

**AGREEMENT TO FUND A PORTION OF THE
NAPA RIVER RESTORATION PROJECT**

AGREEMENT NO. 260130B (FC)

This AGREEMENT TO FUND (“**Agreement**”) is entered into by and between CLOVER FLAT LAND FILL, INC., a California corporation (“**Clover Flat**”) and NAPA FLOOD CONTROL AND WATER CONSERVATION DISTRICT, a special District of the State of California (the “**District**”) as of September, 16 2025, (the “**Execution Date**”). The District and Clover Flat are sometimes referred to as “**Parties**” and may be individually referred to as “**Party**.”

RECITALS

WHEREAS, Clover Flat intends to mitigate impacts at Clover Flat Landfill, located at 4380 Silverado Trail, Calistoga, in unincorporated Napa County, California, (“**Clover Flat Property**”); and

WHEREAS, Clover Flat is required to provide both on-site and off-site mitigation for the impacts to an unnamed drainage referred to as “**Creek 2**,” which lies within the Napa River Watershed; and

WHEREAS, on June 4, 2025, the San Francisco Bay Regional Water Quality Control Board (“**RWQCB**”) issued a Notice of Applicability for Enrollment of the Clover Flat Resource Recovery Park under the Clean Water Act Section 401 Water Quality Certification and Waste Discharge Requirements for Restoration Projects Statewide (Order No. 2022-0048-DWQ) (“**Section 401**”); and

WHEREAS, on September 8, 2025, the California Department of Fish and Wildlife (“**CDFW**”) issued a Lake and Streambed Alteration Agreement to Clover Flat for the Clover Flat Resource Recovery Park Restoration (“**LSAA**”); and

WHEREAS, the RWQCB and CDFW are referred to collectively as the “**Agencies**”; and

WHEREAS, the District will undertake the Bale Slough-Bear Creek Restoration Project, (the “**Project**”), including “Construction Group B,” a project with high aquatic and biological resource values, within the Napa River Watershed; and

WHEREAS, Clover Flat, the RWQCB, and CDFW have agreed that Clover Flat’s off-site mitigation requirements can be satisfied, in part, by Clover Flat providing funds to the District for the purpose of supporting the Project; and

WHEREAS, the District desires to accept Clover Flat’s contribution to a portion of the funding required for implementation of the Project, through a one-time payment to the District.

TERMS

NOW, THEREFORE, for valuable consideration, the Parties agree as follows:

1. Effective Date. This Agreement shall become effective upon written approval by the RWQCB and CDFW (the “**Effective Date**”). Clover Flat shall provide written notice of such approval or disapproval of this Agreement to the District within forty-eight (48) hours of receipt of such determination.
2. Funding. Clover Flat shall pay One Million Five Hundred and Fifty Thousand Dollars (\$1,550,000.00) to the District (“**Project Funds**”) for the sole purpose of funding the activities in support of the Project as described in **Exhibit A** (“**Project Description**”) and depicted in **Exhibit A-1** attached hereto and incorporated by this reference.
3. Payment Date. Clover Flat shall pay the Project Funds in full to the District on or before December 1, 2025 (“**Payment Date**”).
4. Permitting and Environmental Review. The District shall be responsible for obtaining all permits, performing the required environmental review, and implementing any required mitigation measures and permit conditions for the Project. The Project will not be constructed until all environmental review compliance is complete and permits are obtained.
5. Obligations to Run with the Land. All rights, privileges, duties, and obligations of Clover Flat under this Agreement shall inure to and shall benefit and burden Clover Flat’s successors and assigns to the ownership of the Clover Flat Property.
6. Restriction on Use of Project Funds. The District shall only use the Project Funds for the purpose of funding District activities in support of the Project in accordance with the Project Description, the Project Funds may not be expended for any other purpose or project.
7. Complete Expenditure Date; Reimbursement of Project Funds. All Project Funds must be expended no later than ten (10) years from the Effective Date (“**Expenditure Date**”). In the event any or all of the Project Funds are not expended on the Project by the Expenditure Date, the District shall turn over the unexpended Project Funds to the Agencies or as otherwise directed by the Agencies at that time (“**Reimbursement**”) and shall provide Clover Flat with notice of the same. The District shall make the Reimbursement within ninety (90) days of any District decision to terminate, suspend, or materially change the nature of the Project (“**Termination Date**”).
8. Accounting. The District shall provide an accounting of the use and allocation of Project Funds on an annual basis no later than July 31 of each year, commencing on July 31, 2026. The District shall provide Clover Flat and the Agencies with a final accounting within thirty (30) days of the earlier of the following: (a) complete expenditure of the Project Funds, (b) the Termination Date, or (c) the Expenditure Date. The annual accounting obligation shall terminate after the District provides the final accounting.

9. Invoices and Receipts. The District shall establish and maintain accurate and thorough records with respect to the use of Project Funds. The District shall retain copies of all invoices, bills, demand, payrolls, time records, contract, and other reasonable evidence or substantiation (“**Invoices**”) of the District’s expenditure of Project Funds. Except as otherwise authorized, Invoices shall be maintained for the later of: (a) the period of time prescribed by District’s records retention policies or other applicable law; or (b) three (3) years from the date they were generated, except that records that are the subject of audit findings shall be retained for three (3) years or until such audit findings have been resolved, whichever is later. The District shall provide the Agencies and Clover Flat with a copy of such Invoices no later than thirty (30) days after written request.

10. Notices. Any notice or transmittal which any Party may desire to give to the other Party under this Agreement must be in writing and shall be given by certified mail (postage prepaid and return receipt requested), personal delivery, or nationally recognized overnight courier service to the Party to whom the notice is directed at the address of the Party as set forth below, or to such other address as that Party may later designate by written notice to the other Party. A courtesy copy of all notices shall be sent via e-mail.

To Clover Flat: Waste Connections
3 Waterway Square Place, Suite 110
The Woodlands, TX 77380
Attn: John Perkey
Telephone: (832) 442-2240
Email: johnpe@wcnx.org

with copy to: Cox, Castle & Nicholson LLP
50 California Street, Suite 3200
San Francisco, CA 94111
Attn: Arielle Harris
Telephone: (415) 262-5104
Email: aharris@coxcastle.com

To District: Napa Flood Control and Water Conservation District
Jeremy Sarrow
804 1st Street
Napa , CA 94559
Telephone: 707-259-8204
Email: Jeremy.Sarrow@countyofnapa.org

with copy to: Shana A. Bagley, *District Counsel*
1195 Third Street, Suite 301
Napa, CA 94559
Telephone: 707-253-4523
Email: shana.bagley@countyofnapa.org

Any notice shall be deemed received on the date of delivery if delivered by personal service, five (5) days after mailing if sent by certified mail, and on the date of delivery or refused delivery as shown by the records of the overnight courier if sent via nationally recognized overnight courier.

11. Indemnity. The Parties shall indemnify and hold the other harmless from and against any and all claims, losses, costs, damages, expenses, liabilities, liens, actions, and causes of actions, including reasonable attorney's fees and costs (“**Claims**”) asserted against or incurred by either party (an “**Indemnified Party**”) from any cause arising out of or relating directly or indirectly to the performance or breach of this Agreement by the other party (or its agents, contractors, officers, or employees), other than Claims caused by the negligence or willful misconduct of Indemnified Party. However, the District shall not indemnify Clover Flat in any way regarding the sufficiency of the mitigation provided by the Project.

12. Enforcement. If any Party commences an action against the other Party arising out of or in connection with this Agreement, the prevailing Party shall be entitled to recover their reasonable attorney's fees and costs of suit from the losing Party.

13. Third Party Beneficiaries. The Agencies shall be third-party beneficiaries of this Agreement, with the right to receive notices, reports, and other documentation and monitor and enforce this Agreement.

14. Further Assurances. Each Party shall take all actions that may be necessary or proper to achieve the purposes and objectives of this Agreement.

15. Complete Agreement; Amendments. This is the complete and final Agreement between the Parties and supersedes all prior written or oral agreements between the Parties with respect to the subject matter hereof. Any amendments to this Agreement shall be in writing and signed by the Parties.

16. Relationship of Parties. Neither Party is acting as the agent of the other in any respect hereunder and each Party is an independent contracting entity with respect to the terms, covenants, and conditions contained in this Agreement. None of the terms or provisions of this Agreement shall be deemed to create a partnership or joint venture between the Parties.


17. Counterparts. This Agreement may be executed and delivered in any number of counterparts, each of which so executed and delivered shall be deemed to be an original and all of which shall constitute one and the same instrument.

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IN WITNESS WHEREOF, this Agreement was executed by the Parties as of the date first above written.

CLOVER FLAT:

CLOVER FLAT LAND FILL, INC., a California corporation

By: 
JOHN PERKEY
Vice President, Deputy General Counsel-
Compliance and Government Affairs

DISTRICT:

NAPA COUNTY FLOOD CONTROL
AND WATER CONSERVATION
DISTRICT, a special District of the State
of California

By: _____
JOELLE GALLAGHER
Chair of the Board of Directors


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| <p>APPROVED AS TO FORM Office of District Counsel</p> <p>By: <u></u> Deputy County Counsel</p> <p>Date: <u>September 5, 2025</u></p> <p>PL 135693.4</p> | <p>APPROVED BY THE BOARD OF DIRECTORS OF THE NAPA COUNTY FLOOD CONTROL AND WATER CONSERVATION DISTRICT</p> <p>Date: _____ Processed By: _____</p> <p>_____ Deputy Secretary of the District Board</p> | <p>ATTEST: NEHA HOSKINS Secretary of the District Board</p> <p>By: _____</p> |
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EXHIBIT A

Project Description

I. Purpose of Funds

Funds under the Agreement will be applied to the Bale Slough Bear Creek Restoration Project (“**Project**”), including “Construction Group B” as shown on the attached **Exhibit A-1**. The funds will support construction of 4.0 acres of restoration lands for the Project, as described below. Environmental review under the California Environmental Quality Act (“**CEQA**”) and National Environmental Policy Act (“**NEPA**”) has been completed for the Project and applicable regulatory permits have been acquired. The anticipated schedule to advertise the Project for public competitive construction bidding purposes is the spring of 2026 or 2027. Restoration construction would commence in or around June of 2026 following the successful award of a construction contract.

II. Project Description

The Napa River is one of the few large watersheds in the San Francisco Bay Area which has not been significantly urbanized and supports a wide range of wildlife and habitats. Prior to agriculture and development in the Napa Valley, the Napa River, its floodplain, and riparian corridor supported extensive forest and wetland habitats. Much of this habitat has been reduced over time. Prior to development, the Napa River was a broad, shallow river system with multiple channels. The Napa River is now generally confined to a single channel that is deeply incised by 12-15 ft. in some reaches. Much of the river corridor is bound by flood berms at the top of the river banks to protect neighboring properties from flooding. This confinement keeps the channel zone fairly homogenous in terms of instream complexity features, such as bars, benches, pools, alcoves, etc. This lack of geomorphic complexity results in a less diverse riparian community and reduced quality and quantity of instream habitat for native aquatic species, such as Chinook salmon, steelhead, and California freshwater shrimp. The constricted channel condition has resulted in bank erosion and slumping in several locations resulting in the loss of valuable riparian habitat and vineyard land and infrastructure.

The Project has several design elements that are intended to restore physical and biological processes to the Napa River, including channel widening, floodplain and wetland restoration, biotechnical stabilization, instream habitat structures, managed retreat, and native vegetation enhancement. The overall objective of the Project is to implement the adopted Napa River Sediment TMDL by reducing fine sediment and polluted runoff within the Napa River watershed and to restore habitat and beneficial uses, including spawning and rearing habitat for Chinook salmon and steelhead trout. The Project reach has been divided into three Construction Groups A-C encompassing 14 distinct restoration sites. Construction of the entire Project would create and restore over 15 acres of transitional riparian and aquatic habitat and reduce fine sediment loading from channel erosion, with approximately 4.0 acres of restoration specific to Construction Group B. The goals of this joint public-private Project are to reduce property damage and sediment delivery associated with ongoing bank erosion processes, restore and enhance long-term river and floodplain functioning, and improve the quality and resilience of aquatic and terrestrial riparian habitat.

Group A is constructed and in the maintenance and monitoring phase. Group C is currently in the construction phase and is estimated to be completed in the fall of 2026. Design plans for Group B include the following restoration outputs:

- 4.0 acres total of riparian expansion, restoration, and revegetation
- 3.6 acres of frequently activated new floodplain areas
- 1,645 linear feet biotechnical stabilized stream banks
- 4.0 acres of invasive vegetation management

III. Use of Project Funds

Use of the funds (“**Project Funds**”) provided by Clover Flat Land Fill, Inc. (“**Clover Flat**”) under this Agreement may be used solely to support District staff time, consultant services, supplies, vehicle mileage, permit fees, and other reasonable expenses for the following activities in support of the Project: (a) construction of the “Construction Group B” restoration sites; (b) mitigation monitoring during construction of “Construction Group B” as well as long-term monitoring and maintenance for the Project (described below); (c) Project regulatory compliance, (d) coordination with “Construction Group B” landowners, and (e) community engagement.

IV. Permits

- **CEQA:** The Project is considered a project under CEQA. The District is the lead agency that prepared the CEQA IS-MND. The Project CEQA document was adopted by the Napa Flood District Board of Supervisors on November 15, 2021, (State Clearing House #2021090589).
- **NEPA:** NEPA consistency (ESA Section 7 and NHPA Section 106) is conducted by the United States Army Corps of Engineers (“**USACE**”) through the approval of a Nationwide Permit for each construction phase of the Project. The United States Fish & Wildlife Service (“**USFWS**”) and National Marine Fisheries Service (“**NMFS**”) have completed Biological Opinions (“**BOs**”) for the entire Project.
- **Section 1600:** The California Department of Fish and Wildlife (“**CDFW**”) reviews each construction group of the Project through the Section 1600 Lake or Streambed Alteration Agreement (“**LSAA**”) process. A CDFW LSAA has been issued for the entire Project, Groups A-C (NAP-23604-R3).
- **Section 401:** The San Francisco Bay Regional Water Quality Control Board (“**RWQCB**”) issued Water Quality Certification of Waste Discharge Requirements for the Project in April 2019.

V. Construction

The District intends to construct the Group B phase of the Project according to completed and permitted plans in the summer of 2026 or 2027 in coordination with participating landowners.

VI. Monitoring and Maintenance

The District will be responsible for the long-term monitoring and maintenance of the Project. The *Bale Slough Bear Creek Restoration Project Monitoring Plan* describes the monitoring protocols and frequency of monitoring and maintenance surveys that will be used to evaluate and report on the Project's effectiveness. Monitoring will include Cross Section Transect Surveys, Habitat Assessment, and Vegetation Surveys. Additionally, a maintenance program has been developed to guide adaptive management needs for installed and created restoration features within the Project reach. Monitoring results will be reported to the RWQCB, along with other Project stakeholders, as part of the annual monitoring report by March 31 each year.

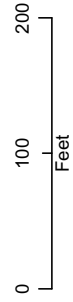
Exhibit A-1
Group B



— Access Route
- - - Limit Of Work

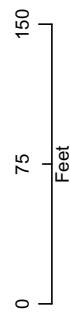
— Bale Slough
□ Property Boundary

Bale Slough - Bear Creek Restoration Project - Group B
ACCESS/OVERVIEW



Bale Slough - Bear Creek Restoration Project - Group B
SITE 6, 7, 8

- Access Route
- Limit Of Work
- Bale Slough
- Property Boundary



Bale Slough - Bear Creek Restoration Project - Group B
SITE 9

- Access Route
- Limit Of Work
- Bale Slough
- Property Boundary



— Access Route
- - - Limit Of Work

— Bale Slough
□ Property Boundary

Bale Slough - Bear Creek Restoration Project - Group B
SITE 10

