November 18, 2008

Ms. Gerri Silva, Director of Environmental Management El Dorado County 2850 Fairlane Ct. Placerville, CA 95667

RE: South Tahoe Refuse Co., Inc.

Dear Ms. Silva:

On May 28, 2008 South Tahoe Refuse Co., Inc. requested a rate adjustment of 4.33% to become effective July 1, 2008. STR calculated that the rate adjustment would be required to reimburse the company for the pass-through increases from Lockwood Landfill and fuel increases. Included in the 4.33% rate adjustment was 1.4% for fuel expense. STR respectively withdraws it's request for the additional 1.4% fuel surcharge increase.

Sincerely yours,

Jeff Tillman President