



Cal Sierra Disposal
14959 Carnage Avenue
Sonora, CA 95370

April 3, 2019

Karl Rodefer
Chairman, Board of Supervisors
Tuolumne County
2 South Green St
Sonora, CA 95370

Re: Issuance of Credits to Waste Management Customers

Dear Supervisor Rodefer,

Cal Sierra Disposal ("WM") is in receipt of the County's March 19, 2019 letter requesting credits to customers who did not receive service in February 2019 due to the severe snow storms. WM fully acknowledges the impact the storms had on the County and appreciates the communication and partnership during this time.

We take great pride in the service we provide to customers in Tuolumne County. We are part of this community - our employees live here, and our customers are friends and neighbors. We understand the importance of prompt, routine collection of trash and recycling. But making sure we can provide that service safely is our top priority. We will never compromise safety, that is why our contract with Tuolumne County includes important safety language that specifically speaks to weather-related incidents.

WM has elected to move forward with the County's request regarding credits to customers for collections not made in February 2019 due to the storms, regardless of whether customers have contacted us requesting a credit. We are issuing these credits as gesture of good faith, as we believe the November 1, 2009 Amended and Restated Franchise Agreement (the "Agreement") does not require them. Additionally, below is language from our mutually agreed upon 2019 Operations Plan:

At times during the winter months, the road conditions render certain areas unsafe for the size and weight of the collection vehicles. Drivers make note of missed service accounts and automated calls are sent to residents. In the event an area or account was missed, the customer is allowed to put out a double quantity of waste the following week or take the waste to the transfer station free of charge after obtaining a voucher from the business office.

Here, it is clarified that if customers do not receive service due to unsafe road conditions, the customer's remedy is to place a double quantity of waste for collection the following week or deliver waste to the transfer station free of charge. Even though WM did not make collections during much of February due to unsafe conditions, the amount of waste we ultimately collected from customers did not materially decrease - customers simply placed the accumulated waste out for collection on the first available pickup day or delivered it to a WM-supplied bin/roll-off. As is typically the case where collections are not made due to severe weather, WM did not receive a financial windfall because, in the end, we end up collecting about the same amount of waste.

WM made numerous efforts to service our customers by notifying customers of service interruptions utilizing various methods of communication and attempting to provide alternatives for trash disposal when it continued to be unsafe for our collection trucks to service certain neighborhoods.

While not obligated to do so per the Agreement, WM issued credits to customers who missed service, and will provide additional credits in the April invoices. We believe this is the right thing to do under the current circumstances. In total, we will have issued almost \$40,000 in credits (\$11,500 in February and \$28,313 on April invoices).

We appreciate our working relationship with the County and will continue to work to provide the best service we can to our customers in Tuolumne County.

Sincerely,

A handwritten signature in black ink, appearing to read "Joe Cadelago", with a long horizontal flourish extending to the right.

Joe Cadelago
Public Sector Manager

Cc: Alex Oseguera, WM Area Vice President and General Manager
Julie Cabral, District Manager