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DOUGLAS COUNTY CLERK
MINDEN, NV

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FRANCHISE AGREEMENT

BETWEEN

DOUGLAS COUNTY

AND

SOUTH TAHOE REFUSE CO.

FOR

RECYCLING, ORGANICS, AND SOLID WASTE COLLECTION

AND

RECYCLING AND ORGANICS PROCESSING SERVICES

DECEMBER 7, 2023

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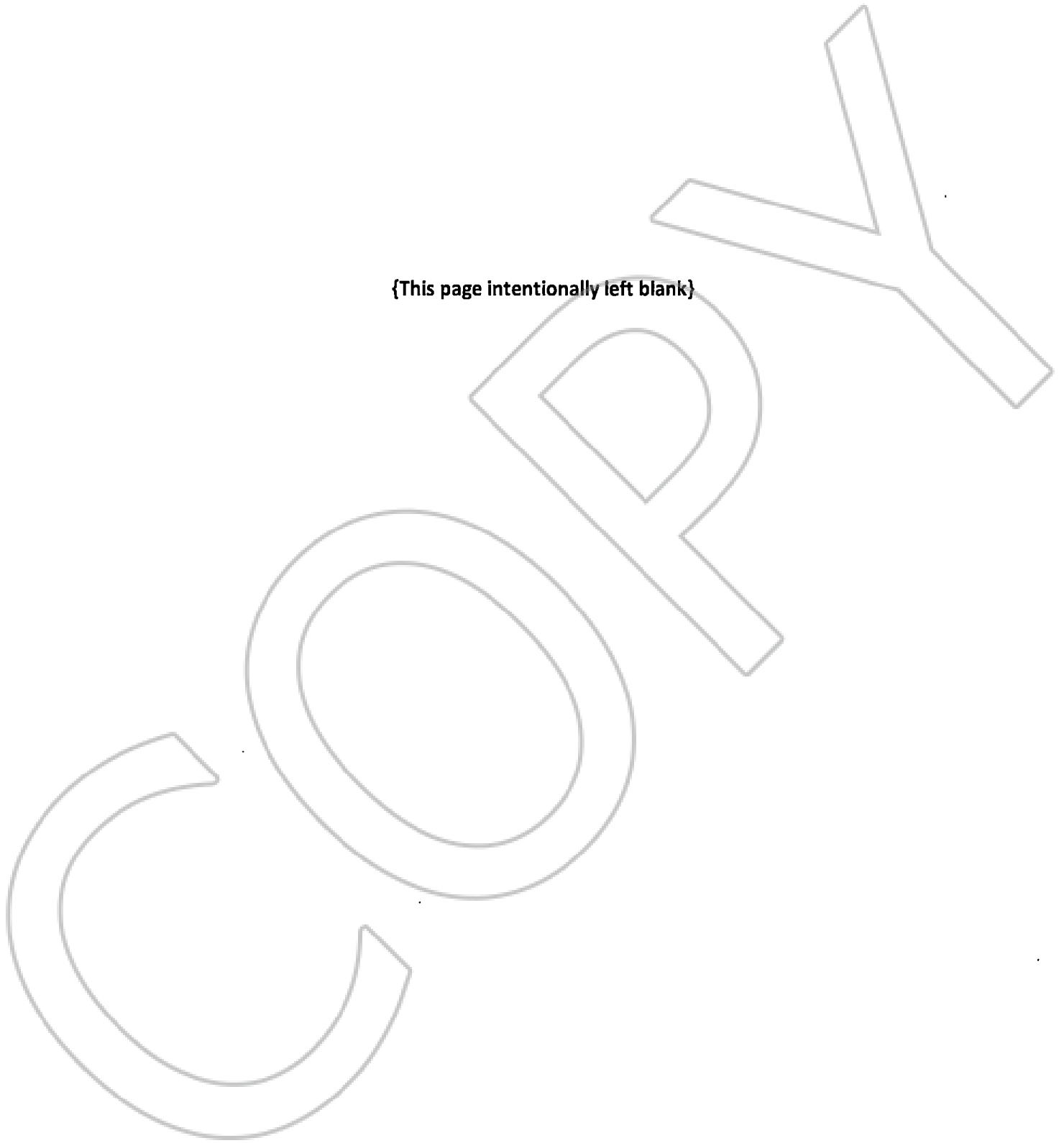


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- A. Definitions**
- B. Scope of Work for Collection Operations**
 - B1. General Requirements**
 - B2. Collection Services**
 - B3. Hours and Special Services**
 - B4. Transition Plan**
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- D. Reporting Requirements**
- E. Rate Setting Manual**
- F. Performance Standards and Liquidated Damages**
- G. Contractor's Proposal**
 - G1. Cost Basis for Proposal**
 - G2. Initial Rates for Collection Services**
- H. Approved Facilities and Subcontractor List**
- I. List of Properties with Bear Boxes as of Effective Date**
- J. Douglas County Tahoe Township Service Area**

1 Franchise Agreement
2 between
3 Douglas County
4 and
5 South Tahoe Refuse Co.
6 for Recycling, Organics, and Solid Waste Collection
7 and Recycling and Organics Processing Services

8 THIS FRANCHISE AGREEMENT is made and entered into as of **December 7, 2023** between Douglas County,
9 Nevada, a political subdivision of the State of Nevada (hereinafter "County"), and South Tahoe Refuse Co.
10 (hereinafter referred to as the "Contractor") (each a "Party" and collectively the "Parties").

11 **RECITALS**

12 This Agreement is entered into with reference to the following facts and circumstances:

13 **WHEREAS**, the Board of Commissioners has determined that the public health, safety and well-
14 being require an exclusive franchise be awarded to a qualified Solid Waste enterprise for the
15 collection and recovery of Solid Waste from certain residential, industrial and commercial areas
16 in Douglas County (the "County"); and

17 **WHEREAS**, County and Contractor are mindful of the provisions of the laws governing the safe
18 collection, transport, recycling and disposal of solid waste, including the Resource Conservation
19 and Recovery Act ("RCRA"), and the Comprehensive Environmental Response, Compensation and
20 Liability Act ("CERCLA"); and

21 **WHEREAS**, County has not and, by this Agreement does not, instruct Contractor on its collection
22 methods, nor supervise the collection of Solid Waste; and

23 **WHEREAS**, Contractor has represented and warranted to County that it has the experience,
24 responsibility and qualifications to arrange with residents, commercial, industrial, institutional and
25 other entities in the Tahoe Township (Exhibit J) in the County for the collection and safe transport
26 to disposal facilities of municipal Solid Wastes, and the Recycling of Recyclable Materials, the Board
27 of Commissioners determines and finds that the public interest, health, safety and well-being
28 would be best served if Contractor were to make arrangements with residents and other entities
29 to perform these services; and

30 **WHEREAS**, the County further declares its intent to approve and maintain reasonable Rates for the
31 Collection, Recycling, Processing, Composting, and/or Disposal of Recyclable Materials, Organic Materials,
32 and Solid Waste; and

33 **WHEREAS**, the County desires, having determined that Contractor, by demonstrated experience,
34 reputation and capacity is qualified to provide for both the Collection of Recyclable Materials, Organic
35 Materials, and Solid Waste within the limits of the Tahoe Township within the County and the

36 Transportation of such material to appropriate places of Processing, Recycling, Composting, and/or
37 Disposal, that Contractor be engaged to perform such services on the basis set forth in this Agreement;
38 and,

39 **WHEREAS**, the County and Contractor have attempted to address conditions affecting their performance
40 of services under this Agreement but recognize that reasonably unanticipated conditions may occur
41 during the Term of this Agreement that will require the Parties to meet and confer to reasonably respond
42 to such changed conditions; and,

43 **WHEREAS**, this franchise grants Contractor the privilege to use County streets to provide its services,
44 including running Collection routes with large vehicles and other heavy equipment that causes damage
45 and wear and tear on County streets in excess of that caused by day-to-day travel, and the right to use
46 County streets for placement of Bins for Collection, such that the parties agree that the franchise fee
47 represents the reasonable value of the franchise and the reasonable cost to the County of granting the
48 franchise.

49 NOW, THEREFORE, THE PARTIES AGREE AS FOLLOWS:

50 **ARTICLE 1.**
51 **GRANT AND ACCEPTANCE OF FRANCHISE**

52 **1.1 GRANT AND ACCEPTANCE OF FRANCHISE**

53 By the signing of this Agreement, the County grants to Contractor and Contractor accepts an exclusive
54 franchise within the limits of the Tahoe Township within the County. The franchise granted to Contractor
55 shall be for the scope of services described in this Agreement, subject to the limitations described in
56 Section 1.2 and except where otherwise precluded by Federal, State, and local laws and regulations.

57 **1.2 LIMITATIONS TO THE FRANCHISE**

58 The award of this Agreement shall not preclude the categories of Recyclable Materials, Food Waste, Solid
59 Waste, or other materials listed below from being delivered to and Collected and Transported by others,
60 provided that nothing in this Agreement is intended to or shall be construed to excuse any Person from
61 obtaining any authorization from the County which is otherwise required by law:

62 A. **Donated or Sold Materials.** Any items which are Source Separated at any Premises by the
63 Generator and (a) sold or (b) that are donated to youth, civic, or charitable organizations.
64 Materials will not be deemed donated if they are Collected by a non-franchised waste hauler that
65 is not a 501(c)(3) organization.

66 B. **Food Waste.** Other Persons shall maintain the right to: (1) accept Food Waste and Food-Soiled
67 Paper donated from the service recipient, or (2) to pay the service recipient for Food Waste and
68 Food-Soiled Paper provided that there is no net payment made by the service recipient to such
69 other Person in either case.

70 C. **Edible Food.** Edible Food which is Collected from a Generator by other Person(s), such as a Food
71 Recovery Organization or Food Recovery Service, for the purposes of Food Recovery; or which is
72 Self-Hauled by the Generator to another Person(s), such as a Food Recovery Organization, for the

73 purposes of Food Recovery, regardless of whether the Generator donates, sells, or pays a fee to
74 the other Person(s) to Collect or receive the Edible Food.

75 D. **Food Scraps.** Food Scraps that are separated by the Generator and used by the Generator or
76 distributed to other Person(s) for lawful use as animal feed. Food Scraps intended for animal feed
77 may be Self-Hauled by Generator or hauled by another party.

78 E. **Materials That Contractor Does Not Divert.** Discarded Materials which the Contractor is not
79 required to Process and Divert under this Agreement as of the Effective Date of this Agreement
80 which subsequently, in the County's reasonable judgment, become economically feasible to
81 Divert. In such event, Contractor shall have the exclusive right to Collect and Process such
82 materials if Contractor agrees to do so without any change in Rates. If Contractor is unwilling to
83 Process and Divert such new materials at existing Rates, the County may provide for Collection,
84 Processing, and Diversion of such materials in any manner it deems appropriate. Such materials
85 may include, but not be limited to, Organic Materials which Contractor would otherwise Dispose.
86 Contractor may not enforce its exclusive franchise rights in a manner that would prevent the
87 Diversion of material that Contractor is unable or unwilling to Divert.

88 F. **Materials Removed by Customer's Contractor as Incidental Part of Services.** Recyclable
89 Materials, Organic Materials, and Solid Waste removed from a Premises by a contractor (e.g.,
90 gardener, landscaper, tree-trimming service, construction contractor, Residential clean-out
91 service) as an incidental part of the service being performed, rather than as a separately
92 contracted or subcontracted hauling service.

93 G. **On-site or Community Composting.** Organic Materials Composted or otherwise legally managed
94 at the site where it is generated (e.g., backyard Composting, or on-site anaerobic digestion) or at
95 a Community Composting site.

96 H. **Excluded Waste.** Excluded Waste regardless of its source.

97 I. **Materials Generated by State and County Facilities.** Materials generated by State and County
98 facilities located in the County, including but not limited to the School Districts and Community
99 College Districts, provided that the Generator has arranged services with other Persons or has
100 arranged services with the Contractor through a separate agreement.

101 J. **Construction and Demolition Debris.** The Collection, removal, and Recycling of C&D Debris in
102 accordance with SIC Codes 152 through 1794, 1796, and 1799. Demolition refers to SIC Code 1795.
103 (Reference: Title 14 CCR Section 18720(a)(14).)

104 Contractor acknowledges and agrees that the County may permit other Persons besides the Contractor
105 to Collect any and all types of materials excluded from the scope of this Franchise, as set forth above,
106 without seeking or obtaining approval of Contractor. If Contractor can produce evidence that other
107 Persons are servicing Collection Containers or are Collecting and Transporting Recyclable Materials,
108 Organic Materials, and/or Solid Waste in a manner that is not consistent with this Agreement, it shall
109 report the location, the name and phone number of the Person or company to the County's Contract
110 Manager along with Contractor's evidence. In such case, County shall notify the Generator and Person
111 providing service of Contractor's rights under this Agreement.

112 This Agreement and scope of this franchise shall be interpreted to be consistent with Applicable Law, now
113 and during the Term of the Agreement. If future judicial interpretations of current law or new laws,
114 regulations, or judicial interpretations limit the ability of the County to lawfully contract for the scope of
115 services in the manner and consistent with all provisions as specifically set forth herein, Contractor agrees
116 that the scope of the Agreement will be limited to those services and materials which may be lawfully
117 included herein and that the County shall not be responsible for any lost profits or losses claimed by
118 Contractor to arise out of limitations to the scope or provisions of the Agreement set forth herein. In such
119 an event, it shall be the responsibility of Contractor to minimize the financial impact of such future judicial
120 interpretations or new laws and the Contractor may meet and confer with County and may petition for a
121 Rate adjustment pursuant to Section 8.3.

122 **1.3 OBLIGATIONS OF PARTIES**

123 In addition to the specific performance required under the Agreement, County and Contractor shall:

- 124 1. Use their commercially reasonable efforts to enforce the exclusive nature of the franchise by the
125 Contractor's identification and documentation of violations of this Agreement and the County's
126 notification of Generators and collection Persons reasonably believed to be violating the franchise
127 regarding the terms of this Agreement.
- 128 2. Provide timely notice to one another of a perceived failure to perform any obligations under this
129 Agreement and access to information demonstrating the Party's failure to perform.
- 130 3. Provide timely access to the County Contract Manager and the Contractor's designated
131 representative and complete and timely responses to requests of the other Party.
- 132 4. Provide timely notice of matters which may affect either Party's ability to perform under the
133 Agreement.

134

135

ARTICLE 2. TERM OF AGREEMENT

136 **2.1 TERM AND OPTION TO EXTEND**

137 The Term of this Agreement shall commence January 1, 2024 (Commencement Date) and continue in full
138 force for a period of twenty (20) years, through and including December 31, 2043, unless the Agreement
139 is extended in accordance with this Section or terminated pursuant to Section 10.2. Upon the
140 Commencement date, the Prior Agreement shall terminate.

141 At County's sole discretion, this Agreement may be extended one or more times on the same terms and
142 conditions without amendment for a period of no more than five (5) additional years for a total Term that
143 does not extend beyond March 31, 2049. If County desires to extend the Agreement, County shall provide
144 the Contractor with written notice of its decision to extend the Agreement at least one (1) year before
145 the expiration of the initial Term and at least six (6) months before the expiration of any extended term.
146 Such notice by County shall specify the duration of the extension.

147 Between the Effective Date and Commencement Date, Contractor shall perform all activities necessary to
148 prepare itself to start providing services required by this Agreement on the Commencement Date.

149 **2.2 CONDITIONS TO EFFECTIVENESS OF AGREEMENT**

150 The obligation of County to permit this Agreement to become effective and to perform its undertakings
151 provided for in this Agreement is subject to the satisfaction of all the conditions below, each of which may
152 be waived, in written form only, in whole or in part by County.

153 **A. Accuracy of Representations.** The Contractor's representations and warranties made in
154 Contractor's Proposal and Article 11 of this Agreement are true and correct on and as of the
155 Effective Date.

156 **B. Furnishings of Insurance and Performance Bond.** Contractor has furnished evidence of the
157 insurance and performance bond required by Article 9 that is satisfactory to the County.

158 **C. Absence of Litigation.** To the best of Contractor's knowledge, after reasonable investigation,
159 there is no action, suit, proceeding or investigation, at law or in equity, before or by any court or
160 governmental authority, commission, board, agency or instrumentality decided, pending or
161 threatened against Contractor wherein an unfavorable decision, ruling or finding, in any single
162 case or in the aggregate, would:

- 163 1. Materially adversely affect the performance by Contractor of its obligations hereunder;
164 2. Adversely affect the validity or enforceability of this Agreement; or,
165 3. Have a material adverse effect on the financial condition of Contractor, or any surety or
166 entity guaranteeing Contractor's performance under this Agreement.

167 **D. Permits Furnished.** Contractor has provided County with copies of all permits necessary for
168 operation of all Approved Facilities owned or operated by Contractor or any Subcontractor for
169 use under the terms of this Agreement.

170 **E. Legal Challenge.** Contractor understands and acknowledges that the award of this Agreement and
171 related decisions may be subject to various types of legal and environmental challenges (such
172 legal and environmental challenges being referred to collectively as "Legal Challenges").
173 Accordingly, this Agreement shall not become effective until the County reasonably determines
174 that (1) any Legal Challenges that had been initiated as of the time of such determination have
175 been resolved in favor of the County's award of this Agreement to Contractor; and (2) the deadline
176 to initiate any additional Legal Challenges has expired; provided, however, that Contractor shall
177 be entitled to rescind this Agreement upon thirty (30) days' prior written notice to the County if
178 such determination is not made by **February 29, 2024**.

179 **ARTICLE 3.**
180 **SCOPE OF AGREEMENT**

181 **3.1 SUMMARY SCOPE OF SERVICES**

182 The Contractor or its Subcontractor(s) shall be responsible for the following:

183 **A. Collecting Recyclable Materials, Organic Materials, and Solid Waste generated by and placed for**

184 Collection by Customers pursuant to the requirements of Article 4 and Exhibit B. At Contractor's
185 discretion, Contractor may provide and require a 3-Cart Collection program for the separate
186 Collection of Recyclable Materials, Organic Materials, and Solid Waste.

187 B. Transporting Collected materials to the appropriate Approved Facilities pursuant to requirements
188 of Article 4 and Exhibit B;

189 C. Processing Collected Recyclable Materials and Organic Materials at the appropriate Approved
190 Facilities pursuant to the requirements of Article 4 and Exhibit B;

191 D. Performing all other services required by this Agreement including, but not limited to, Customer
192 billing, public education, Customer service, Contamination monitoring, record keeping, and
193 reporting pursuant to Articles 4 and 6 and Exhibits C (Public Education & Outreach) and D
194 (Reporting);

195 E. Furnishing all labor, supervision, vehicles, Containers, other equipment, materials, supplies, and
196 all other items and services necessary to perform its obligations under this Agreement;

197 F. Paying all expenses related to provision of services required by this Agreement including, but not
198 limited to, taxes, regulatory fees (including County Fees and Reimbursements), and utilities;

199 G. Performing or providing all services necessary to fulfill its obligations in full accordance with this
200 Agreement at all times using best industry practice for comparable operations; and,

201 H. Complying with all Applicable Laws.

202 The enumeration and specification of particular aspects of service, labor, or equipment requirements shall
203 not relieve Contractor of the duty to perform all other tasks and activities necessary to fulfill its obligations
204 under this Agreement, regardless of whether such requirements are enumerated elsewhere in the
205 Agreement, unless excused in accordance with Section 10.7.

206 **3.2 USE OF APPROVED FACILITIES**

207 The Contractor, without constraint and as a free-market business decision in accepting this Agreement,
208 agrees to use the Approved Facilities for the purposes of Processing and/or Disposing of all Recyclable
209 Materials, Organic Materials, Solid Waste, and other materials Collected in the County. Use of a facility
210 must be approved, in writing, by the County prior to use consistent with the requirements of Article 4.
211 Such decision by Contractor in no way constitutes a restraint of trade notwithstanding any Change in Law
212 regarding Flow Control limitations or any definition thereof.

213 **3.3 SUBCONTRACTING**

214 Contractor shall not engage any Subcontractors for Collection, Transportation, or Processing of Recyclable
215 Materials, Organic Materials, or Solid Waste services without the prior written consent of County Contract
216 Manager. As of the Effective Date of this Agreement, County has approved Contractor's use of
217 Subcontractors as set forth in Exhibit H. If the Contractor plans to engage any Affiliate in the provision of
218 services, Contractor shall provide County Contract Manager with thirty (30) days written notification of
219 its plans and provide an explanation of any potential impacts related to the quality, timeliness, or cost of
220 providing services under this Agreement. All insurance documents must be reviewed and approved by the

221 County's Risk Manager prior to County acceptance. Contractor shall require that all Subcontractors file
222 insurance certificates with the County, name County as an additional insured, and comply with all material
223 terms of this Agreement.

224 **3.4 RESPONSIBILITY FOR MATERIALS**

225 Once Recyclable Materials, Organic Materials, and/or Solid Waste are placed in the Contractor's
226 Containers and at the Collection location, the responsibility for their proper handling shall Transfer directly
227 from the Generator to Contractor, with the exception of Excluded Waste if the Contractor can identify the
228 Generator pursuant to Section 5.8.B. Once Recyclable Materials, Organic Materials, and/or Solid Waste
229 are deposited by Contractor at the appropriate Approved Facility, such materials shall become the
230 responsibility of the owner or operator of the Approved Facility except for Excluded Waste pursuant to
231 Section 5.8.C.

232 Responsibility for Excluded Waste that has been inadvertently Collected by the Contractor shall remain
233 with the Contractor if it cannot identify the Generator, and Contractor shall assume all responsibility for
234 its proper Disposal.

235 **3.5 COUNTY-DIRECTED CHANGES TO SCOPE**

236 County may require a proposal from Contractor to establish the scope of any modification to existing
237 services (which may include use of Approved Facilities) to be provided under this Agreement. In such case,
238 Contractor shall present, within thirty (30) calendar days of County's request, unless an alternate schedule
239 is mutually agreed-upon, a written proposal to provide such modified or additional services. County shall
240 review the Contractor's Proposal for the change in scope of services. County and Contractor may meet
241 and confer to negotiate Contractor's proposed revisions and costs and shall amend this Agreement, as
242 appropriate, to reflect the mutually agreed-upon changes in scope. If the County and Contractor are
243 unable to agree on terms and conditions, including compensation adjustments, of such services within
244 ninety (90) calendar days from County receipt of Contractor's Proposal for such services, the County may
245 permit other Persons to provide such services. Nothing herein shall prevent the County from soliciting
246 cost and operating information from other Persons in order to inform the County's evaluation of
247 Contractor's Proposal.

248 At any time during the Term of this Agreement, the County may solicit proposals from other Persons for
249 services not contemplated under this Agreement. In the event that contracting with other Persons for
250 such services will reduce Contractor's Compensation under this Agreement, as described in Article 8, the
251 Contractor shall be offered the opportunity to match any other Person's proposed pricing and retain the
252 added scope of services. However, nothing in this Agreement shall prevent the County from contracting
253 with other Persons in the event that Contractor is unable or unwilling to provide such services at or below
254 the cost proposed by the other Person.

255 **ARTICLE 4.** 256 **SCOPE OF SERVICES**

257 Contractor shall (a) Collect Solid Waste generated at Residential Premises, and Commercial Premises
258 locations within the Tahoe Township in the County, and deliver the Solid Waste to the Approved Recovery
259 Facility or other Approved Facility, and (b) Collect Recyclable Materials, Yard Trimmings, Food Scraps, and
260 other items specified in Exhibit B that are placed for Collection by participating Residential Customers,

261 Commercial Customers, County facilities and other events and locations within the Tahoe Township in the
262 County, and deliver the Recyclable Materials, Yard Trimmings, Food Scraps, and other items specified in
263 Exhibit B to the Approved Recyclable Materials Processing Facility or other Approved Facility.

264 Contractor shall perform the Recyclable Materials, Organic Materials, and Solid Waste services described
265 in this Article 4, for any Customer in the County that subscribes to Contractor's Collection services.
266 Contractor's Collection services shall be offered to any Customer that places Containers in a public right-
267 of-way or that provides a waiver for Contractor to access the Private Road(s) where Customer places its
268 Containers.

269 This Article 4 describes the general requirements for the services to be provided. More specific
270 requirements for how each service shall be provided to each Customer Type are described in Exhibit B.
271 Failure to specifically require an act necessary to perform the service does not relieve Contractor of its
272 obligation to perform such act.

273 4.1 RECYCLABLE MATERIALS

274 A. **Collection.** Contractor shall provide Recyclable Materials Collection services as described in
275 Exhibit B.

276 B. **Processing.** Contractor shall Transport and deliver all Source Separated Recyclable Materials
277 placed in Recyclable Material Containers in the County to the Approved Recyclable Materials
278 Processing Facility. All costs associated with Transporting to and Processing of such Recyclable
279 Materials at the Approved Recyclable Materials Processing Facility and Disposing of the Residue
280 as required in Section 4.1.D below shall be paid by Contractor.

281 Contractor guarantees sufficient Capacity at the Approved Recyclable Materials Processing
282 Facility to Process all Source Separated Recyclable Materials Collected by Contractor under this
283 Agreement throughout the Term of the Agreement.

284 Contractor shall keep all existing permits and approvals necessary for use of the Approved
285 Recyclable Materials Processing Facility in full regulatory compliance. Upon request, Contractor
286 shall provide copies of facility permits and/or notices of violations (obtained from its Processing
287 Facility Subcontractor if necessary) to County Contract Manager.

288 If Contractor is unable to use the Approved Recyclable Materials Processing Facility due to an
289 event that meets the requirements for excusing Contractor from performance of this specific
290 obligation as described in Section 10.7, Contractor shall use an alternative Processing Facility
291 provided that the Contractor provides written notice to County Contract Manager. Within forty-
292 eight (48) hours of such emergency or sudden and unforeseen closure, the Contractor shall
293 provide a written description of the reasons the use of the Approved Recyclable Materials
294 Processing Facility is not feasible, and the period of time Contractor proposes to use the
295 alternative Processing Facility. Such a change in Processing Facility shall be temporarily permitted
296 until such time as the County Contract Manager is able to consider and respond to the use of the
297 proposed alternative Processing Facility. If the use of the proposed alternative Processing Facility
298 is anticipated to or actually does exceed thirty (30) days in a consecutive twelve (12) month
299 period, the use of such Processing Facility shall be subject to approval by the County Contract
300 Manager. The County Contract Manager may, in their sole discretion, approve, conditionally

301 approve, temporarily approve, or disapprove of the use of the proposed alternative Processing
302 Facility. If the County disapproves the use of the proposed alternative Processing Facility, the
303 Parties shall meet and confer to determine an acceptable Processing Facility.

304 If the use of an alternative Processing Facility is for reasons within Contractor's, or its Processing
305 Facility Subcontractor's control, Contractor's Compensation shall not be adjusted for any change
306 in Transportation and Processing costs associated with use of the alternative Processing Facility.
307 However, if the use of an alternative Processing Facility is due to reasons beyond Contractor's or
308 its Subcontractor's control, then County shall adjust, either up or down, Contractor's
309 Compensation for changes in Transportation and Processing costs associated with the use of the
310 alternative Processing Facility. The performance of Recyclable Materials commodity markets shall
311 not be considered an acceptable basis for use an alternative Processing Facility nor shall it serve
312 as the basis for any adjustment in Contractor's Compensation under this Agreement, other than
313 as specifically contemplated in Exhibit E to this Agreement. If the change in the Processing Facility
314 results in increased costs, County may identify and direct Contractor to an alternative Processing
315 Facility which results in less cost than the Contractor-identified alternative.

316 Except for the emergency conditions described in this section, Contractor shall not change its
317 selection of the Approved Recyclable Materials Processing Facility without County's written
318 approval, which may be withheld in the County's sole discretion. If Contractor elects to use a
319 Recyclable Materials Processing Facility that is different than the initial Approved Recyclable
320 Materials Processing Facility, it shall request written approval from the County Contract Manager
321 sixty (60) calendar days prior to use of the site and obtain County's written approval no later than
322 ten (10) calendar days prior to use of the site. Failure to meet the requirements of this Section
323 shall result in Liquidated Damage as identified in Exhibit F.

324 Contractor shall observe and comply with all regulations in effect at the Approved Recyclable
325 Materials Processing Facility and cooperate with and take direction from the operator thereof
326 with respect to delivery of Recyclable Materials. Contractor shall actively work with the Approved
327 Recyclable Materials Processing Facility operator throughout the Term of this Agreement to
328 ensure that Contamination of the Recyclable Materials Collected under this Agreement and
329 delivered to the Processing Facility remains below the limits established by Applicable Law.

330 **C. Marketing.** The Contractor shall be responsible for marketing Recyclable Materials Collected in
331 County that are delivered for Recovery at Contractor's Approved Recovery Facility. Contractor's
332 marketing strategy shall promote the highest and best use of materials. Where practical, the
333 marketing strategy should include use of local, regional, and domestic markets for Recyclable
334 Materials.

335 **D. Residue Disposal.** Residue from the Processing of Source Separated Recyclable Materials
336 Collected under this Agreement at Contractor's Approved Recovery Facility, which cannot be
337 marketed, shall be Disposed of by Contractor, or the Processing Facility Subcontractor, at one or
338 more Disposal Facilities selected by Contractor or such Processing Facility. Residue delivered for
339 Disposal shall not include any Excluded Waste.

340 **4.2 ORGANIC MATERIALS**

341 **A. Collection.** Contractor shall provide Organic Materials Collection services as described in Exhibit
342 B.

343 **B. Transfer.** Contractor plans to Transport Organic Materials to the Approved Recovery Facility
344 where the materials will be unloaded from Collection vehicles and loaded into large-Capacity
345 vehicles and Transported to the Approved Organic Materials Processing Facility. Contractor shall
346 keep all existing permits and approvals necessary for use of the Approved Recovery Facility in full
347 regulatory compliance.

348 **C. Processing.**

349 1. General. Contractor shall Transport and deliver all Source Separated Organic Materials
350 placed in Organic Material Containers in the County to the Approved Organic Materials
351 Processing Facility. All tipping fees and other costs associated with Transporting such
352 Organic Materials to the Approved Organic Materials Processing Facility and Disposing of
353 the Residue as required in Section 4.2.E below shall be paid by Contractor.

354 i. **Capacity Guarantee.** Contractor will use commercially reasonable efforts to
355 secure guarantees of sufficient capacity at the Approved Organic Materials
356 Processing Facility to Process all Source Separated Organic Materials Collected by
357 Contractor under this Agreement throughout the Term of the Agreement.

358 ii. **Compliance with Regulatory Requirements and Applicable Law.** Contractor shall
359 keep all existing permits and approvals necessary for use of the Approved Organic
360 Materials Processing Facility in full regulatory compliance. Upon request,
361 Contractor shall provide copies of facility permits and/or notices of violations
362 (obtained from its Processing Facility Subcontractor if necessary) to County
363 Contract Manager.

364 iii. **Notification of Emergency Conditions.** Each Approved Facility shall notify the
365 County of any unforeseen operational restrictions that have been imposed upon
366 the Facility by a regulatory agency or any unforeseen equipment or operational
367 failure that will temporarily prevent the Facility from Processing the Discarded
368 Materials Collected under this Agreement.

369 iv. **Approved Facility(ies) Unavailable/Use of Alternative Facility(ies).** If Contractor
370 is unable to use the Approved Organic Materials Processing Facility due to an
371 event that meets the requirements for excusing Contractor from performance of
372 this specific obligation as described in Section 10.7, Contractor shall use an
373 alternative Processing Facility provided that the Contractor provides written
374 notice to County Contract Manager. Within forty-eight (48) hours of emergency
375 or sudden and unforeseen closure, the Contractor shall provide a written
376 description of the reasons the use of the Approved Organic Materials Processing
377 Facility is not feasible, and the period of time Contractor proposes to use the
378 alternative Processing Facility. Such a change in Processing Facility shall be
379 temporarily permitted until such time as the County Contract Manager is able to

380 consider and respond to the use of the proposed alternative Processing Facility.
381 If the use of the proposed alternative Processing Facility is anticipated to or
382 actually does exceed thirty (30) days in a consecutive twelve (12) month period,
383 the use of such Processing Facility shall be subject to approval by the County
384 Contract Manager. The County Contract Manager may, in their sole discretion,
385 approve, conditionally approve, temporarily approve, or disapprove of the use of
386 the proposed alternative Processing Facility. If the County disapproves the use of
387 the proposed alternative Processing Facility, the Parties shall meet and confer to
388 determine an acceptable Processing Facility.

389 If the use of an alternative Processing Facility is for reasons within Contractor's,
390 or its Processing Facility Subcontractor's control, Contractor's Compensation shall
391 not be adjusted for any change in Transportation and Processing costs associated
392 with use of the alternative Processing Facility. However, if the use of an
393 alternative Processing Facility is due to reasons beyond Contractor's or its
394 Subcontractor's control, then County shall adjust, either up or down, Contractor's
395 Compensation for changes in Transportation and Processing costs associated
396 with the use of the alternative Processing Facility. In the event that the change in
397 the Processing Facility results in increased costs, County may identify and direct
398 Contractor to an alternative Processing Facility which results in less cost than the
399 Contractor-identified alternative.

400 Except for the emergency conditions described in this section, Contractor shall not change
401 its selection of the Approved Organic Materials Processing Facility without County's
402 written approval, which may be withheld in the County's sole discretion. If Contractor
403 elects to use an Organic Materials Processing Facility that is different than the initial
404 Approved Organic Materials Processing Facility, it shall request written approval from the
405 County Contract Manager sixty (60) calendar days prior to use of the site and obtain
406 County's written approval no later than ten (10) calendar days prior to use of the site.
407 Failure to meet the requirements of this Section shall result in Liquidated Damage as
408 identified in Exhibit F.

409 Contractor shall observe and comply with all regulations in effect at the Approved Organic
410 Materials Processing Facility and cooperate with and take direction from the operator
411 thereof with respect to delivery of Organic Materials. Contractor shall actively work with
412 the Approved Organic Materials Processing Facility operator throughout the Term of this
413 Agreement to ensure that Contamination of the Organic Materials Collected under this
414 Agreement and delivered to the Processing Facility remains below the limits established
415 by Applicable Law including.

416 **D. Marketing.** The Contractor shall be responsible for marketing Organic Materials Collected in the
417 County that are delivered for Processing at the Approved Organic Materials Processing Facility.
418 Where practical, the marketing strategy should include use of local, regional, and domestic
419 markets for Organic Materials.

420 **E. Residue Disposal.** Residue from the Processing of Organic Materials Collected under this
421 Agreement at the Approved Organic Materials Processing Facility, which cannot be marketed,
422 shall be Disposed of by Contractor, or the Processing Facility Subcontractor, at one or more

423 Disposal Facilities selected by Contractor or such Processing Facility. Residue delivered for
424 Disposal shall not include any Excluded Waste.

425 **4.3 SOLID WASTE**

426 Contractor shall offer and provide Solid Waste Collection services as described in Exhibit B.

427 Contractor acknowledges that County is committed to Diverting materials from Disposal through the
428 implementation of source reduction, reuse, Recycling, Composting, and other programs, and that County
429 may implement new programs, with or without the involvement of the Contractor, that may impact the
430 overall quantity or composition of Solid Waste to be Collected by Contractor. Contractor shall not be
431 entitled to any compensation or other relief resulting from a decline in Solid Waste volumes or Tonnage
432 or from a change in the composition of Solid Waste.

433 Contractor plans to Transport Solid Waste to the Approved Recovery Facility where the materials will be
434 unloaded from Collection vehicles and loaded into large-capacity vehicles and Transported to the
435 Approved Disposal Facility. Contractor shall keep all existing permits and approvals necessary for use of
436 the Approved Recovery Facility in full regulatory compliance. Upon request, Contractor shall provide
437 copies of facility permits and/or notices of violations (obtained from its Transfer Facility Subcontractor if
438 necessary) to County Contract Manager. If the Contractor is unable to use the Approved Recovery Facility,
439 then the Contractor shall be responsible for making other Transportation arrangements. In such event,
440 Contractor shall not be compensated for any additional costs. However, if the use of an alternative
441 Transfer Facility is due to reasons beyond the Contractor's or its Subcontractor's control, then County
442 shall adjust, either up or down, Contractor's Compensation for changes in Transportation and Processing
443 costs associated with the use of the alternative Transfer Facility. In the event that the change in the
444 Transfer Facility results in increased costs, County may identify and direct Contractor to an alternative
445 Transfer Facility which results in less cost than the Contractor-identified alternative. If the Contractor
446 plans to change its Transfer method, Contractor shall obtain written approval from the County prior to
447 making the change.

448 Contractor shall Transport all Solid Waste Collected in County to the Approved Disposal Facility.
449 Contractor shall pay all costs associated with Transportation and Disposal of Solid Waste including
450 payment of any gate fees charged at the Approved Disposal Facility. Contractor shall observe and comply
451 with all regulations and posted rules in effect at the Approved Disposal Facility and cooperate with and
452 take direction from the operator thereof with respect to delivery of Solid Waste.

453 Upon implementing a Zero Emission Vehicle fleet or once a disposal facility closer to the County than the
454 Approved Disposal Facility implements methane capture, Contractor shall cooperate with the County to
455 work towards Transporting Solid Waste Collected in County to a disposal facility which captures methane.

456 **4.4 PUBLIC EDUCATION AND OUTREACH**

457 The public education and outreach activities included in the scope of services provided by Contractor
458 under this Agreement are described in Exhibit C. Contractor shall produce and distribute public education
459 and outreach materials upon County request.

460 **A. Program Objectives.** Contractor shall be responsible for designing and conducting a public
461 education and outreach program for County review and approval, and Contractor shall be

462 responsible for the production and distribution of all materials under this program in accordance
463 with this Agreement. The public education and outreach strategy shall focus on improving
464 Generator understanding of the benefits of and opportunities for source reduction, reuse, and
465 landfill Disposal reduction. Examples of goals of the public education and outreach program
466 include, but are not limited to: (i) informing Generators about the services that are provided under
467 this Agreement with specific focus on describing the methods and benefits of source reduction,
468 reuse, Recycling, and Composting; (ii) instructing Generators on the proper method for placing
469 materials in Containers for Collection and setting Containers out for Collection, with specific focus
470 on minimizing Contamination of Recyclable Materials and Organic Materials; (iii) clearly defining
471 Excluded Waste and educating Generators about the hazards of such materials and their
472 opportunities for proper handling; (iv) discouraging Generators from buying products if the
473 product and its packaging are not readily reusable, Recyclable, or Compostable. The cumulative
474 intended effect of these efforts is to reduce generation of Solid Waste and, ultimately, Disposal
475 of Solid Waste by each Generator in the County. Contractor agrees to support and not undermine
476 or interfere with such efforts, and the County agrees to amplify all such outreach efforts through
477 all means necessary, appropriate, and available to the County. The parties agree to cooperate on
478 applications for available grant funding for outreach programs.

479 **B. Contractor Public Education Requirements.** Contractor agrees to print, produce, and distribute
480 education materials and conduct outreach, as required by the County, based on the County's
481 adopted program, the extent of these requirements may be similar to the example public
482 education and outreach requirements detailed in Exhibit C. Contractor shall provide these
483 materials in English and Spanish.

484 Contractor will evaluate changing to a billing system that allows education materials to be
485 included with bills mailed to customers.

486 Contractor acknowledges that they are part of a multi-party effort to operate and educate the
487 public about the regional integrated waste management system. Contractor shall cooperate and
488 coordinate with the County Contract Manager on public education activities to minimize
489 duplicative, inconsistent, or inappropriately timed education campaigns.

490 Contractor shall obtain approval from the County Contract Manager on all Contractor-provided
491 advertising, promotional, or service-related materials used within the County before publication,
492 distribution, and/or release. The County Contract Manager, in their sole discretion, shall have the
493 right to deny the use of any materials or content or may request that Contractor include County
494 identification and contact information on materials and Contractor's approval of such requests
495 shall not be unreasonably withheld.

496 **4.5 BILLING**

497 Contractor shall bill all Customers and be solely responsible for collecting billings at Rates set in
498 accordance with Article 8. Individual contracts between Contractor and a Customer for services provided
499 under this Agreement shall be prohibited.

500 Contractor shall bill all Customers for scheduled and regularly recurring services on a quarterly, bi-
501 monthly, or monthly basis. Contractor shall bill Customers for any on-call and/or non-recurring services
502 no more frequently than bi-monthly and may only bill for services provided during the previous two (2)

503 months.

504 Contractor shall develop, maintain, and regularly update a Customer Account Information Database,
505 which shall include but is not limited to:

- 506 i. Customer name;
- 507 ii. Phone number;
- 508 iii. Service address;
- 509 iv. Email address; and,
- 510 v. Customer Service Levels, including:
 - 511 a. Customer Service Levels exceptions, and,
 - 512 b. Customer service waivers.

513 Contractor shall make such database available, upon no more than five (5) Working Days request from
514 the County Contract Manager, in accordance with this Section and Section 6.1. Failure to maintain
515 database in accordance with this Section shall result in Liquidated Damages as identified in Exhibit F.

516 Contractor shall use commercially reasonable efforts to bill Customers electronically using paperless
517 invoices, however Contractor shall bill Customers who decline or are otherwise unable to provide email
518 contact information by standard mail, using standard (paper) invoices. Contractor shall permit Customers
519 the ability to pay their bills through an electronic check or credit card and include the ability for Customer
520 billings to be automatically charged on a recurring basis. Contractor shall prepare, mail, and collect bills
521 from Customers who decline to use such internet-based billing system. Contractor shall make
522 arrangements to allow such Customers to pay bills by cash, check, electronic check, money order, and
523 credit card.

524 Up to once per billing cycle, County may direct Contractor to attach inserts relating to County-sponsored
525 events and integrated waste management activities to Customer invoices. Contractor shall provide
526 electronic bill inserts to Customers who are billed electronically, and paper bill inserts to Customers who
527 receive paper bills. Electronic bill inserts/attachments must be readily available for the Customer to view
528 upon receipt of the invoice (attachments shall not be provided as links). Upon County request for such
529 attachments, Contractor shall comply with such request during its next billing cycle for the targeted
530 Customer group. If a postage increase is incurred because of the inserts, the County will be responsible
531 for the actual cost of the increase.

532 Contractor shall maintain copies of all billings and receipts, each in chronological order, for the Term of
533 this Agreement, for inspection and verification by the County Contract Manager at any reasonable time
534 but in no case more than thirty (30) calendar days after receiving a request to do so.

535 Contractor shall be responsible for collection of payment from Customers with past due accounts ("bad
536 debt") in accordance with this Section 4.7. Contractor shall make reasonable efforts to obtain payment
537 from delinquent accounts through issuance of late payment notices and telephone requests for payments.
538 Mandatory collection fees which remain unpaid for a period of 30 days or more will result in a cancelation

539 of service. Vacation Home Rental properties that are delinquent and/or request a stop in service will be
540 reported to County in monthly reports as described in Exhibit D.

541 In the event that any account becomes more than fifteen (15) calendar days past due, Contractor shall
542 notify such Customer of the delinquency via written correspondence, instructing the Customer that
543 unpaid bills which become more than thirty (30) calendar days delinquent may be assessed a 0.833% late
544 fee per month. Contractor shall provide a second written notice of delinquency to any account which
545 becomes more than sixty (60) calendar days past due. Should any account become more than sixty (60)
546 calendar days past due, Contractor may discontinue providing service to the Customer. No less than seven
547 (7) calendar days prior to discontinuing service to a Customer, Contractor shall notify the County Contract
548 Manager of the address, Service Level, service frequency, and delinquent billing amount. Contractor may
549 withhold service from a delinquent account until past delinquencies are paid in full.

550 If Contractor fails to invoice a Customer, or otherwise under-charges a Customer for services provided for
551 more than six (6) months, Contractor may not subsequently attempt to collect the under-charged amount
552 for more than six months of service. If Contractor over-charges a Customer for a period of more than six
553 (6) months, Contractor shall reimburse or credit the Customer for at least six months of the over-charged
554 service, but is not required by this Agreement to reimburse or credit the Customer for more than six (6)
555 months of overcharges.

556 **4.6 CUSTOMER SERVICE PROGRAM**

557 **4.6.1 Program Requirements**

558 **A. Business Office and Customer Service Center.** Contractor shall establish and maintain a business
559 office at the Approved Recovery Facility or another location within the County for purposes of
560 carrying out its obligations under this Agreement. Contractor shall also provide a full customer
561 service center within County limits.

562 **B. Customer Service Center Hours.** Contractor's business office and customer service center,
563 including telephone access, shall be open to the public to include at least the hours from 8:00 a.m.
564 to 5:00 p.m. Monday through Friday. The business office and customer service center may be
565 closed on Saturdays, Sundays, and Holidays.

566 A representative of the Contractor who is knowledgeable of the service area, services, and Rates
567 shall be available from 8 a.m. to 5 p.m. Monday through Friday at both the business office and
568 customer service center to communicate with the County and the public by in person and by
569 telephone and to assist Customers making payment in person. Contractor shall maintain a local
570 telephone number which it shall publicize, and Contractor shall maintain a voicemail system
571 available twenty-four (24) hour per day.

572 **C. Telephone.** Contractor shall use, pay all costs incurred by, and maintain during the Term of this
573 Agreement, a local phone number which shall serve as the primary point of contact between
574 Contractor and the public during normal business hours. Upon expiration or early termination of
575 this Agreement, the County shall retain the control of the local phone number. The Contractor
576 shall provide the County with a separate emergency telephone number for use by the County
577 Contract Manager outside normal business hours. The Contractor shall have such a representative
578 available at the emergency telephone number during all hours other than normal office hours.

579 Contractor shall maintain a telephone system in operation from 8 a.m. to 5 p.m. and shall have
580 sufficient equipment in place and staff a representative, or an answering service to available to
581 handle the volume of calls experienced on the busiest days and such telephone equipment shall
582 be capable of recording the responsiveness to calls. Contractor's telephone system shall offer
583 Customers who have been placed on-hold to opt to leave a voice message or email, rather than
584 remain on-hold. If Contractor's telephone Customer service performance falls below the
585 performance standards established in Exhibit F, the County shall have the right to require
586 Contractor to increase its staffing levels and/or call handling capacity without requirement for any
587 additional compensation to the Contractor. Recording of Contractor's responsiveness to calls shall
588 include, at a minimum, all items included in the "Service Quality and Reliability" and "Customer
589 Service" performance standards listed in Exhibit F. An answering machine or voicemail service
590 shall record Customer calls and voice messages between 5:00 p.m. and 8:00 a.m. Contractor shall
591 provide a live, not automated, call back on the same day to all Customers who leave voice
592 messages by 3:00 p.m. on a Working Day and shall provide a live call back by noon of the following
593 Working Day for any voice messages left after 5:00 p.m.

594 **D. Web Site and Email Access.** Contractor shall develop and maintain a web site that is accessible by
595 the public and dedicated, in part, to the operations under this Agreement in the County.
596 Contractor's web site shall include all Rates allowed to be charged under the Agreement, all public
597 education and outreach materials produced and distributed under this Agreement, and provide
598 the public the ability to e-mail Contractor questions, service requests, or Complaints. Contractor
599 shall respond the same day to all Customers who leave e-mail messages by 3:00 p.m. on a Working
600 Day and shall respond by noon of the following Working Day for any e-mail messages left after
601 5:00 p.m. Contractor may respond to Customer e-mails either via e-mail or phone.

602 **4.6.2 Service Requests, Compliments, Complaints**

603 Contractor shall be responsible for the prompt and courteous attention to, and prompt and reasonable
604 resolution of, all Customer service requests and Complaints. Contractor shall record, in its computer
605 system or a separate log, approved as to form by County Contract Manager, all Complaints, noting the
606 name and address of Complainant, date and time of Complaint, nature of Complaint, and nature and date
607 of resolution. The Contractor shall retain this Complaint log for the Term. Contractor shall record and
608 respond to all Complaints as communicated by the Customer, utilizing a "Customer is always right"
609 approach, shall not challenge or dispute the Customer's assertions or Complaints, and shall always
610 prioritize Customer satisfaction. Upon request by the County Contract Manager, Contractor shall compile
611 and submit a summary statistical table of the Complaint log.

612 Contractor shall respond to all Complaints received in accordance with the requirements of Section
613 4.8.1.B, and 4.8.1.C. Complaints related to missed Collections shall be addressed in accordance with
614 Section 4.8.3. Complaints related to repair or replacement of Carts or Bins, shall be addressed in
615 accordance with Section 5.6.

616 **4.7 SERVICE EXEMPTIONS**

617 **4.7.1 General Exemptions**

618 Contractor shall provide the County Contract Manager with a monthly report identifying all active
619 accounts and addresses which have been removed from service in the last month.

620 **4.7.2 Contractor Service Exemptions**

621 **A. Disaster Waivers.** In the event of a disaster, the County may grant Contractor a waiver of some or
622 all Discarded Materials Collection requirements under this Agreement and in the disaster-affected
623 areas for the duration of the waiver. Any resulting changes in Collection requirements shall be
624 addressed as a change in scope in accordance with Section 3.5.

625 **B. Removal of Material from Homeless Encampments and Illegal Disposal Sites.** The Contractor may,
626 but is not required to, separate or recover Organic Waste that County removes from homeless
627 encampments and illegal disposal sites as part of an abatement activity to protect public health and
628 safety. Contractor shall report the amount of Discarded Materials removed for Disposal from
629 homeless encampments and illegal disposal sites, in accordance with Exhibit D.

630 **C. Quarantined Waste.** If approved by the County, the Contractor may Dispose of, rather than Process,
631 specific types of Organic Materials and/or Recyclable Materials that are subject to quarantine for a
632 period of time specified by the County or until the County provides notice that the quarantine has
633 been removed and directs Contractor to Transport the materials to the Approved Facilities for such
634 material.

635 In accordance with Exhibit D, the Contractor shall maintain records and submit reports regarding
636 compliance agreements for quarantined Organic Materials and Recyclable Materials that are
637 Disposed of pursuant to this subsection.

638 **D. Extreme Snow Events.** In the case of extreme snow events where certain roads remain unplowed
639 and inaccessible for a period of time, the County may grant Contractor a temporary waiver of some
640 or all Discarded Materials Collection requirements under this Agreement, for the duration of time
641 that those certain roads remain inaccessible.

642 **4.8 FAILURE TO COLLECT**

643 **4.8.1 Solid Waste**

644 When Solid Waste is not Collected by Contractor from any service recipient, Contractor shall
645 notify its service recipient in writing, at the time Collection is not made, through the use of a "tag"
646 or otherwise, of the reasons why the Collection was not made.

647 **4.8.2 Recyclable Materials or Organics**

648 Contractor may choose not to Collect Recyclable Materials or Organics that contain twenty
649 percent (20%) by volume or greater of Solid Waste, subject to Contractor's commercially
650 reasonable efforts to educate the public. Contractor shall issue written warning notices as stated
651 in Exhibit B to such service recipients stating the reason(s) why their Recyclable Materials and/or
652 Organics were not Collected. Monthly, Contractor shall report to the County any warning notices
653 issued. Contractor shall take direction from the County with regard to termination or
654 reinstatement of service to a service recipient.

655 Contractor may refuse to Collect Recyclable Materials or Organics from, and shall not be obligated
656 to continue to provide any Recyclable Materials or Yard Waste Container to, any service recipient
657 who, after efforts to re-educate the service recipient and the second written warning in a twelve

658 (12) month period, fails to sort Recyclable Materials or Yard Waste from other Solid Waste and/or
659 fails to properly set out their Recyclable Materials or Organics Container.

660 **4.8.3 Non-Collection Notices**

661 **A. Non-Collection Notice.** Upon identification of Prohibited Container Contaminants in a Container
662 in excess of standards agreed upon by the Parties or Excluded Waste, Contractor shall provide a
663 Non-Collection Notice to the Generator.

664 The Non-Collection Notice shall, at a minimum:

- 665 a. Inform the Customer of the reason(s) for non-Collection;
- 666 b. Include the date and time the notice was left or issued;
- 667 c. Describe the premium charge to Customer for Contractor to return and Collect the
668 Container after Customer removes the Contamination;
- 669 d. Provide a warning statement that a Contamination Processing Fee may be
670 assessed; and,
- 671 e. Include photographic evidence of the violation(s), when providing notice by mail,
672 e-mail, or text message.

673 Communications with Customer. Whenever a Container at the Premises of a Commercial or a
674 Multi-Family Customer is not Collected, Contractor shall contact the Customer on the scheduled
675 Collection day or within two (2) hours of the scheduled Collection day by telephone, email, text
676 message, or another verbal or electronic message to explain why the Container was not Collected.
677 Whenever a Container is not Collected because of Prohibited Container Contaminants, a
678 Customer service representative shall contact the Customer to discuss, and encourage the
679 Customer to adopt proper Discarded Materials preparation and separation procedures.

680 Contractor Return for Collection. Upon request from Customer, Contractor shall Collect
681 Containers that received Non-Collection Notices within one (1) Working Day of Customer's
682 request if the request is made at least two (2) Working Days prior to the regularly scheduled
683 Collection Day. Contractor may bill Customer for the extra Collection service event ("extra pick-
684 up") at the applicable County-approved Rates only if Contractor notifies Customer of the premium
685 Rate for this service at the time the request is made by Customer.

686 **B. Assessment of Contamination Processing Fees.** If the Contractor observes twenty percent (20%)
687 or more Prohibited Container Contaminants and has issued a Courtesy Pick-Up Notice or Non-
688 Collection notice, as appropriate, the Contractor may impose a Contamination Processing Fee
689 approved by the County for that Customer's Service Level. The intent of Contamination Processing
690 Fees is to provide a behavioral tool to educate and prevent Customers from placing Source
691 Separated Discarded Material into the improper designated Container(s), not to generate
692 revenue, and the Contamination Processing Fee should be set accordingly to achieve this intent.

693 Failure to comply with the requirements of this section shall equate to Ligated Damages in
694 accordance in Exhibit F.

695 Contractor shall leave a Contamination Processing Fee notice attached to the Generators'
696 contaminated Container(s). Contractor must also deliver notice by mail to the bill-payer's address
697 within twenty-four (24) hours of assessing the Contamination Processing Fee.

698 1. Contamination Processing Fee Notice. Contamination Processing Fee Notices shall be in a
699 format approved by the County Contract Manager. Contractor shall notify the County in its
700 monthly report of Customers for which Contamination Processing Fees were assessed per
701 Section 4.10.1(F).

702 Each Contamination Processing Fee Notice shall, at a minimum:

- 703 i. Describe the specific material(s) of issue;
- 704 ii. Explain how to correct future set outs; and,
- 705 iii. Indicate that the Customer will be charged a Contamination
706 Processing Fee on their next bill.

707 **C. Reporting Requirements.**

708 1. **Container Contaminant Log:** The driver or other Contractor representative shall record
709 each event of identification of Prohibited Container Contaminants in a written log or in the
710 on-board computer system including, but not limited to: date, time, Customer's address,
711 type of Container, and maintain photographic evidence.

712 2. **Contaminant Fees Assessment Report:** Additionally, on no less than a weekly basis,
713 Contractor's Contract Administrator shall update the Customer's account records to note
714 the contaminant event(s) as identified by driver(s). Contractor shall maintain records and
715 report to the County monthly on Contamination monitoring activities and actions taken,
716 consistent with the submittal timing and content requirements of Exhibit D. Failure to meet
717 the requirements of this Section 4.10.1(F)(2), shall equate to Liquidated Damages as
718 identified in Exhibit F.

719 3. **Quarterly Report:** The quarterly report shall include, but is not limited to: list of Customers
720 that were assessed charges; photographic evidence of each Contamination event(s) where
721 a fee(s) was assessed; verification processes to assure accurate fee assessment; date of
722 notification, form(s) of notification given to Customer; list of efforts made in educating the
723 Customer that was assessed a fee; list of Customer Complaints in response to fee
724 assessment; Contractor's response and actions taken in response to Customer Complaints;
725 and, the dollar amount of Contamination Processing Fees assessed during the reporting
726 period. Failure to meet the requirements of this Section 4.11.1(F)(3), shall equate to
727 Liquidated Damages as identified in Exhibit F.

ARTICLE 5.
STANDARD OF PERFORMANCE

728
729

730 **5.1 GENERAL**

731 Contractor shall at all times comply with Applicable Law and provide services in a manner that is safe to
732 the public and the Contractor's employees.

733 **5.2 OPERATING HOURS AND SCHEDULES**

734 **A. Hours of Collection.** Unless otherwise authorized by the County Contract Manager, Contractor's
735 days and hours for Collection operations shall be as follows:

736 **1. Residential Premises.** Collection from Residential Premises shall only occur between the
737 hours of 7:00 a.m. and 7:00 p.m., Monday through Friday.

738 **2. Commercial Premises.** Collection from Commercial Premises shall only occur between
739 the hours of 5:00 a.m. and 8:00 p.m., Monday through Saturday.

740 **3. County Facilities.** The Collection schedule for County facilities shall be the same as
741 Commercial Premises specified in subsection 5.2.A.2 above.

742 **B. Changes in Collection Routes.** Prior to March 1, 2024, Contractor shall provide the County with
743 route maps identifying at a minimum: the type of route (e.g. Single-Family, Multi-Family,
744 Commercial, etc. and Solid Waste, Recycling, and Organic) and the service day. County shall either
745 approve or deny proposed standard Collection routes prior to April 1, 2024. If County denies any
746 standard Collection routes, Contractor may request a meet and confer with the County Contract
747 Manager to discuss potential options. The County Contract Manager's decision shall be final with
748 respect to any routing changes that may impact the day of service of any Customer. Contractor
749 may, at any time during the Term of this Agreement, propose changes or additional routes,
750 subject to County approval. If a standard Collection route change is approved, Contractor must
751 notify all affected Customers fourteen (14) days prior to Contractor implementing the new route.
752 Failure to obtain County approval on route changes resulting in service day changes for Customers
753 shall be subject to Liquidated damages as identified in Exhibit F.

754 **C. Holiday Collection.** Contractor, at its sole discretion, may choose not to provide Collection
755 services on a Holiday. In such event, Contractor shall provide Single-Family Collection services on
756 the day following the Holiday thereby adjusting subsequent work that week with normally
757 scheduled Friday Collection Services being performed on Saturday; however, Customer service
758 days shall be returned to the normal schedule within one (1) week of the Holiday. Multi-Family,
759 Commercial, and County Collection Services shall be adjusted as agreed between the Contractor
760 and the Customer but must meet the minimum frequency requirement of one (1) time per week.
761 The Contractor shall provide Customers notice of Holiday-related changes in Collection schedules
762 at least two (2) weeks prior to the change.

763

764 **5.3 COLLECTION STANDARDS**

765 **A. Servicing Containers.** Contractor shall Collect and return each Container to the Curbside location
766 where the Occupant is required to place the Container for Collection. Contractor shall place the
767 Containers upright with lids properly secured. During snow removal conditions, Contractor shall,
768 without additional charge, Collect and return Containers to a location 10 feet outside of the right-
769 of-way to avoid interference with or damage from snow removal operations, so long as Occupant
770 has cleared a path.

771 Contractor shall Collect and return each Cart located in a Bear Box that is installed on the Premises
772 as of the Effective Date of this Agreement. A list of Premises with an installed Bear Box subject to
773 this requirement is attached hereto as Exhibit I.

774 Contractor and County shall meet and confer at least annually regarding County snow removal
775 operations with respect to trash pickup to work together cooperatively to minimize conflicts.

776 **B. Non-Collection, Courtesy Noticing.** Prior to the Commencement Date, Contractor shall develop,
777 and submit to the County Contract Manager for review and approval, and as per the requirements
778 of Section 4.11.1(D)

779 1. A template Non-Collection Notice, for use in instances of acceptable non-Collection of
780 Discarded Materials; and,

781 2. A template Courtesy Pick-Up Notice, for use in instances of improper set-out of Discarded
782 Materials, which the Contractor, at its sole option, elects to Collect as a courtesy to the
783 Customer.

784 Per the requirements identified in Section 4.10.1, in the event that Contractor encounters
785 circumstances at a Customer Premises which prevents the Contractor from Collecting Discarded
786 Materials which have been placed for Collection, Contractor shall leave a Non-Collection Notice
787 at the Customer Premises clearly explaining Contractor's reason for refusal to Collect the
788 Discarded Materials. Contractor shall not be required to Collect Discarded Materials which are
789 reasonably believed to contain Excluded Waste, pursuant to the requirements of Section 5.8.

790 In the event that Contractor encounters circumstances at a Customer Premises which allow for
791 safe Collection of Discarded Materials, but do not otherwise reflect proper set-out procedures
792 (including, but not limited to spills not caused by the Contractor, Carts placed too close together,
793 Carts placed in front of one another, and/or Carts placed too close to parked cars), Contractor
794 shall Collect the material and leave a Courtesy Pick-Up Notice at the Customer Premises clearly
795 explaining how the Customer failed to comply with proper set-out procedures.

796 Contractor may educate the public on proper set-out procedures designed to maximize the
797 efficiency of Collection. However, Contractor acknowledges that such procedures are not practical
798 in all circumstances and failure of the Customer to follow such procedures does not constitute a
799 reason for non-Collection if the Discarded Materials may be safely and reasonably serviced.
800 Contractor's route drivers shall dismount their Collection vehicles and reposition Containers as
801 necessary to provide Collection service. Contractor may not require a Customer to set out the
802 Customer's Containers in such a manner that would block vehicle access to Customer's driveway.

803 Contractor and Customers may mutually agree to uncommon service locations if necessary for
804 Collection in specific areas.

805 Contractor may refuse to Collect Recyclable Materials or Organic Materials Containers which are
806 contaminated in accordance with Exhibit B and Section 4.10, and shall leave an approved Non-
807 Collection notice informing Customer how to properly separate materials.

808 **C. Litter Abatement.** Contractor shall use due care to prevent spills or leaks of material placed for
809 Collection, fuel, and other vehicle fluids while providing services under this Agreement. If any
810 materials are spilled or leaked during Collection and Transportation, the Contractor shall clean up
811 all spills or leaks before leaving the site of the spill.

812 Contractor shall not Transfer loads from one vehicle to another on any Public Street, unless it is
813 necessary to do so because of mechanical failure, combustion of material in the truck, or
814 accidental damage to a vehicle.

815 Contractor shall cover all open Drop Boxes at the pickup location before Transporting materials
816 to the Approved Facility.

817 Contractor shall conduct public outreach and staff training to Customers on best management
818 practices for litter abatement at no extra charge. Such best management practices include,
819 without limitation:

820 1. Closing Container lids and right sizing service: Contractor staff will tag overfull Containers
821 with Courtesy Pick-Up Notices, which will serve as outreach and education to the Customer.
822 Photos of the Container will be taken by drivers, attached to the Customer's account, and
823 will be available to outreach and Customer service staff in order to demonstrate to the
824 Customer where a problem exists.

825 2. Outreach to Customer on importance of bagging lightweight materials such as plastic bags,
826 film plastics, foam peanuts, and other materials that can easily become litter due to their
827 lightweight nature.

828 3. Driver training on litter reduction techniques and litter removal best management
829 practices.

830 4. Affixing signage to the Contractor trucks which provides a phone number for residents to
831 report material spills.

832 5. Proper use of animal-resistant Carts and not placing Carts out for Collection prior to 6:00am
833 on Collection day in order to minimize animal encounters.

834 **D. Enclosure Standards.** Contractor shall work with the County to develop standard specifications
835 for Collection Container enclosures at Commercial and Multi-Family Premises. These
836 specifications shall be developed to ensure that the Collection Container enclosures are built to
837 provide adequate space for and suitable configuration to allow the Contractor to safely and
838 efficiently service Recyclable Materials, Organic Materials, and Solid Waste Containers.
839 Contractor's Operations Manager or other appropriately qualified staff shall, upon request by the
840 County Contract Manager, provide a review of plans for new Multi-Family and Commercial

841 development or project design drawings. Contractor shall provide comments and
842 recommendations resulting from the review in writing within ten (10) Working Days of receipt of
843 the documents for review. In each review report, Contractor shall comment on the acceptability
844 of the proposed enclosure arrangements in terms of: i) the adequacy of space for Recyclable
845 Materials, Organic Materials, and Solid Waste Containers; ii) the accessibility of the Containers for
846 Collection including whether additional charges (e.g., push/pull, etc.) would apply; and iii) ease of
847 use by tenants.

848 E. **No Commingling of Materials.** Contractor shall Collect materials generated in the County in
849 Collection vehicles separately from other materials generated outside the County service area,
850 unless otherwise approved by the County Contract Manager. Contractor shall not commingle
851 materials which have been Source Separated with other material types (for example, Source
852 Separated Recyclable Materials which have been properly placed for Collection shall not be
853 combined with Solid Waste or Source Separated Organic Materials). The purpose of this
854 requirement is to ensure the ability to process and accurately report quantities of the various
855 materials.

856 **5.4 TRANSFER AND PROCESSING STANDARDS**

857 **5.4.1 Equipment and Supplies**

858 Contractor shall use commercially reasonable efforts to ensure the Approved Facilities are equipped and
859 operated in a manner to fulfill Contractor's obligations under this Agreement. Contractor is responsible
860 for ensuring the adequacy, safety, and suitability of the Approved Facilities. Contractor shall use
861 commercially reasonable efforts to modify, enhance, and/or improve the Approved Recovery Facilities as
862 needed to fulfill Services under this Agreement.

863 Contractor shall provide all rolling stock, stationary equipment, material storage containers, spare parts,
864 maintenance supplies, Transfer, Transport, and Processing equipment, and other consumables as
865 appropriate and necessary to operate the Approved Processing Facilities and provide all services required
866 by this Agreement. Contractor shall place the equipment in the charge of competent operators.
867 Contractor shall repair and maintain all equipment at its own cost and expense.

868 **5.4.2 Scales and Weighing**

869 Contractor is solely responsible for ensuring accurate weighing of all materials entering and leaving the
870 Approved Processing Facilities.

871 A. **Facility Scales.** Contractor shall maintain State-certified motor vehicle scales in accordance with
872 Applicable Law. All scales shall be linked to a centralized computer recording system at the
873 Approved Processing Facilities to record weights for all incoming and outgoing materials. Contractor
874 shall provide back-up generator(s) capable of supplying power to the scales in the event of a power
875 outage. Contractor shall promptly arrange for use of substitute portable scales should its usual
876 scales not be available for whatever reason. Pending substitution of portable scales, Contractor shall
877 as necessary estimate the Tonnages of materials delivered to and Transported from the Approved
878 Processing Facilities, on the basis of delivery vehicle and Transfer trailer volumes, tare weights,
879 and/or other available facility weight records. These estimates shall take the place of actual weights
880 while scales are inoperable, and shall be identified as estimates in electronic records and reporting.

881 **B. Tare Weights.** No later than June 15, 2024, Contractor shall ensure that all vehicles used by
882 Contractor to deliver Recyclable Materials, Organic Materials, and Solid Waste to the Approved
883 Processing Facilities are weighed to determine unloaded (“tare”) weights. Contractor shall
884 electronically record the tare weight, identify vehicle as Contractor owned, and provide a distinct
885 vehicle identification number for each vehicle. Contractor shall provide County with a report listing
886 the vehicle tare weight information upon request. Contractor shall promptly weigh additional or
887 replacement vehicles prior to placing them into service. Contractor shall check tare weights at least
888 annually, or within fourteen (14) calendar days of a County request, and shall re-tare vehicles
889 immediately after any major maintenance or service event.

890 **C. Testing.** Contractor shall test and calibrate all scales in accordance with Applicable Law, but at least
891 one (1) test and recalibration per scale every twelve (12) months or upon County request.

892 **D. Records.** Contractor shall maintain computerized scale records and reports that provide
893 information including date of receipt, inbound time, inbound and outbound weights of vehicles, and
894 vehicle identification number. Contractor shall also maintain computerized scale records and
895 reports providing historical vehicle tare weights for each vehicle and the date and location for each
896 tare weight recorded.

897 **E. Upon-Request Reporting.** If vehicle receiving and unloading operations are recorded on video
898 cameras at the Approved Processing Facilities, Contractor shall make those videos available for
899 County review during the Approved Processing Facility’s operating hours, upon request of the
900 County, and shall provide the name of the driver of any particular load if available.

901 **F. Volumetric Conversion.** For all material that an Approved Processing Facility operator is allowed to
902 not weigh with scales, the operator shall use reasonable volumetric conversion factors to estimate
903 the weight of the material.

904 **5.5 COLLECTION VEHICLE REQUIREMENTS**

905 **A. Vehicle Requirements.** Contractor shall provide a fleet of Collection vehicles sufficient in number
906 and capacity to efficiently perform the work required by the Agreement in strict accordance with
907 its terms. Contractor shall have available sufficient back-up vehicles for each type of Collection
908 vehicle used to respond to scheduled and unscheduled maintenance, service requests, Complaints,
909 and emergencies.

910 1. All such vehicles shall have watertight bodies designed to prevent leakage, spillage, or
911 overflow. All such vehicles shall meet On-Road Heavy Duty Vehicle emissions requirements
912 for model year 2020, regardless of the actual model year of Contractor’s vehicles, and
913 generally comply with all Federal, State, and local laws and regulations.

914 2. Collection vehicles shall present a clean appearance while providing service under this
915 Agreement.

916 **B. Vehicle Display.** Contractor’s name and local telephone number shall be displayed in readable text
917 on all vehicles. Vehicles shall be equipped with sign board holders or other hardware to allow public
918 education signage to be displayed on both sides of the vehicle.

919 C. **Vehicle Inspection.** Contractor shall inspect each vehicle daily to ensure that all equipment is
920 operating properly. Vehicles that are not operating properly shall be taken out of service until they
921 are repaired and operate properly. Contractor shall repair, or arrange for the repair of all its vehicles
922 and equipment for which repairs are needed because of accident, breakdown or any other cause so
923 as to maintain all equipment in a safe and operable condition. County Contract Manager may
924 inspect vehicles at any reasonable time, and within three (3) calendar days of such a request, to
925 determine compliance with sanitation requirements.

926 D. **Vehicle Operations.** All Collection operations shall be conducted as quietly as possible and shall
927 conform to applicable Federal, State, Tahoe Regional Planning Agency, and County noise level
928 regulations. The County may request Contractor to check any piece of equipment for conformance
929 with the noise limits in response to Complaints and/or when the County Contract Manager believes
930 it is reasonable to do so.

931 5.6 CONTAINER REQUIREMENTS

932 A. **Containers Provided to Customers.** If Contractor elects to implement a 3-cart system, then
933 Contractor shall provide Residential Customers with new Carts to implement the 3-Cart Collection
934 program. Contractor may request an extension from the County based on good cause, which the
935 County may grant or deny within its reasonable discretion. Contractor shall provide Containers to
936 new Customers requesting service initiation within three (3) Working Days of Contractor's first
937 receipt of the Customer request. Contractor-provided Containers for new Customers shall be clean,
938 and shall comply with the Container standards set forth in the Section. All Containers shall display
939 Contractor's name, logo, and telephone number described in Section 4.8.1, website, capacity (yards
940 or gallons) and some identifying inventory or serial number.

941 B. Container Standards

942 1. All Carts shall be manufactured by injection or rotational molding methods. The Cart handles
943 and handle mounts may be an integrally molded part of the Cart body or molded as part of
944 the lid. The Cart handles shall provide comfortable gripping area for pulling or pushing the
945 Cart or lifting the lid. Pinch points are unacceptable. Carts provided to Customer shall have a
946 useful life of ten (10) or more years or more as evidenced by a manufacturer's warranty or
947 other documentation acceptable to the County.

948 2. Carts shall remain durable, and at a minimum, shall meet the following durability
949 requirements to satisfy its intended use and performance, for the Term of this Agreement:
950 maintain its original shape and appearance; be resistant to kicks and blows; require no routine
951 maintenance and essentially be maintenance free; not warp, crack, rust, discolor, or
952 otherwise deteriorate over time in a manner that shall interfere with its intended use; resist
953 degradation from ultraviolet radiation; be incapable of penetration by biting or clawing of
954 household pets (i.e., dogs and cats); the bottoms of Cart bodies must remain impervious to
955 any damage, that would interfere with the Cart's intended use after repeated contact with
956 gravel, concrete, asphalt, or any other rough and abrasive surface; all wheel and axle
957 assemblies are to provide continuous maneuverability and mobility as originally designed and
958 intended.

- 959 3. Carts shall be resistant to common household or Residential products and chemicals; human
960 and animal urine and feces; and, airborne gases or particulate matter currently present in the
961 ambient air of the Service Area.
- 962 4. Except for Customers listed on Exhibit I, Contractor shall provide all Single-Family customers
963 with an animal-resistant Cart for Solid Waste. The Solid Waste Cart shall be designed such
964 that wild animals, especially bears, cannot open it when the lid is properly closed.
- 965 5. All Containers with a capacity of one (1) cubic yard or more shall meet applicable Federal
966 regulations for Bin safety and be covered with attached lids.
- 967 6. Contractor shall obtain the County's written approval of Container material, design, colors,
968 labeling, and other specifications before acquisition, painting, labeling, or distribution occurs.
- 969 7. When purchasing plastic Collection Containers, Contractor shall use commercially reasonable
970 efforts to purchase Containers that contain a minimum of thirty percent (30%) post-consumer
971 recycled plastic content, unless such requirement is waived by the County Contract Manager.
- 972 8. Container lids shall be designed such that the follow requirements are met:
- 973 a. Prevents the intrusion of rainwater and vectors;
- 974 b. Prevents the emissions on odors;
- 975 c. Enables the free and complete flow of material from the Container during the dump
976 cycle without interference with the material already deposited in the truck body or the
977 truck body itself and its lifting mechanism;
- 978 d. Permits users of the Cart to conveniently and easily open and shut the lid throughout
979 the serviceable life of the Cart;
- 980 e. Hinges to the Cart body in such a manner to enable the lid to be fully opened, free of
981 tension, to a position whereby it may rest against the backside of the Cart body;
- 982 f. Prevents damage to the Container body, the lid itself, or any component parts through
983 repeated opening and closing of the lid by Generators or in the dumping process as
984 intended;
- 985 g. Remains closed in winds up to twenty-five (25) miles per hour from any direction. All lid
986 hinges must remain fully functional and continually hold the lid in the original designed
987 and intended positions when either opened or closed or any position between the two
988 (2) extremes; and,
- 989 h. Designed and constructed such that it prevents physical injury to the user while opening
990 and closing the Cart.
- 991 9. Containers shall be stable and self-balancing in the upright position, when either empty or
992 loaded to its maximum design capacity with an evenly distributed load, and with the lid in
993 either a closed or an open position. Containers shall be capable of maintaining upright

994 position in sustained or gusting winds of up to twenty-five (25) miles per hour as applied from
995 any direction.

996 10. Containers shall be capable of being easily moved and maneuvered, if applicable, with an
997 evenly distributed load equal in weight to its maximum design capacity on a level, sloped or
998 stepped surface.

999 11. All such Containers shall be one hundred percent (100%) recyclable at the end of their useful
1000 life.

1001 12. All Containers shall be designed and constructed to be watertight and prevent the leakage of
1002 liquids.

1003 **C. Container Colors.** Colors shall be colorfast and resistant to fading as a result of weathering or
1004 ultraviolet degradation; as follows:

1005 1. Recyclable Materials Container lids shall be blue;

1006 2. Organic Materials Container lids shall be green; and,

1007 3. Solid Waste Container lids shall be black.

1008 Hardware such as hinges and wheels on the Containers may be a different color than specified
1009 above.

1010 **D. Container Labeling.** All markings on the Containers shall be approved by the County in advance
1011 of ordering such Containers. On the lid of each Cart, and the body of each Bin and Drop Box,
1012 Contractor shall label the ultimate destination of such materials as follows: "LANDFILL" for Solid
1013 Waste; "RECYCLE" for Recyclable Materials; and, "YARD WASTE" or "FOOD SCRAPS" for Organic
1014 Materials. On the body of each Cart, Bin, and Drop Box, Contractor shall label the Container
1015 capacity (in gallons for Carts, and cubic yards for Bins and Drop Boxes). Container body labeling
1016 shall be positioned on the side of each Container so it is visible to the Customer at all times.

1017 Carts shall have positional marking in the form of an arrow (at least three (3) inches by five (5)
1018 inches) hot stamped in white color on the Cart lid or side, indicating the direction of Cart
1019 placement; and the phrase: "PLACE CART WITH ARROW FACING STREET FOR COLLECTION."

1020 All Carts shall include a high-quality educational information label using in-mold technology, such
1021 that all labeling shall be integral to the lid, though the use of injection molding, and shall not be
1022 affixed to any part of the Cart or lid using adhesives unless absolutely necessary. The in-mold lid
1023 label shall, at a minimum, include for each Container: primary materials accepted; primary
1024 materials prohibited; a clear indication of Prohibited Container Contaminants for that Container
1025 type; a clear indication of acceptable materials; notification forbidding Hazardous Waste and
1026 describing proper Disposal thereof; notification forbidding scavenging (through words and
1027 international symbols) and describing the penalties therefore under Nevada law or County Code;
1028 information about the Collection program; and, Contractor's name and logo. Upon expiration or
1029 early termination of this Agreement, Contractor shall transfer access and rights of such phone
1030 number and website to the County.

1031 E. **Repair and Replacement of Containers; Inventory.** Contractor shall be responsible for repairing
1032 or replacing Containers when Contractor determines the Container is no longer suitable for
1033 service; or when the County or Customer requests replacement of a Container that does not
1034 properly function, leaks, is damaged, or is otherwise not fit for service. Contractor shall be
1035 responsible for acquiring and providing the replacement Containers. Weather conditions
1036 permitting, Contractor shall repair or replace all damaged or broken Containers within three (3)
1037 Working Days of Customer or County request. Minor cracks, holes, and other damages to hinges,
1038 wheels, axle, hardware, and other component parts shall be readily repairable by the Contractor
1039 personnel. All repairs must restore the Cart to its full functionality to meet the design and
1040 performance requirements as set for herein.

1041 Contractor shall maintain a sufficient inventory of Containers to accommodate new Customer
1042 requests for service, requests for change in Service Levels (size, type, or number of Containers)
1043 from current subscribers, and requests for replacement due to damage.

1044 Contractor shall provide to Single-Family Customers at least one (1) free Cart replacement per any
1045 twelve (12) month period for damage to the Cart that renders it unusable as determined by
1046 Contractor, upon Customer request. If Customer requests more than one (1) Cart replacement
1047 per any twelve (12) month period, Contractor shall make Carts available at the County-approved
1048 Rate for such services. In addition, Single-Family Customers may also request one Cart size
1049 exchange per Rate Period at no charge. Weather conditions permitting, all such Containers shall
1050 be provided within three (3) Working Days of request. Contractor's failure to comply with the
1051 Container requirements may result in assessment of Liquidated Damages pursuant to Section 10.6
1052 and Exhibit F.

1053 F. **Maintenance, Cleaning, Painting.** All Containers shall be maintained in a safe, serviceable, and
1054 functional condition, and present a clean appearance. Contractor shall repair or replace all
1055 Containers damaged by Collection operations in accordance with standards specified in Section
1056 5.6.D, unless damage is caused by Customer's gross negligence, in which case, the Customer will
1057 be billed for repair or replacement of Container at a County-approved Rate for such service. All
1058 Containers shall be maintained in a functional condition.

1059 Contractor shall steam clean and/or repaint all Containers as needed (other than Carts) to present
1060 a clean appearance. Contractor shall offer steam cleaning service (or clean Container exchange)
1061 to Customers requesting such service and shall charge Customers for such cleaning (or Container
1062 exchange) at the County-approved Rate for such service, up to two times per year.

1063 Weather conditions permitting, Contractor shall remove graffiti from Containers within forty-
1064 eight (48) hours of identification by Contractor or notice by County or Customer.

1065 Upon request from the County Contract Manager, Contractor shall provide the County with a list
1066 of Containers and the date each Container was painted and maintained.

1067 G. **County Ownership of Containers at End of Term.** Upon expiration or early termination of
1068 Agreement, all Containers purchased and put into service at Customer Premises during the Term
1069 of the Agreement shall become property of the County at no cost to the County if such Containers
1070 are fully depreciated. All Containers, and Compactors purchased and put into service at Customer
1071 Premises during the Term of the Agreement that have not been fully depreciated shall be available

1072 to the County, at the County's option, at a cost reflecting the net book value for ratemaking
1073 purposes.

1074 At its sole discretion, the County may elect not to exercise its rights with regards to this Section
1075 and, in such case, the Containers, and Compactors shall remain the property of the Contractor
1076 upon the date of this Agreement's expiration or earlier termination. In such case, Contractor shall
1077 be responsible for outstanding depreciation and for removing all Containers, and Compactors in
1078 service from the Premises within fourteen (14) Working Days of the expiration date or early
1079 termination date of this Agreement or within a different timeframe mutually agreed to by the
1080 Parties. Contractor shall arrange for reuse or Recycling of Containers, and Compactors removed
1081 from the County.

1082 **5.7 PERSONNEL**

1083 **A. General.** Contractor shall furnish such qualified personnel as may be necessary to provide the
1084 services required by this Agreement in a safe and efficient manner.

1085 Contractor shall use its best efforts to assure that all employees present a neat appearance and
1086 conduct themselves in a courteous manner. Contractor shall not permit its employees to accept,
1087 demand, or solicit, directly or indirectly, any additional compensation, or gratuity from Customers
1088 or members of the public.

1089 **B. Driver Qualifications.** All drivers must have in effect a valid license, of the appropriate class.

1090 **C. Safety Training.** Contractor shall provide suitable operational and safety training for all employees
1091 who operate Collection vehicles or equipment. Contractor shall train its employees involved in
1092 Collection to identify, and not to Collect, Excluded Waste. Upon the County Contract Manager's
1093 request, Contractor shall provide a copy of its safety policy and safety training program, the name
1094 of its safety officer, and the frequency of its trainings.

1095 **D. Designated Staff.**

1096 1. Contractor's Contract Administrator. Contractor shall designate at least one (1) qualified
1097 employee as County's primary point of contact with Contractor who is principally
1098 responsible for Collection operations and resolution of service requests and Complaints.
1099 Such individual shall be empowered to negotiate on behalf of and bind Contractor with
1100 respect to any changes in scope, dispute resolution, compensation adjustments, and
1101 service-related matters which may arise during the Term of this Agreement. Such individual
1102 is defined as Contractor's General Manager.

1103 2. Field Supervisor. Contractor shall designate one (1) qualified full-time employee as
1104 supervisor of field operations. The designated Field Supervisor will devote at least fifty
1105 percent (50%) of his/her time in the County in the field checking on Collection operations,
1106 including responding to Customer requests, inquiries, and Complaints.

1107 3. Environmental Compliance Manager. Contractor shall provide one (1) full-time
1108 Environmental Compliance Manager. The Environmental Compliance Manager shall be a
1109 full-time, regular, professional position, compensated in accordance with the wages shown

1110 in Contractor's Proposal for such position. Contractor acknowledges that the Environmental
1111 Compliance Manager role is not intended to be an internship, or entry-level role. County
1112 may also employ corresponding staff members who will work in partnership with
1113 Contractor's Environmental Compliance Manager and Contractor's Environmental
1114 Compliance Manager shall cooperate and share information openly with such County
1115 employee.

1116 E. **Key Personnel.** Contractor shall make every reasonable effort to maintain the stability and
1117 continuity of Contractor's staff assigned to perform the services required under this Agreement.
1118 Contractor shall notify the County of any changes in Contractor's designated staff pursuant to this
1119 Section 5.7 to be assigned to perform the services required under this Agreement and shall obtain
1120 the approval of the County Contract Manager of all proposed new designated staff members
1121 pursuant to this Section 5.7 who are to be assigned to perform services under this Agreement
1122 prior to any such performance.

1123 Notwithstanding County's approval of Contractor's personnel, Contractor shall not be relieved
1124 from any liability resulting from the work to be performed under this Agreement, nor shall
1125 Contractor be relieved from its obligation to ensure that its personnel maintain all requisite
1126 certifications, licenses, and the like, and Contractor shall ensure that its personnel at all times fully
1127 comply with Applicable Law.

1128 **5.8 HAZARDOUS WASTE INSPECTION AND HANDLING**

1129 A. **Inspection Program and Training.** Contractor shall develop a load inspection program that
1130 includes the following components: (i) personnel and training; (ii) load checking activities; (iii)
1131 management of wastes; and, (iv) record keeping and emergency procedures.

1132 Contractor's load checking personnel, including its Collection vehicle drivers, shall be trained in:
1133 (i) the effects of Hazardous Substances on human health and the environment; (ii) identification
1134 of prohibited materials; and, (iii) emergency notification and response procedures. Collection
1135 vehicle drivers shall inspect Containers before Collection when practical.

1136 B. **Response to Excluded Waste Identified During Collection.** If Contractor determines that material
1137 placed in any Container for Collection is Excluded Waste or presents a hazard to Contractor's
1138 employees, the Contractor shall have the right to refuse to accept such material. The Generator
1139 shall be contacted by the Contractor and requested to arrange proper Disposal. If the Generator
1140 cannot be reached immediately, the Contractor shall, before leaving the Premises, leave Non-
1141 Collection Notice, which indicates the reason for refusing to Collect the material and lists the
1142 phone number of a facility that accepts the Excluded Waste or a phone number of an entity that
1143 can provide information on proper Disposal of the Excluded Waste. Under no circumstances shall
1144 Contractor's employees knowingly Collect Excluded Waste or remove unsafe or poorly
1145 containerized Excluded Waste from a Collection Container.

1146 If Excluded Waste is found in a Collection Container or Collection area that could possibly result
1147 in imminent danger to people or property, the Contractor shall immediately notify the Fire
1148 Department.

1149 C. **Response to Excluded Waste Identified at Processing or Disposal Facility.** Materials Collected by
1150 Contractor will be delivered to the Approved Facilities for purposes of Processing or Disposal. In
1151 the event that load checkers and/or equipment operators at such facility identify Excluded Waste
1152 in the loads delivered by Contractor, such personnel shall remove these materials for storage in
1153 approved, on-site, Excluded Waste storage Container(s). Contractor shall arrange for removal of
1154 the Excluded Wastes at its cost by permitted haulers in accordance with Applicable Laws and
1155 regulatory requirements. The Contractor may at its sole expense attempt to identify and recover
1156 the cost of Disposal from the Generator. If the Generator can be successfully identified, the cost
1157 of this effort, as well as the cost of Disposal shall be chargeable to the Generator.

1158 **5.9 CONTRACT MANAGEMENT**

1159 Consistent with Section 12.10, the County Contract Manager shall monitor and administer of this
1160 Agreement. Contractor shall designate an employee to serve as Contractor's Contract Administrator(s),
1161 to be responsible for working closely with the County Contractor Manager in the monitoring and
1162 administration of this Agreement. Contractor shall be responsible for notifying the County Contract
1163 Manager of any change in assignments.

1164 The Contractor's Contract Administrator shall meet and confer with the County Contract Manager to
1165 resolve differences of interpretation and implement and execute the requirements of this Agreement in
1166 an efficient, effective, manner that is consistent with the stated objectives of this Agreement.

1167 The County Contract Manager and the Contractor's Contract Administrator shall hold contract
1168 management meetings quarterly or at such other frequency as designated by the County Contract
1169 Manager. This meeting is intended to review the status of Contractor's implementation of programs and
1170 services required under this Agreement, coordinate shared efforts between the parties, and such other
1171 agenda items as are deemed appropriate by the Parties for such meetings.

1172 From time to time the County Contract Manager may designate other agents of County to work with
1173 Contractor on specific matters. In such cases, those individuals should be considered designates of the
1174 County Contract Manager for those matters to which they have been engaged. Such designates shall be
1175 afforded all of the rights and access granted thereto.

1176 In the event of dispute between the County Contract Manager and the Contractor regarding the
1177 interpretation of or the performance of services under this Agreement, the County Contract Manager's
1178 determination shall be conclusive except where such determination results in a material impact to the
1179 Contractor's revenue and/or cost of operations. In the event of a dispute between the County Contract
1180 Manager and the Contractor results in such material impact to the Contractor, the provisions of Section
1181 10.9 shall apply. For the purposes of this Section, "material impact" is an amount equal to or greater than
1182 one percent (1%) of Contractor's annual Gross Receipts under this Agreement.

1183 County Contract Manager or their designate shall have the right to observe and review Contractor
1184 operations and Processing Facilities and enter Premises for the purposes of such observation and review,
1185 including review of Contractor's records, during reasonable hours with reasonable notice. In no event
1186 shall Contractor prevent access to such Premises for a period of more than three (3) calendar days after
1187 receiving such a request.

1188 **5.10 SUPPORT OF COUNTY'S ENVIRONMENTAL GOALS**

1189 Contractor shall perform services under this Agreement in a manner which supports the County's
1190 environmental goals. This includes, but is not limited to, providing services, education, and outreach to
1191 Customers and in the community, which promote source reduction, reuse, Recycling, Composting, and
1192 other methods to reduce landfill Disposal.

1193 **ARTICLE 6.**
1194 **RECORD KEEPING AND REPORTING**

1195 **6.1 RECORD KEEPING**

1196 Contractor shall maintain Customer contact data, Customer service, accounting, statistical, operational,
1197 programmatic, and other records, and associated documentation, related to its performance as shall be
1198 necessary to provide detailed and accurate reports under this Agreement, and to demonstrate compliance
1199 with this Agreement and Applicable Law. Unless otherwise required in this Article, Contractor shall retain
1200 all records and data required to be maintained by this Agreement for the Term of this Agreement plus
1201 seven (7) years after its expiration or earlier termination. Records and data shall be in chronological and
1202 organized form that is readily and easily interpreted to facilitate the flexible use of data to structure
1203 reports. Contractor's records shall be stored in one central location, physical or electronic, that can be
1204 readily accessed by Contractor. Upon request, any such records shall be retrieved in a timely manner, not
1205 to exceed five (5) Working Days of a request by the County Contract Manager, and made available to the
1206 County Contract Manager.

1207 Contractor shall maintain adequate record security to preserve records from events that can be
1208 reasonably anticipated such as a fire, theft, and an earthquake. Electronically maintained data and records
1209 shall be protected and backed-up. The County reserves the right to require the Contractor to maintain the
1210 records required herein using a County-selected web-based software platform, at Contractor's expense.
1211 To the extent that Contractor utilizes its computer systems to comply with record keeping and reporting
1212 requirements under this Agreement, Contractor shall, on a monthly basis, save all system-generated
1213 reports supporting those record keeping and reporting requirements in a static format in order to provide
1214 an audit trail for all data required by County, as requested, under this Agreement.

1215 At a mutually agreed upon time during normal business hours, but within five (5) Work Days of a written
1216 request, Contractor shall provide to the County the Contractor's data and records with respect to the
1217 matters covered by this Agreement and Applicable Law. Contractor shall permit the County, or its
1218 designee, to audit, examine, and make excerpts or transcripts from such data and records, and make
1219 copies of all data relating to all matters covered by this Agreement and the Applicable Law. Contractor
1220 shall maintain such data and records in an accessible location and condition for a period of not less than
1221 five (5) years following the County's receipt of final payment under this Agreement unless the County
1222 agrees in writing to an earlier disposition. Contractor agrees that all data regarding business operations,
1223 Customer lists, routing, Tonnage, Service Levels, work orders issued from dispatch, Customer service logs
1224 and account notes, and work force and bargaining agreements, do not constitute Proprietary Information
1225 or Trade Secrets and shall be made available to the County Contract Manager or their designee upon
1226 request and within the timelines required by this Section 6.1.

1227 County views its ability to defend itself against Comprehensive Environmental Response, Compensation
1228 and Liability Act (CERCLA), and related litigation as a matter of great importance. For this reason, County

1229 regards its ability to prove where Collected Recyclable Materials, Organic Materials, and Solid Waste are
1230 taken for Transfer, Processing, or Disposal. Contractor shall maintain records which can establish where
1231 Recyclable Materials, Organic Materials, and Solid Waste Collected were Transferred, Processed, or
1232 Disposed. This provision shall survive the expiration or earlier termination of this Agreement. Contractor
1233 shall maintain these records for a minimum of ten (10) years beyond expiration or earlier termination of
1234 the Agreement. Contractor shall provide these records to County (upon request or at the end of the record
1235 retention period) in an organized and indexed manner rather than destroying or Disposing of them.

1236 **6.2 REPORT SUBMITTAL REQUIREMENTS**

1237 Contractor shall submit quarterly reports within fourteen (14) calendar days after the end of the quarter
1238 and annual reports no later than forty-five (45) calendar days after the end of each calendar year.
1239 Quarterly and annual reports shall include at a minimum, all data and information described in Exhibit D,
1240 unless otherwise specified under this Agreement.

1241 Contractor may propose report formats that are responsive to the objectives and audiences for each
1242 report. The format of each report shall be approved by the County Contract Manager, in their sole
1243 discretion. County Contract Manager may, from time to time during the Term, review, and request
1244 changes to Contractor's report formats and content and Contractor shall not unreasonably deny such
1245 requests.

1246 Contractor shall submit all reports to the County Contract Manager electronically via e-mail using software
1247 acceptable to the County. The County reserves the right to require the Contractor to maintain records and
1248 submit the reports required herein through use of a County-selected web-based software platform, at the
1249 Contractor's expense.

1250 County reserves the right to require Contractor to provide additional reports or documents as County
1251 Contract Manager reasonably determines to be required for the administration of this Agreement or
1252 compliance with Applicable Law.

1253 **6.3 PERFORMANCE REVIEW AND AUDIT**

1254 The County may conduct, and Contractor shall cooperate with, performance reviews and detailed financial
1255 audits, at any point during the Term of this Agreement in the County Contract Manager's sole discretion,
1256 to verify Contractor has fulfilled its financial and operational obligations under this Agreement. The
1257 purpose of such review and audit shall be, without limitation, to review Complaints, billings, and fee
1258 payments to County, and to determine if Contractor has met the performance standards described in this
1259 Agreement (including, without limitation, direct services provided to Customers as described in Exhibit B,
1260 public education and outreach required in Exhibit C, recordkeeping and reporting as required in Exhibit D,
1261 and performance standards established in Exhibit F). County may choose to enlist professional service
1262 providers to perform such review and audit, at its own cost. Contractor may not influence or control the
1263 County's selection of professional service providers nor the specific review items covered by the review.
1264 Contractor shall cooperate with the County and its agents during the review and audit process. If any
1265 noncompliance with the Agreement is found, the County may direct the Contractor to correct the
1266 inadequacies in accordance with Article 10 of this Agreement.

1267 At the County's sole option, with at least thirty (30) calendar days written notification to the Contractor,
1268 it may conduct a public hearing at which the Contractor shall be present and shall participate, to review

1269 the Contractor's performance, quality of service, and evaluation of technological and regulatory changes.
1270 The reports required by Exhibit D to this Agreement regarding Customer Complaints may be utilized as a
1271 basis for review as well as any findings from performance review and/or audits. Performance and service
1272 quality review hearings may be scheduled by the County at its discretion throughout the Term of the
1273 Agreement.

1274 In addition to the other requirements of this Agreement, the Parties shall be subject to the examination
1275 and audit of the State Auditor for a period of three (3) years after final payment under the Agreement,
1276 per Government Code section 8546.7.

1277

1278

ARTICLE 7. COUNTY REIMBURSEMENT

1279 7.1 FRANCHISE FEE

1280 The Contractor shall pay a Franchise Fee to County each quarter in exchange for the exclusive rights
1281 granted under this Agreement, including the exclusive right to use County rights-of-way for Collection
1282 vehicles and placement of Carts for Collection. The amount of the Franchise Fee shall be equal to three
1283 percent (3%) of Gross Receipts, paid out of Contractor's Profit, for all services performed under this
1284 Agreement and shall be paid in equal quarterly installments, paid in arrears.

1285 7.2 PAYMENT SCHEDULE AND LATE FEES

1286 Within forty-five (45) calendar days of the end of each calendar quarter, during the Term of this
1287 Agreement, Contractor shall remit to County all fees as described in this Article. Such fees shall be
1288 remitted to County and sent or delivered to the County Finance Department. If such remittance is not
1289 paid to County on or before the forty-fifth (45th) calendar day following the end of a calendar quarter, all
1290 fees due shall be subject to a delinquency penalty of ten percent (10%) per annum.

1291 Each quarterly remittance to County shall be accompanied by a statement listing the amount of each fee
1292 paid and calculation of each fee, by Customer Type for the period collected from all operations conducted
1293 or permitted by this Agreement. County Contract Manager may, at any time during the Term, request a
1294 detailed calculation of Gross Receipts which may include, but is not necessarily limited to, the number of
1295 Customers charged at each Service Level and Rate for each billing period. Contractor shall maintain all
1296 supporting documents and calculations for each payment made to County as required by Section 6.1.

1297 County Contract Manager may, at any time during the Term, perform an audit of Contractor's billings and
1298 payment of fees. Contractor shall cooperate with the County Contract Manager in any such audit. Should
1299 County or its agent perform this review and identify billing errors or other errors in payment of fees valued
1300 at one percent (1%) or more of Gross Receipts for the period reviewed, Contractor shall, in addition to
1301 compensating County for lost fees, reimburse the County's actual cost of the review.

1302 **ARTICLE 8.**
1303 **CONTRACTOR'S COMPENSATION AND RATE**
1304 **SETTING**

1305 **8.1 GENERAL**

1306 The Contractor's Compensation for performance of all its obligations under this Agreement shall be Gross
1307 Receipts. Contractor's Compensation provided for in this Article shall be the full, entire and complete
1308 compensation due to Contractor pursuant to this Agreement for all labor, equipment, materials and
1309 supplies, Transfer, Processing and Disposal fees, County Fees, taxes, insurance, bonds, overhead,
1310 operations, profit, and all other things necessary to perform all the services required by this Agreement
1311 in the manner and at the times prescribed. Nothing herein shall obligate County to provide any
1312 compensation to Contractor beyond Gross Receipts.

1313 If Contractor's actual costs, including fees due to County, are more than Gross Receipts, Contractor shall
1314 not be compensated for the difference in actual costs and actual Gross Receipts. If Contractor's actual
1315 costs are less than the actual Gross Receipts, Contractor shall retain the difference provided that
1316 Contractor has paid County Fees pursuant to Article 7.

1317 Under this Agreement, Contractor shall have the right and obligation to charge and collect from
1318 Customers, Rates in Exhibit G2 that are approved by the County for provision of services to Customers.
1319 The initial Rates will be set prior to Commencement of this Agreement. Contractor's proposed costs and
1320 operating assumptions are presented in Exhibit G1. This Agreement includes references to Contractor's
1321 ability to charge Customers for various services provided and described in this Agreement. Contractor
1322 may not charge Customer any Rate which is not approved in Exhibit G2, as may be amended from time to
1323 time. Exhibit G2 includes descriptions of the basis for and occasions upon which Contractor may charge
1324 those Rates. Contractor may not charge a Rate for a service other than that which is described in Exhibit
1325 G2. In the event of a conflict between Exhibit G2 and any other provision of this Agreement, the
1326 description in Exhibit G2 shall control.

1327 The Approved Recyclable Materials Processing Facility shall retain a portion of revenues received for the
1328 sale of Recyclable Materials including Nevada Redemption Value revenues as set forth in Table 1-3 of
1329 Exhibit E. Such revenues will be considered in the establishment of Rates for services provided under this
1330 Agreement under Exhibit E. Neither Contractor nor the Approved Recovery Facility are entitled to funds
1331 available through the Department of Resources Recycling and Recovery (CalRecycle) through its
1332 "County/County Payment Program" pursuant to Section 14581(a)(5)(A) of the Nevada Beverage Container
1333 Recycling and Litter Reduction Act.

1334 **8.2 RATES AND ANNUAL ADJUSTMENTS**

1335 **A. General.** Rates shall be set by the County Board of Commissioners following a recommendation
1336 from the South Lake Tahoe Basin Waste Management Authority in accordance with the
1337 procedures set forth in Exhibit E, as may be modified by the County from time to time as required
1338 to comply with state law.

1339 **B. Initial Rates.** Rates applicable upon the Commencement Date of this Agreement will be
1340 determined through the 2024 Base Year rate-setting process in accordance with Exhibit E.

1341 C. **Rates for Subsequent Rate Periods.** Rates for subsequent Rate Periods shall be adjusted annually
1342 in accordance with this Section 8.2 and Exhibit E.

1343 The interim year index-based adjustment, which is described in Exhibit E, involves use of various
1344 cost adjustment factors (such as the percentage change in the consumer price index and changes
1345 in disposal fees) to calculate adjusted Rates. Such Rate adjustment calculations shall be performed
1346 in strict conformance to the procedures described in Exhibit E.

1347 Base year Rates shall be adjusted using the cost-based methodology described in Exhibit E that
1348 involves a review of Contractor's actual costs and revenues and projection of costs and revenues
1349 for the coming Rate Period. This cost-based Rate adjustment will be performed instead of the
1350 index-based Rate adjustment for that Rate Period. The cost-based adjustment process is intended
1351 to provide the County an opportunity to adjust Rates to more accurately reflect actual revenues
1352 and costs of operations. Such Rate adjustment calculations shall be performed in strict
1353 conformance to the procedures described in Exhibit E.

1354 **8.3 EXTRAORDINARY RATE ADJUSTMENTS**

1355 In the event of any Change in Scope (as defined below) or any Change in Law (as defined in Exhibit A)
1356 either of which results in an increase or decrease in Contractor's costs or revenues, in the event of an
1357 Extraordinary Cost Increase (as defined below), or in the event of any Change in Fees (as defined below),
1358 an appropriate adjustment will be made in the Rates in order to compensate, to the maximum extent
1359 possible, for such increase or decrease in costs, revenues or Fees, commencing from the date(s) such
1360 increase or decrease first occurs using the rate-setting process described in Exhibit E as amended by
1361 Section 8.4 of this Agreement. Any Rate adjustment due to a Change in Scope, a Change in Law or an
1362 Extraordinary Cost Increase shall be in the reasonable discretion of County.
1363

1364 "Change in Fees" shall mean any change in Franchise Fees and/or other fees charged to Contractor by any
1365 governmental agency (including, without limitation, County) in connection with the Services provided by
1366 Contractor under this Agreement, including, without limitation, the cancellation of any existing fees and
1367 the adoption of any new fees.

1368 "Change in Scope" shall mean any change directed by County in the scope of services provided by
1369 Contractor under this Agreement, including, without limitation, Contractor's use of any different
1370 Approved Facilities at County's direction, as described in Section 3.5.

1371 "Extraordinary Cost Increase" shall mean a substantial increase in Contractor's operating or capital costs
1372 or expenses that is outside of Contractor's control but not due to a Change in Scope or a Change in Law,
1373 including, without limitation, additional wage and/or benefit costs for employees that become subject to
1374 a collective bargaining agreement.

1375 In the case of a Change in Scope, a Change in Law or an Extraordinary Cost Increase, Contractor shall
1376 provide County with projected operational, cost and revenue data reflecting the entire financial effect of
1377 such Change or Increase, including any projected change in Contractor's profit. County reserves the right
1378 to require that Contractor supply any additional operational, cost and revenue data, or any other
1379 information it may reasonably need, to ascertain the appropriate financial impact of the Change in Scope,
1380 Change in Law or Extraordinary Cost Increase and any necessary adjustment to rates resulting from such
1381 Change in Scope, Change in Law or Extraordinary Cost Increase.

1382 Rate adjustments for a qualifying Change in Scope or Change in Law, for a Change in Fees, or for an
1383 Extraordinary Cost Increase shall take effect as of the beginning of the next calendar year (with the rule
1384 against retroactive Rate increases in Exhibit E being waived solely to such extent). The underlying service,
1385 cost, revenue or Fee changes supporting any rate adjustment under this Section 8.3 will be added to the
1386 appropriate category in Exhibit E for purposes of future Rate adjustments.

1387

1388 **8.4 REGARDING EXHIBIT E**

1389

1390 In the event of any conflict between the terms of this Agreement and the terms of Exhibit E, the terms of
1391 this Agreement shall prevail.

1392

1393 For the avoidance of doubt, in connection with the establishment of the initial Rates for the year
1394 commencing January 1, 2024, the Parties hereby agree that the terms of Exhibit E shall be modified in the
1395 following respects from and after December 31, 2023:

1396

- 1397 A. For purposes of calculating depreciation on new vehicles, the useful life will be changed from
1398 eight (8) years to ten (10) years.
- 1399
- 1400 B. For purposes of calculating depreciation on new Carts, the useful life will be changed from five (5)
1401 years to ten (10) years, subject to C below.
- 1402
- 1403 C. For purposes of calculating depreciation on new Animal-Resistant Carts, the useful life will be
1404 changed from five (5) years to six (6) years.
- 1405
- 1406 D. The unpaid principal balance as of December 31, 2023 of Contractor’s debt financing for the
1407 Resource Recovery Facility (i.e., \$2,377,619) will be amortized ratably over the initial Term of this
1408 Agreement, starting January 1, 2024 and ending December 31, 2043.
- 1409
- 1410 E. 10.16% of the cost increases set forth in Exhibit G2 that are not reflected in the initial Rates
1411 effective January 1, 2024 will be reflected, in equal parts, in a 5.08% increase in Rates for each of
1412 the year beginning January 1, 2025 and the year beginning January 1, 2026, in addition, in each
1413 case, to the rate increase for such year under the interim process pursuant to Exhibit E.

1414

ARTICLE 9.
INDEMNITY, INSURANCE, AND PERFORMANCE
BOND

1415

1416

1417 **9.1 INDEMNIFICATION**

- 1418 A. **General.** Contractor shall indemnify, defend with counsel acceptable to County, and hold
1419 harmless (to the full extent permitted by law) County and its officers, officials, employees,
1420 volunteers, and agents from and against any and all claims, liability, loss, injuries, damage,
1421 expense, and costs (including without limitation costs and fees of litigation, including reasonable
1422 attorneys’ and expert witness fees) (collectively, “Damages”) of every nature arising out of or in
1423 connection with Contractor’s performance, and the performance of any Subcontractor, or agent
1424 of Contractor, under this Agreement, or its failure to comply with any of its obligations contained
1425 in the Agreement, except to the extent such loss or damage was caused by the negligence or

1426 willful misconduct of County. This Section 9.1 shall survive the expiration or termination of this
1427 Agreement and shall not be construed as a waiver of County's legal and/or equitable rights as
1428 defined herein and permitted under Applicable Law.

1429 **B. Excluded Waste.** Contractor acknowledges that it is responsible for compliance during the entire
1430 Term of this Agreement with all Applicable Laws. Contractor shall not store, Transport, use, or
1431 Dispose of any Excluded Waste except in strict compliance with all Applicable Laws.

1432 If Contractor negligently or willfully mishandles Excluded Waste in the course of carrying out its
1433 activities under this Agreement, Contractor shall at its sole expense promptly take all investigatory
1434 and/or remedial action reasonably required for the remediation of such environmental
1435 contamination. Prior to undertaking any investigatory or remedial action, however, Contractor
1436 shall first obtain County's approval of any proposed investigatory or remedial action. Should
1437 Contractor fail at any time to promptly take such action, County may undertake such action at
1438 Contractor's sole cost and expense, and Contractor shall reimburse County for all such expenses
1439 within thirty (30) calendar days of being billed for those expenses, and any amount not paid within
1440 that thirty (30) calendar day period shall thereafter be deemed delinquent and subject to the
1441 delinquent fee payment provision of Section 7.4. These obligations are in addition to any defense
1442 and indemnity obligations that Contractor may have under this Agreement.

1443 Notwithstanding the foregoing, Contractor's duties under this subsection shall not extend to any
1444 claims arising from the Disposal of Solid Waste at the Approved Disposal Facility, including, but
1445 not limited to, claims arising under Comprehensive Environmental Response, Compensation and
1446 Liability Act (CERCLA) unless such claim is a direct result of Contractor's negligence or willful
1447 misconduct.

1448 **C. Environmental Indemnity.** Contractor shall defend with counsel acceptable to County, indemnify,
1449 and hold County harmless against and from any and all claims, suits, losses, penalties, damages,
1450 and liability for damages of every name, kind and description, including attorneys' fees and costs
1451 incurred, attributable to the negligence or willful misconduct of Contractor in handling Excluded
1452 Waste.

1453 **D. Electronic and Web based Information Indemnity.** Contractor shall defend with counsel
1454 acceptable to County, indemnify, and hold County harmless against and from any and all related
1455 claims, including but not limited to, suits, losses, penalties, damages, responsibility for costs,
1456 regulatory fines, penalties, credit monitoring expenses, and liability for damages of every name,
1457 kind and description, including reasonable attorneys' fees and costs incurred, attributable to the
1458 negligence or willful misconduct of Contractor and any Subcontractors used in performance of
1459 this Agreement in handling or protecting Customer information over which Contractor has
1460 control, including but not limited to billing details, electronic payment(s), and Customer account
1461 information that is not readily available to the general public. Contractor shall maintain electronic
1462 files and Contractor's website in accordance with the industry best practices for maintaining such
1463 information as safely and securely as possible. Nothing in this Section 9.1(D) shall prevent or
1464 restrict Contractor's obligation and responsibility to provide County with information required
1465 under this Agreement.

1466 **E. NVPERs Eligibility Indemnification.** Contractor's employees, agents, or Subcontractors providing
1467 service under this Agreement shall not: (i) qualify for any compensation and benefit under

1468 NVPERS; (ii) be entitled to any benefits under NVPERS; (iii) enroll in NVPERS as an employee of
1469 County; (iv) receive any employer contributions paid by County for NVPERS benefits; or (v) be
1470 entitled to any other NVPERS-related benefit that would accrue to a County employee.
1471 Contractor's employees, agents, or Subcontractors hereby waive any claims to benefits or
1472 compensation described in this Section 9.1. This Section 9.1 applies to Contractor notwithstanding
1473 any other agency, State or Federal policy, rule, regulation, law, or ordinance to the contrary.

1474 If Contractor's employees, agents, or Subcontractors providing services under this Agreement
1475 claim, or are determined by a court of competent jurisdiction or the Nevada Public Employees
1476 Retirement System ("NVPERS") to be eligible for enrollment in NVPERS of the County, Contractor
1477 shall indemnify, defend, and hold harmless County for the payment of any employer and
1478 employee contributions for NVPERS benefits on behalf of the employee as well as for payment of
1479 any penalties and interest on such contributions which would otherwise be the responsibility of
1480 the County.

1481 Contractor's Compensation under this Agreement shall be the full and complete compensation to
1482 which Contractor and Contractor's officers, employees, agents, and Subcontractors are entitled
1483 for performance of any work under this Agreement. Neither Contractor nor Contractor's officers,
1484 employees, agents, and Subcontractors are entitled to any salary or wages, or retirement, health,
1485 leave or other fringe benefits applicable to County employees. The County will not make any
1486 Federal or State tax withholdings on behalf of Contractor. The County shall not be required to pay
1487 any workers' compensation insurance on behalf of Contractor.

1488 Contractor agrees to defend and indemnify the County for any obligation, claim, suit, or demand
1489 for tax, retirement contribution including any contribution to CalPERS, social security, salary or
1490 wages, overtime payment, or workers' compensation payment which the County may be required
1491 to make on behalf of (1) Contractor, (2) any employee of Contractor, or (3) any employee of
1492 Contractor construed to be an employee of the County, for work performed under this
1493 Agreement.

1494 **9.2 INSURANCE**

1495 **A. General Requirements.** Contractor shall, at its sole cost and expense, maintain in effect at all times
1496 during the Term of this Agreement not less than the following coverage and limits of insurance:

1497 **B. Coverages and Requirements.** During the Term of this Agreement, Contractor shall at all times
1498 maintain, at its expense, the following coverages and requirements. Failure to maintain the
1499 identified insurance requirements during the entire Term of this Agreement shall constitute an
1500 event of default subject to Section 10.1(C). The comprehensive general liability insurance shall
1501 include broad form property damage insurance.

1502 1. Minimum Coverages. Insurance coverage shall be with limits not less than the following:

1503 **Comprehensive General Liability** – \$6,000,000 combined single limit per occurrence for
1504 bodily injury, personal injury, and property damage, including, without limitation, blanket
1505 contractual liability. If a general aggregate limit applies, either the general aggregate limit
1506 shall apply separately to this Agreement or the general aggregate limit shall be twice the
1507 required occurrence limit.

1508 **Automobile Liability** – \$6,000,000 combined single limit per accident for bodily injury and
1509 property damage (include coverage for Owned, Hired, and Non-owned vehicles).

1510 **Workers' Compensation – Statutory Limits/Employers' Liability** - \$1,000,000/accident
1511 for bodily injury or disease.

1512 **Employee Blanket Fidelity Bond** – \$500,000 per employee loss covering dishonesty,
1513 forgery, alteration, theft, disappearance, and destruction (inside or outside).

1514 **Pollution Liability** – \$5,000,000 per loss and annual aggregate applicable to bodily injury;
1515 property damage, including loss of use of damaged property or of property that has not
1516 been physically damaged or destroyed; clean-up costs, including first party cleanup of the
1517 County's property and third-party cleanup, and bodily injury costs if pollutants impact
1518 other properties; and defense, including costs, fees and expenses incurred in the
1519 investigation, defense, or resolution of claims. Coverage shall include completed
1520 operations and shall apply to liability arising out of sudden, accidental, and gradual
1521 pollution conditions and remediation. Coverage shall apply to acts, errors or omissions
1522 arising out of, or in connection with, Contractor's scope of work under this Agreement.
1523 Coverage shall also apply to the hauling of waste to the Approved Facilities, including non-
1524 owned disposal sites ("NODS") that shall protect against, for example, claims regarding
1525 bodily injury, property damage, and/or cleanup costs involving NODS. All activities
1526 contemplated in this Agreement shall be specifically scheduled on the policy as "covered
1527 operations." Coverage is preferred by the County to be occurrence based. However, if
1528 provided on a claims-made basis, Contractor warrants that any retroactive date
1529 applicable to coverage under the policy precedes the Effective Date of this Agreement,
1530 and that continuous coverage shall be maintained, or an extended discovery period will
1531 be exercised through completion or termination of this Agreement for a minimum of five
1532 (5) years. This provision does not limit or alter any rights or remedies to County allowable
1533 under this Agreement and/or Applicable Law in perpetuity.

1534 **Technology Professional Liability Errors and Omissions Insurance (Cyber Liability)**
1535 appropriate to the Contractor's profession and industry practice, with limits not less than
1536 \$1,000,000 per occurrence. Coverage for cyber risks shall be sufficiently broad to respond
1537 to the duties and obligations as are undertaken by Contractor under this Agreement and
1538 shall include, but not be limited to claims involving infringement of intellectual property,
1539 including but not limited to infringement of copyright, trademark, trade dress, invasion
1540 of privacy violations, information theft, damage to or destruction of electronic
1541 information, release of private information, alteration of electronic information,
1542 extortion, and network security. The policy shall provide coverage for breach response
1543 notification and remediation costs, regulatory fines and penalties, credit monitoring
1544 expenses, electronic funds transfer losses, electronic data restoration expenses, and
1545 business interruption costs with limits sufficient to respond to these obligations, in the
1546 sole discretion of the County's Risk Manager.

1547 If Contractor maintains broader coverage and/or higher limits than the minimums shown
1548 above, the County requires and shall be entitled to the broader coverage and/or higher
1549 limits maintained by the Contractor. Any available insurance proceeds in excess of the
1550 specified minimum limits of insurance and coverage shall be available to the County.

- 1551 2. Additional Insured. County, its officers, agents, employees, and volunteers shall be named
1552 as additional insured on all but the workers' compensation and professional liability
1553 coverages.
- 1554 3. Said policies shall remain in force through the life of this Agreement and, with the
1555 exception of professional liability coverage, shall be payable on a "per occurrence" basis
1556 unless County's Risk Manager specifically consents in writing to a "claims made" basis.
1557 For all "claims made" coverage, if the Contractor changes insurance carriers Contractor
1558 shall purchase "tail" coverage or otherwise provide for continuous coverage covering the
1559 Term of this Agreement and not less than three (3) years thereafter, except for the five
1560 (5) year tail of Pollution Liability Coverage as described above. Proof of such "tail" or other
1561 continuous coverage shall be required at any time that the Contractor changes to a new
1562 carrier prior to receipt of any payments due.
- 1563 4. The Contractor shall declare all aggregate limits on the coverage before commencing
1564 performance of this Agreement, and County's Risk Manager reserves the right to require
1565 higher aggregate limits to ensure that the coverage limits required for this Agreement as
1566 set forth above are available throughout the performance of this Agreement.
- 1567 5. The deductibles or self-insured retentions are for the account of Contractor and shall be
1568 the sole responsibility of the Contractor.
- 1569 6. Each insurance policy shall provide or be endorsed to state that coverage shall not be
1570 suspended, voided, canceled by either Party, reduced in coverage or in limits except after
1571 thirty (30) calendar days prior written notice by certified mail, return receipt requested,
1572 has been given to County Contract Manager ten (10) Business Days for delinquent
1573 insurance premium payments).
- 1574 7. Insurance must be placed with insurers with a current A.M. Best's rating of no less than
1575 A-VII, or with a surplus line carrier appearing on the List of Approved Surplus Line Insurers,
1576 ("LASLI") with a Best's Key Rating Guide of at least A: X.
- 1577 8. The policies shall cover all activities of Contractor, its officers, employees, agents and
1578 volunteers arising out of or in connection with this Agreement.
- 1579 9. For any claims relating to this Agreement, the Contractor's insurance coverage shall be
1580 primary, including as respects County, its officers, agents, employees, and volunteers. Any
1581 insurance maintained by County shall apply in excess of, and not contribute with,
1582 insurance provided by Contractor's liability insurance policy.
- 1583 10. The Contractor shall waive all rights of subrogation against County, its officers,
1584 employees, agents, and volunteers.
- 1585 **C. Endorsements.** Prior to the Effective Date pursuant to this Agreement, Contractor shall furnish
1586 County Contract Manager with certificates, additional insured endorsements, primary and non-
1587 contributory endorsements, and waivers of subrogation evidencing the insurance coverage
1588 required by this Agreement. The certificates or endorsements are to be signed by a Person

1589 authorized by that insurer to bind coverage on its behalf. All certificates and endorsements are to
1590 be received by, and are subject to the approval of, County Risk Manager before work commences.

1591 **D. Renewals.** During the Term of this Agreement, Contractor shall furnish County Contract Manager
1592 with certificates and original endorsements reflecting renewals, changes in insurance companies,
1593 and any other documents reflecting the maintenance of the required coverage throughout the
1594 entire Term of this Agreement. The certificates and endorsements are to be signed by a Person
1595 authorized by that insurer to bind coverage on its behalf.

1596 **E. No Cap on Indemnity.** The minimum amounts of coverage described in this Section 9.2 will not
1597 constitute any limitations or cap on Contractor's indemnification obligations under this
1598 Agreement.

1599 **F. Workers' Compensation.** Contractor shall provide workers' compensation coverage as required
1600 by State law and shall comply with Chapter 616B of the Nevada Revised Statutes.

1601 **G. Special Risks or Circumstances.** The County reserves the right at any time during the Term of this
1602 Agreement to modify these insurance requirements, including limits, based on the nature of the
1603 risk, prior experience, insurer, coverage, or other special circumstances, provided that any such
1604 modifications shall be deemed a Change in Scope subject to Section 8.3 above.

1605 **9.3 PERFORMANCE BOND**

1606 Within seven (7) calendar days of the County's notification to Contractor that the County has executed
1607 this Agreement, Contractor shall file with the County a bond, payable to the County, securing the
1608 Contractor's performance of its obligations under this Agreement and such bond shall be renewed
1609 annually if necessary, so that the performance bond is maintained at all times during the Term. The
1610 principal sum of the bond shall be three million, four-hundred eleven thousand, and nine-hundred twelve
1611 dollars (\$764,412) and shall be adjusted every three (3) years, commencing in 2027, to equal three (3)
1612 months of annual Gross Receipts for the prior calendar year. The bond shall be executed as surety by a
1613 corporation authorized to issue surety bonds in the State of Nevada that has a rating of A or better in the
1614 most recent edition of Best's Key Rating Guide, and that has a record of service and financial condition
1615 satisfactory to the County. The bond shall be in the form approved by the County Attorney.

1616 **ARTICLE 10.**
1617 **DEFAULT AND REMEDIES**

1618 **10.1 EVENTS OF DEFAULT**

1619 All provisions of the Agreement are considered material. Each of the following shall constitute an event
1620 of default.

1621 **A. Fraud or Deceit.** Contractor practices, or attempts to practice, any fraud or deceit upon the
1622 County.

1623 **B. Insolvency or Bankruptcy.** Contractor becomes insolvent, unable, or unwilling to pay its debts, or
1624 upon listing of an order for relief in favor of Contractor in a bankruptcy proceeding.

- 1625 C. **Failure to Maintain Coverage.** Contractor fails to provide or maintain in full force the workers'
1626 compensation, insurance coverage required by Section 9.2, or indemnification coverage as
1627 required by this Agreement.
- 1628 D. **Violations of Regulation.** Contractor violates any orders or filings of any regulatory body having
1629 authority over Contractor relative to this Agreement, which violation the County reasonably
1630 determines is material. If Contractor contests any such orders or filings by appropriate
1631 proceedings conducted in good faith, no breach or default of this Agreement shall be deemed to
1632 have occurred until the conclusion of such proceedings finding that a violation occurred.
- 1633 E. **Violations of Applicable Law.** Contractor violates Applicable Law relative to this Agreement,
1634 which violation the County reasonably determines is material. If Contractor contests any alleged
1635 violation by appropriate proceedings conducted in good faith, no breach or default of this
1636 Agreement shall be deemed to have occurred until the conclusion of such proceedings finding
1637 that a violation occurred.
- 1638 F. **Failure to Perform Direct Services.** Contractor ceases to provide Collection, Transportation, or
1639 Processing services as required under this Agreement for a period of two (2) consecutive calendar
1640 days or more, for any reason within the control of Contractor.
- 1641 G. **Failure to Pay or Report.** Contractor fails to make any payments to County required under this
1642 Agreement including payment of County Fees or Liquidated Damages and/or refuses to provide
1643 County with required information, reports, and/or records in a timely manner as provided for in
1644 the Agreement.
- 1645 H. **Acts or Omissions.** Any other act or omission by Contractor which violates the terms, conditions,
1646 or requirements of this Agreement, or Applicable Law and which is not corrected or remedied
1647 within the time set in the written notice of the violation. Additionally, an event of default occurs
1648 if Contractor cannot reasonably correct or remedy the breach within the time set forth in a notice
1649 of violation, or if Contractor fails to commence to correct or remedy such violation within the time
1650 set forth in such notice and diligently effect such correction or remedy thereafter.
- 1651 I. **False, Misleading, or Inaccurate Statements.** Any representation or disclosure made to the
1652 County by Contractor in connection with or as an inducement to entering into this Agreement, or
1653 any future amendment to this Agreement, which proves to be false or misleading in any material
1654 respect as of the time such representation or disclosure is made, whether or not any such
1655 representation or disclosure appears as part of this Agreement. Additionally, a default occurs if
1656 any Contractor-provided report contains a misstatement, misrepresentation, data manipulation,
1657 or an omission of fact or content explicitly defined by the Agreement, excepting non-numerical
1658 typographical and grammatical errors.
- 1659 J. **Seizure or Attachment.** There is a seizure of, attachment of, or levy on, some or all of Contractor's
1660 operating equipment, including without limits its equipment, maintenance or office facilities,
1661 Approved Facility(ies), or any part thereof.
- 1662 K. **Suspension or Termination of Service.** There is any termination or suspension of the transaction
1663 of business by Contractor related to this Agreement, including without limit, due to labor unrest
1664 including strike, work stoppage or slowdown, sick-out, picketing, or other concerted job action

- 1665 lasting more than two (2) calendar days.
- 1666 **L. Criminal Activity.** Contractor, its officers, managers, or employees are found guilty of Criminal
1667 Activity related directly or indirectly to performance of this Agreement or any other agreement
1668 held with the County.
- 1669 **M. Assignment without Approval.** Contractor transfers or assigns this Agreement without the
1670 expressed written approval of the County unless the assignment is permitted without County
1671 approval pursuant to Section 12.6.
- 1672 **N. Failure to Provide Proposal or Implement Change in Service.** Contractor fails to provide a
1673 proposal for new services or changes to services or fails to implement a change in service as
1674 requested by the County as specified in Section 3.5.
- 1675 **O. Failure to Complete Transition.** Contractor fails to complete the tasks identified in Contractor's
1676 Implementation Plan as specified in Exhibit B.
- 1677 **P. Failure to Implement Collection Program.** Contractor fails to implement a Collection program
1678 that complies with the requirements of Article 4 and Exhibit B.
- 1679 **Q. Failure to Achieve Processing Standards.** Contractor fails to achieve the Processing standards
1680 specified in Articles 4 and 5.
- 1681 **R. Failure to Perform Any Obligation.** Contractor fails to perform any obligation of Contractor
1682 established under this Agreement, which the County reasonably determines is material.

1683 County shall provide Contractor written notice of default within seven (7) calendar days of the County's
1684 first knowledge of the Contractor's default.

1685 **10.2 CONTRACTOR'S RIGHT TO CURE; RIGHT TO TERMINATE UPON EVENT OF**
1686 **DEFAULT**

1687 Contractor shall be given ten (10) Business Days from written notification by the County Contract Manager
1688 to cure any default which, in the County Contract Manager's sole opinion, creates a potential public health
1689 and safety threat.

1690 Contractor shall be given ten (10) Business Days from written notification by the County Contract Manager
1691 to cure any default arising under subsections C, E, F, I, J, and K in Section 10.1. However, the County shall
1692 not be obligated to provide Contractor with a notice and cure opportunity if the Contractor has committed
1693 the same or similar breach/default within a twenty-four (24) month period.

1694 Contractor shall be given thirty (30) calendar days from written notification by the County Contract
1695 Manager to cure any other default (which is not required to be cured within ten (10) Business Days).
1696 Furthermore, if Contractor cannot reasonably cure a default within the applicable period described in this
1697 section, except for defaults that create a potential health and safety threat, and Contractor promptly
1698 commences the cure or remedy within the initial cure period and thereafter diligently pursues the cure or
1699 remedy to completion, Contractor shall not be in default of this Agreement. However, the County shall
1700 not be obligated to provide Contractor with a notice and cure opportunity if the Contractor has committed
1701 the same or similar default within a twenty-four (24) month period.

1702 **10.3 COUNTY'S REMEDIES IN THE EVENT OF DEFAULT**

1703 Upon Contractor's default, County has the following remedies in the event of Contractor default:

1704 **A. Waiver of Default.** County may waive any event of default or may waive Contractor's requirement
1705 to cure a default event if County determines that such waiver would be in the best interest of the
1706 County. County's waiver of an event of default is not a waiver of future events of default that may
1707 have the same or similar conditions.

1708 **B. Suspension of Contractor's Obligation.** County may suspend Contractor's performance of its
1709 obligations if Contractor fails to cure default in the time frame specified in Section 10.2 until such
1710 time the Contractor can provide assurance of performance in accordance with Section 10.8.

1711 **C. Liquidated Damages.** County may assess Liquidated Damages for Contractor's failure to meet
1712 specific performance standards pursuant to Section 10.6 and Exhibit F.

1713 **D. Termination.** The County Contract Manager may, in their sole discretion, set a public hearing for
1714 the County Board of Commissioners to determine whether to terminate this Agreement. Subject
1715 to Contractor's right to cure as described in Section 10.2, such termination hearing must be set if
1716 a default remains uncured thirty (30) calendar days after receipt of written notice of default from
1717 the County. Such termination hearing must also be set if a Contractor's default is not cured within
1718 ten (10) calendar days and the default:

- 1719 1. Creates a potential public health and safety threat; or
- 1720 2. Arises under Section 10.1.C, E, F, I, J, or K.

1721 If the County terminates this Agreement based on the adopted findings of the termination
1722 hearing, the County Contract Manager shall first provide written notice to the Contractor twenty
1723 (20) calendar days before the date of termination. The Contractor shall thereafter be relieved on
1724 a going-forward basis of all liabilities and obligations required by this Agreement, except for
1725 Section 9.1 and any other provisions specifically identified to survive termination of this
1726 Agreement. Upon expiration of the twenty (20) day notice, the County may, in its sole discretion:

- 1727 1. Directly undertake performance of the services; or
- 1728 2. Arrange with other Persons to perform the services with or without a written
1729 agreement; or
- 1730 3. Permit Contractor to continue operating under this Agreement including
1731 Contractor's Compensation until such time that County is able to find substitute
1732 services.

1733 This right of termination is in addition to any other rights upon a failure of Contractor to perform
1734 its obligations under this Agreement.

1735 Contractor shall not be entitled to any further revenues from Collection operations authorized
1736 hereunder from and after the date of termination.

1737 **E. Other Available Remedies.** County's election of one (1) or more remedies described herein shall
1738 not limit the County from any and all other remedies at law and in equity including injunctive
1739 relief, etc.

1740 **10.4 POSSESSION OF RECORDS UPON TERMINATION**

1741 In the event of termination for an event of default, the Contractor shall furnish County Contract Manager
1742 with immediate access to all of its business records, including without limitation, Proprietary Information
1743 and Contractor computer systems, related to its Customers, Collection routes, and billing of accounts for
1744 Collection services.

1745 **10.5 COUNTY'S REMEDIES CUMULATIVE; SPECIFIC PERFORMANCE**

1746 County's rights to terminate the Agreement under Section 10.2 and to take possession of the Contractor's
1747 records under Section 10.4 are not exclusive, and County's termination of the Agreement and/or the
1748 imposition of Liquidated Damages shall not constitute an election of remedies. Instead, these rights shall
1749 be in addition to any and all other legal and equitable rights and remedies which County may have.

1750 By virtue of the nature of this Agreement, the urgency of timely, continuous, and high-quality service; the
1751 lead time required to effect alternative service; and, the rights granted by County to the Contractor, the
1752 remedy of damages for a breach hereof by Contractor is inadequate and County shall be entitled to
1753 injunctive relief (including but not limited to specific performance).

1754 **10.6 PERFORMANCE STANDARDS AND LIQUIDATED DAMAGES**

1755 **A. General.** The Parties find that as of the time of the execution of this Agreement, it is impractical,
1756 if not impossible, to reasonably ascertain the extent of damages which shall be incurred by County
1757 as a result of a breach by Contractor of its obligations under this Agreement. The factors relating
1758 to the impracticability of ascertaining damages include, but are not limited to, the fact that: (i)
1759 substantial damage results to members of the public who are denied services or denied quality or
1760 reliable service; (ii) such breaches cause inconvenience, anxiety, frustration, and deprivation of
1761 the benefits of the Agreement to individual members of the general public for whose benefit this
1762 Agreement exists, in subjective ways and in varying degrees of intensity which are incapable of
1763 measurement in precise monetary terms; (iii) that exclusive services might be available at
1764 substantially lower costs than alternative services and the monetary loss resulting from denial of
1765 services or denial of quality or reliable services is impossible to calculate in precise monetary
1766 terms; and, (iv) the termination of this Agreement for such breaches, and other remedies are, at
1767 best, a means of future correction and not remedies which make the public whole for past
1768 breaches.

1769 **B. Service Performance Standards; Liquidated Damages for Failure to Meet Standards.** The Parties
1770 further acknowledge that consistent, reliable Collection services are of utmost importance to
1771 County and that County has considered and relied on Contractor's representations regarding its
1772 quality-of-service commitment in awarding the Agreement to it. The Parties recognize that some
1773 quantified standards of performance are necessary and appropriate to ensure consistent and
1774 reliable service and performance. The Parties further recognize that if Contractor fails to achieve
1775 the performance standards or fails to submit required documents in a timely manner, County and
1776 its residents and businesses will suffer damages, and that it is, and will be, impractical and
1777 extremely difficult to ascertain and determine the exact amount of damages which County will
1778 suffer. Therefore, without prejudice to County's right to treat such non-performance as an event
1779 of default under this Section, the Parties agree that the Liquidated Damages amounts established
1780 in Exhibit F of this Agreement and the Liquidated Damage amounts therein represent a reasonable

1781 estimate of the amount of such damages considering all of the circumstances existing on the
1782 Effective Date of this Agreement, including the relationship of the sums to the range of harm to
1783 County that reasonably could be anticipated and the anticipation that proof of actual damages
1784 would be costly or impractical.

1785 Contractor agrees to pay (as Liquidated Damages and not as a penalty) the amounts set forth in
1786 the Performance Standards and Liquidated Damages, Exhibit F.

1787 Before assessing Liquidated Damages, County Contract Manager shall give Contractor notice of
1788 County's intention to do so. The notice will include a brief description of the incident(s) and non-
1789 performance. County Contract Manager may review (and make copies at County's own expense)
1790 all information in the possession of Contractor relating to incident(s) and/or non-performance.
1791 Contractor may, within ten (10) Business Days after receiving the notice, request a meeting with
1792 County Contract Manager. County Contract Manager may present evidence of non-performance
1793 in writing and through testimony of County's employees and others relevant to the incident(s)
1794 and non-performance. County Contract Manager will provide Contractor with a written
1795 explanation of their determination on each incident(s) and non-performance prior to authorizing
1796 the assessment of Liquidated Damages under this Section 10.6. The decision of County Contract
1797 Manager to assess Liquidated Damages that exceed \$30,000 in total may be appealed by
1798 Contractor to the County Board of Commissioners filing an appeal with the County Clerk within
1799 ten (10) Business Days of the County Contract Manager's decision. If Contractor has made such
1800 an appeal within the required timeframe, the intended assessment of Liquidated Damages will
1801 not be imposed on Contractor until the County Board of Commissioners issues a decision. In such
1802 case, the decision of the County Board of Commissioners shall be final and Contractor shall not
1803 be subject to, or required to exhaust, any further administrative remedies. Should Contractor not
1804 exercise its right to appeal as described in this paragraph, and in all other cases, the decision of
1805 the County Contract Manager shall be final and Contractor shall not be subject to, or required to
1806 exhaust, any further administrative remedies. The County Contract Manager shall provide
1807 Contractor with a written explanation of their determination on each incident prior to assessing
1808 the Liquidated Damages.

1809 **C. Amount.** County Contract Manager may assess Liquidated Damages for each calendar day or
1810 event, as appropriate, that Contractor is determined to be liable in accordance with this
1811 Agreement in the amounts specified in Exhibit F subject to annual adjustment described below.

1812 **D. Timing of Payment.** Contractor shall pay any Liquidated Damages assessed by County Contract
1813 Manager within ten (10) Business Days of the date the Liquidated Damages are assessed. If they
1814 are not paid within the ten (10) Business Day period, County Contract Manager may proceed
1815 against the performance bond required by the Agreement, order the termination (subject to the
1816 provisions of Section 10.2) of the rights granted by this Agreement, or all of the above, except
1817 payment of Liquidated Damages shall be due to the County until any appeal by Contractor to the
1818 County Board of Commissioners has been decided.

1819 **10.7 EXCUSE FROM PERFORMANCE**

1820 Notwithstanding any other provision in this Agreement, each Party shall be excused from performing its
1821 respective obligations hereunder and from any obligation to pay Liquidated Damages if that Party is
1822 prevented from so performing by reason of floods, earthquakes, other acts of nature, governmental

1823 actions (including judicial action) or inactions, laws or regulations, including, without limitation,
1824 restrictions, directives or orders, epidemics or pandemics that actually negatively impact such Party's
1825 ability to perform, war, civil insurrection, riots, and other similar catastrophic events which are beyond
1826 the control of and not the fault of the Party claiming excuse from performance hereunder (each a "Force
1827 Majeure Event").

1828 In the case of labor unrest or job action directed at a third party over whom Contractor has no control,
1829 the inability of Contractor to provide services in accordance with this Agreement due to the unwillingness
1830 or failure of the third party to: (i) provide reasonable assurance of the safety of Contractor's employees
1831 while providing such services; or, (ii) make reasonable accommodations with respect to Container
1832 placement and point of Delivery, time of Collection, or other operating circumstances to minimize any
1833 confrontation with pickets or the number of Persons necessary to make Collections shall, to that limited
1834 extent, excuse performance. The foregoing excuse shall be conditioned on Contractor's cooperation in
1835 performing Collection services at different times and in different locations. Further, in the event of labor
1836 unrest, including but not limited to strike, work stoppage or slowdown, sickout, picketing, or other
1837 concerted job action conducted by the Contractor's employees or directed at the Contractor, or a
1838 subsidiary, the Contractor shall not be excused from performance. In such case, Contractor shall continue
1839 to provide a reasonably satisfactory level of performance during the pendency thereof, but the Contractor
1840 shall not be required to adhere strictly to the specific requirements of this Agreement regarding routes,
1841 Collection times or similar matters; provided, however, that in no event shall more than seven (7) calendar
1842 days elapse between pickups for Residential and Commercial Customers. Any labor action initiated by
1843 Contractor, including but not limited to a lock-out, shall not be grounds for any excuse from performance
1844 and Contractor shall perform all obligations under this Agreement during the pendency of such
1845 Contractor-initiated labor action.

1846 The Party claiming excuse from performance shall, within two (2) calendar days after such Party has notice
1847 of such cause, give the other Party notice of the facts constituting such cause and asserting its claim to
1848 excuse under this Section.

1849 If either Party validly exercises its rights under this Section, the Parties hereby waive any claim against
1850 each other for any damages sustained thereby.

1851 The partial or complete interruption or discontinuance of Contractor's services caused by one (1) or more
1852 of the Force Majeure Events shall not constitute a default by Contractor under this Agreement.
1853 Notwithstanding the foregoing, however, if Contractor is excused from performing its obligations
1854 hereunder for any of the causes listed in this Section for a period of thirty (30) calendar days or more,
1855 County shall nevertheless have the right, in its sole discretion, to terminate this Agreement by giving ten
1856 (10) Business Days' notice to Contractor, in which case the provisions of Section 10.4 shall apply.

1857 **10.8 RIGHT TO DEMAND ASSURANCES OF PERFORMANCE**

1858 The Parties acknowledge that it is of the utmost importance to County and the health and safety of all
1859 those members of the public residing or doing business within County who will be adversely affected by
1860 interrupted waste management service, that there be no material interruption in services provided under
1861 this Agreement.

1862 If Contractor: (i) is the subject of any labor unrest including work stoppage or slowdown, sick-out,
1863 picketing or other concerted job action; (ii) appears in the reasonable judgment of County to be unable

1864 to regularly pay its bills as they become due; or, (iii) is the subject of a civil or criminal judgment or order
1865 entered by a Federal, State, regional or local agency for violation of an Applicable Law, and County believes
1866 in good faith that Contractor's ability to perform under the Agreement has thereby been placed in
1867 substantial jeopardy, County may, at its sole option and in addition to all other remedies it may have,
1868 demand from Contractor reasonable assurances of timely and proper performance of this Agreement, in
1869 such form and substance as County believes in good faith is reasonably necessary in the circumstances to
1870 evidence continued ability to perform under the Agreement. If Contractor fails or refuses to provide
1871 satisfactory assurances of timely and proper performance in the form and by the date required by County,
1872 such failure or refusal shall be an event of default for purposes of Section 10.1.

1873 **10.9 DISPUTE RESOLUTION**

1874 In the event of dispute between the County Contract Manager and the Contractor regarding the
1875 interpretation of or the performance of services under this Agreement which results in a material impact
1876 to the Contractor's revenue and/or cost of operations, as defined in Section 5.9, the provisions of Section
1877 10.9 shall apply.

1878 **A. Meet and Confer.** In the event of disputes regarding the performance of any obligation under this
1879 Agreement which results in a material impact to the Contractor's revenue and/or cost of
1880 operations, the County and Contractor agree that they promptly will meet and confer to attempt
1881 to resolve the matter between themselves.

1882 **B. Mediation.** If disputes which arise under this Agreement cannot be resolved satisfactorily
1883 between the Parties in accordance with Section 10.9.A, the County and Contractor agree that such
1884 disputes shall be submitted to mandatory, non-binding mediation by a mutually agreed upon
1885 independent third party.

1886 **C. Period of Time.** Insofar as allowed by Applicable Law, the period otherwise applicable for filing
1887 claims against the County under Applicable Law shall be tolled during the period of time for which
1888 meet and confer or mediation procedures are pending, in accordance with Sections 10.9.A and
1889 10.9.B.

1890 **D. Litigation.** Litigation may be commenced only after all reasonable efforts to resolve the dispute(s)
1891 pursuant to Sections 10.9.A, 10.9.B, and 10.9.C have failed and any necessary claim(s) have been
1892 denied.

1893 **ARTICLE 11.** 1894 **REPRESENTATIONS AND WARRANTIES OF** 1895 **THE PARTIES**

1896 The Parties, by acceptance of this Agreement, represent and warrant the conditions presented in this
1897 Article.

1898 **11.1 CONTRACTOR'S CORPORATE STATUS**

1899 Contractor is a corporation duly organized, validly existing and in good standing under the laws of the
1900 State. It is qualified to transact business in the State and has the power to own its properties and to carry
1901 on its business as now owned and operated and as required by this Agreement.

1902 **11.2 CONTRACTOR'S CORPORATE AUTHORIZATION**

1903 Contractor has the authority to enter this Agreement and perform its obligations under this Agreement.
1904 The Board of Directors of Contractor (or the shareholders, if necessary) has taken all actions required by
1905 law, its articles of incorporation, its bylaws, or otherwise, to authorize the execution of this Agreement.
1906 The Person signing this Agreement on behalf of Contractor represents and warrants that they have
1907 authority to do so. This Agreement constitutes the legal, valid, and binding obligation of the Contractor.

1908 **11.3 AGREEMENT WILL NOT CAUSE BREACH**

1909 To the best of Contractor's and County's knowledge after reasonable investigation, the execution or
1910 delivery of this Agreement or the performance by either Party of their obligations hereunder does not
1911 conflict with, violate, or result in a breach: (i) of any Applicable Law; or, (ii) any term or condition of any
1912 judgment, order, or decree of any court, administrative agency or other governmental authority, or any
1913 agreement or instrument to which Contractor or County is a party or by which Contractor or any of its
1914 properties or assets are bound, or constitutes a default hereunder.

1915 **11.4 NO LITIGATION**

1916 To the best of Contractor's and County's knowledge after reasonable investigation, there is no action, suit,
1917 proceeding or investigation, at law or in equity, before or by any court or governmental authority,
1918 commission, board, agency or instrumentality decided, pending or threatened against either Party
1919 wherein an unfavorable decision, ruling or finding, in any single case or in the aggregate, would:

- 1920 A. Materially adversely affect the performance by Party of its obligations hereunder;
- 1921 B. Adversely affect the validity or enforceability of this Agreement; or,
- 1922 C. Have a material adverse effect on the financial condition of Contractor, or any surety or entity
1923 guaranteeing Contractor's performance under this Agreement.

1924 **11.5 NO ADVERSE JUDICIAL DECISIONS**

1925 To the best of Contractor's and County's knowledge after reasonable investigation, there is no judicial
1926 decision that would prohibit this Agreement or subject this Agreement to legal challenge.

1927 **11.6 NO LEGAL PROHIBITION**

1928 To the best of each Party's knowledge, after reasonable investigation, there is no Applicable Law in effect
1929 on the date that Party signed this Agreement that would prohibit the performance of either their
1930 obligations under this Agreement and the transactions contemplated hereby.

1931 **11.7 CONTRACTOR'S ABILITY TO PERFORM**

1932 Contractor possesses the business, professional, and technical expertise to perform all services,
1933 obligations, and duties as described in and required by this Agreement including all Exhibits thereto.
1934 Contractor possesses the ability to secure equipment, facility, and employee resources required to
1935 perform its obligations under this Agreement.

1936
1937

ARTICLE 12.
OTHER AGREEMENTS OF THE PARTIES

1938 **12.1 RELATIONSHIP OF PARTIES**

1939 The Parties intend that Contractor shall perform the services required by this Agreement as an
1940 independent Contractor engaged by County and neither as an officer nor employee of County, nor as a
1941 partner or agent of, or joint venture with, County. No employee or agent of Contractor shall be, or shall
1942 be deemed to be, an employee or agent of County. Contractor shall have the exclusive control over the
1943 manner and means of performing services under this Agreement, except as expressly provided herein.
1944 Contractor shall be solely responsible for the acts and omissions of its officers, employees, Subcontractors
1945 and agents. Neither Contractor nor its officers, employees, Subcontractors, and agents shall obtain any
1946 rights to retirement benefits, workers' compensation benefits, or any other benefits which accrue to
1947 County employees by virtue of their employment with County.

1948 **12.2 COMPLIANCE WITH LAW**

1949 Contractor shall at all times, at its sole cost, comply with all Applicable Laws.

1950 **12.3 GOVERNING LAW**

1951 This Agreement shall be governed by, and construed and enforced in accordance with, the laws of the
1952 State.

1953 **12.4 JURISDICTION**

1954 Any lawsuits, at law or in equity, between the Parties arising out of this Agreement shall be filed in a court
1955 of competent jurisdiction in the County. With respect to venue, the Parties agree that this Agreement is
1956 made in and will be performed in the County. The Parties waive all provisions of law providing for a change
1957 of venue in these proceedings to any other county.

1958 **12.5 BINDING ON SUCCESSORS**

1959 The provisions of this Agreement shall inure to the benefit to and be binding on the successors and
1960 permitted assigns of the Parties.

1961 **12.6 ASSIGNMENT**

1962 Neither Party shall assign its rights nor delegate or otherwise transfer its obligations under this Agreement
1963 to any other Person without the prior written consent of the other Party. Any such assignment made
1964 without the consent of the other Party shall be void and the attempted assignment shall constitute a
1965 material breach of this Agreement.

1966 For purposes of this Section, "assignment" shall include, but not be limited to: (i) a sale, exchange or other
1967 transfer of substantially all of Contractor's local, regional, and/or corporate assets dedicated to service
1968 under this Agreement to a third party; (ii) a sale, exchange or other transfer of ten (10) percent or more
1969 of the local, regional, and/or corporate assets, stock, or ownership of Contractor to a Person (other than
1970 a transfer of shares in Contractor by the owner of such shares to Contractor, to adult members of his or

1971 her family who are competent to do business, to a trust for the benefit of members of his or her family,
1972 or to another owner of shares in Contractor) except that no cumulative sale, exchange, or transfer of
1973 shares may exceed twenty percent (20%) during the Term of the Agreement (other than a transfer of
1974 shares in Contractor by the owner of such shares to Contractor, to adult members of his or her family who
1975 are competent to do business, to a trust for the benefit of members of his or her family, or to another
1976 owner of shares in Contractor); (iii) any reorganization, consolidation, merger, recapitalization, stock
1977 issuance or re-issuance, voting trust, pooling agreement, escrow arrangement, liquidation or other
1978 transaction to which Contractor or any of its shareholders is a party which results in a change of ownership
1979 or control of ten percent (10%) or more of the value or voting rights in the local, regional, and/or corporate
1980 stock of Contractor (excluding as the result of changes in ownership or control between an owner of
1981 shares in Contractor and adult members of his or her family who are competent to do business or a trust
1982 for the benefit of members his or her family); (iv) divestiture of an Affiliate (e.g., trucking company,
1983 materials recovery facility, transfer station, etc.) used by Contractor to fulfill its obligations under this
1984 Agreement; and, (v) any combination of the foregoing (whether or not in related or contemporaneous
1985 transactions) which has the effect of any such transfer or change of local, regional, and/or corporate
1986 ownership and/or control of Contractor. For purposes of this Section, the term "proposed assignee" shall
1987 refer to the proposed transferee(s) or other successor(s) in interest pursuant to the assignment. For
1988 purposes of this Section, the term "owner" shall mean the Person with legal title to shares of Contractor
1989 and "family" shall mean the parents, children, spouses, and siblings, excluding brothers-in-law and sisters-
1990 in-law of any owner that is a natural person.

1991 Contractor acknowledges that this Agreement involves rendering a vital service to County's residents and
1992 businesses, and that County has selected Contractor to perform the services specified herein based on: (i)
1993 Contractor's experience, skill, and reputation for conducting its Recyclable Materials, Organic Materials,
1994 and Solid Waste management operations in a safe, effective, and responsible fashion, at all times in
1995 keeping with applicable waste management laws, regulations, and good waste management practices;
1996 and, (ii) Contractor's financial resources on a local, regional, and/or corporate level to maintain the
1997 required equipment and to support its indemnity obligations to County under this Agreement. County has
1998 relied on each of these factors, among others, in choosing Contractor to perform the services to be
1999 rendered by Contractor under this Agreement.

2000 If Contractor requests County's consideration of and consent to an assignment, County may deny or
2001 approve such request in its sole discretion at a regularly scheduled meeting of the County Board of
2002 Commissioners. No request by Contractor for consent to an assignment need be considered by County
2003 unless and until Contractor has met requirements A – E below. The County may, in its sole discretion,
2004 waive one (1) or more of the following requirements:

2005 A. On the date the County approves Contractor's written request for the County's written consent
2006 of an assignment and the assignment closes, Contractor shall pay the County a Transfer fee in the
2007 amount of one percent (1%) of the Gross Receipts for the most-recently completed Rate Period.

2008 B. Contractor shall pay County its actual expenses for attorneys', consultants', accountants' fees,
2009 staff time, and investigation costs necessary to investigate the suitability of any proposed
2010 assignee, and to review and finalize any document required as a condition for approving any such
2011 assignment. Such payment shall be required regardless of the ultimate determination of the
2012 County regarding the approval or denial of the assignment. Upon submittal of Contractor's
2013 request for assignment to County, Contractor shall submit an initial deposit of thirty thousand
2014 dollars (\$30,000) for this purpose.

2015 C. Contractor shall furnish County with reviewed financial statements of the proposed assignee's
2016 operations for the immediately preceding three (3) operating years.

2017 D. Contractor shall furnish County with satisfactory proof: (i) that the proposed assignee has at least
2018 ten (10) years of Recyclable Materials, Organic Materials, and Solid Waste management
2019 experience on a scale equal to or exceeding the scale of operations conducted by Contractor
2020 under this Agreement; (ii) that in the last five (5) years, the proposed assignee has not suffered
2021 any citations or other censure from any Federal, State or local contractor having jurisdiction over
2022 its waste management operations due to any significant failure to comply with State, Federal or
2023 local waste management laws and that the assignee has provided the County with a complete list
2024 of such citations and censures; (iii) that the proposed assignee has at all times conducted its
2025 operations in an environmentally safe and conscientious fashion; (iv) that the proposed assignee
2026 conducts its operations and management practices in accordance with sound waste management
2027 practices in full compliance with all Federal, State, and local laws regulating the Collection,
2028 Transportation, Processing and Disposal of Recyclable Materials, Organic Materials, and Solid
2029 Waste including Hazardous Waste; and, (v) that any other information required by County
2030 demonstrates that the proposed assignee can fulfill the terms of this Agreement in a timely, safe
2031 and effective manner.

2032 E. Contractor shall provide the County with any and all additional records or documentation which,
2033 in the County Contract Manager's sole determination, would facilitate the County's review of the
2034 proposed assignment.

2035 Under no circumstances shall any proposed assignment be considered by County if Contractor is in default
2036 at any time during the period of consideration. If, in the County Contract Manager's sole determination,
2037 there is any doubt regarding the compliance of the Contractor with the Agreement, County Contract
2038 Manager may require an audit of the Contractor's compliance and the costs of such audit shall be paid by
2039 Contractor in advance of the performance of said audit.

2040 **12.7 NO THIRD-PARTY BENEFICIARIES**

2041 This Agreement is not intended to, and will not be construed to, create any right on the part of any third
2042 party to bring an action to enforce any of its terms.

2043 **12.8 WAIVER**

2044 The waiver by either Party of any breach or violation of any provisions of this Agreement shall not be
2045 deemed to be a waiver of any breach or violation of any other provision nor of any subsequent breach of
2046 violation of the same or any other provision. The subsequent acceptance by either Party of any monies
2047 which become due hereunder shall not be deemed to be a waiver of any pre-existing or concurrent breach
2048 or violation by the other Party of any provision of this Agreement.

2049 **12.9 NOTICE PROCEDURES**

2050 All notices, demands, requests, proposals, approvals, consents, and other communications, which this
2051 Agreement requires, authorizes or contemplates, shall be in writing and shall either be personally
2052 delivered to a representative of the Parties at the address below or deposited in the United States mail,
2053 first class postage prepaid, addressed as follows:

2054 If to County:

2055 Douglas County Board of Commissioners
2056 County Manager
2057 P.O. Box 218
2058 Minden, NV 89423

2059 If to Contractor:

2060 South Tahoe Refuse Co.
2061 Attn: Jeffery R. Tillman, CEO
2062 2140 Ruth Avenue
2063 South Lake Tahoe, CA 96150

2064 With a copy to:

2065 David Cohen, Esq.
2066 Cohen & Ostler, APC
2067 455 N. Whisman Road, Suite 100
2068 Mountain View, CA 94043

2069 The address to which communications may be delivered may be changed from time to time by a notice
2070 given in accordance with this Section. Notice shall be deemed given on the day it is personally delivered
2071 or, if mailed, three (3) calendar days from the date it is deposited in the mail. Either Party may choose to
2072 provide email notification to the other Party that notice has been deposited in the mail, however such
2073 email notification shall not constitute official notice.

2074 **12.10 REPRESENTATIVES OF THE PARTIES**

2075 References in this Agreement to the "County" shall mean the County's elected body and all actions to be
2076 taken by County except as otherwise provided in this Section 12.10. Each reference to an act performed
2077 by, or obligation of the County Contract Manager in this Agreement is itself a delegation of authority from
2078 the County. The County may delegate, in writing, further authority to the County Contract Manager
2079 and/or to other County officials and may permit such officials, in turn, to delegate in writing some or all
2080 of such authority to subordinate officers. The Contractor may rely upon actions taken by such delegates
2081 if they are within the scope of the authority properly delegated to them.

2082 The Contractor shall, by the Effective Date, designate in writing a responsible officer who shall serve as
2083 the representative of the Contractor in all matters related to the Agreement and shall inform County in
2084 writing of such designation and of any limitations upon his or her authority to bind the Contractor. County
2085 may rely upon action taken by such designated representative as actions of the Contractor unless they
2086 are outside the scope of the authority delegated to him/her by the Contractor as communicated to
2087 County.

2088 **12.11 EXTERNAL REGULATORY MATTERS**

2089 Notwithstanding any other provision in this Agreement, if the State of California or any other jurisdiction
2090 that does not have authority over the County service area subject to this Agreement (excluding the US

2091 Government or any Federal agency) imposes regulations or other conditions or obligations upon
2092 Contractor which would result in either (1) a proposed increased cost (or an actual increased cost) to
2093 Customers in such service area, or (2) a proposal to reduce services to Customers in such service area,
2094 then such regulations or other conditions or obligations shall not apply to Customers in such service area,
2095 and County and Contractor shall negotiate in good faith to revise the terms of this Agreement so that
2096 neither of such results shall occur.

2097 **ARTICLE 13.** 2098 **MISCELLANEOUS AGREEMENTS**

2099 **13.1 ENTIRE AGREEMENT**

2100 This Agreement is the entire agreement between the Parties with respect to the subject matter hereof
2101 and supersedes all prior and contemporaneous oral and written agreements and discussions. Each Party
2102 has cooperated in the drafting and preparation of this Agreement and this Agreement shall not be
2103 construed against any Party on the basis of drafting. This Agreement may be amended only by an
2104 agreement in writing, signed by each of the Parties hereto.

2105 **13.2 SECTION HEADINGS**

2106 The article headings and section headings in this Agreement are for convenience of reference only and
2107 are not intended to be used in the construction of this Agreement nor to alter or affect any of its
2108 provisions.

2109 **13.3 REFERENCES TO LAWS**

2110 All references in this Agreement to laws and regulations shall be understood to include such laws as they
2111 may be subsequently amended or recodified, unless otherwise specifically provided herein.

2112 **13.4 AMENDMENTS**

2113 This Agreement may not be modified or amended in any respect except in writing signed by the Parties.

2114 **13.5 SEVERABILITY**

2115 If any non-material provision of this Agreement is for any reason deemed to be invalid and unenforceable,
2116 the invalidity or unenforceability of such provision shall not affect any of the remaining provisions of this
2117 Agreement, which shall be enforced as if such invalid or unenforceable provision had not been contained
2118 herein.

2119 **13.6 COUNTERPARTS**

2120 This Agreement may be executed in counterparts, each of which shall be considered an original.

2121 **13.7 EXHIBITS**

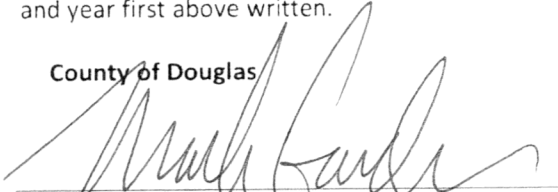
2122 Each of the Exhibits identified as Exhibit "A" through "J" is attached hereto and incorporated herein and
2123 made a part hereof by this reference. Except as described in Section 8.1 related to Exhibit G2, in the event

2124 of a conflict between the terms of this Agreement and the terms of an Exhibit, the terms of this Agreement
2125 shall control.

2126

2127 IN WITNESS WHEREOF, this Agreement is entered by the Parties hereto in Douglas, Nevada on the day
2128 and year first above written.

County of Douglas

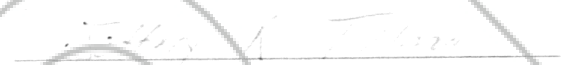


Mark Gardner, Chairman
Douglas County Board of Commissioners

"CONTRACTOR"




Signature Date



Print Name of Signatory



Title of Signatory



Signature Date

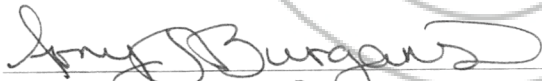


Print Name of Signatory

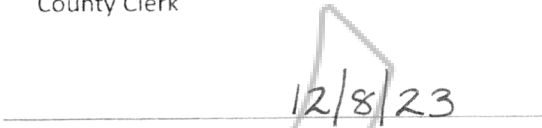


Title of Signatory

ATTEST:



Amy Burgans Date
County Clerk



12/8/23

2129

FRANCHISE EXHIBITS

EXHIBIT A: DEFINITIONS

For purposes of this Agreement, unless a different meaning is clearly required, the following words and phrases shall have the following meanings respectively ascribed to them by this Exhibit and shall be capitalized throughout this Agreement:

“Abandoned Waste” means Recyclable Materials, Organic Materials, Solid Waste, C&D, Excluded Waste, or other materials which have been abandoned, littered, or illegally dumped in the public right of way or on public or County property.

“Affiliate” means any Person that is directly or indirectly related to Contractor by virtue of direct or indirect Ownership interest or common management. Any such Person shall be deemed to be “Affiliated with” Contractor and included within the term “Affiliate” as used herein, except Affiliates shall be limited to those Persons which are directly or indirectly involved in the provision of service under this Agreement. An Affiliate shall include: (i) a Person in which Contractor has a direct or indirect Ownership interest; (ii) a Person which has a direct or indirect ownership interest in Contractor; and/or (iii) a Person who is also Owned, controlled, or managed by any Person which has a direct or indirect Ownership interest in Contractor. For purposes of this definition, “Ownership” means ownership as defined in the constructive ownership provisions of Section 318(a) of the Internal Revenue Code of 1986, as in effect on the date this Agreement is executed. For the purpose of determining Ownership under this paragraph and constructive or indirect ownership under Section 318(a), ownership interests of less than fifty percent (50%) shall be disregarded, and percentage interests shall be determined on the basis of the percentage of voting interest or value which the ownership interest represents.

“Agreement” means this Agreement between County and Contractor, including all exhibits, and any future amendments hereto.

“Animal-Resistant” means a Cart equipped with a locking lid that is intended, but not guaranteed, to prevent tampering by bears and other animals.

“Applicable Law” means all Federal, State, County, and local laws, regulations, rules, orders, judgments, degrees, permits, approvals, or other requirement of any governmental agency having jurisdiction over the Collection, Transportation, and Processing of Recyclable Materials, Organic Materials, and Solid Waste that are in force on the Effective Date and as may be enacted, issued or amended during the Term of this Agreement.

“Approved Disposal Facility” means any of the Approved Disposal Facilities set forth in Exhibit H.

“Approved Facility(ies)” means any one of or any combination of the: Approved Recovery Facilities; Approved Organic and Recycling Materials Processing Facilities; and/or Approved Disposal Facilities. The current Approved Facilities are set forth in Exhibit H to the Agreement.

“Approved Processing Facility(ies)” means any one of or any combination of the: Approved Recyclable Materials Processing Facilities or Approved Organic Materials Processing Facilities.

“Approved Recovery Facility” means any of the Approved Recovery Facilities set forth in Exhibit H.

“Bear Box” means a metal container used at a Residential property which is intended to store Solid Waste, Recyclable Materials, and/or Organic Materials until Collection Day, and which includes a locking mechanism to prevent bear access.

“Bin” means a Container with a hinged and tight-fitting lid and wheels designed or intended to be mechanically serviced by a commercial Collection vehicle. It shall be designed to hold from one (1) to (6) cubic yards of material with the lid properly closed. Temporary Bins may be open topped.

“Business Days” mean days during which the County offices are open to do business with the public.

“Cardboard” means a thin, stiff pasteboard made of paper pulp, used for making cartons, signs, and boxes. Cardboard is a subset of Recyclable Materials.

“Cart” means a plastic Container with a hinged and tight-fitting lid and wheels that is serviced by an automated or Semi-Automated Collection vehicle. A Cart has capacity of at least 20 and not more than 95 gallons and is provided by Contractor, approved by the County, and used by Customers for Collection, accumulation, and removal of Solid Waste, Recyclable Materials, and Organic Materials from Commercial or Residential premises in connection with Collection Services.

“County” means Douglas County, Nevada, a political subdivision of the State of Nevada, and all the territory lying within its boundaries as presently existing or as such boundaries may be modified during the Term of this Agreement.

“County Board of Commissioners” means the duly elected representative board, or its successor municipal governing body, of the County.

“County Contract Manager” means the County Manager, who is responsible for the administrative management of this Agreement, or their designee.

“County Fees” means all fees payable to the County, identified and referenced in Article 7 of this Agreement.

“Change in Law” means any of the following events or conditions that has a material and adverse effect on the performance by either Party or any Subcontractor of its respective obligations under this Agreement (except for payment obligations) or on the activities of any Approved Facility in connection with this Agreement:

- a. The enactment, adoption, promulgation, issuance, modification, or written change in administrative or judicial interpretation, of any Applicable Law on or after the Effective Date; or
- b. The order or judgment of any governmental body, on or after the Effective Date, to the extent such order or judgment is not the result of willful or negligent action, error or omission or lack of reasonable diligence of County or of Contractor (or Subcontractor), whichever is asserting the occurrence of a Change in Law; provided, however, that the contesting in good faith or the failure in good faith to contest any such order or judgment shall not constitute or be construed as such a willful or negligent action, error or omission or lack of reasonable diligence.

“Collect” or “Collection” (or any variation thereof) means the act of taking possession of Recyclable Materials, Organic Materials, Solid Waste, and other material at the place of generation in County.

“Commencement Date” means the date specified in Section 2.1 when the Agreement becomes effective.

“Commercial” shall mean of, from, or pertaining to non-Residential Premises where business activity is conducted, including, but not limited to, retail sales, services, wholesale operations, manufacturing, and industrial operations, but excluding businesses conducted upon Residential property which are permitted under applicable zoning regulations and are not the primary use of the property.

“Commercial Premises” means that portion of any building or other Premises which is not Residential.

“Community Composting” means any activity that Composts green material, agricultural material, food material, and vegetative food material, alone or in combination, and the total amount of feedstock and Compost on-site at any one time does not exceed one hundred (100) cubic yards and seven hundred fifty (750) square feet.

“Compactor” means any Container which has a compaction mechanism, whether stationary or mobile. Compactors are most typically roll-off Containers but may also be Bins.

“Complaint” shall mean each written or orally communicated statement made by any Person, whether to County or Contractor, alleging: (1) non-performance, or deficiencies in Contractor’s performance, of its duties under this Agreement; (2) a violation by Contractor of this Agreement; or, (3) an SB 1383 Non-Compliance Complaint.

“Composting” or “Compost” (or any variation thereof) includes a controlled biological decomposition of Organic Materials yielding a safe and nuisance free Compost product.

“Construction and Demolition Debris (C&D)” means materials generated by or resulting from construction or demolition-related activities, including building, construction, deconstruction, demolition, excavation, grading, improvement, land clearing, reconstruction, remodeling, and renovation, such as discarded building materials, packaging, debris, and rubble resulting from construction, alteration, remodeling, repair, or demolition operations on any pavements, excavation projects, houses, Commercial buildings, or other structures, excluding Excluded Waste. Construction and Demolition Debris includes rocks, soils, tree remains, and other Yard Trimmings which result from land clearing or land development operations in preparation for construction.

“Container(s)” mean Bins, Carts, Compactors, Customer Owned Containers, and Drop Boxes.

“Contamination” means the presence of Prohibited Container Contaminants in a Container.

“Contamination Processing Fee Notice” means the notice as described in Section 4.10.1.E.

“Contractor” means South Tahoe Refuse Co., organized and operating under the laws of the State through its officers, directors, employees, agents, Affiliates, and Subcontractors.

“Contractor’s Compensation” means the monetary compensation received by Contractor in return for providing services in accordance with this Agreement as described in Article 8.

“Contractor’s Contract Administrator” means the President of Contractor, who is authorized by Contractor as described by Section 5.7.E.1.

“Contractor’s Proposal” means the proposal submitted to County by Contractor for provision of Recyclable Materials, Organic Materials, and Solid Waste Collection and Processing services and certain supplemental written materials, which are included as Exhibit B to this Agreement and are incorporated by reference.

“Courtesy Pick-Up Notice” means the Contractor’s notice to Customer(s) as described in Section 4.10.1.C.

“Criminal Activity” means the approval of a plea of nolo contendere or the entry against Contractor or any of its employees of a criminal conviction, or a permanent mandatory or prohibitory injunction from a court, municipality, or regulatory agency of competent jurisdiction, based, in the case of Contractor’s employees, on acts taken in their official capacity on behalf of Contractor, with respect to:

- a. Fraud or criminal offense in connection with obtaining, attempting to obtain, procuring, or performing a public or private agreement;
- b. Bribery or attempting to bribe a public officer or employee of a local, State, or Federal agency;
- c. Embezzlement, extortion, racketeering, false claims, false statements, forgery, falsification or destruction of records, obstruction of justice, knowingly receiving stolen property, theft, or misprision (failure to disclose) of a felony;
- d. Unlawful disposal of Hazardous Waste or Designated Waste, the occurrence of which any Contractor Party knew or should have known;
- e. Violation of antitrust laws, including laws related to price-fixing, bid-rigging, and sales and market allocation, and of unfair and anti-competitive trade practice laws, including with respect to inflation of Solid Waste Collection, Transportation, Processing fees, or Disposal Fees;
- f. Violation of securities laws; or
- g. Felonies or misdemeanors involving moral turpitude.

“Curb” or “Curbside” means as near but in no event more than five (5) feet from the property line that abuts a paved public street or, in the event the property does not abut a paved public street, where the property abuts a public street, alley, right-of-way or easement and, in the case of a Commercial location, in the service alley of a Commercial or institutional entity.

“Customer” means the Owner or Occupant who is billed by Contractor at any Premises at which Solid Waste, Recyclable Materials, and Organic Waste are generated and collected by Contractor.

“Customer Account Information Database” means the Customer Account Information Database as identified in Section 4.7 that shall be developed, maintained, and monitored in accordance with the requirements of this Agreement.

“Customer Owned Container” means a 20-32 gallon plastic can owned by a Customer and used for the Collection of additional Recyclable Materials or Organic Materials.

“Customer Type” means the Customer’s sector category including, but not limited to, Single-Family Residential, Multi-Family, Commercial, and County.

“Designated Waste” means non-Hazardous Waste which may pose special Disposal problems because of its potential to contaminate the environment.

“Divert” or “Diversion” (or any variation thereof) means to prevent Discarded Materials from Disposal at landfill or transformation facilities, (including facilities using incineration, pyrolysis, distillation, gasification, or biological conversion methods) through source reduction, reuse, Recycling, Composting, anaerobic digestion or other method of Processing, subsequent to the provisions of AB 939. Diversion is a broad concept that is to be inclusive of material handling and Processing changes that may occur over the Term including, but not limited to, changes in standard industry practice or implementation of innovative (but not necessarily fully proven) techniques or technology that reduce Disposal risk, decrease costs and/or are for other reasons deemed desirable by the County.

“Diversion Coordinator” means the individual authorized by Contractor as described by Section 5.7.E.3.

“Discarded Materials” means Recyclable Materials, Organic Materials, and Solid Waste placed by a Generator in a receptacle and/or at a location for the purposes of Collection by Contractor, excluding Excluded Waste.

“Disposal” or “Dispose” (or any variation thereof) means the final disposition of Solid Waste, or Processing Residue at a Disposal Facility. “Disposal Facility” means a landfill, or other facility for ultimate Disposal of Solid Waste.

“Drop Box” means an open-top or closed top Container with a capacity of ten (10) to forty (40) cubic yards that is serviced by a roll-off Collection vehicle.

“Dwelling Unit” means any individual living unit in a Single-Family Residential dwelling (SFD) or Multi-Family Residential dwelling (MFD) structure or building, a mobile home, or a motor home located on a permanent site intended for, or capable of being utilized for, Residential living, including a Single Room Occupancy.

“Edible Food” means food intended for human consumption. For the purposes of this Agreement, Edible Food is not Solid Waste if it is recovered and not discarded.

“Effective Date” means the date on which the latter of the two Parties signs this Agreement.

“Excluded Waste” means Hazardous Substance, Hazardous Waste, Infectious Waste, Designated Waste, volatile, corrosive, biomedical, infectious, biohazardous, and toxic substances or material, waste that Contractor reasonably believes would, as a result of or upon Disposal, be a violation of local, State or Federal law, regulation or ordinance, including land use restrictions or conditions, waste that cannot be Disposed of in Class III landfills, waste that in Contractor’s reasonable opinion would present a significant risk to human health or the environment, cause a nuisance or otherwise create or expose Contractor or County to potential liability; but not including de minimis volumes or concentrations of waste of a type and amount normally found in Residential Solid Waste after implementation of programs for the safe Collection, Recycling, treatment, and Disposal of batteries and paint in compliance with Sections 41500 and 41802 of the California Public Resources Code. Excluded Waste does not

include Used Motor Oil and Filters, or household batteries when properly placed for Collection by Contractor as set forth in this Agreement.

“Electronic Waste” or “E-Waste” means discarded electronic equipment including, but not limited to, televisions, computer monitors, central processing units (CPUs), laptop computers, computer peripherals (including external hard drives, keyboards, scanners, and mice), printers, copiers, facsimile machines, radios, stereos, stereo speakers, VCRs, DVDs, camcorders, microwaves, telephones, cellular telephones, and other electronic devices. Some E-Waste or components thereof may be Hazardous Waste or include Hazardous Substances and thus require special handling, Processing, or Disposal.

“Field Supervisor” means the Field Supervisor of Contractor, who is the individual authorized by Contractor as described by Section 5.7.E.2.

“Federal” means belonging to or pertaining to the Federal government of the United States.

“Flow Control” means County right to direct Discarded Materials to a facility of the County’s choosing.

“Food Recovery” means actions to Collect and distribute food for human consumption which otherwise would be Disposed.

“Food Recovery Organization” means an entity that primarily engages in the Collection or receipt of Edible Food from Commercial Edible Food Generators and distributes that Edible Food to the public for Food Recovery either directly or through other entities.

“Food Recovery Service” means a Person or entity that Collects and Transports Edible Food from a Commercial Edible Food Generator to a Food Recovery Organization or other entities for Food Recovery.

“Food Scraps” means those Discarded Materials that will decompose and/or putrefy including: (i) all kitchen and table Food Waste; (ii) animal or vegetable waste that is generated during or results from the storage, preparation, cooking or handling of food stuffs; (iii) fruit waste, grain waste, dairy waste, meat, and fish waste; and, (iv) vegetable trimmings, houseplant trimmings and other Compostable Organic Waste common to the occupancy of Residential dwellings. Food Scraps are a subset of Food Waste.

“Food-Soiled Paper” means Compostable paper material that has come in contact with Food Scraps or liquid, such as, but not limited to, Compostable paper plates, paper coffee cups, napkins, pizza boxes, and milk cartons.

“Food Waste” means Source Separated Food Scraps. Food Waste is a subset of Organic Materials.

“Generator” means any Person whose act or process produces Discarded Materials as defined in the Public Resources Code, or whose act first causes Discarded Materials to become subject to regulation.

“Franchise Fee” means the fee paid by Contractor to the County as described in Section 7.1.

“Gross Receipts” shall mean total cash receipts collected from Customers by the Contractor for the provision of services pursuant to this Agreement, without any deductions. Gross Receipts do not include revenues from the sale of Recyclable Materials or Organic Materials.

“Hazardous Substance” means any of the following: (a) any substances defined, regulated or listed (directly or by reference) as "Hazardous Substances", "hazardous materials", "Hazardous Wastes", "toxic

waste", "pollutant", or "toxic substances", or similarly identified as hazardous to human health or the environment, in or pursuant to: (i) the Comprehensive Environmental Response, Compensation and Liability Act (CERCLA) of 1980, 42 USC §9601 et seq. (CERCLA); (ii) the Hazardous Materials Transportation Act, 49 USC §1802, et seq.; (iii) the Resource Conservation and Recovery Act, 42 USC §6901 et seq.; (iv) the Clean Water Act, 33 USC §1251 et seq.; (v) California Health and Safety Code §§25115-25117, 25249.8, 25281, and 25316; (vi) the Clean Air Act, 42 USC §7901 et seq.; and, (vii) California Water Code §13050; (b) any amendments, rules or regulations promulgated thereunder to such enumerated statutes or acts currently existing or hereafter enacted; and, (c) any other hazardous or toxic substance, material, chemical, waste or pollutant identified as hazardous or toxic or regulated under any other Applicable Law currently existing or hereinafter enacted, including, without limitation, friable asbestos, polychlorinated biphenyl's (PCBs), petroleum, natural gas, and synthetic fuel products, and by-products. "Hazardous Waste" means all substances defined as Hazardous Waste, acutely Hazardous Waste, or extremely Hazardous Waste by the State in Health and Safety Code §25110.02, §25115, and §25117 or in the future amendments to or recodifications of such statutes or identified and listed as Hazardous Waste by the U.S. Environmental Protection Agency (EPA), pursuant to the Federal Resource Conservation and Recovery Act (42 USC §6901 et seq.), all future amendments thereto, and all rules and regulations promulgated thereunder. To the extent that the State of Nevada adopts legislation with a broader definition of "Hazardous Waste" or a more stringent regulation applicable thereto, the Nevada legislation shall apply.

"Holidays" are defined as New Year's Day, Thanksgiving Day, and Christmas Day.

"Household Hazardous Waste" or "HHW" means Hazardous Waste generated at Residential Premises within the County and includes any substance or mixture that, if improperly handled, may be damaging to human health and well-being or a threat to the environment. HHW includes flammables, combustibles, poisons, toxics, oxidizers, corrosives, compressed gas, oil, antifreeze, explosives, and radioactive materials as well as any other hazardous waste as described in Health & Safety Code section 25117 and the Hazardous Waste Management Reform Act of 1995.

"Infectious Waste" means biomedical waste generated at hospitals, public or private medical clinics, dental offices, research laboratories, pharmaceutical industries, blood banks, mortuaries, veterinary facilities and other similar establishments that are identified in Health and Safety Code Section 25117.5 as may be amended from time to time.

"In-Home Recycling Container" refers to a small, easily portable tote bag with a capacity of at least three (3) gallons to be included by Contractor in the Multi-Family Move-in Kit to facilitate convenient accumulation of Recyclable Materials within a Multi-Family Dwelling Unit.

"Liquidated Damages" means the amounts due by Contractor for failure to meet specific quantifiable standards of performance as described in Section 10.6 and Exhibit F.

"Multi-Family" or "MFD" means any Residential Premises, other than a Single-Family Premises, with five (5) or more Dwelling Units used for Residential purposes (regardless of whether residence therein is temporary or permanent), including such Premises when combined in the same building with Commercial establishments, that receive centralized, shared, Collection service for all units on the Premises which are billed to one (1) Customer at one (1) address. Customers residing in Townhouses,

mobile homes, condominiums, or other structures with five (5) or more Dwelling Units who receive individual service and are billed separately shall not be considered Multi-Family.

“Non-Collection Notice” means the notice as described in Section 4.10.1.D.

“Occupant” means the Person who occupies a Premises.

“Organic Materials” means Yard Trimmings and Food Waste, individually or collectively. No Discarded Material shall be considered to be Organic Materials, however, unless it is separated from Recyclable Material and Solid Waste. Organic Materials are a subset of Organic Waste.

“Organic Waste” means wastes containing material originated from living organisms and their metabolic waste products including, but not limited to, food, Yard Trimmings, organic textiles and carpets, lumber, wood, paper products, printing and writing paper, manure, biosolids, digestate, and sludges.

“Owner” means the Person(s) holding legal title to real property and/or any improvements thereon and shall include the Person(s) listed on the latest equalized assessment roll of the County Assessor.

“Paper Garden Bags” means a paper bag approved by County which may be purchased by Residents from Contractor or elsewhere for the Collection of Organic Materials overages.

“Party” or **“Parties”** refers to the County and Contractor, individually or together.

“Person(s)” means any individual, firm, association, organization, partnership, consortium, corporation, trust, joint venture, Commercial entity, governmental entity, public entity, or any other legal person.

“Premises” means any land or building in the County where Recyclable Materials, Organic Materials, or Solid Waste are generated or accumulated.

“Processing” or **“Process”** means to prepare, treat, or convert through some special method.

“Processing Facility” means any plant or site used for the purpose of sorting, cleansing, treating or reconstituting Recyclable Materials, or Reusable Materials for the purpose of making such material available for Recycling or reuse or the facility for the Processing and/or Composting of Organic Materials.

“Prohibited Container Contaminants” means the following: (i) Discarded Materials placed in the Recyclable Materials Container that are not identified as acceptable Recyclable Materials for the County’s Collection program; (ii) Discarded Materials placed in the Organic Materials Container that are not identified as acceptable Organic Materials for the County’s Collection program; (iii) Discarded Materials placed in the Solid Waste Container that are acceptable Recyclable Materials and/or Organic Materials to be placed in the County’s Recyclable Materials or Organic Materials Containers or otherwise managed under the County’s Collection program; and, (iv) Excluded Waste placed in any Container.

“Proprietary Information” or **“Proprietary”** means that information provided by Contractor to the County which is protected from disclosure by the California Public Records Act and meets that definition of Proprietary Information. Nothing shall be considered Proprietary which is required to be submitted to the County in any report described in this Agreement. Contractor’s Customer lists for Customers served

under this Agreement are specifically not considered Proprietary for the purposes of this Agreement, however, the County may protect such information from disclosure consistent with the provisions of the Public Records Act.

“Public Street” means all County-owned and maintained paved areas between the normal Curb line of a roadway, including public parking lots, roadway dividers, and medians.

“Rate” means the maximum amount, expressed as a dollar unit, approved by the County that the Contractor may bill a Customer for providing services under this Agreement. A Rate will be established for each individual Service Level. The Rates approved by County are the maximum Rate that Contractor may charge a Customer and Contractor may, in its sole discretion, charge any amount up to and including the maximum Rate approved by the County.

“Rate Period” means a twelve (12) month period, commencing January 1 and concluding December 31.

“Recyclable Materials” means materials which are reused or Processed or are in the future reused or Processed into a form suitable for reuse through reprocessing or remanufacture, consistent with the requirements of the Act. The term “Recyclable Material” includes paper newsprint, printed matter, pasteboard, paper containers, cardboard, glass, aluminum, PET, HDPE, and other, beverage containers, transformable and compostable materials, used motor oil, automotive batteries, antifreeze, latex paint, brick and stone in reusable size and condition, and such other material designated by the County or designated as recyclable by CalRecycle, or other agency with jurisdiction.

“Recycle” or “Recycling” means the Process of sorting, cleansing, treating, and reconstituting at a Recyclable Materials Processing Facility material that would otherwise be Disposed of at a landfill for the purpose of returning such materials to the economy in the form of raw materials for new, reused, or reconstituted products. Recycling includes Processes deemed to constitute a reduction of landfill Disposal pursuant to 14 CCR, Division 7, Chapter 12, Article 2. Recycling does not include gasification or transformation as defined in Public Resources Code Section 40201.

“Residential” shall mean of, from, or pertaining to a Single-Family Premises or Multi-Family Premises including Single-Family homes, apartments, condominiums, Townhouse complexes, mobile home parks, cooperative apartments, and Single Room Occupancies.

“Residue” means those materials which, after Processing, are Disposed rather than Recycled due to either the lack of markets for materials or the inability of the Processing Facility to capture and recover the materials.

“Reusable Materials” means items that are capable of being used again after minimal Processing. Reusable Materials may be Collected Source Separated or recovered through a Processing Facility. **“Self-Hauler”** means a Person who hauls Construction and Demolition Debris, Yard Waste, Edible Food or Food Scraps that such Person generates at the Person’s own Premises, with such Person’s own vehicle or equipment, to another Person in accordance with Section 1.2C. or 1.2D. of the Agreement, and **“Self-Haul”** means the process of such hauling by such Person to another Person.

“Semi-Automated” Collection service means the use of Collection vehicles with automated tippers to empty Carts.

“Service Level” refers to the size of a Customer’s Container and the frequency of Collection service.

“Service Opportunity” means each individual scheduled opportunity the Contractor has to Collect from a Container at a Customer’s location.

“Single-Family” or **“SFD”** means, notwithstanding any contrary definition in County Code, any detached or attached house or residence designed or used for occupancy by one (1) family, provided that Collection service feasibly can be provided to such Premises as an independent unit, and the Owner or Occupant of such independent unit is billed directly for the Collection service. Single-Family includes Townhouses, and each independent unit of duplex, tri-plex, or four-plex Residential structures, regardless of whether each unit is separately billed for their specific Service Level.

“Single Room Occupancy” means any lodging property with five or more rooms which are (1) intended or designed to be used, or which are used, rented, or hired out, to be occupied, or which are occupied, for sleeping purposes by tenants, which is or may be the primary residence of such tenants, or (2) intended or designed to be used, or which are used, rented, or hired out, to be occupied, or which are occupied, for periods greater than twenty-nine (29) days.

“Single-Stream” or **“Single-Stream Recycling”** means the Collection from a single Container of mixed Recyclable Materials in accordance with Exhibit B.

“Solid Waste” means all putrescible and non-putrescible solid, semi-solid, and liquid wastes, including residential, industrial, commercial and municipal garbage, trash, refuse, paper, rubbish, ashes, industrial wastes, compostable materials, Construction and Demolition Debris, discarded home and industrial appliances, manure, vegetable or animal solid and semi-solid wastes, and other discarded solid and semi-solid wastes; but excludes Hazardous Wastes, Special Wastes and Medical Wastes.

“Source Separated” means the segregation, by the Generator, of materials designated for separate Collection for some form of Recycling, Composting, recovery, or reuse.

“Specialty Recyclable Material” means material not specified in this Agreement that can be or will be Collected for purposes of Recycling. Such Specialty Recyclable Material may include, but is not limited to, scrap metal, high-grade paper (including office mixed paper), pallets, and plastic film.

“Split-Bin” means a Bin that is split or divided into two (2) sections in order to segregate two (2) Source Separated Discarded Material types in one Container.

“State” means the State of Nevada.

“Subcontractor” means a Party who has entered into a contract, express or implied, with the Contractor for the performance of an act that is necessary for, and directly related to, the Contractor’s fulfillment of its obligations for providing service under this Agreement. Notwithstanding any other provision of this Agreement, vendors providing services, materials, and/or supplies to Contractor that are not directly related to Contractor’s provision of services under this Agreement (such as office supplies, equipment parts, and paving services at Contractor’s facilities), professional service firms providing legal, accounting, and/or other consulting services to Contractor, and all subcontractors and Approved Facilities that are not owned or operated by Affiliates of Contractor, shall not be considered

Subcontractors for any purpose under this Agreement. Exhibit H includes a list of all approved Subcontractors as of the date of execution of this Agreement.

“Term” means the Term of this Agreement, including extension periods if granted, as provided for in Article 2.

“Temporary Bin” means a collection container of no less than six (6) cubic yards in capacity and no greater than forty (40) cubic yards in capacity for temporary collection of solid waste, recyclables, or organic materials.

“Ton” or **“Tonnage”** means a unit of measure for weight equivalent to two thousand (2,000) standard pounds where each pound contains sixteen (16) ounces.

“Townhouse” means an attached or semi-attached Single-Family Premises within a group of attached or semi-attached Single-Family Premises, regardless of whether the Premises is billed individually or through a central account (e.g. homeowner association, property manager), wherein each unit maintains individual Collection service subscription, as determined in writing by the County Contract Manager.

“Trade Secrets” means information, including a formula, pattern, compilation, program, device, method, technique, or process, that: (1) derives actual independent economic value from not being generally known to the public or to other Persons who can obtain economic value from its disclosure or use; and, (2) is the subject of efforts that are reasonable under the circumstances to maintain its secrecy.

“Transfer” means the act of transferring the materials Collected by Contractor in its route vehicles into larger vehicles for Transport to other facilities for the purpose of Recycling or Disposing of such materials.

“Transportation” or **“Transport”** means the act of conveying Collected materials from one location to another.

“Universal Waste” or **“U-Waste”** means all wastes as defined by Title 22, Subsections 66273.1 through 66273.9 of the California Code of Regulations. These include, but are not limited to, batteries, fluorescent light bulbs, mercury switches, and E-Waste.

“Used Motor Oil and Filter” means used oil fluids for vehicles including motor oil, brake, transmission and hydraulic fluids, crankcase and differential oils, lubricating oils for vehicles, and oil filters from automobiles and light trucks.

“Used Oil Recovery Kit” means a kit containing: one (1) reusable plastic jug of at least one (1) gallon capacity with a leak-proof, watertight screw-on top to contain Used Motor Oil or used cooking oil; one (1) six (6) mil plastic Disposable resealable bag with double track seal of sufficient capacity to accommodate one (1) Used Motor Oil Filter; and, a flyer, brochure, or other informational media approved by the County intended to educate Customers about the Used Motor Oil and Filter Collection program and the benefits resulting from the proper handling of Used Motor Oil and Filters. The Used Oil Recovery Kit is to be provided to Customers by Contractor to recover Used Motor Oil and Filter, and used cooking oil from Single-Family and Townhouse residents.

“Waste Reporting System” means an online/digital data system designated by Contractor for recording and documenting outreach, customer service, site visits, service levels, weights and volumes by waste stream, and field issues for compliance and reporting purposes.

“Working Days” means days on which the Contractor is required to provide regularly scheduled Collection services under this Agreement.

“Yard Trimmings” means those Discarded Materials that will decompose and/or putrefy, including, but not limited to, green trimmings, grass, weeds, leaves, pruning’s, branches, dead plants, brush, tree trimmings, dead trees, small pieces of unpainted and untreated wood, and other types of Organic Materials resulting from normal yard and landscaping maintenance that may be specified in County Legislation for Collection and Processing as Organic Materials under this Agreement. Yard Trimmings does not include items herein defined as Excluded Waste. Yard Trimmings are a subset of Organic Materials. Yard Trimmings placed for Collection may not exceed six (6) inches in diameter and three (3) feet in length and must fit within the Contractor-provided Container.

“Zero Emission Vehicle” means a vehicle that produces no emissions of criteria pollutants, toxic air contaminants, and greenhouse gases when stationary or operating.

EXHIBIT B

SCOPE OF WORK FOR COLLECTION OPERATIONS

SECTION 1: GENERAL REQUIREMENTS

1.1 General Requirements for Collection and Billing.

The Contractor shall Collect, Transport, and Dispose of all Solid Waste and shall collect and recycle marketable Recyclable Materials and Organic Materials which are placed for collection at Residential Premises, Commercial Premises and at County Facilities and events at which the Solid Waste, Recyclable Materials and Organic Materials are generated. Organic Materials collected at Residential Premises are limited to Yard Trimmings.

Contractor shall prepare bills for all Customers that clearly and accurately list Rates in effect at the time services were provided or for the time period in which services will be provided. Bills shall fully explain and display all calculations of each charge. Such charges shall not exceed the Rates established by the County. Any disputes related to charges shall be resolved by the County. Contractor shall submit to County, sixty (60) days prior to its use, a draft of bill format(s) and a line-item description for each charge, together with an example of a completed bill for an individually serviced Residential Premises, a centrally billed Homeowners Association and a Commercial Premises with compactor and recycling collection services, for review and approval. Contractor shall also, at the same time as submittal of the draft above, submit a draft of a conveniently sized listing of services and maximum Rates in effect that may be distributed to, and retained for reference by, all Customers.

1.2 Changes in Collection Services.

Contractor shall be responsible for: (A) establishing services for new Customers and (B) stopping services and preparing a final billing on a pro rata basis for a Customer permanently discontinuing service. Contractor shall, for approval of County, develop a procedure and confirmation form to document requests for commencement and termination of, and changes in, service. Customers shall be provided a copy of the confirmation form noting effective date of start-up, change, suspension or termination in collection services and other pertinent details, such as data of issuance of refund for services not provided but for which Customer has paid.

1.3 Changes in Scheduled Days of Collection.

Once a schedule of collection days for Solid Waste, Recyclable Materials and Organic Materials has been established for Residential Premises, the schedule shall not be changed without the prior written approval of County. Contractor shall request approval from County ninety (90) days prior to planned change in a scheduled day of collection for Residential Premises. As a condition of approval of such a change, County may require Contractor, at Contractor's sole expense, to notify residents of the change by first-class postage. All details and scheduling of such notices shall be subject to approval by the County.

Scheduled collection days for Solid Waste, Recyclable Materials and Organic Materials may be changed at the request of the Occupant or property manager of any Commercial Premises without the approval of County. The County will determine the final schedule of collection days, in the event a disagreement arises between Contractor and a Customer or Solid Waste-generator at a Commercial Premises.

1.4 Containers for the Collection of Solid Waste, Recyclable Materials and Organic Materials.

Contractor shall be responsible for furnishing new or refurbished Containers as detailed in Sections 1.4.1 and 1.4.2 below. All Containers will be consistently color-coded. The color-coding scheme shall be universal black body and black lids for Solid Waste, green for residential Yard Trimmings, green for non-residential Food Scraps and Yard Trimmings, and blue for Single-Stream Recyclable Materials. Containers for Recyclable Materials and Organic Materials shall have messages/graphics on the exterior designed to prevent Customers from placing materials that would contaminate the Recyclables/Organics Containers and the text/graphics shall be approved by County before Containers are ordered.

1.4.1 Containers for Residential Premises.

Contractor shall furnish to each participating Residential Premises: (A) one Animal-Resistant Solid Waste Cart of ninety-five (95) or sixty-five (65) gallon capacity; or (B) a non-Animal-Resistant Cart of thirty-five (35) gallon capacity. Each such Customer opting for a 95-gallon Solid Waste Cart will also receive (A) one Recycling Cart of ninety-five (95) gallon capacity; and (B) one Organic Material (Yard Trimmings only) Cart of ninety-five (95) gallon capacity. Each such Customer opting for a 35-gallon or 65-gallon Solid Waste Cart will also receive (a) one Recycling Cart of sixty-five (65) gallon capacity; and (b) one Organic Material (Yard Trimmings only) Cart of sixty-five (65) gallon capacity. Each Cart will be equipped with a hinged or otherwise attached lid, and wheels for maneuverability. As to (A) above, Residential Premises that have Bear Boxes may elect to continue to provide their own Solid Waste Container(s) or sign up for the new Animal-Resistant option, but a combination of both Containers will not be allowed. Residential Customers that request an additional Solid Waste Cart will be charged for the cost of the cart.

At any time Contractor distributes a Cart to a Residential Premises, Contractor shall also deliver to the Premises an informational brochure, describing the curbside recycling program, listing in detail all types of Recyclable Materials that will be collected and how they are to be prepared, days of collection, Cart location requirements, and other pertinent information. This brochure shall be submitted to County for approval ninety (90) days prior to the initial delivery of the Containers. County may direct that the brochure be periodically updated as needed, but not more often than once annually. All costs associated with the preparation of a professional, well-formatted and designed brochure, including photographic examples of Recyclable Materials and Containers, costs of printing, labeling, and mailing (first class postage) shall be borne by Contractor.

1.4.2 Containers for Commercial Premises and County Facilities.

Contractor shall furnish 1-3 yard Bin(s) for Yard Trimmings, and/or Food Scraps, and ninety-five (95) gallon Carts on an as needed basis, to Commercial Premises and at County Facilities and events, except that Customers located at any of the above Premises may, at their sole discretion, lease and/or purchase Compactors from any Person, including, but not limited to, Contractor, for use at their Premises.

SECTION 2: COLLECTION SERVICES

Contractor will provide Semi-Automated Residential Single-Stream Recycling and Organic Materials (Yard Trimmings only) Curbside Collection on the same day of the week as Solid Waste Collection.

2.1 Collection Methodology

The goal of the transition team is to minimize disruption to Customers while making an efficient transition to the new 3-Cart Semi-Automated Waste Collection. The Service Area will be divided into Collection areas that can each be serviced one day per week. In that way, the Customer will see trucks in their area only on one day per week. Environmental impacts are reduced, and Collection efficiency will be increased.

2.2 Single-Family Residential Basic Level of Service.

The basic level of service for a Single-Family Residential Premises includes Curbside Collection of: (A) once weekly Solid Waste provided by Semi-Automated Collection; (B) every other week Single-Stream Recyclable Materials, and (C) every other week Organic Materials (Yard Trimmings only). Disabled, frail and elderly Residential Customers shall be provided house service at no additional cost once properly vetted and confirmation has been established by Contractor.

2.2.1 Shared Service Containers

Single-Family Residential Customers will be allowed to share Recyclables and Organic Materials Carts if space is an issue so long as both Customers are signed up for Solid Waste service.

2.2.2 Yard Trimmings Drop Off

Throughout the year, Residents of the County that are subscribed to Contractor's service and show proof of address will have drop-off rights for Yard Trimmings at South Tahoe Refuse Transfer Station free of charge.

2.3 Commercial Service

Commercial Solid Waste Collection will be Semi-Automated. Manual Collection will be reserved for locations where Semi-Automated Collection vehicles are too large. Most Collection will be with a front loader. Contractor will encourage Commercial Customers to use a large Container and minimize the frequency of Collection to reduce traffic and environmental impact and increase Collection efficiency.

The basic level of service for a Commercial Customer includes:

- Regularly scheduled Semi-Automated Collection of Solid Waste based on a schedule that best serves the Customer's needs and the Collection situation. For example, a restaurant with wet waste may be serviced with a smaller Container collected more frequently than an office building with dry waste.

- Semi-Automated Collection if the Customer can be served using Residential-sized Carts.
- Front loader Collection, with Bins, if the business size of the Customer is larger.

As part of the Public Outreach Program, Contractor staff will meet individually with Commercial Customers generating 2+ yards of Solid Waste per week to decide on appropriate levels of service. At that time, and in later public education communications, Customers will be encouraged to expand their Organic Materials Collection program.

Customers with excess Solid Waste will have the option to call twenty-four (24) hours before their next scheduled Collection day to request extra service for a fee.

2.4 Multi-Family Residential Service

Multi-Family Residential Premises may be serviced either as (A) Single-Family Residential Customers as described in Section 2.2 above, or (B) as Commercial Customers as described in Section 2.3 above, which include dwelling units in Multi-Family Residential Premises that are not provided individual Collection service nor directly billed by Contractor, but are instead serviced through central Collection by Bin, roll-off Box and/or Compactor and billed through a Homeowners Association or property manager.

Contractor shall offer Single-Stream Recycling service to all Multi-Family Residential units. Contractor shall also provide Organic Materials Collection services (Yard Trimmings only) to all such units.

2.5 Recyclable Materials Collection

Single-Family Residential Recyclables Collection will be bi-weekly Semi-Automated on the same day as Solid Waste Collection. Customers will be instructed to place their Carts at the curb by 7 a.m. Collection will start at 7 a.m.

2.5.1 Collection Methodology

All Recyclables Containers will be color-coded and will be properly labeled. Customers will be given a blue Cart that will have a molded graphic indicating the Recyclable Materials that are to be placed inside.

2.5.2 Single-Family Residential Service

Similar to Single-Family Residential Solid Waste Collection, Contractor will have four vehicles collecting Recyclables and Organic Materials daily, with each truck equipped with Semi-Automatic or manual Collection services. For bi-weekly Collection, the Customers in the entire service area will receive Recyclables Collection for one week and Organic Materials Collection the following week.

2.5.3 Multi-Family Residential Service

Services to Multi-Family Residential Customers will parallel the Collection program for Solid Waste. For example, if the Multi-Family Residential Premises manager has elected to have each unit receive individual Solid Waste service, each will also receive Single-Stream Recycling service, provided

each unit has enough space. If the Multi-Family Residential Premises manager has elected to have centralized Solid Waste service, the complex will also have centralized Recycling Collection and Organic Materials Collection service. The Container will be a large Bin or multiple 95-gallon Carts, depending on the needs and space available in the complex. If they have Bin service, they will get weekly service.

2.5.4 Commercial Service

Recycling Collection service will continue to consist of Recyclables mixed with Solid Waste and separated at the Approved Recovery Facility.

2.5.5 Excess Materials

Contractor will provide Spring and Fall Clean Up Days where Residential Customers can put out an additional 6 bags of Solid Waste per household on their regularly scheduled service days.

2.6 Collection of Yard Trimmings / Food Waste.

2.6.1 Single-Family Residential Service

Semi-Automated Yard Trimmings Collection will be bi-weekly on the same day as Solid Waste Collection. Customers will be instructed to place their Carts at the curb by 7:00 a.m. Collection will start at 7:00 a.m. Customers will be provided a green Cart that will have a molded graphic indicating that Yard Trimmings material be placed inside. Those Customers choosing the 35- or 65-gallon Solid Waste Cart option will be given one 65-gallon Organic Materials (Yard Trimmings only) Cart. Those Customers choosing the 95-gallon Solid Waste Cart will receive one 95-gallon Organic Materials (Yard Trimmings only) Cart at no additional charge. More than one such Carts will be provided at Contractor's cost. Similar to Recyclables Collection service, Contractor will have four vehicles Collecting Yard Trimmings daily. For bi-weekly Collection, the Customers in the entire service area will receive Recyclables Collection one week and Yard Trimmings Collection the following week.

2.6.2 Multi-Family Residential Service

Services to Multi-Family Residential Customers will parallel the Collection program for Solid Waste. The frequency of Yard Trimmings Collection service will be bi-weekly. The service will also use Carts. If the Multi-Family Residential Premises manager has elected to have centralized Solid Waste service, the complex will also have centralized Recycling and Yard Trimmings Collection service. The Container will be a Bin or multiple 95-gallon Carts, depending on the needs and space available in the complex.

2.6.3 Commercial Service

Contractor will offer separate Collection service for Foods Waste, on the one hand, and Yard Trimmings and other Organic Materials suitable for Composting, on the other hand, to all Commercial Customers that generate 2+ cubic yards of Solid Waste per week. Contractor shall charge Customers for Collection of Food Waste and Yard Trimmings as part of the Commercial Food Waste Collection program at the Rates in Exhibit G2, as may be adjusted in accordance with the Agreement. Contractor, in

coordination with County, will offer training and instruction for all Commercial Premises participating in the Food Waste Collection program.

Food Waste Collection will be by 95-gallon Cart or 1-3 cubic yard Bins and will accept all Food Waste, aside from Food-Soiled Paper. Separate Bins for Yard Trimmings will be provided upon request. Commercial Premises can share Food Waste Bins if it is most efficient and is desired by the Customers. All Commercial Bins are equipped with a locking bar to help minimize Contamination and illegal dumping. Ninety-five (95) gallon Carts for Food Waste will be available for those Customers that have adequate indoor storage.

2.6.5 Composting of Yard Trimmings / Food Waste

Food Waste and other Organic Materials suitable for Composting Collected by Contractor shall be delivered to an Approved Organics Material Processing Facility for anaerobic digestion and/or Composting.

2.7 Changes in Collection Service

Customers may decrease the frequency of Collection, number, and/or size of Containers for Solid Waste at a maximum of two times per year. More than two requests for additional Carts and/or change of Carts size and frequency of pickup will include Contractor's service fee.

2.8 Cooperative Arrangements

The County currently allows Premises to share Organic Materials Bins if it is most efficient. County may permit Customers to form cooperative arrangements and enter into written agreements with other Customers to aggregate Solid Waste, and/or Organics or some category thereof, and to share, in any manner mutually agreed to by such Customers, the reduced Collection charges, therefor. All services will occur at the paying Customer's address only.

2.9 Consultations and Technical Assistance

Contractor will provide Composting Training and assistance, upon request, for on-site Composting programs and other Solid Waste and Composting-related activities to assure Customers reduce contamination and increase diversion.

2.10 Notice to Commercial Customers

Contractor shall make annual site visits to each Commercial Customer that ranks in the largest 25 Solid Waste generators in the County. The site visits are to notify the occupants thereof of alternative methods of source reduction and Recycling and other supportive services available. Such contact shall include a brochure as described in Exhibit C. Contractor shall work with the County to provide waste stream audits, as requested, and provide Compost training and report to Customer on opportunities available to start up or increase Diversion. Contractor shall additionally make phone and/or email contact with each Commercial Customer annually to ensure that Solid Waste service is adequate and provide information that is provided in site visits.

2.11 Temporary Bin

Contractor shall provide, on a temporary basis, Containers for the purposes of collection of Solid Waste, Recyclable Materials, and Organic Materials at the request of Customers. Services shall be provided at Rates in Exhibit G2, as may be adjusted in accordance with the Agreement. Such temporary service shall be provided, by way of example but not limitation, to sites where construction and /or demolition activity, replacement of roofs or paved areas, or replacement or maintenance of landscape materials is occurring. Collection shall occur on an as-needed, on-call basis, within seventy-two (72) hours of a request, or may be regularly scheduled, as determined by the Customer.

Contractor shall use commercially reasonable efforts to inform Customers utilizing Bins on a temporary basis that materials being generated may be Recycled and/or Composted. Such efforts include contacting the Customer, completing a waste audit, preparing a cost analysis, and demonstrating any costs savings (if applicable) due to lower Collection charges and adjusting services as selected by Customer. The County may require at any time, and Contractor shall provide in the quarterly report to the County in a form approved by the County, the results of such efforts, including written communications, list of persons contacted, Recycling and Composting training provided, and results achieved.

2.12 New 3-Cart Program Cost and Operational Data

Contractor shall record the tons collected, number of stops, number of participating Customers, number of routes, labor hours, cost, and other pertinent data, as may be required by the County, in a format approved by County and shall submit said data on a quarterly basis, beginning one month after inception of a program. The County may require submission of additional information from Contractor as necessary or desirable in order to evaluate the productivity, cost, benefits and potential diversion opportunity of the program and to report data to state and federal agencies.

SECTION 3: HOURS AND SPECIAL SERVICES

3.1 Hours of Collection.

Collection of Solid Waste, Recyclable Materials and/or Organic Materials are set forth in Section 5.2A of the Agreement.

3.2 Holiday Greenery Collection and Recycling.

Contractor shall accept Christmas trees with normal curbside collection from December 26 through January 15. Residential Customers shall be instructed on how to prepare holiday greenery for Recycling and/or Composting.

3.3 Contamination Notices.

If Prohibited Container Contaminants exceed twenty (20) percent in a Single-Stream Recyclable Materials Container or an Organic Materials Container, Contractor shall work with the Customer or on-

site property manager to reduce Contamination. Drivers of Collection trucks shall have tablets and shall take pictures of loads exceeding the twenty (20) percent Contamination limit. Contractor shall record Contamination incidents on Customer accounts to include date of incident, record of picture taken, and type of Contamination. Contractor shall send Customers a letter stating date and nature of Contamination and shall include a copy of the picture(s). Contractor shall charge for three or more Contamination incidents after Customer receives two written warnings for Contamination within one calendar year at a Contamination Processing Fee established by the County.

Contractor shall notify Customers of failure to properly separate materials or to minimize Contamination. This notice shall be pre-approved by the County. Notices shall also include actions that may be taken by Customers to correct the identified problem and a telephone number to contact to arrange for Collection. Contractor shall Collect within twenty-four (24) hours, once the reason or reasons for initial non-Collection are cured. Contractor shall provide a quarterly list of accounts receiving a Contamination notice to the County for follow-up.

The following table lists various Recycling streams to be Collected. This list includes items to be accepted in the Single-Stream Recycling stream and items that are considered a contaminant in the Recycling stream.

**Table 3-1
Recycling Streams and Contaminants**

Recycling Material Stream	Acceptable Materials	Unacceptable Materials (Contamination)
Single-Stream	Newspaper, phonebooks, catalogs, magazines, brown paper bags, packaging, egg cartons, white paper, colored paper, envelopes (windows are not contamination), junk mail, glossy paper, shredded paper (in clear bags), carbonless paper, chipboard/boxboard, cardboard, wrapping paper, Empty aluminum cans, empty tin cans, juice containers, beer containers, sauce containers, Soda cans, tuna cans, soup cans, loose jar lids, empty aerosol, empty glass beverage containers, empty glass food containers, all glass colors, empty CRV and non-CRV plastic containers, trays and	Paper tissues, paper towels, paper with plastic coating (i.e. photographs, label paper), paper with food, wax paper, foil lined paper, Tyvex (non-tearing) envelopes, plastic and non-paper bags, non-rigid plastic packaging, plastic liners (i.e. cereal bags), Windows, mirrors, dishware, ceramics, light bulbs, florescent tubes, wood furniture, Styrofoam, Solid Waste, Hazardous Waste, hard cover books/manuals, Pyrex materials, fiberglass materials, Universal Wastes such as household batteries, fluorescent lamp and ballasts, bubble wrap, tarps, textiles, clothes, shoes, E-Waste and small manufactured goods (e.g. purses, handbags and

bottles #1 through #7, soft cover books/manuals, milk/juice cartons, plastic toys, plastic irrigation or PVC pipe, rigid plastic sheets or panels, empty plastic buckets and baskets, empty plastic flower pots, plastic crates and carts	backpacks)
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Recycling Material Stream	Acceptable Materials	Unacceptable Materials (Contamination)
Yard Trimmings	Loose green material from the yard, grass clippings, leaves, weeds, tree pruning's, bush pruning's, plant material, vineyard clippings, tree trunks/stumps/branches 3" or less in diameter	Rocks, dirt, plastic bags, Solid Waste, Single-Stream Recyclables, pet waste, Hazardous Waste, tree trunks/stumps/branches greater than 3" in diameter
Food Scraps	All food, fruits, vegetables, meat, poultry, seafood, shellfish, bones, rice, beans, pasta, bread, cheese, eggshells, wood crates, sawdust,	Solid Waste, Single-Stream Recyclables, liquids, Hazardous Waste, rocks, dirt, pet waste, cloth or plastic diapers, napkins, paper towels, tissue products, paper napkins, paper plates and cups, coffee filters, tea bags, waxed paper, butcher paper, paper take-out boxes and containers, greasy pizza boxes, soiled paper bags and cardboard, waxed cardboard., packaged organics,

Recycling Material Stream	Acceptable Materials	Unacceptable Materials (Contamination)
Metal (C&D)	Ferrous metal, non-ferrous metal	Items less than 90% metal, fluids, Hazardous Waste, all Solid Waste
Dry Wall (C&D)	Clean dry wall (gypsum)	All Solid Waste, all other non-dry-wall materials such as stucco, Hazardous Waste
Carpet	Clean and dry carpet from residential and Commercial buildings; can be Carpet 6, Carpet 66, and carpet made from all other materials including PET, wool, and other natural and synthetic fibers	All Solid Waste and other materials, Hazardous Waste, dirt, astroturf, carpet padding
Carpet Pad	Clean and dry carpet pad from residential and Commercial buildings	All Solid Waste and other materials, Hazardous Waste, dirt
Cardboard	Clean cardboard, chipboard	Wax cardboard, all Solid Waste, all non-cardboard items, Hazardous Waste
Mixed Construction and Demolition	All concrete materials, all metal materials, all wood materials, all cardboard materials, all Yard Trimmings materials, drywall, dirt, soil, asphalt	Solid Waste, all food waste, Hazardous Waste

Recycling Material Stream	Acceptable Materials	Unacceptable Materials (Contamination)
Wood (C&D)	Non-treated wood, stained wood, wood with nails, wood with small metal items, tree trunks/stumps/branches (free from leaf and brush material)	Painted wood, lacquered wood, creosote treated wood, railroad ties, telephone poles, excessive nails, large metal items, Hazardous Waste
Chipped Wood (C&D)	Pre-chipped tree trunks/stumps/branches or pre-chipped untreated wood with no metal items	Chipped wood with metal items, chipped Yard Trimmings, chipped treated or stained wood
Concrete (C&D)	Clean concrete, concrete with rebar, asphalt not exceeding 5% of incoming load by weight, bricks, ceramic tiles, baselite blocks, concrete roof tiles, concrete pipe without asbestos	All Solid Waste, all other non-concrete materials such as stucco, Hazardous Waste including concrete pipe with asbestos, asphalt exceeding 5% of incoming load by weight
Asphalt (C&D)	Clean broken asphalt pavement with dirt not exceeding 5% of incoming load by weight	All Solid Waste, all other non-asphalt materials, Hazardous Waste, dirt exceeding 5% of incoming load by weight

3.4 Website.

Contractor shall create and maintain a website with information on all the County's Solid Waste, Recycling, and Composting programs.

3.5 Seminars, Workshops, Presentations, Meetings.

Contractor shall ensure the attendance of qualified and knowledgeable employees of Contractor, on an as-requested basis, at local seminars, workshops, presentations, meetings, and the like, to provide information or discuss matters related to Solid Waste management and Recycling.

3.6 Proposals for New Diversion Program.

In accordance with Section 3.5 of the Agreement, Contractor shall, at no additional cost, within thirty (30) days of a request by County, submit a written proposal on providing additional or expanded Diversion services. The proposal shall contain a complete description of the following: (A) Collection methodology to be employed; (B) equipment to be used and staffing requirements by number and classification; (C) type of Container(s) to be used; (D) informational/promotional campaign; and (E) projection of annual operating costs, including documentation of and support for key assumptions underlying projections.

SECTION 4: TRANSITION PLAN

A well-managed transition is critical to establishing the foundation for a successful franchise. During transition, the people, systems, procedures, and resource applications crucial for a smooth-running franchise will be put in place. During the transition period, all aspects of Collection will be addressed including customer service, worker health and safety, work quality, staffing, skills, vehicles, and equipment. Contractor's team will prioritize the resolution of any start-up issues. Contractor will utilize the transition period to identify and make service improvements. Contractor will work diligently with all parties to accomplish a seamless transition.

4.1 Implementation Plan For Collection

Collection services will continue to operate during the transition of the replacement of Customer owned cans with the new 3-Cart Collection Program (if implemented by Contractor). Vendors for this equipment have committed to meet the time frame with the current overall Implementation Schedule (Exhibit B8).

Contractor has placed orders for new vehicles and equipment and will be tracking the progress of these deliveries and installations over the next year. To date, the nine new vehicles scheduled had been ordered and will be arriving early 2024. Contractor will update County staff during monthly meetings regarding delivery and deployment of these vehicles and other equipment installations. Beginning June 1, 2024, weather permitting, Contractor will begin delivering Solid Waste, Recyclable Materials, and Organic Materials Carts to all Single-Family Residential Customers. Contractor will continue normal Residential and Commercial Collection until all Carts are delivered. The new 3-Cart Collection Program will begin by September 15, 2024 (if implemented by Contractor). Contractor may

request an extension from the County based on good cause, which the County may grant or deny within its reasonable discretion.

4.2 Contractor Transition Timeline

By September 15, 2024, Contractor will start Collection service with the 3-Cart Collection Program (if implemented by Contractor). Contractor Managers will work with the County through all aspects of the transition, which can be categorized as follows:

- Transition Management
- Personnel hiring and training
- Detailed collection routing
- Education and outreach campaign development and implementation
- Customer service coordination
- Customer Collection assurance
- Carts/Bins acquisition and delivery

Beginning in the fourth quarter of 2023, Contractor will begin working closely with the County to review and update the overall service Implementation Plan (Exhibit B8), and confirm the transition period for the Public Outreach and Education Program (Exhibit C). This will include, but may not be limited to, the following:

- Coordinate with the County to finalize the Public Outreach and Education Program to be inclusive and consistent across all service areas.
- Conduct early surveys to better understand community needs and begin the process of gathering more demographic data.
- Develop and confirm new Cart design and labeling.
- Implement other activities to extend the reach of the transitional public outreach and education program as determined by Contractor and County Staff.

Contractor will work closely with the County to establish accountability throughout the transition effort. Regular check-in meetings will be established between the two parties, ensuring fluid communication and maximum efficiency.

During the transitional period, the team will establish contact with Customers in the County, preparing them for the change in service and sharing tips for sorting Residential and Commercial waste, per the Education and Outreach Plan (Exhibit C).

4.2.1 New Collection Services Implementation Tasks

- The County approves and executes the Agreement with Contractor.
- Container mobilization for Carts and Commercial Bins.
- Contractor will direct the Container manufacturers to ship Carts to a central staging area. The local distribution company will deliver Containers prior to the determined start-up service date.

- Driver and support staff training: Contractor will provide training on new service requirements and assignments. Drivers will be trained to use the Collection vehicles and equipment. Training will start at least 90 days prior to the start-up of the new services.
- Begin new services: Contractor will launch new Single Stream Recycling and Organics Collection and other services on schedule by September 15, 2024.

4.2.2 Carts and Bins

Contractor will place binding orders with the manufacturer(s) soon after the County approves the Agreement (if the 3-Card Collection Program is implemented by Contractor). The manufacturer, Rehrig, will provide firm production and delivery timelines and personnel training. Contractor will work with Rehrig to engage a subcontractor for Cart delivery. The initial order will be adequate to distribute Containers throughout the County. Benchmark dates for manufacturing, printing, and shipping will be agreed to by all participants and submitted to the County for approval. To ensure timely arrival, Contractor will conduct weekly update calls with Rehrig.

Cart deliveries to County residents will begin by June 1, 2024 and be completed by September 15, 2024. This schedule ensures complete delivery of Containers before the new Collection service begins on September 15, 2024.

Contractor will work directly with Customers to “right size” their Carts by conducting surveys and providing recommendations. This effort will:

- Optimize collection services and minimize expense for each Customer
- Maximize Solid Waste Diversion and Recycling
- Conserve Collection and Processing resources

Rehrig will record Cart and Container distribution with Customer name, address, Cart or Container size, Container distribution date, Container identification and serial number, that will be uploaded to Contractor’s EnCore Waste Management Software to use in billing, routing, reporting, and for service monitoring.

Cart delivery will be performed in all areas to the full satisfaction of every Customer.

Contractor’s maintenance staff will work closely with Contractor management and Rehrig personnel to sufficiently train personnel on Cart repair, Cart inventory and asset control best practices, and work-order protocol.

4.2.3 Vehicle Maintenance and Support

Contractor will continue to use its fully equipped and modern facilities and yard for equipment maintenance and repair for the new Collection fleet, as well as other activities. The facilities are capable of providing all maintenance requirements of the new vehicles and accommodates other activities including:

- Truck maintenance and repair
- Container maintenance and repair
- Vehicle cleaning
- Container cleaning
- Vehicle fueling
- Truck yard
- Dispatch, driver training, routing
- Used motor oil & filter recycling

4.2.4 Route Collection Staff

Contractor's Commercial Collection drivers are a main link to the business community. How their daily duties are performed contributes to business community perceptions of Contractor. Contractor will continue to provide a successful, multifaceted driver education program that stresses safety and Commercial customer service. Specific training of route personnel includes:

- Familiarity with Contractor company procedures and practices
- Familiarity with the truck equipment
- Use of personal protective gear
- Defensive driving training
- Spill response training
- Hazardous waste material identification
- Injury and illness prevention
- Customer service procedures and practices
- Thorough understanding of new Commercial Collection and Recycling Program

SECTION 5: ROUTE OPERATIONS

All Collections will occur between the hours specified in Section 5.2A. of the Agreement. Contractor plans for on-route and on-board video recording and transmission to broaden the involvement of other colleagues and quicken our customer response, as thoughtful and quick responses result in higher customer satisfaction levels.

Collection drivers will report operational issues to a central dispatcher, who in turn will provide instruction or issue an electronic work order to customer service and the appropriate route supervisor. Should immediate action be required, the crew member will be able to connect with the supervisor directly. All supervisors will monitor communications and communicate directly with collection personnel. All vehicles and personnel will be assigned a mobile communications device and an on-board computer. On route GPS systems allow communication between supervisors, crews, dispatch, customer service, maintenance, and customer outreach personnel on a real-time basis.

Contractor's integration of Collection and Processing activities will enable routing changes to be suggested by the Approved Recovery Facility management team, which plays an important role in evaluating the quality and preservation of Collected materials quality. Recommendations from the

Transfer Station management team will enhance material Collection, as well as how the material is tipped at the facilities.

In addition, Contractor utilizes EnCore Waste Management Software which will help Contractor to track the locations of Collection stops, automatically associate Collection stops with Customers, and observe it all with system-managed time stamps. Drivers can easily log the precise activities that account for the full day, as they happen, with the easy-to-use Driver Display Terminal. The system will allow Contractor to output end-of-day paperless driver logs that immediately update real route history, by day, week, and month - for every Customer and every route. All daily operations are managed cleanly from inside the back-office system. Routes are pushed to vehicles using dispatch screens, and at the end of day routes are updated automatically.

SECTION 6: OPERATIONS PLAN

Commercial routes will be carefully planned so that Collection drivers follow assigned routes designed to optimize time in the field, personal safety, and responsiveness to Customer needs and concerns. The numbers of Commercial Cart and Bin stops per route depend on the location of that route within the County, street geometry, car parking, geography, and distance to the Approved Facility. Collection methods may be different at each stop, a circumstance that will be factored into each day's route and Customer service load. Based on future time and routing studies smaller Bins (1- to 2-yards) may take slightly longer to service due to their smaller size, low profile, and tendency to be overloaded compared to 3- to 6-yard Containers, which are typically located in such a position that the Contractor driver can directly access the larger Bins and lift and load them more efficiently. While the average time to lift and empty a Bin can be as little as 26 seconds, the range of time per Commercial stop can range from under a minute to 3-10 minutes, depending on Customer access and weather conditions.

In general, each Commercial Collection vehicle will be operated by one (1) FTE employee driver. Specific routes with difficult access may have a helper with the driver to get out of the truck cab and move a Cart or Bin into position for more efficient use of time and motion. In all Commercial collections, the Contractor driver ensures the lid of the Cart/Bin is closed before leaving the area and will clean up any litter as a result of the Collection activity.

Contractor will utilize its EnCore Waste Management Software system for each vehicle, recording driver, route, and Collection service data, and respond to on-route disruptions and additional service requests originating from Contractor offices, ensuring operational connectivity.

Exhibit C

Public Education and Outreach Plan

Section 1: General Services

Working together with the County, Contractor will use commercially reasonable efforts to meet the challenges of Diversion with tireless new ideas and technology, and by utilizing what works. Our landfill Diversion programs will continue to expand as our processing improves, our outreach succeeds, and we change waste generators' behavior. All the while, we will consistently work to operate efficiently and with our environment in mind.

1.1 Public Education Plan

In order to work toward zero waste, Contractor's approach will be to prioritize paperless outreach efforts whenever feasible. Contractor will educate the public on our comprehensive services, as well as provide information about increased Recycling options and resources. This public education will be accomplished through direct contact with Customers, effective marketing and PR material, advertising in the local media, involvement in community events, and diverse Recycling activities. Contractor will use the recent public educational experiences regarding the services in Douglas County, as well as the experiences of both the County and Contractor, to help effectively educate the public.

Contractor's public education will include:

- Informational brochures, posters, signs, and toolkits
- Expanded single-stream Recycling educational information and outreach
- Quarterly newsletters
- Outreach to Single-Family Residential Customers through email, mailings, advertising, social media and community events
- Direct outreach to all Commercial and Multi-Family accounts
- Recycling educational programs and tours
- Yard Trimmings / Food Waste education and composting classes
- Information about the expanded Source Separated temporary bin collection

The combination of these methods should increase Diversion in South Lake Tahoe/Douglas County, as well as provide comprehensive information about all of Contractor's services. We fully expect that Curbside Recycling Collection, expanded Commercial Customer outreach and Recycling, Yard Trimming / Food Waste Collection, and increased Source Separated debris box service will keep Diversion rates above 50 percent.

Contractor will use a variety of public outreach methods to assure that all Residential and Commercial Customers receive all the information about the service change and new Recycling options. Contractor will begin advertising, attending community events, distributing literature, and e-mailing service information immediately upon execution of the Agreement. These comprehensive public education programs will continue through the entire Agreement Term.

1.2 Presentations

Contractor will conduct Recycling outreach and public education presentations at various community events, schools, businesses, and more. Contractor will build on already established presentation plans and experience and conduct fruitful outreach to the South Lake Tahoe / Douglas County community. Contractor will work with the County to identify community groups and will contact the community groups directly to schedule presentations. Service information and Recycling outreach will be given at the presentations, questions will be fielded, and various information brochures and handouts will be distributed. After the transition to the 3-Cart system, Contractor will continue to contact groups and businesses regarding presentations, as well as granting any presentation requests from the public. Additionally, Contractor will work with schools and teachers to conduct Recycling education and tours with student groups. Informational material will be continuously created and updated in order to provide the most effective information to the public.

1.4 Recycling Outreach and Waste Characterization

Contractor will conduct Recycling outreach in order to increase Recycling rates, decrease Contamination and educate the public on all facets of the Recycling/Organic Materials program. This will include information about our Collection services, as well as expanded information about reduction, reuse, and Recycling options. Outreach materials will be designed and distributed to Single-Family Residential, Multi-Family Residential, and Commercial Customers.

Contractor will conduct site visits of all Commercial Premises in advance of any service changeover. These visits will include service level recommendations and tips on increased Recycling and Organic Material Diversion. Commercial Customers will be encouraged to increase Recycling and Organic Materials services as an environmental saving initiative. Contractor will provide personalized onsite training service in order to maximize Diversion rates. Contractor will continue to visit at least 20 percent of the Commercial and Multi-Family Residential Customers annually and conduct waste assessments and audits as needed. Contractor will also conduct on-site assessments and trainings for any Commercial Customer upon request. This service will be announced through the website, e-mail, billing inserts, and other outreach. Contractor will partner with South Lake Tahoe Chamber of Commerce and other business groups to connect with all area businesses.

1.5 Number of Employee Hours

Contractor will have a full time Environmental Compliance Manager. This sustainability professional will promote and maintain the public outreach program, work closely with the County, and strive to increase Diversion throughout the County.

1.6 Notice to Residents

Contractor shall annually notify each Single-Family Residential Customer of the opportunity to participate, at no additional charge, in the Curbside Recycling program, how to obtain a Container, or additional Containers if already participating, how to replace a lost, stolen or damaged Container, how to secure backyard service for disabled persons wishing to participate, shared Cart service, the benefits of Recycling to the community, and other information as may be appropriate. Contractor shall submit to the County by November of each year a notice for review and approval. All costs associated with the preparation of a professional, well formatted, and designed notice, as a pamphlet or brochure, costs of printing, labeling, mailing (first class postage) shall be borne by Contractor.

1.7 Notice to HOAs and Property Managers

Contractor shall annually notify each homeowner association (HOA) and property manager of every Multi-Family Residential Premises or mobile home park of each alternative method of Recycling and/or Organic Materials Collection service available to its residents. This notice shall include the following: (A) Collection from backyard, side-yard, closet, or other place of enclosure; (B) provision of a Bin or Bins in a central location, such as a work yard, for drop-off of Recyclable Materials; (C) community drop-offs available for use by residents; and (D) other available methods.

Contractor shall submit a draft notice to County for review and approval. All costs associated with the preparation of a professional, well formatted, and designed notice, as a pamphlet or brochure, costs of printing, labeling and mailing (first class postage) shall be borne by the Contractor.

Contractor's Environmental Compliance Manager will meet with every Multi-Family Residential Premises manager at least once per year and attend Multi-Family Residential related community meetings as requested by property managers. Contractor shall develop and provide the County with the collection plan for all new Multi-Family Residential Premises prior to commencement of service. Contractor shall provide literature and educational materials and communicate directly and in-person with participating Premises, and alert property or on-site managers where Contamination issues arise.

1.8 Billing Inserts, Website.

Contractor shall use either paper or electronic bill inserts to advertise programs. Contractor shall make public education materials available to the County for placement on the County website. Contractor shall pay for advertising, development and printing for the programs listed in Table 1.

**Table 1
Contractor Advertised Programs**

Christmas Tree/Holiday Greenery Collection – First Saturday in January.

E-waste & Appliance Recycling Information – General information, distribution throughout the year.

Special Event Brochure – Developed for those individuals who are planning a special event.

1.9 Brochure

Annually, at Contractor's sole expense, Contractor shall prepare a professional, well-formatted and designed brochure that describes, at a minimum, the services available, benefits and cost savings that may result from participation in Recycling and Organic Materials Collection programs, availability of technical assistance from Contractor or other recycling companies and persons. Contractor shall submit to County for review and approval the brochure not later than ninety (90) days after the beginning of the Term. Contractor shall distribute the brochure via email, website, a first-class postage mailing, or in-person. Contractor is responsible for reporting to the County the results of phone and in-person contacts on an annual basis.

1.10 Non-Bill Mailing Lists

Contractor shall create and maintain a mailing list of all accounts that are not directly billed, so called "non-bill" Customers. Contractor may elect to utilize the services of a direct mailing service for these

“non-bill” Customers. Examples of non-bill Customers are apartments, duplexes, mobile homes, condominiums, assisted living facilities, and other lease term/tenant situations such as a business park or strip mall. The mailing list shall be updated on an annual basis at a minimum and shall identify the number of non-bill Customers who are “on service” through a central billing or property owner/property manager. The programs requiring an annual mailing to non-bill Customers will include outreach and education materials. Additionally, Customers who prepay their bill annually and do not receive monthly bills shall be included on this mailing list (identified as “prepay” Customers) and shall also receive the outreach and education materials. It is the Contractor’s discretion to do a single mailing once a year or multiple mailings to disseminate the outreach and education materials.

Section 2: Public Education and Outreach for 3-Cart Program Transition

Contractor will partner with the County to develop public education and outreach materials and campaigns. In consultation with County staff, a Public Education Plan (PEP) will be developed during the transition planning period and presented to the County for approval.

2.1 Goals of Transition Education and Outreach Program

- Prepare Single-Family Residential Customers for changes in the new program, such as different trucks and/or multiple Collection vehicles on their route, as well as other operational changes such as pickup times, etc.
- Educate Customers about simple ways to move toward zero waste and create a personal connection to Countywide goals.
- Develop look and feel for materials and key messages.
- Provide key news media with background on Contractor team and 3-Cart Program.
- Develop partnerships with organizations, corporations, etc. for full implementation of outreach programs during contract.
- Finalize outreach details and budgets.

To achieve these goals, the team proposes a highly visual and innovative outreach program to ensure significant behavior changes and the real-world success of the new Recycling Materials and Organic Materials Collection program. Ongoing route reviews and facility audits will measure Organic Materials Diversion and waste reduction and monitor the efficacy of outreach programs, allowing the team to continuously adjust programs and messages for maximum impact.

This will be an innovative and highly strategic outreach program that takes advantage of all available media and builds a connection to neighborhoods and communities in the County. Using motivational and culturally relevant techniques that prompt consumers to take action, the outreach program will utilize the latest research in behavioral economics to create lasting changes on the habits of the County’s residents and business owners. We will weave in messages designed to prompt behavioral changes, using both cutting edge and traditional media elements that will earn consumer attention.

Contractor team members will work closely with the County to establish accountability throughout the transition effort. Regular check-in meetings will be established between the two parties, ensuring fluid communication and maximum efficiency.

Exhibit D

Reporting

The County reserves the right to require reasonable changes to the content and/or format of any and all reports that the Contractor is required to provide to the County under the Agreement or this Exhibit D. The County also reserves the right to require the Contractor to provide any other information that it reasonably deems necessary for effectively administering its franchise with the Contractor in a complete and timely manner, with the understanding that determination of additional information does not impose additional costs on the Contractor. Reports shall be submitted in electronic format, with all numeric information submitted in MS Excel.

Annual Reports

Annual reports are to include the information listed under the headings "Monthly/Quarterly Reports" and "Annual Reports – Additional" below, at a minimum, compiled and reported for each month of the year, and as an annual total. Annual totals are also to be provided for all previous years of the Agreement for purposes of comparison. The information listed below shall be the minimum reported for each service. To the extent that the requested information is not tracked directly by the Contractor or cannot be specifically established due to the nature of the Contractor's operations, the Contractor shall present to the County a proposed method for estimating the required information, the reasonableness of which shall be subject to the approval of the City.

Monthly/Quarterly Reports

1. Contamination. Within twenty (20) Work Days of request by City, Contractor will provide copies of the Contamination Violation Notices and the digital documentation of Contamination. The quarterly report must include each Customer incurring a charge for Contamination in the previous quarter. Contractor shall provide a description of Contractor's process for determining the level of Container Contamination under the Agreement. Contractor shall provide documentation relating to observed Prohibited Container Contaminants, whether observed during route reviews or otherwise. Contractor shall provide copies of the form of each notice issued to Customers for Prohibited Container Contaminants, as well as, for each such form, a list of the Customers to which such notice was issued, the date of issuance, the Customer's name and service address, and the reason for issuance (if the form is used for multiple reasons). This information will also be provided monthly to any other government entity approved by the County. Contractor shall report the number of times notices were issued to Customers for Prohibited Container Contaminants and the number of Containers where the contents were disposed due to observation of Prohibited Container Contaminants.

2. Collection Overage Charges. The quarterly report must include each Customer incurring a fee charge for an overage in the previous quarter.

3. Service Recipient Complaints Log. The quarterly report must include the Customer call log collected from the previous quarter, including a summary of the type and number of complaints and their resolution.

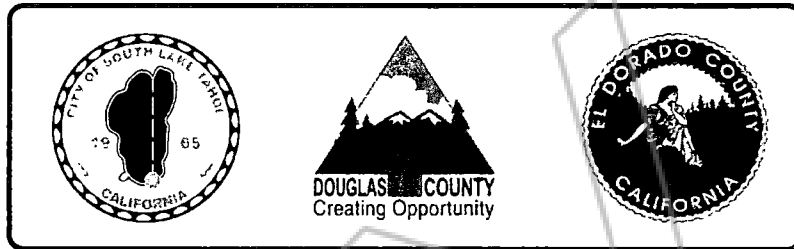
4. Missed Pickups. The quarterly report must include a summary of each Customer experiencing a missed pickup in the previous quarter along with a description or the reason for the missed pickup.

5. Non-Collection. The quarterly report must include a summary of each Customer receiving a Non-Collection Notice in the previous quarter along with a description for the Non-Collection Notice.

6. Vacation Home Rental Properties: The quarterly report must include a summary of all active, delinquent, and/or stop service request Vacation Home Rental Properties.

7. On-hold Accounts. The quarterly report must include each Customer that was not billed in the previous quarter due to vacation hold, vacancy, etc.

8. Special Events. The quarterly report must include the number of special events and disposal tonnage, including a summary of the services provided and educational materials distributed.



South Lake Tahoe Basin Waste Management Authority

Solid Waste Rate Setting Policies and Procedures Manual

March 30, 2012



South Lake Tahoe Basin Waste Management Authority

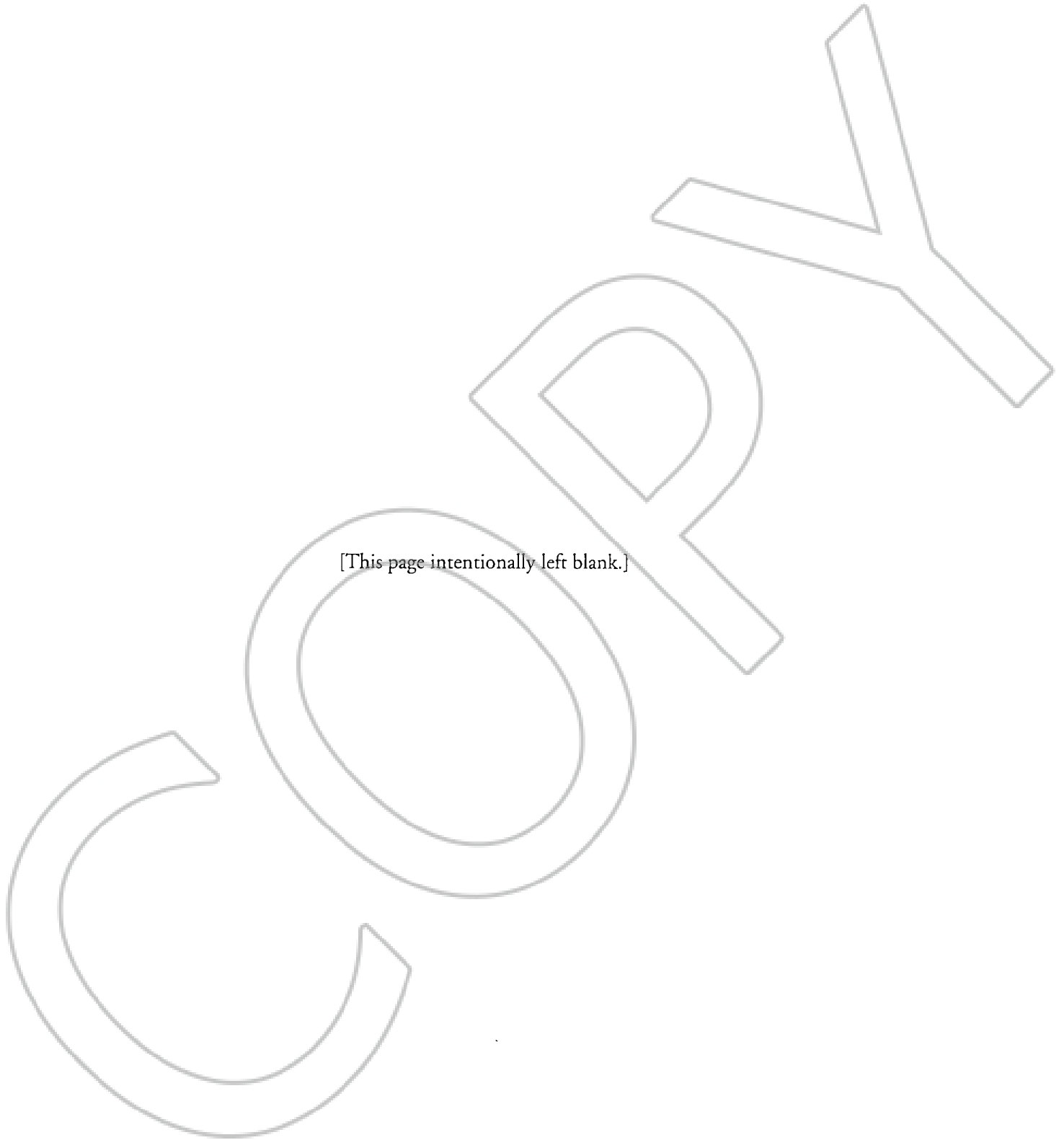
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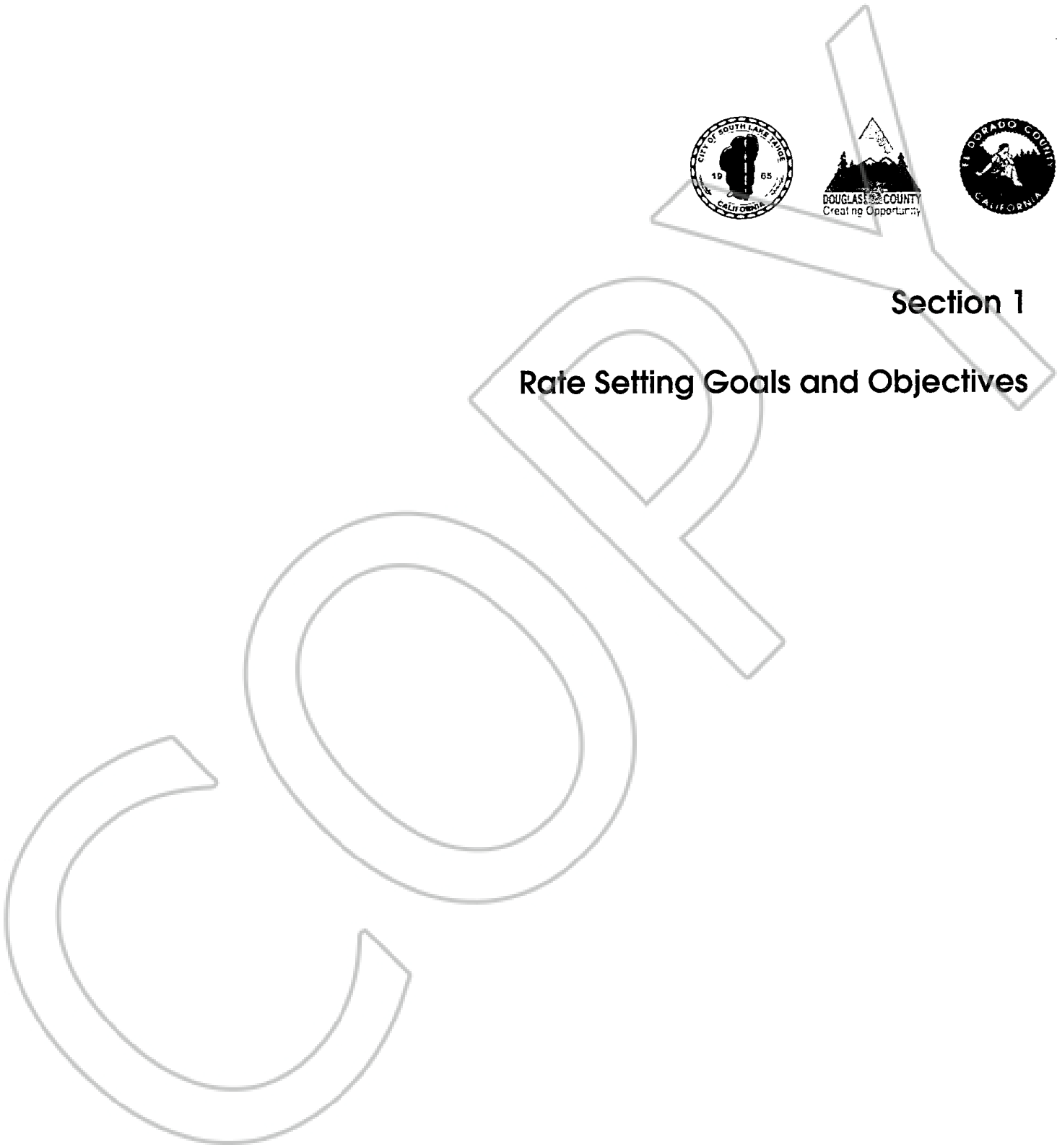


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Section 1

Rate Setting Goals and Objectives



1. Rate Setting Goals and Objectives

This section of the manual provides an overview of the rate setting process. The section includes five subsections:

- A. *Introduction*
- B. *Rate Setting Goals*
- C. *Rate Setting Policies*
- D. *Rate Application Process*
- E. *Allowable and Non-Allowable Costs.*

A. Introduction

This manual is a step-by-step guide for the South Lake Tahoe Basin Waste Management Authority (JPA), and its franchise hauler, to prepare and approve changes in solid waste collection rates. The manual establishes rate change policies, provides application forms, specifies reporting formats, identifies required supporting documentation, and describes the procedure for requesting, reviewing, and adopting rate changes. The following three (3) jurisdictions make up the JPA:

- City of South Lake Tahoe, California
- El Dorado County, California
- Douglas County, Nevada.

In 1996, the JPA developed a “*Solid Waste Collection, Recycling, and Transfer Station Operations Rate Setting Policies and Procedures Manual*” (1996 Manual) as a tool to use to regulate solid waste rates. This version (version 2.0) represents the first update to the 1996 Manual since that time.

The franchise hauler for the three (3) jurisdictions is South Tahoe Refuse Company, Inc. (STR). Each jurisdiction has a franchise agreement with STR for collection and disposal of refuse as follows:

- *Collection Franchise Agreement between El Dorado County and South Tahoe Refuse Company, Inc., dated February 13, 1995*
- *Solid Waste Services Agreement between City of South Lake Tahoe and South Tahoe Refuse Company, Inc., dated August 21, 2007*
- *Solid Waste Services Agreement between Douglas County and South Tahoe Refuse Company, Inc., dated October 2006.¹*

¹ The franchise agreement has been amended three times. On March 15, 2007, the franchise was amended to reflect the correct franchise fee (First Amendment). On October 15, 2009, the franchise was amended to update indices used in the cost-of-living adjustment (COLA, Second Amendment). The most recent amendment was signed on December 21, 2009, again revising the COLA, to account for negative rate changes (Third Amendment).

Table 1-1
South Tahoe Refuse Company, Inc.
Business Divisions

Divisions	Service Areas	Covered by Manual
1. South Tahoe Refuse Company	<ul style="list-style-type: none"> ■ City of South Lake Tahoe ■ Unincorporated El Dorado County ■ Douglas County, Nevada 	Yes
2. American River Disposal	<ul style="list-style-type: none"> ■ Unincorporated El Dorado County 	No
3. Sierra Disposal Service	<ul style="list-style-type: none"> ■ Unincorporated El Dorado County 	No

Each franchise agreement currently has slightly different terms and conditions for how rates are set. The intent of this manual update is to replace these varied rate setting terms and conditions with common rate setting terms and conditions that the JPA, and the three (3) jurisdictions, can agree to, and apply. The intent of this manual update is for each jurisdiction to incorporate this updated version 2.0 of the manual, by reference, into their respective franchise agreements with STR.

This manual is meant as a tool for setting rates for the three (3) jurisdictions, combined. The JPA will be responsible for reviewing rate applications submitted by the franchised hauler. The JPA will recommend percentage rate changes to apply to the three (3) jurisdictions.² Each jurisdiction, however, will have the ultimate authority to approve the JPA's rate change recommendation (i.e., at the city council or board of supervisor level).³

² For base year reviews, there would be one recommended rate change for the City of South Lake Tahoe and Douglas County, and one recommended rate change for El Dorado County. For interim year reviews, there would be one recommended rate change for the City of South Lake Tahoe and El Dorado County, and one recommended rate change for Douglas County.

³ Interim year rate setting for the City of South Lake Tahoe and Douglas County is procedural and does not require a rate hearing. Interim year rate setting for El Dorado County does require a rate hearing.

The franchised hauler, South Tahoe Refuse Company, Inc., has three (3) divisions as shown in Table 1-1, left. The South Tahoe Refuse Company represents the division covered by this manual.

The JPA intends for this manual to be revised over time, as needed, to reflect changes in objectives or modifications to the franchise agreements.⁴

B. Rate Setting Goals

The primary goal of the rate setting process and methodology is to determine solid waste collection rates which are fair to customers and which provide a fair return to the franchise hauler. A total of six (6) rate setting process goals were considered in developing this rate setting methodology:

1. The JPA and franchised hauler should start with a **strong and committed partnership**. The JPA and franchised hauler should view this franchise as a business partnership where both parties commit to use the formal rate setting methodology, and plan continuous communication on rate setting throughout the franchise term.
2. Rates requested by the franchise hauler must be **justifiable and supportable**. A formal request to change rates, submitted by the franchise hauler, should provide the basis for all rate changes, include only allowable and necessary costs, and provide accountability for expenditures. In determining rates, the JPA shall consider both the need for fairness to the ratepayer and the need to compensate the franchise hauler fairly and consistently with the methodology.
3. The estimated costs of service, and resulting solid waste rates, should be **reasonable**. The JPA acknowledges that maintenance

⁴ Should the JPA dissolve at any time in the future, the three jurisdictions have indicated a preference to continue to use this manual on a jurisdictional basis. Jurisdiction-specific rate setting would require some modifications to the methodology in that STR would have to allocate its revenues and costs to each jurisdiction.

of quality service is related to providing adequate compensation, and financial incentives, for continued good performance. Revenues generated should be adequate to fully meet reasonable costs-of-service. The resulting monthly fees for solid waste collection service should be comparable to those charged in other jurisdictions for providing similar services.

4. The process should be kept as **simple** as possible, while ensuring that any rate request is justifiable and reasonable. The process should be easy to explain and not place an undue cost on either the JPA, the jurisdictions, or the franchise hauler to implement. The process also should minimize administrative efforts of the JPA, and its jurisdictions.
5. The rate setting process should **provide mechanisms for ongoing rate review and rate stability**. A periodic, formal, and thorough JPA review (every three years) of financial and operating data will set an expectation for the hauler and ultimately will protect the ratepayer. These reviews should be conducted consistently and in accordance with set schedules in the manual. The process should prevent large, unexpected fluctuations in rates due to changes in costs or from the need to fund a broadening scope of waste management services. This formal process also serves to meet the fiduciary responsibility of the JPA, and individual jurisdictions, to its ratepayers.
6. The JPA and franchised hauler should strive to **maximize opportunities to improve performance and service quality** while maintaining cost competitiveness in the marketplace. In a "cost-plus-profit" contract such as exists between the jurisdictions and franchised hauler, there can be less incentive for the hauler to decrease costs because increases in allowable costs actually result in increases in allowable operating profit levels. Ideally, the JPA, and the hauler, should set rates in a base year, and the hauler should attempt to reduce its costs in subsequent years.

C. Rate Setting Policies

The JPA will use the following eight (8) policies when setting rates:

1. **Use the Operating Ratio Method to Determine Profit** – The JPA will use the operating ratio (OR) method to establish revenue requirements for setting rates. The operating ratio establishes revenue requirements based on allowable expenses and is defined as follows:

$$\text{Operating ratio} = \frac{\text{Allowable expenses}}{\text{Allowable expenses} + \text{Profit}}$$

The operating ratio effectively determines the profit allowed to the franchise hauler on operating costs. Total revenue requirements then are determined as the sum of:

(1) allowable operating costs, (2) allowable profit, and (3) pass-through costs (for which the franchise hauler receives no profit). Specific operating ratios are provided in Exhibit 1-1 on page 1-10.

2. **Do Not Allow Retroactive Rate Increases** – There will be no allowance for a retroactive increase in rates, except by special agreement, or by party default. Retroactive reimbursements can move rates out of alignment with the actual costs of providing service. This process and methodology codifies strict rate review timelines and responsibilities. If the JPA, jurisdictions, and hauler adhere to these timelines for submission and rate change approval, and no party defaults on these timelines, all future rates should be established such that there is no need for retroactive rate increases.
3. **Do Not Allow Balancing Accounts** – This rate setting process is based on projecting results during base years. Thus, actual base year results likely will differ from base year projections. In some regulatory environments, these differences are "balanced" in subsequent years by using a balancing account.

Balancing accounts are occasionally used in the waste industry as an accounting-based approach to true up a previous year's

projections to actual financial results. A balancing account can then be used to address differences between actual and projected results. A balancing account requires substantial administration, reporting, and control measures which determine how funds in the account are invested and managed.

When a balancing account is established, terms and conditions related to these accounts are clearly documented as part of a rate setting process and methodology manual. Also, terms and conditions are specifically incorporated by reference into contractual agreements between the respective parties.

The problem with balancing accounts is that by funding surpluses and deficits using rate revenues, rates charged to customers ultimately do not reflect the true cost of providing service to customers because they include retroactive components. Over time, current ratepayers can end up ultimately subsidizing, or benefiting from, prior generations of ratepayers. For example, if rates are raised to pay off a balancing account, then current ratepayers bear the responsibility of what previous ratepayers should have paid for initially.

Municipal finance principles generally require a strong nexus between (1) cost-of-service and benefits and (2) cost-of-service and rates. Use of a balancing account generally breaks down this nexus and results in rate inequalities.

A balancing account also frequently is less useful when a long-term franchise exists. With a long-term business partnership, there is less need to recover variances between actual and projected results on a year-to-year basis. These variances can often be absorbed over the course of a long term franchise, such as is the case between the jurisdictions and franchise hauler.

Balancing accounts are not designed to account for differences between “rates asked for” and “rates received.” They also are not designed for accounting for differences between “rates received” and “a fair rate of

return.” Balancing accounts, by their very nature, result in retroactive rates, which do not reflect cost-of-service based rates.

4. **Do Not Allow Fuel Surcharges** – There will be no separate “fuel surcharges” added to rates to account for increases in fuel costs. Fuel surcharges create accounting problems (e.g., which fuel index to use, over what time period to use the index, and determining what portion of the rate that fuel costs represent). Fuel surcharges require separate accounting from allowable rate changes which may already reflect compensation to the franchise hauler for changes in fuel costs (e.g., as part of a CPI-based rate change during interim years). Fuel surcharges lag actual changes in fuel prices (by as much as one year), so changes in the fuel surcharge are disconnected from current changes in fuel prices. Fuel costs typically represent a relatively small portion of the overall rate charged (less than ten (10) percent), minimizing the impact of fluctuating fuel prices on overall rates. Finally, once established, fuel surcharges can linger within rates during periods when fuel prices are stable and when a fuel surcharge is not necessary.

5. **Analyze Related Party Transactions** – The company has certain related-party transactions with affiliates. The company must disclose all related party transactions as part of the rate setting process.

The JPA will allow only those transactions with these related parties which are “market based.” The JPA will assess whether related party transactions are conducted on an “arms length” basis, equivalent to terms as with an unrelated party in the conditions of a competitive, free market, environment. STR related parties are identified in **Table 1-2**, on the next page.

During its review, the JPA may request that STR provide the following information in support of related party transactions:

- Allocation methods used, if applicable

Table 1-2
STR Related Parties and Transactions

Related Company	Relationship/Transaction
Douglas Disposal, Inc. (DDI)	<ul style="list-style-type: none"> ■ Owned by same ownership group as STR ■ STR leases facility space to DDI ■ STR leases office space to DDI ■ STR leases computers to DDI ■ STR loans money to DDI
Tahoe Basin Container Service (TBC)	<ul style="list-style-type: none"> ■ Owned by same ownership group as STR ■ STR leases facility space and equipment to TBC ■ STR leases office space to TBC ■ STR rents computers to TBC ■ STR loans money to TBC
American River Disposal (ARD)	<ul style="list-style-type: none"> ■ Owned by same ownership group as STR ■ STR leases office space to ARD ■ STR leases computers to ARD ■ STR provides office contract labor to ARD
Sierra Disposal Service (SDS)	<ul style="list-style-type: none"> ■ Owned by same ownership group as STR ■ STR leases office space to SDS ■ STR leases computers to SDS

- Nature, extent, and magnitude of the relationship
- Terms of the related party transaction (e.g., timing of payments, term length)
- Historical information (e.g., ownership)
- Date of acquisition (if applicable)
- Purchase price of item (if applicable)
- Financing terms for item (if applicable).

The JPA may require STR to provide up to three (3) comparable lease rates for leases of facilities and equipment. For related party company leases, the JPA may require STR to identify financing charges, or profit components, within these lease rates. STR should be prepared to support the business purpose for each related party transaction.

The JPA will examine how related party transactions are treated for rate setting purposes in the *Base Year Rate Application*. The JPA will assess whether related party transactions already have a profit component on them, and if so, treat these related party transactions as pass-through costs (without a profit component) to avoid a “double counting” of profit.

The JPA will consider all of the above factors in determining whether the related party transaction is an allowable cost and is charged at a reasonable amount.

6. **Account for Prior Resource Recovery Facility (RRF) Rate Funding** – For each of the three consecutive years of 2005, 2006, and 2007, each of the three jurisdictions approved a nine (9) percent rate increase for STR. The first of these three nine (9) percent rate increases, implemented in 2005, was provided to fund general STR cost increases. For the second nine (9) percent rate increase implemented in 2006, a total of six (6) percent of this nine (9) percent rate increase was provided to fund operating and capital costs of the Resource Recovery Facility (RRF) project. For the third nine (9) percent rate increase, implemented in 2007, a total of six (6) percent of this rate increase also was provided to fund operating and capital costs of the Resource Recovery Facility (RRF) Project.

For 2006, and 2007, El Dorado County and Douglas County required that STR pay the six (6) percent rate increase, which was provided to cover the RRF, to the JPA. The JPA then released these amounts back to STR upon completion of certain RRF project milestones.

For 2006, and 2007, the City of South Lake Tahoe required that STR pay the six (6) percent rate increase, which was provided to cover the RRF, to the City of South Lake Tahoe. The City of South Lake Tahoe then released these amounts back to STR upon completion of certain RRF project milestones.

**Table 1-3
Recycling Revenue Bonus Amounts
For Extraordinary Diversion
(2012 to 2018)**

Years	Minimum Diversion Rate To Achieve 25% of Recycling Revenue Share	Minimum Diversion Rate To Achieve 50% of Recycling Revenue Share
2012 to 2014	38	44
2015 to 2016	40	47
2017 to 2018	43	50

STR received these RRF-related funds and collected project revenues in excess of project expenses totaling \$4,722,285. The RRF project was completed in April, 2010.

Beginning at the next base year (2012), STR will include a credit to JPA jurisdiction ratepayers of \$787,048 each year through the end of 2017. This amount was determined by dividing the credit of \$4,722,285 by six years. The credit amount of \$787,048 will be applied to the base year rate in 2012 and 2015. This means that in each base year, the \$787,048 amount will be reset as a credit line item in the base year rate application.

7. **Use Recycling Materials Sales Revenue Sharing** – There will be a recycling revenue bonus which is tied to STR diversion levels. In addition to the calculation of allowed profit, STR is allowed the recycling revenue bonuses shown in **Table 1-3**, below. For years 2019 and beyond, the JPA will reassess whether the recycling diversion rates, which trigger revenue sharing, remain sufficient to meet State of California diversion requirements. For 2019 and beyond, the JPA may adjust the diversion rates, which trigger revenue sharing, upward by up to three (3) percent per year to achieve greater State of California diversion requirements.
8. **Eliminate Annual Summary Report** – Beginning in 2010, STR will no longer be required to submit an Annual Summary

Report as had been the required practice dating back to the original 1996 Manual version.

9. **Unforeseen Circumstances** – The JPA and/or the three jurisdictions shall consider a proposed revision in STR’s rates whenever STR establishes to the satisfaction of the JPA and/or each jurisdiction that unforeseen circumstances have arisen that have or will materially affect STR’s costs or revenues under this rate manual.

D. Rate Application Process

1. Base Year Process

The JPA requires that the franchise hauler submit a detailed *Base Year Rate Application* once every three (3) years. With the *Base Year Rate Application*, the franchise hauler provides detailed financial and operating information which is carefully reviewed and analyzed by the JPA. These detailed reviews are referred to as “base year reviews” in the methodology.

With the *Base Year Rate Application*, the franchise hauler submits audited financial statements for the previously completed fiscal year. These statements serve as the base documents for the application. The franchised hauler should reconcile financial information contained in the *Base Year Rate Application* with the audited financial statements to provide assurance that all of the company’s activities are accounted for.

The timing of the base year process is shown in **Figure 1-1**, on the next page. The schedule is expected to start with submission of the *Base Year Rate Application* on May 31st of the year preceding each base year. The process targets an implementation date of January 1st of the base year.⁵

⁵ For Douglas County, the maximum rate increase is 9.9 percent before the County must take the increase to the County citizens for a vote of approval.

Figure 1-1
Timing of Base Year Process

Step	Description	Preparation		30-Day Review		Review Process				
		April	May	June	July	Aug.	Sep.	Oct.	Nov.	Dec.
1	Prepare and Submit Rate Application									
2	Verify Completeness of Rate Application									
3	Review Rate Application and Prepare Response									
4	Prepare Draft Report and Final Report									
5	Prepare Final Report to JPA Board									
6	Notify Customers of Rate Hearing									
7	Receive Approval from City Council and County Boards									
8	Implement New Rates									

Table 1-4
Base Year Financial Statement Requirements
(Fiscal Year Ending June 30)

Base Year	Prior Year (Audited)	Current Year (Estimated)	Base Year (Projected)
2012 ⁶	2010	2011	2012
2015	2013	2014	2015
2018	2016	2017	2018
2021	2019	2020	2021
2024	2022	2023	2024
2027	2025	2026	2027

The *Base Year Rate Application* requires three (3) years of data, including a year of actual data (based on audited information), a year of estimated data (based on year-to-date information available at the time the application is submitted), and the projection, or base year. The required years, and types, of data for upcoming base year reviews are displayed in **Table 1-4**, above. For

⁶ Represents the fiscal year ending June 30, 2011.

example, for the 2012 base year, STR would prepare the *Base Year Rate Application* using audited 2010 data, estimated year-to-date 2011 data, and entirely projected 2012 data.

STR operates on a fiscal year ending June 30. Thus, for the current year, STR should have available the first three quarters of compiled, not audited, fiscal year data to use for its current year estimate (i.e., data through March of the current year).

2. Interim Year Process

In each of the “interim” two (2) years between “base” years, should the franchised hauler want to increase rates, the JPA requires that the franchise hauler submit an *Interim Year Rate Application* for an interim year rate change. The scope and content of the *Interim Year Rate Application* is much more limited than a base year request. The franchised hauler is not obligated to request an increase in rates and can instead request to leave rates unchanged.

Figure 1-2
Timing of Interim Year Process

Step	Description	Preparation	Review Process			
		Aug.	Sep.	Oct.	Nov.	Dec.
1	Prepare and Submit Rate Application					
2	Prepare Draft Report and Final Report					
3	Receive Approval from City Council and County Boards					
4	Implement New Rates					

During the interim years, STR shall be entitled to increase its rates based upon the following formula:

- (1) eighty-five (85) percent of the annual percentage change in the most recent actual, not forecasted, change in the Consumer Price Index, All Urban Consumers, U.S. City Average - Garbage and Trash Collection (December 1983=100, series CUUR0000SEHG02) ("CPI") applied to costs other than landfill disposal costs, plus
- (2) projected changes in landfill disposal costs.⁷

For the first part of the calculation (noted as (1) above), the JPA and franchised hauler will use the percentage change in the CPI for the prior June to June twelve-month period. This June to June CPI data will be available at the time the franchised hauler submits the *Interim Year Application* in August (see Exhibit A-4, for sample of CPI percent change calculation).

Interim year rate adjustments are subject to a "floor" and a "cap." During interim years, rates shall not be greater than six (6) percent nor less than one (1) percent, regardless of the rate change calculated by the interim year formula.

The timing of the interim year process is shown in **Figure 1-2**, above. The schedule is expected to start with submission of the *Interim*

Year Rate Application on August 31st of the year preceding the interim year. The process targets an implementation date of January 1st of the interim year.

E. Allowable and Non-Allowable Costs

Rates are established for each base year based on the hauler's projected revenue requirement. The revenue requirement is defined as the sum of the following:

- Allowable costs
- Allowable operating profits
- Pass through costs.

For purposes of computing the revenue requirement, it is necessary to determine which of the franchise hauler's costs are (1) allowable costs, (2) pass through costs, and (3) non-allowable costs.

1. Allowable Costs

When a cost is said to be "allowable," that cost, plus a profit component associated with that cost, is included in rates charged to the ratepayers. Allowable costs are often those costs that are integral to the hauler's operation and/or are associated with actual activity performed by the hauler.

⁷ These landfill disposal costs are currently set by a non-related party to STR, under a long-term disposal agreement.

Table 1-5
Allowable Depreciation Methods and Useful Lives
for STR Assets Purchased After January 1, 2010

Category	Method	Useful Life (Years)
Carts	SL ⁸	5
Office Equipment	SL	5
Vehicles and Equipment	SL	8
Buildings and Leasehold Improvements	SL	20

The hauler is allowed to earn a profit on certain costs. The majority of allowable costs are direct labor, equipment costs and facility costs, landfill disposal costs, office salaries, and general and administrative costs. These allowable costs are defined in **Exhibit 1-1**, on the following page. **Exhibit 1-2**, following Exhibit 1-1, includes a chart of expense accounts (based on current STR financial statements) for allowable costs, which serves to further clarify categories of allowable costs.

The following costs are clarified because of their special treatment for rate setting:

- **Depreciation** – Table 1-5, above, shows depreciation methods and useful lives, by asset type, recommended for rate setting purposes. Current methods used to depreciate capital items, which were in use prior to this version 2.0 of the manual, are allowed to continue. Useful lives in Table 1-5 are for new capital purchases (i.e., those made during and after 2010).
- **Officer’s Salaries** – Reasonable officer’s salaries are considered an allowable cost. Officers are employees fully performing management functions identified in the franchise agreement. Officer’s salaries include base compensation plus bonuses and do not include profit distributions to owners. The JPA shall set the total combined officer’s salaries for the franchise

⁸ Represents straight-line depreciation.

hauler, at a reasonable level, during each base year. For purposes of establishing base year rates, the total amount of officer’s salaries of six (6) percent of gross revenues is deemed reasonable.⁹

- **Materials Recovery Facility and Resource Recovery Facility Capital Costs** – The rate treatment of equipment and building costs associated with the STR Materials Recovery Facility (MRF) and Resource Recovery Facility (RRF) is summarized in **Table 1-6**, on page 1-13. These rate treatment provisions are based on the agreed upon terms and conditions at the time the MRF and RRF were constructed.
- **Blue and Green Bag Program Costs** – STR currently provides blue bag curbside recycling services to JPA customers. STR collects these blue bags with the refuse container and sorts the materials at its Materials Recovery Facility (MRF). Blue bags are, however, currently paid for by the jurisdictions themselves and not STR. For the blue bag program, the costs for blue bags are not included in current rates charged to JPA customers.

STR plans to roll out a yardwaste program, with or without the green bags also collected with the refuse container. Materials from the yardwaste program will be sorted at STR’s Resource Recovery Facility (RRF). For the yardwaste program, the costs for green bags are not included in current rates charged to JPA customers.

During the next rate review, blue bag and yardwaste program revenues and costs will be fully reflected in the rates charged to JPA customers. The full costs of the blue bag and yardwaste programs will be

⁹ Currently, officer salaries have been limited to an agreed upon amount specified in the franchise agreements to be adjusted annually by a CPI. STR distributes the officer salaries, under its discretion, within the limit allowed under the current franchise agreements for the City of South Lake Tahoe, El Dorado County, and Douglas County. Providing for officer salaries of 6 percent of gross revenues will provide about the same limit for officer salaries as the allowable amount specified in the franchise agreements.

**Exhibit 1-1
Definition of Financial Terms**

Application Line Number/Item	Definition
Allowable Operating Costs	
1. Direct Labor	Wages, and related benefits, paid to refuse collection staff, including wages, overtime, payroll taxes, health and welfare benefits, workers compensation, and pension benefits.
2. Equipment Costs and Facility Costs	Includes cost of equipment depreciation, equipment leases, equipment insurance, equipment repair and maintenance, fuel, and other miscellaneous equipment expenses. Facilities expenses consist of building rent, building depreciation, and building repair /and maintenance.
3. Landfill Disposal Costs	Costs to dispose of solid waste at landfills.
4. Office Salaries	Wages, and related benefits, paid to office and administrative staff, including wages, overtime, payroll taxes, health and welfare benefits, workers compensation, and pension benefits.
5. General and Administration Costs	General and administrative costs including: <ul style="list-style-type: none"> ■ Advertising ■ Collection fees ■ Contract labor ■ Dues and subscriptions ■ Employee education ■ General insurance ■ Office repair and maintenance ■ Officer salaries and benefits (less than or equal to six (6) percent of gross revenues) ■ Professional fees ■ Property taxes ■ Office expense ■ Licenses ■ Supplies ■ Travel ■ Utilities.

Application Line Number/Item	Definition																												
Allowable Operating Profit																													
Operating Ratio (OR)	<p>For the City of South Lake Tahoe and Douglas County, a profit is allowed based on a sliding scale which varies with STR's recovery percentage as follows:</p> <table border="0"> <thead> <tr> <th align="left">Operating Ratio</th> <th align="left">Recovery Percentage</th> </tr> </thead> <tbody> <tr><td>94.34</td><td>0-15%</td></tr> <tr><td>93.90</td><td>16</td></tr> <tr><td>93.46</td><td>17</td></tr> <tr><td>93.02</td><td>18</td></tr> <tr><td>92.59</td><td>19</td></tr> <tr><td>92.17</td><td>20</td></tr> <tr><td>91.74</td><td>21</td></tr> <tr><td>91.32</td><td>22</td></tr> <tr><td>90.90</td><td>23</td></tr> <tr><td>90.50</td><td>24</td></tr> <tr><td>89</td><td>25-28</td></tr> <tr><td>88</td><td>29-32</td></tr> <tr><td>87</td><td>33-100</td></tr> </tbody> </table> <p>For El Dorado County, a profit is allowed, based on a targeted operating ratio ranging between 87 and 91 percent. For El Dorado County, in the base year, if rates remain unchanged at an operating ratio within the range of 87 to 91 percent, and the franchise hauler actually realized an operating ratio within this range, then that same operating ratio resulting in no rate change is used, and no rate change occurs. Otherwise, an 89 percent operating ratio is used for the base year calculation. For El Dorado County, the operating ratio for the first base year (2012) will be set at 89 percent.</p>	Operating Ratio	Recovery Percentage	94.34	0-15%	93.90	16	93.46	17	93.02	18	92.59	19	92.17	20	91.74	21	91.32	22	90.90	23	90.50	24	89	25-28	88	29-32	87	33-100
Operating Ratio	Recovery Percentage																												
94.34	0-15%																												
93.90	16																												
93.46	17																												
93.02	18																												
92.59	19																												
92.17	20																												
91.74	21																												
91.32	22																												
90.90	23																												
90.50	24																												
89	25-28																												
88	29-32																												
87	33-100																												
Allowable Operating Profit	Established by the allowable operating ratio and equal to total allowable costs divided by the allowable OR, less total allowable costs.																												
Pass Through Costs																													
MRF and RRF Principal Payments	For the City of South Lake Tahoe and Douglas County, principal payments on debt used to finance the Materials Recovery Facility (MRF) and Resource Recovery Facility (RRF). For El Dorado County, principal payments on the debt used to finance the MRF and RRF will be allowed with profit.																												
Interest Expense	For the City of South Lake Tahoe and Douglas County, interest on debt used to finance all STR operations. For El Dorado County, interest on the debt used to finance the MRF and RRF will be allowed with profit.																												
Franchise Fees	Equal to five (5) percent of gross residential, commercial, and recycling revenues for the City of South Lake Tahoe and El Dorado County, and three (3) percent of gross residential, commercial, and recycling revenues for the Douglas County. ¹⁰																												
Resource Recovery Facility Fund Credit	Rates will be reduced by an amount of \$288,121 (plus after tax interest) for each year between 2012 and 2024																												

¹⁰ This franchise fee amount is subject to change by any of the three (3) JPA jurisdictions.

Exhibit 1-2
 Chart of Accounts
 for Allowable Operating Costs

Category	Description
Direct Labor	<ul style="list-style-type: none"> ■ Direct Labor ■ Direct Labor Benefits ■ Direct Labor Insurance ■ Direct Labor Workers Compensation ■ Direct Labor Pension ■ Direct Labor Payroll Taxes
Equipment Costs and Facility Costs	<ul style="list-style-type: none"> ■ Equipment and Facility Depreciation ■ Property Rent ■ Equipment Rent ■ Fuel ■ Repairs and Maintenance
Landfill Disposal Costs	<ul style="list-style-type: none"> ■ Dump Fees
Office Salaries	<ul style="list-style-type: none"> ■ Office Staff Salaries ■ Office Staff Benefits ■ Office Staff Insurance ■ Office Staff Workers Compensation ■ Office Staff Pension ■ Office Staff Payroll Taxes
General and Administrative Costs	<ul style="list-style-type: none"> ■ Advertising ■ Contract Labor ■ Dues and Subscriptions ■ Employee Education ■ General Insurance ■ Office Expense ■ Officer Salaries ■ Other Administrative Costs ■ Licenses and Fees ■ Property Taxes ■ Supplies ■ Travel ■ Utilities

Table 1-6
 Materials Recovery Facility and Resource Recovery Facility
 Capital and Operating Cost Treatment

Description	Rate Setting Treatment
Materials Recovery Facility and Resource Recovery Facility Depreciation	
Equipment Depreciation ¹¹	Allowable with Profit
Building Depreciation	Non-Allowable Cost
Materials Recovery Facility and Resource Recovery Facility Building Financing¹²	
Interest	Pass-Through Expense
Principal	Pass-Through Expense
Materials Recovery Facility and Resource Recovery Facility Equipment Financing	
Interest	Pass-Through Expense
Principal	Non-Allowable Cost

¹¹ Includes reasonable depreciation on equipment used in the Materials Recovery Facility and Resource Recovery Facility.

¹² Includes debt financing on loans provided by the South Lake Tahoe Basin Waste Management Authority. For El Dorado County's portion of the debt financing, these MRF and RRF financing amounts will be treated as an allowed cost.

considered an allowable cost (with profit) for rate setting purposes. STR will then thereafter purchase and provide the blue and/or green bags to its customers as determined by the JPA. The individual jurisdictions will no longer be required to purchase and provide blue and/or green bags to their customers.

2. Pass Through Costs

Pass through costs are costs included in rates charged to customers, however these costs do not have an associated profit component. Pass through costs are generally transactional in nature and often are thought of as costs not associated with any significant effort performed by the hauler. The following pass through costs do not earn a profit, but are included in determining total revenue requirements to establish solid waste rates:

- MRF principal payments (City of South Lake Tahoe and Douglas County)¹³
- RRF principal payments (City of South Lake Tahoe and Douglas County)¹³
- Interest expense¹⁴
- Franchise fees
- RRF fund credit
- Franchise fees.

3. Non-Allowable Costs

Non-allowable costs are not allowed in rates charged to ratepayers. These costs are disallowed because (1) they may not be associated with the core business, (2) they may be included implicitly in the profit level allowed by the JPA, or (3) they may unnecessarily complicate rate regulation (e.g., income taxes). Costs shown in **Exhibit 1-3**, on the next page, are not allowable for rate setting, and as a result will not be passed onto ratepayers.

¹³ For El Dorado County, principal payments on the MRF and RRF financing are allowable costs.

¹⁴ For El Dorado County, interest on the MRF and RRF financing is an allowable cost.

Table 1-7
Recommended STR Allocation Methods For Costs Shared with Other Non-JPA Serviced Jurisdictions

Cost Category	Allocation Method
Billing costs	Number of bills processed
Disposal costs	Actual tonnage
Equipment costs (e.g., rental, leases, parts, fuel, supplies, tires, repair and maintenance, licenses, permits)	Truck usage (over representative period)
Franchise fees	Revenues multiplied by fee percentage
General and administrative costs, management fees	Direct labor hours
Loans	Revenues

4. Cost Allocations and Methodologies

The franchised hauler should provide supporting documentation and rationale for the allocation of expenses between the franchised areas covered by this manual and non-JPA areas serviced by South Tahoe Refuse Company. Examples of the types of expenses which may require justification for allocations may include:

- Billing costs
- Disposal costs
- Equipment costs
- General and administrative costs
- Loans to or from affiliates
- Loans to or from officers
- Management fees.

The franchised hauler should be prepared to provide a reasonable and supportable methodology for these cost allocations. **Table 1-7**, above, provides recommended allocation methods for various costs which may be shared between JPA and non-JPA jurisdictions.

Exhibit 1-3
Non-Allowable Costs

Category	Description
Amortization of Franchise Purchases	Consistent with the waste management industry, the JPA disallows amortization of franchise purchases because the operating ratio is designed to provide a return to the company sufficient to compensate for the company's investment in the business.
Charitable and Political Donations	<ul style="list-style-type: none"> ■ Costs associated with attempting to influence the outcome of any federal, state, or local election, referendum, initiative, or similar procedure, through in-kind or cash contributions, endorsements, publicity, or similar activities. ■ Establishing, administering, contributing to, or paying the expenses of a political party, campaign, political action committee, or other organization established for the purposes of influencing the outcomes of elections.
Entertainment Expenses	Costs incurred in hosting social events for clients or suppliers. Examples include costs of tickets, concerts, athletic events, or other performances; room rentals; cruises; entertaining guests at athletic, social, or sporting clubs and on vacation or other similar trips.
Fines and Penalties	Costs associated with violations of, or failure of, the hauler to comply with federal, state, local, or foreign laws and regulations. This category of non-allowable costs can also include costs in connection with alteration or destruction of records, or other false or improper charging or recording of costs.
Income Taxes	The operating ratio is provided on a pre-tax basis. To allow income tax expense would unnecessarily add complexity to the rate review process.
Cost of Repairs Due to Operator Negligence	Costs of negligence on the part of the hauler which could include accidents or property damage.
Costs Incurred to Serve Other Jurisdictions (i.e., for non-JPA areas served by STR (e.g., Forest Service areas))	The franchised hauler will be compensated for only those costs that can be directly attributable to operations within the franchised boundaries. The franchised hauler should have a clear basis for allocating shared costs to the franchise areas covered by this manual, and those franchised areas not covered by this manual.

The JPA will assess reasonableness of the revenue and cost projections provided by the franchised hauler in its *Base Year Rate Application*. Examples of types of factors the JPA will consider when assessing reasonableness of projected revenues and costs are shown in **Table 1-8**, on the next page.

Table 1-8
 Base Year Rate Review
 Revenue and Cost Projection Factors

Description	Factors to Consider in Developing Revenue and Cost Projections
Revenues	
Residential and commercial revenues	<ul style="list-style-type: none"> ■ Projected account growth based on historical account trends, or population trends ■ Historical changes in tonnage (particularly for the industrial sector)
Recycled materials sales revenues	<ul style="list-style-type: none"> ■ Historical changes in recycled materials volumes ■ Recycled commodity pricing trends (may be highly volatile)
Costs	
Direct labor	<ul style="list-style-type: none"> ■ Projected increases in wage rates ■ Planned changes in insurance rates ■ Planned changes in benefit rates
Equipment costs and facility costs	<ul style="list-style-type: none"> ■ Historical average trends in costs (last three years) ■ Inflation rates ■ Fuel price history ■ Depreciation schedules ■ Equipment replacement plans
Landfill disposal fees	<ul style="list-style-type: none"> ■ Historical changes in refuse tonnage ■ Tipping fee rate increases, per contract
Office salaries	<ul style="list-style-type: none"> ■ Projected increases in wage rates ■ Planned changes in insurance rates ■ Planned changes in benefit rates
General and administrative costs	<ul style="list-style-type: none"> ■ Historical average trends in costs (last three years) ■ Inflation rates
MRF principal payments	<ul style="list-style-type: none"> ■ Loan documents
Interest expense	<ul style="list-style-type: none"> ■ Borrowing rates ■ Loan documents
Franchise fees	<ul style="list-style-type: none"> ■ Projected changes in revenues multiplied by the fee amount



Section 2

Base Year Rate Setting Process



2. Base Year Rate Setting Process

This section describes each of the eight (8) steps of the base year rate setting process. Each step includes an overview of the step and a detailed description of the tasks required to complete the step. The section includes eight (8) subsections:

- A. Step 1 – Prepare and Submit Rate Application
- B. Step 2 – Verify Completeness of Rate Application
- C. Step 3 – Review Rate Application and Prepare Response
- D. Step 4 – Prepare Draft Report and Final Report
- E. Step 5 – Present Final Report to JPA Board
- F. Step 6 – Notify Customers of Rate Hearing
- G. Step 7 – Receive Approval from City Council and County Boards
- H. Step 8 – Implement New Rates.

A. Step 1 – Prepare and Submit Rate Application

Responsibility: Franchise hauler

Timing: Completed seven (7) months prior to the date new rates become effective

- Tasks:**
- a. Prepare Cost Information
 - b. Prepare Revenue Information
 - c. Prepare Operating Information
 - d. Calculate Allowable Operating Profit
 - e. Determine Franchise Fee
 - f. Calculate Revenue Requirement
 - g. Calculate Net Surplus/Shortfall and Percent Change in Rates
 - h. Calculate New Percentage Rate Change and Rates
 - i. Prepare and Submit Rate Application.

Overview

During this step, the franchise hauler prepares the *Base Year Rate Application*. This three-page form includes detailed financial and operating information and is used to determine the actual costs and revenues of the franchise hauler. Blank copies of the *Base Year Rate Application* are provided in **Appendix A (Exhibit A-1)**.

Several lines in the application contain four columns. These columns are intended to show the relationship between the most recently completed year, the current year, and projections for the new "base" year. These columns are organized as follows:

- **Column one** includes actual audited information for the franchise hauler's prior fiscal year. This is the most recent year that financial information is available and that actual costs and revenues can be verified.
- **Column two** is for estimating performance during the current fiscal year. The "current year" is the franchise hauler's fiscal year prior to the new base year. The *Base Year Rate Application* is prepared during the course of the current year. Data in this column should include year-to-date performance plus estimated performance during the remaining months of the current fiscal year.
- **Columns three and four** are used to report projected performance during the new base year. This information is entirely a projection and is utilized to determine any rate changes. Projected information should be developed by estimating anticipated service levels during the base year, and determining the revenues and expenses which will be incurred to provide these services. Each cost element in the application should be reviewed and any anticipated change in specific line items should be included in the base year projection. For example, if labor rates are scheduled to change, or if landfill disposal costs are expected to change, these changes should be included in projections for the base year.

The relationship between these four (4) columns for any given line item should be consistent. Any substantial difference between each of the three (3) years should be explained by the franchise hauler and considered by the JPA during the review process.

The franchise hauler should provide a copy of audited financial statements for the prior fiscal year. Financial information from the audit is consolidated into specific categories identified in the application. All financial information shall be in accordance with generally accepted accounting principles. The franchise hauler should prepare supplemental documentation which reconciles the financial audit for the most recently

completed fiscal year to information provided in the application. This documentation should be included in the application package.

a. Prepare Cost Information

Cost information from the franchise hauler is provided in the *Base Year Rate Application*. Cost information is reported for the most recently completed fiscal year, the current fiscal year, and the new base year. Information reported in each line item represents the total combined costs for residential, curbside recycling, yardwaste, commercial, transfer station, and RRF services. Segregation of costs by residential, curbside recycling, yardwaste, commercial, transfer station, and RRF services is not required.

Cost information includes:

■ **Allowable Costs**

- Direct Labor (Line 5)
- Equipment Costs and Facility Costs (Line 6)
- Landfill Disposal Costs (Line 7)
- Office Salaries (Line 8)
- General and Administration Costs (Line 9)
- MRF Principal and Interest Payments (El Dorado County) (Line 10)
- RRF Principal and Interest Payments (El Dorado County) (Line 11)

■ **Pass Through Costs**

- MRF Principal Payments (Line 15)
- RRF Principal Payments (Line 16)
- MRF and RRF Interest Expenses (Line 17)¹
- Franchise Fees (Line 59)
- RRF Fund Credit (Line 18)
- Recycling Revenue Bonus (Line 19).

Definitions and specific components of these cost categories are described in Exhibits 1-1 and 1-2, in Section 1.

¹ For El Dorado County, interest on the MRF and RRF financing is an allowable cost.

By aggregating costs into these line items, the JPA, and franchised hauler, can focus on major changes without becoming distracted by large changes in insignificant cost components. For example, if licenses and fees doubled from \$10,000 in the current year to \$20,000 in the base year (i.e., a 100 percent increase), this might only cause General and Administrative Costs to increase by one percent, resulting in little impact on the overall rate. Minor components of General and Administrative Costs may decrease between the current year and the base year, while others may increase.

If one of the major cost line items in the application changes at an unusual rate, then the franchise hauler should be able to explain the change. An unusual change in cost is any change which is greater than the change in the U.S. City Average Garbage and Trash Collection CPI. The CPI used in the analysis should be based on the most current actual information for the U.S. City Average Garbage and Trash Collection CPI. This information is available from the United States Department of Labor, Bureau of Labor Statistics.

Cost information for the current year, and base year, must account for any increases or decreases in the number of customers served, or tons of waste and recyclable material collected. Actual increases in costs also must be included. For example, if health benefit costs will increase in the base year as a result of increases in premiums, this additional cost should be included.

Cost information provided in the application is used with operating profit to calculate the franchise hauler's revenue requirement. The revenue requirement is equal to the sum of the following three categories:

- Total allowable operating costs
- Allowable operating profit
- Total pass through costs.

This revenue requirement is compared to anticipated revenues. The JPA uses the operating ratio (OR) method to establish revenue requirements for setting rates.

b. Prepare Revenue Information

Revenue information is provided in this task. Similar to cost information, revenues are reported for the most recently completed fiscal year, the current fiscal year, and the projected base fiscal year. Revenues are reported in four (4) separate categories:

- Residential
- Commercial
- Transfer station and RRF revenues
- Recycled material sales.

Revenues in the base year are projected without any changes in rates. Revenue projections are prepared based on existing rates and the number of customers which the franchise hauler anticipates serving in the base year.

1. Determine Residential Revenues.

To calculate projected residential revenues for the base year, enter the current monthly rates by service type in the first column of cells in lines 22 to 48, on page 2 of 3. Then enter the projected number of accounts by service type in the second column of cells in lines 22 to 48, on page 2 of 3. Total revenues for each service type are calculated based on the following:

$$\begin{array}{r}
 \text{Current rate per month} \\
 \text{Multiplied by} \quad \text{Twelve months} \\
 \hline
 \text{Equals} \quad \text{Rate per year} \\
 \\
 \text{Multiplied by} \quad \text{Projected residential accounts} \\
 \hline
 \text{Equals} \quad \text{Revenues by service type.}
 \end{array}$$

Revenues by service type then are entered in the third column of cells in lines 22 to 48, on page 2 of 3. These values then are added together, entered, and totaled in line 49. Residential revenues should reflect all revenues

generated for providing curbside collection services of refuse, recyclables, and yardwaste.

The number of accounts in each service category may change throughout the year. For example, some customers may request one can service part of the year and an additional can during the remainder of the year. The average number of accounts by service type should be used in these calculations. In addition, the number of accounts identified for these calculations must agree with operating data provided in Section VIII (page 3) of the application.

Multi-family can, cart, and bin services, and mobile home park can, cart, and bin services, should be included in residential revenues.

2. Determine Commercial Revenues.

Commercial revenue information is entered in line 54 of page 2 of 3 of the application. In the first column of this line, actual revenues generated by commercial accounts during the prior year are reported. This year amount must reconcile with the financial audit for that same year. Commercial revenues for the current year are based on actual revenue to-date plus an estimate of the revenues that will be received through the end of the fiscal year. Commercial revenues in the current year should be comparable to revenues in the prior year, after taking into changes in accounts and service levels.

Projected commercial revenues for the new base year are entered in the third and fourth columns. These amounts, net of any projected uncollectible accounts, are based on the estimated annual revenues received during the current fiscal year plus any additional revenues generated from additional accounts. Operating data provided in Section VIII (page 3) of the application should support any service level changes.

In order to analyze changes in commercial rates, rate information must be provided for specific commercial services. These services are:

Bin Service (Compacted and Uncompacted)

- 2 Yard Bin—once per week
- 3 Yard Bin – once per week
- 4 Yard Bin – once per week
- 5 Yard Bin – once per week
- 6 Yard Bin – once per week.

In the columns of lines 74 through 78, the franchise hauler enters the rate for these services for the prior year, the current year, and the base year, respectively. Percentage changes then are entered in columns 3 and 6. This information substantiates previously approved changes in commercial rates.

Multi-family and mobile home park bin services should be included in commercial revenues.

3. Determine Allowance for Uncollectible Accounts.

The franchise hauler likely will not be paid by all customers served. While this amount is expected to be relatively small, it must be accounted for in the calculation of base year net revenues. These amounts are reported in two places for each service type: on line 50 for the allowance for uncollectible residential accounts, and line 53 for the allowance for uncollectible commercial accounts.

These amounts can be calculated based on a formula, such as one percent of anticipated revenues, or based on actual experience.

Assumptions related to the projection of uncollectible accounts must be documented and included as a supplement to the application.

4. Determine Transfer Station and RRF Revenues.

Transfer station and RRF revenues are included in the total revenue calculation. In the first column of line 55, actual revenues received during the most recently completed fiscal year are reported. In the second column of line 55, estimated revenues for the current year are reported. For the base year, transfer station and RRF revenues are determined by the best estimate of transfer station and RRF operations

during the new base year. The projected revenues are reported in the third and fourth columns of line 55 of the application.

5. Determine Revenues from Recycled Material Sales. In addition to revenues generated through residential and commercial services, and from the transfer station and RRF, additional revenues are generated by selling recyclable materials collected through the curbside recycling program. The amount of recycling revenues generated through the sale of these materials is dependent upon the quantity of material collected and the market price for these materials. Both of these factors are outside direct control of the franchise hauler. Therefore, revenues generated by recycled material sales are not subject to an across-the-board rate changes. Revenues generated from charging residential customers for curbside recycling services should not be included here, but should be included as part of residential revenues (#1 above).

In the first column of line 56, actual revenues received during the most recently completed fiscal year are reported. In the second column of line 56, estimated revenues for the current year are reported. For the base year, revenues from recycled material sales are determined by projecting scrap prices for recycled materials and the anticipated quantity of materials sold. The projected scrap prices are multiplied by the projected volume of materials to be sold to determine projected recycled materials sales revenues. These projected revenues are reported in the third and fourth columns of line 56 of the application.

6. Calculate Total Revenues. The calculation of total revenue is as follows:

	Total residential revenues (Line 51)	
<i>Plus</i>	Total commercial revenues (Line 54)	
<i>Plus</i>	Transfer station and RRF revenues (Line 55)	
<i>Plus</i>	Recycled material sales (Line 56)	
<i>Equals</i>		Total revenues.

Total revenues are entered on line 57.

c. Prepare Operating Information

During this task, non-financial operating information is compiled by the franchise hauler. Operating information, requested in the application, provides an important indicator of the franchise hauler's performance. If costs are changing at an unusual rate, operating data may provide some explanation of these changes. For example, cost increases could be attributed to the increased level of service provided (i.e., accounts served). The franchise hauler should provide the following information:

- Number of accounts
- Quantity of refuse tonnage collected
- Quantity of recycling tonnage collected
- Quantity of yard waste tonnage collected
- JPA bins provided.

Similar to cost data, the first year is "historical," the second year is the "current" year, and the third year is the "base" year. Historical data are based on actual annual operating statistics during the most recently complete fiscal year and reflect the same year used in the financial sections of the application. Current year performance is based on performance to-date plus estimated performance for the remaining months of the current year. Projected base year data represents the franchise hauler's best projection of service levels during the new base year.

Year-to-year percentage changes then are determined for each set of operating metrics. The franchise hauler should be able to explain any significant changes. A significant change in an operating characteristic is an increase or decrease of more than two (2) percent.

This information allows both the JPA, and the franchise hauler, to monitor changes in the service characteristics, estimate total revenues at existing rates, and compare these to changes in total costs. The franchise hauler should identify to the JPA any operating information submitted as part of the application that it considers confidential.

d. Calculate Allowable Operating Profit

For the historical year of actual data, the franchise hauler will calculate the actual operating ratio based on the formula below:

$$\frac{\text{Total allowable costs}}{\text{Total allowable costs plus Operating profit}} = \text{Operating ratio.}$$

These actual operating ratios on allowable costs will reveal how well past base year projections corresponded to actual results. Similarly, the formula estimated above is used to calculate the operating ratio for the current year (column 2). The actual operating profit received by the franchise hauler in the most recently completed fiscal year is entered on line 13, column 1. The estimated operating profit for the current fiscal year also is entered on line 13, column 2.

To calculate the allowable operating profit in the base year, the equation below is utilized:

$$\frac{\text{Allowable operating costs}}{\text{Operating ratio}} = \text{Allowable operating revenues}$$

$$\frac{\text{Allowable operating revenues}}{\text{Allowable operating costs}} = \text{Allowable operating profit.}$$

The allowable operating profit is entered on line 13, columns 3 and 4 of the application.

In each base year, the operating ratio will range as shown in Exhibit 1-1, which will help stabilize rate changes and afford the franchise hauler an incentive to reduce costs.

e. Determine Franchise Fee

The calculation of the franchise fee is not a straightforward exercise because as revenue is increased (e.g., via a rate change), so does the amount of franchise fees increase because franchise fees are based on a percent of gross

revenues. To calculate the franchise fee for the base year requires the hauler to calculate the franchise fee to be paid to each jurisdiction based on the revenues after a rate change is applied. Projected franchise fees should be entered on line 59, columns 3 and 4 of the application.

f. Calculate Revenue Requirement

The revenue requirement establishes the level of revenues needed to meet all allowable costs and operating profit. This includes residential and commercial waste and recycling costs, and assumes a reasonable profit margin based on the operating ratio calculation.

Total revenue requirement (without franchise fees) is determined as the sum of:

- Allowable operating costs (Line 12)
- Allowable operating profit (Line 14)
- Pass through costs (Line 20).

The revenue requirement (without franchise fees) is entered on line 21 of the application.

g. Calculate Net Surplus/Shortfall and Percent Change in Rates

The net surplus/shortfall is determined based on the following calculation:

$$\begin{array}{r} \text{Revenue requirement (Line 21)} \\ \text{Less Total revenues (Line 57)} \\ \text{Plus Residential and Commercial Franchise Fees (Line 59)} \\ \hline \text{Equals Net surplus/shortfall (Line 60).} \end{array}$$

The projected amount of revenue generated during the base year from the sale of recycled materials was calculated in Step 1, #5 of subsection b.; therefore, any increase or decrease in revenues required must come from an increase or decrease in rates.

If applicable, the percent change in existing rates is calculated as follows:

$$\frac{\text{Net surplus/shortfall (Line 60)}}{\text{Total revenues without change (Line 61)}} = \text{Percent change in rates (Line 62).}$$

The percent change in rates is entered on line 62 of the application.

h. Calculate New Percentage Rate Change and Rates

If applicable, the percentage rate change identified on page 2 of 3, line 62 should be entered on page 1 of 3, line 1 of the *Base Year Rate Application*. Current residential rates for solid waste collection should be entered on page 1 of 3. The adjusted rates for each jurisdiction then are calculated by multiplying the current rate by one plus the rate change identified in line 1.

To determine new residential rates on page 1 of 3, column one should be added to column two and the result should be entered in column three. This column provides the new rate schedule. Complete current and revised commercial rate schedules should be provided by the hauler as an attachment to the application.

i. Prepare and Submit Rate Application

The franchise hauler submits the completed *Base Year Rate Application* to the JPA. The application should include the following items:

- **Management Representation Letter.** The management representation letter transmits the application to the JPA, and should provide a listing of included documents. The letter should identify the requested adjustment in rates and include a discussion of specific issues which impact new rates (e.g., significant increases in labor costs). The letter should state that:

- Management reviewed and accepts responsibility for the rate application
- The application is based upon management's judgment of the most likely set of conditions and course of action
- All significant relevant information are made available
- Assumptions are reasonable and are accurate.

An authorized representative from the franchise hauler should sign and date the application. This signature provides a certification of the franchise hauler that the application is complete, accurate, and consistent with the instructions provided in this manual.

- **Base Year Rate Application.** The franchise hauler should provide a *Base Year Rate Application*, including completed application forms and supporting documentation. Supporting documentation includes the current and proposed rate schedules for residential and commercial customers.

- **Supplemental Audited Financial Information.** For applications received after 2010, audited financial statements for the most recently completed fiscal year should be included, as well as other documentation which support operating and financial data provided in the application. Because audited financial statements serve as base documents for the application, statements of revenues, expenses, and other reports contained in the application shall be reconciled to the audited financial statements to provide assurance that all activities are accounted for.

Once the application materials have been prepared, the franchise hauler submits three (3) reproducible hard copies and one disk copy formatted to the JPA's specifications. They are submitted to the JPA. The thirty (30) day review for completeness will begin upon receipt of the application.

B. Step 2 – Verify Completeness of Rate Application

Responsibility: JPA

Timing: Completed within thirty (30) days after the rate application is submitted

- Tasks:**
- a. Verify Financial Data and Format
 - b. Verify Supporting Documents and Schedules
 - c. Notify Franchise Hauler.

Overview

During this step, the JPA ensures that the application has been fully completed by the franchise hauler and that the data provided are consistent. During the 30-day period, the JPA will obtain from the franchise hauler any information necessary to complete the application.

a. Verify Financial Data and Format

The JPA staff reviews the application package to determine if it is complete and ready for analysis. Detailed analysis of the contents of the application occurs during Step 3.

The JPA reviewer should determine the following:

- Has the applicant included all required forms?
- Are all forms complete?
- Are audited financial statements included?
- Are all financial calculations mathematically correct?

b. Verify Supporting Documents and Schedules

Various documents may be included in the application package to support the rate change. The purpose of these supporting documents should be clearly identified by the franchise hauler.

c. Notify Franchise Hauler

If the application is complete, the JPA will notify the franchise hauler that it will begin the process of evaluating the application. If incomplete, the JPA will attempt to obtain from the hauler additional required information within the 30-day verification period. A revision of rates shall not be authorized until the 1st day of the first calendar month following a six (6) month period from the date that an application is verified to be complete.

C. Step 3 – Review Rate Application and Prepare Response

Responsibility: JPA

Timing: Completed within one and one half (1½) months after determining that the application package is complete

- Tasks:**
- a. Review Actual and Projected Revenue Requirements
 - b. Review Actual and Projected Revenues
 - c. Review and Verify Operating Ratio
 - d. Determine Components of Requested Change in Rates
 - e. Review Performance Data
 - f. Request Additional Data and Clarification, if Necessary
 - g. Document Staff Review.

Overview

During this step, JPA staff evaluates the entire rate application. This review includes examining significant changes in costs or operating performance and evaluating explanations of these changes provided by the franchise hauler.

a. Review Actual and Projected Revenue Requirements

In this task, costs and operating profits are reviewed and analyzed for reasonableness. Reconciliations of costs to audited financial statements are checked for consistency. Explanations

are sought from the franchise hauler for items significantly different than would otherwise normally be expected.

Percentage changes in costs for the three years identified on the application should be calculated and reviewed. Projections prepared from previous years in prior *Base Year Rate Applications* are compared with actual results. Costs are correlated with operating collection efficiency statistics provided by the franchise hauler.

Any unusual trends or variances in aggregate areas should be explained by the franchise hauler. An unusual increase would be a change in cost which is greater than the change in the Trash and Garbage Collection CPI, published by the Bureau of Labor Statistics, and which cannot be attributed to changes in the number of customers serviced or tons of waste or recyclable materials collected. If these unusual changes are not adequately explained in the application, the JPA should request additional clarification from the franchise hauler.

The JPA should review the allocation methodology used by the franchise hauler to allocate costs between (1) franchise areas that are the subject of this manual, and (2) non-JPA areas serviced by STR. At a minimum, the JPA should check that allocations used to assign costs to franchise area customers are reasonably consistent with other operating metrics such as average number of accounts and tons collected.

b. Review Actual and Projected Revenues

The JPA should review actual and projected revenues in this task. Current rates provided in the application are verified. Any changes in the number of customers serviced should be identified and explained by the franchise hauler.

The application requires the franchise hauler to report three years of revenues: (1) actual prior year, (2) estimated current year, and (3) projected "base" year. For applications received after 2010,

the JPA should reconcile the most recent year revenues with audited financial statements. Revenues for the current year are compared with year-to-date un-audited financial statements and documentation supplied by the franchise hauler. Projected revenues for the third, or "base" year, are evaluated by the JPA for reasonableness. Assumptions made by the hauler in preparing these projections are reviewed. Revenues reported by the franchise hauler should not include any rate changes in the base year (year 3). Account information included in the application is reviewed to determine changes in the number of accounts served.

Allowances for uncollectible accounts also are reviewed. These figures should be deducted from total revenue projections. These allowances may be based on a fixed percentage of total revenues or on actual experience. Assumptions related to allowances for uncollectible accounts should be reviewed with the franchise hauler.

Revenues from recyclable material sales are provided in the application. Amounts identified in the prior (first) year provided should reconcile with the financial audit. Amounts identified in the current (second) year, the base (third) year should be documented by the franchise hauler. The JPA will review these projections to ensure they are consistent with trends in recycling collection costs, scrap values, processing costs, as well as estimated diversion rates and tonnage.

c. Review and Verify Operating Ratio

The operating profit must be determined for the base year. The JPA should calculate the projected operating profit for the base year using the first formula provided in Exhibit 1-1. For El Dorado County, if the operating ratio is outside the 87 to 91 percent range, then the operating ratio should be reset to 89 percent. If there are any errors by the hauler in calculating the operating ratio, or allowable operating profits, these deficiencies are noted.

d. Determine Components of Requested Change in Rates

The JPA evaluates all costs, revenues, and operating profits provided in the application to determine components of the requested adjustment in rates. This would include determining the proportion of the requested adjustment in rates which is due to changes in each of the following:

- Costs
- Residential revenues
- Commercial revenues
- Transfer station and RRF revenues
- Recyclable material sales revenues
- Operating profit (or loss).

e. Review Performance Data

The JPA reviews and analyzes performance data, which are included in the application (the number of accounts and tons collected). Operating statistics are reviewed to explain past historical trends and justify future expenses. Both actual and percentage increases are examined and any unusual changes in performance are investigated to determine their cause and effect on future cost performance. Changes in accounts served, the number of routes, tons collected, or direct labor hours generally should correspond to changes in costs and revenues.

f. Request Additional Data and Clarification, if Necessary

Throughout the analysis of the application, The JPA may request clarification and/or additional data from the franchise hauler to explain any unusual changes in costs or operating performance. The JPA may have identified missing information, or changes in the financial or operating data between the three years which require clarification or further explanation. The franchise hauler should respond to the JPA's request for additional information within two weeks. Responses will vary depending on the specific requirements of the JPA.

g. Document Staff Review

During this task, the JPA prepares workpaper documentation of the review of the *Base Year Rate Application*.

D. Step 4 – Prepare Draft Report and Final Report

Responsibility: JPA

Timing: Completed approximately three (3) months after determining the application package is complete

Tasks: a. Prepare Draft Report
 b. Provide Franchise Hauler with Copy of Draft Report and Receive Comments
 c. Prepare Final Report.

Overview

A draft report with recommendations from JPA staff is prepared and submitted to the franchise hauler for review. The franchise hauler will review the draft report. The franchise hauler will have an opportunity to provide written comments regarding the draft report. The JPA will address these comments and prepare a Final Report.

a. Prepare Draft Report

In this step, the JPA prepares a Draft Report including recommendations for a rate change. The draft report includes the following sections:

- **Executive Summary.** This is a one or two-page summary of the review process and may include a chart showing current and proposed rates, and the recommended rate change.
- **Introduction and Background.** The section identifies any proposed changes in services provided by the franchise hauler. The section also identifies the review goals, objectives, scope, and other relevant background information. This section of the report may provide a brief overview

of the rate change process and a discussion of significant historical rate issues. If applicable, this report will document the rate change proposed by the JPA.

■ **Analysis and Discussion of Rate**

Application. This section of the report will include a review of the analysis work completed by JPA staff. This section might include the following subsections:

- Review of Rate Changes*, including a discussion of interim year rate changes since the last base year, the relationship of these changes to changes in the Garbage and Trash Collection CPI, and an analysis of the significant components of the change in rates (e.g., changes in labor costs.)
- Analysis of Projected Costs*, including a discussion of any unusual changes in costs which were discovered and unresolved during the review process.
- Discussion of Service Issues*, including changes in frequency or type of curbside service. If significant service issues are not involved with a rate change, this subsection would be omitted.

■ **Recommendations.** JPA staff would present its recommendations regarding specific changes in rates in this section of the document.

■ **Appendices.** Appendices to the report would include:

- Rate application
- Revised rate schedule
- Audited financial statements of the franchise hauler
- Other relevant supporting materials provided by the franchise hauler.

b. Provide Franchise Hauler with Copy of Draft Report and Receive Comments

During this task, the franchise hauler will review the draft report. Each section of the report should be reviewed to ensure that correct data are included, the JPA's analysis is consistent with the methodology, and if applicable the proposed rate change is determined accurately.

If any issues are identified during this step, the franchise hauler works with JPA staff to fully explore and resolve these outstanding issues. The franchise hauler then will prepare a written response to the draft report. The response may cover one or more of the following topics:

- If data discrepancies exist in any of the areas noted in the prior task, the JPA should be notified of these discrepancies.
- If the analysis conducted by the JPA can be clarified or considered differently, this information should be provided to the JPA.
- If the report is acceptable and no clarification or comments can be offered, this should be relayed to the JPA.

If no written response is received by the JPA within two weeks of delivering the JPA's Draft Report, then the JPA will assume that the franchise hauler has no issues with the report.

c. Prepare Final Report

Any additional or outstanding comments or issues raised during the franchise hauler's review of the draft report are addressed. If necessary, meetings are conducted with representatives from the JPA and the franchise hauler. Final solutions to outstanding issues are included in the report. After final comments from the franchise hauler have been considered, the Final Report package is prepared. A copy of the Final Report is submitted to the franchise hauler.

E. Step 5 – Present Final Report to JPA Board

Responsibility: JPA

Timing: Completed two (2) months prior to the expected implementation of new rates

- Tasks:**
- a. Distribute Final Report and Summary to JPA Board
 - b. Obtain JPA Board Recommendation.

Overview

During this step, the Final Report is presented to the JPA Board for review, comment, and for a recommendation to the three jurisdictions.

a. Distribute Final Report and Summary to JPA Board

In this task, the Final Report is provided to members of the JPA Board. The report is included as an agenda item for JPA Board consideration at a regular JPA Board meeting. The rate change may be placed on either the regular or consent calendar. The JPA Board Clerk should be notified four (4) weeks prior to the meeting at which the rate change will be considered and reports should be provided two (2) weeks prior to the meeting.

The JPA Board Clerk should follow applicable public noticing requirements, so affected customers can participate at the Board meeting.

b. Obtain JPA Board Recommendation

The JPA Board members review the report and proposed rate changes. If the JPA Board agrees with the recommendations of JPA staff, the JPA Board recommends the rate change and rates to the three jurisdictions. If the JPA Board does not agree with staff recommendations, the report is returned to JPA staff for additional analysis. If the JPA Board does not recommend the report and rates, the JPA Board should specifically identify deficiencies.

F. Step 6 – Notify Customers of Rate Hearing

Responsibility: City and Counties

Timing: Completed 10 days prior to City Council and County Board meetings

- Tasks:**
- a. Prepare Notification of Public Hearing for Rate Change.

Overview

During this step, the City and Counties notify customers of the rate setting hearing.

a. Prepare Notification of Public Hearing for Rate Change

Once the JPA Board has recommended the report and rates, the jurisdictions will notify customers that a rate hearing will occur. This notification will occur prior to the City and County rate hearing(s) where each jurisdiction will consider whether to approve the JPA recommended rates.

G. Step 7 – Receive Approval from City Council and County Boards

Responsibility: City and Counties

Timing: Completed one (1) month prior to expected implementation of new rates

- Tasks:**
- a. Distribute Final Report to City and Counties
 - b. Obtain City and County Approvals.

Overview

During this step, the respective cities and counties within the JPA present the Final Report for review and approval by their respective city council and county boards.

a. Distribute Final Report to City and Counties

In this task, the Final Report is provided to the City of South Lake Tahoe, El Dorado County, and Douglas County for review and approval. The report is included as an agenda item for consideration at a regular public meeting. The clerk of each respective jurisdiction should follow applicable public noticing requirements.

b. Obtain City and County Approvals

The City of South Lake Tahoe City Council, the El Dorado County Board of Supervisors, and the Douglas County Board of Commissioners review the report and recommended rate changes. If the rate changes are approved, they are implemented.

H. Step 8 – Implement New Rates

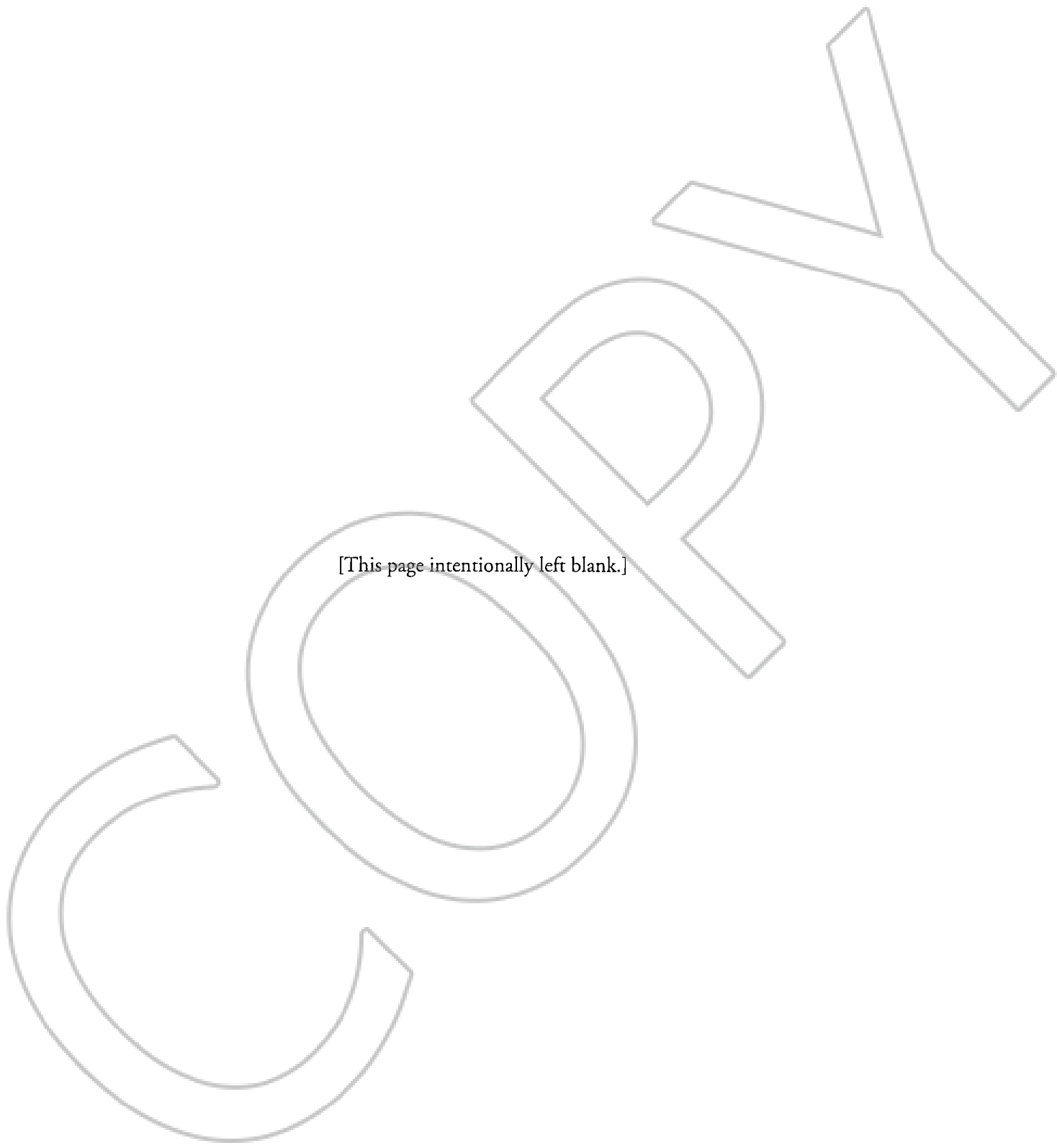
Responsibility: Franchise hauler
Timing: Conducted following City Council and County Board approval of the new rates
Tasks: a. Implement Rate Change.

Overview

During this final step, the franchise hauler implements new rates, if applicable.

a. Implement Rate Change

During this final task, the new rates are entered into the franchise hauler's billing system and included in the billing cycle. If a rate change occurs during the middle of a billing cycle, unbilled or overbilled amounts are calculated and included in the next billing cycle.



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Section 3

Interim Year Rate Setting Process



3. Interim Year Rate Setting Process

This section describes each of the four (4) steps of the interim year rate setting process. Each step includes an overview of the step and a detailed description of the tasks required to complete the step. The section includes four (4) subsections:

- A. Step 1 – Prepare and Submit Rate Application
- B. Step 2 – Prepare Draft Report and Final Report
- C. Step 3 – Receive Approval from City Council and County Boards
- D. Step 4 – Implement New Rates.

A. Step 1 – Prepare and Submit Rate Application

Responsibility: Franchise hauler

Timing: Completed four (4) months prior to the implementation of the new rates

- Tasks:**
- a. Prepare an Interim Year Rate Application
 - b. Submit Application to JPA.

Overview

During this first step, the franchise hauler prepares the *Interim Year Rate Application*. Blank application forms are provided in **Appendix A (Exhibit A-2)**. Similar to the base year forms, these forms identify all areas to be completed with double outlined boxes. If data are to be entered in the form, the box has no shading. If a calculation is required, the box has light shading.

a. Prepare an Interim Year Rate Application

1. **Report Changes in Landfill Disposal Costs.** The first task is to provide prior year landfill disposal costs. Prior year landfill tipping fees per ton should be entered on line 1. Prior year landfill tonnage should be entered on line 2. The values entered on lines 1 and 2 should then be multiplied together and entered on line 3.

The franchise hauler estimates what landfill tipping fees and landfill tonnage will be for the next interim year. Projected interim year landfill tipping fees, per ton, are entered on line 4, and projected interim year landfill tonnage is entered on line 5. The values entered on lines 4 and 5 then are multiplied together and entered on line 6.

The percent change in landfill disposal costs is determined as follows:

$$\frac{\text{line 6} - \text{line 3}}{\text{line 3}}$$

The result of this equation, rounded to the nearest one decimal place, is entered on line 7.

2. **Explain Changes in Landfill Disposal Costs.** Any changes in either landfill tipping fees or tonnage should be fully explained in this task. For example, if a landfill closes and the franchise hauler begins using a new landfill with higher tipping fees, this information should be disclosed.

Documents which support or further explain any change in costs are provided, as appropriate. This might include formal announcements of tipping fee increases provided by the landfill operator, which will be paid directly by the franchise hauler.

3. **Certify Application.** An authorized representative from the franchise hauler should sign and date the application. This signature provides certification by the franchise hauler that the application is complete, accurate, and consistent with the instructions provided in this manual.

At this point, the application should be complete. The application is submitted to the JPA for review and calculation of the rate change, as described in the following subsection.

b. Submit Application to JPA

The completed application is sent to the JPA for review and calculation of new rates. The franchise hauler's application does not include any new rates; these are determined by the JPA during Step 2.

B. Step 2 – Prepare Draft Report and Final Report

Responsibility: JPA

Timing: Completed within two (2) months of receiving a completed Interim Year Rate Application

Tasks:

- a. Identify Consumer Price Index
- b. Complete Interim Year Rate Change Worksheet and Determine New Rates
- c. Request Additional Data and Clarification, if Necessary
- d. Prepare Draft Report
- e. Receive Comments from Franchise Hauler
- f. Prepare Final Report.

Overview

The *Interim Year Rate Change Worksheet* is used to calculate new interim year rates. This document is prepared by the JPA after the franchise hauler has submitted an *Interim Year Rate Application*. Interim year rate changes are based on a weighted increase in operating and landfill disposal costs. Inflation factors for this process include changes in the Consumer Price Index (Garbage and Trash Collection CPI) and changes in landfill disposal costs (documented by the franchise hauler in the *Interim Year Rate Application*). **Exhibit A-3 in Appendix A** includes a sample of the two-page worksheet to be completed by JPA staff.

a. Identify Consumer Price Index

The annual change in the U.S. City Average, Garbage and Trash Collection, Consumer Price Index (CPI) provides the single largest factor for determining new rates during interim years. Eighty-five (85) percent of the actual change in this index during the twelve months prior to the date the *Interim Year Rate Application* is submitted to the JPA is used for the actual change in the methodology. Because a projected change in the

CPI is not produced, eighty five (85) percent of the actual change in CPI for the prior twelve months is used as the CPI for the interim year. The period used by the JPA and franchise hauler will be June to June. This information is available from the United States Department of Labor, Bureau of Labor Statistics.

b. Complete Interim Year Rate Change Worksheet and Determine New Rates

JPA staff prepares the *Interim Year Rate Change Worksheet* and calculates new rates during this task. This worksheet requires information from the most recent *Base Year Rate Application* and the current *Interim Year Rate Application*. This worksheet also requires the U.S. City Average Garbage and Trash Collection CPI information collected in task a. The worksheet is used to calculate the new rate change.

1. **Identify Prior Base Year Operating Costs (Other Than Landfill Disposal).** Operating costs, excluding landfill disposal costs, are those items which can be reasonably managed by the franchise hauler in order to minimize future rate increases. Changes in these costs should approximate the change in the U.S. City Average Garbage and Trash Collection CPI.

In order to streamline the interim year process, operating costs are adjusted based on an annual change in the CPI instead of projected changes in each cost item. This eliminates the need to conduct a detailed review of the franchise hauler's audited financial statements.

Landfill disposal costs are included in total allowable costs (line 1). Because of this, landfill disposal costs must be deducted to determine total operating costs (other than landfill disposal) in the base year (line 1 plus line 2 plus line 3 minus line 4). This total then is entered on line 5 of the worksheet and is used to calculate the weighted change in operating costs (other than landfill disposal).

2. **Identify Prior Base Year Landfill Disposal Costs.** Landfill disposal costs are those items over which the franchise hauler has little or no control. Adjustments to landfill disposal costs during an interim year are based on the franchise hauler's projections, not projected changes in the CPI. Total landfill disposal costs in the prior base year must be calculated to determine the weighting of operating costs to landfill disposal costs. Landfill disposal costs from the base year are entered in line 6.

3. **Calculate Weightings.** Total operating costs (other than landfill disposal) (line 5) plus total landfill disposal costs (line 6) equals the total base year revenue requirement. This total is entered on line 7 of the worksheet.

A weighting for both operating costs (other than landfill disposal) and landfill disposal costs is calculated as follows:

Operating Costs (Other Than Landfill Disposal):

$$\frac{\text{Total operating costs (Line 5)}}{\text{Base year revenue requirement (Line 7)}} = \text{Operating costs (other than landfill disposal), as a percentage of base year revenue requirement.}$$

This percentage figure is entered on line 5, column 2, and line 17.

Landfill Disposal Costs:

$$\frac{\text{Total landfill disposal costs (Line 6)}}{\text{Base year revenue requirement (Line 7)}} = \text{Landfill disposal costs, as a percentage of base year revenue requirement.}$$

This percentage figure is entered on line 6, column 2, and line 20.

4. **Calculate Projected Change in Consumer Price Index.** The percent change in the prior year June to June U.S. City Average Garbage and Trash Collection, CPI is entered

on line 8. This change in CPI then is adjusted by multiplying the figure on line 8 by 85 percent and the result entered on line 9. This adjusted projection of the change in CPI also is entered on line 18 of the worksheet.

5. **Enter Landfill Disposal Cost Information from Application.** The figures on lines 1 through 7 of the application (actual and projected landfill disposal costs) are entered in lines 10 through 16, respectively, of the worksheet. Any significant changes in these costs are documented by the franchise hauler. A significant change would be any increase greater than the change in the CPI, or a decrease of any amount. If a significant change has not been adequately explained, additional information is requested from the franchise hauler.
6. **Review Mathematical Accuracy.** The mathematical accuracy of the franchise hauler's totals for Total Prior Year Landfill Disposal Costs (line 12), and Total Projected Interim Year Landfill Disposal Costs (line 15) are checked during this task. The percent change in landfill disposal costs should be calculated as follows:

$$\frac{\text{line 15} - \text{line 12}}{\text{line 12}}$$

After the percentage change in landfill disposal costs has been verified, this figure is entered in lines 16 and 21 of the worksheet.
7. **Calculate Weighted Change in Operating Costs (Other Than Landfill Disposal).** Figures should have been entered on line 17, operating costs (other than landfill disposal) as a percent of base year revenue requirements, and line 18, the adjusted projected change in CPI, based on calculations completed in previous tasks. To obtain the weighted change in operating costs (other than landfill disposal), line 17 is multiplied by line 18 and the result entered on line 19.
8. **Calculate Weighted Change in Landfill Disposal Costs.** Line 20, landfill disposal costs, as a percent of base year revenue requirements, and line 21, projected change in landfill disposal costs, should now have

an entry based on calculations completed in previous tasks. To obtain the weighted change in landfill disposal costs, line 20 is multiplied by line 21 and the result entered on line 22.

9. **Calculate Total Change in Cost.** To calculate the total percentage change in costs, line 19, the weighted change in operating costs (other than landfill disposal), is added to line 22, the weighted change in landfill disposal costs, and the result entered on lines 23 and 26, total percent change in costs.
10. **Calculate Franchise Fee Adjustment.** In order to account for changes in the franchise fee resulting from a change in rates, an adjustment is made to the percentage change in total costs which was entered on lines 23 and 26. The adjustment factor is equal to one minus the franchise fee ($1.00 - \text{_____} = \text{_____}$). These values should be entered on lines 24 and 27.
11. **Calculate Percent Change in Existing Rates.** The final task in this step is to calculate the percent changes in existing rates. To determine these changes, line 23 (total percent change in costs) is divided by line 24 (franchise fee adjustment), line 26 (total percent change in costs) is divided by line 27 (franchise fee adjustment), and the results are entered on lines 25 and 28. The values on lines 25 and 28 should be greater than the value on lines 23 and 26. The difference accounts for the change in franchise fees.
12. **Enter Rate Change.** The rate change identified in lines 25 and 28 should be entered on Page 1, line 1 of the worksheet.
13. **Calculate New Residential Rates.** Current jurisdiction-specific rates for residential solid waste collection are entered in column one on page 1. The new rates (in column three) then are calculated by multiplying the current rate by one plus the percentage rate change identified on line 1. The rate adjustment (or the difference between the rate in column one and the rate in column three) is entered in column two.

To verify new rates, column one, lines 2 through 4, should be added to column two and the result should equal the rate in column three. This third column provides the new schedule of residential rates.

The JPA should separately calculate new commercial rates using the percentage change in rates.

c. Request Additional Data, and Clarification, if Necessary

If necessary, JPA staff requests clarification and/or additional data from the franchise hauler. The request is to clarify the franchise hauler's assumptions for projected changes in landfill disposal costs and to indicate the expected change in rates.

d. Prepare Draft Report

The JPA staff prepares a high level draft report with recommendations of new rates for JPA Board consideration. This report should be brief and include the following sections:

- **Executive Summary.** This is a summary of the review process and includes a chart showing current and proposed rates, and the recommended rate change.
- **Background.** This section of the report provides a brief overview of the rate change process and discussion of any significant historical issues.
- **Analysis and Discussion of Issues.** This section includes a review of the analysis work completed by JPA staff. This section also includes a discussion of any significant changes in landfill disposal costs and an identification of the change in CPI assumed by the JPA.
- **Recommendation.** The JPA staff presents its recommendation regarding any change in rates in this section.
- **Attachments.** Attachments to the report would include:
 - Rate application

- Revised rate schedule(s)
- Interim Year Rate Change Worksheet.*

After the draft report and recommendations have been prepared, the document should be submitted to the franchise hauler for comment and review.

e. Receive Comments from Franchise Hauler

The franchise hauler reviews the draft report to ensure that any calculations and analyses completed by JPA staff are fair, reasonable, and justified. The franchise hauler reviews the draft report to ensure the following:

- Correct data are included
- JPA staff analysis is accurate and fair
- Rate changes are reasonable and acceptable.

If any issues are identified during this step, the franchise hauler works with JPA staff to fully explore and resolve these outstanding issues. A written response to the draft report is then prepared. The response may cover one or more of the following topics:

- Data discrepancies in any of the areas noted in the prior task
- Clarification for the JPA or alternative analysis of the application
- Responses to the JPA's request for additional information.

f. Prepare Final Report

The JPA prepares the Final Report incorporating comments from the franchise hauler, as appropriate. Any comments or issues raised during the franchise hauler's review of the draft report are addressed. If necessary, representatives from the JPA and the franchise hauler should meet to resolve issues. The report should reflect final solutions to outstanding issues.

After final comments from the franchise hauler have been considered, the JPA prepares the Final Report. The JPA should submit a copy of the Final Report to the franchise hauler.

C. Step 3 – Receive Approval from City Council and County Boards

<p>Responsibility: City and Counties</p> <p>Timing: Completed one month prior to expected implementation of new rates</p> <p>Tasks: a. Distribute Final Report to City and Counties b. Obtain City and County Approvals.</p>

Overview

During this step, the respective cities and counties within the JPA present the Final Report for review and approval by their respective city council and boards.

a. Distribute Final Report to City and Counties

In this task, the Final Report is provided to the City of South Lake Tahoe, El Dorado County, and Douglas County for review and approval. The report is included as an agenda item for consideration at a regular public meeting. The clerk for each applicable jurisdiction should follow applicable public noticing requirements so affected customers can participate at the public meetings.

b. Obtain City and County Approvals

The City of South Lake Tahoe City Council, the El Dorado County Board of Supervisors, and the Douglas County Board of Commissioners review the report and recommended rate changes. If the rate changes are approved, they are implemented. If the rate changes are not, deficiencies are noted, and the report is returned to the JPA. Step 3 is then repeated.

D. Step 4 – Implement New Rates

<p>Responsibility: Franchise hauler</p> <p>Timing: Conducted following the approval of the new rates by the City Council or County Boards</p> <p>Tasks: a. Implement Rate Change.</p>
--

Overview

After new rates have been approved by City Council and County Boards, the final step in the process is to implement the new rates.

a. Implement Rate Change

During this final task, the franchise hauler enters the new rates into their billing system and includes the new rates on the next appropriate customer invoice. If a rate change occurs during the middle of a billing cycle, unbilled or overbilled amounts are calculated and included in the next billing cycle.



Appendix A

Blank Forms and Worksheets



Appendix A

Blank Forms and Worksheets

Exhibits A-1 through A-4, on the following pages, include blank base year rate application forms, interim year rate application forms, interim year rate change worksheets, and Consumer Price Index (CPI) percent change calculation example. This appendix is organized as follows:

- Exhibit A-1 – *Base Year Rate Application*
- Exhibit A-2 – *Interim Year Rate Application*
- Exhibit A-3 – *Interim Year Rate Change Worksheet.*
- Exhibit A-4 – *Consumer Price Index (CPI) Percent Change Calculation Example.*

Base Year Rate Application

Summary

Rate Change

1 Percent Rate Change Requested (City of South Lake Tahoe and Douglas County) %

Percent Rate Change Requested (El Dorado County) %

Residential Rate Schedule

	Rate Schedule (per customer, per month)	Current Rate	Rate Adjustment	New Rate
2	City of South Lake Tahoe	\$	\$	\$
2 1	Unlimited service			
2 2	Mandated pickup per 32-gallon can/bag			
2 3	Mandated pickup per cubic yard			
2 4	Qualified senior rate			
2 5	House service - 1 can			
2 6	House service - 2 cans			
2 7	House service - 3 cans			
2 8	Residential - All other services			
3	Douglas County	\$	\$	\$
3 1	1, 32-gallon can			
3 2	2 32-gallon cans			
3 3	3, 32-gallon cans			
3 4	4, 32-gallon cans			
3 5	One extra 32-gallon can (also the seasonal service rate)			
3 6	On-call 32-gallon can billed monthly/arrears			
3 7	Per cubic yard			
3 8	1 45-gallon can			
3 9	2 45-gallon cans			
3 10	3 45-gallon cans			
3 11	One extra 45-gallon can (also the seasonal service rate)			
3 12	On-call 45-gallon can billed monthly/arrears			
3 13	Residential - All other services			
4	El Dorado County	\$	\$	\$
4 1	Unlimited service			
4 2	Mandated pickup per 32-gallon can/bag			
4 3	Mandated pickup per cubic yard			
4 4	Qualified senior rate			
4 5	House service per can			
4 6	Residential - All other services			

Certification

To the best of my knowledge the data and information in this application is complete accurate, and consistent with the instructions provided by the South Lake Tahoe Basin Waste Management Authority

Name _____ Title _____

Signature _____ Date _____

Fiscal Year: _____

Base Year Rate Application

Financial Information for All Three Jurisdictions

	Actual Audited Prior Year All Three Jurisdictions	Estimated Current Year All Three Jurisdictions	Projected Base Year City of SLT and Douglas County	Projected Base Year El Dorado County
Section I - Allowable Operating Costs				
5 Direct Labor	\$	\$	\$	\$
6 Equipment Costs and Facility Costs				
7 Landfill Disposal Costs				
8 Office Salaries				
9 General and Administrative Costs				
10 MRF Principal and Interest Payments (El Dorado County)				
11 RRF Principal and Interest Payments (El Dorado County)				
12 Total Allowable Operating Costs	\$	\$	\$	\$
Section II - Allowable Operating Profit				
13 Operating Ratio	%	%	%	%
14 Allowable Operating Profit	\$	\$	\$	\$
Section III - Pass Through Costs without Franchise Fees				
15 MRF Principal Payments	\$	\$	\$	\$
16 RRF Principal Payments				
17 MRF and RRF Interest Expenses				
18 RRF Fund Credit				
19 Recycling Revenue Bonus				
20 Total Pass Through Costs	\$	\$	\$	\$
Section IV - Revenue Requirement without Franchise Fees				
21 Total Allowable Operating Costs (Line 12) plus Allowable Operating Profit (Line 14) plus Total Pass Through Costs (Line 20)	\$	\$	\$	\$
Section V - Revenues without Rate Change in Base Year				
	Current Rate/Month	Months	Projected Accounts	Total
Residential Revenues				
City of South Lake Tahoe				
22 Unlimited service	\$	12		\$
23 Mandated pickup per 32-gallon can/bag		12		
24 Mandated pickup per cubic yard		12		
25 Qualified senior rate		12		
26 House service - 1 can		12		
27 House service - 2 cans		12		
28 House service - 3 cans		12		
29 Residential - All other services		12		
Douglas County				
30 1 32-gallon can	\$	12		\$
31 2 32-gallon cans		12		
32 3 32-gallon cans		12		
33 4 32-gallon cans		12		
34 One extra 32-gallon can (also the seasonal service rate)		12		
35 On-call 32-gallon can billed monthly/annually		12		
36 Per cubic yard		12		
37 1 45-gallon can		12		
38 2 45-gallon cans		12		
39 3 45-gallon cans		12		
40 One extra 45-gallon can (also the seasonal service rate)		12		
41 On-call 45-gallon can billed monthly/annually		12		
42 Residential - All other services		12		
El Dorado County				
43 Unlimited service	\$	12		\$
44 Mandated pickup per 32-gallon can/bag		12		
45 Mandated pickup per cubic yard		12		
46 Qualified senior rate		12		
47 House service per can		12		
48 Residential - All other services		12		
49 Residential Revenues Subtotal			\$	\$
50 Less Allowance for Uncollectible Residential Accounts			\$	\$
51 Total Residential Revenues (without Rate Change in Base Year)	\$	\$	\$	\$
Commercial Revenues				
52 Commercial Revenues			\$	\$
53 Less Allowance for Uncollectible Commercial Accounts			\$	\$
54 Total Commercial Revenues (without Rate Change in Base Year)	\$	\$	\$	\$
55 Transfer Station and RRF Revenues				
56 Recycled Material Sales				
57 Total Revenues (Lines 51 + 54 + 55 + 56)	\$	\$	\$	\$
Section VI - Net Shortfall (Surplus)				
58 Net Shortfall (Surplus) without Franchise Fees (Line 21 - Line 57)	\$	\$	\$	\$
59 Residential and Commercial Franchise Fees	\$	\$	\$	\$
60 Net Shortfall (Surplus) with Franchise Fees (Lines 58 + 59)	\$	\$	\$	\$
Section VII - Percent Change in Rates				
61 Total Residential/Commercial/Transfer Station and RRF Revenues Prior to Rate Change (Line 51 + 54 + 55)	\$	\$	\$	\$
62 Percent Change in Existing Residential/Commercial/Transfer Station/RRF Rates (Line 60 - Line 61)		%	%	%

Fiscal Year:

Base Year Rate Application

Operating Information

Prior Year Audited Information	Current Year Estimated Information	Percent Change	Base Year Projected Information	
All Three Jurisdictions	All Three Jurisdictions		City of SLT and Douglas County	El Dorado County

Section VIII--Operating Data

63	Residential Accounts		%			%
64	Multi-family Accounts		%			%
65	Commercial Accounts		%			%
66	Total Accounts		%			%
67	Residential Refuse Tons		%			%
68	Residential Recycling Tons		%			%
69	Residential Yard Waste Tons		%			%
70	Commercial Refuse Tons		%			%
71	Commercial Recycling Tons		%			%
72	"Free" Drop Boxes Provided (Monthly)		%			%
73	"Free" Bins Provided		%			%

Section IX--Change in Commercial Rates

74	2 Yard Bin--Once per Week		%			%
75	3 Yard Bin--Once per Week		%			%
76	4 Yard Bin--Once per Week		%			%
77	5 Yard Bin--Once per Week		%			%
78	6 Yard Bin--Once per Week		%			%

Fiscal Year:

Page 3 of 3

Exhibit A-2
Sample Interim Year Rate Application

Interim Year Rate Application

	Lockwood	Carson City	Total
Change in Landfill Disposal Costs			
1	Prior Year Landfill Tipping Fees Per Ton	\$ <input style="width: 50px;" type="text"/>	\$ <input style="width: 50px;" type="text"/>
2	<i>Multiplied by</i> Prior Year Landfill Tons	\$ <input style="width: 50px;" type="text"/>	\$ <input style="width: 50px;" type="text"/>
3	<i>Equals</i> Total Prior Year Landfill Disposal Costs	\$ <input style="width: 50px;" type="text"/>	\$ <input style="width: 50px;" type="text"/>
4	Projected Interim Year Landfill Tipping Fees Per Ton	\$ <input style="width: 50px;" type="text"/>	\$ <input style="width: 50px;" type="text"/>
5	<i>Multiplied by</i> Projected Interim Year Landfill Tons	\$ <input style="width: 50px;" type="text"/>	\$ <input style="width: 50px;" type="text"/>
6	<i>Equals</i> Total Projected Interim Year Landfill Disposal Costs	\$ <input style="width: 50px;" type="text"/>	\$ <input style="width: 50px;" type="text"/>
7	Projected Change In Landfill Disposal Costs	<input style="width: 50px;" type="text"/> %	<input style="width: 50px;" type="text"/> %

Provide an explanation of any changes in landfill disposal costs (i.e. landfill tipping fees paid by the franchise hauler/landfill tonnage) Attach supporting documentation to this application as appropriate.

Section III—Certification

To the best of my knowledge, the data and information in this application is complete, accurate, and consistent with the instructions provided by the South Lake Tahoe Basin Waste Management Authority.

Name _____	Title _____
Signature _____	Date _____

Year: _____ Page 1 of 1

Interim Year Rate Change Worksheet

Summary

1. Percent Rate Change Requested (City of South Lake Tahoe and El Dorado County) %
- Percent Rate Change Requested (Douglas County) %

Rate Schedule (per customer, per month)	Current Rate	Rate Adjustment	New Rate
2. City of South Lake Tahoe	\$	\$	\$
21 Unlimited service			
22 Mandated pickup per 32-gallon can/bag			
23 Mandated pickup per cubic yard			
24 Qualified senior rate			
25 House service - 1 can			
26 House service - 2 cans			
27 House service - 3 cans			
28 Residential - All other services			
3. Douglas County	\$	\$	\$
31 1 32-gallon can			
32 2 32-gallon cans			
33 3 32-gallon cans			
34 4 32-gallon cans			
35 One extra 32-gallon can (also the seasonal service rate)			
36 On-call 32-gallon can billed monthly/arrears			
37 Per cubic yard			
38 1 45-gallon can			
39 2 45-gallon cans			
310 3 45-gallon cans			
311 One extra 45-gallon can (also the seasonal service rate)			
312 On-call 45-gallon can billed monthly/arrears			
313 Residential - All other services			
4. El Dorado County	\$	\$	\$
41 Unlimited service			
42 Mandated pickup per 32-gallon can/bag			
43 Mandated pickup per cubic yard			
44 Qualified senior rate			
45 House service per can			
46 Residential - All other services			

Year: _____

Interim Year Rate Change Worksheet

Financial Information

Section I—Base Year Costs

Base Year Operating Costs (Other Than Landfill Disposal)

1		Total Allowable Operating Costs	<input type="text"/>	
2	Plus	Allowable Operating Profit	<input type="text"/>	
3	Plus	Total Pass Through Costs	<input type="text"/>	
4	Minus	Landfill Disposal Costs	<input type="text"/>	
5	Equals	Total Operating Costs (Other Than Landfill Disposal)	<input type="text"/>	%

Base Year Landfill Disposal Costs

6		Total Landfill Disposal Costs	<input type="text"/>	%
---	--	-------------------------------	----------------------	---

Base Year Revenue Requirement

7			<input type="text"/>	%
---	--	--	----------------------	---

Section II—Changes in Costs

Change in Operating Costs (Other Than Landfill Disposal)

8		Projected Change in Consumer Price Index	<input type="text"/>	%
9		Projected 85 Percent Change in Consumer Price Index	<input type="text"/>	%

Change in Landfill Disposal Costs

10		Prior Year Total Landfill Tipping Fees Per Ton	<input type="text"/>	\$
11	Multipled by	Prior Year Total Landfill Tons	<input type="text"/>	
12	Equals	Total Prior Year Total Landfill Disposal Costs	<input type="text"/>	\$
13		Projected Interim Year Total Landfill Tipping Fees Per Ton	<input type="text"/>	\$
14	Multipled by	Projected Interim Year Total Landfill Tons	<input type="text"/>	
15	Equals	Total Projected Interim Year Total Landfill Disposal Costs	<input type="text"/>	\$
16		Projected Change in Total Landfill Disposal Costs	<input type="text"/>	%

Section III—Calculation of Percent Change in Rates

Weighted Change in Operating Costs (Other Than Landfill Disposal)

17		Operating Costs as % of Base Yr Revenue Requirement	<input type="text"/>	%
18	Multipled by	Projected 85 Percent Change in Consumer Price Index	<input type="text"/>	%
19	Equals	Weighted Change in Operating Costs	<input type="text"/>	%

Weighted Change in Total Landfill Disposal Costs

20		Total Landfill Disposal Costs as % of Base Yr Revenue Requirement	<input type="text"/>	%
21	Multipled by	Projected Change in Total Landfill Disposal Costs	<input type="text"/>	%
22	Equals	Weighted Change in Total Landfill Disposal Costs	<input type="text"/>	%

Total Change

23		Total Percent Change in Costs	<input type="text"/>	%
24	Divided by	Adjustment for Franchise Fee (1 - ____%)	<input type="text"/>	%
25	Equals	Percent Change in Existing Rates (City of South Lake Tahoe and El Dorado County)	<input type="text"/>	%
26		Total Percent Change in Costs	<input type="text"/>	%
27	Divided by	Adjustment for Franchise Fee (1 - ____%)	<input type="text"/>	%
28	Equals	Percent Change in Existing Rates (Douglas County)	<input type="text"/>	%

Year: _____

Exhibit A-4
Consumer Price Index (CPI) Percent Change Calculation Example

Consumer Price Index (CPI) Percent Change Calculation Example

Interim Year: 2011
 Application Submission by: 8/31/2010
 Applicable CPI data Used June 2009 to June 2010

Consumer Price Index - All Urban Consumers

Series Id: CUUR0000SEHG02
 Not Seasonally Adjusted
 Area: U S city average
 Item: Garbage and trash collection
 Base Period: DECEMBER 1983=100

Download:

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Annual	HALF1	HALF2
2000	267.3	268.3	268.2	268.3	268.6	269.2	270.4	271.3	271.6	271.1	271.4	271.9	269.8		
2001	273.1	273.6	273.3	273.7	274	274.7	275.8	277	277	278	278.6	278.6	275.5		
2002	280.4	280.9	281.1	282.1	282.2	283	283.8	283	283.3	284.8	285.1	285.4	283		
2003	286.2	287.3	288.4	290.3	291	291.1	292	292.4	292.8	294.8	297	297.4	291.9		
2004	299.4	300.8	301.2	301.1	301.7	302.4	303.5	304.2	305.2	305.9	306.7	307.4	303.3		
2005	307.4	308.8	309.6	310.2	311.7	312.5	314.3	315.4	317.3	319.1	320.6	320.6	314		
2006	323	324.6	325.3	326.8	327.3	328.8	329.6	331.9	334.3	335.9	336.9	337.2	330.1		
2007	340.087	340.898	342.033	343.286	343.198	343.836	345.081	347.168	347.949	348.684	351.136	353.439	345.566		
2008	356.901	358.059	358.55	359.586	361.533	363.159	366.043	368.96	369.651	371.155	371.648	371.093	364.695		
2009	371.878	372.503	373.241	375.392	375.599	376.582	377.494	377.879	378.785	379.56	379.208	379.248	376.402		
2010	380.036	382.49	383.362	383.615	383.405	383.749	383.832	385.01	385.92	385.909	387.216	387.894	384.369		

Consumer Price Index as of June 2009	376.582
Consumer Price Index as of June 2010	383.749
Change in Consumer Price Index	7.167
Percent Change in Consumer Price Index	1.90%

← Enter the CPI percent change on Interim Year Rate Change Worksheet, page 2, line 8.

Exhibit F

Performance Standards and Liquidated Damages

Douglas County wishes to establish standards of performance under the Agreement in each of the five (5) "Performance Areas" listed below. Contractor may be assessed Liquidated Damages in the event Contractor fails to fulfill its obligations with regards to the events listed in this Exhibit in accordance with the terms and conditions of the Agreement, the time frame for accomplishing each event, and nature of the responsibility associated with the event unless otherwise stated in this Exhibit. Refer to Section 10.6 of the Agreement for procedures for assessing Liquidated Damages. Liquidated Damages, if assessed, shall only be assessed for the number of events, days, or other measure in excess of the acceptable performance level. The Parties acknowledge that conditions may arise during the Term of the Agreement that may cause Douglas County to require additional performance standards and Liquidated Damages. In such event the Contractor agrees to meet upon request from the Douglas County Public Works Director to discuss service and/or performance concerns, and collaborate with Douglas County to achieve a reasonable solution.

Performance Area: Service Quality and Reliability

Specific Performance Measure	Definition	Acceptable Performance Level	Liquidated Damage Amount
Missed Collections	Each Service Opportunity where Contractor fails to Collect a Container from a Customer who properly placed said Container for Collection.	Less than three (3) per one hundred (100) Service Opportunities	\$50/Event
Failure to Correct Missed Collections	Each missed Collection which is not Collected by the end of the Business Day following the receipt of the Customer Complaint about the missed Collection.	No acceptable failure level	\$50/Event
Failure to Clean-Up Spillage	Each failure by Contractor to clean up: (1) any items or materials spilled during the Collection of a Container; or (2) any fluids spilled or leaked from a Container or Collection vehicle prior to leaving the Collection location.	Less than five (5) per one thousand (1,000) Service Opportunities	\$100/Event

Specific Performance Measure	Definition	Acceptable Performance Level	Liquidated Damage Amount
Damage to Property	Each event of damage to either public or private property as a result of Collection activity, including without limitation curbs, sidewalks, landscapes, Container enclosures, Bear Boxes, gates, signs, light fixtures, and overhead wires and cables.	Less than two (2) per one thousand (1,000) Service Opportunities	\$250/Event
Excessive Noise or Discourteous Behavior	Each Complaint received that is related to either noise during Collection activity or the behavior of Contractor's employees.	Less than five (5) per one thousand (1,000) Service Opportunities	\$250/Event
Inaccurate Billing	Each Complaint received where the Contractor billed a Customer an inaccurate amount. Inaccurate billing may include either over- or under-charging of the Customer relative to the approved Rates for services.	Less than five (5) per one thousand (1,000) bills issued.	\$100/Event
Unauthorized Changes in Collection Routes	Changing Collection routes resulting in service day changes for Customers without prior approval from City.	No acceptable failure level	\$250/Event

Performance Area: Customer Service

Specific Performance Measure	Definition	Acceptable Performance Level	Liquidated Damage Amount
Failure to Commence Service	Any failure by Contractor to deliver a Container and/or begin providing Collection to a Customer, at the level of service requested by said Customer, within seven (7) calendar days of receiving such request. This may include a new Customer receiving new service or an existing Customer requesting a change in or addition to existing service levels.	Less than one (1) per one hundred (100) Service Requests	\$50/Event

Specific Performance Measure	Definition	Acceptable Performance Level	Liquidated Damage Amount
Failure to Replace Container	Any failure by Contractor to replace a damaged or defaced Container within seven (7) calendar days of receiving such a request from a Customer.	No acceptable failure level	\$50/Event
Failure to Resolve Complaint	Any failure by Contractor to resolve or remedy a Complaint within seven (7) calendar days of receiving such Complaint.	Less than one (1) per one hundred (100) Complaints	\$100/Event
Failure to Answer Phones	Any failure by Contractor to answer a telephone call from a Customer during normal business hours. A call is not considered to be answered if the Customer does not speak with a live operator. A call is considered to be answered if the Customer hangs-up or abandons the call following a hold time of less than three (3) minutes.	Less than five (5) per one thousand (1,000) calls received under the Agreement	\$50/Event
Excessive Call Center Hold Time	Each occurrence of a call being placed "on hold" for more than three (3) minutes.	Less than two (2) per one thousand (1,000) calls received under the Agreement	\$50/Event
Unauthorized Hours of Operation	Each occurrence of Contractor Collecting from Customers during unauthorized hours.	Less than two (2) per one thousand (1,000) Service Opportunities	\$50/Event

Performance Area: Education and Outreach

Specific Performance Measure	Definition	Acceptable Performance Level	Liquidated Damage Amount
Failure to Perform Education and Outreach Activities	Each individual failure by Contractor to develop, produce, and distribute public education material or perform outreach activities in the form and manner required under Exhibit C to the Agreement.	No acceptable failure level	\$500/Activity
Failure to Provide Recycling Opportunity Assessments	Each individual failure to provide Recycling opportunity assessments in the manner required under Exhibit C to the Agreement.	No acceptable failure level	\$50/Customer

Performance Area: Facilities

Specific Performance Measure	Definition	Acceptable Performance Level	Liquidated Damage Amount
Delivery to Non-Approved Facility	Each individual occurrence of delivering materials to a facility other than the Approved Facility designated for each material type under Section 4 of the Agreement.	No acceptable failure level	\$100/Ton
Disposal Without Processing	Each individual occurrence of delivering Recyclable Materials, Organic Materials, or Bulky Items set out for Collection by the Customer for Disposal without prior Processing.	No acceptable failure level	\$500/Ton

Performance Area: Reporting

Specific Performance Measure	Definition	Acceptable Performance Level	Liquidated Damage Amount
Late Report	Each occurrence of a report, as required under Exhibit D to the Agreement, being submitted after the due date. Reports shall be considered late until they are submitted in a complete and accurate format.	Less than seven (7) calendar days after report due date or notification of incomplete report	\$250/Day
Failure to Maintain or Provide Access to Records	Each occurrence of City Contract Manager requesting information required to be maintained by Contractor where Contractor fails to provide such information.	Less than seven (7) calendar days after report due date	\$500/Event
Inaccurate Reporting	Each occurrence of Contractor providing inaccurate information or reporting to City under or in regard to the Agreement. Typographical, cell reference, mathematical, and/or logic errors shall not be considered legitimate excuses from this requirement, nor shall ignorance. Errors self-reported and corrected in a timely manner by the Contractor will not be considered "Inaccurate Reporting" subject to Liquidated Damages.	No acceptable failure level	\$500/Event

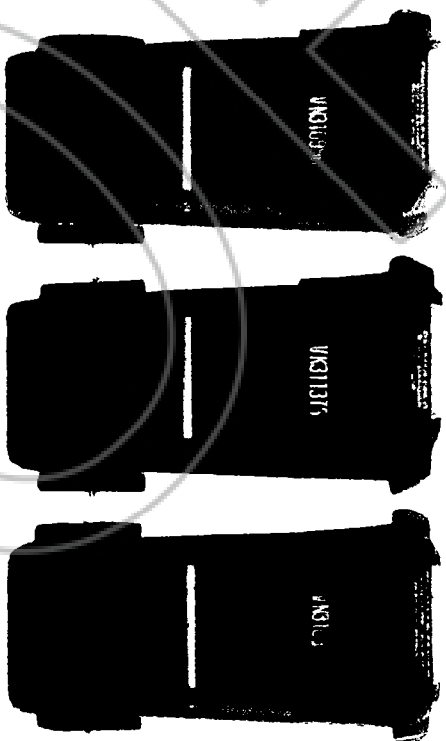


**South Tahoe Refuse
& Recycling Services**

**Switch from manual to automated and
semi-automated collection system**

Basics of the system

- ▶ Customers receive carts for:
 - ▶ Yard waste - Green lid
 - ▶ Recyclables - Blue lid
 - ▶ MSW - Grey/black lid
 - Bear-resistant options
- ▶ Each material picked up in separate truck
- ▶ Alternate weeks for recycle/yard waste - 7 new routes for each
- ▶ Continue to service bear boxes manually



How we arrived at this point

- ▶ Industry expert for consultation: Mike Davis
 - Operations specialist with over forty years experience in solid waste
 - Spearheaded the conversion of manual residential collection of solid waste and recyclables to automated collection in the Midwest Region of Republic Services
- ▶ Analyzed existing routes and services
- ▶ Developed recommendations for routes & equipment based on analysis and our unique situation

City Residential														
	Scheduled	Total Weight	Density Stops per Mile	Stops per Hour	Lbs per Stop	MSW Weight at 30 Lbs per Stop	Rearload Loads at 10 Tons	Disposal Time at 1 Hour per Trip	Collection Time in Seconds	Collection Time in Hours	Stem Time	Total Time per Day	Route Quantity	Time per Route
M														
T														
W														
R														
F														
Total														
Average														

Why Change? Employee Safety

- ▶ Minimize manual lifting
- ▶ Reduce walking/jogging between stops
 - ▶ Currently, STR collection helpers walk or jog 7-12 miles per day and can lift more than 500 cans/bags
- ▶ Reduce risk of winter slip & fall injuries
- ▶ Reduce injuries from opening bags on MRF Line
- ▶ Eliminate dangers from sharp/hazardous material
- ▶ Ratepayer savings: reduced risk of injury = reduced work comp premiums



In one community that switched from manual collection to automated, worker injuries were reduced from 23 per year to 3 per year.

Additional Benefits

- ▶ Compliance with California's requirement of separating waste streams (SB 1383)
- ▶ Eliminates plastic blue bags and yard waste bags
 - STR to work with jurisdictions on seasonal yard waste programs
- ▶ Capture more yard waste and recyclables for diversion
 - Estimate we'll recycle at least 2x more green waste



Examples of New Equipment



- Rear loader with cart tipper
- MSW, services carts and bear boxes
- Driver plus helpers



- Automated Currotto truck
- Recycle and yard waste cart service
- Driver only, right hand steer



- Mini Side Loader
- Services hard to access areas
- 4-wheel drive
- Driver plus helper

** All trucks will be compliant with current CARB regulations and STR will be monitoring CARB decisions that may affect equipment purchases*

Program Expenses

* Details for operational and capital costs are included in the STR Rate Application.

Item	Capital Cost	Notes
Animal resistant MSW carts	\$3,321,130	financed over 6 years
Single stream recycling carts	\$1,165,495	\$305,499, financed over 10 years \$1,470,994, less grant funding
Yard waste carts	\$2,233,223	financed over 10 years
Commercial containers	\$35,250	financed over 5 years
Purchase of 8 trucks with cart tippers	\$3,162,861	financed over 10 years
Cart delivery truck & staff dedicated to cart delivery / pickup / service calls	\$176,556	financed over 10 years
Total Capital Cost	\$10,094,515	

- Operational costs will include:
- ▶ Extensive customer service outreach for roll-out of program
 - ▶ Staffing: 3 additional drivers plus 2 new positions for route logistics and customer service



Timeline & Next Steps

- ▶ Implementation goal is Spring/Summer 2024
- ▶ Must begin ordering equipment January 2023
- ▶ Amendments to franchise agreements critical to secure financing

Step	Description	2022												2023					2024				
		Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun		
1	3-cart program application submittal																						
2	JPA & STR commitment																						
3	Obtain preliminary financing/bridge loan																						
4	Order trucks and totes																						
5	STR prepares/submit base year rate application																						
6	Anticipated franchise extension approval																						
7	Crowe review base year & 3-cart apps/final report to JPA																						
8	Notify customers of rate hearing																						
9	Receive approval of rates from City Council & County Boards																						
10	Implement new rates																						
11	Anticipated roll out of new totes/routes																				1/1		
12	First loan payment due																						

Exhibit G1

Cost Basis for Proposal

STR submitted its Base Year and SB 1383 Rate Application to the JPA on May 31, 2023. The cost basis for the proposal was included as part of this Rate Application in the Excel spreadsheet "STR 2024 Base Year and 3-Cart Program Rate Workbook Final.xlsx." This spreadsheet is being submitted here to provide the information for Exhibit G1.

This spreadsheet consists of the following tabs:

- The "WTB Forecast" tab links everything back to columns R, V, and Y and will explain the methodology for any adjustments made to Qtr 4 2023, FY2024, and then SB-1383. Please see columns Y and Z for SB 1383 items.
- The "Base Year Assumptions" tab is a summary of significant assumptions used in preparing the Base Year rate application
- The "SB-1383 Info" tab lists the capital and operating cost components of the 3-cart system proposal
- The "Supp" tabs (Revenue, Operating Expenses, Administrative Expenses) are probably the easiest to look at to see the trends we are projecting from FY22 through FY24
- The 'Rate App Exp Categories' lists the general ledger revenue and expense line items that are grouped together for reporting on the Base Year Rate Application. Please see column N for SB 1383 changes.
- The 'MRF RRF Deb' details the debt for these facilities (buildings)
- The 'Debt' tab lists the other debt like trucks and carts (equipment and carts)
- The last three tabs of the rate workbook are the actual rate application BYRC forms (BYRC 1, BYRC 2 and BYRC 3 in orange)

Exhibit G2
South Tahoe Refuse
Base Year Rate Adjustment at 8.15%
Effective Date: January 1, 2024

Residential (Quarterly/Advance)	Monthly			Quarterly		
	2023	2024	Increase	2023	2024	Increase
1, 32 - gallon can	\$ 23.37	\$ 25.27	\$ 1.90	\$ 70.11	\$ 75.81	\$ 5.70
2, 32 gallon can	\$ 44.98	\$ 48.65	\$ 3.67	\$ 134.94	\$ 145.95	\$ 11.01
3, 32 gallon can	\$ 68.59	\$ 74.18	\$ 5.59	\$ 205.77	\$ 222.54	\$ 16.77
4, 32 gallon can	\$ 90.22	\$ 97.57	\$ 7.35	\$ 270.66	\$ 292.71	\$ 22.05
5, 32 gallon can	\$ 110.80	\$ 119.83	\$ 9.03	\$ 332.40	\$ 359.49	\$ 27.09
One extra 32-gallon can	\$ 5.86	\$ 6.34	\$ 0.48			
Per cubic yard	\$ 37.74	\$ 40.82	\$ 3.08			
1, 45-gallon can	\$ 28.33	\$ 30.64	\$ 2.31	\$ 84.99	\$ 91.92	\$ 6.93
2, 45-gallon can	\$ 54.47	\$ 58.91	\$ 4.44	\$ 163.41	\$ 176.73	\$ 13.32
3, 45-gallon can	\$ 83.01	\$ 89.78	\$ 6.77	\$ 249.03	\$ 269.34	\$ 20.31
One extra 45-gallon can	\$ 7.14	\$ 7.72	\$ 0.58			
Residential - All other services	\$ 127.27	\$ 137.64	\$ 10.37			

Nevada Commercial	Per Pickup		
	2023	2024	Increase
Per cubic yard	\$ 34.30	\$ 37.10	\$ 2.80
Extra yard	\$ 34.30	\$ 37.10	\$ 2.80
Per 32-gallon can/bag	\$ 5.38	\$ 5.82	\$ 0.44
Extra 32-gallon can/bag	\$ 5.38	\$ 5.82	\$ 0.44
Compacted rate per yard	\$ 44.33	\$ 47.94	\$ 3.61
Extra compacted yard	\$ 44.33	\$ 47.94	\$ 3.61

Exhibit H

South Tahoe Refuse Approved Facilities List 2023-2024

South Tahoe Refuse Approved Recovery Facilities

1. **Transfer Station & Material Recovery Facility:** Mixed recycling / Organics / MSW – 2140 Ruth Avenue, South Lake Tahoe.
2. **Resource Recovery Facility:** Wood and yard waste - 2192 Ruth Avenue, South Lake Tahoe.

Approved Recyclable Materials Processing Facilities

1. **Green Evolution Recycling:** Carboard/ Paper – 4800 Florin Perkins Rd Sacramento, CA 95826
2. **International Paper:** Aluminum – 1714 Cebrian ST West Sacramento, CA 95691
3. **Strategic Materials Inc.:** Glass – 5850 88th Street Sacramento, CA 95828
4. **Mings Resource Corporation:** PETE/HDPE/ Rigid Plastic – 8380 Florin Rd Sacramento, CA 95828
5. **Universal Steel:** Tin/ Steel – 5855 Sheep Drive Carson City, NV 89701
6. **CEAR:** CA CRTs – 3678 LeMay Street Mather, CA 95655
7. **Allied Environmental Services LLC:** E-Waste/ Freon Evacuation – PO Box 503190 White City, OR 97503.
8. **World Oil Environmental Service:** Used Oil – 1300 S. Santa Fe Ave Compton, CA 90221
9. **Clean Earth:** Household Hazardous Waste
10. **Shamrock Tire Recycling:** Tires – PO Box 55162 Stockton, CA 95205
11. **Tahoe Asphalt:** C&D – PO Box 8378 South Lake Tahoe, CA 96150
12. **Paint Care:** Paint – 1500 Rhode Island Ave, Washington Ave, NW Washington DC 20005
13. **Mattress Recycling Council ByeBye Mattress:** Mattresses/ Box Springs
14. **California Carpet Stewardship Program:** Carpet – PO Box 786 Chino, CA 91708
15. **Curtis and Sons Construction Inc:** C&D – PO Box 2911 Minden, NV 89423

Approved Organic Materials Processing Facilities

1. **Full Circle:** Pine Needles/ Food Waste – PO Box 640 Minden, NV 89423
2. **Bently Agro Dynamics:** Green Waste (stumps, chips, aquatic weed) – 1089 Stockyard Road Minden, NV 89423
3. **Ed Cook Tree Service:** Green Waste – 3015 Kokanee Trail South Lake Tahoe, CA 96150

Approved Disposal Facilities

1. **Lockwood Landfill:** ADC/ MSW – 2700 East Mustang Rd Sparks, NV 89434
2. **Carson Landfill:** ADC/ MSW – 4000 Flint Rd Carson, NV 98701
3. **Kiefer:** MSW – 12701 Kiefer Blvd Sloughouse, CA 95683
1. **Ryno Care:** Medical Waste – 11350 Kiefer Blvd Sacramento CA 95830

EXHIBIT I

List of Douglas County Properties with Bear Boxes as of November 7, 2023

<u>Address</u>	<u>TransactionCode</u>	<u>Units</u>	<u>Count</u>
682 KINGSBURY GRADE	RS-32G-01C	1	1
683 KINGSBURY GRADE	RS-32G-02C	1	2
684 KINGSBURY GRADE	RS-32G-01C	1	3
658 TINA CT	RS-32G-02C	1	4
650 TINA CT	RS-32G-01C	1	5
655 TINA CT	RS-32G-03C	1	6
689 TINA CT	RS-32G-01C	1	7
668 TINA CT	RS-32G-01C	1	8
657 JEFF LN	RS-32G-01C	1	9
654 JEFF LN	RS-32G-02C	1	10
650 JEFF LN	RS-32G-01C	1	11
630 JEFF LN	RS-32G-01C	1	12
651 LINDA WAY	RS-32G-02C	1	13
678 VIRGINIA DR	RS-32G-01C	1	14
695 AMY CT	RS-32G-02C	1	15
206 S BENJAMIN DR	RS-32G-01C	1	16
186 S BENJAMIN DR	RS-45G-01C	1	17
176 S BENJAMIN DR	RS-32G-01C	1	18
163 S BENJAMIN DR	RS-45G-02C	1	19
165 S BENJAMIN DR	RS-32G-01C	1	20
184 S BENJAMIN DR	RS-32G-01C	1	21
689 JACK CIR	RS-32G-01C	1	22
654 JACK CIR	RS-32G-01C	1	23
645 BONNIE CT	RS-32G-01C	1	24
660 BONNIE CT	RS-32G-01C	1	25
665 BONNIE CT	RS-32G-02C	1	26
668 BONNIE CT	RS-45G-01C	1	27
684 BONNIE CT	RS-32G-01C	1	28
690 BONNIE CT	RS-32G-01C	1	29
243 TRAMWAY DR	RS-32G-02C	1	30
245 TRAMWAY DR	RS-32G-02C	1	31
242 S BENJAMIN DR	RS-32G-02C	1	32
246 S BENJAMIN DR	RS-32G-01C	1	33
160 HALL CT	RS-45G-01C	1	34
164 HALL CT	RS-32G-02C	1	35
164 HALL CT	RS-32G-02C	1	36
190 KINGSBURY CIR	RS-32G-01C	1	37
187 KINGSBURY CIR	RS-32G-01C	1	38
162 GLEN CT	RS-32G-01C	1	39
172 HALL CT	RS-32G-02C	1	40
175 HALL CT	RS-32G-01C	1	41
179 HALL CT	RS-45G-02C	1	42
180 HALL CT	RS-32G-01C	1	43

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List of Douglas County Properties with Bear Boxes as of November 7, 2023

<u>Address</u>	<u>TransactionCode</u>	<u>Units</u>	<u>Count</u>
190 HALL CT	RS-32G-02C	1	44
192 HALL CT	RS-32G-02C	1	45
195 HALL CT	RS-32G-01C	1	46
199 CHIMNEY ROCK RD	RS-32G-01C	1	47
204 CHIMNEY ROCK RD	RS-45G-01C	1	48
206 CHIMNEY ROCK RD	RS-32G-01C	1	49
357 SUNSET CT	RS-32G-01C	1	50
235 CHIMNEY ROCK RD	RS-32G-01C	1	51
230 CHIMNEY ROCK RD	RS-32G-01C	1	52
241 CHIMNEY ROCK RD	RS-32G-03C	1	53
271 SHERWOOD CT	RS-32G-03C	1	54
261 SHERWOOD CT	RS-32G-01C	1	55
245 SHERWOOD CT	RS-32G-01C	1	56
356 SHERWOOD DR	RS-32G-02C	1	57
380 SHERWOOD DR	RS-32G-02C	1	58
381 SHERWOOD DR	RS-32G-01C	1	59
382 SHERWOOD DR	RS-32G-02C	1	60
395 SHERWOOD DR	RS-32G-01C	1	61
396 SHERWOOD DR	RS-32G-01C	1	62
397 SHERWOOD DR	RS-32G-01C	1	63
212 TERRACE VIEW DR	RS-32G-01C	1	64
218 TERRACE VIEW DR	RS-32G-01C	1	65
230 TERRACE VIEW DR	RS-32G-05C	1	66
243 TERRACE VIEW DR	RS-32G-01C	1	67
251 TERRACE VIEW DR	RS-32G-01C	1	68
254 PLEASANT CIR	RS-32G-01C	1	69
266 PLEASANT CIR	RS-32G-01C	1	70
260 PLEASANT CIR	RS-32G-01C	1	71
378 SUMMIT DR	RS-32G-02C	1	72
361 SUMMIT DR	RS-32G-03C	1	73
359 SUMMIT DR	RS-45G-01C	1	74
356 SUMMIT DR	RS-32G-01C	1	75
354 SUMMIT DR	RS-32G-02C	1	76
355 SUMMIT DR	RS-32G-01C	1	77
352 SUMMIT DR	RS-32G-02C	1	78
311 CHIMNEY ROCK RD	RS-32G-01C	1	79
314 CHIMNEY ROCK RD	RS-32G-01C	1	80
354 MACKAY CT	RS-45G-01C	1	81
357 MACKAY CT	RS-32G-01C	1	82
370 TERRACE VIEW DR	RS-32G-01C	1	83
376 TERRACE VIEW DR	RS-32G-01C	1	84
380 TERRACE VIEW DR	RS-45G-01C	1	85
384 TERRACE VIEW DR	RS-32G-01C	1	86

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List of Douglas County Properties with Bear Boxes as of November 7, 2023

<u>Address</u>	<u>TransactionCode</u>	<u>Units</u>	<u>Count</u>
388 TERRACE VIEW DR	RS-32G-01C	1	87
305 CEDAR DR	RS-45G-01C	1	88
301 CEDAR DR	RS-32G-02C	1	89
293 CEDAR DR	RS-32G-01C	1	90
282 CHIMNEY ROCK RD	RS-32G-01C	1	91
281 CHIMNEY ROCK RD	RS-45G-01C	1	92
276 CHIMNEY ROCK RD	RS-32G-01C	1	93
266 CHIMNEY ROCK RD	RS-45G-01C	1	94
260 CHIMNEY ROCK RD	RS-32G-01C	1	95
254 CHIMNEY ROCK RD	RS-32G-01C	1	96
259 CHIMNEY ROCK RD	RS-32G-01C	1	97
246 CHIMNEY ROCK RD	RS-32G-01C	1	98
170 CHIMNEY ROCK RD	RS-32G-01C	1	99
194 CARSON DR	RS-32G-01C	1	100
193 CARSON DR	RS-32G-01C	1	101
190 CARSON DR	RS-45G-01C	1	102
186 CARSON DR	RS-32G-01C	1	103
189 CARSON DR	RS-45G-01C	1	104
180 CARSON DR	RS-32G-01C	1	105
1017 RED FIR DR	RS-32G-02C	1	106
1009 RED FIR DR	RS-32G-01C	1	107
159 PONDEROSA DR	RS-32G-01C	1	108
1002 RED FIR DR	RS-32G-01C	1	109
158 WILLOW DR	RS-32G-01C	1	110
150 WILLOW DR	RS-32G-01C	1	111
118 WILLOW DR	RS-32G-01C	1	112
110 WILLOW DR	RS-45G-01C	1	113
97 PONDEROSA DR	RS-32G-01C	1	114
98 PONDEROSA DR	RS-32G-01C	1	115
96 PONDEROSA DR	RS-32G-01C	1	116
104 PONDEROSA DR	RS-32G-01C	1	117
106 PONDEROSA DR	RS-32G-01C	1	118
108 PONDEROSA DR	RS-32G-02C	1	119
110 PONDEROSA DR	RS-32G-01C	1	120
109 PONDEROSA DR	RS-32G-01C	1	121
119 PONDEROSA DR	RS-32G-01C	1	122
115 PONDEROSA CIR	RS-32G-02C	1	123
112 PONDEROSA CIR	RS-32G-01C	1	124
117 PONDEROSA CIR	RS-32G-01C	1	125
116 PONDEROSA CIR	RS-45G-01C	1	126
118 PONDEROSA CIR	RS-32G-02C	1	127
121 PONDEROSA CIR	RS-32G-01C	1	128
120 PONDEROSA DR	RS-32G-01C	1	129

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List of Douglas County Properties with Bear Boxes as of November 7, 2023

<u>Address</u>	<u>TransactionCode</u>	<u>Units</u>	<u>Count</u>
123 PONDEROSA DR	RS-32G-02C	1	130
140 PONDEROSA DR	RS-32G-01C	1	131
149 PONDEROSA DR	RS-32G-02C	1	132
146 PONDEROSA DR	RS-45G-01C	1	133
1020 ALPINE DR	RS-32G-01C	1	134
191 WILLOW DR	RS-32G-03C	1	135
197 WILLOW DR	RS-45G-02C	1	136
198 WILLOW DR	RS-32G-01C	1	137
1004 MYRON DR	RS-32G-01C	1	138
1008 MYRON DR	RS-32G-02C	1	139
1034 MYRON DR	RS-32G-01C	1	140
1040 MYRON DR	RS-32G-01C	1	141
1048 MYRON DR	RS-32G-01C	1	142
196 LYNN WAY	RS-32G-01C	1	143
160 LYNN WAY	RS-32G-01C	1	144
1041 GOLDEN MANTLE CIR	RS-32G-01C	1	145
1042 GOLDEN MANTLE CIR	RS-32G-01C	1	146
1040 GOLDEN MANTLE CIR	RS-32G-01C	1	147
1064 DEER CLIFF DR	RS-32G-01C	1	148
1076 DEER CLIFF DR	RS-32G-02C	1	149
1079 DEER CLIFF DR	RS-32G-01C	1	150
1080 DEER CLIFF DR	RS-32G-01C	1	151
1089 DEER CLIFF DR	RS-32G-01C	1	152
1092 DEER CLIFF DR	RS-32G-01C	1	153
1072 MYRON DR	RS-32G-01C	1	154
193 RAY WAY	RS-32G-01C	1	155
190 RAY WAY	RS-32G-01C	1	156
189 RAY WAY	RS-32G-02C	1	157
1054 DEER CLIFF DR	RS-32G-02C	1	158
1050 DEER CLIFF DR	RS-32G-01C	1	159
1031 LYNN WAY	RS-32G-02C	1	160
126 TAHOE DR	RS-32G-01C	1	161
109 TAHOE DR	RS-32G-03C	1	162
107 TAHOE DR	RS-45G-01C	1	163
105 TAHOE DR	RS-32G-01C	1	164
1028 SKYLAND DR	RS-32G-01C	1	165
1014 SKYLAND DR	RS-45G-01C	1	166
88 SKYLAND CT	RS-45G-01C	1	167
84 SKYLAND CT	RS-32G-01C	1	168
80 SKYLAND CT	RS-45G-01C	1	169
78-A SKYLAND CT	RS-32G-01C	1	170
74 SKYLAND CT	RS-32G-01C	1	171
1015 SKYLAND DR	RS-32G-01C	1	172

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List of Douglas County Properties with Bear Boxes as of November 7, 2023

<u>Address</u>	<u>TransactionCode</u>	<u>Units</u>	<u>Count</u>
1010 SKYLAND DR	RS-45G-02C	1	173
1009 SKYLAND DR	RS-32G-02C	1	174
1007 SKYLAND DR	RS-32G-01C	1	175
1006 SKYLAND DR	RS-32G-02C	1	176
1005 SKYLAND DR	RS-32G-01C	1	177
1000 SKYLAND DR	RS-32G-01C	1	178
996 SKYLAND DR	RS-45G-01C	1	179
995 SKYLAND DR	RS-45G-01C	1	180
1030 SKYLAND DR	RS-32G-03C	1	181
1032 SKYLAND DR	RS-32G-01C	1	182
1034 SKYLAND DR	RS-32G-02C	1	183
1038 SKYLAND DR	RS-32G-01C	1	184
1040 SKYLAND DR	RS-32G-01C	1	185
1049 SKYLAND DR	RS-45G-01C	1	186
1051 SKYLAND DR	RS-32G-02C	1	187
1054 SKYLAND DR	RS-32G-01C	1	188
1053 SKYLAND DR	RS-32G-01C	1	189
1055 SKYLAND DR	RS-32G-01C	1	190
1070 SKYLAND DR	RS-32G-03C	1	191
1074 SKYLAND DR	RS-32G-01C	1	192
1073 SKYLAND DR	RS-32G-01C	1	193
1078 SKYLAND DR	RS-32G-01C	1	194
1077 SKYLAND DR	RS-32G-01C	1	195
1080 SKYLAND DR	RS-32G-01C	1	196
1090 SKYLAND DR	RS-32G-01C	1	197
1092 MYRON CT	RS-32G-01C	1	198
1099 MYRON CT	RS-32G-01C	1	199
1100 MYRON CT	RS-32G-01C	1	200
177 MYRON DR	RS-32G-01C	1	201
179 MYRON DR	RS-32G-03C	1	202
192 MYRON DR	RS-32G-01C	1	203
189 MYRON DR	RS-45G-01C	1	204
199 MYRON DR	RS-32G-01C	1	205
1062 MYRON DR	RS-32G-01C	1	206
1902 GLENBROOK RD	RS-32G-01C	1	207
202 S MEADOW RD	RS-32G-01C	1	208
1916 GLENBROOK RD	RS-32G-01C	1	209
1920 GLENBROOK RD	RS-32G-01C	1	210
1921 GLENBROOK RD	RS-32G-01C	1	211
1938 GLENBROOK RD	RS-32G-01C	1	212
205 S MEADOW RD	RS-32G-01C	1	213
212 S MEADOW RD	RS-45G-01C	1	214
213 S MEADOW RD	RS-32G-06C	1	215

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List of Douglas County Properties with Bear Boxes as of November 7, 2023

<u>Address</u>	<u>TransactionCode</u>	<u>Units</u>	<u>Count</u>
214 S MEADOW RD	RS-32G-02C	1	216
215 S MEADOW RD	RS-32G-02C	1	217
217 S MEADOW RD	RS-32G-02C	1	218
219 S MEADOW RD	RS-32G-01C	1	219
220 S MEADOW RD	RS-45G-01C	1	220
222 S MEADOW RD	RS-32G-01C	1	221
221 S MEADOW RD	RS-32G-02C	1	222
224 S MEADOW RD	RS-32G-01C	1	223
227 SHAKESPEARE GLADE	RS-32G-01C	1	224
229 SHAKESPEARE GLADE	RS-32G-01C	1	225
249 SHORT RD	RS-32G-01C	1	226
1960 GLENBROOK HOUSE RD	RS-32G-01C	1	227
1972 PRAY MEADOW RD	RS-45G-01C	1	228
1974 PRAY MEADOW RD	RS-32G-01C	1	229
1978 PRAY MEADOW RD	RS-32G-02C	1	230
2019 THE BACK RD	RS-32G-02C	1	231
2021 THE BACK RD	RS-32G-02C	1	232
2037 THE BACK RD	RS-45G-02C	1	233
2070 THE BACK RD	RS-45G-02C	1	234
2115 THE BACK RD	RS-32G-02C	1	235
2118 THE BACK RD	RS-32G-02C	1	236
2123 THE BACK RD	RS-32G-01C	1	237
2127 THE BACK RD	RS-32G-01C	1	238
2128 THE BACK RD	RS-32G-01C	1	239
2134 THE BACK RD	RS-32G-01C	1	240
2137 THE BACK RD	RS-32G-02C	1	241
2138 THE BACK RD	RS-32G-03C	1	242
2143 THE BACK RD	RS-32G-01C	1	243
2146 THE BACK RD	RS-32G-02C	1	244
179 YERINGTON CIR	RS-32G-01C	1	245
178 YERINGTON CIR	RS-32G-03C	1	246
166 YERINGTON CIR	RS-32G-03C	1	247
154 YERINGTON CIR	RS-32G-01C	1	248
152 YERINGTON CIR	RS-45G-02C	1	249
148 YERINGTON CIR	RS-32G-01C	1	250
147 YERINGTON CIR	RS-32G-01C	1	251
135 YERINGTON CIR	RS-32G-02C	1	252
2031 PRAY MEADOW RD	RS-32G-01C	1	253
226 GLENBROOK INN RD	RS-32G-01C	1	254
2035 PRAY MEADOW RD	RS-32G-02C	1	255
225 GLENBROOK INN RD	RS-32G-01C	1	256
224 GLENBROOK INN RD	RS-32G-01C	1	257
222 GLENBROOK INN RD	RS-32G-01C	1	258

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List of Douglas County Properties with Bear Boxes as of November 7, 2023

<u>Address</u>	<u>TransactionCode</u>	<u>Units</u>	<u>Count</u>
214 GLENBROOK INN RD	RS-45G-01C	1	259
216 GLENBROOK INN RD	RS-32G-01C	1	260
212 GLENBROOK INN RD	RS-32G-01C	1	261
210 GLENBROOK INN RD	RS-32G-01C	1	262
206 GLENBROOK INN RD	RS-32G-02C	1	263
2021 JELLERSON WAY	RS-32G-01C	1	264
2023 JELLERSON WAY	RS-32G-01C	1	265
2029 JELLERSON WAY	RS-45G-02C	1	266
2033 JELLERSON WAY	RS-32G-02C	1	267
2035 JELLERSON WAY	RS-32G-01C	1	268
2051 JELLERSON WAY	RS-32G-01C	1	269
2049 JELLERSON WAY	RS-32G-01C	1	270
2045 JELLERSON WAY	RS-32G-01C	1	271
2027 JELLERSON WAY	RS-32G-01C	1	272
202 GLENBROOK INN RD	RS-32G-02C	1	273
204 GLENBROOK INN RD	RS-32G-01C	1	274
200 GLENBROOK INN RD	RS-32G-02C	1	275
192 GLENBROOK INN RD	RS-32G-01C	1	276
2036 PRAY MEADOW RD	RS-32G-01C	1	277
2037 PRAY MEADOW RD	RS-32G-01C	1	278
233 ENGINE HOUSE CIR	RS-32G-01C	1	279
235 ENGINE HOUSE CIR	RS-32G-02C	1	280
237 ENGINE HOUSE CIR	RS-32G-02C	1	281
239 ENGINE HOUSE CIR	RS-45G-01C	1	282
241 ENGINE HOUSE CIR	RS-32G-02C	1	283
2039 PRAY MEADOW RD	RS-32G-01C	1	284
2041 PRAY MEADOW RD	RS-32G-02C	1	285
2043 PRAY MEADOW RD	RS-32G-01C	1	286
2045 PRAY MEADOW RD	RS-32G-02C	1	287
210 LAKEMILL RD	RS-32G-01C	1	288
209 LAKEMILL RD	RS-32G-01C	1	289
205 LAKEMILL RD	RS-32G-01C	1	290
202 LAKEMILL RD	RS-32G-02C	1	291
190 LAKE SHORE BLVD	RS-32G-01C	1	292
610 FREEL DR	RS-32G-01C	1	293
595 FREEL DR	RS-32G-01C	1	294
611 FREEL DR	RS-32G-01C	1	295
612 FREEL DR	RS-32G-01C	1	296
614 FREEL DR	RS-32G-01C	1	297
605 FREEL DR	RS-32G-01C	1	298
613 FREEL DR	RS-32G-01C	1	299
615 FREEL DR	RS-32G-01C	1	300
620 PHARRIS LN	RS-32G-01C	1	301

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List of Douglas County Properties with Bear Boxes as of November 7, 2023

<u>Address</u>	<u>TransactionCode</u>	<u>Units</u>	<u>Count</u>
620 FREEL DR	RS-32G-01C	1	302
622 FREEL DR	RS-32G-02C	1	303
625 FREEL DR	RS-32G-01C	1	304
626 FREEL DR	RS-32G-01C	1	305
628 FREEL DR	RS-32G-01C	1	306
630 FREEL DR	RS-32G-02C	1	307
632 FREEL DR	RS-32G-02C	1	308
634 FREEL DR	RS-32G-01C	1	309
631 LAKE SHORE BLVD	RS-32G-01C	1	310
629 LAKE SHORE BLVD	RS-32G-01C	1	311
633 FREEL DR	RS-45G-01C	1	312
636 FREEL DR	RS-32G-01C	1	313
635 FREEL DR	RS-32G-02C	1	314
637 FREEL DR	RS-32G-01C	1	315
638 FREEL DR	RS-32G-01C	1	316
640 FREEL DR	RS-32G-01C	1	317
642 FREEL DR	RS-32G-01C	1	318
648 FREEL DR	RS-32G-01C	1	319
652 FREEL DR	RS-32G-01C	1	320
187 TALLAC DR	RS-32G-01C	1	321
186 TALLAC DR	RS-32G-01C	1	322
647 LAKE SHORE BLVD	RS-32G-01C	1	323
188 TALLAC DR	RS-32G-01C	1	324
642 LAKE SHORE BLVD	RS-32G-02C	1	325
644 LAKE SHORE BLVD	RS-32G-01C	1	326
648 LAKE SHORE BLVD	RS-32G-01C	1	327
652 LAKE SHORE BLVD	RS-32G-02C	1	328
654 LAKE SHORE BLVD	RS-32G-01C	1	329
656 LAKE SHORE BLVD	RS-32G-01C	1	330
658 LAKE SHORE BLVD	RS-32G-01C	1	331
660 LAKE SHORE BLVD	RS-45G-01C	1	332
140 MARLA LN	RS-32G-02C	1	333
661 LAKE SHORE BLVD	RS-32G-01C	1	334
146-A MARLA LN	RS-32G-01C	1	335
150 MARLA LN	RS-32G-02C	1	336
151 MARLA LN	RS-32G-01C	1	337
152 MARLA LN	RS-32G-01C	1	338
653 MARLA LN	RS-32G-02C	1	339
651 MARLA LN	RS-32G-02C	1	340
643 LAKE SHORE BLVD	RS-45G-01C	1	341
638 LAKE SHORE BLVD	RS-32G-01C	1	342
632 LAKE SHORE BLVD	RS-32G-01C	1	343
641 LAKE SHORE BLVD	RS-32G-01C	1	344

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List of Douglas County Properties with Bear Boxes as of November 7, 2023

<u>Address</u>	<u>TransactionCode</u>	<u>Units</u>	<u>Count</u>
639 LAKE SHORE BLVD	RS-32G-01C	1	345
630 LAKE SHORE BLVD	RS-32G-01C	1	346
628 LAKE SHORE BLVD	RS-32G-01C	1	347
624 LAKE SHORE BLVD	RS-32G-02C	1	348
622 LAKE SHORE BLVD	RS-32G-01C	1	349
616 LAKE SHORE BLVD	RS-32G-02C	1	350
625 LAKE SHORE BLVD	RS-32G-01C	1	351
612 LAKE SHORE BLVD	RS-32G-02C	1	352
610 LAKE SHORE BLVD	RS-32G-02C	1	353
608 LAKE SHORE BLVD	RS-32G-01C	1	354
606 LAKE SHORE BLVD	RS-32G-02C	1	355
604 LAKE SHORE BLVD	RS-32G-01C	1	356
602 LAKE SHORE BLVD	RS-32G-01C	1	357
617 LAKE SHORE BLVD	RS-32G-01C	1	358
615 LAKE SHORE BLVD	RS-32G-01C	1	359
600 LAKE SHORE BLVD	RS-32G-02C	1	360
613 LAKE SHORE BLVD	RS-32G-02C	1	361
598 LAKE SHORE BLVD	RS-32G-01C	1	362
611 LAKE SHORE BLVD	RS-32G-01C	1	363
588 PHARRIS LN	RS-32G-01C	1	364
596 PHARRIS LN	RS-32G-01C	1	365
614 PHARRIS LN	RS-32G-01C	1	366
616 PHARRIS LN	RS-32G-01C	1	367
618 PHARRIS LN	RS-32G-01C	1	368
621 FREEL DR	RS-32G-01C	1	369
623 FREEL DR	RS-32G-01C	1	370
628 PHARRIS LN	RS-32G-01C	1	371
634 PHARRIS LN	RS-32G-01C	1	372
643 PHARRIS LN	RS-32G-01C	1	373
649 JOB LN	RS-32G-01C	1	374
183 TALLAC DR	RS-32G-01C	1	375
669 N MARTIN DR	RS-45G-01C	1	376
660 N MARTIN DR	RS-45G-01C	1	377
644 N MARTIN DR	RS-32G-01C	1	378
649 N MARTIN DR	RS-32G-01C	1	379
647 N MARTIN DR	RS-32G-01C	1	380
638 N MARTIN DR	RS-32G-02C	1	381
636 N MARTIN DR	RS-32G-02C	1	382
622 ALMA WAY	RS-32G-01C	1	383
617 STANLEY CIRCLE	RS-32G-02C	1	384
618 ALMA WAY	RS-32G-01C	1	385
617 ALMA WAY	RS-32G-01C	1	386
614 ALMA WAY	RS-45G-01C	1	387

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List of Douglas County Properties with Bear Boxes as of November 7, 2023

<u>Address</u>	<u>TransactionCode</u>	<u>Units</u>	<u>Count</u>
612 ALMA WAY	RS-32G-01C	1	388
613 ALMA WAY	RS-32G-01C	1	389
610 ALMA WAY	RS-32G-01C	1	390
611 ALMA WAY	RS-32G-01C	1	391
284 S MARTIN DR	RS-32G-03C	1	392
283 S MARTIN DR	RS-32G-01C	1	393
293 S MARTIN DR	RS-32G-01C	1	394
295 S MARTIN DR	RS-32G-02C	1	395
615 RIVEN ROCK RD	RS-32G-01C	1	396
600 RIVEN ROCK RD	RS-32G-02C	1	397
624 RIVEN ROCK RD	RS-32G-01C	1	398
689 RIVEN ROCK RD	RS-32G-01C	1	399
669 RIVEN ROCK RD	RS-32G-02C	1	400
672 RIVEN ROCK RD	RS-32G-02C	1	401
641 RIVEN ROCK RD	RS-32G-01C	1	402
642 RIVEN ROCK RD	RS-32G-01C	1	403
634 RIVEN ROCK RD	RS-45G-02C	1	404
269 S MARTIN DR	RS-32G-01C	1	405
265 S MARTIN DR	RS-32G-01C	1	406
262 S MARTIN DR	RS-32G-01C	1	407
602 DON DR	RS-45G-01C	1	408
609 DON DR	RS-32G-01C	1	409
620 DON DR	RS-45G-01C	1	410
632 DON DR	RS-32G-01C	1	411
402 ELKS AVE	RS-32G-01C	1	412
408 ELKS AVE	RS-32G-01C	1	413
410 ELKS AVE	RS-32G-02C	1	414
412 ELKS AVE	RS-32G-01C	1	415
416 ELKS AVE	RS-32G-02C	1	416
418 ELKS AVE	RS-32G-01C	1	417
420 ELKS AVE	RS-32G-01C	1	418
428 ELKS AVE	RS-32G-01C	1	419
432 ELKS AVE	RS-32G-01C	1	420
450 ELKS AVE	RS-32G-01C	1	421
454 CENTER ST	RS-32G-01C	1	422
458 CENTER ST	RS-32G-02C	1	423
263 ELKS POINT RD	RS-45G-01C	1	424
268 ELKS POINT RD	RS-32G-01C	1	425
275 ELKS POINT RD	RS-32G-01C	1	426
276 ELKS POINT RD	RS-32G-01C	1	427
280 ELKS POINT RD	RS-32G-01C	1	428
4 ELKS POINT CT	RS-32G-01C	1	429
2 ELKS POINT CT	RS-32G-01C	1	430

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List of Douglas County Properties with Bear Boxes as of November 7, 2023

<u>Address</u>	<u>TransactionCode</u>	<u>Units</u>	<u>Count</u>
285 ELKS POINT RD	RS-32G-01C	1	431
278 PAIUTE DR	RS-32G-02C	1	432
280 PAIUTE DR	RS-32G-01C	1	433
294 SEMINOLE WAY	RS-32G-03C	1	434
445 SEMINOLE CT	RS-32G-01C	1	435
447 SEMINOLE CT	RS-45G-01C	1	436
326 SEMINOLE WAY	RS-32G-01C	1	437
325 SEMINOLE WAY	RS-45G-01C	1	438
330 SEMINOLE WAY	RS-32G-01C	1	439
316 ELKS POINT RD	RS-32G-01C	1	440
303 ELKS POINT RD	RS-32G-01C	1	441
286 PAIUTE DR	RS-32G-02C	1	442
292 PAIUTE DR	RS-32G-01C	1	443
295 PAIUTE DR	RS-32G-01C	1	444
292 MC FAUL WAY	RS-32G-01C	1	445
281 CHEYENNE WAY	RS-32G-01C	1	446
272 CHEYENNE WAY	RS-32G-01C	1	447
261 CHEYENNE CIR	RS-32G-01C	1	448
254 CHEYENNE CIR	RS-32G-01C	1	449
259 CHEYENNE CIR	RS-32G-02C	1	450
253 CHEYENNE CIR	RS-32G-01C	1	451
251 CHEYENNE CIR	RS-32G-01C	1	452
252 CHEYENNE CIR	RS-32G-01C	1	453
249 CHEYENNE CIR	RS-45G-01C	1	454
256 CHEYENNE CIR	RS-32G-03C	1	455
266 CHEYENNE CIR	RS-32G-01C	1	456
277 MC FAUL WAY	RS-32G-01C	1	457
280 MC FAUL WAY	RS-45G-01C	1	458
274 MC FAUL WAY	RS-32G-01C	1	459
263 MC FAUL CT	RS-32G-02C	1	460
258 MC FAUL CT	RS-32G-02C	1	461
261 MC FAUL CT	RS-45G-02C	1	462
254 MC FAUL CT	RS-32G-01C	1	463
259 MC FAUL CT	RS-32G-01C	1	464
250 MC FAUL CT	RS-32G-01C	1	465
251 MC FAUL CT	RS-32G-01C	1	466
256 MC FAUL WAY	RS-32G-01C	1	467
252 MC FAUL WAY	RS-45G-01C	1	468
240 MC FAUL WAY	RS-45G-01C	1	469
194 HUBBARD RD	RS-32G-01C	1	470
576 BUCHANAN RD	RS-32G-02C	1	471
575 BUCHANAN RD	RS-32G-01C	1	472
565 BUCHANAN RD	RS-32G-01C	1	473

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List of Douglas County Properties with Bear Boxes as of November 7, 2023

<u>Address</u>	<u>TransactionCode</u>	<u>Units</u>	<u>Count</u>
178 BUCHANAN RD	RS-32G-01C	1	474
555 BUCHANAN RD	RS-32G-03C	1	475
254 N BEMJAMIN DR	RS-32G-01C	1	476
256 N BENJAMIN DR	RS-32G-02C	1	477
258 N BENJAMIN DR	RS-32G-01C	1	478
260 N BENJAMIN DR	RS-32G-01C	1	479
253 ANDRIA DR	RS-32G-02C	1	480
269 ANDRIA DR	RS-45G-01C	1	481
273 ANDRIA DR	RS-32G-01C	1	482
289 ANDRIA DR	RS-32G-01C	1	483
293 ANDRIA DR	RS-32G-01C	1	484
370 ANDRIA DR	RS-32G-01C	1	485
337 BARTON CT	RS-32G-02C	1	486
335 BARTON CT	RS-45G-02C	1	487
332 BARTON CT	RS-45G-01C	1	488
340 BARTON CT	RS-32G-01C	1	489
325 BARTON DR	RS-32G-02C	1	490
310 BARTON DR	RS-32G-01C	1	491
321 BARTON DR	RS-32G-03C	1	492
314 BARTON DR	RS-32G-01C	1	493
305 ANDRIA DR	RS-32G-01C	1	494
304 ANDRIA DR	RS-32G-01C	1	495
310 ANDRIA DR	RS-32G-01C	1	496
360 ANDRIA DR	RS-32G-01C	1	497
377 ANDRIA DR	RS-32G-01C	1	498
376 ANDRIA DR	RS-32G-01C	1	499
393 ANDRIA DR	RS-32G-01C	1	500
380 ANDRIA DR	RS-45G-01C	1	501
419 ANDRIA DR	RS-32G-01C	1	502
460 BARRETT DR	RS-32G-01C	1	503
444 BARRETT DR	RS-32G-02C	1	504
440 BARRETT DR	RS-45G-01C	1	505
437 BARRETT DR	RS-32G-01C	1	506
432 BARRETT DR	RS-32G-02C	1	507
208 WEST DR	RS-32G-01C	1	508
421 ANDRIA DR	RS-32G-03C	1	509
437 ANDRIA DR	RS-32G-01C	1	510
435 ANDRIA DR	RS-45G-01C	1	511
453 ANDRIA DR	RS-45G-01C	1	512
454 ANDRIA DR	RS-32G-01C	1	513
473 ANDRIA DR	RS-32G-01C	1	514
228 SUNFLOWER CIR	RS-32G-02C	1	515
226 SUNFLOWER CIR	RS-32G-02C	1	516

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List of Douglas County Properties with Bear Boxes as of November 7, 2023

<u>Address</u>	<u>TransactionCode</u>	<u>Units</u>	<u>Count</u>
213 SUNFLOWER CIR	RS-32G-01C	1	517
322 EUGENIA CT	RS-32G-01C	1	518
310 GRIFFIN CT	RS-32G-01C	1	519
332 GRIFFIN CT	RS-32G-01C	1	520
306 GRIFFIN CT	RS-45G-01C	1	521
245 LOGGING RD	RS-32G-01C	1	522
250 LOGGING RD	RS-32G-02C	1	523
425 CRESTVIEW DR	RS-32G-01C	1	524
424 CRESTVIEW DR	RS-32G-02C	1	525
426 CRESTVIEW DR	RS-32G-01C	1	526
438 PINE CONE TRL	RS-32G-01C	1	527
126 PINE CONE TRL	RS-32G-01C	1	528
437 PANORAMA DR	RS-32G-02C	1	529
428 PANORAMA DR	RS-32G-02C	1	530
433 EDGEWOOD DR	RS-32G-01C	1	531
425 EDGEWOOD DR	RS-32G-02C	1	532
119 EASY ST	RS-32G-01C	1	533
122 EASY ST	RS-32G-01C	1	534
106 EASY ST	RS-32G-01C	1	535
101 EASY ST	RS-32G-01C	1	536
100 EASY ST	RS-32G-01C	1	537
168 PALISADES DR	RS-32G-02C	1	538
164 PALISADES DR	RS-32G-01C	1	539
150 PALISADES DR	RS-32G-01C	1	540
172-B PALISADES DR	RS-32G-01C	1	541
172-A&B PALISADES DR	RS-32G-01C	1	542
330 KINGSBURY GRADE	RS-32G-01C	1	543
134 DAGGETT WAY	RS-32G-01C	1	544
150 WOODLAND WAY	RS-45G-02C	1	545
107 SEQUOIA DR	RS-32G-01C	1	546
101 SEQUOIA DR	RS-32G-02C	1	547
117 HAWTHORNE WAY	RS-32G-02C	1	548
112 HAWTHORNE WAY	RS-32G-01C	1	549
110 HAWTHORNE WAY	RS-32G-02C	1	550
119 DAGGETT WAY	RS-45G-01C	1	551
120 DAGGETT WAY	RS-32G-01C	1	552
117 DAGGETT WAY	RS-32G-02C	1	553
108 DAGGETT WAY	RS-45G-01C	1	554
100 DAGGETT WAY	RS-32G-01C	1	555
140 ROSEWOOD CIR	RS-32G-01C	1	556
144 ROSEWOOD CIR	RS-32G-01C	1	557
145 ROSEWOOD CIR	RS-32G-03C	1	558
1201 TAHOE GLEN DR	RS-32G-01C	1	559

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List of Douglas County Properties with Bear Boxes as of November 7, 2023

<u>Address</u>	<u>TransactionCode</u>	<u>Units</u>	<u>Count</u>
746 LAKEVIEW DR	RS-32G-01C	1	560
752 LAKEVIEW DR	RS-32G-01C	1	561
746 LAKEVIEW CIR	RS-32G-01C	1	562
742 LAKEVIEW CIR	RS-32G-01C	1	563
738 LAKEVIEW CIR	RS-32G-01C	1	564
749 LAKEVIEW CIR	RS-32G-01C	1	565
741 LAKEVIEW CIR	RS-32G-03C	1	566
729 LAKEVIEW CIR	RS-32G-02C	1	567
733 LAKEVIEW DR	RS-32G-01C	1	568
719 LAKEVIEW DR	RS-32G-01C	1	569
707 LAKEVIEW DR	RS-32G-01C	1	570
710 LAKEVIEW DR	RS-32G-01C	1	571
701 LAKEVIEW DR	RS-45G-01C	1	572
697 LAKEVIEW DR	RS-32G-01C	1	573
695 LAKEVIEW DR	RS-32G-03C	1	574
691 LAKEVIEW DR	RS-32G-01C	1	575
731 BEVERLY CIR	RS-32G-01C	1	576
728 LAKEVIEW DR	RS-32G-01C	1	577
767 LAKEVIEW DR	RS-45G-01C	1	578
771 LAKEVIEW DR	RS-32G-01C	1	579
748 LAKEVIEW DR	RS-32G-01C	1	580
1141 HWY 50	RS-45G-02C	1	581
261 EAGLE LN	RS-32G-01C	1	582
1245 HIDDEN WOODS DR	RS-32G-01C	1	583
1274 HIDDEN WOODS DR	RS-32G-01C	1	584
1293 HIDDEN WOODS DR	RS-32G-02C	1	585
1294 HIDDEN WOODS DR	RS-32G-01C	1	586
196 SUGAR PINE CIR	RS-32G-02C	1	587
1260 LINCOLN CIR	RS-45G-01C	1	588
1262 LINCOLN CIR	RS-32G-01C	1	589
1267 LINCOLN CIR	RS-32G-01C	1	590
210 CANYON CIR	RS-32G-02C	1	591
213 CEDAR RIDGE	RS-32G-01C	1	592
210 CEDAR RIDGE	RS-32G-01C	1	593
221 CEDAR RIDGE	RS-32G-02C	1	594
218 SUGAR PINE CIR	RS-32G-01C	1	595
210 SUGAR PINE CIR	RS-32G-02C	1	596
215 SUGAR PINE CIR	RS-32G-01C	1	597
209 SUGAR PINE CIR	RS-32G-02C	1	598
202 SUGAR PINE CIR	RS-32G-01C	1	599
200 SUGAR PINE CIR	RS-32G-02C	1	600
1205 TAHOE GLEN DR	RS-32G-01C	1	601
210 BEDELL WAY	RS-32G-01C	1	602

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List of Douglas County Properties with Bear Boxes as of November 7, 2023

<u>Address</u>	<u>TransactionCode</u>	<u>Units</u>	<u>Count</u>
235 LYONS AVE	RS-32G-02C	1	603
233 LYONS AVE	RS-32G-01C	1	604
231 LYONS AVE	RS-32G-01C	1	605
229 LYONS AVE	RS-32G-01C	1	606
230 LYONS AVE	RS-32G-01C	1	607
223 LYONS AVE	RS-32G-02C	1	608
213 LYONS AVE	RS-32G-02C	1	609
212 LYONS AVE	RS-32G-01C	1	610
215 LYONS AVE	RS-32G-01C	1	611
207 LYONS AVE	RS-32G-01C	1	612
207 BEDELL WAY	RS-32G-02C	1	613
293 ROBIN CIR	RS-32G-01C	1	614
288 ROBIN CIR	RS-32G-01C	1	615
283 ROBIN CIR	RS-32G-01C	1	616
281 ROBIN CIR	RS-32G-01C	1	617
275 ROBIN CIR	RS-32G-01C	1	618
1366 WINDING WAY	RS-32G-02C	1	619
278 CHUKKAR DR	RS-32G-01C	1	620
275 CHUKKAR DR	RS-32G-02C	1	621
271 CHUKKAR DR	RS-32G-01C	1	622
275 LARK CIR	RS-32G-01C	1	623
306 PHEASANT LN	RS-45G-01C	1	624
319 PHEASANT LN	RS-32G-01C	1	625
315 PHEASANT LN	RS-45G-01C	1	626
301 PHEASANT LN	RS-32G-01C	1	627
285 WREN CIR	RS-45G-01C	1	628
275 WREN CIR	RS-45G-01C	1	629
269 WREN CIR	RS-32G-02C	1	630
1342 WINDING WAY	RS-45G-01C	1	631
1344 WINDING WAY	RS-32G-01C	1	632
1346 WINDING WAY	RS-32G-01C	1	633
1348 WINDING WAY	RS-32G-01C	1	634
1350 WINDING WAY	RS-32G-01C	1	635
1339 WINDING WAY	RS-32G-01C	1	636
1354 WINDING WAY	RS-32G-02C	1	637
1322 WINDING WAY	RS-32G-01C	1	638
1321 WINDING WAY	RS-32G-01C	1	639
1328 CAVE ROCK DR	RS-32G-01C	1	640
1318 CAVE ROCK DR	RS-32G-02C	1	641
1302 CAVE ROCK VILLA A	RS-32G-01C	1	642
1302 CAVE ROCK VILLA B	RS-32G-01C	1	643
1744 LOGAN CREEK DR	RS-32G-01C	1	644
1745 LOGAN CREEK DR	RS-32G-01C	1	645

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List of Douglas County Properties with Bear Boxes as of November 7, 2023

<u>Address</u>	<u>TransactionCode</u>	<u>Units</u>	<u>Count</u>
1711 LOGAN CREEK DR	RS-32G-03C	1	646
1694 LOGAN CREEK DR	RS-32G-02C	1	647
1640 SOUTH PEAK DR	RS-32G-01C	1	648
1686 LOGAN CREEK DR	RS-32G-02C	1	649
1662 LOGAN CREEK DR	RS-32G-02C	1	650
1733 MARKEN RD	RS-32G-01C	1	651
232 POWER HOUSE RD	RS-32G-02C	1	652
234 POWER HOUSE RD	RS-32G-02C	1	653
236 POWER HOUSE RD	RS-32G-01C	1	654
230 POWER HOUSE RD	RS-32G-01C	1	655
237 OLD HWY 50	RS-32G-01C	1	656
1967 PRAY MEADOW RD	RS-32G-01C	1	657
1969 PRAY MEADOW RD	RS-32G-01C	1	658
139 DIRIGO CT	RS-32G-01C	1	659
140 DIRIGO CT	RS-32G-01C	1	660
142 DIRIGO CT	RS-32G-02C	1	661
2060 PRAY MEADOW RD	RS-32G-01C	1	662
2068 PRAY MEADOW RD	RS-32G-01C	1	663
2070 PRAY MEADOW RD	C-32G-PC	2	664
12 GOLF LINKS RD	RS-32G-02C	1	665
17 GOLF LINKS RD	RS-32G-02C	1	666
15 GOLF LINKS RD	RS-32G-01C	1	667
16 GOLF LINKS RD	RS-32G-02C	1	668
14 GOLF LINKS RD	RS-32G-01C	1	669
2153 PRAY MEADOW RD	RS-32G-01C	1	670
2163 PRAY MEADOW RD	RS-32G-02C	1	671
2175 BLISS RD	RS-32G-01C	1	672
114 PRAY MEADOW RD	RS-32G-02C	1	673
119 PRAY MEADOW RD	RS-32G-01C	1	674
96 CHINA GARDEN CIR	RS-32G-02C	1	675
97 CHINA GARDEN CIR	RS-32G-01C	1	676
99 CHINA GARDEN CIR	RS-32G-01C	1	677
100 CHINA GARDEN CIR	RS-32G-01C	1	678
110 CHINA GARDEN CIR	RS-32G-01C	1	679
114 CHINA GARDEN CT	RS-32G-01C	1	680
111 CHINA GARDEN CT	RS-45G-01C	1	681
109 CHINA GARDEN CIR	RS-32G-01C	1	682
107 CHINA GARDEN CIR	RS-32G-01C	1	683
682 LINCOLN HWY	RS-45G-02C	1	684
686 LINCOLN HWY	RS-32G-01C	1	685
692 LAKEVIEW BLVD	RS-32G-01C	1	686
689 LAKEVIEW BLVD	RS-32G-01C	1	687
687 LAKEVIEW BLVD	RS-45G-02C	1	688

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List of Douglas County Properties with Bear Boxes as of November 7, 2023

<u>Address</u>	<u>TransactionCode</u>	<u>Units</u>	<u>Count</u>
686 LAKEVIEW BLVD	RS-45G-02C	1	689
684 LAKEVIEW BLVD	RS-32G-01C	1	690
685 LAKEVIEW BLVD	RS-32G-01C	1	691
682 LAKEVIEW BLVD	RS-32G-03C	1	692
680 LAKEVIEW BLVD	RS-32G-01C	1	693
710 LINCOLN HWY	RS-32G-02C	1	694
642 ZEPHYR HEIGHTS DR	RS-32G-03C	1	695
643 ZEPHYR HEIGHTS DR	RS-32G-01C	1	696
642 N MARTIN DR	RS-32G-01C	1	697
220 SLEEPY HOLLOW GLEN	RS-32G-01C	1	698
222 SLEEPY HOLLOW GLEN	RS-32G-01C	1	699
224 SLEEPY HOLLOW GLEN	RS-32G-01C	1	700
228 SLEEPY HOLLOW GLEN	RS-32G-01C	1	701
634 INSPIRATION DR	RS-32G-01C	1	702
656 INSPIRATION DR	RS-45G-01C	1	703
657 INSPIRATION DR	RS-32G-01C	1	704
673 INSPIRATION DR	RS-45G-01C	1	705
671 INSPIRATION DR	RS-32G-01C	1	706
669 INSPIRATION DR	RS-32G-01C	1	707
665 INSPIRATION DR	RS-32G-01C	1	708
642 CANYON DR	RS-32G-01C	1	709
638 CANYON DR	RS-32G-01C	1	710
631 CANYON DR	RS-32G-01C	1	711
626 CANYON DR	RS-32G-01C	1	712
618 CANYON DR	RS-32G-01C	1	713
616 CANYON DR	RS-32G-01C	1	714
617 CANYON DR	RS-32G-02C	1	715
618 HILLCREST RD	RS-32G-01C	1	716
615 HILLCREST RD	RS-32G-01C	1	717
621 CANYON DR	RS-32G-01C	1	718
613 HILLCREST RD	RS-32G-01C	1	719
611 HILLCREST RD	RS-32G-01C	1	720
609 CANYON DR	RS-45G-02C	1	721
612 CANYON DR	RS-32G-01C	1	722
612 MOUNTAIN VIEW	RS-32G-01C	1	723
613 MOUNTAIN VIEW	RS-32G-02C	1	724
615 MOUNTAIN VIEW	RS-32G-01C	1	725
616 MOUNTAIN VIEW	RS-32G-01C	1	726
617 MOUNTAIN VIEW	RS-32G-01C	1	727
253 S MARTIN DR	RS-32G-01C	1	728
219 S MARTIN DR	RS-32G-02C	1	729
217 S MARTIN DR	RS-32G-02C	1	730
213 S MARTIN DR	RS-32G-02C	1	731

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List of Douglas County Properties with Bear Boxes as of November 7, 2023

<u>Address</u>	<u>TransactionCode</u>	<u>Units</u>	<u>Count</u>
216 S MARTIN DR	RS-32G-02C	1	732
226 S MARTIN DR	RS-32G-01C	1	733
632 ZEPHYR HEIGHTS DR	RS-32G-01C	1	734
634 ZEPHYR HEIGHTS DR	RS-32G-01C	1	735
632 LOOKOUT RD	RS-32G-01C	1	736
667 LOOKOUT RD	RS-32G-03C	1	737
665 LOOKOUT RD	RS-32G-02C	1	738
651 LOOKOUT RD	RS-32G-02C	1	739
643 LOOKOUT RD	RS-45G-02C	1	740
641 LOOKOUT RD	RS-32G-01C	1	741
639 LOOKOUT RD	RS-32G-01C	1	742
635 LOOKOUT RD	RS-32G-01C	1	743
631 LOOKOUT RD	RS-32G-01C	1	744
464 ELKS AVE	RS-32G-01C	1	745
467 ELKS AVE	RS-32G-01C	1	746
469 ELKS AVE	RS-32G-01C	1	747
468 ELKS AVE	RS-32G-01C	1	748
472 ELKS AVE	RS-32G-01C	1	749
476 ELKS AVE	RS-32G-01C	1	750
465 ELKS AVE	RS-32G-02C	1	751
463 ELKS AVE	RS-32G-01C	1	752
478 LAKEVIEW AVE	RS-32G-01C	1	753
469 LAKEVIEW AVE	RS-32G-01C	1	754
467 LAKEVIEW AVE	RS-32G-01C	1	755
476 LAKEVIEW AVE	RS-32G-01C	1	756
465 LAKEVIEW AVE	RS-32G-02C	1	757
474 LAKEVIEW AVE	RS-32G-01C	1	758
461 LAKEVIEW AVE	RS-32G-01C	1	759
468 LAKEVIEW AVE	RS-32G-01C	1	760
464 LAKEVIEW AVE	RS-32G-02C	1	761
457 LAKEVIEW AVE	RS-32G-01C	1	762
455 LAKEVIEW AVE	RS-32G-01C	1	763
453 LAKEVIEW AVE	RS-32G-01C	1	764
462 LAKEVIEW AVE	RS-32G-01C	1	765
458 LAKEVIEW AVE	RS-45G-01C	1	766
449 LAKEVIEW AVE	RS-32G-01C	1	767
456 LAKEVIEW AVE	RS-32G-01C	1	768
450 LAKEVIEW AVE	RS-32G-01C	1	769
462 RENO AVE	RS-45G-02C	1	770
441 LAKEVIEW AVE	RS-32G-01C	1	771
450 RENO AVE	RS-32G-01C	1	772
452 RENO AVE	RS-32G-01C	1	773
454 RENO AVE	RS-32G-01C	1	774

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List of Douglas County Properties with Bear Boxes as of November 7, 2023

<u>Address</u>	<u>TransactionCode</u>	<u>Units</u>	<u>Count</u>
458 RENO AVE	RS-45G-01C	1	775
446 LAKEVIEW AVE	RS-32G-01C	1	776
442 LAKEVIEW AVE	RS-32G-01C	1	777
437 LAKEVIEW AVE	RS-32G-01C	1	778
431 LAKEVIEW AVE	RS-45G-02C	1	779
434 LAKEVIEW AVE	RS-32G-02C	1	780
429 LAKEVIEW AVE	RS-32G-01C	1	781
430 LAKEVIEW AVE	RS-32G-02C	1	782
430 LAKEVIEW AVE	RS-32G-02C	1	783
427 LAKEVIEW AVE	RS-32G-01C	1	784
428 LAKEVIEW AVE	RS-32G-01C	1	785
425 LAKEVIEW AVE	RS-32G-01C	1	786
436 NEVADA RD	RS-32G-01C	1	787
426 LAKEVIEW AVE	RS-32G-01C	1	788
421 LAKEVIEW AVE	RS-32G-01C	1	789
419 LAKEVIEW AVE	RS-32G-01C	1	790
418 LAKEVIEW AVE	RS-32G-01C	1	791
416 LAKEVIEW AVE	RS-32G-02C	1	792
414 LAKEVIEW AVE	RS-32G-01C	1	793
415 LAKEVIEW AVE	RS-32G-01C	1	794
412 LAKEVIEW AVE	RS-32G-01C	1	795
411 LAKEVIEW AVE	RS-32G-01C	1	796
410 LAKEVIEW AVE	RS-32G-01C	1	797
408 LAKEVIEW AVE	RS-32G-01C	1	798
402 LAKEVIEW AVE	RS-32G-01C	1	799
405 LAKEVIEW AVE	RS-32G-02C	1	800
124 MC FAUL WAY	C-32G-PC	1	801
310 PAIUTE DR	RS-32G-01C	1	802
314 PAIUTE DR	RS-32G-01C	1	803
315 PAIUTE DR	RS-45G-01C	1	804
333 UTE WAY	RS-32G-01C	1	805
337 UTE WAY	RS-32G-01C	1	806
2 UTE CT	RS-32G-01C	1	807
266 MC FAUL WAY	RS-32G-01C	1	808
262 MC FAUL WAY	RS-45G-02C	1	809
444-B KENT WAY	RS-32G-01C	1	810
2 NAVAJO CT	RS-32G-02C	1	811
461 KENT WAY	RS-32G-02C	1	812
465 KENT WAY	RS-32G-04C	1	813
466 KENT WAY	RS-32G-02C	1	814
460 KENT WAY	RS-32G-01C	1	815
460 KENT WAY	RS-32G-01C	1	816
452 KENT WAY	RS-32G-01C	1	817

EXHIBIT I

List of Douglas County Properties with Bear Boxes as of November 7, 2023

<u>Address</u>	<u>TransactionCode</u>	<u>Units</u>	<u>Count</u>
439 KENT WAY	RS-32G-02C	1	818
103 SIERRA COLINA DR	RS-32G-01C	1	819
103 SIERRA COLINA DR	RS-32G-01C	1	820
107 SIERRA COLINA DR	RS-32G-01C	1	821
109 SIERRA COLINA DR	RS-32G-01C	1	822
111 SIERRA COLINA DR	RS-32G-01C	1	823
112 SIERRA COLINA DR	RS-45G-01C	1	824
114 SIERRA COLINA DR	RS-32G-01C	1	825
116 SIERRA COLINA DR	RS-32G-01C	1	826
118 SIERRA COLINA DR	RS-45G-01C	1	827
158 SIERRA COLINA DR	RS-32G-01C	1	828
161 SIERRA COLINA DR	RS-32G-02C	1	829
162 SIERRA COLINA DR	RS-32G-01C	1	830
169 SIERRA COLINA DR	RS-32G-02C	1	831
168 SIERRA COLINA DR	RS-32G-01C	1	832
171 SIERRA COLINA DR	RS-32G-01C	1	833
135 ASPEN WAY	RS-32G-02C	1	834
309 TERRIE DIANE CT	RS-32G-02C	1	835
381 ANDRIA DR	RS-32G-02C	1	836
398 BARRETT DR	RS-32G-01C	1	837
389 BARRETT DR	RS-32G-01C	1	838
365 BARRETT DR	RS-32G-01C	1	839
380 BARRETT DR	RS-32G-01C	1	840
357 BARRETT DR	RS-32G-01C	1	841
349 BARRETT DR	RS-32G-01C	1	842
346 BARRETT DR	RS-32G-01C	1	843
342 BARRETT DR	RS-32G-01C	1	844
338 BARRETT DR	RS-32G-01C	1	845
329 BARRETT DR	RS-32G-01C	1	846
326 BARRETT DR	RS-32G-02C	1	847
133 DREW CT	RS-32G-01C	1	848
115 DREW CT	RS-32G-01C	1	849
109 DREW CT	RS-32G-01C	1	850
106 DREW CT	RS-32G-01C	1	851
354 MARYANNE DR	RS-32G-01C	1	852
369 MARYANNE DR	RS-45G-01C	1	853
377 MARYANNE DR	RS-32G-02C	1	854
113 CAROL CT	RS-32G-01C	1	855
106 CAROL CT	RS-32G-01C	1	856
421 MARYANNE DR	RS-45G-01C	1	857
420 ANDRIA DR	RS-32G-01C	1	858
209 DONNA WAY	RS-32G-01C	1	859
213 DONNA WAY	RS-32G-01C	1	860

EXHIBIT I

List of Douglas County Properties with Bear Boxes as of November 7, 2023

<u>Address</u>	<u>TransactionCode</u>	<u>Units</u>	<u>Count</u>
217 DONNA WAY	RS-32G-01C	1	861
224 SCOTT DR	RS-32G-01C	1	862
333 SCOTT DR	RS-32G-01C	1	863
408 KIMBERLY BROOK LN	RS-32G-01C	1	864
419 KIMBERLY BROOK LN	RS-32G-01C	1	865
412 KIMBERLY BROOK LN	RS-32G-02C	1	866
425 KIMBERLY BROOK LN	RS-32G-01C	1	867
429 KIMBERLY BROOK LN	RS-32G-02C	1	868
432 KIMBERLY BROOK LN	RS-45G-02C	1	869
600 KINGSBURY GRADE	RS-32G-01C	1	870
205 DONNA WAY	RS-32G-01C	1	871
219 HIGHLAND DR	RS-32G-01C	1	872
220 HIGHLAND DR	RS-32G-01C	1	873
225 HIGHLAND DR	RS-32G-01C	1	874
229 HIGHLAND DR	RS-32G-01C	1	875
244 HIGHLAND DR	RS-45G-01C	1	876
491 LAUREL LN	RS-32G-01C	1	877
486 LAUREL LN	RS-32G-03C	1	878
518 LAUREL LN	RS-32G-01C	1	879
519 LAUREL LN	RS-32G-02C	1	880
520 LAUREL LN	RS-32G-01C	1	881
248 LAUREL CIR	RS-45G-01C	1	882
486 KINGSBURY GRADE	RS-32G-02C	1	883
458 KINGSBURY GRADE	RS-32G-01C	1	884
454 KINGSBURY GRADE	RS-32G-02C	1	885
170 GRANITE SPRINGS DR	RS-32G-01C	1	886
168 GRANITE SPRINGS DR	RS-32G-02C	1	887
166 GRANITE SPRINGS DR	RS-32G-01C	1	888
159 GRANITE SPRINGS DR	RS-32G-02C	1	889
160 GRANITE SPRINGS DR	RS-32G-01C	1	890
123 DELISSA CT	RS-32G-01C	1	891
124 DELISSA CT	RS-32G-01C	1	892
153 GRANITE SPRINGS DR	RS-32G-02C	1	893
150 GRANITE SPRINGS DR	RS-32G-01C	1	894
148 GRANITE SPRINGS DR	RS-32G-03C	1	895
145 GRANITE SPRINGS DR	RS-45G-01C	1	896
143 GRANITE SPRINGS DR	RS-32G-01C	1	897
140 GRANITE SPRINGS DR	RS-32G-01C	1	898
101 MEADOW DR	RS-32G-01C	1	899
108 MEADOW DR	RS-32G-01C	1	900
112 MEADOW DR	RS-32G-01C	1	901
111 MEADOW DR	RS-32G-02C	1	902
115 MEADOW DR	RS-32G-02C	1	903

EXHIBIT I

List of Douglas County Properties with Bear Boxes as of November 7, 2023

<u>Address</u>	<u>TransactionCode</u>	<u>Units</u>	<u>Count</u>
121 MEADOW DR	RS-32G-03C	1	904
139 CYPRESS LN	RS-32G-01C	1	905
115 CYPRESS WAY	RS-45G-02C	1	906
112 CYPRESS WAY	RS-32G-02C	1	907
107 CYPRESS WAY	RS-45G-01C	1	908
122 CYPRESS WAY	RS-32G-01C	1	909
15 GRAYSTONE WAY	RS-32G-02C	1	910
1 GRAYSTONE WAY	RS-45G-01C	1	911
1315 HWY 50	RS-32G-01C	1	912
1474 PITTMAN TER	RS-32G-01C	1	913
1438 PITTMAN TER	RS-32G-01C	1	914
1440 PITTMAN TER	RS-32G-01C	1	915
1444 PITTMAN TER	RS-32G-01C	1	916
1448 PITTMAN TER	RS-32G-01C	1	917
1456 PITTMAN TER	RS-32G-01C	1	918
1457 PITTMAN TER	RS-32G-01C	1	919
1458 PITTMAN TER	RS-32G-02C	1	920
1460 PITTMAN TER	RS-32G-01C	1	921
1468 PITTMAN TER	RS-32G-01C	1	922
1316-1 HWY 50	RS-32G-01C	1	923
1298 LINCOLN PARK PL	RS-32G-02C	1	924
1301 LINCOLN PARK PL	RS-32G-02C	1	925
1279 HWY 50	RS-32G-02C	1	926
1276 LINCOLN PARK CIR	RS-32G-03C	1	927
1273 OLD HWY 50	RS-32G-02C	1	928
1265 HWY 50	RS-32G-01C	1	929
1270 LINCOLN PARK CIR	RS-32G-01C	1	930
1263 LINCOLN PARK CIR	RS-32G-01C	1	931
1264 LINCOLN PARK CIR	RS-45G-01C	1	932
1265 LINCOLN PARK CIR	RS-32G-02C	1	933
1268 LINCOLN PARK CIR	RS-32G-01C	1	934
1271 LINCOLN PARK CIR	RS-45G-01C	1	935
1274 LINCOLN PARK CIR	RS-32G-01C	1	936
1273 LINCOLN PARK CIR	RS-32G-01C	1	937
1275 LINCOLN PARK CIR	RS-45G-02C	1	938
1280 LINCOLN PARK CIR	RS-32G-01C	1	939
1281 LINCOLN PARK CIR	RS-32G-01C	1	940
1281 LINCOLN PARK CIR	RS-32G-02C	1	941
1286 LINCOLN PARK PL	RS-32G-02C	1	942
1287 LINCOLN PARK PL	RS-32G-01C	1	943
1290 LINCOLN PARK CIR	RS-32G-01C	1	944
1144-A&B HWY 50	RS-32G-02C	1	945
1254 TAMARACK DR	RS-45G-01C	1	946

EXHIBIT I

List of Douglas County Properties with Bear Boxes as of November 7, 2023

<u>Address</u>	<u>TransactionCode</u>	<u>Units</u>	<u>Count</u>
1258 TAMARACK DR	RS-32G-01C	1	947
1259 TAMARACK DR	RS-32G-01C	1	948
1265 TAMARACK DR	RS-32G-01C	1	949
1267 TAMARACK DR	RS-32G-01C	1	950
1248 TAMARACK DR	RS-32G-02C	1	951
1252 TAMARACK DR	RS-32G-01C	1	952
1266 TAMARACK DR	RS-32G-01C	1	953
1264 TAMARACK DR	RS-32G-01C	1	954
1260 TAMARACK DR	RS-32G-01C	1	955
1232-A HWY 50	RS-45G-01C	1	956
1236-A HWY 50	RS-32G-01C	1	957
1218 HWY 50	RS-32G-02C	1	958
1186 HWY 50	RS-32G-01C	1	959
1182 HWY 50	RS-32G-02C	1	960
175 MASON CT	RS-32G-02C	1	961
171 MASON CT	RS-32G-01C	1	962
173 SNUG HARBOR RD	RS-32G-01C	1	963
1140 HWY 50	RS-32G-02C	1	964
1146 HWY 50	RS-32G-01C	1	965
1118 HWY 50 - GATE HOUSE	RS-32G-01C	1	966
1118 HWY 50 - GUEST HOUSE	RS-32G-01C	1	967
1118 HWY 50 - MAIN HOUSE	RS-45G-01C	1	968
16 TALL PINES RD	RS-32G-01C	1	969
2 CEDAR BROOK CT	RS-45G-02C	1	970
3 CEDAR BROOK CT	RS-45G-01C	1	971
4 CEDAR BROOK CT	RS-32G-01C	1	972
1754 HWY 50	RS-32G-02C	1	973
1786 HWY 50	RS-32G-01C	1	974
1850 HWY 50	RS-32G-06C	1	975
39 SOUTH POINT PL	RS-32G-02C	1	976
35 SOUTH POINT PL	RS-32G-01C	1	977
2 SOUTH POINT PL	RS-32G-02C	1	978
36 SOUTH POINT PL	RS-32G-01C	1	979
HIGHWAY 50 @ GLENBROOK	C-32G-CC	1	980
30 LAKE FRONT DR	RS-32G-02C	1	981
31 LAKE FRONT DR	RS-32G-01C	1	982
32 LAKE FRONT DR	RS-32G-01C	1	983
188 YELLOWJACKET RD	RS-32G-02C	1	984
181 YELLOWJACKET RD	RS-45G-01C	1	985
177 YELLOWJACKET RD	RS-32G-01C	1	986
185 YELLOWJACKET RD	RS-32G-01C	1	987
187 YELLOWJACKET RD	RS-32G-01C	1	988
1950 GLENBROOK RD	RS-32G-01C	1	989

EXHIBIT I

List of Douglas County Properties with Bear Boxes as of November 7, 2023

<u>Address</u>	<u>TransactionCode</u>	<u>Units</u>	<u>Count</u>
2055 GLENBROOK RD	RS-32G-01C	1	990
2055 GLENBROOK RD	RS-32G-01C	1	991
2197 SLAUGHTER HOUSE CREEK	RS-32G-02C	1	992
2200 LANDS END RD	RS-32G-02C	1	993
2202 LANDS END RD	RS-32G-01C	1	994
2204 LANDS END RD	RS-32G-02C	1	995
2216 LANDS END RD	RS-45G-02C	1	996
2212 LANDS END DR	RS-32G-01C	1	997
2221 LANDS END RD	RS-32G-01C	1	998
2190 LANDS END RD	RS-32G-01C	1	999
141 THE BACK RD	RS-32G-01C	1	1000
165 THE BACK RD	RS-32G-01C	1	1001
2171 THE BACK RD	RS-32G-02C	1	1002
137 DRIVING RANGE RD	RS-32G-01C	1	1003
200 PINE TREE LN	RS-32G-01C	1	1004
2147 THE BACK RD	RS-32G-01C	1	1005
2153 THE BACK RD	RS-32G-01C	1	1006
2159 THE BACK RD	RS-32G-02C	1	1007
190 YELLOWJACKET RD	RS-32G-02C	1	1008
701 HWY 50	RS-32G-02C	1	1009
736 EMERALD ST	RS-32G-02C	1	1010
734 EMERALD ST	RS-32G-01C	1	1011
731 EMERALD ST	RS-32G-01C	1	1012
749 CEDAR ST	RS-32G-01C	1	1013
750 CEDAR ST	RS-32G-01C	1	1014
747 CEDAR ST	RS-32G-01C	1	1015
745 CEDAR ST	RS-32G-01C	1	1016
743 CEDAR ST	RS-32G-01C	1	1017
740 CEDAR ST	RS-32G-02C	1	1018
736 CEDAR ST	RS-32G-01C	1	1019
735 CEDAR ST	RS-32G-01C	1	1020
734 CEDAR ST	RS-32G-01C	1	1021
733 CEDAR ST	RS-32G-01C	1	1022
732 CEDAR ST	RS-32G-01C	1	1023
730 CEDAR ST	RS-32G-02C	1	1024
729 CEDAR ST	RS-32G-02C	1	1025
728 CEDAR ST	RS-32G-01C	1	1026
726 CEDAR ST	RS-32G-01C	1	1027
727 CEDAR ST	RS-32G-01C	1	1028
723 CEDAR ST	RS-32G-01C	1	1029
721 CEDAR ST	RS-32G-01C	1	1030
720 FOOTHILL DR	RS-32G-01C	1	1031
728 FOOTHILL DR	RS-32G-02C	1	1032

EXHIBIT I

List of Douglas County Properties with Bear Boxes as of November 7, 2023

<u>Address</u>	<u>TransactionCode</u>	<u>Units</u>	<u>Count</u>
195 FOOTHILL DR	RS-32G-01C	1	1033
193 FOOTHILL DR	RS-32G-02C	1	1034
192 FOOTHILL DR	RS-32G-02C	1	1035
723 LINCOLN HWY	RS-32G-03C	1	1036
191 FOOTHILL DR	RS-32G-01C	1	1037
716 LINCOLN HWY	RS-32G-01C	1	1038
722 LINCOLN HWY	RS-32G-01C	1	1039
724 LINCOLN HWY	RS-32G-02C	1	1040
729 LINCOLN HWY	RS-32G-01C	1	1041
730 LINCOLN HWY	RS-32G-01C	1	1042
736 LINCOLN HWY	RS-32G-02C	1	1043
740 LINCOLN HWY	RS-32G-01C	1	1044
745 LINCOLN HWY	RS-32G-01C	1	1045
746 LINCOLN HWY	RS-32G-01C	1	1046
747 LINCOLN HWY	RS-32G-01C	1	1047
750 LINCOLN HWY	RS-32G-01C	1	1048
751 LINCOLN HWY	RS-32G-02C	1	1049
753 CHURCH ST	RS-32G-01C	1	1050
757 CHURCH ST	RS-32G-01C	1	1051
751 CHURCH ST	RS-32G-02C	1	1052
732 HWY 50	RS-32G-02C	1	1053
710 HWY 50	RS-32G-01C	1	1054
642 LAKEVIEW DR	C-32G-PC	4	1055
640 LAKEVIEW DR	C-32G-PC	4	1056
635 LAKEVIEW DR	RS-32G-02C	1	1057
636 LAKEVIEW DR	RS-32G-02C	1	1058
627 DON DR	RS-32G-01C	1	1059
606 JERRY DR	RS-45G-01C	1	1060
611 JERRY DR	RS-32G-02C	1	1061
619 LAKEVIEW DR	RS-32G-01C	1	1062
625 LAKEVIEW DR	RS-32G-01C	1	1063
634 LAKEVIEW DR	RS-32G-01C	1	1064
416 BITLERS RD	RS-32G-03C	1	1065
418 BITLERS RD	RS-32G-01C	1	1066
210 ELKS POINT RD	C-32G-PC	2	1067
200 STEEL DR	RS-32G-02C	1	1068
202 STEEL DR	RS-32G-01C	1	1069
105 GOLD HILL RD	RS-32G-01C	1	1070
480-A&B MC FAUL WAY	RS-32G-02C	1	1071
476 DEVAUX LN	RS-32G-01C	1	1072
458 DEVAUX LN	RS-32G-02C	1	1073
450 DEVAUX LN	RS-32G-01C	1	1074
24 KINGSBURY MANOR	RS-32G-01C	1	1075

EXHIBIT I

List of Douglas County Properties with Bear Boxes as of November 7, 2023

<u>Address</u>	<u>TransactionCode</u>	<u>Units</u>	<u>Count</u>
166 PONDEROSA	RS-32G-01C	1	1076
210 PONDEROSA	RS-32G-01C	1	1077
170 PINE RIDGE DR	RS-32G-01C	1	1078
170 PINE RIDGE DR	RS-32G-01C	1	1079
174 PINE RIDGE DR	RS-32G-01C	1	1080
179 PINE RIDGE DR	RS-32G-01C	1	1081
185 PINE RIDGE DR	RS-32G-02C	1	1082
195 PINE RIDGE DR	RS-45G-02C	1	1083
196 PINE RIDGE DR	RS-45G-01C	1	1084
159 COTTONWOOD DR	RS-32G-01C	1	1085
168 COTTONWOOD DR	RS-32G-01C	1	1086
189 COTTONWOOD DR	RS-32G-01C	1	1087
189 COTTONWOOD DR	RS-32G-02C	1	1088
196 COTTONWOOD DR	RS-32G-01C	1	1089
197 COTTONWOOD DR	RS-32G-02C	1	1090
319 THOMAS DR	RS-32G-01C	1	1091
192 THOMAS DR	RS-45G-01C	1	1092
199 MEADOW LN	RS-32G-01C	1	1093
197 MEADOW LN	RS-32G-01C	1	1094
196 MEADOW LN	RS-32G-01C	1	1095
193 MEADOW LN	RS-32G-01C	1	1096
181 JUNIPER DR	RS-32G-01C	1	1097
179 JUNIPER DR	RS-32G-01C	1	1098
178 JUNIPER DR	RS-32G-01C	1	1099
177 JUNIPER DR	RS-32G-01C	1	1100
172 JUNIPER DR	RS-32G-01C	1	1101
170 JUNIPER DR	RS-32G-02C	1	1102
165 JUNIPER DR	RS-32G-01C	1	1103
169 JUNIPER DR	RS-32G-01C	1	1104
175 JUNIPER DR	RS-32G-02C	1	1105
161 JUNIPER DR	RS-32G-01C	1	1106
162 JUNIPER DR	RS-32G-01C	1	1107
155 JUNIPER DR	RS-32G-01C	1	1108
324 KINGSBURY GRADE	RS-32G-01C	1	1109
157 MEADOW LN	RS-45G-01C	1	1110
164 MEADOW LN	RS-32G-02C	1	1111
168 MEADOW LN	RS-32G-02C	1	1112
174 MEADOW LN	RS-32G-01C	1	1113
187 JUNIPER DR	RS-32G-01C	1	1114
189 JUNIPER DR	RS-32G-01C	1	1115
197 JUNIPER DR	RS-32G-01C	1	1116
195 JUNIPER DR	RS-45G-01C	1	1117
173 PINE DR	RS-32G-01C	1	1118

EXHIBIT I

List of Douglas County Properties with Bear Boxes as of November 7, 2023

<u>Address</u>	<u>TransactionCode</u>	<u>Units</u>	<u>Count</u>
169 PINE DR	RS-32G-01C	1	1119
164 PINE DR	RS-32G-01C	1	1120
161 PINE DR	RS-32G-02C	1	1121
306 KINGSBURY GRADE	RS-32G-02C	1	1122



EXHIBIT J: TAHOE TOWNSHIP

RESOLUTION

WHEREAS, NRS 257.010 provides for the division of each county in the State of Nevada into a convenient number of townships; and

WHEREAS, the board of county commissioners of Douglas County finds that existing county records do not clearly define the boundaries of the townships in Douglas County; now, therefore, be it

RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF DOUGLAS COUNTY, That the entire county is hereby divided into the following named townships, whose boundaries are described as follows:

1. COMMENCING at a point on the NE corner of Section 6, Tp. 14N. Range 19E, M.D.B. & M., which point is on the Ormsby and Douglas County Line; thence South along said section line to the California-Nevada State Line; thence Northwest along the California-Nevada State line to the 120 degree of longitude west from Greenwich, thence North along the California-Nevada State line to the Ormsby County line; thence East along the Ormsby County Line and the Douglas County Line to the place of beginning, to be called Tahoe Township, and the remainder of Douglas County to be known as the East Fork Township.

AND BE IT FURTHER RESOLVED, That this resolution, including the above description of the several townships, be published in The Record Courier within 10 days after the date of its adoption.

AND BE IT FURTHER RESOLVED, That all prior resolutions and other acts of the board of county commissioners of Douglas County relating to the creation, alteration or designation of any township or townships in this county are hereby repealed.

Proposed by Commissioner Settelmeyer

Voting: Aye - Pruett
Dressler
Settelmeyer

Nay - None
Absent - None

Dated this 7th day of March, 1966.

ATTEST: *Carolee Wilson*
County Clerk

Richard J. Dressler
Chairman

IN THE MATTER OF
TOWNSHIP BOUNDARIES

The following resolution was proposed by Marvin Settlemeyer and passed:

WHEREAS, NRS 257.010 provides for the division of each county in the State of Nevada into a convenient number of townships; and

Whereas, the Board of County Commissioners of Douglas County finds that existing County records do not clearly define the boundaries of the townships in Douglas County; now, therefore, be it

RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF DOUGLAS COUNTY, that the entire county is hereby divided into the following named townships, whose boundaries are described as follows:

1. COMMENCING at a point on the NE corner of Section 6, Tp. 14 N., Range 19E, M.D.B. & M., which point is on the Ormsby and Douglas County Line; thence South along said section line to the California-Nevada State Line; thence Northwest along the California-Nevada State line to the 120 degree of longitude west from Greenwich, thence North along the California-Nevada State line to the Ormsby County line; thence East along the Ormsby County line and the Douglas County Line to the place of beginning, to be called Tahoe Township, and the remainder of Douglas County to be known as the East Fork Township.

AND BE IT FURTHER RESOLVED, That this resolution, including the above description of the several townships, be published in The Record Courier within 10 days after the date of its adoption.

AND BE IT FURTHER RESOLVED, That all prior resolutions and other acts of the Board of County Commissioners of Douglas County relating to the creation, alteration or designation of any township or townships in this County are hereby repealed.

Proposed by Commissioner Settlemeyer

Voting: Aye - Pruett, Dressler, Settlemeyer
Nay - None
Absent - None

Dated this 7th day of March, 1966.

ATTEST: /s/ Earnhart W. Thran
County Clerk

/s/ Robert L. Pruett
Chairman

There being no further business the meeting adjourned.

ATTEST: Earnhart W. Thran
EARNHART W. THRAN, CLERK

Robert L. Pruett
ROBERT L. PRUETT, CHAIRMAN

EXHIBIT J: TAHOE TOWNSHIP
CARSON CITY



 Tahoe Township Boundary



NEVADA
CALIFORNIA

COPY

Douglas County

State of Nevada

CERTIFIED COPY

I certify that the document to which this certificate is attached is a full and correct copy of the original record on file in the Clerk-Treasurer's Office on this

11th day of December, 2023

By A. Dine Deputy