

**AMENDMENT NO. 3 TO AMENDED AND SUCCESSOR EXCLUSIVE SERVICE AREA
AGREEMENT FOR SOLID WASTE, RECYCLABLE MATERIALS, GREEN WASTE
AND ORGANIC MATERIALS SERVICES**

This Amendment No. 3 to Service Agreement ("Amendment No. 3") is dated March 28, 2023 and is between Granite Solid Waste, Inc., a California corporation ("Contractor"), and the County of Fresno, a political subdivision of the State of California ("County").

Recitals

A. On October 31, 2017, the County and the Contractor entered into Amended and Successor Exclusive Service Area Agreement For Solid Waste, Recyclable Materials, Green Waste And Organic Materials Services, which is County agreement number 17-565 ("Agreement"), for solid waste, recycling, and organic waste collection services for residents of unincorporated Fresno County.

B. On November 6, 2018, the County and the Contractor entered into Amendment No. 1 to Agreement to provide temporary mitigation of costs incurred as a result of unforeseen circumstances attributable to a combination of bans, tariffs and increasingly strict regulations governing the use of recyclable material commodities exported to China, pending the development of an alternative Recycling Surcharge process.

C. On October 22, 2019, the County and the Contractor entered into Amendment No. 2 to Agreement to establish an alternative Recycling Surcharge process, organic collection service rates for commercial solid waste customers, and additional Special Service Rates to address overfilling and contamination of recyclable and organic materials deposited into waste containers by customers.

D. On November 3, 2020, the Department of Resources Recycling and Recovery ("CalRecycle"), in consultation with the California Air Resources Board, adopted regulatory requirements (Regulations), consistent with the mandate of Senate Bill 1383 (Chapter 395, Statutes of 2016) designed to achieve the organic waste reduction goals established in Section 39730.6 of the Health and Safety Code through a 50 percent reduction in the level of the

1 statewide disposal of organic waste from the 2014 level by 2020 and a 75 percent reduction in
2 the level of the statewide disposal of organic waste from the 2014 level by 2025.

3 E. Regulations require Jurisdiction to implement Collection programs, meet Processing
4 facility requirements, conduct contamination monitoring, provide education, maintain records,
5 submit reports, monitor compliance, conduct enforcement, and fulfill other requirements; and,
6 Jurisdiction has chosen to delegate some of its responsibilities to the Contractor, acting as the
7 Jurisdiction's designee, through this Agreement

8 F. Among other things the Regulations, codified in 14 CCR Sections 18981.1-18998.4,
9 placed requirements on Jurisdictions to support achievement of those Statewide Organic Waste
10 disposal reduction targets through implementation of an organic waste collection program.

11 G. The County of Fresno is a Jurisdiction as that term is defined in 14 CCR Section
12 18982(a)(36) and is therefore subject to the Regulations.

13 H. On January 1, 2022, the County had not yet achieved compliance with the Regulations
14 as required by CalRecycle.

15 I. The State enacted Senate Bill 619, which created a mechanism titled "Notification of
16 Intent to Comply" (NOIC) for jurisdictions not yet in compliance to avoid significant
17 administrative civil penalties by identifying the key areas of non-compliance and establish a
18 timeline for corrective action.

19 J. The County approved and subsequently submitted to CalRecycle its NOIC on February
20 22, 2022.

21 K. The County currently contracts with several haulers for the provision of solid waste,
22 recycling, green waste, and commercial organics collection services as established under the
23 County's Exclusive Service Area Provider (ESAP) Program.

24 L. In fulfillment of its regulatory obligations, and consistent with 14 CCR Section
25 18981.2(b)(1), the County desires to contract with these existing ESAP Program haulers to
26 expand collection services to include countywide organic waste collection compliant with the
27 Regulations.

28 M. The County must modify the current ESAP Program Agreement's Scope of Services to

1 include countywide routine organic waste collection requirements including organic waste
2 collection service levels, container contamination monitoring, program education and outreach,
3 hauler reporting requirements, and service rates in those areas not specifically waived from
4 organic waste collection requirements as provided for in 14 CCR Section 18984.12.

5 The parties therefore agree as follows:

6 1. The "Exhibits" Section, located at page 123 through page 176 of the Agreement, is
7 amended to add Exhibit A-1, attached to this Amendment 3, which shall be titled "Senate Bill
8 1383 Organic Waste Collection Program Scope of Services," which is attached to this
9 Amendment 3 and incorporated by this reference.

10 a. Exhibit A-1 shall establish the terms under which ESAP haulers shall execute the
11 organic waste collection program within their respective service territories, including
12 the provision of green containers, as that term is defined by the Regulations, to
13 customers for source-separation of mixed organic waste, frequency of collection,
14 contamination monitoring, education and outreach requirements, periodic reporting
15 to County, and other terms as mutually agreed upon by County and Contractor in
16 furtherance of its compliance with the Regulations.

17 b. Exhibit A-1 shall further establish the terms under which the County shall execute its
18 specific duties as provided for in the County's Ordinance Code Section 8.27 and 14
19 CCR Sections 18981.1 through 18995.4 pertaining to collection program
20 implementation, regulatory and compliance reporting to CalRecycle as set forth in
21 the Regulations, inspection of organic waste generator records, investigation of
22 complaints, enforcement duties, and issuance of citations and subsequent civil
23 monetary penalties for non-compliance.

24 2. The "Exhibits" Section, located at page 123 through page 176 of the Agreement, is
25 amended to add Exhibit A-2, attached to this Amendment 3, which shall be titled "Organic
26 Waste Acceptable Materials List."

27 a. It is expressly understood by Contractor that although this list is intended by
28 County to be a comprehensive listing of materials required to be collected in

1 compliance with the requirements of 14 CCR Section 18981.1 et seq., it is not
2 meant to be exhaustive. It is further understood that Contractor shall cooperate
3 with County to amend this listing to include materials that are required to be
4 managed as part of the implementation of organics collection and recycling
5 programs mandated by the Department of Resources Recycling and Recovery
6 (CalRecycle).

7 3. Section 4.2, Paragraph E as previously amended, located at page 35 line 1 through
8 page 36, line 12 of the Agreement and page 4 ,line 14 through page 6, line 19 of Amendment 2,
9 pertaining to "Organic Materials Collection, Transfer, and Processing," and Section 4.9,
10 Paragraphs A and B, located at page 40, line 16 through page 41, line 2 of the Agreement
11 pertaining to "Transport/Processing: Green Waste and Organics Materials" are deleted in their
12 entirety.

13 4. Exhibits C-3 and C-4 are deleted in their entirety and replaced with Exhibits C-3-2023
14 (Map of ESAP Service Rate Areas) and C-4-2023 (Map of Southeast Regional (SER) Area),
15 which is attached to this Amendment 3 and incorporated by this reference.

16 5. Exhibits D, D-1, and D-2 are deleted in their entirety and replaced with Exhibits D-2023,
17 D-1-2023, and D-2-2023, attached to this Amendment 3. Exhibits D-2023, D-1-2023, and D-2-
18 2023 are revised with respect to the expansion of services to include countywide organic waste
19 collection and the performance of all ancillary tasks mandated by the Regulations, as outlined in
20 the newly created Exhibit A-1.

21 6. The rate for Contractor to provide Organic Waste Collection Services shall be charged to
22 the customer in accordance with the rates identified in Exhibit D-2023, and D-1-2023.

- 23 a. It is expressly understood by the Contractor and the County that the organic waste
24 collection component of the revised rates stipulated in Exhibits D-2023 and D-1-2023
25 have factored in current anticipated costs to provide compliant organic waste
26 collection services inclusive of all ancillary activities mandated by the Regulations.
27 Accordingly, only the non-organic waste collection component of the rates, consisting
28 of solid waste and recycling collection services have been adjusted to account for the

1 fluctuation in the Consumer Price Index (CPI) as provided for in Section 7.2.C of the
2 ESAP Agreements for the annual rate adjustment period effective July 1, 2023.

3 i. After adjusting the non-organic rate components, the organic waste
4 collection component is then added to the rate to compute the total
5 service rate for collection of solid waste, recycling, and organic waste.

6 b. Commencing July 1, 2024, the entire rate shall be adjusted to account for the
7 fluctuation in the CPI, and shall be adjusted each July 1st thereafter until the
8 expiration of the ESAP Agreements, or through future subsequent amendments to
9 the Agreements.

10 7. Exhibit L of the Agreement as previously amended located at Page 18 of Amendment 2,
11 is deleted in its entirety and replaced by Exhibit L-2023, which is titled "Supplemental Inflation
12 Mitigation Surcharge ("SIMS") which is attached to this Amendment 3 and incorporated by this
13 reference.

14 8. The Parties agree to establish a Supplemental Inflation Mitigation Surcharge (SIMS) that
15 allows Contractor to apply a specified dollar amount to customers' periodic billings.

16 a. The newly created SIMS has been initiated in response to unprecedented inflationary
17 pressures in the commodities markets which critically impact the ability of ESAP
18 Program haulers to provide cost-effective service. The SIMS will relieve some of the
19 financial burden placed on Contractor's operations as a result of these negative
20 market conditions.

21 b. The SIMS shall consist of two components, as follows:

22 i. The Recycling Component shall be calculated on a quarterly basis
23 and shall be computed by factoring in total recyclable material
24 tonnages collected quarterly, less California Redemption Value
25 tonnage; the combined average net market value of the Mixed Paper
26 and Old Corrugated Container recyclable commodity material
27 streams, and ESAP Program hauler quarterly revenues.

28 1. The formula for computing the Recycling Component shall be

(Recycling Tonnage Collected - CRV Tonnage) X Net Market
Value of Recyclables ÷ ESAP Revenues.

2. Quarterly data shall be compiled from the second previous
quarter. For example, the first quarter of 2023 shall be
computed utilizing data from the third quarter of 2022.

ii. The Fuel Component shall be calculated on a quarterly year over year
basis and shall be computed using the factors of fuel expense as a
percentage of rate revenues, portion of the base rate that accounts for
fuel, and the year over year quarterly change in the Producer Price
Index (PPI) Commodity Data index for "No. 2 Diesel Fuel."

c. Quarterly data shall be compiled from the second previous quarter, and the same
quarter in the preceding year. For example, the first quarter of 2023 shall be
computed utilizing data from the third quarter of 2022 and the third quarter of 2021.

d. The sum of the Recycling Component and the Fuel Component are then applied to
the base rate for any given service level (e.g. 90 gallon weekly cart service).

e. An example of how the SIMS is to be calculated is contained in Exhibit L-1-2023

f. Contractor agrees to apply the SIMS in accordance with the Timeline of Effective
Dates listed on Exhibit L-1-2023 as previously established in Exhibit L of
Amendment II.

g. County will notify the Contractor, in writing, of the maximum allowable rate of the
initial implementation of the SIMS not less than 15 days prior to the effective date of
the recalculated rate of the SIMS. County will notify Contractor, in writing, of the
maximum allowable rate of the SIMS 15 days prior to the effective date of each
quarter thereafter as outlined in the Timeline of Effective Dates listed on Exhibit L-1-
2023.

9. When both parties have signed this Amendment No. 3, the Agreement, Amendment No.
2, and this Amendment No. 3 together constitute the Agreement.

10. The Contractor represents and warrants to the County that:

1 a. The Contractor is duly authorized and empowered to sign and perform its obligations
2 under this Amendment.

3 b. The individual signing this Amendment on behalf of the Contractor is duly authorized
4 to do so and his or her signature on this Amendment legally binds the Contractor to
5 the terms of this Amendment.

6 11. Under the County's Electronic/Digital Signature Policy, which the Board approved by
7 Resolution No. 20-314, the parties agree that this Amendment may be executed by electronic
8 signature as provided in this section.

9 a. An "electronic signature" means any symbol or process intended by an individual
10 signing this Amendment to represent their signature, including but not limited to (1) a
11 digital signature; (2) a faxed version of an original handwritten signature; or (3) an
12 electronically scanned and transmitted (for example by PDF document) version of an
13 original handwritten signature.

14 b. Each electronic signature affixed or attached to this Amendment 3 is deemed
15 equivalent to a valid original handwritten signature of the person signing this
16 Amendment for all purposes, including but not limited to evidentiary proof in any
17 administrative or judicial proceeding, and (2) has the same force and effect as the
18 valid original handwritten signature of that person.

19 c. The provisions of this section satisfy the requirements of Civil Code section 1633.5,
20 subdivision (b), in the Uniform Electronic Transaction Act (Civil Code, Division 3, Part
21 2, Title 2.5, beginning with section 1633.1).

22 d. Each party using a digital signature represents that it has undertaken and satisfied
23 the requirements of Government Code section 16.5, subdivision (a), paragraphs (1)
24 through (5), and agrees that each other party may rely upon that representation.

25 e. This Amendment is not conditioned upon the parties conducting the transactions
26 under it by electronic means and either party may sign this Amendment with an
27 original handwritten signature.

28 12. This Amendment may be signed in counterparts, each of which is an original, and all of

1 which together constitute this Amendment.

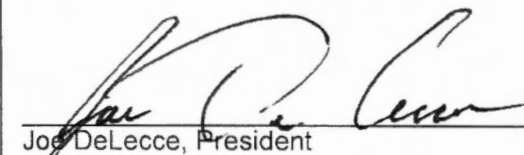
2 13. The Agreement as previously amended and as amended by this Amendment No. 3 is
3 ratified and continued. All provisions of the Agreement as previously amended and not
4 amended by this Amendment No. 3 remain in full force and effect.

5 [SIGNATURE PAGE FOLLOWS]
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1 The parties are signing this Amendment No. 3 on the date stated in the introductory
2 clause.

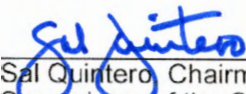
3
4 GRANITE SOLID WASTE, INC.

COUNTY OF FRESNO

5
6 
7 Joe DeLecce, President

8 P.O. Box 268
9 Prather, CA 93651

10 2-22-23


Sal Quintero, Chairman of the Board of
Supervisors of the County of Fresno

11 **Attest:**
12 Bernice E. Seidel
13 Clerk of the Board of Supervisors
County of Fresno, State of California

14 By: 
15 Deputy

16
17 For accounting use only:

18 Org No.: 9015
19 Account No.: 7295
Fund No.: 0701
Subclass No.: 15001

EXHIBIT A-1

SCOPE OF SERVICES

SENATE BILL 1383 (SB 1383) ORGANIC WASTE COLLECTION SERVICES

I. GENERAL REQUIREMENTS

A. Compliance with Corrective Action Plan

1. On or near February 1, 2023, the Department of Resources Recycling and Recovery (CalRecycle) issued a Corrective Action Plan (CAP) to the County of Fresno for failure to achieve compliance with SB 1383 regulations by implementing SB 1383 collection and associated programs.
2. The CAP outlines specific tasks to be completed by the County with deadlines for implementation of the various regulations.
3. The CAP allows the County to avoid significant administrative civil penalties and other enforcement actions that could be imposed by CalRecycle in the enforcement of SB 1383 regulatory compliance.
4. Full execution of all tasks outlined in the CAP will allow the County to emerge from corrective action with CalRecycle
5. Given these facts, it is expressly acknowledged and understood by Contractor that the implementation of SB 1383 programs within the County of Fresno, are undertaken and executed by Contractor on behalf of the County.

Therefore, Contractor shall comply to the fullest extent possible with the requirements outlined in the CAP.

B. Designated Collection System

Contractor shall implement SB 1383 organic waste collection services consistent with the County's Designated Collection System as defined by Fresno County Ordinance Code Section 8.27.045.

C. Organic Waste Cart Service

1. Contractor shall provide organic waste collection service in carts that are approximately 90 or 60 gallons in volume.
 - a. Any customer who fills an organic waste cart in excess of the designated capacity shall be subject to the Special Service Rates identified in Exhibit D-2-2023 pertaining to overfilled containers. When imposing Special Service Rate charges, Contractor shall follow the process outlined in Exhibit B-1.
 - b. Rates for cart service are inclusive of SB 1383-compliant organic waste collection in the Zone 1, Zone 2A, and Zone 3A service rate areas, and shall be found in the revised Exhibit D-2023.

D. Organic Waste Bin Service

1. Contractor shall provide organic waste collection service in bins that are either one (1) or two (2) cubic yards in volume.
 - a. Where applicable, Contractor may alternatively provide organic collection service in bins that are 1.5 cubic yards in volume.

- b. Commercial customers who subscribe to bin service for trash and/or recycling but have a need for lower volume organic waste collection service may opt for 60 or 90 gallon organic cart service in combination with the base solid waste and recycling service. Such rates for smaller volume organic cart service shall be found in Exhibit D-1-2023.

E. Collection Frequency

It is acknowledged by the Parties that the extended accumulation of Organic Waste facilitates the harborage of flies, vectors, and other health and safety risks. Additionally, extended accumulation of Organic Waste generates obnoxious and offensive odors and is generally unsightly due to its putrescible nature. Because of this, there is a high potential to create a Public Nuisance as that term is defined in Fresno County Ordinance Code Section 1.16.030. Accordingly, Organic Waste shall be collected at least once every seven (7) days.

F. Organic Waste Acceptable Materials

Organic Waste shall be collected from designated Containers at one or more on-site locations as designated by the property owner and agreed upon by Contractor. The materials to be collected shall include those listed in Exhibit A-2 of this Amendment 3.

II. CONTRACTOR RESPONSIBILITIES IN SB 1383-APPLICABLE AREAS

In Service Rate Areas where the Regulations are applicable, Contractor shall provide services and perform ancillary activities that facilitate the County's comprehensive compliance with the Regulations.

A. Organic Materials Collection, Transfer and Processing

1. Unless specifically waived from organic waste collection requirements pursuant to 14 CCR Section 18984.12, Contractor shall, consistent with the Effective Date(s) indicated in the County's CAP , make available to its Customers the collection and processing of Organic Materials in accordance with Applicable Law promulgated by the Department of Resources Recycling and Recovery (CalRecycle), including Short-Lived Climate Pollutants (SB 1383) regulations (Regulations) and, where applicable, Mandatory Organics Recycling (AB 1826) regulations.
 - a. Nothing in this section shall be construed as to prohibit Contractor from offering organic waste collection services in Service Rate Areas where collection requirements are waived when the waived area is in reasonable proximity to the SB 1383-applicable area in which Contractor is already providing organic waste collection services. Such service shall be provided at the rates established for the proximate SB 1383-applicable area.

B. Container Color Requirements

1. Consistent with the Effective Date(s) indicated in the County's CAP and the associated Regulations, Contractor may continue to utilize existing container inventory in the performance of organic waste collection services until such time as the containers meet useful life expectancies. Any new or replacement container inventory secured by hauler following the Effective Date shall comply with container coloring requirements pursuant to Fresno County Ordinance Code Section 8.27.045 and 14 CCR Section 18982.
 - a. For purposes of this section and consistent with 14 CCR Sections 18982(5), 18982(28), and 18982(29), container color shall refer to the following:
 - i. Green container means a container where either the lid of the container is green in color, or the body of the container is green in color and the lid is green, gray, or black in color. Hardware such as hinges and wheels on a green container may be any color.
 - ii. Blue container means a container where either the lid of the container is blue in color, or the body of the container is blue in color and the lid is either blue, gray, or black in color. Hardware such as hinges and wheels on a blue container may be any color.
 - iii. Gray container means a container where either the lid of the container is gray or black in color, or the body of the container is entirely gray or

black in color and the lid is gray or black in color. Hardware such as hinges and wheels on a gray container may be any color.

C. Container Labeling Requirements

1. Consistent with the Effective Date(s) indicated in the County's CAP and the associated Regulations, Contractor shall comply with container labeling requirements pursuant to Fresno County Ordinance Code Section 8.27.110 and 14 CCR Section 18984.8.
 - a. All labeling prepared by Contractor for application to containers shall be submitted to County for review and approval prior to official use by Contractor.

D. Organic Processing Facilities

1. Contractor shall transport all collected Organic Waste to one or more CalRecycle-permitted Organic Waste Processing Facilities approved by the County.
2. To assist the County in its Organic Waste capacity planning efforts as required by CalRecycle, Contractor shall provide documentation of available organic waste processing capacity at the selected facility or facilities where collected Organic Waste is delivered.

E. Outreach and Education

1. Contractor shall, consistent with the Effective Date(s) indicated in the County's CAP and the associated Regulations, provide a robust public outreach and education messaging program as required by the Regulations. Contractor will utilize established marketing channels including, but not

limited to, website, social media, periodic customer newsletters, and billing inserts to disseminate SB 1383 program information. Topics may include waste prevention, proper recycling and Organic Waste container use, home and on-site composting, self-hauling/backhauling, and edible food recovery. Contractor shall track and report its outreach and education activities to the County in a format deemed acceptable to the County. Reporting shall include quantities, types, topics, and dates of outreach posted, delivered and/or presented.

2. Contractor shall continue to provide public outreach and education messaging relating to other State-mandated programs, including Mandatory Recycling (AB 341), and Mandatory Organics Recycling (AB 1826).

F. Complaints and Compliance Monitoring

1. Complaints relating to possible violations of the Regulations that are discovered by Contractor, or are brought to Contractor's attention shall be responded to promptly. Specific complaint details shall be forwarded to the County within seven (7) business days of receipt in a format deemed acceptable to the County.
2. To assist the County in compliance monitoring, Contractor shall provide complete service level data for all customers in a frequency and format deemed acceptable to the County.
 - a. Service level data shall include addresses, names of businesses when applicable, types of service, container size, days/frequency of collection.

- b. Contractor shall, consistent with the Effective Date(s) indicated in the County's CAP and the associated Regulations, provide the County with Organic Waste collection route plans.

G. Assessment of Generator Waivers

1. Organic Waste Generators shall only be eligible for requesting the following types of waivers, pursuant to the Regulations:
 - a. De Minimis waivers may be granted when a Commercial Business generates:
 - i. two or more cubic yards of solid waste per week and less than 20 gallons per week of Organic Waste, or
 - ii. less than two cubic yards of solid waste per week and less than 10 gallons of Organic Waste
 - b. Physical Space Waivers may be granted when a Commercial Business' premises lack adequate space for the Organic Waste Container configuration designated by the County pursuant to Fresno County Ordinance Code Section 8.27.045.
2. When an Organic Waste Generator requests a waiver from the collection requirements of the Regulations, Contractor shall conduct a preliminary inspection of Generator's premises to assess the potential for Generator's request.
 - a. Contractor shall gather any and all pertinent information related to Generator's request.

- i. Pertinent information shall include a brief summary of Generator's justification, description of premises and areas where Containers would be typically stored on premises, and photographs of the premises.
- ii. Following the inspection, Contractor shall forward all pertinent information to the County for review.
- iii. Pursuant to 14 CCR Section 18984.11, the County shall have the sole authority to determine if a waiver may be issued to a Commercial Business.
- iv. The issuance of a waiver shall follow the protocol established within Fresno County Ordinance Code Section 8.27.080 pertaining to De Minimis and Physical Space Waivers.

H. Jurisdictional Procurement Assistance

1. Contractor shall comply with the Regulations pertaining to procurement as follows:
 - a. Contractor shall procure paper products and printing and writing paper with a minimum 30 percent post-consumer fiber content, pursuant to minimum recycled content requirements of Public Contract Code Section 12209, when:
 - i. available at no greater cost than nonrecycled paper products; and
 - ii. fitness and quality are equal to nonrecycled paper products.
 - b. If, during the remaining term of the Agreement, Contractor opts to utilize Organic Waste-derived Renewable Natural Gas (RNG) compliant with the

specifications outlined in the Regulations, Contractor shall report on quantities procured in a frequency and format acceptable to County.

I. Contamination Monitoring

1. Contractor shall, consistent with the Effective Date(s) indicated in the County's CAP and the associated Regulations, meet the contamination monitoring requirements outlined in the Regulations on an annual basis:
 - a. Contractor shall routinely monitor for Organic Waste Contamination in accordance with 14 CCR Section 18984.5, and report to the County in a frequency and format acceptable to the County that complies with the Regulations.
 - b. When Contractor observes or otherwise becomes aware of Contamination, Contractor shall follow the protocol outlined in Exhibit B-1 for addressing the Contamination.
 - c. Contractor shall forward information on the violation to the County as soon as possible, but no later than seven (7) business days following the encounter.
 - d. County shall initiate enforcement action consistent with the protocol outlined in Fresno County Ordinance Code Section 8.27.140(C)(3) against any Generator found in violation of the Contamination standards.
 - e. Generators found to be in violation may be subject to Special Service Rate charges, as specified in Exhibit D-2-2023, which may be in addition to any administrative fines issued by the County for being found in violation.

J. Self-Hauling and Backhauling

1. Contractor shall report to County those customers that may be self-hauling any of their waste and/or recyclable material streams, inclusive of Organic Waste. For those Generators within Contractor's service territories that do not subscribe to collection service, Contractor shall exercise best efforts to report to County any Self-Hauling or Backhauling Generators within its service territories as it becomes aware of such Generators.

K. County Reporting

1. Contractor shall report to County as specifically referenced in this Exhibit A-1 and shall continue to provide quarterly and annual reporting to County as prescribed in Sections 6.3 and 8.2 of the ESAP Agreement. Such reports shall be in a frequency and format acceptable to the County.
2. It is anticipated that during the remaining term of the Agreement and thereafter, County will have procured a software application for the specific purpose of monitoring and enforcing compliance with the Regulations and other mandatory solid waste diversion and recycling programs. It is expressly understood that Contractor shall fully cooperate with the County as said software application is implemented and compliance-related data reporting is migrated to the new software application. Contractor shall neither delay nor decline the disclosure of compliance data, including service level data, when such data is reasonably requested by the County in the performance of its enforcement and reporting obligations. Failure to cooperate with the County

may be grounds for Breach or Default as defined in Sections 10.1 and 10.2, respectively.

3. Contractor shall continue to report as stipulated by 14 CCR Section 18815.4 pertaining to Recycling Disposal and Reporting System reporting requirements for haulers.
4. Contractor shall exercise best efforts in assisting County with the confirmation and/or identification of Tier 1 and Tier 2 Edible Food Generators (EFGs) within its service territories. As it becomes aware of businesses which may be classified by the Regulations as a Tier 1 or Tier 2 EFG, Contractor shall report businesses to the County.

III. CONTRACTOR RESPONSIBILITIES IN SB 1383-WAIVED AREAS

A. AB 1826 Regulations Still Apply

1. For Contractors whose territories, or portions thereof, fall within an SB 1383-waived area, the provision of AB 1826 Mandatory Organics Recycling for Commercial Businesses shall still apply.
2. Contractor shall be responsible for offering Organic Waste collection service to Commercial Businesses and Multifamily Residential Complexes of five (5) or more units who generate two cubic yards or more of solid waste per week pursuant to the requirements of Public Resources Code Section 42649.8 et seq.

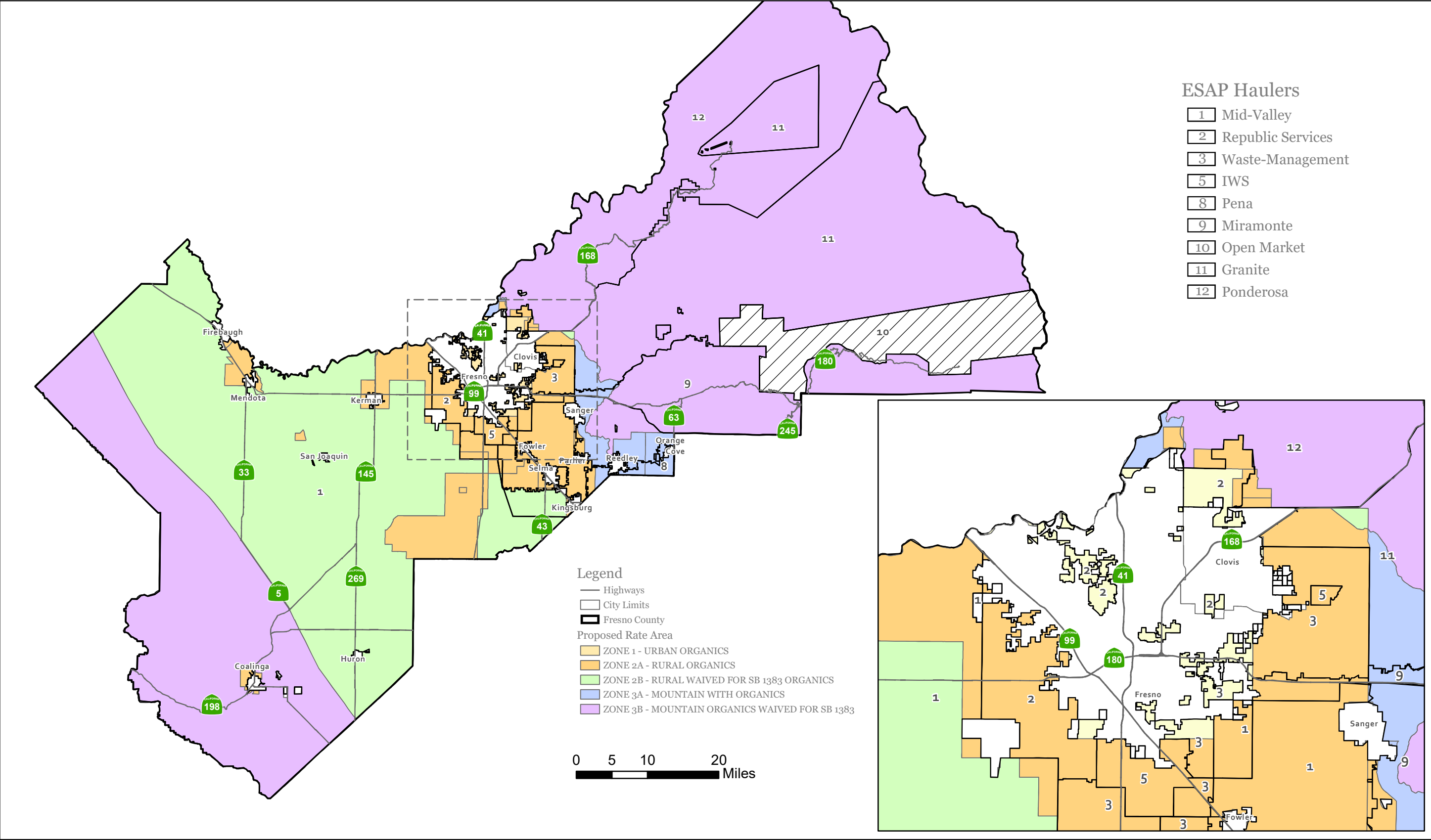
END OF EXHIBIT A-1

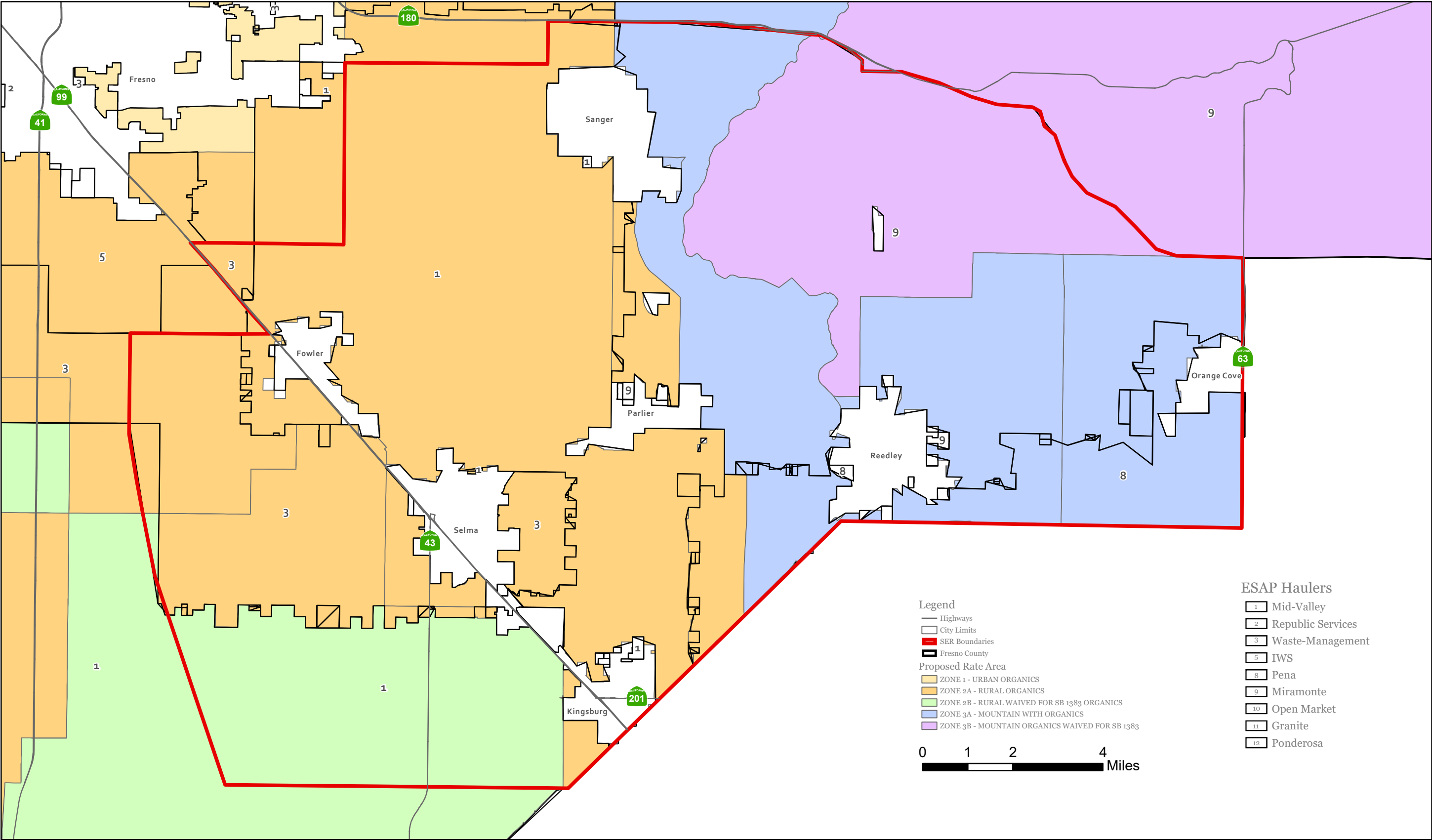
EXHIBIT A-2

ORGANIC WASTE ACCEPTABLE MATERIALS LIST

Organic Waste shall be collected from designated Containers at one or more on-site locations as designated by the property owner and agreed upon by Contractor. The materials to be collected shall include the following:

- Whole Fruit and Fruit Peelings
- Whole Vegetables and Vegetable Peelings
- Bread and Grain Products
- Pasta and Rice Products
- Eggshells and Nutshells
- Meat Scraps
- Dairy Products **in small quantities only**
- Plant and Flower Materials
- Grass and Yard Trimmings
- Tree and Shrub Prunings, Excluding Large Stumps
- Christmas Trees, Cut into Two Foot Sections
- Untreated Wood Materials
- Other Miscellaneous Green Waste Materials





County of Fresno
ESAP Proposed Service Rate Area

Southeast Regional (SER)



EXHIBIT D-2023
SCHEDULE OF MAXIMUM CART RATES (\$ Per Month, Per Customer)

RATES INCLUSIVE OF MIXED ORGANIC WASTE COLLECTION - ZONES 1, 2A, AND 3A¹

New Rates Effective September 1, 2023

Adjusted for CPI and American Avenue Tip Fee Increase **July 1, 2023**

Supplemental Inflation Mitigation Surcharge (SIMS) Effective **October 1, 2023**

SER Rates Effective February 28, 2018

ZONE 1						
Cart Size	Current Rate 7/1/2022	CPI Rate Adjustment 7/1/2023	AADS Rate Adjustment 7/1/2023	New Rate 9/1/2023 ²	SIMS Overlay 9/1/2023 ⁴	SER Overlay ⁵ 2/28/2018
		4.199%			Maximum 15%	
30 GAL	\$28.81	\$1.21	\$0.04	\$35.92	\$5.39	\$0.20
60 GAL	\$34.79	\$1.46	\$0.07	\$42.18	\$6.33	\$0.36
90 GAL	\$43.41	\$1.82	\$0.10	\$52.15	\$7.83	\$0.54

ZONE 2A - EXISTING GREEN CONTAINER AREAS						
Cart Size	Current Rate 7/1/2022	CPI Rate Adjustment 7/1/2023	AADS Rate Adjustment 7/1/2023	New Rate 9/1/2023 ²	SIMS Overlay 9/1/2023 ⁴	SER Overlay ⁵ 2/28/2018
		4.199%			Maximum 15%	
30 GAL	N/A	N/A	N/A	N/A	N/A	N/A
60 GAL	\$44.58	\$1.87	\$0.07	\$53.31	\$8.00	\$0.36
90 GAL	\$50.99	\$2.14	\$0.10	\$60.73	\$9.11	\$0.54

ZONE 2A - NEW GREEN CONTAINER AREAS						
Cart Size	Current Rate 7/1/2022	CPI Rate Adjustment 7/1/2023	AADS Rate Adjustment 7/1/2023	New Rate 9/1/2023 ²	SIMS Overlay 9/1/2023 ⁴	SER Overlay ⁵ 2/28/2018
		4.199%			Maximum 15%	
30 GAL	N/A	N/A	N/A	N/A	N/A	N/A
60 GAL	\$44.58	\$1.87	\$0.07	\$75.87	\$11.38	\$0.36
90 GAL	\$50.99	\$2.14	\$0.10	\$86.74	\$13.01	\$0.54

ZONE 2B ³						
Cart Size	Current Rate 7/1/2022	CPI Rate Adjustment 7/1/2023	AADS Rate Adjustment 7/1/2023	New Rate 9/1/2023	SIMS Overlay 9/1/2023 ⁴	SER Overlay ⁵ 2/28/2018
		4.199%			Maximum 15%	
30 GAL	N/A	N/A	N/A	N/A	N/A	N/A
60 GAL	\$38.11	\$1.60	\$0.07	\$39.78	\$5.97	\$0.36
90 GAL	\$45.50	\$1.91	\$0.10	\$47.51	\$7.13	\$0.54

ZONE 3A - NEW GREEN CONTAINER AREAS						
Cart Size	Current Rate 7/1/2022	CPI Rate Adjustment 7/1/2023	AADS Rate Adjustment 7/1/2023	New Rate 9/1/2023 ²	SIMS Overlay 9/1/2023 ⁴	SER Overlay ⁵ 2/28/2018
		4.199%			Maximum 20%	
30 GAL	N/A	N/A	N/A	N/A	N/A	N/A
60 GAL	\$50.51	\$2.12	\$0.07	\$89.81	\$17.96	\$0.36
90 GAL	\$57.29	\$2.41	\$0.10	\$98.89	\$19.77	\$0.54

ZONE 3B ³						
Cart Size	Current Rate 7/1/2022	CPI Rate Adjustment 7/1/2023	AADS Rate Adjustment 7/1/2023	New Rate 9/1/2023	SIMS Overlay 9/1/2023 ⁴	SER Overlay ⁵ 2/28/2018
		4.199%			Maximum 20%	
30 GAL	N/A	N/A	N/A	N/A	N/A	N/A
60 GAL	\$50.51	\$2.12	\$0.07	\$52.70	\$10.55	\$0.36
90 GAL	\$57.29	\$2.41	\$0.10	\$59.80	\$11.96	\$0.54

Notes

- Beginning September 1, 2023, "green waste" containers will be redesignated as "mixed organic waste" containers. Customers residing in Zones 1, 2A, and 3A will be required to separate their food waste for placement in the mixed organic waste container along with their traditional green waste for collection by their designated Exclusive Service Area Provider (ESAP) hauler. Exhibit A-2 (Organic Waste Acceptable Materials List) outlines which materials can be placed in the green container, and includes: whole fruit and fruit peelings, whole vegetables and vegetable peelings, bread and grain products, pasta and rice products, eggshells and nutshells, meat scraps, dairy products (small quantities only), plant and flower materials, grass and yard trimmings, tree and shrub prunings (excluding large stumps), Christmas Trees cut into two foot sections, untreated wood materials, and other miscellaneous green waste materials.
- Organic rates effective September 1, 2023, and apply to customers residing in the Zone 1, 2A, and 3A service rate areas as illustrated in the modified Exhibit C-3-2023 found in Amendment No. 3 of the ESAP Agreements. Zones 1, 2A, and 3A boundaries coincide with those census tracts identified as having population densities greater than 75 persons per square mile as determined by the 2020 Census data. Organic waste generators residing in census tracts having densities greater than 75 persons per square mile must comply with SB 1383 Regulations.
- CalRecycle approved a "Low Population Waiver for Unincorporated Portions of Counties" application submitted by the County of Fresno on March 3, 2022. This waiver applies to all census tracts with a population density of 75 or less persons per square mile on March 3, 2022. Census tracts falling within the Zone 2B and Zone 3B Service Rate Areas meet this criteria, and are therefore exempted from SB 1383 organic waste collection regulations. Commercial businesses generating 2 cubic yards or more of solid waste per week are still subject to complying with AB 1826 Mandatory Organics Recycling (MOR) regulations.
- In response to the continued volatility of the recyclable material commodity markets, as well as unprecedented inflation in the diesel fuel commodity markets, Amendment 3 calls for a "Supplemental Inflation Mitigation Surcharge (SIMS)." The SIMS is designed as follows:
 - SIMS is calculated on a quarterly basis and consists of two (2) components: a recycling component, and a fuel component.
 - The recycling component is identical in structure to the "Recycling Surcharge" established in Amendment 2 approved by the Board on October 22, 2019. It is computed by factoring in total recyclable material tonnages collected quarterly, less California Redemption Value tonnage, the combined average net market value of the Mixed Paper and Old Corrugated Container recyclable commodity material streams, and ESAP Program hauler quarterly revenue.
 - The fuel component is computed using the factors of fuel expense as a percentage of rate revenues, portion of the base rate that accounts for fuel, and the quarterly year over year change in the Producer Price Index (PPI) Commodity Data index for "No. 2 Diesel Fuel."
 - The SIMS calls for maximum increases to control the impact to customers. The recycling component shall never exceed 5% of the base service rate, and the fuel component shall never exceed 10% for the Zone 1, 2A, and 2B Service Rate Areas, and 15% for the Zone 3A and 3B Service Rate Areas. It should be noted that Zones 3A and 3B call for a higher maximum due to the territories consisting primarily of moderate to high altitude areas with larger distances traveled, lower route density, and generally steeper terrain, which equates to lower fuel mileage and significantly higher fuel expenses to provide service. The SIMS also calls for a "sunset" of June 30, 2025, which allows the County to revisit the applicability of the SIMS at that time.
- SER Rate is only applicable to Customers within the SER Territory. To Calculate the SER rate, a hauler will need to add the SER Overlay to the "new rate." SER Overlay rates are not subject to CPI Increases.

EXHIBIT D-1-2023

SCHEDULE OF MAXIMUM BIN RATES¹ (\$ Per Month, Per Customer)

SB 1383 MIXED ORGANIC WASTE COLLECTION - ZONES 1, 2A, AND 3A²

AB 1826 MIXED ORGANIC WASTE COLLECTION - ZONES 2B, AND 3B⁴

New Rates Effective September 1, 2023

Adjusted for CPI and American Avenue Tip Fee Increase July 1, 2023

Supplemental Inflation Mitigation Surcharge (SIMS) Effective October 1, 2023

SER Rates Effective February 28, 2018

BIN SIZE	ZONE 1							ZONE 2A							ZONE 2B							ZONE 3A							ZONE 3B							
	Current Rate 7/1/2021	CPI Rate Adjustment 3.639%	AADS Rate Adjustment 7/1/2023	New Rate 9/1/2023	SB 1383 Organics Rate 9/1/2023 ³	SIMS Overlay 10/1/2023 ⁵ Maximum 15%	SER Overlay ⁷ 2/28/2018	Current Rate 7/1/2021	CPI Rate Adjustment 3.639%	AADS Rate Adjustment 7/1/2023	New Rate 9/1/2023	SB 1383 Organics Rate 9/1/2023 ³	SIMS Overlay 10/1/2023 ⁵ Maximum 15%	SER Overlay ⁷ 2/28/2018	Current Rate 7/1/2021	CPI Rate Adjustment 3.639%	AADS Rate Adjustment 7/1/2023	New Rate 9/1/2023	AB 1826 Organics Rate 9/1/2023 ³	SIMS Overlay 10/1/2023 ⁵ Maximum 20%	SER Overlay ⁷ 2/28/2018	Current Rate 7/1/2021	CPI Rate Adjustment 3.639%	AADS Rate Adjustment 7/1/2023	New Rate 9/1/2023	SB 1383 Organics Rate 9/1/2023 ³	SIMS Overlay 10/1/2023 ⁵ Maximum 20%	SER Overlay ⁷ 2/28/2018	Current Rate 7/1/2021	CPI Rate Adjustment 3.639%	AADS Rate Adjustment 7/1/2023	New Rate 9/1/2023	AB 1826 Organics Rate 9/1/2023 ³	SIMS Overlay 10/1/2023 ⁵ Maximum 20%	SER Overlay ⁷ 2/28/2018	
60 ga. 1 pickup/wk ⁸					\$19.67	N/A	N/A					\$28.85	N/A	N/A					\$29.00	N/A	N/A						\$36.41	N/A	N/A					\$40.49	N/A	N/A
60 ga. 2 pickups/wk					\$38.37	N/A	N/A					\$51.70	N/A	N/A					\$58.00	N/A	N/A						\$67.92	N/A	N/A					\$84.00	N/A	N/A
60 ga. 3 pickups/wk					\$57.15	N/A	N/A					\$80.06	N/A	N/A					N/A	N/A	N/A						\$106.32	N/A	N/A					\$129.00	N/A	N/A
60 ga. 4 pickups/wk					\$128.92	N/A	N/A					\$126.31	N/A	N/A					N/A	N/A	N/A						\$143.53	N/A	N/A					N/A	N/A	N/A
60ga. 5 pickups/wk					\$160.90	N/A	N/A					\$160.41	N/A	N/A					N/A	N/A	N/A						\$180.84	N/A	N/A					N/A	N/A	N/A
60 ga. 6 pickups/wk					\$192.89	N/A	N/A					\$197.30	N/A	N/A					N/A	N/A	N/A						\$220.62	N/A	N/A					N/A	N/A	N/A
90 ga. 1 pickup/wk ⁸					\$21.74	N/A	N/A					\$33.26	N/A	N/A					\$43.15	N/A	N/A						\$38.39	N/A	N/A					\$53.73	N/A	N/A
90 ga. 2 pickups/wk					\$42.51	N/A	N/A					\$51.70	N/A	N/A					\$58.00	N/A	N/A						\$64.00	N/A	N/A					\$84.00	N/A	N/A
90 ga. 3 pickups/wk					\$67.56	N/A	N/A					\$89.71	N/A	N/A					N/A	N/A	N/A						\$81.79	N/A	N/A					N/A	N/A	N/A
90 ga. 4 pickups/wk					\$164.18	N/A	N/A					\$141.07	N/A	N/A					N/A	N/A	N/A						\$110.65	N/A	N/A					N/A	N/A	N/A
90 ga. 5 pickups/wk					\$204.99	N/A	N/A					\$204.99	N/A	N/A					N/A	N/A	N/A						\$140.37	N/A	N/A					N/A	N/A	N/A
90 ga. 6 pickups/wk					\$245.79	N/A	N/A					\$220.35	N/A	N/A					N/A	N/A	N/A						\$242.03	N/A	N/A					N/A	N/A	N/A
1 cu yd, 1 pickup/wk	\$76.49	\$2.78	\$0.21	\$79.48	\$95.73	\$11.92	\$1.14	\$87.32	\$3.18	\$0.21	\$90.71	\$111.55	\$13.61	\$1.14	\$88.76	\$3.23	\$0.21	\$92.20	\$135.00	\$13.83	\$1.14	\$88.13	\$3.21	\$0.21	\$91.55	\$128.32	\$18.31	\$1.14	\$88.13	\$3.21	\$0.21	\$91.55	\$155.00	\$18.31	\$1.14	
1 cu yd, 2 pickups/wk	\$141.68	\$5.16	\$0.43	\$147.27	\$184.67	\$22.09	\$2.28	\$152.46	\$5.55	\$0.43	\$158.44	\$207.75	\$23.76	\$2.28	\$151.35	\$5.51	\$0.43	\$157.29	\$270.00	\$23.59	\$2.28	\$154.96	\$5.64	\$0.43	\$161.03	\$250.24	\$32.20	\$2.28	\$154.96	\$5.64	\$0.43	\$161.03	\$310.00	\$32.20	\$2.28	
1 cu yd, 3 pickups/wk	\$206.81	\$7.53	\$0.64	\$214.98	\$295.91	\$32.25	\$3.41	\$222.30	\$8.09	\$0.64	\$231.03	\$285.09	\$34.65	\$3.41	\$225.98	\$8.22	\$0.64	\$234.84	N/A	\$35.22	\$3.41	\$229.13	\$8.34	\$0.64	\$238.11	\$283.73	\$47.63	\$3.41	\$229.13	\$8.34	\$0.64	\$238.11	N/A	\$47.63	\$3.41	
1 cu yd, 4 pickups/wk	\$271.96	\$9.90	\$0.86	\$282.72	\$391.55	\$42.41	\$4.55	\$297.86	\$10.84	\$0.86	\$309.56	\$383.36	\$46.44	\$4.55	\$306.70	\$11.16	\$0.86	\$318.72	N/A	\$47.81	\$4.55	\$308.88	\$11.24	\$0.86	\$320.98	\$380.34	\$64.20	\$4.55	\$308.88	\$11.24	\$0.86	\$320.98	N/A	\$64.20	\$4.55	
1 cu yd, 5 pickups/wk	\$337.16	\$12.27	\$1.07	\$350.50	\$487.22	\$52.58	\$5.69	\$377.15	\$13.72	\$1.07	\$391.94	\$486.27	\$58.79	\$5.69	\$395.19	\$14.38	\$1.07	\$410.64	N/A	\$61.59	\$5.69	\$389.87	\$14.19	\$1.07	\$405.13	\$477.66	\$81.03	\$5.69	\$389.87	\$14.19	\$1.07	\$405.13	N/A	\$81.03	\$5.69	
1 cu yd, 6 pickups/wk	\$402.30	\$14.64	\$1.29	\$418.23	\$582.85	\$62.73	\$6.83	\$459.91	\$16.74	\$1.29	\$477.94	\$595.03	\$71.69	\$6.83	\$493.38	\$17.95	\$1.29	\$512.62	N/A	\$76.89	\$6.83	\$474.26	\$17.26	\$1.29	\$492.81	\$577.06	\$98.56	\$6.83	\$474.26	\$17.26	\$1.29	\$492.81	N/A	\$98.56	\$6.83	
1.5 cu yd, 1 pickup/wk ⁸	\$89.27	\$3.25	\$0.32	\$92.84	\$128.31	\$13.92	\$1.71	\$101.89	\$3.71	\$0.32	\$105.92	\$135.44	\$15.89	\$1.71	\$99.12	\$3.61	\$0.32	\$103.05	\$170.00	\$15.46	\$1.71															
1.5 cu yd, 2 pickups/wk	\$165.53	\$6.02	\$0.64	\$172.19	\$248.82	\$25.83	\$3.41	\$180.92	\$6.58	\$0.64	\$188.14	\$264.03	\$28.22	\$3.41	\$170.67	\$6.21	\$0.64	\$177.52	\$340.00	\$26.63	\$3.41															
1.5 cu yd, 3 pickups/wk	\$241.81	\$8.80	\$0.97	\$251.58	\$389.73	\$37.74	\$5.12	\$265.09	\$9.65	\$0.97	\$275.71	\$383.30	\$41.36	\$5.12	\$253.68	\$9.23	\$0.97	\$263.88	N/A	\$41.36	\$5.12															
1.5 cu yd, 4 pickups/wk	\$318.03	\$11.57	\$1.29	\$330.89	\$516.17	\$49.63	\$6.83	\$355.56	\$12.94	\$1.29	\$369.79	\$512.34	\$55.47	\$6.83	\$347.10	\$12.63	\$1.29	\$361.02	N/A	\$54.15	\$6.83															
1.5 cu yd, 5 pickups/wk	\$394.26	\$14.35	\$1.61	\$410.22	\$642.61	\$61.53	\$8.53	\$449.57	\$16.36	\$1.61	\$467.54	\$643.54	\$70.13	\$8.53	\$449.65	\$16.36	\$1.61	\$467.62	N/A	\$70.14	\$8.53															
1.5 cu yd, 6 pickups/wk	\$470.52	\$17.12	\$1.93	\$489.57	\$769.08	\$73.44	\$10.24	\$547.07	\$19.91	\$1.93	\$568.91	\$783.21	\$85.34	\$10.24	\$557.85	\$20.30	\$1.93	\$580.08	N/A	\$87.01	\$10.24															
2 cu yd, 1 pickup/wk	\$101.20	\$3.68	\$0.43	\$105.31	\$160.39	\$15.80	\$2.28	\$116.77	\$4.25	\$0.43	\$121.45	\$167.60	\$18.22	\$2.28	\$109.67	\$3.99	\$0.43	\$114.09	\$190.00	\$17.11	\$2.28															
2 cu yd, 2 pickups/wk	\$188.95	\$6.88	\$0.86	\$196.69	\$312.70	\$29.50	\$4.55	\$209.38	\$7.62	\$0.86	\$217.86	\$319.15	\$32.68	\$4.55	\$189.99	\$6.91	\$0.86	\$197.76	\$380.00	\$29.67	\$4.55															
2 cu yd, 3 pickups/wk	\$276.74	\$10.07	\$1.29	\$288.10	\$483.15	\$43.22	\$6.83	\$307.85	\$11.20	\$1.29	\$320.34	\$483.71	\$48.05	\$6.83	\$281.30	\$10.24	\$1.29	\$322.63	N/A	\$43.92	\$6.83															
2 cu yd, 4 pickups/wk	\$364.53	\$13.27	\$1.72	\$379.52	\$641.12	\$56.93	\$9.10	\$413.27	\$15.04	\$1.72	\$430.03	\$646.63	\$64.50	\$9.10	\$387.54	\$14.10	\$1.72	\$403.36	N/A	\$60.51	\$9.10															
2 cu yd, 5 pickups/wk	\$452.32	\$16.46	\$2.15	\$470.93	\$798.76	\$70.64	\$11.38	\$522.15	\$19.00	\$2.15	\$543.30	\$811.62	\$81.50	\$11.38	\$504.18	\$18.35	\$2.15	\$524.68	N/A	\$78.70	\$11.38															
2 cu yd, 6 pickups/wk	\$540.08	\$19.65	\$2.57	\$562.30	\$956.37	\$84.35	\$13.65	\$634.17	\$23.08	\$2.57	\$659.82	\$978.50	\$98.97	\$13.65	\$622.31	\$22.65	\$2.57	\$647.53	N/A	\$97.13	\$13.65															
3 cu yd, 1 pickup/wk	\$123.97	\$4.51	\$0.64	\$129.12	N/A	\$19.37	\$3.41	\$148.56	\$5.41	\$0.64	\$154.61	N/A	\$23.19	\$3.41	\$135.64	\$4.94	\$0.64	\$141.22	N/A	\$21.18	\$3.41															
3 cu yd, 2 pickups/wk	\$233.69	\$8.50	\$1.29	\$243.48	N/A	\$36.52	\$6.83	\$270.40	\$9.84	\$1.29	\$281.53	N/A	\$42.23	\$6.83	\$237.00	\$8.62	\$1.29	\$246.91	N/A	\$37.04	\$6.83															
3 cu yd, 3 pickups/wk	\$343.39	\$12.50	\$1.93	\$357.82	N/A	\$53.67	\$10.24	\$399.33	\$14.53	\$1.93	\$415.79	N/A	\$62.37	\$10.24	\$353.52	\$12.86	\$1.93	\$368.31	N/A	\$55.25	\$10.24															
3 cu yd, 4 pickups/wk	\$453.12	\$16.49	\$2.57	\$472.18	N/A	\$70.83	\$13.65	\$536.75	\$19.53	\$2.57	\$558.85	N/A	\$83.83	\$13.65	\$482.93	\$17.57	\$2.57	\$503.07	N/A	\$75.46	\$13.65															
3 cu yd, 5 pickups/wk	\$562.85	\$20.48</																																		

ESAP AGREEMENT EXHIBIT D-2-2023
SCHEDULE OF MAXIMUM SPECIAL SERVICE RATES¹
Adjusted for CPI Increase July 1, 2023

Exhibit D-2-2023
Page 1 of 4

Service Description	ZONE 1			ZONE 2A EXISTING / ZONE 2A NEW			ZONE 2B			ZONE 3A / ZONE 3B		
	Current Rate 7/1/2022	CPI Rate Adjustment 3.639%	New Rate 7/1/2023	Current Rate 7/1/2022	CPI Rate Adjustment 3.639%	New Rate 7/1/2023	Current Rate 7/1/2022	CPI Rate Adjustment 3.639%	New Rate 7/1/2023	Current Rate 7/1/2022	CPI Rate Adjustment 3.639%	New Rate 7/1/2023
Additional Container Pickup ² :												
30-gal. cart	6.48	\$0.24	\$6.72	\$10.81	\$0.39	\$11.20	\$10.81	\$0.39	\$11.20	\$27.02	\$0.98	\$28.00
60-gal. cart	10.81	\$0.39	\$11.20	\$10.81	\$0.39	\$11.20	\$16.22	\$0.59	\$16.81	\$32.42	\$1.18	\$33.60
90-gal. cart	10.81	\$0.39	\$11.20	\$11.89	\$0.43	\$12.32	\$19.46	\$0.71	\$20.17	\$37.83	\$1.38	\$39.21
1 CY bin	17.29	\$0.63	\$17.92	\$21.61	\$0.79	\$22.40	\$43.23	\$1.57	\$44.80	\$43.23	\$1.57	\$44.80
1.5 CY bin	21.61	\$0.79	\$22.40	\$27.02	\$0.98	\$28.00	\$45.41	\$1.65	\$47.06	\$48.64	\$1.77	\$50.41
2 CY bin	22.7	\$0.83	\$23.53	\$27.02	\$0.98	\$28.00	\$43.23	\$1.57	\$44.80	\$48.64	\$1.77	\$50.41
3 CY bin	27.02	\$0.98	\$28.00	\$32.42	\$1.18	\$33.60	\$54.06	\$1.97	\$56.03	\$54.06	\$1.97	\$56.03
4 CY bin	43.23	\$1.57	\$44.80	\$48.64	\$1.77	\$50.41	\$59.45	\$2.16	\$61.61	\$59.45	\$2.16	\$61.61
5 CY bin	48.64	\$1.77	\$50.41	\$54.06	\$1.97	\$56.03	\$64.86	\$2.36	\$67.22	\$64.86	\$2.36	\$67.22
6 CY bin	48.64	\$1.77	\$50.41	\$59.45	\$2.16	\$61.61	\$70.26	\$2.56	\$72.82	\$81.07	\$2.95	\$84.02
300 gal. tub	N/A			N/A			N/A			\$64.86	\$2.36	\$67.22
Late Set Out Pickup ³ :												
30-gal. cart	10.81	\$0.39	\$11.20	\$16.22	\$0.59	\$16.81	\$16.22	\$0.59	\$16.81	\$21.61	\$0.79	\$22.40
60-gal. cart	10.81	\$0.39	\$11.20	\$16.22	\$0.59	\$16.81	\$16.22	\$0.59	\$16.81	\$21.61	\$0.79	\$22.40
90-gal. cart	16.22	\$0.59	\$16.81	\$16.22	\$0.59	\$16.81	\$19.46	\$0.71	\$20.17	\$21.61	\$0.79	\$22.40
1 CY bin	21.61	\$0.79	\$22.40	\$27.02	\$0.98	\$28.00	\$32.42	\$1.18	\$33.60	\$32.42	\$1.18	\$33.60
1.5 CY bin	27.02	\$0.98	\$28.00	\$27.02	\$0.98	\$28.00	\$32.42	\$1.18	\$33.60	\$32.42	\$1.18	\$33.60
2 CY bin	27.02	\$0.98	\$28.00	\$32.42	\$1.18	\$33.60	\$32.42	\$1.18	\$33.60	\$32.42	\$1.18	\$33.60
3 CY bin	32.42	\$1.18	\$33.60	\$37.83	\$1.38	\$39.21	\$37.83	\$1.38	\$39.21	\$37.83	\$1.38	\$39.21
4 CY bin	37.83	\$1.38	\$39.21	\$43.23	\$1.57	\$44.80	\$43.23	\$1.57	\$44.80	\$43.23	\$1.57	\$44.80
5 CY bin	54.06	\$1.97	\$56.03	\$64.86	\$2.36	\$67.22	\$64.86	\$2.36	\$67.22	\$64.86	\$2.36	\$67.22
6 CY bin	59.45	\$2.16	\$61.61	\$75.67	\$2.75	\$78.42	\$81.07	\$2.95	\$84.02	\$81.07	\$2.95	\$84.02
300 gal. tub	N/A			N/A			N/A			\$64.86	\$2.36	\$67.22
Extra Day Pickup ⁴ :												
30-gal. cart	10.81	\$0.39	\$11.20	\$10.81	\$0.39	\$11.20	\$10.81	\$0.39	\$11.20	\$27.02	\$0.98	\$28.00
60-gal. cart	\$16.22	\$0.59	\$16.81	\$16.22	\$0.59	\$16.81	\$16.22	\$0.59	\$16.81	\$32.42	\$1.18	\$33.60
90-gal. cart	\$19.46	\$0.71	\$20.17	\$27.02	\$0.98	\$28.00	\$27.02	\$0.98	\$28.00	\$37.83	\$1.38	\$39.21
1 CY bin	\$34.59	\$1.26	\$35.85	\$37.83	\$1.38	\$39.21	\$43.23	\$1.57	\$44.80	\$59.45	\$2.16	\$61.61
1.5 CY bin	\$40.00	\$1.46	\$41.46	\$43.23	\$1.57	\$44.80	\$48.64	\$1.77	\$50.41	\$64.86	\$2.36	\$67.22

ESAP AGREEMENT EXHIBIT D-2-2023
SCHEDULE OF MAXIMUM SPECIAL SERVICE RATES¹
Adjusted for CPI Increase July 1, 2023

Exhibit D-2-2023
Page 2 of 4

Service Description	ZONE 1			ZONE 2A EXISTING / ZONE 2A NEW			ZONE 2B			ZONE 3A / ZONE 3B		
	Current Rate 7/1/2022	CPI Rate Adjustment 3.639%	New Rate 7/1/2023	Current Rate 7/1/2022	CPI Rate Adjustment 3.639%	New Rate 7/1/2023	Current Rate 7/1/2022	CPI Rate Adjustment 3.639%	New Rate 7/1/2023	Current Rate 7/1/2022	CPI Rate Adjustment 3.639%	New Rate 7/1/2023
Extra Day Pickup (Cont'd.) ⁴ :												
2 CY bin	\$48.64	\$1.77	\$50.41	\$54.06	\$1.97	\$56.03	\$59.45	\$2.16	\$61.61	\$70.26	\$2.56	\$72.82
3 CY bin	\$55.14	\$2.01	\$57.15	\$64.86	\$2.36	\$67.22	\$75.67	\$2.75	\$78.42	\$81.07	\$2.95	\$84.02
4 CY bin	\$59.45	\$2.16	\$61.61	\$71.35	\$2.60	\$73.95	\$75.67	\$2.75	\$78.42	\$81.07	\$2.95	\$84.02
5 CY bin	\$75.67	\$2.75	\$78.42	\$86.48	\$3.15	\$89.63	\$97.29	\$3.54	\$100.83	\$111.35	\$4.05	\$115.40
6 CY bin	\$75.67	\$2.75	\$78.42	\$89.71	\$3.26	\$92.97	\$102.70	\$3.74	\$106.44	\$129.72	\$4.72	\$134.44
300 gal. tub	N/A			N/A			N/A			\$108.10	\$3.93	\$112.03
Non-Standard Container Sizes:												
1.5 CY bin (Serviced once wk, per container per month)	\$86.48	\$3.15	\$89.63	\$98.38	\$3.58	\$101.96	\$98.38	\$3.58	\$101.96	\$98.38	\$3.58	\$101.96
5 CY bin (Serviced once wk, per container per mo.)	\$161.07	\$5.86	\$166.93	\$217.28	\$7.91	\$225.19	\$234.58	\$8.54	\$243.12	\$234.58	\$8.54	\$243.12
300 gal. tub	N/A			N/A			N/A			\$97.29	\$3.54	\$100.83
Miscellaneous Special Services ^{5,6} :												
Side yard charge per household per mo. ⁷	\$10.81	\$0.39	\$11.20	\$10.81	\$0.39	\$11.20	\$16.22	\$0.59	\$16.81	\$16.22	\$0.59	\$16.81
On-call bulky items pickup per CY per pickup	\$27.02	\$0.98	\$28.00	\$27.02	\$0.98	\$28.00	\$37.83	\$1.38	\$39.21	\$37.83	\$1.38	\$39.21
Maximum access charge per container per mo. ⁸	\$32.42	\$1.18	\$33.60	\$32.42	\$1.18	\$33.60	\$32.42	\$1.18	\$33.60	\$32.42	\$1.18	\$33.60
Key or code charges per container per mo. ⁹	\$16.22	\$0.59	\$16.81	\$16.22	\$0.59	\$16.81	\$16.22	\$0.59	\$16.81	\$16.22	\$0.59	\$16.81
Enclosure charges per container per mo. ¹⁰	\$16.22	\$0.59	\$16.81	\$16.22	\$0.59	\$16.81	\$16.22	\$0.59	\$16.81	\$16.22	\$0.59	\$16.81
Gate service charges per container per mo. ¹¹	\$16.22	\$0.59	\$16.81	\$16.22	\$0.59	\$16.81	\$16.22	\$0.59	\$16.81	\$16.22	\$0.59	\$16.81
Drive-in charge per account per mo. 0.25 mile or under ¹²	\$16.22	\$0.59	\$16.81	\$16.22	\$0.59	\$16.81	\$16.22	\$0.59	\$16.81	\$16.22	\$0.59	\$16.81
Cart switch, per switch ¹³	\$32.42	\$1.18	\$33.60	\$32.42	\$1.18	\$33.60	\$32.42	\$1.18	\$33.60	\$32.42	\$1.18	\$33.60
Bin switch, per switch ¹³	\$59.45	\$2.16	\$61.61	\$64.86	\$2.36	\$67.22	\$64.86	\$2.36	\$67.22	\$64.86	\$2.36	\$67.22
Replacement of damaged carts, per cart flat fee ¹⁴	\$64.86	\$2.36	\$67.22	\$64.86	\$2.36	\$67.22	\$64.86	\$2.36	\$67.22	\$81.07	\$2.95	\$84.02
Locking bin charge, per mo. for wk collection	\$27.02	\$0.98	\$28.00	\$27.02	\$0.98	\$28.00	\$27.02	\$0.98	\$28.00	\$27.02	\$0.98	\$28.00
Enclosure clean up, per event	\$21.61	\$0.79	\$22.40	\$21.61	\$0.79	\$22.40	\$21.61	\$0.79	\$22.40	\$21.61	\$0.79	\$22.40
Cart cleaning, per container	\$27.02	\$0.98	\$28.00	\$27.02	\$0.98	\$28.00	\$27.02	\$0.98	\$28.00	\$27.02	\$0.98	\$28.00
Bin cleaning, per container	\$27.02	\$0.98	\$28.00	\$27.02	\$0.98	\$28.00	\$27.02	\$0.98	\$28.00	\$27.02	\$0.98	\$28.00
Cart customer extra recycling, per 90 gal. container per mo. ¹⁵	\$5.41	\$0.20	\$5.61	\$5.41	\$0.20	\$5.61	\$11.89	\$0.43	\$12.32	\$27.02	\$0.98	\$28.00
Bin customer extra recycling, per CY per mo. ¹⁵	\$21.61	\$0.79	\$22.40	\$21.61	\$0.79	\$22.40	\$21.61	\$0.79	\$22.40	\$21.61	\$0.79	\$22.40
Overfilled and Contaminated Containers:												
Overfilled trash, recycling or organics cart, per event	\$15.81	\$0.58	\$16.39	\$15.81	\$0.58	\$16.39	\$26.37	\$0.96	\$27.33	\$26.37	\$0.96	\$27.33

ESAP AGREEMENT EXHIBIT D-2-2023
SCHEDULE OF MAXIMUM SPECIAL SERVICE RATES¹
Adjusted for CPI Increase **July 1, 2023**

Service Description	ZONE 1			ZONE 2A EXISTING / ZONE 2A NEW			ZONE 2B			ZONE 3A / ZONE 3B		
	Current Rate 7/1/2022	CPI Rate Adjustment 3.639%	New Rate 7/1/2023	Current Rate 7/1/2022	CPI Rate Adjustment 3.639%	New Rate 7/1/2023	Current Rate 7/1/2022	CPI Rate Adjustment 3.639%	New Rate 7/1/2023	Current Rate 7/1/2022	CPI Rate Adjustment 3.639%	New Rate 7/1/2023
Overfilled and Contaminated Containers (Cont'd.):												
Overfilled trash, recycling or organics bin, per event per cubic yard	\$15.81	\$0.58	\$16.39	\$15.81	\$0.58	\$16.39	\$31.64	\$1.15	\$32.79	\$31.64	\$1.15	\$32.79
Contaminated recycling or organics cart, serviced same day ¹⁶	\$21.09	\$0.77	\$21.86	\$26.37	\$0.96	\$27.33	\$21.09	\$0.77	\$21.86	\$26.37	\$0.96	\$27.33
Contaminated recycling or organics bin, serviced same day ¹⁶	\$21.09	\$0.77	\$21.86	\$26.37	\$0.96	\$27.33	\$31.64	\$1.15	\$32.79	\$36.90	\$1.34	\$38.24
Contaminated recycling or organics cart, serviced next day ¹⁶	\$31.64	\$1.15	\$32.79	\$31.64	\$1.15	\$32.79	\$26.37	\$0.96	\$27.33	\$36.90	\$1.34	\$38.24
Contaminated recycling or organics bin, serviced next day ^{16,17}	\$26.37	\$0.96	\$27.33	\$26.37	\$0.96	\$27.33	\$42.18/\$5.28	\$1.53/\$0.19	\$43.71/\$5.47	\$58.00/\$5.28	\$2.11/\$0.19	\$60.11/\$5.47
Miscellaneous Fees and Surcharges:												
Green waste collection (in Zone 2b)	N/A			N/A			NS			N/A		
Resume/Reactivation Fee per event	\$25.00			\$25.00			\$25.00			\$25.00		
Late Fee per mo.	\$3.00			\$3.00			\$3.00			\$3.00		
Interest on Unpaid Late Balance, % or min./mo.	1.5% or \$3/mo			1.5% or \$3/mo			1.5% or \$3/mo			1.5% or \$3/mo		
Elevation surcharge above 4,000 foot elevation ¹⁸	N/A			N/A			N/A			<u>up to</u> 40% surcharge		
Off-Road surcharge ¹⁹	N/A			N/A			N/A			<u>up to</u> 15% surcharge		

Legend:

wk. = week; mo. = month; gal. = gallon; CY = cubic yard;
N/A = blacked out; min. = minimum payment;
NS = Not submitted (Contractor may negotiate price directly with Customer)

Notes for Special Services:

1. Haulers are required to pay all fees and Surcharges. Existing fees and Surcharges include:
 - a. AB 939 Service Fee equal to three percent (3%) of Rate Revenues for the first and second year and an AB 939 Service Fee equal to four percent (4%) of Rate Revenues for the third and all subsequent years of the Extension Term.
 - b. Hauler shall pay the COUNTY Solid Waste Surcharges, for Solid Waste generated in the COUNTY, which as of the date of execution of this Agreement are currently in the the COUNTY, which as of the date of execution of this Agreement are currently in the following amounts:
 - Southeast Regional (SER) Surcharge. Three Dollars and Fifty Cents (\$3.50) per-ton closure/post-closure maintenance fee for Solid Waste generated and collected within the Southeast Regional Solid Waste Commission Area as identified in Fresno County Ordinance Code Section 8.20.035; and
 - Solid Waste Management Program Activities (SWMPA) Surcharge. Three Dollars and Forty-One Cents (\$3.41) per-ton surcharge for Solid Waste management program activities (NOTE: this surcharge is incorporated into American Avenue Landfill tipping fee).

As provided in Section 7.2.C, each rate will be adjusted annually by 75 percent (75%) of the CPI for Cart Rates, 65 percent (65%) of the CPI for Bin Rates and 65 percent (65%) of the CPI for all other Special Service rates.

2. "Additional Container Pickup" charge is allowed when the Customer requires the CONTRACTOR to empty containers above and beyond the number of containers that the Customer subscribes to. CONTRACTORS may not charge the same rate (as the first container) to empty additional containers if they are already on site at the service location (home or business location).
3. "Late Set Out Pickup" charge is allowed when the Customer requires the CONTRACTOR to return to the service location to empty a container on same day as regular service due to late set out of the container by the Customer, if hauler is still in the area.

Notes for Special Services (Cont'd.):

4. Extra Day Pickup charge is allowed when the Customer requires the CONTRACTOR to empty the container on a different day other than the regular service day.
5. **The following notes apply to Granite Solid Waste, Inc. Customers Only:**
 - a. Winter surcharge for customers above 4,000 foot elevation for the winter months of November through March to be charged at an additional 20% of the monthly rate for both residential and commercial customers.
 - b. Winter Surcharge for Home Owners Associations that use cart service from May through October to be charged \$2.00 per cart per month for carts not being used from November through April.
 - c. 30-gal carts for the elderly will be negotiated between the hauler and the resident.
6. **The following notes apply to Western Solid Waste Customers Only:**
 - a. Furniture & Appliances: Prices will be determined by item depending on weight and density.
7. Side yard charge is allowed when the Customer requires the driver to empty a container that is more than 10 feet from where the collection vehicle has access to the service location (such as a curb or enclosure at the home or business).
8. Service charges for key/code, enclosure access, gate service, long walk, and under 0.25 mile drive-in are noncumulative charges. Customers requiring two or more of these special services shall be billed as a maximum access rate per month, as specified in the rate schedule above.
9. "Key or code charge" is allowed when the Customer requires the driver to carry a key and unlock a lock to empty the container. Key or code charges do not apply if a Customer's lock is left in the unlocked position.
10. "Enclosure charge" is allowed when the Customer requires that the driver remove a container from an enclosure to empty it and replace it when emptied.
11. "Gate service charge" is allowed when the Customer requires the driver to open a closed or locked gate in order to empty a container.
12. "Drive-in charge" is allowed when the Customer requires the CONTRACTOR to drive up long driveways (in excess of 40 feet up to 0.25 mile) to empty a container. Over 0.25 mile negotiated between customer and hauler.
13. "Cart or bin switch" charges are allowed when a Customer requests a change in the size of a cart or bin more than once per year per container. All Customers may switch the size of any cart or bin once per year without charge.
14. "Replacement of damaged" a charge is allowed when a Customer requires the replacement of a cart that was accidentally damaged by Customer or due to Customer negligence. The replacement charge shall be at a flat rate for a cart of any size (30, 60 or 90 gallons) due to Customer negligence. CONTRACTOR shall replace any cart which is stolen or becomes unusable by reason of normal wear and tear or damage by Collection operations at no charge for the replacement during any twelve (12)-month period.
15. All Bin Customers are eligible for recycling collection services equal to the amount of solid waste collection services that they subscribe to at no extra charge. All Cart Customers are eligible for up to 90 gallons of recycling collection service at no extra charge regardless of their level of solid waste collection service (30, 60 or 90 gallons). CONTRACTOR may charge for recycling collection services in excess of the equivalent amount of solid waste collection services that a customer subscribes to (e.g., if the customer subscribes to 1 CY of solid waste collection and would like 2 CY of recycling collection, the Customer would receive 1 CY yard of recycling collection at no extra charge and the CONTRACTOR may charge for 1 CY of recycling collection).
16. Overfilled container and contamination special service rates may be imposed upon following the process indicated in Exhibit B, Section 6 of the ESAP Agreement.
17. For contaminated recycling and organics containers serviced next day, the rate in Zones 2b and 3 are structured as a base charge for the first cubic yard, plus an additional charge per cubic yard thereafter.
18. Elevation Surcharge for Customers above 4,000 foot elevation.
19. Off road surcharge for Customers on roads that are not improved, roads that are not maintained (such as dirt, gravel and/or paved, non-County roads), and/or easement roads.

END OF EXHIBIT D-2-2023

**EXHIBIT L-2023
SUPPLEMENTAL INFLATION MITIGATION SURCHARGE**

1) QUARTERLY CALCULATION OF RECYCLING COMPONENT

RECYCLING COMPONENT = (Recycling Tonnage Collected - CRV Tonnage) X Net Market Value of Recyclables ÷ ESAP Revenues

EXAMPLE CALCULATION

	Step/Data Point	Calculation
A	Recycling Tonnage Collected ¹	4,171
B	Adjusted Tonnage (Recycling Tonnage - CRV Tonnage) ²	4,014
C	Net Market Value of Recyclables, per ton ^{3,4}	-\$56.00*
D	Total Net Market Value of Recyclables (B X C)	-\$224,784
E	ESAP Revenues for preceding reporting period ⁵	\$6,229,726
F	Recycling Component (D) ÷ (E)	3.61%

Example: Zone 1 90 Gallon Cart

Base Rate		Recycling Component
\$43.41	X	3.61%
	=	\$1.57

- "Recycling Tonnage Reported" is defined as the total number of tons of recyclables collected by ESAP Haulers in a given quarter, and is derived from data provided in haulers' quarterly reports submitted to the County pursuant to Sections 6.3 and 8.2 of the ESAP Agreement.
- CRV means California Redemption Value. CRV was established in 1987 under the California Beverage Container Recycling and Litter Reduction Act, and provides a monetary incentive per qualifying beverage bottle or can, or on a per pound basis. CRV provides marginal revenue to Material Recovery Facilities, and thus CRV Tonnage is deducted from the calculation to show the net tonnage subject to the fluctuations in the recyclable commodities market.
- *Net Market Value of Recyclables, per ton (C) is calculated as follows: **3 Month Average of ((Weighted Value of Mixed Paper/ton**) + (Weighted Value of OCC/ton**)) = Net Market Value of Recyclables/ton**
- Weighted Values of mixed paper and Old Corrugated Containers (OCC) are derived from the recycled fiber market index (PPI Recovered Paper – Export Market Index, Mixed Paper & Old Corrugated Containers (OCC), Los Angeles and/or San Francisco/Oakland commodity designation), and related processing costs.
- ESAP Revenue is defined as the total revenue earned by ESAP Haulers in a given quarter, and is derived from data provided in haulers' quarterly reports submitted to the County pursuant to Sections 6.3 and 8.2 of the ESAP Agreement.

2) QUARTERLY CALCULATION OF FUEL COMPONENT

EXAMPLE CALCULATION

Step 1a: Calculate fuel expense as a percentage of rate revenues

Zones 1, 2A, and 2B

Fuel Exp	÷	Revenue
\$1,764,763.90	÷	\$22,301,287.62
	=	0.07913
	=	7.913%

Zones 3A and 3B

Fuel Exp	÷	Revenue
\$778,349.20	÷	\$6,940,834.44
	=	0.11214058
	=	11.214%

Step 1b: Calculate the portion of the base rate that accounts for fuel expense

Zones 1, 2A, and 2B

Example: Zone 1 90 Gallon Cart

Base Rate		Fuel Exp Percentage
\$43.41	X	7.913%
	=	\$3.44

Zones 3A and 3B

Example: Zone 3 90 Gallon Cart

Base Rate		Fuel Exp Percentage
\$57.29	X	11.214%
	=	\$6.42

Step 2: Calculate the change (as a percentage) in year over year quarterly values in the Producer Price Index (PPI) Commodity Data Report Series for No. 2 Diesel Fuel (Source: <https://data.bls.gov/cgi-bin/surveymost?wp>)

**PPI Commodity Data
Original Data Value**

Series Id: WPU057303
Not Seasonally Adjusted

Series Title: PPI Commodity data for Fuels and related products and power-No. 2 diesel fuel,
Group: Fuels and related products and power
Item: No. 2 diesel fuel
Base Date: 98200
Years: 2012 to 2022

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2012	322.0	329.2	344.3	339.4	325.8	295.4	298.7	324.1	342.4	351.0	323.8	317.4
2013	318.9	342.4	321.0	318.3	307.7	304.8	311.6	319.3	328.0	318.4	307.0	314.7
2014	308.5	322.0	318.1	318.7	316.5	308.8	307.8	306.9	302.3	283.4	272.3	229.9
2015	182.6	191.5	193.1	183.8	202.6	198.7	194.0	189.2	169.4	173.5	167.4	130.8
2016	119.2	113.4	119.4	123.6	144.4	155.4	157.6	149.8	163.1	159.7	157.0	158.8
2017	161.1	163.5	161.3	162.9	173.6	171.5	179.6	188.9	204.2	213.5	223.7	223.8
2018	229.4	226.5	224.8	231.8	251.1	261.4	256.9	254.3	262.5	271.7	264.8	232.7
2019	201.1	218.3	239.3	237.7	235.0	204.4	220.0	207.2	218.4	220.5	223.1	231.1
2020	214.5	193.3	169.7	123.6	108.3	137.8	179.2	191.0	177.5	187.3	201.1	224.6
2021	232.9	264.4	304.1	282.0	318.8	317.8	326.966	322.279	334.175	374.107	366.731	346.234
2022	365.449	415.354	503.052	528.256	587.939	665.654	572.122	495.519	554.486			
								2022-Q3	540.709			
								2021-Q3	327.807			
								Q-Change	212.902			
								Q-Change (%)	64.947%			

**EXHIBIT L-2023
SUPPLEMENTAL INFLATION MITIGATION SURCHARGE (CONT'D.)**

Step 3: Calculate the Fuel Component (in dollars and cents)

Zones 1, 2A, and 2B

Example: Zone 1 90 Gallon Cart

$$\begin{array}{rcl} \text{Fuel Exp (\$)} & & \text{PPI Change (\%)} \\ \$3.44 & \times & 64.947\% \\ & = & \mathbf{\$2.23} \end{array}$$

Zones 3A and 3B

Example: Zone 3 90 Gallon Cart

$$\begin{array}{rcl} \text{Fuel Exp (\$)} & & \text{PPI Change (\%)} \\ \$6.42 & \times & 64.947\% \\ & = & \mathbf{\$4.17} \end{array}$$

3) Apply the Recycling and Fuel Components to the Base Rate

Zones 1, 2A, and 2B

Example: Zone 1 90 Gallon Cart

$$\begin{array}{rclclcl} \text{Base Rate} & & \text{Recycling Comp} & & \text{Fuel Comp} & & \\ \$43.41 & + & \$1.57 & + & \$2.23 & = & \mathbf{\$47.21} \end{array}$$

Zones 3A and 3B

Example: Zone 3 90 Gallon Cart

$$\begin{array}{rclclcl} \text{Base Rate} & & \text{Recycling Comp} & & \text{Fuel Comp} & & \\ \$57.29 & + & \$1.57 & + & \$4.17 & = & \mathbf{\$63.03} \end{array}$$

4) Timeline of Recycling Surcharge Calculation and Effective Date:

	Reporting Period End Date	Quarterly SIMS Effective Date	Quarterly SIMS End Date
1	June 30, 2023	October 1, 2023	December 31, 2023
2	September 30, 2023	January 1, 2024	March 31, 2024
3	December 31, 2023	April 1, 2024	June 30, 2024
4	March 31, 2024	July 1, 2024	September 30, 2024
5	June 30, 2024	October 1, 2024	December 31, 2024
6	September 30, 2024	January 1, 2025	March 31, 2025
7	December 31, 2024	April 1, 2025	June 30, 2025
8	March 31, 2025	July 1, 2025	September 30, 2025
9	June 30, 2025	October 1, 2025	December 31, 2025
10	September 30, 2025	January 1, 2026	March 31, 2026
11	December 31, 2025	April 1, 2026	June 30, 2026
12	March 31, 2026	July 1, 2026	September 30, 2026