

**SEMINOLE COUNTY GOVERNMENT
AGENDA MEMORANDUM**

SUBJECT: Seminole Energy, LLC and Seminole County License Agreement defining the area of the landfill gas-to-energy plant.

DEPARTMENT: Environmental Services

DIVISION: Solid Waste Management

AUTHORIZED BY: John Cirello

CONTACT: David Gregory

EXT: 2022

MOTION/RECOMMENDATION:

Approve and authorize Chairman to execute the Seminole Energy, LLC and Seminole County License Agreement for the landfill gas-to-energy plant.

County-wide

David Gregory

BACKGROUND:

In November 2006, Seminole Energy, LLC and Seminole County entered into a Landfill Gas Purchase Agreement (LFG Purchase Agreement). The LFG Purchase Agreement provides for Seminole County to make an area of the landfill available to the developer to locate the gas utilization facility as follows:

"Section 2. Rights Granted to Developer. (b) Site for LFG Utilization Facility. In accordance with the provisions of this Agreement, the County will make available to the Developer an area located within the Landfill property mutually agreeable to the County and the Developer, by license, as required by Developer for construction of a LFG Utilization Facility and site improvements, commencing as of the effective date of this Agreement and terminating at the termination of this Agreement."

The attached License Agreement provides Seminole Energy exclusive use of the gas-to-energy plant site for the term of the LFG Purchase Agreement (20 years) if Seminole Energy meets the LFG Purchase Agreement and License Agreement conditions. Also, the License Agreement provides terms and conditions for use of the property, requires Seminole Energy to maintain appropriate insurance coverage for use of the site, and delineates the location of the Landfill Gas Utilization Facility.

STAFF RECOMMENDATION:

Approve and authorize Chairman to execute the Seminole Energy, LLC and Seminole County License Agreement for the landfill gas-to-energy plant.

ATTACHMENTS:

1. Agreement

Additionally Reviewed By:

County Attorney Review (Susan Dietrich)

**SEMINOLE ENERGY, LLC
AND
SEMINOLE COUNTY
LICENSE AGREEMENT**

THIS LICENSE AGREEMENT is hereby made and entered into this 22nd day of October, 2007, by and between **SEMINOLE COUNTY**, a political subdivision of the State of Florida, whose address is 1101 E. First Street, Sanford, Florida 32771, hereinafter referred to as the "LICENSOR," and **SEMINOLE ENERGY, LLC**, a Florida limited liability company, whose mailing address is 29261 Wall Street, Wixom, Michigan 48393, hereinafter referred to as the "LICENSEE".

W I T N E S S E T H:

WHEREAS, LICENSOR is the fee simple owner of certain real property, hereinafter referred to as "License Area", located in Seminole County, Florida, as more particularly identified in Exhibit "A," attached hereto and by reference made a part hereof; and

WHEREAS, LICENSOR constructed an active landfill gas collection and flaring system, hereinafter referred to as the LFG Management System, at its Osceola Road Solid Waste Management Facility; and

WHEREAS, LICENSEE desires to utilize the License Area for the purpose of expanding the LICENSOR's LFG Management System to construct a Landfill Gas (LFG) Utilization Facility and site improvements as described in the project proposal identified in Exhibit "B," attached hereto and by reference made a part hereof; and

WHEREAS, LICENSEE and LICENSOR recognize that the use of the recovered landfill gas emitted from the LFG Utilization Facility is of environmental and economic benefit to the parties; and

WHEREAS, LICENSOR desires to receive the research results and other scientific information developed from the LFG Utilization Facility and thus, is desirous of granting to LICENSEE a license to accomplish the aforementioned purposes,

NOW, THEREFORE, for and in consideration of the terms, conditions, and mutual covenants hereinafter contained, LICENSOR and LICENSEE, both intending to be legally bound, hereby agree as follows:

1. **RECITALS.** The above recitals are true and correct and form a material part of this Agreement upon which the parties have relied.

2. **LICENSE.**

(a) LICENSOR hereby grants LICENSEE, its agents, representatives and employees the right, privilege and license to locate, construct, install, operate, inspect, alter, improve, maintain, repair and remove  a LFG Utilization Facility and improvements on, upon and across said License Area as set forth in the Landfill Gas Purchase Agreement dated November 21, 2006, hereinafter referred to as "the Landfill Gas Purchase Agreement", attached hereto and incorporated herein as Exhibit "C". LICENSOR hereby further grants to LICENSEE ingress and egress to and upon said LICENSE AREA for the purpose of exercising the rights, privileges and license granted herein.

(b) The license is granted for and shall operate contemporaneously with the term set forth in Section 5 of the Landfill Gas Purchase Agreement. Accordingly, the term of the License shall commence as of the effective date of the Landfill Gas Purchase

Agreement and expire at the termination of the Landfill Gas Purchase Agreement.

(c) LICENSOR retains the right to use the LICENSE AREA in any manner not inconsistent with the rights herein granted to LICENSEE and provided that LICENSEE is not in default of its obligations pursuant to this Agreement and the Landfill Gas Purchase Agreement.

(d) In consideration for the privilege herein granted, the LICENSEE shall not claim any damages against the LICENSOR in connection with or on account of any injuries or damages arising in or on the LICENSE AREA while used by the LICENSEE and its agents, representatives and employees. The LICENSOR shall maintain a program of insurance covering its liabilities as prescribed in Section 768.28, Florida Statutes, and to the extent permitted by Florida law, including Section 768.28, Florida  Statutes, shall be responsible for the negligent or wrongful acts and omissions of its officers, employees, representatives and agents in the event that such acts or omissions result in injury to persons or damage to property. The LICENSOR does not warrant or represent that the LICENSE AREA is safe or suitable for the purpose for which the LICENSEE is permitted to use it, and the LICENSEE assumes all risks in its use.

(e) The license herein granted is subject to revocation by the LICENSOR if the LICENSE AREA is not utilized for the purposes outlined in this License Agreement and the Landfill Gas Purchase Agreement.

(f) Upon termination of this License Agreement or revocation by the LICENSOR, LICENSEE shall, at LICENSEE's sole cost and expense, remove all equipment, accessories and materials owned by LICENSEE from

the LICENSE AREA and restore said LICENSE AREA to as good a condition as it was before LICENSEE entered upon it and otherwise comply with all applicable Federal, State and local statutes, rules, regulations and ordinances.

3. **INDEMNIFICATION.** LICENSEE agrees to hold harmless and indemnify LICENSOR, its commissioners, officers, employees, and agents against any and all claim, losses, damages, or lawsuits for any injury to any person or persons, or damages to any property of any kind whatsoever arising out of or in any way connected with the services provided for hereunder by LICENSEE, whether caused by the LICENSEE or otherwise.

4. **NOTICE.** Prior to initial use of the LICENSE AREA by LICENSEE, LICENSEE shall give LICENSOR at least forty-eight (48) hours notification. LICENSEE agrees that  any and all work performed in the LICENSE AREA and in association with the purpose of the License Agreement shall be accomplished in a good, safe and workmanlike manner and in accordance with applicable Federal, State and local statutes, rules, regulations and ordinances.

5. **INSURANCE.**

(a) LICENSEE, at its sole cost and expense, shall be responsible for insuring any and all equipment, accessories and materials owned by LICENSEE in the LICENSE AREA and for maintenance of the LICENSE AREA during the period set forth hereunder.

(b) General. The LICENSEE shall, at the LICENSEE's own cost, procure the insurance required under this Section.

(1) The LICENSEE shall furnish to the LICENSOR, in accordance and in full compliance with this Agreement's requirements, a Certificate of Insurance signed by an authorized representative of the insurer evidencing the insurance required by this Section (General Liability, Workers' Compensation/Employer's Liability, and Auto Liability). LICENSEE agrees that LICENSOR shall be given not less than thirty (30) days written notice prior to the cancellation or restriction of coverage. Until such time as the insurance is no longer required to be maintained by the LICENSEE, the LICENSEE shall provide LICENSOR with a renewal or replacement Certificate of Insurance not less than thirty (30) days before expiration or replacement of the insurance for which a previous certificate has been provided.

(2) LICENSEE shall maintain the insurance policy coverage, issued under the Florida Casualty  Insurance Risk Management Trust Fund, as follows:

Fleet Automobile Liability - \$100,000/person, \$200,000/occurrence for general liability, and \$10,000 each person/occurrence for personal injury;

General Liability-\$100,000/person, \$200,000/occurrence;

State Employees' Workers' Compensation, in accordance with and in the amount required by State law and Employer's Liability, \$100,000/person, \$200,000/occurrence.

(3) In addition to providing the Certificate of Insurance, if required by LICENSOR, the LICENSEE shall, within thirty (30) days after receipt of the request, provide LICENSOR with a copy of each of

the policies of insurance providing the coverage required by this Section.

(4) Neither approval by LICENSOR or failure to disapprove the insurance furnished by LICENSEE shall relieve the LICENSEE of the LICENSEE's full responsibility for performance of any obligation including LICENSEE's liability in accordance with Florida law.

(c) Insurance Company Requirements. Insurance companies providing the insurance under this Agreement must meet the following requirements:

(1) Companies issuing policies other than Workers' Compensation must be authorized to conduct business in the State of Florida and prove same by maintaining Certificates of Authority issued to the companies by the Department of Insurance of the State of Florida. Policies for Workers' Compensation  may be issued by companies authorized as a group self-insurer by Section 440.57, Florida Statutes.

(2) In addition, such companies other than those authorized by Section 440.57, Florida Statutes, shall have and maintain a Best's Rating of "A" or better and a Financial Size Category of "VII" or better according to A.M. Best Company.

(3) If, during the period which an insurance company is providing the insurance coverage required by this Agreement, an insurance company shall: 1) lose its Certificate of Authority, 2) no longer comply with Section 440.57, Florida Statutes, or 3) fail to maintain the requisite Best's Rating and Financial Size Category, the LICENSEE shall, as soon as the LICENSEE has knowledge of any such circumstance, immediately notify LICENSOR and immediately replace the

insurance coverage provided by the insurance company with a different insurance company meeting the requirements of this Agreement.

(d) Specifications. Without limiting any of the other obligations or liability of the LICENSEE, the LICENSEE shall, at the LICENSEE's sole expense, procure, maintain and keep in force amounts and types of insurance conforming to the minimum requirements set forth in this Section. Except as otherwise specified in this Agreement, the insurance shall become effective prior to the commencement of work by the LICENSEE and shall be maintained in force until this Agreement's completion date. The amounts and types of insurance shall conform to the following minimum requirements.

(1) Workers' Compensation/Employer's Liability.

(A) With regard to subcontractors of LICENSEE, if applicable, the subcontractor's  insurance shall cover the subcontractor for liability which would be covered by the latest edition of the standard Workers' Compensation Policy, as filed for use in Florida by the National Council on Compensation Insurance, without restrictive endorsements. The LICENSEE shall be responsible for procuring proper proof of coverage from its subcontractors of every tier for liability which is a result of a Workers' Compensation injury to the subcontractor's employees. The minimum required limits to be provided by the LICENSEE and the LICENSEE's subcontractors, if applicable, are set forth in subsection 5(b) above and subsection (C) below respectively. In addition to coverage for the Florida Workers' Compensation Act, where appropriate, coverage is to be included for the

United States Longshoremen and Harbor Workers' Compensation Act, Federal Employers' Liability Act and any other applicable federal or state law.

(B) With regard to subcontractors of LICENSEE, if applicable, subject to the restrictions of coverage found in the standard Workers' Compensation Policy, there shall be no maximum limit on the amount of coverage for liability imposed by the Florida Workers' Compensation Act, the United States Longshoremen's and Harbor Workers' Compensation Act, or any other coverage customarily insured under Part One of the standard Workers' Compensation Policy.

(C) The minimum amount of coverage under Part Two of the standard Workers' Compensation Policy shall be:

\$1,000,000.00	(Each Accident)
\$1,000,000.00	(Disease-Policy Limit)
\$1,000,000.00	(Disease-Each Employee)

(2) Commercial General Liability.

(A) With regard to subcontractors of LICENSEE, if applicable, the subcontractor's insurance shall cover the subcontractor for those sources of liability which would be covered by the latest edition of the standard Commercial General Liability Coverage Form (ISO Form CG 00 01), as filed for use in the State of Florida by the Insurance Services Office, without the attachment of restrictive endorsements other than the elimination of Coverage C, Medical Payment and the elimination of coverage for Fire Damage Legal Liability.

(B) The minimum limits to be maintained by subcontractors of the LICENSEE, if applicable, (inclusive of any amounts provided by an Umbrella or Excess policy) shall be as follows:

LIMITS

General Aggregate	\$Three (3) Times the Each Occurrence Limit
Personal & Advertising Injury Limit	\$1,000,000.00
Each Occurrence Limit	\$1,000,000.00

(3) Business Auto Liability.

(A) With regard to subcontractors of LICENSEE, if applicable, the subcontractor's insurance shall cover the subcontractor for those sources of liability which would be covered by Part IV of the latest edition of the standard Business Auto Policy (ISO Form CA 00 01), as filed for use in the State of Florida by the Insurance Services Office, without the attachment of restrictive endorsements. Coverage shall include owned, non-owned and hired autos.

(B) The minimum limits to be maintained by subcontractors of the LICENSEE, if applicable, (inclusive of any amounts provided by an Umbrella or Excess policy) shall be per accident combined single limit for bodily injury liability and property damage liability. If the coverage is subject to an aggregate, the LICENSEE's subcontractors, if applicable, shall maintain separate aggregate limits of coverage applicable to claims arising out of or in connection with the work under this Agreement. The separate aggregate limits to be maintained by the LICENSEE's subcontractors, if applicable, shall be a minimum of three (3) times the per accident limit required and shall apply separately to each policy year or part thereof.

(C) The minimum amount of coverage under the Business Auto Policy shall be:

	<u>LIMITS</u>
Each Occurrence Bodily	\$1,000,000.00
Injury and Property Damage	
Liability Combined	

(d) Coverage. The insurance provided by LICENSEE pursuant to this Agreement shall apply on a primary basis and any other insurance or self-insurance maintained by LICENSOR or LICENSOR's officials, officers, or employees shall be excess of and not contributing with the insurance provided by or on behalf of the LICENSEE.

(e) Occurrence Basis. With regard to subcontractors of LICENSEE, if applicable, the Workers' Compensation Policy and the Commercial General Liability required by this Agreement shall be provided on an occurrence rather than a claims-made basis. The Professional Liability insurance policy must either be on an occurrence basis, or, if a claims-made basis, the coverage must  respond to all claims reported within three (3) years following the period for which coverage is required and which would have been covered had the coverage been on an occurrence basis.

(f) Obligations. Compliance with the foregoing insurance requirements shall not relieve the LICENSEE, its employees or agents of applicable liability from any obligation under a Section or any other portions of this Agreement.

6. TIME IS OF THE ESSENCE. Time is of the essence with respect to all time limits stated in this Agreement

7. COUNTERPARTS. This Agreement may be executed in any number of counterparts, each of which when and executed and delivered, shall be original but all counterparts shall together constitute one and the same instrument.

8. **GOVERNING LAW.** This Agreement shall be governed by and construed in accordance with the laws of the State of Florida and the parties consent to venue in the Circuit Court in and for Seminole County, Florida, as to State actions and the United States District Court for the Middle District of Florida as to Federal actions.

9. **PUBLIC RECORDS LAW.** LICENSEE acknowledges LICENSOR's obligations under Article 1, Section 24, Florida Constitution and Chapter 119, Florida Statutes, to release public records to members of the public upon request. LICENSEE acknowledges that LICENSOR is required to comply with Article 1, Section 24, Florida Constitution and Chapter 119, Florida Statutes, in the handling of the materials created under this Agreement and that said statute controls over the terms of this Agreement.

10. **ENTIRE AGREEMENT.**



(a) This document incorporates and includes all prior negotiations, correspondence, conversations, agreements or understandings applicable to the matters contained herein and the parties agree that, other than the Landfill Gas Purchase Agreement, there are no commitments, agreements or understandings concerning the subject matter of this Agreement that are not contained or referred to in this document. Accordingly, it is agreed that no deviation from the terms hereof shall be predicated upon any prior representations or agreements, whether oral or written.

(b) No modification, amendment or alteration in the terms or conditions contained herein shall be effective unless contained in a

written document executed with the same formality and of equal dignity herewith.

11. **SEVERABILITY.** If any one or more of the covenants or provisions of this Agreement shall be held to be contrary to any express provision of law or contrary to the policy of express law, through not expressly prohibited, or against public policy or shall for any reason whatsoever, be held invalid then such covenants or provisions shall be null and void, shall be deemed separable from the remaining covenants or provisions of this Agreement and shall in no way affect the validity of the remaining covenants or provisions of this Agreement. Any term, condition, covenant or obligation herein which requires performance by a party subsequent to termination of this Agreement shall remain enforceable against such party subsequent to such termination.

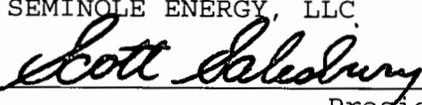


12. **EMPLOYEE STATUS.** LICENSEE shall not allow the public to access, utilize or go upon the LICENSE AREA. LICENSEE acknowledges that its officers, employees, representatives and agents performing services and functions pursuant to this Agreement are not employees of LICENSOR.

IN WITNESS WHEREOF, the undersigned parties have executed this License Agreement on the day and year first above written.

ATTEST:


Secretary

SEMINOLE ENERGY, LLC.
By: 

President

Date: 10/22/07

BOARD OF COUNTY COMMISSIONERS
SEMINOLE COUNTY, FLORIDA

ATTEST:

MARYANNE MORSE
Clerk to the Board of
County Commissioners of
Seminole County, Florida.

By: _____
CARLTON HENLEY, Chairman

Date: _____

For the use and reliance
of Seminole County only.

As authorized for execution
by the Board of County Commissioners
at their _____, 20____
regular meeting.

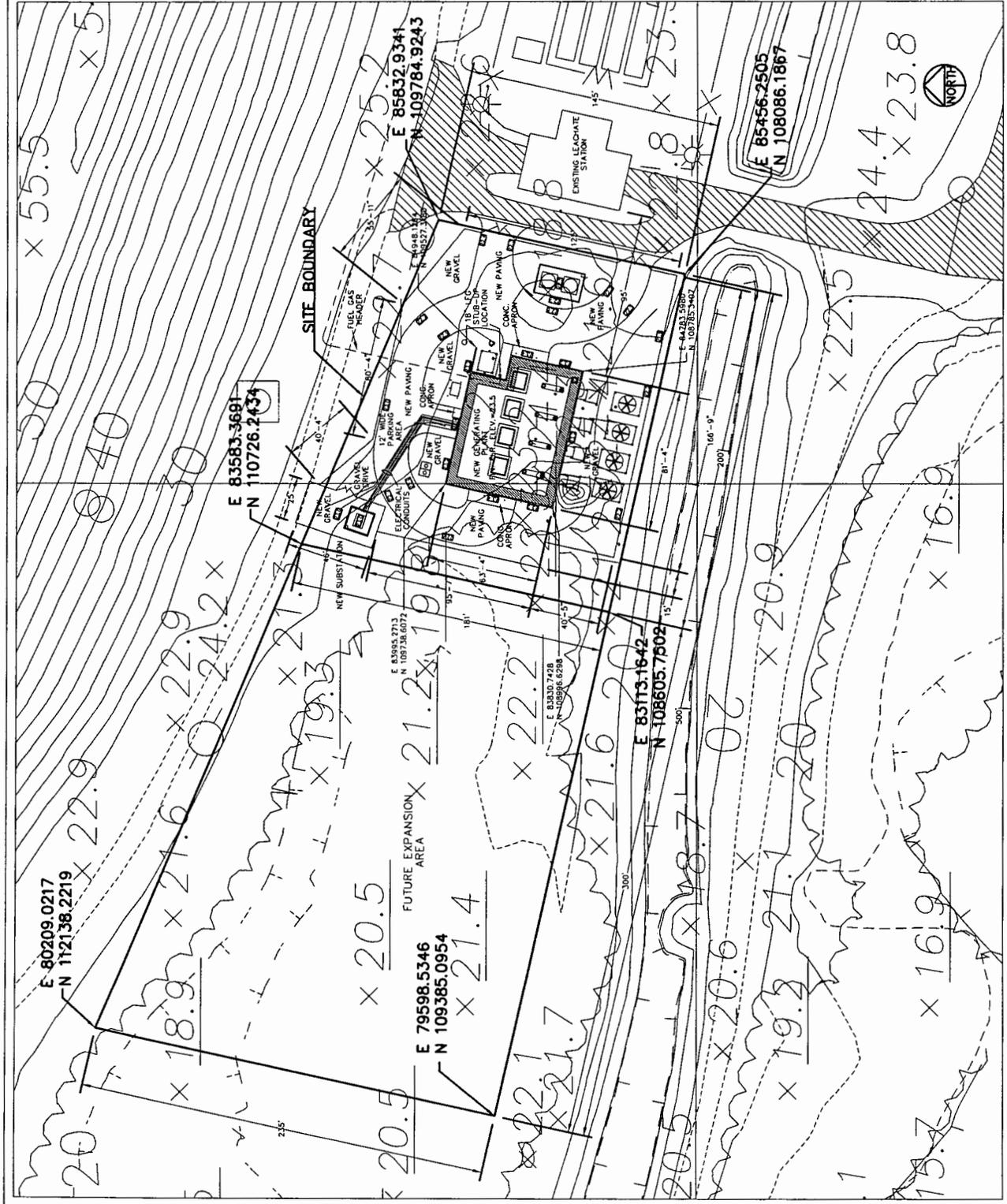
Approved as to form and
legal sufficiency.

County Attorney
SED/lpk
3/21/07 8/29/07 9/18/07
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Attachments:

- Exhibit "A" - Location Map
- Exhibit "B" - Proposal Description
- Exhibit "C" - Landfill Gas Purchase Agreement dated November 21, 2006





ARCON STRUCTURAL ENGINEERS, INC. 22391 GILBERTO, SUITE E RANCHO SANTA MARGARITA, CA. 92688		REMARKS
SEMINOLE COUNTY LANDFILL GAS TO ENERGY PROJECT 1930 E. OSCEOLA RD. GENEVA, FL. 32732		DATE COMMENTS
PROJECT		DATE
SHEET SITE PLAN		DATE
DRAWING STATUS PRELIMINARY		SCALE: 1"=25'
TAC # T-1887		DATE
DRAWN BY: SPG		DATE
CHECKED BY: SPG		DATE
DATE ISSUED: 10/2/06		DATE
SHEET C-1		DATE

**OSCEOLA ROAD SOLID WASTE MANAGEMENT FACILITY
LANDFILL GAS UTILIZATION PROJECT**

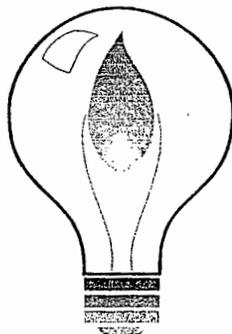
REQUEST FOR PRPOSAL 4255-05/TLR



AUGUST 3, 2005

EXHIBIT "B"

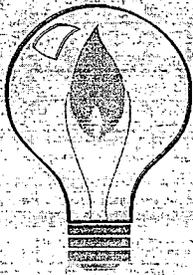
Prepared by:



**Landfill
ENERGY
SYSTEMS**

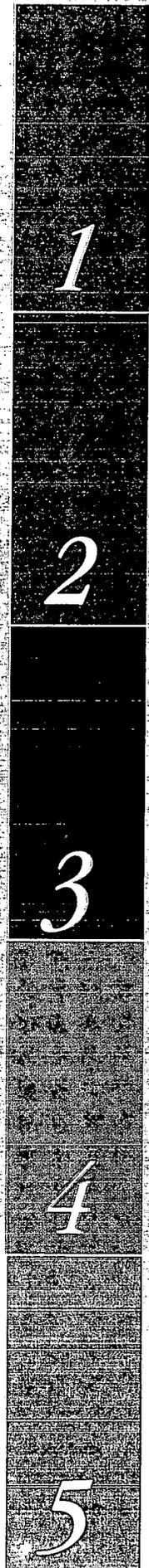
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LANDfill
ENERGY
SYSTEMS

29261 Wall Street
Wixom, Michigan 48393
(248) 380-3920



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**Landfill
ENERGY
SYSTEMS**

August 2, 2005

Seminole County
1101 E. 1st Street, Room 3208
Sanford, Florida 32771
Attn: Purchasing and Contracts Division

RE: RFP 4255-05/TLR

Dear Purchasing and Contracts Division:

Landfill Energy Systems (LES) is pleased to respond to Seminole County's Request for Proposals for the Landfill Gas Utilization Project at the Osceola Road Solid Waste Management Facility. LES has extensive experience in operating and maintaining landfill gas collection systems and developing, constructing, operating and owning landfill gas-to-energy facilities.

Our Project Team proposes to build a state of the art landfill gas-to-energy facility at Seminole County's Osceola Landfill. LES has the option to sell the electricity to either Seminole Electric or Florida Power & Light. Both companies have expressed an interest in the power. LES has worked with Seminole Electric on most of the terms of a mutually acceptable power purchase agreement and has received a commitment letter. The FP&L interconnect located near the site provides an additional option for LES and initial discussions with FP&L indicate they are interested in procuring the renewable power from the site.

The County will realize numerous benefits from this proposal. These benefits include high financial return, low risk, and a technically viable utilization for the County's landfill gas. We look forward to working with Seminole County on this exciting project and reviewing the merits of this proposal in greater detail.

Sincerely,

Scott Salisbury
President

Corporate Headquarters

29261 Wall Street
Wixom, Michigan 48393
(248) 380-3920
(248) 380-2038 FAX

West Coast Office

30266 Corte Coelho Road
Temecula, CA 92591
(951) 693-0742
(951) 693-0752 FAX

951-693-8128



SECTION 2

CORPORATE QUALIFICATIONS & PROJECT TEAM EXPERIENCE

Michigan Cogeneration Systems, Inc., is a Michigan corporation formed November 6, 1986 to develop cogeneration and small power production projects. The company developed and installed sixteen projects generating 30 Megawatts of cogeneration power before turning its primary focus to landfill gas. Based on the company's success with landfill gas-to-energy projects, Michigan Cogeneration Systems began legally doing business as Landfill Energy Systems (LES) in 1993 to reflect the company's national presence in the landfill gas industry. LES' corporate headquarters is located at 29261 Wall Street, Wixom, Michigan with a west coast office located in Temecula, California. LES' reputation for equipment reliability and first class landfill gas-fired power stations is unsurpassed. Its power generation background, coupled with hands-on landfill gas experience is an asset to any project team.

LES is the landfill gas industry's largest privately owned U.S. developer and has been developing power generation systems since 1987, using a variety of technologies. Over the past seventeen years LES has successfully developed 22 landfill gas projects in seven states generating over 80 megawatts of renewable resource power. LES generating projects range in size from 1.6 MW to 9.0 MW and include Caterpillar internal combustion engines and Solar Gas Turbines. LES recently completed construction of a 9.0 MW facility for Los Angeles County Sanitation District's Puente Hills Landfill. LA County is the world's largest landfill gas-to-energy producer and currently generates almost 125 MW from landfill gas. LES is responsible for the design, engineering, construction, equipment procurement, start-up and testing with a 5-year O&M agreement. LES is a privately held Sub-S corporation with twenty-seven full-time employees. The corporate officers with authority to sign on behalf of the corporation are as follows:

Scott Salisbury	President	29261 Wall Street Wixom, MI 48393
William Owen	Vice President	302669 Corte Coelho Temecula, CA 92591
Mark Ivankovics	Treasurer	29261 Wall Street Wixom, MI 48393
Sheila Miller	Secretary	29261 Wall Street Wixom, MI 48393

Contact information for the Seminole County Landfill Gas Utilization project is as follows:



Primary Contact

William Owen
Vice President
30266 Corte Coelho Road
Temecula, CA 92591
Phone: (951) 217-6712
Email: bill.owen@adelphia.net

Secondary Contact

Sheila Miller
Manager, Business Administration
29261 Wall Street
Wixom, MI 48393
Phone: (248) 380-3920
Email: Sheila.miller@michiganca.com

LES supplies quality Caterpillar products with single-point responsibility for design, installation, service, parts, overhaul, training and operation. LES is an unmatched expert in landfill gas fueled power systems, operations & maintenance, interconnection and electrical system design. LES is also actively involved with landfill gas recovery. It has installed collection systems and compression stations for medium Btu gas sales projects and for electrical generating facilities. LES operates and maintains these gas projects, as well as, landfill gas collection systems across the country.

The combination of experience as project developer, collection system operator and generating facility owner has provided LES with valuable insight required for success in this industry. Another key to the success of LES is the assumption of full responsibility for all aspects of the design, engineering, equipment procurement, construction, installation, commissioning, and operation of turnkey landfill gas projects. LES utilizes only new equipment and bases its equipment selection on years of proven operational performance. By designing systems specifically to run on landfill gas, the result is facilities that operate at peak efficiency and maximize revenue to all parties.

The financial strength of LES allows it to fund each of its projects on an equity basis, eliminating the potential delays and lack of control associated with non-recourse financing. This is a significant advantage since LES is not dependent upon outside sources for capital and can implement projects immediately because they have the funds to take a project from start to finish. Developers who do not have significant equity resources are at the mercy of investors unfamiliar with the landfill gas industry and must raise capital before project implementation, let alone completion.

Additional information on LES can be found on its website: www.landfillenergy.com.

Project Team Experience

LES is comprised of a team of individuals who have extensive experience in the power generation field, as well as, direct experience in the area of landfill gas collection and power generation from landfill gas. The key members of the Project Team for the Seminole County project have all been working together for 15 years.



Scott Salisbury, President

Mr. Salisbury has over 25 years of power generation experience, primarily in equipment sales and the development of landfill gas-to-energy facilities. He earned a Bachelor's of Science degree from Tri-State University and was one of the founding members of Landfill Energy Systems. Mr. Salisbury is responsible for the overall operations of LES including power plant development, construction and non-recourse project financing.

William Owen, Executive Vice President

Mr. Owen has over 20 years of experience focusing on the sale and marketing of power generation systems for the oil, gas, and alternative fuel industries. He has been working in the landfill gas-to-energy industry for the past twelve years. Mr. Owen is responsible for conducting detailed market studies to determine the financial and practical feasibility of the commercial development of landfill gas projects. Mr. Owen's background includes securing required permits, negotiating contracts with public utilities, and drafting the key documents for gas leases, power sales, construction, and operation and maintenance services. Mr. Owen received a Bachelor of Science in Mechanical Engineering from U.C.L.A. He will be the key contact person with Seminole County and with the energy purchaser and will oversee all aspects of the project.

Mark Ivankovics, Treasurer

Mr. Ivankovics earned a Bachelor's of Science in Business Administration from Michigan State University and has been working with LES since its inception. Mr. Ivankovics is responsible for the preparation of LES financial statements and the statements for nine affiliated companies. He is also responsible for cash management, tracking project costs, state and federal tax filings, obtaining project financing, budgeting, financial projects, and coordinating year-end financial audits. Prior to joining LES Mr. Ivankovics spent 10 years with Michigan Tractor & Machinery Company and served as the company's Senior Accountant. Mr. Ivankovics will be responsible for Project Financing and Financial Analysis on the Osceola Road Landfill project.

Sheila Miller, Manager of Business Administration

Ms Miller is responsible for coordinating all LES commercial business activities including financial analysis, project cash flow management, securing non-recourse project financing and contract negotiation and administration. Ms. Miller is also responsible for securing all project insurance, bonds, lien waivers, and the general administration of the project. She has fifteen years of experience in the landfill gas industry and was recently elected to the office of Corporate Secretary. Ms. Miller received her Bachelor's of Science from The Pennsylvania State University and her Masters of Business Administration from Eastern Michigan University. She is also the Director of Communications and a founding member of the Michigan Independent Power Producers Association, an advocacy group for small power producers in Michigan. Ms Miller will be responsible for contract administration, insurance and bonding documents for the Osceola Road Landfill Facility.



Scott Gauthier, Project Manager

Mr. Gauthier has extensive experience coordinating all phases of construction, subcontractor interaction, facilitating the submittal-engineering review process, and ensuring that projects remain on schedule and within budget. Since Mr. Gauthier joined LES fifteen years ago, he has actively participated in all of LES' projects. His most recent project was managing the construction of the 9.0 MW facility at the Puente Hills Landfill for the Los Angeles County Sanitation District. He received an Associates Degree in Heavy Equipment Service from Ferris State University. Mr. Gauthier will be responsible for construction management, equipment procurement and start-up for the Osceola Road Landfill power generation facility.

Michael Laframboise, Facilities Operation Manager

Mr. Laframboise has over 20 years of power generation experience and has worked throughout North America, Europe, and the Middle East. His primary responsibilities include facility start-up, emissions testing, review of electrical systems, securing permits, and operations and maintenance training. Mr. Laframboise oversees the continued operation and maintenance of twelve power-generating facilities and one direct gas sales project. Since Mr. Laframboise joined LES, its plants have led the industry with over 95% capacity every month from every facility. He is also experienced in the operation and maintenance of landfill gas collection systems including testing monitoring wells, extraction wells, header lines, blower/flare data collection, extraction well balancing and adjustment, blower/flare station adjustment and maintenance and extraction system troubleshooting and repair. Mr. Laframboise will be responsible for preliminary engineering, electrical interconnection, plant commissioning and will oversee the continued operations & maintenance of the Osceola Road Landfill power plant.

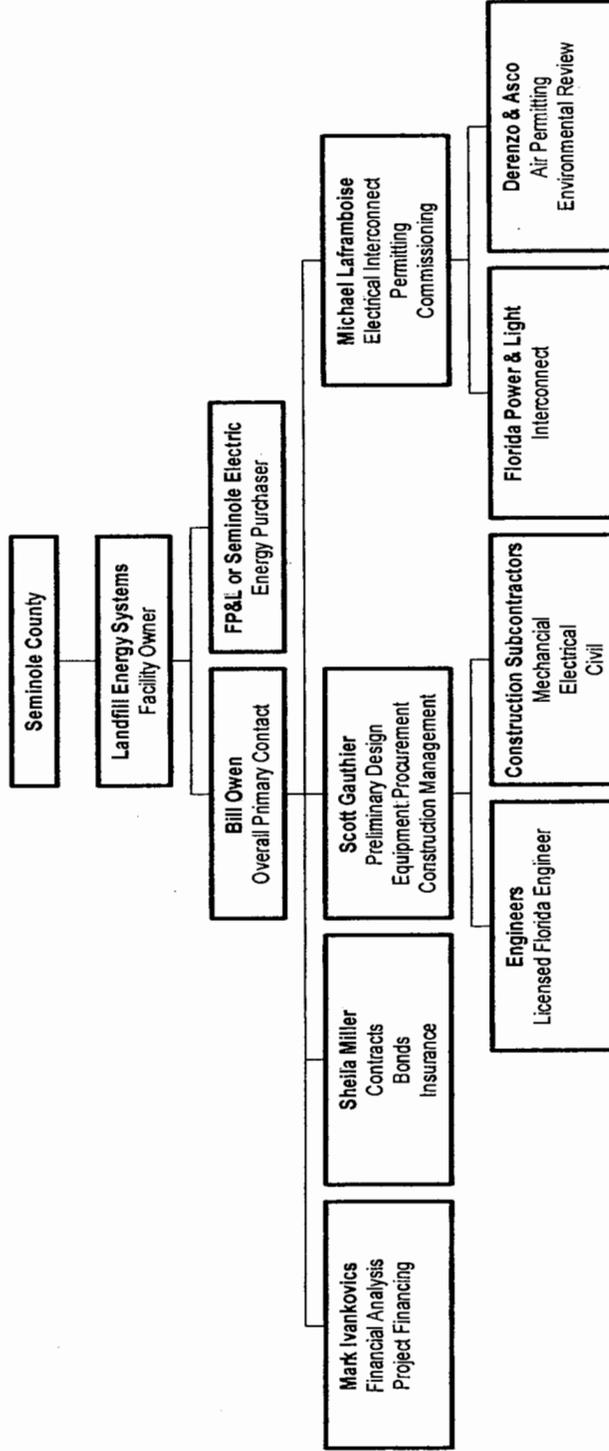
The facility LES is proposing for the Osceola Road Landfill is identical in concept to other facilities that LES has designed, built and currently owns and operates. LES will procure all major pieces of equipment in the facility design to ensure product quality and guaranteed operational costs. This dramatically limits the number of subcontractors required and limits the scope of subcontracted work to specific tasks. The facility will be designed and will be reviewed and stamped by a professional engineer licensed in the state of Florida. Construction services will be bid and awarded to a company licensed to do business in the state of Florida.

Environmental review and permitting will be subcontracted to Derenzo and Associates, Inc., an environmental consulting company that offers comprehensive air quality services including air permitting, source testing, ambient air monitoring, and engineering and regulatory analyses. The company was founded in 1989 and has grown to become a recognized provider of quality environmental consulting services. The staff at Derenzo and Associates has over 70 years of combined experience in the air quality field providing expertise and knowledge to meet the requirements of promulgated and proposed regulations, enforcement actions, and complex air pollutant specifications.

An organizational chart detailing the roles of the LES project team follows.



Osceola Road Landfill Gas Utilization Facility
Project Team Organizational Chart





SECTION 3

PROJECT APPROACH

This proposal is based upon the current landfill gas flow of 2,000 scfm and building a 6.4 MW landfill gas fueled power generation facility that will operate efficiently, reliably and provide a valuable source of renewable energy. LES will design, build, commission, own and operate the plant and sell the renewable energy to one of two Florida utilities. The plant will utilize landfill gas in its raw state and produce for export to the grid through a 4.16 kV to 23 kV transformer/interconnect scheme. The gas flows at the Landfill are expected to increase and the additional gas will allow opportunities for future expansion. The site's electrical interconnect will be via Florida Power & Light's 23 kV transmission system at the Geneva substation located approximately 3-4 miles from the landfill.

The power plant will include all new equipment featuring Caterpillar Model 3520 internal combustion engine-generator sets. The plant will be equipped with all ancillary equipment necessary to support the operation of the Caterpillar engine generator sets including gas filtration, engine cooling, condensate collection, lube oil supply/disposal and make-up, gas analyzer, gas flow meter, plant controls, generator paralleling switchgear, and utility transformer. A majority of equipment will be housed within a 4,455 sq. ft. block building. This facility will be specifically designed to run on landfill gas. The majority of the equipment will be housed in a split-faced, grout-filled block building. The building will provide excellent sound attenuation, minimize external noise, and will present a tasteful professional appearance.

LES currently operates and maintains 57 Cat engine generator sets producing over 70 MW at landfill sites nationwide. This equates to over 4 million hours of successful operations, specifically on the landfill gas fueled Cat internal combustion engines. Experience is a key ingredient in LES' system wide capacity factor averaging 95% for all units. LES has built its reputation on a long history of successful power generation operating on landfill gas just like the proposed Osceola Road Landfill gas-to-energy facility.

LES is proposing an 18-month project development schedule from the execution of a Gas Rights Agreement to the commercial operation date. Assuming a contract execution date of September 1, 2005, Commercial Operations would begin March 2007. The plant will require an air quality permit from the Florida Department of Environmental Protection (FDEP). LES has extensive experience obtaining air permits throughout the country and initial investigation with the FDEP indicates this will take approximately six months.

Landfill gas is produced on a continuous basis, must be collected upon production and cannot be stored economically. The fuel must therefore either be used immediately or burned in a flare. The generating plant will be considered a pollution abatement control device and once permitted as such is considered to be a "must run" facility. Therefore LES is proposing a facility that will



be operated as a base load facility not subject to curtailment or variable dispatch by the utility, except for emergency situations and prescheduled maintenance. The prime mover of the generating unit is a reciprocating engine and is consequently not subject to daily or seasonal operational variability. The power will be unit contingent, when the units are available the plant will operate at full load. The plant will generate twenty-four (24) hours, seven (7) days a week, and three hundred sixty-five (365) days a year. The only outages will be for maintenance and forced outages. As a continuous duty facility, the delivery for energy and capacity will be the same number.

LES is proposing a renewable power supply based on a proven technology. The landfill gas-to-energy industry first developed in the 1970's and according to the EPA there are currently 360 landfill gas utilization projects generating 1200 MWs of electrical power in the United States. Since entering the landfill gas-to-energy business in 1987, LES has made continuous improvements and enhancements to the engineering, design, operation and maintenance of each of its plants. The remarkable reliability achieved by LES plants is partly due to the use of Caterpillar engines throughout. Caterpillar has been developing landfill gas engines since 1986 and is the only engine manufacturer to offer an off-the-shelf engine arrangement specifically adapted for landfill gas. CAT's technological improvements include an insulated exhaust manifold and the latest in turbocharger designs, which enable the CAT engines to operate with low air emissions on a continuous basis. Caterpillar has also incorporated detonation-sensitive timing into its equipment and has increased its use of corrosive resistant materials. The inherent structural strengths combined with components specifically designed for landfill gas operation ensure a top-quality facility with excellent performance, low emissions, durability, and reliability. The Caterpillar engine model 3520 is the latest design in Caterpillar's state of the art landfill gas engines. Caterpillar internal combustion engines are operating successfully on more landfills than any other internal combustion engine in the country. The facility proposed is identical in concept to all of the generating plants LES currently operates and maintains in the U.S. with proven and reliable availability and capacity factors.

The plant will be permitted as a pollution abatement control device to control the landfill gas emissions from the landfill itself. Based on the results of recently issued federal Prevention of Significant Deterioration permits for landfill gas fueled electricity generation facilities, the CAT Model 3520 emission rates are Best Available Control Technology. The Caterpillar Model 3520 landfill gas engine is the lowest emission engine available. The 3520 is an extension of the 3516 design which has the most operating hours of any engine on the market. The 3520 model, however, has three significant advantages over its 3516 predecessor that makes it truly a remarkable engine. First, the 3520 has an engine thermal efficiency in excess of 40%, or 6231 Btu/hp-hr. Second, the Caterpillar 3520 will require a much smaller building (approximately 40% less) than a comparable CAT 3516 plant and will provide for project expansion as additional landfill gas volumes become available. Perhaps most importantly, the CAT Model 3520 produces less than 50% of the NOX emissions of the 3516 model. The CAT 3520 is the lowest emitting engine on the market today. In summary, Caterpillar has taken all of the benefits of the proven 3516 technology and added efficiency and emission improvements that make the 3520 a model engine for any landfill gas projects now and in the future.



Generation Equipment Description

Based on the 2,000 scfm of landfill gas currently available, the Osceola Road Landfill Gas-to-Energy Plant will be based upon four (4) Caterpillar Model 3520 engine generator sets specifically designed to operate on landfill gas. The plant will be capable of producing approximately 6,080 kW net to the grid through a 4.16 kV to 23 kV transformer/interconnect scheme. The plant shall be equipped with all ancillary equipment necessary to support the operation of the engine generator sets including gas filtration, engine cooling, condensate collection, lube oil supply/disposal and make-up, gas analyzer, gas flow meter, plant controls, generator paralleling switchgear, and utility transformer. A majority of the equipment will be housed within a 4,455 sq. ft. split faced block building, which includes a segregated engine room and sound attenuated control/switchgear room. Equipment located outside the building includes gas filters, gas cooler, gas blowers, bulk oil storage, engine radiators, engine exhaust silencers, building vent fans, station service transformer and a utility transformer. A building layout drawing and process flow diagram are included at the end of this section. LES will increase the number of generating units as additional gas volumes are available.

LES will own the Osceola Road Landfill generating facility and perform the operations and maintenance. The availability of the facility is a direct result of the quality of the operations and maintenance performed on the facility. As stated earlier, LES currently operates and maintains 57 landfill gas fueled Caterpillar engine generator sets. The average engine availability for all 57 units combined is over 98%. Because of LES's outstanding availability factor, the plant capacity factor (actual electricity generated) averages over 95% for all facilities. This is a tremendous achievement and a source of pride to LES, as no one in the country can match this performance record. LES' ability to consistently perform at high capacity factors is due to attention to detail and the fact that the day to day hands on operation and maintenance provides LES with valuable insight into how to keep the engines performing at their peak efficiency. LES is a leader in identifying vulnerable components and employs a "Repair Before Failure" preventative maintenance strategy. In addition, LES stocks all long-lead parts, which significantly reduces facility downtime.

The LES operations strategy is to provide Caterpillar Factory Certified full time operators to ensure reliable and safe plant operations on a continuous basis. LES operators perform all routine preventive maintenance and handle any unexpected problems. In the event of utility forced outages or relay trips, the operators are responsible for safely bringing the generating facility back on line as quickly as possible. By supplying trained operators, experienced in power generation facilities operating on landfill gas, LES operates all facilities at peak efficiency.

The plant will be manned by LES on a 40-hour week basis with an operator on call 24-hours/day, 7-days/week. LES facilities also utilize balance of plant alarm systems that monitor the key parameters of the plants and notify the operating personnel, via an auto dialer, in the event the system detects an alarm or shutdown condition. In an alarm condition the plant will continue to



operate while the auto dialer contacts the operator. In case of a shutdown condition, the affected system will automatically shut down while calling the operator simultaneously.

LES anticipates that forced, or unplanned, outages will occur less than 1% of the hours per year and planned outages for scheduled maintenance will account for approximately 2% of downtime per year. The engine generators typically run until a scheduled maintenance interval occurs. During the scheduled outages, the remaining engine generators are operational at full load. Total plant maintenance shutdown is expected to be less than one week per year. LES is able to achieve over 98% availability because it utilizes a proven design, reliable equipment, and Caterpillar certified plant operators. LES has an extensive spare parts inventory since all LES plants utilize basically the same equipment. The bottom line is that LES plants generate more electricity and are more reliable than any other landfill gas-to-energy plants in the Country.

The following summarizes the major components and/or systems:

Engine Generator Sets: 4 Caterpillar Model 3520 engine generator sets will be provided. The CAT Model 3520 is a completely integrated skid mounted package consisting of the engine, generator, and all support systems including start, fuel, lube, and control systems. Each engine is rated at 1600 kW (4160 volts) at the generator terminals.

Fuel Gas System: The fuel gas system will be capable of providing landfill gas from the landfill gas collection system. The fuel gas system at the power building will include one automatic fail-safe gas valve, one manual gas valve, primary filter separator, one gas blower, gas cooler, final gas filter, a single gas analyzer, single gas flow meter, piping valves and fittings to the gas regulators of each engine. The system will be designed to provide a nominal 2,200 scfm of filtered gas to the engine generators at approximately 5 psig.

The fuel gas system includes any equipment, piping, valves, and fittings between the gas stub-up located in the gas blower room to the engine generator gas inlet. All gas piping above grade shall be stainless steel. This system includes the following:

- Manual & Automatic Shut-off valves
- Primary coalescing filter tower
- Blower package
- Gas cooler
- Temperature control valve
- Final coalescing filter tower
- Associated piping, valves, fittings, and local temperature & pressure gauges
- Flow measurement device - orifice plate
- Landtec Gas Analyzer

Jacket Water and Lube Oil/Aftercooler Cooling Systems: Each engine generator will be provided with two cooling systems (jacket water and lube oil/aftercooler) capable of dissipating

the heat through a water-to-air radiator. The jacket water cooling system will be a closed-loop circulating system with an on engine, thermostatically controlled mixing loop, which includes a pre-heater and engine-driven pump. Heat is dissipated through a radiator with one single-speed motor-driven fan. The lube oil/aftercooler cooling will be accomplished through a second closed-loop circulating system with an on engine thermostatically controlled mixing loop, and engine-driven pump and a second coil in the water-to-air radiator.

Each Caterpillar Model 3520 engine cooling system includes:

- One radiator with two single core round finned tube heat exchangers, one for jacket water and one for lube oil/aftercooler
- One single speed 25 HP fan
- Engine mounted driven jacket water pump
- Engine mounted driven lube oil/aftercooler pump
- Lube oil cooler tube and shell heat exchanger
- Aftercooler tube and shell heat exchanger
- Two three-way engine-mounted mixing valves
- One 6kW Jacket water heater, thermostatically controlled
- Associated valves, fittings, and local temperature and pressure gauges.

Lube Oil Supply and Make-up System: This system consists of a 3,000-gallon storage tank, an air-operated lube oil transfer pump, piping from the lube oil tank to the engine and to the new oil make-up tank. The make-up oil tank will be mounted inside the building on a support structure. The engines are provided with an automatic lube oil makeup system. The lube oil system includes the following:

- 15-gallon oil makeup tank and REN automatic level control
- Associated piping, valves, and fittings
- Oil transfer system including a pneumatic oil pump
- Bayonet oil heater with controls (10kw)
- All lube oil piping shall be socket welded except at the valves.
- Valves to be threaded with unions, before and after, for future removal and service.

Waste Oil Collection System: The waste oil collection system consists of a 1,500-gallon waste oil tank, air-operated waste oil transfer pump, piping from the waste oil tank to the engine. Waste oil from engine oil changes will be transferred to the 1,500-gallon waste oil storage tank via the waste oil transfer pump and stored until removal. The waste oil system includes the following:

- Oil transfer system including a pneumatic oil pump
- Associated piping, valves, and fittings
- All piping to be socket welded, same as new oil system



-
- Bayonet oil heater with controls (6kw)
 - Crankcase blower drain to waste oil piping inside building and will include isolation valve, and the installation of Contractor supplied accumulator tank

Crankcase Ventilation System: The crankcase ventilation system is a forced draft system which uses a small blower to draw out vapors from the crankcase breather of each engine and discharges them to the outside of the building. The overhead system consists of PVC ducting, valves, mist eliminator/blower.

Condensate Collecting System: The condensate from the gas system, primary and final gas filters, gas cooler drain trap and main gas header drain will be collected and piped to a new condensate sump which will discharge into the existing condensate handling system at the flare.

Engine Exhaust System: This system includes the exhaust piping, supports, silencer and exhaust stacks. All engines include a critical grade silencer. An insulated exhaust stack inside the building will connect to the silencer and rise to a minimum of 27 feet above grade. The exhaust system will include access ports for emissions testing, with size and location in accordance with air quality standards.

Plant Compressed Air: This system will include an air compressor, air receiver tank, air dryer/filter desiccant (for instrument air only), engine starting system and service connections with water separators.

Fire Protection System: The system consists of a fire detection system and dry chemical extinguishers for the entire plant. A central fire alarm panel located in the control room monitors the fire detection system. The fire detection system will include several heat detectors wired directly into a central fire alarm panel for remote monitoring. The fire alarm panel is integrated into the plant control system and is designed for orderly plant shutdown upon fire detection. The building will be equipped with a fire detection system in accordance with NFPA standards.

HVAC System: The building will be segregated into two rooms: engine room and control/switchgear room. The engine room ventilation air will be drawn in through six grade level intake fans and exhausted through six roof-mounted exhaust vents. The control/switchgear room will be provided with a separate HVAC system for control room heating and cooling. Combustion air will be supplied to each engine through a separate roof mounted intake louver and ductwork system. The facility will be equipped with a fully automatic HVAC system providing combustion and cooling air to the building.

LES facilities also utilize a balance of plant alarm systems that monitor the key parameters of the plant and notify the operating personnel, via an auto dialer, in the event the system detects an alarm or shutdown condition. In an alarm condition the plant will continue to operate while the auto dialer contacts the operator. In case of a shutdown condition, the plant will automatically shut down while calling the operator simultaneously.

Project Schedule

LES proposes to perform all permitting, design, engineering, equipment procurement, construction and commissioning of the generating plant within 18 months of the execution of a Gas Rights Agreement. The following tasks will be performed as part of the overall project development. This list is not intended to be all-inclusive, but it does address the major milestones required for an orderly project execution. LES has allocated additional time early on in the project schedule to ensure that all contractual issues will be quickly resolved to the satisfaction of both the Landfill and LES.

General Design Review

Immediately following contract award, LES and Seminole County will meet to review the preliminary design, establish a construction schedule and designate an exact location for the generating facility. This design review will ensure that the LES power plant technical specifications are consistent with the Landfill's overall development plans. Official lines of communication will be established to ensure that the Landfill's staff is kept up to date on all project developments. Any outstanding commercial issues will be identified and an action plan established.

Interconnection Study

Upon completion of the design review and contractor selection, LES and its contractors will proceed immediately with the submittal of the Interconnection Data Sheet required for interconnect to FP&L's system. FP&L's response time will be the pacing item since no electrical equipment can be ordered until FP&L defines the interconnection requirements.

Construction Permits

Construction permits will also be pursued immediately. These permits are not expected to be a pacing item and based on discussions with Seminole County's building department will take approximately 30 days.

Air Quality Permit

Air Quality permits are always a concern due to the long lead times that are not uncommon. The permit will be pursued immediately. The Caterpillar Model 3520's meet all Federal and State BACT requirements and preliminary investigation indicate no obvious problems with permitting this facility. Based on discussions with FDEP, LES has allotted six months to secure an air quality permit.

Design Engineering

The detailed engineering of the plant will commence once the key lead-time items, outlined above, have been addressed. Specific items to be addressed include fuel pre-treatment and compression, interface points, foundations, building design, and plant P&ID.



Detailed Construction Schedule

An overall construction schedule will be reviewed with Seminole County shortly after contractor award. The detailed schedule will include specific tasks as well as the expected start and completion dates. The schedule will be updated based on any inputs received from our sub vendors, the utility, permitting agencies, and as a result of the detailed engineering.

Release Major Equipment Orders

All major equipment identified on the critical path schedule will be placed on order immediately after securing the gas agreement, power sales agreement and air quality permit. All other equipment will be ordered consistent with respective lead times.

Site Preparation

Once the required permits have been obtained, the site preparation can proceed. LES' Project Manager will oversee the site grading and foundation preparation.

On-site Construction and Installation

On-site construction will begin upon completion of the necessary site preparation. The major construction milestones will include foundations, setting equipment, building erection, mechanical interconnection, and electrical interconnection. The LES' Project Manager will be onsite to supervise all the construction activities through plant commissioning.

Plant Commissioning and Startup

All plant systems are checked to verify operation, performance, and code compliance. All safety systems are also checked before the plant can become fully operational. The interconnection with FP&L can be energized and power is exported for sale. Plant punch list items are resolved and the plant becomes fully operational.

Overall Development Schedule Bar Chart

A graphic representation of the overall development schedule for the Osceola Road Landfill gas-to-energy project is located at the end of this Section.

Site Selection and Building

The key to site selection for the facility will be how LES will interconnect to FP&L. There are two options; one is to interconnect at the Geneva Substation and the other is to interconnect at the site's distribution 23 Kv line. Based on discussions with Becky Holcomb of FP&L the rural location of the Landfill and Geneva Substation, which is located near the cross roads of Liberty Lane and Osceola Road, should prevent any major problems securing the right of ways for a pole line, if one is required. Ms Holcomb stated that the substation is located in a very rural area and the location does not have wetlands. According to Ms Holcomb, the pole line that will need to be constructed will not have to cross and major barriers such as bridges, lakes, railroad crossings or highways. The FP&L Interconnect study will determine which the best option is. LES will work with Seminole County to select a mutually agreeable location on Landfill property for the generating facility.



As stated earlier, the majority of equipment will be housed in a split-faced grout filled block building that will provide excellent sound attenuation, minimize external noise, and will present a tasteful professional appearance. LES designs its plants to allow for ease of expansion as additional landfill gas supply becomes available and has experience expanding seven plants.

Environmental Mitigation

LES will ensure that its construction subcontractors employ standard construction practices to mitigate the impact to the surrounding environment. The construction site will be fenced to keep workers and equipment away from wetlands and other environmentally sensitive areas. If the proposed facility is located near wetland, drainage swales will utilize hay bales to prevent sediment from draining away from the site in the event of heavy rains. Should an archeological area be discovered during construction, subcontractors will immediately secure the area and LES will contact Seminole County. LES designs each of its plant to minimally impact the environment once operational. Features include hard piping of both lube and waste oil lines from tanks to engines, concrete containment base around the oil tanks, all underground oil piping is dual encased, oil containment pit around the primary transformer, and containment trenches located between the engines and in front of the engines so that in the event of a major catastrophe leaking fluids would be contained inside the plant.

Community Impacts

LES does not expect any adverse community reaction to this environmentally attractive project. This is one of the few renewable energy technologies that actually reduces pollution from existing sources. Nationwide, landfill gas utilization projects enjoy wide community acceptance. The U.S. EPA has a very successful program, the Landfill Methane Outreach Program (LMOP), which is designed to encourage and facilitate the development of environmentally and economically sound landfill gas projects. LMOP does this by educating local government and communities about the benefits of landfill gas recovery and building partnerships among state agencies, industry, energy service providers, local communities, and other stakeholders interested in developing this valuable resource in their community. LES has been a LMOP Industry Partner since its inception and can enlist LMOP's resources to aid in community education. Please feel free to view LMOP's website at www.epa.gov/lmop for more information

LES designs all of its plants to be a good neighbor and will work closely with Seminole County to ensure community acceptance and support. The majority of the equipment will be housed in a split-faced, grout-filled block building. The building will provide excellent sound attenuation, minimize external noise, and will present a tasteful professional appearance. The site is well buffered and will not have any adverse impact on the community. LES' proposal provides significant benefits to the local community and Seminole County. In addition to the proposed financial benefits detailed in Section 5, LES will pay Seminole County property taxes based on the assessed value of the building and the equipment equaling over \$1.2 million over the life of the project.

As detailed in Section 4, several LES facilities have been Award Winning Facilities. The Kiefer Landfill Gas-to-Energy facility in Sacramento County was the "1999 EPA Project of the Year".



The LES direct gas project at the Brooks Landfill in Wichita, Kansas received the "Year 2000 Kansas Pollution Prevention Award" for demonstrating exceptional leadership in environmental stewardship and its cooperative efforts with the City of Wichita. In addition, the Wichita project also received the EPA Region VII award in the Renewable Energy/Alternative Energy Sources category. The Winston-Salem facility has been awarded the Air Quality Award each year since commercial operation by the Environmental Affairs Board of Forsyth County. LES' Ann Arbor, Michigan facility appeared on CNN's *Headline News*, as did the Riverview, Michigan plant, which was also featured on an episode of ABC's *20/20*. LES intends to make the Osceola Road Landfill Gas-to-Energy facility an award-winning project as well. Once operational, LES' proposed facility will be one of the largest landfill gas-to-energy facilities in the state of Florida.

Required Permits

LES will need to obtain two main permits for the Osceola Road landfill gas-to-energy plant, the air quality permit and the building permit. LES contacted Tom Helle at the Seminole County Building Department and has learned that it will take approximately 30 days to obtain the building permit. A pre-application meeting will be scheduled to ensure that LES fully understands the exact requirements of the Building Department. The documents that are required to be submitted for permit application are typical for an LES submittal. A licensed Florida Professional Engineer will prepare the facility design drawings submittals. Because it takes 2-3 weeks just to schedule to pre-application meeting, LES will begin the building permit process as soon as facility design drawings have been completed.

LES has evaluated the major air permitting issues that are associated with installing a new landfill gas-to-energy facility at the Osceola Road Landfill located in Geneva, Seminole County, Florida. LES has contacted Alan Zahm of the Air Compliance Section within the Florida Department of Environmental Protection, Central District (FDEP) to obtain details on the air permitting process that is specific to Geneva, Seminole County, Florida and the proposed fuel combustion equipment. Seminole County is designated attainment for all the criteria air pollutants regulated under the National Ambient Air Quality Standards (NAAQS). Since Seminole County is designated attainment for ozone, nonattainment area new source review air permitting issues that place additional restrictions on emissions of nitrogen oxides and VOC from reciprocating internal combustion engine operations are not applicable to the permit review and approval process. The proposed facility will be subject to federal Prevention of Significant Deterioration (PSD) permitting rules, which require public comment periods, USEPA comment, air quality impact demonstrations and Best Available Control Technologies demonstrations. Construction permits for PSD major sources are reviewed by and issued through the Florida Department of Environmental Protection (FDEP Tallahassee). The FDEP Central District may provide comments on the draft permit prior to its issuance. Mr. Zahm indicated that a major source PSD permit could be issued within six months of the receipt of a complete permit application. Because of the long lead time of the permit, LES would begin the application process immediately upon contract execution.



Depending on the regulatory requirements that are associated with the Osceola Road Landfill and the type of system installed to treat the gas prior to combustion, internal combustion engines may be required to demonstrate compliance with the 20 ppmvd (or 98% by weight removal) Non-methane Organic Compound (NMOC) Municipal Solid Waste (MSW) New Source Performance Standards. Processes that use treated landfill gas are exempt from the MSW Landfill NSPS NMOC control demonstration. EPA Regions 1, 3, 5 and 7 have all issued determinations that the landfill gas treatment process used by LES meets the "treated landfill gas" criteria necessary to exempt a LES landfill gas-to-energy facility from the NSPS NMOC control demonstration. LES is experienced in permitting landfill gas-to-energy facilities across the Country and has obtained air quality permits in the strictest areas of New Jersey and California's Bay Area. LES does not foresee a problem obtaining the air quality permit required for the proposed Osceola Road Landfill gas-to-energy facility.

OSCEOLA ROAD LANDFILL
FOR
SEMINOLE COUNTY

OSCEOLA ROAD LANDFILL
FOR
SEMINOLE COUNTY

ID	Task Name	Duration	Start	Finish	September	October	November	December	January	February	March	April	May	June	July	August	September	October	November	December	January	
					28	4	11	18	25	1	8	15	22	29	5	12	19	26	3	10	17	24
1	Gas Rights Agreement	1 day	Thu 9/7/05	Thu 9/7/05																		
2	Environmental Permitting	6 mos	Mon 9/5/05	Fri 2/17/06																		
3	Design	70 days	Mon 11/14/05	Fri 2/17/06																		
4	Technical Design	6 wks	Mon 11/14/05	Fri 12/23/05																		
5	Prepare Consol. Bid Docs	6 wks	Mon 12/19/05	Fri 1/27/06																		
6	Seminole County Review	3 wks	Mon 1/30/06	Fri 2/17/06																		
7	LES Equipment Procurement	30 wks	Mon 2/20/06	Fri 9/15/06																		
8	Building Permit/Review	4 wks	Mon 2/20/06	Fri 3/17/06																		
9	LES Bid Process	4 wks	Mon 3/20/06	Fri 4/14/06																		
10	Sub-contractor Bid Award	1 day	Mon 4/17/06	Mon 4/17/06																		
11	Building Construction	24 wks	Mon 6/5/06	Fri 11/17/06																		
12	Underground Mech & Elect	12 wks	Mon 6/19/06	Fri 9/8/06																		
13	Set Engine/Generators	2 days	Thu 9/14/06	Fri 9/15/06																		
14	Mechanical & Electrical Work	12 wks	Mon 9/18/06	Fri 12/8/06																		
15	Start-up/Commissioning	5 wks	Mon 12/11/06	Fri 1/12/07																		
16	Emission Testing	5 days	Mon 1/15/07	Fri 1/19/07																		
17	Commercial Operation	1 day	Mon 1/22/07	Mon 1/22/07																		

Project: Osceola Road Landfill
Date: Mon 8/7/05

Task Progress

Milestone Summary

Project: Osceola Road Landfill
Date: Mon 8/1/05

Task Progress

Milestone Summary



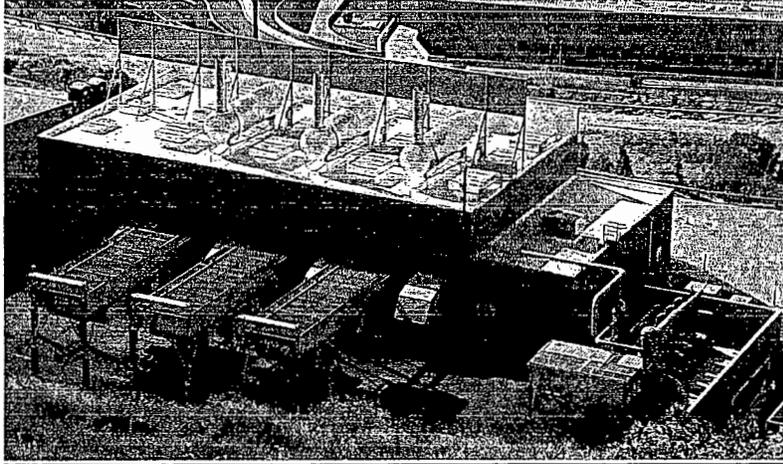
SECTION 4 PROJECT EXPERIENCE AND REFERENCES

LES Project Experience and References

The following list provides general information on all projects for which LES has been the principal developer. A tour of any of the facilities can be arranged at Seminole County's request. LES has also included brief descriptions of several of its projects, complete with color pictures, identifying project reference contacts. At Seminole County's request, LES can make additional project descriptions available.

<u>Project/State</u>	<u>Date</u>	<u>Energy Customer</u>	<u>Application</u>	<u>MMCFD</u>	<u>MW</u>
Riverview - MI	Jan-88	Detroit Edison	Electricity	4.2	6.9
I-95 Phase I - VA	Nov-91	Virginia Power	Electricity	1.7	3.2
Venice Park - MI	Jan-92	Consumer Power	Electricity	0.9	1.6
City Sand - MI	Jul-92	Detroit Edison	Electricity	4.5	8.0
I-95 Phase II - VA	Mar-93	Virginia Power	Electricity	1.7	3.2
Sonoma Phase I - CA	Apr-93	PG&E	Electricity	1.7	3.2
Adrian - MI	Dec-94	Consumers Power	Electricity	1.3	2.4
Sonoma Phase II - CA	Jun-96	PG&E	Electricity	1.7	3.2
Wayne - MI	Nov-95	Ford Motor Company	Electricity	1.3	2.4
Winston-Salem - NC	Jan-96	Duke Power	Electricity	2.8	4.8
Ocean County - NJ	Feb-97	JCP&L	Electricity	3.0	4.8
Lower Potomac - VA	May-97	Fairfax County	Sludge Burner Fuel	2.0	-
Ann Arbor - MI	Sep-96	Detroit Edison	Electricity	1.0	1.6
Pine Tree Acres - MI	May-98	Detroit Edison	Electricity	2.4	4.0
Carleton Farms - MI	Jul-98	Detroit Edison	Electricity	2.4	4.0
Wichita - KS	Aug-98	High Plains	Steam Boiler Fuel	4.0	-
Sacramento - CA	Jan-00	SMUD	Electricity	7.2	9.0
Scottsdale - AZ	May-01	Salt River Project	Electricity	3.3	5.0
Sonoma III - CA	Mar-03	PG&E	Electricity	1.0	1.6
Pine Tree Phase 2- MI	Dec-03	Detroit Edison	Electricity	1.0	1.6
LA County - CA	Oct-05	LA County load	Electricity	7.2	9.0
*Kiefer II - CA	Dec-05	SMUD	Electricity	4.8	6.0
*Salt Lake City - UT	Dec-05	Murray City	Electricity	1.6	3.2
*Springfield - MO	Apr-05	City Utilities	Electricity	1.6	3.2
				64.3	91.9

* indicates facility currently under construction

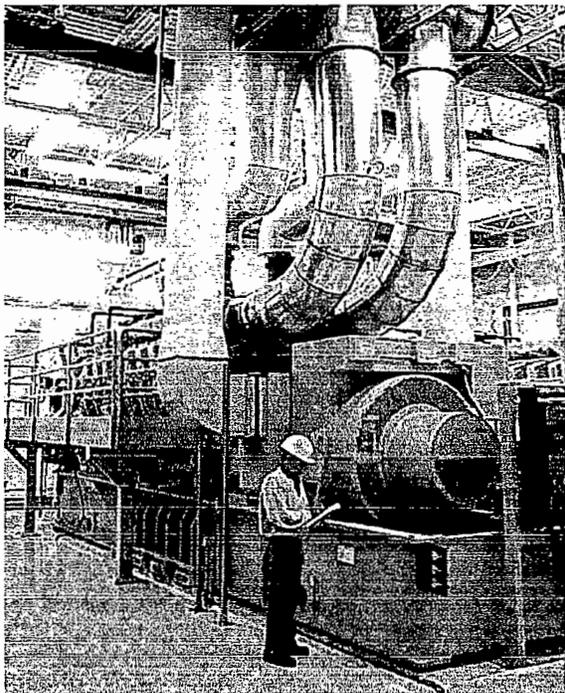
Puente Hills Landfill – Los Angeles County, California

Location: Whittier, CA
Use: On site load
Operational: Oct 2005
Plant Size: 9.0 MW
Owner: LA County Sanitation

The Puente Hills Landfill covers 1,500 acres of land and accepts more than 80,000 tons of solid waste every week, making it the largest landfill in the world. The Landfill is owned and operated by the Los Angeles County Sanitation District and has been using landfill gas to generate electricity since 1986. LA County boasts over 50 MW of landfill gas-to-energy and is the largest landfill gas-to-energy producer in the United States. The gas is collected through a network of over 1,000 wells, 55 miles of underground trenches and 30 miles of collection pipes. LES is providing the design, engineering, equipment procurement and installation, permitting, construction and commissioning of a 9 megawatt power generation facility, which is the latest addition to the Sanitation District's renewable portfolio. The plant is based on three Caterpillar 3616 engine generator sets, each producing 3 megawatts of power. The facility was designed and built to accommodate a total of four CAT 3616s and will allow for future expansion to 12 MW. LA County owns the plant, which is scheduled to begin commercial operation in October 2005, and will use the electricity to offset its own electrical load. LES will provide daily operations and maintenance services for the generating facility under a five year O&M Agreement.

Project Reference: Ed Wheless
Division Engineer
Los Angeles County Sanitation District
(562) 699-7411, extension 2428

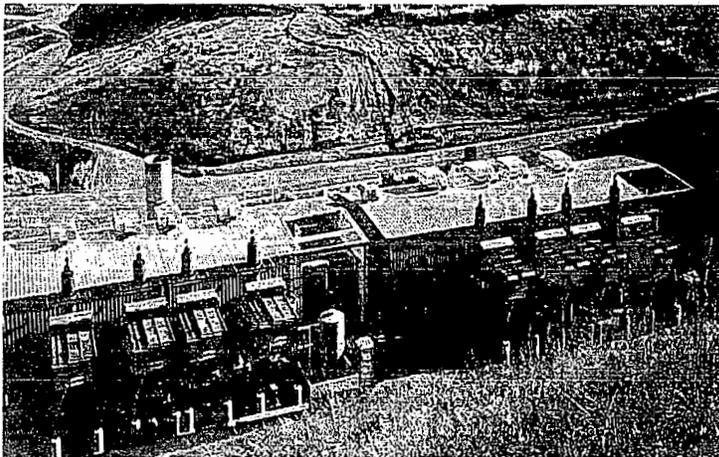
Kiefer Landfill - Sacramento County, California



Location: Slough House, CA
Host: County of Sacramento
Utility: SMUD
Operational: Jan 2000
Plant Size: 9.0 MW
Owner: County of Sacramento
Award: 1999 EPA Project of the Year

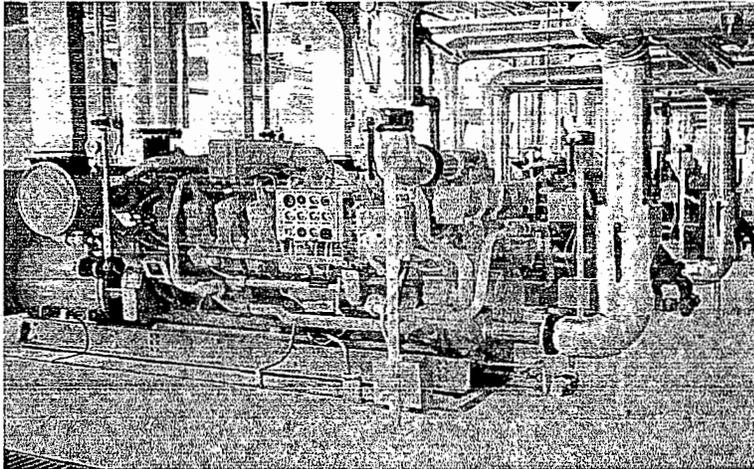
The Kiefer Road Landfill is a 232-acre landfill owned and operated by the County of Sacramento. The project was completed in two stages. First, LES designed and constructed a landfill gas collection system that collects over 6.0 million cubic feet of landfill gas per day. The second phase of the project included the design, engineering, permitting, construction and commissioning of a 9 megawatt power generation facility. The plant is based on three Caterpillar 3616 engine generator sets, each producing 3 megawatts of power. The County owns the plant, which began commercial operation in January 2000, and sells the electricity produced to the Sacramento Municipal Utilities District (SMUD). LES performs daily operations and maintenance services for the both the generating facility and the collection system and blower/flare station. The EPA's Landfill Methane Outreach Program awarded this project the distinction of "1999 Landfill Gas to Energy Project of the Year".

Project Reference: Chris Richgels
Engineering Manager
County of Sacramento Waste Management & Recycling Division
(916) 875-7011

Sonoma Central Landfill - Petaluma, CA**Location: Petaluma, CA****Host: County of Sonoma****Utility: PG&E****Operational: Phase I May-1993
Phase II Jun-1996
Phase III Mar-2003****Plant Size: 8.0 MW****Owner: County of Sonoma**

The Sonoma Central Landfill is an 120-acre landfill site located in Petaluma, California, which is owned and operated by Sonoma County. LES and the County worked together to develop a total of 8 megawatts of electricity produced from landfill gas. The project was completed in three separate development stages. In 1992 LES designed, engineered, built, permitted and commissioned the first of two identical 3.2-megawatt power-generating plants. The Phase II plant began commercial operation in 1996. In 2002 the County initiated the third stage of the development process to expand each of the two facilities, adding a total of 1.6 megawatts. This expansion became commercially operational in March 2003. The County of Sonoma owns both facilities and receives 100% of the revenue generated by the sale of electricity to Pacific Gas & Electric. LES provides all operation and maintenance services for both the generating plant and the gas collection system. Coordinated operation and maintenance of both facilities is vital to ensuring maximization of gas recovery and operation of the generating facility at peak efficiency. The wellfield system collects an average 3.4 million cubic feet of gas per day. A good indication of the operation and maintenance performance is that the oxygen level in the gas is maintained below one tenth of one percent. Each generating facility currently utilizes five Caterpillar 3516 engine generator sets.

**Project Reference: Alex Sebastian
Engineer
Sonoma County Department of Public Works
(707) 565-7949**

I-95 Landfill – Lorton, VA

Location: Lorton, VA
Host: Fairfax County
Utility: Dominion Virginia Power
Operational: Phase I Nov-1991
Phase II Feb-1993
Phase III Mar-1997
Plant Size: 6.4 MW
2.0 MMCFD
Owner: Landfill Energy Systems

In December 1990, the County of Fairfax selected LES to develop the I-95 Landfill in Lorton, Virginia. The development plan included the installation of two separate landfill gas-to-energy facilities producing a combined gross output of 6.4 megawatts. LES supplied all design, engineering, permitting, construction, and commissioning services for both plants. Each plant houses four Caterpillar 3516 engine generator sets and each exports in excess of 3 MW to the Virginia Power & Electric Company. Phase I began commercial operation in November 1991 and Phase II began commercial operation in February 1993. LES owns and operates both facilities at a capacity factor over 99% each month. The success of this project was highlighted in a 1992 Environmental Protection Agency case study on landfill gas-to-energy facilities. The combination of the Phase I and Phase II facilities is the largest landfill gas-to-energy operation in the state of Virginia. LES also developed a Phase III project for the County, which is a medium btu gas project. In 1997 LES installed a gas compression station and a three mile long HDPE pipeline from the I-95 Landfill to the County's sludge treatment plant. The I-95 Phase III system currently processes approximately 1.1 million cubic feet of landfill gas per day. The gas is used as fuel to offset the County's natural gas purchases at the treatment plant.

Project Reference: Jeff Smithberger
Deputy Director
Fairfax County Division of Solid Waste Disposal & Resource Recovery
(703) 324-5046



Sumpter Energy Associates – Sumpter Township, MI

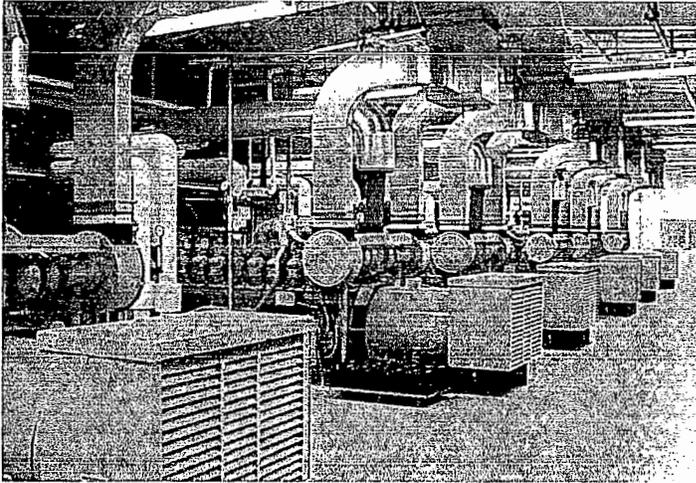


Location: Sumpter, MI
Host: Republic Services, Inc.
Utility: Detroit Edison
Operational: July 1992
July-1998
Plant Size: 12.0 MW
Owner: Sumpter Energy Asc.

LES designed, engineered, and constructed two landfill gas-to-energy facilities in Sumpter, Michigan. The first was an 8-megawatt plant built in 1992 at the City Sand & Landfill. It was based on 10 Caterpillar 3516 spark ignited turbo charged and aftercooled lean burn engine generator sets. When installed, it was the largest reciprocating engine driven landfill gas-to-energy facility in the state of Michigan. This facility was featured in Caterpillar's Gen Set Power Report and has been earmarked by Caterpillar as a showcase for landfill gas facilities in the U.S. The second facility was built at the Carleton Farms Landfill, located just three miles from City Sand. This 4.0-megawatt facility began commercial operation in 1998 and centered around 5 Caterpillar 3516 engine generator sets. The Carleton Farms facility was designed for expansion as the quantity of landfill gas increased at this site and decreased at the City Sand site. The plant was originally designed to house eight engine generator sets; five were installed initially with room for three more in the future. Two engines were moved from City Sand to Carleton Farms in August, 1999 and a third engine was moved in April, 2001. LES completed construction of a second facility at the Carleton Farms Landfill in 2004 and relocated 5 additional engines to the site. The remaining two engines will be relocated as the landfill gas supply at the site increases. The generating facilities are owned by Sumpter Energy Associates, a limited partnership of which LES owns 99%. LES performs the operations and maintenance services for all 15 engines at both sites.

Project References: Brian Ezyk, P.E.
Area Engineer, Carleton Farms Landfill
Republic Services, Inc.
(734) 654-1158

Ocean County Landfill – Lakehurst, NJ



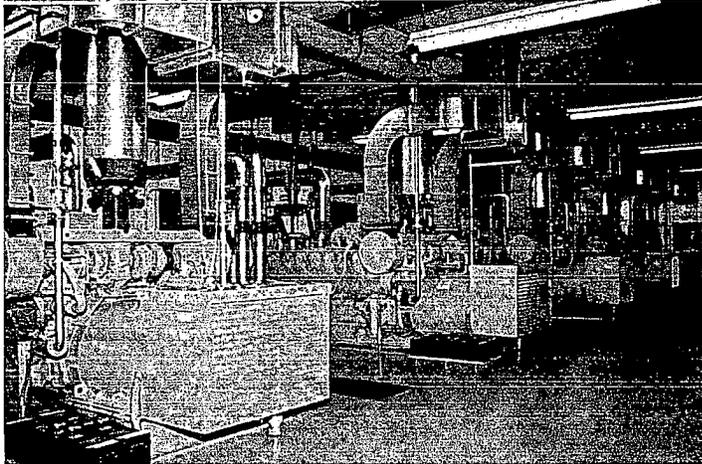
Location: Lakehurst, NJ
Host: Ocean County Landfill
Utility: JCP&L
Operational: Jan-1997
Plant Size: 4.8 MW
Owner: Landfill Energy Systems

LES designed, engineered, permitted, constructed and commissioned a 4.8 MW landfill gas-to-energy facility at the Ocean County Landfill in Lakehurst, New Jersey. The 600-acre landfill is located approximately 40 miles northwest of Atlantic City. The Ocean County Landfill Corporation owns the landfill, which is permitted to continue accepting municipal solid waste until 2016. The site processes an average of 3500 standard cubic feet of landfill gas per minute. The plant features six CAT 3516 engine generator sets and exports the electricity produced to Jersey Central Power & Light. This facility is a New Jersey Sub-S corporation named Manchester Renewable Power Corporation, which 100% owned by LES shareholders. LES performs its own operation and maintenance of the generating plant, which began commercial operation in January 1997.

Project Reference: Marty Ryan
Landfill Engineer
Ocean County Landfill Corp.
(732) 657-5100



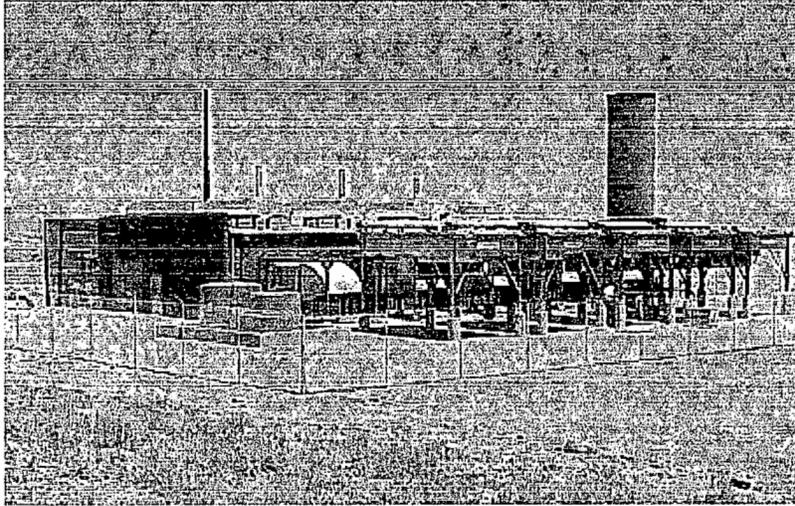
Pine Tree Acres Landfill – Lenox Twp, Michigan



Location: Lenox Twp, MI
Host: Waste Management
Utility: Detroit Edison
Operational: June-1998
Plant Size: 5.6 MW
Owner: Sumpter Energy Associates

Sumpter Energy Associates, a limited partnership that is 99% owned by Landfill Energy Systems, owns this 5.6 MW generating facility. LES completed the facility design, engineering, construction, permitting and commissioning services for the plant. The plant is located at the Pine Tree Acres Landfill in Lenox Township, Michigan. Waste Management owns the 750-acre landfill, which is actively filling and permitted to become one of the largest landfills in the state of Michigan. The initial 4.0 MW facility began commercial operation in June of 1998 and was expanded by 1.6 MW in December 2003. The plant utilizes seven CAT 3516 engine generator sets. The electricity generated is sold to The Detroit Edison Company under a 35-year power purchase agreement. LES performs all of its own operations and maintenance services.

Project Reference: Norman Folson
Pine Tree Acres Landfill Manager
Waste Management
(810) 523-9027

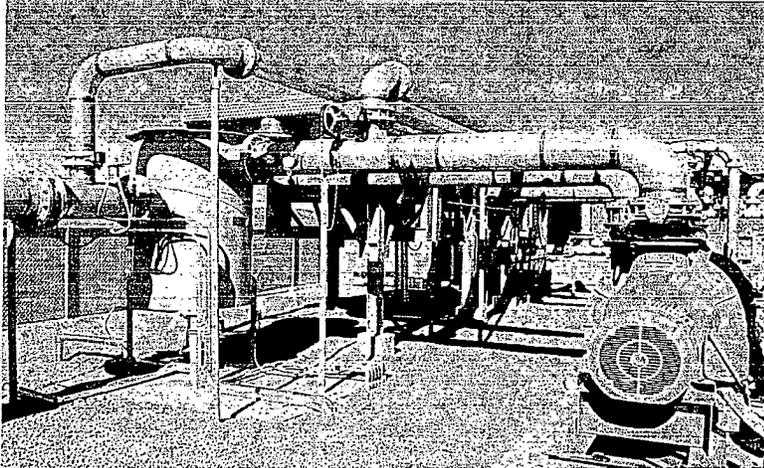
Tri-Cities Landfill—Scottsdale, Arizona

Location: Scottsdale, AZ
Host: Waste Management
Utility: Salt River Project
Operational: June-1998
Plant Size: 4.0 MW
Owner: Salt River Project

Landfill Energy Systems provided complete turnkey construction services including the design, engineering, construction, equipment procurement and commissioning for this 4.0 MW facility located at the Tri-Cities Landfill. The Landfill is located in Scottsdale, Arizona and is owned and operated by the Salt River Pima-Maricopa Indian Community. The project was unique based on the entities involved and area air quality restrictions. The Indian Community owns the landfill but the local utility owns the generating plant. This is the first landfill gas-to-energy facility to be constructed on Tribal land. The generating plant began commercial operation in May 2001 and is owned and operated by Salt River Project (SRP), the third largest municipal power supplier in the Country. The plant is based on five CAT 3516 internal combustion engine generator sets rates at 800 kw each. These units are fueled by a centrifugal blower. Due to unique air quality restrictions, the traditional LES design was modified to include the addition of a thermal oxidizing flare. SRP sells the electricity produced to its retail customers.

Project Reference: Ethel DeMarr
SRP Project Manager
Salt River Project
(602) 236-2045

Brooks Landfill – Wichita, Kansas



Location: Wichita, KS
Host: City of Wichita
Customer: High Plains
Operational: Aug 1998
Plant Size: 4.0 MMCFD
Owner: Wichita Gas Producers
**Award: 2000 Kansas Pollution
Prevention Award**

In addition to electrical generating facilities, LES has developed direct gas use projects. The Brooks Landfill is a 420-acre landfill located in Wichita, Kansas. The City of Wichita owns and operates the Brooks Landfill. This project was developed by Wichita Gas Producers, LLC, a LES joint venture with DTE Biomass Energy. The gas system recovers approximately 2.8 million cubic feet of landfill gas per day. The gas is sent down a ten-mile pipeline to High Plains, an ethanol producer that uses the landfill gas in their boilers. LES was responsible for project construction management. Wichita Gas Producers owns the gas sales company, which delivers the landfill gas to High Plains. This project received the Year 2000 Kansas Pollution Prevention Award for demonstrating exceptional leadership in environmental stewardship and its cooperative efforts with the City of Wichita. In addition, the Wichita project also received the EPA Region VII award in the Renewable Energy/Alternative Energy Sources category.

Upon commercial operation Wichita Gas Producers obtained project financing from Standard Federal Bank. The facility loan will be paid in full in April 2007.

Project Reference: Joe Pajor
Natural Resources Director
City of Wichita
(316) 268-4356



Project References

LES is pleased to supply the following references that Seminole County may contact to learn more about LES projects and the CAT engine generator sets. LES provided complete turnkey services for the design, build, commissioning and currently operates and maintains these facilities. In addition to providing Operations & Maintenance Services, for facilities owned by its customers, LES provides O&M Services to eight other facilities that LES owns. LES has over 4,000,000 hours of Operations and Maintenance experience on Caterpillar engine generator sets operating on landfill gas.

Project: Kiefer Generating Plant

Location: Kiefer Road Landfill
12701 Kiefer Blvd
Slough House, CA 95683

Landfill Owner/Operator: Sacramento County Public Works Agency
Waste Management & Recycling Division
9850 Goethe Road
Sacramento, CA 95827

Contact Name: Chris Richgels, Engineering Manager, County of Sacramento

Phone Number: (916) 875-7011

Description: Landfill Gas-to-energy facility using three CAT 3616s to generate a gross of 9 MW. Sacramento County owns the facility and sells the power to the Sacramento Municipal Utility District under a long term contract. LES provides the operations & maintenance services for the facility under contract with the County. The plant uses approximately 7.2 mmcf of landfill gas and has been commercially operational since 2000. The actual energy output in 2004 was 74,312,700 Kwh. The actual annual average input landfill gas flow rates over the life of the project is 1,331,029 mmbtu. The contact at SMUD is Richard Hollar, who can be reached at (916) 732-6365.

Project: Sonoma County Landfill Gas Project

Location: Sonoma Central Landfill
500 Mecham Road
Petaluma, CA 94952

Landfill Owner/Operator: Sonoma County
500 Mecham Road
Petaluma, CA 94952

Contact Name: Alex Sebastian, Engineer, County of Sonoma

Phone Number: (707) 565-7949

Description: Landfill Gas-to-energy facility using ten CAT 3516s to generate a gross of 8 MW. Originally a 3.2 MW facility was built in 1993 and was expanded twice as additional fuel supplies became available. Phase II added 3.2 MW in 1996 and Phase III added 1.8 MW in



SECTION 5

FINANCIAL PROPOSAL

Financing

The financial strength of LES allows it to fund each of its projects on an equity basis, eliminating the potential delays and lack of control associated with non-recourse financing. This is a significant advantage since LES is not dependent upon outside sources for capital and can implement projects immediately because they have the funds to take a project from start to finish. Developers who do not have significant equity resources are at the mercy of investors unfamiliar with the landfill gas industry and must raise capital before the project can begin. Upon commercial operation, LES will obtain non-recourse financing for the Osceola Road Landfill gas-to-energy plant. LES has already contacted two of its lenders and has secured letters of interest from Comerica Bank and Standard Federal Bank should LES desire to obtain construction financing. These letters are included at the end of this Section.

Letters from Standard Federal Bank and Comerica Bank, two of LES' financial sources, are included at the end of this section stating their commitment to providing LES with project financing. In addition, LES is rated by Dunn & Bradstreet and Seminole County is encouraged to review the D&B report as evidence of financial strength and credit-worthiness. In addition, LES encourages Seminole County to contact its financial references listed below:

James Tesen
Vice President, Senior Lender
Standard Federal Bank
550 Town Center Drive, Suite 191
Dearborn, MI 48126-2750
Phone: (313) 586-7274

Norman Bird
Vice President
Comerica Bank
500 Woodward Avenue
Detroit, MI 48226
Phone: (313) 222-3313

Markets

LES has evaluated the available energy markets for the Landfill Gas Utilization project at the Osceola Road Landfill and has determined that electrical generation will provide Seminole County with the most economical benefits. LES has two electrical end users that are interested in purchasing electricity from the proposed facility and chose between a fixed contract with Seminole Electric and a variable contract with Florida Power & Light (FP&L).



Seminole Electric Cooperative, Inc.

In anticipation of this project LES began negotiations with Seminole Electric back in May 2004 and has been working with Jason Peters on a draft power purchase agreement. As a result of those efforts LES has received a commitment from Seminole Electric to purchase the electricity from the facility under a fixed price contract for ten years. A copy of Seminole Electric's Letter of Intent is included at the end of this Section. LES would interconnect with FP&L and would wheel the power to Seminole Electric.

LES has discussed electrical interconnection requirements and wheeling charges with FP&L staff, Mr. Luke Whiting, and reviewed FP&L's Open Access Transmission Tariff. Mr. Whiting confirmed that the interconnect voltage at the site is 23 Kv and advised that LES could interconnect with FP&L at distribution voltage. Mr. Whiting also indicated that an interconnect study could be done in a few months.

Florida Power & Light

The local service provider for Seminole County's Landfill site is Florida Power & Light (FP&L). No wheeling charges would be applied if LES sold the electricity to FP&L. Delia Alonzo of FP&L confirmed that several power purchase options exist that would include variable pricing. FP&L has expressed an interest in purchasing the power from the Osceola Road Landfill.

In summary LES has spent considerable time discussing power purchase options with both FP&L and Seminole Electric. Either purchaser provides the project with sufficient revenue to support a project. A preliminary Electrical One-Line Diagram is provided after this page.

Payments to County

LES is proposing to make an initial upfront Gas Rights Payment to Seminole County in the amount of \$50,000 to be paid upon execution of the Gas Rights Agreement. LES is presenting two scenarios depending on the actual quantity of landfill gas available. If there is 2,000 scfm as is currently available, LES will provide Seminole County annual Gas Rights compensation of \$25,000, paid monthly. LES will pay Seminole County \$0.25 per mmbtu consumed by the plant. Based on four CAT 3520's generating 6.4 MW, this will be \$125,000 in additional revenue to Seminole County. If there is sufficient gas available for a five engine facility it will be \$156,250 in gas sales revenue for the County and \$30,000 per year in Gas Rights Payments. LES will also pay the County \$10,000 for the annual Flare lease. Combined with the Section 45 Tax Credits, a four engine facility will provide Seminole County \$378,000 total compensation per year. A five engine facility will provide Seminole County \$468,750 total compensation per year. Future expansions of the facility will result in additional Gas Rights payments of \$5,000 per engine installed and additional landfill gas purchase revenue of approximately \$31,250 per year.

Contract Term Commitment

Based on the significant capital investment LES is willing to make in the generating plant and interconnect to the utility, LES is proposing a term of 20 years which will begin with



Commercial Operations and which may be extended by mutual written agreement as provided by the Agreement.

Federal Tax and Emission Reduction Credits

Currently the facility proposed will not qualify for Section 45 Tax Credits due to the current installation deadline of December 31, 2005. However, Congress is currently working on new legislation that will extend the deadline by which qualifying projects must be installed. The facility LES is proposing utilized all new equipment and since Section 29 tax credits were not taken, the proposed facility should qualify for Section 45 Credits if new legislation is passed. If the proposed facility becomes eligible for Section 45 Tax Credits during the term of the Gas Rights Agreement, LES will offer Seminole County 50% of the value of the tax credits LES receives. On the four engine facility this equates to approximately \$218,000 a year or \$2,355,000 total to Seminole County. In the five engine facility scenario this equates to approximately \$272,500 a year or \$2,943,000 total to Seminole County. LES is experienced with claiming and using similar non-traditional fuel tax credits.

The Chicago Climate Exchange (CCE) has been working to develop the market for Emission Reduction Credits in the United States. Based on discussions with staff from the CCE, emission reduction credits are generated by landfill sites that are not required to collect the landfill gas under New Source Performance Standards. In addition, any emission reduction credits resulting from the generation of power are usually taken by the purchasing utility because the utility is the entity that is avoiding or reducing its emissions that would otherwise have been generated from one of their baseload facilities. However, LES will register the project's green house reductions with the EPA each year in anticipation of future value. If the Osceola facility becomes eligible for emission reduction credits, LES will share 50% of these credits with Seminole County.

Bonds

A letter from LES' surety has been included at the end of this Section stating the ability of LES to secure to necessary bonds required.

Insurance

A Certificate of Insurance evidencing coverage for this project has been included at the end of this Section.

Summary of Litigation

There has not been any litigation, claims or contract disputes filed by or against LES in the past five (5) years.

License Sanctions

There has not been any regulatory or license agency sanctions against LES.



COMMENTS TO GAS RIGHTS AGREEMENT

1. Section 2, Item A There needs to be language that states: If the Developer is unable or unwilling to use part or all of the LFG for a Beneficial End Use Product within a reasonable time, the County may use the LFG for its own purposes, provided that Developer's Landfill Gas Utilization Facility has first priority on all gas.
2. Section 10. This Indemnification needs to be reciprocal and LES cannot agree to any consequential damages.
3. Section 11, Item A, vi LES takes exception to providing Environmental Impairment Insurance.
4. Section ii Item B. LES takes exception to this requirement.
5. Section 12 Item B. The Fair Market Value will take in consideration any costs necessary to make sure the plant is in proper working condition.
6. Section 14, Item A, County's approval of remedy and schedule shall not be unreasonably withheld.
7. Section 14, Item A, vii, LES will endeavor to use as much of the landfill gas available as possible and County has the right to use excess gas. This should not be an event of default.
8. Section 14 Item D, based on the significant amount of capital investment, County should not have right to terminate for convenience unless LES is compensated for lost revenue.
9. Section 15 Item D, in subitem i change two days to 5 days ; in subitem iii change one day to 5 days; in subitem iv change one day to 5 days
10. Section 29, Item C, LES agrees to the state of Florida as a venue but it must be outside of Seminole County.



2003. Sonoma County owns all three facilities and sells the power to the Pacific Gas & Electric under a long term contract. LES provides the operations & maintenance services for all three facilities under contract with the County. The plants use approximately 4.4 mmcf of landfill gas. The actual energy output in 2004 was 55211340 Kwh, with Phase 3 running for only 5 months. The actual input landfill gas flow rates for 2004 was 679,834 mmbtu. The County can provide their contact for electrical sales since the County sells the power directly.

Project: Carleton Farms
Location: Carleton Farms Landfill
28800 Clark Road
New Boston, MI 48164
Landfill Owner/Operator: Republic Services of Michigan, LLC
28800 Clark Road
New Boston, MI 48164

Contact Name: Brian Ezyk, P.E. Area Engineer, Republic Services, Inc.

Phone Number: (734) 654-1158

Description: The Carleton Farms Landfill gas-to-energy facility is based on thirteen CAT 3516s to generate a gross of 10.4 MW. The facility was originally built as a five engine facility producing 6.4 MW and has been expanded twice as additional landfill gas became available. The most recent expansion occurred in July 2005 and brings the total facility output up to 10.4 MW. The facility is owned by Sumpter Energy Associates, an LES affiliate, which sells the power to the Detroit Edison Company under a long term contract. LES provides the operations & maintenance services for the facility. The expanded plant currently uses approximately 5.8 mmcf of landfill gas. The actual average output in 2004 was 61,951,635 Kwh. The actual annual average input landfill gas flow rates over the life of the project is 510,784 mmbtu. The contact at Detroit Edison is Bryan Wehrung and he can be contacted at (313) 235-8895.

Project: Pine Tree Acres Facility
Location: Pine Tree Acres Landfill
36450 Twenty-nine Mile Road
Lenox Township, MI 48048
Landfill Owner/Operator: Waste Management
36450 Twenty-nine Mile Road
Lenox Township, MI 48048

Contact Name: Norman Folsom, Landfill Manager, Waste Management

Phone Number: (810) 523-9027

Description: The Pine Tree Acres Landfill gas-to-energy facility is based on seven CAT 3516s and generates a gross of 5.6 MW. The facility was originally built as a five engine facility producing 6.4 MW. Two additional engines were added at the end of 2003 as additional landfill gas became available. The facility is owned by Sumpter Energy Associates, an LES affiliate,



which sells the power to the Detroit Edison Company under a long term contract. LES provides the operations & maintenance services for the facility. The expanded plant currently uses approximately 3.4 mmcf of landfill gas. The actual average output in 2004 was 48,621,526 Kwh. The actual annual average input landfill gas flow rates over the life of the project is 411,727 mmbtu. The contact at Detroit Edison is Bryan Wehrung and he can be contacted at (313) 235-8895.

Project: Puente Hills Landfill Gas-to-Energy Facility Phase II

Location: Puente Hills Landfill
13130 Crossroads Parkway South
Whittier, CA 90601

Landfill Owner/Operator: LA County Sanitation District
1955 Workman Mill Road
Whittier, CA 90601

Contact Name: Ed Wheless, Division Engineer for LA County Sanitation District

Phone Number: (562) 699-7411 ext. 2428

Description: The Puente Hills Landfill Gas-to-Energy Facility Phase II is currently a 9 MW facility using three CAT 3616s. It was designed and built for future expansion up to 12 MW as additional landfill gas becomes available. LES completed its construction on the facility in May 2005. The County is responsible for bringing the landfill gas to the facility and expects to be complete with their work October 200. LES will commission the plant after completion of the County's work. The plant is owned by LA Count and will be used to supply onsite power loads.

Facility Operation & Maintenance

LES will own and operate the Osceola Road Landfill gas-to-energy facility. LES currently operates and maintains 57 landfill gas fueled Caterpillar engine generator sets producing a gross of 60 MW across the country. This equates over 4 million hours of operation and maintenance experience; specifically on the landfill gas fueled CAT engines. Experience is a key ingredient in LES' system wide capacity factor over 95% for all units. LES' ability to consistently perform at high capacity factors is due to attention to detail and the fact that the day to day hands on operation and maintenance provides LES with valuable insight into how to keep the engines performing at their peak efficiency. The LES operations strategy is to provide Caterpillar Factory certified full time operators to ensure reliable and safe plant operations on a continuous basis. LES operators perform all routine preventive maintenance and handle any unexpected problems. In the event of utility forced outages or relay trips, the operators are responsible for bringing the generating facility back on line as quickly as possible. By supplying trained operators, experienced in power generation facilities operating on landfill gas, LES operates all facilities at peak efficiency with low maintenance costs. LES is a leader in identifying vulnerable components and employs a "Repair Before Failure" preventative maintenance strategy. In addition, LES stocks all long-lead parts, which significantly reduces facility downtime.



Standard Federal Bank

ABN AMRO

Standard Federal Bank N.A.
550 Town Center Drive, Suite 191
Dearborn, MI 48126-2750
(313) 586-7274
(313) 586-7292
james.tesen@abnamro.com

James L. Tesen
First Vice President

Commercial Banking

VIA DHL

July 13, 2005

Seminole County
Attn: Purchasing and Contracts Division
1101 E. First Street
Sanford, FL 32771

Subject: Request for Proposal 4255-05/TLR

Dear Purchasing Manager:

Please accept this as a letter of support for Landfill Energy Systems (LES). I have enjoyed working with this company for over 17 years, whereby we have financed several landfill gas utilization projects. All ventures have performed properly and all loan commitments have been handled in an exemplary manner.

LES has advised that they are pursuing a \$6 Million electrical generation project. This is similar to many ventures where we have provided financing. Over the years, we have financed 6 LFG projects for LES totaling over \$20 million of debt.

Based upon LES's current credit profile, Standard Federal Bank would welcome the opportunity to provide project construction financing based on terms and conditions that are acceptable to the Bank.

I am looking forward to discussing this further with Scott Salisbury and his team. Please contact me at (313) 586-7274 if you have any questions.

Sincerely,


James L. Tesen
First Vice President

Comerica Bank

Comerica Bank
Metropolitan Loans-H
P.O. Box 75000
Detroit, MI 48275-3259
Ph. (313) 222-3313
Fax (313) 222-5198

Norman L. Bird
Vice President

July 13, 2005

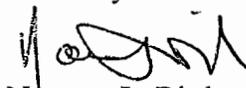
Mr. Scott Salisbury
President
Landfill Energy Systems
29261 Wall St.
Wixom, Mi. 48393

Dear Scott

It is my understanding that Landfill Energy Systems ("LES") is in the process of submitting a proposal to Seminole County to construct and own a landfill gas to energy project on the Osceola Road Landfill. Furthermore, if LES prevails in the bidding process, \$6,000,000 of project financing would be required. Based upon LES's current credit profile, Comerica would be able to provide the project financing if all terms and conditions set forth by LES are acceptable to Comerica.

LES is a valued customer, and Comerica looks forward to evaluating this financing opportunity and working with LES on this project.

Sincerely



Norman L. Bird
Vice President



VIA FACSIMILE AND ELECTRONIC MAIL

August 1, 2005

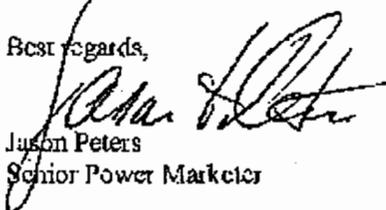
Mr Bill Owen
Vice President, Project Development
Landfill Energy Systems
30266 Corte Coelho Road
Temecula, CA 92592

Dear Mr. Owen:

Per your request, this letter confirms that Seminole Electric Cooperative, Inc. ("Seminole") is currently seeking 5-6 MW of renewable capacity and energy for a nominal 10 year term. While Seminole has not made any firm or binding commitment to Landfill Energy Systems ("LES"), I am writing to respond to your request that Seminole confirm that it and LES have been in negotiations for the purpose of trying to consummate a Power Purchase Agreement. Such negotiations are still underway and any resulting binding agreement which may result from this process will be contingent on the approval of Seminole's Senior Management, Legal Counsel and Board of Trustees. Seminole is agreeable to LES including this letter in bids that it may be proposing to third parties on or before September 30, 2005.

Please contact me at 813 739.1349 if I can be of further assistance on this issue. I look forward to our future discussions regarding a renewable energy purchase.

Best regards,



Jason Peters
Senior Power Marketer

Cc: T. Woodbury
T. Novak
M. Hewitt

OPTION 1

Attachment A

Form A

Statement of Terms Sheet

(Sheet 1 of 2)

Proposer's Company Name: LANDFILL ENERGY SYSTEMS Date: 8-01-05

The Proposer is required to complete this Form A and submit it as part of the Proposer's response to this RFP. Developer shall assume an annual inflation rate of 2 percent. Additional sheets may be submitted that discuss and provide the basis of the pricing (fixed or variable), any changes in equipment sizes, assumptions, etc.

1. Initial Payment for LFG Rights: \$ 50,000.00
2. Payment for Right to and Use of LFG from the Landfill: \$ 2,083.33 per month.
3. Payment for LFG Delivered: \$ 0.25 per mmBTU and method and frequency or index to adjust the rate, if any ANNUAL ADJUSTMENT OF 2% TO REFLECT INFLATION
4. Lease Payment for the Use of the County's LFG Flare Station(s): \$ 833.33 per month.
5. Percent of Tax and Emission Credit Benefits to be Shared with County: 50 %.
6. Initial Size of Processing Equipment: 6.4 MW (i.e. MW Capacity for the initial construction and operation. Additional information may be provided on the next page).
7. Minimum Amount of LFG to Become Economically Viable as defined under Commercial Quantities in the Agreement: 2,000 scfm.

OPTION 2

Attachment A

Form A

Statement of Terms Sheet

(Sheet 1 of 2)

Proposer's Company Name: LANDFILL ENERGY SYSTEMS Date: 8-01-05

The Proposer is required to complete this Form A and submit it as part of the Proposer's response to this RFP. Developer shall assume an annual inflation rate of 2 percent. Additional sheets may be submitted that discuss and provide the basis of the pricing (fixed or variable), any changes in equipment sizes, assumptions, etc.

1. Initial Payment for LFG Rights: \$ 50,000.00
2. Payment for Right to and Use of LFG from the Landfill: \$ 2,500.00 per month.
3. Payment for LFG Delivered: \$ 0.25 per mmBTU and method and frequency or index to adjust the rate, if any ANNUAL ADJUSTMENT BASED ON 2% INCREASE TO REFLECT ANNUAL INFLATION
4. Lease Payment for the Use of the County's LFG Flare Station(s): \$ 833.33 per month.
5. Percent of Tax and Emission Credit Benefits to be Shared with County: 50 %.
6. Initial Size of Processing Equipment: 8.0 MW (i.e. MW Capacity for the initial construction and operation. Additional information may be provided on the next page).
7. Minimum Amount of LFG to Become Economically Viable as defined under Commercial Quantities in the Agreement: 2,500 scfm.

Form A

Statement of Terms Sheet (Continued)
(Sheet 2 of 2)

Proposer's Company Name: LANDFILL ENERGY SYSTEMS Date: 8-01-05

Additional Information:

GAS RIGHTS PAYMENT IS A FIXED AMOUNT
GAS RIGHTS PAYMENT FOR 6.4 MW FACILITY IS \$25,000/YR
GAS RIGHTS PAYMENT FOR 8.0 MW FACILITY IS \$30,000/YR
SECTION 45 CREDITS FOR 6.4 MW PLANT IS \$2,355,000 TO SEMINOLE COUNTY
SECTION 45 CREDITS FOR 8.0 MW PLANT IS \$2,943,000 TO COUNTY
FLARE LEASE PAYMENT IS A FIXED AMOUNT



ZERVOS GROUP, INC.
INSURANCE & BONDS



July 28, 2005

Seminole County
1101 E. 1st Street, Room 3208
Sanford, FL 32771

RE: Landfill Energy Systems
Wixom, MI
Osceola Road Solid Waste Management Facility
Landfill Gas Utilization Project

Ladies and Gentlemen:

Please be advised we are the bonding representative for Landfill Energy Systems. Per the requirements listed in the Request for Proposal for the above project, this will confirm our bonding companies willingness to furnish a \$ 6,000,000 Performance bond for the construction of the facilities plant per the Agreement.

We have Landfill Energy Systems established with a Treasury Listed, A- rated carrier that if awarded this project will be prepared to consider the Performance bond, subject to review and approval of the final contract when available.

It is understood that any arrangement for surety bonding is a matter between the contractor and ourselves, and we assume no liability to you or any third parties if for any reason we do not execute said bonds.

Yours Truly,

Donald W. Burden, CPCU, AFSB
Bond Department

THE HANOVER INSURANCE COMPANY
MASSACHUSETTS BAY INSURANCE COMPANY
CITIZENS INSURANCE COMPANY OF AMERICA

POWERS OF ATTORNEY
CERTIFIED COPY

KNOW ALL MEN BY THESE PRESENTS: That THE HANOVER INSURANCE COMPANY and MASSACHUSETTS BAY INSURANCE COMPANY, both being corporations organized and existing under the laws of the State of New Hampshire, and CITIZENS INSURANCE COMPANY OF AMERICA, a corporation organized and existing under the laws of the State of Michigan, do hereby constitute and appoint

Angelo G. Zervos, Gus E. Zervos and/or Donald W. Burden

of Southfield, MI and each is a true and lawful Attorney(s)-in-fact to sign, execute, seal, acknowledge and deliver for, and on its behalf, and as its act and deed any place within the United States, or, if the following line be filled in, only within the area therein designated

any and all bonds, recognizances, undertakings, contracts of indemnity or other writings obligatory in the nature thereof, as follows:

Any such obligations in the United States, not to exceed Twenty Million and No/100 (\$20,000,000) in any single instance

And said companies hereby ratify and confirm all and whatsoever said Attorney(s)-in-fact may lawfully do in the premises by virtue of these presents.

These appointments are made under and by authority of the following Resolution passed by the Board of Directors of said Companies which resolutions are still in effect:

"RESOLVED, That the President or any Vice President, in conjunction with any Assistant Vice President, be and they are hereby authorized and empowered to appoint Attorneys-in-fact of the Company, in its name and as its acts, to execute and acknowledge for and on its behalf as Surety any and all bonds, recognizances, contracts of indemnity, waivers of citation and all other writings obligatory in the nature thereof, with power to attach thereto the seal of the Company. Any such writings so executed by such Attorneys-in-fact shall be as binding upon the Company as if they had been duly executed and acknowledged by the regularly elected officers of the Company in their own proper persons." (Adopted October 7, 1981 - The Hanover Insurance Company; Adopted April 14, 1982 - Massachusetts Bay Insurance Company; Adopted September 7, 2001 - Citizens Insurance Company of America)

IN WITNESS WHEREOF, THE HANOVER INSURANCE COMPANY, MASSACHUSETTS BAY INSURANCE COMPANY and CITIZENS INSURANCE COMPANY OF AMERICA have caused these presents to be sealed with their respective corporate seals, duly attested by a Vice President and an Assistant Vice President, this 16th day of May 2005.



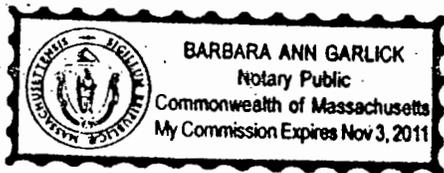
THE HANOVER INSURANCE COMPANY
MASSACHUSETTS BAY INSURANCE COMPANY
CITIZENS INSURANCE COMPANY OF AMERICA

Richard M. Van Steenburgh, Vice President

Paul F. Carleo, Assistant Vice President

COMMONWEALTH OF MASSACHUSETTS)
COUNTY OF WORCESTER) ss.

On this 16th day of May 2005, before me came the above named Vice President and Assistant Vice President of The Hanover Insurance Company, Massachusetts Bay Insurance Company and Citizens Insurance Company of America, to me personally known to be the individuals and officers described herein, and acknowledged that the seals affixed to the preceding instrument are the corporate seals of The Hanover Insurance Company, Massachusetts Bay Insurance Company and Citizens Insurance Company of America, respectively, and that the said corporate seals and their signatures as officers were duly affixed and subscribed to said instrument by the authority and direction of said Corporations.



Barbara A. Garlick, Notary Public
My Commission Expires November 3, 2011

I, the undersigned Assistant Vice President of The Hanover Insurance Company, Massachusetts Bay Insurance Company and Citizens Insurance Company of America, hereby certify that the above and foregoing is a full, true and correct copy of the Original Power of Attorney issued by said Companies, and do hereby further certify that the said Powers of Attorney are still in force and effect.

This Certificate may be signed by facsimile under and by authority of the following resolution of the Board of Directors of The Hanover Insurance Company, Massachusetts Bay Insurance Company and Citizens Insurance Company of America.

"RESOLVED, That any and all Powers of Attorney and Certified Copies of such Powers of Attorney and certification in respect thereto, granted and executed by the President or any Vice President in conjunction with any Assistant Vice President of the Company, shall be binding on the Company to the same extent as if all signatures therein were manually affixed, even though one or more of any such signatures thereon may be facsimile. (Adopted October 7, 1981 - The Hanover Insurance Company; Adopted April 14, 1982 - Massachusetts Bay Insurance Company; Adopted September 7, 2001 - Citizens Insurance Company of America)

GIVEN under my hand and the seals of said Companies, at Worcester, Massachusetts, this 28th day of July 2005.

THE HANOVER INSURANCE COMPANY
MASSACHUSETTS BAY INSURANCE COMPANY
CITIZENS INSURANCE COMPANY OF AMERICA

Charles T. Wells, Assistant Vice President

MARSH

CERTIFICATE OF INSURANCE

CERTIFICATE NUMBER
CHI-001313267-03

PRODUCER

MARSH INC.
600 RENAISSANCE CENTER, SUITE 2100
DETROIT, MI 48243
Attn: Eric Schmidbauer P:313-393-6587 F:313-393-6513

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER OTHER THAN THOSE PROVIDED IN THE POLICY. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES DESCRIBED HEREIN.

COMPANIES AFFORDING COVERAGE

COMPANY
A FEDERAL INSURANCE COMPANY

COMPANY
B

COMPANY
C

COMPANY
D

270844-2003

INSURED

Landfill Energy Systems
29261 Wallstreet
Wixom, MI 48393

COVERAGES

This certificate supersedes and replaces any previously issued certificate for the policy period noted below.

THIS IS TO CERTIFY THAT POLICIES OF INSURANCE DESCRIBED HEREIN HAVE BEEN ISSUED TO THE INSURED NAMED HEREIN FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THE CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, CONDITIONS AND EXCLUSIONS OF SUCH POLICIES. AGGREGATE LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

CO LTR	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS	
A	GENERAL LIABILITY	35829005	11/15/04	11/15/05	GENERAL AGGREGATE	\$ 2,000,000
	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY				PRODUCTS - COMP/OP AGG	\$ 2,000,000
	<input type="checkbox"/> CLAIMS MADE <input checked="" type="checkbox"/> OCCUR				PERSONAL & ADV INJURY	\$ 1,000,000
	<input type="checkbox"/> OWNER'S & CONTRACTOR'S PROT				EACH OCCURRENCE	\$ 1,000,000
					FIRE DAMAGE (Any one fire)	\$ 100,000
					MED EXP (Any one person)	\$ 10,000
A	AUTOMOBILE LIABILITY	70206516	11/15/04	11/15/05	COMBINED SINGLE LIMIT	\$ 1,000,000
	<input type="checkbox"/> ANY AUTO				BODILY INJURY (Per person)	\$
	<input type="checkbox"/> ALL OWNED AUTOS				BODILY INJURY (Per accident)	\$
	<input type="checkbox"/> SCHEDULED AUTOS				PROPERTY DAMAGE	\$
	<input checked="" type="checkbox"/> HIRED AUTOS					
	<input checked="" type="checkbox"/> NON-OWNED AUTOS					
	GARAGE LIABILITY					
	<input type="checkbox"/> ANY AUTO				AUTO ONLY - EA ACCIDENT	\$
					OTHER THAN AUTO ONLY:	
					EACH ACCIDENT	\$
					AGGREGATE	\$
A	EXCESS LIABILITY	79840274	11/15/04	11/15/05	EACH OCCURRENCE	\$ 2,000,000
	<input checked="" type="checkbox"/> UMBRELLA FORM				AGGREGATE	\$ 2,000,000
	<input type="checkbox"/> OTHER THAN UMBRELLA FORM					\$
	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY				WC STATUTORY LIMITS	OTHER
	THE PROPRIETOR/PARTNERS/EXECUTIVE OFFICERS ARE: <input type="checkbox"/> INCL <input type="checkbox"/> EXCL				EL EACH ACCIDENT	\$
					EL DISEASE-POLICY LIMIT	\$
					EL DISEASE-EACH EMPLOYEE	\$
A	OTHER PROPERTY	35829004	11/15/04	11/15/05	SEE ADDITIONAL PAGE TEXT	

DESCRIPTION OF OPERATIONS/LOCATIONS/VEHICLES/SPECIAL ITEMS

RE: RFP - SEMINOLE PROJECT

CERTIFICATE HOLDER

FOR INFORMATION PURPOSE ONLY

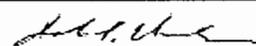
CANCELLATION

SHOULD ANY OF THE POLICIES DESCRIBED HEREIN BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE INSURER AFFORDING COVERAGE WILL ENDEAVOR TO MAIL 30 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED HEREIN, BUT FAILURE TO MAIL SUCH NOTICE SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE INSURER AFFORDING COVERAGE, ITS AGENTS OR REPRESENTATIVES, OR THE ISSUER OF THIS CERTIFICATE.

MARSH USA INC.

by: John C Hurley

MM1(3/02)



VALID AS OF: 07/27/05

SUBMIT QUALIFICATIONS TO: Seminole County 1101 E. 1st Street, Room 3208 Sanford, Florida 32771 Attn.: PURCHASING AND CONTRACTS DIVISION	REQUEST FOR PROPOSAL and Respondent Acknowledgment
Contact: Tammy L. Roberts, CPPB Sr. Contracts Analyst Ph. 407-665-7115 / Fx 407-665-7956	RFP No.: RFP-4255-05/TLR
Pre-Proposal Conference: Monday, June 13, 2005 3:00 P.M.	Location of Pre-Proposal Conference: Osceola Road Landfill 1930 E. Osceola Road Geneva, Florida 32732
Proposal Due Date: July 20, 2005 Proposal Due Time: 2:00 P.M.	Location of Closing: County Services Building, Room #3208 1101 E. 1st Street, Sanford, Florida 32771
RFP Title: Osceola Road Solid Waste Management Facility Landfill Gas Utilization Project	
Respondent Name: LANDFILL ENERGY SYSTEMS	Federal Employer ID Number or SS Number: 38-2712011
Mailing Address: 29261 WALL ST	If returning as a "No Submittal", state reason (if so, return only this page):
City, State, Zip: WIXOM, MI 48393	
Type of Entity: (Circle one) <input checked="" type="radio"/> Corporation Partnership Proprietorship <input type="radio"/> Joint Venture	 Authorized Signature (Manual)
Incorporated in the State of: MICHIGAN	
Telephone Number: (248) 380-3920	Typed Name: SCOTT SALISBURY
Toll Free Telephone Number: (800)	Title: PRESIDENT
Fax Number: (248) 380-2038	Date: 8-01-05

THIS FORM MUST BE COMPLETED AND RETURNED WITH YOUR PROPOSAL

Purpose:

The primary objective of this request for proposal is to solicit a qualified developer to propose an environmentally and economically beneficial use of landfill gas.

Compliance with the Public Records Law

Upon award recommendation or ten (10) days after opening, submittals become "public records" and shall be subject to public disclosure consistent with Chapter 119, Florida Statutes. Proposers must invoke the exemptions to disclosure provided by law in the response to the solicitation, and must identify the data or other materials to be protected, and must state the reasons why such exclusion from public disclosure is necessary. The submission of a proposal authorizes release of your firm's credit data to Seminole County.

If the company submits information exempt from public disclosure, the company must identify with specificity which pages/paragraphs of their bid/proposal package are exempt from the Public Records Act, identifying the specific exemption section that applies to each. The protected information must be submitted to the County in a separate envelope marked accordingly.

By submitting a response to this solicitation, the company agrees to defend the County in the event we are forced to litigate the public records status of the company's documents.

Company Name: LANDFILL ENERGY SYSTEMS

Authorized representative (printed): SCOTT SALSBURY

Authorized representative (signature): 

Date: 8-01-05

Project Number: RFP-4255-05/TLR - Osceola Road Solid Waste Management Facility
Landfill Gas Utilization Project.

THIS FORM MUST BE COMPLETED AND RETURNED WITH YOUR PROPOSAL

DEPARTMENT OF FISCAL SERVICES

PURCHASING DIVISION



July 13, 2005

To: PROSPECTIVE PROPOSERS AND ALL OTHERS CONCERNED
From: Tammy L. Roberts, CPPB, Sr. Contracts Analyst
Subject: RFP-4255-05/TLR – Osceola Road Solid Waste Management Facility
Landfill Gas Utilization Project

REVISED Due Date: August 03, 2005 @ 2:00 PM

ADDENDUM #4

Total pages: 1

The information included in this Addendum revises, clarifies, or supplements the specifications and other provisions of the contract documents and is considered part and parcel to the RFP/BID Package.

Upon request,
The due date for the above subject project has been extended to:
August 03, 2005 at 2:00 PM

Failure to acknowledge receipt of this addendum on the submittal may result in disqualification of your bid response.

Signature on File

Tammy L. Roberts, CPPB
Sr. Contracts Analyst-

RECEIVED BY:


LANDFILL ENERGY SYSTEMS

CONFLICT OF INTEREST STATEMENT

STATE OF FLORIDA)
) ss
COUNTY OF _____)

Before me, the undersigned authority, personally appeared SCOTT SALISBURY, who was duly sworn, deposes, and states:

- 1. I am the PRESIDENT of LANDFILL ENERGY SYSTEMS with a local office in _____ and principal office in WIXOM MICHIGAN.
2. The above named entity is submitting an Expression of Interest for the Seminole County project described as: RFP-4255-05/TLR - Osceola Road Solid Waste Management Facility Landfill Gas Utilization Project.
3. The Affiant has made diligent inquiry and provides the information contained in this Affidavit based upon his own knowledge.
4. The Affiant states that only one submittal for the above project is being submitted and that the above named entity has no financial interest in other entities submitting proposals for the same project.
5. Neither the Affiant nor the above named entity has directly or indirectly entered into any agreement, participated in any collusion, or otherwise taken any action in restraint of free competitive pricing in connection with the entity's submittal for the above project.
6. Neither the entity nor its affiliates, nor any one associated with them, is presently suspended or otherwise ineligible from participating in contract lettings by any local, state, or federal agency.
7. Neither the entity, nor its affiliates, nor any one associated with them have any potential conflict of interest due to any other clients, contracts, or property interests for this project.
8. I certify that no member of the entity's ownership, management, or staff has a vested interest in any aspect of or Department of Seminole County.
9. I certify that no member of the entity's ownership or management is presently applying for an employee position or actively seeking an elected position with Seminole County.
10. In the event that a conflict of interest is identified in the provision of services, I, on behalf of the above named entity, will immediately notify Seminole County in writing.

DATED this 1st day of AUGUST, 20 05.

[Signature of Scott Salisbury]
(Affiant) SCOTT SALISBURY
Typed Name of Affiant
PRESIDENT
Title

Sworn to and subscribed before me this 1st day of AUGUST, 20 05.

Personally known SCOTT SALISBURY [Signature of Sheila A. Miller]
OR Produced identification _____ Notary Public - State of MICHIGAN

(Type of identification) _____ My commission expires 12-18-05
SHEILA A. MILLER
(Printed typed or stamped commissioned name of notary public)

THIS FORM MUST BE COMPLETED AND RETURNED WITH YOUR PROPOSAL

SHEILA A. MILLER
Notary Public, Livingston County, MI
My Commission Expires Dec. 18, 2006

LANDFILL GAS PURCHASE AGREEMENT

THIS LANDFILL GAS PURCHASE AGREEMENT ("Agreement"), made and entered into this 21 day of Nov., 2006, by and between **SEMINOLE ENERGY, LLC**, a Florida Limited Liability Company, doing business at 29261 Wall Street, Wixom, Michigan 48393, hereinafter referred to as the "DEVELOPER" and **SEMINOLE COUNTY**, a political subdivision of the State of Florida, by and through its Board of County Commissioners, whose address is Seminole County Services Building, 1101 East First Street, Sanford, Florida 32771 hereinafter referred to as "COUNTY";

WITNESSETH:

WHEREAS, the COUNTY is authorized to construct, acquire, improve, maintain, and operate its Solid Waste Management Facilities in the COUNTY; and

WHEREAS, the COUNTY has constructed an active landfill gas ("LFG") collection and flaring system at the Osceola Road Solid Waste Management Facility ("Landfill") in order to remain in compliance with applicable federal, state, and local laws and regulations, and to control landfill gas migration and atmospheric emissions, including odors; and

WHEREAS, the COUNTY plans to construct subsequent expansions to the LFG Management System; and

WHEREAS, the COUNTY recognizes that the use of recovered LFG is of environmental and economic benefit to the COUNTY; and

WHEREAS, the COUNTY desires to enter an Agreement with the DEVELOPER whereby the DEVELOPER would make certain payments to the COUNTY for the rights to and sale of LFG to a Buyer.

NOW, THEREFORE, in consideration of the premises and mutual promises and conditions contained herein, it is mutually agreed between the parties as follows:

Section 1. Definitions. Unless the context indicates otherwise, as used herein, the terms set forth below shall be defined as follows:

(a) Beneficial End Use Product means products derived from LFG that may include, but are not limited to: processed LFG, pipeline quality LFG, electric power, thermal energy, CO₂, or any two or more of the foregoing. The use of such products shall result in a tangible financial gain for the COUNTY.

(b) British Thermal Unit (BTU) means the quantity of heat necessary to raise the temperature of one pound of water one degree Fahrenheit, for example from 58.5 to 59.5 degrees Fahrenheit, under standard pressure of 30 inches of mercury at or near its

point of maximum density. One BTU equals 252 calories, (gram), 778 foot-pounds, 1,055 joules, 2.931×10^{-4} kWh, or 0.293 watt hours.

(c) BTU per Cubic Foot means a measure of the heat available or released when one cubic foot of gas is burned. Landfill Gas has an expected value of 500 to 600 BTU per Cubic Foot.

(d) Buyer means the party or parties to which DEVELOPER will sell a Beneficial End Use Product derived from the recovery and/or processing of LFG.

(e) Commercial Operations means from the date when the DEVELOPER's LFG Utilization Facility begins deliveries of a Beneficial End Use Product to a Buyer.

(f) Commercial Quantities means an economically viable quantity of LFG (minimum of one (1) standard cubic feet per minute (scfm)) provided by the COUNTY at the Delivery Point pursuant to this Agreement.

(g) Condensate means the liquid formed from the condensing of the vapors that occurs during the collection, transportation, and processing of LFG.

(h) Day means a calendar day.

(i) Delivery Point(s) means the point(s) at which the LFG enters the DEVELOPER's header or connection piping for delivery to the DEVELOPER's LFG Utilization Facility. The point(s) are located at or near the COUNTY's Flare Station facilities.

(j) Flare Stations means the equipment and appurtenances used to incinerate LFG. The Flare Stations are used to incinerate LFG in conformance with applicable federal, state, and local rules and regulations, and to control odors. Under this Agreement, the DEVELOPER is obligated to maintain, repair, and operate the COUNTY's Flare Station(s) in such a manner as to incinerate any excess LFG not used for beneficial use, in order to control odors and to comply with all applicable regulatory requirements.

(k) Force Majeure means acts of God; winds, hurricanes, tornadoes, fires, epidemics, landslides, floods; strikes, lock-outs, acts of public enemies; insurrections; military action; war, whether or not it is declared; sabotage riots; civil disturbances; explosions; a change in law not due to improper conduct or to any negligent or intentional act or omission; or any cause or event, not reasonably within the control of the party claiming Force Majeure other than the financial inability of such party caused by factors other than any of the foregoing factors.

(l) Heating Value means the amount of heat produced by the complete combustion of a unit quantity of fuel. The gross or higher heating value (HHV) is that which is obtained when all of the products of combustion are cooled to the temperature

existing before combustion, the water vapor formed during combustion is condensed, and all the necessary corrections have been made. The net or lower heating value (LHV) is obtained by subtracting the latent heat of vaporization of the water vapor, formed by the combustion of the hydrogen in the fuel, from the gross or higher heating value.

(m) Landfill means the Osceola Road Solid Waste Management Facility located at 1930 Osceola Road, Geneva, Florida where Class I and Class III wastes are permanently deposited in solid waste disposal units.

(n) Landfill Gas (LFG) means any and all gases resulting from the decomposition of refuse material within the Landfill, consisting principally of methane, carbon dioxide and traces of other constituent gases.

(o) LFG Management System means the COUNTY operated network of LFG recovery wells and interconnecting pipes together with attendant valves, condensate sumps and pumps, monitoring devices and other related equipment installed for the purpose of extracting, collecting, and transporting LFG to the Delivery Point(s).

(p) LFG Purchase Agreement means this Agreement between the COUNTY and DEVELOPER for: the construction and operation of the DEVELOPER's LFG Utilization Facility, the connection to the Delivery Point(s) for the recovery and utilization of LFG, and the purchase of the LFG provided by the COUNTY at the Delivery Point(s).

(q) LFG Utilization Facility means the DEVELOPER's building or enclosure and equipment required for the processing and delivery of the Beneficial End Use Product to the Buyer, such equipment may include, but is not limited to, compression equipment, an oil and gas cooler, a condensate knockout tank, scrub areas, generating equipment, and related facilities.

(r) LFG Utilization Facility Site means an area located within the Landfill property upon which the DEVELOPER may access, install, and construct the LFG Utilization Facility. The LFG Utilization Facility Site shall be at a site mutually agreed to by the COUNTY and DEVELOPER.

(s) Leachate means the liquid that has passed through or emerged from solid waste and may contain soluble, suspended, or miscible materials.

(t) Utility Interface (i) in the case where LFG is used to generate electric power, this term shall mean the step-up transformer, metering facilities, protection circuitry, transmission lines, poles, and any other equipment necessary to interconnect the LFG Utilization Facility with the grid of the electric utility in whose franchise area the Landfill is located, or (ii) in the case where LFG is converted to other beneficial products, this term shall mean the metering facilities, pipelines, valves and any other equipment necessary to interconnect the LFG Utilization Facility with the transmission

or distribution pipelines or other facility of the electric utility, pipeline company, or other Buyer.

Section 2. Rights Granted to DEVELOPER. Subject to the limitations and other provisions of this Agreement, COUNTY hereby grants to DEVELOPER the following:

(a) Landfill Gas. The right and license to connect, process, sell, and utilize the LFG that is generated from the Landfill and other contiguous landfill expansion areas and delivered to the Buyer during the term of this Agreement. It shall be the DEVELOPER's responsibility to connect and utilize all LFG made available by the COUNTY for direct sale of the LFG as fuel or conversion of the LFG to a Beneficial End Use Product for sale to a Buyer. Title to and risk of loss for the LFG will pass to DEVELOPER at the Delivery Point(s). DEVELOPER shall have the exclusive right to claim any federal tax credits that may be associated with the recovery of LFG. DEVELOPER shall also have the exclusive right to claim and utilize any emission allowances and reduction credits that may be associated with LFG.

(b) Site for LFG Utilization Facility. In accordance with the provisions of this Agreement, the COUNTY will make available to DEVELOPER an area located within the Landfill property mutually agreeable to the COUNTY and DEVELOPER, by license, as required by DEVELOPER for construction of a LFG Utilization Facility and site improvements, commencing as of the effective date of this Agreement and terminating at the termination of this Agreement. COUNTY hereby covenants (i) that it has title to the LFG Utilization Facility Site in fee and (ii) that DEVELOPER shall have exclusive use of the LFG Utilization Facility Site during the term of this Agreement so long as DEVELOPER is not in default of its obligations under this Agreement.

(c) Access. COUNTY will make available to the DEVELOPER access to the LFG Utilization Facility Site for construction, installation, operation, and maintenance of the DEVELOPER's supplied facility equipment, transmission lines, sewer, electric, water, and telephone lines that are necessary for the operation of the facility.

Section 3. Obligations of COUNTY.

(a) Obligation. The COUNTY shall design, construct, upgrade, expand, operate, and maintain the LFG Management System and provide additional blowers and flares to the COUNTY's Flare Stations as needed to maintain compliance with federal and state regulations. The COUNTY will consult with the DEVELOPER on the placement and configuration of the LFG extraction wells and other equipment required to meet such regulations, in an effort to enhance the beneficial use of the LFG and the overall operation of the LFG Management System. The DEVELOPER's comments shall not be binding on the COUNTY.

Subject to these limitations and the other provisions of this Agreement, COUNTY shall:

(1) cooperate in the construction, development, and operation of the Landfill so as to enhance the production of LFG, when it is possible to do so while controlling odors and maintaining compliance with all applicable regulations;

(2) not interfere with the DEVELOPER's operation and maintenance of the LFG Utilization Facility, providing DEVELOPER is complying with all applicable laws and regulations;

(3) instruct its independent contractors, agents and employees to avoid causing such interference, disruption, or destruction described above;

(4) promptly repair at its expense, major cracks, fissures, erosion or physical changes in the Landfill which have an adverse effect on the production of LFG or on the LFG Management System in accordance with applicable LFG regulations;

(5) comply with applicable federal, state and local laws, rules, ordinances and regulations relating to or regulating the construction and operation of the Landfill except for said responsibilities of the DEVELOPER as established under this Agreement; and

(6) maintain consistent cover on the Landfill to meet current federal and state requirements.

(b) Access to the DEVELOPER's Facilities. Access to the DEVELOPER's LFG Utilization Facility shall be by the established entranceway to the Landfill via the scalehouse. The COUNTY shall take appropriate steps to ensure that this access route to the LFG Utilization Facility is available to the DEVELOPER at all times (i.e., 24 hours per day, 7 days per week). When utilizing this access route, the DEVELOPER shall abide by all of the applicable policies and safety regulations of the COUNTY. In certain situations, the COUNTY may require access to the DEVELOPER's facilities. In such cases, the COUNTY will notify the DEVELOPER of the need to enter the DEVELOPER's premises.

(c) Documents. As reasonably requested by DEVELOPER, COUNTY shall:

(1) allow DEVELOPER to inspect, in accordance with Chapter 119, Florida Statutes, any documents in its possession regarding LFG production from the Landfill, the quantity, age, and type of refuse in the Landfill, tipping records, etc.; and

(2) allow DEVELOPER to inspect, in accordance with Chapter 119, Florida Statutes, any environmental information, environmental impact reports or studies, permits or permit applications, zoning information including variances or variance applications, and any other available data relating to the Landfill and COUNTY's or DEVELOPER's activities contemplated in this Agreement, and allow DEVELOPER to copy any such material or documents as may be in COUNTY's possession.

(d) Good Faith. COUNTY shall perform its obligations hereunder in good faith, and acting reasonably, cooperate with DEVELOPER so that DEVELOPER can meet its responsibilities and obligation under this Agreement.

(e) Caveats. Notwithstanding any portion of this Agreement to the contrary, it is understood and agreed to by DEVELOPER that the COUNTY does not warrant or guarantee the rates of production, the chemical composition, or heating content of the LFG from the Landfill. DEVELOPER is relying on its own calculations and evaluation of the Landfill in this regard.

Section 4. Obligations of DEVELOPER.

(a) Obligations. The operation of the LFG Utilization Facility and any other activity of DEVELOPER shall not interfere with the management and operational requirements of the Landfill.

(b) LFG Utilization Facility. DEVELOPER shall, at its sole expense, permit, design, install, construct, operate, replace, expand, upgrade, and maintain the LFG Utilization Facility required for the processing and delivery of the Beneficial End Use Product to the Buyer. The design, installation, construction, operation, replacement, expansion, upgrade, if any, and maintenance of such LFG Utilization Facility shall be in accordance with federal, state, and local requirements, and industry standards.

(c) Delivery Point(s). DEVELOPER shall, at its sole expense, provide and install:

(1) Header piping, connection piping, valves, pipe supports, and any other auxiliary items from the DEVELOPER's LFG Utilization Facility to the Delivery Point(s).

(2) A tee, valve, and blind flange at the Delivery Point(s) for the purpose of connecting to the COUNTY's LFG Management System.

(3) Any needed blower booster(s) or blower(s) to manage the flow of LFG from the Delivery Point(s) to the LFG Utilization Facility.

(4) For the COUNTY's use, the DEVELOPER, at its own expense shall install, operate and maintain a flowmeter, gas chromatograph, and continuous recorder near the Delivery Point(s) for the purpose of determining the quantity and methane content of LFG delivered to the DEVELOPER. The COUNTY and DEVELOPER shall mutually select the final locations. Flow meter(s) shall be calibrated quarterly by the COUNTY's representative certified to perform such calibrations. The DEVELOPER may independently pay for calibration of the meter(s) by a third party certified to perform such calibrations with consent from the COUNTY. The DEVELOPER shall analyze the COUNTY's LFG daily for the content of methane and other constituents deemed necessary by the parties. Periodically, the COUNTY may independently arrange and

pay for the sampling and analysis of the gas by an appropriately certified laboratory. If the COUNTY's and the DEVELOPER's analysis differ by less than ten percent (10%), the results shall be averaged for purposes of this section. If the results differ by more than ten percent (10%), the COUNTY and the DEVELOPER shall arrange for sampling by a mutually agreed upon third party laboratory. The COUNTY and the DEVELOPER shall share equally in the cost of the third party laboratory.

(d) Commercial Operations. DEVELOPER shall commence Commercial Operations within 18 months from the effective date of this Agreement.

(e) Operations. In addition to the following, DEVELOPER shall operate the LFG Utilization Facility in accordance with the Wellfield Maintenance Agreement of even date herewith attached hereto and incorporated herein as Exhibit "A". DEVELOPER shall:

(1) Operate the LFG Utilization Facility, COUNTY's Flare Station(s), and all associated DEVELOPER supplied equipment in a prudent manner in accordance with good engineering practices and in a manner consistent with that used by industry specialists providing similar services.

(2) Maintain the LFG Utilization Facility, COUNTY's Flare Station(s), and all associated DEVELOPER supplied equipment in good working order throughout the term of this Agreement.

(3) Repair the LFG Utilization Facility, COUNTY's Flare Station(s), and all associated DEVELOPER supplied equipment, as necessary, to restore normal operations and system redundancies to ensure compliance with the terms of this Agreement.

(4) Maximize the use of the available LFG from the COUNTY and sell and deliver Beneficial End Use Product to a Buyer.

(5) Maintain a constant and balanced draw from the COUNTY's LFG Management System in order for the COUNTY to maintain a balance of their system.

(6) Maintain air emission generated by the operations to any applicable standards or permits.

(7) Flare all LFG that may be available due to excess quantity, scheduled and unscheduled maintenance, or shut-off by Buyer. Meet permit requirements, control odors, operate, repair, and maintain the COUNTY's Flare Station(s).

(8) Control on-site odors from the DEVELOPER's facilities in order to control on-site and off-site impacts in accordance with applicable standards, ordinances, permits, rules and regulations.

(9) Maintain noise levels from the operation of the DEVELOPER's facilities at any point of the Landfill site boundary in accordance with Section 30.1302 of the COUNTY's Land Development Code Regulations. The DEVELOPER shall not be responsible for the noise from the COUNTY's landfill operation.

(10) Control and dispose of all wastes generated from the DEVELOPER's facilities according to current environmental regulations, including gas condensate and waste cooling water.

(11) Comply with all applicable federal, state and local laws, rules, ordinances and regulations and any other said responsibilities of the DEVELOPER as established under this Agreement.

(12) Provide information to COUNTY, as necessary, for COUNTY to comply with New Source Performance Standards (NSPS) reporting requirements, or other regulatory reporting requirement.

(13) Comply with annual inspection and implement recommendations made by the COUNTY's consulting engineer on annual inspection of the flare and facility property.

(f) Good Faith. DEVELOPER shall perform its obligations hereunder in good faith and acting reasonably, cooperate fully with COUNTY so that COUNTY can meet its responsibilities and obligation under this Agreement. DEVELOPER shall comply with all laws and regulations applicable to the work being performed under this Agreement.

(g) Contract Review. DEVELOPER shall submit to COUNTY for review, comment and approval all contracts relating to the implementation of this Agreement including plans, specifications and drawings for the procurement, installation and construction of the LFG Utilization Facility during the term of this Agreement. Any such review, comment and approval will not be unreasonably withheld. The purpose of such review is to ensure that the facilities constructed on the COUNTY's property will not interfere with the COUNTY's operations, and will comply with all applicable laws (e.g., permitting, zoning, and environmental requirements), as well as the provisions of this Agreement. The COUNTY shall not have the right to review or approve any proprietary information, or to approve the detailed terms of DEVELOPER's contracts, but COUNTY may provide comments to DEVELOPER on such contract terms, and DEVELOPER agrees to make such changes as may be necessary to comply with COUNTY's requirements. If changes to these contracts are made, DEVELOPER will submit such changes to the COUNTY for review and COUNTY shall notify DEVELOPER in a reasonable time (such time in no event to exceed thirty (30) days) of its comments on such changes. Any recommendation of rejection shall be reasonable, based on the design standards set forth in this Agreement and accompanied by a detailed explanation of the reasons for the rejection. COUNTY will also propose reasonable alternatives to DEVELOPER to eliminate the reasons for the rejection. COUNTY and DEVELOPER recognize that delays in the construction of these systems may delay

DEVELOPER's construction schedule. Therefore, COUNTY and DEVELOPER agree to exercise reasonable efforts to expedite the review and approval process. DEVELOPER will provide COUNTY with a complete set of "as built" plans for the DEVELOPER's LFG Utilization Facility. The review process described in this paragraph does not relieve the DEVELOPER of its obligations to obtain the required building permits and site plan review approval, or any other local, state or federal approvals required for the DEVELOPER's LFG Utilization Facility.

Neither the COUNTY's authority to review and approve contracts relating to the implementation of this Agreement nor any decision made by the COUNTY in good faith in conjunction with such review and approval shall give rise to any duty or responsibility of COUNTY to DEVELOPER, any subcontractor, any supplier, or any other person or organization performing any of the work, or to any surety for any of them.

The COUNTY's actions pursuant to this section shall not create any vested rights for the DEVELOPER. Nothing in this Agreement shall be construed to eliminate the need for the DEVELOPER to comply with all applicable laws and regulations.

(h) Permits. DEVELOPER shall, at its own expense, prepare and file permit applications and diligently prosecute the processing of such permit applications for the purpose of obtaining all environmental and other permits which are required under applicable local, state, and federal laws and regulations for the construction, installation, and operation of the LFG Utilization Facility, associated electrical transmission lines, and/or steam, or LFG transmission pipelines, on and off-site. In connection therewith, the COUNTY agrees to make available to the DEVELOPER all known public records within the COUNTY's possession of environmental information reports, environmental impact reports, air impact assessment studies, copies of all environmental applications filed, and other available data relating to and used in connection with obtaining any environmental permits necessary for the installation and operation of any equipment or the conducting of any other activities at the Landfill.

Any permit modifications or applications that may affect existing COUNTY permits and/or require the COUNTY to attest or sign the applications shall be submitted to the COUNTY for review and comment prior to submission to the applicable regulatory agency. The DEVELOPER shall incorporate any comments from the COUNTY subsequent to final review by the COUNTY and re-submit to COUNTY for final approval, authorization, and signature.

(i) Laws and Regulations. The DEVELOPER must agree to abide by and conduct its programs and provide its services in compliance with the applicable provisions of:

- Florida Worker's Compensation Statutes and Regulations, Florida Statutes, Chapter 440 and Florida Administrative Code (F.A.C), Rule 38F
- Florida Workplace Safety and Health Regulations, F.A.C - Rule 38I
- Federal Civil Rights Act of 1866

- Federal Civil Rights Act of 1871
- Federal Equal Pay Act of 1963
- Federal Civil Rights Act of 1964
- Federal Age Discrimination and Employment Acts of 1967
- Federal Rehabilitation Act of 1973
- Federal Americans with Disabilities Act of 1990
- Federal Civil Rights Act of 1991
- Florida Civil Right Act of 1992
- American National Standards Institute
- National Fire Protection Association
- Occupational Safety and Health Act, Code of Federal Regulation, Chapter 29, Parts 1910 and 1926, General Industry Standards and Construction Industry Standards, as amended, with particular attention to the Hazard Communications, Trenching and Shoring and Confined Space Entry Standards.
- All other applicable ordinances, statutes, laws and amendments thereto.

The DEVELOPER is presumed to be familiar with all applicable federal, state and local laws, ordinances, code rules and regulations that may in any way affect the work. Ignorance on the part of the DEVELOPER will in no way relieve them of responsibility.

(j) Site Security. The LFG Utilization Facility Site shall be fenced and gated and locked during construction and operations. The fencing shall contain signage on each side, warning of any hazards and providing telephone numbers for notification of emergency situations. Employees of the COUNTY shall not be permitted on the LFG Utilization Facility Site, except in the event of an emergency or disaster, unless accompanied by an authorized employee of the DEVELOPER. Subject to the exemptions included in this subsection for entry onto the LFG Utilization Facility Site, the COUNTY's employees shall not enter the site unless:

- (1) DEVELOPER's employee is on the site at the same time, or
- (2) DEVELOPER requests assistance from the COUNTY or a duly authorized representative, or
- (3) It is necessary for the COUNTY to collect samples from the discharges of the DEVELOPER's facility, or
- (4) A situation that requires immediate attention. The COUNTY will notify the DEVELOPER within 24 hours of entrance onto the DEVELOPER's site.

The fencing, gating, and site security requirements of this subsection shall be limited to the DEVELOPER's LFG Utilization Facility Site.

(k) Project Plan. The DEVELOPER must prepare and submit to the COUNTY a preliminary Project Plan for the LFG Utilization Facility Project, during the construction

process. The Plan will cover a number of aspects of the DEVELOPER's operations and will include at a minimum:

- Testing requirements for startup of the LFG Utilization Facility;
- LFG Utilization Facility Operating Plan that demonstrates at a minimum the facility's ability to process the initial LFG flows (LFG available from the COUNTY at startup of the Facility) from the Landfill;
- Reporting requirements to governmental agencies for permits associated with the LFG Utilization Facility;
- Testing and monitoring procedures of the LFG Utilization Facility to assure compliance with permit conditions;
- An Emergency, Disaster and Safety Plan

The Project Plan will be finalized and accepted by the COUNTY prior to the startup of the LFG Utilization Facility. Once accepted by the COUNTY, the DEVELOPER is obligated to adhere to the Plan. Deviations from the plan are only permissible if they are made in writing to the COUNTY and accepted in writing by the COUNTY. Operations will commence after completion of the startup period and approval of the Project Plan by the COUNTY.

(l) Project Schedule. The DEVELOPER shall be responsible for developing and keeping current a project schedule for each of the elements of the LFG Utilization Facility construction which show: the sequence of project development, permitting, design, construction, startup, commencement of operations, system testing and monitoring, and reporting to governmental agencies. The COUNTY will review and accept the Project Schedule before any construction shall commence. The COUNTY will be informed of monthly progress and changes in the schedule by the DEVELOPER.

(m) Transmission Line. Any off-site pipeline or transmission line to the Buyer's premises shall comply with and be included within the requirements and liabilities assumed by the DEVELOPER under this Agreement. Any portion of the pipeline or transmission line on public right of way shall be clearly marked according to industry or governmental standards. The depth of the pipeline or transmission line shall comply with local permitting code and/or State law whichever is applicable.

(n) Performance Bond or Other Financial Security Instrument. The DEVELOPER shall ensure that a performance bond or other financial security instrument acceptable to the COUNTY, in the amount of Two Hundred Thousand and No/100 Dollars (\$200,000.00) is furnished to the COUNTY for the term of this Agreement. The bond or other financial security instrument shall be conditioned upon full performance of all obligations imposed upon the DEVELOPER by this Agreement, without limitation. The bond shall be executed by a company licensed to do business as a qualified surety in the State of Florida and acceptable to the COUNTY. The specific terms of the performance bond or other financial security shall be subject to the prior approval of the COUNTY Attorney.

Section 5. Term.

(a) Agreement Term. This Agreement shall have a term of twenty (20) years which shall begin on the date when the DEVELOPER commences Commercial Operations of the LFG Utilization Facility, consistent with the provisions of this Agreement. At the end of the term, this Agreement shall terminate, unless extended by mutual written agreement of the COUNTY and DEVELOPER, provided that the party wishing to extend gives the other at least one hundred eighty (180) days written notice of such desire. The term of this Agreement also may be extended if and when the COUNTY adds additional LFG extraction wells in the Landfill and the DEVELOPER agrees to expend additional capital funds to increase the capacity of its LFG Utilization Facility, provided the COUNTY and the DEVELOPER consent in writing to the extension.

(b) Effective Date. This Agreement shall become effective on the date it is executed by a duly authorized representative of the COUNTY. Until the effective date, this Agreement shall be of no force or effect.

Section 6. Payment.

(a) Initial Payment for LFG Rights. DEVELOPER shall pay the COUNTY a lump sum of Fifty Thousand and No/100 Dollars (\$50,000.00) within ninety (90) days of the effective date of this Agreement, or upon financing the LFG Utilization Facility, whichever comes first. This lump sum payment to the COUNTY shall constitute the DEVELOPER's payment for an exclusive right to and use of LFG from the Landfill.

(b) Payment for Right to and Use of LFG from the Landfill. DEVELOPER shall pay a fixed fee of Twenty-five Thousand and No/100 Dollars (\$25,000.00) per year, payable in equal monthly installments of Two Thousand Eighty-three and 33/100 Dollars (\$2,083.33). This payment shall cover an exclusive right to and use of LFG from the Landfill and a license for the LFG Utilization Facility Site. Payment is to commence when the DEVELOPER commences Commercial Operations of the LFG Utilization Facility. This fee shall be adjusted by an inflation factor, on an annual basis, on the anniversary date of the Agreement. The annual payment under this section is based on four (4) engines operating. The annual payment shall increase by Five Thousand and No/100 Dollars (\$5,000.00) for each additional engine brought on line and the monthly payment shall be revised as additional engines are brought on line. The cost of the Environmental Impairment Insurance, upon approval by the COUNTY, and as described in Section 11(a) 6 shall be deducted from this payment.

(c) Payment for LFG Delivered. DEVELOPER shall pay a unit rate fee of \$0.25 per mMBTU, payable in monthly installments for the totaled LFG delivered to the DEVELOPER, by recording the total quantity of LFG delivered to the DEVELOPER on a monthly basis as determined by the flow meters at the Delivery Point(s). This unit rate fee shall be annually adjusted by the adjustment factor of Consumer Price Index - All Urban Consumers, US All Items; 1982-84 = 100, CPI Series I.D. CUUR0000SAO on

the anniversary date of the Agreement. After the ten (10) year anniversary of the commercial operation of the LFG Utilization Facility, the price per mmBTU for LFG shall be adjusted as follows: the then current gas price shall be multiplied by the average price per Kw received by the LFG Utilization Facility received during its first year of operation divided by the average price per KW received by the LFG Utilization Facility during its first year of operation. The new price after the ten (10) year adjustment is subject to the annual adjustment described above.

Calculation of mmBTU for the billing period is by the following method:

$$\text{mmBTU per billing period} = \frac{A \times B \times C}{D}$$

where:

A = Totalized Landfill Gas flow recorded in the respective billing period.

B = Methane Content of Landfill Gas stated in a decimal percentage.

C = Constant Value of 1,012.32 BTU (HHV) per Cubic Foot

D = Factor of 1,000,000

(d) Lease Payment for the Use of the COUNTY's LFG Flare Station(s). DEVELOPER shall pay a fixed fee of Ten Thousand and No/100 Dollars (\$10,000.00) per year, payable in twelve (12) equal monthly installments of Eight Hundred Thirty-three and 33/100 Dollars (\$833.33). This payment shall cover the use of the COUNTY's Flare Station(s). In return, the DEVELOPER must maintain, repair, and operate the flare station(s) to meet all regulatory permit requirements and control odors.

(e) Payment Due Date. All monies due to the COUNTY on a monthly payment basis shall be payable in arrears along with documentation of revenues receipts, monthly LFG quantities delivered to the DEVELOPER, and calculations of the monthly payment are due on or before the twenty-fifth (25th) day of the calendar month following the month in which DEVELOPER actually receives revenues from its sale of the Beneficial End Use Products converted from the LFG from the Landfill. The COUNTY shall have the right to inspect, copy, and audit during reasonable business hours the sales journal and any other pertinent books and records of the DEVELOPER relating to the calculations of the revenues upon which the payment of LFG delivered will be based or any other payment to the COUNTY. If the above indexes are not available for any reason, the parties shall mutually agree on the use of a replacement index or indexes.

(f) Tax and Emission Credits. If any federal, state, or local tax or emission credits become available, DEVELOPER shall pay a fee to the COUNTY for any tax or emission credits received by the DEVELOPER for the LFG Utilization Facility. The fee

shall be equal to fifty percent (50%) of any tax or emission credits received by the DEVELOPER in any one (1) year. The fee shall be payable in twelve (12) equal monthly installments. Payment shall commence the first month after the DEVELOPER receives tax or emission credits.

(g) Utility Interface Costs. The DEVELOPER is solely responsible to pay for all utility interface costs. The DEVELOPER shall exercise diligence to minimize its utility interface costs. The DEVELOPER shall present to the COUNTY for COUNTY acceptance documented utility interface cost information for costs associated with transmission lines, appurtenances and improvements required by Florida Power and Light (FPL) at FPL's Geneva substation to accept power from the LFG Utilization Facility. The COUNTY shall not unreasonably condition or withhold acceptance of the DEVELOPER's documented utility interface costs. The DEVELOPER may reduce its payment of Tax and Emission Credit fees due the COUNTY in an amount equal to one-half of the COUNTY accepted DEVELOPER's utility interface costs in excess of One Million and No/100 Dollars (\$1,000,000.00). If one-half of the DEVELOPER's COUNTY accepted utility interface costs exceed one-year's Tax and Emission Credit fees due to COUNTY, the DEVELOPER may reduce its payment of Tax and Emission Credits for subsequent periods, not to exceed ten (10) years. The total reduction in tax credit fees paid to the COUNTY by the DEVELOPER shall be limited to no more than One Million Five Hundred Thousand and No/100 Dollars (\$1,500,000.00)

Section 7. Financing. COUNTY acknowledges that DEVELOPER may desire to finance some or all of the equipment or personal property required to undertake work to be performed under this Agreement and hereby consents to any encumbrance or lien on the machinery, equipment, fixtures, and buildings that make up the LFG Utilization Facility and Utility Interface for the purpose of obtaining such financing, provided:

(a) DEVELOPER shall give COUNTY notice of the existence of such encumbrance or lien together with the name and address of the holder of such encumbrance or lien, and a copy of the encumbrance or lien.

(b) That the existence of such encumbrance or lien shall not relieve DEVELOPER from any liability or responsibility for the performance of its obligations under this Agreement.

Under no circumstances shall DEVELOPER cause any mortgage or lien to exist on the COUNTY property, Landfill, access road, or LFG Utilization Facility Site, and no security interests may be granted in any underground transmission lines, pipelines, or underground equipment or fixtures associated with the project.

Section 8. General Obligations.

(a) Planning and Expansion. DEVELOPER recognizes that future development of the COUNTY Landfill may include additional facilities. COUNTY and DEVELOPER agree to exchange information on a regular basis for planning and

coordination of all activities to promote the safe and orderly development and operation of the Landfill.

(b) Interests Retained by COUNTY. All materials, minerals, water, natural gas, and other items existing in, on, or under the Landfill (including, but not limited to, the refuse, cell liners, leachate, condensate, and waste spoilage removed from Landfill during construction of LFG Management System and cover) shall at all times remain the property of COUNTY.

(c) Independent Contractor. In the performance of any activities pursuant to this Agreement, the DEVELOPER will be acting in the capacity of an independent contractor and not as an agent, employee, partner, joint venturer, or associate of the COUNTY. The DEVELOPER shall be solely responsible for the means, methods, sequences, and procedures utilized by the DEVELOPER in the full performance of this Agreement. Neither the DEVELOPER nor any of its employees, officers, agents or any other individual directed to act on behalf of the DEVELOPER for any act related to the Agreement shall represent, act, purport to act, or be deemed to be the agent, representative, employee or servant of the COUNTY.

(d) Condensate. The DEVELOPER is responsible for the collection and removal of condensate from the DEVELOPER's condensate sumps, DEVELOPER's condensate knockout vessel(s) and the LFG Utilization Facility, and the proper handling and delivery of the condensate to the COUNTY's leachate collection system (leachate manhole) or leachate storage tanks. The DEVELOPER has no other right to discharge or dispose of any other materials to the COUNTY's facilities unless approved in advance and in writing. COUNTY is responsible for the proper handling and disposal of all condensate from the time it is received at the COUNTY's leachate collection system or leachate storage tanks. The COUNTY shall have the right to collect and test samples from the DEVELOPER's facilities before discharging into the COUNTY's facilities.

(e) Gas Migration and Emissions. DEVELOPER and COUNTY acknowledge that the primary objective of the LFG Management System is and will continue to be to control LFG migration, emissions and odors, in order to meet all local, state and federal regulatory requirements and the requirements of existing and future landfill permits. DEVELOPER shall operate the LFG Utilization Facility in a manner that is conducive to this primary objective.

FURTHERMORE, the COUNTY is to provide all of the needed LFG Management System components and all replacement, expansions, and additions and the operation thereof to collect the LFG generated at the Landfill to the greatest extent possible so that (i) the operation of the Landfill will remain in compliance with applicable federal, state and local laws and regulations, and (ii) the operation of the Landfill will control LFG migration and odors.

(f) COUNTY's Landfill Gas Flare Station(s). The COUNTY currently operates two (2) flare stations, the Phase I flare station and the Phase II flare station. The Phase I flare station is enclosed by a security fence and includes a ten-inch (10") diameter utility flare skid with ancillaries, (10) HP air compressor, and condensate knockout/pump station CKP-1, which includes a pneumatic pump. The Phase II flare station is also enclosed by a security fence and includes a twelve-inch (12") diameter utility flare skid with ancillaries and 10 HP air compressor. Also included in the Phase II flare station but not enclosed in the fence is condensate knockout/pump station CKP-11, which includes a pneumatic pump.

LFG that is not used in a beneficial manner shall be incinerated at the COUNTY's Flare Station(s). At all times, the DEVELOPER shall maintain, repair, and operate the COUNTY's Flare Station(s) to control odors and comply with all applicable regulatory requirements. Failure for the DEVELOPER to meet these obligations may cause the DEVELOPER to be in default and be assessed damages and administrative charges as provided in Sections 14 and 15. The COUNTY shall not be held liable for any failures at the Flare Station(s) due to the DEVELOPER's acts or omissions.

The COUNTY shall design, permit, construct and pay for any additional equipment or other improvements to the COUNTY's Flare Station(s) that are necessary to ensure compliance with applicable regulations due to (i) a change in applicable laws or regulations that occurs after the effective date of this Agreement or (ii) an expansion of or other change in the COUNTY's LFG Management System. The COUNTY shall also be responsible for damages, fines or corrective action related to or required by any catastrophic failure of the COUNTY's Flare Station(s), provided that such failure is not caused by DEVELOPER's acts or omissions during DEVELOPER's maintenance, repair and operation of said Flare Station (s).

(g) Non Waiver.

(1) The failure of either party to exercise any right shall not be considered a waiver of such right in the event of any further default or noncompliance.

(2) No action taken by COUNTY or DEVELOPER after the effective date of the termination of this Agreement pursuant to Section 14 in accepting one or more payments from the other or undertaking any other activity which would have been authorized by this Agreement but for its termination, shall be construed that this Agreement is not terminated or as a waiver of the termination.

(h) Inspections. COUNTY has the right to conduct inspections of the DEVELOPER's facilities to verify operations compliance, environmental compliance, and compliance with applicable local, state, and federal regulations and said responsibilities of this Agreement

Section 9. Limitations of Liability.

(a) Except as otherwise provided herein, COUNTY provides no warranties or guarantees, either expressed or implied, as to the amount or chemical composition of the LFG to be extracted and made available to the DEVELOPER at the Delivery Point(s) hereunder, including, but without limitation, any warranty of merchantability or fitness of the LFG for a particular purpose; provided, however, if the Landfill does not produce Commercial Quantities of LFG, DEVELOPER may terminate this Agreement as provided in Section 14(d).

(b) Provided DEVELOPER is complying with applicable laws and regulations, DEVELOPER will be solely responsible for the determination of the suitability of the LFG to be used under this Agreement for any and all purposes contemplated by DEVELOPER.

(c) Nothing contained within this Agreement shall be construed to mean that DEVELOPER has assumed any of COUNTY's responsibilities to comply with any environmental laws and regulations, whether federal, state, or local.

(d) In no event shall DEVELOPER be liable to COUNTY with respect to any claims arising from the ownership of the Landfill.

(e) COUNTY shall not be liable for damages, including consequential damages, loss of revenues and/or lost profits, for COUNTY employees' entry on the LFG Utilization Facility Site at the Landfill pursuant to Section 4(j) herein. Further, COUNTY shall not be liable for consequential damages, loss of revenues and/or lost profits for any reason whatsoever.

(f) DEVELOPER is liable for any fines and/or repair for any environmental damage due to the DEVELOPER's facilities construction and operations.

(g) Nothing contained in this Agreement constitutes a waiver of the COUNTY's sovereign immunity or the limitations on liability contained in Section 768.28, Florida Statutes.

Section 10. Indemnification. To the fullest extent permitted by Laws and Regulations, the selected DEVELOPER shall indemnify and hold harmless the COUNTY and the officers, directors, employees, agents and other consultants of the COUNTY from and against all claims, expenses, losses and damages (including but not limited to all fees and charges of the DEVELOPER, engineers, architects, attorneys and other professionals) caused by, arising out of or resulting from the performance of services, provided that any such claim, damage, loss or expense: (1) is attributable to bodily injury, sickness, disease, death, or personal injury, or to property damage, including the loss of use resulting therefrom, and (2) is caused in whole or in part by any act or omission of the DEVELOPER, any Subcontractor, any Supplier, any person or organization directly or indirectly employed by any of them to perform or furnish any of

the services or anyone for whose acts any of them may be liable. The DEVELOPER agrees that it will pay the costs of the COUNTY's legal defense, including fees of attorneys as may be selected by the COUNTY and shall defend, satisfy, and pay any judgments which may be rendered against the COUNTY in connection with the above hold harmless agreement. The DEVELOPER acknowledges that specific consideration has been received for this hold harmless/indemnification provision.

The provisions of this Section 10 shall survive the termination of this Agreement.

Section 11. Insurance. Before starting and throughout the Term of this Agreement, the DEVELOPER shall procure and maintain insurance of the types and to the limits specified in Section A below.

The DEVELOPER shall require each of its Subcontractors, if any, to procure and maintain, until completion of that Subcontractor's work, insurance of types and to the limits specified in Section A(i) through (v) inclusive below. It shall be the responsibility of the DEVELOPER to ensure that all its Subcontractors meet these requirements.

(a) Coverage. Except as otherwise stated, the amounts and types of insurance shall conform to the following minimum requirements.

(1) Workers' Compensation: Coverage to apply for all employees at the STATUTORY limits in compliance with applicable state and federal laws; if any operations are to be undertaken on or about navigable waters, coverage must be included for the USA Longshoremen & Harbor Workers Act, and Jones Act; in addition, the policy must include EMPLOYERS LIABILITY for limits of Five Hundred Thousand and No/100 Dollars (\$500,000.00)/each accident; One Million and No/100 Dollars (\$1,000,000.00)/disease - policy limit; Five Hundred Thousand and No/100 Dollars (\$500,000.00)/disease - each employee, and a waiver of subrogation in favor of COUNTY, its agents, employees and officials.

(2) Commercial General Liability: Coverage must be afforded, under a per occurrence form policy, including Premise Operations, Independent Contractors, Products and Completed Operations, Broad Form Property Damage Endorsement, with a Hold Harmless and Named Additional Insured Endorsement in favor of the COUNTY for limits not less than Four Million and No/100 Dollars (\$4,000,000.00)/general aggregate; Two Million and No/100 Dollars (\$2,000,000.00)/products-completed operations (aggregate); Two Million and No/100 Dollars (\$2,000,000.00)/personal injury and property damage liability; Two Million and No/100 Dollars (\$2,000,000.00)/each occurrence; Fifty Thousand and No/100 Dollars (\$50,000.00)/fire damage legal; Five Thousand and No/100 Dollars (\$5,000.00)/medical payments.

(3) Business Auto Policy: Coverage must be afforded including coverage for all owned vehicles, hired/non-owned vehicles, with an Additional Named Insured Endorsement in favor of the COUNTY, for a combined single limit (bodily injury and property damage) of not less than One Million and No/100 Dollars

(\$1,000,000.00)/combined single limit (bodily limits; injury/property damage); personal injury protection/statutory One Million and No/100 Dollars (\$1,000,000.00) /uninsured/underinsured motorist: One Million and No/100 Dollars (\$1,000,000.00)/hired /non-owned auto liability.

(4) Builder's Risk /Installation Floater: When this Agreement includes construction of or additions to above ground buildings or structures, or installation of machinery or equipment, Builder's Risk, and/or Installation Floater coverage must be provided as follows:

(i) All Risk Coverage - All risk Coverage on a completed value form shall provide primary, non-contributory coverage with a waiver of subrogation in favor of the COUNTY.

(ii) Amount of Insurance – one-hundred percent (100%) of the completed value of such addition(s), buildings(s), or structures(s), or machinery and equipment.

(iii) Waiver of Occupancy Clause or Warranty - Policy must be specifically endorsed to eliminate any "Occupancy Clause" or similar warranty or representation that the building(s), addition(s), or structure(s) will not be occupied by the COUNTY.

(iv) Maximum Deductible – Five Thousand and No/100 Dollars (\$5,000.00) each claim. Higher deductibles are permitted subject to COUNTY approval.

(v) Additional Named Insured - The COUNTY must be included as an additional named insured.

(vi) Notice of Cancellation and/or Restriction - The policy must be specifically endorsed to provide the COUNTY with thirty (30) days' notice of cancellation and/or restriction.

(vii) Flood Insurance - When the buildings or structures are located within an identified special flood hazard area, flood insurance protecting the interest of the DEVELOPER and the COUNTY must be afforded for the lesser of the total insurable value of such buildings or structures, or the maximum amount of flood insurance coverage available under the National Flood Insurance Program.

OR

(5) Property Insurance Coverage: When construction of any above ground building or structure, or installation of machinery or equipment is complete, coverage must be provided as follows:

(i) All Risk Coverage - All Risk Coverage on a completed value form shall provide primary, non-contributory coverage with a waiver of subrogation in favor of the COUNTY.

(ii) Amount of Insurance – one-hundred (100%) of the "replacement cost value."

(iii) Maximum Deductible – Five Thousand and No/100 Dollars (\$5,000.00) each claim. Higher deductibles are permitted subject to COUNTY approval.

(iv) Additional Named Insured - The COUNTY must be included as an additional named insured.

(v) Notice of Cancellation and/or Restriction - The policy must be specifically endorsed to provide the COUNTY with thirty (30) days' notice of cancellation.

(vi) Flood Insurance - When the buildings or structures are located within an identified special flood hazard area, flood insurance protecting the interest of the Contractor must be afforded for the lesser of the total insurable value of such buildings or structures, or the maximum amount of flood insurance coverage available under the National Flood Insurance Program.

(6) Environmental Impairment Insurance: Coverage shall be provided and maintained as a separate policy for One Million Dollars and No/100 Dollars (\$1,000,000.00) per occurrence; Two Million Dollars and No/100 Dollars (\$2,000,000) aggregate.

(7) Business Interruption: Coverage shall be maintained in an amount sufficient to cover COUNTY's loss of revenues or consequential damages for the period of time it would take to repair or replace the damage or loss that caused said loss or damage.

(b) Waiver of Subrogation/Cause of Action. DEVELOPER agrees to waive any rights of recovery against the COUNTY for damage or loss to DEVELOPER's property or other assets, and for any loss of revenue or consequential damages, howsoever caused, and agrees to require appropriate waivers of subrogation from its insurance companies.

(c) Certificates of Insurance. Certificates of all insurance required from the DEVELOPER shall be filed with the COUNTY as the Certificate Holder, before operations are commenced. The insurance indicated on the Certificate shall be subject to its approval for adequacy and protection. The certificate will state the types of coverage provided, limits of liability, and expiration dates. The COUNTY shall be identified as an Additional Named Insured for each type of coverage required by Section A (2) through A (6) above. The required certificates of insurance may refer specifically to this Agreement and the above sections in accordance with which such insurance is being furnished, and may state that such insurance is as required by such sections of this Agreement.

The DEVELOPER shall provide a Certificate of Insurance to the COUNTY with a thirty (30) days' notice of cancellation. In addition, the COUNTY will be shown as Additional Named Insured, with a Hold Harmless Agreement in favor of the COUNTY, where applicable. The certificate should also indicate if coverage is provided under a "claims made" or "per occurrence" form. If any coverage is provided under a claims made form, the certificate will show a retroactive date, which should be the same date as the Agreement (original date if Agreement is renewed) or prior.

If the initial insurance expires prior to the completion of the work, renewal certificates and/or required copies of policies shall be furnished thirty (30) days prior to the date of their expiration.

Section 12. Removal and Restoration.

(a) Ownership of Equipment. Except as otherwise provided in this Agreement, the LFG Utilization Facility and related equipment shall remain the personal property and/or responsibility of DEVELOPER (collectively "DEVELOPER's Equipment"), notwithstanding the method or mode of installation or attachment to the Landfill. Upon written request by DEVELOPER, COUNTY shall provide a waiver or estoppel certificate from COUNTY or any lessee operator of the Landfill, in a form satisfactory to DEVELOPER and COUNTY, acknowledging that DEVELOPER's Equipment is personal property owned by DEVELOPER subject to right of removal by DEVELOPER. Notwithstanding the above, however, no equipment shall be removed that will affect the operations of the COUNTY's Flare Stations needed to remain in compliance with applicable federal, state, and local laws and regulations, and to control landfill gas migration and atmospheric emissions, including odors.

(b) Transfer of Ownership upon Expiration or Termination. Upon the expiration or termination of this Agreement, the below ground portions of the LFG Utilization Facility and the building shall become the personal property and responsibility of COUNTY. DEVELOPER shall have no further responsibility with respect to the below ground portions of the LFG Utilization Facility after DEVELOPER conveys title to such equipment, free and clear of any encumbrances, liens or security interest.

Notwithstanding the above, within thirty (30) days after the expiration or termination of this Agreement, DEVELOPER shall offer to sell the above-ground portions of the LFG Utilization Facility including any DEVELOPER owned transmission equipment to COUNTY for an amount equal to the Fair Market Value as determined hereinbelow. COUNTY shall have ninety (90) days to accept or reject such offer, in all or in part, and notify DEVELOPER of its decision. Should COUNTY purchase some or all of the above-ground portions of the LFG Utilization Facility including any DEVELOPER owned transmission equipment, DEVELOPER will convey title to COUNTY free and clear from any and all liens and security interests. All property to be conveyed by DEVELOPER under this subsection must be in good operating condition. In determining the Fair Market Value, the cost of repairs shall be deducted from the purchase price. If the COUNTY chooses not to purchase the LFG Utilization Facility, within ninety (90) days, the DEVELOPER shall, at its sole expense, remove all LFG Utilization Facility and any associated transmission equipment except for the building from the Landfill and return the LFG Utilization Facility Site to its original condition.

Nothing in this Section 12 shall be construed to create an obligation on the COUNTY to buy any portions of the LFG Utilization Facility. Should DEVELOPER fail to remove DEVELOPER's Equipment as required under this Section 12, such property shall be deemed abandoned and shall become the property of COUNTY. Should the COUNTY incur cost associated with the removal of abandoned equipment and/or site restoration associated with such abandonment, the DEVELOPER shall be liable for such cost. This liability shall expire twelve (12) months after the abandonment if the COUNTY has not notified the DEVELOPER in writing that site clean-up has been completed or is underway including the actual or an estimated cost of such clean-up.

For purposes of this Agreement, the Fair Market Value (FMV) of any equipment shall be determined by means of an appraisal by persons professionally qualified to make appraisals of industrial equipment as follows: (i) DEVELOPER shall appoint an appraiser who shall estimate the FMV as of the time indicated and provide a written determination of the FMV to both DEVELOPER and the COUNTY; (ii) COUNTY shall appoint its own appraiser to provide a second estimate of the FMV, which shall be provided in writing to both COUNTY and DEVELOPER; (iii) if COUNTY's appraiser's estimate of the FMV is within fifteen percent (15%) of DEVELOPER's appraiser's estimate of the FMV, the FMV shall be deemed to be the average of the two appraisals; (iv) if the COUNTY's appraiser's estimate of the FMV differs from the DEVELOPER's appraiser's estimate by more than fifteen percent (15%), then the COUNTY and the DEVELOPER shall select a third appraiser, and the FMV shall be deemed to be average of the three (3) appraisals. Each party shall bear their respective costs of undertaking the first two (2) appraisals required by this paragraph. The parties shall share equally in the cost of the third appraisal.

(c) Removal and Restoration Bond. Before starting and throughout the term of this Agreement, DEVELOPER shall procure and maintain a bond or financial security instrument under forms acceptable and approved by the COUNTY to ensure the removal of the DEVELOPER's facilities and the restoration of the land upon the

expiration or termination of this Agreement. The amount of the bond or financial security instrument shall be Fifty Thousand and No/100 Dollars (\$50,000.00).

Section 13. Force Majeure. If by reason of Force Majeure either party is unable to carry out, either in whole or in part, its obligations herein contained, such party shall not be deemed in default during the continuation of such inability, provided that:

(a) The non-performing party, as soon as possible but no later than two (2) weeks after the occurrence of the cause of the Force Majeure, gives the other party written notice describing the particulars of the occurrence; and

(b) The suspension of performance be of no greater scope and of no longer duration than is required by the Force Majeure; and

(c) No obligations of either party which arose prior to the occurrence causing the suspension of performance be excused as a result of the occurrence; and

(d) That the non-performing party endeavors to remedy with all reasonable dispatch the cause or causes preventing it from carrying out its obligations.

Neither party shall be required to settle strikes, lockouts, or other industrial disturbances by acceding to the demands of the opposing party or parties when such course is, in its judgment, not in its best interest. The fee required to be paid by DEVELOPER set forth in Section 6(b) shall not apply, and DEVELOPER shall be relieved of its obligation therefrom, so long as an event of Force Majeure has occurred and is continuing.

Section 14. Termination.

(a) DEVELOPER's Default. The failure of the DEVELOPER to comply with any provision of this Agreement shall place the DEVELOPER in default. Prior to terminating the Agreement, the COUNTY shall notify the DEVELOPER in writing. Notification shall make specific reference to the provision which gave rise to the default. The COUNTY shall provide the DEVELOPER thirty (30) days to propose a written remedy and schedule which shall set forth the specific time frame for curing default. The COUNTY shall approve or disapprove the DEVELOPER's proposed remedy and schedule, which shall not be unreasonably withheld, delayed, or conditioned. If the COUNTY disapproves DEVELOPER's proposed remedy and schedule, the COUNTY may, at its sole option, direct the proposed remedy and schedule or provide DEVELOPER with ninety (90) days prior written notice of termination.

Events of default by DEVELOPER warranting termination by COUNTY shall include, but not be limited to, one or more of the following:

(1) the filing by or against DEVELOPER of a petition in bankruptcy or the complete cessation of the business operations of DEVELOPER;

(2) failure by DEVELOPER to pay the fees due the COUNTY pursuant to Section 6, Payment;

(3) failure by the DEVELOPER to operate the LFG Utilization Facility, the COUNTY's Flare Station(s), and all associated DEVELOPER supplied equipment in a prudent manner, in accordance with good engineering practices and in a manner consistent with that used by industry specialists providing similar services;

(4) failure by the DEVELOPER to maintain the LFG Utilization Facility, the COUNTY's Flare Station(s), and all associated DEVELOPER supplied equipment in good working order throughout the term of this Agreement;

(5) failure to operate the system or to maintain compliance with environmental regulations and noise limitation and odor control requirements;

(6) failure to pay for any damages assessed to the DEVELOPER;

(7) failure to commence Commercial Operations within eighteen (18) months from the effective date of this Agreement.

In the event of a default by the DEVELOPER, the building and below ground portions of the LFG Utilization Facility at the Landfill shall become the personal property and responsibility of COUNTY, and the DEVELOPER shall offer to sell the above ground portions of the LFG Utilization Facility to the COUNTY in accordance with Section 12, Removal and Restoration.

(b) Repeated Defaults by DEVELOPER. In the event that the DEVELOPER's record of performance shows that the DEVELOPER has frequently, regularly or repetitively defaulted in the performance of any of the material covenants and conditions required herein to be kept and performed by the DEVELOPER and regardless of whether the DEVELOPER has corrected each individual condition of default, the DEVELOPER may be deemed a "habitual violator" and all of said defaults may be considered collectively to constitute a condition of default. The COUNTY may thereupon issue the DEVELOPER a final warning citing the circumstances therefor, and any single material default by the DEVELOPER within one (1) year after said warning shall be grounds for termination of this Agreement. In the event of any such single subsequent default within one (1) year, the COUNTY may terminate this Agreement upon the giving of written final notice to the DEVELOPER. The COUNTY's Environmental Services Director shall be the sole authority to determine and deem the DEVELOPER as a "habitual violator".

(c) COUNTY's Default. The failure of the COUNTY to comply with any provision of this Agreement shall place the COUNTY in default. Prior to terminating the Agreement, the DEVELOPER shall notify the COUNTY in writing. Notification shall make specific reference to the provision which gave rise to the default. The

DEVELOPER shall provide the COUNTY thirty (30) days to propose a written remedy and schedule which shall set forth the specific timeframe for curing default. In the event of a default by the COUNTY, the COUNTY shall pay DEVELOPER an amount for capital expenditures for the LFG Utilization Facility consistent with Section 12(b) of the Agreement, or the DEVELOPER may remove the above ground portion of the LFG Utilization Facility at the DEVELOPER's option.

(d) Termination for Insufficient Quantities of LFG. Should the DEVELOPER determine, following LFG Utilization Facility start-up, that LFG can no longer be reasonably recovered from the Landfill in Commercial Quantities, DEVELOPER shall have the right to surrender and terminate this Agreement including its rights to the LFG upon one hundred eighty (180) days prior written notice to COUNTY. In the event of such termination by the DEVELOPER:

(1) the DEVELOPER shall continue to make payments to the COUNTY for the right to and use of the LFG in accordance with Section 6(b), whichever is in effect at the time, for a six (6) month period following notification of termination;

(2) the DEVELOPER shall continue to make payments for any monies due to the COUNTY for the sale of the Beneficial End Use Product and any other monies required by the provisions of this Agreement;

(3) the building and below ground portions of the LFG Utilization Facility on the Landfill shall become the personal property and responsibility of COUNTY at the end of the one hundred eighty (180) days period following notification of termination; and

(4) the DEVELOPER shall offer to sell the above-ground portions of the LFG Utilization Facility to the COUNTY in accordance with Section 12, Removal and Restoration.

(f) Facility Operation Following Termination. In the event of termination of the Agreement, the COUNTY may require the use of the DEVELOPER's employees to operate and maintain the LFG processing equipment for a period of up to ninety (90) days. The costs for use of the DEVELOPER's employees will be negotiated between the COUNTY and the DEVELOPER.

Section 15. Damages and Administrative Charges. Except where otherwise specifically provided, the measure of damages to be paid by the DEVELOPER to the COUNTY due to any failure by the DEVELOPER to meet any of its obligations under this Agreement shall be the actual damages incurred by the COUNTY. Said damages shall include, but shall not be limited to, the following damages:

(a) The COUNTY's Damages in the Event of Termination of DEVELOPER. If the COUNTY terminates this Agreement because of a default by the DEVELOPER, the DEVELOPER shall be liable to the COUNTY for all actual damages incurred by the

COUNTY as a result of DEVELOPER's default. The foregoing shall apply without regard to the COUNTY's rights pursuant to any Performance Bond or other financial security instrument.

(b) The COUNTY's Damages Due to the DEVELOPER's Failure to Repair and Maintain the LFG Utilization Facility. If at any time during the term of the Agreement, the DEVELOPER fails or refuses to maintain the LFG Utilization Facility, the COUNTY shall have the right to take all necessary actions to place the facility in good repair (including but not limited to contracting with third parties) and the DEVELOPER shall pay the COUNTY all costs and expenses incurred by the COUNTY in placing the Project in good repair. At the sole option of the COUNTY, such costs and expenses may be added to any monies owed to COUNTY. The foregoing shall apply regardless of whether the COUNTY terminates the DEVELOPER and shall be in addition to any other damages for which the DEVELOPER may be liable pursuant to other sections of this Agreement.

(c) The COUNTY's Damages Due to DEVELOPER's Failure to Comply with Environmental Regulations. If the DEVELOPER fails to comply with any applicable environmental regulations, the DEVELOPER shall pay to the COUNTY the following:

(1) All lawful fines, penalties, and forfeitures charged to the COUNTY by any governmental agency charged with enforcement of environmental laws and regulations or judicial orders.

(2) The actual costs, including, but not limited to, legal, administrative and any associated fees, incurred by the COUNTY as a result of the failure to comply with the environmental regulations including any costs incurred in investigating and remedying the conditions which led to the failure to comply with the environmental regulations.

(d) Administrative Charges. The parties acknowledge and agree that it is difficult or impossible to accurately determine the amount of damages that would, or might, be incurred by the COUNTY due to those failures or circumstances described in this section of the Agreement and for which the DEVELOPER would otherwise be liable. Accordingly, administrative charges may be assessed against the DEVELOPER for the following failures to comply with the Agreement:

(1) If DEVELOPER fails to operate and perform the system within permit and/or regulatory requirements or standards, the COUNTY shall give Notice to the DEVELOPER of the foregoing failure. If the DEVELOPER fails to remedy the foregoing failure within two (2) days of the Notice from the COUNTY, administrative charges in an amount equal to fifty percent (50%) of the "daily average payment" to the COUNTY for the sale of the COUNTY's LFG shall be assessed against the DEVELOPER per day until such time as the COUNTY determines that the DEVELOPER has remedied the foregoing failure. The "daily average payment" shall be

based on normal historical operating days for the six (6) month period immediately preceding the COUNTY's Notice.

(2) If DEVELOPER fails to keep and utilize the LFG Utilization Facility at the levels of manpower and equipment necessary to adequately operate the system, the COUNTY shall give Notice to the DEVELOPER of the foregoing failure. If the DEVELOPER fails to remedy the foregoing failure within one (1) week of the Notice from the COUNTY, administrative charges in an amount equal to fifty percent (50%) of the "daily average payment" to the COUNTY for the sale of the COUNTY's LFG shall be assessed against the DEVELOPER per day until such time as the COUNTY determines that the DEVELOPER has remedied the foregoing failure. The "daily average payment" shall be based on normal historical operating days for the six (6) month period immediately preceding the COUNTY's Notice.

(3) If DEVELOPER fails to supply information or reports required by the COUNTY and/or any regulatory agency within the timeframe agreed to by the COUNTY and/or regulatory agency, the COUNTY shall give Notice to the DEVELOPER of the foregoing failure. If the DEVELOPER fails to remedy the foregoing failure within one (1) day of the Notice from the COUNTY, administrative charges in the amount of One Hundred and No/100 Dollars (\$100.00) per day shall be assessed against the DEVELOPER until such time as the COUNTY determines that the DEVELOPER has remedied the foregoing failure.

(4) If DEVELOPER fails to maintain, repair, and operate the COUNTY's Flare Station(s) at the levels necessary to adequately operate and maintain the system and meet environmental permit requirements, the COUNTY shall give Notice to the DEVELOPER of the foregoing failure. If the DEVELOPER fails to remedy the foregoing failure within two (2) days of the Notice from the COUNTY, administrative charges in the amount of One Hundred and No/100 Dollars (\$100.00) per day shall be assessed against the DEVELOPER until such time as the COUNTY determines that the DEVELOPER has remedied the foregoing failure.

Section 16. Representations and Warranties.

(a) Warranties of COUNTY. COUNTY hereby agrees, warrants, and represents to DEVELOPER, as of the date of execution of this Agreement, that:

(1) The COUNTY has not entered into any other agreements with respect to the LFG conveyed to DEVELOPER under this Agreement or with respect to any of the other rights conveyed to DEVELOPER pursuant to Section 2 of this Agreement. COUNTY warrants that DEVELOPER shall take the LFG free and clear of any liens or encumbrances. COUNTY hereby warrants to DEVELOPER that COUNTY has the title to the LFG Utilization Facility Site, access to the site, the Landfill, and the LFG.

(2) No part of the LFG project was financed by grants or subsidized energy financing and the energy credit was not claimed with respect to property used in such recovery Project.

(3) The execution and delivery of this Agreement and related documents have been duly authorized, and constitute legal, valid, and binding obligations of the COUNTY which are enforceable in accordance with their terms and do not violate any law, rule or regulation.

(4) As of the effective date of this Agreement, the solid waste that the COUNTY accepts for disposal within the solid waste disposal units is nonhazardous solid waste as defined by Chapter 62-701, F.A.C. COUNTY also covenants that during the term of the Agreement, COUNTY will continue to accept only nonhazardous solid waste or material deemed nonhazardous in nature as defined by Chapter 62-701, F.A.C. and will not seek to modify permits and authorizations applicable to the Landfill so as to enable the COUNTY to accept wastes other than nonhazardous solid waste or material deemed nonhazardous in nature as defined by Chapter 62-701, F.A.C.

B. Warranties of DEVELOPER. DEVELOPER hereby agrees, warrants and represents to COUNTY, as of the date of execution of this Agreement, that

(1) DEVELOPER is a duly organized, validly existing entity in good standing under the laws of the State of Florida. DEVELOPER has all requisite corporate power to own its properties and to carry on the business that is now being conducted, to execute and deliver this Agreement and to engage in the transactions contemplated in this Agreement.

(2) The execution, delivery and performance by DEVELOPER of this Agreement is within the corporate powers of DEVELOPER, have been duly authorized by all necessary corporate action, and do not violate any law, rule or regulation, or the terms of the articles of incorporation or bylaws of DEVELOPER.

Section 17. Assignment. The COUNTY and DEVELOPER shall bind themselves and their respective successors and assigns in all respects to all of the terms, conditions, covenants, and provisions of this Agreement. Neither party hereto may sell, assign or transfer this Agreement or any interest it may have hereunder, without prior written approval of the other party, such approval to be not unreasonably withheld, and provided that any such assignment shall not unduly interfere with the rights of the non-assigning party hereunder, and further provided that such assignee agrees to be bound by the terms of this Agreement to the same extent as assignor. In no event will assignment relieve the assignor of its obligations hereunder. Nothing herein shall be construed as creating any personal liability on the part of any officer or agent of COUNTY or DEVELOPER, nor shall it be construed as giving any right or benefit hereunder to anyone other than the COUNTY or the DEVELOPER.

Section 18. Notices. Any notice to be given under this Agreement shall be in writing and shall be deemed to have been properly given and received (i) when delivered in person to the authorized representative of the party to whom the notice is addressed, or (ii) on the date received as indicated on the prepaid certified or registered receipt when sent by prepaid mail, return receipt requested, to the party to be notified at the address indicated as follows:

To DEVELOPER:

Seminole Energy, LLC
29261 Wall Street
Wixom, MI 48393

To COUNTY:

Seminole County
Seminole County Services Building
1101 East 1st Street
Sanford, Florida 32771

Either party may change such representative or address under this Agreement by providing written notice to the other party.

Section 19. Taxes. DEVELOPER shall, during the term of this Agreement, pay or arrange for the payment of all general taxes that may be levied upon or assessed against the system, facilities, equipment, machinery and improvements constructed or installed by it in, on, or adjacent to the Landfill. To the extent permissible by law, COUNTY shall recognize DEVELOPER's Equipment as an environmental pollution control system as defined under applicable tax laws and, therefore, shall be free from state sales taxes as provided by state statutes.

Section 20. Interest of Members of COUNTY and Others. No officers, members, or employees of the COUNTY, no member of its governing body, no other public official of the governing body of the locality or localities in which services for the facilities under this Agreement are to be carried out, who exercise any functions or responsibilities in the review or approval of the undertaking or carrying out of this Project, shall participate in any decision relating to this Agreement which affects their personal interest, or have any personal interest, direct or indirect, in this Agreement or the proceeds thereof.

Section 21. Interest of DEVELOPER. DEVELOPER covenants that it presently has no interest and shall not acquire an interest, direct or indirect, which shall conflict with the performances or services required to be performed under this Agreement. DEVELOPER further covenants that in the performance of this Agreement, the DEVELOPER shall employ no person having any such interest.

Section 22. Covenant against Contingent Fees. DEVELOPER warrants that it has not employed nor retained any company or person, other than a bona fide employee working solely for DEVELOPER, to solicit or secure this Agreement, and that it has not paid or agreed to pay any person, company, corporation, individual or firm, other than a bona fide employee working solely for DEVELOPER, any fee, commission, percentage, gift, or any other consideration contingent upon or resulting from the award or making of this Agreement. For the breach or violation of this section, the COUNTY shall have the right, but not the duty, to terminate this Agreement without liability, and, at its discretion, to deduct from the Agreement such price, or otherwise recover the full amount of such fee, commission, percentage, gift or other consideration.

Section 23. Potential Conflicts of Interest. DEVELOPER is specifically aware of, and concurs with, the public need for the COUNTY to prohibit any potential conflicts of interest that may arise as a result of the execution of this Agreement. As a result, DEVELOPER has extensively reviewed all of its contracts, letters of agreement, and any other indication of commitment on its behalf to perform services for any client other than Seminole COUNTY, which could in any way present the reasonable possibility of an actual conflict of interest with Seminole COUNTY. DEVELOPER has cataloged such contracts, and has attached a list thereof to this Agreement, as Exhibit A, which is hereby incorporated herein by this reference.

In view of the potential of this Agreement being a long-term contractual relationship between the parties, DEVELOPER specifically agrees to comply with the following organizational requirements in performing its services under this Agreement:

(a) Direct supervision of DEVELOPER employees and agents under this Project shall be given by BILL OWEN, and the designated Project Managers assigned to each specific Project.

(b) DEVELOPER specifically warrants and agrees that any and all information, concepts, policies and regulations relating to the Project under this Agreement shall be held by DEVELOPER in strict confidentiality within DEVELOPER's Project Team, except as may be affected by Chapter 119, Florida Statutes. No dissemination of any such information by DEVELOPER shall be made until after clear written authorization to do so has been granted by the COUNTY, except as may be otherwise required by law or directed by Court Orders and except for disclosures to DEVELOPER's legal counsel or accountants. Notice of such disclosures permitted hereunder shall be immediately given to the COUNTY.

Section 24. Records and Audits. If federal funds are used for any work under this Agreement, the Comptroller General of the United States, or any of his duly authorized representatives, shall have access to any books, documents, papers, and records of DEVELOPER which are directly pertinent to work performed under this Agreement, for purposes of making audit, examination, excerpts, and transcriptions.

The COUNTY and its auditors shall be entitled to audit the books and records of the DEVELOPER to the extent that such books and records relate to the performance of this Agreement. DEVELOPER agrees to maintain such records and accounts including all books, documents, papers, financial records and other evidences pertaining to work performed under this Agreement. Said records shall be made available at its office at all reasonable times during the term of this Agreement, and for three (3) years from the date of final payment under this Agreement, for audit or inspection by the COUNTY, or any of its duly authorized representatives, unless a shorter period is authorized by the COUNTY in writing.

Section 25. Equal Opportunity Employment. DEVELOPER agrees that it will not discriminate against any employee or applicant for employment for work under this Agreement because of race, color, religion, sex, age, national origin, or disability and will take affirmative steps to ensure that applicants are employed and employees are treated during employment without regard to race, color, religion, sex, age, national origin, or disability. This provision shall include, but not be limited to, the following: employment, upgrading, demotion or transfers; recruitment advertising; lay-off or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship.

Section 26. Claims for Services. No claim for services rendered by DEVELOPER not specifically provided for in this Agreement will be honored by the COUNTY.

Section 27. Severability. If any of the provisions contained in this Agreement are held for any reason to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provision, and this Agreement shall be construed as if such invalid, illegal, or unenforceable provision had never been contained herein.

Section 28. Modifications or Amendments in Writing. No modification, amendment or alteration in the terms or conditions contained herein shall be effective unless contained in a written document executed by the parties with the same formality as herewith.

Section 29. General Provisions.

(a) Headings. The headings appearing in this Agreement are intended for convenience and reference only, and are not to be considered in construing this Agreement.

(b) Disclaimer of Joint Venture, Partnership and Agency. This Agreement shall not be interpreted or construed as creating an association, joint venture or partnership between COUNTY and DEVELOPER or Buyer or to impose any partnership obligation or liability upon such parties. Neither COUNTY nor DEVELOPER or Buyer shall have any right, power or authority to enter into any agreement or undertaking for,

or act on behalf of, or to act as or be an agent or representative of, or to otherwise bind, another party.

(c) Governing Law. All questions with respect to the construction of this Agreement and the rights and liabilities of the parties hereunder shall be determined in accordance with the laws of the State of Florida. Venue shall be in Seminole COUNTY, Florida.

(d) Amendment to Agreement. The COUNTY and DEVELOPER agree that this Agreement sets forth the entire agreement between the parties, and that there are no promises or understandings other than those stated herein. None of the provisions, terms and conditions contained in this Agreement may be added to, deleted, modified, superseded or otherwise altered, except by written amendment executed by the parties hereto. Such amendment(s) are not valid, binding and enforceable unless signed by the Board of County Commissioners or by a COUNTY representative duly authorized by the Board of County Commissioners.

(e) Successors and Assigns. All of the terms and provisions of this Agreement shall be binding upon and shall inure to the benefit of and be enforceable by the parties hereto and their respective successors and permitted assigns.

(f) DEVELOPER Right to Utilization Facility Design. It is acknowledged that the DEVELOPER and Buyer have or will have expended considerable time and expense in developing the design for the LFG Utilization Facility and associated electrical transmission, steam or LFG transmission lines, and, therefore, could consider such design to be proprietary. The COUNTY agrees on behalf of itself and its agents and representatives to maintain the proprietary nature of the design by not constructing like facilities without the written approval of the DEVELOPER and Buyer.

(g) Remedies Not Exclusive. The remedies in this Agreement are not exclusive and supplement any other remedies provided at law or in equity.

(h) Order of Precedence. In resolving inconsistencies among two (2) or more components of this Agreement, precedence shall be given in the following order:

- (1) Agreement
- (2) COUNTY's RFP Document
- (3) DEVELOPER's Proposal

SIGNATURE BLOCK BEGINS ON PAGE 33

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

ATTEST:

BOARD OF COUNTY COMMISSIONERS
SEMINOLE COUNTY, FLORIDA

By: Carlton Hulley, Chairman

for MARYANNE MORSE
Clerk to the Board of
County Commissioners of
Seminole County, Florida.

Date: 11-21-06

For the use and reliance of
Seminole County only. Ap-
proved as to form and legal
sufficiency.

As authorized for execution by the Board
of County Commissioners at its Nov. 7,
2006, regular meeting.

Susan E. Dietrich 11-13-06
County Attorney

SIGNATURE BLOCK CONTINUES ON PAGE 34

ATTEST:

SEMINOLE ENERGY L.L.C., a Florida
limited liability company

Sheila A. Miller
Secretary,

By: Michigan Cogeneration Systems, Inc.
Its managing partner

By: Scott D. Salisbury
President

(CORPORATE SEAL)

Date: 10-23-06

STATE OF Michigan
COUNTY OF Oakland

I HEREBY CERTIFY that, on this 23rd day of October, 2006, before me, an officer duly authorized in the State and County aforesaid to take acknowledgments, personally appeared Scott D. Salisbury, and Sheila A. Miller, as President and Secretary, respectively, of Michigan Cogeneration Systems, Inc., Managing Partner of Seminole Energy, L.L.C., a Florida limited liability company organized under the laws of the State of Florida, who are personally known to me or who have produced driver license as identification. They acknowledged before me that they executed the foregoing instrument as such officers in the name and on behalf of the corporation, and that they also affixed thereto the official seal of the corporation.

Jo Alice Monroy
Print Name Jo Alice Monroy
Notary Public in and for the County
and State Aforementioned
My commission expires: April 1, 2008

SED/sb
10/20/06

Attachment:

Exhibit A – Wellfield Maintenance Agreement

P:\USERS\SDIETRICH\ENVIRONMENTAL SVCS\LANDFILL GAS PURCHASE AGREEMENT.DOC

EXHIBIT A

WELLFIELD MAINTENANCE AGREEMENT

THIS WELLFIELD MAINTENANCE AGREEMENT (Maintenance Agreement), made and entered into this 21 day of Nov., 2006, by and between SEMINOLE ENERGY, LLC, a Florida Limited Liability Company, doing business at 29261 Wall Street, Wixom, Michigan 48393, hereinafter referred to as the "DEVELOPER" and SEMINOLE COUNTY, a political subdivision of the State of Florida, by and through its Board of County Commissioners, whose address is Seminole County Services Building, 1101 East First Street, Sanford, Florida 32771 hereinafter referred to as "COUNTY";

Section 1. Implementation and Definitions.

The COUNTY may choose, at its sole option, for DEVELOPER to provide well field maintenance services as described hereunder. The COUNTY shall notify DEVELOPER of its intent to exercise this option at least ninety (90) days prior to the commencement of Commercial Operation of the Landfill Gas Utilization Facility.

A. Definitions - Unless the context indicates otherwise, as used herein, the terms set forth below shall be defined as follows:

1.1 Landfill Gas (LFG) means any and all gases resulting from the decomposition of refuse material within the Landfill, consisting principally of methane, carbon dioxide and traces of other constituent gases.

1.2 LFG Management System means the COUNTY operated network of LFG recovery wells and interconnecting pipes together with attendant valves, condensate sumps and pumps, monitoring devices and other related equipment installed for the purpose of extracting, collecting, and transporting LFG to the Delivery Point(s).

1.3 LFG Utilization Facility means the DEVELOPER's building or enclosure and equipment required for the processing and delivery of the Beneficial End Use Product to the Buyer, such equipment may include, but is not limited to, compression equipment, an oil and gas cooler, a condensate knockout tank, scrub areas, generating equipment, and related facilities.

Section 2. Term and Termination.

A. Term. The initial term of this Maintenance Agreement shall be for three (3) years from the start of Commercial Operations by DEVELOPER at the LFG Utilization Facility. Thereafter, this Maintenance Agreement shall continue for succeeding periods of one (1) year each, terminable upon written notice by either DEVELOPER or COUNTY to the other not less than one hundred eighty (180) days before the end of the then current term.

- B. Termination for Cause. In the event that a party determines that the other party has committed a material default, the party shall give detailed written notice thereof to the other party in such reasonable detail as to enable the other party to investigate and respond. The other party shall be entitled to cure any such default or alleged default within ninety (90) days after receipt of said notice or demonstrate that all reasonable efforts have been made to cure the event of default if an actual cure cannot be completed within the ninety (90) days. If a material default event is not cured pursuant to this Section, the non-defaulting party may elect to terminate this Maintenance Agreement as a result of a material default by the other party.

Section 3. Services Provided by Developer.

- A. Operation Services. DEVELOPER shall supply all services necessary to maintain the LFG Management Systems in good operating condition and suitable for its intended purpose. DEVELOPER shall provide, at a minimum, one (1) full-time employee, hereinafter referred to as the Operator at the LFG Utilization Facility. When not physically present at the LFG Utilization Facility, an Operator shall be available on call twenty-four (24) hours a day, seven (7) days a week to ensure that the LFG Utilization Facility operates in compliance with all applicable regulatory requirements as necessary to provide for satisfactory electrical output and the Landfill Gas Purchase Agreement of even date herewith to which this Agreement is appended.

During the term of the Maintenance Agreement, the DEVELOPER shall provide services described herein Monday through Friday, 8:00 AM to 5:00 PM, excluding legal holidays. The DEVELOPER shall further provide Emergency Services twenty-four (24) hours per day, seven (7) days a week on an on-call basis with a response time not greater than one half hour. The labor rates set forth in the Maintenance Agreement were formulated using eight (8) hour normal business days. DEVELOPER shall make its best efforts to schedule major maintenance during off-peak times and seasons.

1. Routine Maintenance Services. DEVELOPER shall furnish all labor and supervision necessary for the normal daily operation of the LFG Management System at the LFG Utilization Facility. Such operation services shall include, but are not limited to:
- (a) Providing sufficient competent, trained personnel to carry out the services set forth hereunder;
 - (b) Diagnosing and correcting various adverse operating conditions;

- (c) Inspecting all LFG Management System components and other appurtenant equipment for correct operation, safety and defects to determine whether repair, replacement, or enhancement of any part of the LFG Utilization System is necessary;
- (d) Maintaining date log and readings and preparing monthly production reports;
- (e) Conducting regular operational checks and equipment tests;
- (f) Maintaining operation records, current drawings, instruction books and system manuals;
- (g) Making recommendations concerning equipment needed to be upgraded or enhanced to improve LFG Utilization System operation;
- (h) Providing twenty-four (24) hours, seven (7) days a week on-call maintenance services to ensure that the LFG Utilization Facility and the LFG Maintenance System shall be inoperative for the minimum amount of time possible; and;
- (i) Conducting routine operation and maintenance at scheduled intervals within the context of an overall preventative maintenance program to include performance recommendations required by equipment manufacturers. These tasks shall focus on meeting applicable permit and environmental requirements and optimizing gas recovery consistent with the collection and sale of landfill gas.

2. Non-routine Unscheduled Emergency Services. DEVELOPER shall furnish all labor and supervision necessary for non-routine unscheduled emergency services including events requiring immediate response. Response to the urgent nature of these items is such that they cannot be scheduled. DEVELOPER shall respond to these conditions as appropriate. Such services shall include, but are not limited to:

- (a) Repairing main header line breaks resulting in no gas flow to the blower/flare station or excessive atmosphere infiltration;
 - (b) A significantly reduced gas flow rate requiring excavation or reconstruction of gas lines; and
 - (c) Surging vacuum requiring excavation or reconstruction of a gas line.
3. Extraction Wells. The DEVELOPER shall furnish all labor and supervision necessary to check the LFG Management System extraction wells a minimum of once each month. Problems such as damaged or deteriorated monitoring ports shall be corrected during the check. The repair of broken valves and replacement of torn flex hoses by DEVELOPER shall be part of routine operation and maintenance services. In conjunction with the extraction well monitoring, DEVELOPER shall conduct a general inspection of the LFG Management System components noting problem areas and required actions. At each extraction well, the following shall be measured, observed and recorded:
- (a) Landfill gas flow;
 - (b) Landfill gas composition (methane, carbon dioxide, oxygen and balance gas);
 - (c) Well head pressure;
 - (d) Header gas pressure;
 - (e) Well head gas temperature;
 - (f) Well head piping and well bore seal condition at the landfill surface; and
 - (g) Adjustment shall be made at each well as required to maintain system balance, gas quality and permit compliance.
4. Monthly Review, Organizing and Reporting. DEVELOPER shall prepare and submit a monthly report to COUNTY summarizing the activities performed, the project data collected during the period, a status update on the LFG Management System including any abnormalities, needed repairs, system adjustments and recommendations. DEVELOPER shall also submit to COUNTY copies of daily logs of completed activities and review and confirm compliance with permit operating conditions, including record-keeping requirements. Developer shall maintain data in a computer database to

facilitate organized storage, permit ready access to information and enhance interpretation, such as the tracking of long-term trends.

5. Minor Repairs, including Emergency Call-outs. DEVELOPER shall perform any minor repairs including, but not limited to, re-coupling or replacement of flex-hose, and closing a valve necessary to maintain operations of the LFG Management System. Written notification of any minor repair or emergency call out shall be provided by DEVELOPER to the COUNTY within twenty-four (24) hours of occurrence.

- B. Non-Routine LFG Management System Maintenance. COUNTY may contract at additional expense for DEVELOPER to furnish all labor and supervision necessary for the following non-routine services:

Non-Routine Scheduled Maintenance. These services shall consist of corrective repair or maintenance work identified during routine visits and include items such as, but not limited to, major header pipe realignment, resetting of pipe supports, repair of lateral lines, installation of replacement extraction wells and cleaning flame arrestor. Non-routine scheduled maintenance is essential for proper system operation; however, said maintenance shall be scheduled to allow for prior procurement of materials, equipment, scheduling, or personnel and shall be performed at COUNTY's expense, subject to notification to and authorization by the COUNTY.

- C. General Provisions. DEVELOPER agrees to conduct all work in a good and workmanlike manner and in accord with procedures and methods generally used in the industry on similar systems. DEVELOPER shall conduct all services hereunder with reasonable diligence and care. All materials and supplies used in fulfillment of this Maintenance Agreement shall, unless otherwise specified, be of first quality. DEVELOPER shall maintain full and complete books and records of all its activities under this Maintenance Agreement.

- (e) Employment Regulations. DEVELOPER shall, as part of this Maintenance Agreement comply with applicable Federal, State and local laws, statutes, rules, regulations and ordinances, including, without limitations, all fair employment practices.

Section 4. Compensation.

- A. Wellfield Operations. As compensation for the services provided by DEVELOPER in accordance with Section 3(A) herein, the COUNTY agrees to pay DEVELOPER the monthly fee of THREE THOUSAND AND NO/100 DOLLARS (\$3,000.00).

B. Payment. DEVELOPER shall invoice COUNTY at the beginning of each month, or as soon thereafter as invoices can be prepared, for the services performed during the prior month. Upon receipt of all required documentation, COUNTY shall pay each invoice in compliance with the Seminole County Purchasing Code requirements.

C. Annual Adjustment. The rate of compensation payable to the DEVELOPER shall be adjusted annually, on January 1st of each year to reflect changes in the cost of living. The adjustment shall be based on the following:

- 50% = Change in Producer Price Index Series ID WPUSOP3000
- 50% = Change in Consumer Price Index Series ID CUUR0000SAO

Section 5. Equal Opportunity Employment. DEVELOPER agrees that it will not discriminate against any employee or applicant for employment for work under this Maintenance Agreement because of race, color, religion, sex, age, national origin, or disability and will take affirmative steps to ensure that applicants are employed and employees are treated during employment without regard to race, color, religion, sex, age, national origin, or disability. This provision shall include, but not be limited to, the following: employment, upgrading, demotion or transfers; recruitment advertising; lay-off or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship.

Section 6. Claims for Services. No claim for services rendered by DEVELOPER not specifically provided for in this Maintenance Agreement will be honored by the COUNTY.

Section 7. Modifications or Amendments in Writing. No modification, amendment or alteration in the terms or conditions contained herein shall be effective unless contained in a written document executed by the parties with the same formality as herewith.

Section 8. Notices. Any notice to be given under this Maintenance Agreement shall be in writing and shall be deemed to have been properly given and received (i) when delivered in person to the authorized representative of the party to whom the notice is addressed, or (ii) on the date received as indicated on the prepaid certified or registered receipt when sent by prepaid mail, return receipt requested, to the party to be notified at the address indicated as follows:

To DEVELOPER:

Seminole Energy, LLC
29261 Wall Street
Wixom, MI 48393

To COUNTY:

Seminole County
Seminole County Services Building
1101 East 1st Street
Sanford, Florida 32771

Section 9. Assignment. The COUNTY and DEVELOPER shall bind themselves and their respective successors and assigns in all respects to all of the terms, conditions, covenants, and provisions of this Maintenance Agreement. Neither party hereto may sell, assign or transfer this Maintenance Agreement or any interest it may have hereunder, without prior written approval of the other party, such approval to be not unreasonably withheld, and provided that any such assignment shall not unduly interfere with the rights of the non-assigning party hereunder, and further provided that such assignee agrees to be bound by the terms of this Maintenance Agreement to the same extent as assignor. In no event will assignment relieve the assignor of its obligations hereunder. Nothing herein shall be construed as creating any personal liability on the part of any officer or agent of COUNTY or DEVELOPER, nor shall it be construed as giving any right or benefit hereunder to anyone other than the COUNTY or the DEVELOPER.

Section 10. Governing Law. All questions with respect to the construction of this Maintenance Agreement and the rights and liabilities of the parties hereunder shall be determined in accordance with the laws of the State of Florida. Venue shall be in Seminole COUNTY, Florida.

Section 11. Remedies Not Exclusive. The remedies in this Maintenance Agreement are not exclusive and supplement any other remedies provided at law or in equity.

Section 12. Independent Contractor. In the performance of any activities pursuant to this Maintenance Agreement, the DEVELOPER will be acting in the capacity of an independent contractor and not as an agent, employee, partner, joint venturer, or associate of the COUNTY. The DEVELOPER shall be solely responsible for the means, methods, sequences, and procedures utilized by the DEVELOPER in the full performance of this Maintenance Agreement. Neither the DEVELOPER nor any of its employees, officers, agents or any other individual directed to act on behalf of the DEVELOPER for any act related to the Maintenance Agreement shall represent, act, purport to act, or be deemed to be the agent, representative, employee or servant of the COUNTY.

Section 13. Indemnification. To the fullest extent permitted by laws and regulations, the DEVELOPER shall indemnify and hold harmless the COUNTY and the officers, directors, employees, agents and other consultants of the COUNTY from and against all claims, expenses, losses and damages (including but not limited to all fees and charges of the DEVELOPER, engineers, architects, attorneys and other professionals) caused by, arising out of or resulting from the performance of services hereunder, provided that any such claim, damage, loss or expense: (1) is attributable to bodily injury, sickness, disease, death, or personal injury, or to property damage, including the loss of use resulting therefrom, and (2) is caused in whole or in part by any act or omission of the DEVELOPER, any

subcontractor, any supplier, any person or organization directly or indirectly employed by any of them to perform or furnish any of the services or anyone for whose acts any of them may be liable. The DEVELOPER agrees that it will pay the costs of the COUNTY's legal defense, including fees of attorneys as may be selected by the COUNTY and shall defend, satisfy, and pay any judgments which may be rendered against the COUNTY in connection with the above hold harmless agreement. The DEVELOPER acknowledges that specific consideration has been received for this hold harmless/indemnification provision. The provisions of this Section 13 shall survive the termination of this Agreement.

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

ATTEST:

BOARD OF COUNTY COMMISSIONERS
SEMINOLE COUNTY, FLORIDA

By: Carlton Dudley

, Chairman

MARVANNE MORSE

Clerk to the Board of
County Commissioners of
Seminole County, Florida.

Date: 11-21-06

For the use and reliance of
Seminole County only. Ap-
Proved as to form and legal
Sufficiency.

As authorized for execution by the Board
of County commissioners at its Nov. 7
2006, regular meeting.

Sharon E. Dietrich 11-13-06
County Attorney

SIGNATURE BLOCK CONTINUES ON PAGE 9

ATTEST:

SEMINOLE ENERGY L.L.C., a Florida
limited liability company

By: Michigan Cogeneration Systems, Inc.
Its managing partner

Sheila Miller
Secretary,

By: Scott Salisbury
President

(CORPORATE SEAL)

Date: 10-27-06

STATE OF Michigan
COUNTY OF Oakland

I HEREBY CERTIFY that, on this 27th day of October, 2006, before me, an officer duly authorized in the State and County aforesaid to take acknowledgments, personally appeared Scott Salisbury, and Sheila Miller, as President and Secretary, respectively, of Michigan Cogeneration Systems, Inc., Managing Partner of Seminole Energy, L.L.C., a Florida limited liability company organized under the laws of the State of Florida, who are personally known to me or who have produced license as identification. They acknowledged before me that they executed the foregoing instrument as such officers in the name and on behalf of the corporation, and that they also affixed thereto the official seal of the corporation.

Jo Alice Monroy
Print Name Jo Alice Monroy
Notary Public in and for the County
and State Aforementioned
My commission expires: April 1, 2008

SED/sb
10/24/06

P:\USERS\SBERRIE\MY DOCUMENTS\MISC\EXHIBIT A WELLFIELD MAINTENANCE AGREEMENT.DOC

JO ALICE MONROY
Notary Public, Oakland County, MI
My Commission Expires Apr. 1, 2008