# SOLID WASTE SPECIAL SERVICE DISTRICT #1 (SWSSD1)

***DBA Canyonlands Solid Waste Authority***

**Regular Meeting:** https://www.youtube.com/watch?v=clJ9OqzNZdk

**MINUTES: REGULAR MEETING OF THE**
**SWSSD1 ADMINISTRATIVE CONTROL BOARD**
***Wednesday, June 17, 2026, 4:30 P.M.***

**Board Members Present: Colin Topper (Chair/Moab City Council Representative), Ashley Wareham (Treasurer), and AJ Throgmorton (At-Large member) were present. Mary McGann (Grand County Commission Representative) joined via Zoom at 4:44PM, Mike Duniway (At-Large Member) was not present.**

**SWSSD1 Staff Present: Chris Scovill (District Manager), LJ Blackburn (Administrative Coordinator), and Jessica Thacker (Program Manager). Nick Lundberg (District Accountant) joined via Zoom at 4:46 pm**

These minutes are presented in the order of the agenda and not necessarily in the order of discussion. The board packet is available on the district's website located here: https://swssd1.org/board-meetings-and-financials/2026-agendas-and-minutes/

## REGULAR MEETING – CALL TO ORDER (4:30 P.M.)

Colin Topper called the meeting to order at 4:35PM.

## CITIZEN'S INPUT

No public comments were received.

## APPROVAL OF MEETING MINUTES

### A. *ACTION ITEM*: REVIEW AND APPROVAL OF MAY 20, 2026 REGULAR MEETING MINUTES

Ashley Wareham made a request to change the wording regarding the discussion of the concrete crush in Chris Scovill's staff report from "acquisition" to rental.

**MOTION: Ashley Wareham motioned/ AJ Throgmorton seconded to approve the May 20, 2026 Meeting Minutes as presented in the Board Packet with the revision of changing the word acquisition to rental. Colin Topper, AJ Throgmorton, and Ashley Wareham voted yes. Motion passed 3-0.**

## REPORTS FROM BOARD AND STAFF

### B. STAFF REPORTS

Chris Scovill updated the Board on the District's public-private partnership agreement with Danish Flats. The draft was finalized on June 22, and a meeting with the owner and legal counsel is scheduled for the first week of July. The District received the auditor letters, finalized and submitted the narrative, and met Monday's UDEQ Financial Assurance deadline by submitting the required materials without the letters. As of this meeting, glass recycling grant the letters have been sent. A meeting with UDEQ will be scheduled to discuss the submission.

Jessica Thacker: Several high-level items since the last meeting, the glass recycling foundation grant is now open and we are actively generating the application packet. We have received a letter of support from the Grand County Commission; and we are on the agenda for approval from the Moab City Council at the June 23rd meeting. We have secured more commercial compost partners, we now Moab City, the MARC, the Synergy Company, Community Rebuilds, and 98 Center. There has approximately 18,000 pounds, nearly a ton of food waste collected. There has been activity observed in the composter and there has been spikes in temperature. The waste tire application has been submitted to UDEQ for approval, once it is approved, we can begin the removal process. With the regulator's help we have now have path forward in pursuing waste tire transport and the waste tire storage permits. A request has been submitted to UDEQ to upgrade our used oil collection from a Type B to a Type C. This would increase the amount we can collect and who we can collect from. The closest Type C facilities are in Bullfrog, or Provo and UDEQ has given their full support on this upgrade. Household hazardous waste was emptied on May 28th. The bulb eater arrived at the CRC, Chris, Aaron and myself, completed the training. This will create a huge space savings and provide a containerized way to keep and transport the bulbs safely. A collaboration was started with the SE Utah Health Department to start a responsible vape disposal and management. We are in the process of scheduling a meeting along with the Price office to discuss. It is Waste and Recycling Employee Week and I would like to express my gratitude and support for all the hard work they perform in this industry and other workers in Grand County who work in similar industries. Other programs that have progressed or are upcoming, the multi-stream pilot program is coming together, Historical Records Management, expanding source separated recycling to the Transfer Station, 4th of July management and CSWA participation in the 4th of July parade.

LJ Blackburn: Since the May 20th Administrative Control Board meeting, I have continued to relearn the policies and procedures along with getting my feet wet with a few HR projects. Most of my activities have been getting back in the groove with the financial aspects of the job. Below are just a few of the things I have been getting more venders signed up and in to using ACH from MACU. Lily reached out recently to let us know that she had just learned that we could also get set up to send PTIF payments via ACH and I plan to have that set up hopefully by the next check run. In my working and troubleshooting the issues I had been having with the new URS system I found out that we could have our payroll vender send the information directly to URS for us. We are in the process of working with Isolved, our payroll vendor, and URS to see if this can be completed and ready to go by fall. This would be not only a huge time saver for myself and Savannah as far as manually entering all the information into the URS platform, but it would also help eliminate errors and having to make any adjustments in Isolved when they vary from what is in URS. It should take about 8 weeks to complete once we get started. Currently we are waiting to see if it is possible and the costs. There are two options available one option would cost a set-up fee of $1,644 and then $2.30 per employee per month, The other option would have a $1,307 set-up fee and then would cost $1.40 per employee per month. There haven't been any new incidents of counterfeit bills being passed around, however, I went to the Federal Reserve website and got up to date information on how to spot counterfeit currency. This information has been distributed to everyone that handles cash. This also helped me realize that we do not have a cash handling manual or training. This manual training has been drafted and is currently in review. It will be helpful to give to new employees and have current staff review from time to time and may help us look better when it comes to audits with this system in place.

Nick Lundberg: Continuing to review P&Ls, a few things I need to work with LJ on. Working on getting budget into QuickBooks to pull reports for actual vs. budget. Reviewed audit report, it looked good.

## C. BOARD REPORTS

Mary McGann reported that Grand County is supportive of Solid Waste receiving a CIB loan.

No additional Board reports were provided.

## OLD BUSINESS

## D. OLD BUSINESS (IF ANY)

No old business was discussed.

## NEW BUSINESS

## E. DISSUSSION/POSSIBLE ACTION ITEM*:* RFP FOR GREEN RIVER

Chris Scovill provided a summary and history for the RFP. Green River has issued an RFP to create its own C& D landfill (outside of city limits and is approximately 33 miles from Klondike Landfill). Chris intends to answer RFP but not help with permitting and construction assistance but rather create a waste management agreement to take their waste directly to Klondike. Deadline for submission moved to July 17th.

**MOTION: Ashley Wareham motioned/ AJ Throgmorton seconded to approve that Canyonlands Solid Waste Authority move forward with the RFP for Green River.**

**Colin Topper, AJ Throgmorton, Mary McGann, and Ashley Wareham voted yes. Motion passed 4-0.**

## F. *DISCUSSION/POSSIBLE ACTION ITEM:* UNIFORMS FOR DRIVERS

Historically we have always provided high-visibility shirts, and jackets for employees. We currently provide coverall uniforms for mechanics. Chris did speak to drivers and most supported that transition. A couple of the bids would provide lockers for the drivers. We would need to sign a contract to move forward.

**MOTION: AJ Throgmorton motioned/ Ashley Wareham seconded to approve that the District supplies uniforms for the drivers at a cost not to exceed $16,000 a year.**

**Colin Topper, AJ Throgmorton, Mary McGann, and Ashley Wareham voted yes. Motion passed 4-0.**

## G. *ACTION ITEM:* MOTION TO APPROVE FINANCING FOR RENTING EXCAVATOR

We researched heavily and contacted several companies for excavators. The bid from Komatsu came in at the lowest with a monthly rental would $6900 a month. Ashley Wareham asked for pricing on rental costs and options, the demo for the pulverizes, and equipment specifics. The plan is to demo the equipment then rent it if is appropriate. These items will increase daily operating activities but there will be higher associated operation costs. Discussion on the future closure of the Moab Landfill and that it presents opportunities for competition for roll-off and provide fair market pricing and support the community. In about 6 months to a year we would give the board an update to then determine how to move forward or possibly purchase the excavator.

**MOTION: Ashley Wareham motioned/ Mary McGann seconded to approve the rental of the Excavator not to exceed $9500 per month with an option to buy out not to exceed $312,000 with the rental rate to go towards the purchase.**

**Colin Topper, AJ Throgmorton, Mary McGann, and Ashley Wareham voted yes. Motion passed 4-0.**

## H. *DISSCUSSION/ POSSIBLE ACTION ITEM:* MOTION TO APPROVE THE COMPACTOR PURCHASE

Chris Scovill has been in talks with Zions National Bank for financing of the purchase of a compactor we are approved. The board has previously approved the 1.2 million purchase. Traditionally financing requires certain language in the minutes to finalize the agreement. However, Zions Bank has not provided the wording yet so no action can be taken at this time. The total cost would be $1.3 million with service and parts package. We will have a seven-year extended warranty. We will be pulling $300,000 for the downpayment from the PTIF equipment account. The intent is to pay it off in five years and to run it at the Moab Landfill for two years then move to the Klondike Landfill. There was discussion on whether we would sell the Bomag. Chris then shared videos  and images of the Moab Landfill working face to demonstrate the changes provided by the compactor.

No action taken as we had not received the needed wording from Zions.

**I. *ACTION ITEM:* MOTION TO APPROVE AMENDMENT TO THE BYLAWS FOR BOARD COMPOSITION**

While we were sending the information to the county we realized that the Canyonlands Solid Waste Authority Administrative Control board has the authority to change their by-laws rather than needing the approval from the county.

**MOTION: AJ Throgmorton motioned/ Mary McGann seconded to approve that the Administrative Control Board of Solid Waste Special Service District #1 approve the proposed Board structure for incorporation into the District's governing policies, bylaws, resolutions, and related organizational documents, as applicable and consistent with Utah law. The structure shall include: one Grand County Commission representative; one Moab City Council representative; four citizen members residing within the 84532 ZIP code area who are not currently elected governing officials; one additional citizen member residing within the 84532 ZIP code area, with preference given to a Castle Valley resident who may also serve on a Castle Valley governing body; and one non-voting advisory member representing the Southeastern Utah Health Department or another related essential public service provider as approved by the Board.**

**Colin Topper, AJ Throgmorton, Mary McGann, and Ashley Wareham voted yes. Motion passed 4-0.**

**J. *ACTION ITEM:* MOTION TO APPROVE THE TROMMEL SCREEN**

The screen is onsite and we have performed a demo, it works as intended. A video of the trommel operating was presented. Final terms have not yet been negotiated. Chris Scovill is asking for the authority to finalize the deal. We are still waiting on the veermer and it only comes with one screen where we would prefer a second screen to accomplish our goals. Final product would be utilized for the composter and mulch product to sell. A second screen would be used for a screen mulch product. This would be primarily funded by the composting grant with the cost to the district of about $30,000. This could be used to screen other materials as well, like soil and sod. A short discussion followed on the food waste program. Possibly have product avail next February or March.

**MOTION: Ashley Wareham motioned/ AJ Throgmorton seconded to purchase the trommel screens not to exceed $225,000.**

**Colin Topper, AJ Throgmorton, Mary McGann, and Ashley Wareham voted yes. Motion passed 4-0.**

**K. *DISCUSSION/ POSSIBLEACTION ITEM:* MOTION TO APPROVE THE RENTAL OF A ROLL-OFF OR REPAIR**

The board had previously approved the purchase of a new roll-off for $270,000. The intent of that truck was to start diverting materials in the preparation for closure of the Moab Landfill. We have since blown an engine in our bigger standardized roll-off truck and it also picks up the bio solids, a crucial piece of equipment. We need to first repair the engine of that truck at about $23,000. Chris Scovill discussed changing the purchase that was approved to a rental/leasing of roll-offs. We need to prove that our base system is solid and it works. The lease model that he worked out included a total of nine trucks and ran it for over thirteen years to create a sustainable rotation for the fleet and then move into a three-year cycle lease turning over vehicles and has discovered that there are some municipal leases available and this plan would actually be cheaper, and we would not have trucks constantly breaking down. We would ramp into this buy getting a couple of new trucks every two to three years.

**MOTION: Ashley Wareham motioned/ AJ Throgmorton seconded to approve the cost of the repair of a roll-off not to exceed $25,000.**

**Colin Topper, AJ Throgmorton, Mary McGann, and Ashley Wareham voted yes. Motion passed 4-0.**

### L. *DISCUSSION ITEM:* RFQ FOR SERVICES TO GATHER DOCUMENTATION NEEDED TO BUILD A FUNDING STACK

We are looking to get all the documentation for the CIB. Chris has reached out to Certa, the center for Rural Development in Southeastern Utah, and they have been very helpful. Looking at some more possible grants. We are on the list with the CIB and our application date is in October. He discovered that UDOT has a planning grant that could help with the traffic study. Just wanted to keep the board in the know for this RFP.

### M. *DISCUSSION ITEM:* RECYCLE CENTER LEASE AGGREEMENT

Review of how the review of the Recycle Center lease by the county started. Chris was approached by the county to give space to the Trail Crew Program. Then the county came back and said our lease is invalid and has been since 2020. We went back and saw we had paid in 2020 and in 2025. Lily had verified in 2025 that we were all good The current lease is $1 per year every five years. They then sent a lease as annually lease instead of a five-year lease. Chris has had our lawyers review the lease and they have said that it was valid. There has been back and forth between the county, they then sent another lease this time with a five-year lease but a 90 day clause opt-out, that would then give them the option to give us only 90 days and they could have us leave. Jessica found a document that shows we own the shop building not the land, but the building until 2050. Chris has no intent to get into a lease that will not give us some type of assurances with our investments on the property. This was on the agenda to ask if the board wants him to move in a different way or if they have some ideas. Our attorneys have said the lease is valid until 2030. Wanted to make this public, and Mary will set up a meeting with Chris Scovill, Bill Winfield and the county staff to try and find out why this is happening.

## FUTURE CONSIDERATIONS

### N. NEXT ACB MEETING IS SCHEDULED FOR WEDNESDAY, JULY 15, 2026 AT 4:30PM

## ADJOURNMENT

### O. ADJOURNMENT

The regular meeting was adjourned by Colin Topper at 6:31PM.

Respectfully submitted to the Board,

LJ Blackburn

LJ Blackburn

*Administrative Coordinator, Solid Waste Special Service District #1 (d/b/a Canyonlands Solid Waste Authority)*

## Solid Waste Special Service District #1

# Expenditure Detail by Account

**May 2026**

6:32 PM
07/13/2026
Accrual Basis

| Type | Date | Num | Name | Memo | Amount | Balance |
|---|---|---|---|---|---|---|
| **1100 · OPERATING ACCOUNTS** | | | | | | |
| **1101-1 · MACU Payroll Checking** | | | | | | |
| Bill Pmt -Check | 05/01/2026 | 1429 | PEHP Long-Term Disability | PP 4/12/26 - 4/26/26 | -397.49 | -397.49 |
| Bill Pmt -Check | 05/01/2026 | 1430 | PEHP Flex | PPE 4/25/26 | -224.99 | -622.48 |
| Bill Pmt -Check | 05/01/2026 | ACH | Health Equity | HSA PP end 4/25/26 | -3,060.88 | -3,683.36 |
| Bill Pmt -Check | 05/05/2026 | ACH | Lincoln Financial | Short Term Disability 5/1 - 5/31/26 | -451.38 | -4,134.74 |
| Bill Pmt -Check | 05/06/2026 | ACH | Public Employees Health Program | May Health insurance payment | -43,946.01 | -48,080.75 |
| Bill Pmt -Check | 05/04/2026 | ACH | AMCS Pay | Apr26 merchant processing fees | -5,613.95 | -53,694.70 |
| Bill Pmt -Check | 05/15/2026 | 1431 | PEHP Flex | PPE 5/9/26 | -224.99 | -53,919.69 |
| Bill Pmt -Check | 05/15/2026 | 1432 | PEHP Life Insurance | VOID: Inv#0124192483 Life 4 1-30 26 | 0.00 | -53,919.69 |
| Bill Pmt -Check | 05/15/2026 | 1433 | PEHP Long-Term Disability | PP 4/26/26 - 5/9/26 | -392.87 | -54,312.56 |
| Bill Pmt -Check | 05/12/2026 | ACH | Health Equity | HSA monthly Admin Fees May 26 | -48.30 | -54,360.86 |
| Bill Pmt -Check | 05/12/2026 | ACH | PEHP Life Insurance | Life Premium 4/1/26 - 4/30/26 | -496.64 | -54,857.50 |
| Bill Pmt -Check | 05/21/2026 | ACH | Lincoln Financial | Short Term Disability 6/1 - 6/30/26 | -472.64 | -55,330.14 |
| Bill Pmt -Check | 05/27/2026 | 1434 | PEHP Long-Term Disability | PP 5/10/26 - 5/23/26 | -384.41 | -55,714.55 |
| Bill Pmt -Check | 05/15/2026 | ACH | Health Equity | HSA PP end 5/09/26 | -3,060.88 | -58,775.43 |
| Check | 05/01/2026 | 50072 | Office of State Debt Collection | Garnishments | -480.97 | -59,256.40 |
| Check | 05/01/2026 | 50073 | Office of State Debt Collection | Garnishments | -209.24 | -59,465.64 |
| Check | 05/15/2026 | IS-50074 | Office of State Debt Collection | Garnishments | -490.45 | -59,956.09 |
| Check | 05/15/2026 | IS-50075 | Office of State Debt Collection | Garnishments | -209.24 | -60,165.33 |
| Check | 05/29/2026 | IS-50076 | Office of State Debt Collection | Garnishments | -500.10 | -60,665.43 |
| Check | 05/29/2026 | IS-50077 | Office of State Debt Collection | Garnishments | -209.24 | -60,874.67 |
| Check | 05/01/2026 | WTHDRL | MACU Funds | Cash for Cans Event | -500.00 | -61,374.67 |
| Check | 05/06/2026 | ACH | Utah Retirement Systems | 5/01/26 payday | -14,072.54 | -75,447.21 |
| Check | 05/08/2026 | NSF | Mountain America Credit Union | NSF Return Charge | -15,634.00 | -91,081.21 |
| Check | 05/15/2026 | ACH | Utah Retirement Systems | 5/15/26 payday | -15,778.79 | -106,860.00 |
| Check | 05/15/2026 | | Office of State Debt Collection | Garnishments | -490.45 | -107,350.45 |
| Check | 05/15/2026 | | Office of State Debt Collection | Garnishments | -209.24 | -107,559.69 |

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|---|---|---|---|---|---|---|
| Check | 05/29/2026 | | Office of State Debt Collection | Garnishments | -500.10 | -108,059.79 |
| Check | 05/29/2026 | | Office of State Debt Collection | Garnishments | -209.24 | -108,269.03 |
| General Journal | 05/01/2026 | ACH | | OPERATING ACCOUNTS:MACU Checking | -84,120.19 | -192,389.22 |
| General Journal | 05/01/2026 | ACH | | Third Party ACH | -882.00 | -193,271.22 |
| General Journal | 05/01/2026 | ACH050126 | | ACH 050126 | 2,040.69 | -191,230.53 |
| General Journal | 05/04/2026 | ACH050426 | | ACH 050426 | 104.70 | -191,125.83 |
| General Journal | 05/05/2026 | ACH050526 | | AMCS ACH 5.5.26 | 22.20 | -191,103.63 |
| General Journal | 05/06/2026 | ACH050626 | | ACH 050626 | 25.20 | -191,078.43 |
| General Journal | 05/15/2026 | | | OPERATING ACCOUNTS:MACU Checking | -79,875.14 | -270,953.57 |
| General Journal | 05/15/2026 | | | Third Party ACH | -882.00 | -271,835.57 |
| General Journal | 05/29/2026 | | | OPERATING ACCOUNTS:MACU Checking | -86,478.36 | -358,313.93 |
| General Journal | 05/29/2026 | | | Third Party ACH | -882.00 | -359,195.93 |
| Transfer | 05/12/2026 | | | Funds Transfer | -100,000.00 | -459,195.93 |
| Transfer | 05/29/2026 | | | Funds Transfer | -100,000.00 | -559,195.93 |
| **Total 1101-1 · MACU Payroll Checking** | | | | | **-559,195.93** | **-559,195.93** |
| **1101-3 · MACU - Operations Checking** | | | | | | |
| Bill Pmt -Check | 05/01/2026 | 2126 | Desert West Office Supply | 274905, records organization | -41.87 | -41.87 |
| Bill Pmt -Check | 05/01/2026 | 2127 | Kenworth | 6 invoices for service & parts | -3,716.12 | -3,757.99 |
| Bill Pmt -Check | 05/01/2026 | 2128 | Moab Auto Parts (Car Quest) | 4 Inv's for parts | -1,012.98 | -4,770.97 |
| Bill Pmt -Check | 05/01/2026 | 2129 | Moab Family Chiropractic | CT11461, Pogue CDL physical | -135.00 | -4,905.97 |
| Bill Pmt -Check | 05/01/2026 | 2130 | Packard Wholesale & Distributing | 6 Inv's for supplies | -503.13 | -5,409.10 |
| Bill Pmt -Check | 05/01/2026 | 2131 | Performance Ford of Moab | CO2 gas for welder | -55.00 | -5,464.10 |
| Bill Pmt -Check | 05/01/2026 | 2132 | Standard Plumbing Supply Co | parts for 938 | -38.12 | -5,502.22 |
| Bill Pmt -Check | 05/01/2026 | 2133 | UniFirst | Mats, coveralls, wipers | -325.50 | -5,827.72 |
| Bill Pmt -Check | 05/01/2026 | 2134 | Walker's True Value Hdwe., Inc. | 3 Inv's for parts 7 supplies | -120.66 | -5,948.38 |
| Bill Pmt -Check | 05/01/2026 | 2135 | Walker Drug, Inc. | 185187, FM2604-2002, 3 vinegar | -17.97 | -5,966.35 |
| Bill Pmt -Check | 05/01/2026 | ACH | Elwood Staffing Services - ACH | Temp labor | -7,422.78 | -13,389.13 |
| Bill Pmt -Check | 05/01/2026 | ACH | Grainger | 3 Inv's for supplies | -141.95 | -13,531.08 |
| Bill Pmt -Check | 05/01/2026 | ACH | RelaDyne West LLC | 3 Inv's for fuel | -10,115.69 | -23,646.77 |
| Bill Pmt -Check | 05/01/2026 | ACH | Wheeler Machinery | 2 Inv's for parts | -222.46 | -23,869.23 |
| Bill Pmt -Check | 05/01/2026 | ACH | Leaf | 20173658, 2024 freightliner lease | -5,772.23 | -29,641.46 |
| Bill Pmt -Check | 05/01/2026 | ACH | Leaf | 20102993, 2023 freightliner lease | -5,093.14 | -34,734.60 |

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|---|---|---|---|---|---|---|
| Bill Pmt -Check | 05/04/2026 | ACH | Revco (Les Olson) Leasing | 329434, May 26 Lease PMT | -300.05 | -35,034.65 |
| Bill Pmt -Check | 05/05/2026 | ACH | Airgas USA LLC | safety glasses | -121.70 | -35,156.35 |
| Bill Pmt -Check | 05/05/2026 | ACH | Arches Handyman | hang 2 TVs in admin office | -350.00 | -35,506.35 |
| Bill Pmt -Check | 05/05/2026 | ACH | Moab Sun News | VOID: GDP3CI1R-0001, Earth Day ads | 0.00 | -35,506.35 |
| Bill Pmt -Check | 05/05/2026 | ACH | Rhinehart Oil Co, LLC | 177406CT, fleet fuel | -253.79 | -35,760.14 |
| Bill Pmt -Check | 05/05/2026 | ACH | Snow Cladwell Beckstrom and Wilbanks | 95747, Legal services | -962.50 | -36,722.64 |
| Bill Pmt -Check | 05/05/2026 | ACH | Thermo Fluids | 99573389, used oil | -144.72 | -36,867.36 |
| Bill Pmt -Check | 05/06/2026 | ACH | First Commonwealth Equip Finance | monthly lease for transfer trailers | -3,548.55 | -40,415.91 |
| Bill Pmt -Check | 05/07/2026 | ACH | Santander | 20639905, curbtender rearload | -3,579.08 | -43,994.99 |
| Bill Pmt -Check | 05/07/2026 | ACH | Verizon Wireless | 372356356-00001 | -519.03 | -44,514.02 |
| Bill Pmt -Check | 05/04/2026 | ACH | US Postmaster | April 2026 invoices postage | -637.54 | -45,151.56 |
| Bill Pmt -Check | 05/15/2026 | ACH | Elwood Staffing Services - ACH | Temp staffing | -5,277.90 | -50,429.46 |
| Bill Pmt -Check | 05/15/2026 | ACH | Grand Water & Sewer Service Agency | May Service | -435.24 | -50,864.70 |
| Bill Pmt -Check | 05/21/2026 | ACH | RelaDyne West LLC | Partial pmt to set up ACH | -4.19 | -50,868.89 |
| Bill Pmt -Check | 05/15/2026 | ACH | Serentiy HVAC | 2 Inv's for service | -972.00 | -51,840.89 |
| Bill Pmt -Check | 05/15/2026 | ACH | Utah Local Governments Trust | Workmans comp & endorsement | -3,821.08 | -55,661.97 |
| Bill Pmt -Check | 05/15/2026 | ACH | Wheeler Machinery | 7inv's rental, service and parts | -10,548.81 | -66,210.78 |
| Bill Pmt -Check | 05/15/2026 | 2137 | Ad-Vertiser - 1003AP | Earth Day ad | -360.00 | -66,570.78 |
| Bill Pmt -Check | 05/15/2026 | 2138 | Bishop Lifting | 2 RLF cables, 3 GCS cables | -455.00 | -67,025.78 |
| Bill Pmt -Check | 05/15/2026 | 2139 | Canyonlands Copy Center & Advertising | 40967, MLF tickets | -390.00 | -67,415.78 |
| Bill Pmt -Check | 05/15/2026 | | Kenworth | QuickBooks generated zero amount transaction fo | 0.00 | -67,415.78 |
| Bill Pmt -Check | 05/15/2026 | 2140 | Kimball Midwest | bolts, grinding discs, solvent | -1,304.50 | -68,720.28 |
| Bill Pmt -Check | 05/15/2026 | 2141 | Moab Auto Parts (Car Quest) | 5 inv's for parts | -1,115.40 | -69,835.68 |
| Bill Pmt -Check | 05/15/2026 | 2142 | Moab Solutions | 1008, Moab Solutions labor costs 4/7 - 5/7 | -900.00 | -70,735.68 |
| Bill Pmt -Check | 05/15/2026 | 2143 | Office Equipment Co | 2 Inv's for office supplies | -174.00 | -70,909.68 |
| Bill Pmt -Check | 05/15/2026 | 2144 | Packard Wholesale & Distributing | 2 Inv's for supplies | -95.23 | -71,004.91 |
| Bill Pmt -Check | 05/15/2026 | 2145 | Purcell | VOID: Lost check Stop payment placed | 0.00 | -71,004.91 |
| Bill Pmt -Check | 05/15/2026 | 2146 | SJR Media | CSWASTE0426, on air ads | -395.00 | -71,399.91 |
| Bill Pmt -Check | 05/15/2026 | 2147 | Standard Plumbing Supply Co | wire brush, cmap, elbows | -57.11 | -71,457.02 |
| Bill Pmt -Check | 05/15/2026 | 2148 | UniFirst | 2 Inv's mats, wipers and coveralls | -375.07 | -71,832.09 |
| Bill Pmt -Check | 05/15/2026 | 2149 | Vulcan Incorporated | 116356, DM2604-2901, wire | -2,500.00 | -74,332.09 |
| Bill Pmt -Check | 05/15/2026 | 2150 | Walker's True Value Hdwe., Inc. | 3 Inv's for parts and supplies | -181.07 | -74,513.16 |
| Bill Pmt -Check | 05/15/2026 | 2151 | Zunich Bros Mechanical | 8 Inv's for service | -424.00 | -74,937.16 |

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|---|---|---|---|---|---|---|
| Bill Pmt -Check | 05/18/2026 | ACH | Caterpillar Financial Services Corp | Lease pmt 980M Medium Wheel Loader | -29,521.47 | -104,458.63 |
| Bill Pmt -Check | 05/07/2026 | ACH | Revco (Les Olson) Leasing | EA1681869, BP70C31 | -58.85 | -104,517.48 |
| Bill Pmt -Check | 05/13/2026 | ACH | T Mobile | 997207369-25, tablets | -222.30 | -104,739.78 |
| Bill Pmt -Check | 05/15/2026 | ACH | Cari Chacon - ACH | 4/26 and 5/3 cleaning | -580.00 | -105,319.78 |
| Bill Pmt -Check | 05/20/2026 | ACH | William Scotsman, Inc | 9026112516, CRC stairs and ramp | -896.00 | -106,215.78 |
| Bill Pmt -Check | 05/21/2026 | ACH | Cat Financial - 938M | 2175536 | -3,634.69 | -109,850.47 |
| Bill Pmt -Check | 05/21/2026 | ACH | Deluxe Checks | 9010807784, AMCS envelopes | -3,343.14 | -113,193.61 |
| Bill Pmt -Check | 05/21/2026 | ACH | Emery Telcom 2120AP | May 2026 service/Apr long distance | -656.78 | -113,850.39 |
| Bill Pmt -Check | 05/07/2026 | ACH | First Commonwealth Equip Finance | monthly lease payment for transfer trailers | -3,548.55 | -117,398.94 |
| Bill Pmt -Check | 05/21/2026 | ACH | Peak Wireless Services | 20501, radio service May26 | -620.00 | -118,018.94 |
| Bill Pmt -Check | 05/21/2026 | ACH | Komatsu Equipment | ravel on service & heat control for bomag | -447.64 | -118,466.58 |
| Bill Pmt -Check | 05/21/2026 | ACH | Peterbilt | Parts | -725.00 | -119,191.58 |
| Bill Pmt -Check | 05/21/2026 | ACH | RevTek Services | May service & materials for new Dispatch | -2,081.67 | -121,273.25 |
| Bill Pmt -Check | 05/22/2026 | ACH | Rhinehart Oil Co, LLC | 179208CT fleet fuel | -280.24 | -121,553.49 |
| Bill Pmt -Check | 05/22/2026 | ACH | Waste Management | IAC8122586, single stream recycling April | -782.24 | -122,335.73 |
| Bill Pmt -Check | 05/22/2026 | ACH | Revco (Les Olson) Leasing | May 26 Lease PMT Sharp BP70C31 | -138.11 | -122,473.84 |
| Bill Pmt -Check | 05/22/2026 | ACH | Rocky Mountain Power 3816 | Monthly service 3/18/26 - 4/16/26 | -779.55 | -123,253.39 |
| Bill Pmt -Check | 05/22/2026 | ACH | Arbitrage Compliance Specialists | 1042430, Arbitrage rebate calculation | -2,850.00 | -126,103.39 |
| Bill Pmt -Check | 05/26/2026 | ACH | RelaDyne West LLC | 4 Invoices - Fuel | -17,320.50 | -143,423.89 |
| Bill Pmt -Check | 05/29/2026 | ACH | Elwood Staffing Services - ACH | 2 Inv's temp staff | -7,386.12 | -150,810.01 |
| Bill Pmt -Check | 05/27/2026 | ACH | Cari Chacon - ACH | 5/16 and 5/23 cleaning | -580.00 | -151,390.01 |
| Bill Pmt -Check | 05/27/2026 | ACH | Enbridge 0421860000 Ofc | 2 Inv's for service | -13.90 | -151,403.91 |
| Bill Pmt -Check | 05/27/2026 | ACH | Enbridge 2524170000 Shop | service3/20/26 - 4/18/26 | -6.95 | -151,410.86 |
| Bill Pmt -Check | 05/27/2026 | ACH | Enbridge 5523721573 TNS | 3/20/26 - 4/1/26 Service | -206.86 | -151,617.72 |
| Bill Pmt -Check | 05/27/2026 | ACH | Enbridge 8288403095 CRC | Acct 8288403095, 3/20/26 - 4/18/26 | -13.78 | -151,631.50 |
| Bill Pmt -Check | 05/27/2026 | ACH | Grainger | 3 inv's for supplies | -1,033.20 | -152,664.70 |
| Bill Pmt -Check | 05/27/2026 | 2155 | Kenworth | 3 Inv's for parts | -456.39 | -153,121.09 |
| Bill Pmt -Check | 05/29/2026 | 2157 | Moab Auto Parts (Car Quest) | 5inv's for parts | -447.50 | -153,568.59 |
| Bill Pmt -Check | 05/29/2026 | 2158 | Office Equipment Co | 2 Inv's for office supplies | -174.00 | -153,742.59 |
| Bill Pmt -Check | 05/29/2026 | ACH | RelaDyne West LLC | 4 inv's for fuel | -21,054.10 | -174,796.69 |
| Bill Pmt -Check | 05/29/2026 | 2161 | Standard Plumbing Supply Co | 2 inv's for parts | -96.26 | -174,892.95 |
| Bill Pmt -Check | 05/29/2026 | 2164 | UniFirst | 3 Inv's for coveralls, wipers, and mats | -512.73 | -175,405.68 |
| Bill Pmt -Check | 05/29/2026 | 2165 | Walker's True Value Hdwe., Inc. | 4 Inv's for parts and supplies | -190.10 | -175,595.78 |

| | | | | | | | |
|---|---|---|---|---|---|---|---|
| | Bill Pmt -Check | 05/29/2026 | ACH | Wheeler Machinery | 5 Inv's for rental, service, and parts | -18,188.23 | -193,784.01 |
| | Bill Pmt -Check | 05/14/2026 | ACH | RevTek Services | INV 1016 - IT Services | -401.00 | -194,185.01 |
| | Bill Pmt -Check | 05/08/2026 | ACH | Komatsu Equipment | rent for fork lift for CRC | -900.00 | -195,085.01 |
| | Bill Pmt -Check | 05/06/2026 | ACH | Grainger | grinding brushes | -275.00 | -195,360.01 |
| | Bill Pmt -Check | 05/28/2026 | ACH | Sherri Griffith | June 2026 rent | -7,500.00 | -202,860.01 |
| | Check | 05/01/2026 | 2136 | Utah Public Treasurers' Inv Fd | Deposit - ACCOUNT 5817 | -50,000.00 | -252,860.01 |
| | Check | 05/15/2026 | 2152 | Utah Public Treasurers' Inv Fd | Deposit - ACCOUNT 5817 | -100,000.00 | -352,860.01 |
| | Check | 05/29/2026 | 2166 | Utah Public Treasurers' Inv Fd | Deposit - ACCOUNT 5817 | -30,000.00 | -382,860.01 |
| | General Journal | 05/27/2026 | VISA5.26.26 | | VISA 5.26.26 payment | -2,682.29 | -385,542.30 |
| | Transfer | 05/12/2026 | | | Funds Transfer | 100,000.00 | -285,542.30 |
| | Transfer | 05/29/2026 | | | Funds Transfer | 100,000.00 | -185,542.30 |
| **Total 1101-3 · MACU - Operations Checking** | | | | | | **-185,542.30** | **-185,542.30** |
| **Total 1100 · OPERATING ACCOUNTS** | | | | | | **-744,738.23** | **-744,738.23** |
| **2100-1n · MACU-CC 5110 Houghton** | | | | | | | |
| | Credit Card Charg | 05/04/2026 | 10873458 | DMI - Dell Technologies | INV10873458845 for microsoft 1 year basic servic | -168.19 | -168.19 |
| | Credit Card Charg | 05/05/2026 | GDP3CI1F | Moab Sun News | GDP3CI1R001, Earth Day Ad | -310.00 | -478.19 |
| | Credit Card Charg | 05/15/2026 | 93157G | Pure Country Water | 12068463228, 5 invoices - office water | -252.91 | -731.10 |
| | General Journal | 05/27/2026 | VISA5.26.26 | | VISA 5.26.26 payment | 1,434.71 | 703.61 |
| Total 2100-1n · MACU-CC 5110 Houghton | | | | | | 703.61 | 703.61 |
| **2100-1o · MACU-CC 6618 Thacker** | | | | | | | |
| | Credit Card Charg | 05/12/2026 | 17222 | Curie Environmetal Services | 17222 Smoke Alarm Recycling kits | -88.08 | -88.08 |
| | Credit Card Charg | 05/18/2026 | 37A0056B | OpenAI | 37A0056B-0012 Open AI subscription | -21.57 | -109.65 |
| | Credit Card Charg | 05/21/2026 | 64A88833 | Scribe | 64A88833-0017, scribe subscription | -31.13 | -140.78 |
| | Credit Card Charg | 05/21/2026 | VP_7DMJ | Vista Prints | VP_7DMJ6ZR1, compost stickers | -209.64 | -350.42 |
| | Credit Card Charg | 05/29/2026 | 9B2VVRV | Facebook | 9B2VVRVE2, Ad for Waste workers week | -4.93 | -355.35 |
| | General Journal | 05/27/2026 | VISA5.26.26 | | VISA 5.26.26 payment | 325.19 | -30.16 |
| Total 2100-1o · MACU-CC 6618 Thacker | | | | | | -30.16 | -30.16 |
| **2100-1p · MACU-CC 9839 Scovill** | | | | | | | |
| | Credit Card Charg | 05/15/2026 | 2023432 | SWANA 2143AP | swana membership | -1,209.00 | -1,209.00 |
| | Credit Card Charg | 05/27/2026 | S174061 | Ratta | S174061SuperNote tablet & pen | -89.11 | -1,298.11 |
| | General Journal | 05/27/2026 | VISA5.26.26 | | VISA 5.26.26 payment | 488.46 | -809.65 |
| Total 2100-1p · MACU-CC 9839 Scovill | | | | | | -809.65 | -809.65 |

| | | | | | | |
|---|---|---|---|---|---|---|
| **2100-1q · MACU-CC 4388 Crowe** | | | | | | |
| Credit Card Charg | 05/19/2026 | 67415 | Girardis Towing | 67415, FM2605-1901, tow 200 to GJP | -1,170.00 | -1,170.00 |
| General Journal | 05/27/2026 | VISA5.26.26 | | VISA 5.26.26 payment | 0.00 | -1,170.00 |
| Total 2100-1q · MACU-CC 4388 Crowe | | | | | -1,170.00 | -1,170.00 |
| **2100-1r · MACU-CC 3549 Bogart** | | | | | | |
| Credit Card Charg | 05/03/2026 | 6272242 | Amazon | computer mouse, correction tape, Phone sholder | -64.13 | -64.13 |
| Credit Card Charg | 05/20/2026 | 9665064 | Amazon | Ibuprofen for First Aid | -63.09 | -127.22 |
| Credit Card Charg | 05/22/2026 | 9474629 | Amazon | Bulk Pens | -20.75 | -147.97 |
| Credit Card Charg | 05/26/2026 | 7712218 | Amazon | Tablet case & screen protector | -45.93 | -193.90 |
| General Journal | 05/27/2026 | VISA5.26.26 | | VISA 5.26.26 payment | 433.93 | 240.03 |
| Total 2100-1r · MACU-CC 3549 Bogart | | | | | 240.03 | 240.03 |

| | |
|---|---|
| **MACU subtotal Payroll** | **-$559,195.93** |
| **MACU Subtotal Operations** | **-185,542.30** |
| MACU TOTALS | -$744,738.23 |
| Zions TOTAL (reimburse to Ops) | $0.00 |
| **Expentiures Grand Total** | **-$744,738.23** |
| Fund Transfers to PTIF | $180,000.00 |
| **Total Expenditures and PTIF** | **-$564,738.23** |

# Solid Waste Special Service District #1
## Profit & Loss
### May 2026

| | | | |
|---|---|---|---|
| | | | **May 26** |
| **Ordinary Income/Expense** | | | |
| **Income** | | | |
| **4000 · LANDFILL FEE REVENUE** | | | |
| **4001 · Moab Landfill Fee Revenue** | | | |
| **4011 · Moab LF Fees - 3rd Party** | 31,166.00 | | |
| **4011.1 · Metals** | 5.00 | | |
| **4126 · Moab LF Fees - IntraCo** | 1,336.00 | | |
| **Total 4001 · Moab Landfill Fee Revenue** | | 32,507.00 | |
| **4002 · Klondike Landfill Fees Revenue** | | | |
| **4012 · Klondike LF Fees - 3rd Party** | 15,993.45 | | |
| **4226 · Klondike LF Fees - IntraCo** | 71,218.60 | | |
| **Total 4002 · Klondike Landfill Fees Revenue** | | 87,212.05 | |
| **Total 4000 · LANDFILL FEE REVENUE** | | | 119,719.05 |
| **4400 · Collection & Hauling Revenue** | | | |
| **4440 · Rolloff Revenue** | | | |
| **4441 · Rolloff Revenue -3rd Party** | 149,434.10 | | |
| **4446 · Rolloff Revenue - IntraCo** | 4,525.00 | | |
| **Total 4440 · Rolloff Revenue** | | 153,959.10 | |
| **4461 · Residential Revenue** | | 113,672.01 | |
| **4471 · SSR Recycle Revenue** | | 22,677.45 | |
| **4472 · OCC Recycle Revenue** | | 15,639.29 | |
| **4491 · Commercial Revenue** | | 197,437.54 | |
| **Total 4400 · Collection & Hauling Revenue** | | | 503,385.39 |
| **4500 · Transfer Station Revenue** | | | |
| **4551 · TS Revenue - 3rd Party** | | 10,030.00 | |
| **4556 · TS Revenue - IntraCo** | | 181,136.00 | |
| **Total 4500 · Transfer Station Revenue** | | | 191,166.00 |
| **4700 · RECYCLING REVENUE** | | | |
| **4015 · Cardboard** | | 425.60 | |
| **4027 · E-Waste Collection** | | 593.00 | |
| **4030 · In-Bound OCC** | | 0.00 | |
| **4031 · Inbound OCC Baled** | | 36.00 | |

# Solid Waste Special Service District #1
## Profit & Loss
### May 2026

| | | | May 26 |
|---|---|---|---|
| **4033 · U- Waste** | | | |
| **4033.0 · Bulbs-Household** | 4.00 | | |
| **4033.1 · Bulbs-4' Fluorescent** | 39.00 | | |
| **4033.3 · Batteries** | 0.00 | | |
| **4033.9 · Misc** | 130.00 | | |
| **Total 4033 · U- Waste** | | 173.00 | |
| **4090 · Commodity Revenue Adjustments** | | 1.00 | |
| **4754 · Metals** | | 24,264.78 | |
| **4776 · In-Bound OCC-IntraCo** | | 1,390.00 | |
| **Total 4700 · RECYCLING REVENUE** | | | 26,883.38 |
| **Total Income** | | | 841,153.82 |
| **Cost of Goods Sold** | | | |
| **5000 · Disposal & Hauling Expense** | | | |
| **5126 · MLF Tip Fee - IntraCo** | | 1,336.00 | |
| **5226 · KLF Tip Fee - IntraCo** | | 71,218.60 | |
| **5446 · Rolloff Haul Expense - IntraCo** | | 4,525.00 | |
| **5556 · TS Tip Fee - IntraCo** | | 181,136.00 | |
| **5776 · CRC Tip Fee - IntraCo** | | 1,390.00 | |
| **Total 5000 · Disposal & Hauling Expense** | | | 259,605.60 |
| **Total COGS** | | | 259,605.60 |
| **Gross Profit** | | | 581,548.22 |
| **Expense** | | | |
| **66900 · Reconciliation Discrepancies** | | | 21.00 |
| **7000 · PAYROLL** | | | |
| **7010 · Regular** | | | |
| **7011 · Exempt** | 38,880.42 | | |
| **7012 · Non-Exempt FT** | 191,860.81 | | |
| **7014 · Overtime** | 21,336.90 | | |
| **Total 7010 · Regular** | | 252,078.13 | |
| **Total 7000 · PAYROLL** | | | 252,078.13 |
| **7050 · PAYROLL TAXES** | | | |
| **7051 · OASDI Taxes** | | 15,128.57 | |
| **7052 · Medicare Taxes** | | 3,538.10 | |
| **7053 · UT SUI Taxes** | | 1,464.05 | |
| **Total 7050 · PAYROLL TAXES** | | | 20,130.72 |

# Solid Waste Special Service District #1
## Profit & Loss
### May 2026

| | May 26 | | |
|---|---|---|---|
| **7060 · PAYROLL BENEFITS** | | | |
| **7061 · Health/Den/Vis/Life Insurance** | | 45,647.31 | |
| **7062 · URS Retirement Expense** | | 29,249.08 | |
| **7063 · Health/Den/Vis/Life Reimbursemt** | | -8,563.21 | |
| **7064 · 401K Company Expense** | | 6,477.60 | |
| **7065 · 401K Expense** | | -849.47 | |
| **7066 · Health Savings Account Expense** | | 3,109.18 | |
| **7067 · Flexible Spending Acct Expense** | | 224.99 | |
| **Total 7060 · PAYROLL BENEFITS** | | | 75,295.48 |
| **7100 · GENERAL OPERATING** | | | |
| **7101 · Advertising/Public Notices** | | 919.57 | |
| **7104 · Printing** | | 341.76 | |
| **7110 · Supplies** | | | |
| **7111 · General** | 2,218.63 | | |
| **7112 · Office** | 4,093.36 | | |
| **7114 · Welding Supplies & Tank Rental** | 2,490.35 | | |
| **7116 · PPE & Uniforms** | 1,447.25 | | |
| **7117 · Safety Supplies** | 63.09 | | |
| **Total 7110 · Supplies** | | 10,312.68 | |
| **7125 · Rentals** | | 11,059.56 | |
| **7127 · Bad Debt Expense** | | 15,634.00 | |
| **7128 · Bad Debt Recovery** | | 0.00 | |
| **7130 · Wire** | | 2,500.00 | |
| **7137 · Sales Tax Paid** | | 2.13 | |
| **7139 · Misc** | | 169.00 | |
| **Total 7100 · GENERAL OPERATING** | | | 40,938.70 |
| **7150 · PETROLEUM, OIL, LUBRICANTS** | | | |
| **7152 · Fuel (Diesel or Gas)** | | 41,805.03 | |
| **Total 7150 · PETROLEUM, OIL, LUBRICANTS** | | | 41,805.03 |
| **7200 · REPAIRS & MAINTENANCE** | | | |
| **7215 · Equipment R&M** | | 15,615.36 | |
| **7218 · Container R&M** | | 3,091.59 | |
| **7219 · Trucking R&M** | | 5,760.70 | |
| **7225 · Equipment R&M -3rd Party** | | 10,104.70 | |
| **7226 · Trucking R & M - 3rd party** | | 903.00 | |
| **Total 7200 · REPAIRS & MAINTENANCE** | | | 35,475.35 |

# Solid Waste Special Service District #1
## Profit & Loss
### May 2026

| | | May 26 |
|---|---|---|
| 7230 · PROFESSIONAL SERVICES | | |
| 7231 · Audit/Financial Consulting | 17,620.00 | |
| 7232 · Information Technology | 2,890.95 | |
| 7233 · Engineer/Specialized Consulting | 5,222.62 | |
| 7238 · Temp / Contract Labor | 14,087.32 | |
| 7245 · Payroll Mngmt Svcs | 1,012.52 | |
| 7246 · Cleaning Service | 1,160.00 | |
| 7248 · Towing Service | 1,170.00 | |
| Total 7230 · PROFESSIONAL SERVICES | | 43,163.41 |
| 7250 · UTILITIES | | |
| 7251 · Communications (Phone/Internet) | 2,019.42 | |
| 7253 · Gas/Propane | 227.71 | |
| 7254 · Port a Potties | 424.00 | |
| 7256 · Water/Sewer | 841.91 | |
| Total 7250 · UTILITIES | | 3,513.04 |
| 7300 · INSURANCE/BONDS | | |
| 7305 · Automotive / Vehicle Insurance | 2,214.62 | |
| 7310 · Bond Expense | 0.00 | |
| 7315 · Property Insurance | 1,068.43 | |
| 7320 · General Liability Insurance | 1,415.04 | |
| 7330 · Worker's Comp Insurance | 3,803.79 | |
| Total 7300 · INSURANCE/BONDS | | 8,501.88 |
| 7350 · INTEREST/CHARGS/FINANCIAL FEES | | |
| 7351 · Bank Charges / Fees | 5,917.51 | |
| Total 7350 · INTEREST/CHARGS/FINANCIAL FEES | | 5,917.51 |
| 7400 · DUES/SUBSCRIPTIONS/TRAVEL/TRAIN | | |
| 7410 · Subscriptions & Memberships | 168.19 | |
| 7430 · Training Registrations | 1,209.00 | |
| Total 7400 · DUES/SUBSCRIPTIONS/TRAVEL/TRAIN | | 1,377.19 |
| 7800 · 3rd Party Disposal &Reclamation | | |
| 7882 · MRF Tip Fees - 3rd Party | 782.24 | |
| 7884 · Waste Disposal (Oil/Antifreeze) | 1,224.00 | |
| 7800 · 3rd Party Disposal &Reclamation - Other | 174.00 | |
| Total 7800 · 3rd Party Disposal &Reclamation | | 2,180.24 |
| Total Expense | | 530,397.68 |
| Net Ordinary Income | | 51,150.54 |

# Solid Waste Special Service District #1
## Profit & Loss
### May 2026

| | | May 26 |
|---|---|---|
| **Other Income/Expense** | | |
| **Other Income** | | |
| **4141 · GC Mineral Lease Revenue** | | |
| **4150 · UDOF Mineral lease** | 2,649.57 | |
| **Total 4141 · GC Mineral Lease Revenue** | | 2,649.57 |
| **4144 · PTIF Interest Revenue** | | 8,829.97 |
| **4146 · Bank Account Interest Revenue** | | 0.41 |
| **4161 · Trust Account Interest Revenue** | | 1,843.50 |
| **Total Other Income** | | 13,323.45 |
| **Other Expense** | | |
| **9300 · Amortization Expense** | | |
| **9369 · Amort Exp-ROUA** | 116.46 | |
| **9379 · Amort Exp-SBITA** | 1,796.37 | |
| **Total 9300 · Amortization Expense** | | 1,912.83 |
| **9400 · Depreciation** | | |
| **9415 · Depreciation-Improvements** | 248.11 | |
| **9420 · Depreciation-Buildings** | 7,001.40 | |
| **9430 · Depreciation-Autos,Trucks,Trlrs** | 25,594.68 | |
| **9440 · Depreciation-Containers** | 13,356.30 | |
| **9450 · Depreciation-Equipment** | 18,682.72 | |
| **9460 · Depreciation-Furniture&Fixtures** | 207.93 | |
| **9470 · Depreciation-Computer Systems** | 502.85 | |
| **9481 · Depreciation-Klondike LF** | 1,795.26 | |
| **9482 · Depreciation-Moab LF** | 1,126.39 | |
| **9483 · Depreciation-Transfer Station** | 2,131.66 | |
| **9484 · Depreciation-Recyclery** | 799.63 | |
| **Total 9400 · Depreciation** | | 71,446.93 |
| **9500 · Interest Expense** | | |
| **9506 · Int Exp - Cat Tractor** | 1,675.21 | |
| **9509 · Int Exp - Cat Wheel LoaderM** | 574.38 | |
| **9510 · Int Exp - Cat Wheel LoaderS** | 1,195.99 | |
| **9512 · Int Exp - FRTLR Curbtender** | 1,124.85 | |
| **9513 · Int Exp - MAC Transfer Trlrs** | 2,026.00 | |
| **9514 · Int Exp - Ramp & Steps** | 3.77 | |
| **9516 · Int Exp - 2024 FRTLR McNeilus** | 334.65 | |
| **9521 · Int Exp - Gen Rev Bond 2021** | 21,568.42 | |

# Solid Waste Special Service District #1
## Profit & Loss
### May 2026

| | May 26 |
|---|---|
| 9569 · Int Exp - ROUA | 15.62 |
| 9579 · Int Exp - SBITA | 287.46 |
| Total 9500 · Interest Expense | 28,806.35 |
| Total Other Expense | 102,166.11 |
| Net Other Income | -88,842.66 |
| **Net Income** | **-37,692.12** |

**Solid Waste Special Service District #1**

**7.15.26 Meeting Agenda Item B Summary**

Need or issue before the Board: Approval of Expenditure for the Month of May 2026.

Total expenses came to $744,738.23

- Payroll account expenses in May were $559,195.93. This is higher due to three pay periods in May and transfers into the operations account to send PTIF Payments.
- Operations expenses were $185,542.30, we had the wheel loader payment and fuel continues to be one of our largest expenses at $41,805.03

**Attachments:** April 2026 Expenditure Report

## Recommendation:

## Motion to approve the expenditures for the month of May 2026 for $744,738.23 as presented in the Board packet.

Profit and Loss explanations:

- 7112: Office supplies high due to purchase of large quantity of envelopes for billing at $3,343.14
- 7127: Bad debt, a large check was returned NSF to us and we were able to recoup this as they paid with a credit card after this.
- 7152: Fuel:

| | May 2026 |
|---|---|
| Fleet diesel | 6 deliveries: $32,798.44 |
| Equipment diesel | 3 deliveries: $9,006.59 |
| Total Fuel | $41, 805.03 |
| | Ave cost per diesel delivery: $5,466.40 |

- 7351: Bank Charges:

| | May |
|---|---|
| AMCS $ processed/ # trans | $185,445.10 processed/ 2,245 sales |
| AMCS Fees | $5,481.66 |
| Square $ processed/# trans | $16,341 processed/ 425 sales |
| Square Fees | $435.85 |

**Staff Report – July 15, 2026 Administrative Control Board Regular Mtg**
LJ Blackburn
*Administrative Coordinator*

An update on things after the June 17th Administrative Control Board meeting, I feel like I am getting in the groove and look forward to when it feels like riding a bike. Below are just a few of the things I have been working on:

- With Jessica's help we updated the PTIF Trust fund account to add myself, Chris and Nick as users, as well as remove people that are no longer District staff. We also updated the bank information by adding the MACU Operations account so that we can transfer directly into the PTIF and not send a check. This also allows us to withdraw money from the PTIF account for capital expenditures, from our equipment set-aside as we did last week.
- I am moving forward with iSolved and URS to have the payroll company (iSolved) report the payroll directly to URS and also URS will then update changes in payroll by notifying iSolved. We are still working out the components and then once that is set up, it should take about 8 weeks to complete.
- With CSR staff out on approved time off, and the CSR supervisor out sick, I have been answering the phones quite a bit. It was a good experience and can say that we have an excellent CSR staff, they are doing a fantastic job, and really showing up while we have been short staffed proving how well they do their jobs.
- We have a new mechanic, bringing us up to 3 in house mechanics, and new gatehouse attendant, as with all employees they will start out at Elwood and then transition after a 60-90 day orientation period. We also gave an offer letter to a previous Elwood temp staff non-CDL driver/route helper and he accepted.
- I would also like to work with Nick on doing the upcoming Transparency reports. I used to do them a long time ago and think I could catch on quick and would give us a back-up person that knows how to do the reports.

Thank you for taking the time to review this update and look forward to any questions you may have.

*LJ Blackburn*

*LJ Blackburn, Administrative Coordinator*

EXHIBIT D

Opinion of Lessee's Counsel to be put on law firms' letterhead

To: ZIONS BANCORPORATION, N.A.
One South Main Street, 17th Floor
Salt Lake City, Utah 84133

As counsel for Solid Waste Special District #1 ("Lessee"), I have examined duly executed originals of the Lease/Purchase Agreement (the "Lease") dated this 28th day of July, 2026, between the Lessee and ZIONS BANCORPORATION, N.A., Salt Lake City, Utah ("Bank"), and the proceedings taken by Lessee to authorize and execute the Lease (the "Proceedings"). Based upon such examination as I have deemed necessary or appropriate, I am of the opinion that:

1. Lessee is a body corporate and politic, legally existing under the laws of the State of Utah (the "State").

2. The Lease and the Proceedings have been duly adopted, authorized, executed, and delivered by Lessee, and do not require the seal of Lessee to be effective, valid, legal, or binding.

3. The governing body of Lessee has complied with all applicable open public meeting and notice laws and requirements with respect to the meeting at which the Proceedings were adopted and the Lessee's execution of the Lease was authorized.

4. The Lease is a legal, valid, and binding obligation of Lessee, enforceable against Lessee in accordance with its terms except as limited by the state and federal laws affecting remedies and by bankruptcy, reorganization, or other laws of general application affecting the enforcement of creditor's rights generally.

5. Either there are no usury laws of the State applicable to the Lease, or the Lease is in accordance with and does not violate all such usury laws as may be applicable.

6. Either there are no procurement or public bidding laws of the State applicable to the acquisition and leasing of the Leased Property (as defined in the Lease) from the Bank under the Lease, or the acquisition and leasing of the Leased Property from the Bank under the Lease comply with all such procurement and public bidding laws as may be applicable.

7. There are no legal or governmental proceedings or litigation pending or, to the best of my knowledge, threatened or contemplated (or any basis therefor) wherein an unfavorable decision, ruling or finding might adversely affect the transactions contemplated in or the validity of the Lease.

8. The adoption, execution and/or delivery of the Lease and the Proceedings, and the compliance by the Lessee with their provisions, will not conflict with or constitute a breach of or default under any court decree or order or any agreement, indenture, lease or other instrument or any existing law or administrative regulation, decree or order to which the Lessee is subject or by which the Lessee is or may be bound.

9. Although we are not opining as to the ownership of the Leased Property or the priority of liens thereon, it is also our opinion that the Security Documents attached as Exhibit E to the Lease are sufficient in substance, form, and description, and indicated place, address, and method of filing and/or recording, to completely and fully perfect the security interest in every portion of the Leased Property

granted under the Lease, and no other filings and/or recordings are necessary to fully perfect said security interest in the Leased Property.

Signature:

____________________________
Attorney for Lessee

Name: ________________________

# UTAH FIXED EQUIPMENT LEASE

| | |
|---|---|
| Long Name of Entity: | Solid Waste Special Service District #1 |
| Address: | 2295 South Highway 191 |
| City, State Zip: | Moab, UT 84532 |
| Attention: | Chris Scovill |
| Public Finance Office: | District Manager |
| County: | Grand |
| Amount: | 840,475.74 |
| Rate: | 4.85 |
| Maturity Date: | July 28, 2031 |
| First Pmt Date: | July 28, 2027 |
| Payment Dates: | July 28 |
| Auto Extend: | 5 |
| Governing Body: | Board of Directors |
| Resolution Date: | July, 2026 |
| Dated Date: | July, 2026 |
| Day: | 28th |
| State: | Utah |

**$840,475.74**
**Solid Waste Special Service District #1**
**Lease Purchase Agreement**

---

LEASE/PURCHASE AGREEMENT

Dated as of July 28, 2026

by and between

**ZIONS BANCORPORATION, N.A.,**
as Lessor

and

**SOLID WASTE SPECIAL SERVICE DISTRICT #1,**
as Lessee

# TABLE OF CONTENTS

# LEASE/PURCHASE AGREEMENT

THIS LEASE/PURCHASE AGREEMENT, dated as of July 28, 2026, by and between ZIONS BANCORPORATION, N.A., a national banking association duly organized and existing under the laws of the United States of America, as lessor (the "Bank" or "Lessor"), and Solid Waste Special Service District #1 (the "Lessee"), a public agency of the State of Utah (the "State"), duly organized and existing under the Constitution and laws of the State, as lessee;

## W I T N E S S E T H:

WHEREAS, the Lessee desires to finance the acquisition of the equipment and/or other personal property described as the "Leased Property" in Exhibit B (the "Leased Property") by entering into this Lease/Purchase Agreement with the Bank (the "Lease"); and

WHEREAS, the Bank agrees to lease the Leased Property to the Lessee upon the terms and conditions set forth in this Lease, with rental to be paid by the Lessee equal to the Lease Payments hereunder; and

WHEREAS, it is the intent of the parties that the original term of this Lease, and any subsequent renewal terms, shall not exceed 12 months, and that the payment obligation of the Lessee shall not constitute a general obligation under State law; and

WHEREAS, all acts, conditions and things required by law to exist, to have happened and to have been performed precedent to and in connection with the execution and delivery of this Lease do exist, have happened and have been performed in regular and due time, form and manner as required by law, and the parties hereto are now duly authorized to execute and enter into this Lease;

NOW, THEREFORE, in consideration of the above premises and of the mutual covenants hereinafter contained and for other good and valuable consideration, the parties hereto agree as follows:

## ARTICLE I

## DEFINITIONS AND EXHIBITS

SECTION 1.1 Definitions and Rules of Construction. Unless the context otherwise requires, the capitalized terms used herein shall, for all purposes of this Lease, have the meanings specified in the definitions below. Unless the context otherwise indicates, words importing the singular number shall include the plural number and vice versa. The terms "hereby", "hereof", "hereto", "herein", "hereunder" and any similar terms, as used in this Lease, refer to this Lease as a whole.

"Advance" shall have the meaning set forth in Section 2.1(l)(i)(D) hereof.

"Bank" shall have the meaning set forth in the Preamble hereof.

"Business Day" means any day except a Saturday, Sunday, or other day on which banks in Salt Lake City, Utah or the State are authorized to close.

"Code" means the Internal Revenue Code of 1986, as amended.

"Commencement Date" means the date this Lease is executed by the Bank and the Lessee.

"Event of Nonappropriation" shall have the meaning set forth in Section 3.2 hereof.

"Governing Body" means the governing body of the Lessee.

"Lease Payments" means the rental payments described in Exhibit A hereto.

"Lease Payment Date" shall have the meaning set forth in Section 3.4(a) hereof.

"Leased Property" shall have the meaning set forth in the Whereas clauses hereof.

"Lessee" shall have the meaning set forth in the Preamble hereof.

"Net Proceeds" means insurance or eminent domain proceeds received with respect to the Leased Property less expenses incurred in connection with the collection of such proceeds.

"Obligation Instrument" shall have the meaning set forth in Section 2.1(c) hereof.

"Original Term" shall have the meaning set forth in Section 3.2 hereof.

"Permitted Encumbrances" means, as of any particular time: (i) liens for taxes and assessments, if any, not then delinquent, or which the Lessee may, pursuant to provisions of Section 5.3 hereof, permit to remain unpaid; (ii) this Lease; (iii) any contested right or claim of any mechanic, laborer, materialman, supplier or vendor filed or perfected in the manner prescribed by law to the extent permitted under Section 5.4(b) hereof; (iv) easements, rights of way, mineral rights, drilling rights and other rights, reservations, covenants, conditions or restrictions which exist of record as of the execution date of this Lease and which the Lessee hereby certifies will not materially impair the use of the Leased Property by the Lessee; and (v) other rights, reservations, covenants, conditions or restrictions established following the date of execution of this Lease and to which the Bank and the Lessee consent in writing.

"Rebate Exemption" shall have the meaning set forth in Section 2.1(l)(ii)(A) hereof.

"Regulations" shall have the meaning set forth in Section 2.1(l)(i) hereof.

"Renewal Term" shall have the meaning set forth in Section 3.2 hereof.

"Scheduled Term" shall have the meaning set forth in Section 3.2 hereof.

"State" shall have the meaning set forth in the Preamble hereof.

"Term" or "Term of this Lease" means the Original Term and all Renewal Terms provided for in this Lease under Section 3.2 until this Lease is terminated as provided in Section 3.3 hereof.

SECTION 1.2 Exhibits. Exhibits A, B, C, D, E and F attached to this Lease are by this reference made a part of this Lease.

## ARTICLE II

## REPRESENTATIONS, COVENANTS AND WARRANTIES

SECTION 2.1 Representations, Covenants and Warranties of the Lessee. The Lessee represents, covenants and warrants to the Bank as follows:

(a) Due Organization and Existence. The Lessee is a public agency of the State duly organized and existing under the Constitution and laws of the State.

(b) Authorization; Enforceability. The Constitution and laws of the State authorize the Lessee to enter into this Lease and to enter into the transactions contemplated by, and to carry out its obligations under, this Lease. The Lessee has duly authorized, executed and delivered this Lease in accordance with the Constitution and laws of the State. This Lease constitutes the legal, valid and binding special obligation of the Lessee enforceable in accordance with its terms, except to the extent limited by applicable bankruptcy, insolvency, reorganization, moratorium or similar laws or equitable principles affecting the rights of creditors generally.

(c) No Conflicts or Default; Other Liens or Encumbrances. Neither the execution and delivery of this Lease nor the fulfillment of or compliance with the terms and conditions hereof, nor the consummation of the transactions contemplated hereby (i) conflicts with or results in a breach of the terms, conditions, provisions, or restrictions of any existing law, or court or administrative decree, order, or regulation, or agreement or instrument to which the Lessee is now a party or by which the Lessee is bound, **including without limitation any agreement or instrument pertaining to any bond, note, lease, certificate of participation, debt instrument, or any other obligation of the Lessee** (any such bond, note, lease, certificate of participation, debt instrument, and other obligation being referred to herein as an "Obligation Instrument"), (ii) constitutes a default under any of the foregoing, or (iii) results in the creation or imposition of any pledge, lien, charge or encumbrance whatsoever upon any of the property or assets of the Lessee, or upon the Leased Property except for Permitted Encumbrances.

**By way of example, and not to be construed as a limitation on the representations set forth in the immediately preceding paragraph:**

**(A) no portion of the Leased Property is pledged to secure any Obligation Instrument; and**

**(B) the interests of the Lessor in the Leased Property hereunder do not violate the terms, conditions or provisions of any restriction or revenue pledge in any agreement or instrument pertaining to any Obligation Instrument.**

If any Obligation Instrument existing on the date of execution of this Lease creates any pledge, lien, charge or encumbrance on any revenues, property or assets associated with the Leased Property that is higher in priority to the Bank's interests therein under this Lease, the Bank hereby subordinates its interests therein, but only to the extent required pursuant to such existing Obligation Instrument.

(d) Compliance with Open Meeting Requirements. The Governing Body has complied with all applicable open public meeting and notice laws and requirements with respect to the meeting at which the Lessee's execution of this Lease was authorized.

(e) Compliance with Bidding Requirements. Either there are no procurement or public bidding laws of the State applicable to the acquisition and leasing of the Leased Property pursuant to this Lease, or the Governing Body and the Lessee have complied with all such procurement and public bidding laws as may be applicable hereto.

(f) No Adverse Litigation. There are no legal or governmental proceedings or litigation pending, or to the best knowledge of the Lessee threatened or contemplated (or any basis therefor) wherein an unfavorable decision, ruling, or finding might adversely affect the transaction contemplated in or the validity of this Lease.

(g) Opinion of Lessee's Counsel. The letter attached to this Lease as Exhibit D is a true opinion of Lessee's counsel.

(h) Governmental Use of Leased Property. During the Term of this Lease, the Leased Property will be used solely by the Lessee, and only for the purpose of performing one or more governmental or proprietary functions of the Lessee consistent with the permissible scope of the Lessee's authority, and the Leased Property will not be subject to any direct or indirect private business use.

(i) Other Representations and Covenants. The representations, covenants, warranties, and obligations set forth in this Article are in addition to and are not intended to limit any other representations, covenants, warranties, and obligations set forth in this Lease.

(j) No Nonappropriations. The Lessee has never non-appropriated or defaulted under any of its payment or performance obligations or covenants, either under any municipal lease of the same general nature as this Lease, or under any of its bonds, notes, or other obligations of indebtedness for which its revenues or general credit are pledged.

(k) No Legal Violation. The Leased Property is not, and at all times during the Term of this Lease will not be in violation of any federal, state or local law, statute, ordinance or regulation.

(l) General Tax and Arbitrage Representations and Covenants.

(i) The certifications and representations made by the Lessee in this Lease are intended, among other purposes, to be a certificate permitted in Section 1.148-2(b) of the Treasury Regulations promulgated pursuant to Section 148 of the Code (the "Regulations"), to establish the reasonable expectations of the Lessee at the time of the execution of this Lease made on the basis of the facts, estimates and circumstances in existence on the date hereof. The Lessee further certifies and covenants as follows:

(A) The Lessee has not been notified of any disqualification or proposed disqualification of it by the Commissioner of the Internal Revenue Service as an issuer which may certify bond issues.

(B) To the best knowledge and belief of the Lessee, there are no facts, estimates or circumstances that would materially change the conclusions, certifications or representations set forth in this Lease, and the expectations herein set forth are reasonable.

(C) The Scheduled Term of this Lease does not exceed the useful life of the Leased Property, and the weighted average term of this Lease does not exceed the weighted average useful life of the Leased Property.

(D) Each advance of funds by the Bank to finance Leased Property under this Lease (each an "Advance") will occur only when and to the extent that the Lessee has reasonably determined and identified the nature, need, and cost of each item of Leased Property pertaining to such Advance.

(E) No use will be made of the proceeds of this Lease or any such Advance, or any funds or accounts of the Lessee which may be deemed to be proceeds of this Lease or any such Advance, which use, if it had been reasonably expected on the date of the execution of this Lease or of any such Advance, would have caused this Lease or any such Advance to be classified as an "arbitrage bond" within the meaning of Section 148 of the Code.

(F) The Lessee will at all times comply with the rebate requirements of Section 148(f) of the Code as they pertain to this Lease, to the extent applicable.

(G) In order to preserve the status of this Lease and the Advances as other than "private activity bonds" as described in Sections 103(b)(1) and 141 of the Code, as long as this Lease and any such Advances are outstanding and unpaid:

> (I) none of the proceeds from this Lease or the Advances or any facilities or assets financed therewith shall be used for any "private business use" as that term is used in Section 141(b) of the Code and defined in Section 141(b)(6) of the Code;
>
> (II) the Lessee will not allow any such "private business use" to be made of the proceeds of this Lease or the Advances or any facilities or assets financed therewith; and
>
> (III) none of the Advances or Lease Payments due hereunder shall be secured in whole or in part, directly or indirectly, by any interest in any property used in any such "private business use" or by payments in respect of such property and shall not be derived from payments in respect of such property.

(H) The Lessee will not take any action, or omit to take any action, which action or omission would cause the interest component of the Lease Payments to be ineligible for the exclusion from gross income as provided in Section 103 of the Code.

(I) The Lessee is a "governmental unit" within the meaning of Section 141(b)(6) of the Code.

(J) The obligations of the Lessee under this Lease are not federally guaranteed within the meaning of Section 149(b) of the Code.

(K) This Lease and the Advances to be made pursuant hereto will not reimburse the Lessee for any expenditures incurred prior to the date of this Lease and do not constitute a "refunding issue" as defined in Section 1.150-1(d) of the Regulations, and no part of the proceeds of this Lease or any such Advances will be used to pay or discharge any obligations of the Lessee the interest on which is or purports to be excludable from gross income under the Code or any predecessor provision of law.

(L) In compliance with Section 149(e) of the Code relating to information reporting, the Lessee will file or cause to be filed with the Internal Revenue Service Center, Ogden, UT 84201, within fifteen (15) days from the execution of this Lease, IRS Form 8038-G or 8038-GC, as appropriate, reflecting the total aggregate amount of Advances that can be made pursuant to this Lease.

(M) None of the proceeds of this Lease or the Advances to be made hereunder will be used directly or indirectly to replace funds of the Lessee used directly or indirectly to acquire obligations at a yield materially higher than the yield on this Lease or otherwise invested in any manner. No portion of the Advances will be made for the purpose of investing such portion at a materially higher yield than the yield on this Lease.

(N) Inasmuch as Advances will be made under this Lease only when and to the extent the Lessee reasonably determines, identifies and experiences the need therefor, and will remain outstanding and unpaid only until such time as the Lessee has moneys available to repay the same, the Lessee reasonably expects that (I) the Advances will not be made sooner than necessary; (II) no proceeds from the Advances will be invested at a yield higher than the yield on this Lease; and (III) the Advances and this Lease will not remain outstanding and unpaid longer than necessary.

(O) The Lessee will either (i) spend all of the moneys advanced pursuant to this Lease immediately upon receipt thereof, without investment, on the portion of the Leased Property that is to be financed thereby; or (ii) invest such moneys at the highest yield allowable and practicable under the circumstances until they are to be spent on the portion of the Leased Property that is to be financed thereby, and track, keep records of, and pay to the United States of America, all rebatable arbitrage pertaining thereto, at the times, in the amounts, in the manner, and to the extent required under Section 148(f) of the Code and the Treasury Regulations promulgated in connection therewith. At least five percent (5%) of the total amount of moneys that are expected to be advanced pursuant to this Lease are reasonably expected to have been expended on the Leased Property within six (6) months from the date of this Lease. All moneys to be advanced pursuant to this Lease are reasonably expected to have been expended on the Leased Property no later than the earlier of: (I) the date twelve (12) months from the date such moneys are advanced; and (II) the date three (3) years from the date of this Lease.

(P) This Lease and the Advances to be made hereunder are not and will not be part of a transaction or series of transactions that attempts to circumvent the provisions of Section 148 of the Code and the regulations promulgated in connection therewith (I) enabling the Lessee to exploit the difference between tax-exempt and taxable interest rates to gain a material financial advantage, and (II) overburdening the tax-exempt bond market, as those terms are used in Section 1.148-10(a)(2) of the Regulations.

(Q) To the best of the knowledge, information and belief of the Lessee, the above expectations are reasonable. On the basis of the foregoing, it is not expected that the proceeds of this Lease and the Advances to be made hereunder will be used in a manner that would cause this Lease or such Advances to be "arbitrage bonds" under Section 148 of the Code and the regulations promulgated thereunder, and to the best of the knowledge, information and belief of the Lessee, there are no other facts, estimates or circumstances that would materially change the foregoing conclusions.

(ii) <u>Arbitrage Rebate Under Section 148(f) of the Code</u>. With respect to the arbitrage rebate requirements of Section 148(f) of the Code, either (check applicable box):

☐ (A) <u>Lessee Qualifies for Small Issuer Exemption from Arbitrage Rebate</u>. The Lessee hereby certifies and represents that it qualifies for the exception contained in Section 148(f)(4)(D) of the Code from the requirement to rebate arbitrage earnings from investment of proceeds of the Advances made under this Lease (the "Rebate Exemption") as follows:

(1) The Lessee has general taxing powers.

(2) Neither this Lease, any Advances to be made hereunder, nor any portion thereof are private activity bonds as defined in Section 141 of the Code ("Private Activity Bonds").

(3) Ninety-five percent (95%) or more of the net proceeds of the Advances to be made hereunder are to be used for local government activities of the Lessee (or of a governmental unit, the jurisdiction of which is entirely within the jurisdiction of the Lessee).

(4) Neither the Lessee nor any aggregated issuer has issued or is reasonably expected to issue any tax-exempt obligations other than Private Activity Bonds (as those terms are used in Section 148(f)(4)(D) of the Code) during the current calendar year, including the Advances to be made hereunder, which in the aggregate would exceed $5,000,000 in face amount, or $15,000,000 in face amount for such portions, if any, of any tax-exempt obligations of the Lessee and any aggregated issuer as are attributable to construction of public school facilities within the meaning of Section 148(f)(4)(D)(vii) of the Code.

For purposes of this Section, "aggregated issuer" means any entity which (a) issues obligations on behalf of the Lessee, (b) derives its issuing authority from the Lessee, or (c) is subject to substantial control by the Lessee.

The Lessee hereby certifies and represents that it has not created, does not intend to create and does not expect to benefit from any entity formed or availed of to avoid the purposes of Section 148(f)(4)(D)(i)(IV) of the Code.

Accordingly, the Lessee will qualify for the Rebate Exemption granted to governmental units issuing less than $5,000,000 under Section 148(f)(4)(D) of the Code ($15,000,000 for the financing of public school facilities construction as described above), and the Lessee shall be treated as meeting the requirements of Paragraphs (2) and (3) of Section 148(f) of the Code relating to the required rebate of arbitrage earnings to the United States with respect to this Lease and the Advances to be made hereunder.

**- or -**

☐ (B) <u>Lessee Will Keep Records of and Will Rebate Arbitrage</u>. The Lessee does not qualify for the small issuer Rebate Exemption described above, and the Lessee hereby certifies and covenants that it will account for, keep the appropriate records of, and pay to the United States, the rebate amount, if any, earned from the investment of gross proceeds of this Lease and the Advances to be made hereunder, at the times, in the amounts, and in the manner prescribed in Section 148(f) of the Code and the applicable Regulations promulgated with respect thereto.

(m) <u>Small Issuer Exemption from Bank Nondeductibility Restriction</u>. Based on the following representations of the Lessee, the Lessee hereby designates this Lease and the interest components of the Lease Payments hereunder as “qualified tax-exempt obligations” within the meaning of Section 265(b)(3) of the Code: (i) this Lease and the Lease Payments hereunder are not private activity bonds within the meaning of Section 141 of the Code; (ii) the Lessee reasonably anticipates that it, together with all “aggregated issuers,” will not issue during the current calendar year obligations (other than those obligations described in clause (iii) below) the interest on which is excluded from gross income for federal income tax purposes under Section 103 of the Code which, when aggregated with this Lease, will exceed an aggregate principal amount of $10,000,000; (iii) and notwithstanding clause (ii) above, the Lessee and its aggregated issuers may have issued in the current calendar year and may continue to issue during the remainder of the current calendar year private activity bonds other than qualified 501(c)(3) bonds as defined in Section 145 of the Code. For purposes of this subsection, "aggregated issuer" means any entity which (a) issues obligations on behalf of the Lessee, (b) derives its issuing authority from the Lessee, or (c) is subject to substantial control by the Lessee. The Lessee hereby certifies and represents that it has not created, does not intend to create and does not expect to benefit from any entity formed or availed of to avoid the purposes of Section 265(b)(3)(C) or (D) of the Code.

SECTION 2.2 Representations, Covenants and Warranties of the Bank. The Bank is a national banking association, duly organized, existing and in good standing under and by virtue of the laws of the United States of America, has the power to enter into this Lease, is possessed of full power to own and hold real and personal property, and to lease and sell the same, and has duly authorized the execution and delivery of this Lease. This Lease constitutes the legal, valid and binding obligation of the Bank, enforceable in accordance with its terms, except to the extent limited by applicable bankruptcy, insolvency, reorganization, moratorium or similar laws or equitable principles affecting the rights of creditors generally.

## ARTICLE III

## AGREEMENT TO LEASE; TERM OF LEASE; LEASE PAYMENTS

SECTION 3.1 Lease. The Bank hereby leases the Leased Property to the Lessee, and the Lessee hereby leases the Leased Property from the Bank, upon the terms and conditions set forth herein.

Concurrently with its execution of this Lease, the Lessee shall deliver to the Bank fully completed documents substantially in the forms attached hereto as Exhibits B, C, D, E and F hereto. Prior to the Bank making the final Advance hereunder, Lessee shall provide the Bank an executed copy of the Delivery and Acceptance Certificate found in Exhibit F.

SECTION 3.2 Term. The Term of this Lease shall commence on the date of execution of this Lease, including delivery to the Bank by the Lessee of fully completed documents in the forms set forth in Exhibits B, C, D, E and F attached hereto, and continue until the end of the fiscal year of Lessee in effect at the Commencement Date (the “Original Term”). Thereafter, this Lease will be extended for 5 successive additional periods of one year coextensive with Lessee's fiscal year, except for the last such period which may be less than a full fiscal year, (each, a “Renewal Term”) subject to an Event of Nonappropriation as described herein below in this Section 3.2 and in Section 3.3(a), with the final Renewal Term ending on July 28, 2031, unless this Lease is terminated as hereinafter provided. The Original Term together with all scheduled Renewal Terms shall be referred to herein as the “Scheduled Term” irrespective of whether this Lease is terminated for any reason prior to the scheduled commencement or termination of any Renewal Term as provided herein.

If Lessee does not appropriate funds for the payment of Lease Payments due for any Renewal Term in the adopted budget of the Lessee for the applicable fiscal year (an “Event of Nonappropriation”), this Lease will terminate upon the expiration of the Original or Renewal Term then in effect and Lessee shall notify Bank of such termination at least ten (10) days prior to the expiration of the Original or Renewal Term then in effect.

SECTION 3.3 Termination. This Lease will terminate upon the earliest of any of the following events:

(a) upon the expiration of the Original Term or any Renewal Term of this Lease following an Event of Nonappropriation;

(b) the exercise by Lessee of any option to purchase granted in this Lease by which Lessee purchases all of the Leased Property;

(c) a default by Lessee and Bank's election to terminate this Lease under Article VII herein; or

(d) the expiration of the Scheduled Term of this Lease, the Lessee having made payment of all Lease Payments accrued to such date.

SECTION 3.4 Lease Payments.

(a) Time and Amount. During the Term of this Lease and so long as this Lease has not terminated pursuant to Section 3.3, the Lessee agrees to pay to the Bank, its successors and assigns, as annual rental for the use and possession of the Leased Property, the Lease Payments (denominated into components of principal and interest) in the amounts specified in Exhibit A, to be due and payable in arrears on each payment date identified in Exhibit A (or if such day is not a Business Day, the next succeeding Business Day) specified in Exhibit A (the "Lease Payment Date").

(b) Rate on Overdue Payments. In the event the Lessee should fail to make any of the Lease Payments required in this Section, the Lease Payment in default shall continue as an obligation of the Lessee until the amount in default shall have been fully paid, and the Lessee agrees to pay the same with interest thereon, to the extent permitted by law, from the date such amount was originally payable at the rate equal to the original interest rate payable with respect to such Lease Payments.

(c) Additional Payments. Any additional payments required to be made by the Lessee hereunder, including but not limited to Sections 4.1, 5.3, and 7.4 of this Lease, shall constitute additional rental for the Leased Property.

SECTION 3.5 Possession of Leased Property Upon Termination. Upon termination of this Lease pursuant to Sections 3.3(a), or (c), the Lessee shall transfer the Leased Property to the Bank in such manner as may be specified by the Bank, and the Bank shall have the right to take possession of the Leased Property by virtue of the Bank's ownership interest as lessor of the Leased Property, and the Lessee at the Bank's direction shall ship the Leased Property to the destination designated by the Bank by loading the Leased Property at the Lessee's cost and expense, on board such carrier as the Bank shall specify.

SECTION 3.6 No Withholding. Notwithstanding any dispute between the Bank and the Lessee, in connection with this Lease or otherwise, including a dispute as to the failure of any portion of the Leased Property in use by or possession of the Lessee to perform the task for which it is leased, the Lessee shall make all Lease Payments when due and shall not withhold any Lease Payments pending the final resolution of such dispute.

SECTION 3.7 Lease Payments to Constitute a Current Obligation of the Lessee. Notwithstanding any other provision of this Lease, the Lessee and the Bank acknowledge and agree that the obligation of the Lessee to pay Lease Payments hereunder constitutes a current special obligation of the Lessee payable exclusively from current and legally available funds and shall not in any way be construed to be an indebtedness of the Lessee within the meaning of any constitutional or statutory limitation or requirement applicable to the Lessee concerning the creation of indebtedness. The Lessee has not hereby pledged the general tax revenues or credit of the Lessee to the payment of the Lease Payments, or the interest thereon, nor shall this Lease obligate the Lessee to apply money of the Lessee to the payment of Lease Payments beyond the then current Original Term or Renewal Term, as the case may be, or any interest thereon.

SECTION 3.8 Net Lease. This Lease shall be deemed and construed to be a "net-net-net lease" and the Lessee hereby agrees that the Lease Payments shall be an absolute net return to the Bank, free and clear of any expenses, charges or set-offs whatsoever, except as expressly provided herein.

SECTION 3.9 Offset. Lease Payments or other sums payable by Lessee pursuant to this Lease shall not be subject to set-off, deduction, counterclaim or abatement and Lessee shall not be entitled to any credit against such Lease Payments or other sums for any reason whatsoever, including, but not limited to: (i) any accident or unforeseen circumstances; (ii) any damage or destruction of the Leased Property or any part thereof; (iii) any restriction or interference with Lessee's use of the Leased Property; (iv) any defects, breakdowns, malfunctions, or unsuitability of the Leased Property or any part thereof; or (v) any dispute between the Lessee and the Bank, any vendor or manufacturer of any part of the Leased Property, or any other person.

## ARTICLE IV

## INSURANCE

SECTION 4.1 Insurance. Lessee, at Bank's option, will either self-insure, or at Lessee's cost, will cause casualty insurance and property damage insurance to be carried and maintained on the Leased Property, with all such coverages to be in such amounts sufficient to cover the value of the Leased Property at the commencement of this Lease (as determined by the purchase price paid for the Leased Property), and public liability insurance with respect to the Leased Property in the amounts required by law, but in no event with a policy limit less than $1,000,000 per occurrence. All insurance shall be written in such forms, to cover such risks, and with such insurers, as are customary for public entities such as the Lessee. A combination of self-insurance and policies of insurance may be utilized. If policies of insurance are obtained, Lessee will cause Bank to be a loss payee as its interest under this Lease may appear on such property damage insurance policies, and an additional insured on a primary and noncontributory basis on such public liability insurance in an amount equal to or exceeding the minimum limit stated herein. Subject to Section 4.2, insurance proceeds from insurance policies or budgeted amounts from self-insurance as relating to casualty and property damage losses will, to the extent permitted by law, be payable to Bank in an amount equal to the then outstanding principal and accrued interest components of the Lease Payments at the time of such damage or destruction as provided by Section 8.1. Lessee will deliver to Bank the policies or evidences of insurance or self-insurance satisfactory to Bank, together with receipts for the applicable premiums before the Leased Property is delivered to Lessee and at least thirty (30) days before the expiration of any such policies. By endorsement upon the policy or by independent instrument furnished to Bank, such insurer will agree that it will give Bank at least thirty (30) days' written notice prior to cancellation or alteration of the policy. Lessee will carry workers compensation insurance covering all employees working on, in, or about the Leased Property, and will require any other person or entity working on, in, or about the Leased Property to carry such coverage, and will furnish to Bank certificates evidencing such coverages throughout the Term of this Lease.

SECTION 4.2 Damage to or Destruction of the Leased Property. If all or any part of the Leased Property is lost, stolen, destroyed, or damaged, Lessee will give Bank prompt notice of such event and will, to the extent permitted by law, repair or replace the same at Lessee's cost. If such lost, stolen, destroyed or damaged Leased Property is equipment, it shall be repaired or replaced within thirty (30) days after such event. If such lost, stolen, destroyed or damaged Leased Property is other than equipment, it shall be repaired or replaced within one hundred eighty (180) days after such event. Any replaced Leased Property will be substituted in this Lease by appropriate endorsement. All insurance proceeds received by Bank under the policies required under Section 4.1 with respect to the Leased Property lost, stolen, destroyed, or damaged, will be paid to Lessee if the Leased Property is repaired or replaced by Lessee as required by this Section. If Lessee fails or refuses to make the required repairs or replacement, such proceeds will be paid to Bank to the extent of the then remaining portion of the Lease Payments to become due during the Scheduled Term of this Lease less that portion of such Lease Payments attributable to interest which will not then have accrued as provided in Section 8.1. No loss, theft, destruction, or damage to the Leased Property will impose any obligation on Bank under this Lease, and this Lease will continue in full force and effect regardless of such loss, theft, destruction, or damage. Lessee assumes all risks and liabilities, whether or not covered by insurance, for loss, theft, destruction, or damage to the Leased Property and for injuries or deaths of persons and damage to property however arising, whether such injury or death be with respect to agents or employees of Lessee or of third parties, and whether such damage to property be to Lessee's property or to the property of others.

## ARTICLE V

## COVENANTS

SECTION 5.1 Use of the Leased Property. The Lessee represents and warrants that it has an immediate and essential need for the Leased Property to carry out and give effect to the public purposes of the Lessee, which need is not temporary or expected to diminish in the foreseeable future, and that it expects to make immediate use of all of the Leased Property.

The Lessee hereby covenants that it will install, use, operate, maintain, and service the Leased Property in accordance with all vendors' instructions and in such a manner as to preserve all warranties and guarantees with respect to the Leased Property.

The Lessor hereby assigns to the Lessee, without recourse, for the Term of this Lease, all manufacturer warranties and guaranties, express or implied, pertinent to the Leased Property, and the Lessor directs the Lessee to obtain the customary services furnished in connection with such warranties and guaranties at the Lessee's expense; provided, however, that the Lessee hereby agrees that it will reassign to the Lessor all such warranties and guaranties in the event of termination of this Lease pursuant to Sections 3.3(a) or 3.3(c).

SECTION 5.2 Interest in the Leased Property and this Lease. Upon expiration of the Term as provided in Section 3.3(b) or 3.3(d) hereof, all right, title and interest of the Bank in and to all of the Leased Property shall be transferred to and vest in the Lessee, without the necessity of any additional document of transfer.

SECTION 5.3 Maintenance, Utilities, Taxes and Assessments.

(a) Maintenance; Repair and Replacement. Throughout the Term of this Lease, as part of the consideration for the rental of the Leased Property, all repair and maintenance of the Leased Property shall be the responsibility of the Lessee, and the Lessee shall pay for or otherwise arrange for the payment of the cost of the repair and replacement of the Leased Property excepting ordinary wear and tear, and the Lessee hereby covenants and agrees that it will comply with all vendors' and manufacturers' maintenance and warranty requirements pertaining to the Leased Property. In exchange for the Lease Payments herein provided, the Bank agrees to provide only the Leased Property, as hereinbefore more specifically set forth.

(b) Tax and Assessments; Utility Charges. The Lessee shall also pay or cause to be paid all taxes and assessments, including but not limited to utility charges, of any type or nature charged to the Lessee or levied, assessed or charged against any portion of the Leased Property or the respective interests or estates therein; provided that with respect to special assessments or other governmental charges that may lawfully be paid in installments over a period of years, the Lessee shall be obligated to pay only such installments as are required to be paid during the Term of this Lease as and when the same become due.

(c) Contests. The Lessee may, at its expense and in its name, in good faith contest any such taxes, assessments, utility and other charges and, in the event of any such contest, may permit the taxes, assessments or other charges so contested to remain unpaid during the period of such contest and any appeal therefrom; provided that prior to such nonpayment it shall furnish the Bank with the opinion of an independent counsel acceptable to the Bank to the effect that, by nonpayment of any such items, the interest of the Bank in such portion of the Leased Property will not be materially endangered and that the Leased Property will not be subject to loss or forfeiture. Otherwise, the Lessee shall promptly pay such taxes, assessments or charges or make provisions for the payment thereof in form satisfactory to the Bank.

SECTION 5.4 Modification of the Leased Property.

(a) Additions, Modifications and Improvements. The Lessee shall, at its own expense, have the right to make additions, modifications, and improvements to any portion of the Leased Property if such improvements are necessary or beneficial for the use of such portion of the Leased Property. All such additions, modifications and improvements shall thereafter comprise part of the Leased Property and be subject to the provisions of this Lease. Such additions, modifications and improvements shall not in any way damage any portion of the Leased Property or cause it to be used for purposes other than those authorized under the provisions of State and federal law or in any way which would impair the exclusion from gross income for federal income tax purposes of the interest components of the Lease Payments; and the Leased Property, upon completion of any additions, modifications and improvements made pursuant to this Section, shall be of a value which is not substantially less than the value of the Leased Property immediately prior to the making of such additions, modifications and improvements.

(b) No Liens. Except for Permitted Encumbrances, the Lessee will not permit (i) any liens or encumbrances to be established or remain against the Leased Property or (ii) any mechanic's or other lien to be established or remain against the Leased Property for labor or materials furnished in connection with any additions, modifications or improvements made by the Lessee pursuant to this Section; provided that if any such mechanic’s lien is established and the Lessee shall first notify or cause to be notified the Bank of the Lessee's intention to do so, the Lessee may in good faith contest any lien filed or established against the Leased Property, and in such event may permit the items so contested to remain undischarged and unsatisfied during the period of such contest and any appeal therefrom and shall provide the Bank with full security against any loss or forfeiture which might arise from the nonpayment of any such item, in form satisfactory to the Bank. The Bank will cooperate fully in any such contest.

SECTION 5.5 Permits. The Lessee will provide all permits and licenses necessary for the ownership, possession, operation, and use of the Leased Property, and will comply with all laws, rules, regulations, and ordinances applicable to such ownership, possession, operation, and use. If compliance with any law, rule, regulation, ordinance, permit, or license requires changes or additions to be made to the Leased Property, such changes or additions will be made by the Lessee at its own expense.

SECTION 5.6 Bank's Right to Perform for Lessee. If the Lessee fails to make any payment or to satisfy any representation, covenant, warranty, or obligation contained herein or imposed hereby, the Bank may (but need not) make such payment or satisfy such representation, covenant, warranty, or obligation, and the amount of such payment and the expense of any such action incurred by the Bank, as the case may be, will be deemed to be additional rent payable by the Lessee on the Bank's demand.

SECTION 5.7 Bank's Disclaimer of Warranties. The Bank has played no part in the selection of the Leased Property, the Lessee having selected the Leased Property independently from the Bank. The Bank, at the Lessee's request, has acquired or arranged for the acquisition of the Leased Property and shall lease the same to the Lessee as herein provided, the Bank's only role being the facilitation of the financing of the Leased Property for the Lessee. THE BANK MAKES NO WARRANTY OR REPRESENTATION, EITHER EXPRESS OR IMPLIED, AS TO THE VALUE, DESIGN, CONDITION, QUALITY, DURABILITY, SUITABILITY, MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE OR FITNESS FOR THE USE CONTEMPLATED BY THE LESSEE OF THE LEASED PROPERTY, OR ANY PORTION THEREOF. THE LESSEE ACKNOWLEDGES THAT THE BANK IS NOT A MANUFACTURER OR VENDOR OF ALL OR ANY PORTION OF THE LEASED PROPERTY, AND THAT THE LESSEE IS LEASING THE LEASED PROPERTY AS IS. In no event shall the Bank be liable for incidental, direct, indirect, special or consequential damages, in connection with or arising out of this Lease, for the existence, furnishing, functioning or Lessee's use and possession of the Leased Property.

SECTION 5.8 Indemnification. To the extent permitted by applicable law, the Lessee hereby agrees to indemnify and hold harmless the Bank, its directors, officers, shareholders, employees, agents, and successors from and against any loss, claim, damage, expense, and liability resulting from or attributable to the acquisition, construction, or use of the Leased Property. Notwithstanding the foregoing, the Bank shall not be indemnified for any liability resulting from the gross negligence or willful misconduct of the Bank.

SECTION 5.9 Inclusion for Consideration as Budget Item. During the Term of this Lease, the Lessee covenants and agrees that it shall give due consideration, in accordance with applicable law, as an item for expenditure during its annual budget considerations, of an amount necessary to pay Lease Payments for the Leased Property during the next succeeding Renewal Term. Nothing herein shall be construed to direct or require that Lessee take or direct that any legislative act be done, or that the Governing Body of Lessee improperly or unlawfully delegate any of its legislative authority.

SECTION 5.10 Annual Financial Information. During the Term of this Lease, the Lessee covenants and agrees to provide the Bank as soon as practicable when they are available: (i) a copy of the Lessee's final annual budget for each fiscal year; (ii) a copy of the Lessee's most recent financial statements; and (iii) any other financial reports the Bank may request from time to time.

## ARTICLE VI

## ASSIGNMENT AND SUBLEASING

SECTION 6.1 Assignment by the Bank. The parties hereto agree that all rights of Bank hereunder may be assigned, transferred or otherwise disposed of, either in whole or in part, including without limitation transfer to a trustee pursuant to a trust arrangement under which the trustee issues certificates of participation evidencing undivided interests in this Lease and/or the rights to receive Lease Payments hereunder, provided that notice of any such assignment, transfer or other disposition is given to Lessee.

SECTION 6.2 Assignment and Subleasing by the Lessee. The Lessee may not assign this Lease or sublease all or any portion of the Leased Property unless both of the following shall have occurred: (i) the Bank shall have consented to such assignment or sublease; and (ii) the Bank shall have received assurance acceptable to the Bank that such assignment or sublease: (A) is authorized under applicable state law, (B) will not adversely affect the validity of this Lease, and (C) will not adversely affect the exclusion from gross income for federal income tax purposes of the interest components of the Lease Payments.

## ARTICLE VII

## EVENTS OF DEFAULT AND REMEDIES

SECTION 7.1 Events of Default Defined. The following shall be "events of default" under this Lease and the terms "events of default" and "default" shall mean, whenever they are used in this Lease, any one or more of the following events:

(a) Payment Default. Failure by the Lessee to pay any Lease Payment required to be paid hereunder by the corresponding Lease Payment Date.

(b) Covenant Default. Failure by the Lessee to observe and perform any warranty, covenant, condition or agreement on its part to be observed or performed herein or otherwise with respect hereto other than as referred to in clause (a) of this Section, for a period of 30 days after written notice specifying such failure and requesting that it be remedied has been given to the Lessee by the Bank; provided, however, if the failure stated in the notice cannot be corrected within the applicable period, the Bank shall not unreasonably withhold their consent to an extension of such time if corrective action is instituted by the Lessee within the applicable period and diligently pursued until the default is corrected.

(c) Bankruptcy or Insolvency. The filing by the Lessee of a case in bankruptcy, or the subjection of any right or interest of the Lessee under this Lease to any execution, garnishment or attachment, or adjudication of the Lessee as a bankrupt, or assignment by the Lessee for the benefit of creditors, or the entry by the Lessee into an agreement of composition with creditors, or the approval by a court of competent jurisdiction of a petition applicable to the Lessee in any proceedings instituted under the provisions of the federal bankruptcy code, as amended, or under any similar act which may hereafter be enacted.

The foregoing provisions of this Section 7.1 are subject to the provisions of Section 3.2 hereof with respect to nonappropriation.

SECTION 7.2 Remedies on Default. Whenever any event of default referred to in Section 7.1 hereof shall have happened and be continuing, the Bank shall have the right, at its sole option without any further demand or notice to take one or any combination of the following remedial steps:

(a) take possession of the Leased Property by virtue of the Bank's ownership interest as lessor of the Leased Property;

(b) hold the Lessee liable for the difference between (i) the rents and other amounts payable by Lessee hereunder to the end of the then current Original Term or Renewal Term, as appropriate, and (ii) the rent paid by a lessee of the Leased Property pursuant to such lease; and

(c) take whatever action at law or in equity may appear necessary or desirable to enforce its right hereunder.

SECTION 7.3 No Remedy Exclusive. No remedy conferred herein upon or reserved to the Bank is intended to be exclusive and every such remedy shall be cumulative and shall be in addition to every other remedy given under this Lease or now or hereafter existing at law or in equity. No delay or omission to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver thereof, but any such right and power may be exercised from time to time and as often as may be deemed expedient. In order to entitle the Bank to exercise any remedy reserved to it in this Article it shall not be necessary to give any notice, other than such notice as may be required in this Article or by law.

SECTION 7.4 Agreement to Pay Attorneys' Fees and Expenses. In the event either party to this Lease should default under any of the provisions hereof and the nondefaulting party should employ attorneys or incur other expenses for the collection of moneys or the enforcement of performance or observance of any obligation or agreement on the part of the defaulting party contained herein, the defaulting party agrees that it will pay on demand to the nondefaulting party the reasonable fees of such attorneys and such other expenses so incurred by the nondefaulting party.

SECTION 7.5 Waiver of Certain Damages. With respect to all of the remedies provided for in this Article VII, the Lessee hereby waives any damages occasioned by the Bank's repossession of the Leased Property upon an event of default.

## ARTICLE VIII

## PREPAYMENT OF LEASE PAYMENTS IN PART

SECTION 8.1 Extraordinary Prepayment From Net Proceeds. To the extent, if any, required pursuant to Section 4.1 the Lessee shall be obligated to purchase the Leased Property by prepaying the Lease Payments in whole or in part on any date, from and to the extent of any Net Proceeds or other moneys pursuant to Article IV hereof. The Lessee and the Bank hereby agree that in the case of such prepayment of the Lease Payments in part, such Net Proceeds or other moneys shall be credited toward the Lessee's obligations hereunder pro rata among Lease Payments so that following prepayment, the remaining annual Lease Payments will be proportional to the initial annual Lease Payments.

SECTION 8.2 Option to Purchase Leased Property. Subject to the terms and conditions of this Section, the Bank hereby grants an option to the Lessee to purchase all or a portion of the Leased Property by paying on any date a price equal to the portion of the outstanding principal component of the Lease Payments that is allocable to such portion of the Leased Property that is being so purchased, without premium, plus the accrued interest component of such portion of the Lease Payments to such payment date. To exercise this option, the Lessee must deliver to the Bank written notice specifying the date on which the Leased Property is to be purchased (the "Closing Date"), which notice must be delivered to the Bank at least thirty (30) days prior to the Closing Date specified therein. The Lessee may purchase the Leased Property pursuant to the option granted in this Section only if the Lessee has made all Lease Payments when due (or has remedied any defaults in the payment of Lease Payments, in accordance with the provisions of this Lease) and all other warranties, representations, covenants, and obligations of the Lessee under this Lease have been satisfied (or all breaches thereof have been waived by the Bank in writing).

Upon the expiration of the Scheduled Term of this Lease and provided that all conditions of the immediately preceding paragraph have been satisfied (except those pertaining to notice), the Lessee shall be deemed to have purchased the Leased Property (without the need for payment of additional moneys) and shall be vested with all rights and title to the Leased Property.

## ARTICLE IX

## MISCELLANEOUS

SECTION 9.1 Notices. Unless otherwise specifically provided herein, all notices shall be in writing addressed to the respective party as set forth below (or to such other address as the party to whom such notice is intended shall have previously designated by written notice to the serving party), and may be personally served, telecopied, or sent by overnight courier service or United States mail:

| If to Bank: | If to the Lessee: |
| --- | --- |
| ZIONS BANCORPORATION, N.A.<br>One South Main Street, $17^{th}$ Floor<br>Salt Lake City, Utah 84133<br>Attention: Olivia Martinez | Solid Waste Special Service District #1<br>2295 South Highway 191<br>Moab, UT 84532<br>Attention: Chris Scovill |

Such notices shall be deemed to have been given: (a) if delivered in person, when delivered; (b) if delivered by telecopy, on the date of transmission if transmitted by 4:00 p.m. (Salt Lake City time) on a Business Day or, if not, on the next succeeding Business Day; (c) if delivered by overnight courier, two Business Days after delivery to such courier properly addressed; or (d) if by United States mail, four Business Days after depositing in the United States mail, postage prepaid and properly addressed.

SECTION 9.2 System of Registration. The Lessee shall be the Registrar for this Lease and the rights to payments hereunder. The Bank shall be the initial Registered Owner of rights to receive payments hereunder. If the Bank transfers its rights to receive payments hereunder, the Registrar shall note on this Lease the name and address of the transferee.

SECTION 9.3 Instruments of Further Assurance. To the extent, if any, that the Bank's interest in the Leased Property as Lessor under this Lease is deemed to be a security interest in the Leased Property, then the Lessee shall be deemed to have granted, and in such event the Lessee does hereby grant, a security interest in the Leased Property to the Bank, which security interest includes proceeds, and this Lease shall constitute a security agreement under applicable law. Concurrently with the execution of this Lease, the Lessee has executed, delivered, and filed and/or recorded all financing statements, UCC forms, mortgages, deeds of trust, notices, filings, and/or other instruments, in form required for filing and/or recording thereof, as are required under applicable law to fully perfect such security interest of the Bank in the Leased Property (collectively, "Security Documents"). Attached hereto as Exhibit E are copies of all such Security Documents. The Lessee will do, execute, acknowledge, deliver and record, or cause to be done, executed, acknowledged, delivered and recorded, such additional acts, notices, filings and instruments as the Bank may require in its sole discretion to evidence, reflect and perfect the title, ownership, leasehold interest, security interest and/or other interest of the Bank in and to any part or all of the Leased Property, promptly upon the request of the Bank.

SECTION 9.4 Binding Effect. This Lease shall inure to the benefit of and shall be binding upon the Bank and the Lessee and their respective successors and assigns.

SECTION 9.5 Amendments. This Lease may be amended or modified only upon the written agreement of both the Bank and the Lessee.

SECTION 9.6 Section Headings. Section headings are for reference only and shall not be used to interpret this Lease.

SECTION 9.7 Severability. In the event any provision of this Lease shall be held invalid or unenforceable by a court of competent jurisdiction, to the extent permitted by law, such holding shall not invalidate or render unenforceable any other provision hereof.

SECTION 9.8 Entire Agreement. This Lease and the attached Exhibits constitute the entire agreement between the Bank and the Lessee and supersedes any prior agreement between the Bank and the Lessee with respect to the Leased Property, except as is set forth in an Addendum, if any, which is made a part of this Lease and which is signed by both the Bank and the Lessee.

SECTION 9.9 Execution in Counterparts. This Lease may be executed in any number of counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

SECTION 9.10 Arbitration. To the extent permitted by law, any dispute, controversy or claim arising out of or based upon the terms of this Lease or the transactions contemplated hereby shall be settled exclusively and finally by binding arbitration. Upon written demand for arbitration by any party hereto, the parties to the dispute shall confer and attempt in good faith to agree upon one arbitrator. If the parties have not agreed upon an arbitrator within thirty (30) days after receipt of such written demand, each party to the dispute shall appoint one arbitrator and those two arbitrators shall agree upon a third arbitrator. Any arbitrator or arbitrators appointed as provided in this section shall be selected from panels maintained by, and the binding arbitration shall be conducted in accordance with the commercial arbitration rules of, the American Arbitration Association (or any successor organization), and such arbitration shall be binding upon the parties. The arbitrator or arbitrators shall have no power to add or detract from the agreements of the parties and may not make any ruling or award that does not conform to the terms and conditions of this Lease. The arbitrator or arbitrators shall have no authority to award punitive damages or any other damages not measured by the prevailing party's actual damages. Judgment upon an arbitration award may be entered in any court having jurisdiction. The prevailing party in the arbitration proceedings shall be awarded reasonable attorney fees and expert witness costs and expenses.

SECTION 9.11 Applicable Law. This Agreement shall be governed by and construed in accordance with the laws of the State.

[SIGNATURE PAGES TO FOLLOW]

IN WITNESS WHEREOF, the Bank has caused this Lease to be executed in its name by its duly authorized officer, and the Lessee has caused this Lease to be executed in its name by its duly authorized officer, as of the date first above written.

**ZIONS BANCORPORATION, N.A.**, as Lessor

By:________________________________________

Authorized Officer

**SOLID WASTE SPECIAL SERVICE DISTRICT #1,** as Lessee

By:________________________________________

___________________________________________

Title

EXHIBIT A

FIXED RATE

LEASE PAYMENT DEBT SERVICE SCHEDULE*

**1. Interest.** Interest components payable on the principal amount outstanding have been computed at the rate of four and eighty-five hundredths' percent (4.85%) per annum calculated based on twelve 30-day months during a 360-day year.

**2. Payment Dates and Amounts.**

| Date | Principal | Coupon | Interest | Total P+I | Fiscal Total |
|---|---|---|---|---|---|
| 07/28/2026 | - | - | - | - | - |
| 07/28/2027 | 152,561.40 | 4.850% | 40,763.07 | 193,324.47 | 193,324.47 |
| 07/28/2028 | 159,960.62 | 4.850% | 33,363.85 | 193,324.47 | 193,324.47 |
| 07/28/2029 | 167,718.71 | 4.850% | 25,605.76 | 193,324.47 | 193,324.47 |
| 07/28/2030 | 175,853.07 | 4.850% | 17,471.40 | 193,324.47 | 193,324.47 |
| 07/28/2031 | 184,381.94 | 4.850% | 8,942.52 | 193,324.46 | 193,324.46 |
| Total | $840,475.74 | - | $126,146.60 | $966,622.34 | - |

EXHIBIT B

DESCRIPTION OF THE LEASED PROPERTY

2026 TANA H380ECO Landfill Compactor
Serial No. ________________________

EXHIBIT C

RESOLUTION OF GOVERNING BODY

**A resolution approving the form of the Lease/Purchase Agreement with ZIONS BANCORPORATION, N.A., Salt Lake City, Utah and authorizing the execution and delivery thereof.**

*Whereas*, The Board of Directors (the "Governing Body") of Solid Waste Special Service District #1 (the "Lessee") has determined that the leasing of the property described in the Lease/Purchase Agreement (the "Lease/Purchase Agreement") presented at this meeting is for a valid public purpose and is essential to the operations of the Lessee; and

*Whereas*, the Governing Body has reviewed the form of the Lease/Purchase Agreement and has found the terms and conditions thereof acceptable to the Lessee; and

*Whereas*, either there are no legal bidding requirements under applicable law to arrange for the leasing of such property under the Lease/Purchase Agreement, or the Governing Body has taken the steps necessary to comply with the same with respect to the Lease/Purchase Agreement.

*Be it resolved* by the Governing Body of Solid Waste Special Service District #1 as follows:

SECTION 1. The terms of said Lease/Purchase Agreement are in the best interests of the Lessee for the leasing of the property described therein.

SECTION 2. The appropriate officers and officials of the Lessee are hereby authorized and directed to execute and deliver the Lease/Purchase Agreement in substantially the form presented to this meeting and any related documents and certificates necessary to the consummation of the transactions contemplated by the Lease/Purchase Agreement for and on behalf of the Lessee. The officers and officials of the Lessee may make such changes to the Lease/Purchase Agreement and related documents and certificates as such officers and officials deem necessary or desirable, such approval to be conclusively evidenced by the execution and delivery thereof.

SECTION 3. The officers and officials of the Governing Body and the Lessee are hereby authorized and directed to fulfill all obligations under the terms of the Lease/Purchase Agreement.

Adopted and approved this _____ day of July, 2026.

By ____________________________________________

Print Name_____________________________________

Title __________________________________________

Attest:

By ___________________________________________________

Print Name ____________________________________________

Title_________________________________________________

STATE OF UTAH )
) ss.
COUNTY OF GRAND )

I, ____________________________ hereby certify that I am the duly qualified and acting ___________________________ of Solid Waste Special Service District #1 (the "Lessee").
(Title)

I further certify that the above and foregoing instrument constitutes a true and correct copy of the minutes of a regular meeting of the governing body including a Resolution adopted at said meeting held on July 15, 2026, as said minutes and Resolution are officially of record in my possession, and that a copy of said Resolution was deposited in my office on July __, 2026.

*In witness whereof,* I have hereunto set my hand on behalf of the Lessee this ___ day of July, 2026.

By ___________________________________________

Print Name_____________________________________

Title __________________________________________

EXHIBIT D

Opinion of Lessee's Counsel attached

EXHIBIT E

SECURITY DOCUMENTS

[Attach Certificates of Title showing ZIONS BANCORPORATION, N.A. as the lien holder]

EXHIBIT F

DELIVERY AND ACCEPTANCE CERTIFICATE

To: ZIONS BANCORPORATION, N.A.
One South Main Street, 17th Floor
Salt Lake City, Utah 84133

Reference is made to the Lease/Purchase Agreement between the undersigned ("Lessee"), and ZIONS BANCORPORATION, N.A. (the "Bank"), dated July 28, 2026 , (the "Lease") and to that part of the Leased Property described therein which comprises personal property (collectively, the "Equipment"). In connection therewith we are pleased to confirm to you the following:

1. All of the Equipment has been delivered to and received by the undersigned; all installation or other work necessary prior to the use thereof has been completed; said Equipment has been examined and/or tested and is in good operating order and condition and is in all respects satisfactory to the undersigned and as represented, and that said Equipment has been accepted by the undersigned and complies with all terms of the Lease. Consequently, you are hereby authorized to pay for the Equipment in accordance with the terms of any purchase orders for the same.

2. In the future, in the event the Equipment fails to perform as expected or represented we will continue to honor the Lease in all respects and continue to make our rental and other payments thereunder in the normal course of business and we will look solely to the vendor, distributor or manufacturer for recourse.

3. We acknowledge that the Bank is neither the vendor nor manufacturer or distributor of the Equipment and has no control, knowledge or familiarity with the condition, capacity, functioning or other characteristics of the Equipment.

4. The serial identification number for each item of Equipment which is set forth on Exhibit "B" to the Lease is correct.

This certificate shall not be considered to alter, construe, or amend the terms of the Lease.

Lessee:

**SOLID WASTE SPECIAL SERVICE DISTRICT #1**

By: ____________________________________
(Authorized Signature)

Date: ___________________________________

Form **8038-G** (Rev. October 2021) Department of the Treasury Internal Revenue Service

# Information Return for Tax-Exempt Governmental Bonds

► **Under Internal Revenue Code section 149(e)**
► **See separate instructions.**
**Caution:** *If the issue price is under $100,000, use Form 8038-GC.*
► **Go to *www.irs.gov/F8038G* for instructions and the latest information.**

OMB No. 1545-0047

## Part I Reporting Authority

Check box if **Amended Return** ► ☐

| | |
|---|---|
| 1 Issuer's name: Solid Waste Special Service District #1 | 2 Issuer's employer identification number (EIN): 87-0516147 |
| 3a Name of person (other than issuer) with whom the IRS may communicate about this return (see instructions): Alex Howland | 3b Telephone number of other person shown on 3a: (801) 844-7691 |
| 4 Number and street (or P.O. box if mail is not delivered to street address): 2295 South Highway 191 / Room/suite: | 5 Report number (*For IRS Use Only*): 3 |
| 6 City, town, or post office, state, and ZIP code: Moab, UT 84532 | 7 Date of issue: July 28, 2026 |
| 8 Name of issue: Lease Purchase Agreement | 9 CUSIP number: |
| 10a Name and title of officer or other employee of the issuer whom the IRS may call for more information: Chris Scovill, District Manager | 10b Telephone number of officer or other employee shown on 10a: (435) 259-6314 |

## Part II Type of Issue (Enter the issue price.) See the instructions and attach schedule.

| | | | |
|---|---|---|---|
| 11 | Education | 11 | |
| 12 | Health and hospital | 12 | |
| 13 | Transportation | 13 | |
| 14 | Public safety | 14 | |
| 15 | Environment (including sewage bonds) | 15 | 840,475.74 |
| 16 | Housing | 16 | |
| 17 | Utilities | 17 | |
| 18 | Other. Describe ► | 18 | |
| 19a | If bonds are TANs or RANs, check only box 19a ► ☐ | | |
| b | If bonds are BANs, check only box 19b ► ☐ | | |
| 20 | If bonds are in the form of a lease or installment sale, check box ► ☑ | | |

## Part III Description of Bonds. Complete for the entire issue for which this form is being filed.

| | (a) Final maturity date | (b) Issue price | (c) Stated redemption price at maturity | (d) Weighted average maturity | (e) Yield |
|---|---|---|---|---|---|
| 21 | 7/28/2031 | $ 840,475.74 | $ 840,475.74 | 3.095 years | 4.8500 % |

## Part IV Uses of Proceeds of Bond Issue (including underwriters' discount)

| | | | | | |
|---|---|---|---|---|---|
| 22 | Proceeds used for accrued interest | | | 22 | |
| 23 | Issue price of entire issue (enter amount from line 21, column (b)) | | | 23 | 840,475.74 |
| 24 | Proceeds used for bond issuance costs (including underwriters' discount) | 24 | 5,000.00 | | |
| 25 | Proceeds used for credit enhancement | 25 | | | |
| 26 | Proceeds allocated to reasonably required reserve or replacement fund | 26 | | | |
| 27 | Proceeds used to refund prior tax-exempt bonds. Complete Part V | 27 | | | |
| 28 | Proceeds used to refund prior taxable bonds. Complete Part V | 28 | | | |
| 29 | Total (add lines 24 through 28) | | | 29 | 5,000.00 |
| 30 | Nonrefunding proceeds of the issue (subtract line 29 from line 23 and enter amount here) | | | 30 | 835,475.74 |

## Part V Description of Refunded Bonds. Complete this part only for refunding bonds.

| | | |
|---|---|---|
| 31 | Enter the remaining weighted average maturity of the tax-exempt bonds to be refunded ► | N/A years |
| 32 | Enter the remaining weighted average maturity of the taxable bonds to be refunded ► | years |
| 33 | Enter the last date on which the refunded tax-exempt bonds will be called (MM/DD/YYYY) ► | |
| 34 | Enter the date(s) the refunded bonds were issued ► (MM/DD/YYYY) | |

## Part VI Miscellaneous

| | | | |
|---|---|---|---|
| 35 | Enter the amount of the state volume cap allocated to the issue under section 141(b)(5) | 35 | N/A |
| 36a | Enter the amount of gross proceeds invested or to be invested in a guaranteed investment contract (GIC). See instructions | 36a | N/A |
| b | Enter the final maturity date of the GIC ▶ (MM/DD/YYYY) N/A | | |
| c | Enter the name of the GIC provider ▶ N/A | | |
| 37 | Pooled financings: Enter the amount of the proceeds of this issue that are to be used to make loans to other governmental units | 37 | N/A |

38a If this issue is a loan made from the proceeds of another tax-exempt issue, check box ▶ ☐ and enter the following information:

b Enter the date of the master pool bond ▶ (MM/DD/YYYY) N/A

c Enter the EIN of the issuer of the master pool bond ▶ N/A

d Enter the name of the issuer of the master pool bond ▶ N/A

39 If the issuer has designated the issue under section 265(b)(3)(B)(i)(III) (small issuer exception), check box ▶ ☑

40 If the issuer has elected to pay a penalty in lieu of arbitrage rebate, check box ▶ ☐

41a If the issuer has identified a hedge, check here ▶ ☐ and enter the following information:

b Name of hedge provider ▶ N/A

c Type of hedge ▶ N/A

d Term of hedge ▶ N/A

42 If the issuer has superintegrated the hedge, check box ▶ ☐

43 If the issuer has established written procedures to ensure that all nonqualified bonds of this issue are remediated according to the requirements under the Code and Regulations (see instructions), check box ▶ ☐

44 If the issuer has established written procedures to monitor the requirements of section 148, check box ▶ ☐

45a If some portion of the proceeds was used to reimburse expenditures, check here ▶ ☐ and enter the amount of reimbursement ▶ N/A

b Enter the date the official intent was adopted ▶ (MM/DD/YYYY) N/A

**Signature and Consent**

Under penalties of perjury, I declare that I have examined this return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and complete. I further declare that I consent to the IRS's disclosure of the issuer's return information, as necessary to process this return, to the person that I have authorized above.

Signature of issuer's authorized representative    Date    Type or print name and title

**Paid Preparer Use Only**

| Print/Type preparer's name | Preparer's signature | Date | Check ☐ if self-employed | PTIN |
|---|---|---|---|---|
| Juli Ann Riley | | | | P02146769 |
| Firm's name ▶ Zions Bancorporation, N.A. | | | Firm's EIN ▶ | 87-0189025 |
| Firm's address ▶ One South Main Street, Suite 1100, Salt Lake City, UT 84133 | | | Phone no. | 801-844-7198 |

**REGULAR MEETING Suggested Motions**
SOLID WASTE SPECIAL SERVICE DISTRICT #1
*DBA Canyonlands Solid Waste Authority*

Wednesday, July 15, 2026, 4:30 P.M.

Administrative Office, 2295 S Highway 191, Moab, UT 84532

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**Suggested Motions**

**Board Motion I.**
**Motion:** I move that the Administrative Control Board approve entering into a lease-purchase financing agreement with Zions Bank in an amount not to exceed $845,000.00 for the acquisition of one TANA H380 landfill compactor, and authorize the District Manager to execute all financing documents and related agreements necessary to complete the transaction, subject to final review and approval by the District's legal counsel.

**Board Motion J.**
**Motion:** I move that the Administrative Control Board approve the final repair expenditure of **$25,498.42** for **District Truck #103**, thereby amending the Board's June 17, 2026 authorization of **$25,000**.

*Public comments for the meeting record can be received in one of three ways. Please email swssd1@swssd1ut.gov with the subject line "SWSSD1 Public Comment" by 2:00 P.M. on Wednesday, July 15, 2026, if you would like your comments to be heard as part of the Regular Meeting. Written comments are limited to 400 words. Alternatively, members of the public may provide verbal comment in one of two ways: attend the meeting in person at 2295 South Highway 191, Moab, UT 84532 or virtually via the Zoom weblink. Citizens may provide comment during the Citizen's Input section. Comments are limited to a duration of three (3) minutes in length.

Those with a special needs request wishing to attend this meeting are encouraged to contact the District three (3) days in advance of these events. Specific accommodations necessary to allow participation of disabled persons will be provided to the maximum extent possible. Requests, or any questions or comments can be communicated to 435-259-6314.