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ASSIGNMENT, ASSUMPTION AND NOVATION AGREEMENT

This Assignment, Assumption and Novation Agreement ("Agreement") is entered into on JULY 1, 2015 (the "Effective Date"), by and among the County of Contra Costa, a political subdivision of the State of California ("County"), Contra Costa County Sanitation District No. 6, a county sanitation district formed under California Health and Safety Code section 4700 et seq. ("District") and Valley Operators LLC, a California limited liability company ("Contractor"). The parties hereto may be referred to individually as a "Party" and collectively as the "Parties."

RECITALS

- A. County and Contractor entered into a contract, effective October 1, 2014, for operations and maintenance services by Contractor at District's wastewater treatment plant (the "Contract").
- B. Under the Contract, County agreed to pay for Contractor's services on behalf of District.
- C. County desires to assign to District, and District desires to accept and assume from County, all of County's rights, title and interest in, and obligations under, the Contract.
- D. Contractor is willing to release County from the obligations under the Contract on the condition that District assume such obligations under the Contract.

NOW THEREFORE, in consideration of the mutual promises of the Parties and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties mutually agree as follows:

AGREEMENT

- 1. Assignment: County hereby assigns and delegates to District, and District hereby accepts, all of County's rights, title and interest in, and obligations under, the Contract.
- 2. Assumption: District hereby assumes, agrees and undertakes to perform all of County's obligations under the Contract arising on or after the Effective Date. District shall perform the obligations of County under the Contract and District shall be bound by all of the terms and conditions of the Contract in every way as if District were originally a party thereto.
- 3. Release: District and Contractor hereby release County from any and all obligations arising under the Contract on and after the Effective Date.
- 4. Novation: Contractor consents to the substitution of District in place and instead of County on and after the Effective Date. On and after the Effective Date, the term County, as

used in the Contract, shall refer to District, and District shall be bound by the terms of the Contract in every way as if District were named in the Contract in place of County as a party thereto.

5. Indemnification:

a. District shall defend and indemnify County from any and all claims, suits, demands, causes of action, losses, liabilities, damages and costs, including reasonable attorneys' fees, arising from or related to District's performance under the Contract on or after the Effective Date.

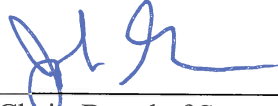
b. County shall defend and indemnify District from any and all claims, suits, demands, causes of action, losses, liabilities, damages and costs, including reasonable attorneys' fees, arising from or related to County's performance under the Contract prior to the Effective Date.

6. Binding Upon Successors and Assigns: This Agreement shall be binding upon and insure to the benefit of the heirs, legal representatives, successors in interest and assigns of County, District and Contractor.

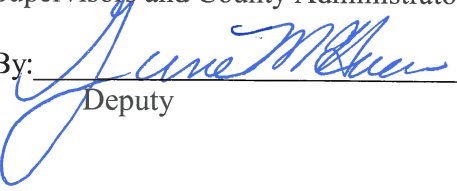
7. Counterparts. This Agreement may be executed in counterparts and so executed will constitute an Agreement that is binding upon all Parties hereto. A photocopy of the fully executed Agreement will have the same force and effect as the original.

8. Signatures. By affixing his/her signature below, each of the persons signing this Agreement warrants and represents that he/she has read and understands this Agreement, that in signing on behalf of a Party he/she has full and complete authority from that Party to bind said Party to perform and comply with each and every term, obligation, condition and covenant set forth in this Agreement, and that the Party on behalf of whom he/she signs agrees to be bound by its terms.

COUNTY OF CONTRA COSTA

By: 
Chair, Board of Supervisors

Attest: David J. Twa, Clerk of the Board of Supervisors and County Administrator

By: 
Deputy

**CONTRA COSTA COUNTY
SANITATION DISTRICT NO. 6**

By: _____
Chair, Board of Directors

Attest: _____, Clerk of the Board of Directors

By: _____

VALLEY OPERATORS LLC

By: Casey Wichert
Casey Alan Wichert
President

By: Lynn R. Wichert
Lynn R. Wichert
Chief Financial Officer

[Note: Limited liability companies must sign in accordance with one of the following, as applicable: (1) Two managers must sign, or, if the articles of organization indicate that the limited liability company is managed by only one manager, one manager must sign (Corp. Code, § 17703.01, subd. (d)); or (2) subject to the articles of organization, two officers must sign, the first being the chairperson of the board, president or any vice president and the second being any secretary, any assistant secretary, the chief financial officer or any assistant treasurer. (Corp. Code, § 17704.07, subd. (w).) All signatures on behalf of Contractor must be notarized.]

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