Rockingham County, a political subdivision of the Commonwealth of Virginia (the County), who agree together as set forth in the following paragraphs.

1. Rescission.

That certain Landfill – Resource Recovery Facility Agreement dated January 12, 2012, between the City and the County pertaining to solid waste management, the City's resource recovery facility (the RRF) and the County's sanitary landfill (the Landfill) is hereby rescinded and replaced by this Agreement.

2. <u>Closure Participation</u>.

State and federal regulations require that when a landfill cell ceases to accept waste, or becomes "inactive", it must be subjected to "closure" as then prescribed in the regulations, and that certain maintenance and monitoring responsibilities must be performed on inactive cells for 30 years post-closure. An operator of a landfill must show in its current financial statement an annual operating liability for closure and post-closure expenses and must set aside a fund to cover that liability. The amount of the liability must provide for mandated closure and post-closure responsibilities and is to be calculated as set forth in the regulations. The County and City have divided the closure and post-closure liability *pro rata* for all cells active as of December 31, 2011 (the Active Cells). Each party is responsible for that percentage of waste deposited in the Active Cells that originated in the jurisdiction of each party, according to disposal records maintained at the Landfill. The City's liability for closure and post-closure is Two Million Six Hundred Ninety-Seven Thousand Nine Hundred Sixty-Five and no/100 Dollars (\$2,697,965.00). This amount shall be reflected on the City's

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annual

financial statements, and a fund shall be maintained by the City to cover such liability until such time as the fund either is depleted by draws from the County or the 30-year closure period for the last of the Active Cells has ended. The County shall draw from this fund by invoice submitted to the City for costs incurred for closure and post-closure care for the Active Cells. This Closure Participation provision shall survive termination of this Agreement.

3. Tipping Fees.

The County shall charge for all City-originated waste, regardless of type or hauler, in accordance with the County's then current tipping fee schedule applicable to County-originated waste.

Quantity of Waste.

The City agrees to give the County six (6) months' notice of a greater than fifty percent (50%) change in average monthly tonnage of waste brought to the Landfill from the City, whether the change is an increase or a decrease. "Average monthly tonnage" shall be calculated on the immediately preceding six month rolling average. If the change is the result of circumstances beyond the City's control, the City agrees to give the County as much notice as possible.

5. Right to Refuse Waste.

Regardless of origin or hauler, the County reserves the right to refuse any waste, the type or quality of which does not comply with Landfill or applicable federal, state or local regulations. The County reserves the right to refuse any quantity of waste the acceptance of which could cause a violation of Landfill or applicable federal, state or local regulations, or could be deleterious to the Landfill operation, including but not limited to, causing a cell to fill faster than a new cell can be opened. The County shall give the City at least six months' notice of its intent not to accept on the basis of the current cell filling faster than a new cell can be opened.

6. <u>Term of Agreement</u>.

This Agreement shall commence on February 1, 2015 and shall terminate on December 31, 2022, unless sooner terminated by written agreement of the parties with no less than three years written notice, or as a result of breach.

| Rockingham County, a Virginia | The City of Harrisonburg, |
|-------------------------------|----------------------------------|
| Political subdivision | a Virginia municipal corporation |
| Ву: | Ву: |
| Its: County Administrator | Its: Citv Manager |