

June 28, 2018

Dear Redrock Customer,

The purpose of this letter is to notify you of a rate adjustment in your area effective 7/1/2018. Each year in July, as per the contract with Madera County, Redrock Environmental Group adjusts collection rates based on any changes to the Consumer Price Index (CPI) as published by the United States Bureau of Labor Statistics. This index accounts for changes in the cost of living including but not limited to: fuel, labor, food, housing, and energy. The major factors contributing to this years change to the index is the substantial rise in the cost of fuel (over \$0.66 per gallon higher in just one year), and the ever increasing labor costs in the State of California. We understand the effect each rate increase has on our customers and want to assure you that these increases are simply covering the additional cost of doing business. Please reference the chart below to see your new service rates. If your service type is not listed in the chart or if you have any questions regarding this notification, please call our office during normal business hours and we would be happy to assist you.

We would also like to advise you, that Madera County may potentially raise the disposal fees at the Fairmead Landfill in October of this year. Unfortunately, we do not have the ability to choose when the disposal fees are adjusted and similar to last year, it would result in an additional pass-through increase to our customers. In the event the County increases the disposal fees this year, ample notice will be provided prior to said changes.

| RESIDENTIAL TRASH SERVICE | | | | | |
|---------------------------|-------------------------|--------------------------|-------------------------------------|------------------|--------------------------|
| ZONE 1 | | ZONE 2 | | ZONE 3 | |
| CURRENT \$22.72 | NEW RATE \$24.77 | CURRENT \$25.71 | NEW RATE \$28.04 | CURRENT \$30.22 | NEW RATE \$32.95 |
| COMMERCIAL TRASH BINS | | | | | |
| SIZE | CURRENT MONTHLY | NEW MONTHLY | SIZE | CURRENT MONTHLY | NEW MONTHLY |
| 1 YARD BIN | \$60.04 | \$65.46 | 3 YARD BIN | \$130.40 | \$142.21 |
| 1.5 YARD BIN | \$71.79 | \$78.28 | 4 YARD BIN | \$159.38 | \$173.78 |
| 2 YARD BIN | \$102.47 | \$111.72 | 6 YARD BIN | \$218.28 | \$238.00 |
| COMMERCIAL RECYCLE BINS | | | | | |
| SIZE | CURRENT MONTHLY | NEW MONTHLY | SIZE | CURRENT MONTHLY | NEW MONTHLY |
| 1.5 YARD BIN | \$57.78 | \$57.64 | 3 YARD BIN | \$104.14 | \$111.96 |
| 2 YARD BIN | \$82.04 | \$86.06 | 4 YARD BIN | \$127.07 | \$138.80 |
| ROLL-OFF SERVICE | | | | | |
| DESCRIPTION | CURRENT RATE | NEW RATE | DESCRIPTION | CURRENT RATE | NEW RATE |
| DELIVERY FEE | \$103.85 | \$121.67 | REMOVAL FEE | \$106.58 | \$124.89 |
| RENTAL FEE | \$2.15/PER DAY | \$2.57/PER DAY | PRE-PAY | \$450/ALL SIZES | \$500/ALL SIZES |
| CLEAN WOOD WASTE | \$30.39/TON | SAME | CLEAN CONCRETE, BRICK, & ASPHALT | \$5.00/TON | \$10.00/PER TON |
| RECYCLABLES | FREE | \$45.58/PER TON | GENERAL TRASH | \$45.58/TON | SAME |
| ADDITIONAL CARTS | | | | | |
| SERVICE | CURRENT RATE | NEW RATE | SERVICE | CURRENT RATE | NEW RATE |
| 96 GAL TRASH/EA. | \$14.49/PER MONTH | \$15.37/PER MONTH | 96 GAL RECYCLE/EA. | \$8.58/PER MONTH | \$10.24/PER MONTH |

Sincerely,

Redrock Environmental Group