

2020 EXHIBIT D DEFINITIONS

For the purposes of this Franchise Agreement, the following terms, when used with initial capitalization, shall have the meanings set forth in this Section:

- (a) AB 939. "AB 939" means the California Integrated Waste Management Act of 1989, beginning at Public Resources Code Sections 40000 et seq., as it may be amended from time to time.
- (b) AB 341. "AB 341" (Chapter 476, Statutes of 2011) means the Assembly Bill that set forth the initial requirements of the statewide mandatory commercial recycling program, as it may be amended from time to time.
- (c) AB 1826. "AB 1826" means the Organic Waste Recycling Act of 2014 (Chapter 727, Statutes of 2014, modifying Division 30 of the California Public Resources Code), as it may be amended from time to time.
- (d) BOARD. "Board" means the San Bernardino County Board of Supervisors.
- (e) BULKY WASTE. "Bulky Waste" means discarded furniture (including but not limited to chairs, sofas, mattresses, and rugs); appliances (including but not limited to refrigerators, ranges, washers, dryers, water heaters, dishwashers, plumbing, small household appliances, and other similar items, commonly known as "white goods") ; discarded stereos, televisions , computers, VCR's, and other similar items (commonly known as "Electronic- Waste"); wood waste , tree trunks and large branches if more than six inches in diameter or four feet in length, scrap wood, rocks, sod and earth. Bulky Waste does not include construction and demolition waste, or large items such as car bodies, Jacuzzi tubs or spas, or other items that cannot be handled by two persons. In addition, Bulky Waste does not include waste tires.
- (f) CHANGE IN LAW. "Change in Law" means the imposition (or removal), after the establishment of a Total Rate relative to a Franchise Agreement , of any duty or burden imposed upon the Grantee in the performance of the Solid Waste Handling services required of it under its Franchise Agreement which is or becomes additional to (or is subtracted from) or different from those duties required or contemplated in its Franchise Agreement, or which must be performed in a different manner from that in which it is initially contemplated to be performed, and which results from any of the following:
 - (1) The enactment, issuance, adoption, repeal, amendment or modification of any federal, state or local law, statute, ordinance or regulation.
 - (2) A regulatory agency or other administrative agency interpreting a regulation, a judicial decision of a federal court interpreting federal law or statute, or a judicial decision of a court having jurisdiction within California interpreting a federal, state or local law, statute, ordinance or regulation, in a manner different from the interpretation which had previously been generally relied upon in California within the solid waste collection and hauling industry.

Change in Law does not include any of the items noted in sub-subsections (1) or (2) above, which relate to any tax, [other than a business license tax imposed by the County on a Grantee's performance of Solid Waste Handling services under its Franchise Agreement] including without limit, any tax based or measured on net or gross income, any business, payroll or franchise tax or any employment tax.

- (g) CHANGE IN LAW ADJUSTMENT. "Change in Law Adjustment" means the adjustment to Total Rate as determined under the provisions of Section 13.2(g) of this Agreement.
- (h) CHANGE IN OWNERSHIP. "Change in Ownership" occurs when either a single transaction or event or the cumulative effect of more than one transaction or event, results in fifty percent (50%) or more of the beneficial ownership of the Grantee being different than such ownership as of the date of the approval by the County of the Franchise Agreement or, if applicable, as of the date of the most recent consent of the County to a Change in Ownership. The owners of the beneficial ownership of Grantee on the date of the approval of the Franchise Agreement or, if applicable, on the date of the most recent consent of the County to a Change in Ownership, shall be referred to in this subsection as an "Initial Owner". A Change in Ownership will be determined by application of the following:
 - (1) Any beneficial interest owned by an individual related by blood or marriage to an Initial Owner shall be considered as owned by an Initial Owner in determining if a Change in Ownership has occurred.
 - (2) Any public offering of stock where the stock is offered for sale to the general public and does not constitute a private placement shall be disregarded in determining if a Change in Ownership has occurred.
 - (3) Sales, transfers, issuances or pledges of non-voting shares of stock will not be considered in determining if a Change in Ownership has occurred, until and unless and only to the extent that such stock is converted into voting shares of stock.
 - (4) The pledge of, or any other action taken relative to, voting shares of stock which results in any voting rights of such stock being exercised by other than an Initial Owner shall be considered to be a transfer of such stock for the purposes of determining if a Change in Ownership has occurred.
- (i) CHANGE IN SERVICE LEVEL ADJUSTMENT. "Change in Service Level Adjustment" means the adjustment to Total Rate in the event of a change in service level and as described in the Franchise Agreement.
- (j) COMPOSTING. "Composting" means the separation of Organic Waste from the waste stream for controlled decomposition.
- (k) CONSUMER PRICE INDEX. "Consumer Price Index" or "CPI" means the Consumer Price Index – All Urban Consumers, Los Angeles-Long Beach-Anaheim, CA, all items less food and energy, CUURS49ASAOLE.

- (l) COUNTY. "County" means the County of San Bernardino, State of California.
- (m) COUNTY SOLID WASTE DISPOSAL SYSTEM. "County Solid Waste Disposal System" means at any particular time, the then-existing Landfill Disposal Facilities which the County owns, leases or has a contractual right to use.
- (n) DEPARTMENT OF PUBLIC HEALTH, DIVISION OF ENVIRONMENTAL HEALTH SERVICES. "Department of Public Health, Division of Environmental Health Services" means the County division of that name or such County department, division or office which is the successor thereto.
- (o) DIRECTOR. "Director" means the Director of the Department of Public Works or the designee of such individual.
- (p) DIVISION. "Division" means the County Department of Public Works Solid Waste Management Division or such County department, division or office which is the successor thereto.
- (q) EFFECTIVE DATE. "Effective Date" means July 1, 2009.
- (r) ELECTRONIC WASTE. "Electronic Waste" for purposes of this Agreement means electronic waste materials generated by residential or commercial Subscribers that render the items hazardous depending upon their condition and density, such as, but not limited to, televisions, computer monitors containing Cathode Ray Tubes (CRTs), cell phones, scanners, fax machines and other items as determined by applicable laws and regulations.
- (s) FOOD WASTE. "Food Waste" means all kitchen and table food scraps; animal or vegetable waste that is generated during or results from the storage, preparation, cooking or handling of food stuffs; discarded food-soiled compostable paper waste that is mixed in with Food Waste; fruit waste, grain waste, dairy waste, meat, and fish waste which may or may not have been source separated from other Solid Waste. Food Waste is a subset of Organic Waste.
- (t) FRANCHISE AGREEMENT. "Franchise Agreement" means the Agreement entered into between the County and the Grantee under the provisions of County Code section 46.0301 which authorizes/requires the Grantee to provide Solid Waste Handling services in a specified Franchise Area.
- (u) FRANCHISE AREA. "Franchise Area" means the geographic territory in the Unincorporated County for which the Grantee has been granted a franchise to provide Solid Waste Handling services, as specified in each Franchise Agreement.
- (v) FRANCHISE FEE. "Franchise Fee" means the fee paid to the County by the Grantee in consideration of the granting of a franchise pursuant to County Code Section 46.0101 et seq.
- (w) GRANTEE. "Grantee" means a Person granted a franchise pursuant to a Franchise Agreement.

- (x) GREEN WASTE. "Green Waste" means discarded Solid Waste consisting of grass clippings, leaves, branches, tree trunks and other vegetative matter not more than six (6) inches in diameter or four (4) feet in length.
- (y) GROSS RECEIPTS. "Gross Receipts" means all monies received by Grantee for providing the Solid Waste Handling services specified in its Franchise Agreement.
- (z) GROSS RECEIPTS LESS DISPOSAL CHARGES. "Gross Receipts Less Disposal Charges" means Gross Receipts less that part of the monies received by the Grantee that are collected from Subscribers for payment of the fee imposed for disposing of the Solid Waste at a Landfill Disposal Facility and the fee imposed for Other Operations.
- (aa) GROSS RECEIPTS FOR COMMERCIAL FOOD WASTE SERVICE. "Gross Receipts for Commercial Food Waste Service" means all monies received by Grantee for providing the Food Waste handling services specified in its Franchise Agreement.
- (bb) GROSS RECEIPTS FOR COMMERCIAL FOOD WASTE SERVICE LESS PROCESSING COSTS. "Gross Receipts For Commercial Food Waste Service Less Processing Costs" means Gross Receipts for Commercial Food Waste Service less that part of the monies received by the Grantee that are collected from Subscribers for payment of the fee imposed for Processing of the Food Waste at an Organic Waste Processing Facility.
- (cc) HAZARDOUS WASTE. "Hazardous Waste" means any waste or mixture of waste which is toxic, corrosive, flammable, an irritant, a strong sensitizer, or which generates pressure through decomposition, heat or other means, if such waste or mixture of waste may cause substantial personal injury, serious illness or harm to humans, domestic animals or wildlife during or as a proximate result of any disposal of such waste or mixture of wastes as defined in California Health and Safety Code section 25117 and California Code of Regulations, Title 22, section 66261.3. The terms "toxic," "corrosive," "flammable," "irritant," and "strong sensitizer" shall be given the same meaning as in the California Hazardous Substances Act (Health and Safety Code Sections 108100 et seq.).
- (dd) HEALTH AND SAFETY PERMIT. "Health and Safety Permit" means a current permit issued by the Department of Public Health, Division of Environmental Health Services to a refuse collection operator, garbage hauler or nondomestic waste hauler (all as defined in Section 33.0802 of the County Code), in accordance with Title 14 of the California Code of Regulations and Title 3 of the County Code. The Health and Safety Permit evidences, for a specified period of time, the health and safety inspection and the approval of vehicles, facilities and equipment utilized by a refuse collection operator, garbage hauler or nondomestic waste hauler.
- (ee) LANDFILL DISPOSAL FACILITY. "Landfill Disposal Facility" means any COUNTY owned/operated facility that is designed to manage any type of Solid Waste and includes, but is not limited to, disposal, transfer, Processing, Composting and Transformation.
- (ff) LANDFILL DISPOSAL FACILITY FEE. "Landfill Disposal Facility Fee" means the fee charged for use of a Landfill Disposal Facility.

- (gg) MATERIALS RECOVERY FACILITY. "Materials Recovery Facility" or "MRF" means a facility designed to remove Recyclables and other valuable materials from the waste stream collected through a residential, commercial or industrial Solid Waste Handling program that is approved to operate by the appropriate state and local agencies.
- (hh) MULTI-JURISDICTION LOAD REPORT. "Multi-Jurisdiction Load Report" means a report which sets out the amount, and place of collection, of Solid Waste delivered to the Landfill Disposal Facility.
- (ii) ONSITE WASTE ASSESSMENT. "Onsite Waste Assessment" means an in-person visit by the Grantee to a customer to collect and evaluate information on the types and quantities of Solid Waste generated by the customer, as well as identify opportunities for additional Processing of Solid Waste. At a minimum, the Grantee will perform the tasks described in the Franchise Agreement.
- (jj) ORGANIC WASTE. "Organic Waste" means Food Waste, Green Waste, landscape and pruning waste, nonhazardous wood waste, and food-soiled paper waste that is mixed in with Food Waste, collectively or individually.
- (kk) ORGANIC WASTE HANDLING SERVICES. "Organic Waste Handling Service" means: (1) the collection of Organic Waste from a commercial, residential, construction or industrial source; and (2) the transportation of such Organic Waste to an Organic Waste Processing Facility.
- (ll) ORGANIC WASTE PROCESSING FACILITY. "Organic Waste Processing Facility" means a permitted facility where Organic Waste is sorted, mulched or separated for the purposes of recycling, reuse or Composting.
- (mm) ORGANIC WASTE PROCESSING FACILITY FEE. "Organic Waste Processing Facility Fee" means the fee charged for use of an Organic Waste Processing Facility.
- (nn) OTHER OPERATIONS. "Other Operations" means all operational cost categories that are not included in fuel, service and landfill disposal; "Other Operations" may include, but are not limited to, non-County facilities for transfer, Processing, Composting and Transformation.
- (oo) PERSON. "Person" means, without limitation, individuals, associations, clubs, societies, firms, partnerships, joint ventures, sole proprietorships, corporations, limited liability companies, schools, colleges and all governmental agencies and entities.
- (pp) PROCESSING. "Processing" means the reduction, separation, recovery, conversion or recycling of Solid Waste.
- (qq) RECYCLABLES. "Recyclables" for purposes of County Code Section 46.0101 et seq. only, means discarded Solid Waste which may be sorted, cleansed, treated, processed, and/or reconstituted, and which is segregated for the purpose of reuse or recycling, including, but not limited to, separated paper, glass, cardboard, plastic, ferrous materials or aluminum.

- (rr) REFUSE COLLECTION AREA. "Refuse Collection Area" means that area of the Unincorporated County as provided for in Article 2.1 of Chapter 8 of Division 3 of Title 3 of the County Code.
- (ss) RESIDUAL SOLID WASTE. "Residual Solid Waste" means the Solid Waste destined for disposal, Transformation, further transfer/Processing as defined in California Code of Regulations, Title 14, section 17402(a)(30) or (31), as it currently exists or may be amended, which remains after Processing has taken place.
- (uu) SECURITY. "Security" means a corporate surety bond, a letter of credit or other security device acceptable to the Division, as described in the Franchise Agreement and County Code Section 46.0904.
- (vv) SOLID WASTE. "Solid Waste" means, except as provided in sub-subsections (1), (2), (3) and (4), all putrescible and nonputrescible solid, semisolid, and liquid wastes, including garbage, trash, refuse, paper, rubbish, ashes, industrial wastes, demolition and construction wastes, abandoned vehicles and parts thereof, discarded home and industrial appliances (subject to salvage and other special handling requirements under applicable law and regulation), dewatered, treated, or chemically fixed sewage sludge which is not Hazardous Waste, manure, vegetable or animal solid and semisolid wastes, and other discarded solid and semisolid wastes, including Recyclables and Organic Waste.
- (1) Solid Waste does not include Hazardous Waste and does not include low-level radioactive waste regulated under Health and Safety Code Sections 114960 et seq., as it currently exists or may be amended.
 - (2) "Solid Waste" does not include medical waste (except treated medical waste) which is regulated pursuant to the Medical Waste Management Act under Health and Safety Code Sections 117600 et seq., as it currently exists or may be amended.
 - (3) Solid Waste does not include petroleum or a petroleum product or fraction thereof at reasonably detectable levels, asbestos and, with respect to a particular Landfill Disposal Facility, any waste or material which a regulatory agency, the facility's solid waste facility permit or County policy, does not allow to be accepted for transfer, Processing, Composting, Transformation or disposal at that facility.
 - (4) Solid Waste does not include items which would be considered Recyclables but for the fact that they are personally separated from other Solid Waste by the generator thereof and are donated or sold to third parties. For purposes of County Code Section 46.0101 et seq., no donation or sale shall be deemed to have occurred in any instance where a generator directly or indirectly pays the third party any sum regardless of form or amount (including without limit as a consulting fee, container rental or other fees or tangible consideration) either: (i) in lieu of being directly charged for collecting, transporting, Processing or recycling such item; or (ii) to offset the payment to the generator for the purported sale of such item to the third party. Nor shall the receipt of a discount of, or reduction in, the disposal service rate on un-segregated Solid Waste containing such an item which would be Recyclables, if separated, be deemed to be the donation or sale of such an item to a third party.

- (ww) SOLID WASTE HANDLING. "Solid Waste Handling" means the following: (1) the collection of Solid Waste from a commercial, residential, construction or industrial source; (2) the transportation of such Solid Waste to a Solid Waste facility; and (3) the Processing, Composting, Transformation or disposal of such Solid Waste at the Solid Waste facility. The specific Solid Waste Handling required of Grantee shall be specified in its Franchise Agreement.
- (xx) SUBSCRIBER. "Subscriber" means any Person receiving Solid Waste Handling services pursuant to a Franchise Agreement.
- (yy) TOTAL RATE. "Total Rate" means the inclusive rate schedule attached to each Franchise Agreement which provides the rates to be paid to Grantee by Subscribers in consideration of the Solid Waste Handling services provided by Grantee under its Franchise Agreement.
- (zz) TRANSFORMATION. "Transformation" shall have the same meaning as set forth in Public Resources Code Section 40201, as it may be amended from time to time.
- (aaa) UNIFORM HANDLING AREAS. "Uniform Handling Areas" means a Franchise Area, or a specified portion of a Franchise Area, in which Uniform Handling Service has been imposed, as specified in a Franchise Agreement.
- (bbb) UNIFORM HANDLING SERVICE. "Uniform Handling Service" means the mandatory subscription to Solid Waste Handling service required of owners of specified residential, multi-residential, and/or commercial units in a Uniform Handling Area.
- (ccc) UNINCORPORATED COUNTY. "Unincorporated County" means any community or other area within the County which is outside the boundaries of all incorporated cities and towns.
- (ddd) VISUAL WASTE AUDIT. "Visual Waste Audit" means an in-person visual inspection of Solid Waste containers to estimate and document the composition of Solid Waste placed in each container, and identify opportunities for Processing and contamination minimization.

2020 EXHIBIT E

Consisting of:

Exhibit E Rates

Exhibit E Attachment 1

EXHIBIT E

RATES

COMMERCIAL AND INDUSTRIAL RECYCLING RATES

Grantee is permitted to charge for commercial and industrial bin and roll-off recycling services at maximum rates not to exceed the rate established for collection of Solid Waste, as set forth in the Schedule of Approved Rates. In addition, the Division reserves the right to revise the maximum rate for commercial recycling at any level deemed reasonably appropriate by the Division for purposes of complying with AB 939 diversion goals throughout the term of this Agreement.

FOOD WASTE RATES

Commercial food waste rates have not been approved for CFA 17.

PROCEDURES FOR BILLING AND COLLECTION

The procedures for billing and collection of rates for services provided under the terms of this Agreement are provided as Attachment 1 to this Exhibit.

HARD-TO-SERVICE RATES

Grantee may request the Director or designee to designate certain accounts or portions of its Franchise Area as Hard-to-Service. Upon approval of the Director or designee, whose approval shall not be unreasonably withheld, Grantee may charge the Hard-to-Service Rates in this Exhibit. Criteria to be used in designating Hard-to-Service areas shall be established by the Director or designee.

SCHEDULE OF APPROVED RATES:

- 1. RESIDENTIAL COLLECTION;**
- 2. COMMERCIAL COLLECTION;**
- 3. BIN SERVICE;**
- 4. ETC.**

SWMD Franchise Agreement Exhibit E- Rates

2020 - 2021

Franchise Area Rates

| | |
|----------------------------|----------|
| County Franchise Area/Zone | 17 |
| Effective Date | 7/1/2020 |
| Jurisdiction | Big Bear |
| Subscription | X |
| Uniform | |

RESIDENTIAL BARREL SERVICE (adjusted as Residential)

| SERVICE CATEGORY | RATE |
|---------------------------------------|-------------------------|
| Barrels 3 (32) gallons | \$ 24.02 per month |
| Barrels 4 (32) gallons | \$ 32.20 per month |
| Barrels 5 (32) gallons | \$ 40.37 per month |
| Barrels 6 (32) gallons | \$ 48.47 per month |
| Extra Cart Refuse 95 Gal | \$ 9.44 per month |
| Extra Cart Recycling 65 Gal | \$ 3.64 per month |
| Extra Cart Greenwaste 95 Gal | \$ 6.57 per month |
| Bulky Item Pick Up up to 3 CY | \$ 92.47 per occurrence |
| Extra Pick Up (cans/bags per pick up) | \$ 1.81 per occurrence |
| Pine Needle Collection (per bag) | \$ 1.81 per bag |

| RATE ADJUSTMENT | |
|--------------------------------|---------|
| Residential | 2.9% |
| Commercial | 2.2% |
| Roll-off Operating Component | 2.8% |
| Roll-off Landfill Disposal | 0.0% |
| Roll-off Landfill Disposal/ton | \$59.94 |

RESIDENTIAL BIN SERVICE (adjusted as Residential)

| SERVICE CATEGORY | FREQUENCY (PER WEEK) | |
|------------------|----------------------|-----------|
| | 1X | 2X |
| REFUSE | | |
| 2 CY | \$ 88.66 | \$ 177.36 |
| 3 CY | \$ 130.92 | \$ 261.87 |
| 4 CY | \$ 171.57 | \$ 343.15 |
| RECYCLING | | |
| 2 CY | \$ 66.91 | |
| 3 CY | \$ 100.42 | |
| 4 CY | \$ 131.85 | |

RESIDENTIAL BIN SERVICE SPECIAL CHARGES (adjusted as Residential)

| SERVICE CATEGORY | RATE |
|----------------------------------|-------------------------|
| Exchange bins for cleaning | \$ 67.16 per occurrence |
| Locking Bin (One Time Charge) | \$ 64.64 per occurrence |
| Pull Out Service includes doors | \$ 5.05 per month |
| Set Up Fee includes bin delivery | \$ 64.48 per occurrence |

MULTI-FAMILY BIN SERVICE (adjusted as Residential)

| SERVICE CATEGORY | FREQUENCY (PER WEEK) | |
|------------------|----------------------|-----------|
| | 1X | 2X |
| REFUSE | | |
| 2 CY | \$ 77.08 | \$ 154.11 |
| 3 CY | \$ 115.67 | \$ 231.35 |
| 4 CY | \$ 154.11 | \$ 308.26 |
| RECYCLING | | |
| 2 CY | \$ 66.91 | |
| 3 CY | \$ 100.42 | |
| 4 CY | \$ 134.77 | |

MULTI-FAMILY BIN SERVICE SPECIAL CHARGES (adjusted as Residential)

| SERVICE CATEGORY | RATE |
|----------------------------------|-------------------------|
| Exchange bins for cleaning | \$ 67.16 per occurrence |
| Locking Bin (One Time Charge) | \$ 64.64 per occurrence |
| Pull Out Service includes doors | \$ 5.05 per month |
| Set Up Fee includes bin delivery | \$ 62.95 per occurrence |

COMMERCIAL BARREL SERVICE (adjusted as Commercial)

| SERVICE CATEGORY | RATE |
|------------------------|--------------------|
| Barrels 3 (32) gallons | \$ 34.89 per month |
| Barrels 4 (32) gallons | \$ 47.50 per month |
| Barrels 5 (32) gallons | \$ 60.01 per month |
| Barrels 6 (32) gallons | \$ 72.64 per month |
| Greenwaste | \$ 8.49 per month |

COMMERCIAL BIN SERVICE (adjusted as Commercial)

| SERVICE CATEGORY | FREQUENCY (PER WEEK) | | | | | |
|------------------|----------------------|-----------|-----------|-----------|-----------|-------------|
| | 1X | 2X | 3X | 4X | 5X | 6X |
| REFUSE | | | | | | |
| 2 CY | \$ 99.88 | \$ 199.74 | \$ 299.63 | \$ 399.49 | \$ 499.38 | \$ 599.26 |
| 3 CY | \$ 149.91 | \$ 299.83 | \$ 449.73 | \$ 599.64 | \$ 749.57 | \$ 899.48 |
| 4 CY | \$ 199.77 | \$ 399.55 | \$ 599.35 | \$ 799.14 | \$ 998.95 | \$ 1,198.73 |
| RECYCLING | | | | | | |
| 2 CY | \$ 64.31 | \$ 128.67 | | | | |
| 3 CY | \$ 96.54 | \$ 193.10 | | | | |
| 4 CY | \$ 128.63 | \$ 257.25 | | | | |

COMMERCIAL BIN SERVICE SPECIAL CHARGES (adjusted as Commercial)

| SERVICE CATEGORY | RATE |
|----------------------------------|-------------------------|
| Exchange bins for cleaning | \$ 64.59 per occurrence |
| Locking Bin (One Time Charge) | \$ 62.17 per occurrence |
| Pull Out Service includes doors | \$ 4.87 per month |
| Set Up Fee includes bin delivery | \$ 60.53 per occurrence |

ROLLOFF SERVICE

| SERVICE CATEGORY | MAXIMUM TONNAGE INCLUDED IN TOTAL RATE | SERVICE (1) | LANDFILL DISPOSAL FACILITY FEE (2) | | OTHER DISPOSAL FEE (3) | | TOTAL RATE |
|--------------------------|---|-------------|---------------------------------------|-----------|------------------------|-----------|------------|
| | | | PER TON | TOTAL FEE | PER TON (4) | TOTAL FEE | |
| REFUSE | | | | | | | |
| 10 CY box (up to 8 tons) | 8 | \$ 339.94 | \$ 59.94 | \$ 479.52 | | | \$ 819.46 |
| 30 CY box (up to 6 tons) | 6 | \$ 339.94 | \$ 59.94 | \$ 359.64 | | | \$ 699.58 |
| SPECIAL CHARGES | | | | | | | |
| Demurrage Fee | | \$ 5.98 | | | | | \$ 5.98 |

(1) Roll-off service is adjusted by the percentage change in the roll-off operating component.

(2) Landfill disposal facility fee is equal to the San Bernardino County Landfill gate rate multiplied by the maximum tonnage included in total rate.

(3) Other Disposal Fee is adjusted by the percentage change in the roll-off landfill disposal fee per ton.

(4) Other Disposal Fee per ton shown for information purposes; calculated by dividing total processing fee by the maximum tonnage.

EXHIBIT E ATTACHMENT 1

Residential and Commercial Billings

Grantee shall bill Single-Family Residential accounts on a quarterly basis in advance for regularly-scheduled collection services provided under this Agreement. Commercial accounts shall be billed on a monthly basis in advance for regularly-scheduled collection services provided under this Agreement. Grantee will bill for non-routine special services and charges upon the completion of the service. Payments will be due within thirty (30) days from the date of billing.

Industrial Billings

Grantee shall bill Industrial accounts on a monthly basis in arrears for regularly-scheduled collection services provided under this Agreement. Grantee will bill for non-routine special services or charges upon the completion of service. Payment will be due within thirty (30) days from the date of billing.

Delinquency and Suspension of Service

The following procedures apply in franchise areas that are not subject to Uniform Handling Service.

Grantee will provide an account with a notice of delinquency in the event of non-payment after forty-five (45) days from the date of a billing for single family residential accounts, and after thirty (30) days from the date billing for all other accounts. If payment is not received within thirty (30) days from the date of the notice of delinquency, Grantee may suspend collection service at the delinquent account until payment in full has been received, including any accrued interest, payment of a reactivation fee in the amount set forth in Exhibit E, and reimbursement of any NSF bank charges or other costs of collection. Grantee may charge interest on any delinquent account at the maximum rate allowed by law for such time as the bill remains unpaid after the due date, and a late fee of \$50.00, which may be increased annually by the CPI, per delinquent billing per account. Grantee's billings shall contain statements advising accounts of Grantee's right to charge interest on delinquent bills. Grantee will provide the Director or designee a list of delinquent accounts upon request.

Uniform Handling has not been approved by the Board for CFA 17.

2020 EXHIBIT G-5 - EXAMPLE RATE ADJUSTMENT FORMULA

CALCULATION FOR AVERAGE ANNUAL CHANGE IN PUBLISHED PRICE INDICES

Rate adjustment indices for fuel, service and other operations are calculated using the “average annual change” as demonstrated in the example below, measured for the twelve months ended the December before each rate adjustment, as compared to the twelve months ended the prior December.

The following example is for the Consumer Price Index for All Urban Consumers, Los Angeles-Long Beach-Anaheim, all items less energy index average that is used to adjust the service and/or other operations cost components. If a rate adjustment based on this CPI index were to be implemented as of July 1, 2020, the twelve-month average annual index for the 12 months ended December 2019 of 275.384 would have been the “New Index Value” to be used in Column B of the example rate adjustment formulas in Exhibits G-1 through G-4, and the twelve-month average annual index for the 12 months ended December 2018 of 267.261 would have been the “Old Index Value” in Column A. This would have resulted in a 3.0% increase to the service and/or other operations cost components in Column C.

Consumer Price Index – All Urban Consumers, Los Angeles-Long Beach-Anaheim, CA All items less energy, CUURS49ASA0LE

| Year | Jan | Feb | March | April | May | June | July | August | Sept | Oct | Nov | Dec | Average |
|------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| 2018 | 263.457 | 264.83 | 265.909 | 266.6 | 266.971 | 266.441 | 266.950 | 267.425 | 269.273 | 270.021 | 269.851 | 269.401 | 267.261 |
| 2019 | 271.869 | 271.996 | 273.189 | 274.505 | 274.798 | 275.518 | 275.897 | 276.331 | 277.256 | 278.028 | 278.051 | 277.171 | 275.384 |

Average Annual Change: **3.0%**

The diesel fuel index would be calculated in the same manner, using the monthly indices. The natural gas index would average the reports published in January, April, July and October of each year to determine the annual average. See examples below:

California No. 2 Diesel Ultra Low Sulfur (0-15 ppm) Retail Prices (Dollars per Gallon), U.S. Energy Information Administration

| Year | Jan | Feb | March | April | May | June | July | August | Sept | Oct | Nov | Dec | Average |
|------|-------|-------|-------|-------|-------|-------|-------|--------|-------|-------|-------|-------|---------|
| 2018 | 3.639 | 3.68 | 3.654 | 3.773 | 3.941 | 3.982 | 3.957 | 3.94 | 3.973 | 4.086 | 4.018 | 3.858 | 3.875 |
| 2019 | 3.753 | 3.734 | 3.789 | 3.953 | 4.128 | 4.035 | 3.949 | 3.906 | 3.923 | 3.985 | 4.003 | 3.902 | 3.922 |

Average Annual Change: **1.2%**

Natural Gas (CNG) Information Reported by Clean Cities, West Coast (Table 5 of Quarterly Report)

| Year | January Report | April Report | July Report | October Report | Average |
|------|----------------|--------------|-------------|----------------|---------|
| 2018 | \$2.45 | \$2.48 | \$2.47 | \$2.52 | \$2.48 |
| 2019 | \$2.47 | \$2.53 | \$2.53 | \$2.49 | \$2.51 |

Average Annual Change: **1.2%**

2020 EXHIBIT H-1 – Rate Adjustment Indices and Initial Cost Component Weightings

Residential and Commercial Rate Adjustment Indices and Initial Cost Component Weightings

| <u>Cost Category</u> | <u>Initial Weightings for 7/1/20 Rate Adjustment (2)</u> | | | <u>Rate Adjustment Factor for CFA 17 (1)</u> |
|----------------------|--|----------------------------------|----------------|--|
| | Residential (2) | Residential Landuse Fee Area (3) | Commercial (4) | |
| Landfill Disposal | 0.0% | | 24.6% | Non-WDA per ton disposal rate at the San Bernardino County Disposal System |
| Fuel | 5.6% | | 5.6% | Based on the fuel type used by the majority of the fleet that the Company operates in the franchise area, either: California No. 2 Diesel Ultra Low-Sulfur (0-15 ppm) Retail Prices (Dollars per Gallon), U.S. Energy Information Administration or Natural Gas (CNG) Information Reported by Clean Cities, West Coast (Table 5 of quarterly report). The average index for the calendar year shall be for the data printed in the reports dated in January, April, July, and October of each calendar year. |
| Service | 94.4% | | 69.8% | Consumer Price Index for All Urban Consumers (CUURS49ASA0LE), Los Angeles-Long Beach-Anaheim, CA, All items less energy index |
| Other Operations | 0.0% | | 0.0% | Consumer Price Index for All Urban Consumers (CUURS49ASA0LE), Los Angeles-Long Beach-Anaheim, CA, All items less energy index |
| Total | 100.0% | | 100.0% | |

(1) If an index is discontinued, see Section 13.2(a)5.

(2) “Residential” weightings will be applied to the following rate categories:

- CFAs 1-12: Residential Cart Rates (including extra carts and special charges)

(3) “Residential Landuse Fee Area” weightings will be applied to the following rate categories:

- CFAs 15-25: Residential Barrel Rates (including extra carts and special charges)
- CFAs 15-25: Residential Bin Rates* (including refuse, recycling, green waste and special charges)
- CFAs 15, 17, 18, 20, 21: Multi-family Bin Rates* (including refuse, recycling, green waste and special charges)

(4) “Commercial” weightings will be applied to the following rate categories:

- Commercial Barrel Rates (including recycling and special charges)
- Commercial Bin Rates (including refuse, recycling, green waste and special charges)
- CFAs 1-12: Residential Bin Rates* (including refuse, recycling, green waste and special charges)
- All CFAs except 15, 17, 18, 20, 21: Multi-family Bin Rates* (including refuse, recycling, green waste and special charges)

* Intent is that residential and multi-family bin rate categories in which refuse bins have a Landfill Disposal cost component are adjusted by the “commercial” rate adjustment weightings, and residential and multi-family bin rate categories in which refuse bins do not include a Landfill Disposal cost component are adjusted by the “residential landuse fee area” weightings.

2020 EXHIBIT H-2 – Rate Adjustment Indices and Initial Cost Component Weightings

Roll-off Box Service Rate Adjustment Indices and Initial Cost Component Weightings

| <u>Cost Category</u> | <u>Initial Weightings for 7/1/20 Rate Adjustment</u> | <u>Rate Adjustment Factor for CFA 17 (1)</u> |
|------------------------------------|--|--|
| Solid Waste Facility Fee Component | | |
| Landfill Disposal | 100% | Per ton disposal rate at the San Bernardino County Disposal System for Roll-Off Loads |
| Operating Component | | |
| Fuel | 8.8% | Based on the fuel type used by the majority of the fleet that the Company operates in the franchise area, either: California No. 2 Diesel Ultra Low-Sulfur (0-15 ppm) Retail Prices (Dollars per Gallon), U.S. Energy Information Administration or Natural Gas (CNG) Information Reported by Clean Cities, West Coast (Table 5 of quarterly report). The average index for the calendar year shall be for the data printed in the reports dated in January, April, July, and October of each calendar year. |
| Service | 91.2% | Consumer Price Index for All Urban Consumers (CUURS49ASA0LE), Los Angeles-Long Beach-Anaheim, CA, All items less energy index |
| Total | 100.0% | Total Operating Component |

(1) If an index is discontinued, see Section 13.2(a)5.

2020 EXHIBIT I

EXAMPLE FRANCHISE FEE CALCULATION

The following is an example of how to calculate franchise fees due.

| Customer Rate Categories ¹ | Gross Receipts | | Fuel % + Service % ⁶ | | Receipts Subject to Franchise Fee | | Franchise Fee | Franchise Fees Due |
|--|----------------|---|---------------------------------|---|-----------------------------------|---|---------------|--------------------|
| Residential – CFAs 1-12 (non-Landuse Fee areas) ² | \$100,000 | x | 5.7% + 59.9% = 65.6% | = | \$65,600 | x | 10% | \$6,560 |
| Residential – CFAs 16-25 (Landuse Fee areas) ³ | \$100,000 | x | 5.8% + 94.2% = 100% | = | \$100,000 | x | 10% | \$10,000 |
| Commercial (Excluding Food Waste) ⁴ | \$100,000 | x | 5.7% + 64.7% = 70.4% | = | \$70,400 | x | 10% | \$7,040 |
| Commercial Food Waste ⁵ | \$100,000 | x | 5.0% + 40.8% = 45.8% | = | \$45,800 | x | 10% | \$4,580 |
| Roll-Off Box Service – Gross Receipts net of Landfill Disposal Costs | | | | | \$20,000 | x | 10% | \$2,000 |
| Total Franchise Fees Due | | | | | | | | \$30,180 |

¹Not all haulers will have gross receipts in all categories.

²Includes gross receipts from CFAs 1-12 residential cart rates.

³Includes gross receipts from:

- CFAs 16-25: Residential Cart Rates
- CFAs 16-25: Residential Bin Rates
- CFAs 17, 18, 20, 21: Multi-family Bin Rates

⁴Includes gross receipts from:

- Commercial Barrel Rates (Excluding Food Waste)
- Commercial Bin (Excluding Food Waste)
- CFAs 1-12: Residential Bin Rates
- All CFAs except 17, 18, 20, 21: Multi-family Bin Rates

⁵Includes gross receipts from:

- Commercial Food Waste Barrel Rates
- Commercial Food Waste Bin Rates

⁶Use percentages from “Column O – Cost Components Reweighted to Equal 100%” of the “Exhibits G- 1, G-2, G-3 and G-6 – Example Rate Adjustment Formula.” The Fuel and Service weighting percentages represent the portion of Gross Receipts upon which Franchise Fees are assessed for residential and commercial gross receipts.