PROCEDURES FOR THE ADMINISTRATION OF FRANCHISED REFUSE COLLECTORS' LETTERS OF CREDIT OR PAYMENT BONDS

The following are the procedures for the administration of franchised refuse collectors' cash deposits, letters of credit, and payment bonds:

1. The franchisee forwards the documents to the Solid Waste Department.

2. The County Solid Waste Department reviews the documents to assure that the purpose, scope and amounts are correct.

3. The County Attorney's Office reviews the documents for proper legal form and advises Solid Waste when in order.

4. The Solid Waste Department prepares an agenda item recommending that the Board of County Commissioners accept the documents.

5. After board approval, the original copies of the security documents are forwarded to the Clerk, Board of County Commissioners-Accounting Department for safekeeping. Solid Waste submits checks if applicable. A copy of documents will be kept by Solid Waste.

6. Upon receipt of the security documents, the Clerk, Board of County Commissioners-Accounting Department:

    a. Secures the original copies in a fire-proof file in the vault;
    b. Keeps xerox copies in a file for their records; and
    c. Maintains a "tickler" file from which they, as a courtesy, prepare monthly a list for Solid Waste of those documents which are due to expire in the month after next. (60 days advance notice)

7. Solid Waste monitors the franchisee payment assurance as follows:

    a. Review fees periodically to determine that the amount of payment assurance is sufficient. If not, notify franchisee of nee for additional security amount.
    b. Notify franchisee and Accounting Division of pending expiration date of surety if applicable.

8. When the franchisee <u>has not</u> satisfactorily completed its obligations:

    a. Solid Waste Department, timely enough to meet collection expiration date, advises the County Attorney's Office to prepare an agenda item recommending that the Board of County Commissioners authorize processing the payment bonds or letters of credit for collection; and
    b. The Clerk, Board of County Commissioners-Accounting Department processes the required documents for collection in coordination with the County Attorney's Office.

9. When the franchisee <u>has</u> satisfactorily completed its obligations:

    a. Solid Waste Department prepares an agenda item recommending that Board of County Commissioners authorize the release of the documents;
    b. Upon Board approval, the Solid Waste Department sends to the Clerk, Board of County Commissioners - Accounting Department a memorandum advising of the Board action and requesting that a check be prepared or the documents released;
    c. The Clerk, Board of County Commissioners - Accounting department returns a check or other documents to Solid Waste, upon obtaining from Solid Waste a signature acknowledging receipt of the bond or letter of credit; and
    d. The Solid waste department mails the checks or other documents to the franchisee.