

November 4, 2025

Authority Staff
South Lake Tahoe Basin Waste Management Authority
1901 Airport Road
South Lake Tahoe, CA 96150

Subject: **DRAFT - 2026 Interim Year Rate Analysis of South Tahoe Refuse Company**

Crowe LLP (Crowe) has completed its analysis of South Tahoe Refuse Company, Inc.'s (STR) 2026 Interim Year Rate Application (Application). The South Lake Tahoe Basin Waste Management Authority (JPA) contracted with Crowe to conduct an analysis of the Application and to provide recommendations for changes in refuse collection rates effective January 1, 2026. This letter report is organized as follows:

- A. *Purpose of Analysis*
- B. *Summary*
- C. *Background of Analysis*
- D. *Scope of Analysis*
- E. *Results of Analysis.*

There are four (4) attachments to this report.

- Attachment A – 2026 Residential Rate Structure
- Attachment B – 2026 Interim Year Rate Application
- Attachment C – 2026 Interim Year Worksheet
- Attachment D – Consumer Price Index (CPI) Data.

A. Purpose of Analysis

The purpose of the 2026 Interim Year Rate Analysis of STR (Analysis) is to assist the JPA with establishing solid waste collection rates. The Analysis was conducted in accordance with the JPA's 2012 *Solid Waste Rate Setting Policies and Procedures Manual* (Manual).

The information in this Analysis is based on estimates, assumptions and other data developed by Crowe from information provided by STR, knowledge of and participation in other studies, data supplied by the JPA, and other sources deemed to be reliable.

In the course of preparing this Analysis, we have not conducted an audit, review, compilation, agreed upon procedures, or examination of any financial or supplemental data used in the accompanying Analysis. We have made certain projections of calculations based on projected data which may vary from actual results because events and circumstances frequently do not occur as expected and such variances may be material. We have no responsibility to update this Analysis for events or circumstances occurring after the date above.

Our procedures and work product are intended for the benefit and use of the JPA. This engagement was not planned or conducted in contemplation of reliance by any other party or with respect to any specific transaction and is not intended to benefit or influence any other party. Therefore, items of possible interest to a third party may not be specifically addressed or matters may exist that could be assessed differently by a third party.

The JPA agreed to be responsible to make all management decisions and perform all management functions; designate an individual who possesses suitable skill, knowledge, and/or experience, preferably within senior management to oversee these services; evaluate the adequacy and results of the services performed; and accept responsibility for the results of the services.

B. Summary

Our analysis supports an interim year rate increase of 5.10 percent for the City of South Lake Tahoe and El Dorado County and 4.82 percent for Douglas County¹, effective January 1, 2026. In 2023, the JPA also approved an additional increase of 5.08 percent for mandatory organic recycling program implementation under Senate Bill (SB) 1383 to be spread over two years, 2025 and 2026. Current 2025 and calculated 2026 residential rates, for selected service levels, are shown in **Table 1**. Current 2025 and calculated 2026 commercial rates, for selected service levels, are shown in **Table 2**. The complete residential and commercial rate structures are provided in **Attachment A** of this report.

Table 1
South Tahoe Refuse
Residential Rates with a 5.10 Percent Rate Increase for the City of South Lake Tahoe and El Dorado County, and a 4.82 Percent Rate Increase for Douglas County (Interim Year 2025) and a 5.08 Percent Rate Increase for SB 1383 Program Implementation

Service Level	Current 2025 Rate (Per Customer, Per Month)	2026 Interim Year Rate (Per Customer, Per Month)	2026 SB 1383 Rate Increase (Per Customer, Per Month)	2026 Rate (Per Customer, Per Month)
City of South Lake Tahoe				
Unlimited Service ²	\$44.72	\$2.28	\$2.10	\$49.10
Douglas County				
1, 32-gallon can	\$27.37	\$1.32	\$1.28	\$29.97
El Dorado County (Area A)				
Unlimited Service	\$47.87	\$2.44	\$2.24	\$52.55

¹ Note that the calculation supported a 5.0 percent increase for Douglas County. However, STR indicated a willingness to reduce the interim year rate increase to 4.82 percent. Combined with the SB 1383 program implementation increase of 5.08 percent, the total calculated rate increase for Douglas County for 2025 is 9.90 percent, below the 10 percent level which would require a citizen vote for approval.

² Excluding City surcharges for street sweeping (\$0.25) and nuisance abatement (\$0.25).

Table 2**South Tahoe Refuse**

Commercial Rates with a 5.10 Percent Rate Increase for the City of South Lake Tahoe and El Dorado County, and a 4.82 Percent Rate Increase for Douglas County (Interim Year 2025) and a 5.08 Percent Rate Increase for SB 1383 Program Implementation

Service Level	Current 2025 Rate (Per Customer, Per Month)	2026 Interim Year Rate Increase (Per Customer, Per Month)	2026 SB 1383 Rate Increase (Per Customer, Per Month)	2026 Rate (Per Customer, Per Month)
City of South Lake Tahoe				
Per cubic yard	\$51.16	\$2.61	\$2.40	\$56.17
Douglas County				
Per cubic yard	\$40.18	\$1.94	\$1.88	\$44.00
El Dorado County (Area A)				
Per cubic yard	\$57.39	\$2.93	\$2.69	\$63.01

C. Background of Analysis

The JPA is a joint powers authority comprised of the City of South Lake Tahoe, California; Douglas County, Nevada; and El Dorado County, California (Member Agencies). The JPA is responsible for overseeing regional cooperation regarding solid waste and coordinating solid waste program planning and reporting for these Member Agencies.

STR is the franchise hauler for the three (3) jurisdictions. STR provides exclusive refuse collection, recycling, and transfer station operations to Member Agencies in accordance with separate franchise agreements.

JPA rate setting is guided by the JPA's 2012 *Solid Waste Rate Setting Policies and Procedures Manual* (Manual). The Manual allows STR to submit an interim year rate application for the rate year 2026. Our Analysis was conducted consistent with Step 2 in Section 3 of the Manual.³

The JPA and STR followed the interim year process in Section 3 of the Manual for interim years 2014, 2016, 2017, 2019, 2020, 2022, 2023, and 2025 and the base year process for rate years 2015, 2018, 2021, and 2024. Previously approved rate changes were as follows:

- 2014 – 2.78 percent rate increase for City of South Lake Tahoe and El Dorado County; and 2.73 percent rate increase for Douglas County – interim year.
- 2015 – 2.88 percent rate increase for City of South Lake Tahoe and El Dorado County; and 2.66 percent rate increase for Douglas County – base year.
- 2016 – No rate increases for City of South Lake Tahoe, El Dorado County and Douglas County – interim year.
- 2017 – 1.62 percent rate increase for City of South Lake Tahoe and El Dorado County; and 1.59 percent rate increase for Douglas County – interim year.
- 2018 – 8.81 percent rate increase for City of South Lake Tahoe; 6.81 percent rate increase for

³ The JPA allows for the franchise hauler to submit an interim year rate application in each of the “interim” two (2) years between “base” years, should the franchised hauler want to request an increase in rates.

Douglas County; and 9.34 percent rate increase for El Dorado County – base year.

- 2019 – 3.11 percent rate increase for the City of South Lake Tahoe and El Dorado County; and 3.05 percent increase for Douglas County – interim year.
- 2020 – 2.93 percent rate increase for the City of South Lake Tahoe and El Dorado County; and 2.87 percent increase for Douglas County – interim year.
- 2021 – 9.04 percent rate increase for City of South Lake Tahoe; 7.11 percent rate increase for Douglas County; and 5.77 percent rate increase for El Dorado County – base year.
- 2022 – 3.77 percent rate increase for City of South Lake Tahoe and El Dorado County; and 3.69 percent rate increase for Douglas County – interim year.
- 2023 – 4.96 percent rate increase for City of South Lake Tahoe and El Dorado County; and 4.86 percent rate increase for Douglas County – interim year.
- 2024 – 11.05 percent rate increase for City of South Lake Tahoe; 8.15 percent rate increase for Douglas County; and 8.33 percent rate increase for El Dorado County – base year.
- 2025 – 3.30 percent rate increase for the City of South Lake Tahoe and El Dorado County; and 3.23 percent for Douglas County – interim year.
- 2025 – 5.08 percent rate increase for all jurisdictions (representing the first year of a two-year Senate Bill 1383 implementation; 2026 will include a second 5.08 percent increase) – mandatory organics recycling collection under Senate Bill 1383.

Table 3 provides a history of residential rates from 2016 to 2025.

Table 3
South Tahoe Refuse
Selected Residential Rates
(2016 to 2025)

Year	City of South Lake Tahoe	Douglas County	El Dorado County
	Unlimited Service	One 32-gallon can	Unlimited Service
2016	\$26.13	\$17.44	\$29.98
2017	\$26.55	\$17.72	\$30.47
2018	\$28.89	\$18.93	\$32.38
2019	\$29.79	\$19.51	\$34.38
2020	\$30.66	\$20.07	\$35.39
2021	\$33.43	\$21.50	\$37.43
2022	\$35.89	\$22.29	\$38.84
2023	\$37.65	\$23.37	\$40.77
2024	\$41.26	\$25.27	\$44.17
2025 ⁴	\$44.72	\$27.37	\$47.87

On July 11, 2025, STR submitted its Application to the JPA for rate year 2026. **Attachment B** includes a copy of the Application. The interim year application process requires STR to project one component of the rate, the projected change in landfill disposal costs. In accordance with the Manual, the JPA then determines the remaining portion of the rate change which is based on the most recent prior year change in the applicable Consumer Price Index (CPI). As shown in Attachment B (page 11), STR projected that landfill disposal costs would increase by 4.39 percent in 2026.

We used STR internally prepared financial information and operational data for rate years 2025 (actual)

⁴ Includes the interim year rate increase and first year of two-year phase in for Senate Bill 1383 implementation (a 5.08 percent increase).

and 2026 (projected), and additional information and data that Crowe requested of STR. This Analysis does not constitute an audit of STR financial information.

D. Scope of Analysis

Our scope of services included the following tasks:

- Identify applicable Consumer Price Index (U.S. Garbage and Trash, CUUR0000SEHG02)
- Request additional data and clarification from STR
- Complete the interim year rate change worksheet and determine new rates
- Prepare the draft report
- Receive comments from the JPA and STR
- Prepare the final report.

For this Analysis, we performed the following tasks:

- Assessed if the Application was mathematically accurate and logically consistent
- Verified that the Application complied with the terms and conditions of the Manual
- Assessed supporting data, worksheets, and documentation
- Obtained support for actual landfill disposal tonnage and the assumptions used to project 2026 tonnage and tipping fees; prepared an alternate tonnage forecast using this information
- Prepared the draft and final reports
- Participated in JPA and Member Agency preparation and meeting(s), as required.

Crowe submitted a data request to STR on July 21, 2025. STR provided timely responses to our data requests. STR furnished the information requested.

E. Results of Analysis

In its Application, STR projected an increase in 2026 landfill disposal costs of 4.39 percent driven by the following factors:

- A 4.74 percent increase in tipping fee rates at Lockwood Landfill (minimum increase per contract)
- A 3.27 percent increase in tipping fee rates at Carson City Landfill (shown in Attachment B)
- A decrease of 1,466 tons, or 3.7 percent, in municipal solid waste (MSW) tonnage
- An increase of 1,794 tons, or 9.4 percent, in construction and demolition (C&D) tonnage⁵
- An increase of 145 tons, or 1.0 percent, in alternative daily cover (ADC) tonnage.

We completed the required Interim Year Worksheet to support the Analysis (see **Attachment C**). The applicable change in the June 2024 to June 2025 U.S. Garbage and Trash CPI (index reference: CUUR0000SEHG02) for this interim year was 5.97 percent (as shown in **Attachment D**). The index changed from 611.946 to 648.477 year over year. The Manual calls for use of 85% of the index for non-landfill disposal costs (see line 9 of the worksheet in Attachment C). Note that this change in CPI is applied to 93.61 percent of STR costs (see reference on line 5 of the worksheet in Attachment C).

After obtaining additional tonnage and tipping fee data from STR, we analyzed historical and estimated tipping fee costs for the two facilities used by STR (Lockwood Landfill and Carson City Landfill) and found

⁵ Includes both C&D and C&D as ADC.

evidence that the total tipping fee costs are increasing for the combined facility usage and disposal materials mix. Based on this data and modified tonnage projections, we projected a 1.57 percent increase in total tipping fees (see line 16 of the worksheet in Attachment C). Note that this change in landfill disposal costs is applied to 6.39 percent of STR costs (see reference on line 6 of the worksheet in Attachment C). The Crowe modified tonnage reflects holding the 2026 C&D tonnage projection equal to actual result from 2025 (19,053) rather than escalating the 2025 figure by 19 percent based on the growth in the prior three years (to 22,706).

As a result of the Analysis of the Application and based on the calculations provided in the interim year worksheet in Attachment C, the calculation supports a 2026 interim year rate increase of 5.10 percent for the City of South Lake Tahoe and El Dorado County, and a 5.00 percent interim year rate increase for Douglas County.

Reasons for rate differences between Member Agencies

Rates vary for each service area based on several factors including:

- **Distance from the service area to the South Tahoe Refuse Transfer Station and truck parking and maintenance yard.** The closer the collection service area is to the STR transfer station, the more efficient and cost effective it is to provide service to those customers. This is due to lower labor costs, fuel costs, vehicle idle time, and vehicle wear and tear. Additionally, vehicle and labor utilization both increase as the distance to the service area decreases. For example, collection trucks will fill-up and need to be dumped multiple times during the day. When the truck reaches its load capacity and needs to return to the transfer station to dump, the shorter the distance from the customer route to the transfer station, the more efficient and less expensive the cost will be to dump the truck. Conversely, the greater the distance from the route to the transfer station, the more unproductive “windshield” drive time is incurred where the truck driver and helpers are being paid but no customers are being serviced. The amount of “windshield” time on each route contributes to the cost of servicing that route so those service areas closest to the transfer station will have a smaller amount of “windshield” time while service areas farther from the transfer station will have a larger amount.
- **Customer density per mile** is another factor that impacts the collection rates. As the number of customers per mile increases, the amount of “windshield” time between each customer stop decreases making for a more efficient collection route. The City customer density per mile is about 1.6 times greater than in the El Dorado County and Douglas County service areas.
- **Type of terrain for the service area.** The City is much flatter with not as many hills and narrow service tracks which makes it the easiest area to service. Due to the hilly terrain and many narrow roads, both El Dorado County and Douglas County require the use of additional smaller trucks to service those areas. During the winter months, both counties need to be serviced using many small, four-wheel drive (4x4) trucks.
- **Traffic conditions** contribute to the amount of “windshield” time for a particular service area. Given the limited number of roads that can be used to access the transfer station, vehicle traffic congestion during the busy summer and winter seasons, and during other times of the year, on the main travel routes often results in driving delays which impact the cost of service. The greater the distance from the service area to the transfer station, the more the “windshield” time can be negatively impacted by traffic congestion.
- **Road work** is another factor that impacts “windshield” time. When the main roads used to access the transfer station have road construction, this will increase the “windshield” time for each service area so those service areas closest to the transfer station are impacted less while those service areas farther from the transfer station are impacted more.
- **Weather conditions**, including having to run collection routes using tire chains during the winter

months, also increases “windshield” time so those routes located closest to the transfer station are impacted less while those service areas farther from the transfer station are impacted more.

- **Bear box enclosures.** The number of bear box enclosures on a route significantly impacts the amount of time it takes to provide collection services for that route. Instead of being able to stop at the customer’s driveway and dump the can(s) and then move on to the next stop, the collection truck helper (swamper) must first walk to the bear box enclosure, which may not be located near the edge of the road, and then open the enclosure to see if there is garbage that needs to be dumped. If there is, the swamper will then carry the can(s) to the collection truck and dump the can(s) and then return the empty can(s) back to the bear box enclosure.

The presence of a bear box enclosure forces the truck to stop and the swamper to have to check the enclosure each week to see whether there is garbage to be collected. Even when a customer may not have any garbage to be dumped for the week, the truck is still forced to stop so the swamper can check the bear box enclosure to see if there is any garbage.

Servicing a bear box enclosure increases the time to collect from the normal 25 to 30 seconds for can(s) at the edge of the road to 60 seconds or more. This additional service time is a significant factor when a route will have 400 or more stops per day. As of August 30, 2024, about 30% of customers in the City of South Lake Tahoe utilize a bear box enclosure while for Douglas and El Dorado County the percentages almost double to 54% and 59% respectively.

- **Type of service: mandatory or non-mandatory subscription service.** Both California jurisdictions, the City of South Lake Tahoe and El Dorado County – Area A, have mandatory residential collection service requirements so all customers are required to pay for collection services. Mandatory service is more cost efficient than non-mandatory service because all dwellings are contributing to the fixed costs (i.e., collection vehicles) of providing an essential service, resulting in a lower cost per dwelling versus non-mandatory service. Additionally, both of these jurisdictions also have unlimited service so all customers in the jurisdiction pay the same rate and receive the same service regardless of the amount of waste collected. There are many vacation homes located in these mandatory service areas and all property owners receive, and are required to pay for, the same service which helps spread the cost for operating the solid waste and recycling system over a larger number of customers.

Douglas County, Nevada is a non-mandatory service area, so customers have an option as to whether they wish to subscribe for service or not. If they subscribe for service, they pay a fee based on the volume of service they desire. Only those customers who subscribe for service are paying into the solid waste and recycling system, resulting in a greater cost per dwelling versus mandatory jurisdictions for a typical service (unlimited service is generally considered comparable to a two 32-gallon container subscription service).

- **Residential and commercial revenues and customer mix.** One important consideration is the mix of residential and commercial customers and the total revenue generated by the customers for that jurisdiction. The residential and commercial mix is very different for each of the three jurisdictions. The City has a relatively equal mix of residential and commercial customers, whereas El Dorado County is almost exclusively residential service. Douglas County commercial revenues represent three quarters of its revenues.
- **Historical rate setting practices.** Current rates for each jurisdiction generally carry legacy rate structures which were established by these jurisdictions long ago based on the needs of the community at that time.

Reasons for Senate Bill 1383 rate increase

The second 5.08 percent rate increase for mandatory organics recycling under SB 1383 funds the following costs (the first occurred during the 2025 rate year):

- MSW: 8 new semi-automated routes; weekly service
- Single stream recycling: 7 new semi-automated routes; service every other week
- Green waste: 7 new semi-automated routes; service every other week
- New carts delivered to customers for implementation of 3-cart system: MSW, single stream recycling, and green waste
- 9 new trucks purchased, including 4 new rear-loader trucks, 4 mini-side-loader trucks, and 1 flatbed for cart delivery/pickup and bulk item collection
- Additional fuel, insurance, maintenance of new trucks
- Additional drivers and helpers to serve new routes
- Additional collection department manager and customer service representative
- Compliance reviews:
 - Monthly account compliance reviews
 - Annual route reviews
- Education and outreach for program violators.

* * * * *

If you have any questions regarding this Analysis, or any of the contents of this report, please do not hesitate to contact Erik Nylund at (415) 230-4963.

Very truly yours,

Crowe LLP

Attachment A
2026 Residential Rate Structure

Interim Year Rate Change Worksheet

Summary

1.	Percent Rate Change Requested (City of South Lake Tahoe and El Dorado County)	5.10%
	Percent Rate Change Requested (Douglas County)	5.00%

Rate Schedule (per customer, per month)		Current Rate	Interim Year Rate Adjustment	SB 1383 Rate Adjustment*	New Rate
2.	City of South Lake Tahoe				
2.1.	Unlimited service	\$ 44.72	\$ 2.28	\$ 2.10	\$ 49.10
2.2.	Mandated pickup per 32-gallon can/bag	9.37	0.48	0.44	10.29
2.3.	Mandated pickup per cubic yard	62.65	3.20	2.94	68.79
2.4.	Qualified senior rate	27.56	1.41	1.29	30.26
2.5.	House service - 1 can	51.08	2.61	2.39	56.08
2.6.	House service - 2 cans	57.48	2.93	2.69	63.10
2.7.	House service - 3 cans	63.83	3.26	2.99	70.08
3.	Douglas County				
3.1.	1, 32-gallon can	\$ 27.37	\$ 1.37	\$ 1.28	\$ 30.02
3.2.	2, 32-gallon cans	52.69	2.63	2.47	57.79
3.3.	3, 32-gallon cans	80.35	4.01	3.77	88.13
3.4.	4, 32-gallon cans	105.68	5.28	4.96	115.92
3.5.	One extra 32-gallon can (also the seasonal service rate)	6.86	0.34	0.32	7.52
3.6.	Per cubic yard	44.21	2.21	2.07	48.49
3.7.	1, 45-gallon can	33.19	1.66	1.56	36.41
3.8.	2, 45-gallon cans	63.80	3.19	2.99	69.98
3.9.	3, 45-gallon cans	97.24	4.86	4.56	106.66
3.10.	One extra 45-gallon can (also the seasonal service rate)	8.36	0.42	0.39	9.17
3.11.	1, 35-gallon cart	27.37	1.37	1.28	30.02
3.12.	1, 65-gallon cart	52.69	2.63	2.47	57.79
3.13.	1, 95-gallon cart	63.80	3.19	2.99	69.98
4.	El Dorado County (Area A)				
4.1.	Unlimited service	\$ 47.87	\$ 2.44	\$ 2.24	\$ 52.55
4.2.	Mandated pickup per 32-gallon can/bag	10.03	0.51	0.47	11.01
4.3.	Mandated pickup per cubic yard	57.39	2.93	2.69	63.01
4.4.	Qualified senior rate	31.20	1.59	1.46	34.25
4.5.	House service per can	6.05	0.31	0.28	6.64
	El Dorado County (Area B); no SB 1383 rate increase applied				
5.1.	1, 32-gallon can	\$ 22.67	\$ 1.16	\$ -	\$ 23.83
5.2.	2, 32-gallon cans	30.45	1.55	-	32.00
5.3.	3, 32-gallon cans	36.79	1.88	-	38.67
5.4.	4, 32-gallon cans	43.12	2.20	-	45.32
5.5.	1, 45-gallon can	26.31	1.34	-	27.65
5.6.	2, 45-gallon cans	32.00	1.63	-	33.63
5.7.	3, 45-gallon cans	40.83	2.08	-	42.91
5.8.	One extra 32-, 45-gallon can	7.01	0.36	-	7.37

Year:

Page 1 of 2

* The SB 1383 increase represents a fixed amount which was set equal to a 5.08% increase applied to last year's rates. The SB 1383 rate increase amount in this column is equal to the same absolute SB 1383 rate increase amount as for 2025. Consequently, the calculation of the SB 1383 rate increase as a percent of the current rate is lower than 5.08% because the current rate in this table also reflects last year's interim year rate adjustment.

Attachment A

2026 Commercial Rate Structure

Rate Schedule (per customer, per month)		Current Rate	Interim Year Rate Adjustment	SB 1383 Rate Adjustment	New Rate
2.	City of South Lake Tahoe				
2.1.	per cubic yard	\$ 51.16	\$ 2.61	\$ 2.40	\$ 56.17
2.3.	per 32-gal can/bag	\$ 7.04	\$ 0.36	\$ 0.33	\$ 7.73
2.5.	per 45-gal can/bag	\$ 8.75	\$ 0.45	\$ 0.41	\$ 9.61
2.7.	compacted rate per yard	\$ 71.78	\$ 3.66	\$ 3.36	\$ 78.80
3.	Douglas County				
3.1.	per cubic yard	\$ 40.18	\$ 1.94	\$ 1.88	\$ 44.00
3.3.	per 32-gal can/bag	\$ 6.30	\$ 0.30	\$ 0.30	\$ 6.90
3.5.	compacted rate per yard	\$ 51.92	\$ 2.50	\$ 2.44	\$ 56.86
4.	El Dorado County - Area A				
4.1.	per cubic yard or extra cubic yard	\$ 57.39	\$ 2.93	\$ 2.69	\$ 63.01
4.2.	per 32-gal can/bag or extra 32-gal can/bag	\$ 10.03	\$ 0.51	\$ 0.47	\$ 11.01
4.3.	compacted rate per yard or extra compacted yard	\$ 76.84	\$ 3.92	\$ 3.60	\$ 84.36
	El Dorado County - Area B				
4.1.	per cubic yard	\$ 23.87	\$ 1.22	\$ -	\$ 25.09
4.3.	per 32-gal can/bag	\$ 6.32	\$ 0.32	\$ -	\$ 6.64
4.5.	compacted rate per yard	\$ 54.26	\$ 2.77	\$ -	\$ 57.03

Attachment B
2026 Interim Year Rate Application

Interim Year Rate Application

			Lockwood	Carson City	Total
Change in Landfill Disposal Costs					
1.		Prior Year Landfill Tipping Fees Per Ton (rounded)	\$ 24.42	\$ 22.59	\$ 22.70
2.	<i>Multiplied by:</i>	Prior Year Landfill Tons	4,348.26	68,372.86	72,721.11
		Add Adjustment for Rounding	\$ 11.12	\$ (63.28)	(52.16)
3.	<i>Equals:</i>	Total Prior Year Landfill Disposal Costs	\$ 106,195.39	\$ 1,544,479.63	\$ 1,650,675.01
4.		Projected Interim Year Landfill Tipping Fees Per Ton	\$ 25.58	\$ 23.33	\$ 23.54
5.	<i>Multiplied by:</i>	Projected Interim Year Landfill Tons	6,952.81	66,241.87	73,194.68
		Add Adjustment for Rounding	2.87	(198.25)	(195.38)
6.	<i>Equals:</i>	Total Projected Interim Year Landfill Disposal Costs	\$ 177,855.76	\$ 1,545,224.58	\$ 1,723,080.33
7.		Projected Change in Landfill Disposal Costs	67.5%	0.0%	4.39%

Provide an explanation of any changes in landfill disposal costs (i.e., landfill tipping fees paid by the franchise hauler, landfill tonnage). Attach supporting documentation to this application as appropriate.

- 1.) Prior year Lockwood and Carson tipping fee per ton have been calculated using a weighted-average rate for MSW, C&D and ADC. See attached Lockwood tipping fee increase letter effective April 1, 2025 and Carson City increase effective July 1, 2025. Also see attached tonnage detail schedule for more information.
- 2.) Projected interim year tipping fee per ton for Lockwood was calculated based on a minimum 3.00% increase consistent with section IV(b) of the Lockwood agreement while the Carson City Landfill uses the actual contract rate per ton as of July 1, 2025.
- 3.) Disposal cost increase is due to a higher cost per ton disposal fee at the Lockwood and Carson City Landfills as a result of the annual tip fee increases under the contracts combined with a decrease in MSW tons and an increase in C&D tons.

Enclosures:
- FYE 2025 Tonnage Detail
- Lockwood Tipping Fee Increase Letter
- Carson City Landfill Tipping Fee Increase Letter

Section III—Certification

To the best of my knowledge, the data and information in this application is complete, accurate, and consistent with the instructions provided by the South Lake Tahoe Basin Waste Management Authority.

Name: John D. Marchini

Title: Secretary

Signature:

Date:

Attachment B
2026 Interim Year Rate Application (continued)

STR

Landfill Tipping Fees and Tonnage

Twelve Months	ACTUAL				ACTUAL				ACTUAL						
	Lockwood Landfill (7/1/24 - 6/30/25)				Carson City Landfill (7/1/24 - 6/30/25)				TOTAL (7/1/24 - 6/30/25)						
			Rate per				Rate per				Rate per				
	Tons	Tip Fee \$	Ton		Tons	Tip Fee \$	Ton		Tons	Tip Fee \$	Ton				
	MSW	4,348.25	\$ 106,195.39	\$ 24.42	35,426.55	\$ 1,004,287.09	\$ 28.35		39,774.80	1,110,482.48	\$ 27.92				
	C&D	-	\$ -		19,053.36	\$ 540,192.54	\$ 28.35		19,053.36	\$ 540,192.54	\$ 28.35				
	C&D as ADC	-	\$ -		-	\$ -			-	\$ -					
	Green Waste	-	\$ -		-	\$ -			-	\$ -					
	ADC	-	\$ -		13,892.95	\$ -			13,892.95	\$ -					
	Total FYE 2025	4,348.25	\$ 106,195.39	\$ 24.42	68,372.86	\$ 1,544,479.63	\$ 22.59		72,721.11	\$ 1,650,675.02	\$ 22.70				
Annual FYE 2026	PROJECTED				PROJECTED				PROJECTED						
	Lockwood Landfill (7/1/25 - 6/30/26)				Carson City Landfill (7/1/25 - 6/30/26)				TOTAL (7/1/25 - 6/30/26)						
			Rate per				Rate per				Rate per		Tonnage		
	Tons	Tip Fee \$	Ton		Tons	Tip Fee \$	Ton		Tons	Tip Fee \$	Ton		Increase		
													(Decrease)		
	MSW	6,952.81	\$ 177,855.75	\$ 25.58	31,356.53	\$ 928,153.38	\$ 29.60		38,309.34	1,106,009.14	\$ 28.87		(1,465.46)	-3.7%	
	C&D	-	\$ -		20,847.00	\$ 617,071.20	\$ 29.60		20,847.00	617,071.20	\$ 29.60		1,793.64	9.4%	
	C&D as ADC	-	\$ -	\$ 22.55	-	\$ -			-	\$ -			-		
	Green Waste	-	\$ -		-	\$ -			-	\$ -			-		
	ADC	-	\$ -		14,038.34	\$ -			14,038.34	\$ -			145.39	1.0%	
Total FYE 2026	6,952.81	\$ 177,855.75	\$ 25.58	66,241.87	\$ 1,545,224.58	\$ 23.33		73,194.68	\$ 1,723,080.34	\$ 23.54		473.57			
Change										473.57	\$ 72,405.32				
										0.7%	4.4%				
										</					

Attachment B
2026 Interim Year Rate Application (*continued*)



Waste Management
Lockwood Regional Landfill
2401 Canyon Way
Sparks, NV 89434
T: 775.343.7372
F: 775.342.2328

March 11, 2025

Mr. Jeff Tillman
General Manager
South Tahoe Refuse, Inc.
2140 Ruth Avenue
South Lake Tahoe, CA 96150

Dear Mr. Tillman,

We have contacted the Bureau of Labor Statistics and obtained the percentage change in the Consumer Price Index-U.S. City Average-Garbage and Trash Collection Series ID CUUR0000SEHG02 for the annual period of Year 2023 vs 2024. Per the Bureau of Labor Statistics, the annual percentage change in the Consumer Price Index increased 4.44% during this period.

Accordingly, pursuant to Section IV (b) of the agreement, the increase to disposal rates, which the company will put into effect as of April 1, 2025, will be 4.44%. Your rate will increase to \$25.39 per ton from the current rate of \$24.31 per ton.

Please call me if you have any questions at 775.343.7372.

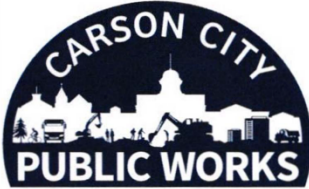
Sincerely,

A handwritten signature in black ink, appearing to read 'J. Ballesteros'.

Jorge Ballesteros

CC:
Jonathan Crabtree
Kentry Tan
Maria Davis
Lisa Cassiano
Fabian Gillooly

Attachment B
2026 Interim Year Rate Application (*continued*)



CARSON CITY NEVADA
Consolidated Municipality and State Capital
PUBLIC WORKS

June 16, 2025

Jeff Tillman
South Tahoe Refuse & Recycling Services/Douglas Disposal & Recycling Services
2140 Ruth Avenue
South Lake Tahoe, CA 96150

Dear Mr. Tillman:

Per our Landfill Tipper agreement, disposal rates at the Carson City landfill were to be adjusted by the CPI on July 1, 2025. The CPI increase is 4.44% based on the difference in annual averages between 2023 and 2024 (attached). The new tipping rate is \$29.60 per ton. Should you have any questions, please let me know.

Thank you for your business,

A handwritten signature in black ink, appearing to read "Justin Tiearney".

Justin Tiearney
Operations Manager
Carson City Public Works
(775) 283-7344

Attachment B
2026 Interim Year Rate Application (continued)

Carson City
CPI Index Values

CPI for All Urban Consumers (CPI-U)

Series Id: CUUR0000SEHG02

Not Seasonally Adjusted

Series Title: Garbage and trash collection in U.S. city average, all urban consumers, not seasonally adjusted

Area: U.S. city average

Item: Garbage and trash collection

Base Period: DECEMBER 1983=100

2023 Annual Average Index 589.344

2024 Annual Average Index 615.506

Difference 26.162

Percentage Difference 4.44%

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Annual
2016	437.205	438.296	437.699	437.676	438.317	437.858	438.607	439.358	439.707	440.311	443.343	444.745	439.427
2017	446.266	447.699	446.987	447.129	447.272	448.046	448.328	448.717	449.008	452.196	453.82	453.596	449.089
2018	453.354	454.915	455.23	458.722	462.887	465.041	465.579	470.457	471.025	472.535	486.65	485.935	466.861
2019	475.687	477.474	478.569	479.449	480.865	480.984	482.138	483.987	484.346	486.133	486.485	486.708	481.902
2020	491.003	494.429	495.288	494.432	494.946	496.679	498.564	500.882	501.756	503.315	504.97	508.19	498.705
2021	512.722	517.27	518.505	518.579	516.44	517.202	521.185	524.408	529.934	530.114	529.053	532.538	522.329
2022	533.078	538.313	540.719	542.564	544.546	547.554	548.187	548.706	558.254	561.09	563.816	565.185	549.334
2023	570.412	575.697	576.773	580.124	587.431	589.812	596.167	597.347	596.997	597.569	601.631	602.164	589.344
2024	606.773	610.551	610.015	611.073	609.538	611.946	614.089	615.88	619.64	621.632	627.127	627.807	615.506
2025	629.803												

Attachment C
2026 Interim Year Worksheet

Interim Year Rate Change Worksheet

Financial Information

Section I--Base Year Costs				
Base Year Operating Costs (Other Than Landfill Disposal)				
1.	Total Allow able Operating Costs	\$ 23,199,445		
2.	Plus: Allow able Operating Profit	3,468,820		
3.	Plus: Total Pass Through Costs	1,376,402		
4.	Minus: Landfill Disposal Costs	1,791,559		
5.	Equals: Total Operating Costs (Other Than Landfill Disposal)	\$ 26,253,107	93.61%	
Base Year Landfill Disposal Costs				
6.	Total Landfill Disposal Costs	\$ 1,791,559	6.39%	
7.	Base Year Revenue Requirement	\$ 28,044,666	100.00%	
Section II--Changes in Costs				
Change in Operating Costs (Other Than Landfill Disposal)				
8.	Projected Change in Consumer Price Index		5.97%	
9.	Projected 85 Percent Change in Consumer Price Index		5.07%	
Change in Landfill Disposal Costs				
10.	Prior Year Total Landfill Tipping Fees Per Ton	\$ 22.70		
11.	Multiplied by: Prior Year Total Landfill Tons	72,721.11		
12.	Equals: Total Prior Year Total Landfill Disposal Costs	\$1,650,675.01		
13.	Projected Interim Year Total Landfill Tipping Fees Per Ton	\$ 23.41		
14.	Multiplied by: Projected Interim Year Total Landfill Tons	\$ 71,623.30		
15.	Equals: Total Projected Interim Year Total Landfill Disposal Costs	\$1,676,567.51		
16.	Projected Change In Total Landfill Disposal Costs		1.57%	
Section III--Calculation of Percent Change in Rates				
Weighted Change in Operating Costs (Other Than Landfill Disposal)				
17.	Operating Costs as % of Base Yr. Revenue Requirement		93.61%	
18.	Multiplied by: Projected 85 Percent Change in Consumer Price Index		5.07%	
19.	Equals: Weighted Change in Operating Costs		4.75%	
Weighted Change in Total Landfill Disposal Costs				
20.	Total Landfill Disposal Costs as % of Base Yr. Revenue Requirement		6.39%	
21.	Multiplied by: Projected Change in Total Landfill Disposal Costs		1.57%	
22.	Equals: Weighted Change in Total Landfill Disposal Costs		0.10%	
Total Change				
23.	Total Percent Change in Costs		4.85%	
24.	Divided by: Adjustment for Franchise Fee (1 - ____%)		95%	
25.	Equals: Percent Change in Existing Rates (City of South Lake Tahoe and El Dorado County)			5.10%
26.	Total Percent Change in Costs		4.85%	
27.	Divided by: Adjustment for Franchise Fee (1 - ____%)		97%	
28.	Equals: Percent Change in Existing Rates (Douglas County)			5.00%

Year:

Page 2 of 2

Note: STR indicated a willingness to reduce Douglas County's rate increase from 5.00 to 4.82 percent. When combined with the 5.08 percent SB 1383 rate increase, the total for 2025 is 9.90 percent, below the 10 percent amount requiring a vote for approval from the citizenry.

Attachment D Consumer Price Index (CPI) Data

Consumer Price Index for All Urban Consumers (CPI-U) Original Data Value

Series Id: CUUR0000SEHG02
Not Seasonally Adjusted
Series Title: Garbage and trash collection in U.S. city average, all
Area: U.S. city average
Item: Garbage and trash collection
Base Period: DECEMBER 1983=100
Years: 2015 to 2025

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	HALF1	HALF2
2015	427.734	429.248	429.235	429.807	431.234	430.813	431.229	432.967	433.843	434.829	436.428	436.996		
2016	437.205	438.296	437.699	437.676	438.317	437.858	438.607	439.358	439.707	440.311	443.343	444.745		
2017	446.266	447.699	446.987	447.129	447.272	448.046	448.328	448.717	449.008	452.196	453.820	453.596		
2018	453.354	454.915	455.230	458.722	462.887	465.041	465.579	470.457	471.026	472.535	486.650	485.935	458.358	475.364
2019	475.687	477.474	478.569	479.449	480.865	480.984	482.138	483.987	484.346	486.133	486.485	486.708	478.838	484.966
2020	491.003	494.429	495.288	494.432	494.946	496.679	498.564	500.882	501.756	503.315	504.970	508.190	494.463	502.946
2021	512.722	517.270	518.505	518.579	516.440	517.202	521.185	524.408	529.934	530.114	529.053	532.538	516.786	527.872
2022	533.078	538.313	540.719	542.564	544.546	547.554	548.187	548.706	558.254	561.090	563.816	565.185	541.129	557.540
2023	570.412	575.697	576.773	580.124	587.431	589.812	596.167	597.347	596.997	597.569	601.631	602.164	580.042	598.646
2024	606.773	610.551	610.015	611.073	609.538	611.946	614.089	615.880	619.640	621.632	627.127	627.807	609.983	621.029
2025	629.803	641.938	642.053	643.063	646.507	648.477							641.974	

Consumer Price Index as of June 2024 611.946

Consumer Price Index as of June 2025 648.477

Change in Consumer Price Index 36.531

Percent Change in Consumer Price Index 5.97%