

**HOST AGREEMENT AMONG THE
COUNTY OF KENDALL,
KENDALL LAND AND CATTLE, LLC, AND
WASTE MANAGEMENT OF ILLINOIS, INC.**

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**HOST AGREEMENT AMONG THE COUNTY OF KENDALL,
KENDALL LAND AND CATTLE, LLC, AND
WASTE MANAGEMENT OF ILLINOIS, INC.**

THIS **HOST AGREEMENT** (“Host Agreement”) is entered into as of the ____ day of _____, 2006, among the County of Kendall (“County”); Waste Management of Illinois, Inc., a Delaware corporation qualified to do business in Illinois (“Waste Management Illinois”); and Kendall Land and Cattle, LLC, an Illinois limited liability company (“KLC”).

RECITALS

WHEREAS, KLC and Waste Management Illinois have and continue to acquire interests in approximately 500 acres of real estate located in the County, such land being situated to the north of Sherrill Road, to the east of Ashley Road, and to the west of Brisbon Road, which property is more specifically described on Attachment A (the “Property”); and

WHEREAS, KLC desires to develop the Property as a pollution control facility, specifically and immediately a solid waste landfill, such development referred to herein as the “Landfill” and intends and has agreed to transfer its interest in the Property and the Landfill to Waste Management Illinois subsequent to securing necessary local siting from the County and permitting from the Illinois Environmental Protection Agency (“IEPA”); and

WHEREAS, Waste Management Illinois, a wholly owned subsidiary of Waste Management, Inc., a Delaware corporation (“WMI”), is a pollution control facility operator with whom KLC has contracted to develop the Property as a Landfill and with whom KLC has agreed to jointly apply for siting with the County, with KLC being the developer of the Landfill and with Waste Management Illinois being the prospective owner and operator of the Landfill and the Property, when and if the parties have obtained all required siting from the County and all other necessary government permitting; and

WHEREAS, KLC has an interest in the proper development of the Landfill, but will not be an owner or operator of the Landfill; and

WHEREAS, Waste Management Illinois is a provider of comprehensive waste management services in Illinois, serving customers and operating landfill disposal sites throughout the State; and

WHEREAS, WMI is the corporate parent of Waste Management Illinois and, as a precondition to the County's entry into this agreement, in order to facilitate the entry of the parties hereto into this Agreement, and to provide independent commitments as further set forth herein, agrees to provide a written guarantee of Waste Management Illinois' performance of this Agreement, and each term hereof; and

WHEREAS, KLC and Waste Management Illinois intend to jointly apply for siting of the Landfill at the Property, pursuant to the Illinois Environmental Protection Act (the "Act"), 415 ILCS. 5/39.2, and County Ordinance No. 06-16 (the "Siting Ordinance"); and

WHEREAS, the County is a unit of local government in the State of Illinois; and

WHEREAS, the County seeks to obtain certain environmental commitments, protections and enhancements concerning the development of the Landfill; and

WHEREAS, the County seeks to obtain, and Waste Management Illinois and KLC ("Joint Applicants") desire to provide certain environmental commitments, while also seeking to avoid conflicting interpretations of the Act and simultaneous enforcement of the Act in different forums with the potential of differing and conflicting adjudications, have incorporated Performance Standards that are enforceable under the terms of this Agreement; and

WHEREAS, KLC and Waste Management Illinois intend to develop the Landfill in a manner that achieves permanent environmental, infrastructure, economic and public use benefits to the County; and

WHEREAS, if the County grants siting approval for the Landfill, and the IEPA issues permits for the development and operation of the Landfill, then KLC and Waste Management Illinois agree to afford certain benefits to the County, as set forth in this Agreement; and

WHEREAS, by entering into this Agreement the County Board (the "Board") does not express any opinion or commitment with respect to any application for siting approval that might be submitted to the Board by any person under the Siting Ordinance.

NOW, THEREFORE, for and in consideration of the mutual covenants contained herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, KLC, Waste Management Illinois, and the County hereby agree as follows:

ARTICLE 1. GENERAL

1.1. Incorporation of Recitals. The above recitals are incorporated as part of this Agreement as though fully set forth herein.

1.2. Property. This Agreement encompasses and relates to the Property, as legally described in Attachment A. Any further or future requests for expansion of the Landfill, whether on the Property or located elsewhere in the County, is not encompassed by this Agreement and will be the subject matter of a separate Host Agreement, or a supplement to this Agreement, as later determined by the parties to this Agreement.

1.3. Effective Date. This Agreement shall be effective upon acceptance of its terms by the Board through the adoption of an ordinance incorporating its terms.

1.4. Expiration Date. This Agreement shall expire 30 years from and after the date of closure of the Landfill, as certified by the IEPA (“Final Closure”), presuming siting approval and environmental permitting has been achieved and the Landfill becomes operational, except that the operative effect of the following Sections shall continue beyond Final Closure:

Section/Article	Description
Article 1	General
§3.1	Operational Commitment
§3.2	Transfer Request
§3.3	Performance Commitment
§3.6	Operator Pledge
§4.3	Community Relations/Complaint Resolution (excluding maintenance of a Landfill Web Site)
§4.6	Siting Conditions but only to extent, by their terms, continued compliance is required after certified Final Closure
§4.7	County Access and Inspection Rights
§5.1	Compliance
§5.2.2	Performance Standard related to transfer of ownership
§5.2.4	Performance Standard as related only to development and implementation of corrective measures plan, but excluding compliance monitoring (unless compliance monitoring is required by IEPA after certified Final Closure)

Section/Article	Description
§5.2.5	Performance Standard as related only to a confirmed release to groundwater
§5.2.7	Performance Standard related to the illegal discharge of leachate
§5.2.8	Performance Standard as related only to undertaking excavations in, or around, the Landfill
§5.2.11	Performance Standard related to excavation or relocation of waste
§5.2.20	Performance Standard related to nuisance odors
§5.2.21	Performance Standard related to maintenance of final cover
§5.3	Enforcement (all subsections)
§5.4	Indemnification
§5.5	Third Party Claims
§5.6	Retention of Counsel; Settlement
§5.7(a)	Insurance (excluding pollution liability insurance and subject to the terms of the Lease between the County and Waste Management Illinois)
§7.2	County lease of Property after closure
Article 8	Default And Remedies
Article 9	Miscellaneous

If siting approval or environmental permitting is not achieved or if the Landfill does not become operational for any other reason, this Agreement shall expire within thirty days of notification of termination from KLC and Waste Management Illinois to the County.

ARTICLE 2. DEFINITIONS

Whenever used in this Agreement, the following terms shall have the following meanings unless a different meaning is required by the context:

2.1. “**Act**” refers to the Illinois Environmental Protection Act, 415 ILCS 5/1 et. seq., the Illinois Pollution Control Board regulations issued pursuant thereto and relevant permit requirements the IEPA may in the future issue with respect to the Landfill.

2.2. “**Agency**” and “**IEPA**” refer to the Illinois Environmental Protection Agency.

2.3. **“Agreement”** or **“Host Agreement”** refer to this Agreement and the provisions contained herein.

2.4. **“Application”** refers to the Siting Application that KLC and Waste Management Illinois will file with the County.

2.5. **“Authorized Waste”** means solid waste that the Landfill is authorized to accept pursuant to §§ 4.1 and 4.2 of this Agreement.

2.6. **“Board”** refers to the County Board;

2.7. **“Business Day”** means the period of time from the beginning of daily operations until the end of daily operations of the Landfill;

2.8. **“Complaint Log”** refers to the log of any complaints related to the Landfill maintained by the Operator, as described in §4.3 of this Agreement.

2.9. **“County”** refers to the County of Kendall, a unit of local government in Illinois;

2.10. **“CPI”** refers to the Revised Consumer Price Index for All Urban Communities published from time to time by the United States Department of Labor Statistics.

2.11. **“Effective Date”** refers to the effective date of this Agreement, as set forth in §1.3 of this Agreement;

2.12. **“End Use Plan”** refers to the plan to which Waste Management Illinois has committed pursuant to Article 7 of this Agreement;

2.13. **“Hazardous Substances”** has the meaning given that term in 42 U.S.C.A. §9601(14).

2.14. **“Host Community Fee”** refers to the fee paid to the County, for the benefit of the County, as set forth in Article 6 of this Agreement;

2.15. **“IPCB”** refers to the Illinois Pollution Control Board;

2.16. **“Landfill”** refers to the solid waste landfill, a pollution control facility, as defined in §3.85 of the Act, 415 ILCS 5/3.85, which is sited on the Property, developed and operated by KLC and Waste Management Illinois and operated by Waste Management Illinois under the terms and conditions set forth in this Agreement and any Siting Conditions that may be imposed;

2.17. **“Landfill gas collection system”** refers to the portion of the landfill gas management system that collects the landfill gas generated within the Landfill in the process of the decomposition of the material deposited therein and delivers same to (a) a landfill gas disposal system or (b) a landfill gas recovery system.

2.18. **“Landfill gas”** refers to the gaseous product that results from the composition of waste inside the landfill which gas is managed through a “Landfill gas management system.”

2.19. **“Landfill gas management system”** refers to an engineered system that effectively collects landfill gas from the landfill, allowing its safe release, as appropriate, for (i) disposal via flares or similar mechanisms or (ii) recovery for beneficial use.

2.20. **“Landfill Web Page”** refers to the web site described in §4.4 of this Agreement.

2.21. **“Operate or Operation”** in connection with the landfill shall have that meaning commonly understood under the Illinois Environmental Protection Act and other environmental laws and case law pursuant thereto. Unless the County agrees otherwise in a separate agreement, the owner or operator of the landfill shall also be the owner or operator of the landfill gas management system.

2.22. **“Performance Standards”** refers to those standards set forth in §5.2 of this Agreement, the violation of which subjects Waste Management Illinois to stipulated damages pursuant to §8.3 of this Agreement or, where applicable, enforcement pursuant to the Act;

2.23. **“Property”** refers to the real property upon which the Landfill will be situated, as further legally described in Attachment A;

2.24. **“Property Value Guarantee”** refers to the property value protection plan offered by Waste Management Illinois to the owners of property within close proximity to the landfill, as further set forth in §3.8 of this Agreement and included herein as Attachment B;

2.25. **“Solid Waste Plan”** refers to the County Solid Waste Plan, including amendments as authorized by Kendall County Board Resolutions No. 06-06 and 06-11 dated March 7, 2006 and May 4, 2006, respectively;

2.26. **“Siting Conditions”** refers to conditions included in any siting approval the Board may issue with respect to the Landfill pursuant to §10.2.2 of the Siting Ordinance which have not been appealed by KLC or Waste Management Illinois, or which are affirmed in the event of an appeal.

2.27. **“Siting Decision”** refers to a final decision by the Board with respect to an Application made pursuant to the Siting Ordinance.

2.28. **“Siting Ordinance”** refers to the County Site Approval Ordinance for Pollution Control Facilities, Ordinance No. 06-16;

2.29. **“Stipulated Damages”** refers to specific damages for specific offenses set forth in this Agreement so that said specific damages will be forthcoming, to the County, in the event of a violation of §8.3 of this Agreement;

2.30. **“Transfer Request”** refers to an application for written approval by the Board of a transfer of ownership or operation of the Landfill, as further set forth in §3.2 of this Agreement.

2.31. **“Treat”** or **“Treatment”** (of Solid Waste) has the meaning given “Treatment” in §3.505 of the Act; provided that the reduction of waste volume by compaction or biodegradation does not constitute “treatment” of solid waste.

2.32. **“Truck Traffic Plan”** refers to the plan for routing traffic to and from the Landfill that is part of a Siting Decision;

2.33. **“Unauthorized Waste”** refers to a solid waste banned from disposal in the Landfill under §4.1 of this Agreement.

2.34. **Other Words and Phrases.** Those words and phrases used herein that are also used in the Act shall have the same meaning as that prescribed in the Act. Whenever it is provided in this Agreement that a party “may” perform an act or do anything, it shall be construed that such party “may, but shall not be obligated to,” so perform or so do. The following words and phrases shall be construed as follows: (i) “at any time” shall be construed as “at any time or from time to time;” (ii) “any” shall be construed as “any and all;” (iii) “include” and “including” shall be construed as “including but not limited to;” and (iv) “will” and “shall” shall each be construed as mandatory. Except as otherwise specifically indicated, all references to Article and Section numbers and letters shall refer to the Articles and Sections of this Agreement. The words “hereby,” “hereof,” “hereto,” “herein” and “hereunder” and any similar terms shall refer to this Agreement as a whole and not to any particular paragraph. The word “hereafter” shall mean after the date hereof and the word “heretofore” shall mean before the date hereof. Words of the masculine, feminine or neuter gender shall mean and include the corresponding words of other genders, and words implying the singular number shall mean and include the plural number and vice versa. All references to any agreement or instrument (including this Agreement or Siting Conditions) shall be to such agreement or instrument as in effect from time to time, including any amendments, replacements, restatements, modifications and/or supplements thereto.

ARTICLE 3. COMMITMENTS AND GUARANTEES

3.1. Operational Commitment. Waste Management Illinois commits that it will be the sole operator of the Landfill and Landfill Gas Management System and will not transfer ownership of the Property (upon conveyance of the Property to it by KLC) or assign its rights and obligations to operate the Landfill or any operations related to the Landfill, including the Landfill Gas Management System or any component thereof, without the written approval of the Board.

3.2. Transfer Request. In deciding whether to grant written approval of a transfer request, the Board shall consider (a) the ability of the transferee, both financially and operationally, to comply with the terms of this Agreement, the terms of all licenses and permits, all other applicable Federal and State statutes and regulations, and local ordinances and (b) the past record of convictions or admissions of violations of the transferee (and any subsidiary or parent corporation) in the field of solid waste management and landfill gas management and (c) the public interest. The term “transferee” as used herein includes the transferee and related persons included within the definition of “Applicant” and “Operator” in §§1.2 and 1.3 of the Siting Ordinance, respectively. The transfer request shall include the information on the transferee required of an Applicant or Operator by §§4.2 and 4.3 of the Siting Ordinance, respectively. The Board may require the submission of additional information reasonably related to the transfer request. The transfer request shall be accompanied by the certification required by §2.7 of the Siting Ordinance and a filing fee in the amount of \$100,000. The Board, in its sole discretion, may elect to hold a public hearing on the transfer request. The form of the public hearing, and whether to apply some or all of Articles 5 (Participants), 6 (Public Comment), 7 (Hearing Committee and Hearing Officer), and 8 (Public Hearing) of the Siting Ordinance shall be determined by the Board in the exercise of its discretion. Costs incurred by the County in reviewing the transfer request shall be charged against the filing fee as if the transfer request were a request for siting approval governed by the Siting Ordinance. Requests for additional payment, and return of the unexpended filing fee, shall be governed by §§3.5 and 3.6 of the Siting Ordinance, respectively. The Board may require an additional written commitment by the transferee to assume and comply with the duties and obligations of this Agreement and Siting Conditions.

3.3. Performance Commitment. Waste Management Illinois intends to operate the Landfill in accordance with this Agreement and the Act. Further, with respect to compliance with the Act, Waste Management Illinois makes certain specific commitments to the County with respect to Performance Standards. If the Board grants a siting approval for the Landfill pursuant to the Siting Ordinance, any Siting Conditions that are part of such approval shall be deemed to be incorporated herein by reference and shall be enforceable as part of this Agreement. In addition, such Siting Conditions shall be independently enforceable as a contract between the County and KLC and Waste Management Illinois. These commitments are collectively intended to ensure the safety and environmental integrity of the Landfill.

3.4. Minimum Guaranteed Payment. Upon commencement of Landfill operations, as more specifically detailed in §6.2 of this Agreement, Waste Management Illinois guarantees that the County will receive a minimum annual host fee that equates to one million tons of waste per year. In addition to host fees, Waste Management Illinois also guarantees lump sum payments to the County as further delineated in §6.3

3.5. Waste Stream Commitment. Provided siting for the service area designated in the Siting Application has been obtained, Waste Management Illinois guarantees that it has duly executed contracts for the disposal of waste at the Landfill in the amount of at least one million tons of waste upon commencement of operations.

3.6. Operator Pledge. Waste Management Illinois shall correct any environmental impairment arising out of or related to the Landfill. For purposes of this commitment, “environmental impairment” means the release or threatened release of any substances, pollutants, or contaminants at or from the Property so as to harm or threaten harm to human health, welfare or the environment.

3.7. Covenant Guarantee. The parties acknowledge their mutual intent at the time of entering into this Agreement to create a covenant running with the land in favor of the County and that the obligations stated in this Agreement touch and concern the use of the Property. It is the intent of the parties hereto that Waste Management Illinois’ obligation to make payments pursuant to Article 6 of this Agreement (Host Community Fees and Benefits) is and shall be a covenant running with the Property and is and shall be binding upon transferees, successors, assigns, and subsequent owners of the Property, and is and shall be a lien upon the Property. Said covenant shall benefit the County and its successors, transferees, and assigns. A

Memorandum of this Agreement will be executed by the parties and recorded against the Property immediately subsequent to its execution and approval by the Board. Such Memorandum of the Host Agreement, among other things, will specifically reflect the terms of this Section regarding Waste Management Illinois' obligation to make payments being a covenant running with the Property and being a lien upon the Property.

3.8. Property Value Guarantee and Well Testing Program. In order to assure that properties in close proximity to the Landfill are protected against their values being detrimentally impacted by the Landfill, Waste Management Illinois agrees to offer Property Value Guarantees, in the form of Attachment B hereof, to all owners of property located within 1 mile of the Landfill footprint (the area where waste will be deposited), within thirty (30) days of IEPA issuing a development permit for the Landfill. Notice shall be delivered to the property owners of record in the form provided in Attachment B.1. In addition, Waste Management Illinois agrees to fully comply with the Domestic Well Protection Agreement that is attached hereto as Attachment C. Both Attachments B and C are incorporated herein and made a part hereof by reference.

ARTICLE 4. OPERATIONS

4.1. Authorized Waste. The Landfill shall accept only Authorized Waste. The Landfill shall comply with all relevant regulations and siting conditions relative to load checking and waste acceptance and shall immediately inform the County orally and in writing of any Unauthorized Waste that has been accepted and disposed of at the Landfill. All regulated hazardous, TSCA and radioactive waste, including any residuals of its treatment or admixtures with other wastes, shall be removed from the Property to a lawful location within a reasonable time, unless IEPA expressly assents to the storage, treatment or disposal of such wastes at the Property.

4.2. Ban on Waste. The Landfill shall not accept, treat, or dispose of any solid waste if such solid waste is or contains: (a) regulated hazardous waste, as defined by §3.220 of the Act, 415 ILCS 5/3.220, or regulations thereunder, (b) or potentially infectious medical waste as defined by §3.360 of the Act, 415 ILCS 5/3.360, or regulations adopted thereunder; (c) regulated levels of polychlorinated biphenyls as defined by the Toxic Substances Control Act, 15 U.S.C. 2601-2629 or regulations adopted thereunder; (d) radioactive waste or low-level radioactive

waste as defined by the Atomic Energy Act, U.S.C. 201 1, et seq. or the Illinois Low-Level Radioactive Waste Management Act, 420 ILCS 2011, et seq. or the implementing regulations of either. All wastes meeting the foregoing criteria, or any of them, are Unauthorized Wastes for purposes of this Agreement.

4.3. Community Relations/Complaint Resolution. As of the date IEPA issues a development permit for the Landfill, and for the balance of the operating life of the Landfill, Waste Management Illinois shall assign and designate a telephone number and representative who shall be responsible for receipt of complaints which may arise from the public relative to the development or operation of the Landfill, or to report incidents of alleged violations of this Agreement, environmental or employee health regulations, the Act or Siting Conditions. All such complaints and inquiries received from the public shall be responded to and addressed promptly. Waste Management Illinois shall also keep a Complaint Log of the date and time such complaint, inquiry or communication was received, the nature of the complaint, inquiry or communication, the name of the person initiating such contact (or “anonymous” if no name is given), the date and time which response was made to such complaint, inquiry or communication, as well as the method in which any such complaint, inquiry or communication was addressed and/or resolved. Waste Management Illinois shall designate a single person to be located at the Landfill with responsibility for responding to complaints about the Landfill and for maintaining the Complaint Log and updating the Complaint Log on the Landfill Web Page at least bi-weekly. Waste Management Illinois shall advise the County annually of the name, title, address, electronic mail address, telephone number (office and cell phone) of such person, and shall advise the County, immediately upon any change with respect to such information. As further set forth in §4.4 of this Agreement, Waste Management Illinois shall also develop and maintain an internet web site specific to the operations of the Landfill, for the purpose of educating and informing the public regarding the operations of the Landfill and receiving complaints.

4.4. Landfill Web Site. Within thirty (30) days of the date of a Siting Decision granting Siting Approval for the Landfill, with or without conditions, and regardless of whether any Siting Condition(s) is appealed by KLC or Waste Management Illinois to the IPCB, Waste Management Illinois shall establish and maintain, at Waste Management Illinois’ expense, a

Landfill Web Site, or an equivalent and generally accepted vehicle of communication, containing, at a minimum, the following items for general public access and downloading:

4.4.1. A hyperlinked Table of Contents and key word index of all documents on the Landfill Web Page;

4.4.2. This Agreement and any amendments thereto;

4.4.3. The administrative record for the Siting Decision, including the siting application, any amendments to the siting application, exhibits introduced during the siting hearing, and transcript of the siting hearing and Siting Decision;

4.4.4. Appeals of the Siting Decision, whether or not filed by KLC or Waste Management Illinois;

4.4.5. Those documents submitted by Waste Management Illinois or its agents or consultants to any local, State or Federal environmental, emergency response or employee health and safety regulatory agency, including:

4.4.5.1. Permit applications;

4.4.5.2. Subsequent correspondence between IEPA and Waste Management Illinois relating to a permit application;

4.4.5.3. IEPA permit decisions and permits;

4.4.5.4. Appeals by KLC or Waste Management Illinois of IEPA permit decisions or permits;

4.4.6. Correspondence to or from any local, State or Federal environmental, emergency response or employee health and safety regulatory agency;

4.4.7. Those documents filed with or received from any person, including, but not limited to, any local, State or Federal regulatory agency, asserting or relevant to charges, complaints or allegations of environmental violations made by any governmental authority, citizen or citizens' group; an annual update of the volume of solid waste disposed at the Landfill, as reported to the County under this Agreement, and the approximate remaining site life of the Landfill based on the Siting Approval and IEPA permit(s);

4.4.8. Complaint Log;

4.4.9. Other documents as the County may reasonably request related to operation of the Landfill in compliance with this Agreement, the Act and Siting Conditions constituting a

public record subject to disclosure under the Illinois Freedom of Information Act, 5 ILCS 140/1 *et. seq.*

4.4.10. Any documents that cannot easily be digitized and electronically filed will be identified on the web site and made available on request of the County or County residents for review at the Landfill.

4.5. Landfill Design and Operating Standards. The Landfill shall be sited, designed, developed, constructed, operated, closed and maintained in post closure care so as to comply with all applicable provisions of the Act, rules and regulations of the IEPA, the Illinois Pollution Control Board and the provisions of Subtitle D of the Resource Conservation and Recovery Act (“RCRA”), 42 U.S.C. §§6941-6949a, conditions and requirements of any permits issued by applicable governmental agencies, including Siting Conditions, this Agreement and all other applicable rules and regulations now in effect or enacted hereafter.

4.5.1. Treatment or Processing. Solid Waste shall not be treated at the Landfill prior to disposal or for transshipment to another treatment, storage or disposal facility, except as allowed by the Act.

4.6. Siting Conditions. The Landfill shall abide by all final and non-appealable conditions of siting approval issued by the County.

4.7. County Access and Inspection Rights. Waste Management Illinois shall provide the County and its agents with access to the Landfill during its hours of operation for the purpose of inspecting the Landfill’s compliance with this Agreement and all applicable laws and permits, upon advance telephonic notice. In exigent or emergency circumstances, the County and its agents shall have immediate access to the Landfill and all records pertaining to its operation. The County shall have a right to perform unannounced inspections of the Landfill, but advance notice shall be given for any audit of records. Waste Management Illinois shall designate a contact person who may be contacted if the County or its agents desire access pursuant to this provision. The County and its agents agree to abide by Waste Management Illinois’ policies, rules and regulations pertaining to visitors at the facility.

4.8. Highway Upgrades, Obstruction and Littering. Waste Management Illinois shall upgrade, or pay for the County to upgrade White Willow Road from Illinois Route 47 to the Landfill entrance to an 80,000 pound Class II Road, provided that Waste Management Illinois shall further be responsible for patching, additional overlays, pavement remarkings, and any

other maintenance operation on White Willow Road that, in the reasonable judgment of the County Engineer, is required due to trucks delivering solid waste to the Landfill. Further, Waste Management Illinois agrees to pay all additional costs incurred by the County in upgrades or improvements or widening streets under the County's jurisdiction, or adding or upgrading traffic controls, necessitated, in whole or in part, by the number, speed or weight of vehicles going to or coming from, or reasonably anticipated by the County to be going to or coming from, the Landfill. Streets, such as residential streets, used for waste collection, and not as main transportation routes to the Landfill, are specifically excluded from the foregoing requirements. Waste Management Illinois further agrees to keep all areas at and around the Property free from loose debris or litter resulting from operation and maintenance of the Landfill and shall keep the public streets and adjacent areas at and within one mile of the Landfill entrance(s) free from mud, dust and litter from vehicles using the Landfill.

4.9. Truck Traffic and Truck Tarping Plan. Waste Management Illinois shall notify all waste haulers that when delivering soil or other materials used in the construction of the Landfill, and soil, solid waste or other materials during the operation of the Landfill, they shall strictly adhere to the route specified in the Truck Traffic Plan, as more specifically set forth in Attachment D (attached hereto and incorporated herein by this reference) and Truck Tarping Plan, including posting of the Truck Traffic Plan on the Landfill Web site. In the event a trucking company or waste hauler is found to have deviated from the Truck Traffic Plan on more than two occasions, Waste Management Illinois shall bar that trucking company or waste hauler, and its affiliates, from making future deliveries to the Landfill. In the event the trucking company is Waste Management Illinois, or an affiliate, the driver shall be barred from making future deliveries to the Landfill. The Truck Traffic Plan will require that all semi-trailer trucks utilize Route 47 or larger highway or expressways, and will prohibit such traffic on Route 71 and residential roads. The Truck Tarping Plan shall establish performance standards and transporter awareness for the consistent secure tie down of waste transfer trailer and roll-off tarps; shall specify use of tarps that are in good condition, free of gaps and tears, thereby preventing escape of litter from the inbound trucks to area roads, right of ways, and adjoining properties; shall establish protocols for ensuring that vehicle beds and tailgates do not contain waste or litter that will leave the truck upon departure from the landfill.

ARTICLE 5. ENVIRONMENTAL PROTECTIONS

5.1. Compliance. At all times in connection with the operation of the Landfill, Waste Management Illinois shall comply with all laws, ordinances, rules and regulations of any applicable Federal, State or local governmental agency or authority relating to the operation of the Landfill. Waste Management Illinois shall also comply with all Siting Conditions.

5.2. Performance Standards. The parties hereto acknowledge that the following listed Performance Standards are essential to an appropriately sited, well-managed and operated Landfill, irrespective of permits, variances, and approvals that may be granted by IEPA. Waste Management Illinois shall therefore not:

5.2.1. Place waste outside the horizontal and vertical boundaries of IEPA permitted disposal areas.

5.2.2. Transfer ownership or operation of the Landfill, including any component of the landfill gas management system, without obtaining any relevant IEPA and County approval of the transfer of applicable permits.

5.2.3. Cause significant and repeated discharges of surface water outside the scope of any IEPA approved or authorized surface water management and discharge plans or negatively affect surface and subsurface drainage or water quality of adjacent upstream and downstream properties.

5.2.4. Fail to monitor groundwater in accordance with the IEPA approved groundwater monitoring plan, including, by way of example the failure to undertake compliance monitoring, assessment monitoring and development and implementation of corrective measures plan, if required.

5.2.5. Cause or threaten, by a confirmed release or groundwater flow alteration at the Landfill, an adverse impact to water quality or diminishment of the yield of an offsite water well used for either potable and/or agricultural purposes.

5.2.6. Fail to operate the landfill gas management system in accordance with IEPA permits, including, by way of example: (i) allowing oxygen intrusion above applicable regulatory standards; (ii) failing to regularly monitor the integrity of landfill gas collection wells and undertake necessary repairs or replacement of compromised wells; (iii) allowing water or leachate from the wells to accumulate in a way that compromises a

well or causes landfill gas to migrate into existing and/or future structures outside the boundaries of the Property.

5.2.7. Discharge leachate into a sewage collection system without valid permits or in violation of a permit.

5.2.8. Allow waste filling patterns or phasing that could compromise the structural integrity or stability of the Landfill or undertake excavations in, or around, the Landfill without first undertaking necessary and appropriate geotechnical evaluations.

5.2.9. Construct the Landfill in a manner that deviates significantly from the siting application and/or IEPA approved development/operating plans, including, by way of example, the following components of the Landfill design: (i) excavation depth and base grades; (ii) liner and sidewalls; (iii) leachate collection system and leachate storage tank(s) location; (iv) site entrance location; (v) landfill gas management system; (vi) groundwater monitoring well installation; (vii) final elevation and slopes; (viii) final cover; and (ix) surface water management systems, including basin and surface water controls.

5.2.10. Fail to certify, by means of as-built drawings and construction quality assurance data, that the Landfill has been constructed in accordance with IEPA approved design, including, by way of example, fail to provide certified as-built drawings for the following components of the Landfill design: excavation depth and base grades; liner and sidewalls; leachate collection system; landfill gas management system; groundwater monitoring well installation; final elevation and slopes; final cover; and retention basins and surface water control

5.2.11. Excavate or relocate significant quantities of solid waste already disposed in the Landfill without County and IEPA approval.

5.2.12. Fail to maintain financial assurance as required by IEPA.

5.2.13. Cause or allow habitual violations of the Act by reason of dedicating inadequate human resources and equipment to operate the Landfill, and tolerate operating practices that result in repeated and significant violations of the Act. Inadequate human resources and operating practices include, by way of example, inadequate oversight, training, internal audits, and internal checks and balances between meeting financial objectives and achieving environmental compliance.

- 5.2.14. Fail to comply with essential security procedures at the Landfill, including, by way of example, disposal of waste at the Landfill after business hours or unlocked site access gates.
- 5.2.15. Fail repeatedly to dispose of solid waste at working faces that are reasonably limited in size consistent with the approved Landfill phasing plan, including, by way of example, the haphazard movement of the working face, so as to compromise the efficiency and effectiveness of the landfill gas management system.
- 5.2.16. Allow significant violations of the Landfill's waste acceptance plan, including, by way of example, accept for disposal at the Landfill waste that is not authorized by this Agreement or the Act, dispose of solid waste at the Landfill unsupervised by qualified and trained Landfill personnel, dispose of special waste without a contract with the waste generator and completed special waste profile sheet, and dispose of regulated hazardous wastes, wastes under the Toxic Substances Control Act ("TSCA"), 15 U.S.C. 2601, *et seq.*, potentially infectious medical wastes or radioactive wastes.
- 5.2.17. Violate an approved Landfill dust control plan so as to cause chronic migration of dust off the Property.
- 5.2.18. Violate an approved Landfill litter control plan including, by way of example, fail to collect litter on the Property and maintain necessary litter control devices (such as litter control fences) or to otherwise cause chronic dispersion of litter on private and public properties in route to or in the vicinity of the Landfill.
- 5.2.19. Allow tracking of mud on public roads and highways so as to cause chronic mud tracking or unsafe conditions on public roadways.
- 5.2.20. Allow chronic nuisance odors to be consistently detected on off-site public or private properties.
- 5.2.21. Fail to maintain final and intermediate cover so as to (i) prevent excessive soil erosion; (ii) properly maintain vegetative cover; or (iii) eliminate exposure of waste.
- 5.2.22. Fail to manage stormwater that comes in contact with solid waste as leachate as a solid waste or pollutant.
- 5.2.23. Allow chronic noise levels beyond the boundary of the Property in violation of Illinois Pollution Control Board noise regulations, 35 IAC §900 *et. seq.* or applicable local ordinances.

5.2.24. Allow a Waste Management Illinois trucking company, or an affiliate, to repeatedly violate the Truck Traffic or Truck Tarping Plans.

5.3. Enforcement. The parties acknowledge that the above-referenced Performance Standards are required by the Act, the IPCB regulations and relevant permit requirements that IEPA will issue with respect to the Landfill. The parties further acknowledge that the IEPA is authorized to enforce any violations of such provisions and requirements, pursuant to §31 of the Act. The purpose of the Performance Standards is to enable the County to treat significant violations of the Act as a breach of this Agreement, and to seek appropriate remedies for said breach, as more fully set forth below. Siting Conditions and the other requirements in this Agreement that are in addition to, or more stringent than, the requirements of the Act, may be enforced as provided by §8.2 (Remedies) of this Agreement.

5.3.1. Where the Performance Standards listed above are not being met to the satisfaction of the County, the County will so advise the Director of the IEPA and the IEPA Regional Field Office responsible for the Landfill in writing, via certified mail, with a copy via certified mail to Waste Management Illinois, setting forth the specifics of any non-compliance alleged to constitute a violation of this Agreement. Should the IEPA not issue a written notice of an alleged violation pursuant to §31 of the Act within 30 days of receipt of said written notice, or take other appropriate action pursuant to its authority under §§34 or 43 of the Act, the County may enforce the Performance Standards that were the subject of the written notice by filing an action for injunctive relief in the Circuit Court for the 16th Judicial Circuit, Kendall County, Illinois. Such relief shall be in addition to any other relief authorized by law or this Agreement, including stipulated damages pursuant to §8.3 of this Agreement.

5.3.2. The County shall not assert additional claims that are not contained in the above notice. Waste Management Illinois shall respond in writing to the County's notice, including specification of any defenses to the claimed violations, within thirty days of receipt of the notice. Unless an emergency situation affecting the health and welfare of the community is at issue, the County shall not file an action for enforcement of this Agreement pursuant to this section for a period of sixty (60) days from the date of receipt by Waste Management Illinois of the notice. During said period, the parties shall meet in a good faith effort to resolve the subject matter of the notice. Waste Management Illinois' payment of any relevant stipulated damages will constitute resolution of the subject matter of the notice, and the County will

accept such damages in lieu of prosecution. In the event of a subsequent violation of a Performance Standard that has once been resolved by payment of stipulated damages within 3 years of the date of payment, the County, in its discretion, may either again seek payment of stipulated damages or apply to a court for relief as provided by §8.2 (Remedies) of this Agreement.

5.4. Indemnification. Waste Management Illinois agrees to indemnify, hold harmless and defend the County, and its Board members, elected officials, agents, servants, and employees, and each of them, from and against any and all lawsuits, claims, demands, liabilities, losses and expenses (including court costs, litigation expenses and attorney's fees) for or on the account of any injury to any person or any death at any time resulting from such injury, or any damage to property or the environment, or any other damage of any type, kind or sort which may arise or which may have been alleged to have arisen out of or in connection with (1) the development, construction, operation, closure and post closure activities of the Landfill or (2) this Agreement. Such indemnification will also apply to any municipality within the County that may be charged with "arranger" liability for the disposal of authorized waste at the Landfill.

5.5. Third Party Claims. Promptly after receipt by the County, or municipality within the County, of notice of any claim, action, suit or proceeding by any person who is not a party to this Agreement which is subject to indemnification hereunder, the County or such municipality shall provide reasonable notice to Waste Management Illinois. At its sole expense and liability and within a reasonable time after receipt of such notice, Waste Management Illinois shall: (i) acknowledge receipt of such notice and confirm its intention to assume the defense of such action and (ii) retain legal counsel satisfactory to the County or municipality to conduct the defense of such claim, action, suit or proceeding. Upon reasonable request, the County or municipality shall cooperate with Waste Management Illinois in the defense, compromise or settlement of any such claim, action, suit or proceeding.

5.6. Retention of Counsel; Settlement. In any such circumstance, the County or municipality, as the case may be, shall have the right, at their own expense, to employ separate counsel and to participate in (but not control) the defense, compromise, or settlement thereof. The County or municipality shall not settle or compromise any such matter for which it is entitled to indemnification hereunder without the prior written consent of Waste Management Illinois, unless said companies have failed to undertake control and defense of such action in the

manner provided for in this Agreement. Waste Management Illinois shall not settle or compromise any such matter in which any relief other than the payment of money damages is sought against them, unless the County or municipality, as the case may be, consents in writing to such compromise or settlement.

5.7. Insurance. As more specifically set forth in Attachment E (attached hereto and incorporated herein by this reference), Waste Management Illinois shall obtain the following minimum insurance:

- (a) Comprehensive, broad form commercial general liability insurance, covering all activities conducted or to be conducted by Waste Management Illinois on or from the Property, including blanket contractual liability coverage, specifically including Waste Management Illinois's indemnification obligations hereunder, premises coverage, personal injury coverage, completed operations coverage, owned and non-owned vehicles and equipment coverage, independent contractors protective coverage, and a waiver of subrogation as against the County (and its officers, agents and employees); and
- (b) Pollution liability insurance covering bodily injury and property damage arising out of the actual or threatened release of contaminants from the Property, both on and off-site coverage, and covering the costs of remedial action for any contaminants which have been or are threatened to be released from the Property.

Limits of liability shall be as set forth in Attachment E. Required coverage shall be maintained from the date construction of the Landfill commences until certification that the post-closure period for the Landfill has terminated. The County may, upon written request to Waste Management Illinois, obtain complete copies of any then-applicable policies and an original endorsement naming the County as an additional insured. So as to ensure maintenance of adequate levels of future insurance coverage for the term of this Agreement, Waste Management Illinois shall adjust and increase the levels of insurance coverage specified in Attachment E as necessary during each five (5) year period included in this Agreement to account for increases in the CPI over the preceding five (5) years. Waste Management Illinois shall further provide the County with:

- (a) Ninety (90) days advance notice, in writing, of any proposed policy change;
- (b) Endorsements delivered to the County at:

Kendall County
111 West Fox Street
Yorkville, IL 60560-1498
Attention: County Administrator

5.8. Financial Assurance. Waste Management Illinois may satisfy the financial assurance requirement in §21.1(a) of the Act, 415 ILCS 5/21.1(a), by any method of financial assurance for closure and post-closure care authorized in Subpart G of §811.700 of the IPCB's rules, 35 Ill. Adm. Code 811.700; provided, however, that the following forms of financial assurance are excluded: operator self-insurance pursuant to 35 Ill. Adm. Code 811.715; the meeting of a corporate financial test pursuant to 35 Ill. Adm. Code 811.719; and a corporate guarantee, pursuant to 35 Ill. Adm. Code 811.720. Further, surety bonds and closure insurance, pursuant to 35 Ill. Adm. Code 811.711, 811.712 and 811.714, respectively, shall not be secured from a company that is affiliated with KLC or Waste Management Illinois or a parent, subsidiary or affiliate of KLC or Waste Management Illinois.

5.9. County Response Costs for Spills or Releases. Waste Management Illinois shall provide or arrange for such response actions as are directed by the County, and shall otherwise be responsible for the reasonable response costs of the County and any affected municipality, in the event of a spill, or accident involving the threatened spill, of Solid Waste within the County, if such waste is being delivered to or transported from the Property by haulers under contract with Waste Management Illinois. This commitment by Waste Management Illinois is not intended to be, nor shall it be construed as, an admission by Waste Management Illinois or a determination by the County or effected municipality that Waste Management Illinois is legally liable for such spills, accidents or response costs.

ARTICLE 6. HOST COMMUNITY FEES AND BENEFITS

6.1. Payment per Ton. For the first five years of this Agreement, on a yearly basis, Waste Management Illinois shall pay a Host Community Fee to the County in the amount of \$3.85 for the first 750,000 tons of solid waste received that year; \$4.00 for the next 750,000 tons received that year, and \$4.15 for every ton of solid waste received thereafter in that year. These

fees will continue on this annual “stair step” basis, adjusted by the CPI, as further described below, until the beginning of the fifth year of operation. At the beginning of the fifth calendar year of operation, the “stair step” basis will be discontinued and the payment per ton, for all solid waste received during that year and thereafter, shall be that amount which was paid the previous year for tonnage over 1.5 million (\$4.15 above, as adjusted by the CPI, as further described below).

6.2. Minimum Guarantee. Waste Management Illinois further guarantees to pay a minimum annual Host Community Fee based on 1,000,000 tons of solid waste, regardless of the amount of solid waste actually disposed at the Landfill. This guarantee shall be prorated for the actual months remaining in the year Waste Management Illinois receives an operating permit for the Landfill from IEPA (“start-up year”), and for the actual months remaining in the Year Waste Management Illinois ends its operations (“final year”)

6.3. Lump Sum Payments. In addition to the Host Community Fee, KLC and Waste Management Illinois agree to pay to the County \$1,000,000 in lump sum payments as follows: an initial payment of \$500,000 at the commencement of operations at the Landfill and a payment of \$100,000 per year at the end of each of the first five years of operation.

6.4. County Reimbursement. In addition to the Host Community Fee and Lump Sum Payments, Waste Management Illinois shall pay the County an amount not to exceed \$100,000 per year to reimburse the County for its reasonable and documented costs of inspecting and monitoring compliance of the Landfill with the Act, this Agreement and Siting Conditions. Said reimbursement shall be made within 30 days of receipt of documentation of costs, unless the costs are disputed. In the event of a dispute, Waste Management Illinois shall pay the undisputed amount. Waste Management Illinois and the County shall attempt in good faith to resolve any disputes concerning the reasonableness of the costs and adequacy of documentation. Unresolved disputes arising under this §6.4 shall be resolved pursuant to Article 8 (Default and Remedies) of this Agreement.

6.5. CPI Adjustment. The first year after the IEPA issues an operating permit for the Landfill, the Per Ton Fee under §6.1 and reimbursed costs under §§6.4 and 6.14 shall be adjusted annually by the percentage of increase during the previous year in the CPI, provided that in no event shall the applicable increase be more than five percent (5%) in any one year. If the revised

CPI shall cease to be published, the County and Waste Management shall designate a comparable index which shall then be used for determining the annual rate of increase.

6.6. Time of Payment. Fees pursuant to §6.1 shall be paid quarterly. The quarterly payments shall be calculated for the three month periods ending on the last day of March, June, September and December of each year during the term of this Agreement and any extension thereof. The payment shall be made not later than 30 days after the last day of the preceding quarter.

6.7. Payment Form. Each Host Community Fee payment shall be accompanied by a form prescribed by the County and stating the weight of solid waste disposed at the Landfill during the payment period and providing such other information as may be necessary for the County to assure compliance with this Agreement. The form shall be signed and sealed by the Landfill's engineer, who shall be a professional engineer licensed in the State of Illinois.

6.8. Books and Records. Waste Management Illinois shall keep complete and accurate books and records relating to the determination of the fees owed under §6.1 of this Agreement, in an auditable form. Waste Management Illinois shall permit the County's designated representatives access to such books and records for inspection and photocopying, during the Landfill's normal business hours. The County shall maintain as confidential the information contained in such books and records, but shall be permitted to disclose such information to employees and consultants which the County, in its sole discretion, deems appropriate in order to monitor compliance with this Agreement. In the event that such inspection reveals any underpayment(s) of the per ton fee, Waste Management shall promptly pay to the County the amount(s) of such underpayment(s), together with interest at 1.5% per month from the time any such per ton fees were due and owing to the County, and reimburse the County for its costs and expenses of such inspection and, if necessary, collection, including any professional and technical fees in connection therewith. In the event that such inspection reveals any overpayment(s) of the per ton fees, Waste Management Illinois may credit the amount of such overpayment(s) against the payments of per ton fees in subsequent quarters.

6.9. Preference for County Residents and Firms. Subject to applicable State or Federal employment and civil rights laws, Waste Management Illinois shall give preference in hiring for work at the Property to suitably skilled applicants residing in the County before hiring applicants residing in other communities. Further, Waste Management Illinois shall use

reasonable efforts to have its contractors give preference to hiring new employees for work in the County from suitably skilled applicants residing in the County before hiring applicants residing in other communities. In awarding contracts for goods or services, Waste Management Illinois shall give preference to firms headquartered in the County which provide a competitive price or bid (where bidding is required) and which are capable of performing the required work, before contracting with or otherwise retaining firms headquartered elsewhere. Waste Management Illinois will notify the County promptly of each job opening and contract opportunity at the Property, and shall use its best efforts to provide such notice not less than 48 hours before Waste Management Illinois publicly announces such opening or opportunity.

6.10. Capacity Guarantee for In-County Waste. Provided Waste Management Illinois is permitted for a landfill which is designed to accept at least 35 million bank yards of waste, Waste Management Illinois agrees to provide adequate disposal capacity for all waste received from municipalities in Kendall County for a period of 15 years from the date the Landfill commences operation at a disposal fee no greater than the lowest fee charged by Waste Management Illinois in any waste contract negotiated with a municipality outside Kendall County. Nothing herein shall preclude the County, or any municipality located within the County, from negotiating a Capacity Guarantee Agreement with Waste Management Illinois. For the purposes of this §6.10, a “municipality” includes any unit of local government.

6.11. Composting Facilities. In the event the County does not have access to a yard waste composting facility located within the County, Waste Management Illinois shall work with the County in an attempt to locate and operate a compost facility on the Property, so long as it does not interfere with disposal capacity, or elsewhere in Kendall County.

6.12. Portable Toilets and Hand Washing Stations. Waste Management Illinois shall work with the County in an attempt to provide access to portable toilets and rental hand washing stations for the County’s use in the event of an emergency.

6.13. Road Kill. Waste Management Illinois shall dispose at the Landfill free of charge all road kill delivered by the County Highway Department provided such road kill may be lawfully disposed at the Landfill.

6.14. Tax Appeal. Waste Management Illinois shall pay the County an amount not to exceed \$50,000 to reimburse the County for its reasonable and documented third party costs, including attorneys fees and experts, incurred in connection with a challenge or appeal by Waste

Management Illinois of a real estate tax assessment on the Property, in the event the challenge or appeal results in no reduction in the challenged tax assessment.

ARTICLE 7. END USE

7.1. The Landfill will at all times be designed, constructed, operated, and closed by Waste Management Illinois with the intention of being converted to a future passive recreational or open space end use developed in coordination with the County or other local park planning entity(ies). On the first anniversary of the issuance of an operating permit for the Landfill Waste Management Illinois shall provide the County with \$150,000 to fund a local government working group to develop an end-use plan for the closed Landfill and Property. Said group shall include at least one individual or organization with expertise in horticulture and open space planning and landscape architecture. Such plan may be implemented in phases. To ensure this future end-use objective, the Landfill shall be designed, constructed, developed, operated, and maintained with conformance to the following general end-use performance standards:

7.1.1. The final landform shall ensure that top slopes and sideslopes are naturalized and undulated rather than conforming to strict or consistent engineered slopes.

7.1.2. The final cover system shall be planted with a diversity of native species and other vegetation, with an appropriate percentage of the landform planted with trees and shrubs, as determined appropriate in the open space planning process described in §7.1.1, provided that at a minimum 10% of the landform shall be capable of being planted with trees and shrubs.

7.1.3. The final landform shall have adequate access roads around the perimeter and shall allow for access to the closed above-grade areas.

7.1.4. Above-grade structures on the landfill (gas or other wells and monitoring devices) shall be adequately engineered to limit public access to said structures, including, if appropriate, conversion to below-grade structures.

7.1.5. Gas to energy and flare systems shall be buffered from the public land use areas via mature vegetation screening. Flares shall be enclosed devices.

7.1.6. An area of at least 15 acres on the Property near a public-designated entrance area(s) shall be reserved for post-closure construction of load-bearing structures by others, in support of site end-use plans, and, if the reserved area constitutes part of the Landfill, the

reserved area may be filled with waste (excluding putrescible waste) that an Illinois licensed professional engineer shall certify is suitable for construction of load-bearing structures.

7.2. Upon IEPA certification of final closure of the Landfill, the County shall have the right to lease the Property after closure for use in a manner consistent with the End Use Plan. This §7.2 applies when the County elects to lease the Property. The lease shall contain the following terms:

7.2.1. The lease shall be for a term of 99 years, subject to automatic renewal for additional 99 year terms unless the County issues a notice of termination to Waste Management Illinois one year prior to the expiration of each 99 year term.

7.2.2. The County shall pay Waste Management Illinois an annual rent of \$1.00.

7.2.3. The County's use of the Property shall be consistent with the End Use Plan.

7.2.4. The County shall pay insurance on the Property and Waste Management Illinois shall be named as an additional insured.

7.2.5. The County shall pay all utilities with the exception of those utilities related directly to the maintenance of the Landfill (for example, electricity to operate blowers).

7.2.6. Waste Management Illinois shall indemnify and hold the County harmless against all claims arising in connection with the release or threatened release of waste constituents from the Landfill.

7.2.7. The County shall be responsible for maintenance and upkeep of the Property, except that Waste Management Illinois shall be responsible for any maintenance and repair of the Landfill (including the final cover).

7.2.8. The County may assign its rights under the lease to a third-party or enter into subleases.

7.2.9. Alterations and improvements to the Property shall be subject to the approval of Waste Management Illinois, which approval shall not be unreasonably withheld, to ensure that the integrity of the Landfill is not compromised.

7.2.10. Waste Management Illinois shall have access to the Property as necessary for the maintenance and repair of the Landfill.

7.2.11. Waste Management Illinois may reasonably restrict access to specific areas of the Landfill that it reasonably deems necessary to protect visitors to the Property or to protect components of the Landfill.

7.2.12. The County shall be responsible for the payment of property taxes on the Property.

ARTICLE 8. DEFAULT AND REMEDIES

8.1. Defaults. A material default and breach of this Agreement by Waste Management Illinois includes, but is not limited to, the following:

8.1.1. The failure to make payment of any Host Community Fee payment required to be made under this Agreement after ten (10) days written notice thereof.

8.1.2. The failure to properly maintain insurance required pursuant to the terms and conditions of this Agreement.

8.1.3. The failure to correct or remedy promptly and in the proper and required manner any actual violation of any law, statute, rule, regulation, permit or ordinance relating to the development, operation, and closure/post closure care of the Landfill, including Siting Conditions. For purposes of this Agreement, Waste Management Illinois shall be deemed to have acted promptly if it corrects or commences correction of the violation in question within the time allowed by law, or within the time otherwise allowed by a court, tribunal or a governmental agency of competent jurisdiction.

8.1.4. The failure to observe or perform any of the other covenants, terms, conditions or provisions of this Agreement and Siting Conditions to be observed or performed, where such failure shall continue for a period of thirty (30) days after written notice thereof from the County to Waste Management Illinois; provided, however, that if the nature of the default is such that more than thirty (30) days are reasonably required for its cure, and the County agrees in writing that this is the case (which agreement shall not be unreasonably withheld), then Waste Management Illinois shall not be deemed to be in default if Waste Management Illinois commences such cure within said thirty (30) day period and thereafter diligently prosecutes such cure to completion.

8.1.5. The making by Waste Management Illinois of any general assignment, or general arrangement for the benefit of creditors; the filing by or against Waste Management Illinois of a petition to have Waste Management Illinois or WMI adjudged a bankrupt or a petition for reorganization or arrangement under any law relating to bankruptcy (unless, in the case of a petition filed against Waste Management Illinois, the same is dismissed

within sixty (60) days of filing); the appointment of a trustee or receiver to take possession of substantially all of Waste Management Illinois' assets located at, or serving, the Property or of Waste Management Illinois' interest in this Agreement (where possession is not restored to Waste Management Illinois within thirty (30) days; or the attachment, execution or other judicial seizure of substantially all of Waste Management Illinois' assets located at the Property or of Waste Management Illinois' interest in this Agreement (where such seizure is not discharged within thirty (30) days).

8.2. Remedies. In the event of any default or breach by KLC or Waste Management Illinois of their respective obligations hereunder, the County may bring an action to enforce this Agreement and seek any and all relief available at law or in equity. Waste Management Illinois shall reimburse the County for its reasonable attorneys fees and costs (including fees for expert witnesses and consultants) incurred in enforcing this Agreement.

8.3. Stipulated Damages. Any violation of a Performance Standard shall result in stipulated damages against Waste Management Illinois,, in addition to other rights and remedies available to the County, as follows:

Stipulated Damage Per Day For Waste Management Illinois's Unexcused Failure to Achieve Performance Standards	Days of Unexcused Failure to Achieve Performance Standards
\$100	1 st through 14 th day
\$250	15 th through 30 th day
\$750	31 st through 44 th day
\$1500	45 th through 60 th day
\$2000	61 st through 74 th day
\$3000	75 th through 90 th day
\$4000	91 st day and beyond

8.4. Remedies Not Exclusive. No right, power or remedy conferred upon or reserved to any Non-Defaulting Party under this agreement or under law shall be considered exclusive of any other right, power or remedy, but such rights, powers and remedies shall be cumulative and shall be in addition to every other right, power and remedy given hereunder or now or hereafter available at law or in equity or by statute or otherwise, and every right, power and remedy given by this Agreement to any Non-Defaulting Party may be exercised from time to time and as often as occasion may arise or as may be deemed expedient, without precluding any Non-Defaulting

Party's simultaneous or later exercise of any or all other rights, powers or remedies, including, by way of example, the right of the County to file a complaint with the IPCB alleging a violation of the Act and to enforce the Siting Conditions independently of this Agreement. No delay or omission of the Non-Defaulting Party to exercise any right, power or remedy arising from any default or breach hereof on the part of the Defaulting Party shall impair any such right, power or remedy or shall be construed to be a waiver of any such default or breach or any acquiescence therein.

ARTICLE 9. MISCELLANEOUS

9.1. Assignment. Waste Management Illinois and KLC shall not assign their rights or obligations under this Agreement, or any siting approval the Board might issue with respect to the Landfill pursuant to the Siting Ordinance, to any other party, except as to each other, without the consent of the County as provided in §3.1 (Operational Commitment). In no event, however, will KLC itself, through assignment, become the owner and operator of the Landfill.

9.2. Notice. Any notice to be given hereunder by either party to another shall be in writing and be sent by personal delivery, by overnight delivery service or by registered or certified mail, postage prepaid, return receipt requested, and shall be deemed communicated when delivered or after four (4) business days from the date of mailing, whichever is earlier. Notices shall be addressed as set forth below, but each party may change its address by written notice to the others in accordance with this §9.2.

To the County:

Kendall County
111 West Fox Street
Yorkville, IL 60560-1498
Attention: County Administrator

with a copy to:

Kendall County Courthouse
Office of Kendall County State's Attorney
807 W. John St.
Yorkville, IL 60560
Attention: Kendall County State's Attorney

To Waste Management Illinois:

Waste Management Midwest Group
720 E. Butterfield Road
Lombard, Illinois 60148
ATTN: Area General Counsel

To KLC:

Kendall Land and Cattle, L.L.C.
215 W. Main Street
Plainfield, IL 60544
ATTN: Patrick C. Harbour, Manager

9.3. Agreement Controls – Merger Clause. This Agreement constitutes the entire agreement of the parties hereto relating to the subject matter hereof, and all prior communications, discussions, understandings and agreements are hereby merged herein.

9.4. Captions. Captions of the Articles, Sections and Sub-Sections of this Agreement are for convenience of reference only, and the words contained therein shall in no way be held to explain, modify, amplify or aid in the interpretation, construction or meaning of the provisions of this Agreement.

9.5. Governing Law and Forum for Litigation. This Agreement shall be governed by and construed in accordance with the laws of the State of Illinois. Any litigation filed by any party hereto against any other party hereto and involving this Agreement shall be filed in the Circuit Court for the 16th Judicial Circuit, Kendall County, Illinois.

9.6. Severability. The provisions of this Agreement shall be deemed to be severable, and the invalidity or unenforceability of any one provision shall not affect the validity and enforceability of the other provisions hereof.

9.7. Binding Effect. This Agreement shall inure to the benefit of, and be binding upon, the parties hereto and their respective successors and assigns.

9.8. Force Majeure. No party hereto shall be deemed to be in default or to have breached any provision of this Agreement, as a result of any delay, failure in performance or interruption of services resulting directly or indirectly, from new technology that substantially reduces the amount of waste available for disposal at the Landfill, acts of God, acts of civil or

military authority, civil disturbance, war, acts or orders of any governmental entity, riots, or any governmental action that prevents Waste Management Illinois from meeting its minimum guarantee set forth herein, including new laws mandating recycling that reduces waste available in the greater Chicago area for disposal at the Landfill to a level that Waste Management Illinois is unable to meet minimum quantities set forth herein, or the development of a disposal facility to service the greater Chicago area, such as a new waste to energy facility, supported by government authority through the enactment of flow control legislation. Waste Management Illinois' inability to satisfy the guaranteed minimum Host Community Fee due to its own actions does not constitute a *force majeure* event hereunder, to the extent of the volume of waste diverted to the supported disposal facility by flow control legislation. Such aforementioned government actions include, but are not limited to, restrictions on operations imposed due to non-compliance with applicable legal requirements or involuntary reduction of waste receipts by Waste Management Illinois for reasons not otherwise set forth in this Agreement or any other Agreement of the parties. The closure or suspension of operations at the Landfill by government action does not constitute a *force majeure* event under this §9.8 where the closure or suspension is the result of (a) a court of competent jurisdiction (or IPCB) finding that Waste Management Illinois willfully or recklessly violated the Act; (b) IEPA finding in an order issued pursuant to §34 of the Act that Waste Management Illinois willfully or recklessly violated the Act, which order was not appealed by Waste Management Illinois; or (c) Waste Management Illinois admitting to willfully or recklessly violating the Act. In the event a *force majeure* event does prevent Waste Management Illinois from meeting its guaranteed minimum Host Community Fee, Waste Management Illinois shall exercise commercially reasonable efforts to maximize the delivery of waste to the Landfill.

9.9. No Third-Party Beneficiaries. With the exception of §§3.8 (Property Value Guarantee and Well Testing Program) and 5.5 (Third Party Claims), nothing in this Agreement, whether expressed or implied, is intended to confer any rights or remedies under or by reason of this Agreement on any persons or entities other than the parties and their respective successors and assigns, nor shall any provision give any third persons or entities any right or rights of action against any party to this Agreement.

9.10. Authorization. Each of the parties hereto represents to the others that the individual(s) executing this Agreement on its behalf are duly authorized and empowered to bind such party.

9.11. Conflict of Interest. The parties represent, to the best of their knowledge and belief, that no member or employee of the County and no other public official who exercises any functions or responsibilities in the review or approval of the undertaking or carrying out of this Agreement has any direct personal or financial interest in the Agreement or in the proceeds thereof.

9.12. County Obligations. The County shall assist KLC and Waste Management Illinois in protecting the health, safety and welfare of its citizens by taking all reasonable steps within its power to offer technical and socio-economic advice to KLC and Waste Management Illinois, where appropriate. The County shall also aid in public education concerning the process for siting a pollution control facility under the Act in a manner and to the extent which the County in its sole discretion, deems appropriate. By entering into this Agreement, however, the County does not assume any obligation, or make any representation to Waste Management Illinois, with respect to the collection or treatment of Landfill leachate.

9.13. Construction. This Agreement shall be construed without regard to any presumption or other rule requiring construction against the party causing this Agreement to be drafted.

9.14. Agreement to Cooperate. The parties hereto agree to take any and all actions reasonably necessary to effectuate the terms of this Agreement; provided, however, that this Agreement shall not be deemed an obligation on the County to grant any Siting Application, or to grant any such Siting Application without Siting Conditions.

9.15. Execution of Additional Documents. Each of the parties hereto agrees to execute and deliver to the other party any and all documents that may be necessary or appropriate to effectuate the terms of this Agreement whether on or after the Effective Date, including ratification and incorporation by reference as if set forth herein and made part of this Agreement, Siting Conditions contained in any siting approval the Board may issue with respect to the Landfill under the Siting Ordinance, and execution and recordation of the Memorandum of Agreement referenced in §3.7 (Covenant Guarantee) of this Agreement.

9.16. Counterparts. This Agreement may be executed in counterparts, and each such counterpart shall constitute one and the same instrument.

9.17. Compliance with Law. Compliance with a statute, regulation, ordinance or other law as used herein means compliance with the current form of statute, regulation, ordinance or other law at the Effective Date or as amended thereafter.

9.18. Legal Opinion. On or before the Effective Date, counsel for the County, KLC and Waste Management Illinois, on behalf of their respective clients, shall each provide the other parties with a legal opinion that (a) the signing party has the power and authority to enter into this Agreement, (b) the person signing this Agreement on behalf of the signing party has been properly authorized to do so and (c) this Agreement has been duly authorized, executed and delivered by the signing party, constitutes the valid and binding obligation of the signing party, and is enforceable against the signing party in accordance with its terms.

9.19. Non-Discrimination. Waste Management Illinois shall not, in the performance of this Agreement, discriminate or knowingly permit discrimination against any person on account of sex, race, age, creed, color, national origin, or political or religious opinion or affiliation and shall comply with all relevant state and federal laws concerning discrimination and equal opportunity.

9.20. Recordation. KLC shall, at its sole cost and expense, cause this Agreement and such other documents legal counsel for the County reasonably deems necessary, including any document of conveyance of the Property by KLC to Waste Management Illinois as contemplated under §3.1 of this Agreement and the Recitals, to be recorded with the County Recorder.

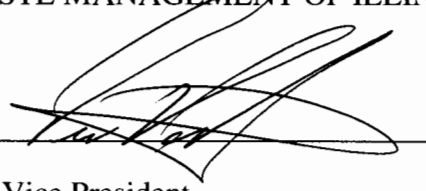
9.21. Reservation of Police Powers. The County reserves all its power and authority, including the power to tax and zone the Property, including zoning authority over a landfill gas recovery system should one be installed at the Landfill, except that the County agrees not to impose fees or taxes specific to the disposal of Solid Waste on the Property other than as provided in this Agreement. In the event the County imposes a fee pursuant to §22.15(j) of the Act, 415 ILCS 5/22.15(j), the host fee set forth above in §6.1 of this Agreement will be reduced by an amount equal to the newly imposed fee.

9.22. Time of Essence. Time is of the essence in this Agreement.

9.23. Waiver. Any waiver of a right, power or remedy under this Agreement must be in writing and accompanied by legal opinion stating (a) the signing party has the power and

WASTE MANAGEMENT OF ILLINOIS, INC.

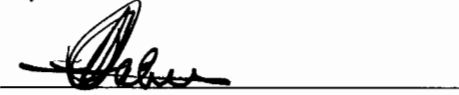
By:

A handwritten signature in black ink, appearing to be "Tom [unclear]", written over a horizontal line.

Its: Vice President

KENDALL LAND AND CATTLE, LLC

By:

A handwritten signature in black ink, appearing to be "Debra", written over a horizontal line.

Its: Manager

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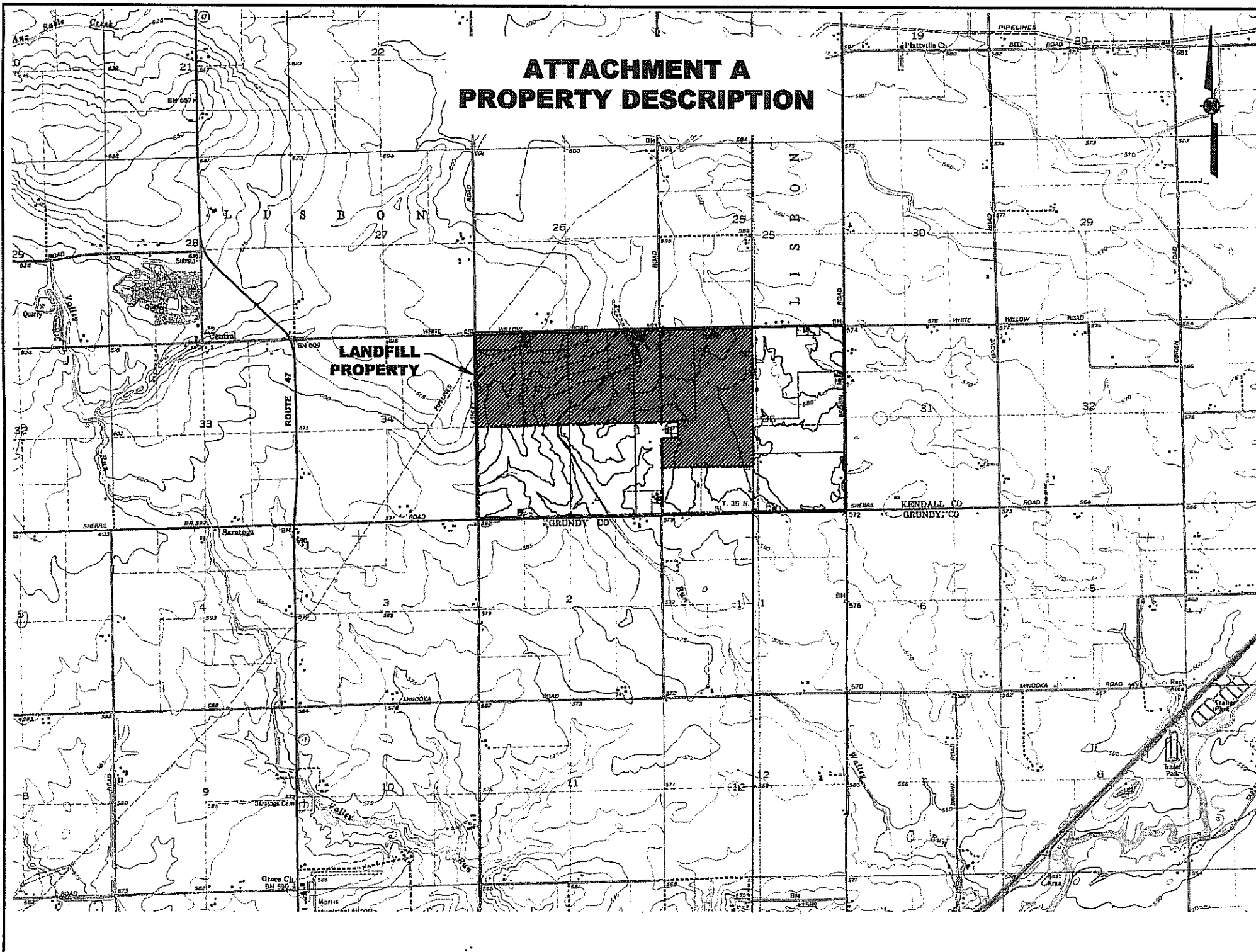
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ATTACHMENTS

**LEGAL DESCRIPTION OF THE PROPERTY
ATTACHMENT A**

ATTACHMENT A PROPERTY DESCRIPTION



**PROPERTY VALUE PROTECTION AGREEMENT
ATTACHMENT B**

ATTACHMENT B
PROPERTY VALUE GUARANTEE

This Agreement ("Agreement") made and entered into on this ___ day of _____, by and between Waste Management of Illinois, Inc., a Delaware corporation having its principal offices at 720 E. Butterfield Rd., Lombard, Illinois 60148 ("Guarantor") and _____, residing at _____, Illinois ("Property Owners").

R E C I T A L S

WHEREAS, Property Owners own eligible Property as described herein ("Property"), that Property having the legal description as follows:

[INSERT LEGAL DESCRIPTION OF PROPERTY WITHIN ONE MILE RADIUS OF LANDFILL]

WHEREAS, Waste Management, Illinois ["Guarantor"] has, pursuant to §39.2 of the Illinois Environmental Protection Act ["Act"], obtained siting approval from Kendall County and all appropriate permits from the Illinois Environmental Protection Agency;

WHEREAS, Guarantor desires to alleviate concerns about the preservation of Property values located in proximity to Willow Run Recycling & Disposal Facility ("Willow Run" or "Landfill"), specifically within a one mile radius of the Landfill footprint; and

WHEREAS, Property Owners are desirous of preserving equity in the Property, by ensuring that if the Property described herein is sold at a price less than the ASKING PRICE as a result of proximity to the Landfill, as determined to the procedures contained herein, the Guarantor will guarantee payment to the Property Owners of such difference; and

WHEREAS, Guarantor desires to avoid panic selling of properties within close proximity of the Landfill,

IT IS HEREBY AGREED AS FOLLOWS:

1. EFFECTIVE DATE OF AGREEMENT. This Agreement, when signed, shall become effective and binding on Guarantor upon the issuance by the Illinois Environmental Protection Agency ("IEPA") of a permit to the Guarantor for development and operation of the Landfill.

Notwithstanding the foregoing, if an administrative agency or court of competent jurisdiction rules or holds that the IEPA permit for the Landfill has been in excess of or in violation of said governmental body's authority

or otherwise unlawful, then Guarantor's obligations under this Agreement shall be null and void.

2. ELIGIBILITY: EXERCISE OF GUARANTEE. Property within one mile of the footprint of the Landfill is covered by this guarantee. Owners of such Property who are owners of record at the time the Landfill receives its operating permit from the Agency ("Property Owners"), and continue to be owners at the time of sale, or their legitimate heirs or assigns as described in Paragraph 13, are eligible to exercise this guarantee. In the event that the Property Owners wish to sell their eligible Property, and exercise the guarantee set out in this Agreement, they shall notify Guarantor of same in writing by certified mail and thereafter they shall make a good faith effort to sell said Property by entering into a listing contract with a licensed real estate broker pursuant to the terms herein.
3. QUALIFIED PROFESSIONAL APPRAISER. For the purposes of this Agreement, a "qualified professional appraiser" shall mean a person who is licensed by the State of Illinois, not related to the Property Owners, who is not an employee or contractor of Waste Management and does not otherwise have a business relationship with Waste Management, and who is a member of at least one national appraisal association. All appraisal reports shall conform to the Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute.
4. AGREED TO ASKING PRICE. The asking price of the Property described herein may be mutually agreed to by the Property Owners and the Guarantor. Such price shall be considered the AGREED TO ASKING PRICE. The AGREED TO ASKING PRICE may be mutually amended by the Property Owners and Guarantor at any time, subject to agreement.
5. DETERMINATION OF ASKING PRICE BY APPRAISAL. If the parties are unable to agree on the asking price of the Property, then the Guarantor shall hire, at its expense, a qualified professional appraiser, and shall notify Property Owner of such appraiser. If the Property Owner objects to the Guarantor's choice of appraisers, it shall state those objections, in writing, within ten days of the notification of the choice of appraisal, to Guarantor. In the event Property Owner reasonably objects, the Guarantor shall choose another qualified professional appraiser, and proceed as described below.

When a qualified professional appraiser is hired pursuant to this Paragraph 5, he or she shall be instructed to determine the fair market value of the Property as follows:

- a. Assume that no Landfilling activities were being undertaken or would be undertaken at Willow Run;

- b. Utilize comparable Property, located a sufficient distance away from the Landfill so that, in the opinion of the appraiser the selling price of that Property was not influenced by the presence of the Landfill;
- c. Utilize comparable Property, located approximately the same distance from major population centers (such as Yorkville) so that in the opinion of the appraiser the selling price of the comparable Property was not influenced by its closer proximity to new or existing population centers.
- d. Establish a fair market value which is based upon the use and zoning classification of the Property on the effective date of the Agreement (without considering sales contingent on rezoning);
- e. Prepare a full narrative appraisal, which conforms to the Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute;
- f. Prepare the appraisal in full compliance with any and all state standards and state regulations which pertain to the preparation of an appraisal of the Property except those standards and regulations which conflict with these instructions;
- g. The appraiser shall note the condition of the premises, both interior and exterior, at the time of the appraisal; and
- h. The appraisal shall not consider the price paid for the land acquired for the Landfill site.

If Property Owner and Guarantor accept the appraised value, then such value shall constitute the AGREED TO ASKING PRICE, and the Property Owners shall offer the above-described Property for sale at no less than that price.

If either the Property Owner or the Guarantor does not accept the appraised value, the non-accepting party may retain a second qualified professional appraisal, of its choice, who shall not be made aware of the first appraised value and who shall determine the fair market value of the above-described Property on the basis of Paragraph 4 (a) through (h) above. If both parties do not accept the original appraisal, they shall agree to the second qualified professional appraiser and split the costs. In the event a second appraised value is obtained pursuant to this paragraph is within fifteen percent (15%) of the first appraisal, the ASKING PRICE shall be the arithmetic average of the original appraised value and the

second appraised value, unless the Guarantor is unsatisfied with such value.

In such event, the first two appraisers shall hire a third qualified professional appraisal, at the sole expense of the Guarantor, who shall not be made aware of either the first or second appraised values, and who shall determine the fair market value of the above-described Property on the basis of Paragraph 4 (a) through (h) above. The ASKING PRICE will then be the arithmetic average of the three appraised values within fifteen percent (15%) of each other and if none are within fifteen percent (15%) of each other the third appraisal shall conclusively determine the ASKING PRICE for the purpose of this Agreement.

6. LISTING WITH BROKER. Property Owners shall utilize the services of a real estate broker who shall be licensed in Illinois, shall not related to the Property Owners and, unless waived by the Guarantor, shall be a member of the Board of Realtors Multiple Listing Exchange. Property Owners shall give Guarantor notice of the broker with whom they wish to contract and shall obtain Guarantor's approval of said broker. Guarantor will not unreasonably withhold such approval. If the Guarantor objects to the Property Owners' choice of brokers, it shall state those objections, in writing, to Property Owners. In the event Guarantor reasonably objects, the Property Owners shall choose another broker, and proceed as described above. As sellers of the Property, Property Owners shall be responsible for the broker's fee. Nothing herein shall prevent the Property Owner from marketing the Property at a value higher than the ASKING PRICE as determined herein.

7. TERM OF LISTING. Property Owners shall list the Property, at the ASKING PRICE as determined in Paragraphs 4 or 5 above, or at a higher value. During the listing term, Property Owners shall accept any offer of purchase for the ASKING PRICE, or any offer of purchase otherwise acceptable to the Guarantor

Said listing contract shall provide: (a) that the broker shall list the Property in the multiple listing exchange; (b) that the Property will be so listed until the occurrence of either the (i) sale of the Property or (ii) expiration of a period of 270 days; (c) that the broker shall not be entitled to any commission after the expiration of the listing contract.

The Property Owners shall cooperate with the broker in obtaining a purchaser pursuant to the terms set forth in the listing agreement and shall make, in good faith, all reasonable efforts necessary to conclude a sale pursuant to the said terms.

8. OFFERS TO PURCHASE. The Property Owners shall accept any offer of purchase for the ASKING PRICE and, in such event, Guarantor will

have no liability to Property Owners. Property Owners shall provide the Guarantor with written notification of every Offer to Purchase that they receive for the Property and agree, for a period of 270 days, not to accept any offer below the ASKING PRICE without the express and written approval of the Guarantor. In no event shall the Property Owners entertain anything other than good faith, bona fide offers of purchase.

9. GUARANTOR'S CONSENT TO PURCHASE. Guarantor shall have the right to make counter offers on any offers of purchase which are below the ASKING PRICE. In the event the purchaser accepts any such counter offer made or requested by the Guarantor, or in the event the Guarantor otherwise consents to a sale of the Property below the ASKING PRICE, the Guarantor shall pay the Property Owners, at closing, the difference between the ASKING PRICE and the sales price so established.
10. SALE WITHOUT GUARANTOR'S CONSENT. If the Property Owners have not received an offer of purchase at the ASKING PRICE within 270 days of listing the Property for sale, or the Guarantor has not consented to the sale of the Property below the ASKING PRICE, the Property Owners may sell the Property at the highest offer of purchase still pending or at the next good faith bona fide offer to purchase. It shall notify the Guarantor, in writing, of its intention to accept such offer.
11. PROPERTY OWNER'S CLAIM. If the Property has sold for less than the ASKING PRICE, as determined herein, and Property Owner reasonably believes that the reason for such lowered value is because of the Property's proximity to the Landfill, it shall make a claim to the Guarantor, requesting payment for the difference between the ASKING PRICE and the sales price. Within thirty days of such request, Guarantor shall pay the Property Owner the difference unless Guarantor, within that time, has invoked the procedures set forth in Paragraph 12.
12. GUARANTOR APPEAL. Within thirty days of receipt of any claim from Property Owner pursuant to Paragraph 11 above, if Guarantor has a reasonable good faith belief that the difference in value between the ASKING PRICE and purchase price was not attributable to the Property's proximity to the Landfill, it shall simultaneously notify the Property Owners, by certified letter, and the County Board, by certified letter to the Chairman of the County Board. Within fifteen days of the County's receipt of such notice, the County Board shall appoint a panel of three qualified professional appraisers ("Panel"), none of whom have previously appraised the subject Property, for the purpose of conducting an informal hearing concerning the cause of the difference in value between the ASKING PRICE and the actual sales price.

13. **APPEAL PROCEDURES.** The informal hearing before the Panel shall be held within thirty days of Board appointment and, at hearing, both the Guarantor and Property Owners shall be given a reasonable opportunity to be heard. At such hearing, the Panel shall review all appraisals of the Property, all offers of purchase and any and all other relevant documents or evidence. Within thirty days of hearing, the Panel shall issue a letter of determination to the parties. If a majority of the Panel, based upon its collective knowledge and experience, determines that the difference between the ASKING PRICE and the sales price is attributable to reasons other than the Property's proximity to the Landfill, the Guarantor will not be required to pay Property Owners the difference between the ASKING PRICE and any proposed or actual sales price. Absent such finding, the Guarantor will pay to the Property Owners the difference between the ASKING PRICE and the sales price to the extent of any difference determined by the panel to be directly attributable to the operation of the Landfill. The Guarantor will reimburse the County for the reasonable costs of the Panel and hearing.
14. **TERMINATION OF GUARANTOR'S OBLIGATIONS.** This Agreement shall terminate and Guarantor shall have no obligation to guarantee the purchase price once waste is no longer disposed of at the Landfill and the Illinois Environmental Protection Agency has issued Guarantor a closure certification. For this Agreement "waste is no longer being disposed of" shall occur when: (a) the disposal of waste at the Landfill has been permanently terminated as the result of an order, judgment, or decree issued by a federal, state, or local agency, court, or unit of government having jurisdiction under administrative code, statute, law, or ordinances; (b) any agency having jurisdiction fails to issue or revokes any license, permit, or approval needed by the Guarantor to operate the Landfill; (c) the Landfill has reached its approved design capacity; or (d) the Guarantor voluntarily elects to permanently cease disposing of waste at the Landfill despite the fact that there is remaining capacity.
15. **ASSIGNMENT OR TRANSFER.** Neither this Agreement nor the rights under it may be assigned, conveyed, or otherwise transferred by Property Owners. The guarantee given by Guarantor to guarantee the Property value and to purchase the Property is personal, and does not run with the land; however, said Agreement shall inure to the benefit of the Property Owners, their personal representatives, trustees, guardians, custodians or their heirs; but, in all events, shall terminate as described in Paragraph 14.
16. **APPLICATION OF LAW; DISPUTES.** This Agreement shall be construed consistent with law in the State of Illinois. Disputes concerning the application or terms of this Agreement shall be subject to the circuit court jurisdiction of the Sixteenth Judicial Circuit (Kendall County).

GUARANTOR:

Waste Management of Illinois, Inc.

By _____

Its: _____

DATE: _____

PROPERTY OWNERS:

DATE:

ATTEST:

Its: _____

WITNESS:

ATTACHMENT B -1

REGISTERED LETTER TO BE SENT TO ALL ELIGIBLE PROPERTY OWNERS
WITHIN 30 DAYS OF RECEIPT OF IEPA PERMIT TO OPERATE

DATE

Dear Property Owner:

As you may know, Willow Run Recycling and Disposal Facility (“Willow Run”) has been permitted by the Illinois Environmental Protection Agency to begin operations. Waste Management of Illinois is the owner and operator of Willow Run.

You have been identified as owning property in Kendall County which is within one mile of the Willow Run footprint. While we do not expect that the operations of Willow Run will negatively impact that property, and expect to be good neighbors, we have nonetheless made an agreement with Kendall County that we will insure against any negative impact to the property that results from our operations. We have therefore enclosed a PROPERTY VALUE GUARANTEE AGREEMENT which is applicable to you, your heirs and assigns (as described in Paragraph 15 of the Agreement). It is not applicable to any future purchasers of your eligible property.

You may execute this Agreement anytime during the operational life of Willow Run, when and if you choose to sell the eligible property. You do not need to exercise the Agreement, but can do so if you choose. You do not have to take any action at this time.

If you have any questions, you may contact the manager of the Willow Run facility, who will put you in contact with persons who can answer your questions.

Sincerely,

WASTE MANAGEMENT (PERSONNEL TO BE DETERMINED)

**DOMESTIC WELL PROTECTION AGREEMENT
ATTACHMENT C**

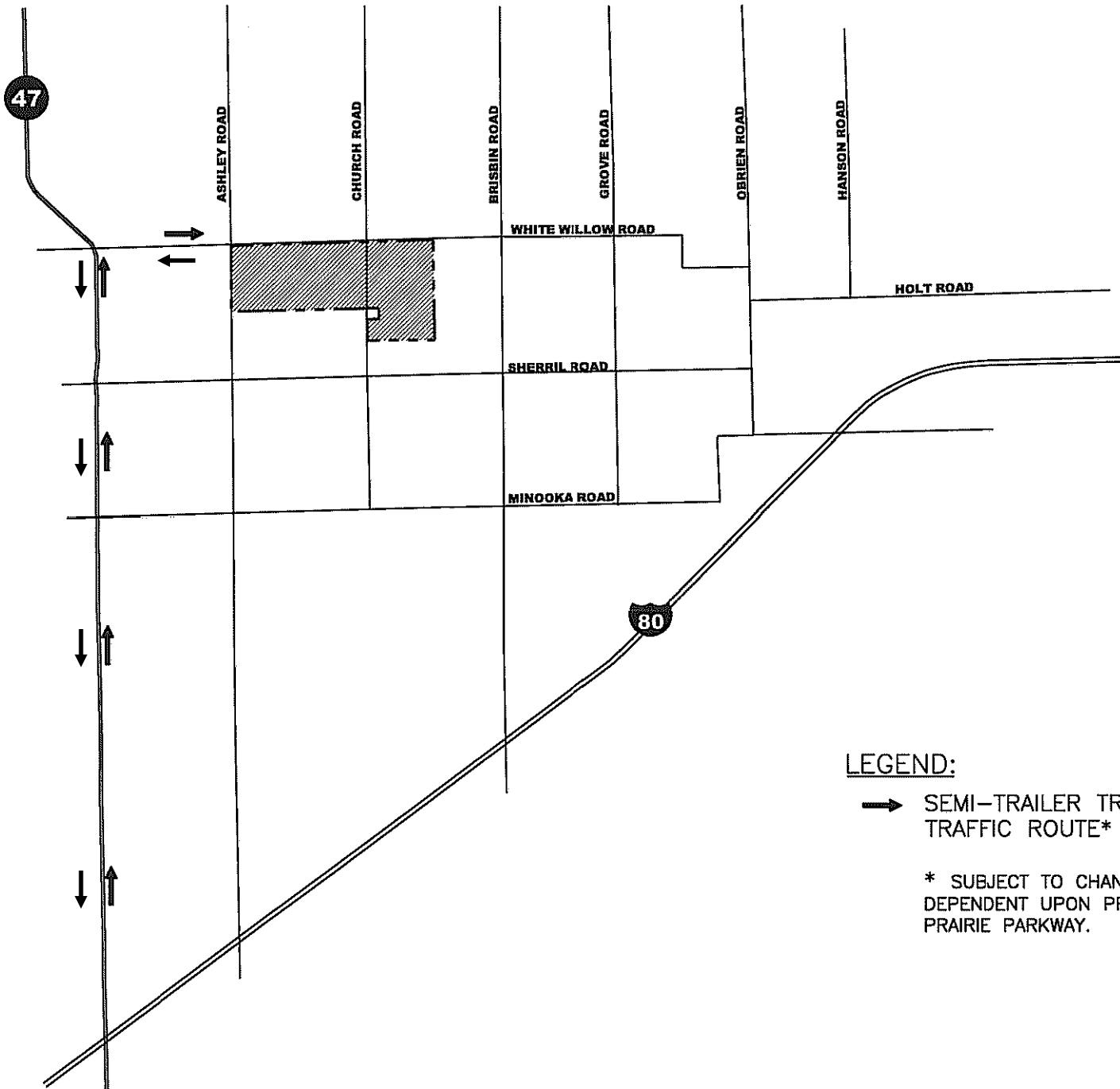
Attachment C

DOMESTIC WELL PROTECTION AGREEMENT

If, at any time after the date that Waste Management Illinois first accepts waste at the Willow Run Recycling and Disposal Facility [“Willow Run”] until Waste Management Illinois concludes all active landfilling operations, any water supply wells in use as a drinking water supply located within one and one half (1 ½) miles of the limits of waste at Willow Run (hereinafter “Covered Wells”), are contaminated by the Landfill operations, Waste Management Illinois agrees to provide an alternate potable water supply to that owner within twenty-four (24) hours of notification to Waste Management Illinois by the County or the owner of the contaminated well that the well, based upon the laboratory analysis of samples submitted to an accredited laboratory and professional engineering judgment, has been contaminated by Willow Run (hereafter “Notification”). Should the laboratory analysis accompanying the Notification show that water from any Covered Well is in violation of the United States Environmental Protection Agency (“USEPA”) or Illinois Environmental Protection Agency (“IEPA”) health advisory, that water supply shall not be considered to be contaminated until thirty (30) days subsequent to the date Waste Management Illinois receives the Notification. Thirty (30) days after Waste Management Illinois receives the Notification, the obligations of this paragraph shall become applicable and Waste Management Illinois shall be obligated to provide an alternate potable water supply which may include a new well to replace the contaminated well, but shall not consist of bottled or trucked in potable water. Within twenty four (24) hours of receiving the Notification and during the aforesaid 30 day review period, Waste Management Illinois shall provide the owner of the well with bottled or trucked in potable water. Waste Management Illinois shall not be responsible to provide an alternative potable water supply for any wells not contaminated by Willow Run.

**TRUCK TRAFFIC PLAN
ATTACHMENT D**

ATTACHMENT D TRUCK TRAFFIC ROUTE



LEGEND:

→ SEMI-TRAILER TRUCK TRAFFIC ROUTE*

* SUBJECT TO CHANGE
DEPENDENT UPON PROPOSED
PRAIRIE PARKWAY.

**MINIMUM INSURANCE REQUIREMENTS
ATTACHMENT E**

MINIMUM INSURANCE REQUIREMENTS ATTACHMENT E

Comprehensive General Liability conforming to the requirements §5.7(a) of the Agreement	\$10,000,000.00 (Occurrence) \$10,000,000.00 (Aggregate)
Pollution Liability Insurance conforming to the requirements §5.7(b) of the Agreement	\$20,000,000.00 (Occurrence) \$20,000,000.00 (Aggregate)

All policies shall contain a Blanket Waiver of Subrogation in favor of Kendall County.

The County, its agents, employees, officers, elected officials shall be named as Additional Insureds.

The insurance shall be issued by an insurance company or companies that have a financial rating from A.M. Best Company of not less than "A- V".

**WASTE MANAGEMENT, INC. GUARANTY
ATTACHMENT F**

GUARANTY

Waste Management, Inc., for valuable consideration, including the mutual covenants and benefits stated in the Host Agreement among the County of Kendall, Kendall Land and Cattle, LLC, and Waste Management of Illinois, Inc., (the "Agreement"), such consideration and the receipt of which is hereby acknowledged, does hereby guaranty, upon the due execution and delivery by the parties of such Agreement, the performance of the obligations of Waste Management of Illinois, Inc. provided for in the Agreement in the event Waste Management of Illinois, Inc. fails to perform.

WASTE MANAGEMENT, INC.

By: Robert B. Long
Its: Senior Vice President

and

By: [Signature]
Its: Vice President

Dated: 10/11/06