

AMENDMENT NO. 3

TO ENVIRONMENTAL REMEDIATION AND DEVELOPMENT MANAGEMENT AGREEMENT

THIS THIRD AMENDMENT TO THE ENVIRONMENTAL REMEDIATION AND DEVELOPMENT MANAGEMENT AGREEMENT (“Third Amendment”) is made by and between the CARSON RECLAMATION AUTHORITY, a joint powers authority formed under the laws of the State of California (“**CRA**”) and RE | SOLUTIONS, LLC, a Colorado limited liability company (“**RES**”) as of August ___, 2018 (“**Amendment Date**”).

RECITALS

- A. CRA and RES entered into that certain Environmental Remediation And Development Management Agreement, dated as of July 26, 2017 (“**Original Agreement**”) whereby RES agreed to provide environmental and development management services related to the Project approved at that certain 157-acre parcel owned by the CRA (aka, Cal Compact Landfill), located at 20400 Main Street in Carson, California. Pursuant to that certain Amendment No. 1 to Environmental Remediation and Development Management Agreement, dated as of January 10, 2018 (“**First Amendment**”), CRA and RES amended the Original Agreement to memorialize changes to the RES Master Account used for making payments to RES. On May 8, 2018 the parties approved that certain Amendment No. 2 to Environmental Remediation and Development Management Agreement (“**Second Amendment**”), which amended Section 5.04(i)(iii) (Insurance Management); Section 5.12 (Design/Pile Liability Not Applicable to Other RES Liability); and Section 8.01(g) (RES’ Insurance Requirements). The Original Agreement as amended by the First Amendment and Second Amendment is hereinafter referred to as the “**Agreement**.”
- B. Section 4.05 of the Agreement provides that “*Commencing on the Effective Date and thereafter through and including twelve (12) months after the Effective Date, CRA shall pay to RES a monthly minimum fee of One Hundred Ten Thousand Dollars (\$110,000) on or before the fifth (5th) calendar day of each month (each, a “**Minimum Monthly Fee**”). The Minimum Monthly Fee shall be prorated for any partial month. The Services Fee payable for any month shall be credited against the applicable Minimum Monthly Fee.*” (“**Minimum Monthly Fee**”).
- C. The primary form of RES’ compensation under the Agreement is the Services Fee described in Section 4.06, which is calculated at 5% of certain third-party costs incurred by RES or CRA in connection with the Project (as defined in the Agreement), however, the minimum staffing required of RES to undertake certain pre-development work is in excess of the monthly Service Fees. Therefore, the CRA agreed to compensate RES for its costs in connection with such pre-development work through a payment of monthly fees known as the Minimum Monthly Fee described in Section 4.05 of the Agreement. The Minimum Monthly Fee was intended to be paid by the CRA to RES for no more than twelve months (during the pre-development work period) following the execution of the Original Agreement (i.e., July 26, 2017), after which the substantial construction work (grading, waste consolidation, and pile installation) was expected to have begun,

generating sufficient Services Fees to eliminate the need to continue the Minimum Monthly Fee.

- D. The anticipated development schedule in place at the time the Original Agreement was entered into provided that the Cell 2 project (known as the Fashion Outlets of Los Angeles), as well as the District at South Bay Specific Plan, would be approved by the Planning Commission in November 2017 and City Council in December 2018. Under such schedule, construction, including grading and waste consolidation, was expected to have commenced in February, 2018 and pile fabrication would have commenced in March 2018. Because of delays outside the control of RES, construction work will not start until at least September or October, 2018.
- E. The parties have agreed to amend the Agreement to provide that the Minimum Monthly Fees will continue to be paid by the CRA to RES for a four-month period following the existing expiration date for the payment of such fees under the Agreement (i.e., July 26, 2018) or, if earlier, the date on which the Development Period commences (prorated for any partial month) (as defined in Section 5.05 of the Agreement).

NOW, THEREFORE, the parties agree as follows:

AGREEMENT

- 1. **RECITALS.** The foregoing recitals are incorporated herein.
- 2. **EFFECTIVE DATE.** This Third Amendment shall be effective upon the date of execution by CRA as specified on the last page.
- 3. **DEFINED TERMS.** All terms used herein that are not specifically defined herein shall have the meaning specified in the Agreement.
- 4. **AMENDMENTS & MODIFICATIONS.** The Agreement is amended and modified as follows:

4.1 **Article IV, Subsection 4.05 Minimum Monthly Fee.** Section 4.05 of the Agreement is deleted in its entirety and the following is substituted in its place and stead:

“Commencing on the Effective Date and continuing thereafter until either (i) the date the Development Period commences, or (ii) the end of the 16th month following the Effective Date, whichever comes first, CRA shall pay to RES a monthly minimum fee of One Hundred Ten Thousand Dollars (\$110,000) on or before the fifth (5th) calendar day of each month (each, a “**Minimum Monthly Fee**”). The Minimum Monthly Fee shall be prorated for any partial month. The Services Fee payable for any month shall be credited against the applicable Minimum Monthly Fee.”

- 5. **REPRESENTATIONS AND WARRANTIES.** CRA and RES each represent and warrant to the other that: (i) to the best of its knowledge, the other party is in not in default under the Agreement; (ii) there has been no other modifications or amendments to the

Agreement; (iii) the Agreement as amended by this Third Amendment remains an effective, valid, and binding obligation; (iv) it has received adequate consideration for this Third Amendment.

6. AUTHORITY. Each person executing this Third Amendment on behalf of a party represents and warrants that (i) such party is duly organized and existing, (ii) they are duly authorized to execute and deliver this Third Amendment on behalf of said party, (iii) such party is bound to the provisions of this Third Amendment, and (iv) this Third Amendment does not violate any provision of any other Agreement to which said party is bound.

7. CONTINUING EFFECT. Except as modified/amended by this Third Amendment, all provisions of the Agreement remain in full force and effect.

[SIGNATURE PAGES FOLLOW]

IN WITNESS WHEREOF, the parties hereto have executed this Third Amendment to the Agreement on the Amendment Date.

RES

RE | SOLUTIONS, LLC,
a Colorado limited liability company

By _____
Stuart L. Miner
Managing Member

CRA

CARSON RECLAMATION AUTHORITY, a
joint powers authority formed under the laws
of the State of California

By: _____
John Raymond, Executive Director

Dated: _____, 2018

ATTEST:

Donesia L. Gause, Authority Secretary

APPROVED AS TO FORM:

ALESHIRE & WYNDER, LLP

By: _____
Sunny K. Soltani, Authority Counsel

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy or validity of that document.

STATE OF CALIFORNIA

COUNTY OF LOS ANGELES

On _____, 2018 before me, _____, personally appeared _____, proved to me on the basis of satisfactory evidence to be the person(s) whose names(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature: _____

OPTIONAL

Though the data below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent reattachment of this form.

CAPACITY CLAIMED BY SIGNER	DESCRIPTION OF ATTACHED DOCUMENT
<input type="checkbox"/> INDIVIDUAL	
<input type="checkbox"/> CORPORATE OFFICER	
<div style="display: flex; justify-content: space-between;"><div><input type="checkbox"/> TITLE(S) PARTNER(S) LIMITED</div><div><input type="checkbox"/> <input type="checkbox"/></div></div>	<div style="border-bottom: 1px solid black; text-align: center;">TITLE OR TYPE OF DOCUMENT</div>
<div style="display: flex; justify-content: space-between;"><div><input type="checkbox"/> GENERAL ATTORNEY-IN-FACT TRUSTEE(S) GUARDIAN/CONSERVATOR OTHER _____</div><div><input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/></div></div>	<div style="border-bottom: 1px solid black; text-align: center;">NUMBER OF PAGES</div>
	<div style="border-bottom: 1px solid black; text-align: center;">DATE OF DOCUMENT</div>

SIGNER IS REPRESENTING:

(NAME OF PERSON(S) OR ENTITY(IES))

SIGNER(S) OTHER THAN NAMED ABOVE

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy or validity of that document.

STATE OF CALIFORNIA

COUNTY OF LOS ANGELES

On _____, 2018 before me, _____, personally appeared _____, proved to me on the basis of satisfactory evidence to be the person(s) whose names(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature: _____

OPTIONAL

Though the data below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent reattachment of this form.

CAPACITY CLAIMED BY SIGNER		DESCRIPTION OF ATTACHED DOCUMENT
<input type="checkbox"/>	INDIVIDUAL	_____
<input type="checkbox"/>	CORPORATE OFFICER	_____
<input type="checkbox"/>	TITLE(S) PARTNER(S) <input type="checkbox"/> LIMITED <input type="checkbox"/>	TITLE OR TYPE OF DOCUMENT _____
<input type="checkbox"/>	GENERAL	NUMBER OF PAGES _____
<input type="checkbox"/>	ATTORNEY-IN-FACT	_____
<input type="checkbox"/>	TRUSTEE(S)	DATE OF DOCUMENT _____
<input type="checkbox"/>	GUARDIAN/CONSERVATOR	_____
<input type="checkbox"/>	OTHER _____	_____

SIGNER IS REPRESENTING:
(NAME OF PERSON(S) OR ENTITY(IES))

SIGNER(S) OTHER THAN NAMED ABOVE

