

Scott D. McGolpin, P.E. Public Works Director

Jeanette Gonzales-Knight, P.E. Technical Deputy Director, Interim

Martin Wilder, P.E. Operations Deputy Director, Interim

[date]

John Dewey, CEO & Managing Member MSB Investors, LLC 17 Corporate Plaza, Suite 200 Newport Beach, CA 92660 Email: john@deweygroup.com [US certified mail and emailed]

SUBJECT: Notice of Partial Termination of Agreement between MSB Investors, LLC and the County of Santa Barbara for the Development and Operation of the Tajiguas Resource Recovery Project

Mr. John Dewey,

In accordance with Section 14.6 of the Agreement between MSB Investors, LLC (MSB) and the County of Santa Barbara (County) for the Development and Operation of the Tajiguas Resource Recovery Project (Project), the County hereby elects to terminate MSB obligations for the Materials Recovery Facility (MRF) with respect to processing of source-separated recyclable materials and mixed waste through the MRF, and operational and compliance obligations for the landfill gas, energy, water and wastewater systems effective December 12, 2023. MSB is obligated to fully perform its other obligations hereunder until further notice, including but not limited to receipt and processing of materials through the Anaerobic Digestion Facility (ADF), operation and compliance of the ADF engines, composting, marketing of products and disposal of residue. MSB shall comply with the record keeping and reporting requirements defined in Article 12 of the Agreement and with the indemnification and insurance requirements defined in Exhibit V: Insurance Requirements.

MSB shall cooperate fully with the County and any subsequent third-party Project operator that the County designates to assure a smooth transition of Project operations and management. Such cooperation shall generally include but not be limited to transfer of computer data, files and tapes, and all written materials related to operations at the Project Site that are reasonably required to assume the role of MSB. Provision of information shall include but not be limited to: (1) labor and employment records; (2) equipment and supply inventories; (3) up-todate and historical Maintenance records; (4) originals of Permits and other entitlements; (5) regulatory and permitting agency communications; (6) Maintenance and supply contracts; (7) Product sales contracts; (8) non-technical and technical design, Construction and Project Operations information, whether or not proprietary, including the Operations and Maintenance Manual, technical specifications, and as-built plans of the Processing system and assign or provide any other license or consent which is necessary for all Project Operations; and (9) all other data required to be maintained under the Agreement and/or that are reasonably required to fulfill MSB's obligations.

130 E. Victoria Street, Suite 100, Santa Barbara, CA 93101 • Main Phone: (805) 882-3600 • AA/EEO Employer Email: <u>pwweb@countyofsb.org</u> • facebook.com/countyofsbpublicworks • www.LessIsMore.org



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Sincerely,

Jeanette Gonzales-Knight, PE Technical Deputy Director

Martin Wilder, PE Operations Deputy Director