

May 4, 2017

Board of Directors
Ventura Regional Sanitation District
Ventura, California

**APPROVAL OF VRSD CONTRACT 16-022 WITH THE CITY OF FILLMORE
FOR BIOSOLIDS DISPOSAL AT THE TOLAND ROAD LANDFILL**

RECOMMENDATION

Approve, and authorize Board Chair to sign, VRSD Contract 16-022 with the City of Fillmore for Biosolids Disposal between Ventura Regional Sanitation District and City of Fillmore.

FISCAL IMPACT

Under the terms of the proposed Contract 16-022, the City of Fillmore will pay VRSD \$50 per wet ton of Class A biosolids delivered to the Toland Road Municipal Solid Waste Landfill for disposal, which equates to estimated annual revenue for the District of approximately \$79,800, based on average monthly deliveries in 2016.

BACKGROUND/ANALYSIS

VRSD owns a biosolids drying facility at the Toland Road Landfill, which started operation in the autumn of 2009. VRSD began accepting biosolids from the City of Fillmore in January 2010. On October 1, 2015, the District Board of Directors placed the facility in a non-operational status due to certain technical/mechanical, regulatory compliance, and economic concerns that affected the long-term viability of the facility. The Board placed the facility in non-operational status to focus on immediate landfill capital work and the potential of extending the permit life of the landfill. VRSD continues to provide biosolids disposal service to Fillmore and other cities in the County, with the biosolids going directly into the landfill.

In May 2016, the Board approved a new contract with the City of Oxnard for biosolids disposal service reducing the fee from \$64 to \$50 per wet ton. Subsequently, the Board determined that the \$50 per-ton rate should be offered to the other cities for which biosolids disposal service is provided, including the City of Fillmore, which is currently paying \$62.70 per wet ton.

Using the new contract with the City of Oxnard as a model, VRSD staff prepared a similar agreement for the City of Fillmore. The Fillmore City Council approved the agreement at its meeting on December 13, 2016. When the contract was brought before the VRSD Board at its January 12, 2017 meeting, the Board determined that the proposed termination date of June 30, 2023 should be revised to match that of the City of Oxnard agreement (June 30, 2018) and directed staff to send the contract back to the City of Fillmore with that sole change. Staff did so, and the Fillmore City Council approved the revised agreement (copy attached) at their February 14, 2017 meeting. The agreement and this letter have been reviewed by VRSD legal counsel. In light of the fact that the City initially approved the proposed contract in December, counsel recommends that VRSD honor the new, lower price-per-ton as of January 1, 2017, as a gesture of good faith and because the change necessitating the delay was initiated by VRSD. This equates to an estimated credit to the City of approximately \$6,700.

If you have any questions or need additional information, please contact me by phone at (805) 658-4600 or via email at christheisen@vrsd.com.

APPROVED FOR BUDGET IMPACT:



Vickie Dragan, Director of Finance

APPROVED FOR May 4, 2017 AGENDA



Chris Theisen - General Manager

Attachment: VRSD Contract 16-022

VENTURA REGIONAL SANITATION DISTRICT
CONTRACT NO. 16-022
AGREEMENT FOR BIOSOLIDS DISPOSAL BETWEEN
VENTURA REGIONAL SANITATION DISTRICT
AND
CITY OF FILLMORE

THIS AGREEMENT dated _____ ("Agreement Date") is made and entered into by and between Ventura Regional Sanitation District, a public agency formed pursuant to California Health & Safety Code §4700 *et seq.* ("District" or "VRSD"), and City of Fillmore, a municipal corporation of the State of California ("City"). Together, the District and the City shall be referred to herein as Parties.

RECITALS

- A. District owns, operates and maintains the Toland Road Municipal Solid Waste Landfill ("Landfill") located at 3500 Toland Road, Santa Paula, CA 93060.
- B. As defined in Section XVIII. E of this Agreement, the Landfill is operated pursuant to state and local permits that expressly allow and provide for the disposal of biosolids, which are organic materials resulting from the treatment of domestic sewage in a treatment facility, at the Landfill.
- C. City owns and operates the Fillmore Water Recycling Plant ("Plant"), which produces or generates biosolids after treatment of wastewater from the City's sewer or sanitation system.
- D. Parties desire to secure and provide environmentally sound, legally compliant, economic and reliable transportation and disposition of biosolids generated at the Plant.
- E. Parties have previously entered into VRSD Contract No. 09-029 which provided for environmentally sound, legally compliant, economic and reliable transportation and disposition of biosolids generated at the Plant.
- F. Parties now seek to replace VRSD Contract No. 09-029 with this Agreement's terms and conditions.

AGREEMENT

NOW THEREFORE, in consideration of the mutual covenants, promises, valuable consideration and agreements set forth below, and based upon the recitals above, the Parties agree to the following terms and conditions:

I. **TERM.** The term of this Agreement shall commence on the first day of the month immediately following execution of this document by City and District, and shall terminate June 30, 2018 unless terminated earlier pursuant to terms of this Agreement. City and District shall each have the option of terminating Agreement at any time after December 31, 2016, on 30 days' written notice to the other party. Effective on the first day of the month immediately following execution of this document by City and District, District Contract No. 09-029 shall be deemed terminated and have no further force or effect.

II. CITY'S BIOSOLIDS DELIVERY COMMITMENT.

A. **City's Biosolids Tonnage Commitment.** City shall deliver biosolids, as defined in Section XVIII below, generated at the Plant to the District for final disposition or disposal at the Landfill. City shall deliver to District the Plant's entire Class B biosolids production.

B. **Title to Biosolids.** City warrants that City has good title to all biosolids delivered under this Agreement. Title to all biosolids delivered by City to District under this Agreement shall be conveyed to District upon acceptance by District of the biosolids as set forth in Section III. C. 6 of this Agreement below.

C. **Plant Upsets and Inability to Produce Class B Biosolids.** Notwithstanding Section II.A. of this Agreement, in the event of a catastrophic upset or failure of the aerobic digestion system at the Plant that renders the Plant unable to produce Class B biosolids, the City shall provide notification to the District within 12 hours of the catastrophic upset or failure of the aerobic digestion system at the Plant of the following:

(1) The aerobic digestion system at the Plant is unable to meet Class B biosolids criteria due to an unforeseen process failure beyond its reasonable control.

(2) The length of time the City anticipates it will take for the process failure to be corrected and for the Plant to resume producing Class B biosolids.

(3) The City's decision to suspend biosolids deliveries to the District for the District's transportation and disposition of biosolids from the date of the notification to the date the Plant resumes producing Class B biosolids but not to exceed one-hundred twenty (120) calendar days from the date of the notification.

D. **Alternative Transport/Disposal in case of Suspension.** During any suspension period

noted in Section II.C.3 above, the City may contract with alternate biosolids transport/disposal contractors for transportation and disposition of Plant biosolids at the City's expense. The District may opt to be considered by the City as an alternate biosolids transport/disposal contractor under these conditions when Class B biosolids cannot be produced.

E. Payment in case of Suspension. During any suspension period noted in Section II.C.3 above, the City shall not be obligated to pay and shall not pay the District any fees for biosolids not transported or disposed of by the District. If there is any suspension period as described in Section II.C.3 above, the City shall be relieved of its obligation to meet the annual tonnage that the District would have transported, received and disposed of at the Landfill if the suspension had not happened.

III. DISTRICT SERVICE COMMITMENT.

A. Commitment to Accept Biosolids. During the term of this Agreement, District shall accept the biosolids delivered by City pursuant to Section II.A. of this Agreement. District's obligation to accept City's biosolids under the terms of this Agreement shall not be subject to any other condition except governing federal, state or local laws and regulations. The intent of the Parties is that the City shall rely upon District's service commitment and that City shall not be required to make other arrangements for the management, hauling, processing, use or disposal of the biosolids covered by this Agreement.

B. District Landfill Operation Responsibility. District shall be solely responsible for the hauling and disposition of biosolids delivered in compliance with this Agreement and for the administration and enforcement of all agreements and regulatory requirements relating to the operation of the Landfill. District will conduct appropriate and reasonable monitoring to ensure that the Landfill meets all regulatory requirements imposed pursuant to the Landfill Permits or otherwise imposed by the County of Ventura, Ventura County Air Pollution Control District, California Department of Health Services, California Department of Resources Recycling and Recovery (CalRecycle), California Regional Water Quality Control Board - Los Angeles Region, United States Environmental Protection Agency and any other regulatory agency with jurisdiction over the Landfill.

C. Transportation Service. At the Plant, City shall load all biosolids into trailers supplied by District for transportation by District to the Landfill. District shall provide biosolids hauling services required to transport the biosolids delivered under this Agreement from the Plant to the Landfill. These transportation services shall comply with the following provisions:

(1) **Compliance with Plant Traffic Rules.** District shall comply with all traffic scheduling, routing, health, and safety rules and regulations governing traffic to and from the Plant.

(2) **Requirements for Trailers.** District shall supply an adequate number of trailers to transport biosolids from the Plant to the Landfill. One trailer will be available on-site at the Plant at all times to

accommodate City solids dewatering schedule. The trailers shall have capacity for a minimum of twenty-two (22) tons and shall meet all California Vehicle Code requirements for weight and load distribution when normally filled from the Plant's dewatering facility. City shall attempt to load the trailers reasonably close to, but not over, the capacity of the trailers. Trailers shall be free of any biosolids on the exterior, tightly covered and closed in with a water-tight seal capable of preventing dripping during transportation. City will make available a trailer wash-down area on the Plant site to allow for cleaning before departure, if necessary.

(3) **Routine Scheduling.** District and City shall cooperate and coordinate with one another in developing a routine schedule for the transport of biosolids. The schedule shall provide the hauler with a routine departure time while keeping pace with Plant production/generation of biosolids and not exceeding the reserve capacity of the trailers available. Transportation will occur during Landfill Operating Hours in accordance with the Plant and Landfill Permits. The only on-site Plant storage of biosolids shall be in the trailers, and no biosolids-loaded trailer shall remain on the Plant site longer than forty-eight (48) hours unless City provides written approval of an extension of this time limit. City shall be responsible for loading and shuttling biosolids trailers to and from the Plant loading area. Following disconnection of the empty trailer, District shall connect the filled trailer as designated by City.

(4) **Traffic Safety and Responsibility.** District agrees to be responsible for inspecting each trailer for roadworthiness as required by California Vehicle Code and shall correct any safety problems before transporting biosolids. All traffic citations or citations for violations of health and safety regulations issued by law enforcement or regulatory agencies shall be the responsibility of the District.

(5) **Weight and Load Requirements.** It shall be the responsibility of the District to assure that each transported load meets weight and load distribution requirements before transport. If any load does not meet these requirements, District will notify the City's representative before moving the trailer outside the Plant, and District and City personnel will coordinate to redistribute the load as required.

(6) **Title to Biosolids.** District shall take title to and possession of the biosolids upon loading the biosolids in District trailers at the Plant.

(7) **Operational Permits.** District shall provide copies of all related operational permits for the Landfill, as well as all applicable permits for transportation of biosolids, to the City for its inspection during regular business hours at the District offices upon the City's request which shall, at minimum, be 24 hours prior to the scheduled date and time for inspection.

(8) **Adequate Equipment.** District shall provide sufficient equipment to meet its service commitment in accordance with this Agreement. Such equipment shall include trucks, trailers, and associated equipment.

(9) **Record-Keeping.** For three (3) years following the termination of this Agreement, District will keep and store complete and accurate records detailing all biosolids hauled from the City including

all invoices and original weight tickets. District will make the records available for inspection and copying by the City during reasonable business hours.

(10) **All-Weather Operations.** District shall provide Landfill facilities to enable it to accomplish the scope of work in this Agreement during periods of inclement weather subject to the limitations of Section XIX. H. below.

IV. DISTRICT RIGHT TO REFUSE UNACCEPTABLE OR HAZARDOUS WASTE.

A. District Refusal Rights. District may refuse delivery of any biosolids from the City that do not meet the specifications set forth in Section XVIII of this Agreement, or that may contain Unacceptable Waste or Hazardous Waste, as defined herein and as determined by the District, in any quantities.

B. Screening and Removal of Unacceptable Waste or Hazardous Waste. City shall not knowingly deliver, and shall use all legal means reasonably available, in cooperation with District, to prevent the delivery of Unacceptable Waste or Hazardous Waste, as defined in Section XVIII below, to the District. District may inspect all biosolids delivered by City before or after loading for the presence of Unacceptable or Hazardous Waste. District and City shall conduct any and all biosolids monitoring and reporting requirements established under their respective permits in compliance with all applicable laws.

C. Disposal Responsibility and Costs. District shall remove, and dispose of or cause the removal and disposal of, all Unacceptable Waste or Hazardous Waste delivered to District by the City. City shall pay for all costs and expenses incurred by District in connection with its obligations under this section.

V. BIOSOLIDS FEES.

A. Biosolids Fee. In consideration for District's performance of its obligations in this Agreement, City shall pay District Fifty Dollars (\$50) per wet ton of biosolids delivered ("Biosolids Fee"). The parties agree that this Biosolids Fee compensates District for all costs incurred by District under this Agreement, including, but not limited to, the management, permitting, hauling, processing, disposal of the biosolids covered by this Agreement. The rate of fifty dollars (\$50) per wet ton will commence on the first day of the month immediately following execution of this document by City and District.

B. Adjustment of Biosolids Fee. The Biosolids Fee may only be adjusted through an amendment to this Agreement pursuant to Section XIX.

VI. MEASUREMENT.

The tonnage used to calculate the Biosolids Fee shall be based on the weight of each loaded biosolids delivery truck measured at the weight scales described below, minus the certified tare weight for each truck and any other previously weighted partial loading also being carried by the same truck. District may

install, operate, and maintain an adequate scale system at the Landfill to weigh these biosolids delivery trucks. District may also use other certified scales. District shall maintain and make available to City the following information: (1) Day of the week; (2) Calendar date; (3) Time of day; (4) Vehicle identification; and (5) Total number of tons of biosolids delivered to the Landfill that is accepted by District. All scales and weighing equipment shall be kept in good and accurate condition operating at the standards of accuracy and reliability specified in the California Code of Regulations. District or its contractors shall establish the tare weight of each delivery truck.

VII. PAYMENT OF BIOSOLIDS FEES.

A. Monthly Statement. On or before the tenth (10th) working day following the end of any month for which payments are required to be made under this Agreement, District shall mail to City a bill setting forth the Biosolids Fees for such prior month based on the number of tons delivered and accepted by District and the price per ton established pursuant to this Agreement. On or before the thirtieth (30th) working day following the postmarked date of such bill, City shall mail the payment to District of the full amount of such fees.

B. Disputes. If City disputes any amount billed by District in any billing statement, City shall nonetheless pay the undisputed amount and shall mail to District detailed written objection within twenty (20) working days of the receipt of such billing statement indicating the amount that is being disputed and providing all reasons then known to City for its objection to or disagreement with such amount. If City and District are not able to resolve such dispute within twenty (20) days after City's objection, either party may pursue legal remedies.

C. Failure to Pay Bill. If payment in full of any bill rendered by District is not made as required, the unpaid balance shall bear an additional interest charge of one and one-half percent (1.5%) per month until full payment is made. District shall also be entitled to recover its reasonable expenses, including attorneys' fees incurred in obtaining payment of any unpaid balance hereunder. City may, at its option, pay all or any portion of a bill under written protest and bring action to recover same.

VIII. OPERATING HOURS.

The Landfill's operating days and hours for receiving biosolids will be established by District Resolution and made available to City ("Operating Hours"). The Landfill shall receive deliveries six (6) days a week, Monday through Saturday, except for established holidays, emergencies, upset conditions, or closures for maintenance that District determines to be necessary to comply with the Landfill's operating or regulatory requirements.

IX. RIGHT OF SITE INSPECTION.

Subject to the provisions of the operating permits for the Plant and the Landfill, District and City shall permit duly authorized representatives of District and City to enter and inspect the Landfill and the Plant upon prior notice to the other party during usual business hours for the purpose of coordinating the implementation of this Agreement. All records of transactions relating to biosolids delivered to the Landfill, including, but not limited to, documents regarding the characteristics of the biosolids, calibration of scales, truck maintenance, District Spill Response Plan, and driver training shall be made available to City's representatives upon request.

X. PROTECTION OF PERSONS AND PROPERTY.

District shall be responsible for initiating, maintaining and supervising all safety precautions and programs in connection with its performance, including the performance of all its contractors, including contractors hauling waste to the Landfill under this Agreement. District shall take all reasonable precautions for the safety of and provide reasonable protection to prevent damage, injury or loss to, all City, District and other related hauler employees and all other persons who may be affected thereby and other property at the Landfill site or adjacent thereto, including roadways, structures and utilities. District shall promptly remedy all damage or loss to any property referred to above caused whole or in part by District or other related haulers or contractors or anyone directly or indirectly employed by any of them. District shall give all notices and comply with all applicable laws, ordinances, rules, regulations, and lawful orders of any public authority bearing on the safety of persons or property or their protection from damage, injury or loss.

XI. COMPLIANCE WITH LAWS AND ORDINANCES.

District shall keep itself fully informed of all ordinances, laws, regulations, orders and permits which in any manner affect those engaged and employed herein or the materials used, or in which in any way affect the conduct of operations on or off the Landfill site, including all permit conditions and other requirements relating to the Landfill operation. District at all times shall observe and comply with, and shall cause all of its agents, employees and contractors to observe and comply with all such existing and future laws, ordinances, regulations, orders and permits, and shall hold harmless, indemnify and defend City and its employees, agents, representatives and/or independent contractors from liability for violations of such requirements caused by District or other related haulers or contractors. District or other related haulers and subcontractors shall obtain all licenses and permits required to perform work under this Agreement. Evidence of such permits and licenses shall be provided to City upon City's request to District.

XII. RECORDS AND ACCOUNTS.

District and City shall each, respectively, keep proper books of records and accounts (separate from all other records and accounts), in which complete and correct entries shall be made of the transactions relating to the Landfill and Plant, including records of the quantity, quality and other characteristics of biosolids delivered by City and accepted by District. Such books shall at all reasonable times be subject to the inspection of the authorized representative of the other party.

XIII. INDEMNITY.

A. **District.** District agrees to hold City harmless from and to indemnify and defend City against any and all liabilities, claims, actions, lawsuits, costs and expenses, including reasonable attorney fees, liens, judgments and demands, including but not limited to claims of regulatory violation, damage to property, or bodily injury or death, which may be suffered by City, its employees, agents, representatives and/or independent contractors due to or arising out of the District's negligent performance or willful misconduct under this Agreement and its operations at the Landfill by District, its employees, agents, representatives, haulers, and independent contractors, except to the extent such claim(s) result from the negligence or willful misconduct of City or its employees, agents, representatives, or independent contractors.

B. **City.** City agrees to hold District harmless from and to indemnify and defend District against any and all liabilities, claims, actions, lawsuits, costs and expenses, including reasonable attorney fees, liens, judgments and demands, including but not limited to claims of regulatory violations, damage to property or bodily injury or death, which may be suffered by District, its employees, agents, representatives and independent contractors or third parties, due to or arising out of City's negligent performance or willful misconduct under this Agreement and its operations upon or in the vicinity of Plant by City or its employees, agents, representatives, or independent contractors, except to the extent such claim(s) result from the negligence or willful misconduct of District or its employees, agents, representatives, haulers or independent contractors.

C. **Joint Negligence.** Notwithstanding the preceding sections, when both Parties or employees, agents, representatives, haulers or independent contractors of both Parties are negligent and such joint negligence causes liabilities, claims, actions, lawsuits, costs, expenses, liens, judgments and demands, including but not limited to claims of regulatory violation, damage to property, or bodily injury or death, then each party shall be responsible and liable in proportion to the amount of fault attributable to each party or each party's employees, agents, representatives, haulers and/or independent contractors, and each party shall bear its own attorney fees.

XIV. INSURANCE.

A. City Self-Insured. The City is a duly authorized and funded self-insured entity under the laws of the State of California, Government Code Sections 989 and 990. The City is self-insured against workers' compensation claims in accordance with Labor Code Section 3700(b).

B. Minimum Coverage. District will not commence or continue to perform under this Agreement unless it has provided for liability coverage, by the California Sanitation Risk Management Authority or a California-licensed insurance company with ratings acceptable to City for any liability, loss, expense or claim that may arise out of or result from the performance of District under this Agreement, and District shall require its biosolids haulers to also provide such insurance coverage, with the following limits:

(1) General liability, including comprehensive form, contractual liability, premises operation, and broad form property damage coverage, with a limit of not less than Two Million Dollars (\$2,000,000) combined single limit coverage.

(2) Automobile liability, including comprehensive form including loading and unloading, owned, hired and non-owned coverage with a limit of not less than Two Million Dollars (\$2,000,000) combined single limit coverage.

(3) Workers' compensation insurance as required by law.

C. Certificates. Memorandums of Coverage or certificates of insurance shall be filed by District prior to commencement of any operation or performance under this Agreement. These memorandums or certificates shall provide that City is an additional covered party for coverage in subparagraph (B) (1) and (2) above and that coverage afforded under the policies will not be canceled until at least thirty (30) days' prior written notice has been given to the respective Parties.

XV. SUCCESSORS/ASSIGNMENT.

A. Binding on Successors. District and City each binds itself and its successors, assigns and legal representatives to the other party hereto and to the partners, successors, assigns and legal representatives of such other party in respect to all covenants, agreements and obligations contained in this Agreement.

B. Remaining Obligation. If City transfers by any means its ownership and/or operation of the Plant to a private enterprise, City shall remain responsible for payment of the Biosolids Fees hereunder and City shall, before any such transfer becomes effective, obtain a written acknowledgement by any transferee that transferee is obligated and bound by all the terms hereof as City's successor hereunder.

C. Responsibility for Subcontractors. City and District shall be fully responsible for all acts and omissions of their haulers, subcontractors and of persons and organizations directly or indirectly employed by them and of persons and organizations for whose acts any of them may be liable to the same extent that it is responsible for the acts and omissions of persons directly employed by it.

XVI. RELATIONSHIP OF DISTRICT TO CITY.

It is expressly understood between the Parties hereto that no employee-employer relationship is intended or created by this Agreement and that the relationship of District to the City being that of an independent contractor. City shall not be required to make any payroll deductions or provide Workers' Compensation Insurance coverage or health benefits to District employees. District is solely responsible for selecting the means, methods and procedures for performing hereunder, and for coordinating all portions of its performance.

XVII. DEFAULT/REMEDIES.

A. Default by City. City shall be deemed in default under this Agreement only if City shall fail, neglect or refuse to keep and perform any of the covenants, conditions, stipulations or agreements herein agreed to be performed by City, and such failure to perform is not cured within sixty (60) days after written notice specifying the nature and extent of such failure has been given to City. Upon City's failure to cure such default, District, at its option, may declare this Agreement terminated effective upon such date as District shall designate.

B. Default by District. District shall be deemed in default under this Agreement only if District shall fail, neglect or refuse to keep and perform any of the covenants, conditions, stipulations, or agreements herein agreed to be performed by District, and such failure to perform is not cured within sixty (60) days after written notice specifying the nature and extent of any such failure has been given to District. Upon District's failure to cure such default, City, at its option, may declare this Agreement terminated effective upon such date as City shall designate.

C. Remedies and Waiver. Except as otherwise herein expressly provided, all rights and remedies of either party shall be cumulative and none shall exclude any other rights or remedy allowed by law; the exercise by either party of any remedy provided for herein or by law, all of which shall be available to each party, shall not be to the exclusion of any other remedy. Either party's failure to take advantage of any default or breach of covenant on the part of the other party shall not be construed as a waiver thereof, nor shall any custom or practice which may grow up between the Parties in the course of administering this instrument be construed to waive or lessen the right of either party to insist upon the performance by the other of any term, covenant or condition hereof; or to exercise any rights given it on account of any such default. A waiver of a particular breach or default shall not be deemed to be a waiver of the same light or any other subsequent breach or default.

XVIII. DEFINITIONS.

A. Administrative Action. Petitions, objections, letters of opposition, requests for

reconsideration, requests for modification, and other administrative appeals with the County of Ventura, Regional Water Quality Control Board – Los Angeles Region, Local Law Enforcement Agency, CalRecycle, State Water Resources Control Board, and/or other public agencies having jurisdiction over the Landfill.

B. Biosolids. Unless District, in its sole discretion, specifically determines, in writing, that the biosolids delivered from the City otherwise meets applicable criteria for the Landfill Permits and other regulatory operational requirements, the biosolids delivered from the City must be digested and dewatered organic material resulting from physical, chemical and/or biological treatment of sewage sludge generated at the Plant, must meet the criteria for Class B biosolids as established by the United States Environmental Protection Agency (Title 40 Code of Federal Regulations Part 503), and must have a solids content between fifteen (15%) to twenty-six (26%) percent.

C. Hazardous Waste. Any waste under Article 1, Chapter 11, Division 4.5 (section 66261.3 *et seq.*) of Title 22 of the California Code of Regulations.

D. Landfill. Toland Road Municipal Solid Waste Landfill located at the end of Toland Road in the unincorporated area of Ventura County.

E. Landfill Permits. Includes the Conditional Use Permit No. CUP 3141 as approved and modified by the County of Ventura; Waste Discharge Requirements, Order No. 96-053, as approved and modified by the Regional Water Quality Control Board - Los Angeles Region; Solid Waste Facility Permit, SWFP #56-AA-0005 as approved and modified by the California Department of Resources Recycling and Recovery (CalRecycle); and the County of Ventura Environmental Health Division acting as the Local Enforcement Agency for the California Department of Resources Recycling and Recovery, and all other regulatory Approvals necessary for the operation of the Landfill.

F. Plant. The Fillmore Water Recycling Plant located at 1580 River Street, Fillmore, CA.

G. Unacceptable Waste. Waste which does not meet the criteria for biosolids specified in this Agreement as determined by the District.

XIX. GENERAL PROVISIONS.

A. Time. Time is of the essence of this Agreement. Any reference herein to days, unless otherwise defined, shall be interpreted as referring to calendar days.

B. Notices. Any notice to be given under this Agreement shall be in writing and shall be deemed given two (2) days after being sent by first class mail addressed to:

District:

General Manager
Ventura Regional Sanitation District
1001 Partridge Drive, Suite 150
Ventura, CA 93003-0704

City:

City Manager
City of Fillmore
250 Central Avenue
Fillmore, CA 93015-1907

or to such other address as either party may designate hereinafter in writing delivered to the other party.

C. Governing Law/Venue. This Agreement, and all matters relating to this Agreement, shall be governed by the laws of the State of California in force at the time any need for interpreting this Agreement or any decision or holding concerning this Agreement arises. Venue for any Superior Court action relating to this Agreement shall be in Ventura County.

D. Severability. If any clause, provision, paragraph or section of this Agreement shall be ruled invalid by any court of jurisdiction, then the parties shall: (1) promptly meet and negotiate a substitute for such clause, provision, paragraph or section which shall, to the greatest extent legally permissible, effect the intent of the parties therein; (2) if necessary or desirable to accomplish item (1) above, apply to the court having declared such invalidity for a judicial construction of the invalidated portion of this Agreement; and (3) negotiate such changes in, substitutions for or additions to the remaining provisions of this Agreement as may be necessary in addition to and in conjunction with items (1) and (2) above to effect the intent of the Parties in the invalid provision. The invalidity of such clause, provision, paragraph or section shall not affect any of the remaining provisions hereof, and this Agreement shall be construed and enforced as if such invalid portion did not exist.

E. Prior Understandings and Usage. This Agreement contains the entire agreement between the Parties and supersedes all previous written or oral negotiations, commitments, understandings, proposals and writings. It is expressly understood by the Parties that the terms of this Agreement shall not be modified by course of performance, course of dealing, usage or informal arrangements which may occur from time to time over the term of this Agreement or by evidence of additional terms not expressly contained in this Agreement.

F. Amendments. No amendment to this Agreement shall be valid and binding on the Parties except when in writing and mutually agreed to by the Parties and signed by authorized representatives for each one of the Parties.

G. Execution in Counterparts. This Agreement may be executed in counterparts with the same force and effect as if one document were signed by all Parties.

H. Force Majeure. Neither party shall be responsible for delays or failures in performance resulting from acts beyond their reasonable control, including, but not limited to, acts of God, strikes, lockouts, floods, war, epidemics, fire, earthquake or other disaster.

IN WITNESS WHEREOF, the parties hereto have executed this agreement the day and year first above written.

[signatures on next page]

APPROVED AS TO FORM: ARNOLD LaROCHELLE
MATHEWS VAN CONAS & ZIRBEL, LLP

VENTURA REGIONAL
SANITATION DISTRICT

By _____
ROBERT N. KWONG
Legal Counsel for DISTRICT


By _____
WILLIAM WEIRICK
Chairman, Board of Directors

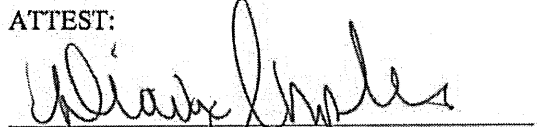
ATTEST:

By _____
CHRIS THEISEN
General Manager


By _____
LISA MCKINLEY
Acting Clerk of the Board

CITY OF FILLMORE


DIANE McCABE, Mayor Pro Tem
Manuel minjares

ATTEST:

DIANA IMPEARTICE, Deputy City Clerk

APPROVED AS TO FORM:


TIFFANY J. ISRAEL, City Attorney

APPROVED AS TO INSURANCE:


_____, Risk Manager

APPROVED AS TO CONTENT:

APPROVED AS TO AMOUNT:


DAVID ROWLANDS, City Manager

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