



Pinon Ranch Homeowner Association, Inc.

EXHIBIT F

Trash policy

- A. **Pricing Policy for Trash Service and optional recycling.** The Board of directors or the HOA manager will get a price quote for trash service as part of the yearly budget process, at least 45 days in advance of the Annual membership meeting. The initial pricing policy for the year 2020 and 2021 will be cost plus a 10 percent markup¹ with ½ the mark up going to administration (i.e. the contracted HOA manager, for the additional time and effort to administer this program) and the other ½ of the markup going to cover any collection losses, legal expenses, and increased insurance costs related to administering trash and recycling services. The board will review this policy on a yearly basis starting in 2021 for the following year and beyond and make yearly recommendations to either keep the same markup, or reduce or increase the markup percentage. These recommendations shall be voted on by the members at the 2021 annual membership meeting, and yearly thereafter.
- B. **Pricing Policy for Optional Recycling.** The recycling pricing policy will be the same as for trash service.²
- C. **Market Rates.** The goal of HOA trash service is to provide at or below market rates for trash service, even after the Association has added a markup to cover administrative costs. If needed, the Association can change service providers to get a lower rate. The trash program is not intended to be a profit source for the Association. The cost to the members is intended to cover only the costs and potential losses of the program, not to pay for other fiscal obligations.
- D. **Notification required for optional recycling service.** If a member wishes to include recycling service, the member will need to notify the Board of directors or the HOA manager in writing at least 20 days prior to the start of the year that they would like to add recycling service for the entirety of the following year. No refunds will be given on recycling should the member decide to discontinue the optional recycling once they have begun service. Notice can be given via email at: pinonranchhoa@gmail.com
- E. **Trash and Optional recycling to be considered part of the annual HOA assessment** and is to be paid yearly on February 1st and is consider late and subject to late charges on February 15th. An optional semiannual payment plan is available if the member agrees to pay an extra \$7.50 service fee (with ½ of the total HOA assessment due on or before February 1st and the second half due on or before July 1st.), late payments per this optional semiannual payment are still subject to late fee(s) per the HOA collection policy (see bylaws: EXHIBIT A ASSESSMENT COLLECTION).
- F. **Cancellation of Service and Refunds.** In the event that the trash and recycling program is not financially viable or there is some other disruption of service and the Association cancels the service after members have paid for it, refunds will be issued when possible. If the Association discontinues trash and recycling service, subsequent annual assessments will be reduced by the amount that was required to provide and administer the program.

¹ The price quote from Bestway trash service for 2020 is \$13.50 per month or \$162.00 per year per home. With the 10% markup that equals \$14.85 per month or \$178.20 per year, rounded down to \$178.00 for the year. The total markup that HOA would receive equals \$891.00 (\$162.00 x 10% = \$16.20 x 55 homes).

² The price quote from Bestway for recycling in 2020 is \$5.50 per month or \$55.00 per year per home. With the 10% markup that equals \$6.05 per month or \$72.60 per year, rounded up to \$73.00 for the year.

G. Additional Terms from Trash and recycling contractor, that apply to HOA members (i.e. Customer):

Exclusive right to haul refuse. Customer agrees not to contact with, or permit, any person or entity other than the contractor to remove, dispose, or recycle its waste, during the period this contract is in effect. Violation of this provision shall constitute breach of this agreement.

Definition of equipment. The word "equipment" as used in these terms and conditions shall mean all containers used for the Storage of waste materials, including dumpsters and any other on-site devices may be specified on the reverse side of this Agreement.

Customer's duties and liability. Customer acknowledges that it has the care, custody, and control of equipment owned by contractor and accepts responsibility for the equipment and its contents except when it is being physically handled by employees of the contractor. Therefore, customer agrees to indemnify and hold harmless contractor from and against any and all claims for loss of or damage to property or injury to or death of person or persons, resulting from or arising in any manner out of the customer's use, operation or possession of any equipment furnished under this agreement.

Customer warrants that waste delivered to contractor hereunder will contain no hazardous or toxic waste as defined by any local, state, or federal regulation. Further, customer agrees to reimburse and indemnify contractor for any costs, including attorney fees associated with defending any claim, charge, allegation or finding that any material generated by customer and transported by contractor contains hazardous or toxic waste as defined by any local, state, or federal regulation. Customer will not overload the equipment, nor use it for incineration purposes and shall be liable to contractor for loss or damage to such equipment in excess of reasonable wear and tear.

On collection day the contractor's vehicle shall have clear access to the equipment. If the equipment is blocked to prohibit collection, customer will be notified and one additional attempt for collection shall be made on the same day by the contractor's vehicle. Any additional collection will be classified as an "extra pick up" and so charged. Claims concerning missed pickup shall be made within 24 hours.

Driveways and parking areas. Customer warrants that any right of way provided by the customer from customer's equipment location to the most convenient public way is sufficient to bear the weight of the contractor's equipment and vehicles reasonably required to perform the service herein contracted.

Attorney fees. In the event of breach of this agreement by either party, the breaching party shall pay all reasonable attorney fees, collection fees, and costs of the other party incident to any action brought to enforce this agreement.