

Lease Payments

1. **Base Lease Payment \$3,605.00**

Royalty Payments

1. **Incoming green waste biomass**
 - 101-400 tons per day \$ 1.00 per ton
 - 400 – 1000 plus tons per day \$0.75 per ton
2. **Incoming Food waste biomass**
 - 100-300 tons per day \$1.00 per ton
3. **Energy Royalty**
 - \$1.00 per ton on biomass fuel intake

Notes:

Royalty payments will be documented for all incoming tip fee vehicles including minimum load charges at one ton. Minimum load charges are loads less than one ton but are charged at a one-ton minimum charge.

Circle Green will repair and operate the current on-site truck scales to meet the Department of Food and Agriculture division of Measurement Standards to meet the California scale requirements to operate a commercial public scale. This process requires specific training, certification and maintenance to assure all incoming weighed vehicles are accurately weighed and documented.

Tip fees are identified by any incoming materials entering the facility and paying a dump fee according to the identified waste and the certified net weight.

If Circle Green Inc. purchases the property from the District the royalty payments will remain unchanged.

Any additional future Energy or related operations will be submitted to the District for approval which may include additional negotiated royalty payments or revenues to the District.