Waste Connections Inc.
Connect with the Future ${ }^{\text {a }}$

May 15, 2006

Ms. Gerri Silva

## Hand-Delivered

Interim Director
County of El Dorado
Environmental Management Department
2850 Fairlane Court, Bldg C
Placerville, CA 95667
Dear Ms. Silva,
Waste Connections of California, Inc. (owned by Waste Connections, Inc) requests approval to initiate a fuel surcharge for all lines of business beginning July 1, 2006 pursuant to section 22-Dii. From September of 2004 until April 2006, California diesel fuel costs have increased 35.5\% (please reference the attached Energy Information Administration chart). Since diesel fuel and petroleum related products are a significant portion of our costs, we request a surcharge of $3.78 \%$. This charge will be adjusted up or down on a quarterly basis based on purchases from the prior period.

We appreciate your understanding with associated fuel costs and we look forward providing longterm quality service to the County of El Dorado.

cc: Thomas M. Bruen, Esq.

May 15, 2006

Ms. Gerri Silva

## Hand-Delivered

Interim Director
County of El Dorado
Environmental Management Department
2850 Fairlane Court, Bldg C
Placerville, CA 95687
Dear Ms. Siva,
Waste Connections of California, Inc. (owned by Waste Connections, Inc) requesis the County of El Dorado to grant consent to transfer to Waste Connections of Califomia, Inc. the County's solid waste contracts 008-04/05 and 009-04/05 both dated October 13, 2004, currently held by USA Waste of Califomia. Waste Connections makes this request pursuant to section 12A and 12 G of the above referenced contracts.

Waste Connections of California, Inc. has entered a definitive purchase agreement with USA Waste of California, Inc dba EI Dorado Disposal Services (copy attached). Waste Connections of California, Inc. will finalize and close this transaction immediately following the consent to transfer and assign the above referenced contracts if granted by the County of El Dorado.

Additionally, we would like to address several improvements/changes to the operation that will be implemented immediately post closing. A representative of Waste Connections of Callfornia, Inc, will be available at your convenience to address any questions the County may have pertaining to these changes.

1) Retrofit of the WERS facility. Please find an attachment/summary of the retrofit plan.
2) Re-establish a comprenensive customer service department at the Diamond Springs facility. This includes redirecting all phone functions to Diamond Springs, hiring and training 5-7 Customer Service Representatives and empowering the CSRs to make quick decisions to better service the customers.
3) Return all service, repair, and maintenance functions back to Diamond Springs. We believe that by controlling these functions in-house, the service and customer "wait" times will improve.
4) Retain and empower local management. We plan to retain Susan Farris as our local manager. Ms. Farris will be empowered to quickly make decisions and commitments to better serve the County.
5) Institute industry fested "best practices" to help alleviate past issues: fiter controf, shorter wait times and higher material recovery rates.

We appreciate your prompt attention in transferring the above referenced contracts in a timely fashion. Waste Connections of Califomia, Inc. looks forward to providing long-term quality service to the County of El Dorado.


Chairman and/Chief Executive Officer Waste Connections, Inc.
cc: Thomas M. Bruen, Esq.

