

GROUND LEASE AGREEMENT

Happy Camp Transfer Station and Landfill Property

This Ground Lease Agreement ("Agreement") is entered into as of July 1, 2026, by and between George Chambers ("Lessor"), and the County of Siskiyou, a political subdivision of the State of California ("Lessee" or "County").

1. Lease Term

This Lease shall become effective on July 1st, 2026 and shall terminate on June 30th, 2027, unless terminated in accordance with the provisions of Article 13 of this Lease or as otherwise provided herein.

2. Premises

Lessor hereby leases to Lessee certain real property located in Siskiyou County, California, commonly known as the Happy Camp Transfer Station and adjacent closed landfill, as generally depicted on Exhibit "A" attached hereto and incorporated by reference (the "Premises"). .

The Premises consist of approximately 23.5 +/- acres and include:

- a) The active transfer station operations area;
- b) The adjacent closed landfill area, including all disposal areas, monitoring areas, environmental control areas, access areas, and appurtenant areas used for landfill monitoring and maintenance; and
- c) Access over the existing roadway serving the site (the "Access Road").

3. Term

3.1 Initial Term. The initial term of this Agreement shall be one (1) year, commencing July 1, 2026, and expiring June 30, 2027, unless earlier terminated as provided herein.

3.2 Lessee shall have the option, at Lessee's sole discretion, to extend this Agreement for up to two (2) additional one-year terms.

3.3 Lessee may exercise an extension option by providing written notice to Lessor at least sixty (60) days before expiration of the then-current initial term or renewal term.

4. Rent

Lessee shall pay Lessor rent in the amount of Three Thousand Five Hundred Dollars (\$3,500.00) per month, due on or before the first (1st) day of each month during the term of this Agreement.

5. Use of Premises

Lessee shall use the Premises solely for the operation, management, maintenance, and support of a solid waste transfer station, related public solid waste services, and the monitoring, management, maintenance, and regulatory compliance of the existing closed landfill.

Lessee may contract with a third-party operator to conduct day-to-day transfer station operations. Any such contractor shall operate under the authority and oversight of Lessee. Lessee shall remain responsible to Lessor for compliance with this Lease, including acts or omissions of Lessee's contractors, subcontractors, agents, invitees, employees, and representatives.

All operations must comply with applicable federal, state, and local laws, regulations, permits, certifications, and approvals, including but not limited to applicable CalRecycle requirements, California Code of Regulations Title 14 requirements, and requirements imposed by any other regulatory agency with jurisdiction over the Premises or operations.

6. Access and Road Use

Lessor grants Lessee, Lessee's contractors, employees, agents, regulators, customers, haulers, and invitees non-exclusive access over the Access Road for purposes related to the permitted use of the Premises. Lessee shall use reasonable efforts to conduct access and operations in a safe manner and to avoid unreasonable interference with surrounding residential or private uses.

7. Maintenance, Utilities, and Operations

7.1 Lessee shall be responsible for transfer station operations, regulatory compliance, contractor oversight, public service coordination, and operational safety associated with the use of the Premises.

7.2 Lessee shall maintain the operational areas of the Premises in a safe, orderly, and regulatory-compliant condition during the term of this Agreement. Lessee shall be responsible for maintenance arising from Lessee's use, operation, contractors, employees, agents, invitees, or regulatory obligations related to transfer station operations or landfill monitoring.

7.3 Utilities. Lessee shall be responsible for utilities serving the Premises, including existing electrical service, water. Lessor shall be responsible for existing utility infrastructure serving the Premises, unless otherwise agreed in writing by the parties.

7.4 Lessor shall not be responsible for day-to-day transfer station operations, landfill monitoring, permit compliance, regulatory reporting, waste handling, customer management, contractor supervision, or any other operational activity conducted by or on behalf of Lessee.

8. Environmental Responsibility and Landfill Monitoring

8.1 Lessee shall be responsible for environmental obligations associated with Lessee's use and operation of the Premises, including transfer station operations and the monitoring, management, maintenance, reporting, and regulatory compliance of the existing closed landfill located on or adjacent to the transfer station area.

8.2 The Premises include an existing closed landfill area adjacent to or associated with the Happy Camp Transfer Station. The general location of the closed landfill shall be identified on Exhibit "A" to the extent reasonably available. Lessee shall be responsible for landfill monitoring and management obligations required by applicable law, permit, certification, order, directive, or regulatory agency requirement.

8.3 Lessee shall be responsible for maintaining, complying with, and managing any permits, certifications, licenses, approvals, or regulatory authorizations held by or issued to Lessee or otherwise required for transfer station operations and landfill monitoring or management. These may include, as applicable, authorizations or requirements administered by CalRecycle, the Local Enforcement Agency, the Regional Water Quality Control Board, and any other federal, state, or local agency with jurisdiction.

8.4 Lessee's responsibilities may include, as applicable, landfill inspection, groundwater monitoring, landfill gas monitoring, stormwater compliance, environmental reporting, corrective action, regulatory correspondence, maintenance of monitoring devices, and other activities required by applicable regulatory agencies.

8.5 Lessee accepts the Premises in its existing condition as of the commencement date, subject to the terms of this Agreement. Nothing in this Agreement shall be construed to make Lessor responsible for transfer station

operations, landfill monitoring, or environmental compliance obligations assumed by Lessee under this Agreement, except to the extent caused by Lessor's gross negligence or willful misconduct.

9. Improvements, Fixtures, and Personal Property

9.1 Existing improvements, fixtures, equipment, and personal property located on the Premises shall remain the property of the party that owns such property as of the commencement date of this Agreement. The parties should identify known County-owned property and Lessor-owned property in Exhibit "B" or another written inventory if available.

9.2 Equipment, removable personal property, containers, bins, signage, office equipment, scales, monitoring equipment, or other items installed, purchased, or placed by Lessee or Lessee's operator shall remain the property of Lessee or the applicable owner, unless the parties agree otherwise in writing.

9.3 Existing real property improvements and fixtures owned by Lessor shall remain Lessor's property unless otherwise agreed in writing.

9.4 Lessee shall not construct material new improvements without Lessor's prior written consent, which consent shall not be unreasonably withheld for improvements required for regulatory compliance or safe operation of the transfer station. Ownership and removal obligations for any new improvement shall be documented in writing before installation whenever practicable.

9.5 Upon expiration or termination, Lessee may remove Lessee-owned removable equipment and personal property, provided such removal does not cause unreasonable damage to the Premises. Lessee shall repair damage caused by such removal, ordinary wear and tear excepted.

10. Assignment and Third-Party Operators

Lessee may contract with one or more third-party operators for operation of the transfer station or related services without such contract being deemed an assignment of this Lease. Lessee shall remain fully responsible for compliance with this Lease. Lessee shall not assign this Agreement or transfer its leasehold interest without Lessor's prior written consent, except as required for County operations or as otherwise approved by the County Board of Supervisors.

11. Indemnification

11.1 To the fullest extent permitted by law, Lessee shall indemnify, defend, and hold harmless Lessor and Lessor's heirs, successors, assigns, officers, agents, and representatives from and against claims, demands, actions, damages, losses, liabilities, fines, penalties, judgments, costs, and expenses, including reasonable attorneys' fees, arising out of or related to Lessee's use, operation, maintenance, occupancy, or control of the Premises, except to the extent caused by Lessor's gross negligence or willful misconduct.

11.2 Lessee's indemnity obligations include claims arising from the acts or omissions of Lessee's officers, employees, contractors, subcontractors, operators, agents, invitees, licensees, customers, haulers, or any person or entity entering the Premises by, through, or under Lessee.

11.3 To the fullest extent permitted by law, Lessee shall indemnify, defend, and hold harmless Lessor from environmental claims, regulatory actions, cleanup costs, monitoring costs, remediation costs, reporting costs, fines, penalties, damages, and liabilities arising out of or related to Lessee's operation of the transfer station, Lessee's management or monitoring of the closed landfill, Lessee's use or occupancy of the Premises, or any release, discharge, handling, storage, treatment, transportation, disposal, or presence of hazardous materials caused, contributed to, or exacerbated by Lessee or Lessee's contractors, operators, agents, employees, invitees, licensees, or representatives.

11.4 For purposes of this Lease, "Hazardous Materials" means any hazardous, toxic, radioactive, or otherwise regulated substance, material, or waste, including materials regulated under applicable federal, state, or local environmental laws.

11.5 The indemnification obligations in this section shall survive expiration or earlier termination of this Lease.

11.6 Nothing in this section shall require Lessee to indemnify Lessor for claims finally determined by a court of competent jurisdiction to have been caused by Lessor's gross negligence or willful misconduct.

12. Insurance

12.1 Lessee Coverage. Lessee shall maintain insurance coverage appropriate for the use of the Premises. At a minimum, unless waived or modified by County Risk Management, Lessee shall maintain or require its operator to maintain the following coverages:

- a) Commercial General Liability insurance with limits of not less than \$1,000,000 per occurrence and \$2,000,000 aggregate;
- b) Automobile Liability insurance for owned, hired, and non-owned vehicles used in connection with operations;
- c) Workers' Compensation insurance as required by California law and Employer's Liability coverage as applicable; and
- d) Pollution Legal Liability or environmental liability coverage based on transfer station operations or landfill monitoring obligations.

12.2 To the extent available and applicable, Lessor shall be named as an additional insured on liability policies maintained by Lessee or Lessee's operator for operations conducted on the Premises.

12.3 Upon request, Lessee shall provide Lessor with certificates of insurance or other evidence of coverage. Insurance requirements may be satisfied through County self-insurance, pooled risk coverage, commercial insurance, operator insurance, or any combination thereof.

12.4 Lessor shall maintain insurance coverage reasonably appropriate for Lessor's ownership interest in the real property, if available and applicable, subject to Lessor's own insurance arrangements. Lessor shall not be required to insure Lessee's operations, equipment, contractors, employees, invitees, or regulatory obligations.

13. Termination

13.1 Lessee may terminate this Lease for convenience by providing at least sixty (60) days written notice to Lessor.

13.2 Either party may terminate this Lease for material breach if the breaching party fails to cure the breach within sixty (60) days after receipt of written notice describing the breach. If the breach cannot reasonably be cured within sixty (60) days, the breaching party shall not be in default if it commences cure within the sixty (60) day period and diligently proceeds to complete the cure.

13.3 Lessee may terminate this Lease if transfer station operations or landfill monitoring activities are discontinued, prohibited, substantially restricted, or materially altered by regulatory requirement, loss of required authorization, lack of funding, Board action, or operational necessity.

13.4 Upon expiration or termination, Lessee shall cease operations, remove Lessee-owned removable personal property and equipment if desired, and leave the Premises in a condition consistent with applicable regulatory requirements and the terms of this Lease, reasonable wear and tear and conditions not caused by Lessee excepted.

14. Notices

All notices required or permitted under this Lease shall be in writing and delivered personally, by certified mail, by recognized overnight delivery service, or by email with confirmation of receipt, to the following addresses or to such other address as either party may designate in writing:

Lessor:

George Chambers- (530) 598-8484
PO Box 789
Happy Camp, CA 96039

Lessee:

County of Siskiyou
Adam Filippone- (530) 842-8259
190 Greenhorn Road
Yreka, CA 96097

15. General Provisions

15.1 This Lease shall be governed by and interpreted under the laws of the State of California.

15.2 This Lease, including attached exhibits, constitutes the entire agreement between the parties regarding the Premises and supersedes prior negotiations or understandings regarding the lease of the Premises.

15.3 This Lease may be amended only by written agreement signed by both parties and, where required, approved by the County Board of Supervisors.

15.4 If any provision of this Lease is held invalid or unenforceable, the remaining provisions shall remain in full force and effect.

15.5 Failure to enforce any provision of this Lease shall not constitute a waiver of that provision or any other provision.

15.6 Each person signing this Lease represents that he or she has authority to bind the party on whose behalf the signature is made.

16. Exhibits

Exhibit A - Map/Description of Premises, including transfer station area and closed landfill area.

Exhibit B - Inventory of Existing Improvements, Fixtures, Equipment, and Personal Property, if available.

SIGNITURE PAGE FOLLOWS

IN WITNESS WHEREOF, County and Contractor have executed this Lease Agreement on the dates set forth below, each signatory represents that they have the authority to execute this Lease and to bind the Party on whose behalf their execution is made.

COUNTY OF SISKIYOU-LESSEE

Date: _____

RAY A. HAUPT, CHAIR
Board of Supervisors
County of Siskiyou
State of California

ATTEST:
LAURA BYNUM
Clerk, Board of Supervisors

By: _____
Deputy

Date: 7/8/2026

LESSOR: George Chambers
DocuSigned by:
George Chambers
6EFF46483CF94CA...
George Chambers- OWNER

License No.: _____
(Licensed in accordance with an act providing for the registration of contractors)

Note to Contractor: For corporations, the contract must be signed by two officers. The first signature must be that of the chairman of the board, president or vice-president; the second signature must be that of the secretary, assistant secretary, chief financial officer or assistant treasurer. (Civ. Code, Sec. 1189 & 1190 and Corps. Code, Sec. 313.)

TAXPAYER I.D. _____

ACCOUNTING:

Fund	Organization	Account	Activity Code (if applicable)
5350	404010	728153	

FY 26/27 \$42,000

Encumbrance number (if applicable): N/A

If not to exceed, include amount not to exceed: \$42,000

If needed for multi-year contracts, please include separate sheet with financial information for each fiscal year.

EXHIBIT A

Map/Description of Premises

Attach map identifying the approximately 23.5 +/- acre Premises, including the general transfer station operations area, closed landfill area, access road, and any known monitoring locations or environmental control areas.

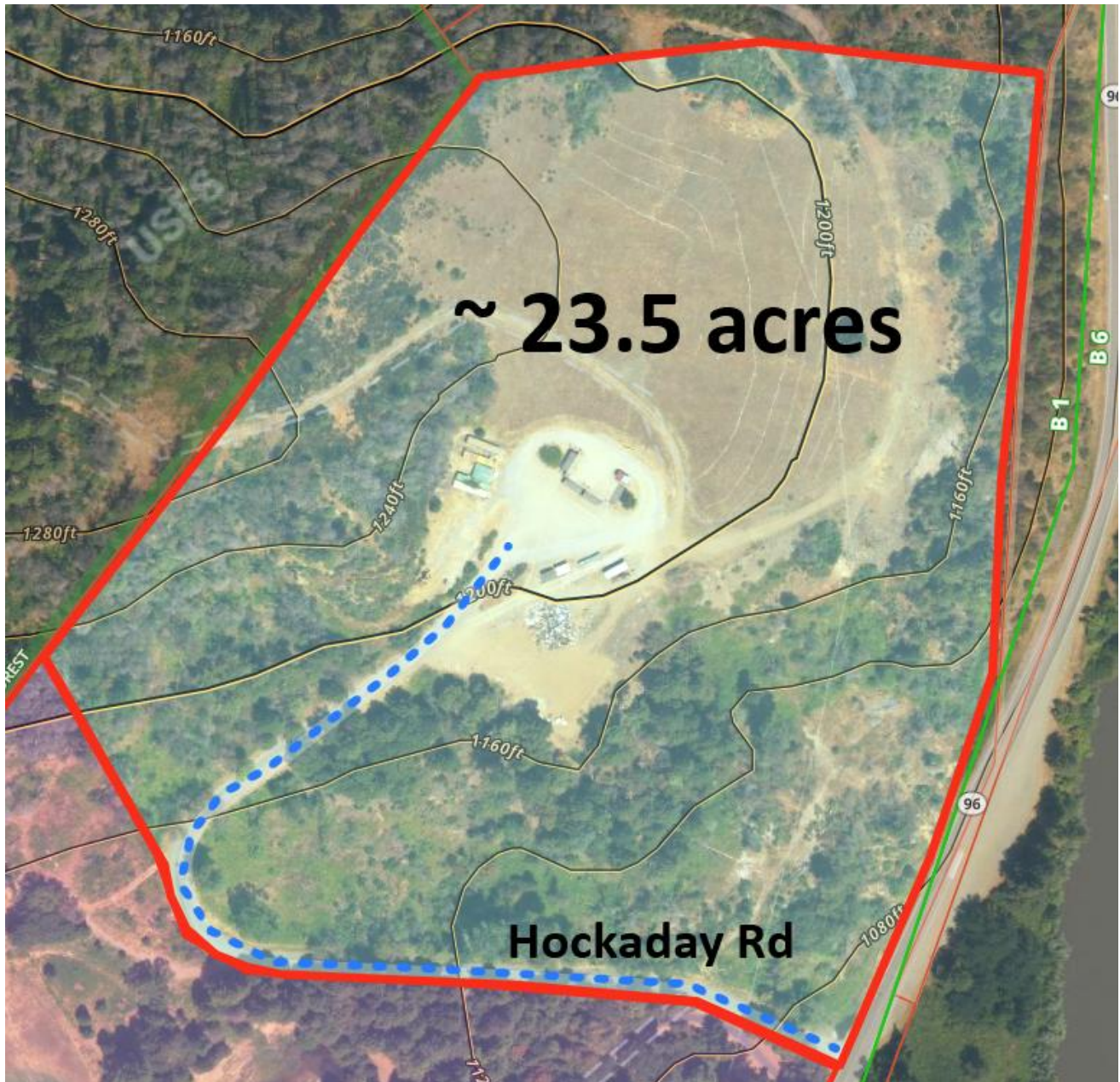


EXHIBIT B

Inventory of Existing Improvements, Fixtures, Equipment, and Personal Property

To be completed by the parties if an inventory is available. The inventory should identify known County-owned property, Lessor-owned property, and operator-owned property located on the Premises as of the commencement date.

Owned by George Chambers

- 1 – Yellow 20ft Shipping container
- 1 - Metal Canopy 20x20ft for E-waste area
- 1 – Cement Slab with 8x16 canopy for waste oil tank
- 1 – Air Compressor for oil filter crusher
- 1 – Site Attendant office with porch
- 1 – Scale Shack
- 2 – Cardboard bailers

Owned by County of Siskiyou

- 3 – 20ft shipping containers
- 1 – 1000 gallon waste oil tank
- 1 – Oil filter crusher
- 1 – Cash Register
- 4 – Recycle boxes, each with 3 bins
- 40 – 96 gallon recycle bins
- 1 – Hazmat containment barrel
- 1 – Fee schedule signage
- 1 – Hours of operation signage at front gate
- 1 – Access road, Hockaday Rd, from Hwy 96 to entrance of transfer station (see Exhibit A)