

# Desert Valley Disposal, Inc.

4690 East Mesquite Avenue  
P.O. Box 2720  
Palm Springs, California 92262  
760-329-5030

March 26, 2019

## Via Electronic Mail

Mr. Charles L. Maynard  
City Manager  
City of Desert Hot Springs  
65950 Pierson Boulevard  
Desert Hot Springs, California 92240

Dear Mr. Maynard:

Re: 2019 RATE ADJUSTMENT NOTICE

This is our Rate Adjustment Notice for rates for solid waste services effective July 1, 2019. The proposed rates are presented in the Franchise Agreement Attachment F Rate Schedule (included as Exhibit A).

We are requesting that the Rate Schedule and related matters be presented to the City Council for consideration according to the following schedule:

- On May 7, 2019:
  1. Approve Attachment F, Rate Schedule;
  2. Adopt a Resolution of Intention to levy a solid waste assessment on the property tax bill for residential premises receiving individual collection; and,
  3. Set June 4, 2019 as the public hearing for levy of a solid waste assessment.
- On June 4, 2019:
  1. Conduct the solid waste assessment public hearing; and,
  2. Accept the FY2019-20 Solid Waste Assessment Annual Report; and,
  3. Approve the proposed solid waste assessment levied on the property tax bill.

(Approving the Rate Schedule on May 7 will enable us to publish the rates 30-days in advance of their July 1, 2019 effective date.)

## 2019 RATE ADJUSTMENT

The 2019 Rate Adjustment provides for: (1) the annual CPI formula adjustment; (2) adjustment of tip fees; (3) adjustment for increases in recycling processing costs; (4) deleting documentation fees on cannabis waste (no longer required by the State); and (5) adding an option for use of a cart for green waste recycling.

### (1) CPI-U ADJUSTMENT

In accordance with the Franchise Agreement, the service, report, and waste diversion fee components of our rates are to be adjusted by the percentage change in the Consumer Price Index All Urban Consumers (CPI-U), February to February. The CPI-U change for 2019 is +2.508%.

Table 1 Change in CPI-U <sup>1</sup>	
Description	Value
CPI-U, February 2018	263.012
CPI-U, February 2019	269.608
Change	+6.596
% Change	+2.508%

[Computation:  $269.608 - 263.012 = 6.596$ ;  $6.596 \div 263.012 = .025079 = 2.508\%$ ]

### (2) TIP FEE ADJUSTMENTS

A component of the rates charged customers reflects the tip fees levied by facility operators for singular materials: (a) disposed waste; (b) green waste; (c) food waste and mixed organic waste; and (d) construction and demolition waste.

#### (a) Disposed Waste

Solid waste collected by DVD in Desert Hot Springs for disposal is delivered to the Edom Hill Transfer Station ("EHTS") for disposal in the County of Riverside waste management system.

The tipping fees charged at the EHTS fund the transfer and disposal of waste. The tipping fees are adjusted annually each July 1<sup>st</sup> according to the terms of the operating agreement between the County and the EHTS operator.

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<sup>1</sup> [https://www.bls.gov/regions/west/data/consumerpriceindex\\_losangeles\\_table.pdf](https://www.bls.gov/regions/west/data/consumerpriceindex_losangeles_table.pdf)

Effective July 1, 2019, the tipping fee for disposed waste will increase 3.113% from \$47.55 per ton to \$49.03 per ton. (Refer to Exhibit B.)

The Disposal Tip Fee component of the service rates reflected in the Rate Schedule, are to be adjusted by +3.113% (with the exception of the Disposal Tip Fee for green waste, food waste, mixed organic waste, and construction and demolition waste, which are discussed below).

(b) Green Waste

Green waste collected from commercial customers in Desert Hot Springs is delivered to the EHTS for processing into beneficial mulch.

Effective July 1, 2019, the tip fee for green waste services will increase 9.091% from \$44.00 to \$48.00 per ton. (Refer to Exhibit B.)

The Disposal Tip Fee component of the rates for commercial green waste diversion services reflected in the Rate Schedule, are to be adjusted by +9.091%.

(c) Food Waste & Mixed Organic Waste

Food Waste & Mixed Organic Waste collected from commercial customers in Desert Hot Springs is delivered to the Coachella Compost Facility for composting into a beneficial soil amendment.

Effective July 1, 2019, the tipping fee for food waste and mixed organic waste will increase 18.182% from \$55.00 to \$65.00 per ton. (Refer to Exhibit B.)

The Disposal Tip Fee component of the service rates for commercial food waste and mixed organic waste diversion reflected in the Rate Schedule, are to be adjusted by +18.182%.

(d) Construction & Demolition Waste

Construction & Demolition Waste collected from customers in Desert Hot Springs is delivered to Desert Recycling, Thousand Palms for processing into usable products.

Effective January 1, 2019, the tipping fee for mixed Construction and Demolition Waste will increase 25.000% from \$60.00 to \$75.00 per ton. (Refer to Exhibit C.)

The Disposal Tip Fee component of the service rates for mixed construction and demolition waste diversion reflected in the Rate Schedule, are to be adjusted by +18.182%.

(3) MIXED RECYCLING

The mixed recyclables collected by DVD from residential and commercial premises are also delivered to the EHTS for processing offsite before being shipped to market for recycling.

By letter dated January 21, 2019 the EHTS operator notified DVD that the processing fee for mixed recyclables will increase 133.429% from \$35.00 per ton to \$81.70 per ton effective July 1, 2019. The operator reports that the increase is needed to address the more stringent quality standards in the Asian market, loss of market, and declining commodity prices. (Refer to Exhibit B.) This situation and the associated cost are consistent with the experience in other communities Nationwide and from the reports of our industry associates.

Because the processing fee is tonnage based and increases at a rate different than the disposal tip fee, we compute the average amount of the rate adjustment based upon actual FY'18 tonnage and apply the increase to the service rate component after adjusting for the change in CPI.

(a) Residential & Commercial Cart Recycling Cost Adjustment.

In FY'18, DVD collected 2,502.19 tons of mixed recyclables from residential premises. Based upon FY'18 tonnage, the \$46.70 per ton processing fee increase will add \$116,852.27 to DVD's residential sector operating costs in FY'19.

Table 2 on the following page demonstrates that the recycling processing fee increase will add \$1.05 per month to the rates for Residential and Commercial cart service.

*(Continued on next page)*

Table 2 Allocation of Increased Recycling Cost to Residential & Commercial Cart Customers Effective July 1, 2019				
Metric	Total Cost	Total Customers	Annual Cost per Customer	Monthly Cost per Customer
Tons <sup>(1)</sup>	2,502.19			
Increase/ton <sup>(2)</sup>	<u>\$46.70</u>			
Total cost	\$116,852.27			
Units		SFR = 7,368 <sup>(3)</sup> MFR = 1,771 <sup>(3)</sup> CCart <sup>(4)</sup> = <u>112<sup>(3)</sup></u> 9,251		
Cost per			\$12.63 <sup>(5)</sup>	\$1.05 <sup>(6)</sup>

Table 2 Notes:

- (1) From DVD FY'18 Month End Diverted Material Report, Sept. 2018.
- (2) Processing fee increases \$46.70 per ton from \$35.00 to \$81.70 per ton.
- (3) From DVD FY'18 Month End Residential & Commercial Service Reports, Sept, 2018.
- (4) "CCart" means Commercial Cart service units.
- (5) [ $\$116,852.27 \div 9,251 = 12.63$ ].
- (6) [ $12.63 \div 12 = 1.053 = \$1.05$ ].

(b) Commercial Bin Recycling Cost Adjustment.

In FY'18, DVD collected 421.32 tons of mixed recyclables from commercial premises. Based upon FY'18 tonnage, the \$46.70 per ton processing fee increase will add \$19,675.64 to DVD commercial sector operating costs in FY'19.

Table 3 on the following page demonstrates that the recycling processing fee increase will add \$12.44 per month to the rates for weekly bin service.

(Continued on next page)

Table 3 Allocation of Increased Recycling Cost to Commercial Bin Customers Effective July 1, 2019				
Metric	Total Cost	Total FY'17 Weekly Bin Lifts	Cost per Weekly Bin Lift	Monthly Cost per Weekly Bin Pick-Up
Tons <sup>(1)</sup>	421.32			
Increase/ton <sup>(2)</sup>	\$46.70			
Total cost	\$19,675.64			
Units		572 <sup>(3)</sup>		
Cost per			\$2.87 <sup>(4)</sup>	\$12.44 <sup>(5)</sup>

Table 2 Notes:

- (1) From DVD FY'18 Diverted Material Report, Sept. 2018.
- (2) Processing fee increases \$46.70 per ton from \$35.00 to \$81.70 per ton.
- (3) From DVD FY'18 Month End Report of Commercial Bin Service, Sept, 2018.
- (4) [ $\$19,675.64 \div 12 = 1,639.64/\text{mo.}$ ;  $1,639.64 \div 572 = \$2.87 \text{ per bin lift/mo.}$ ].
- (5) [ $2.87 \times 4.333 = 12.436 = \$12.44 \text{ per mo.}$ ].

#### (4) DELETED SERVICE

State of California regulations for the disposal of cannabis waste requiring the waste hauler to document collection and delivery to a permitted processing facility for recycling have been repealed.

The 'cannabis waste documentation fee' included in the 2018 Rate Schedule is no longer needed.

#### (5) NEW SERVICE

Green waste is collected from residential premises in customer-provided containers at no additional charge. The Rate Schedule proposes a new optional cart service for green waste for the nominal fee of \$2.36 per month (refer to Rate Schedule page 2).

*(Continued on next page)*

RATES EFFECTIVE JULY 1, 2019

The new rates are set forth in 'Attachment F, Rate Schedule Effective 7/1/19' which is submitted herewith for approval by the City Council.

Table 4 summarizes the rate change for some common services.

Table 4 Comparative Rates for Common Services		
Service	Effective 7/1/18	Effective 7/1/19
<u>Residential Service</u>		
Detached residence, per month	\$ 25.40	\$ 27.31
<u>Commercial Bin Service</u>		
3-CY Bin, 1xWeek, per month	\$216.60	\$240.71
<u>Industrial Service-Disposal</u>		
30-CY Debris Box, per 4-ton load	\$729.32	\$748.90
40-CY Debris Box, per 5-ton load	\$803.35	\$825.11
<u>Industrial Service-Diversion</u>		
40-CY Debris Box clean green waste, per 4-ton load	\$693.88	\$722.86

CITY COUNCIL CONSIDERATION

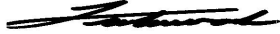
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- On June 4, 2019:
  1. Conduct the solid waste assessment public hearing; and,
  2. Accept the FY2019-20 Solid Waste Assessment Annual Report; and,
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March 26, 2019

We will prepare and submit the FY2019-20 Solid Waste Assessment Annual Report in the near future.

Please let me know if you have any questions or require any additional information.

Sincerely,



Rick Wade  
President

Enclosures:

- Exhibit A. Attachment F, Rate Schedule Effective July 1, 2019
- Exhibit B. Burrtec Waste & Recycling letter dated January 21, 2019
- Exhibit C. Desert Recycling, Inc. Price List dated January 1, 2019

cc: (Via Electronic Mail with Exhibits)  
Jerry Soriano, City Clerk  
Luke Rainey, Assistant City Manager  
Charmaine McCarvel, Webb & Associates  
Robert Kuznik, DVD



EXHIBIT A  
Attachment F  
Rate Schedule  
Franchise Agreement No. 1  
Effective 7/1/19

Date Authorized:  
Submitted for Approval: 3/26/19

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Attachment F  
Rate Schedule  
Franchise Agreement No. 1  
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**Direct Billing By Contractor**

	Contractor Fees			City Fees			
Service	Refuse Service Fee	Disposal Tip Fee (Subject to Change)	Waste Diversion Report Fee	City Waste Diversion Fee	City Franchise Fee	Total Rate	Notes
<u>RESIDENTIAL SERVICES</u>							(1)
<u>Detached Residential unit (Single Family Dwelling) rate:</u>							(2)
Basic cart service	\$ 16.67	\$ 6.74	\$ -	\$ 0.90	\$ 3.00	\$ 27.31	(3)
Ea add'l cart	\$ 16.37	\$ 4.67	\$ -	\$ 0.90	\$ 2.95	\$ 24.89	(4)

Attached Residential unit (Multi-Family Dwelling) rate:							(5)(6)
Basic cart service, first unit	\$ 16.67	\$ 6.71	\$ -	\$ 0.90	\$ 3.00	\$ 27.28	(3)
Ea. add'l dwelling:							
with kitchen	\$ 16.51	\$ 6.74	\$ -	\$ 0.90	\$ 2.97	\$ 27.12	
without kitchen	\$ 13.72	\$ 3.39	\$ -	\$ 0.90	\$ 2.47	\$ 20.48	

<b>Green Waste</b>							
Optional green waste cart	\$ 2.00				\$ 0.36	\$ 2.36	

<b>Charges related to Contaminated Recycle Carts</b>							
Individually billed premises:							
Collection of each Recycle Cart as trash due to contamination	3.61	1.56	-	0.21	0.65	6.03	(7)
Redelivery fee for Recycle Cart removed due to contamination	25.63	-	-	-	4.61	30.24	
Property tax billed premises:							
Collection of each Recycle Cart as trash due to contamination	3.61	1.56	-	0.21	0.65	6.03	(7)
Billing fee if account billed on property tax bill (each billing)	10.25	-	-	-	1.85	12.10	(7)
Redelivery fee for Recycle Cart removed due to contamination	25.63	-	-	-	4.61	30.24	

**Compensation to Contractor Through Tax Roll Billing**

Service	Contractor Fees			City Fees		Total Rate	Notes
	Refuse Service Fee	Disposal Tip Fee (Subject to Change)	Waste Diversion Report Fee	City Waste Diversion Fee	City Franchise Fee		
RESIDENTIAL SERVICES (1)							
Detached Residential unit (Single Family Dwelling) rate:							
Basic cart service	\$ 16.67	\$ 6.74	\$ -	\$ 0.90	\$ 3.00	\$ 27.31	(3)
Ea add'l cart	\$ 16.37	\$ 4.67	\$ -	\$ 0.90	\$ 2.95	\$ 24.89	(4)

Attached Residential unit (Multi-Family Dwelling) rate:							(5)(6)
Basic cart service, first unit	\$ 16.67	\$ 6.71	\$ —	\$ 0.90	\$ 2.53	\$ 26.81	(3)
Ea. add'l dwelling:							
with kitchen	\$ 16.51	\$ 6.74	\$ —	\$ 0.90	\$ 2.50	\$ 26.65	
without kitchen	\$ 13.72	\$ 3.39	\$ —	\$ 0.90	\$ 2.04	\$ 20.05	

Attachment F  
Rate Schedule  
Franchise Agreement No. 1  
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Service	Refuse Service Fee	Disposal Tip Fee (Subject to Change)	Waste Diversion Report Fee	City Waste Diversion Fee	City Franchise Fee	Total Rate	Notes
<u>RESIDENTIAL SERVICES, continued</u>							

Notes:

- (1) Rates also apply to collection of Customer-provided Containers before start of Cart service.
- (2) Dwellings not billed via the County Property Tax Bill will be billed directly by Contractor, quarterly in advance.
- (3) Basic cart service refers to Contractor-provided 95-gallon (approx) carts, one for trash and one for recyclables, each collected once weekly curbside and weekly curbside collection of Green Waste from Customer-provided containers for each dwelling unit, limit four (4) containers or bundles.
- (4) Extra cart charge applies to trash carts; no charge for additional recycling carts.
- (5) Service billed monthly in arrears; deposit and/or advance payment may be required of delinquent accounts.
- (6) The Attached Residential Unit category applies to dwelling units (i) with common walls such as duplexes, triplexes, condominiums, apartments, hotel units and motel units and, (ii) receiving one bill for all units. All other dwelling units are billed as Detached Residential units.
- (7) After written notice to customer posted on cart.

Attachment F  
Rate Schedule  
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Service	Contractor Fees			City Fees		Total Rate	Notes
	Refuse Service Fee	Disposal Tip Fee (Subject to Change)	Waste Diversion Report Fee	City Waste Diversion Fee	City Franchise Fee		
<u>RESIDENTIAL SERVICES, continued</u>							
<u>Commercial Premises (non-Residential uses) rate:</u>							(1)
Basic cart service	\$ 16.48	\$ 5.07	\$ 1.14	\$ 0.90	\$ 7.91	\$ 31.50	(2)(3)

Notes (Commercial Cart Services):

- (1) Rates also apply to collection of Customer-Provided Containers before start of Cart service.
- (2) Service billed monthly in arrears; deposit and/or advance payment may be required of delinquent accounts.
- (3) Basic cart service refers to Contractor-provided 95-gallon (approx) carts, one for trash and one for recyclables, each collected once weekly curbside. Limit one Cart per non-Residential customer.

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Service	Contractor Fees			City Fees		Total Rate	Notes
	Refuse Service Fee	Disposal Tip Fee (Subject to Change)	Waste Diversion Report Fee	City Waste Diversion Fee	City Franchise Fee		
<b>COMMERCIAL BIN SERVICES:</b>							
(1)(2)(3)							
<u>2 CY Bins, regular service rate:</u>							
First weekly pickup	\$ 92.54	\$ 29.73	\$ 7.33	\$ 5.74	\$ 44.42	\$ 179.76	
Each additional pickup	\$ 70.15	\$ 29.72	\$ 7.32	\$ 5.74	\$ 33.67	\$ 146.60	
<u>2 CY Bins, regular service rate:</u>							
1xWeek	\$ 92.54	\$ 29.73	\$ 7.33	\$ 5.74	\$ 44.42	\$ 179.76	
2xWeek	\$ 162.69	\$ 59.45	\$ 14.65	\$ 11.48	\$ 78.09	\$ 326.36	
3xWeek	\$ 232.84	\$ 89.17	\$ 21.97	\$ 17.22	\$ 111.76	\$ 472.96	
4xWeek	\$ 302.99	\$ 118.89	\$ 29.29	\$ 22.96	\$ 145.43	\$ 619.56	
5xWeek	\$ 373.14	\$ 148.61	\$ 36.61	\$ 28.70	\$ 179.10	\$ 766.16	
6xWeek	\$ 443.29	\$ 178.33	\$ 43.93	\$ 34.44	\$ 212.77	\$ 912.76	
<u>2 CY Bin, extra pickup rates:</u>							
1st bin	\$ 41.50	\$ 6.94	\$ 1.70	\$ 1.33	\$ 19.92	\$ 71.39	
Each add'l bin	\$ 17.72	\$ 6.94	\$ 1.70	\$ 1.33	\$ 8.51	\$ 36.20	
<u>3 CY Bins, regular service rate:</u>							
First weekly pickup	\$ 119.12	\$ 44.61	\$ 11.20	\$ 8.60	\$ 57.18	\$ 240.71	
Each additional pickup	\$ 92.64	\$ 44.62	\$ 11.20	\$ 8.59	\$ 44.47	\$ 201.52	
<u>3 CY Bins, regular service rate:</u>							
1xWeek	\$ 119.12	\$ 44.61	\$ 11.20	\$ 8.60	\$ 57.18	\$ 240.71	
2xWeek	\$ 211.76	\$ 89.23	\$ 22.40	\$ 17.19	\$ 101.65	\$ 442.23	
3xWeek	\$ 304.40	\$ 133.85	\$ 33.60	\$ 25.78	\$ 146.12	\$ 643.75	
4xWeek	\$ 397.04	\$ 178.47	\$ 44.80	\$ 34.37	\$ 190.59	\$ 845.27	
5xWeek	\$ 489.68	\$ 223.09	\$ 56.00	\$ 42.96	\$ 235.06	\$ 1,046.79	
6xWeek	\$ 582.32	\$ 267.71	\$ 67.20	\$ 51.55	\$ 279.53	\$ 1,248.31	
<u>3 CY Bin, extra pickup rates:</u>							
1st bin	\$ 43.56	\$ 10.38	\$ 2.60	\$ 2.00	\$ 20.91	\$ 79.45	
Each add'l bin	\$ 29.38	\$ 10.59	\$ 2.60	\$ 2.00	\$ 14.10	\$ 58.67	

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Service	Contractor Fees			City Fees		Total Rate	Notes
	Refuse Service Fee	Disposal Tip Fee (Subject to Change)	Waste Diversion Report Fee	City Waste Diversion Fee	City Franchise Fee		
<u>COMMERCIAL BIN SERVICES, continued:</u>							
<u>4 CY Bins, regular service rate:</u>							
First weekly pickup	\$ 138.39	\$ 59.48	\$ 14.64	\$ 11.47	\$ 66.43	\$ 290.41	
Each additional pickup	\$ 109.56	\$ 59.50	\$ 14.64	\$ 11.45	\$ 52.59	\$ 247.74	
<u>4 CY Bins, regular service rate:</u>							
1xWeek	\$ 138.39	\$ 59.48	\$ 14.64	\$ 11.47	\$ 66.43	\$ 290.41	
2xWeek	\$ 247.95	\$ 118.98	\$ 29.28	\$ 22.92	\$ 119.02	\$ 538.15	
3xWeek	\$ 357.51	\$ 178.48	\$ 43.92	\$ 34.37	\$ 171.61	\$ 785.89	
4xWeek	\$ 467.07	\$ 237.98	\$ 58.56	\$ 45.82	\$ 224.20	\$ 1,033.63	
5xWeek	\$ 576.63	\$ 297.48	\$ 73.20	\$ 57.27	\$ 276.79	\$ 1,281.37	
6xWeek	\$ 686.19	\$ 356.98	\$ 87.84	\$ 68.72	\$ 329.38	\$ 1,529.11	
<u>4 CY Bin, extra pickup rates:</u>							
1st bin	\$ 52.16	\$ 13.83	\$ 3.39	\$ 2.67	\$ 25.04	\$ 97.09	
Each add'l bin	\$ 26.90	\$ 13.83	\$ 3.39	\$ 2.67	\$ 12.91	\$ 59.70	

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	Refuse Service Fee	Disposal Tip Fee (Subject to Change)	Waste Diversion Report Fee	City Waste Diversion Fee	City Franchise Fee		
<u>COMMERCIAL BIN SERVICES, continued:</u>							
<u>Miscellaneous bin-related charges:</u>							
Return trips for inaccessible bins	\$ 48.58	\$ -	\$ -	\$ -	\$ 23.32	\$ 71.90	
<u>Unacceptable material in bin:</u>							
Contaminated Recycle Bin emptied as trash	40.69	10.38	2.60	2.00	19.53	75.20	(10)
Removal of Recycle Bin due to contamination	48.58	10.38	2.60	2.00	23.32	86.88	(10)
Return of Recycle Bin removed due to contamination	48.58	-	-	-	23.32	71.90	
<u>Bin relocation:</u>							
1st bin per request	\$ 48.58	\$ -	\$ -	\$ -	\$ 23.32	\$ 71.90	
Ea add'l bin per request	\$ 19.35	\$ -	\$ -	\$ -	\$ 9.29	\$ 28.64	
Roll-out charges	\$ 68.71	\$ -	\$ -	\$ -	\$ 32.98	\$ 101.69	(4)
Locking bin charge (1 time charge)	\$ 78.48	\$ -	\$ -	\$ -	\$ 37.67	\$ 116.15	
Locking bin charge (monthly charge)	\$ 78.48	\$ -	\$ -	\$ -	\$ -	\$ 78.48	
Contractor-provided lock (1 time charge)	\$ 22.82	\$ -	\$ -	\$ -	\$ 10.95	\$ 33.77	
<u>Clean &amp; wash bins by request:</u> (5)							
First bin	\$ 78.48	\$ -	\$ -	\$ -	\$ 37.67	\$ 116.15	
Each add'l bin	\$ 33.64	\$ -	\$ -	\$ -	\$ 16.15	\$ 49.79	
Special equipment or handling (add for each weekly bin pick-up)	\$ 48.56	\$ -	\$ -	\$ -	\$ 23.31	\$ 71.87	(6)
Domestic Animal Waste (each 3 CY bin pick-up)	\$ 93.32	\$ 92.63	\$ 22.79	\$ 17.86	\$ 44.79	\$ 271.39	(7)
<u>Diversion Services, 3 CY Bin:</u>							
One bin with one weekly pickup	Free	\$ -	\$ -	\$ -	\$ -	Free	
Extra Bin, one weekly pickup	\$ 135.00	\$ -	\$ -	\$ -	\$ 64.80	\$ 199.80	
Each Extra weekly pickup	\$ 115.74	\$ -	\$ -	\$ -	\$ 55.56	\$ 171.30	

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	Refuse Service Fee	Disposal Tip Fee (Subject to Change)	Waste Diversion Report Fee	City Waste Diversion Fee	City Franchise Fee		
<u>COMMERCIAL BIN SERVICES, continued:</u>							
<u>ORGANIC WASTE RECYCLING SERVICE</u>							(8)(9)
<u>Source separated green waste (free of all contaminants and food waste):</u>							
<b>32-Gallon Cart</b> (Monthly fee for each weekly collection per cart provided by Contractor)							
First cart	\$ 14.76	\$ 0.81	\$ 0.12	\$ 0.09	\$ 7.08	\$ 22.86	
Each additional cart collected at the same time as the first	\$ 14.76	\$ 0.81	\$ 0.12	\$ 0.09	\$ 7.08	\$ 22.86	
<b>65-Gallon Cart</b> (Monthly fee for each weekly collection per cart provided by Contractor)							
First cart	\$ 14.76	\$ 1.61	\$ 0.27	\$ 0.22	\$ 7.08	\$ 23.94	
Each additional cart collected at the same time as the first	\$ 14.76	\$ 1.61	\$ 0.27	\$ 0.22	\$ 7.08	\$ 23.94	
<b>95-Gallon Cart</b> (Monthly fee for each weekly collection per cart provided by Contractor)							
First cart	\$ 14.76	\$ 2.41	\$ 0.39	\$ 0.31	\$ 7.08	\$ 24.95	
Each additional cart collected at the same time as the first	\$ 14.76	\$ 2.41	\$ 0.39	\$ 0.31	\$ 7.08	\$ 24.95	
<b>2-CY Bin</b> (Monthly fee for each weekly collection per bin provided by Contractor)							
First bin	\$ 74.90	\$ 86.39	\$ 14.23	\$ 11.14	\$ 35.95	\$ 222.61	
Each additional bin collected at the same time as the first	\$ 74.90	\$ 86.39	\$ 14.23	\$ 11.14	\$ 35.95	\$ 222.61	
<b>3-CY Bin</b> (Monthly fee for each weekly collection per bin provided by Contractor)							
First bin	100.86	\$ 129.59	\$ 21.34	\$ 16.72	\$ 48.41	\$ 316.92	
Each additional bin collected at the same time as the first	100.86	\$ 129.59	\$ 21.34	\$ 16.72	\$ 48.41	\$ 316.92	
<u>Cannabis waste documentation fee</u>							
For premises that dispose of State-regulated cannabis waste (11)(12)							
Will call	—25.00	—	—	—	—12.00	—37.00	
Monthly charge for weekly collections	—108.33	—	—	—	—52.00	—160.33	



Attachment F  
Rate Schedule  
Franchise Agreement No. 1  
Effective 7/1/19

Date Authorized:  
Submitted for Approval: 3/26/19

Service	Contractor Fees			City Fees		Total Rate	Notes
	Refuse Service Fee	Disposal Tip Fee (Subject to Change)	Waste Diversion Report Fee	City Waste Diversion Fee	City Franchise Fee		
COMMERCIAL BIN SERVICES, continued:							
Source separated food waste (free of all non-compostable material and contaminants):							
32-Gallon Cart (Monthly fee for weekly collection per cart provided by Contractor)							
First cart	\$ 33.10	\$ 27.22	\$ 4.71	\$ 3.69	\$ 15.89	\$ 84.61	
Each additional cart collected at the same time as the first	\$ 7.70	\$ 27.22	\$ 4.71	\$ 3.69	\$ 3.70	\$ 47.02	
65-Gallon Cart (Monthly fee for weekly collection per cart provided by Contractor)							
First cart	\$ 33.10	\$ 55.29	\$ 9.56	\$ 7.49	\$ 15.89	\$ 121.33	
Each additional cart collected at the same time as the first	\$ 7.70	\$ 55.29	\$ 9.56	\$ 7.49	\$ 3.70	\$ 83.74	
95-Gallon Cart (Not available for Food Waste)							
2-CY Bin (Monthly fee for each weekly collection per bin provided by Contractor)							
First bin	\$ 74.90	\$ 320.88	\$ 55.48	\$ 43.43	\$ 35.95	\$ 530.64	
Each additional bin collected at the same time as the first	\$ 74.90	\$ 320.88	\$ 55.48	\$ 43.43	\$ 35.95	\$ 530.64	

Source separated mixed organic waste (consisting of commingled green waste and food waste and free of all other contaminants):

<b>32-Gallon Cart</b> (Monthly fee for weekly collection per cart provided by Contractor)							
First cart	\$ 33.10	\$ 14.11	\$ 2.44	\$ 1.92	\$ 15.89	\$ 67.46	
Each additional cart collected at the same time as the first	\$ 7.70	\$ 14.11	\$ 2.44	\$ 1.92	\$ 3.70	\$ 29.87	
<b>65-Gallon Cart</b> (Monthly fee for each weekly collection per cart provided by Contractor)							
First cart	\$ 33.10	\$ 28.67	\$ 4.95	\$ 3.89	\$ 15.89	\$ 86.50	
Each additional cart collected at the same time as the first	\$ 7.70	\$ 28.67	\$ 4.95	\$ 3.89	\$ 3.70	\$ 48.91	
<b>95-Gallon Cart</b> (Not available for organic waste containing food waste)							
<b>2-CY Bin</b> (Monthly fee for each weekly collection per bin provided by Contractor)							
First bin	\$ 74.90	\$ 214.88	\$ 37.15	\$ 29.08	\$ 35.95	\$ 391.96	
Each additional bin collected at the same time as the first	\$ 74.90	\$ 214.88	\$ 37.15	\$ 29.08	\$ 35.95	\$ 391.96	

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	Contractor Fees			City Fees			
Service	Refuse Service Fee	Disposal Tip Fee (Subject to Change)	Waste Diversion Report Fee	City Waste Diversion Fee	City Franchise Fee	Total Rate	Notes
COMMERCIAL BIN SERVICES, continued:							

Notes:

- (1) Established accounts billed monthly in arrears; deposit and/or prepayment required for new accounts and delinquent accounts.
- (2) Bins must be no more than level full. C&D Waste and Domestic Animal Waste prohibited, except for occasional household animal waste.
- (3) Bins for Domestic Animal Waste require additional fees.
- (4) Charge is per month for weekly pickup of one bin. Roll-Out charge applies for distances greater than 25 feet or for moving up or down a curb.
- (5) Bins cleaned or exchanged once annually at no charge.
- (6) For each weekly bin pickup in addition to regular bin charges.
- (7) Per month per bin pickup. Restricted to 3 CY Bins.
- (8) Disposal Tip Fee represents processors tipping fee for acceptance of organic waste and is subject to change effective with any change by processor.
- (9) Containers with unacceptable material will be subject to additional handling and disposal fees.
- (10) After written notice to customer posted on bin.
- (11) The State of California permits cannabis waste to be collected and commingled with green waste and processed at a permitted green waste facility.
- (12) ~~Disposal of cannabis waste is regulated by the State of California. This cannabis waste documentation fee covers the hauler's record keeping cost for disposal of cannabis waste at a permitted disposal/processing facility. Documentation fee applies to each collection visit regardless of the number of containers collected at the visit.~~

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Service	Contractor Fees			City Fees		Total Rate	Notes
	Refuse Service Fee	Disposal Tip Fee (Subject to Change)	Waste Diversion Report Fee	City Waste Diversion Fee	City Franchise Fee		
<u>DEBRIS BOX SERVICES:</u>							
<u>Disposal Services:</u>							
<u>Delivery, pick-up service base fees &amp; rental charges:</u>							
10-, 20-, 30- 40-CY debris boxes:							
Base charge per pull PLUS minimum tonnage charges*	\$ 300.04				\$ 144.02	\$ 444.06	
Daily rental charges after 7-days	\$ 42.86	\$ -	\$ -	\$ -	\$ 20.57	\$ 63.43	
<u>Tonnage-based charges:</u>							
Excess tonnage charges (per ton in excess of minimum tonnage charge)		\$ 54.51	\$ 12.19	\$ 9.51	\$ -	\$ 76.21	
*Minimum tonnage charges:							
10-CY 10-tons		\$ 545.10	\$ 121.90	\$ 95.10	\$ -	\$ 762.10	
20-CY 3-tons		\$ 163.53	\$ 36.57	\$ 28.53	\$ -	\$ 228.63	
30-CY 4-tons		\$ 218.04	\$ 48.76	\$ 38.04	\$ -	\$ 304.84	
40-CY 5-tons		\$ 272.55	\$ 60.95	\$ 47.55	\$ -	\$ 381.05	

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Service	Contractor Fees			City Fees		Total Rate	Notes
	Refuse Service Fee	Disposal Tip Fee (Subject to Change)	Waste Diversion Report Fee	City Waste Diversion Fee	City Franchise Fee		
<u>DEBRIS BOX SERVICES, continued:</u>							
<u>Diversion Services (including source-separated C&amp;D Waste):</u>							
<u>Delivery &amp; pick-up service fees and daily rental charges:</u>						(3)(7)	
Base charge per pull PLUS tonnage charges (no minimum)	\$ 300.04				\$ 144.02	\$ 444.06	
10 CY daily rental charge after 7 days	\$ 42.86				\$ 20.57	\$ 63.43	
<u>Tonnage-based charges:</u>							
Tonnage charges	\$ -	\$ -	\$ 12.19	\$ 9.51	\$ -	\$ 21.70	(8)

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Franchise Agreement No. 1  
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Service	Contractor Fees			City Fees		Total Rate	Notes
	Refuse Service Fee	Disposal Tip Fee (Subject to Change)	Waste Diversion Report Fee	City Waste Diversion Fee	City Franchise Fee		
<u>DEBRIS BOX SERVICES, continued:</u>							
<u>Miscellaneous Debris Box-related charges:</u>							
Return trip, relocate box or turn around compactor	\$ 47.82	\$ -	\$ -	\$ -	\$ 22.95	\$ 70.77	(4)
Charge for offloading tonnage in excess of 8-tons (per hour billed in 15-minute increments, 1 hour minimum)	\$ 99.31	\$ -	\$ -	\$ -	\$ 47.67	\$ 146.98	(5)
<u>Clean &amp; wash box:</u>							
1st box per request	\$ 80.28	\$ -	\$ -	\$ -	\$ 38.53	\$ 118.81	(6)
Ea add'l box per request	\$ 34.41	\$ -	\$ -	\$ -	\$ 16.52	\$ 50.93	

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Franchise Agreement No. 1  
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	Contractor Fees			City Fees			
Service	Refuse Service Fee	Disposal Tip Fee (Subject to Change)	Waste Diversion Report Fee	City Waste Diversion Fee	City Franchise Fee	Total Rate	Notes
DEBRIS BOX SERVICES, continued:							

Notes:

- (1) Additional Disposal Fee for tons in excess of stated base rate maximum weights.
- (2) Charge assessed at landfill or transfer station.
- (3) Plus Tip Fee for diverted materials based on actual fee charged at receiving facility.
- (4) Return trip to service inaccessible box or relocate box at Customer's request.
- (5) Hourly rate for Contractor to offload materials in excess of 8-tons. Charges for additional Box loads for excess materials apply at the standard rates above.
- (6) Box cleaned or exchanged once annually at no charge.
- (7) "Tip Fees" will be the full amount as charged by the facility operator (no tonnage minimums to apply).
- (8) Plus diversion fees charged at the diversion facility.
- (9) Lesser fees for clean, source-separated material may be less.

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Service	Contractor Fees			City Fees		Total Rate	Notes
	Refuse Service Fee	Disposal Tip Fee (Subject to Change)	Waste Diversion Report Fee	City Waste Diversion Fee	City Franchise Fee		
<u>STATIONARY COMPACTOR SERVICES:</u>							
<u>Disposal Services:</u>							
<u>Delivery &amp; pick-up service base fees:</u>							
10, 20-, 30-, 40-CY compactors:							
Base charge per pull PLUS minimum tonnage charges*	\$ 300.04	\$ -	\$ -	\$ -	\$ 144.02	\$ 444.06	
<u>Tonnage-based charges:</u>							
Landfill disposal (per ton)	\$ -	\$ 54.51	\$ 12.19	\$ 9.51	\$ -	\$ 76.21	
Surcharge for hard to handle landfilled material (per ton)	\$ -	\$ 18.15	\$ -	\$ -	\$ -	\$ 18.15	

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Service	Contractor Fees			City Fees		Total Rate	Notes
	Refuse Service Fee	Disposal Tip Fee (Subject to Change)	Waste Diversion Report Fee	City Waste Diversion Fee	City Franchise Fee		
<u>STATIONARY COMPACTOR SERVICES, continued:</u>							
<u>Diversion Services:</u>							
<u>Pick-up &amp; return service base fees:</u>							
10, 20-, 30-, 40-CY compactors:							
Base charge per pull PLUS minimum tonnage charges*	\$ 300.04	\$ -	\$ -	\$ -	\$ 144.02	\$ 444.06	(3) (7)
<u>Tonnage-based charges:</u>							
tonnage charges	\$ -	\$ -	\$ 12.19	\$ 9.51	\$ -	\$ 21.70	(3)



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Service	Contractor Fees			City Fees		Total Rate	Notes
	Refuse Service Fee	Disposal Tip Fee (Subject to Change)	Waste Diversion Report Fee	City Waste Diversion Fee	City Franchise Fee		
<u>STATIONARY COMPACTOR SERVICES, continued:</u>							
<u>Miscellaneous Stationary Compactor-related charges:</u>							
Return trip, relocate or turn around compactor	\$ 47.82	\$ -	\$ -	\$ -	\$ 22.95	\$ 70.77	(4)
Charge for offloading tonnage in excess of 8-tons (per hour billed in 15-minute increments, 1 hour minimum)	\$ 99.31	\$ -	\$ -	\$ -	\$ 47.67	\$ 146.98	(5)
<u>Clean &amp; wash compactor box:</u>							
1st compactor box per request	\$ 80.28	\$ -	\$ -	\$ -	\$ 38.53	\$ 118.81	
Ea add'l compactor box per request	\$ 34.41	\$ -	\$ -	\$ -	\$ 16.52	\$ 50.93	

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	Contractor Fees			City Fees			
Service	Refuse Service Fee	Disposal Tip Fee (Subject to Change)	Waste Diversion Report Fee	City Waste Diversion Fee	City Franchise Fee	Total Rate	Notes
STATIONARY COMPACTOR SERVICES, continued:							

Notes:

- (1) Disposal Fee charged for each ton, or portion thereof.
- (2) Charge assessed at landfill or transfer station.
- (3) Plus Tip Fee for diverted materials based on actual fee charged at receiving facility.
- (4) Return trip to service inaccessible box or relocate box at Customer's request.
- (5) Hourly rate for Contractor to offload materials in excess of 8-tons. Charges for additional Box loads for excess materials apply at the standard rates above.

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Service	Contractor Fees			City Fees		Total Rate	Notes
	Refuse Service Fee	Disposal Tip Fee (Subject to Change)	Waste Diversion Report Fee	City Waste Diversion Fee	City Franchise Fee		
<u>SPECIAL BIN SERVICES:</u>							
<u>Disposal Services:</u>							
Temporary residential clean-up bin:							
4-day rental	\$ 72.31	\$ 10.44	\$ 2.57	\$ 2.00	\$ 34.71	\$ 122.03	(1)
Extra pick-up	\$ 45.00	\$ 10.44	\$ 2.57	\$ 2.00	\$ 21.60	\$ 81.61	
<u>Construction bins:</u>							
7-day rental	\$ 72.31	\$ 24.77	\$ 6.09	\$ 4.75	\$ 34.71	\$ 142.63	(2) (5)
Extra pick-up	\$ 47.47	\$ 24.77	\$ 6.09	\$ 4.61	\$ 22.79	\$ 105.73	
Monthly service	\$ 124.48	\$ 106.58	\$ 26.15	\$ 20.45	\$ 59.75	\$ 337.41	(2) (5)
Extra pick-up	\$ 40.80	\$ 24.77	\$ 6.09	\$ 1.38	\$ 19.58	\$ 92.62	
<u>Diversion Services:</u>							
<u>Preferred Hauler Program:</u>							
7-day rental	\$ 72.31	\$ 39.65	\$ 6.00	\$ 4.68	\$ 34.71	\$ 157.35	(2) (5)
Extra pick-up	\$ 72.31	\$ 39.65	\$ 6.00	\$ 4.68	\$ 34.71	\$ 157.35	
Monthly service	\$ 289.22	\$ 158.63	\$ 24.00	\$ 18.72	\$ 138.83	\$ 629.40	(2) (5)
Extra pick-up	\$ 289.22	\$ 158.63	\$ 24.00	\$ 18.72	\$ 138.83	\$ 629.40	

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	Contractor Fees			City Fees			
Service	Refuse Service Fee	Disposal Tip Fee (Subject to Change)	Waste Diversion Report Fee	City Waste Diversion Fee	City Franchise Fee	Total Rate	Notes
SPECIAL BIN SERVICES, continued:							

Notes:

- (1) Construction Bin rates apply for C&D Waste.
- (2) Bin must not be filled more than 1/2 full if waste includes concrete, concrete block, asphalt or similar heavy materials.
- (3) This service will be available only in conjunction with a transfer station located within 10-miles of City limits that provides load consolidation for source-separated C&D Waste.
- (4) Disposal Fee will be added at the time of service based upon the processor's fee in effect when service is rendered for the materials generated & based upon the following density factors per cubic yard): wood scrap (330 lbs), metal scrap (960 lbs), sheetrock scrap (394 lbs), concrete (1,855 lbs), asphalt composition shingles (419 lbs), asphalt paving (1,380 lbs) and other materials as determined by Contractor.
- (5) The Disposal Tip Fee is subject to change simultaneous with changes in the processing tip fee levied by the facility operator.

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Service	Contractor Fees			City Fees		Total Rate	Notes
	Refuse Service Fee	Disposal Tip Fee (Subject to Change)	Waste Diversion Report Fee	City Waste Diversion Fee	City Franchise Fee		
<u>SPECIAL HAUL SERVICES:</u>							
<u>Bulky Items, including appliances, up to 6 items per call:</u>							
6 items free per yr.	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Each add'l item	\$ 47.76	\$ 1.66	\$ -	\$ -	\$ 8.60	\$ 58.02	
<u>Miscellaneous Refuse &amp; Debris, hourly rate:</u>							
Service call up to 15-minutes	\$ 16.88	\$ 12.29	\$ -	\$ -	\$ 3.04	\$ 32.21	
Each add'l 15-minute increment	\$ 7.83	\$ -	\$ -	\$ -	\$ 1.41	\$ 9.24	

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Description	Billing Rate	Unit of Measure	Record	Notes
<b>SPECIAL CLEANUP SERVICES</b>				
<b>Abatement of Bulky Items, Debris &amp; Refuse and Emergency Abatements</b>				
<u>Performed by Contractor:</u>				
Labor:				(1)(2)(3)
Field supervisor	\$ 45.84	per hour	job sheet	
Driver, roll-off truck	\$ 42.18	per load	disposal/ diversion site load ticket	
Driver, comm'l bin truck	\$ 37.49	per hour	job sheet	
Driver, bin delivery truck	\$ 37.49	per hour	job sheet	
Laborer	\$ 28.13	per hour	job sheet	
Equipment:				(1)(2)
Roll-Off Truck	\$ 59.69	per load	disposal/ diversion site load ticket	
Debris Box	\$ 116.30	per day	job sheet	(4)
Comm'l bin truck	\$ 72.48	per hour	job sheet	
3CY construction bin	\$ 62.49	per day	job sheet	(4)
Pick-up truck	\$ 23.87	per hour	job sheet	
Bin delivery truck	\$ 24.94	per hour	job sheet	
Rented equipment	cost plus 10%	--	vendor invoice	
Disposal/Diversion Tip Fee	cost plus 10%	--	disposal/ diversion site load ticket weight x Tip Fee	
Materials or contracted services	cost plus 10%	--	vendor invoice	

Notes:

- (1) Hourly, daily and load rates include an allocation for overhead and profit.
- (2) Hourly rates billed to the quarter hour, portal to portal.
- (3) Increase by 50% for overtime responses.
- (4) Daily rates billed for each day or portion thereof.

(End of Exhibit)



**BURRTEC**

**WASTE & RECYCLING SERVICES**

*"We'll Take Care Of It"*

January 21, 2019

Mr. Rick Wade  
General Manager  
Palm Springs Disposal Services  
4690 E Mesquite Ave  
Palm Springs, CA 92264

RE: Tip Fee Increase for Refuse, Green Waste, Food Waste and Recycling Transportation/Processing

Dear Mr. Wade,

Please accept this letter as notification of rate increases for refuse, green waste, food waste, and recycling transportation and processing. The new rates will be effective July 1, 2019 and are as follows; refuse \$49.03/ton (rate subject to change based upon our request of the County for an additional extraordinary cost adjustment to comply with new AQMD requirements), green waste \$48.00/ton at Edom Hill. Food waste at Coachella Valley Compost will be \$65.00/ton.

China's National Sword eliminated the import of 24 types of recyclable materials including mixed paper and plastics. China was the world's largest importer of these materials consuming over 50% of the market. This action has negatively changed the dynamics of the recycling industry for the foreseeable future and has caused Material Recovery Facilities to try and find other nations to take the China banned materials. This has created an imbalance in the supply and demand of the materials which has caused the value of the material to plummet. China also implemented strict contamination guidelines of .05% for the materials they will accept. Contamination levels of .05% is very difficult, if not impossible, to achieve with current processing technology. Other nations have also followed China's contamination restriction standards.

Material Recovery Facilities have been forced to slow processing lines down and add manpower to the sorting lines to meet the strict contamination guidelines. As a result, the cost of processing recyclable materials has significantly increased while the value of the material has been significantly reduced.

The change in the recycling industry has compelled Material Recovery Facilities to raise processing fees and reduce material value. Your current fee to load, transfer and process the recyclable materials is \$35.00/ton. As a result of the recycling change outlined above, the new fee will be \$81.70/ton.

Please let me know if you have any questions or concerns regarding the new rates.

Sincerely,

Frank Orlett  
Vice President

EXHIBIT C

Desert Recycling, Inc.  
27-105 Sierra Del Sol, Thousand Palms, Ca. 92276  
Mailing: P.O. Box 207. Thousand Palms, Ca. 92276  
Sales Office: 760-200-5169 Fax: 760-200-3967  
Yard: 760-343-0095 Fax: 760-343-2436

PRICE LIST  
January 1, 2019

INCOMING MATERIALS:

CONCRETE, ASPHALT, SAND, GUNITE, ROCK, MARBLE. DRYWELL PUMPINGS	\$16.00 PER TON*
ASPHALT GRINDINGS	\$10.00 PER TON**
SOD/DIRT	\$25.00 PER TON
CLEAN FILL DIRT	\$10 .00 PER TON
SWEeper SAND	\$45.00 PER TON
GYPSUM (DRYWALL)	\$50.00 PER TON
CLEAN CONSTRUCTION LUMBER	\$32.00 PER TON
CLAY & CERAMIC TILE	\$25.00 PER TON

MINIMUM CHARGE PER LOAD \$25.00

MIXED CONSTRUCTION DEBRIS	\$75.00 PER TON
---------------------------	-----------------

Minimum Charge for Construction Debris per load \$30.00

Materials for sale:

CRUSHED MISCELLANEOUS BASE, (CMB)	\$6.50 @ TON
FILL DIRT	\$1.00 @ TON
PROCESSED GYPSUM	\$15.00 @ TON

MINIMUM CHARGE FOR OUTBOUND MATERIALS \$25.00

COMMERCIAL RATES AVAILABLE ON REQUEST

\* ADDITIONAL CHARGE FOR REBAR, OVERSIZE  
MATERIALS 30 inch PLUS IN SIZE OR TRASH.

\*\* WITH PETROMAT \$25.00 PER TON

NO HAZARDIOUS MATERIALS ALLOWED!

OPEN 7AM-4PM MONDAY-FRIDAY, 7AM-2PM SATURDAY