Town Council
AGENDA

Monday, July 6, 2026 - 5:30 PM
Council Chambers, Easton Town Office
14 S Harrison Street

5:00 PM: CLOSED SESSION: General Provisions Article § 3-305(b)(4) To consider a matter that concerns the proposal for a business or industrial organization to locate, expand or remain in the State.

5:30 PM: Call to Order by President Abbatiello.

Opening remarks and Pledge of Allegiance by Councilmember Rankin.

Approval of Minutes.

Council Meeting minutes from June 18, 2026.

Municipal Official Items.

Items by Mayor Cook.

Introduction of new EPD officers Tucker Lytle and Chase Fletcher.

Items by Town Manager

Public Assembly Event: Jowite St. Block Party - July 21, 2026

Acceptance of bid proposal from Republic Services for Annual Recycling for FY2027-2029 in the amount of $2,001,429.

Easton Planning Commission Approved 2026 Annual Report (*for information only).*

Items by Town Attorney.

Presentations.

Nicholas Lesher to present Eagle Scout project.

Nancy Andrew, Director of the Talbot Family Network, to present findings from Talbot County Senior Task Force.

Rick VanEmburgh, Town Engineer to present Complete Streets.

John Hines, Chief Operating Officer and Kurt Fuchs, Manager of External Affairs, to update on Bay Street Ponds.

Public Hearings.

cont'd. PUBLIC HEARING to obtain public comments on the proposed 2026 update of the Town's Comprehensive Plan.

5:35 PM PUBLIC HEARING to obtain the views of citizens on community, economic development, and housing needs to be considered for submission of an application to the Maryland Community Development Block Grand Program (CDBG). Citizens will have the opportunity to discuss proposed projects and to provide input on other needs to be considered.

Legislation.

Res. 6221, "A RESOLUTION OF THE TOWN OF EASTON ADOPTING THE TOWN OF EASTON 2026 COMPREHENSIVE PLAN."

Res. 6224, "A RESOLUTION OF THE TOWN OF EASTON AUTHORIZING THE APPLICATION FOR A MARYLAND COMMUNITY DEVELOPMENT BLOCK GRANT FOR A SENIOR AFFORDABLE HOUSING PROJECT (Osprey).

Public Participation/Comments.

Committee Reports by Members of the Council

Items by Members of the Council:

Adjournment.

The public can access the meeting as follows:
https://www.eastonmd.gov/129/Agendas-Minutes

If you are an Easton Velocity Cable TV subscriber, you can view the meeting live on Channel 98.

Please note: There is a possibility of all or part of the meeting may be held in Closed Session.

EASTON POLICE DEPARTMENT

"With Pride We Serve"

UPCOMING PUBLIC ASSEMBLY EVENT

TO: Mayor Cook and Andy Kitzrow
DATE: June 30, 2026
PREPRARED BY: 1st Sgt. P. Sally 0135

EVENT: Jowite St. Block Party

APPLICANT: Heather Grant

LOCATION: Jowite St. in front of BAAM

DATE/TIME: July 21, 2026 12:30pm to 4pm

ATTENDANCE: 100

PURPOSE: Bike Rodeo

SPECIAL REQUESTS:

- Applicant requests road closure from 12:30pm to 4pm
- Bike Patrol

EPD CONCERNS:

- None

APPROXIMATE COST:

- None - Posting of No Parking signs and staging of barricades will be handled by on-duty personnel

TOWN ENGINEER
9030 Mistletoe Drive
Easton, MD 21601
410-820-8822
www.EastonMD.gov

DATE: **June 30, 2026**

TO: **Andy Kitzrow - Town Manager**

CC: **Mayor Megan Cook**
Barry Slaughter - Sanitation Division Manager

FROM: **Rick Van Emburgh – Town Engineer**

SUBJECT: **Recycling 2026-2029**
Recommendation

We recently advertised a Request for Proposals (RFP) for Annual Recycling for the Fiscal Years 2027 through 2029. We held a public bid opening on June 9, 2026. We received one (1) sealed bid from Republic Services, which is the company who has provided recycling services for the Town for the last several years. We have been very satisfied with the service they provide. The following is a summary of the Republic bid received:

Annual Service Bid (Does Not Include Shared Index or Fuel Surcharge Adjustment)		
Year	**Monthly Cost**	**Annual Cost**
1	$53,430	$641,155
2	$55,567	$666,801
3	$57,789	$693,473
Total		$2,001,429

In addition to the Service Cost, the Contract includes a "Shared Index". The Town will pay 70% of the cost associated with the disposal of recycling material at a recycling center and the remaining 30% will be paid by the Contractor. In the event there is revenue earned from the recycling material, the Town will share with the Contractor 70% of the revenue generated. From January to May in 2026 we are averaging approximately $5,500 in Shared Index fees.

This contract also includes a Fuel Surcharge Adjustment based on diesel fuel prices. This will be based on the U.S. Energy Information Administration (EIA) Weekly National Average Diesel Fuel Price. When the weekly diesel fuel price is less than $4.00 per gallon, there is no fuel surcharge. There is a % increase to the cost when the EIA average fuel price is more than $4.00 per gallon (0.25% for $4.00-$4.24 and 0.25% for every $0.25 increase after).

In conclusion, I have reviewed the bid and recommend awarding the project to Republic Services for the Total Three (3) Year Lump Sum Price of $2,001,429.

END OF RECOMMENDATION

RECYCLING SERVICES
JULY 2026 - JUNE 2029

REQUEST FOR PROPOSALS

REPUBLIC SERVICES
MANAGER MUNICIPAL SALES DOMINIC FULGINITI
215-783-9329

9030 MISTLETOE DRIVE
EASTON, MARYLAND 21601
PRE BID 9:00 A.M. ON TUESDAY, MAY 26, 2026
BID DUE 2:00 PM, TUESDAY, JUNE 9, 2026

BID BOND

KNOW ALL MEN BY THESE PRESENTS:

That we, the undersigned, BFI Waste Services, LLC
907 Willow Grove Rd, Felton, DE 19943
as Principal, and United States Fire Insurance Company,
305 Madison Avenue, Morristown, NJ 07960 a corporation of the State of DE, as Surety,
are held and firmly bound unto Town of Easton as Obligee,
in the penal sum of Five Percent of the Annual Price (5%),
for the payment of which, well and truly to be made, we hereby jointly and severally bind ourselves, our heirs, executors, administrators, successors, and assigns.

Signed this 9th day June, 2026.

The condition of the above obligation is such that whereas the Principal has submitted to the above Obligee, a certain bid, attached hereto and hereby made a part hereof, to enter into a contract in writing for
Recycling Services - July 2026 - June 2029

NOW, THEREFORE,

(a) If said bid shall be rejected, or in the alternate,

(b) If said bid shall be accepted and the Principal shall execute and deliver a contract properly completed in accordance with said bid, and shall furnish a bond for the faithful performance of said Contract, and for the payment of all persons performing labor or furnishing materials in connection therewith and shall in all other respects perform the agreement created by the acceptance of said bid;

THEN, THIS OBLIGATION SHALL BE VOID, otherwise the same shall remain in full force and effect; it being expressly understood and agreed that the liability of the Surety for any and all claims hereunder shall, in no event, exceed the penal amount of this obligation as herein stated.

PROVIDED HOWEVER, when this Bond has been furnished to comply with a statutory or other legal requirement in the location of the Project, any provision in this Bond conflicting with said statutory or legal requirement shall be deemed deleted herefrom and provisions conforming to such statutory or other legal requirement shall be deemed incorporated herein. When so furnished, the intent is that this Bond shall be construed as a statutory bond and not as a common law bond.

The Surety, for value received, hereby stipulates and agrees that the obligations of said Surety and its bond shall be in no way impaired or affected by any extensions of time within which the said bid may be accepted; and said Surety does hereby waive notice of any such extension.

IN WITNESS WHEREOF, the Principal and Surety have hereunto set their hands and seals and such of them as are corporations have caused their corporate seals to be hereunto affixed and these presents to be signed the day and year first set forth above.

Signed, sealed and delivered in the presence of:

BFI Waste Services, LLC
Principal

By _____
Laura Kovarik, Attorney-in-Fact — Title

United States Fire Insurance Company
Surety

By _____
Amber Engel — Attorney-in-Fact

POWER OF ATTORNEY

REPUBLIC SERVICES, INC., a Delaware corporation having its principal place of business at 18500 N. Allied Way, Phoenix, Arizona 85054, hereby makes, constitutes and appoints KIBBLE & PRENTICE HOLDING COMPANY dba USI INSURANCE SERVICES NORTHWEST, acting through and by any one of Debbie Lindstrom, Kathleen M. Mitchell, Scott C. Alderman, Amber Engel, Jamie Armfield, Holly E. Ulfers, Tatiana Gefter, Laura Kovarik or Roxana Palacios, its true and lawful attorney to sign and seal any and all surety bonds, bid bonds, performance bonds and payment bonds at or below the monetary threshold of Five Million Dollars ($5,000,000.00) on behalf of REPUBLIC SERVICES, INC. and its subsidiaries, relating to the provision of solid waste collection, transportation, transfer, recycling, disposal and/or energy services by REPUBLIC SERVICES, INC. and its subsidiaries and affix its corporate seal to and deliver for and on behalf as surety thereon or otherwise, bonds of any of the following classes, to wit:

1. Surety bonds, bid bonds, performance bonds and payment bonds to the United States of America or agency thereof, including those required or permitted under the laws or regulations relating to Customs or Internal Revenue; license and permit bonds or other indemnity bonds under the laws, ordinances or regulations of any state, city, town, village, board, other body organization, public or private; bonds to transportation companies; lost instrument bonds; lease bonds; worker's compensation bonds; miscellaneous surety bonds; and bonds on behalf of notaries public, sheriffs, deputy sheriffs and similar public officials.

2. Surety bonds, bid bonds, performance bonds and payment bonds on behalf of REPUBLIC SERVICES, INC. and its subsidiaries in connection with bids, proposals or contracts.

REPUBLIC SERVICES, INC. hereby agrees to ratify and confirm whatsoever KIBBLE & PRENTICE HOLDING COMPANY dba USI INSURANCE SERVICES NORTHWEST shall lawfully do pursuant to this power of attorney, and until notice or revocation has been given by REPUBLIC SERVICES, INC., the acts of said attorney shall be binding on the undersigned.

IN WITNESS WHEREOF, this Power of Attorney has been signed this 5th day of February 2025 on behalf of REPUBLIC SERVICES, INC. by its Assistant Secretary, Adrienne W. Wilhoit.

REPUBLIC SERVICES, INC.,
a Delaware corporation

Adrienne W. Wilhoit

STATE OF ARIZONA

COUNTY OF MARICOPA

Subscribed and sworn to before me this 5th day of February, 2025 by Kiara Gonzalez, Notary Public.

KIARA GONZALEZ
Notary Public - Arizona
Maricopa County
Commission # 678775
My Comm. Expires Feb 2, 2029

Notary Public

CERTIFICATE

I, the undersigned, John B. Nickerson, Assistant Secretary of Republic Services, Inc., a Delaware corporation, do hereby certify that the foregoing Power of Attorney is true, correct, remains in full force and effect, and has not been revoked.

IN WITNESS WHEREOF, this Certification has been signed this 9th day of June, 2026 on behalf of REPUBLIC SERVICES, INC. by its Assistant Secretary, John B. Nickerson.

John B. Nickerson

POWER OF ATTORNEY
UNITED STATES FIRE INSURANCE COMPANY
PRINCIPAL OFFICE - MORRISTOWN, NEW JERSEY

KNOW ALL MEN BY THESE PRESENTS: That United States Fire Insurance Company, a corporation duly organized and existing under the laws of the State of Delaware, has made, constituted and appointed, and does hereby make, constitute and appoint: **Amber Engel**

each, its true and lawful Attorney(s)-In-Fact, with full power and authority hereby conferred in its name, place and stead, to execute, acknowledge and deliver: Any and all bonds and undertakings of surety and other documents that the ordinary course of surety business may require, and to bind United States Fire Insurance Company thereby as fully and to the same extent as if such bonds or undertakings had been duly executed and acknowledged by the regularly elected officers of United States Fire Insurance Company at its principal office, in amounts or penalties: **Unlimited**

This Power of Attorney limits the act of those named therein to the bonds and undertakings specifically named therein, and they have no authority to bind United States Fire Insurance Company except in the manner and to the extent therein stated.

Surety Bond No.: Bid Bond
Principal: BFI Waste Services, LLC
Obligee: Town of Easton

This Power of Attorney is granted pursuant to Article IV of the By-Laws of United States Fire Insurance Company as now in full force and effect, and consistent with Article III thereof, which Articles provide, in pertinent part:

Article IV, Execution of Instruments - Except as the Board of Directors may authorize by resolution, the Chairman of the Board, President, any Vice-President, any Assistant Vice President, the Secretary, or any Assistant Secretary shall have power on behalf of the Corporation:

(a) to execute, affix the corporate seal manually or by facsimile to, acknowledge, verify and deliver any contracts, obligations, instruments and documents whatsoever in connection with its business including, without limiting the foregoing, any bonds, guarantees, undertakings, recognizances, powers of attorney or revocations of any powers of attorney, stipulations, policies of insurance, deeds, leases, mortgages, releases, satisfactions and agency agreements;
(b) to appoint, in writing, one or more persons for any or all of the purposes mentioned in the preceding paragraph (a), including affixing the seal of the Corporation.

Article III, Officers, Section 3.11, Facsimile Signatures. The signature of any officer authorized by the Corporation to sign any bonds, guarantees, undertakings, recognizances, stipulations, powers of attorney or revocations of any powers of attorney and policies of insurance issued by the Corporation may be printed, facsimile, lithographed or otherwise produced. In addition, if and as authorized by the Board of Directors, dividend warrants or checks, or other numerous instruments similar to one another in form, may be signed by the facsimile signature or signatures, lithographed or otherwise produced, of such officer or officers of the Corporation as from time to time may be authorized to sign such instruments on behalf of the Corporation. The Corporation may continue to use for the purposes herein stated the facsimile signature of any person or persons who shall have been such officer or officers of the Corporation, notwithstanding the fact that he may have ceased to be such at the time when such instruments shall be issued.

IN WITNESS WHEREOF, United States Fire Insurance Company has caused these presents to be signed and attested by its appropriate officer and its corporate seal hereunto affixed this 18th day of November, 2024.

UNITED STATES FIRE INSURANCE COMPANY

Matthew E. Lubin, President

State of New Jersey }
County of Morris }

On this 18th day of November, 2024, before me, a Notary public of the State of New Jersey, came the above named officer of United States Fire Insurance Company, to me personally known to be the individual and officer described herein, and acknowledged that he executed the foregoing instrument and affixed the seal of United States Fire Insurance Company thereto by the authority of his office.

ETHAN SCHWARTZ
NOTARY PUBLIC
STATE OF NEW JERSEY
MY COMMISSION EXPIRES 6/25/2029
COMMISSION: #50223171

Ethan Schwartz (Notary Public)

I, the undersigned officer of United States Fire Insurance Company, a Delaware corporation, do hereby certify that the original Power of Attorney of which the foregoing is a full, true and correct copy is still in force and effect and has not been revoked.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the corporate seal of United States Fire Insurance Company on the 9th day of June 20 26

UNITED STATES FIRE INSURANCE COMPANY

Michael C. Fay, Senior Vice President

CONTACT INFORMATION: Bond Verifications: surety@cfins.com / Claims: SuretyClaimsSupport@cfins.com

USI Insurance Services
601 Union Street
Suite 1000
Seattle, WA 98101
www.usi.com
Tel: 206.441.6300

June 9, 2026

LETTER OF INTENT

Town of Easton
14 South Harrison Street
Easton, MD 21601

RE: BFI Waste Services, LLC
Recycling Services - July 2026 - June 2029

To Whom it May Concern:

We are writing to you at the request of BFI Waste Services, LLC.
This principal has or is about to submit a Bid proposal for Recycling Services - July 2026 - June 2029.

If a contract for this work is awarded to BFI Waste Services, LLC, United States Fire Insurance Company a surety licensed to conduct business in the State of MD, has agreed to act as surety to issue the required Performance and/or Payment Bond should one become a condition of awarding this contract.

Please let us know if you need anything further in this regard.

Sincerely,

Amber Engel
Attorney-in-Fact
United States Fire Insurance Company

POWER OF ATTORNEY
UNITED STATES FIRE INSURANCE COMPANY
PRINCIPAL OFFICE - MORRISTOWN, NEW JERSEY

KNOW ALL MEN BY THESE PRESENTS: That United States Fire Insurance Company, a corporation duly organized and existing under the laws of the State of Delaware, has made, constituted and appointed, and does hereby make, constitute and appoint: **Amber Engel**

each, its true and lawful Attorney(s)-In-Fact, with full power and authority hereby conferred in its name, place and stead, to execute, acknowledge and deliver: Any and all bonds and undertakings of surety and other documents that the ordinary course of surety business may require, and to bind United States Fire Insurance Company thereby as fully and to the same extent as if such bonds or undertakings had been duly executed and acknowledged by the regularly elected officers of United States Fire Insurance Company at its principal office, in amounts or penalties: **Unlimited**

This Power of Attorney limits the act of those named therein to the bonds and undertakings specifically named therein, and they have no authority to bind United States Fire Insurance Company except in the manner and to the extent therein stated.

Surety Bond No.: Letter of Intent
Principal: BFI Waste Services, LLC
Obligee: Town of Easton

This Power of Attorney is granted pursuant to Article IV of the By-Laws of United States Fire Insurance Company as now in full force and effect, and consistent with Article III thereof, which Articles provide, in pertinent part:

Article IV, Execution of Instruments - Except as the Board of Directors may authorize by resolution, the Chairman of the Board, President, any Vice-President, any Assistant Vice President, the Secretary, or any Assistant Secretary shall have power on behalf of the Corporation:

(a) to execute, affix the corporate seal manually or by facsimile to, acknowledge, verify and deliver any contracts, obligations, instruments and documents whatsoever in connection with its business including, without limiting the foregoing, any bonds, guarantees, undertakings, recognizances, powers of attorney or revocations of any powers of attorney, stipulations, policies of insurance, deeds, leases, mortgages, releases, satisfactions and agency agreements;
(b) to appoint, in writing, one or more persons for any or all of the purposes mentioned in the preceding paragraph (a), including affixing the seal of the Corporation.

Article III, Officers, Section 3.11, Facsimile Signatures. The signature of any officer authorized by the Corporation to sign any bonds, guarantees, undertakings, recognizances, stipulations, powers of attorney or revocations of any powers of attorney and policies of insurance issued by the Corporation may be printed, facsimile, lithographed or otherwise produced. In addition, if and as authorized by the Board of Directors, dividend warrants or checks, or other numerous instruments similar to one another in form, may be signed by the facsimile signature or signatures, lithographed or otherwise produced, of such officer or officers of the Corporation as from time to time may be authorized to sign such instruments on behalf of the Corporation. The Corporation may continue to use for the purposes herein stated the facsimile signature of any person or persons who shall have been such officer or officers of the Corporation, notwithstanding the fact that he may have ceased to be such at the time when such instruments shall be issued.

IN WITNESS WHEREOF, United States Fire Insurance Company has caused these presents to be signed and attested by its appropriate officer and its corporate seal hereunto affixed this 18th day of November, 2024.

UNITED STATES FIRE INSURANCE COMPANY

Matthew E. Lubin, President

State of New Jersey }
County of Morris }

On this 18th day of November, 2024, before me, a Notary public of the State of New Jersey, came the above named officer of United States Fire Insurance Company, to me personally known to be the individual and officer described herein, and acknowledged that he executed the foregoing instrument and affixed the seal of United States Fire Insurance Company thereto by the authority of his office.

ETHAN SCHWARTZ
NOTARY PUBLIC
STATE OF NEW JERSEY
MY COMMISSION EXPIRES 6/25/2029
COMMISSION: #50223171

Ethan Schwartz (Notary Public)

I, the undersigned officer of United States Fire Insurance Company, a Delaware corporation, do hereby certify that the original Power of Attorney of which the foregoing is a full, true and correct copy is still in force and effect and has not been revoked.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the corporate seal of United States Fire Insurance Company on the 9th day of June 20 26

UNITED STATES FIRE INSURANCE COMPANY

Michael C. Fay, Senior Vice President

CONTACT INFORMATION: Bond Verifications surety@cfins.com / Claims: SuretyClaimsSupport@cfins.com

Bond No.:_____

Performance Bond

KNOW ALL BY THESE PRESENTS, That we _____, as Principal and _____, of _____, authorized to do business in the State of _____, as Surety, are held and firmly bound unto _____ _____ as Obligee, in the maximum penal sum of _____ _____ Dollars (_____), lawful money of the United States of America, for which payment well and truly to be made we bind ourselves, our heirs, executors and assigns, jointly and severally, firmly by this Bond.

WHEREAS, the Principal has entered, or is about to enter, into a written agreement with the Obligee to perform in accordance with the terms and conditions of the _____ _____ (hereinafter referred to as the Contract), said Contract is hereby referred to and made a part hereof;

NOW, THEREFORE, the condition of this obligation is such that if the above name Principal, its successors and assigns, shall well and truly perform its obligation as set forth in the above mentioned Contract, then this Bond shall be void; otherwise to remain in full force and effect pursuant to its terms.

Notwithstanding anything to the contrary in the Contract, the Bond is subject to the following express conditions:

1. Whereas, the Obligee has agreed to accept this Bond, this Bond shall be effective for the definite period of _____ to _____. The Bond may be extended, at the sole option of the Surety, by continuation certificate for additional periods from the expiry date hereof. However, neither: (a) the Surety's decision not to issue a continuation certificate, nor (b) the failure or inability of the Principal to file a replacement bond or other security in the event the Surety exercises its right to not renew, shall itself constitute a loss to the Obligee recoverable under this Bond or any extension thereof.
2. If there is no breach or default on the part of the Obligee, then the Surety's performance obligation under the bond shall only arise after:
   a. The Obligee has notified the Principal and the Surety in writing at their respective addresses of the alleged breach with a detailed description thereof, and has requested and attempted to arrange a conference with the Principal and the Surety to be held not later than fifteen (15) days after receipt of such notice to discuss methods of performing the Contract; and has made available during the notice period all books, records, and accounts relevant to the Contract which may be requested by the Principal or Surety. If the Obligee, Principal and Surety agree, the Principal shall be allowed a reasonable time to perform the Contract; but such an agreement shall not waive the Obligee's right, if any, to subsequently declare a Principal default;
   b. The Obligee has declared the Principal in default and formally terminated the Principal's right to complete the Contract, provided, however, that such default shall not be declared earlier than twenty (20) days after the Principal and the Surety have received the notice as provided in "a" above; and
   c. The Obligee has agreed to pay the balance of the Contract price to the Surety in accordance with the terms of the Contract or to the such contractor as may be tendered by the Surety to the Obligee.

3. No claim, action, suit or proceeding, except as hereinafter set forth shall be had or maintained against the Surety on this instrument unless such claim, action, suit or proceeding is brought or instituted upon the Surety within six months from termination or expiration of the bond term.
4. Regardless of the number of years this Bond is in force or the number of continuation certificates issued, the liability of the Surety shall not be cumulative in amounts from period to period and shall in no event exceed the amount set forth above, or as amended by rider.
5. Any notice, demand, certification or request for payment, made under this Bond shall be made in writing to the Surety at the address specified below. Any demand or request for payment must be made prior to the expiry date of this Bond.

Surety Address:

Attn:_____

SIGNED, SEALED AND DATED this _____ day of _____, _____.

_____ Principal

By:_____

_____ Surety

By:_____ Attorney-in-Fact

SAMPLE

Bond No.:

Labor and Material Payment Bond

KNOW ALL MEN BY THESE PRESENTS that we _____, the Principal and _____, the Surety, are hereby bound unto _____, the Obligee, in the penal sum of _____ Dollars ($) for the payment of which we bind ourselves, our heirs, administrators, executors, successors, and assigns, jointly and severally, by these presents.

WHEREAS, the Principal has entered into a certain written Contract with the Obligee covering _____ which Contract is hereby incorporated herein as if fully rewritten.

NOW, THEREFORE, the condition of this obligation is such that if the Principal shall promptly make payment to all claimants as hereinafter defined, for all labor and material used or reasonably required for use in the performance of the contract, then this obligation shall be void; otherwise, it shall remain in full force and effect, subject to the following conditions:

1. This bond is for the term beginning _____ and ending _____.

2. A claimant is defined as one having a direct contract with the Principal for labor, material, or both, used or reasonably required for use in the performance of the contract, labor and material being construed to include that part of water, gas, power, light, heat, oil, gasoline, telephone service or rental of equipment directly applicable to the contract.

3. The above named Principal and Surety hereby jointly and severally agree with the Obligee that every claimant as herein defined, who has not been paid in full before the expiration of a period of ninety (90) days after the date on which the last claimant's work or labor was done or performed, or materials were furnished by such claimant, may sue on this bond for the use of such claimant, prosecute the suit to final judgment for such sum or sums as may be justly due claimant, and have execution thereon. The Obligee shall not be liable for the payment of any costs or expenses of any such suit.

4. No suit or action shall be commenced hereunder by any claimant,

   a. After the expiration of one (1) year following the date on which Principal ceased work on said contract it being understood, however, that if any limitation embodied in this bond is prohibited by any law controlling the construction hereof such limitation shall be deemed to be amended so as to be equal to the minimum period of limitation permitted by such law.
   b. Other than in a state court of competent jurisdiction in and for the county or other political subdivision of the state in which the project, or any part thereof, is situated, or in the United States District Court for the district in which the project, or any part thereof, is situated, and not elsewhere.

5. The amount of this bond shall be reduced by and to the extent of any payment or payments made in good faith hereunder.

6. The bond may be extended for additional terms at the option of the Surety by continuation Certificate executed by the Surety.

7. Neither non-renewal by the Surety, nor failure, nor inability of the Principal to file a replacement bond shall constitute loss to the Obligee recoverable under this bond.

8. In no event shall the liability of the Surety hereunder exceed the penal sum hereof.

Signed, sealed and executed, this _____ day of _____.

Principal	Surety
By:_____ Title	By:_____ Attorney-in-fact
Witness:_____	Witness:_____

SAMPLE

CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY): 03/03/2026

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER
CANNON COCHRAN MANAGEMENT SERVICES, INC.
17015 NORTH SCOTTSDALE ROAD
SCOTTSDALE, AZ 85255

CONTACT NAME:
PHONE (A/C No,Ext): FAX (A/C No,Ext):
E-MAIL ADDRESS:certificateteam@ccmsi.com

INSURER(S) AFFORDING COVERAGE	NAIC #
INSURER A: ACE American Insurance Co.	22667
INSURER B: Indemnity Insurance Co. of North America	43575
INSURER C: Illinois Union Insurance Company	27960
INSURER D: ACE Property and Casualty Insurance Co.	20699
INSURER E:	
INSURER F:	

INSURED
REPUBLIC SERVICES, INC.
5353 E. CITY NORTH DRIVE
PHOENIX, AZ 85054

COVERAGES **CERTIFICATE NUMBER: 2949126** **REVISION NUMBER:**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS	
A	[X] COMMERCIAL GENERAL LIABILITY [ ] CLAIMS-MADE [X] OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: [X] POLICY [ ] PROJECT [ ] LOC [ ] OTHER:			HDO G48981793	06/30/2025	06/30/2026	EACH OCCURRENCE DAMAGE TO RENTED PREMISES (Ea occurrence) MED EXP (Any one person) PERSONAL & ADV INJURY GENERAL AGGREGATE PRODUCTS -COMP/OP AGG	$ 10,000,000 $ 10,000,000 $ 10,000,000 $ 30,000,000 $ 20,000,000
A	AUTOMOBILE LIABILITY [X] ANY AUTO [X] OWNED AUTOS ONLY [X] SCHEDULED AUTOS [X] HIRED AUTOS ONLY [X] NON-OWNED AUTOS ONLY			ISA H1137119A	06/30/2025	06/30/2026	COMBINED SINGLE LIMIT (Ea accident) BODILY INJURY(Per person) BODILY INJURY (Per accident) PROPERTY DAMAGE (Per accident)	$ 10,000,000
D	[X] UMBRELLA LIAB [X] OCCUR [ ] EXCESS LIAB [ ] CLAIMS-MADE [ ] DED [ ] RETENTION $			XEU G46782148 009	06/30/2025	06/30/2026	EACH OCCURRENCE AGGREGATE	$ 10,000,000 $ 10,000,000
B A A C	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) Y/N [N] If yes, describe under DESCRIPTION OF OPERATIONS below	N/A		WLR C72793894 - AOS WLR C72793882 - OR SCF C72793900 - WI WCU C72793912 - OH XS TNS C72627490 - TX NS/XS	06/30/2025 06/30/2025 06/30/2025 06/30/2025 06/30/2025	06/30/2026 06/30/2026 06/30/2026 06/30/2026 06/30/2026	[X] PER STATUTE [ ] OTHER E.L. EACH ACCIDENT E.L. DISEASE -EA EMPLOYEE E.L. DISEASE -POLICY LIMIT	 $ 3,000,000 $ 3,000,000 $ 3,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

EVIDENCE OF COVERAGE - FOR USE FOR REPUBLIC SERVICES, INC. AND ALL ITS SUBSIDIARIES

EVIDENCE OF COVERAGE

CERTIFICATE HOLDER

EVIDENCE OF COVERAGE

United States

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE

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AGENCY CUSTOMER ID: _____

LOC #: _____

ADDITIONAL REMARKS SCHEDULE

AGENCY		NAMED INSURED REPUBLIC SERVICES, INC. 5353 E. CITY NORTH DRIVE PHOENIX, AZ 85054
POLICY NUMBER See First Page		
CARRIER See First Page	NAIC CODE	EFFECTIVE DATE:

ADDITIONAL REMARKS **CERTIFICATE NUMBER: 2949126**

THIS ADDITIONAL REMARKS FORM IS A SCHEDULE TO ACORD FORM.

FORM NUMBER: 25 FORM TITLE: CERTIFICATE OF LIABILITY INSURANCE

The following provisions apply when required by written contract. As used below, the term certificate holder also includes any person or organization that the insured has become obligated to include as a result of an executed contract or agreement.

GENERAL LIABILITY:
Certificate holder is Additional Insured including on-going and completed operations when required by written contract.
Coverage is primary and non-contributory when required by written contract.
Waiver of Subrogation in favor of the certificate holder is included when required by written contract.

AUTO LIABILITY:
Certificate holder is Additional Insured when required by written contract.
Coverage is primary and non-contributory when required by written contract.
Waiver of Subrogation in favor of the certificate holder is included when required by written contract.

WORKERS COMPENSATION AND EMPLOYERS LIABILITY:
Waiver of Subrogation in favor of the certificate holder is included when required by written contract where allowed by state law.

Stop gap coverage for ND, WA and WY is covered under policy no. WLR C72793894 and stop gap coverage for OH is covered under policy no. WCU C72793912 as noted on page 1 of this certificate.

TEXAS EXCESS INDEMNITY AND EMPLOYERS LIABILITY:
Insured is a registered non-subscriber to the Texas Workers Compensation Act. Insured has filed an approved Indemnity Plan with the Texas Department of Insurance which offers an alternative in benefits to employees rather than the traditional Workers Compensation Insurance in Texas. The excess policy (TNS C72627490) shown on this certificate provides excess Indemnity and Employers Liability coverage for the approved Indemnity Plan.

Contractual Liability is included in the General Liability and Automobile Liability coverage forms. The General Liability and Automobile Liability policies do not contain endorsements excluding Contractual Liability.

Separation of Insured (Cross Liability) coverage is provided to the Additional Insured, when required by written contract, per the Conditions of the Commercial General Liability Coverage form and the Automobile Liability Coverage form.

Umbrella/Excess Liability provides additional limits over the underlying General Liability, Automobile Liability and Employer's Liability policies shown on this certificate.

EVIDENCE OF COVERAGE

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The ACORD name and logo are registered marks of ACORD

CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)
03/03/2026

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER
CANNON COCHRAN MANAGEMENT SERVICES, INC.
17015 NORTH SCOTTSDALE ROAD
SCOTTSDALE, AZ 85255

CONTACT NAME:
PHONE (A/C No.Ext): FAX (A/C No.Ext):
E-MAIL ADDRESS:certificateteam@ccmsi.com

INSURER(S) AFFORDING COVERAGE	NAIC #
INSURER A: ACE American Insurance Co.	22667
INSURER B: Indemnity Insurance Co. of North America	43575
INSURER C: Illinois Union Insurance Company	27960
INSURER D:	
INSURER E:	
INSURER F:	

INSURED
REPUBLIC SERVICES, INC.
5353 E. CITY NORTH DRIVE
PHOENIX, AZ 85054

COVERAGES **CERTIFICATE NUMBER: 2949082** **REVISION NUMBER:**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

SR TR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS	
A	[X] COMMERCIAL GENERAL LIABILITY [ ] CLAIMS-MADE [X] OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: [X] POLICY [ ] PROJECT [ ] LOC [ ] OTHER:			HDO G48981793	06/30/2025	06/30/2026	EACH OCCURRENCE DAMAGE TO RENTED PREMISES (Ea occurrence) MED EXP (Any one person) PERSONAL & ADV INJURY GENERAL AGGREGATE PRODUCTS -COMP/OP AGG	$ 10,000,000 $ 10,000,000 $ 10,000,000 $ 30,000,000 $ 20,000,000
A	AUTOMOBILE LIABILITY [ ] ANY AUTO [X] OWNED AUTOS ONLY [X] SCHEDULED AUTOS [X] HIRED AUTOS ONLY [X] NON-OWNED AUTOS ONLY			ISA H1137119A	06/30/2025	06/30/2026	COMBINED SINGLE LIMIT (Ea accident) BODILY INJURY(Per person) BODILY INJURY (Per accident) PROPERTY DAMAGE (Per accident)	$ 10,000,000
	[ ] UMBRELLA LIAB [ ] OCCUR [ ] EXCESS LIAB [ ] CLAIMS-MADE [ ] DED [ ] RETENTION $						EACH OCCURRENCE AGGREGATE	
B A A A C	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY Y/N [N] ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	N/A		WLR C72793894 - AOS WLR C72793882 - OR SCF C72793900 - WI WCU C72793912 - OH XS TNS C72627490 - TX NS/XS	06/30/2025 06/30/2025 06/30/2025 06/30/2025 06/30/2025	06/30/2026 06/30/2026 06/30/2026 06/30/2026 06/30/2026	[X] PER STATUTE [ ] OTHER E.L. EACH ACCIDENT E.L. DISEASE -EA EMPLOYEE E.L. DISEASE -POLICY LIMIT	 $ 3,000,000 $ 3,000,000 $ 3,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

EVIDENCE OF COVERAGE - FOR USE FOR REPUBLIC SERVICES, INC. AND ALL ITS SUBSIDIARIES

EVIDENCE OF COVERAGE

CERTIFICATE HOLDER

EVIDENCE OF COVERAGE

United States

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE

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Company Overview

Republic Services is a national leader in environmental services, delivering essential services to more than 2,000 communities, and 13 million customers.

Local Presence

For decades, Republic Services has partnered with municipalities, residents and businesses to provide solid waste, recycling, yard waste, and bulky item collection services.

Republic Services serves the communities our employees live within. In fact, as a community partner, we employ approximately 205 people within the Delmar Area

We place great importance on talent and recognize that our employees are our most important asset. Republic Services endeavors to provide the very best working conditions, including a safe environment, competitive pay and benefits, and many opportunities for personal and professional growth. In fact, 15% of our supervisors and managers began their careers at Republic Services as drivers, landfill operators or technicians.

Republic Services invests in our communities by continuing to provide customers with safe, customer-service-focused solutions.

- Municipalities that partner with Republic Services typically renew or extend their contracts about 90% of the time. We've had some partnerships for longer than 50 years.
- Our 18,000 drivers execute more than 5M pickups/day nationwide.
- Republic Services Charitable Foundation gives back to communities through our National Neighborhood Promise and community-based grant programs.

Our Company

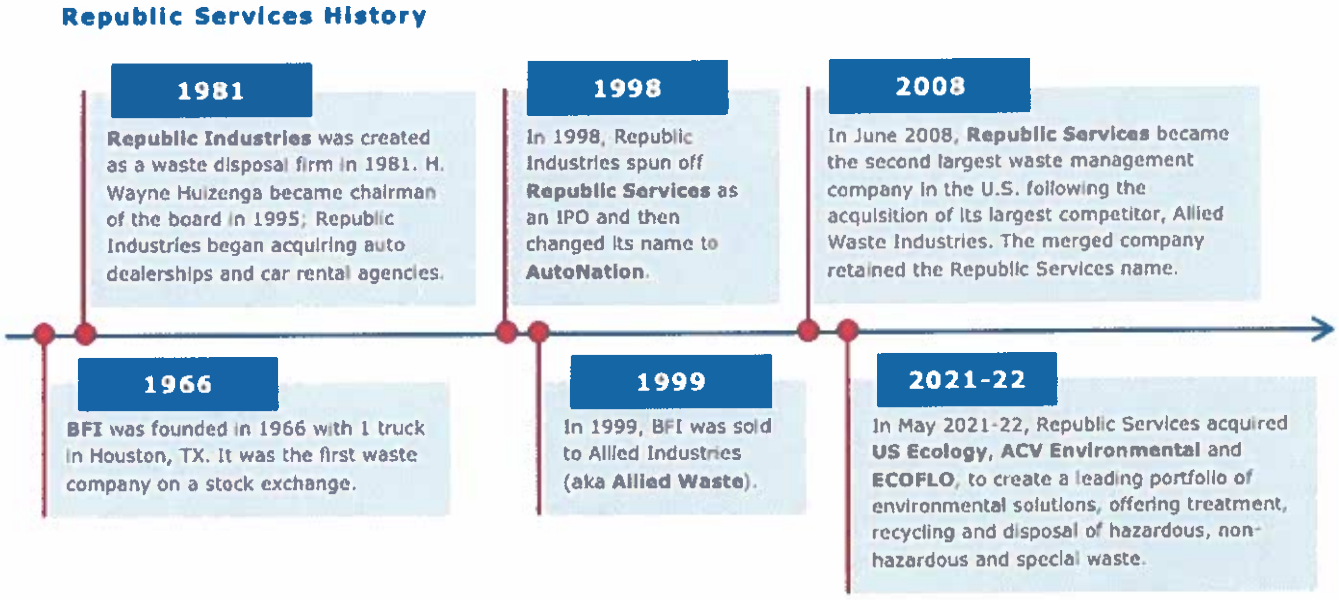
Republic Services is an industry leader in environmental services, recycling and waste offering customers the most comprehensive set of products and services available from a single company.

With 42,000 employees and 18,000 trucks on the road, we operate the fifth largest vocational fleet, and we're able to serve customers throughout the nation and beyond. Our extensive infrastructure includes 208 active, modern landfills and 75 recycling centers.

In addition to our daily operations, we have our eyes on the future, currently operating 78 landfill gas and renewable energy projects, and we're adding more in a joint venture with Archaea Energy/bp in the next decade.

Figure 1. Company History

Today's Republic Services is the product of three former industry leaders in recycling and solid waste, and the 2022 addition of three prominent leaders in environmental services.



Our Vision

Republic Services' vision is: Partnering with customers to create a more sustainable world.

This vision is intentionally ambitious and demonstrates our commitment to achieve real sustainability. We also partner with customers to help them follow through on their commitments and responsibilities.

Our Promise

Sustainability in Action™ is our promise and it's more than just a promise for us. It's who we are and what we do.

As an environmental services leader, we make a commitment to operate in the most responsible way possible. We're not waiting for tomorrow; we're doing the hard work of sustainability today, within every facet of our business.

Values

We believe that empowered and engaged employees are the greatest indicator of our success. We are guided by the principles we have adopted as our core values. These include:

- **Safe** – We protect the livelihoods of our colleagues and communities.
- **Committed to Serve** – We go above and beyond to exceed our customers' expectations.
- **Environmentally Responsible** – We take action to improve our environment.
- **Driven** – We deliver results in the right way.
- **Human-centered** – We respect the dignity and unique potential of every person.



Figure 2. Environmental Responsibility
We believe there will always be more we can do to enhance our sustainability efforts, and, in the process, strengthen our business.

Sustainability

We are dedicated environmental stewards entrusted to properly handle materials every day by driving increased recycling, generating renewable energy and helping our customers be more resourceful.

We strive to lead by example, working diligently to improve our relationship with the environment and society through decreased vehicle emissions, innovative landfill technologies, use of renewable energy, community engagement and employee growth opportunities.

Sustainability contributes to a cleaner world, provides opportunities to increase customer loyalty, grows our business, motivates our employees and differentiates Republic Services from our competitors.

People

Our people are the center of our success. Attracting, developing and engaging the best talent is critical to our success.

Whether it's through our dedication to safety, robust learning and talent development programs or expanding our diversity and inclusion initiatives, we are committed to making Republic Services an employer of choice where the best and brightest come to work.

Leadership

Republic Services' operations are expansive in scope and network but local in operations and service. The dynamics and opportunities differ in each of our markets.

Our national presence allows us to identify and incorporate best practices that drive greater overall operating efficiency across the company while maintaining day-to-day operating decisions at the local level, closest to the customer. We manage our operations through 15 geographic operating areas, consisting of multiple business units and divisions that each provide recycling and waste collection, transportation and disposal services.

Your municipal contract will be executed locally, by our seasoned team located at the Kent County Hauling Company. This team is fully empowered within our company structure to serve you. This local team has the backing and support of corporate staff.

Ownership

Republic Services, Inc. is a publicly traded company on the New York Stock Exchange (NYSE symbol: RSG).

The following figure shows information as of March 2025 with respect to the ownership of common stock by shareholder who is known by Republic Services to own more than 5 percent of our outstanding common stock:

Figure 2.
Ownership beyond five percent

NAME OF OWNER	PERCENT OWNED
Cascade Investment, LLC	35.1%
BlackRock, Inc.	6.3%
The Vanguard Group, Inc.	5.8%

Credit Rating

Republic Services, Inc. has an "investment-grade" rating.

Associations

Republic Services' operations are expansive in scope and network but local in operations and service. The dynamics and opportunities differ in each of our markets.

- National Waste & Recycling Association (NWRA)
- National Waste & Recycling Association (NWRA)
- Solid Waste Association of North America (SWANA)
- Environmental Research and Education Foundation (EREF)
- United States Green Building Council (USGBC)
- Public Affairs Council
- U.S. Conference of Mayors, Solid Waste Advisory Council
- National League of Cities (NLC)
- International City Managers Association (ICMA)
- International Facility Managers Association (IFMA)



CERTIFICATE OF SECRETARY

RELATING TO THE BID OR PROPOSAL TO PROVIDE RECYCLING SERVICES FOR TOWN OF EASTON IN THE STATE OF MARYLAND

The undersigned, Secretary of **BFI WASTE SERVICES, LLC**, a Delaware limited liability company (the "Company"), hereby certifies that the following is a true and correct copy of the resolution which was duly adopted by **ALLIED WASTE NORTH AMERICA, LLC**, a Delaware limited liability company, the sole member of the Company (the "Member") by written consent of the Member on August 23, 2021, that such resolution has not been rescinded, amended or modified in any respect, and is in full force and effect on the date hereof:

RESOLVED, that (i) any individual at the time holding the position of General Manager or Area Director, Finance; and in connection with environmental solutions transactions only, General Manager; Division President; or Division Vice President Finance be, and each of them hereby is, appointed as an Authorized Agent, to act in the name and on behalf of the Company and to include the execution of related documents, in connection with the day-to-day business activities of the Company, and further, that (ii) in addition to any one of the foregoing positions, any individual at the time holding the position of Area Director, Business Development; Area Director, Operations; Market Vice President; Vice President, Environmental Services be, and each of them hereby is, appointed as an Authorized Agent to execute any bid and proposal, and if awarded, any related contract for services to be performed by the Company and any bond required by such bid, proposal or contract, all in accordance with the existing Levels of Authority and other relevant policies and procedures.

I further certify that **ANTHONY SPIRITO** holds the title of General Manager and in such capacity has full authority to act in the name and on behalf of the Company as set forth in the foregoing resolution.

WITNESS MY HAND, this 21st day of May, 2026.

Lauren McKeon

Lauren McKeon, Secretary

Corporate Data Sheet Report

As of May 21, 2026

BFI Waste Services, LLC

Formed in Delaware on 10/10/2000

Status:	Current		
Entity Type :	Limited Liability Company		
Federal ID #:	86-1006825	**Internal #:**	9B
Domicile:			

Primary Address

5353 E. City North Drive
Phoenix, Arizona 85054
United States

Officers

	Title
Julia Arambula	President
James G. Amick, Jr.	Vice President
Jake Anderson	Vice President
Matthew R. Healy	Vice President
Ashley Kasarjian	Vice President
Robert LaTourette	Vice President
John B. Nickerson	Vice President
Larson Richardson	Vice President
Kevin G. Vaughn	Vice President
Gary S. Walker	Vice President
Andrew Wempe	Vice President
Adrienne W. Wilhoit	Vice President
Jeffrey Geiss	Vice President, Tax
Lauren McKeon	Secretary
Ashley Kasarjian	Assistant Secretary
John B. Nickerson	Assistant Secretary
Adrienne W. Wilhoit	Assistant Secretary
Calvin R. Boyd	Treasurer

Direct Owners

	Registered in	%Ownership
Allied Waste North America, LLC	Delaware	100.0000 %

BFI Waste Services, LLC

Registrations

Alabama	**Charter No.**	**Tax ID No.**	**Date**	**End Date**
Qualification	602 - 778	N/A	10/25/2000	
Arkansas	**Charter No.**	**Tax ID No.**	**Date**	**End Date**
Qualification	100191431		10/25/2000	
Delaware	**Charter No.**	**Tax ID No.**	**Date**	**End Date**
Formation	3299575		10/10/2000	
District of Columbia	**Charter No.**	**Tax ID No.**	**Date**	**End Date**
Qualification	L08568		05/24/2001	
Florida	**Charter No.**	**Tax ID No.**	**Date**	**End Date**
Qualification	M00000002212		10/25/2000	
Georgia	**Charter No.**	**Tax ID No.**	**Date**	**End Date**
Qualification	0047419		10/26/2000	
Iowa	**Charter No.**	**Tax ID No.**	**Date**	**End Date**
Qualification	246162		10/24/2000	
Kentucky	**Charter No.**	**Tax ID No.**	**Date**	**End Date**
Qualification	0516286		05/22/2001	
Louisiana	**Charter No.**	**Tax ID No.**	**Date**	**End Date**
Qualification	35040583Q		02/15/2001	
Maryland	**Charter No.**	**Tax ID No.**	**Date**	**End Date**
Qualification	Z06308894		05/22/2001	
Mississippi	**Charter No.**	**Tax ID No.**	**Date**	**End Date**
Qualification	697824		02/08/2001	
Missouri	**Charter No.**	**Tax ID No.**	**Date**	**End Date**
Qualification	FL0044255		11/01/2000	
North Carolina	**Charter No.**	**Tax ID No.**	**Date**	**End Date**
Qualification	0568733		11/01/2000	
Oklahoma	**Charter No.**	**Tax ID No.**	**Date**	**End Date**
Qualification	3700666261		05/23/2001	
Pennsylvania	**Charter No.**	**Tax ID No.**	**Date**	**End Date**
Qualification	605390		05/12/2006	
South Carolina	**Charter No.**	**Tax ID No.**	**Date**	**End Date**
Qualification	none	N/A	11/02/2000	
Tennessee	**Charter No.**	**Tax ID No.**	**Date**	**End Date**
Qualification	0407373		05/01/2001	
Texas	**Charter No.**	**Tax ID No.**	**Date**	**End Date**
Qualification	801150303	18610068258	07/23/2009	
Virginia	**Charter No.**	**Tax ID No.**	**Date**	**End Date**
Qualification	T017950-9		10/25/2000	
West Virginia	**Charter No.**	**Tax ID No.**	**Date**	**End Date**
Qualification	40492		05/23/2001	
Wisconsin	**Charter No.**	**Tax ID No.**	**Date**	**End Date**
Qualification	B122120		04/11/2025	

STATE OF MARYLAND
Department of Assessments and Taxation

I, BOB YEAGER OF THE STATE DEPARTMENT OF ASSESSMENTS AND TAXATION OF THE STATE OF MARYLAND, DO HEREBY CERTIFY THAT THE DEPARTMENT, BY LAWS OF THE STATE, IS THE CUSTODIAN OF THE RECORDS OF THIS STATE RELATING TO LIMITED LIABILITY COMPANIES , OR THE RIGHTS OF LIMITED LIABILITY COMPANIES TO TRANSACT BUSINESS IN THIS STATE, AND THAT I AM THE PROPER OFFICER TO EXECUTE THIS CERTIFICATE.

I FURTHER CERTIFY THAT BFI WASTE SERVICES, LLC (Z06308894) , REGISTERED MAY 22, 2001, IS A LIMITED LIABILITY COMPANY EXISTING UNDER AND BY VIRTUE OF THE LAWS OF THE STATE OF DELAWARE, AND THAT THE LIMITED LIABILITY COMPANY IS AT THE TIME OF THIS CERTIFICATE IN GOOD STANDING TO TRANSACT BUSINESS.

IN WITNESS WHEREOF, I HAVE HEREUNTO SUBSCRIBED MY SIGNATURE AND AFFIXED THE SEAL OF THE STATE DEPARTMENT OF ASSESSMENTS AND TAXATION OF MARYLAND AT BALTIMORE ON THIS NOVEMBER 10, 2025.

Bob Yeager
Director

700 East Pratt Street, 2nd Flr, Ste 2700, Baltimore, Maryland 21202
Telephone Baltimore Metro (410) 767-1344 / Outside Baltimore Metro (888) 246-5941
MRS (Maryland Relay Service) (800) 735-2258 TT/Voice

Online Certificate Authentication Code: rXdJAjzvQkeYeYm5_Ugdmw
To verify the Authentication Code, visit http://dat.maryland.gov/verify

TOWN OF SOUTH BETHANY

402 Evergreen Road
South Bethany, DE 19930

PH: (302) 539-3653
FAX: (302) 539-7576
E-Mail: townhall@southbethany.org

March 10, 2026

Republic Services
Dominic Fulginiti, Manager, Municipal Sales
372 Henderson Road
King of Prussia PA 19406

Re: Letter of Recommendation

Dear Mr. Fulginiti:

The Town of South Bethany is pleased to provide a letter of recommendation for Republic Services. Republic Services has a stellar reputation as the trash collection provider for the Town and has provided service to the community for numerous years.

As you know, being a coastal community, the Town requires a little more 'attention' in-season due to the increase in tourists. The additional services that are required (via a contract) and the customer service itself is impeccable. The excellent level of communication and commitment to satisfy our resident's needs, as well as the Town's expectations, are phenomenal. And the drivers always go out of their way to please our residents.

Republic Service is a responsive, courteous, and professional company. Whether it's a routine or out-of-the-ordinary request, we have always received excellent and conscientious service from the office staff to the drivers in the field. We highly recommend Republic Services to anyone that is looking for a solid waste collection company.

Sincerely,

Maureen Hartman

Maureen Hartman
Town Manager

sanitation

Javier D. Lojan Acting Commissioner

John Capo
Director
Solid Waste Management

125 Worth Street
Room 731, 7th Floor
New York, NY 10013
nyc.gov/sanitation

646.885.4693
Jcapo@dsny.nyc.gov

February 1, 2026

City of Philadelphia
Department of Sanitation
1401 John F. Kennedy Boulevard
Philadelphia, Pennsylvania 19102

To Whom It May Concern,

I have been asked to provide a letter of recommendation in support of Republic Services' disposal partnership capabilities.

Republic Services has been a disposal partner to the City of New York for approximately twenty (20) years. During this time, we have found them to be a reliable and consistent operator, working collaboratively with our staff to support uninterrupted municipal solid waste operations, particularly at the Staten Island Transfer Station.

Sent Via Email

Republic Services operates within a demanding, 24-hour municipal environment that requires coordination, regulatory compliance, and operational dependability. Based on our experience, Republic Services has demonstrated the capacity to meet these demands while maintaining steady service levels and responsiveness to operational needs.

Throughout the course of their engagement with the City of New York, Republic Services has supported stable operations without unexpected disruptions and has demonstrated an understanding of the importance of continuity within New York City's sanitation system.

Republic Services has proven to be a dependable and capable municipal partner. DSNY believes they are well-positioned to support the solid waste disposal needs of other large urban jurisdictions.

If you have any questions, please do not hesitate to contact me at (646) 885-4693 or jcapo@dsny.nyc.gov.

Sincerely,

John Capo

ARLINGTON
Office of the Mayor

MAYOR
JIM R. ROSS

THE AMERICAN DREAM CITY

101 W. Abram St.
P.O. Box 90231, MS 01-0310
Arlington, Texas 76004-3231
Office 817-459-6121
Jim.Ross@arlingtontx.gov

October 31, 2024

To Whom It May Concern:

Republic Services has been the sole provider of residential and commercial trash collection services, including all recycling curbside collection services, in the City of Arlington since the 1960's. In that time, the city has grown from less than 25,000 residents to more than 400,000 today.

On average, the company serves nearly 102,000 single family homes and more than 3,500 businesses in the Arlington community. Over the history of providing service to community, Republic Services has a record of reliable and quality customer service. When any issues arise, we rely on the company's local representatives to handle them in a timely manner with a focus on the customer. Republic Services consistently receives high marks in the City's Annual Citizen Satisfaction Survey.

The company is committed to providing effective and efficient service. We are proud to have them in our community and would recommend them to any other municipalities who are contemplating using Republic Services.

Sincerely,

Jim R. Ross
Mayor

Kent County Hauling Fleet Inventory

Maintenance Organization	Category	MFG Year	License Plate	Body Type	Body Make	Body Model
4426KENTCOUNTYHL	ASL	2018	CL118472	Manual-AutoSideLoad	Labrie	EXAHCD 37
4426KENTCOUNTYHL	ASL	2018	CL118473	Manual-AutoSideLoad	Labrie	EXAHCD 37
4426KENTCOUNTYHL	ASL	2019	CL119471	Manual-AutoSideLoad	Labrie	Expert 2000
4426KENTCOUNTYHL	ASL	2020	CL120297	Manual-AutoSideLoad	Labrie	Expert 2000
4426KENTCOUNTYHL	ASL	2018	CL118643	Manual-AutoSideLoad	Labrie	EXAHCD 37
4426KENTCOUNTYHL	ASL	2017	CL118775	Manual-AutoSideLoad	Labrie	Expert 2000
4426KENTCOUNTYHL	ASL	2014	CL122261	Manual-AutoSideLoad	Labrie	
4426KENTCOUNTYHL	ASL	2016	CL117904	Manual-AutoSideLoad	Labrie	EXAH 31
4426KENTCOUNTYHL	ASL	2016	CL122281	Manual-AutoSideLoad	Labrie	EXAHCD 37
4426KENTCOUNTYHL	ASL	2013	CL119614	Manual-AutoSideLoad	Labrie	600
4426KENTCOUNTYHL	ASL	2012	CL122592	Manual-AutoSideLoad	Labrie	Expert 2000
4426KENTCOUNTYHL	ASL	2014	CL115907	Manual-AutoSideLoad	Heil	
4426KENTCOUNTYHL	ASL	2022	CL122089	Manual-AutoSideLoad	Labrie	
4426KENTCOUNTYHL	ASL	2022	CL122087	Manual-AutoSideLoad	Labrie	

4426KENTCOUNTYHL	ASL	2019	CL119631	Manual-AutoSideLoad	Labrie	Expert 2000
4426KENTCOUNTYHL	ASL	2020	CL121004	Manual-AutoSideLoad	Labrie	
4426KENTCOUNTYHL	ASL	2021	CL124554	Automated Side Load	Heil	DPY_28
4426KENTCOUNTYHL	ASL	2020	CL124555	Automated Side Load	Heil	DPY_28
4426KENTCOUNTYHL	ASL	2016	CL117926	Manual-AutoSideLoad	Labrie	EXAH 31
4426KENTCOUNTYHL	ASL	2026			McNeilus	3148
4426KENTCOUNTYHL	R/O	2019	X53839	Cable - Outside Rail	Galbreath	Unknown
4426KENTCOUNTYHL	FEL	2019	CL119853	Commercial - FEL	Heil	HHP_28
4426KENTCOUNTYHL	FEL	2020	CL120221	Commercial - FEL	Heil	HHP_28
4426KENTCOUNTYHL	FEL	2022	CL122109	Commercial - FEL	Heil	HHP_28
4426KENTCOUNTYHL	FEL	2019	CL119436	Commercial - FEL	Heil	HHP_28
4426KENTCOUNTYHL	FEL	2022	CL122088	Commercial - FEL	Heil	
4426KENTCOUNTYHL	FEL	2019	CL119425	Commercial - FEL	Heil	HHP_28
4426KENTCOUNTYHL	FEL	2023	CL123227	Commercial - FEL	Heil	HHP_28
4426KENTCOUNTYHL	FEL	2025	CL123908	Commercial - FEL	Heil	HHP_28

4426KENTCOUNTYHL	REL	2018	CL118908	Residential - REL	McNeilus	2813
4426KENTCOUNTYHL	REL	2018	CL118837	Split Body - REL	McNeilus	Unknown
4426KENTCOUNTYHL	R/O	2020	CL120607	Cable - Inside/Outside Rail	Galbreath	
4426KENTCOUNTYHL	R/O	2008	CL121676	Cable - Inside/Outside Rail	Galbreath	
4426KENTCOUNTYHL	R/O	2021	CL122063	Cable - Inside/Outside Rail	Galbreath	
4426KENTCOUNTYHL	R/O	2021	CL121267	Cable - Inside/Outside Rail	Galbreath	
4426KENTCOUNTYHL	R/O	2009	CL112770	Cable - Inside/Outside Rail	Galbreath	
4426KENTCOUNTYHL	R/O	2021	CL121183	Cable - Inside/Outside Rail	Galbreath	
4426KENTCOUNTYHL	REL	2022	CL122301	Residential - REL	McNeilus	2511
4426KENTCOUNTYHL	R/O	2025	CL124146	Cable - Inside/Outside Rail	Galbreath	U5_IO_174_10
4426KENTCOUNTYHL	R/O	2018	CL119310	Cable - Inside/Outside Rail	Galbreath	
4426KENTCOUNTYHL	REL	2017	CL118539	Residential - REL	McNeilus	2513
4426KENTCOUNTYHL	FEL	2017	CL118554	Commercial - FEL	Heil	HHP_28
4426KENTCOUNTYHL	R/O	2006	CL118520	Cable - Outside Rail	K_Pac	Unknown
4426KENTCOUNTYHL	REL	2016	CL116922	Residential - REL	McNeilus	2511

4426KENTCOUNTYHL	FEL	2014	CL116044	Commercial - FEL	Heil	
4426KENTCOUNTYHL	FEL	2017	CL118553	Commercial - FEL	Heil	HHP_28
4426KENTCOUNTYHL	FEL	2018	CL122108	Commercial - FEL	Heil	Half Pac Sierra
4426KENTCOUNTYHL	FEL	2011	CL114189	Commercial - FEL	Heil	
4426KENTCOUNTYHL	R/O	2006	048ED68	Cable - Inside/Outside Rail	Galbreath	
4426KENTCOUNTYHL	R/O	2007	CL111787	Cable - Inside/Outside Rail	Galbreath	

INFORMATION FOR BIDDERS

Sealed proposals for completing the **RECYCLING SERVICES – JULY 2026 – JUNE 2029** project will be received by the **Department of Public Works** at **9030 Mistletoe Drive, Easton, Maryland** until **2:00 p.m., Tuesday, June 9, 2026**, and then publicly opened and read aloud.

Contact the Easton Engineering Department at 410-820-8822 or Engineering@EastonMD.gov to request Contract Documents. Contract Documents will be sent via e-mail.

A pre-bid meeting will be held at **9:00 a.m. on Tuesday, May 26, 2026**, at the **Department of Public Works** at **9030 Mistletoe Drive, Easton, Maryland.** Attendance by prospective bidders is strongly encouraged, but not required. Any questions regarding the project must be submitted in writing to the Town Engineer prior to **4:00 p.m., Friday, May 29, 2026.**

All proposals must include the following:

1. Brief Description of the Bidder (limited to 2 pages)
2. List Examples of work representative of this Scope of Work
3. Be submitted upon the attached form
4. Must give the price in figures for each item of the proposed work and must be signed by the bidder with their name and address.
5. Bid Bond equal to 5% of the annual price in the form of certified check, cashier's check or a bond payable to the Town of Easton.
6. Each proposal must be enclosed in a sealed envelope marked, "**RECYCLING SERVICES – JULY 2026 – JUNE 2029**".

Proposals made on anything other than the attached form will not be considered. Changes in the phraseology of the proposal, additions, or limiting provisions will render the proposal informal and may cause its rejection.

The right is hereby reserved to reject any or all proposals and to waive informalities as the interest of the Owner (Town of Easton) may require.

Proposals shall be subject to the following provisions:

1. The Town shall award the bid to the lowest responsible and responsive bidder, in addition to considering price, the Town Council shall consider:
   a. The ability, capacity, and skill of the bidder to perform the contract or provide the service required;
   b. The sufficiency of the financial resources and ability of the bidder to perform the contract or provide the services.
   c. Whether the bidder can perform the contract or provide the service promptly, or within the time specified, without delay or interference;

d. The character, integrity, reputation, judgment, experience, and efficiency of the bidder;

e. The quality of performance of previous contracts or services of the bidder;

f. The previous and current compliance by the bidder with laws and ordinances relating to the contract or service;

g. Whether the bidder is in arrears to the Town on any debt or contract, is in default on any surety to the Town, or is delinquent as to any taxes or assessments; and

h. Any other information that may have a bearing on the decision to award the contract.

2. The Town may re-advertise for new bids.

3. The Town may accept and reject any and all bids or part thereof and may waive technical defects or irregularities.

4. The Town may accept the bid which represents the best value to the Town and acceptance of which is in the best interest of the Town.

5. The Town may require successful bidders to furnish security conditioned upon the faithful performance of their contract and conditioned upon the payment of the wages and compensation of all laborers employed on work for which a contract is made by the contractor, or subcontractor.

No bidder may withdraw their bid within **30 calendar days** after the opening thereof.

Each proposal **must** be accompanied by the fully executed Affidavits 1 and 2, which certify that there has been no collusion in the preparation of the proposal and that no officer of the Town of Easton or the Easton Utilities Commission has or will receive a benefit monetary or material consideration from the profits of the proposed contract.

If the bidder to whom an award is made shall fail to execute the contract and bond hereto attached, and as herein provided, the award may be annulled and the contract awarded to the second bidder meeting the Town's award criteria, and such bidder shall fulfill every stipulation embraced herein, as if they were the original party to whom the award was made; or the Owner (Town of Easton) may reject all of the bids, as its interest may require.

END OF SECTION

RECYCLING SERVICES
JULY 2026 - JUNE 2029

REQUEST FOR PROPOSALS

FOR THE
TOWN OF EASTON

Prepared By:
TOWN OF EASTON
DEPARTMENT OF PUBLIC WORKS
9030 MISTLETOE DRIVE
EASTON, MARYLAND 21601
410-820-8822

May 2026

TABLE OF CONTENTS

RECYCLING SERVICES
JULY 2026 – JUNE 2029

1.01 Information for Bidders
1.02 Scope of Work
1.03 Proposal
1.04 Contract
1.05 Notice of Award
1.06 Notice to Proceed

END OF SECTION

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The right is hereby reserved to reject any or all proposals and to waive informalities as the interest of the Owner (Town of Easton) may require.

Proposals shall be subject to the following provisions:

1. The Town shall award the bid to the lowest responsible and responsive bidder, in addition to considering price, the Town Council shall consider:
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   c. Whether the bidder can perform the contract or provide the service promptly, or within the time specified, without delay or interference;

d. The character, integrity, reputation, judgment, experience, and efficiency of the bidder;

e. The quality of performance of previous contracts or services of the bidder;

f. The previous and current compliance by the bidder with laws and ordinances relating to the contract or service;

g. Whether the bidder is in arrears to the Town on any debt or contract, is in default on any surety to the Town, or is delinquent as to any taxes or assessments; and

h. Any other information that may have a bearing on the decision to award the contract.

2. The Town may re-advertise for new bids.

3. The Town may accept and reject any and all bids or part thereof and may waive technical defects or irregularities.

4. The Town may accept the bid which represents the best value to the Town and acceptance of which is in the best interest of the Town.

5. The Town may require successful bidders to furnish security conditioned upon the faithful performance of their contract and conditioned upon the payment of the wages and compensation of all laborers employed on work for which a contract is made by the contractor, or subcontractor.

No bidder may withdraw their bid within **30 calendar days** after the opening thereof.

Each proposal **must** be accompanied by the fully executed Affidavits 1 and 2, which certify that there has been no collusion in the preparation of the proposal and that no officer of the Town of Easton or the Easton Utilities Commission has or will receive a benefit monetary or material consideration from the profits of the proposed contract.

If the bidder to whom an award is made shall fail to execute the contract and bond hereto attached, and as herein provided, the award may be annulled and the contract awarded to the second bidder meeting the Town's award criteria, and such bidder shall fulfill every stipulation embraced herein, as if they were the original party to whom the award was made; or the Owner (Town of Easton) may reject all of the bids, as its interest may require.

END OF SECTION

SCOPE OF WORK

1. Each bidder shall, on a separate sheet, provide a statement of the bidder's financial condition and a list of equipment the bidder will commit for use to fulfill the provisions of these specifications. Included in the list will be the model, year and type of equipment.

2. Each bidder shall provide a list of all municipalities under contract in the Delmarva area or (3) references of governmental entity contracts for Recyclable collections that they have serviced within the last three (3) years.

3. Each bidder shall, on an attached sheet, provide a description of their Recyclable collections operations.

4. Each bidder shall submit a comprehensive list of all primary and secondary recycling centers to be utilized through the life of the contract and any contingency plans in the event such facilities are closed.

5. A **Performance Bond**, or escrow in lieu of a performance bond acceptable to the Town of Easton, will be required from the successful bidder as described in the specifications. This performance bond will be equal to the first year contract price.

6. The Town of Easton may make any investigation of a bidder as it deems necessary to determine the ability of a bidder to perform the work. Bidders shall furnish information regarding their qualifications upon the reasonable request of the Town of Easton. The Town of Easton reserves the right to reject any bid if the evidence submitted by, or other investigation for, the bidder fails to satisfy the Town of Easton that the bidder has the proper qualifications to perform the work in accordance with the Contract Agreement.

7. It is the intent of the Town of Easton to award the Contract Agreement to the lowest responsible and responsive bidder provided the bid has been submitted in accordance with the requirements of the bidding documents. However, the Town of Easton reserves the right to accept the bid which, in the Town of Easton's judgment, is in the best interest of and most advantageous to the Town of Easton. The Town of Easton reserves the right to waive any irregularities, reject any or all bids or hold bids for up to **thirty (30) days** and to award the bid in the best interest of the Town of Easton. The Town of Easton will reject a bid not accompanied by a Bid Bond or by other data required by the Bidding Documents. The Town of Easton reserves the right to reject a bid which is in any way incomplete or irregular, and to re-bid the work at a later date if all bids are rejected.

8. Each bid must be accompanied by a **Bid Bond** equal to **5% of the annual price** in the form of certified check, cashier's check or a bond payable to the Town of Easton. All such bid bonds or checks will be returned to the respective unsuccessful bidders within **thirty (30) days** after the bids are opened, but in no event before a contract is executed with the successful bidder. The bid bond of the successful bidder will be returned to the Contractor when the Contract is executed and a satisfactory performance bond is delivered to the Town of Easton.

GENERAL INFORMATION

The recyclable waste collection shall conform to all Town of Easton ordinances regarding recyclables and the following specifications or better.

1. **Residential Dwelling Unit** – is defined as any single home, two family unit, three family unit, four family unit, all condominiums up to four units per building and all apartment complexes up to four units per building, which currently receives Town of Easton Refuse service.

2. **Residential Complex Unit** – is defined as any condominiums with five or more units per building and all apartment complexes with five or more units per building, which currently receives Town of Easton Refuse service.

3. **Commercial Unit** – is defined as any office or business, either profit entity or a nonprofit entity, which currently receives Town of Easton Commercial Refuse service.

4. **Curb Collection** – The Contractor shall provide recyclables collection removal to all Residential Dwelling, Residential Complex and Commercial Units which currently receive Town of Easton Refuse service. There shall be biweekly Residential collection, and once a week Residential Complex and Commercial Unit collection of recyclables from the curb of the premises or where designated by the Town of Easton. The Contractor will not be required to collect recyclables from inside of buildings.

5. **Collections Vehicles** – Contractor is to furnish the necessary vehicles for all collection of recyclables in non-leaking vehicles provided with tops or coverings to guard against spillage and shall conceal contents from view; said vehicles to be kept covered or closed at all times when being loaded.

6. **Acceptable Recyclables** – is defined as the following: Plastic Bags, Newspaper and News Paper Inserts, Magazines and Catalogs, Junk Mail and Envelopes, Cardboard, Office and School Papers, Boxboard (cake, cracker and cereal boxes), Brown Paper Bags, Aluminum Cans, Tin and Steel Cans (rinsed), glass Jars and Bottles, Plastic Bottles (with necks only), Plastic Milk Jugs, Phone Books, Pizza Boxes.

7. **Holiday Schedule** – No collection shall be required on Town of Easton recognized holidays. Each regular pick-up day which falls on a recognized holiday will be serviced one day later or at the discretion of the Town of Easton and the Contractor. The holidays recognized by the Town of Easton are: New Year's Day, Martin Luther King's Birthday, Good Friday, Memorial Day, 4th of July, Labor Day, Veterans Day, Black Friday, Thanksgiving, Christmas Eve, Christmas Day.

8. **Collection Routes** – The Contractor, along with the Town of Easton shall establish routes and scheduled days for collection of recyclables.

9. **Town of Easton Owned Facilities** – The Contractor will be required to provide recyclable collection to Town of Easton Owned facilities at no additional cost to the Town of Easton. These collections will be considered incidental to the contract. This service will be provided at the following locations:

LOCATION	**QUANTITY, TYPE & SIZE OF CONTAINER**
Town Office 14 S Harrison Street	(1) 8 yard dumpster
Welcome Center 11 S Harrison Street	(1) 95 gallon tipper
Easton Police Department 106 W Dover Street	(1) 95 gallon tipper
Easton Utilities 201 Washington Street	***(1) 8 yard dumpster*** (1) 95 gallon tipper
(8 yard dumpster will be picked up twice per week)	
Easton Public Works 9030 Mistletoe Drive	(2) 95 gallon tippers
Easton Fire Department 315 Aurora Park Drive	(1) 8 yard dumpster (1) 95 gallon tipper
Easton Fire Department 29496 Matthewstown Road	(1) 95 gallon tipper
North Easton Sports Complex 1078 N. Washington St.	(1) 8 yard dumpster

(Front Load Dumpsters used at these sites will be the property of the contractor and must be removed at conclusion of contract)

10. **Collection Times** – No collection shall be permitted before 6:00 a.m. or after 6:00 p.m. No collection shall be made from any types of premises on Sundays. Saturdays will only be allowed with the pre-approval of the Town of Easton and for holiday affected pick up.

11. **Residential Recyclable Containers** –
    a. The container for **Residential Dwelling Units** will be 65 or 95 gallon tipper carts **(provided by the Town)**. There are approximately 6400 Residential Units.
    b. The Containers for **Residential Complex Units** will be 18 gallon bins **(provided by the Town)**. Only one container/bin will be supplied to each Residential unit, unless otherwise directed by the town. There are approximately 850 Complex Units.

c. All 65 gallon, 95 gallon tipper carts, and 18 gallon bins will be supplied to each individual property, by the **Town**, prior to **July 1, 2026**. All front load dumpsters will need to be supplied and delivered **by the Contractor** to designated properties prior to **July 1, 2026**.

12. **Commercial Recyclable Containers** – The containers for Commercial units will be 65- 95 gallon tipper carts. All containers will be supplied by the Town of Easton. Only one container will be supplied to each Commercial unit, unless otherwise directed by the town. There are approximately 400 Commercial Units.

13. **Residential Complex Recyclable Dumpster** – The Contractor will supply a Recyclable Dumpster at each Residential Complex. Dumpsters will be the property of the contractor and must be removed by the contractor at the conclusion of the contract.

    Front Load Dumpster locations for Complex Units, size of front load dumpster and number of dumpsters at each Complex is as follows:

COMPLEX	SIZE OF DUMPSTER	QUANTITY
Cannery Square Apartments	8 yard	1
Doverbrook Apartments	8 yard	1
Wishing Well Apartments	8 yard	1
Pippen Farms Apartments	8 yard	2
Stoney Ridge Town Homes	8 yard	1
Parkway Apartments	6 yard	1
Waylands Condominiums	8 yard	1

14. **Cleanliness** – In collection of recyclables, the Contractor and its employees shall not place the same upon or scatter the same upon any public place or private street, alley or drive and agrees to replace any recyclable container or parts of, which are damaged by it or its employees and upon collection leave the premises in a neat and clean condition. Contractor will not be allowed to transfer recyclables from one truck to another in residential areas except where a small pick-up truck utilized in certain areas of the Town of Easton needs to dispose its load onto a larger vehicle. The Contractor will not be allowed to store containers of any kind in common areas or in the Town of Easton right of ways. If an unsanitary condition results from an action of the Contractor, the Contractor shall respond within four (4) hours of receipt of notice to the satisfaction of the Town of Easton.

15. **Supervision** – The Contractor shall designate a supervisor for collection crews working within the Town of Easton to assure duties of such crews are

completed per the contract between the Town of Easton and the Contractor. In addition, the supervisor must be accessible via cell phone. The cell phone number shall be available to Town Engineer, Superintendent of Public Works, and Administrative Specialist for Public Works for direct contact and not for use by the general public.

16. **Customer Service Standards** – The Contractor shall maintain a log of all complaints received and time that complaint was resolved. The Contractor shall provide a report to the Town of Easton when requested.

17. **Public Education** – The Contractor shall provide the public with information and assist in education, promoting recycling and reduction in solid waste in the Town of Easton. The publicity shall include, but is not limited to, advertisement in local paper of general circulation; at least one mailing to each residential and commercial unit that will be serviced by the Contractor, indicating schedule of pickup, what items are acceptable for single stream recycling, and information promoting recycling. The Contractor will also provide appropriate material that the Town can place on the Town of Easton website and will update this information upon request. Publication must be approved by Town Engineer prior to posting.

18. **Shared Index** – The Town of Easton will share 70% of the revenue generated from recycling materials delivered to recycling center and in the event that there is a cost associated with disposal of recycling material at recycling center the Town will pay 70% of the cost and the remaining 30% will be paid by the Contractor. This will be tied into the current index of single stream recyclables at the time of disposal, has agreed by both the contractor and the Town of Easton.

19. **Insurance** – The Contractor shall provide a certificate of insurance which shall indemnify and hold harmless the Town of Easton from any liability, claim, damage, or cause of action which may be sustained by or asserted against the Town of Easton, directly or indirectly or in any manner arising out of performance or failure of performance on the part of the Contractor, and shall cover each vehicle used in work covered by this agreement. The amount of liability insurance shall not be less than $3,000,000 single limit coverage. In addition the Contractor must carry Worker's Compensation Insurance in such amount as is prescribed by the State of Maryland. Such insurance policy or policies must be filed with the Town of Easton together with certificate of the insurer that the policies are in full force and effect and that same will not be altered, amended, or terminated without sixty (60) days prior written notice having been given to the Town of Easton. All certificates

of insurance shall specifically list the Town of Easton as an additional insured with respect to the policies related to the specifications and Contract Agreement.

20. **Laws**- The Contractor will be required to obtain all licenses and permits and comply with all ordinances and regulations of the Town of Easton, Talbot County and any rules and regulations issued by the State of Maryland.

21. **Volume Report** – Each month, the Contractor shall complete and provide the Town of Easton with a monthly volume report of the previous month.

22. **Fuel Surcharge Adjustment** - A fuel surcharge will be applied based on the U.S. Energy Information Administration (EIA) Weekly National Average Diesel Fuel Price. This structure provides a transparent, market-based adjustment aligned with industry standards. The **monthly average** will be applied to the monthly collection fee.

Weekly Diesel Fuel Price (Per Gallon)	Fuel Surcharge (%)
Less than $4.00	0.00% (Base Rate)
$4.00 – $4.24	0.25%
$4.25 – $4.49	0.75%
$4.50 – $4.74	1.00%
$4.75 – $4.99	1.25%
$5.00 – $5.24	1.50%
$5.25 – $5.49	1.75%
$5.50 – $5.74	2.00%

23. **Fuel Surcharge Methodology** - The Fuel Surcharge will be calculated monthly based on the EIA National Average Diesel Fuel Index. Adjustments will be applied using the most recently published index. If the diesel fuel price exceeds $5.74 per gallon, the surcharge will continue to increase by 0.25% for each additional $0.25 increment. Conversely, the surcharge will decrease proportionally as fuel prices decline.

REQUIRED SERVICES TO BE PROVIDED

The Contractor shall have the responsibility to collect, haul and dispose of all recyclables between 6:00 a.m. and 6:00 p.m. These items will be collected in properly identified trucks. ("Properly identified trucks" means the name, address and phone number of the Contractor displayed on the truck.) All services, vehicles, equipment and collected materials, as described below, are to comply with Maryland State Law, any local and county regulations, as well as all Federal laws or regulations.

a) Recyclables are to be picked up biweekly from curb line of or where agreed upon by the Town of Easton, Residential Dwelling Units. Residential Complex Units and Commercial Units (as defined on page 1.02-3,) and Town of Easton owned properties will be picked up weekly.

b) There will be no scavenging by the contractor or his authorized personnel.

c) The Contractor will provide pick up of recyclables, to Town of Easton owned facilities at no additional cost (as defined on page 1.02-4.)

d) Disposition of recyclables shall mean appropriate reuse of the items collected with avoidance of placement into any landfill, to the greatest extent possible.

PENALTIES AND FINES

A) The Contractor shall pay as liquidated damages in the amount of Five Hundred Dollars ($500.00) per day for failure to comply with the provisions of the contract service.

B) In addition to provisions of the Performance Bond, if the Contractor fails to service the Town of Easton on a timely basis, the Contractor shall forfeit payment for services not performed unless remedied to satisfaction of the Town of Easton or if caused by an act of God.

C) Contractor shall defend, indemnify and hold harmless the Town of Easton and its employees, officers and elected officials from and against any and all costs or claims arising in any way as a result of the performance or failure to perform on part of Contractor under this contract.

D) The contract shall not be assignable or transferable by Contractor, nor shall any service be performed by a subcontractor for the Contractor without the prior written consent of the Town of Easton.

E) Should Contractor miss the collection of any of the service from a customer and fail to resolve the complaint on the same day as reported, then a credit of Five Dollars ($5.00) per missed service per unit shall be credited on the next bill.

F) In the event of an emergency or failure by the Contractor to be able to adequately perform Recyclable collection services, the Contractor shall immediately contact the Superintendent of Public Works of the Town of Easton.

PROPOSAL

RECYCLING SERVICES
JULY 2026 – JUNE 2029

Made this 9th day of June 20 26,

By BFI Waste Services, LLC

Business Address 907 Willow Grove Rd, Felton, DE 19943

The Bidder declares that the only person, firm, or corporation or persons, firms or corporations that has or have any interest in this proposal or in the contract or contracts proposed to be taken is or are the undersigned; that this proposal is made without connection, collusion, or agreement with any person, firm, or corporation making a proposal of the same work to bid a fixed or uniform price; that the attached specifications and form of contract and the drawings therein referred to have been carefully examined and are understood; that as careful an examination has been made as is necessary to become informed as to the character and extent of the work required; and that it is proposed and agreed if the proposal is accepted to contract with the Town of Easton, in the form of contract hereto attached to do the required work in the manner set forth in the specifications and as shown on the drawings.

The prices on the attached and signed Proposal forms are to include and cover the furnishing of all materials and labor requisite and proper (except those specified as being furnished by the Owner (Town of Easton)), and the providing of all necessary machinery, tools apparatus and means of performing the work, and the doing of all the above mentioned work, in the manner set forth, described and shown in the specifications, and the contract drawings within the prescribed time. If this proposal shall be accepted by the Town of Easton and the undersigned shall refuse or neglect within **30** days after receiving the contract for execution, to execute the same then the Town of Easton may at its option, determine that the bidder has abandoned the contract; and thereupon the proposal and the acceptance thereof shall be null and void.

The Contractor shall maintain such insurance as will protect him from claims under workmen's compensation acts and from any other claims for damage for personal injury, including death, and property damage which may arise from operations under this contract, whether such operations be by himself or by any subcontractor or anyone directly or indirectly employed by either of them. Certificate of such insurance shall be filed with the Owner (Town of Easton) and shall be subject to its approval for adequacy of protection. Bodily injury liability insurance shall be in an amount not less than $1,000,000, including death, to each person and subject to

the same limit for each person, in an amount of not less than $3,000,000 on account of one accident. Property damage insurance shall be in an amount not less than $200,000 per accident, with an aggregate of not less than $500,000.

(Note - The bidder or bidders must sign here, and the address of each must be given.) In the case of firms, the firm's name must be signed and subscribed to by at least one member.

In case of corporations, the corporate name must be signed by some authorized officer or agent thereto, who shall also subscribe his name and office. If practicable, the seal of the corporation shall be affixed.

The names and addresses of all members of a firm or the names, addresses and titles of every officer of a corporation, as the case may be, must be given here by the member of the firm or by the officer or agent of the corporation who signs the proposal.)

I do solemnly declare and affirm under the penalties of perjury that the declaration and statements contained in the first paragraph thereof are true and correct to the best of my knowledge, information and belief.

BFI Waste Services LLC

907 Willow Grove Rd

Felton DE 19943

I/We identify by number, date and number of pages the following addenda:

No.	Date	No. of Pages

YEAR 1 (JULY 1, 2026 - JUNE 30, 2027)					
Item	**Description**	**Quantity**	**Unit Price Per Month**	**Total Price Per Month**	**Total Price Per Year**
1	Residential Dwelling Unit (Bi-Weekly)	5,095	$ 8.80	$ 44,850	$ 538,197
2	Residential Complex Unit (Weekly)	8	$197.33	$ 1,579	$ 18,944
3	Commercial Unit (Weekly)	371	$ 18.87	$ 7,001	$ 84,014
	TOTAL =			$ 53,430	$ 641,155

YEAR 2 (JULY 1, 2027 - JUNE 30, 2028)					
Item	**Description**	**Quantity**	**Unit Price Per Month**	**Total Price Per Month**	**Total Price Per Year**
1	Residential Dwelling Unit (Bi-Weekly)	5,095	$ 9.15	$ 46,644	$ 559,725
2	Residential Complex Unit (Weekly)	8	$ 205.23	$ 1,642	$ 19,702
3	Commercial Unit (Weekly)	371	$ 19.63	$ 7,281	$ 87,374
	TOTAL =			$ 55,567	$ 666,801

YEAR 3 (JULY 1, 2028 - JUNE 30, 2029)					
Item	**Description**	**Quantity**	**Unit Price Per Month**	**Total Price Per Month**	**Total Price Per Year**
1	Residential Dwelling Unit (Bi-Weekly)	5,095	$ 9.52	$ 48,509	$ 582,114
2	Residential Complex Unit (Weekly)	8	$ 213.44	$ 1,707	$ 20,490
3	Commercial Unit (Weekly)	371	$ 20.41	$ 7,572	$ 90,869
	TOTAL =			$ 57,789	$ 693,473

I/We propose to furnish all labor, equipment, materials and other facilities necessary and proper to construct **RECYCLING SERVICES – JULY 2026 – JUNE 2029**, in accordance with this Request for Proposals at the **Total Three (3) Year Lump Sum** price of:

Two million one thousand four hundred-twenty nine Dollars

($ 2,001,429).

(Signature of Bidder)

The Bidder agrees that this Proposal shall be good and may not be withdrawn for a period of **30** calendar days after the opening of the Bid Proposals.

A contract, if awarded, will be awarded to the lowest, responsible, responsive Bidder whose proposal in the sole opinion of the Owner (Town of Easton) represents the best value to the Town of Easton and the acceptance of which, in whole or in part, is in the best interest of the Town of Easton. The Town of Easton reserves the right to reject any and all bids, to waive any irregularities, and to re-advertise for new bids.

Bids shall include sales tax and all other applicable taxes and fees.



AFFIDAVIT I

EASTON, MARYLAND
EASTON, MARYLAND 21601

TITLE: **RECYCLING SERVICES**
JULY 2026 – JUNE 2029

NON-COLLUSION CERTIFICATE

COUNTY OF: Pennsylvania

STATE OF: York

Before me, the undersigned, a Notary Public, in and for the County and State aforesaid, personally appeared Anthony Spirito-GM BFI Waste Services, LLC And made oath in due form of law that the Proposer herein, his Agents, servants and/or employees, to the best of his knowledge and belief, have not in any way colluded with anyone for and on behalf of the Proposer, or themselves, to obtain information that would give the Proposer an unfair advantage over others, nor have they colluded with anyone for and on behalf of the Proposer, or themselves, to gain any favoritism in the award of the Contract herein.

In Witness thereof, I hereby set my hand and official seal.

(NOTARY PUBLIC) Andrew Wratz

My Commission Expires: 6/23/2028

Commonwealth of Pennsylvania - Notary Seal
Andrew Warntz, Notary Public
York County
My commission expires June 23, 2028
Commission number 1372949
Member, Pennsylvania Association of Notaries

X

Sign for Identification
Anthony Spirito

AFFIDAVIT II

EASTON, MARYLAND
EASTON, MARYLAND 21601

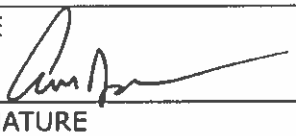
TITLE: **RECYCLING SERVICES**
JULY 2026 – JUNE 2029

DISCLOSURE OF INTEREST BY PERSONS DOING BUSINESS WITH TOWN OF EASTON

The undersigned does hereby declare that no officer or employee of the Town of Easton and/or Easton Utilities Commission, whether elected or appointed has in any manner whatsoever any interest in or has received prior to hereto or will receive subsequent hereto any benefit, monetary or material consideration from the profits or emoluments of this contract, job, work or service for the Town, and that no officer or employee has accepted or received or will receive, directly or indirectly, any part of any fee, commission or other compensation paid or payable by the Town in connection with the contract, job, work, or service for the Town, excepting, however, the receipt of dividend or corporation stock.

I, we do solemnly declare and affirm under the penalties of perjury and the contents of the foregoing affidavit are true and correct to the best of my knowledge, information and belief.

June 9th 2026
DATE

X 
SIGNATURE

Anthony Spirito
PRINTED

General Manager
TITLE

BFI Waste Services LLC-907 Willow Grove Road, Felton DE 19943
FIRM NAME AND ADDRESS

END OF SECTION

CONTRACT

FOR THE

RECYCLING SERVICES
JULY 2026 – JUNE 2029

TOWN OF EASTON
Easton, Maryland

THIS CONTRACT, made this_____day of_____20___ ,

by and between_____

hereinafter called the CONTRACTOR, and the Town of Easton, hereinafter called the Town.

WHEREAS, the Contract to complete the **RECYCLING SERVICES – JULY 2026 – JUNE 2029** and other appurtenant work in accordance with and subject to all the conditions, covenants, stipulations, terms and provisions contained in the specifications, said specifications being in all respects made a part hereof, has recently been awarded to the Contractor by the Town, at and for a sum equal to the aggregate cost of the work, labor, materials, and supplies done or furnished, at the price named therefore in the proposal attached hereto;

AND WHEREAS, it was one of the conditions of said award that a formal contract should be executed by and between the Contractor and the Town evidencing the terms of the said award.

NOW, THEREFORE THIS CONTRACT WITNESSETH, that the Contractor doth hereby covenant and agree with the Town that he will well and faithfully complete the **RECYCLING SERVICES – JULY 2026 – JUNE 2029** and other appurtenant work, in accordance with each and every one of the conditions, covenants, stipulations, terms and provisions contained in the above mentioned specifications, at and for a sum equal to the aggregate cost of the work, labor, materials, and supplies done and furnished at the price named therefor in the proposal attached hereto, and will well and faithfully comply with and perform each and every obligation imposed upon him by said specifications, or the terms of said award;

And the Town doth hereby covenant and agree with the Contractor that it will pay the Contractor, when due and payable under the terms of said specifications and of said award, the abovementioned sum; and it will well and faithfully comply with and perform each and every obligation imposed upon it by said specifications, or the terms of said award.

Should the Contractor default in the performance of required work and/or the quality and performance of the work as described in the contract documents, the Town shall have the right to terminate this contract and pursue other means for completing work for the remainder of the contract period in addition to any other remedy available by law. Should the Town be required to initiate work for any portion of the Landscape Maintenance Contract, as outlined in the contract documents, due to Contractor failing to complete said work, the Town shall charge to the Contractor the dollar amount in excess of the unit price bid for that line item of work that the Town incurred in completing that work on the Contractor's behalf.

IN WITNESS WHEREOF, the parties hereto have executed this Contract as of the day and year first above written, the Town, by its Mayor, by authority duly given.

ATTEST: THE TOWN OF EASTON

_____ By: _____

Town Clerk Mayor

APPROVED as to Form and Legality

_____

Attorney

ATTEST:

_____ BFI Waste Services LLC

Contractor

By: X _____

Anthony Spirito

Print Name

General Manager

Title

END OF SECTION

NOTICE OF AWARD

PROJECT Description: **RECYCLING SERVICES**
JULY 2026 – JUNE 2029

The OWNER has considered the BID submitted by you for the above described WORK in response to its Invitation to Bidders and Information for Bidders.

You are hereby notified that your BID has been accepted for the amount of:

_____ Dollars ($_____).

You are required by the Invitation to Bidders to execute the Agreement and furnish the required CONTRACTOR'S Performance BOND, Payment BOND and certificates of insurance within ten (10) calendar days from the date of this Notice to you.

If you fail to execute said Agreement and to furnish said BONDS within ten (10) days from the date of this Notice, said OWNER will be entitled to consider all your rights arising out of the OWNER'S acceptance of your BID as abandoned and as a forfeiture of your BID BOND. The OWNER will be entitled to such other rights as may be granted by law.

You are required to return an acknowledged copy of this NOTICE OF AWARD to the OWNER.

Dated this_____ day of _____, 20____.

Town of Easton

By: _____

Title: _____

ACCEPTANCE OF NOTICE

Receipt of the above NOTICE OF AWARD is hereby acknowledged by

_____.

This, the ___day of _____, 20___

By _____

Title _____

END OF SECTION

NOTICE TO PROCEED

TO: _____

DATE: _____

PROJECT: **RECYCLING SERVICES**
JULY 2026 – JUNE 2029

You are hereby notified to commence work in accordance with the Agreement dated _____, 20___, on or before _____, 20___.

Owner: Town of Easton

By: _____

Title: _____

ACCEPTANCE OF NOTICE

Receipt of the above NOTICE TO PROCEED

is hereby acknowledged by

Contractor: _____

this the ____ day, of _____, 20___

By: _____

Title: _____

Employer Identification Number: _____

END OF SECTION

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

Form 10-K

☑ **ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**
For the fiscal year ended December 31, 2025

or

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from _____ to _____

Commission file number: 1-14267

REPUBLIC SERVICES, INC.

(Exact Name of Registrant as Specified in its Charter)

Delaware	**65-0716904**
(State or Other Jurisdiction of Incorporation or Organization)	*(IRS Employer Identification No.)*
5353 East City North Drive **Phoenix, Arizona**	**85054** *(Zip Code)*
(Address of Principal Executive Offices)	

Registrant's telephone number, including area code: (480) 627-2700

Securities registered pursuant to Section 12(b) of the Act:

Title of Each Class	Trading Symbol(s)	Name of Each Exchange On Which Registered
Common Stock, par value $0.01 per share	RSG	The New York Stock Exchange

Securities registered pursuant to Section 12(g) of the Act: None

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes ☑ No ☐

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. Yes ☐ No ☑
Note – Checking the box above will not relieve any registrant required to file reports pursuant to Section 13 or 15(d) of the Exchange Act from their obligations under those Sections.

Indicate by check mark whether the registrant: (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☑ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☑ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer ☑ Accelerated filer ☐ Smaller reporting company ☐ Emerging growth company ☐

Non-accelerated filer ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report. ☑

If securities are registered pursuant to Section 12(b) of the Act, indicate by check mark whether the financial statements of the registrant included in the filing reflect the correction of an error to previously issued financial statements. ☐

Indicate by check mark whether any of those error corrections are restatements that required a recovery analysis of incentive-based compensation received by any of the registrant's executive officers during the relevant recovery period pursuant to §240.10D-1(b). ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Act). Yes ☐ No ☑

As of June 30, 2025, the aggregate market value of the shares of the Common Stock held by non-affiliates of the registrant was $77.0 billion.

As of February 10, 2026, the registrant had outstanding 308,804,970 shares of Common Stock (excluding treasury shares of 4,827,437).

DOCUMENTS INCORPORATED BY REFERENCE

Portions of the Registrant's Proxy Statement relative to the 2026 Annual Meeting of Shareholders are incorporated by reference in Part III hereof.

TABLE OF CONTENTS

PART I

Item 1.	Business	2
Item 1A.	Risk Factors	19
Item 1B.	Unresolved Staff Comments	29
Item 1C.	Cybersecurity	29
Item 2.	Properties	30
Item 3.	Legal Proceedings	31
Item 4.	Mine Safety Disclosures	31

PART II

Item 5.	Market for Registrant's Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities	32
Item 6.	[Reserved]	33
Item 7.	Management's Discussion and Analysis of Financial Condition and Results of Operations	34
Item 7A.	Quantitative and Qualitative Disclosures About Market Risk	57
Item 8.	Financial Statements and Supplementary Data	59
Item 9.	Changes in and Disagreements with Accountants on Accounting and Financial Disclosure	107
Item 9A.	Controls and Procedures	107
Item 9B.	Other Information	108
Item 9C.	Disclosure Regarding Foreign Jurisdictions that Prevent Inspections	108

PART III

Item 10.	Directors, Executive Officers and Corporate Governance	109
Item 11.	Executive Compensation	109
Item 12.	Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters	109
Item 13.	Certain Relationships and Related Transactions and Director Independence	109
Item 14.	Principal Accountant Fees and Services	109

PART IV

Item 15.	Exhibits and Financial Statement Schedules	110
Item 16.	Form 10-K Summary	114
	Signatures	115

Unless the context requires otherwise, all references in this Form 10-K to Republic, Republic Services, the Company, we, us and our refer to Republic Services, Inc. and its consolidated subsidiaries.

PART I

ITEM 1. BUSINESS

Overview

Republic Services is one of the largest providers of environmental services in North America, as measured by revenue. We operate across the United States and Canada through 377 collection operations, 255 transfer stations, 79 recycling centers, 207 active landfills, 2 treatment, recovery and disposal facilities, 24 treatment, storage and disposal facilities (TSDF), 5 salt water disposal wells, 15 deep injection wells, 9 industrial wastewater treatment facilities, and 2 polymer centers. We are engaged in 84 landfill gas-to-energy and other renewable energy projects and had post-closure responsibility for 124 closed landfills.

We believe the total addressable United States and Canada environmental services market in which we operate generates approximately $163 billion of annual revenue, which includes the $110 billion recycling and waste industry, $37 billion of the broader environmental solutions industry, and $16 billion in sustainability innovation (described below) and emerging waste and recycling technologies. Within our recycling and waste business, we prioritize investments in market verticals with above-average growth rates and higher return profiles. The environmental solutions market remains fragmented, which provides consolidation opportunities to drive scale. In our sustainability innovation businesses, we believe customer demand for products and services that respond to evolving environmental trends, including circularity and decarbonization, should support above average growth rates and attractive returns. We believe we can further expand our addressable market into other segments of the environmental services industry over time by leveraging our differentiated capabilities, including (1) customer zeal, (2) digital and (3) sustainability.

We operate throughout the United States and Canada, but the physical collection and recycling or disposal of material is largely a local business, and the dynamics and opportunities differ in each market we serve. By combining local operating management with standardized business practices, we drive greater overall operating efficiency across the Company while maintaining day-to-day operating decisions at the local level, closest to the customer.

Our purpose-driven vision is to partner with customers to create a more sustainable world. We believe that our products and services are valuable to our customers and essential for long-term sustainability.

We further believe our focus on and commitment to sustainability allows us to attract and retain the best talent, win more customers, increase customer loyalty and, ultimately, drive higher revenue and profits.

Foundational Elements

Our strategy is designed to generate profitable growth by sustainably managing our customers' needs, and it is underpinned by three foundational elements – (1) our market position, (2) our operating model and (3) our people and talent focus.

Market Position

Our goal is to develop the best vertically integrated market position to enable us to build density and improve returns. We strive to have a leading market position in each of the markets we serve, or have a clear path toward how we will achieve a leading market position over time. In situations where we cannot establish a leading market position, or where operations are not generating acceptable returns, we may decide to divest certain assets and reallocate resources to other markets.

We have a robust market planning process to identify opportunities to grow internally through capital investments and infrastructure development and externally through acquisitions and public-private partnerships. Additionally, our market planning process allows us to analyze market conditions and proactively adjust to trends as they emerge, including the effects of legislation, demographic shifts and changes in the market and the competitive landscape.

Internal Growth

Several key drivers of internal growth are discussed below:

- Volume Growth - Volume growth through increases in our customer base and service offerings is the most capital efficient method to grow our business. We believe volumes are driven by population growth, household formation and new business formation. We seek to obtain long-term contracts for collecting recyclables, solid waste and industrial waste under residential collection contracts with municipalities, exclusive franchise agreements, small-container and large-container contracts and environmental solutions service contracts. We also look to enter into long-term recycling and disposal contracts with municipalities and other third parties. By obtaining such long-term agreements, we can grow our contracted revenue base at a rate consistent with the underlying economic growth in these markets. In

addition, by securing long-term agreements, we are better able to help ensure we earn an appropriate return on the capital deployed.

- Price Increases - We seek to secure price increases necessary to offset increased costs, improve our operating margins and earn an appropriate return on our substantial investments in vehicles, equipment, transfer stations, recycling centers, TSDFs, deep well injection facilities, landfills, and other post-collection infrastructure.

- Expansion of Recycling Capabilities - Based on the most recent United States Environmental Protection Agency (EPA) data, approximately 32% of municipal solid waste is recycled and/or composted. We expect that percentage to increase over the long-term as communities enhance and expand their recycling programs for their residents. As a key player in the circular economy, we are strategically focused on expanding recycling volume through innovative material handling processes and programs to help our customers achieve their goals related to sustainability and environmentally sound practices while also generating an appropriate return. In 2024, we commenced operations at our first Polymer Center in Las Vegas, Nevada. In 2025, we commenced operations at our second Polymer Center in Indianapolis, Indiana and construction began at our third Polymer Center in Allentown, Pennsylvania. Our Polymer Centers are part of a vertical integration that will advance circularity for plastics and help us manage the plastics stream from curbside collection to delivery of recycled content for consumer packaging. We believe our Polymer Centers will enable us to produce food-grade drop-in substitutes for virgin plastics, while allowing us to expand plastics circularity across North America. In 2023, we announced the development of Blue Polymers, a joint-venture with Ravago JV Holdings, LLC, creating vertical integration that will further advance circularity by acquiring all olefins produced by the Polymer Centers to further process and manufacture custom blended pellets for food-grade and non-food-grade packaging. In 2025, operations commenced at the first Blue Polymers facility in Indianapolis, Indiana, and a second Blue Polymers facility is currently being constructed in Buckeye, Arizona. We will continue to look for opportunities to expand or enhance our recycling capabilities in markets where customers are demanding these services, demonstrating a willingness to pay and where we can earn an appropriate return on our investment.

- Infrastructure Development - We seek to identify opportunities to further our position as a vertically integrated service provider in markets where we are not fully integrated. Our goal is to create market-specific, vertically integrated operations typically consisting of one or more collection operations, transfer stations, recycling centers, TSDFs, deep well injection facilities, and landfills. Where appropriate, we seek to obtain permits to build recycling centers, transfer stations, TSDFs, deep well injection facilities, and landfills that would vertically integrate our waste services or expand the service areas for our existing disposal sites. Additionally, we seek opportunities to expand and permit new airspace at our existing landfills in order to replace airspace consumed. Development projects, while generally less capital intensive than acquisitions, typically require extensive permitting efforts that can take years to complete with no assurance of success. We undertake development projects when we believe there is a reasonable probability of success and reasonably priced acquisition opportunities are not available. Through landfill and fleet innovation, recycling and circularity of key materials and renewable energy production, we are committed to continuous development of environmentally responsible operations that increase our efficiency as well as our ability to partner with customers to create a more sustainable world.

External Growth - Acquisitions and Public-Private Partnerships

- Our acquisition growth strategy focuses primarily on acquiring privately held environmental services businesses that complement our existing business platform. We believe our ability to successfully complete these acquisitions is enhanced by the challenges facing many privately-held companies, including increasing competition in the environmental services industry, increasing capital requirements due to changes in regulatory requirements and technology and the limited number of exit strategies for privately-held companies. We also evaluate stand-alone opportunities to acquire businesses and/or facilities that are being divested by other publicly-owned companies.

  We expect to continue to invest in value-enhancing acquisitions in existing markets. Given our free cash flow, availability under our credit facilities and our ability to access the public capital markets, we have the financial flexibility to make additional acquisitions that will complement our existing business platform, including larger acquisitions if the right opportunities present themselves.

  We also focus on growth through public-private partnerships, which include the recycling and waste operations and facilities of municipal and other local governments. We believe over time we have an opportunity to acquire operations and facilities from municipalities and other local governments as they seek to raise capital and/or reduce risk.

  We realize synergies from consolidating businesses into our existing operations, whether through acquisitions or public-private partnerships, which allows us to reduce capital expenditures and expenses associated with truck routing, personnel, fleet maintenance, inventories and back-office administration.

Operating Model

Our operating model enables us to deliver consistent, high-quality service to all our customers through the Republic Way: *One Way. Everywhere. Every Day.* This approach of developing standardized processes with rigorous controls and tracking allows us to leverage our scale and deliver durable operational excellence. The Republic Way is the key to harnessing the best of what we do as operators and translating that across all facets of our business. Key elements of our operating model are our organizational structure, safety, fleet automation, fleet electrification and standardized maintenance.

Organizational Structure

A key enabler of the Republic Way operating model is our organizational structure that fosters a high performance culture by maintaining 360-degree accountability and full profit and loss responsibility with local management, supported by a functional structure to provide subject matter expertise. This structure allows us to take advantage of our scale by coordinating functionally across all of our markets, while empowering local management to respond to unique market dynamics.

Through this operating model, we have rolled out several productivity and cost control initiatives designed to deliver the best service possible to our customers in an efficient and environmentally sound way.

Our senior management evaluates, oversees and manages the financial performance of our operations through three field groups, referred to as Group 1, Group 2 and Group 3. Group 1 is our recycling and waste business operating primarily in geographic areas located in the western United States. Group 2 is our recycling and waste business operating primarily in geographic areas located in the southeastern and mid-western United States, the eastern seaboard of the United States and Canada. Group 3 is our environmental solutions business operating in geographic areas located across the United States and Canada. These groups each provide integrated environmental services, including but not limited to collection, transfer, recycling and disposal.

Safety

Republic is committed to the safety of our employees, customers and the communities we serve. We have a dedicated team of safety professionals at our corporate headquarters and within our field operations, led by our Vice President of Environmental Health and Safety who reports directly to our Chief Operating Officer. Due to the nature of our industry, safety is a top priority, and we recognize and reward employees for outstanding safety records. Over the past 10 years, our safety performance (based on OSHA recordable rates) has been 23% better than the industry average. Our *Think, Choose, Live* motto encapsulates our everyday safety messaging to our employees to: *Think* about what you are doing, *Choose* the safe answer and *Live* to go home to your family. With the phrase printed on numerous items, including hard hats and the equipment our employees use, there are constant reminders for employees to go home in the same condition in which they came to work. Our goal is to ensure every one of our employees returns home safely each night.

Through our Safety Amplified program, we are providing more tools and driving greater awareness to help our teams better execute our safety standards. Regular training, multifaceted programs and strategic partnerships are key components to this program. It is simple by design and comprised of actions and activities that ensure safety is embedded in all we do. The program includes six initiatives to help us achieve our goal to have zero employee fatalities and reduce our OSHA Total Recordable Incident Rate.

- Focus Together: This effort is the core of our safety program and is designed to help frontline employees eliminate the six most common types of serious incidents.
- Lead Together: We provide best-in-class communication channels and advanced training techniques for all frontline supervisors and managers to help them guide their teams.
- Partner Together: Staying safe requires involvement by employees at all levels. We've increased leadership visits with frontline employees and supervisors to support each divisions' safety goals.
- Celebrate Together: We take pride in recognizing employees who demonstrate a relentless commitment to safety. Employees with the best driving records are eligible for the industry's most prestigious award, the National Waste & Recycling Association's Driver of the Year. Republic drivers have won 66% of the Driver of the Year awards issued for the large truck category since 2009. In addition, our best drivers are recognized and rewarded with competing in our National Road-EO competition.
- Analyze Together: We analyze real-time data to make short- and long-term decisions and identify opportunities for improvement. Examples include analysis of roadway awareness training, data mapping and other employee protection and preparedness insights.
- Innovate Together: We employ the latest technologies in our fleet, including driver-supported automation, rear cameras, in-cab backup alarms and event recording systems, and we take a data-driven approach to support our

employees. We also work with equipment manufacturers to incorporate safety elements such as seat belt alarms, blind spot awareness, lane departure alarms and other potentially lifesaving equipment in our fleet.

We believe our Safety Amplified program provides additional benefits for our Company and stakeholders including:

- further strengthening relationships within the communities we serve;
- enhancing customer trust;
- streamlining operational processes and increasing productivity;
- delivering a reputational advantage, including positioning our Company as an employer-of-choice;
- maintaining and sustaining a safety culture in all areas of our business; and
- contributing to employee engagement.

For more information regarding our safety performance, refer to our Sustainability Accounting Standards Board (SASB) report, which can be found at republicservices.com/sustainability. The information contained on our website shall not be deemed incorporated by reference in this Annual Report on Form 10-K or in any other filing we make under the Securities Exchange Act of 1934, as amended (Exchange Act).

Fleet Automation

Approximately 79% of our residential routes have been converted to automated single-driver trucks. By converting our residential routes to automated service, we reduce labor costs, improve driver productivity, decrease emissions and create a safer work environment for our employees. Additionally, communities using automated vehicles generally have higher participation rates in recycling programs, thereby complementing our initiative to expand our recycling capabilities.

Fleet Electrification

We believe we are taking a leadership position in electric technology innovation for our recycling and waste collection fleet. This is a critical step toward reducing our environmental impact through lower fleet emissions. We believe it will also improve our total cost of ownership through reduced operating costs and maintenance, while providing a competitive advantage in certain communities. We are partnering with multiple manufacturers to pilot electric-powered recycling and waste trucks. As electric-vehicle technology continues to develop, we expect to further deploy electrification within our fleet. As of December 31, 2025, we operated more than 180 electric-collection vehicles and had 32 commercial-scale electric charging facilities.

Standardized Maintenance

Based on an industry trade publication, we operate the third largest vocational truck fleet in the United States. As of December 31, 2025, our average fleet age for recycling and waste collection vehicles in years, by service line of business, was as follows:

	Approximate Number of Vehicles	Approximate Average Age
Residential	7,300	7.7
Small-container	5,600	7.3
Large-container	4,900	8.8
Total	17,800	7.9

OneFleet, our standardized vehicle maintenance program, enables us to use best practices for fleet management, truck care and maintenance. Through standardization of core functions, we believe we can minimize variability in our maintenance processes, resulting in higher vehicle quality and a lower environmental footprint while extending the average service life of our fleet. Additionally, our focus on preventative maintenance is improving the reliability of our fleet and enabling us to provide superior service to our customers, differentiating us from our competition.

People and Talent Focus

Being human-centered is at the core of our robust people and talent agenda. We strive to maintain an environment that attracts and retains the best talent. Our approximately 42,000 full-time employees are a critical component in successfully executing our strategy and running our operations. We work hard to remain a company where the best people, with exceptional talents and diverse backgrounds, can thrive and foster a culture of caring where people feel respected, supported and encouraged to bring their best selves to work every day.

We are dedicated to driving our people and talent agenda, which includes (1) sustaining a safe, inclusive and diverse culture, (2) maintaining a highly engaged workforce, (3) developing our talent through learning and development experiences and (4) offering rewards that attract and retain the best workforce. We review key progress metrics such as engagement and turnover

and regularly report on these metrics to our Board of Directors. This level of reporting holds all of our leaders accountable for the continued growth and development of our people.

Inclusion and Diversity

We believe the composite strength of our employees' ideas, built on their unique experiences and backgrounds, is essential to our ability to meet and anticipate our customers' needs. We are proud of the diversity of our frontline workforce, as it closely represents the demographics of the communities we serve. Our commitment to inclusion and diversity starts at the top of our organization, as outlined in our Mission of Supporting an Inclusive Culture (MOSAIC), established in 2013 and supported by the MOSAIC Council. The MOSAIC Council consists of leaders from across the Company who serve as ambassadors and thought partners for inclusion and diversity. This enables us to continue to develop new strategies and activities that are tied to the needs of our employees, customers and business with the goal of creating an even more inclusive work environment and diverse workforce.

We support inclusion and connectivity through our Business Resource Groups (BRG) and focus on the involvement of our field locations in all of our BRGs, including Women of Republic, VALOR (Veterans, Advocacy, Learning, Outreach and Recruiting), UNIDOS, the Black Employee Network, AAPI (Asian American and Pacific Islander) and PRISM in support of the LGBTQ+ community.

Employee Engagement

We believe an engaged workforce is a key element of our success as engaged employees deliver better customer service and are more productive. We measure employee engagement through a third-party survey, assessing employee sentiment on a variety of topics such as pride for the Company, job satisfaction and intention to stay. Our data reinforces that business units with a highly engaged workforce experience less turnover. We also found that employees whose leaders are highly inclusive are more likely to speak up and share their perspective. Regularly hearing from our employees enables us to understand how to support and strengthen an exceptional employee experience. Our goal is to achieve and maintain employee engagement scores at or above 88 by 2030. Our average employee engagement score was 87 in 2025, which is above a national benchmark by eight points. Approximately 99% of our employees participated in the engagement survey process in March 2025 and 97% in September 2025, which are 24% and 22% higher than the national benchmark, respectively. Employee engagement is a core part of our business strategy, which is why we compensate our General Managers, in part, on their employee engagement scores. This reinforces our commitment for leaders to listen and take action on employee feedback and helps to ensure that our leaders are held accountable and rewarded for their efforts to drive a more engaged workforce.

Talent Development

We are committed to providing our employees with opportunities to develop throughout their careers. Our programs, including new hire onboarding and new leader assimilation, reinforce our Company values, expectations and business approach. We relaunched our successful Leadership Fundamentals program in 2022, targeting field leaders. With a goal of reaching all leaders through this program, more than 1,200 leaders completed this training in 2025, with approximately 650 additional leaders slated to participate in 2026. Targeted development experiences support the growth of people in key roles, including Driver Training, Technician Training, Supervisor Training, Sales Acceleration and General Manager Onboarding, among others. We believe these programs provide the fundamental skills necessary to be successful across roles. Additionally, to meet the specific needs of the business, we opened a comprehensive Technical Training Institute in April 2021 where we train and develop our technicians. We have had 398 participants in the course since its inception.

Our leadership programs are a critical part of growing our people. We remain focused on attracting, hiring and developing early career leaders. Our rotational training and development programs, including our General Manager Acceleration Program (GMAP) and Operations Manager Acceleration Program, help us attract, develop and advance a diverse and talented pool of individuals from across our organization. Our Executive Leadership team sponsors these programs, providing visibility and support for the career advancement of our high-potential talent across the organization. Since the beginning of these programs in 2017, 135 leaders have graduated into leadership positions. Additionally, our MBA intern program, with 60 participants since 2019, introduces strong talent to the organization and is a path of opportunity into the GMAP program. We have found that these programs and experiences help ensure that the next generation of leaders build the necessary skills and experiences to be successful in their roles today and in the future.

We continue to leverage innovative training methods using mixed mediums to deliver trainings and instruction to our employees across the country. We remain committed to expanding employee participation in learning programs that are relevant to our business strategy and contribute to career advancement for our employees.

Compensation and Benefits

We offer compensation and benefits that help improve our employees' overall financial, physical and emotional wellbeing, as well as recognize hard work with opportunities to grow. Our commitment to paying market competitive wages enables us to

attract and hire talent all across the country. Our approach to paying for performance supports our focus on pay equity. Our compensation packages are designed to provide employees with a stable and livable wage and growth potential. Our focus on wellness also provides our employees with a competitive paid time off plan, access to preventative care, advice on financial planning and support for mental health, contributing to our efforts to provide a total rewards package that improves and enhances the lives of our employees.

Differentiating Capabilities

To effectively execute our strategic plan, we prioritize the development and investment in capabilities that will differentiate us in the marketplace. These capabilities include – (1) customer zeal, (2) digital and (3) sustainability.

Customer Zeal

The goal of customer zeal is to drive customer loyalty by offering differentiated products and services specifically designed to meet our customers' needs. We offer a broad set of environmental services across the United States and Canada and can thus serve as many of our customers' sole provider, which we believe sets us apart in the industry. Customers appreciate our track record of safe and environmentally compliant operations, with the expertise to manage complex waste streams. We believe our value proposition increases customer loyalty and willingness to pay for our differentiated offerings. Customer zeal is a cultural commitment to enable and empower our employees to own their role in the customer experience.

To help our sales team identify specific customer needs and configure the right offering, we use a Priority Based Selling (PBS) technique and our Capture pricing tool nationwide.

- PBS enables us to identify and segment customers' buying priorities and attract customers that are willing to pay for enhanced offerings.
- Capture is a cloud-based pricing tool that creates a more professional sales experience, helps realize better pricing levels at the point of sale and provides enhanced controls over the price quoting process.

We continue to expand our offering of products and services to meet customer demand for a single provider for their environmental services needs. We have made progress on this front, including through our continued expansion of our environmental solutions segment. Our acquisitions of leading environmental solutions providers enable us to offer a complete set of products and services, including treatment, recycling and disposal of hazardous, non-hazardous and specialty waste. For services that we do not provide, we fulfill demand through our alliance partnerships while maintaining the customer-facing relationship.

To help ensure a consistent customer experience, we have invested in our customer service capabilities and our centralized Customer Experience function. This modern technology provides our customer service employees with the tools and capabilities they need to provide better levels of service through a variety of communication channels. The standardized approach enhances the customer experience and provides us a platform to reduce the cost to service our customers.

To help ensure our efforts are making an impact and building customer loyalty, we solicit feedback from our customers, including Net Promoter Score℠, so that every General Manager receives timely, relevant feedback that allows him or her the ability to reach out to customers directly and address issues immediately.

Digital

By prioritizing our digital capabilities, we seek to provide a consistent experience across our business. We believe investments in our digital platforms support improved processes for our employees that lead to enhanced employee engagement and enable our customers to do business with us through more channels and with better access to information, ultimately driving increased customer loyalty.

By increasing the ease of use and functionality of our web-based market presence, we believe we enhance customer satisfaction, interaction and connectivity while lowering our costs. These tools reinforce to our customers that they can rely on us to handle their recycling and waste services needs in a way that is easy and convenient for them.

- Our website and mobile app are online account management tools, allowing customers access to their accounts and our services.
- Our e-commerce sales channel allows customers to secure services on a real-time basis, provides capabilities to meet our customers' evolving buying preferences and provides a lower cost sales channel.

We are leveraging technology to digitally connect our customers, drivers, logistics analysts, supervisors and trucks via our "RISE" dispatch platform and in-cab technology. With the roll-out of this technology we have improved productivity through more real-time routing information and data visualization tools, increasing customer connectivity and enabling automated

service verification communications and enhancing the employee experience by providing better tools and technology designed around employee interaction.

We have installed advanced technology on recycling and waste collection vehicles that utilizes cameras to identify recycling contamination and overfilled containers. We expect this technology will reduce recycling contamination over time and drive incremental revenue.

In 2025, we advanced the deployment of our "MPower" enterprise asset management system to digitally connect our maintenance team to our collection fleet of vehicles. This technology is designed to streamline our fleet maintenance record keeping and parts management processes and allow improved technician efficiency and enhanced warranty recovery across our fleet.

Sustainability

The goal of our differentiating sustainability capabilities is to provide our customers with fully integrated sustainable solutions that support a cleaner, safer and healthier world. We have long been a leader in environmental services and sustainability. We introduced our Elements of Sustainability, the foundation of our sustainability platform, in 2014. Our elements, Safety, Talent, Climate Leadership and Communities, are deeply integrated into our business and anchor our ambitious 2030 sustainability goals.

Our Board of Directors' Sustainability & Corporate Responsibility Committee has oversight responsibility with respect to our sustainability performance, our corporate responsibilities and our role as a socially responsible organization. The Committee meets at least quarterly to be updated on progress and conducts a formal comprehensive review of the Company's performance in these areas on an annual basis.

Our 2030 Sustainability Goal

As we grow, so does our opportunity to make a meaningful, positive impact on the environment and society. Our ambitious 2030 goals are aligned with the UN Sustainable Development Goals[1] and our greenhouse gas reduction goal is aligned with the Paris Agreement. Each goal is aligned with one of the Company's elements of sustainability. Together they are designed to significantly benefit the environment and society, while enhancing the foundation and profitability of our business for the long-term.

- *Safety Amplified:* Achieve zero annual employee fatalities
- *Incident Reduction:* Reduce OSHA Total Recordable Incident Rate (TRIR) to 2.0 or less by 2030
- *Engaged Workforce:* Achieve and maintain employee engagement scores at or above 88 by 2030
- *Emissions Reduction:* Reduce absolute Scope 1 and 2 greenhouse gas emissions 35% by 2030[2], which was approved by SBTi[3, 4]
- *Circular Economy:* Increase recovery of key materials by 40% on a combined basis by 2030[2]
- *Renewable Energy:* Increase beneficial reuse of biogas by 50% by 2030[2]
- *Charitable Giving:* Create sustainable neighborhoods through strong community partnerships for 45 million people by 2030[2]

We believe that reducing our impact on the planet and improving the quality of life for its inhabitants are the right things to do, and they are also necessary actions to ensure a vibrant future for our organization.

(1) We have aligned our 2030 goals with the following UN Sustainable Development Goals: (3) Good Health and Well-being, (4) Quality Education, (6) Clean Water and Sanitation, (7) Affordable Clean Energy, (8) Decent Work and Economic Growth, (9) Industry, Innovation and Infrastructure, (10) Reduced Inequalities, (11) Sustainable Cities and Communities, (12) Responsible Consumption and Production, (13) Climate Action, (14) Life Below Water, and (16) Peace, Justice and Strong Institutions.

(2) Targets are relative to the 2017 baseline year.

(3) SBTi, or Science Based Targets initiative, is a corporate climate action organization that helps companies set targets to reduce their GHG emissions in line with the goals of the Paris Agreement.

(4) Interim goal of achieving 10% emissions reduction by 2025 was achieved in fiscal year 2023.

Refer to our Sustainability Report for our progress toward our 2030 sustainability goals, and refer to our full suite of climate-related sustainability reporting for updates regarding our progress toward our climate goals, including the Task Force on Climate-Related Financial Disclosures (TCFD), Sustainability Accounting Standards Board (SASB), Global Reporting Initiative (GRI) and CDP Climate Change, all of which can be found at republicservices.com/sustainability. The information contained on our website shall not be deemed incorporated by reference in this Annual Report on Form 10-K or in any other filing we make under the Exchange Act.

Cash Utilization Strategy

We take a consistent and balanced approach to capital allocation to drive long-term, sustainable value for our shareholders. The predictability of our free cash flows allows us to efficiently execute our capital allocation strategy, which includes investing in value-creating acquisitions and returning free cash flow to our shareholders through dividends and share repurchases. We are committed to an efficient capital structure and maintaining our investment grade credit ratings on our senior debt, which was rated A- by Standard & Poor's Ratings Services, A- by Fitch Ratings, Inc. and A3 by Moody's Investors Service, Inc. Such ratings have allowed us, and should continue to allow us, to readily access capital markets at competitive rates.

We manage our free cash flow by ensuring that capital expenditures and operating asset levels are appropriate in light of our existing business and growth opportunities and by closely managing our working capital.

Dividends

In July 2025, our Board of Directors approved an increase in the quarterly dividend to $0.625 per share, which represents an increase of approximately 8% over the prior year. This increase represented the 22nd consecutive year of a dividend increase. Over the last five years, our dividends have increased at a compounded annual growth rate of 6.3%. We expect to continue paying quarterly cash dividends and may consider additional dividend increases if we believe they will enhance shareholder value.

Share Repurchases

In October 2023, our Board of Directors approved a $3.0 billion share repurchase authorization effective starting January 1, 2024, and extending through December 31, 2026. Share repurchases under the current program may be made through open market purchases or privately negotiated transactions in accordance with applicable federal securities laws. While the Board of Directors has approved the program, the timing of any purchases, the prices and the number of shares of common stock to be purchased will be determined by our management, at its discretion, and will depend upon market conditions and other factors. The share repurchase program may be extended, suspended or discontinued at any time. On a quarterly basis, our Board of Directors reviews the parameters around which we repurchase our shares. Refer to *Item 5. Market for Registrant's Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities* for repurchase authority remaining as of December 31, 2025.

Shareholder Value

We are committed to creating long-term shareholder value by generating consistent earnings and cash flow growth while continually improving returns on invested capital. Our incentive compensation programs are aligned with these objectives at all levels of management. We have an active shareholder outreach program and routinely interact with shareholders on a number of matters, including environmental, social, governance, talent and executive compensation.

Comprehensive Environmental Services

We serve customers with a strong, vertically-integrated operating platform and offer a complete set of products and services, including the collection and processing of recyclable, solid waste and industrial waste materials; transportation and disposal of non-hazardous and hazardous waste streams; and other environmental solutions. We offer a wide array of products and services with a proven track record in safety, compliance and environmental stewardship.

Recycling & Waste Services

We have a strong, national, vertically-integrated operating platform that allows us to compete more effectively and efficiently in the local markets in which we operate. Where appropriate, we seek to achieve a high rate of internalization by managing material streams from the point of collection through recycling processing or disposal. During the year ended December 31, 2025, approximately 67% of the total solid waste volume we collected was disposed at landfills we own or operate (internalization). Our fully integrated markets generally have a lower cost of operations and more favorable cash flows than our markets that are not fully integrated. Through acquisitions, landfill operating agreements and other market development activities, we create market-specific, vertically-integrated operations typically consisting of one or more collection operations,

transfer stations and landfills. We also operate recycling centers in markets where diversion of waste is a priority, customers are willing to pay for the service and we can earn an appropriate return on our investment.

Collection Services

We provide residential, small-container and large-container collection services through 377 collection operations. In 2025, approximately 68% of our total revenue was derived from our collection business, of which approximately 18% of our total revenue related to residential services, approximately 30% related to small-container services, approximately 19% related to large-container services and approximately 1% related to other collection services.

Our residential collection business involves the curbside collection of material for transport to transfer stations, or directly to recycling centers, organics processing facilities, or landfills. We typically perform residential collection services under contracts with municipalities, which we generally secure through competitive bids, which give us exclusive rights to service all or a portion of the homes in the municipalities. These contracts usually range in duration from one to five years, although some of our exclusive franchises are for significantly longer periods. We also perform residential services on a subscription basis, in which individual households contract directly with us. The fees received for subscription residential collection are based primarily on the market, collection frequency, type of service, the distance to the disposal facility and the cost of processing or disposal. In general, subscription residential collection fees are paid quarterly in advance by the customers receiving the service.

In our small-container business, we supply our customers with recycling and waste containers of varying sizes. We typically perform small-container collection services under one- to three-year service agreements, and fees are determined based on a number of factors including the market, collection frequency, type of equipment furnished, type and volume or weight of the material collected, transportation costs and the cost of processing or disposal. Our small-container services are typically offered to small business complexes, multi-family housing and strip malls and include industries such as restaurants, retail, real-estate and professional and other services.

Our large-container collection business includes both recurring and temporary customer relationships. For the recurring portion, we supply our customers with recycling and waste containers of varying sizes and rent compactors to large generators of material. We typically perform the collection services under one- to three-year service agreements, and fees are determined based on a number of factors including the market, collection frequency, type of equipment furnished, type and volume or weight of the material collected, transportation costs and the cost of processing or disposal. Our recurring large-container services are typically offered to larger facilities, hotels and office buildings and include industries such as manufacturing, retail, hospitality, professional and other services.

For the temporary portion of our large-container collection business, the majority of the material relates to construction and demolition activities and is typically event-driven. We provide temporary collection services on a contractual basis with terms ranging from a single pickup to one-year or longer.

Transfer Services

We own or operate 255 transfer stations. Revenue at our transfer stations is primarily generated by charging tipping or disposal fees, which accounted for approximately 5% of our revenue during 2025. Our collection operations deposit material at these transfer stations, as do other private and municipal haulers, for compaction and transfer to disposal sites or recycling centers. Transfer stations provide collection operations with a cost-effective means to consolidate material and reduce transportation costs while providing our landfills with an additional mechanism to extend their geographic reach.

When our own collection operations use our transfer stations, this improves internalization by allowing us to retain fees we would otherwise pay to third-party disposal sites. It also allows us to manage costs associated with material disposal because: (1) transfer trucks have larger capacities than collection trucks, allowing us to deliver more material to the landfill or processing center in each trip; (2) material is accumulated and compacted at strategically located transfer stations to increase efficiency; and (3) we can retain volume by transporting the material to one of our own landfills or processing centers rather than to a competitor's.

Recycling Processing Services

We own or operate 79 recycling centers. These centers generate revenue through the processing and sale of old corrugated containers (OCC), old newsprint (ONP), aluminum, glass and other materials, which accounted for approximately 3% of our total revenue during 2025. Approximately 83% of our total recycling center volume is fiber based and includes OCC, ONP and other mixed paper. During 2025, we processed and sold 2.2 million tons, excluding glass and organics, from our recycling centers. An additional 1.8 million tons were collected by us and delivered to third parties. We are investing in innovative recycling technology and have expanded our organics operations to help customers meet their diversion goals. We processed 1.1 million tons and sold 0.4 million tons of organic materials, respectively, through our organics infrastructure in 2025.

Changing market demand for recycled commodities causes volatility in commodity prices. At current volumes and mix of materials, we believe a $10 per ton change in the price of recycled commodities would change both annual revenue and operating income by approximately $13 million.

In certain instances, we issue recycling rebates to our municipal or large-container customers, which can be based on the price we receive upon the final sale of recycled commodities, a fixed contractual rate or other measures. We also receive rebates when we dispose of recycled commodities at third-party processing facilities.

We have met increased consumer demand for recycling services by integrating recycling components across our collection service offerings. Our goal is to provide a complete material stream management solution to our customers in a vertically integrated, environmentally sustainable way.

We continue to invest in proven technologies to control costs and to simplify and streamline recycling for our customers. For example, robotics and advanced sorting equipment, such as disk screens, magnets and optical sorters, identify and separate different kinds of paper, metals, plastics and other materials to increase efficiency and maximize our recycling efforts.

Landfill Services

We own or operate 207 active landfills. Our landfill tipping fees charged to third parties accounted for approximately 12% of our revenue during 2025. As of December 31, 2025, we had 41,158 estimated permitted acres and estimated total available disposal capacity of 5.0 billion in-place cubic yards. The in-place capacity of our landfills is subject to change based on engineering factors, requirements of regulatory authorities, our ability to continue to operate our landfills in compliance with applicable regulations and our ability to successfully renew operating permits and obtain expansion permits at our sites. Some of our landfills accept non-hazardous special waste, including utility ash, asbestos and contaminated soils.

Most of our active landfill sites have the potential for expanded disposal capacity beyond the currently permitted acreage. We monitor the availability of permitted disposal capacity at each of our landfills and evaluate whether to pursue an expansion at a given landfill based on estimated future waste volumes and prices, market needs, remaining capacity and the likelihood of obtaining an expansion. To satisfy future disposal demand, we are seeking to expand permitted capacity at certain landfills; however, all proposed or future expansions may not be permitted.

We also have responsibility for 124 closed landfills, for which we have associated closure and post-closure obligations.

Environmental Solutions

We have the capabilities to address the complex environmental and sustainability needs of our customers. Our environmental solutions offerings include collection, treatment, consolidation, disposal and recycling of hazardous and non-hazardous waste; field and industrial services; equipment rental; emergency response and standby services; and in-plant services. Environmental solutions volume is generated by the daily operations of industrial, petrochemical and refining facilities and oil and natural gas exploration and production sites, including maintenance, plant turnarounds and capital projects. Volume also is generated by private and government funded projects including site remediation, redevelopment or emergency spill response. In 2025, approximately 11% of our revenue was derived from environmental solutions.

Waste Treatment & Disposal

We own or operate 6 active hazardous waste landfills, 9 active energy waste landfills, 2 treatment, recovery and disposal facilities, 24 treatment, storage and disposal facilities, 5 salt water disposal wells, 15 deep injection wells, and 9 industrial wastewater treatment facilities. We recycle, treat and dispose of hazardous and non-hazardous industrial wastes. The waste streams handled include substances which are classified as "hazardous" because of their corrosive, ignitable, reactive or toxic properties and other wastes subject to federal, state and provincial environmental regulation. The waste we handle comes in solid, liquid and sludge form and can be received in a variety of containerized and bulk forms and transported to our facilities by truck and rail.

We also operate thermal desorption units that recover oil and metal bearing catalyst from refinery and other organic and oil-based waste. The recycled oil and recycled catalyst are sold to third parties.

Field Services

Our field services include a wide range of specialty and total waste management services provided to refineries, chemical plants, manufacturing plants, pharmaceutical manufacturers, technology companies, research laboratories and other government, commercial and industrial facilities either on-site or at our network of facilities. These services include industrial cleaning and maintenance, retail services, lab pack, site remediation, equipment cleaning and maintenance services, specialty equipment rental, transportation and emergency response.

As an integral part of our services, we employ highly trained staff and operate a network of service centers that characterize, package and collect hazardous and non-hazardous wastes from customers and transport such wastes to and between our facilities for treatment or bulking for shipment to final disposal locations.

Sustainability Innovation

We are uniquely positioned to offer products and services to address the complex sustainability needs of our customers, including offerings that allow for greater material circularity and support decarbonization. We believe demand for post-consumer content in consumer packaging and low carbon energy alternatives continues to increase. We are able to invest independently or through joint ventures to create solutions for the evolving marketplace.

Circularity

In 2025, we commenced operations at our second Polymer Center in Indianapolis, Indiana and began construction at our third Polymer Center in Allentown, Pennsylvania. Through its Polymer Centers, Republic is the first company to manage the plastics stream through an integrated process from curbside collection of recycled material to production and delivery of high-quality recycled content for consumer packaging. Rigid plastics – polyethylene terephthalate (PET), high-density polyethylene (HDPE) and polypropylene (PP) – collected from residential and commercial customers and sorted at local recycling facilities are delivered to the Polymer Center for secondary processing. Each facility is expected to produce more than 100 million pounds per year of recycled plastic, including 100% post-consumer PET flake delivered to the food-grade marketplace to enable bottle-to-bottle circularity. In addition, HDPE and PP packaging such as detergent jugs or butter tubs, which today are collected in multicolored bundles, can be separated by plastic type and color. We plan to commence operations at our Allentown, Pennsylvania Polymer Center in 2027.

In 2023, we announced the creation of Blue Polymers, LLC, a joint venture with Ravago, that will further advance circularity in the plastics industry. The Blue Polymers facilities will utilize the color-sorted recycled HDPE and PP from our Polymer Centers to create custom recycled resins for consumer packaging and other applications. The process is expected to convert recycled HDPE and PP into fully formulated products for use in both food-grade and non-food-grade sustainable applications. In 2025, operations commenced at the first Blue Polymers facility in Indianapolis, Indiana, and additional Blue Polymers facilities are planned to open over the coming years. Products are expected to include custom-blended and compounded materials for individual customers to help them achieve their sustainability goals and comply with federal, state or local requirements for recycled content.

Decarbonization

Our customers are increasingly looking for decarbonization solutions, and we are leveraging our network of landfills to meet that need. Republic is committed to harnessing landfill gas, a natural byproduct of decomposing waste, and converting it to energy. More than 89% of our landfill acreage is covered by gas collection systems. Collecting and converting landfill gas into renewable energy provides economic and environmental benefits, including reducing fugitive greenhouse gas emissions.

As of December 31, 2025, we were engaged in 77 landfill gas-to-energy projects at our landfills. The majority of these projects were developed and are owned and operated by a third party, where we earn a royalty from our supply of landfill gas to the renewable energy production facilities. We presently have more than 30 landfill gas-to-energy projects in development that are expected to begin operations in the coming years. Many of these projects produce or are expected to produce renewable natural gas, a low carbon, pipeline-quality fuel that's fully interchangeable with fossil fuel-derived natural gas; it can be used as a transportation fuel in commercial fleets, including our own.

We also are producing renewable energy at our landfills through solar projects we host at seven sites, which generate clean electricity for local communities.

Other Services

Other revenue consists primarily of National Accounts revenue generated from nationwide or regional contracts in markets outside our operating areas where the associated material handling services are subcontracted to local operators. Consequently, substantially all of this revenue is offset with related subcontract costs, which are recorded in cost of operations.

Competition

We operate in a competitive industry. Competition in the environmental services industry comes from a few other large, national publicly-owned companies, several regional publicly- and privately-owned companies and thousands of small privately-owned companies. In any given market, competitors may have larger operations and greater resources. In addition, we

compete with municipalities that maintain material collection or disposal operations. These municipalities may have financial advantages due to the availability of tax revenue and greater opportunities for tax-exempt financing.

We compete for collection accounts primarily based on our product offering, quality of service and price. From time-to-time, our competitors reduce the price of their services in an effort to expand market share or to win a competitively bid municipal contract. Our ability to maintain and increase prices in certain markets may be impacted by our competitors' pricing policies. This may have an effect on our future revenue and profitability.

Seasonality and Severe Weather

Our operating revenues tend to be somewhat higher in the summer months, primarily due to higher volumes of construction and demolition waste. The volumes of large-container and residential recycling and waste in certain regions of the country also tend to increase during the summer months. Our second and third quarter revenues and results of operations typically reflect this seasonality.

We provide essential environmental services in the communities we serve and our operations can be adversely affected by periods of inclement or severe weather and natural disasters, which could increase the volume of material collected under our existing contracts (without corresponding compensation), delay the collection and disposal of material, reduce the volume of material delivered to our disposal sites or delay the construction or expansion of our landfill sites and other facilities. These risks may increase with the physical impacts of climate change. The impacts from adverse weather and natural disasters have the potential to last several months and to affect several facilities. We have business continuity plans in place for severe weather, natural disasters and other emergencies—hurricanes, tornadoes, flooding, winter storms, earthquakes and wildfires, among others—to help limit disruptions in our operations and help ensure the continuity of our services. Our operations can also be favorably affected by severe weather and natural disasters, which could increase the volume of material in situations where we are able to charge for our additional services. Refer to our TCFD Report for more information on climate impacts and our risk management strategies, available at republicservices.com/sustainability. The information contained on our website shall not be deemed incorporated by reference in this Annual Report on Form 10-K or in any other filing we make under the Exchange Act.

Regulation

Our facilities and operations are subject to a variety of federal, state, provincial and local requirements that regulate, among other things, the environment, public health, safety, zoning and land use. Operating and other permits, licenses and other approvals generally are required for landfills and transfer stations, recycling centers, certain waste collection vehicles, fuel storage tanks and other equipment and facilities that we own or operate. These permits are subject to denial, revocation, modification and renewal in certain circumstances. Any revocation, modification or denial of permits could have a material adverse effect on us. Federal, state, provincial and local laws and regulations vary, but generally govern wastewater or storm water discharges, air emissions, the handling, transportation, treatment, storage and disposal of hazardous and non-hazardous waste and the remediation of contamination associated with the release or threatened release of hazardous substances. These laws and regulations provide governmental authorities with strict powers of enforcement, which include the ability to revoke or decline to renew any of our operating permits, obtain injunctions, or impose fines or penalties in the event of violations, including criminal penalties. The United States EPA and various other federal, state, provincial and local authorities administer these regulations. Regulations with respect to hazardous waste are particularly relevant for our Group 3 reportable segment that provides treatment, recycling and disposal of hazardous waste.

In order to comply with these regulations, we must incur substantial capital expenditures relating to our vehicles, landfills, transfer stations, recycling centers and other assets, and in connection with our capping, closure, post-closure and environmental remediation activities. Compliance with existing and future legal and regulatory requirements, including changes relating to per- and polyfluoroalkyl substances (commonly referred to as PFAS) and other chemicals of emerging concern, and limitations or bans on disposal of certain types of wastes or on the transportation of waste, could increase our costs to operate or require additional capital expenditures.

A decrease in regulation may lower barriers to entry for our competitors. Further, we compete with counties and municipalities that operate their own collection and disposal facilities, and have the benefits of tax revenue and greater opportunities for tax-exempt financing.

We strive to conduct our operations in compliance with applicable laws, regulations and permits. However, from time to time we have been issued citations or notices from governmental authorities that have resulted in the need to expend funds for remedial work and related activities at various landfills and other facilities or in the need to expend funds for fines, penalties or settlements. Citations and notices may be issued in the future, notwithstanding our strong regulatory compliance efforts. We have established final capping, closure, post-closure and remediation reserves that we believe, based on currently available information, will be adequate to cover our current estimates of regulatory costs; however, actual costs may exceed our reserves.

Federal Regulation

The following summarizes the primary federal, environmental and occupational health and safety-related statutes that affect our facilities and operations:

- *The Solid Waste Disposal Act, including the Resource Conservation and Recovery Act* (RCRA). RCRA establishes a framework for regulating the handling, transportation, treatment, storage and disposal of hazardous and non-hazardous solid waste, and requires states to develop programs to ensure the safe disposal of solid waste in sanitary landfills.

  Subtitle C of RCRA establishes a framework for regulating the disposal of hazardous waste, and Subtitle D of RCRA establishes a framework for regulating the disposal of municipal solid waste. Regulations under Subtitle C set requirements for hazardous waste generators, transporters and treatment, storage and disposal facilities. Regulations under Subtitle D currently include minimum comprehensive solid waste management criteria and guidelines, including location restrictions, facility design and operating criteria, final capping, closure and post-closure requirements, financial assurance standards, groundwater monitoring requirements and corrective action standards. The EPA may authorize states to implement certain hazardous waste requirements of Subtitle C, and if a state program does not exist, the EPA directly implements the hazardous waste requirements. Nearly all of the states in which we operate have implemented permit programs pursuant to RCRA and Subtitles C and D. These state permit programs may include landfill requirements that are more stringent than those of Subtitles C and D. Our failure to comply with any of these environmental requirements at any of our locations may lead to temporary or permanent loss of an operating permit, which would result in costs in connection with securing new permits, reduced revenue from lost operational time and increased third party disposal costs.

  All of our planned landfill expansions and new landfill development projects have been engineered to meet or exceed Subtitles C and D requirements, as applicable. Operating and design criteria for existing operations have been modified to comply with these regulations. Compliance with Subtitles C and D regulations has resulted in increased capital expenditures and operating costs and may in the future require substantial additional expenditures in addition to other costs normally associated with our waste management activities.

- *The Comprehensive Environmental Response, Compensation and Liability Act of 1980* (CERCLA). CERCLA, among other things, provides for the cleanup of sites from which there is a release or threatened release of a hazardous substance into the environment. CERCLA may impose strict joint and several liability for the costs of cleanup and for damages to natural resources upon current owners and operators of a site, parties who were owners or operators of a site at the time the hazardous substances were disposed of, parties who transported the hazardous substances to a site and parties who arranged for the disposal of the hazardous substances at a site. Under the authority of CERCLA and its implementing regulations, detailed requirements apply to the manner and degree of investigation and remediation of facilities and sites where hazardous substances have been or are threatened to be released into the environment. Liability under CERCLA is not dependent on the existence or disposal of only hazardous wastes, but also can be based upon the existence of small quantities of more than 700 substances currently characterized by the EPA as hazardous, many of which are found in common household waste. The EPA may also designate additional substances as hazardous; in 2024, the EPA finalized a rule that designated two PFAS as hazardous substances. Among other things, CERCLA authorizes the federal government to investigate and remediate sites at which hazardous substances have been or are threatened to be released into the environment, or to order persons potentially liable for the cleanup of the hazardous substances to do so themselves. In addition, the EPA has established a National Priorities List of sites at which hazardous substances have been, or are threatened to be, released and which require investigation or cleanup.

  CERCLA liability is strict liability. It can be founded upon the release or threatened release, even as a result of unintentional, non-negligent or lawful action, of hazardous substances, including very small quantities of such substances. Thus, even if we have never knowingly transported or received hazardous substances, it is possible that hazardous substances have been deposited or released at landfills or other facilities that we presently or historically have owned or operated, or at properties owned by third parties to which we have transported waste. Therefore, we could be liable under CERCLA for the cost of cleaning up, or protecting against the release of, such hazardous substances at such sites and for damages to natural resources, even if those substances were deposited at our facilities before we acquired or operated them. The costs of a CERCLA cleanup can be very expensive and can include the costs of disposing of hazardous substances at appropriately-licensed facilities. Given the difficulty of obtaining insurance for environmental impairment liability, any such liability could have a material effect on our business, financial condition, results of operations and cash flows.

- *The Federal Water Pollution Control Act of 1972* (the Clean Water Act). This act regulates the discharge of pollutants from a variety of sources, including solid waste disposal sites, into streams, rivers and other waters of the United States. Runoff from our landfills and transfer stations that is discharged into surface waters through discrete conveyances must be covered by discharge permits that generally require us to conduct sampling and monitoring, and,

under certain circumstances, to reduce the quantity of pollutants in those discharges. Storm water discharge regulations under the Clean Water Act require a permit for certain construction activities and for runoff from industrial operations and facilities, which may affect our operations. If a landfill or transfer station discharges wastewater through a sewage system to a publicly-owned treatment works, the facility must comply with discharge limits imposed by that treatment works. In addition, states may adopt groundwater protection programs under the Clean Water Act or the Safe Drinking Water Act that could affect the manner in which our landfills monitor and control their waste management activities. Furthermore, if development at any of our facilities alters or affects wetlands, we may be required to secure permits before such development starts. In these situations, permitting agencies may require mitigation of wetland impacts.

- *The Clean Air Act.* The Clean Air Act imposes limitations on emissions from various sources, including landfills. In 1996, the EPA promulgated regulations that require large municipal solid waste landfills to install landfill gas monitoring systems along with landfill gas control systems unless emissions are below established thresholds. These regulations apply to landfills that commenced construction, reconstruction or modification on or after May 30, 1991, and, principally, to landfills that can accommodate 2.5 million cubic meters or more of municipal solid waste. The regulations apply whether the landfills are active or closed. The date by which each affected landfill must have a gas collection and control system installed and made operational varies depending on calculated emission rates at the landfill. In July 2016, the EPA issued final amendments to its regulations that require large landfills that commenced construction, reconstruction, or modification on or after July 17, 2014 to capture additional landfill gas to reduce emissions of methane and certain non-methane gases, which are recognized as greenhouse gases. In a separate rule finalized at the same time, the EPA issued updates to its 1996 Emission Guidelines to reduce emissions of landfill gas from existing active landfills. These and other efforts to curtail the emission of greenhouse gases and to ameliorate the effect of climate change may require our landfills to deploy more stringent emission controls and monitoring systems, with resulting capital or operating costs. Many state regulatory agencies also currently require monitoring systems for the collection and control of certain landfill gas. Certain of these state agencies are also implementing greenhouse gas control regulations that would also apply to landfill gas emissions. See Item 1A, *Risk Factors – Regulation of greenhouse gas emissions and other governmental regulations could impose costs on our operations, the magnitude of which is difficult to estimate*, in this Annual Report on Form 10-K.

  In addition, our vehicle fleet may become subject to higher efficiency standards or other carbon-emission restrictions. Over the past decade, the EPA and the National Highway Traffic Safety Administration (NHTSA) have adopted regulations mandating the reduction of vehicle tail pipe emissions as a means of reducing greenhouse gas emissions. The regulations take the form of fuel economy standards. The EPA and the NHTSA have developed fuel economy standards in two vehicle categories: (1) passenger automobiles and light-duty trucks (collectively, light-duty vehicles); and (2) heavy-duty trucks, including solid waste collection vehicles and tractor trailers. The Trump Administration has proposed to repeal certain EPA vehicle emissions standards and decrease certain NHTSA fuel economy standards. We own and operate vehicles in both categories. EPA and NHTSA periodically issue rules covering additional model years, typically increasing the stringency of the relevant vehicle standards, and those rules are frequently challenged in court.

- *The Occupational Safety and Health Act of 1970* (OSHA). This act authorizes the Occupational Safety and Health Administration of the United States Department of Labor to promulgate occupational safety and health standards. A number of these standards, including standards for notices of hazardous chemicals and the handling of asbestos, apply to our facilities and operations.

State and Local Regulation

Each state in which we operate has its own laws and regulations governing solid waste disposal, water and air pollution, and, in most cases, releases and cleanup of hazardous substances and liabilities for such matters. States also have adopted regulations governing the design, operation, maintenance and closure of landfills and transfer stations. Some counties, municipalities and other local governments have adopted similar laws and regulations. In addition, our operations may be affected by the trend in many states toward requiring solid waste reduction and recycling programs. For example, several states have enacted laws that require counties or municipalities to adopt comprehensive plans to reduce, through solid waste planning, composting, recycling or other programs, the volume of solid waste deposited in landfills. Additionally, laws and regulations restricting the disposal of certain waste in solid waste landfills, including yard waste, food waste, newspapers, beverage containers, unshredded tires, lead-acid batteries, electronic wastes and household appliances, have been adopted in several states and are being considered in others. Some jurisdictions have enacted or are considering enacting "extended producer responsibility" regulations, which are designed to obligate producers to fund the post-use life cycle of their products by providing recycling programs for their products. State and municipal governments also have enacted or may enact "organic diversion" regulations that require food waste to be managed separately from the other waste streams, similar to the rules recently enacted in California. Several states have also enacted or are considering "minimum recycled content" regulations mandating certain minimum post-consumer

recycled content in certain types of packaging, including California. Legislative and regulatory measures to mandate or encourage waste reduction and recycling also have been considered, or are under consideration by, the United States Congress and the EPA. These regulations may present new opportunities to offer sustainable environmental services to our customers but may require investment of time, effort and money to be able to offer these new solutions, may expose us to additional regulatory requirements and competition from others offering these services, and could involve loss of volume at our landfills.

To construct, operate and expand a landfill, we must obtain one or more construction or operating permits, as well as zoning and land use approvals. These permits and approvals may be burdensome to obtain and to comply with, are often opposed by neighboring landowners and citizens' groups, may be subject to periodic renewal, and are subject to denial, modification, non-renewal and revocation by the issuing agency. Significant compliance disclosure obligations often accompany these processes. In connection with our acquisition of existing landfills, we may be required to spend considerable time, effort and money to bring the acquired facilities into compliance with applicable requirements and to obtain the permits and approvals necessary to increase their capacity.

Canadian Waste Regulation

Certain of our operations and facilities are subject to, among other regulations, Canadian hazardous and non-hazardous waste regulations. The Canadian federal government regulates issues within federal jurisdiction, including activities that cross provincial boundaries or affect Canada's relations with other nations. The Canadian provinces and territories also have jurisdiction over environmental matters within their respective boundaries, including primary responsibility for regulation and management of hazardous and non-hazardous waste.

The main federal laws governing waste management are the Canadian Environmental Protection Act, 1999 (CEPA) and the Transportation of Dangerous Goods Act, 1992. Environment and Climate Change Canada (ECCC) is the federal agency with responsibility for environmental matters. CEPA charges ECCC and Health Canada with the protection of human health and the environment and seeks to control the production, importation and use of substances in Canada and their impact on the environment. The Cross-border Movement of Hazardous Waste and Hazardous Recyclable Material Regulations under CEPA control the transboundary movement of hazardous waste and hazardous recyclable materials. These regulations require that anyone proposing to export or import hazardous waste or hazardous recyclable materials or transport them through Canada notify ECCC and obtain a permit to do so.

Certain of our facilities are subject to the Québec Environment Quality Act, the Ontario Environmental Protection Act or the Alberta Environmental Protection and Enhancement Act and their respective regulations. These statutes and regulations regulate the generation, collection, characterization, documentation, transport, storage, treatment, recovery and disposal of hazardous and non-hazardous wastes, establish the requirements for waste management facilities and waste transportation systems and govern actual or potential releases of contaminants in the environment, such as air emissions and soil, groundwater and surface water contamination issues. Similarly, the federal Fisheries Act and provincial statutes such as the Ontario Water Resources Act also regulate releases of contaminants to bodies of water.

Hazardous waste transporters are required to hold permits to operate under the provincial statutes and regulations and are also subject to safety documentation and reporting requirements under provincial law and the federal Transportation of Dangerous Goods Act, 1992.

Maritime Regulations

Our Group 3 operations own and use 68 vessels registered under the United States flag. Accordingly, we are subject to various United States federal, state and local statutes and regulations governing the ownership, operation and maintenance of our vessels. Our United States-flag vessels are subject to the direct jurisdiction of the United States Coast Guard, the United States Customs and Border Protection and the United States Maritime Administration as well as other federal and state agencies. We are also subject to international laws and conventions and the laws of foreign jurisdictions when we operate outside of the United States.

A portion of the operations of our standby services business within Group 3 is conducted in the United States coastwise trade. This is a protected market that is subject to United States cabotage laws that impose certain restrictions on the ownership and operation of vessels in the United States coastwise trade. These laws are principally contained in 46 U.S.C. Chapters 121, 505 and 551 and the related regulations, which are commonly referred to collectively as the "Jones Act." The Jones Act restricts transportation of merchandise by water or by land and water, either directly or via a foreign port, between points in the United States and certain of its island territories. Subject to limited exceptions, the Jones Act requires that vessels engaged in United States coastwise trade be owned and operated by United States citizens within the meaning of the Jones Act, be built in and registered under the laws of the United States and manned by predominantly United States citizen crews. We have compliance mechanisms in place designed to assist with monitoring and maintaining compliance with the ownership requirements of the Jones Act. Failure to maintain compliance with these ownership requirements could adversely impact our Group 3 operations.

All of our offshore vessels are subject to either United States or international safety and classification standards and sometimes both. United States-flag vessels, barges and crew boats are required to undergo periodic inspections pursuant to United States Coast Guard regulations.

We are also subject to a number of safety, security and environmental laws and regulations, including the Oil Pollution Act of 1990, CERCLA, the Clean Air Act, and the International Ship and Port Facility Security Code (ISPS Code), an amendment to the International Convention for the Safety of Life at Sea (SOLAS) as implemented in the Maritime Transportation and Security Act of 2002 to align United States regulations with those of SOLAS and the ISPS Code. The ISPS Code provides that owners or operators of certain vessels and facilities must provide security and security plans for their vessels and facilities and obtain appropriate certification of compliance. Under the ISPS Code, we perform worldwide security assessments, risk analyses and develop vessel and required port facility security plans to enhance safe and secure vessel and facility operations. Additionally, we have developed security annexes for those United States-flag vessels that transit or work in waters designated as high risk by the United States Coast Guard pursuant to the latest revision of the U.S. Coast Guard's Maritime Security (MARSEC) Directive 104-6. We believe that additional security and environmental related regulations could be imposed on the maritime industry affecting our Group 3 operations.

Other Regulations

Some of our facilities and operations are subject to the Toxic Substances Control Act of 1976 (TSCA) and the Atomic Energy Act of 1954, as amended (AEA). TSCA regulates the treatment, storage and disposal of polychlorinated biphenyls and asbestos. The AEA assigns the United States Nuclear Regulatory Commission (USNRC) regulatory authority over receipt, possession, use and transfer of certain radioactive materials, including disposal. The USNRC has adopted regulations for licensing commercial low-level radioactive waste regulated under the AEA for disposal and has delegated regulatory authority to certain states, including states where one or more of our facilities are located. The USNRC and United States Department of Transportation regulate the transport of radioactive materials. Shippers must comply with both the general requirements for hazardous materials transportation and specific requirements for transporting radioactive materials.

Many of our facilities own and operate underground storage tanks that are generally used to store petroleum-based products. These tanks can be subject to federal, state and local laws and regulations that mandate their periodic testing, upgrading, closure and removal. In the event of leaks or releases from these tanks, these regulations require that polluted groundwater and soils be remediated. If underground storage tanks we own or operate leak, we could be liable for response costs and, if the leakage migrates onto the property of others, we could be liable for damages to third parties. We are unaware of facts indicating that issues of compliance with regulations related to underground storage tanks will have a material adverse effect on our consolidated financial condition, results of operations or cash flows.

With regard to our solid waste transportation operations, we are subject to the jurisdiction of the Surface Transportation Board and are regulated by the Federal Highway Administration, Office of Motor Carriers and by regulatory agencies in states that regulate such matters. Various state and local government authorities have adopted, or are considering adopting, laws and regulations that would restrict the transportation of solid waste across state, county, or other jurisdictional lines. In 1978, the United States Supreme Court ruled that a law that restricts the importation of out-of-state solid waste is unconstitutional; however, states have attempted to distinguish proposed laws from those involved in and implicated by that ruling. In 1994, the United States Supreme Court ruled that a flow control law, which attempted to restrict solid waste from leaving its place of generation, imposes an impermissible burden upon interstate commerce and is unconstitutional. In 2007, however, the United States Supreme Court upheld the right of a local government to direct the flow of solid waste to a publicly-owned and publicly-operated waste facility. A number of county and other local jurisdictions have enacted ordinances or other regulations restricting the free movement of solid waste across jurisdictional boundaries. Other governments may enact similar regulations in the future. These regulations may cause a decline in volumes of waste delivered to our landfills or transfer stations and may increase our costs of disposal, thereby adversely affecting our operations and our financial results.

We are engaged in 84 landfill gas-to-energy and other renewable energy projects. The production of renewable fuel through certain of these projects is incentivized by the federal Renewable Fuel Standard (RFS) program, which was authorized under the Energy Policy Act of 2005 and expanded through the Energy Independence and Security Act of 2007. Oil refiners and importers are required through the RFS program to blend specified volumes of renewable transportation fuels with gasoline or buy credits, known as renewable identification numbers (RINs), from renewable fuel producers. The amount of RIN credits generated by each gallon of renewable fuel depends on the process and feedstock used to create the specific renewable fuel. There is a market for RINs and, as we and/or our partners produce RFS-compliant renewable fuel, RINs are generated and sold to parties purchasing such RINs to achieve compliance with the RFS program.

Climate and Sustainability Trends

Certain jurisdictions have been updating climate policies toward the goal of reporting and reducing greenhouse gas (GHG) emissions through a broad range of sustainability initiatives. For example, in 2023, California became the first U.S. state to

require annual greenhouse gas emission disclosure, as well as biennial disclosure of information on climate-related financial risks. These laws are currently subject to legal challenge. Similar bills have been introduced in other U.S. states; to-date, none have been passed into law.

We believe reducing our impact on the planet and improving the quality of life of its inhabitants are the right things to do, and have committed to heightened emissions reduction goals. Taking into account the challenges associated with quantifying environmental services emissions precisely, we evaluate and offer strategic opportunities to provide our customers with sustainable solutions to reduce their GHG emissions as new regulatory and business developments related to concerns about climate change arise. As a provider of a highly regulated public service, we recognize the importance of broad stakeholder engagement in these endeavors, and we actively seek opportunities for discussion on more sustainable materials management practices. In addition, we cooperate with and support initiatives at the federal and state level that encourage sustainable practices including the production and use of renewable, low-carbon fuels and electricity and the processing of recyclables and organics.

We have long been a leader in sustainability as it relates to environmental services and strive to maintain this reputation. Our sustainability commitments, as well as our progress toward our current goals, are published in our Sustainability Report and accompanying reports and can be found at republicservices.com/sustainability. The information contained on our website shall not be deemed incorporated by reference in this Annual Report on Form 10-K or in any other filing we make under the Exchange Act.

Liabilities Established for Landfill and Environmental Costs

We have established reserves for landfill and environmental costs, which include landfill site final capping, closure and post-closure costs. We periodically reassess such costs based on various methods and assumptions regarding landfill airspace and the technical requirements of Subtitles C and D of RCRA, and we adjust our amortization rates used to expense final capping, closure and post-closure costs accordingly. Based on current information and regulatory requirements, we believe that our recorded reserves for such landfill and environmental expenditures are adequate; however, environmental laws may change, and our recorded reserves may not be adequate to cover requirements under existing or new environmental laws and regulations, future changes or interpretations of existing laws and regulations, or adverse environmental conditions previously unknown to us. Refer to the *Material Cash Requirements and Intended Uses of Cash* section of our Management's Discussion and Analysis of Financial Condition and Results of Operations contained in Part II, Item 7 of this Annual Report on Form 10-K and to Note 2, *Summary of Significant Accounting Policies*, to our audited consolidated financial statements in Part II, Item 8 of this Annual Report on Form 10-K for further information.

Liability Insurance and Bonding

The nature of our business exposes us to the possible risk of liabilities arising out of our operations, including damages to the environment, property, employees or the general public, or those resulting from cyber incidents. We focus on operating safely and prudently, but occasionally we receive claims, alleging damages, negligence or other wrongdoing in the planning or performance of work, which resulted in harm to the environment, property, employees or the general public. These liabilities can be significant. We also could be subject to fines and civil and criminal penalties in connection with alleged violations of regulatory requirements. We maintain various policies of insurance that, subject to limitations, exclusions, or deductibles, provide coverage for these types of claims. While we believe the amount of insurance is appropriate for our type of business, such insurance may not be adequate, in scope or amount, in the event of a major loss, and we may be exposed to uninsured liabilities that could have a material adverse effect on our consolidated financial condition, results of operations or cash flows. We may choose not to continue to maintain the insurance should market conditions in the insurance industry make such coverage cost prohibitive.

Accruals for deductibles are based on claims filed and actuarial estimates of claims development and claims incurred but not reported. Due to the variable condition of the insurance market, we have experienced, and may experience in the future, increased deductible retention levels and increased premiums or unavailability of insurance. As we assume more risk through higher retention levels, we may experience more variability in our insurance reserves and expense.

In the normal course of business, we also purchase surety bonds, insurance policies, letters of credit, or marketable securities deposits in connection with, among other things, municipal residential collection contracts, financial assurance for closure and post-closure of landfills, environmental remediation, environmental permits and business licenses and permits as a financial guarantee of our performance.

Availability of Reports and Other Information

Our corporate website is republicservices.com. We make available on that website, free of charge, access to our Annual Reports on Form 10-K, Quarterly Reports on Form 10-Q, Current Reports on Form 8-K, Proxy Statements on Schedule 14A and amendments to those materials filed or furnished with the Securities and Exchange Commission (SEC) pursuant to Section

13(a) or 15(d) of the Securities Exchange Act of 1934. We make such materials available as soon as reasonably practicable after we electronically submit them to the SEC. Our corporate website also contains our Certificate of Incorporation, Bylaws, Corporate Governance Guidelines, Code of Ethics and Conduct, Political Contributions Policy, Human Rights Policy and Charters of the Audit Committee, Management Development and Compensation Committee, Nominating and Corporate Governance Committee and Sustainability and Corporate Responsibility Committee of the Board of Directors. In addition, the SEC makes available at its website (sec.gov), free of charge, reports, proxy statements and other information regarding issuers, such as us, that file electronically with the SEC. Information on our website or the SEC website is not part of this Annual Report on Form 10-K. We intend to satisfy the disclosure requirements under Item 5.05 of Form 8-K and applicable New York Stock Exchange (NYSE) rules regarding amendments to or waivers of our Code of Ethics by posting this information on our website at republicservices.com.

ITEM 1A. RISK FACTORS

Disclosure Regarding Forward-Looking Statements

This Annual Report on Form 10-K contains certain forward-looking information about us that is intended to be covered by the safe harbor for "forward-looking statements" provided by the Private Securities Litigation Reform Act of 1995. Forward-looking statements are statements that are not historical facts. Words such as "guidance," "expect," "will," "may," "anticipate," "plan," "estimate," "project," "intend," "should," "can," "likely," "could," "outlook" and similar expressions are intended to identify forward-looking statements. Among other sections of this Form 10-K, the Business, Risk Factors and Management's Discussion and Analysis of Financial Condition and Results of Operations include forward-looking statements. These statements include statements about our plans, strategies and prospects. Forward-looking statements are not guarantees of performance. These statements are based upon the current beliefs and expectations of our management and are subject to risks and uncertainties that could cause actual results to differ materially from those expressed in, or implied or projected by, the forward-looking information and statements. Although we believe that the expectations reflected in the forward-looking statements are reasonable, such expectations may not prove to be correct. Among the factors that could cause actual results to differ materially from the expectations expressed in the forward-looking statements are:

- general economic and market conditions, including inflation and changes in fuel costs, interest rates, tariffs and international trade restrictions, labor, health insurance and other variable costs that generally are not within our control, and our exposure to credit and counterparty risk;
- fluctuations in prices and demand for recycled commodities that we sell to customers;
- whether our estimates and assumptions concerning critical accounting issues are correct or appropriate, including estimates and assumptions concerning selected balance sheet accounts, income tax accounts, final capping, closure, post-closure and remediation costs, available airspace, projected costs and expenses related to our landfills and property and equipment, fair values of acquired assets and liabilities assumed in our acquisitions and labor, fuel rates and economic and inflationary trends;
- competition and demand for services in the environmental services industry;
- our ability to increase prices to our customers, which may not be adequate to offset the impact of increased costs, including labor, third-party disposal and fuel and may cause us to lose volume;
- our ability to manage growth and execute our growth strategy;
- our compliance with, and future changes in, environmental and flow control regulations and our ability to obtain approvals from regulatory agencies in connection with operating and expanding our landfills and other facilities;
- the impact on us of our substantial indebtedness, including on our ability to obtain financing on acceptable terms to finance our operations and growth strategy and to operate within the limitations imposed by financing arrangements;
- our ability to retain our investment grade ratings for our debt;
- our dependence on key personnel;
- our dependence on large, long-term collection, transfer and disposal contracts;
- the capital intensive nature of our business, which may consume cash in excess of cash flow from operations;
- exposure to liabilities or losses, to the extent not adequately covered by insurance, which could result in substantial expenses;
- risks associated with undisclosed liabilities of acquired businesses;

- risks associated with pending and future legal proceedings, including litigation, audits or investigations brought by or before any governmental body;
- severe weather conditions, including those brought about by climate change, which could impair our financial results by causing increased costs, loss of revenue, reduced operational efficiency or disruptions to our operations;
- compliance with existing and future legal and regulatory requirements, including changes relating to per- and polyfluoroalkyl substances (commonly referred to as PFAS) and other chemicals of emerging concern and limitations or bans on disposal of certain types of wastes or on the transportation of waste, which could limit our ability to conduct or grow our business, increase our costs to operate or require additional capital expenditures;
- our ability to achieve reduction in our greenhouse gas emissions and our other sustainability goals;
- safety and operational risks, including the risk of personal injury to our employees or third parties;
- potential increases in our costs if we are required to provide additional funding to any multiemployer pension plan to which we contribute or if a withdrawal event (including our voluntary withdrawal, which we consider from time to time, or the mass withdrawal of all contributing employers from any underfunded multiemployer pension plan) occurs with respect to any such plan;
- the negative impact on our operations of union organizing campaigns, work stoppages or labor shortages;
- the negative effect on our revenues that trends toward requiring recycling, waste reduction at the source and prohibiting the disposal of certain types of wastes could have on volumes of waste going to landfills;
- changes to generally accepted accounting principles or policies;
- the impact of United States and international tax laws and regulations on our business;
- risks related to interruptions and breaches of our information technology systems that could adversely affect, or temporarily disable, all or a portion of our operations or have a negative effect on our infrastructure;
- the negative impact that a significant cyber-security incident could have on our business and our relationships with our employees, customers and vendors; and
- acts of war, riots or terrorism, including the continuing war on terrorism, as well as actions taken or to be taken by the United States or other governments as a result of further acts or threats of terrorism and the impact of these acts on economic, financial and social conditions in the United States.

The risks identified in the bullet points above are not exhaustive. Refer to the Risk Factors below in this Item 1A for further discussion regarding our exposure to risks. Any forward-looking statement in this Annual Report on Form 10-K and the documents incorporated herein by reference or elsewhere, speaks only as of the date on which we make it. Additionally, new risk factors emerge from time to time and it is not possible for us to predict all such risk factors, or to assess the impact such risk factors might have on our business or the extent to which any factor or combination of factors may cause actual results to differ materially from those contained in any forward-looking statements. You should not place undue reliance on any forward-looking statement. Except to the extent required by applicable law or regulation, we undertake no obligation to update or publish revised forward-looking statements to reflect events or circumstances after the date of this Annual Report on Form 10-K and the documents incorporated by reference, as the case may be, or to reflect the occurrence of unanticipated events.

Risks Related to Our Business and Operations

The environmental services industry is highly competitive and includes competitors that may have greater financial and operational resources, flexibility to reduce prices or other competitive advantages that could make it difficult for us to compete effectively.

We principally compete with large national waste management companies, numerous municipalities and numerous regional and local companies. Competition for collection accounts is typically based on the quality of services, ease of doing business and/or price. Competition for disposal business is primarily based on geographic location, quality of operations and price. Certain competitors may have greater financial and operational resources than we do. Further, many counties and municipalities that operate their own collection and disposal facilities have the benefits of tax revenue and greater opportunities for tax-exempt financing. Our ability to obtain solid waste volume for our landfills also may be limited by the fact that some major collection operations also own or operate landfills to which they send their waste. In certain markets in which we do not own or operate a landfill, our collection operations may have difficulty competing effectively. We are also subject to risks associated with contracts awarded by municipalities and other entities through competitive bidding. For example, we may not be the successful bidder, we may need to lower our price in order to win or retain a contract, and our competitors may have lower financial expectations that permit them to reduce their prices in order to win a contract. If we were to lose market share or if we were to

lower prices to address competitive issues, it could negatively impact our consolidated financial condition, results of operations and cash flows.

Increases in the cost of fuel or petrochemicals increase our operating expenses, and we may not be able to recover such cost increases from our customers.

We depend on fuel purchased in the open market to operate our collection and transfer trucks and other equipment used for collection, transfer, disposal and other environmental services. Fuel prices are unpredictable and fluctuate significantly based on events beyond our control, including geopolitical developments, actions by the Organization of the Petroleum Exporting Countries and other oil and gas producers, changes in refinery operations, supply and demand for oil and gas, war, terrorism and unrest in oil-producing countries, adverse weather and regional production patterns. Due to contractual or market factors, we may not be able to offset increased fuel costs resulting from such volatility through fuel recovery fees. Our fuel costs were $466 million in 2025, or 2.8% of revenue, compared to $470 million in 2024, or 2.9% of revenue.

At current consumption levels, a twenty-cent per gallon change in the price of diesel fuel changes our fuel costs by approximately $26 million on an annual basis. Offsetting these changes in fuel expense would be changes in our fuel recovery fee charged to our customers. At current participation rates, we believe a twenty-cent per gallon change in the price of diesel fuel changes our fuel recovery fee by approximately $42 million. A substantial rise or drop in fuel costs could materially affect our revenue and cost of operations.

Over the last decade, regulations have been adopted mandating changes in the composition of fuels for motor vehicles. The renewable fuel standards that the EPA sets annually affect the type of fuel our motor vehicle fleet uses. It is difficult to predict the quantity of renewable fuel volumes that the EPA will mandate for future years. These regulations are one of many factors that may affect the cost of the fuel we use.

Part of our fleet of vehicles is powered by CNG and we also operate CNG fueling stations. We have invested significant upfront capital costs to purchase and support our CNG vehicles and fueling stations in order to reduce our overall fleet operating costs through lower fuel expenses and to create a competitive advantage in communities that focus on protecting the environment. CNG is not yet widely adopted in North America. As the CNG industry develops, new regulations, the availability of alternative fuel technologies, fluctuations in the price or availability of CNG or reductions in tax incentives for the use of CNG vehicles could substantially affect our revenue and costs of operations and reduce the benefits sought by investing in CNG vehicles and fueling stations.

Our operations also require the use of products (such as liners at our landfills) whose costs may vary with the price of petrochemicals. An increase in the price of petrochemicals could increase the cost of those products, which would increase our operating and capital costs. Petrochemical prices, and hence our operating and capital costs, may be further affected by regulatory efforts to reduce greenhouse gases from the industries that produce such petrochemicals. We are also susceptible to increases in fuel recovery fees from our vendors.

Fluctuations in prices and demand for recycled commodities that we sell to customers may adversely affect our consolidated financial condition, results of operations and cash flows.

We purchase or collect and process recyclable materials such as paper, cardboard, plastics, aluminum and other metals for sale to third parties. Our results of operations may be affected by changing prices or market requirements for recyclable materials. The resale and purchase prices of, and market demand for, recyclable materials are volatile due to changes in economic conditions and numerous other factors beyond our control. For instance, several states have passed legislation commonly referred to as Extended Producer Responsibility. These laws are intended to shift the cost of recycling from consumers to producers while also mandating increased supply, which could lead to lower commodity prices. Significant price fluctuations or increased operating costs may affect our consolidated financial condition, results of operations and cash flows.

At current volumes and mix of materials, we believe a $10 per ton change in the price of recycled commodities change both annual revenue and operating income by approximately $13 million. Accordingly, a substantial rise or drop in recycled commodity prices could materially affect our revenue and operating income. Although we have entered into hedging agreements to help offset volatility in recycled commodity prices in the past, we do not have any such hedging agreements currently, and we may not enter into these agreements in the future.

Acute and chronic weather events, including those brought about by climate change, may adversely impact our operations and increase the costs of collection, transfer, disposal and other environmental services we provide.

Our operations could be adversely impacted by extreme weather events, changing weather patterns and rising mean temperature and sea levels, some of which we are already experiencing. For example, we have operations in multiple states that are affected by hurricanes and/or wildfires, and we have seen the impact of storms and associated flooding or other damage in our day-to-day operations and to our infrastructure. Changing weather patterns and rising temperatures are expected to result in more

severe heat waves, fires, storms and other extreme weather events. Any of these factors could increase the volume of material collected or processed under our existing contracts (without corresponding compensation), impede our employees' and equipment's ability to operate, result in asset impairment, disrupt our supply chain, delay the development of landfill capacity, or reduce the volume of material generated by our customers. In addition, while we have business continuity plans in place for severe weather, natural disasters and other emergencies, these events may result in the temporary suspension of our operations, which can significantly affect our operating results in the affected regions during those periods.

The environmental services industry is capital-intensive and our capital expenditures may exceed current expectations, which could require us to obtain additional funding for our operations or impair our ability to grow our business.

Our ability to remain competitive and to grow our business largely depends on our cash flow from operations and access to capital. If our capital efficiency programs cannot offset the effect of inflation and business growth, it may be necessary to increase the amount we spend. Additionally, as we make acquisitions and further expand our operations, the amount we spend on capital, capping, closure, post-closure, environmental remediation and other items will increase. Our cash needs also will increase if the expenditures for capping, closure, post-closure and remediation activities increase above our current estimates, which may occur over a long period due to changes in federal, state, provincial, or local government requirements and other factors beyond our control. Increases in expenditures would negatively impact our cash flows.

We may be unable to obtain or maintain required permits or to expand existing permitted capacity of our facilities, which could decrease our revenue and increase our costs.

We cannot assure you that we will be able to obtain or maintain the permits required for our operations because permits to operate new landfills, transfer stations and other facilities, or to expand the permitted capacity of existing landfills, increase acceptable volume at transfer stations or otherwise increase the capabilities of our facilities, have become more difficult and expensive to obtain and maintain. Permits often take years to obtain as a result of numerous hearings and compliance requirements with regard to zoning, environmental and other regulations. Local communities and citizen groups, adjacent landowners, governmental agencies and others have in the past opposed and may in the future oppose the issuance of a permit or approval we may need, allege violations of the permits under which we currently operate or laws or regulations to which we are subject, or seek to impose liability on us for environmental damage. Such actions could also create risks related to our reputation, which may limit our ability to do business. Responding to these challenges has, at times, increased our costs and extended the time associated with establishing new landfills, transfer stations and other facilities and expanding existing facilities. In addition, failure to receive regulatory and zoning approval may prohibit us from establishing new landfills, transfer stations and other facilities, or expanding existing facilities. Our failure to obtain the required permits to operate our landfills, transfer stations and other facilities could have a material adverse effect on our consolidated financial condition, results of operations and cash flows. In addition, we may have to transport and dispose collected waste at facilities operated by our competitors or haul the waste long distances at a higher cost to one of our other facilities, either of which could significantly increase our waste transportation and disposal costs.

If we do not appropriately estimate landfill capping, closure, post-closure and remediation costs, our consolidated financial condition and results of operations may be adversely affected.

A landfill must be closed and capped, and post-closure maintenance commenced, once the landfill's permitted capacity is reached and additional capacity is not authorized. Further, we undertake remediation activities at some of our solid waste facilities. We have significant financial obligations relating to capping, closure, post-closure and remediation costs at our existing owned or operated landfills, and will have material financial obligations with respect to any future owned or operated landfills. We establish accruals for the estimated costs associated with capping, closure, post-closure and remediation obligations. We could underestimate such costs and our financial obligations for capping, closure, post-closure or remediation costs could exceed the amounts accrued or amounts otherwise receivable pursuant to trust funds established for this purpose. Additionally, if a landfill must be closed earlier than expected or its remaining airspace is reduced for any other reason, the accruals for capping, closure, post-closure and remediation could be required to be accelerated. If our capping, closure, post-closure or remediation costs exceed the amounts accrued, or if such accruals are required to be accelerated, this could have a material adverse effect on our consolidated financial condition, results of operations and cash flows.

Alternatives to landfill disposal, and increasing customer preferences for these alternatives, could reduce our disposal volumes and cause our revenues and operating results to decline.

Most of the states in which we operate landfills require counties and municipalities to formulate comprehensive plans to reduce the volume of solid waste deposited in landfills through waste planning, composting, recycling or other programs. Some state and local governments mandate waste reduction at the source and prohibit the disposal of certain types of wastes, such as yard waste, at landfills. Further, many of our customers voluntarily are diverting waste to alternatives to landfill disposal, such as recycling and composting, while also working to reduce the amount of waste they generate. Many of the largest companies in

the United States are setting zero-waste goals in which they strive to send no waste to landfills and some jurisdictions have enacted or are considering waste reduction regulations such as extended producer responsibility, organic diversion and minimum recycled content regulations. Although such actions help to protect our environment and reduce the impact of waste on climate change, they have reduced, and will in the future reduce, the volume of waste going to landfills and may affect the prices that we can charge for landfill disposal. Accordingly, we may not be able to operate our landfills at their current volumes or charge current prices for landfill disposal services due to possible decreases in demand for such services. If we cannot expand our service offerings and grow lines of business to service waste streams that do not go to landfills and to provide services for customers that wish to reduce waste entirely, this could have a negative effect on our consolidated financial condition, results of operations and cash flows. Further, even if we can develop such service offerings and lines of business, disposal alternatives nonetheless could negatively affect our consolidated financial condition, results of operations and cash flows.

We could incur charges to income, which could be material, if landfill and transfer station site development projects or expansion projects are not completed, or certain other events occur.

In accordance with the accounting principles generally accepted in the United States of America (U.S. GAAP), we capitalize certain expenditures relating to the development and expansion of landfills, transfer stations and other projects. If a facility or operation is permanently shut down or determined to be impaired, or a development, expansion or other project is not completed or is determined to be impaired, we will charge against earnings any unamortized capitalized expenditures relating to such facility or project that we are unable to recover through sale, transfer or otherwise. We also carry a significant amount of goodwill on our consolidated balance sheets, which we must assess for impairment annually, and more frequently in the case of certain triggering events. We may incur charges against earnings in accordance with this policy, or other events may cause impairments. Such charges could have a material adverse effect on our results of operations.

The business and assets we operate expose us to safety, operational and other risks, including the risk of personal injury to our employees or third parties.

The provision of environmental services, including the operation of our facilities, a substantial fleet of trucks and other environmental services-related assets, involves risks. These risks include, among others, the risk of truck accidents, equipment defects, malfunctions and failures, improper use of dangerous equipment, the release of hazardous substances, fire and explosion, any of which could result in environmental liability, personal injury, loss of life, business interruption or property damage or destruction. While we carry insurance to cover many contingencies, and seek to minimize our exposure to these risks through maintenance, training and compliance programs, any substantial losses could have a material adverse effect on our business, results of operations and financial condition.

We are periodically subject to work stoppages and other workforce effects, which increases our operating costs and disrupts our operations.

As of December 31, 2025, approximately 22% of our workforce was covered by collective bargaining agreements. We have experienced interrupted service when our union-represented employees have engaged in strikes and work stoppages in the past, including in 2025, and we would expect the same to occur as a result of any future strikes or work stoppages. When our union-represented employees engage in strikes, work stoppages or other slowdowns, we typically experience disruptions of our operations and increases in our operating costs, which may be significant, and which may have an adverse effect on our consolidated financial condition, results of operations and cash flows. Additional groups of employees may seek union representation in the future which could result in further increased operating costs. If a greater percentage of our workforce becomes union-represented, our consolidated financial condition, results of operations and cash flows could be adversely impacted due to the potential for increased operating costs.

We may not be able to achieve reduction of our greenhouse gas emissions and our other sustainability goals.

Climate change and other sustainability matters are embedded in our core value and vision. As part of our strategic long-term plans to address sustainability, among other sustainability goals, we are committed to reducing our absolute Scope 1 and Scope 2 greenhouse gas emissions 35% by 2030 relative to the 2017 baseline year. The execution of our plans and achievement of our goals are subject to risks and uncertainties, including our ability to develop, obtain, license or scale the innovations, technologies and modeling and measurement tools that may be necessary to achieve our plans and the availability, cost and benefits of materials and infrastructure associated with our sustainability projects, such as our CNG vehicles, fleet electrification, recycling, circularity of key materials, landfill gas-to-energy, solar and other renewable energy projects.

In addition, increasing governmental and societal attention to sustainability matters, including expanding mandatory and voluntary reporting in certain jurisdictions, diligence and disclosure on topics such as climate change, waste production, water usage, talent management and risk oversight, could expand the nature, scope and complexity of matters that we are required to control, assess and report. These and other rapidly changing laws, regulations, policies and related interpretations, as well as

increased enforcement actions by various governmental and regulatory agencies, create challenges for us. If we are unable to continue to meet these challenges and comply with all laws, regulations, policies and related interpretations, and meet the sustainability values, standards and metrics that we set for ourselves, it could negatively impact our reputation and our business results.

Risks Related to our Legal and Regulatory Environment

We are subject to costly environmental and flow-control regulations and requirements that may affect our operating margins, restrict our operations and subject us to additional liability.

Complying with laws and regulations governing the collection, treatment, storage, transfer and disposal of material, air quality and emissions of greenhouse gases, water quality and the remediation of contamination associated with the release of hazardous substances is costly. Laws and regulations often require us to, among other things, enhance or replace our equipment and to modify landfill operations or initiate final closure of a landfill. We may not be able to implement price increases sufficient to offset the costs of complying with these laws and regulations. In addition, environmental regulatory changes, including those relating to PFAS and other chemicals of emerging concern, could accelerate or increase expenditures for capping, closure, post-closure and environmental and remediation activities at our waste facilities and obligate us to spend sums in addition to those accrued for such purposes, which could have a negative effect on our consolidated financial position, results of operations and cash flows. For example, the EPA in 2024 listed two PFAS as hazardous substances under CERCLA, and has indicated it is considering listing additional PFAS as hazardous substances under CERCLA, which could trigger additional obligations or liabilities under CERCLA or other laws and regulations. Further, under certain municipal and other agreements, we are subject to landfill diversion requirements that if not met, subject us to liquidated damages and other costs and expenses, the result of which could adversely affect our business, reputation and operating margins.

Our environmental solutions operations and facilities also are subject to Canadian environmental laws and regulations, including federal and provincial regulations governing the management of hazardous waste, as well as various treaties, laws and regulations governing the ownership, operation and maintenance of maritime vessels used in the business. Our environmental solutions operations are also subject to federal statutes regulating the treatment, storage and disposal of certain radioactive materials.

Our business is and will continue to be affected by state, county, provincial, or local laws or regulations that restrict the transportation of solid waste across state, county, provincial, or other jurisdictional lines or that direct the flow of waste to a specified facility or facilities. Such laws and regulations could negatively affect our operations, resulting in declines in landfill volumes and increased costs of alternate disposal.

Regulation of greenhouse gas emissions and other governmental regulations could impose costs on our operations, the magnitude of which is difficult to estimate.

Efforts to curtail the emission of greenhouse gases and to ameliorate the effects of climate change continue to progress. Our landfill operations emit anthropogenic methane, identified as a greenhouse gas, and our vehicle fleet emits, among other things, carbon dioxide, which also is a greenhouse gas. While passage of comprehensive, federal climate change legislation appears unlikely in the near term, we expect any such legislation, if enacted, to impose costs on our operations, which could be material.

Absent comprehensive federal legislation to control greenhouse gas emissions, the EPA has taken certain actions administratively under its existing Clean Air Act authority. The EPA is compelled to issue rules by the United States Supreme Court's April 2007 *Massachusetts v. EPA* ruling that greenhouse gases are pollutants for purposes of the Clean Air Act and the EPA's December 2009 finding that continued emissions of greenhouse gases endanger human health and welfare. With respect to our light- and heavy-duty vehicle fleet, the EPA has issued regulations limiting greenhouse gas emissions and increasing fuel economy standards. The EPA and the NHTSA periodically issue additional regulations covering additional model years of vehicles, typically increasing the stringency of the relevant vehicle standards, and those rules are frequently challenged in court. For further discussion, see Item 1. *Business – Regulation – Federal Regulation – The Clean Air Act*, in this Annual Report on Form 10-K. These standards and further federal efforts to curtail greenhouse gas emissions and to increase the fuel efficiency of light-duty and heavy-duty vehicles could have a material adverse effect on our consolidated financial condition, results of operations and cash flows.

With regard to greenhouse gas emissions from our landfills, on July 14, 2016, the EPA issued amendments to its regulations that require large landfills that commenced construction, reconstruction or modification on or after July 17, 2014 to capture additional landfill gas to reduce emissions of methane and certain non-methane gases, which are recognized as greenhouse gases. In a separate action finalized that same day, the EPA issued updates to its 1996 Emission Guidelines to reduce emissions of landfill gas from existing active landfills. The EPA has taken further steps to implement these regulations. These regulations, or an amended version of them that eventually goes into effect, may require our landfills to deploy more stringent emission controls and monitoring systems, with resulting capital or operating costs. The application of these or other greenhouse gas

regulations to our landfills could have a material adverse effect on our landfill operations and on our consolidated financial condition, results of operations and cash flows. We cannot predict what other actions or regulations the current administration may undertake that would affect our industry.

At the U.S. state level, California has taken action to require greenhouse gas emission disclosure, as well as information on climate-related financial risks, some of which are subject to legal challenge. Similar bills have been introduced in other U.S. states; to-date, none have passed into law.

In Canada, the federal Greenhouse Gas Pollution Pricing Act imposes a carbon pricing system for industry in provinces and territories that have not implemented carbon pricing systems of their own or, in the opinion of the federal government, have implemented carbon pricing systems that do not align with the federal benchmark requirements. This federal system imposed a carbon levy to the sale of fuel (fuel charge) and sets out an output-based pricing system that applies to industrial emitters that meet certain criteria set out in the statute and its regulations, which creates a price incentive for industrial emitters to reduce greenhouse gas emissions by establishing a regulatory trading system for industry. In April 2025, the Canadian federal government effectively eliminated the fuel charge but the output-based pricing system remains. Additionally, the Canadian federal government finalized new Landfill Methane Regulations in December 2025, which are intended to reduce waste sector methane emissions by 42% below 2019 levels by 2030. Both direct and indirect costs associated with compliance with this and other greenhouse gas legislation could have a material adverse effect on our consolidated financial condition, results of operations and cash flows, including material increases to our capital or operating costs related to matters such as infrastructure upgrades or increased fuel costs.

We may incur losses from liabilities that are not covered by our insurance. Changes in insurance markets also may impact our financial results.

We may incur liabilities or suffer losses arising from our operations or properties that resulted in harm to the environment, property, employees or the general public. We maintain insurance for these liabilities and losses, including high deductibles for our environmental liability insurance coverage. If we were to incur substantial liability or loss in connection with these contingencies, our insurance coverage may be inadequate to cover such liability or loss. This could have a material adverse effect on our consolidated financial condition, results of operations and cash flows.

Also, due to the variable condition of the insurance market, we have experienced, and may experience in the future, increased insurance retention levels and increased premiums or unavailability of insurance. As we assume more risk for insurance through higher retention levels, we may experience more variability in our insurance reserves and expense.

Despite our efforts, we may incur additional liability under environmental laws in excess of amounts presently known and accrued.

We are a potentially responsible party at many sites under CERCLA, which provides for the remediation of contaminated facilities and imposes strict, joint and several liability for the cost of remediation on current owners and operators of a facility at which there has been a release or a threatened release of a hazardous substance. CERCLA liability also extends to parties who were site owners and operators at the time hazardous substances were disposed and to persons who arrange for the disposal of such substances at the facility (e.g., generators of the waste and transporters who selected the disposal site). Hundreds of substances are defined as hazardous under CERCLA and their presence, even in minute amounts, can result in substantial liability.

Notwithstanding our efforts to comply with applicable environmental laws, we may have additional liability under environmental laws in excess of our current reserves because, among other things, hazardous substances may be present in waste collected by us or disposed of in our landfills (or in waste collected, transported or disposed of in the past by businesses we have acquired), environmental laws or regulations may change, or there may be adverse environmental conditions that develop or were otherwise previously unknown to us. Environmental liabilities in excess of our current reserves could have a material adverse effect on our consolidated financial position, results of operations and cash flows.

Currently pending or future litigation or governmental proceedings could result in material adverse consequences, including judgments or settlements.

We are and will continue to be involved in lawsuits, regulatory inquiries and governmental and other legal proceedings. Many of these matters raise complicated factual and legal issues and are subject to uncertainties. The timing of the final resolutions to lawsuits, regulatory inquiries and governmental and other legal proceedings is uncertain. Further, the possible outcomes or resolutions to these matters could include adverse judgments, fines or settlements, any of which could require substantial payments and adversely affect our consolidated financial condition, results of operations and cash flows.

For example, we incur costs to defend against litigation brought by government agencies and private parties who allege we are in violation of our permits and applicable environmental laws and regulations, or who assert claims alleging nuisance, environmental damage, personal injury or property damage. As a result, we have in the past been required and may in the future be required to pay fines or judgments or implement corrective measures, or we may have our permits and licenses modified or revoked. A significant judgment against us or settlement, the loss of a significant permit or license, or the imposition of a significant fine could have a material adverse effect on our consolidated financial condition, results of operations and cash flows. We establish accruals for our estimates of the costs associated with lawsuits, regulatory, governmental and other legal proceedings. We could underestimate such accruals. Such shortfalls could result in significant unanticipated charges to income.

Changes to federal renewable fuel policies could affect our financial performance in that sector as a renewable fuel producer and impact our projected future investments.

We are engaged in 84 landfill gas-to-energy and other renewable energy projects. The production of renewable fuel through certain of these projects is incentivized by the federal Renewable Fuel Standard (RFS) program. Oil refiners and importers are required through the RFS program to blend specified volumes of renewable transportation fuels with gasoline or buy RINs from renewable fuel producers. RIN prices generally respond to administrative actions, decisions and/or regulations from the EPA, including the issuance of an annual renewable volumetric obligation, as well as fluctuations in supply and demand. Changes in the RFS market, the structure of the RFS program or RIN prices and demand may impact the financial performance of the projects developed to capture and treat gas and could impact or alter our projected future investments.

Risks Related to Financial Strategy and Indebtedness

We have substantial indebtedness, which may limit our financial flexibility.

As of December 31, 2025, we had approximately $14 billion in principal value of debt and finance leases outstanding. This amount of indebtedness and our debt service requirements may limit our financial flexibility to access additional capital and make capital expenditures and other investments in our business, to withstand economic downturns and interest rate increases, to plan for or react to changes in our business and our industry and to comply with the financial and other covenants of our debt instruments. Further, our ability to comply with these financial and other covenants may be affected by changes in economic or business conditions or other events that are beyond our control. If we do not comply with these covenants, we may be required to take actions such as reducing or delaying capital expenditures, reducing or eliminating dividends or stock repurchases, selling assets, restructuring or refinancing all or part of our existing debt, or seeking additional equity capital.

We may be unable to maintain our credit ratings or execute our financial strategy.

Our ability to execute our financial strategy depends in part on our ability to maintain investment grade ratings on our debt. Our credit ratings depend on a number of factors, many of which are beyond our control, and we may not be able to maintain our investment grade ratings. If we are unable to do so, our interest expense would increase and our ability to obtain financing on favorable terms may be adversely affected.

Our financial strategy also depends on our ability to generate sufficient cash flow to reinvest in our existing business, fund internal growth, acquire other environmental services businesses, pay dividends, repurchase stock and take other actions to enhance shareholder value. We may not succeed in executing our broad-based pricing initiatives, and we may not generate sufficient cash flow to execute our financial strategy, pay cash dividends at our present rate, or increase them, or be able to continue our share repurchase program.

Weakness in the United States economy may expose us to credit risk for amounts due from governmental entities, large national accounts, industrial customers and others.

Weakness in the United States economy can reduce the amount of taxes collected by various governmental entities. We provide services to a number of these entities, including numerous municipalities. These governmental entities may suffer financial difficulties resulting from a decrease in tax revenue and may ultimately be unable or unwilling to pay amounts owed to us. In addition, weakness in the economy may cause other customers, including our large national accounts, or industrial or other environmental services clients, to suffer financial difficulties and ultimately to be unable or unwilling to pay amounts owed to us. This could negatively impact our consolidated financial condition, results of operations and cash flows.

Our consolidated financial statements are based on estimates and assumptions that may differ from actual results. The liabilities we record based on such estimates and assumptions may not be adequate to cover the costs we ultimately will face.

Our consolidated financial statements have been prepared in accordance with U.S. GAAP and necessarily include amounts based on management's estimates. Actual results may differ from these amounts. Significant items requiring management to make subjective or complex judgments that are inherently uncertain include the recoverability of long-lived assets, the depletion

and amortization of landfill development costs, accruals for final capping, closure and post-closure costs, valuation allowances for accounts receivable and deferred tax assets, liabilities for potential litigation, claims and assessments and liabilities for environmental remediation, multiemployer pension plans, employee benefit plans, deferred taxes, uncertain tax positions, insurance and our estimates of the fair values of assets acquired and liabilities assumed in any acquisition. The liabilities recorded for items such as these may not be adequate to cover the costs we ultimately will face.

Our obligation to fund multiemployer pension plans to which we contribute, or our withdrawal from such plans, may have an adverse effect on us.

We participate in multiemployer pension plans that generally provide retirement benefits to participants of contributing employers. We do not administer these plans and generally are not represented on the boards of trustees of these plans. The Pension Protection Act enacted in 2006 (the PPA) requires under-funded pension plans to improve their funding ratios. Based on the information available to us, we believe that some of the multiemployer plans to which we contribute are either critical or endangered as those terms are defined in the PPA. We cannot presently determine the amount of additional funding, if any, we may be required to make to these plans. However, plan assessments could have a material adverse effect on our results of operations or cash flows for a given period.

Further, under current law, upon the termination of a multiemployer pension plan, or in the event of a withdrawal by us (which we consider from time to time) or a mass withdrawal of contributing employers (each, a Withdrawal Event), we would be required to make payments to the plan for our proportionate share of the plan's unfunded vested liabilities. We cannot assure you that there will not be a Withdrawal Event with respect to any of the multiemployer pension plans to which we contribute or that, in the event of such a Withdrawal Event, the amounts we would be required to contribute would not have a material adverse effect on our consolidated financial condition, results of operations and cash flows.

For additional discussion and detail regarding multiemployer pension plans see Note 12, *Employee Benefit Plans*, of the notes to our audited consolidated financial statements in Part II, Item 8 of this Annual Report on Form 10-K.

Risks Related to Our Growth Strategy

We may be unable to manage our growth effectively.

Our growth strategy places significant demands on our financial, operational and management resources. To continue our growth, we may need to add administrative, managerial and other personnel, and may need to make additional investments in operations and systems. We may not be able to find and train qualified personnel, or do so on a timely basis, or to expand or otherwise modify our operations and systems to the extent, and in the time, required.

We may be unable to execute our acquisition growth strategy.

Our ability to execute our growth strategy depends in part on our ability to identify and acquire desirable acquisition candidates and on our ability to successfully integrate acquired operations into our business. The integration of our operations with those of acquired companies may present significant challenges to our management. In addition, competition for acquisition candidates may prevent us from acquiring certain acquisition candidates. Thus, we cannot assure you that:

- desirable acquisition candidates exist or will be identified;
- we will be able to acquire any of the candidates identified;
- we will effectively integrate and manage companies we acquire; or
- any acquisitions will be profitable or accretive to our earnings.

If any of these factors force us to alter our growth strategy, our growth prospects could be adversely affected.

Businesses we acquire may have undisclosed liabilities.

Our due diligence investigations of acquisition candidates may fail to discover certain undisclosed liabilities. If we acquire a company with undisclosed liabilities such as environmental, remediation or contractual liabilities, as a successor owner we may be responsible for such undisclosed liabilities. We try to minimize our exposure to such liabilities by conducting due diligence, by obtaining indemnification from each seller of the acquired companies, by deferring payment of a portion of the purchase price as security for the indemnification, by obtaining representations and warranties insurance and by acquiring only specified assets. However, we may not be able to obtain indemnification, insurance coverage or other security, and such indemnification, insurance coverage or other security obtained may not be enforceable, collectible or sufficient in amount, scope or duration to fully offset any undisclosed liabilities arising from our acquisitions.

Risks Related to Technology and Intellectual Property

Our strategy includes an increasing dependence on technology, including the use of artificial intelligence (AI), in our operations. If any of our key technology fails, our business could be adversely affected.

Our operations are increasingly dependent on technology, including AI and machine learning tools that we deploy or that are embedded in systems provided by third parties. Our information technology systems are critical to our ability to drive profitable growth through differentiation, continue the implementation of standardized processes and deliver a consistent customer experience. One of our three differentiating capabilities is to enable our customers to do business with us through more channels and with better access to information and, accordingly, we have made substantial investment in our e-commerce platform. Problems with the operation of the information or communication technology systems we use could adversely affect, or temporarily disable, all or a portion of our operations. Inabilities and delays in implementing new systems can also affect our ability to realize projected or expected revenue or cost savings. AI models and tools can produce inaccurate, biased, or inconsistent outputs and may rely on third-party content or training data for which we do not have sufficient rights. Further, any systems failures could impede our ability to timely collect and report financial results in accordance with applicable laws.

Emerging technologies, including those that are used to recycle and process waste as an alternative to disposal of waste in landfills, represent risks, as well as opportunities, to our current business model. The costs associated with developing or investing in emerging technologies, particularly data-intensive and compute-intensive AI applications, could require substantial capital and adversely affect our results of operations and cash flows. Delays in the development or implementation of such emerging technologies and difficulties in marketing new products or services based on emerging technologies could have similar negative impacts. Our financial results may suffer if we are not able to develop or license emerging technologies, or if a competitor obtains exclusive rights to an emerging technology that disrupts the current methods used in the environmental services industry.

A significant cybersecurity incident could negatively impact our business and our relationships with employees, customers and vendors and expose us to increased liability.

We use information technology and operational technology assets, including computer and information networks and artificial intelligence technologies and services in substantially all aspects of our business operations. We also use mobile devices, social networking and other online activities to connect with our employees, customers and vendors. Such uses give rise to cybersecurity risks, including security breach, espionage, system disruption, theft and inadvertent release of information. Our business involves the storage and transmission of numerous classes of sensitive and/or confidential information and intellectual property, including customers' personal information, private information about employees and financial and strategic information about us and our business partners. We also rely on a Payment Card Industry compliant third party to protect our customers' credit card information. In connection with our strategy to grow through acquisitions and to pursue new initiatives that improve our operations and cost structure, we are also expanding and improving our information technologies, resulting in a larger technological presence and corresponding exposure to cybersecurity risk. If we fail to assess and identify cybersecurity threats associated with acquisitions and new initiatives, we may become increasingly vulnerable to such threats. Additionally, while we have implemented measures to prevent security breaches and cyber incidents, like many companies we have periodically experienced cyber incidents, and our preventive measures and incident response efforts may not be entirely effective. Also, the regulatory environment surrounding information security and privacy is increasingly demanding, with the frequent imposition of new and constantly changing requirements. This changing regulatory landscape may cause increasingly complex compliance challenges, which may increase our compliance costs. Any failure to comply with these changing security and privacy laws and regulations could result in significant penalties, fines, legal challenges and reputational harm. The theft, destruction, loss, misappropriation, or release of sensitive and/or confidential information or intellectual property, or interference with our information technology systems or the technology systems of third parties on which we rely, could result in business disruption, negative publicity, brand damage, violation of privacy laws, loss of customers, potential liability and competitive disadvantage.

Other Risks Relevant to Our Business

Price increases may not be adequate to offset the effect of increased costs and may cause us to lose volume and customers.

We seek to secure price increases necessary to offset increased costs, improve our operating margins and earn an appropriate return on our substantial investments in assets such as our landfills. From time to time, our competitors reduce their prices in an effort to expand their market share. Contractual, general economic or market-specific conditions also may limit our ability to raise prices. For example, many of our contracts have price adjustment provisions that are tied to an index such as the consumer price index. Particularly in a weak or volatile United States economy, our costs may increase in excess of the increase, if any, in the consumer price index. This may continue to be the case even when the United States economy recovers because a recovery in the environmental services industry historically has lagged behind a recovery in the general economy. As a result, we may be unable to offset increases in costs, improve our operating margins and obtain adequate investment returns through price increases. Price increases also might cause us to lose volume to lower-cost competitors.

The loss of key personnel or the inability to attract, hire or retain key team members and a high-quality workforce could have a material adverse effect on our consolidated financial condition, results of operations, cash flows and growth prospects.

Our future success depends on the continued contributions of several key employees and officers. The loss of the services of key employees and officers, whether through resignation or other causes, or the inability to attract additional qualified personnel, could have a material adverse effect on our consolidated financial condition, results of operations, cash flows and growth prospects. In some of our markets, we compete with other similar businesses which may drive labor costs or reduce the amount of available qualified personnel.

The introduction of new accounting rules, laws or regulations could adversely impact our reported results of operations.

Complying with new accounting rules, laws or regulations, such as, for example, those related to our asset retirement obligations and environmental liabilities, could adversely impact our results of operations or cause unanticipated fluctuations in our results of operations or financial conditions in future periods.

Weakened or volatile economic conditions have and may continue to harm our industry, business and results of operations.

Our business is directly affected by changes in local, national, global and general economic factors and overall economic activity that are outside of our control, including changes in governmental monetary policies, tariffs and international trade restrictions, consumer confidence, slowing economic growth, inflation, pandemics, supply chain issues and interest rates. In recent years, for example, inflation, the Ukraine-Russia conflict, United States-China relations, the Israel-Gaza conflict, monetary policy changes, and the resulting increases in interest rates have negatively impacted the economy, disrupted supply chains and created significant volatility and disruption of financial markets. In particular, disruption of the labor market and supply chains related to vehicles, especially trucks and the mechanical and electrical components necessary to service them, negatively impacts our ability to provide services. A weak or volatile economy may result in decreases in volumes, which adversely affects our revenues. In addition, we have certain fixed costs (e.g., facility expense associated with long-term leases, depreciation expense and accretion expense), which may be difficult to adjust quickly to match declining volume levels. Consumer uncertainty and the loss of consumer confidence may decrease overall economic activity and thereby limit the amount of services we provide. Additionally, a decline in volumes may result in increased competitive pricing pressure and increased customer turnover, resulting in lower revenue and increased operating costs. Operating in an environment of worsening economic conditions could have a material adverse effect on our consolidated financial condition, results of operations and cash flows. Further, recovery in the environmental services industry historically has lagged behind recovery in the general economy. Accordingly, we cannot assure you that an improvement in general economic conditions will result in an immediate, or any, improvement in our consolidated financial condition, results of operations or cash flows.

ITEM 1B. UNRESOLVED STAFF COMMENTS

None.

ITEM 1C. CYBERSECURITY

Cybersecurity Risk Management and Strategy

Republic's technology and cybersecurity programs are crucial to maintaining secure operations, which enable us to deliver on our promise to customers and maintain stakeholder trust. Our Cybersecurity organization, led by our Chief Information Security Officer (CISO), is responsible for establishing, implementing and executing our cybersecurity program and strategy. Our CISO has over 20 years of information technology, information technology audit, and cybersecurity experience, and is involved in assessing the latest developments in cybersecurity, including potential threats and innovative risk management techniques.

Our cybersecurity program is a critical component of our enterprise risk management process overseen by our Board of Directors, and we have integrated cybersecurity-related risks into our overall enterprise risk management framework. Additionally, cybersecurity-related risks are included in the risk universe that the risk management function evaluates to assess top risks to the enterprise on an annual basis.

Our Cybersecurity organization proactively identifies, manages, and mitigates cyber risk in a variety of ways, including but not limited to:

a. A formal enterprise-wide cybersecurity policy and related standards;

b. Cybersecurity training and employee phishing simulations;

c. Scheduled and ad hoc internal and external penetration tests;

d. Cyber incident response, IT disaster recovery, and business continuity plans;

e. Operational technology assessments, testing, and incident response;

f. Assessing and securing artificial intelligence (AI) enabled services and technologies;

g. Cybersecurity assessments and remediation planning as part of our M&A due diligence process;

h. Identity and access management controls;

i. Third-party risk assessment and management for vendors and third-party service providers; and

j. Cyber incident tabletop exercises for our Board of Directors and management.

A primary element of our cybersecurity program is the implementation of controls that are aligned with industry guidelines and applicable regulations to identify threats, deter attacks, and protect our information security assets. We have procedures in place for selecting and managing our relationships with third-party service providers and other business partners, including to monitor compliance with our agreements and regulatory and legal requirements. We also actively engage with industry participants and intelligence and law enforcement communities as part of our continuing efforts to evaluate and enhance the effectiveness of our information security policies and procedures.

Our cybersecurity program is designed based on the concepts of control maturity and control efficacy. For control maturity, our cybersecurity program is aligned to the National Institute of Standards and Technology Cybersecurity Framework (NIST CSF) and is assessed annually by an independent third party against our yearly control maturity targets in the context of current cyber threat and industry trends. The NIST CSF assessment results are used to validate the progress made against the current year maturity targets, inform the program's strategic priorities and establish maturity targets for the following year. These assessment results are provided to our Audit Committee and our Board of Directors on an annual basis.

For control efficacy, the cybersecurity program leverages a variety of metrics and measurements to demonstrate whether the control objectives are being consistently achieved within the target range. Monthly security operation (SecOps) reviews are utilized to monitor metric trends and root causes to determine potential capability improvements. The monthly SecOps reviews and related actions are aggregated into a subset of key metrics reviewed quarterly by the Audit Committee.

Cybersecurity Governance

Our Audit Committee oversees the management of our cybersecurity risk exposures and the steps management has taken to monitor and control such exposures. At each quarterly meeting, the Audit Committee receives an update from our CISO and other members of management on relevant topics, including cybersecurity program maturity progress, new capabilities implemented, penetration testing results, key cyber risk metrics (e.g., simulated phishing testing and vulnerability management) and notable incidents or events should they occur. On an annual basis, our Board of Directors meets with our CISO and our third-party cybersecurity consultant to review our cybersecurity strategy and the results of our consultant's NIST CSF assessment. In accordance with our cybersecurity incident response plan, our Board is promptly informed of potentially material cybersecurity incidents, including with respect to our third-party service providers.

Although we have experienced cybersecurity incidents from time to time that have not had a material adverse effect on our business, financial condition, or results of operations, there can be no assurance that a cyber-attack, security breach, or other cybersecurity incident will not have a material adverse effect on us in the future. For a discussion regarding risks from cybersecurity threats that have affected or are reasonably likely to affect the company, see our risk factors, including the risk factors titled "Our strategy includes an increasing dependence on technology, including the use of artificial intelligence (AI), in our operations. If any of our key technology fails, our business could be adversely affected." and "A significant cybersecurity incident could negatively impact our business and our relationships with employees, customers and vendors and expose us to increased liability." in Item 1A of this Annual Report on Form 10-K.

ITEM 2. PROPERTIES

Our corporate office is located at 5353 East City North Drive, Phoenix, Arizona 85054, where we lease approximately 250,000 square feet of office space.

Our principal property and equipment consists of land, landfills, buildings, vehicles and equipment. We own or lease real property in the United States and Canada where we conduct operations. As of December 31, 2025, we operated across the United States and Canada through 377 collection operations, 255 transfer stations, 79 recycling centers, 207 active landfills, 2 treatment, recovery and disposal facilities, 24 TSDFs, 5 salt water disposal wells, 15 deep injection wells, 9 industrial wastewater treatment facilities, and 2 polymer centers. In the aggregate, our active solid waste landfills total 118,918 acres, including 41,158 permitted acres. We are engaged in 84 landfill gas-to-energy and other renewable energy projects and had post-closure responsibility for 124 closed landfills. We believe that our property and equipment are adequate for our current needs.

ITEM 3. LEGAL PROCEEDINGS

General Legal Proceedings

We are subject to extensive and evolving laws and regulations and have implemented safeguards to respond to regulatory requirements. In the normal course of our business, we become involved in legal proceedings. Some may result in fines, penalties or judgments against us, or settlements, which may impact earnings and cash flows for a particular period. Although we cannot predict the ultimate outcome of any legal matter with certainty, we do not believe the outcome of any of our pending legal proceedings will have a material adverse effect on our consolidated financial position, results of operations or cash flows.

As used in the immediately following paragraph, the term *legal proceedings* refers to litigation and similar claims against us and our subsidiaries, excluding: (1) ordinary course accidents, general commercial liability and workers' compensation claims, which are covered by insurance programs, subject to customary deductibles, and which, together with self-insured employee health care costs, are discussed in Note 7, *Other Liabilities,* to our audited consolidated financial statements in Part II, Item 8 of this Annual Report on Form 10-K; and (2) environmental remediation liabilities, which totaled $443 million at December 31, 2025 and which are discussed in Note 8, *Landfill and Environmental Costs,* to our audited consolidated financial statements in Part II, Item 8 of this Annual Report on Form 10-K.

We accrue for legal proceedings when losses become probable and reasonably estimable. As of the end of each applicable reporting period, we review each of our legal proceedings and, where it is probable that a liability has been incurred, we accrue for all probable and reasonably estimable losses. Where we can reasonably estimate a range of losses we may incur regarding such a matter, we record an accrual for the amount within the range that constitutes our best estimate. If we can reasonably estimate a range but no amount within the range appears to be a better estimate than any other, we use the amount that is the low end of such range. As of December 31, 2025, we estimate that the probable and reasonably estimable outcomes of any such legal proceedings, as well as the aggregate potential liability using reasonably possible high ends of our ranges, are immaterial to the Company's consolidated financial statements.

Legal Proceedings over Certain Environmental Matters Involving Governmental Authorities with Possible Sanctions of $1,000,000 or More

Item 103 of the SEC's Regulation S-K requires disclosure of certain environmental matters when a governmental authority is a party to the proceedings and the proceedings involve potential monetary sanctions unless we reasonably believe the monetary sanctions will not equal or exceed a threshold which we determine is reasonably designed to result in disclosure of any such proceeding that is material to our business or financial condition. We have determined such disclosure threshold to be $1,000,000. We have no matters to disclose in accordance with that requirement.

ITEM 4. MINE SAFETY DISCLOSURES

None.

PART II

ITEM 5. MARKET FOR REGISTRANT'S COMMON EQUITY, RELATED STOCKHOLDER MATTERS AND ISSUER PURCHASES OF EQUITY SECURITIES

Market Information, Holders and Dividends

The principal market for our common stock is the New York Stock Exchange, and it is traded under the symbol RSG.

There were 440 holders of record of our common stock at February 10, 2026, which does not include beneficial owners for whom Cede & Co. or others act as nominees.

In October 2025, our Board of Directors declared a regular quarterly dividend of $0.625 per share for shareholders of record on January 2, 2026. We expect to continue to pay quarterly cash dividends, and we may consider increasing our dividends if we believe it will enhance shareholder value.

We have the ability under our credit facilities to pay dividends and repurchase our common stock if we are in compliance with the financial covenants in our credit facilities. As of December 31, 2025, we were in compliance with those financial covenants.

Issuer Purchases of Equity Securities

The following table provides information relating to our purchases of shares of our common stock during the three months ended December 31, 2025:

	Total Number of Shares Purchased (a)	Average Price Paid per Share (a) (d)	Total Number of Shares Purchased as Part of Publicly Announced Program (b)	Dollar Value of Shares that May Yet Be Purchased Under the Program (c) (d)
October 1 – 31	678,563	$ 223.65	678,563	$ 1,774,604,691
November 1 – 30	525,000	$ 205.83	525,000	$ 1,666,544,939
December 1 – 31	50,000	$ 208.21	50,000	$ 1,656,134,454
	1,253,563		1,253,563	

(a) In October 2023, our Board of Directors approved a $3 billion share repurchase authorization effective January 1, 2024 and extending through December 31, 2026. Share repurchases under the program may be made through open market purchases or privately negotiated transactions in accordance with applicable federal securities laws. While the Board of Directors has approved the program, the timing of any purchases, the prices and the number of shares of common stock to be purchased will be determined by our management, at its discretion, and will depend upon market conditions and other factors. The share repurchase program may be extended, suspended or discontinued at any time. As of December 31, 2025, there were no repurchased shares pending settlement.

(b) The total number of shares purchased as part of the publicly announced program were all purchased pursuant to the October 2023 authorization.

(c) Shares that may be purchased under the program exclude shares of common stock that may be surrendered to satisfy statutory minimum tax withholding obligations in connection with the vesting of restricted stock units and performance stock units issued to employees.

(d) Excludes a 1% excise tax imposed by the Inflation Reduction Act.

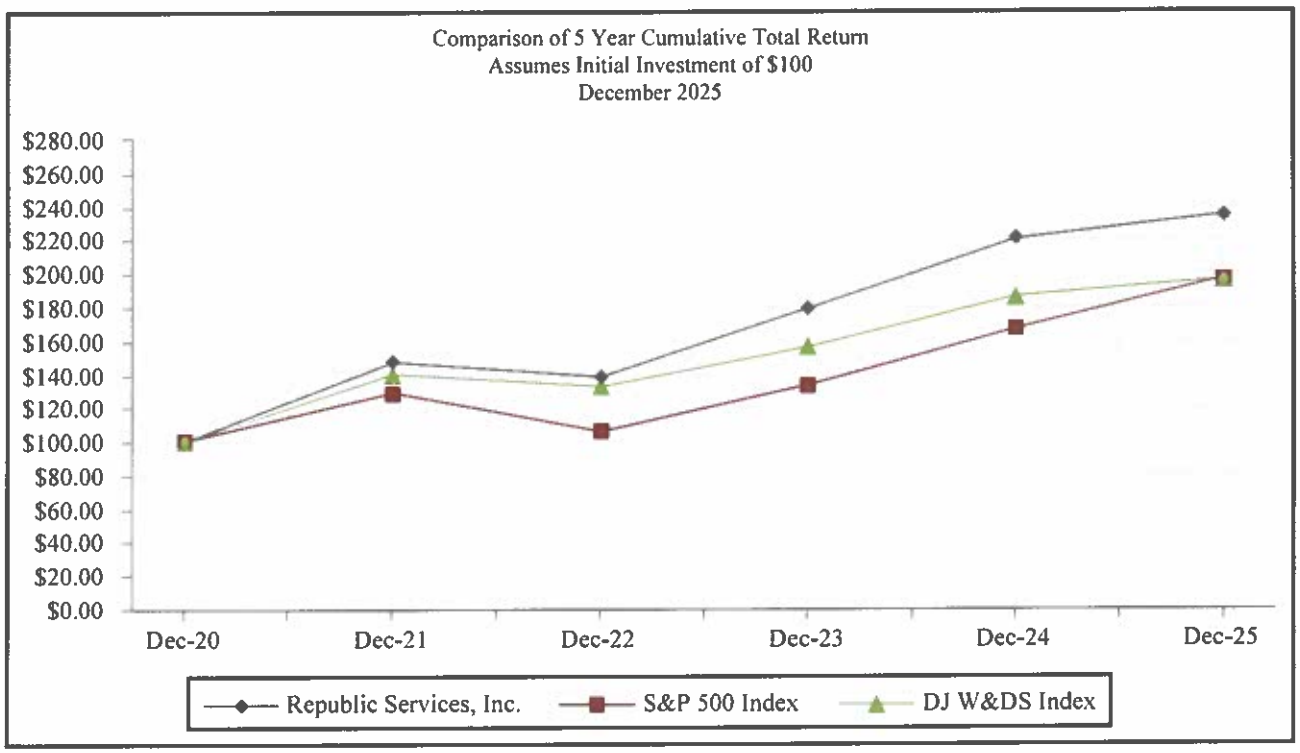
Recent Sales of Unregistered Securities

There were no sales of unregistered securities during the three months ended December 31, 2025.

Performance Graph

The following graph compares the performance of our common stock to the Standard & Poor's 500 Stock Index (S&P 500 Index) and the Dow Jones Waste & Disposal Services Index (DJ W&DS Index). The graph covers the period from December 31, 2020 to December 31, 2025 and assumes that the value of the investment in our common stock and in each index was $100 as of December 31, 2020 and that all dividends were reinvested.

The following performance graph and related information shall not be deemed "soliciting material" or to be "filed" with the SEC, nor shall such information be incorporated by reference into any future filing under the Securities Act of 1933 or the Securities Exchange Act of 1934, each as amended, except to the extent that we specifically incorporate it by reference into such filing.



	Indexed Returns for the Years Ended December 31,					
	2020	2021	2022	2023	2024	2025
Republic Services, Inc.	$ 100	$ 147	$ 138	$ 179	$ 220	$ 234
S&P 500 Index	$ 100	$ 129	$ 105	$ 133	$ 166	$ 196
DJ W&DS Index	$ 100	$ 140	$ 132	$ 156	$ 186	$ 196

Note: Prepared by Zacks Investment Research, Inc. Used with permission. All rights reserved. Copyright 1980-2025.

Index data: Copyright Standard and Poor's, Inc. Used with permission. All rights reserved.

Index data: Copyright Dow Jones, Inc. Used with permission. All rights reserved.

ITEM 6. [RESERVED]

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

You should read the following discussion in conjunction with our audited consolidated financial statements and the notes thereto included in Part II, Item 8 of this Annual Report on Form 10-K. This discussion may contain forward-looking statements that anticipate results that are subject to uncertainty. We discuss in more detail various factors that could cause actual results to differ from expectations in Part I, Item 1A, Risk Factors in this Annual Report on Form 10-K.

For further discussion regarding our results of operations for the year ended December 31, 2024 as compared to the year ended December 31, 2023, refer to Part II, Item 7. *Management's Discussion and Analysis of Financial Condition and Results of Operations*, in our Annual Report on Form 10-K for the fiscal year ended December 31, 2024.

Recent Developments

2026 Financial Guidance

In 2026, we will focus on pricing in excess of cost inflation, driving profitable volume growth, investing in sustainability to improve the environment and drive growth, investing in value-creating acquisitions and advancing technology to improve productivity and increase customer retention. Specific guidance follows:

Revenue

We expect revenue to be in the range of $17.050 billion to $17.150 billion. We expect growth from average yield on total revenue to be in a range of 3.2% to 3.7% and related revenue to be in a range of 4.0% to 4.5%. We expect the impact from volume on total revenue to be approximately (1.0)%.

Adjusted Diluted Earnings per Share

The following is a summary of anticipated adjusted diluted earnings per share for the year ending December 31, 2026 compared to the actual adjusted diluted earnings per share for the year ended December 31, 2025. Adjusted diluted earnings per share is not a measure determined in accordance with U.S. GAAP:

	(Anticipated) Year Ending December 31, 2026	(Actual) Year Ended December 31, 2025
Diluted earnings per share	$7.14 - $7.22	$ 6.85
Restructuring charges	0.06	0.05
Labor disruption	—	0.12
Adjusted diluted earnings per share	$7.20 - $7.28	$ 7.02

We believe that the presentation of adjusted diluted earnings per share provides an understanding of operational activities before the financial effect of certain items. We use this measure, and believe investors will find it helpful, in understanding the ongoing performance of our operations separate from items that have a disproportionate effect on our results for a particular period. We have incurred comparable charges and costs in prior periods, and similar types of adjustments can reasonably be expected to be recorded in future periods. Our definition of adjusted diluted earnings per share may not be comparable to similarly titled measures presented by other companies.

The guidance set forth above constitutes forward-looking information and is not a guarantee of future performance. The guidance is based upon the current beliefs and expectations of our management and is subject to significant risk and uncertainties that could cause actual results to differ materially from those shown above. See Item 1A. *Risk Factors - Disclosure Regarding Forward-Looking Statements*.

Overview

Republic is one of the largest providers of environmental services in the United States, as measured by revenue. As of December 31, 2025, we operated across the United States and Canada through 377 collection operations, 255 transfer stations, 79 recycling centers, 207 active landfills, 2 treatment, recovery and disposal facilities, 24 treatment, storage and disposal facilities (TSDF), 5 salt water disposal wells, 15 deep injection wells, 9 industrial wastewater treatment facilities, and 2 polymer centers. We are engaged in 84 landfill gas-to-energy and other renewable energy projects and had post-closure responsibility for 124 closed landfills.

Revenue for the year ended December 31, 2025 increased by 3.5% to $16.6 billion compared to $16.0 billion in 2024. This change in revenue is due to increased average yield of 4.1% and acquisitions, net of divestitures of 1.3%, partially offset by decreases in environmental solutions revenue of 1.0%, volume of 0.6%, fuel recovery fees of 0.1% as well as the effect of a decrease in workdays of 0.1%.

The following table summarizes our revenue, costs and expenses for the years ended December 31, 2025 and 2024 (in millions of dollars and as a percentage of revenue):

	2025		2024	
Revenue	$ 16,591	100.0 %	$ 16,032	100.0 %
Expenses:				
Cost of operations	9,630	58.0	9,350	58.3
Depreciation, amortization and depletion of property and equipment	1,615	9.7	1,517	9.5
Amortization of other intangible assets	89	0.6	79	0.5
Amortization of other assets	110	0.7	81	0.5
Accretion	114	0.7	107	0.7
Selling, general and administrative	1,710	10.3	1,674	10.4
Restructuring charges	20	0.1	29	0.2
Gain on business divestitures and impairments, net	—	—	(1)	—
Adjustment to withdrawal liability for multiemployer pension funds	1	—	—	—
Operating income	$ 3,302	19.9 %	$ 3,196	19.9 %

Our pre-tax income was $2.6 billion for the year ended December 31, 2025, compared to $2.4 billion in 2024. Our net income attributable to Republic Services, Inc. was $2.1 billion, or $6.85 per diluted share, for 2025, compared to $2.0 billion, or $6.49 per diluted share, for 2024.

During 2025 and 2024, we recorded a number of charges, other expenses and benefits that impacted our pre-tax income, tax impact, net income attributable to Republic Services, Inc. (net income – Republic) and diluted earnings per share as noted in the following table (in millions, except per share data). Additionally, see our *Results of Operations* section of this *Management's Discussion and Analysis of Financial Condition and Results of Operations* for a discussion of other items that impacted our earnings during the years ended December 31, 2025 and 2024. For comparative purposes, prior year amounts have been reclassified to conform to current year presentation.

	Year Ended December 31, 2025				Year Ended December 31, 2024			
	Pre-tax Income	Tax Impact[1]	Net Income - Republic	Diluted Earnings per Share	Pre-tax Income	Tax Impact[1]	Net Income - Republic	Diluted Earnings per Share
As reported	$ 2,594	$ 455	$ 2,139	$ 6.85	$ 2,432	$ 389	$ 2,043	$ 6.49
Restructuring charges	20	6	14	0.05	29	8	21	0.07
Gain on extinguishment of debt and other related costs, net	—	—	—	—	(6)	(2)	(4)	(0.01)
Labor disruption	56	18	38	0.12	—	—	—	—
Gain on certain divestitures and impairments, net	—	—	—	—	(30)	(8)	(22)	(0.07)
Settlements and withdrawals on pension plans[2]	1	—	1	—	(8)	(2)	(6)	(0.02)
Total adjustments	77	24	53	0.17	(15)	(4)	(11)	(0.03)
As adjusted	$ 2,671	$ 479	$ 2,192	$ 7.02	$ 2,417	$ 385	$ 2,032	$ 6.46

(1) The income tax effect related to our adjustments includes both current and deferred income tax impact and is individually calculated based on the statutory rates applicable to each adjustment.

(2) The aggregate impact to adjusted diluted earnings per share totals to less than $0.01 for the year ended December 31, 2025.

We believe that presenting adjusted pre-tax income, adjusted tax impact, adjusted net income – Republic, and adjusted diluted earnings per share, which are not measures determined in accordance with U.S. GAAP, provide an understanding of operational activities before the financial impact of certain items. We use these measures, and believe investors will find them helpful, in understanding the ongoing performance of our operations separate from items that have a disproportionate impact on our results for a particular period. We have incurred comparable charges and costs in prior periods, and similar types of adjustments can reasonably be expected to be recorded in future periods. Our definitions of adjusted pre-tax income, adjusted tax impact, adjusted net income – Republic, and adjusted diluted earnings per share may not be comparable to similarly titled measures presented by other companies. Further information on each of these adjustments is included below.

Restructuring charges. In 2025 and 2024, we incurred restructuring charges of $20 million and $29 million, respectively. The 2025 charges primarily related to the design and implementation of a new accounts receivable system. The 2024 charges primarily related to the redesign of our asset management, and customer and order management software systems. We paid $12 million and $25 million during 2025 and 2024, respectively, related to these restructuring efforts.

In 2026, we expect to incur restructuring charges of approximately $25 million, primarily related to the continuation of the design and implementation of our new accounts receivable system as well as the conversion of the general ledger, budgeting and procurement enterprise resource planning (ERP) systems for our environmental solutions segment.

Gain on extinguishment of debt and other related costs, net. During 2024 we recognized a loss of $2 million due to the amendment and restatement of the Credit Facility, and a net gain of $8 million attributable to the early settlement of certain cash flow hedges related to the Term Loan Facility. The gain was recognized as a reduction of interest expense.

Labor disruption. During 2025, we experienced labor disruptions in certain isolated markets. The impact of these labor disruptions was $56 million, including $16 million of customer credits and $40 million of cost of operations.

Gain on certain divestitures and impairments, net. During 2024, we recorded a net gain on certain divestitures and impairments of $30 million, of which $29 million was due to a gain on the sale of a transfer station facility and $1 million related to a gain on other business divestitures and impairments.

Settlements and withdrawals on pension plans. During 2025, we recorded a charge to earnings of $1 million for a withdrawal event at a multiemployer pension fund to which we contribute. During 2024, we recognized a settlement of our defined benefit pension plan. The settlement included a combination of lump-sum payments to participants who elected to receive them and the transfer of benefit obligations to a third-party insurance company under a group annuity contract. As a result of the settlements, we recognized a non-cash gain of $8 million related to the accelerated recognition of the proportional share of unamortized net actuarial gains in accumulated other comprehensive loss. As we obtain updated information regarding multiemployer pension funds, the factors used in deriving our estimated withdrawal liabilities will be subject to change, which may adversely impact our reserves for withdrawal costs.

Results of Operations

Revenue

We generate revenue by providing environmental services to our customers, including the collection and processing of recyclable materials, the collection, treatment, consolidation, transfer and disposal of hazardous and non-hazardous waste and other environmental solutions. Our residential, small-container and large-container collection operations in some markets are based on long-term contracts with municipalities. Certain of our municipal contracts have annual price escalation clauses that are tied to changes in an underlying base index such as a consumer price index. We generally provide small-container and large-container collection services to customers under contracts with initial terms up to three years. Our transfer stations and landfills generate revenue from disposal or tipping fees charged to third parties. Our recycling centers generate revenue from tipping fees charged to third parties and the sale of recycled commodities. Our revenue from environmental solutions primarily consists of (1) fees we charge for the collection, treatment, transfer and disposal of hazardous and non-hazardous waste, (2) field and industrial services, (3) equipment rental, (4) emergency response and standby services, (5) in-plant services, such as transportation and logistics, including at our TSDFs and (6) in-plant services such as high-pressure cleaning, tank cleaning, decontamination, remediation, transportation, spill cleanup and emergency response at refineries, chemical, steel and automotive plants and other governmental, commercial and industrial facilities. Other non-core revenue consists primarily of revenue from National Accounts, which represents the portion of revenue generated from nationwide or regional contracts in markets outside our operating areas where the associated material handling is subcontracted to local operators. Consequently, substantially all of this revenue is offset with related subcontract costs, which are recorded in cost of operations.

The following table reflects our revenue by service line for the years ended December 31, 2025 and 2024 (in millions of dollars and as a percentage of revenue):

	2025		2024	
Collection:				
Residential	$ 3,010	18.1 %	$ 2,939	18.3 %
Small-container	5,055	30.5	4,820	30.1
Large-container	3,098	18.7	3,024	18.9
Other	70	0.4	72	0.4
Total collection	11,233	67.7	10,855	67.7
Transfer	1,833		1,780	
Less: intercompany	(985)		(975)	
Transfer, net	848	5.1	805	5.0
Landfill	3,202		2,981	
Less: intercompany	(1,282)		(1,240)	
Landfill, net	1,920	11.6	1,741	10.9
Environmental solutions	1,828		1,907	
Less: intercompany	(62)		(64)	
Environmental solutions, net	1,766	10.6	1,843	11.5
Other:				
Recycling processing and commodity sales	433	2.6	409	2.5
Other non-core	391	2.4	379	2.4
Total other	824	5.0	788	4.9
Total revenue	$ 16,591	100.0 %	$ 16,032	100.0 %

The following table reflects changes in components of our revenue, as a percentage of total revenue, for the years ended December 31, 2025 and 2024:

	2025	2024
Average yield	4.1 %	5.1 %
Fuel recovery fees	(0.1)	(0.4)
Total price	4.0	4.7
Volume	(0.6)	(1.1)
Change in workdays	(0.1)	0.3
Recycling processing and commodity sales	—	0.5
Environmental solutions	(1.0)	0.1
Other[1]	(0.1)	—
Total internal growth	2.2	4.5
Acquisitions / divestitures, net	1.3	2.6
Total	3.5 %	7.1 %
Core price	5.9 %	6.5 %

(1) Other represents customer credits recognized in connection with recent labor disruptions.

Average yield is defined as revenue growth from the change in average price per unit of service, expressed as a percentage. Core price is defined as price increases to our customers and fees, excluding fuel recovery, net of price decreases to retain customers. We also measure changes in average yield, core price and volume as a percentage of related-business revenue, defined as total revenue excluding recycled commodities, fuel recovery fees and environmental solutions revenue to determine the effectiveness of our pricing strategies.

The following table reflects average yield, core price and volume as a percentage of related-business revenue for the years ended December 31, 2025 and 2024:

	Years Ended December 31,	
	2025	2024
	As a % of Related Business	
Average yield	4.9 %	6.2 %
Core price	7.1 %	7.8 %
Volume	(0.7)%	(1.3)%

During 2025, we experienced the following changes in our revenue as compared to 2024:

- Average yield increased revenue by 4.1% due to positive pricing changes in all lines of business.
- The fuel recovery fee program, which mitigates our exposure to increases in fuel prices, decreased revenue by 0.1%, primarily due to a decrease in fuel prices compared to 2024.
- Volume decreased revenue by 0.6% during 2025 as compared to 2024 due to a decrease in volume in our collection lines of business as well as a decrease in solid waste volumes in our landfill line of business. The decline in revenue in our large-container collection line of business was primarily driven by slowing in construction-related activity as well as adverse weather in January and February of 2025. The decline in our residential and small-container collection lines of business is primarily attributable to certain municipal contract losses and broker-related business.

  The decrease in overall volume as compared to 2024 was partially offset by an increase in construction and demolition and special waste volumes at our landfills. The increase was primarily related to Hurricane Helene recovery efforts and the Los Angeles area wildfire remediation. These events increased revenue during 2025 by approximately $100 million.
- Revenue decreased by 0.1% due to the impact of the number of workdays during 2025 as compared to 2024.
- There was no net change to revenue as a result of recycling processing and commodity sales during 2025. In 2025, volume increased at the Las Vegas Polymer Center. Volume also increased due to the opening of the Indianapolis Polymer Center and reopening of a recycling center on the west coast. This increase was offset by a decrease in overall commodity prices compared to the same period in 2024. The average price for recycled commodities, excluding glass and organics, for 2025 was $135 per ton compared to $164 per ton for 2024.

  Changing market demand for recycled commodities causes volatility in commodity prices. At current volumes and mix of materials, we believe a $10 per ton change in the price of recycled commodities will change both annual revenue and operating income by approximately $13 million.
- During 2025, environmental solutions revenue decreased by 1.0% primarily due to a decline in manufacturing and emergency response activity as well as a decrease in event-based volumes into our landfills. In 2024, environmental solutions revenue included approximately $50 million from a non-recurring emergency response project.
- Acquisitions, net of divestitures, increased revenue by 1.3%, reflecting the results of our continued growth strategy of acquiring environmental services companies that complement and expand our existing business platform.

Cost of Operations

Cost of operations includes labor and related benefits, which consists of salaries and wages, health and welfare benefits, incentive compensation and payroll taxes. It also includes transfer and disposal costs representing tipping fees paid to third party disposal facilities and transfer stations; maintenance and repairs relating to our vehicles, equipment and containers, including related labor and benefit costs; transportation and subcontractor costs, which include costs for independent haulers that transport our waste to disposal facilities and costs for local operators that provide waste handling services associated with our National Accounts in markets outside our standard operating areas; fuel, which includes the direct cost of fuel used by our vehicles, net of fuel tax credits; disposal fees and taxes, consisting of landfill taxes, host community fees and royalties; landfill operating costs, which includes financial assurance, leachate disposal, remediation charges and other landfill maintenance costs; risk management costs, which include insurance premiums and claims; and other, which includes expenses such as facility operating costs, equipment rent and gains or losses on the sale of assets used in our operations.

The following table summarizes the major components of our cost of operations for the years ended December 31, 2025 and 2024 (in millions of dollars and as a percentage of revenue):

	2025		2024	
Labor and related benefits	$ 3,306	19.9 %	$ 3,213	20.0 %
Transfer and disposal costs	1,074	6.5	1,101	6.9
Maintenance and repairs	1,495	9.0	1,468	9.2
Transportation and subcontract costs	1,194	7.2	1,212	7.6
Fuel	466	2.8	470	2.9
Disposal fees and taxes	364	2.2	351	2.2
Landfill operating costs	389	2.3	367	2.3
Risk management	431	2.6	401	2.4
Other	871	5.3	796	5.0
Subtotal	9,590	57.8	9,379	58.5
Gain on certain divestitures and impairments, net	—	—	(29)	(0.2)
Labor disruption	40	0.2	—	—
Total cost of operations	$ 9,630	58.0 %	$ 9,350	58.3 %

These cost categories may change from time to time and may not be comparable to similarly titled categories presented by other companies. As such, you should take care when comparing our cost of operations by component to that of other companies and of ours for prior periods.

Our cost of operations increased in aggregate dollars for the year ended December 31, 2025 compared to 2024 as a result of the following:

- Labor and related benefits increased in aggregate dollars primarily due to higher hourly and salaried wages as a result of annual merit increases as well as acquisition related growth.
- Transfer and disposal costs decreased primarily due to a decrease in collection volumes.

  During both 2024 and 2025, approximately 67% of the total solid waste volume we collected was disposed at landfill sites that we own or operate (internalization).
- Maintenance and repairs expense increased in aggregate dollars due to higher hourly wages as a result of annual merit increases, parts inflation, an increase in third-party maintenance and acquisition related growth.
- Transportation and subcontract costs decreased primarily due to a decrease in volume in our environmental solutions business.
- Our fuel costs decreased due to a decrease in the average diesel fuel cost per gallon. The national average diesel fuel cost per gallon for 2025 was $3.66 compared to $3.76 for 2024.

  At current consumption levels, we believe a twenty-cent per gallon change in the price of diesel fuel would change our fuel costs by approximately $26 million per year. Offsetting these changes in fuel expense would be changes in our fuel recovery fee charged to our customers. At current participation rates, we believe a twenty-cent per gallon change in the price of diesel fuel would change our fuel recovery fee by approximately $42 million per year.
- Landfill operating costs increased in aggregate dollars primarily due to an increase in monitoring and maintenance costs on our gas and leachate extraction systems. These increases were partially offset by a decrease in unfavorable remediation adjustments as compared to 2024.
- Risk management expenses increased primarily due to higher premium costs.
- Other costs of operations increased during 2025 due to increased occupancy and facility related expenses, acquisition-related activity and a favorable non-recurring insurance recovery recognized in 2024.
- During 2025, we experienced labor disruptions in certain isolated markets. We incurred $40 million of cost of operations primarily as a result of an increase in labor and other cost of operations.

Depreciation, Amortization and Depletion of Property and Equipment

The following table summarizes depreciation, amortization and depletion of property and equipment for the years ended December 31, 2025 and 2024 (in millions of dollars and as a percentage of revenue):

	2025		2024	
Depreciation and amortization of property and equipment	$ 1,068	6.4 %	$ 1,003	6.3 %
Landfill depletion and amortization	547	3.3	514	3.2
Depreciation, amortization and depletion expense	$ 1,615	9.7 %	$ 1,517	9.5 %

Depreciation and amortization of property and equipment increased largely due to an increased investment in trucks and the supporting infrastructure as well as assets added through acquisitions.

Landfill depletion and amortization expense increased in aggregate dollars due to increased construction and demolition volumes related to Hurricane Helene recovery efforts and increased special waste volumes attributable to the Los Angeles area wildfire remediation. Landfill depletion and amortization also increased due to an increase in our overall average depletion rate.

Amortization of Other Intangible Assets

Amortization of other intangible assets primarily relates to customer relationships. Expenses for amortization of other intangible assets were $89 million, or 0.6% of revenue, for the year ended December 31, 2025, compared to $79 million, or 0.5% of revenue, for 2024. Amortization expense increased in aggregate dollars due to additional assets acquired through our acquisition activity.

Amortization of Other Assets

Our other assets primarily relate to the prepayment of fees and capitalized implementation costs associated with cloud-based hosting arrangements. Expenses for amortization of other assets were $110 million, or 0.7% of revenue, for the year ended December 31, 2025, compared to $81 million, or 0.5% of revenue, for 2024.

Accretion Expense

Accretion expense was $114 million, or 0.7% of revenue, and $107 million, or 0.7% of revenue, for the years ended December 31, 2025 and 2024, respectively.

Selling, General and Administrative Expenses

Selling, general and administrative expenses include salaries, health and welfare benefits and incentive compensation for corporate and field general management, field support functions, sales force, accounting and finance, legal, management information systems and clerical and administrative departments. Other expenses include rent and office costs, fees for professional services provided by third parties, legal settlements, marketing, investor and community relations services, directors' and officers' insurance, general employee relocation, travel, entertainment and bank charges. Restructuring charges are excluded from selling, general and administrative expenses and are discussed separately.

The following table summarizes our selling, general and administrative expenses for the years ended December 31, 2025 and 2024 (in millions of dollars and as a percentage of revenue):

	2025		2024	
Salaries and related benefits	$ 1,127	6.8 %	$ 1,129	7.0 %
Provision for doubtful accounts	40	0.2	27	0.2
Other	543	3.3	518	3.2
Total selling, general and administrative expenses	$ 1,710	10.3 %	$ 1,674	10.4 %

These cost categories may change from time to time and may not be comparable to similarly titled categories used by other companies. As such, you should take care when comparing our selling, general and administrative expenses by cost component to those of other companies and of ours for prior periods.

The most significant items affecting our selling, general and administrative expenses during 2025 as compared to 2024 are summarized below:

- Salaries and related benefits decreased primarily due to a decrease in management incentive compensation. This decrease was partially offset by higher wages and benefits resulting from annual merit increases.

- Other selling, general and administrative expenses increased for the year ended December 31, 2025, largely due to a legal settlement recognized during the period.

Gain on Business Divestitures and Impairments, Net

We strive to have a leading market position in each of the markets we serve, or have a clear path on how we will achieve a leading market position over time. Where we cannot establish a leading market position, or where operations are not generating acceptable returns, we may decide to divest certain assets and reallocate resources to other markets. Business divestitures could result in gains, losses or impairment charges that may be material to our results of operations in a given period.

During the year ended December 31, 2025, we did not record a gain on business divestitures and impairments. During the year ended December 31, 2024, we recorded a gain on business divestitures and impairments of $1 million.

Restructuring Charges

For a discussion of restructuring charges incurred during the years ended December 31, 2025 and 2024, see *Overview* of this *Management's Discussion and Analysis of Financial Condition and Results of Operations*.

Interest Expense

The following table provides the components of interest expense, including accretion of debt discounts and accretion of discounts primarily associated with environmental and risk insurance liabilities assumed in acquisitions for the years ended December 31, 2025 and 2024 (in millions of dollars):

	2025	2024
Interest expense on debt	$ 510	$ 479
Non-cash interest	75	71
Less: capitalized interest	(11)	(11)
Total interest expense	$ 574	$ 539

Total interest expense for 2025 increased primarily due to a higher overall debt balance as well as higher interest rates on our debt compared to 2024.

Cash paid for interest, excluding net swap settlements for interest rate swaps, was $500 million and $487 million for the years ended December 31, 2025 and 2024, respectively.

As of December 31, 2025, we had $2.6 billion of floating rate debt. If interest rates increased or decreased by 100 basis points on our floating rate debt, annualized interest expense and net cash payments for interest would increase or decrease by approximately $26 million.

Loss on Extinguishment of Debt

During the year ended December 31, 2025, we did not recognize a loss on extinguishment of debt. During the year ended December 31, 2024, we recognized a loss of $2 million due to the amendment and restatement of the Credit Facility.

Adjustment to Withdrawal Liability for Multiemployer Pension Funds

During 2025, we recorded a $1 million charge related to the withdrawal from a certain multiemployer pension plan. As we obtain updated information regarding multiemployer pension funds, the factors used in deriving our estimated withdrawal liabilities will be subject to change, which may adversely impact our reserves for withdrawal costs.

Income Taxes

Our provision for income taxes was $455 million and $388 million for 2025 and 2024, respectively. Our effective tax rate, exclusive of non-controlling interests, for the years ended December 31, 2025 and 2024 was 17.5% and 16.0%, respectively.

During 2024 and 2025, we acquired non-controlling interests in limited liability companies established to own renewable energy assets that qualified for investment tax credits under Section 48 of the Internal Revenue Code. We account for these investments under the equity method of accounting utilizing the Hypothetical Liquidation at Book Value ("HLBV") method and recognize our share of income or loss and other reductions in the value of our investment in loss from unconsolidated equity method investments within our consolidated statements of income. For further discussion regarding our equity method accounting, see Note 3, *Business Acquisitions, Investments and Restructuring Charges*, of the notes to our audited consolidated financial statements in Part II, Item 8 of this Annual Report on Form 10-K.

On July 4, 2025, the One Big Beautiful Bill Act (the "Act") was signed into law. The Act, among other things, implemented changes to the tax treatment relating to bonus depreciation, research and experimental expenditures and interest expense, and

included phase-outs and restrictions on several clean energy tax incentives. We made income tax payments (net of refunds) of $206 million and $313 million for 2025 and 2024, respectively. Income taxes paid in 2025 reflect benefits from the Act as well as tax credits from our continuing investments in qualified renewable energy projects. The Act did not have a material impact on our effective tax rate. The Company is continuing to evaluate the potential impact of the Act on future years' tax positions.

We have deferred tax assets related to state net operating loss carryforwards with an estimated tax effect of $51 million available as of December 31, 2025. These state net operating loss carryforwards expire at various times between 2026 and 2045. We believe that it is more likely than not that the benefit from some of our state net operating loss carryforwards will not be realized due to limitations on these loss carryforwards in certain states. In recognition of this risk, as of December 31, 2025, we have provided a valuation allowance of $40 million.

For additional discussion and detail regarding our income taxes, see Note 11, *Income Taxes*, of the notes to our audited consolidated financial statements in Part II, Item 8 of this Annual Report on Form 10-K.

Reportable Segments

Our senior management evaluates, oversees and manages the financial performance of our operations through three field groups, referred to as Group 1, Group 2 and Group 3. Group 1 is our recycling and waste business operating primarily in geographic areas located in the western United States. Group 2 is our recycling and waste business operating primarily in geographic areas located in the southeastern and mid-western United States, the eastern seaboard of the United States, and Canada. Group 3 is our environmental solutions business operating in geographic areas located across the United States and Canada. These groups are presented below as our reportable segments, which each provide integrated environmental services, including but not limited to collection, transfer, recycling and disposal.

Corporate functions include marketing, operations support, business development, legal, tax, treasury, information technology, risk management, human resources and other administrative functions. National Accounts revenue included in Corporate entities and other represents the portion of revenue generated from nationwide and regional contracts in markets outside our operating areas where the associated material handling is subcontracted to local operators. Revenue and overhead costs of Corporate entities and other are either specifically assigned or allocated on a rational and consistent basis among our reportable segments to calculate adjusted EBITDA.

Our chief operating decision maker (CODM) is Jon Vander Ark, President and Chief Executive Officer of Republic Services, Inc. Adjusted EBITDA is the single financial measure our CODM uses to evaluate segment profitability and returns, which informs resource allocation. For all segments, the CODM uses adjusted EBITDA to evaluate income generated from segment assets (return on invested capital). The CODM considers budget-to-actual variances and year-over-year growth on a monthly basis to assess the performance of each segment. Cost of operations and selling, general and administrative expenses are significant segment expenses used in the evaluation.

Summarized financial information regarding our reportable segments for the years ended December 31, 2025 and 2024 (in millions of dollars) follows. For totals as well as further detail regarding our reportable segments and the adjustments used to calculate adjusted EBITDA for each segment, see Note 15, *Segment Reporting*, of the notes to our audited consolidated financial statements in Part II, Item 8 of this Annual Report on Form 10-K.

	Group 1	Group 2	Recycling & Waste Subtotal[1]	Group 3 (Environmental Solutions)	Corporate entities and other	Total
2025						
Gross revenue	$ 8,630	$ 8,244	$ 16,874	$ 1,784	$ 369	$ 19,027
Intercompany revenue	(1,271)	(1,069)	(2,340)	(48)	(48)	(2,436)
Revenue allocations	150	141	291	30	(321)	—
Net revenue	$ 7,509	$ 7,316	$ 14,825	$ 1,766	$ —	$ 16,591
Cost of operations	4,248	4,265	8,513	1,117	—	9,630
Selling, general and administrative	750	683	1,433	277	—	1,710
Other segment items	(11)	(45)	(56)	—	—	(56)
Adjusted EBITDA	$ 2,522	$ 2,413	$ 4,935	$ 372	$ —	$ 5,307
Capital expenditures	$ 876	$ 633	$ 1,509	$ 181	$ 197	$ 1,887
Total assets	$ 14,441	$ 11,616	$ 26,057	$ 5,217	$ 3,092	$ 34,366

	Group 1	Group 2	Recycling & Waste Subtotal[1]	Group 3 (Environmental Solutions)	Corporate entities and other	Total
2024						
Gross revenue	$ 8,130	$ 8,084	$ 16,214	$ 1,860	$ 344	$ 18,418
Intercompany revenue	(1,208)	(1,064)	(2,272)	(49)	(65)	(2,386)
Revenue allocations	125	122	247	32	(279)	—
Net revenue	$ 7,047	$ 7,142	$ 14,189	$ 1,843	$ —	$ 16,032
Cost of operations	4,043	4,161	8,204	1,146	—	9,350
Selling, general and administrative	721	689	1,410	264	—	1,674
Other segment items	—	29	29	—	—	29
Adjusted EBITDA	$ 2,283	$ 2,263	$ 4,546	$ 433	$ —	$ 4,979
Capital expenditures	$ 883	$ 614	$ 1,497	$ 141	$ 217	$ 1,855
Total assets	$ 13,978	$ 11,318	$ 25,296	$ 4,462	$ 2,644	$ 32,402

(1) The Recycling & Waste Subtotal represents the combined results of our Group 1 and Group 2 reportable segments.

Significant changes in the revenue and adjusted EBITDA of our reportable segments for 2025 compared to 2024 are discussed below.

Group 1

Adjusted EBITDA in Group 1 increased from $2.3 billion for the year ended December 31, 2024 to $2.5 billion for the year ended December 31, 2025.

The most significant items impacting adjusted EBITDA in Group 1 during the year ended December 31, 2025 compared to the year ended December 31, 2024 include:

- Net revenue for the year ended December 31, 2025 increased 6.6% from 2024 due to an increase in average yield in all lines of business and higher special waste volumes in our landfill line of business. The increase in special waste volumes was primarily driven by the Los Angeles area wildfire remediation. The increases were partially offset by decreased volume in our large-container and residential collection lines of business. The decrease in volume was also negatively impacted by lower solid waste and construction and demolition volumes in our landfill line of business.
- Cost of operations increased primarily due to an increase in labor costs, equipment maintenance and insurance premiums.

Group 2

Adjusted EBITDA in Group 2 increased from $2.3 billion for the year ended December 31, 2024 to $2.4 billion for the year ended December 31, 2025.

The most significant items impacting adjusted EBITDA in Group 2 during the year ended December 31, 2025 compared to the year ended December 31, 2024 include:

- Net revenue for the year ended December 31, 2025 increased 2.4% from 2024 due to an increase in average yield in all lines of business and increased volume in our landfill line of business. The increase in volume in our landfill line of business was primarily due to increased construction and demolition volume related to the Hurricane Helene recovery efforts as well as increased special waste volumes. These increases were partially offset by decreased volumes in our collection and transfer lines of business.
- Cost of operations increased due to an increase in our insurance premiums and landfill operating costs.

Group 3

Adjusted EBITDA in Group 3 decreased from $433 million for the year ended December 31, 2024 to $372 million for the year ended December 31, 2025.

The most significant items impacting adjusted EBITDA in Group 3 during the year ended December 31, 2025 compared to the year ended December 31, 2024 include:

- Net revenue for the year ended December 31, 2025 decreased due to a decline in manufacturing and emergency response activity as well as a decrease in event-based volumes into our landfills, partially offset by acquisition related growth and price increases relative to 2024.
- Cost of operations decreased primarily due to a decrease in volumes and subcontract costs partially offset by higher labor costs relative to 2024.

Landfill and Environmental Matters

Our landfill costs include daily operating expenses, costs of capital for cell development, costs for final capping, closure and post-closure and the legal and administrative costs of ongoing environmental compliance. Daily operating expenses include leachate treatment, transportation and disposal costs, methane gas and groundwater monitoring and system maintenance costs, interim cap maintenance costs and costs associated with applying daily cover materials. We expense all indirect landfill development costs as they are incurred. We use life cycle accounting and the units-of-consumption method to recognize certain direct landfill costs related to landfill development. In life cycle accounting, certain direct costs are capitalized and charged to depletion expense based on the consumption of cubic yards of available airspace. These costs include all costs to acquire and construct a site, including excavation, natural and synthetic liners, construction of leachate collection systems, installation of methane gas collection and monitoring systems, installation of groundwater monitoring wells and other costs associated with acquiring and developing the site. Obligations associated with final capping, closure and post-closure are capitalized and amortized on a units-of-consumption basis as airspace is consumed.

Cost and airspace estimates are developed at least annually by engineers. Our operating and accounting personnel use these estimates to adjust the rates we use to expense capitalized costs. Changes in these estimates primarily relate to changes in cost estimates, available airspace, inflation and applicable regulations. Changes in available airspace include changes in engineering estimates, changes in design and changes due to the addition of airspace lying in expansion areas that we believe have a probable likelihood of being permitted. Changes in engineering estimates typically include modifications to the available disposal capacity of a landfill based on a refinement of the capacity calculations resulting from updated information.

Available Airspace

As of December 31, 2025, we owned or operated 207 active landfills with total available disposal capacity estimated to be 5 billion in-place cubic yards. For these landfills, the following table reflects changes in capacity and remaining capacity, as measured in cubic yards of airspace, as of December 31, 2025.

	Balance as of December 31, 2024	New Expansions Undertaken	Landfills Acquired, Net of Divestitures	Permits Granted / New Sites, Net of Closures	Airspace Consumed	Changes in Engineering Estimates	Balance as of December 31, 2025
Cubic yards (in millions):							
Permitted airspace	4,745	—	71	145	(86)	(3)	4,872
Probable expansion airspace	282	15	—	(142)	—	—	155
Total cubic yards (in millions)	5,027	15	71	3	(86)	(3)	5,027
Number of sites:							
Permitted airspace	208	—	2	(3)			207
Probable expansion airspace	14	1	—	(3)			12

The following table reflects changes in capacity and remaining capacity for these landfills, as measured in cubic yards of airspace, as of December 31, 2024.

	Balance as of December 31, 2023	New Expansions Undertaken	Landfills Acquired, Net of Divestitures	Permits Granted / New Sites, Net of Closures	Airspace Consumed	Changes in Engineering Estimates	Balance as of December 31, 2024
Cubic yards (in millions):							
Permitted airspace	4,821	—	—	7	(87)	4	4,745
Probable expansion airspace	283	4	—	(5)	—	—	282
Total cubic yards (in millions)	5,104	4	—	2	(87)	4	5,027
Number of sites:							
Permitted airspace	207	—	1				208
Probable expansion airspace	14	1	—	(1)			14

Total available disposal capacity represents the sum of estimated permitted airspace plus an estimate of probable expansion airspace. Engineers develop these estimates at least annually using information provided by annual aerial surveys. Before airspace included in an expansion area is determined to be probable expansion airspace and, therefore, included in our calculation of total available disposal capacity, it must meet all of our expansion criteria. See Note 2, *Summary of Significant Accounting Policies*, and Note 8, *Landfill and Environmental Costs*, of the notes to our audited consolidated financial statements in Part II, Item 8 of this Annual Report on Form 10-K for further information. Also see our *Critical Accounting Judgments and Estimates* section of this Management's Discussion and Analysis of Financial Condition and Results of Operations.

As of December 31, 2025, 12 of our landfills met all of our criteria for including their probable expansion airspace in their total available disposal capacity. At projected annual volumes, these 12 landfills have an estimated remaining average site life of 32 years, including probable expansion airspace. The average estimated remaining life of all of our landfills is 56 years. We have other expansion opportunities that are not included in our total available airspace because they do not meet all of our criteria for treatment as probable expansion airspace.

The following table reflects the estimated operating lives of our active landfill sites based on available and probable disposal capacity using current annual volumes as of December 31, 2025:

	Number of Sites without Probable Expansion Airspace	Number of Sites with Probable Expansion Airspace	Total Sites	Percent of Total
0 to 5 years	21	—	21	10 %
6 to 10 years	24	1	25	12
11 to 20 years	36	3	39	19
21 to 40 years	45	4	49	24
41+ years	69	4	73	35
Total	195	12	207	100 %

Final Capping, Closure and Post-Closure Costs

As of December 31, 2025, accrued final capping, closure and post-closure costs were $2,313 million, of which $87 million were current and $2,226 million were long-term as reflected in our consolidated balance sheets in accrued landfill and environmental costs included in Part II, Item 8 of this Annual Report on Form 10-K.

Remediation and Other Charges for Landfill Matters

It is reasonably possible that we will need to adjust our accrued landfill and environmental liabilities to reflect the effects of new or additional information, to the extent that such information impacts the costs, timing or duration of the required actions. Future changes in our estimates of the costs, timing or duration of the required actions could have a material adverse effect on our consolidated financial position, results of operations and cash flows.

For a description of our significant remediation matters, see Note 8, *Landfill and Environmental Costs,* of the notes to our audited consolidated financial statements in Part II, Item 8 of this Annual Report on Form 10-K.

Investment in Landfills

As of December 31, 2025, we expect to spend an estimated additional $13 billion on existing landfills, primarily related to cell construction and environmental structures, over their remaining lives. Our total expected investment, excluding non-depletable land, estimated to be $18.2 billion, or $3.62 per cubic yard, is used in determining our depletion and amortization expense based on airspace consumed using the units-of-consumption method.

The following table reflects our future expected investment as of December 31, 2025 (in millions):

	Balance as of December 31, 2025	Expected Future Investment	Total Expected Investment
Non-depletable landfill land	$ 212	$ —	$ 212
Landfill development costs	11,335	13,126	24,461
Construction-in-progress – landfill	326	—	326
Accumulated depletion and amortization	(6,578)	—	(6,578)
Net investment in landfill land and development costs	$ 5,295	$ 13,126	$ 18,421

The following table reflects our net investment in our landfills, excluding non-depletable land, and our depletion, amortization and accretion expense for the years ended December 31, 2025 and 2024:

	2025	2024
Number of landfills owned or operated	207	208
Net investment, excluding non-depletable land (in millions)	$ 5,083	$ 4,924
Total estimated available disposal capacity (in millions of cubic yards)	5,027	5,027
Net investment per cubic yard	$ 1.01	$ 0.98
Landfill depletion and amortization expense (in millions)	$ 547	$ 514
Accretion expense (in millions)	114	107
	661	621
Airspace consumed (in millions of cubic yards)	86	87
Depletion, amortization and accretion expense per cubic yard of airspace consumed	$ 7.69	$ 7.14

During 2025 and 2024, our average compaction rate was approximately 2,000 pounds per cubic yard based primarily on a three-year historical moving average.

Property and Equipment

The following tables reflect the activity in our property and equipment accounts for the year ended December 31, 2025 (in millions of dollars):

	Gross Property and Equipment							
	Balance as of December 31, 2024	Capital Additions	Retirements	Acquisitions, Net of Divestitures	Non-Cash Additions for Asset Retirement Obligations	Adjustments for Asset Retirement Obligations	Impairments, Transfers and Other Adjustments	Balance as of December 31, 2025
Land	$ 897	$ 34	$ (2)	$ 38	$ —	$ —	$ 49	$ 1,016
Landfill development costs	10,518	21	—	37	73	50	636	11,335
Vehicles and equipment	10,998	781	(457)	63	—	—	400	11,785
Buildings and improvements	2,119	26	(4)	51	—	—	386	2,578
Construction-in-progress - landfill	437	524	—	—	—	—	(635)	326
Construction-in-progress - other	575	678	—	6	—	—	(836)	423
Total	$ 25,544	$ 2,064	$ (463)	$ 195	$ 73	$ 50	$ —	$ 27,463

	Accumulated Depreciation, Amortization and Depletion						
	Balance as of December 31, 2024	Additions Charged to Expense	Retirements	Acquisitions, Net of Divestitures	Adjustments for Asset Retirement Obligations	Impairments, Transfers and Other Adjustments	Balance as of December 31, 2025
Landfill development costs	$ (6,031)	$ (544)	$ —	$ —	$ (3)	$ —	$ (6,578)
Vehicles and equipment	(6,692)	(956)	448	4	—	5	(7,191)
Buildings and improvements	(944)	(114)	3	2	—	(2)	(1,055)
Total	$ (13,667)	$ (1,614)	$ 451	$ 6	$ (3)	$ 3	$ (14,824)

The following tables reflect the activity in our property and equipment accounts for the year ended December 31, 2024 (in millions of dollars):

	Gross Property and Equipment							
	Balance as of December 31, 2023	Capital Additions	Retirements	Acquisitions, Net of Divestitures	Non-Cash Additions for Asset Retirement Obligations	Adjustments for Asset Retirement Obligations	Impairments, Transfers and Other Adjustments	Balance as of December 31, 2024
Land	$ 878	$ 5	$ (3)	$ 18	$ —	$ —	$ (1)	$ 897
Landfill development costs	9,911	5	—	6	61	90	445	10,518
Vehicles and equipment	10,232	848	(357)	4	—	—	271	10,998
Buildings and improvements	1,922	44	(5)	18	—	—	140	2,119
Construction-in-progress - landfill	350	494	—	—	—	—	(407)	437
Construction-in-progress - other	554	498	1	—	—	—	(478)	575
Total	$ 23,847	$ 1,894	$ (364)	$ 46	$ 61	$ 90	$ (30)	$ 25,544

	Accumulated Depreciation, Amortization and Depletion						
	Balance as of December 31, 2023	Additions Charged to Expense	Retirements	Acquisitions, Net of Divestitures	Adjustments for Asset Retirement Obligations	Impairments, Transfers and Other Adjustments	Balance as of December 31, 2024
Landfill development costs	$ (5,516)	$ (501)	$ —	$ —	$ (13)	$ (1)	$ (6,031)
Vehicles and equipment	(6,148)	(897)	345	1	—	7	(6,692)
Buildings and improvements	(832)	(111)	3	—	—	(4)	(944)
Total	$ (12,496)	$ (1,509)	$ 348	$ 1	$ (13)	$ 2	$ (13,667)

Liquidity and Capital Resources

Cash and Cash Equivalents

The following is a summary of our cash and cash equivalents and restricted cash and marketable securities balances as of December 31:

	2025	2024
Cash and cash equivalents	$ 76	$ 74
Restricted cash and marketable securities	259	208
Less: restricted marketable securities	(86)	(79)
Cash, cash equivalents, restricted cash and restricted cash equivalents	$ 249	$ 203

Our restricted cash and marketable securities include amounts pledged to regulatory agencies and governmental entities as financial guarantees of our performance under certain collection, landfill and transfer station contracts and permits, and relating to our final capping, closure and post-closure obligations at our landfills as well as restricted cash and marketable securities related to our insurance obligations.

The following table summarizes our restricted cash and marketable securities as of December 31:

	2025	2024
Capping, closure and post-closure obligations	$ 67	$ 59
Insurance	192	149
Total restricted cash and marketable securities	$ 259	$ 208

Material Cash Requirements and Intended Uses of Cash

We expect existing cash, cash equivalents, restricted cash and marketable securities, cash flows from operations and financing activities to continue to be sufficient to fund our operating activities and cash commitments for investing and financing activities for at least the next 12 months and thereafter for the foreseeable future. Our known current- and long-term uses of cash include, among other possible demands: (1) capital expenditures and leases, (2) acquisitions, (3) dividend payments, (4)

payments to service debt and other long-term obligations, (5) payments for asset retirement obligations and environmental liabilities and (6) share repurchases.

We may choose to voluntarily retire certain portions of our outstanding debt before their maturity dates using cash from operations or additional borrowings. We may also explore opportunities in the capital markets to fund redemptions of our debt should market conditions be favorable. Early extinguishment of debt will result in a loss in the period in which the debt is repaid. The loss on early extinguishment of debt relates to premiums paid to effectuate the repurchase and the relative portion of unamortized note discounts and debt issuance costs.

Capital Expenditures and Leases

We make investments in property and equipment primarily to allow for growth of our service offerings. These investments are largely concentrated in vehicles and equipment and costs to construct our landfills. We expect to receive between $1.96 billion to $2.00 billion of property and equipment, net of proceeds from the sale of property and equipment, in 2026.

We lease property and equipment in the ordinary course of business under various lease agreements. The most significant lease obligations are for real property and equipment specific to our industry, including property operated as a landfill or transfer station and operating equipment. As of December 31, 2025, the amount of total future lease payments under operating and finance leases was $248 million and $485 million, respectively. For additional detail regarding our lease obligations, see Note 10, *Leases*, of the notes to our audited consolidated financial statements in Part II, Item 8 of this Annual Report on Form 10-K.

Acquisitions

Our acquisition growth strategy focuses primarily on acquiring privately held recycling and waste companies and environmental solutions businesses that complement our existing business platform. We continue to invest in value-enhancing acquisitions in existing markets.

We expect to invest approximately $1 billion in acquisitions in 2026.

Dividend Payments

In October 2025 our Board of Directors approved a quarterly dividend of $0.625 per share. Aggregate cash dividends declared were $749 million for the year ended December 31, 2025. As of December 31, 2025, we recorded a quarterly dividend payable of $193 million to shareholders of record at the close of business on January 2, 2026, which was paid on January 15, 2026.

Debt and other long-term obligations

Debt repayments may include purchases of our outstanding indebtedness in the secondary market or otherwise. We believe that our excess cash, cash from operating activities and our availability to draw on our credit facilities provide us with sufficient financial resources to meet our anticipated capital requirements and maturing obligations as they come due.

We may choose to voluntarily retire certain portions of our outstanding debt before their maturity dates using cash from operations or additional borrowings. We may also explore opportunities in the capital markets to fund redemptions of our debt should market conditions be favorable. Early extinguishment of debt will result in an impairment charge in the period in which the debt is repaid. The loss on early extinguishment of debt relates to premiums paid to effectuate the repurchase and the relative portion of unamortized note discounts and debt issue costs.

In May 2022, we entered into a commercial paper program for the issuance and sale of unsecured commercial paper in an aggregate principal amount not to exceed $500 million outstanding at any one time (the Commercial Paper Cap). In August 2022, the Commercial Paper Cap was increased to $1.0 billion, and in October 2023, was increased to $1.5 billion. The weighted average interest rate for borrowings outstanding as of December 31, 2025 was 4.044%. In the event of a failed re-borrowing, we currently have availability under our Credit Facility (as defined below) to fund the amounts borrowed under the commercial paper program until they are re-borrowed successfully. Accordingly, we have classified these borrowings as long-term in our consolidated balance sheet as of December 31, 2025.

As of December 31, 2025, the total principal value of our debt was $13.7 billion, of which $596 million is due in 2026.

We have several agreements that require us to dispose of a minimum number of tons at third-party disposal facilities. Under these put-or-pay agreements, we must pay for agreed-upon minimum volumes regardless of the actual number of tons placed at the facilities.

Our unconditional purchase commitments have varying expiration dates, with some extending through the remaining life of the respective landfill. Future minimum payments under unconditional purchase commitments consist primarily of (1) disposal related agreements, which include fixed or minimum royalty payments, host agreements and take-or-pay and put-or-pay agreements and (2) other obligations including committed capital expenditures and consulting service agreements. As of December 31, 2025, such purchase commitments, which do not qualify for recognition on our Consolidated Balance Sheets, amount to $944 million, of which $196 million was short-term.

For additional detail regarding our debt and known contractual and other obligations, see Note 9, *Debt*, and Note 18, *Commitments and Contingencies*, of the notes to our audited consolidated financial statements in Part II, Item 8 of this Annual Report on Form 10-K.

Asset Retirement Obligations and Environmental Liabilities

We have future obligations for final capping, closure and post-closure costs with respect to the landfills we own or operate as set forth in applicable landfill permits. As of December 31, 2025, our future obligations for final capping, closure and post-closure costs totaled $2.3 billion, of which $87 million was short-term.

Additionally, we are subject to an array of laws and regulations relating to the protection of the environment, and we remediate sites in the ordinary course of our business. Our environmental remediation liabilities primarily include costs associated with remediating groundwater, surface water and soil contamination, as well as controlling and containing methane gas migration and the related legal costs. As of December 31, 2025, our environmental liabilities totaled $443 million, of which $61 million was short-term.

For additional detail regarding our asset retirement obligations and environmental liabilities, see Note 8, *Landfill and Environmental Costs*, of the notes to our audited consolidated financial statements in Part II, Item 8 of this Annual Report on Form 10-K.

Share Repurchases

In October 2023, our Board of Directors approved a $3 billion share repurchase authorization effective starting January 1, 2024 and extending through December 31, 2026. Share repurchases under the current program may be made through open market purchases or privately negotiated transactions in accordance with applicable federal securities laws. While the Board of Directors has approved the program, the timing of any purchases, the prices and the number of shares of common stock to be purchased will be determined by our management, at its discretion, and will depend upon market conditions and other factors. The share repurchase program may be extended, suspended or discontinued at any time. As of December 31, 2025, the remaining authorized purchase capacity under our October 2023 repurchase program was $1.7 billion.

Summary of Cash Flow Activity

The major components of changes in cash flows for 2025 and 2024 are discussed in the following paragraphs. The following table summarizes our cash flow from operating activities, investing activities and financing activities for the years ended December 31, 2025 and 2024 (in millions of dollars):

	2025	2024
Net cash provided by operating activities	$ 4,296	$ 3,936
Net cash used in investing activities	$ (3,313)	$ (2,561)
Net cash used in financing activities	$ (938)	$ (1,398)

Cash Flows Provided by Operating Activities

The most significant items affecting the comparison of our operating cash flows for 2025 and 2024 are summarized below.

Changes in assets and liabilities, net of effects from business acquisitions and divestitures, decreased our cash flow from operations by $359 million in 2025, compared to a decrease of $378 million during the same period in 2024, primarily as a result of the following:

- Our accounts receivable, exclusive of the change in allowance for doubtful accounts and customer credits, increased $87 million during 2025, due to the timing of billings net of collections, compared to a $76 million increase in the same period in 2024. As of December 31, 2025, our days sales outstanding were 41.8, or 30.8 days net of deferred revenue, compared to 40.9, or 30.0 days net of deferred revenue, as of December 31, 2024.
- Our prepaid expenses and other assets increased $174 million in 2025 compared to a $171 million increase in 2024. The increase in prepaid expenses and other assets during 2025 is primarily driven by an increase in costs associated with cloud-based hosting arrangements and prepaid insurance premiums.
- Our accounts payable decreased $14 million during 2025 compared to a $27 million decrease during 2024, due to the timing of payments.
- Cash paid for capping, closure and post-closure obligations was $70 million during 2025 compared to $56 million for 2024. The increase in cash paid for capping, closure and post-closure obligations is primarily due to the timing of capping and post-closure payments at certain of our landfill sites.
- Cash paid for remediation obligations was $8 million lower during 2025 compared to 2024.

- Our other liabilities increased $40 million during 2025 compared to a $14 million increase during 2024, primarily due to the timing of payments for accrued legal settlements and an increase in insurance reserves, partially offset by a decrease in management incentive compensation.

In addition, cash paid for interest was $500 million and $487 million, excluding net swap settlements for our fixed to floating interest rate swaps, for 2025 and 2024, respectively. Cash paid for income taxes was $206 million and $313 million for 2025 and 2024, respectively.

We use cash flows from operations to fund capital expenditures, acquisitions, dividend payments, debt repayments and share repurchases.

Cash Flows Used in Investing Activities

The most significant items affecting the comparison of our cash flows used in investing activities for 2025 and 2024 are summarized below:

- Capital expenditures during both 2025 and 2024 were $1.9 billion.
- During 2025 and 2024, we used $1.4 billion and $753 million, respectively, for acquisitions and investments, net of cash acquired.

We intend to finance capital expenditures and acquisitions through cash on hand, restricted cash held for capital expenditures, cash flows from operations, our revolving credit facilities and tax-exempt bonds and other financings. We expect to primarily use cash and borrowings under our revolving credit facilities to pay for future acquisitions.

Cash Flows Used in Financing Activities

The most significant items affecting the comparison of our cash flows used in financing activities for 2025 and 2024 are summarized below:

- During 2025, we issued $1,200 million of senior notes for cash proceeds, net of discounts and fees, of $1,183 million. During 2024, we issued $900 million of senior notes for cash proceeds, net of discounts and fees, of $889 million. Net payments of notes payable and long-term debt were $491 million during 2025, compared to net payments of $1,089 million in 2024. For a more detailed discussion, see the *Financial Condition* section of this Management's Discussion and Analysis of Financial Condition and Results of Operations.
- During 2025, we repurchased 3.8 million shares of our common stock for $864 million, which included the cash paid for excise tax on share repurchases, compared to repurchases of 2.5 million shares for $480 million during 2024.
- In July 2025, our Board of Directors approved an increase in our quarterly dividend to $0.625 per share. Dividends paid were $738 million and $687 million in 2025 and 2024, respectively.

Financial Condition

Debt Obligations

As of December 31, 2025, we had $596 million of principal debt maturing within the next 12 months, which includes certain finance lease obligations. All of our tax-exempt financings are remarketed either quarterly or semiannually by remarketing agents to effectively maintain a variable yield, with the exception of three tax-exempt financings with initial remarketing periods of 10 years. The holders of the bonds can put them back to the remarketing agents at the end of each interest period. If the remarketing agent is unable to remarket our bonds, the remarketing agent can put the bonds to us. In the event of a failed remarketing, as of December 31, 2025, we had availability under our Credit Facility (defined below) to fund these bonds until they are remarketed successfully. In the event of a failed re-borrowing under our commercial paper program, as of December 31, 2025, we had availability under our Credit Facility to fund the amounts borrowed under the commercial paper program until it is re-borrowed successfully. Accordingly, we have classified these tax-exempt financings and commercial paper program borrowings as long-term in our consolidated balance sheet as of December 31, 2025.

For further discussion of the components of our overall debt, see Note 9, *Debt*, of the notes to our audited consolidated financial statements in Part II, Item 8 of this Annual Report on Form 10-K.

Credit Facilities

Uncommitted Credit Facility

In January 2022, we entered into a $200 million unsecured uncommitted revolving credit facility (the Uncommitted Credit Facility). The Uncommitted Credit Facility bears interest at an annual percentage rate to be agreed upon by both parties. Borrowings under the Uncommitted Credit Facility can be used for working capital, letters of credit and other general corporate purposes. The agreement governing our Uncommitted Credit Facility requires us to comply with certain covenants. The Uncommitted Credit Facility may be terminated by either party at any time. As of December 31, 2025 and 2024, we had no borrowings outstanding under our Uncommitted Credit Facility.

The Credit Facility

In July 2024, we and our subsidiary, USE Canada Holdings, Inc. (the Canadian Borrower) entered into the Second Amended and Restated Credit Agreement (the Credit Facility) which amended and restated the unsecured revolving credit facility we entered into in August 2021. The total outstanding principal amount that we may borrow under the Credit Facility may not exceed the current aggregate lenders' commitments of $3.5 billion, and borrowings under the Credit Facility mature in July 2029. As permitted by the Credit Facility, we have the right to request two one-year extensions of the maturity date, but none of the lenders are committed to participate in such extensions. The Credit Facility also includes a feature that allows us to increase availability, at our option, by an aggregate amount of up to $1.0 billion through increased commitments from existing lenders or the addition of new lenders.

All loans to the Canadian Borrower and all loans denominated in Canadian dollars cannot exceed $1.0 billion (the Canadian Sublimit). The Canadian Sublimit is part of, and not in addition to, the aggregate commitments under the Credit Facility.

Borrowings under the Credit Facility in United States dollars bear interest at a Base Rate, a daily floating SOFR or a term SOFR plus a current applicable margin of 0.805% based on our Debt Ratings (all as defined in the Credit Facility agreement). The Canadian dollar-denominated loans bear interest based on the Canadian Prime Rate or the Canadian Dollar Offered Rate plus a current applicable margin of 0.805% based on our Debt Ratings. As of December 31, 2025 and 2024, C$204 million and C$232 million, respectively, were outstanding against the Canadian Sublimit.

The Credit Facility is subject to facility fees based on applicable rates defined in the Credit Facility agreement and the aggregate commitment, regardless of usage. The Credit Facility can be used for working capital, capital expenditures, acquisitions, letters of credit and other general corporate purposes. The Credit Facility agreement requires us to comply with financial and other covenants. We may pay dividends and repurchase common stock if we are in compliance with these covenants.

We had $425 million and $514 million outstanding under the Credit Facility as of December 31, 2025 and 2024, respectively. We had $319 million and $317 million of letters of credit outstanding under the Credit Facility as of December 31, 2025 and 2024, respectively. We also had $1.0 billion and $477 million of principal borrowings outstanding under our commercial paper program as of December 31, 2025 and 2024, respectively. As a result, availability under the Credit Facility was $1.8 billion and $2.2 billion as of December 31, 2025 and 2024, respectively.

Credit Facility Financial and Other Covenants

The Credit Facility requires us to comply with financial and other covenants. To the extent we are not in compliance with these covenants, we cannot pay dividends or repurchase common stock. Compliance with covenants also is a condition for any incremental borrowings under the Credit Facility, and failure to meet these covenants would enable the lenders to require repayment of any outstanding loans (which would adversely affect our liquidity). Additionally, if we are not in compliance with these covenants, we could not use the availability under our Credit Facility to fund borrowings we currently make under our commercial paper program, if there is a failed reborrowing under that program. The Credit Facility provides that our total debt to EBITDA ratio may not exceed 3.75 to 1.00 as of the last day of any fiscal quarter. In the case of an "elevated ratio period", which may be elected by us if one or more acquisitions during a fiscal quarter involve aggregate consideration in excess of $200.0 million (the Trigger Quarter), the total debt to EBITDA ratio may not exceed 4.25 to 1.00 during the Trigger Quarter and for the three fiscal quarters thereafter. The Credit Facility also provides that there may not be more than two elevated ratio periods during the term of the Credit Facility agreement. As of December 31, 2025, our total debt to EBITDA ratio was approximately 2.6 compared to the 3.75 maximum allowed. As of December 31, 2025, we were in compliance with all other covenants under our Credit Facility.

EBITDA, which is a non-U.S. GAAP measure, is calculated as defined in our Credit Facility agreement. In this context, EBITDA is used solely to provide information regarding the extent to which we are in compliance with debt covenants and is not comparable to EBITDA used by other companies or used by us for other purposes.

Failure to comply with the financial and other covenants under the Credit Facility, as well as the occurrence of certain material adverse events, would constitute defaults and would allow the lenders under the Credit Facility to accelerate the maturity of all

indebtedness under the Credit Facility. This could have an adverse effect on the availability of financial assurances. In addition, maturity acceleration on the Credit Facility constitutes an event of default under certain of our other debt and derivative instruments. If such acceleration were to occur, we would not have sufficient liquidity available to repay the indebtedness. We would likely have to seek an amendment under the Credit Facility for relief from the financial covenant or repay the debt with proceeds from the issuance of new debt or equity, or asset sales, if necessary. We may be unable to amend the Credit Facility or raise sufficient capital to repay such obligations in the event the maturity is accelerated.

Commercial Paper Program

In May 2022, we entered into a commercial paper program for the issuance and sale of unsecured commercial paper in an aggregate principal amount not to exceed $500 million outstanding at any one time (the Commercial Paper Cap). In August 2022, the Commercial Paper Cap was increased to $1.0 billion, and in October 2023, was increased to $1.5 billion. The weighted average interest rate for borrowings outstanding as of December 31, 2025 was 4.044%. The weighted average interest rate for borrowings outstanding as of December 31, 2024 was 4.646%.

We had $1.0 billion and $477 million principal value of commercial paper issued and outstanding under the program as of December 31, 2025 and 2024, respectively. In the event of a failed re-borrowing, we currently have availability under our Credit Facility to fund amounts currently borrowed under the commercial paper program until they are re-borrowed successfully. Accordingly, we have classified these borrowings as long-term in our consolidated balance sheet as of December 31, 2025 and 2024, respectively.

Senior Notes and Debentures

In June 2024, we issued $400 million of 5.000% senior notes due 2029 and $500 million of 5.200% senior notes due 2034. We used the proceeds from the June 2024 notes issuance for general corporate purposes, including the repayment of a portion of amounts outstanding under the Commercial Paper Program and the Credit Facility; and repayment of all amounts then outstanding under the Uncommitted Credit Facility and certain other debt obligations.

In March 2025, we issued $500 million of 4.750% senior notes due 2030 and $700 million of 5.150% senior notes due 2035. We used the proceeds from the March 2025 notes issuance for general corporate purposes, including the repayment of a portion of amounts outstanding on our Credit Facility and a portion of outstanding borrowings under the Commercial Paper Program.

Our senior notes and debentures are general unsecured and unsubordinated obligations and rank equally with our other unsecured obligations.

Tax-Exempt Financings

As of both December 31, 2025 and December 31, 2024 we had $1.4 billion of tax-exempt financings outstanding with maturities ranging from 2026 to 2054 for both periods.

In June 2024, the Mission Economic Development Corporation issued, for our benefit, $50 million in principal amount of Solid Waste Disposal Revenue Bonds. The proceeds from the issuance, after deferred issuance costs, were used to fund the acquisition, construction, improvement, installation, and/or equipping of certain solid waste disposal facilities located within Texas.

In March 2024, the California Municipal Finance Authority issued, for our benefit, $100 million in principal amount of Solid Waste Disposal Revenue Bonds. The proceeds from the issuance, after deferred issuance costs, were used to fund the acquisition, construction, improvement, installation, and/or equipping of certain solid waste disposal facilities located within California.

We have $250 million of tax-exempt financings that have an initial remarketing period of 10 years. Our remaining tax-exempt financings are remarketed either quarterly or semiannually by remarketing agents to effectively maintain a variable yield. The holders of the bonds can put them back to the remarketing agents at the end of each interest period. If the remarketing agents are unable to remarket our bonds, the remarketing agents can put the bonds to us. In the event of a failed remarketing, we currently have availability under our Credit Facility to fund these bonds until they are remarketed successfully. Accordingly, we classified these borrowings as long-term in our consolidated balance sheets as of December 31, 2025 and December 31, 2024.

Finance Leases and Other

As of December 31, 2025, we had finance lease liabilities and other debt obligations of $441 million with maturities ranging from 2026 to 2063. As of December 31, 2024, we had finance lease liabilities and other debt obligations of $315 million with maturities ranging from 2025 to 2063.

In our consolidated balance sheet as of December 31, 2025, finance leases and other included $148 million related to construction costs for our corporate office building located in Phoenix, Arizona, which has been accounted for as a financing obligation. The amount is recorded within long-term debt, net of current maturities.

Credit Ratings

Our continued access to the debt capital markets and to new financing facilities, as well as our borrowing costs, depend on multiple factors, including market conditions, our operating performance and maintaining strong credit ratings. As of December 31, 2025, our credit ratings were A- by Standard & Poor's Ratings Services, A- by Fitch Ratings, Inc. and A3 by Moody's Investors Service, Inc. If our credit ratings were downgraded, especially any downgrade to below investment grade, our ability to access the debt markets with the same flexibility that we have experienced historically, our cost of funds and other terms for new debt issuances could be adversely impacted.

Off-Balance Sheet Arrangements

We have no off-balance sheet debt or similar obligations, other than short-term operating leases and financial assurances, which are not classified as debt. We have no transactions or obligations with related parties that are not disclosed, consolidated into or reflected in our reported financial position or results of operations. We have not guaranteed any third-party debt.

Seasonality and Severe Weather

Our operations can be adversely affected by periods of inclement or severe weather, which could increase the volume of waste collected under our existing contracts (without corresponding compensation), delay the collection and disposal of waste, reduce the volume of waste delivered to our disposal sites, or delay the construction or expansion of our landfills and other facilities. Our operations also can be favorably affected by severe weather, which could increase the volume of waste in situations where we are able to charge for our additional services.

Contingencies

For a description of our commitments and contingencies, see Note 8, *Landfill and Environmental Costs*, Note 11, *Income Taxes* and Note 18, *Commitments and Contingencies*, to our audited consolidated financial statements included in Part II, Item 8 of this Annual Report on Form 10-K.

Financial Assurance

We must provide financial assurance to governmental agencies and a variety of other entities under applicable environmental regulations relating to our landfill operations for capping, closure and post-closure costs, and related to our performance under certain collection, landfill and transfer station contracts. We satisfy these financial assurance requirements by providing surety bonds, letters of credit, or insurance policies (Financial Assurance Instruments), or trust deposits, which are included in restricted cash and marketable securities and other assets in our consolidated balance sheets. The amount of the financial assurance requirements for capping, closure and post-closure costs is determined by applicable state environmental regulations. The financial assurance requirements for capping, closure and post-closure costs may be associated with a portion of the landfill or the entire landfill. Generally, states require a third-party engineering specialist to determine the estimated capping, closure and post-closure costs that are used to determine the required amount of financial assurance for a landfill. The amount of financial assurance required can, and generally will, differ from the obligation determined and recorded under U.S. GAAP. The amount of the financial assurance requirements related to contract performance varies by contract. Additionally, we must provide financial assurance for our insurance program and collateral for certain performance obligations. We do not expect a material increase in financial assurance requirements during 2026, although the mix of Financial Assurance Instruments may change.

These Financial Assurance Instruments are issued in the normal course of business and are not classified as indebtedness. Because we currently have no liability for the Financial Assurance Instruments, they are not reflected in our consolidated balance sheets; however, we record capping, closure and post-closure liabilities and insurance liabilities as they are incurred.

Critical Accounting Judgments and Estimates

Our consolidated financial statements have been prepared in accordance with U.S. GAAP and necessarily include certain estimates and judgments made by management. The following is a list of accounting policies that we believe are the most critical in understanding our consolidated financial position, results of operations and cash flows and that may require management to make subjective or complex judgments about matters that are inherently uncertain. Our critical accounting estimates are those estimates that involve a significant level of uncertainty at the time the estimate was made, and changes in them have had or are reasonably likely to have a material effect on our financial condition or results of operations. Accordingly, actual results could differ materially from our estimates. We base our estimates on past experience and other assumptions that

we believe are reasonable under the circumstances, and we evaluate these estimates on an ongoing basis. Such critical accounting policies, estimates and judgments are applicable to all of our operating segments.

We have noted examples of the estimates that are subject to uncertainty in the accounting for these areas below.

Landfill Development Asset Depletion

Landfill depletion expense for the years ended December 31, 2025 and 2024 was $433 million and $408 million, respectively.

To match the expense related to the landfill asset with the revenue generated by the landfill operations, we amortize the landfill development asset over its operating life on a per-ton basis as waste is accepted at the landfill. The landfill asset is fully depleted at the end of a landfill's operating life. The per-ton rate is calculated by dividing the sum of the landfill development asset net book value plus estimated future development costs for the landfill, by the landfill's estimated remaining permitted and probable disposal capacity. The expected future development costs are not inflated or discounted, but rather expressed in nominal dollars. This rate is applied to each ton accepted at the landfill to arrive at depletion expense for the period.

The calculation of depletion expense includes certain estimates and assumptions around future landfill development costs and remaining permitted and probable landfill disposal capacity. Changes in these estimates are subject to uncertainty attributable to the following factors: (i) actual future costs of construction materials and third-party labor could differ from the costs we have estimated because of the level of demand and the availability of the required materials and labor, and (ii) technical designs could be altered due to unexpected operating conditions, regulatory changes or legislative changes.

On at least an annual basis, we update the estimates of future development costs and remaining disposal capacity for each landfill. These costs and disposal capacity estimates are reviewed and approved by senior operations management annually. Changes in cost estimates and disposal capacity are reflected prospectively in the landfill depletion rates that are updated annually.

Landfill Asset Retirement Obligations

We have two types of retirement obligations related to landfills: (1) capping and (2) closure and post-closure. As of December 31, 2025 and 2024, our asset retirement obligations related to capping, closure and post-closure were $2.3 billion and $2.1 billion, respectively. Changes in these estimates may be sensitive to the following factors: (i) changes to environmental laws and regulations and/or circumstances affecting our operations could result in a significant change to our estimates, which could have a significant impact on our result of operations, (ii) we do not expect to incur most of these costs for a number of years, which requires us to estimate the timing of projected cash flows and make assumptions regarding inflation rates, and (iii) actual future costs of materials and third-party labor could differ from the costs we have estimated because of the level of demand and the availability of the required materials and labor.

Obligations associated with final capping activities that occur during the operating life of the landfill are recognized on a units-of-consumption basis as airspace is consumed within each discrete capping event. Obligations related to closure and post-closure activities that occur after the landfill has ceased operations are recognized on a units-of-consumption basis as airspace is consumed throughout the entire life of the landfill. Landfill retirement obligations are capitalized as the related liabilities are recognized and amortized using the units-of-consumption method over the airspace consumed within the capping event or the airspace consumed within the entire landfill, depending on the nature of the obligation. Landfill amortization expense for the years ended December 31, 2025 and 2024 was $114 million and $106 million, respectively. All obligations are initially measured at estimated fair value. Fair value is calculated on a present value basis using an inflation rate and our credit-adjusted, risk-free rate in effect at the time the liabilities were incurred. Future costs for final capping, closure and post-closure are developed at least annually by engineers, and are inflated to future value using estimated future payment dates and inflation rate projections.

Landfill capping. As individual areas within each landfill reach capacity, we must cap and close the areas in accordance with the landfill site permit. These requirements are detailed in each landfill's technical design, which is reviewed and approved by the regulatory agency issuing the landfill site permit.

Closure and post-closure. Closure costs are costs incurred after a landfill stops receiving waste, but prior to being certified as closed. After the entire landfill has reached capacity and is certified closed, we must continue to maintain and monitor the site for a post-closure period, which generally extends for 30 years. Costs associated with closure and post-closure requirements generally include maintenance of the site, the monitoring of methane gas collection systems and groundwater systems and other activities that occur after the site has ceased accepting waste. Costs associated with post-closure monitoring generally include groundwater sampling, analysis and statistical reports, third-party labor associated with gas system operations and maintenance and transportation and disposal of leachate.

Landfill retirement obligation liabilities and assets. Estimates of the total future costs required to cap, close and monitor each landfill as specified by the landfill permit are updated annually. The estimates include inflation, the specific timing of future

cash outflows and the anticipated waste flow into the capping events. Our cost estimates are inflated to the period of performance using an estimated inflation rate, which is updated annually. For the years ended December 31, 2025 and 2024, our estimated inflation rate of 2.0% was based on the twenty year average core consumer price index.

The present value of the remaining capping costs for specific capping events and the remaining closure and post-closure costs for each landfill are recorded as incurred on a per-ton basis. These liabilities are incurred as disposal capacity is consumed at the landfill.

Retirement obligations are increased each year to reflect the passage of time by accreting the balance at the weighted average credit-adjusted risk-free rate that was used to calculate each layer of the recorded liabilities. This accretion is charged to operating expenses. Actual cash expenditures reduce the asset retirement obligation liabilities as they are made.

Corresponding retirement obligation assets are recorded for the same value as the additions to the capping, closure and post-closure liabilities. The retirement obligation assets are amortized to expense on a per-ton basis as disposal capacity is consumed. The per-ton rate is calculated by dividing the sum of each of the recorded retirement obligation asset's net book value and expected future additions to the retirement obligation asset by the remaining disposal capacity. A per-ton rate is determined for each separate capping event based on the disposal capacity relating to that event. Closure and post-closure per-ton rates are based on the total disposal capacity of the landfill.

Changes in these estimates may be sensitive to the following factors: (i) changes to environmental laws and regulations and/or circumstances affecting our operations could result in a significant change to our estimates, which could have a significant impact on our result of operations, (ii) we do not expect to incur most of these costs for a number of years, which requires us to estimate the timing of projected cash flows and make assumptions regarding inflation rates, and (iii) actual future costs of materials and third-party labor could differ from the costs we have estimated because of the level of demand and the availability of the required materials and labor.

On an annual basis, we update our estimates of future capping, closure and post-closure costs and of future disposal capacity for each landfill. Revisions in estimates of our costs or timing of expenditures are recognized immediately as increases or decreases to the capping, closure and post-closure liabilities and the corresponding retirement obligation assets. Changes in the assets result in changes to the amortization rates which are applied prospectively, except for fully incurred capping events and closed landfills, where the changes are recorded immediately in results of operations since the associated disposal capacity has already been consumed.

Total landfill depletion and amortization expense for the years ended December 31, 2025 and 2024 was $547 million and $514 million, respectively. See our *Results of Operations* section in this Management's Discussion and Analysis of Financial Condition and Results of Operations for discussion on changes to our landfill depletion and amortization.

Environmental Liabilities

We are subject to an array of laws and regulations relating to the protection of the environment, and we remediate sites in the ordinary course of our business. Under current laws and regulations, we may be responsible for environmental remediation at sites that we either own or operate, including sites that we have acquired, or sites where we have (or a company that we have acquired has) delivered waste. Our environmental remediation liabilities primarily include costs associated with remediating groundwater, surface water and soil contamination, as well as controlling and containing methane gas migration. To estimate our ultimate liability at these sites, we evaluate several factors, including the nature and extent of contamination at each identified site, the required remediation methods, timing of expenditures, the apportionment of responsibility among the potentially responsible parties and the financial viability of those parties.

We accrue for costs associated with environmental remediation obligations when such costs are probable and reasonably estimable in accordance with accounting for loss contingencies. We periodically review the status of all environmental matters and update our estimates of the likelihood of and future expenditures for remediation as necessary. Changes in the liabilities resulting from these reviews are recognized currently in earnings in the period in which the adjustment is known. Adjustments to estimates are reasonably possible in the near term and may result in changes to recorded amounts. With the exception of those obligations assumed in certain business combinations, environmental obligations are recorded on an undiscounted basis. Environmental obligations assumed in certain business combinations are initially estimated on a discounted basis, and accreted to full value over time through charges to interest expense. Adjustments arising from changes in amounts and timing of estimated costs and settlements may result in increases or decreases in these obligations and are calculated on a discounted basis as they were initially estimated on a discounted basis. These adjustments are charged to operating income when they are known. We perform a comprehensive review of our environmental obligations annually and also review changes in facts and circumstances associated with these obligations at least quarterly. See our *Results of Operations* section in this Management's Discussion and Analysis of Financial Condition and Results of Operations for discussion on our remediation adjustments. We have not reduced the liabilities we have recorded for recoveries from other potentially responsible parties or insurance companies.

As of December 31, 2025 and 2024, we had $443 million and $447 million of environmental liabilities, respectively. Changes in these estimates may be sensitive to changes in cost estimates, timing of estimated costs and settlements, inflation and applicable regulations. Our estimates of these liabilities require assumptions about uncertain future events, which may change the ultimate amounts of our environmental remediation liabilities. Thus, our estimates could change substantially as additional information becomes available regarding the nature or extent of contamination, the required remediation methods, timing of expenditures, the final apportionment of responsibility among the potentially responsible parties identified, the financial viability of those parties and the actions of governmental agencies or private parties with interests in the matter. The actual environmental costs may exceed our current and future accruals for these costs, and any adjustments could be material.

New Accounting Standards

For a description of new accounting standards that may affect us, see Note 2, *Summary of Significant Accounting Policies*, of the notes to our audited consolidated financial statements in Part II, Item 8 of this Annual Report on Form 10-K.

ITEM 7A. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Interest Rate Risk

Our major market risk exposure of our financial instruments is changing interest rates in the United States and fluctuations in SOFR. We seek to manage interest rate risk through the use of a combination of fixed and variable rate debt. The carrying value of our variable rate debt approximates fair value because interest rates are variable and, accordingly, approximates current market rates for instruments with similar risk and maturities. The fair value of our debt is determined as of the balance sheet date and is subject to change. In the past, we have entered into swap agreements designated as cash flow hedges to help manage exposure to fluctuations in interest rates on our variable rate debt.

The table below provides information about certain of our market-sensitive financial instruments and constitutes a forward-looking statement.

	Expected Maturity Date							
	2026	2027	2028	2029	2030	Thereafter	Total	Fair Value as of December 31, 2025
Fixed rate debt:								
Amount outstanding (in millions)	$ 514	$ 663	$ 815	$ 1,164	$ 1,113	$ 6,888	$11,157	$ 10,945
Variable rate debt:								
Amount outstanding (in millions)	$ 82	$ —	$ 30	$ 1,450	$ 15	$ 976	$ 2,553	$ 2,546

The fixed and variable rate debt amounts above exclude the remaining non-cash discounts, premiums and adjustments to fair value totaling $129 million.

As of December 31, 2025, we had $2.6 billion of principal variable rate debt. If interest rates increased or decreased by 100 basis points on our variable rate debt, annualized interest expense and net cash payments for interest would increase or decrease by approximately $26 million. This analysis does not reflect the effect that interest rates would have on other items, such as new borrowings and the impact on the economy. See Note 9, *Debt,* of the notes to our audited consolidated financial statements in Part II, Item 8 of this Form 10-K for further information regarding how we manage interest rate risk.

Fuel Price Risk

Fuel costs represent a significant operating expense. When economically practical, we may enter into new fuel hedges, renew contracts, or engage in other strategies to mitigate market risk. As of December 31, 2025, we had no fuel hedges in place. While we charge fuel recovery fees to a majority of our customers, we are unable to charge such fees to all customers.

At current consumption levels, we believe a twenty-cent per gallon change in the price of diesel fuel would change our fuel costs by approximately $26 million per year. Changes in fuel expense would be offset by changes in our fuel recovery fee charged to our customers. At current participation rates, we believe a twenty-cent per gallon change in the price of diesel fuel would change our fuel recovery fee by approximately $42 million per year.

Our operations also require the use of certain petrochemical-based products (such as liners at our landfills) the cost of which may vary with the price of petrochemicals. An increase in the price of petrochemicals could increase the cost of those products,

which would increase our operating and capital costs. We also are susceptible to increases in fuel recovery fees from our vendors.

Our fuel costs were $466 million during 2025, or 2.8% of revenue, compared to $470 million, or 2.9% of revenue, during 2024.

Commodities Price Risk

We market recovered materials such as old corrugated containers and old newsprint from our recycling centers. Changes in market supply and demand for recycled commodities causes volatility in commodity prices. In prior periods, we have entered into derivative instruments such as swaps and costless collars designated as cash flow hedges to manage our exposure to changes in prices of these commodities. As of December 31, 2025, we had no recycling commodity hedges in place.

At current volumes and mix of materials, we believe a $10 per ton change in the price of recycled commodities would change both annual revenue and operating income by approximately $13 million.

Revenue from recycling processing and commodity sales during the years ended December 31, 2025 and 2024 was $433 million and $409 million, respectively.

ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA

Report of Independent Registered Public Accounting Firm (PCAOB ID: 42)	60
Report of Independent Registered Public Accounting Firm on Internal Control Over Financial Reporting (PCAOB ID: 42)	62
Consolidated Balance Sheets as of December 31, 2025 and 2024	63
Consolidated Statements of Income for Each of the Three Years in the Period Ended December 31, 2025	64
Consolidated Statements of Comprehensive Income for Each of the Three Years in the Period Ended December 31, 2025	65
Consolidated Statements of Stockholders' Equity for Each of the Three Years in the Period Ended December 31, 2025	66
Consolidated Statements of Cash Flows for Each of the Three Years in the Period Ended December 31, 2025	67
Notes to Consolidated Financial Statements	68

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Stockholders and the Board of Directors of Republic Services, Inc.

Opinion on the Financial Statements

We have audited the accompanying consolidated balance sheets of Republic Services, Inc. (the Company) as of December 31, 2025 and 2024, the related consolidated statements of income, comprehensive income, stockholders' equity and cash flows for each of the three years in the period ended December 31, 2025, and the related notes (collectively referred to as the "consolidated financial statements"). In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Company at December 31, 2025 and 2024, and the results of its operations and its cash flows for each of the three years in the period ended December 31, 2025, in conformity with U.S. generally accepted accounting principles.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the Company's internal control over financial reporting as of December 31, 2025, based on criteria established in Internal Control-Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (2013 framework) and our report dated February 17, 2026, expressed an unqualified opinion thereon.

Basis for Opinion

These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's financial statements based on our audits. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

Critical Audit Matters

The critical audit matters communicated below are matters arising from the current period audit of the financial statements that were communicated or required to be communicated to the audit committee and that: (1) relate to accounts or disclosures that are material to the financial statements and (2) involved our especially challenging, subjective, or complex judgments. The communication of critical audit matters does not alter in any way our opinion on the consolidated financial statements, taken as a whole, and we are not, by communicating the critical audit matters below, providing separate opinions on the critical audit matters or on the accounts or disclosures to which they relate.

Landfill Development Asset Depletion

Description of the Matter

Landfill development asset depletion expense for the year ended December 31, 2025 was $433 million. As discussed in Note 2, management updates the assumptions used to estimate the landfill development asset depletion expense at least annually, or more often if there is a significant change in facts and circumstances related to a landfill. Significant assumptions used in the calculation of the expense include estimated future development costs and available disposal capacity.

Auditing landfill development asset depletion expense is complex due to the highly judgmental nature of the significant assumptions, as discussed above, used in the calculation of the expense.

How We Addressed the Matter in Our Audit

We obtained an understanding of, evaluated the design, and tested the operating effectiveness of the Company's controls over landfill development asset depletion expense. Our audit procedures included, among others, testing controls over the Company's process for evaluating and updating the significant assumptions used in the calculation of landfill development asset depletion expense and the accuracy of depletion expense recorded.

To test the landfill development asset depletion expense, our audit procedures included, among others, assessing methodologies and testing the significant assumptions discussed above. To test the future development costs, we compared the estimated costs used by management to comparable landfills accepting the same type of waste. We also tested the completeness and accuracy of the data utilized in the development of depletion expense. Regarding disposal capacity, we evaluated the Company's annual utilization and estimation of the landfill disposal capacity through a comparison of airspace to historical estimates and annual aerial surveys. In addition, we considered the professional qualifications and objectivity of management's specialist responsible for performing the aerial surveys with involvement from EY engineering specialists.

Landfill Final Capping, Closure and Post-Closure Costs

Description of the Matter

At December 31, 2025, the carrying value of the Company's landfill final capping, closure and post-closure costs totaled $2,313 million. As discussed in Notes 2 and 8 of the consolidated financial statements, management updates the assumptions used to estimate the asset retirement obligations at least annually, or more often if there is a significant change in facts and circumstances related to a landfill. These assumptions include estimated future costs associated with the final capping, closure and post-closure activities at each landfill, projected timing of future cash outflows, and estimated inflation rate.

Auditing the landfill asset retirement obligations is complex due to the highly judgmental nature of the significant assumptions, as discussed above, used in the calculation of the asset retirement obligations.

How We Addressed the Matter in Our Audit

We obtained an understanding of, evaluated the design, and tested the operating effectiveness of the Company's controls over the calculation of asset retirement obligations. Our procedures included, among others, testing controls over the Company's process for evaluating and updating the significant assumptions used in the calculation of the landfill asset retirement obligations and the accuracy of the asset retirement obligations recorded.

To test the landfill asset retirement obligations, our audit procedures included, among others, assessing methodologies used by the Company, testing the completeness of activities included in the estimate and testing the significant assumptions discussed above. To test the estimated future costs, we compared the estimated future costs used by management to comparable landfills accepting the same type of waste. We also tested the completeness and accuracy of the data utilized in preparing the cost estimate. Regarding the projected timing of future cash outflows assumption, we evaluated the Company's annual utilization and estimation of the landfill disposal capacity through a comparison of airspace to historical estimates and annual aerial surveys. We also performed a sensitivity analysis of the inflation rate assumption. In addition, we considered the professional qualifications and objectivity of management's specialist responsible for performing the aerial surveys. We involved EY engineering specialists to assist us with evaluating assumptions used in estimated costs for the capping, closure and post-closure activities.

/s/ Ernst & Young LLP

We have served as the Company's auditor since 2002.

Phoenix, Arizona

February 17, 2026

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Stockholders and the Board of Directors of Republic Services, Inc.

Opinion on Internal Control Over Financial Reporting

We have audited Republic Services, Inc.'s internal control over financial reporting as of December 31, 2025, based on criteria established in Internal Control – Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (2013 framework) (the COSO criteria). In our opinion, Republic Services, Inc. (the Company) maintained, in all material respects, effective internal control over financial reporting as of December 31, 2025, based on the COSO criteria.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the consolidated balance sheets of the Company as of December 31, 2025 and 2024, the related consolidated statements of income, comprehensive income, stockholders' equity and cash flows for each of the three years in the period ended December 31, 2025, and the related notes and our report dated February 17, 2026, expressed an unqualified opinion thereon.

Basis for Opinion

The Company's management is responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting included in the accompanying Report of Management on Republic Services, Inc.'s Internal Control over Financial Reporting. Our responsibility is to express an opinion on the Company's internal control over financial reporting based on our audit. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects.

Our audit included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, testing and evaluating the design and operating effectiveness of internal control based on the assessed risk, and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

Definition and Limitations of Internal Control Over Financial Reporting

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

/s/ Ernst & Young LLP

Phoenix, Arizona

February 17, 2026

REPUBLIC SERVICES, INC.
CONSOLIDATED BALANCE SHEETS
(in millions, except per share data)

	December 31, 2025	December 31, 2024
ASSETS		
Current assets:		
Cash and cash equivalents	$ 76	$ 74
Accounts receivable, less allowance for doubtful accounts and other of $66 and $74, respectively	1,897	1,821
Prepaid expenses and other current assets	550	511
Total current assets	2,523	2,406
Restricted cash and marketable securities	259	208
Property and equipment, net	12,639	11,877
Goodwill	16,715	15,982
Other intangible assets, net	655	546
Other assets	1,575	1,383
Total assets	$ 34,366	$ 32,402
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Accounts payable	$ 1,374	$ 1,345
Notes payable and current maturities of long-term debt	596	862
Deferred revenue	496	485
Accrued landfill and environmental costs, current portion	148	159
Accrued interest	109	101
Other accrued liabilities	1,205	1,176
Total current liabilities	3,928	4,128
Long-term debt, net of current maturities	12,985	11,851
Accrued landfill and environmental costs, net of current portion	2,608	2,432
Deferred income taxes and other long-term tax liabilities, net	1,884	1,594
Insurance reserves, net of current portion	436	402
Other long-term liabilities	556	588
Commitments and contingencies		
Stockholders' equity:		
Preferred stock, par value $0.01 per share; 50 shares authorized; none issued	—	—
Common stock, par value $0.01 per share; 750 shares authorized; 313 and 313 issued including shares held in treasury, respectively	3	3
Additional paid-in capital	1,833	1,767
Retained earnings	11,161	9,774
Treasury stock, at cost; 5 and 1 shares, respectively	(1,000)	(113)
Accumulated other comprehensive income, net of tax	(29)	(26)
Total Republic Services, Inc. stockholders' equity	11,968	11,405
Non-controlling interests in consolidated subsidiary	1	2
Total stockholders' equity	11,969	11,407
Total liabilities and stockholders' equity	$ 34,366	$ 32,402

The accompanying notes are an integral part of these financial statements.

REPUBLIC SERVICES, INC.
CONSOLIDATED STATEMENTS OF INCOME
(in millions, except per share data)

	Years Ended December 31,		
	2025	2024	2023
Revenue	$ 16,591	$ 16,032	$ 14,965
Expenses:			
Cost of operations	9,630	9,350	8,943
Depreciation, depletion and amortization	1,814	1,677	1,501
Accretion	114	107	98
Selling, general and administrative	1,710	1,674	1,609
Adjustment to withdrawal liability for multiemployer pension funds	1	—	5
Gain on business divestitures and impairments, net	—	(1)	(4)
Restructuring charges	20	29	33
Operating income	3,302	3,196	2,780
Interest expense	(574)	(539)	(508)
Loss from unconsolidated equity method investments	(163)	(255)	(94)
Loss on extinguishment of debt	—	(2)	—
Interest income	8	9	6
Other income, net	21	23	7
Income before income taxes	2,594	2,432	2,191
Provision for income taxes	455	388	460
Net income	2,139	2,044	1,731
Net income attributable to non-controlling interests in consolidated subsidiary	—	(1)	—
Net income attributable to Republic Services, Inc.	$ 2,139	$ 2,043	$ 1,731
Basic earnings per share attributable to Republic Services, Inc. stockholders:			
Basic earnings per share	$ 6.86	$ 6.50	$ 5.47
Weighted average common shares outstanding	311.9	314.4	316.2
Diluted earnings per share attributable to Republic Services, Inc. stockholders:			
Diluted earnings per share	$ 6.85	$ 6.49	$ 5.47
Weighted average common and common equivalent shares outstanding	312.2	314.8	316.7
Cash dividends per common share	$ 2.410	$ 2.230	$ 2.060

The accompanying notes are an integral part of these financial statements.

REPUBLIC SERVICES, INC.
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(in millions)

	Years Ended December 31,		
	2025	2024	2023
Net income	$ 2,139	$ 2,044	$ 1,731
Other comprehensive loss, net of tax	(3)	(14)	—
Comprehensive income	2,136	2,030	1,731
Comprehensive income attributable to non-controlling interests	—	(1)	—
Comprehensive income attributable to Republic Services, Inc.	$ 2,136	$ 2,029	$ 1,731

The accompanying notes are an integral part of these financial statements.

REPUBLIC SERVICES, INC.
CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY
(in millions)

	Republic Services, Inc. Stockholders' Equity								
	Common Stock		Additional Paid-In Capital	Retained Earnings	Treasury Stock		Accumulated Other Comprehensive Loss, Net of Tax	Non-controlling Interests In Consolidated Subsidiary	Total
	Shares	Amount			Shares	Amount			
Balance as of December 31, 2022	321	$ 3	$ 2,843	$ 7,356	(4)	$ (505)	$ (12)	$ 1	$ 9,686
Net income	—	—	—	1,731	—	—	—	—	1,731
Other comprehensive income (loss)	—	—	—	—	—	—	—	—	—
Cash dividends declared	—	—	—	(650)	—	—	—	—	(650)
Issuances of common stock	—	—	14	—	—	(15)	—	—	(1)
Stock-based compensation	—	—	44	(3)	—	—	—	—	41
Purchase of common stock for treasury	—	—	—	—	(2)	(264)	—	—	(264)
Distributions paid	—	—	—	—	—	—	—	—	—
Balance as of December 31, 2023	321	3	2,901	8,434	(6)	(784)	(12)	1	10,543
Net income	—	—	—	2,043	—	—	—	1	2,044
Other comprehensive income (loss)	—	—	—	—	—	—	(14)	—	(14)
Cash dividends declared	—	—	—	(699)	—	—	—	—	(699)
Issuances of common stock	—	—	16	—	—	(30)	—	—	(14)
Stock-based compensation	—	—	45	(4)	—	—	—	—	41
Purchase of common stock for treasury	—	—	—	—	(3)	(494)	—	—	(494)
Shares returned to unissued status	(8)	—	(1,195)	—	8	1,195	—	—	—
Distributions paid	—	—	—	—	—	—	—	—	—
Balance as of December 31, 2024	313	3	1,767	9,774	(1)	(113)	(26)	2	11,407
Net income	—	—	—	2,139	—	—	—	—	2,139
Other comprehensive income (loss)	—	—	—	—	—	—	(3)	—	(3)
Cash dividends declared	—	—	—	(749)	—	—	—	—	(749)
Issuances of common stock	—	—	19	—	—	(24)	—	—	(5)
Stock-based compensation	—	—	47	(3)	—	—	—	—	44
Purchase of common stock for treasury	—	—	—	—	(4)	(863)	—	—	(863)
Shares returned to unissued status	—	—	—	—	—	—	—	—	—
Distributions paid	—	—	—	—	—	—	—	(1)	(1)
Balance as of December 31, 2025	313	$ 3	$ 1,833	$ 11,161	(5)	$ (1,000)	$ (29)	$ 1	$ 11,969

The accompanying notes are an integral part of these financial statements.

REPUBLIC SERVICES, INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS
(in millions)

	Years Ended December 31,		
	2025	2024	2023
Cash provided by operating activities:			
Net income	$ 2,139	$ 2,044	$ 1,731
Adjustments to reconcile net income to cash provided by operating activities:			
Depreciation, depletion, amortization and accretion	1,928	1,784	1,599
Non-cash interest expense	75	71	86
Deferred tax provision	269	87	102
Loss from unconsolidated equity method investments	163	255	94
Other non-cash items	81	49	94
Change in assets and liabilities, net of effects from business acquisitions and divestitures:			
Accounts receivable	(87)	(76)	(71)
Prepaid expenses and other assets	(174)	(171)	(30)
Accounts payable	(14)	(27)	83
Capping, closure and post-closure expenditures	(70)	(56)	(61)
Remediation expenditures	(54)	(62)	(55)
Other liabilities	40	14	43
Payments from retirement of certain hedging relationships	—	24	3
Cash provided by operating activities	4,296	3,936	3,618
Cash used in investing activities:			
Purchases of property and equipment	(1,887)	(1,855)	(1,631)
Proceeds from sales of property and equipment	13	47	29
Cash used in acquisitions and investments, net of cash and restricted cash acquired	(1,430)	(753)	(2,065)
Cash received from business divestitures	11	2	6
Other	(20)	(2)	(6)
Cash used in investing activities	(3,313)	(2,561)	(3,667)
Cash (used in) provided by financing activities:			
Proceeds from credit facilities and notes payable, net of fees	37,715	24,020	39,221
Proceeds from issuance of senior notes, net of discount and fees	1,183	889	2,172
Payments of credit facilities and notes payable	(38,206)	(25,109)	(40,411)
Issuances of common stock, net	(5)	(14)	(1)
Purchases of common stock for treasury	(870)	(482)	(262)
Cash dividends paid	(738)	(687)	(638)
Distributions paid to non-controlling interests in consolidated subsidiary	(1)	—	—
Contingent consideration payments	(16)	(15)	(19)
Cash (used in) provided by financing activities	(938)	(1,398)	62
Effect of foreign exchange rate changes on cash	1	(2)	1
Increase (decrease) in cash, cash equivalents, restricted cash and restricted cash equivalents	46	(25)	14
Cash, cash equivalents, restricted cash and restricted cash equivalents at beginning of year	203	228	214
Cash, cash equivalents, restricted cash and restricted cash equivalents at end of year	$ 249	$ 203	$ 228

The accompanying notes are an integral part of these financial statements.

REPUBLIC SERVICES, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

1. BASIS OF PRESENTATION

Republic Services, Inc., a Delaware corporation, and its consolidated subsidiaries (also referred to collectively as Republic, the Company, we, us, or our), is one of the largest providers of environmental services in the United States, as measured by revenue. Our senior management evaluates, oversees and manages the financial performance of our operations through three field groups, referred to as Group 1, Group 2 and Group 3. Group 1 is our recycling and waste business operating primarily in geographic areas located in the western United States. Group 2 is our recycling and waste business operating primarily in geographic areas located in the southeastern and mid-western United States, the eastern seaboard of the United States, and Canada. Group 3 is our environmental solutions business operating primarily in geographic areas located across the United States and Canada. These groups represent our reportable segments, which provide integrated environmental services, including but not limited to collection, transfer, recycling, and disposal.

The consolidated financial statements include the accounts of Republic Services, Inc. and its wholly owned and majority-owned subsidiaries in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP). We account for investments in entities in which we do not have a controlling financial interest under the equity method of accounting or, for investments that do not meet the criteria to be accounted for under the equity method, we reflect these investments at their fair value when it is readily determinable. If fair value is not readily determinable, we use an alternative measurement approach. All material intercompany accounts and transactions have been eliminated in consolidation.

For comparative purposes, certain prior year amounts have been reclassified to conform to the current year presentation and are not material to our consolidated financial statements. All dollar amounts in tabular presentations are in millions, except per share amounts and unless otherwise noted.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Management's Estimates and Assumptions

In preparing our financial statements, we make numerous estimates and assumptions that affect the amounts reported in these financial statements and accompanying notes. We must make these estimates and assumptions because certain information we use is dependent on future events, cannot be calculated with a high degree of precision from data available or simply cannot be readily calculated based on generally accepted methodologies. In preparing our financial statements, the more significant and subjective areas that deal with the greatest amount of uncertainty relate to our accounting for our long-lived assets, including recoverability, landfill development costs and final capping, closure and post-closure costs; our liabilities for potential litigation, claims and assessments; our liabilities for environmental remediation, deferred taxes, uncertain tax positions and insurance reserves; and our estimates of the fair values of assets acquired and liabilities assumed in acquisitions. Each of these items is discussed in more detail elsewhere in these Notes to Consolidated Financial Statements. Our actual results may differ significantly from our estimates.

Cash and Cash Equivalents

We consider liquid investments with a maturity at the date of acquisition of three months or less to be cash equivalents.

We may have net book credit balances in our primary disbursement accounts at the end of a reporting period. We classify such credit balances as accounts payable in our consolidated balance sheets as checks presented for payment to these accounts are not payable by our banks under overdraft arrangements, and, therefore, do not represent short-term borrowings. As of December 31, 2025 and 2024, there were net book credit balances of $119 million and $121 million, respectively, in our primary disbursement accounts that were classified as accounts payable on our consolidated balance sheets.

Concentration of Credit Risk

Financial instruments that potentially subject us to concentrations of credit risk consist of cash and cash equivalents, trade accounts receivable and derivative instruments. We place our cash and cash equivalents with high quality financial institutions. Such balances may be in excess of FDIC insured limits. To manage the related credit exposure, we continually monitor the credit worthiness of the financial institutions where we have deposits. Concentrations of credit risk with respect to trade accounts receivable are limited due to the wide variety of customers and markets in which we provide services, as well as the dispersion of our operations across many geographic areas. We provide services to small-container, large-container, municipal and residential and environmental solutions customers primarily in the United States and Canada. We perform ongoing credit evaluations of our customers, but generally do not require collateral to support customer receivables. We establish an allowance

for doubtful accounts based on various factors including the credit risk of specific customers, age of receivables outstanding, historical trends, economic conditions and other information.

Accounts Receivable, Net

Accounts receivable represents receivables from customers for environmental services, including collection and processing of recyclable materials, collection, transfer and disposal of solid waste and environmental solutions. Our receivables are recorded when billed or when the related revenue is earned and represent claims against third parties that will be settled in cash. The carrying value of our receivables, net of the allowance for doubtful accounts and customer credits, represents the estimated net realizable value.

We establish an allowance for doubtful accounts based on various factors including the age of receivables outstanding, historical trends, economic conditions and other information. We also review outstanding balances on an account-specific basis based on the credit risk of the customer. We determined that all of our accounts receivable share similar risk characteristics. We monitor our credit exposure on an ongoing basis and assess whether assets in the pool continue to display similar risk characteristics.

The following table reflects the activity in our allowance for doubtful accounts for the years ended December 31:

	2025	2024	2023
Balance at beginning of year	$ 74	$ 83	$ 52
Additions charged to expense	40	27	53
Accounts written-off	(48)	(36)	(22)
Balance at end of year	$ 66	$ 74	$ 83

Restricted Cash and Marketable Securities

As of December 31, 2025 and 2024, we had $259 million and $208 million, respectively, of restricted cash and marketable securities, of which $192 million and $149 million, respectively, supports our insurance programs for workers' compensation, commercial general liability and commercial auto liability. Additionally, we obtain funds through the issuance of tax-exempt bonds for the purpose of financing qualifying expenditures at our landfills, transfer stations, collection and recycling centers. The funds are deposited directly into trust accounts by the bonding authorities at the time of issuance. As the use of these funds is contractually restricted, and we do not have the ability to use these funds for general operating purposes, they are classified as restricted cash and marketable securities in our consolidated balance sheets.

In the normal course of business, we may be required to provide financial assurance to governmental agencies and a variety of other entities in connection with, among other things, municipal residential collection contracts, closure or post-closure of landfills, environmental remediation, environmental permits and business licenses and permits as a financial guarantee of our performance. At several of our landfills, we satisfy financial assurance requirements by depositing cash into restricted trust funds or escrow accounts.

Property and Equipment

We record property and equipment at cost. Expenditures for major additions and improvements to facilities are capitalized, while maintenance and repairs are expensed as incurred. When property is retired or otherwise disposed, the related cost and accumulated depreciation are removed from the accounts and any resulting gain or loss is reflected in the consolidated statements of income.

We revise the estimated useful lives of property and equipment acquired through business acquisitions to conform with our policies. We depreciate property and equipment over their estimated useful lives using the straight-line method. We assume no salvage value for our depreciable property and equipment. The estimated useful lives of our property and equipment are as follows:

Buildings and improvements	5 - 30 years
Vehicles	5 - 20 years
Landfill equipment	5 - 7 years
Other equipment	3 - 25 years
Furniture and fixtures	3 - 10 years

Landfill development costs also are included in property and equipment. Landfill development costs include direct costs incurred to obtain landfill permits and direct costs incurred to acquire, construct and develop sites, as well as final capping.

closure and post-closure assets. These costs are depleted or amortized based on consumed airspace. All indirect landfill development costs are expensed as incurred. For additional information, see Note 8, *Landfill and Environmental Costs*.

Capitalized Interest

We capitalize interest on all landfill cell construction and other construction or development projects. Interest is capitalized on qualified assets while they undergo activities to ready them for their intended use. Capitalization of interest ceases once an asset is placed into service or if construction activity is suspended for more than a brief period of time. Our interest capitalization rate is based on our weighted average cost of indebtedness. Capitalized interest is immaterial to the Company's consolidated financial statements.

Fair Value of Financial Instruments

Our financial instruments include cash and cash equivalents, restricted cash and marketable securities, derivatives, long-term debt, and contingent consideration arrangements. Accounting standards include disclosure requirements around fair values used for certain financial instruments and establish a fair value hierarchy. The hierarchy prioritizes valuation inputs into three levels based on the extent to which inputs used in measuring fair value are observable in the market. Each fair value measurement is reported in one of three levels:

- Level 1 – inputs are based upon unadjusted quoted prices for identical instruments traded in active markets.
- Level 2 – inputs are based upon quoted prices for similar instruments in active markets, quoted prices for identical or similar instruments in markets that are not active, and model-based valuation techniques for which all significant assumptions are observable in the market or can be corroborated by observable market data for substantially the full term of the assets or liabilities.
- Level 3 – inputs are generally unobservable and typically reflect management's estimates of assumptions that market participants would use in pricing the asset or liability. The fair values are therefore determined using model-based techniques that include option pricing models, discounted cash flow models and similar techniques.

See Note 17, *Financial Instruments*, for fair value disclosures related to our financial instruments.

Investments Other Than Derivatives

Investments other than derivatives primarily include money market funds, mutual funds, and municipal and corporate bonds. In general, and where applicable, we use quoted prices in active markets for identical assets or liabilities to determine fair value. This pricing methodology applies to our Level 1 investments, such as money market funds and certain mutual funds. If quoted prices in active markets for identical assets or liabilities are not available to determine fair value, then we use quoted prices for similar assets and liabilities or inputs other than the quoted prices that are observable either directly or indirectly. These investments are included in Level 2 and consist primarily of corporate bonds.

Landfill and Environmental Costs

Life Cycle Accounting

We use life-cycle accounting and the units-of-consumption method to recognize certain landfill costs over the life of the site. In life cycle accounting, all current and future capitalized costs to acquire and construct a site are calculated, and charged to expense based on the consumption of cubic yards of available airspace.

Costs and airspace estimates are developed at least annually by engineers. We use these estimates to adjust the rates we use to deplete capitalized costs. Changes in these estimates primarily relate to changes in cost estimates, available airspace, inflation and applicable regulations. Changes in available airspace include, but are not limited to, changes due to the addition of airspace attributable to probable expansion areas, airspace consumed and changes in engineering estimates.

Probable Expansion Airspace

We classify landfill disposal capacity as either permitted (having received the final permit from the applicable regulatory agency) or as probable expansion airspace. Before airspace included in an expansion area is determined to be probable expansion airspace and, therefore, is included in our calculation of total available disposal capacity, all of the following criteria must be met:

- We own the land associated with the expansion airspace or control it pursuant to an agreement;
- We are committed to supporting the expansion project financially and with appropriate resources;

- There are no identified fatal flaws or impediments associated with the project, including political impediments;
- Progress is being made on the project;
- The expansion is attainable within a reasonable time frame; and
- We believe it is probable the expansion permit will be received.

Upon meeting our expansion criteria, the rates used at each applicable landfill to expense costs to acquire, construct, cap, close and maintain a site during the post-closure period are adjusted to include both the probable expansion airspace and the additional costs to be capitalized or accrued associated with that expansion airspace.

We have identified three steps that landfills generally follow to obtain expansion permits. These steps are as follows:

- Obtaining approval from local authorities;
- Submitting a permit application to state authorities; and
- Obtaining permit approval from state authorities.

We continually monitor our progress toward obtaining permits for each of our sites with probable airspace. If we determine that a landfill expansion area no longer meets our criteria, the probable expansion airspace is removed from the landfill's total available disposal capacity and the rates used at the landfill to deplete costs to acquire, construct, cap, close and maintain a site during the post-closure period are adjusted accordingly. In addition, any amounts capitalized for the probable expansion airspace are charged to expense in the period in which it is determined that the criteria are no longer met.

Capitalized Landfill Costs

Capitalized landfill costs include expenditures for land, permitting, cell construction and environmental structures. Capitalized permitting and cell construction costs are limited to direct costs relating to these activities, including legal, engineering and construction costs associated with excavation, natural and synthetic liners, construction of leachate collection systems, installation of methane gas collection and monitoring systems, installation of groundwater monitoring wells and other costs associated with the development of the site. Interest is capitalized on landfill construction projects while the assets are undergoing activities to ready them for their intended use. Capitalized landfill costs also include final capping, closure and post-closure assets and are depleted as airspace is consumed using the units-of-consumption method.

Costs related to acquiring land, excluding the estimated residual value of unpermitted, non-buffer land, and costs related to permitting and cell construction are depleted as airspace is consumed using the units-of-consumption method.

Capitalized landfill costs also may include an allocation of purchase price paid for landfills. For landfills purchased as part of a group of assets, the purchase price assigned to the landfill is determined based on the estimated fair value of the landfill. If the landfill meets our expansion criteria, the purchase price is further allocated between permitted airspace and expansion airspace based on the respective ratios to total available airspace. Landfill purchase price is depleted using the units-of-consumption method over the total available airspace, including probable expansion airspace, where appropriate.

Final Capping, Closure and Post-Closure Costs

Final capping

We have future obligations for final capping, closure and post-closure costs with respect to the landfills we own or operate as set forth in applicable landfill permits. The permit requirements are based on the Subtitle C and Subtitle D regulations of the Resource Conservation and Recovery Act, as implemented and applied on a state-by-state basis. We define final capping as activities required to permanently cover a portion of a landfill that has been completely filled with waste. Final capping typically includes installing flexible membrane and geosynthetic clay liners, drainage and compact soil layers and topsoil and is constructed over an area of the landfill where total available disposal capacity has been consumed and waste disposal operations have ceased. These final capping activities occur in phases as needed throughout the operating life of a landfill as specific areas are filled to capacity and the final elevation for that specific area is reached in accordance with the provisions of the operating permit. We consider final capping events to be discrete activities that are recognized as asset retirement obligations separately from other closure and post-closure obligations. As a result, we use a separate rate per ton for recognizing the principal amount of the liability and related asset associated with each capping event. We amortize the asset recorded pursuant to this approach as waste volume related to the capacity covered by the capping event is placed into the landfill based on the consumption of cubic yards of available airspace.

Closure and post-closure

Closure and post-closure activities occur after the entire landfill ceases to accept waste and closes. These activities involve methane gas control, leachate management and groundwater monitoring, surface water monitoring and control and other operational and maintenance activities that occur after the site ceases to accept waste. Obligations associated with monitoring and controlling methane gas migration and emissions are set forth in applicable landfill permits and these requirements are based on the provisions of the Clean Air Act. The post-closure period generally runs for 30 years after final site closure for municipal solid waste landfills and a shorter period for construction and demolition landfills and inert landfills. We recognize asset retirement obligations and the related amortization expense for closure and post-closure (excluding obligations for final capping) using the units-of-consumption method over the total remaining disposal capacity of the landfill, including probable expansion airspace, where appropriate.

Estimated future expenditures

Estimates of future expenditures for final capping, closure and post-closure are developed at least annually by engineers. Management reviews these estimates and our operating and accounting personnel use them to adjust the rates used to capitalize and amortize these costs. These estimates involve projections of costs that will be incurred during the remaining life of the landfill for final capping activities, after the landfill ceases operations and during the legally required post-closure monitoring period. As of December 31, 2025, we had 124 closed landfills.

Fair value measurements

In general, we engage third parties to perform most of our final capping, closure and post-closure activities. Accordingly, the fair value of these activities is based on quoted and actual prices paid for similar work. We also perform some of our final capping, closure and post-closure activities using internal resources. Where we expect internal resources to be used to fulfill an asset retirement obligation, we add a profit margin to the estimated cost of such services to better reflect their fair value. If we perform these services internally, the added profit margin is recognized as a component of operating income in the period the obligation is settled.

Our estimates of costs to discharge asset retirement obligations for landfills are developed in today's dollars. These costs are inflated each year to reflect a normal escalation of prices up to the year they are expected to be paid. Our inflation rate was 2.0% for the years ended December 31, 2025 and 2024, which was primarily based on the twenty-year historical moving average increase of the United States Core Consumer Price Index. Our inflation rate was 2.0% for the year ended December 31, 2023, which was primarily based on the ten-year historical moving average increase of the United States Consumer Price Index. These estimated costs are then discounted to their present values using a credit-adjusted, risk-free interest rate.

Changes in assets retirement obligations

A liability for an asset retirement obligation is recognized in the period in which it is incurred and is initially measured at fair value. The offset to the liability is capitalized as part of the carrying amount of the related long-lived asset. Changes in the liabilities due to revisions to estimated future cash flows are recognized by increasing or decreasing the liabilities with the offsets adjusting the carrying amounts of the related long-lived assets, and may also require immediate adjustments to amortization expense in the consolidated statements of income. Upward revisions in the amount of undiscounted estimated cash flows used to record a liability are discounted using the credit-adjusted, risk-free interest rate in effect at the time of the change. Downward revisions in the amount of undiscounted estimated cash flows used to record a liability are discounted using the credit-adjusted, risk-free rate that existed when the original liability was recognized.

Changes in asset retirement obligations due to the passage of time are measured by recognizing accretion expense in a manner that results in a constant effective interest rate being applied to the average carrying amount of the liability. The effective interest rate used to calculate accretion expense is our credit-adjusted, risk-free interest rate in effect at the time the liabilities were recorded.

We review our calculations with respect to landfill asset retirement obligations at least annually. If there is a significant change in the facts and circumstances related to a landfill during the year, we will review our calculations for the landfill as soon as practical after the change has occurred.

Landfill operating expenses

Costs associated with daily maintenance activities and environmental compliance during the operating life of the landfill are expensed as incurred. These costs include, among other things, leachate treatment and disposal, methane gas and groundwater monitoring and systems maintenance, interim cap maintenance, costs associated with the application of daily cover materials and the legal and administrative costs of ongoing environmental compliance.

Environmental Liabilities

We are subject to an array of laws and regulations relating to the protection of the environment, and we remediate sites in the ordinary course of our business. Under current laws and regulations, we may be responsible for environmental remediation at sites that we either own or operate, including sites that we have acquired, or sites where we have (or a company that we have acquired has) delivered waste. Our environmental remediation liabilities primarily include costs associated with remediating groundwater, surface water and soil contamination, as well as controlling and containing methane gas migration and the legal costs related to these remediation efforts. To estimate our ultimate liability at these sites, we evaluate several factors, including the nature and extent of contamination at each identified site, the required remediation methods, timing of expenditures, the apportionment of responsibility among the potentially responsible parties and the financial viability of those parties. We accrue for costs associated with environmental remediation obligations when such costs are probable and reasonably estimable in accordance with accounting for loss contingencies. Changes in our liabilities are recognized currently in earnings in the period in which the adjustment is known. Adjustments to estimates are reasonably possible in the near term and may result in changes to recorded amounts. With the exception of those obligations assumed in certain business combinations, environmental obligations are recorded on an undiscounted basis. Adjustments arising from changes in amounts and timing of estimated costs and settlements may result in increases or decreases in these obligations and are calculated on a discounted basis as they were initially estimated on a discounted basis. These adjustments are charged to operating income when they are known. We perform a comprehensive review of our environmental obligations annually and also review changes in facts and circumstances associated with these obligations at least quarterly and update our estimates of the likelihood of and future expenditures for remediation as necessary. We have not reduced the liabilities we have recorded for recoveries from other potentially responsible parties or insurance companies.

Business Combinations

We acquire businesses in the environmental services industry as part of our growth strategy. Businesses are included in the consolidated financial statements from the date of acquisition.

We recognize, separately from goodwill, the identifiable assets acquired and liabilities assumed at their estimated acquisition-date fair values. We measure and recognize goodwill as of the acquisition date as the excess of: (1) the aggregate of the fair value of consideration transferred, the fair value of any non-controlling interest in the acquiree (if any) and the acquisition date fair value of our previously held equity interest in the acquiree (if any), over (2) the fair value of assets acquired and liabilities assumed. If information about facts and circumstances existing as of the acquisition date is incomplete by the end of the reporting period in which a business combination occurs, we report provisional amounts for the items for which the accounting is incomplete. The measurement or allocation period ends once we receive the information we are seeking; however, this period will generally not exceed one year from the acquisition date. Any material adjustments recognized during the measurement period will be reflected in the consolidated financial statements of the subsequent period. We recognize third-party transaction-related costs as expense in the period in which they are incurred.

Goodwill and Other Intangible Assets

We evaluate goodwill for impairment annually as of October 1st, or when an indicator of impairment exists, at the reporting unit level. Our reporting units are our three field groups: Group 1, Group 2 and Group 3.

We may use both qualitative and quantitative approaches when testing goodwill for impairment. If, after assessing qualitative factors, we determine it is more likely than not that a reporting unit's goodwill is impaired, then we perform a quantitative test for that reporting unit. The quantitative impairment test for goodwill encompasses calculating a fair value of goodwill and comparing the fair value to its carrying value. If the carrying value exceeds the fair value, impairment is recognized for the difference.

As of October 1, 2025, we performed a qualitative assessment to evaluate circumstances and events impacting our reporting units to determine the likelihood of goodwill impairment. Examples of such events or circumstances include: (1) a significant adverse change in legal factors or in the business climate; (2) an adverse action or assessment by a regulator; (3) a more likely than not expectation that a reporting unit or a significant portion thereof will be sold; (4) continued or sustained losses at a reporting unit; (5) a significant decline in our market capitalization as compared to our book value; or (6) we conclude that we may not recover a significant asset group within the reporting unit. We determined it was more likely than not that the fair values of our reporting units exceeded their carrying amounts. No impairment losses were recorded for goodwill during the years ended December 31, 2025, 2024 or 2023.

Other intangible assets include values assigned to customer relationships, which are amortized on a straight-line basis over periods ranging from 1 to 15 years.

Asset Impairments

We continually consider whether events or changes in circumstances have occurred that may warrant revision of the estimated useful lives of our long-lived assets (other than goodwill) or whether the remaining balances of those assets should be evaluated for possible impairment. Long-lived assets include, for example, capitalized landfill costs, other property and equipment and identifiable intangible assets.

Events or changes in circumstances that may indicate that an asset may be impaired include the following:

- A significant decrease in the market price of an asset or asset group;
- A significant adverse change in the extent or manner in which an asset or asset group is being used or in its physical condition;
- A significant adverse change in legal factors or in the business climate that could affect the value of an asset or asset group, including an adverse action or assessment by a regulator;
- An accumulation of costs significantly in excess of the amount originally expected for the acquisition or construction of a long-lived asset;
- A current period operating or cash flow loss combined with a history of operating or cash flow losses or a projection or forecast that demonstrates continuing losses associated with the use of a long-lived asset or asset group;
- A current expectation that, more likely than not, a long-lived asset or asset group will be sold or otherwise disposed of significantly before the end of its previously estimated useful life; or
- An impairment of goodwill at a reporting unit.

There are certain indicators listed above that require judgment and understanding of the environmental services industry when applied to landfill development or expansion. For example, a regulator may initially deny a landfill expansion permit application though the expansion permit is ultimately granted. In addition, management may periodically divert waste from one landfill to another to conserve remaining permitted landfill airspace. Therefore, certain events could occur in the ordinary course of business and not necessarily be considered indicators of impairment due to the unique nature of the environmental services industry.

If indicators of impairment exist, the asset or asset group is reviewed to determine whether its recoverability is impaired. We assess the recoverability of the asset or asset group by comparing its carrying value to an estimate (or estimates) of its undiscounted future cash flows over its remaining life. If the estimated undiscounted cash flows are not sufficient to recover the carrying value of the asset or asset group, we measure an impairment loss as the amount by which the carrying amount of the asset exceeds its fair value. The loss is recorded in the consolidated statements of income in the period in which such impairment is identified. Estimating future cash flows requires significant judgment, and our projections of future cash flows and remaining useful lives may vary materially from actual results. No impairment losses were recorded for long-lived assets during the years ended December 31, 2025, 2024 or 2023.

Insurance Reserves

Our insurance programs for workers' compensation, commercial general and auto liability, environmental and remediation liability and employee-related health care benefits are subject to high deductible insurance policies. Accruals for insurance reserves are based on claims filed and estimates of claims incurred but not reported. We consider our past claims experience, including both frequency and settlement amount of claims, in determining these estimates. It is possible that recorded reserves may not be adequate to fund the future payment of claims. Adjustments, if any, to estimates recorded resulting from ultimate claim payments will be reflected in the consolidated statements of income in the periods in which such adjustments are known. In general, our insurance reserves are recorded on an undiscounted basis; however, the insurance liabilities we assumed in business combinations are recorded at estimated fair value, and therefore have been discounted to present value based on our estimate of the timing of the related cash flows.

Contingent Liabilities

We are subject to various legal proceedings, claims and regulatory matters, the outcomes of which are subject to significant uncertainty. In general, we determine whether to disclose or accrue for loss contingencies based on an assessment of whether the risk of loss is remote, reasonably possible or probable, and whether it can be reasonably estimated. We assess our potential liability relating to litigation and regulatory matters based on information available to us. Management develops its assessment based on an analysis of possible outcomes under various strategies. We accrue for loss contingencies when such amounts are probable and reasonably estimable. If a contingent liability is only reasonably possible, we disclose the potential range of the

loss, if estimable. Contingent liabilities recorded in purchase accounting are recorded at their fair values. These fair values may be different from the values we would have otherwise recorded, had the contingent liability not been assumed as part of an acquisition of a business.

Accumulated Other Comprehensive Income

Accumulated other comprehensive income is a component of stockholders' equity and includes the amortization of our settled interest rate locks and foreign currency translation adjustments.

Revenue Recognition

We generally provide services under contracts with municipalities or individual customers. Municipal and small-container contracts are generally long-term and often have renewal options. Revenue may be billed in advance of the service being performed, such as the treatment or disposal of the waste. Advance billings are recorded as deferred revenue, and revenue is recognized over the period services are provided.

We recognize revenue, net of tax, when control is transferred to the customer, generally at the time we provide a service. Revenue is measured as the amount of consideration we expect to receive in exchange for providing a service. We make payments to certain of our customers, including payments to our municipal customers or commodity rebates to customers in our recycling business, which reduce the amount of revenue we recognize.

Income Taxes

We account for income taxes under the asset and liability method, which requires the recognition of deferred tax assets and liabilities for the expected future tax consequences of events that have been included in the financial statements. Under this method, we record deferred income taxes to reflect the effects of temporary differences between the carrying amounts of assets and liabilities and their tax bases using enacted tax rates that we expect to be in effect when the taxes are actually paid or recovered. The effect of a change in tax rates on deferred tax assets and liabilities is recognized in income in the period that includes the enactment date.

We record net deferred tax assets to the extent we believe these assets will more likely than not be realized. In making these determinations, we consider all available positive and negative evidence, including scheduled reversals of deferred tax liabilities, tax planning strategies, projected future taxable income and recent financial operating results. The weight given to the positive and negative evidence is commensurate with the extent such evidence can be objectively verified. If we determine that we would be able to realize a deferred income tax asset in the future in excess of its net recorded amount, we would make an adjustment to the valuation allowance, which would reduce the provision for income taxes.

We record uncertain tax positions in accordance with ASC 740. A tax benefit from an uncertain tax position may be recognized when it is more likely than not that the position will be sustained upon examination, including resolution of any related appeals or litigation processes, based on the technical merits. Income tax positions must meet a more-likely-than-not recognition threshold at the effective date to be recognized.

We recognize interest and penalties related to uncertain tax positions in the provision for income taxes in the accompanying consolidated statements of income. Accrued interest and penalties are included in other accrued liabilities, deferred income taxes and other long-term tax liabilities in the consolidated balance sheets.

We use the flow-through method to account for investment tax credits earned on eligible development expenditures. Under this method, the investment tax credits are recognized as a reduction to income tax expense in the year they are earned.

Share Repurchases

Share repurchases under our share repurchase authorization may be made through open market purchases or privately negotiated transactions at the current market prices. From time-to-time, we return treasury shares acquired through share repurchases to the status of authorized but unissued. Our accounting policy is to deduct the par value from common stock and to reflect any excess of cost over par value as a deduction from additional paid-in capital.

Leases

We lease property and equipment in the ordinary course of business under various lease agreements. The most significant lease obligations are for real property and equipment specific to our industry, including property operated as a landfill or transfer station and operating equipment. Our leases have varying terms. Some may include renewal or purchase options, escalation clauses, restrictions, penalties or other obligations that we consider in determining minimum lease payments. Our lease terms include options to renew the lease when it is reasonably certain that we will exercise the option.

Certain leases require payments that are variable in nature based on volume measurements, e.g. a fixed rate per ton at our

landfills. In addition, certain rental payments are adjusted annually based on changes in an underlying base index such as a consumer price index. Variable lease payments are recognized in our consolidated statements of income in the period incurred. Our lease agreements do not contain any material residual value guarantees or material restrictive covenants. We generally account for lease components separately from non-lease components.

Leases are classified as either operating leases or finance leases, as appropriate. Leases with an initial term of 12 months or less are not recorded on our consolidated balance sheet.

Operating Leases

Many of our leases are operating leases. Operating lease classification generally can be attributed to either (1) relatively low fixed minimum lease payments (including, for example, real property lease payments that are not fixed and vary based on the volume of material we receive or process), or (2) minimum lease terms that are shorter than the asset's economic useful life. We expect that, in the ordinary course of business, our operating leases will be renewed, replaced by other leases, or replaced with capital expenditures. We recognize rent expense for these leases on a straight-line basis over the lease term.

We recognize a right-of-use liability and right-of-use asset for leases classified as operating leases in our consolidated balance sheet upon lease commencement. The right-of-use liability represents the present value of the remaining lease payments. An implicit rate is often not readily available for these leases. As such, we use our incremental borrowing rate at the commencement date to determine the present value of the lease payments. Our incremental borrowing rate represents the rate of interest that we would have to pay to borrow on a collateralized basis over a similar term in a similar economic environment. In addition, we recognize a corresponding right-of-use asset, which represents our right to use an underlying asset for the lease term. The right-of-use asset is adjusted for certain favorable or unfavorable leases recognized through acquisition, prepaid or accrued rent, asset impairments and lease incentives, including but not limited to cash incentives, rent abatement or leasehold improvements paid by the lessor.

Finance Leases

We capitalize assets acquired under finance leases at lease commencement and amortize them to depreciation expense over the lesser of the useful life of the asset or the lease term on either a straight-line or a units-of-consumption basis, depending on the asset leased. We record the present value of the related lease payments as a debt obligation. Our finance lease liabilities relate primarily to real property, including certain long-term landfill operating agreements that require minimum lease payments with offsetting finance lease assets recorded as part of the landfill development costs.

Related Party Transactions

It is our policy that transactions with related parties must be on terms that, on the whole, are no less favorable than those that would be available from unaffiliated parties.

New Accounting Pronouncements

Accounting Standards Adopted

Improvements to Income Tax Disclosures

In December 2023, the FASB issued ASU 2023-09, Income Taxes (Topic 740): Improvements to Income Tax Disclosures (ASU 2023-09). ASU 2023-09 requires entities to provide additional information in the rate reconciliation and additional disclosures about income taxes paid. The amendments in this update are effective for fiscal years beginning after December 15, 2024. The Company adopted ASU 2023-09 on a retrospective basis in this Annual Report on Form 10-K. The adoption of this ASU did not have a material impact on our consolidated financial statements. The required additional information can be found in Note 11, *Income Taxes,* in Part II, Item 8 of this Annual Report on Form 10-K for the year ended December 31, 2025.

Accounting Standards Updates Issued but not yet Adopted as of December 31, 2025

Accounting Standards Update Codification Improvements

In December 2025, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update 2025-12, *Codification Improvements*. The amendments from this ASU address a range of various accounting topics that represent changes that clarify and make minor improvements to the existing codification. The amendments are effective for annual reporting periods beginning after December 15, 2026, and interim reporting periods within those annual reporting periods. Early adoption is permitted. We are currently assessing the effect this guidance may have on our consolidated financial statements.

Narrow-Scope Improvements

In December 2025, the FASB issued Accounting Standards Update 2025-11, *Interim Reporting* (Topic 270): Narrow-Scope Improvements: This guidance clarifies interim disclosure requirements and the applicability of Topic 270 resulting in a comprehensive list of interim disclosures required by GAAP and a disclosure principal for disclosing material events since the last reporting period. The amendments are effective for interim reporting periods within annual reporting periods beginning after December 15, 2027.

Accounting for Government Grants Received by Business Entities

In December 2025, the FASB issued Accounting Standards Update 2025-10, *Government Grants* (Topic 832): Accounting for Government Grants Received by Business Entities. This ASU adds guidance to ASC 832 on the recognition, measurement, and presentation of government grants. In the absence of such guidance, many for-profit entities historically have analogized to other GAAP, including IAS 20 or ASC 958-605, when accounting for government grants. This ASU will be effective for annual and interim periods in fiscal years beginning after December 15, 2028. We are currently assessing the effect this guidance may have on our consolidated financial statements.

Targeted Improvements to the Accounting for Internal-Use Software

In September 2025, the FASB issued Accounting Standards Update 2025-06, *Intangibles - Goodwill and Other - Internal-Use Software* (Subtopic 350-40): Targeted Improvements to the Accounting for Internal-Use Software. This guidance removes references to prescriptive and sequential development stages, requiring companies to capitalize internal-use software costs when management commits to funding the software project and it is probable the project will be completed. The amendments are effective for annual reporting periods beginning after December 15, 2027 and interim reporting periods within those annual reporting periods. Entities may apply the guidance using a prospective, retrospective or modified transition approach. We are currently assessing the effect this guidance may have on our consolidated financial statements.

Measurement of Credit Losses for Accounts Receivable and Contract Assets

In July 2025, the FASB issued Accounting Standards Update 2025-05, Financial Instruments - Credit Losses (Topic 326): *Measurement of Credit Losses for Accounts Receivable and Contract Assets* (ASU 2025-05), which simplifies the application of the current expected credit loss model for current accounts receivable and current contract assets under Topic 606. In developing reasonable and supportable forecasts as part of estimating expected credit losses, the amendments in this update provide entities with a practical expedient that assumes that the current conditions as of the balance sheet date do not change for the remaining life of the asset. The update is effective for fiscal years beginning after December 15, 2025 and interim reporting periods within those annual reporting periods. We are currently assessing the effect this guidance may have on our consolidated financial statements.

Determining the Accounting Acquirer in the Acquisition of a Variable Interest Entity

In May 2025, the FASB issued Accounting Standards Update 2025-03, Business Combinations (Topic 805) and Consolidation (Topic 810): *Determining the Accounting Acquirer in the Acquisition of a Variable Interest Entity* (ASU 2025-03), revising guidance on identifying the accounting acquirer in business combinations involving variable interest entities (VIEs). In accordance with ASU 2025-03, when a reporting entity exchanges equity interests in a business combination, it must evaluate specific factors to determine the accounting acquirer, irrespective of the legal acquiree's classification as a VIE. This may lead to the conclusion that a VIE involves a reverse acquisition, treating the legal acquirer as the acquiree for accounting purposes. This update improves comparability with combinations including voting interest entities (VOEs) and will be effective for fiscal years starting after December 15, 2026.

Disaggregation of Income Statement Expenses

In November 2024, the FASB issued Accounting Standards Update No. 2024-03, Income Statement – Reporting Comprehensive Income – Expense Disaggregation Disclosures (Subtopic 220-40): *Disaggregation of Income Statement Expenses* (ASU 2024-03). ASU 2024-03 requires an entity to disclose the amount of purchases of inventory, employee compensation, depreciation, and intangible asset amortization included in each relevant expense caption. It also requires an entity to include certain amounts that are already required to be disclosed under GAAP in the same disclosure. Additionally, it requires an entity to disclose a qualitative description of the amounts remaining in relevant expense captions that are not separately disaggregated quantitatively, and to disclose the total amount of selling expenses and, in annual reporting periods, an entity's definition of selling expenses. The amendments in ASU 2024-03 are effective for annual reporting periods beginning after December 15, 2026 and interim reporting periods beginning after December 15, 2027, with early adoption permitted. An entity may apply the amendments prospectively for reporting periods after the effective date or retrospectively to any or all prior periods presented in the financial statements. The Company is currently evaluating the impact of ASU 2024-03 on its future consolidated financial statements.

Codification Amendments in Response to the SEC's Disclosure Update and Simplification Initiative

In October 2023, the FASB issued ASU 2023-06, Disclosure Improvements: *Codification Amendments in Response to the SEC's Disclosure Update and Simplification Initiative*, to modify the disclosure or presentation requirements of a variety of topics, which will allow users to more easily compare entities subject to the SEC's existing disclosures with those entities that were not previously subject to the SEC's requirements, and to align the requirements in the FASB accounting standard codification with the SEC's regulations. The effective date for each topic's amendment is the date on which the SEC's removal of the topic's related disclosure from Regulation S-X or Regulation S-K becomes effective, with early adoption prohibited.

3. BUSINESS ACQUISITIONS, INVESTMENTS AND RESTRUCTURING CHARGES

We acquired various environmental services businesses during the years ended December 31, 2025 and 2024. The purchase price paid for these business acquisitions and the allocations of the purchase price follows:

	2025	2024
Purchase price:		
Cash used in acquisitions, net of cash acquired of $8 and $1, respectively	$ 1,063	$ 274
Holdbacks	20	7
Fair value, future minimum lease payments	1	—
Total	$ 1,084	$ 281
Allocated as follows:		
Accounts receivable	29	6
Property and equipment	189	57
Other assets	23	4
Accounts payable	(5)	—
Accrued landfill and environmental costs	(24)	—
Other liabilities	(44)	(6)
Fair value of tangible assets acquired and liabilities assumed	168	61
Excess purchase price to be allocated	$ 916	$ 220
Excess purchase price allocated as follows:		
Other intangible assets	$ 199	$ 44
Goodwill	717	176
Total allocated	$ 916	$ 220

Certain of the purchase price allocations are preliminary and based on information existing at the acquisition dates. Accordingly, the purchase price allocations are subject to change. For the acquisitions that closed during the year ended December 31, 2025, we expect that a majority of the goodwill and intangible assets recognized as a result of these acquisitions will not be deductible for tax purposes.

These acquisitions are not material to the Company's results of operations, individually or in the aggregate. As a result, no pro forma financial information is provided.

In February 2025, we acquired all of the issued and outstanding shares of COP Shamrock Parent, Inc. (Shamrock). Shamrock is a leading provider of environmental solutions offering industrial waste and wastewater treatment services. Shamrock's environmental solutions operations are primarily located in the northeastern and southeastern United States and provide us with a platform to pursue additional growth in our environmental solutions line of business. The preliminary purchase price allocation for the Shamrock acquisition is reflected in the table above and remains subject to revisions as additional information is obtained about the facts and circumstances that existed at the valuation date. The preliminary allocation of purchase price, including the value of certain tangible and intangible assets acquired, such as property and equipment, other intangible assets, and environmental remediation liabilities assumed, is based on the best estimates of management and is subject to revision based on the final valuations. We expect our final valuations to be completed in 2026.

In February 2026, we acquired certain assets and assumed certain liabilities from Hamm, LLC, N.R. Hamm Quarry, LLC, N.R. Hamm Contractor, LLC, and Cornejo & Sons, LLC constituting a vertically-integrated recycling and waste business located in Kansas.

As of February 17, 2026, we paid approximately $400 million for acquisitions closed through that date.

Investments

We invest in non-controlling equity interests in certain limited liability companies that qualify for investment tax credits under Section 48 of the Internal Revenue Code. We account for these investments under the equity method of accounting utilizing the Hypothetical Liquidation at Book Value ("HLBV") method. In exchange for our non-controlling interests, we made capital contributions of approximately $227 million and $236 million, which were recorded to other assets in our December 31, 2025 and 2024 consolidated balance sheets, respectively. During 2025 and 2024, the carrying value of these investments was decreased by $135 million and $254 million, respectively, as a result of our share of income and loss pursuant to the terms of the limited liability company agreements. Additionally, our tax provisions reflect benefits of approximately $175 million and $222 million for the years ended December 31, 2025 and 2024, respectively, due to tax credits net of nondeductible items, related to these investments. For further discussion of the income tax benefits, refer to Note 11, *Income Taxes*, in Part II, Item 8 of this Annual Report on Form 10-K for the year ended December 31, 2025.

In 2022, we acquired a non-controlling equity interest in a joint venture with a landfill gas-to-energy developer to construct renewable natural gas projects at our landfills across the United States. Certain of these investments qualified for investment tax credits under Section 48 of the Internal Revenue Code. As of December 31, 2025 and 2024, our carrying value in the joint venture was approximately $314 million and $270 million, respectively. During the years ended December 31, 2025, 2024 and 2023, we contributed $61 million, $98 million and $68 million, respectively, into the joint venture. The investment is accounted for under the equity method of accounting.

In 2022, we acquired a non-controlling equity interest in Blue Polymers, LLC, a joint venture with Ravago, intended to help create vertical integration in the recycling market, and to further advance circularity by acquiring all olefins produced by the Company's Polymer Centers and produce custom blended pellets for food-grade and non-food-grade packaging. As of December 31, 2025 and 2024, our carrying value in the joint venture was $101 million and $55 million, respectively. During the years ended December 31, 2025, 2024 and 2023, we contributed $57 million, $38 million and $9 million, respectively, into the joint venture. This investment is an unconsolidated VIE for which we do not have the power to direct the significant activities of the business, and it is accounted for under the equity method of accounting. Our risk of loss is materially consistent with our contributions to-date.

These investments were recorded as other assets in our consolidated financial statements as of December 31, 2025.

Restructuring Charges

In 2025, 2024 and 2023 we incurred restructuring charges of $20 million, $29 million, and $33 million, respectively. The 2025 charges primarily related to the design and implementation of a new accounts receivable system. The 2024 charges primarily related to the redesign of our asset management, and customer and order management software systems. Of the 2023 charges, $9 million related to the early termination of certain leases and $24 million related to the redesign of our asset management, and customer and order management software systems. We paid $12 million, $25 million, and $39 million during 2025, 2024 and 2023, respectively, related to these restructuring efforts.

4. PROPERTY AND EQUIPMENT, NET

A summary of property and equipment, net as of December 31 follows:

	2025	2024
Land	$ 1,016	$ 897
Landfill development costs	11,335	10,518
Vehicles and equipment	11,785	10,998
Buildings and improvements	2,578	2,119
Construction-in-progress – landfill	326	437
Construction-in-progress – other	423	575
	$ 27,463	$ 25,544
Less: accumulated depreciation, depletion and amortization		
Landfill development costs	$ (6,578)	$ (6,031)
Vehicles and equipment	(7,191)	(6,692)
Buildings and improvements	(1,055)	(944)
	(14,824)	(13,667)
Property and equipment, net	$ 12,639	$ 11,877

Depreciation, depletion and amortization of property and equipment was $1.6 billion, $1.5 billion and $1.4 billion for the years ended December 31, 2025, 2024 and 2023, respectively.

5. GOODWILL AND OTHER INTANGIBLE ASSETS, NET

Goodwill

A summary of the activity and balances in goodwill accounts by reporting segment follows:

	Balance as of December 31, 2024	Acquisitions	Divestitures	Adjustments and Other	Balance as of December 31, 2025
Group 1	$ 7,492	$ 71	$ (1)	$ 11	$ 7,573
Group 2	6,438	154	(1)	6	6,597
Group 3	2,052	492	(1)	2	2,545
Total	$ 15,982	$ 717	$ (3)	$ 19	$ 16,715

	Balance as of December 31, 2023	Acquisitions	Divestitures	Adjustments and Other	Balance as of December 31, 2024
Group 1	$ 7,312	$ 161	$ —	$ 19	$ 7,492
Group 2	6,445	—	—	(7)	6,438
Group 3	2,077	15	—	(40)	2,052
Total	$ 15,834	$ 176	$ —	$ (28)	$ 15,982

Other Intangible Assets, Net

Other intangible assets, net, are primarily comprised of values assigned to customer relationships, which are amortized over periods ranging from 1 to 15 years. A summary of the activity and balances by intangible asset type follows:

	Gross Intangible Assets				Accumulated Amortization				Other Intangible Assets, Net as of December 31, 2025
	Balance as of December 31, 2024	Acquisitions	Adjustments and Other	Balance as of December 31, 2025	Balance as of December 31, 2024	Additions Charged to Expense	Adjustments and Other	Balance as of December 31, 2025	
Customer relationships	$ 690	$ 198	$ (7)	$ 881	$ (215)	$ (81)	$ 7	$ (289)	$ 592
Other intangible assets	91	1	(8)	84	(20)	(8)	7	(21)	63
Total	$ 781	$ 199	$ (15)	$ 965	$ (235)	$ (89)	$ 14	$ (310)	$ 655

	Gross Intangible Assets				Accumulated Amortization				Other Intangible Assets, Net as of December 31, 2024
	Balance as of December 31, 2023	Acquisitions	Adjustments and Other	Balance as of December 31, 2024	Balance as of December 31, 2023	Additions Charged to Expense	Adjustments and Other	Balance as of December 31, 2024	
Customer relationships	$ 632	$ 38	$ 20	$ 690	$ (166)	$ (69)	$ 20	$ (215)	$ 475
Other intangible assets	53	6	32	91	(23)	(10)	13	(20)	71
Total	$ 685	$ 44	$ 52	$ 781	$ (189)	$ (79)	$ 33	$ (235)	$ 546

Based on the amortizable intangible assets recorded in the consolidated balance sheet as of December 31, 2025, amortization expense for each of the next five years is estimated as follows:

2026	$ 87
2027	$ 80
2028	$ 77
2029	$ 71
2030	$ 60

6. OTHER ASSETS

Prepaid Expenses and Other Current Assets

A summary of prepaid expenses and other current assets as of December 31 follows:

	2025	2024
Income taxes receivable	$ 146	$ 124
Prepaid expenses	131	$ 127
Parts and supplies	106	98
Other non-trade receivables	94	96
Reinsurance receivable	32	30
Other	41	36
Total	$ 550	$ 511

Other Assets

A summary of other assets as of December 31 follows:

	2025	2024
Investments	$ 815	$ 637
Operating right-of-use lease assets	208	232
Prepaid fees and capitalized implementation costs for cloud-based hosting arrangements	159	123
Deferred compensation plan	143	125
Reinsurance receivable	90	86
Deferred contract costs and sales commissions	81	82
Derivative and hedging assets	32	55
Other	47	43
Total	$ 1,575	$ 1,383

7. OTHER LIABILITIES

Other Accrued Liabilities

A summary of other accrued liabilities as of December 31 follows:

	2025	2024
Accrued payroll and benefits	$ 313	$ 339
Insurance reserves, current	251	220
Accrued fees and taxes	214	206
Accrued dividends	193	181
Operating right-of-use lease liabilities, current	48	55
Ceded insurance reserves, current	32	30
Accrued professional fees and legal settlement reserves	32	12
Contingent purchase price and acquisition holdbacks	25	14
Other	97	119
Total	$ 1,205	$ 1,176

Other Long-Term Liabilities

A summary of other long-term liabilities as of December 31 follows:

	2025	2024
Operating right-of-use lease liabilities	$ 177	$ 189
Deferred compensation plan liability	125	120
Ceded insurance reserves	90	86
Contingent purchase price and acquisition holdbacks	59	60
Derivative and hedging liabilities	46	72
Withdrawal liability - multiemployer pension funds	20	19
Other	39	42
Total	$ 556	$ 588

Insurance Reserves

Our liabilities for unpaid and incurred but not reported claims as of December 31, 2025 and 2024 (which include claims for workers' compensation, commercial general and auto liability and employee-related health care benefits) were $687 million and $622 million, respectively, under our risk management program and are included in other accrued liabilities and insurance reserves, net of current portion, in our consolidated balance sheets. While the ultimate amount of claims incurred depends on future developments, we believe the recorded reserves are adequate to cover the future payment of claims; however, it is possible that these recorded reserves may not be adequate to cover the future payment of claims. Adjustments, if any, to estimates recorded resulting from ultimate claim payments will be reflected in our consolidated statements of income in the periods in which such adjustments are known.

The following table summarizes the activity in our insurance reserves for the years ended December 31:

	2025	2024	2023
Balance at beginning of year	$ 622	$ 566	$ 503
Additions charged to expense	673	671	656
Payments	(717)	(701)	(636)
Premium written for third party risk assumed	109	86	43
Balance at end of year	687	622	566
Less: current portion	(251)	(220)	(217)
Long-term portion	$ 436	$ 402	$ 349

8. LANDFILL AND ENVIRONMENTAL COSTS

As of December 31, 2025, we owned or operated 207 active landfills with total available disposal capacity estimated to be 5 billion in-place cubic yards. Additionally, we have post-closure responsibility for 124 closed landfills.

Accrued Landfill and Environmental Costs

A summary of our accrued landfill asset retirement obligations and environmental liabilities as of December 31 follows:

	2025	2024
Landfill final capping, closure and post-closure liabilities	$ 2,313	$ 2,144
Environmental remediation	443	447
Total accrued landfill and environmental costs	2,756	2,591
Less: current portion	(148)	(159)
Long-term portion	$ 2,608	$ 2,432

Final Capping, Closure and Post-Closure Costs

The following table summarizes the activity in our asset retirement obligations, which includes liabilities for final capping, closure and post-closure, for the years ended December 31:

	2025	2024	2023
Asset retirement obligations, beginning of year	$ 2,144	$ 1,937	$ 1,786
Non-cash additions	73	61	61
Acquisitions, net of divestitures and other adjustments	2	4	12
Asset retirement obligation adjustments	50	91	41
Payments	(70)	(56)	(61)
Accretion expense	114	107	98
Asset retirement obligations, end of year	2,313	2,144	1,937
Less: Current portion	(87)	(96)	(72)
Long-term portion	$ 2,226	$ 2,048	$ 1,865

We review annually, in the fourth quarter, and update as necessary, our estimates of asset retirement obligations. As a result, we increased amortization expense by $3 million, $13 million and $5 million for the years ended December 31, 2025, 2024 and 2023, respectively, primarily related to changes in estimates and assumptions concerning the anticipated waste flow, cost and timing of future final capping, closure and post-closure activities.

The expected future payments for final capping, closure and post-closure as of December 31, 2025 follows:

2026	$ 87
2027	112
2028	96
2029	80
2030	112
Thereafter	8,247
	$ 8,734

The estimated remaining final capping, closure and post-closure expenditures presented above are not inflated and not discounted and reflect the total estimated future payments for liabilities which include those incurred and recorded as of December 31, 2025 as well as liabilities yet to be incurred over the remaining life of our landfills.

Environmental Remediation Liabilities

We accrue for remediation costs when they become probable and can be reasonably estimated. There can sometimes be a range of reasonable estimates of the costs associated with remediation of a site. In these cases, we use the amount within the range that constitutes our best estimate. If no amount within the range appears to be a better estimate than any other, we use the amount that is at the low end of such range. It is reasonably possible that we will need to adjust the liabilities recorded for remediation to reflect the effects of new or additional information, to the extent such information impacts the costs, timing or duration of the required actions. If we used the reasonably possible high ends of our ranges, our aggregate potential remediation liability as of December 31, 2025 would be approximately $276 million higher than the amounts recorded. Future changes in our estimates of the cost, timing or duration of the required actions could have a material adverse effect on our consolidated financial position, results of operations and cash flows.

The following table summarizes the activity in our environmental remediation liabilities for the years ended December 31:

	2025	2024	2023
Environmental remediation liabilities, beginning of year	$ 447	$ 485	$ 487
Net additions charged to expense	1	7	2
Payments	(54)	(62)	(55)
Accretion expense (non-cash interest expense)	17	17	18
Acquisitions, net of divestitures and other adjustments	32	—	33
Environmental remediation liabilities, end of year	443	447	485
Less: current portion	(61)	(63)	(69)
Long-term portion	$ 382	$ 384	$ 416

The expected undiscounted future payments for remediation costs as of December 31, 2025 follows:

2026	$ 61
2027	46
2028	39
2029	31
2030	36
Thereafter	286
	$ 499

The following is a discussion of certain of our significant remediation matters:

West Lake Landfill Superfund Site. Our subsidiary Bridgeton Landfill, LLC is one of several currently designated Potentially Responsible Parties for the West Lake Landfill Superfund site (West Lake) in Missouri. On September 27, 2018, the United States Environmental Protection Agency (EPA) issued a Record of Decision Amendment for West Lake that includes a total undiscounted cost estimate of $229 million over a four to five year design and construction timeline. On March 11, 2019, the EPA issued special notice letters under the Comprehensive Environmental Response, Compensation and Liability Act of 1980 (CERCLA) to Bridgeton Landfill, LLC and the other currently designated Potentially Responsible Parties to initiate negotiations to implement the remedy. On January 17, 2025, the EPA issued an Explanation of Significant Differences (ESD) applying the prior Record of Decision Amendment to an increased number of acres at the site found to contain radiologically-impacted material. The ESD includes a revised undiscounted cost estimate of $392 million. At this time we are neither able to predict the final design of that remedy, nor estimate how much of the future response costs of the site our subsidiary may agree or be required to pay. During any subsequent administrative proceedings or litigation, our subsidiary will vigorously contest liability for the costs of remediating radiologically-impacted materials generated on behalf of the federal government during the Manhattan Project and delivered to the site by an Atomic Energy Commission licensee and its subcontractor. However, subsequent events related to remedy design, divisibility, or allocation may require us to modify our expected remediation liability.

9. DEBT

The carrying value of our credit facilities, finance leases and long-term debt as of December 31, 2025 and 2024 is listed in the following table, and is adjusted for unamortized discounts, deferred issuance costs and the unamortized portion of adjustments to fair value recorded in purchase accounting. Original issue discounts and adjustments to fair value recorded in purchase accounting are amortized to interest expense over the term of the applicable instrument using the effective interest method.

		December 31, 2025			December 31, 2024		
Maturity	Interest Rate	Principal	Adjustments	Carrying Value	Principal	Adjustments	Carrying Value
Credit facilities:							
Uncommitted Credit Facility	Variable	$ —	$ —	$ —	$ —	$ —	$ —
The Credit Facility	Variable	425	—	425	514	—	514
Commercial Paper	Variable	1,000	(1)	999	477	—	477
Senior notes:							
March 2025	3.200	—	—	—	500	—	500
November 2025	0.875	—	—	—	350	—	350
July 2026	2.900	500	—	500	500	(1)	499
November 2027	3.375	650	(1)	649	650	(2)	648
May 2028	3.950	800	(5)	795	800	(7)	793
April 2029	4.875	750	(5)	745	750	(6)	744
November 2029	5.000	400	(3)	397	400	(4)	396
March 2030	2.300	600	(3)	597	600	(4)	596
July 2030	4.750	500	(5)	495	—	—	—
February 2031	1.450	650	(5)	645	650	(5)	645
February 2032	1.750	750	(4)	746	750	(5)	745
March 2033	2.375	700	(5)	695	700	(6)	694
December 2033	5.000	650	(8)	642	650	(9)	641
April 2034	5.000	800	(9)	791	800	(10)	790
November 2034	5.200	500	(5)	495	500	(6)	494
March 2035	6.086	182	(10)	172	182	(11)	171
March 2035	5.150	700	(10)	690	—	—	—
March 2040	6.200	400	(3)	397	400	(3)	397
May 2041	5.700	386	(5)	381	386	(5)	381
March 2050	3.050	400	(7)	393	400	(7)	393
Debentures:							
September 2035	7.400	148	(26)	122	148	(27)	121
Tax-exempt:							
2026 - 2054	3.000 - 4.375	1,378	(9)	1,369	1,418	(9)	1,409
Finance leases and other:							
2026 - 2063	1.726 - 9.750	441	—	441	315	—	315
Total Debt		$ 13,710	$ (129)	13,581	$ 12,840	$ (127)	12,713
Less: current portion				(596)			(862)
Long-term portion				$ 12,985			$ 11,851

Future Maturities of Debt

Aggregate principal maturities of notes payable, finance leases and other long-term debt as of December 31, 2025 follow:

2026	$ 596
2027	663
2028	845
2029	2,614
2030	1,128
Thereafter	7,864
	$ 13,710

Credit Facilities

Uncommitted Credit Facility

In January 2022, we entered into a $200 million unsecured uncommitted revolving credit facility (the Uncommitted Credit Facility). The Uncommitted Credit Facility bears interest at an annual percentage rate to be agreed upon by both parties. Borrowings under the Uncommitted Credit Facility can be used for working capital, letters of credit and other general corporate purposes. The agreement governing our Uncommitted Credit Facility requires us to comply with certain covenants. The Uncommitted Credit Facility may be terminated by either party at any time. As of December 31, 2025 and 2024, we had no borrowings outstanding under our Uncommitted Credit Facility.

The Credit Facility

In July 2024, we and our subsidiary, USE Canada Holdings, Inc. (the Canadian Borrower) entered into the Second Amended and Restated Credit Agreement (the Credit Facility) which amended and restated the unsecured revolving credit facility we entered into in August 2021. The total outstanding principal amount that we may borrow under the Credit Facility may not exceed the current aggregate lenders' commitments of $3.5 billion, and borrowings under the Credit Facility mature in July 2029. As permitted by the Credit Facility, we have the right to request two one-year extensions of the maturity date, but none of the lenders are committed to participate in such extensions. The Credit Facility also includes a feature that allows us to increase availability, at our option, by an aggregate amount of up to $1.0 billion through increased commitments from existing lenders or the addition of new lenders.

All loans to the Canadian Borrower and all loans denominated in Canadian dollars cannot exceed $1.0 billion (the Canadian Sublimit). The Canadian Sublimit is part of, and not in addition to, the aggregate commitments under the Credit Facility.

Borrowings under the Credit Facility in United States dollars bear interest at a Base Rate, a daily floating SOFR or a term SOFR plus a current applicable margin of 0.805% based on our Debt Ratings (all as defined in the Credit Facility agreement). The Canadian dollar-denominated loans bear interest based on the Canadian Prime Rate or the Canadian Dollar Offered Rate plus a current applicable margin of 0.805% based on our Debt Ratings. As of December 31, 2025 and 2024, C$204 million and C$232 million, respectively, were outstanding against the Canadian Sublimit.

The Credit Facility is subject to facility fees based on applicable rates defined in the Credit Facility agreement and the aggregate commitment, regardless of usage. The Credit Facility can be used for working capital, capital expenditures, acquisitions, letters of credit and other general corporate purposes. The Credit Facility agreement requires us to comply with financial and other covenants. We may pay dividends and repurchase common stock if we are in compliance with these covenants.

We had $425 million and $514 million outstanding under the Credit Facility as of December 31, 2025 and 2024, respectively. We had $319 million and $317 million of letters of credit outstanding under the Credit Facility as of December 31, 2025 and 2024, respectively. We also had $1.0 billion and $477 million of principal borrowings outstanding under our commercial paper program as of December 31, 2025 and 2024, respectively. As a result, availability under the Credit Facility was $1.8 billion and $2.2 billion as of December 31, 2025 and 2024, respectively.

Commercial Paper Program

In May 2022, we entered into a commercial paper program for the issuance and sale of unsecured commercial paper in an aggregate principal amount not to exceed $500 million outstanding at any one time (the Commercial Paper Cap). In August 2022, the Commercial Paper Cap was increased to $1.0 billion, and in October 2023, was increased to $1.5 billion. The weighted average interest rate for borrowings outstanding as of December 31, 2025 was 4.044%. The weighted average interest rate for borrowings outstanding as of December 31, 2024 was 4.646%.

We had $1.0 billion and $477 million principal value of commercial paper issued and outstanding under the program as of December 31, 2025 and 2024, respectively. In the event of a failed re-borrowing, we currently have availability under our Credit Facility to fund amounts currently borrowed under the commercial paper program until they are re-borrowed successfully. Accordingly, we have classified these borrowings as long-term in our consolidated balance sheet as of December 31, 2025 and 2024, respectively.

Senior Notes and Debentures

In June 2024, we issued $400 million of 5.000% senior notes due 2029 and $500 million of 5.200% senior notes due 2034. We used the proceeds from the June 2024 notes issuance for general corporate purposes, including the repayment of a portion of amounts outstanding under the Commercial Paper Program and the Credit Facility; and repayment of all amounts then outstanding under the Uncommitted Credit Facility and certain other debt obligations.

In March 2025, we issued $500 million of 4.750% senior notes due 2030 and $700 million of 5.150% senior notes due 2035. We used the proceeds from the March 2025 notes issuance for general corporate purposes, including the repayment of a portion of amounts outstanding on our Credit Facility and a portion of outstanding borrowings under the Commercial Paper Program.

Our senior notes and debentures are general unsecured and unsubordinated obligations and rank equally with our other unsecured obligations.

Tax-Exempt Financings

As of both December 31, 2025 and December 31, 2024 we had $1.4 billion of tax-exempt financings outstanding with maturities ranging from 2026 to 2054 for both periods.

In June 2024, the Mission Economic Development Corporation issued, for our benefit, $50 million in principal amount of Solid Waste Disposal Revenue Bonds. The proceeds from the issuance, after deferred issuance costs, were used to fund the acquisition, construction, improvement, installation, and/or equipping of certain solid waste disposal facilities located within Texas.

In March 2024, the California Municipal Finance Authority issued, for our benefit, $100 million in principal amount of Solid Waste Disposal Revenue Bonds. The proceeds from the issuance, after deferred issuance costs, were used to fund the acquisition, construction, improvement, installation, and/or equipping of certain solid waste disposal facilities located within California.

We have $250 million of tax-exempt financings that have an initial remarketing period of 10 years. Our remaining tax-exempt financings are remarketed either quarterly or semiannually by remarketing agents to effectively maintain a variable yield. The holders of the bonds can put them back to the remarketing agents at the end of each interest period. If the remarketing agents are unable to remarket our bonds, the remarketing agents can put the bonds to us. In the event of a failed remarketing, we currently have availability under our Credit Facility to fund these bonds until they are remarketed successfully. Accordingly, we classified these borrowings as long-term in our consolidated balance sheets as of December 31, 2025 and December 31, 2024.

Finance Leases and Other

As of December 31, 2025, we had finance lease liabilities and other debt obligations of $441 million with maturities ranging from 2026 to 2063. As of December 31, 2024, we had finance lease liabilities and other debt obligations of $315 million with maturities ranging from 2025 to 2063.

In our consolidated balance sheet as of December 31, 2025, finance leases and other included $148 million related to construction costs for our corporate office building located in Phoenix, Arizona, which has been accounted for as a financing obligation. The amount is recorded within long-term debt, net of current maturities.

Interest Paid

Interest paid, excluding net swap settlements for interest rate swaps, was $500 million, $487 million and $423 million for the years ended December 31, 2025, 2024 and 2023, respectively.

REPUBLIC SERVICES, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS—(Continued)

10. LEASES

A summary of the lease classification on our consolidated balance sheet as of December 31, 2025 and 2024 follows:

		2025	2024
Assets			
Operating right-of-use lease assets	Other assets	$ 208	$ 232
Finance lease assets	Property and equipment, net	318	294
Total leased assets		$ 526	$ 526
Liabilities			
Current			
Operating	Other accrued liabilities	$ 48	$ 55
Finance	Notes payable and current maturities of long-term debt	15	13
Long-term			
Operating	Other long-term liabilities	177	189
Finance	Long-term debt, net of current maturities	278	249
Total lease liabilities		$ 518	$ 506

A summary of the lease cost reflected in our consolidated statements of income for the years ended December 31, 2025 and 2024 follows:

		2025	2024
Operating lease cost			
Fixed lease cost	Cost of operations	$ 62	$ 50
Short-term lease cost	Cost of operations	86	105
Variable lease cost	Cost of operations	26	26
Finance lease cost			
Amortization of leased assets	Depreciation, depletion and amortization	16	17
Interest on lease liabilities	Interest expense	11	9
Variable lease cost	Interest expense	25	26
Total lease cost		$ 226	$ 233

During the years ended December 31, 2025 and 2024, we recognized changes in our operating right-of-use lease liabilities and assets, resulting from the recognition of non-cash lease expense of $47 million and $46 million, respectively.

As of December 31, 2025, maturities for operating and finance lease liabilities were as follows:

	Operating Leases	Finance Leases	Total
2026	$ 59	$ 23	$ 82
2027	50	23	73
2028	42	23	65
2029	32	22	54
2030	22	20	42
Thereafter	43	374	417
Total lease payments	248	485	733
Less: interest	(23)	(192)	(215)
Present value of lease liabilities	$ 225	$ 293	$ 518

A summary of the weighted-average remaining lease term and weighted-average discount rate as of December 31, 2025 and 2024 follows:

	2025	2024
Weighted-average remaining lease term (years)		
Operating leases	5.7	6.1
Finance leases	26.0	27.8
Weighted-average discount rate		
Operating leases	3.7 %	3.3 %
Finance leases	4.2 %	4.3 %

Supplemental cash flow and other non-cash information for the years ended December 31, 2025, 2024, and 2023 follow:

	2025	2024	2023
Cash paid for amounts included in the measurement of lease liabilities			
Operating cash flows from operating leases	$ 174	$ 181	$ 177
Operating cash flows from finance leases	$ 36	$ 35	$ 31
Financing cash flows from finance leases	$ 12	$ 10	$ 12
Leased assets obtained in exchange for new operating lease liabilities	$ 45	$ 44	$ 33
Leased assets obtained in exchange for new finance lease liabilities	$ 44	$ 25	$ 17

11. INCOME TAXES

The components of the provision for income taxes for the years ended December 31 follow:

	2025	2024	2023
Current:			
Federal	$ 81	$ 204	$ 260
Foreign	10	13	9
State	95	84	90
Deferred:			
Federal	240	55	72
Foreign	(11)	2	(3)
State	40	30	32
Provision for income taxes	$ 455	$ 388	$ 460

On July 4, 2025, the One Big Beautiful Bill Act (the "Act") was signed into law. The Act, among other things, implemented changes to the tax treatment relating to bonus depreciation, research and experimental expenditures and interest expense, and included phase-outs and restrictions on several clean energy tax incentives. The Act did not have a material impact on our effective tax rate.

The reconciliations of the statutory federal income tax rate to our effective tax rate for the years ended December 31 follow:

	2025		2024		2023	
US Federal Statutory Tax Rate	$ 545	21.0 %	$ 510	21.0 %	$ 460	21.0 %
State and Local Income Taxes, Net of Federal Income Tax Effect[1]	110	4.2	107	4.4	97	4.4
Tax Credits						
Renewable energy assets	(189)	(7.3)	(238)	(9.8)	(100)	(4.6)
Other	(46)	(1.8)	(23)	(0.9)	(3)	(0.1)
Nontaxable or Nondeductible Items	42	1.6	37	1.5	36	1.6
Other Adjustments	(7)	(0.2)	(5)	(0.2)	(30)	(1.3)
Effective Tax Rate	$ 455	17.5 %	$ 388	16.0 %	$ 460	21.0 %

(1) State taxes in California, Illinois, Massachusetts, & Texas made up the majority (greater than 50 percent) of the tax effect in this category for 2025, 2024, and 2023.

The impact of foreign tax effects, effect of changes in tax laws or rates enacted in the current period, effect of cross-border tax laws, changes in valuation allowances and changes in unrecognized tax benefits were each immaterial to the periods presented.

During 2023 through 2025, we acquired non-controlling interests in limited liability companies established to own renewable energy assets that qualified for investment tax credits under Section 48 of the Internal Revenue Code. We account for these investments under the equity method of accounting utilizing the HLBV method and recognize our share of income or loss and other reductions or increases in the value of our investment in loss from unconsolidated equity method investments within our consolidated statements of income. For further discussion regarding our equity method accounting, see Note 3, *Business Acquisitions, Investments and Restructuring Charges* of the notes to our consolidated financial statements in Part II, Item 8 of this Annual Report on Form 10-K.

In addition, during 2023 we resolved IRS examinations for our 2014 to 2018 tax years, that in the aggregate, reduced our tax provision by approximately $21 million.

The components of the income tax payments (net of refunds received) for the period ended December 31 follow:

	2025	2024	2023
Federal	$ 98	$ 195	$ 243
State			
California	29	27	24
Texas	11	10	—
Other	52	71	59
Foreign	16	10	17
Income tax payments (net of refunds received)	$ 206	$ 313	$ 343

We made income tax payments (net of refunds) of $206 million, $313 million and $343 million for 2025, 2024, and 2023, respectively. Income taxes paid in 2025 reflect benefits from the Act as well as tax credits from our continuing investments in qualified renewable energy projects. Income taxes paid in 2024 and 2023 reflect benefits from tax credits from our continuing investments in qualified renewable energy projects.

The components of the net deferred income tax asset and liability as of December 31 follow:

	2025	2024
Deferred tax liabilities relating to:		
Differences between book and tax basis of property and equipment	$ (1,400)	$ (1,258)
Difference between book and tax basis of intangible assets	(722)	(637)
Operating right-of-use lease assets	(52)	(57)
Basis difference due to redemption of partnership interests	(80)	(82)
Other	(10)	—
Total deferred tax liabilities	$ (2,264)	$ (2,034)
Deferred tax assets relating to:		
Environmental reserves	$ 182	$ 218
Accruals not currently deductible	116	105
Net operating loss carryforwards	60	61
Difference between book and tax basis of other assets	9	48
Operating right-of-use lease liabilities	56	59
Other	15	15
Total deferred tax assets	438	506
Valuation allowance	(45)	(51)
Net deferred tax asset	393	455
Net overall deferred tax liability	$ (1,871)	$ (1,579)

Changes in the deferred tax valuation allowance for the years ended December 31 follow:

	2025	2024	2023
Valuation allowance, beginning of year	$ 51	$ 49	$ 44
Additions charged to provision for income taxes	3	6	3
Deferred tax assets realized or written-off	(6)	—	—
Other, net	(3)	(4)	2
Valuation allowance, end of year	$ 45	$ 51	$ 49

We have deferred tax assets related to state net operating loss carryforwards with an estimated tax effect of $51 million available as of December 31, 2025. These state net operating loss carryforwards expire at various times between 2026 and 2045. We believe that it is more likely than not that the benefit from some of our state net operating loss carryforwards will not be realized due to limitations on these loss carryforwards in certain states. In recognition of this risk, as of December 31, 2025, we have provided a valuation allowance of $40 million.

We are subject to income tax in the United States and Canada, as well as multiple state and provincial jurisdictions. Our compliance with income tax rules and regulations is periodically audited by taxing authorities. These authorities may challenge

the positions taken in our tax filings. Thus, to provide for certain potential tax exposures, we maintain liabilities for uncertain tax positions for our estimate of the final outcome of the examinations. Our federal statute of limitations applicable to our federal tax returns is closed through 2021. In addition, we are currently under state examination or administrative review in various jurisdictions for tax years 2013 through 2024.

The following table summarizes the activity in our gross unrecognized tax benefits for the years ended December 31:

	2025	2024	2023
Balance at beginning of year	$ 28	$ 42	$ 111
Additions for tax positions of current year	3	—	1
Additions for tax positions of prior years	—	1	3
Reductions for tax positions of prior years	—	(5)	(7)
Reductions for tax positions resulting from lapse of statute of limitations	(1)	(1)	—
Settlements	(7)	(9)	(66)
Balance at end of year	$ 23	$ 28	$ 42

Included in our gross unrecognized tax benefits as of December 31, 2025, 2024 and 2023 are $18 million, $22 million and $33 million, respectively, of unrecognized tax benefits (net of the federal benefit) that, if recognized, would affect our effective income tax rate in future periods.

During 2023, we settled our 2014-2018 tax years with the Internal Revenue Service. These settlements reduced our gross unrecognized tax benefits by $66 million.

We recognize interest and penalties as incurred within the provision for income taxes in our consolidated statements of income. Related to the unrecognized tax benefits previously noted, we recorded a reduction to interest expense of $1 million during 2025 and, in total as of December 31, 2025, have recognized a liability for penalties of $4 million and interest of $4 million. During 2024, we recorded a reduction to interest expense of $6 million and, in total as of December 31, 2024, had recognized a liability for penalties of $1 million and interest of $5 million. During 2023, we recorded interest expense of $1 million and, in total as of December 31, 2023, had recognized a liability for interest of $14 million.

We believe the recorded liabilities for uncertain tax positions are adequate. However, a significant assessment against us in excess of the liabilities recorded could have a material adverse effect on our consolidated financial position, results of operations and cash flows.

12. EMPLOYEE BENEFIT PLANS

Stock-Based Compensation

In October 2020, our Board of Directors amended and restated the Republic Services, Inc. Executive Incentive Plan (the 2021 Plan) to remove references to the performance-based compensation exception that was previously permitted but is no longer applicable under Section 162(m) of the Internal Revenue Code. The purposes of the 2021 Plan are to promote the success of the Company; to provide designated Executive Officers with an opportunity to receive incentive compensation dependent upon that success; and to attract, retain and motivate such individuals. We currently have approximately 10 million shares of common stock reserved for future grants under the 2021 Plan.

In February 2007, our Board of Directors approved the 2007 Stock Incentive Plan (the 2007 Plan); in May 2007 our shareholders approved the 2007 Plan. In March 2011, our Board of Directors approved the Amended and Restated 2007 Stock Incentive Plan (the Amended and Restated 2007 SIP); in May 2011 our shareholders approved the Amended and Restated 2007 SIP. In March 2013, our Board of Directors approved the Republic Services, Inc. Amended and Restated 2007 Stock Incentive Plan (the Republic Amended and Restated 2007 SIP); in May 2013 our shareholders approved the Republic Amended and Restated 2007 SIP (the 2007 Plan, the Amended and Restated 2007 SIP and the Republic Amended and Restated 2007 SIP are collectively referred to as the Amended and Restated 2007 Stock Incentive Plan). No further awards will be made under the Amended and Restated 2007 Stock Incentive Plan.

Restricted Stock Units

The following table summarizes restricted stock unit (RSU) activity for the years ended December 31, 2025, 2024 and 2023:

	Number of RSUs (in thousands)	Weighted-Average Grant Date Fair Value per Share	Weighted-Average Remaining Contractual Term (years)	Aggregate Intrinsic Value (in millions)
Unissued as of December 31, 2022	914	$ 85.43		
Granted	250	$ 133.03		
Vested and issued	(208)	$ 95.24		
Forfeited	(41)	$ 117.54		
Unissued as of December 31, 2023	915	$ 93.35		
Granted	184	$ 184.28		
Vested and issued	(228)	$ 102.81		
Forfeited	(30)	$ 139.24		
Unissued as of December 31, 2024	841	$ 107.81		
Granted	153	$ 221.18		
Vested and issued	(206)	$ 119.81		
Forfeited	(21)	$ 177.62		
Unissued as of December 31, 2025	767	$ 125.39	1.1	$ 162.62
Vested and unissued as of December 31, 2025	410	$ 76.87		

During the years ended December 31, 2025, 2024 and 2023, we awarded our non-employee directors 13,800, 16,540 and 20,324 RSUs, respectively, which vested upon issuance.

During the years ended December 31, 2025, 2024 and 2023, we awarded 132,585, 158,789 and 216,610 RSUs, respectively, to executives and employees that vest in four equal annual installments beginning on the anniversary date of the original grant.

During the years ended December 31, 2025, 2024 and 2023, we granted an additional 6,980, 8,868 and 12,751 RSUs, respectively, as dividend equivalents.

The RSUs do not carry any voting or dividend rights, except the right to receive additional RSUs in lieu of dividends.

Compensation Expense

The fair value of RSUs is based on the closing market price on the date of the grant. The compensation expense related to RSUs is amortized ratably over the vesting period, or to the employee's retirement eligible date, if earlier.

During the years ended December 31, 2025, 2024 and 2023, compensation expense related to RSUs totaled $26 million, $25 million and $24 million, respectively. As of December 31, 2025, total unrecognized compensation expense related to outstanding RSUs was $43 million, which will be recognized over a weighted average period of approximately 2.5 years.

Performance Shares

The following table summarizes performance stock unit (PSU) activity for the years ended December 31, 2025, 2024 and 2023:

	Number of PSUs (in thousands)	Weighted Average Grant Date Fair Value per Share
Outstanding as of December 31, 2022	756	$ 95.19
Granted	200	$ 138.03
Vested and issued	(227)	$ 100.06
Forfeited	(41)	$ 123.30
Outstanding as of December 31, 2023	688	$ 101.48
Granted	281	$ 142.50
Vested and issued	(420)	$ 90.54
Forfeited	(25)	$ 136.27
Outstanding as of December 31, 2024	524	$ 125.70
Granted	222	$ 199.58
Vested and issued	(209)	$ 117.01
Forfeited	(6)	$ 176.82
Outstanding and Exercisable as of December 31, 2025	531	$ 159.77

During the years ended December 31, 2025, 2024 and 2023, we awarded 117,968, 153,883 and 80,452 PSUs to our executive officers, respectively. These awards are performance-based as the number of shares ultimately earned depends on performance against pre-determined targets for return on invested capital (ROIC), cash flow value creation (CFVC) and total shareholder return relative to the S&P 500 index (RTSR). The PSUs are payable 50% in shares of common stock and 50% in cash after the end of a three-year performance period, when our financial performance for the entire performance period is reported, typically in February of the succeeding year. At the end of the performance period, the number of PSUs awarded can range from 0% to 220% of the targeted amount, depending on the performance against the pre-determined targets.

During the years ended December 31, 2025, 2024 and 2023, we awarded 98,613, 120,433 and 108,560 PSUs to our employees other than our executive officers, respectively. The PSUs are payable 100% in shares of common stock after the end of a three-year performance period, when our financial performance for the entire performance period is reported, typically in February of the succeeding year. At the end of the performance period, the number of PSUs awarded can range from 0% to 220% of the targeted amount, depending on the performance against the pre-determined targets.

The PSUs do not carry any voting or dividend rights, except the right to accumulate additional PSUs in lieu of dividends.

During the years ended December 31, 2025, 2024 and 2023, we granted an additional 5,666, 6,795 and 10,511 PSUs to our executive officers, respectively, as dividend equivalents.

Compensation Expense

For the stock-settled portion of the award that vests based on future ROIC and CFVC performance, compensation expense is measured using the fair value of our common stock at the grant date. For the cash-settled portion of the award that vests based on future ROIC and CFVC performance, compensation expense is recorded based on the fair value of our common stock at the end of each reporting period. Compensation expense is recognized ratably over the performance period based on our estimated achievement of the established performance criteria. Compensation expense is only recognized for the portion of the award that we expect to vest, which we estimate based on an assessment of the probability that the performance criteria will be achieved.

For the stock-settled portion of the award that vests based on RTSR, the grant date fair value is based on a Monte Carlo valuation and compensation expense is recognized on a straight-line basis over the vesting period. For the cash-settled portion of the award that vests based on RTSR, compensation expense also incorporates the fair value of our PSUs at the end of each reporting period. Compensation expense is recognized for the RTSR portion of the award whether or not the market conditions are achieved.

During the years ended December 31, 2025, 2024 and 2023, compensation expense related to PSUs totaled $27 million, $30 million and $29 million, respectively. As of December 31, 2025, total unrecognized compensation expense related to outstanding PSUs was $30 million, which will be recognized over a weighted average period of approximately 1.7 years.

Collective Bargaining Agreements

As of December 31, 2025, approximately 22% of our workforce was covered by collective bargaining agreements (CBAs), and approximately 8% of our workforce was covered by CBAs that will expire during 2026.

Multiemployer Pension Plans

We participate in multiemployer pension plans that generally provide retirement benefits to participants of contributing employers. We do not administer these plans. In general, these plans are managed by a board of trustees with the unions appointing certain trustees and other contributing employers of the plan appointing certain members. We generally are not represented on the board of trustees.

Based on the information available to us, we believe that some of the multiemployer plans to which we contribute are either critical or endangered as those terms are defined in the Pension Protection Act (PPA). The PPA requires underfunded pension plans to improve their funding ratios within prescribed intervals based on the level of their underfunding. Until the plan trustees develop the funding improvement plans or rehabilitation plans as required by the PPA, we cannot determine the amount of any additional contribution or other financial obligations that we may be subject to, if any. Accordingly, we cannot presently determine the effect that the PPA may have on our consolidated financial position, results of operations or cash flows.

Furthermore, under current law regarding multiemployer benefit plans, a plan's termination, our voluntary withdrawal (which we consider from time to time), or the mass withdrawal from any under-funded multiemployer pension plan would require us to make payments to the plan for our proportionate share of the multiemployer plan's unfunded vested liabilities. During the course of operating our business, we may incur withdrawal events regarding certain of the multiemployer pension plans in which we participate. We accrue for such events when losses become probable and reasonably estimable.

Republic's participation in individually significant multiemployer pension plans for the year ended December 31, 2025 is outlined in the table below. Only with respect to multiemployer pension plans, we considered contributions in excess of $10 million in any period disclosed to be individually significant. The most recent PPA zone status available in 2025 and 2024 is for the plans' year ended September 30, or December 31, 2024 and 2023, respectively. The status is based on information that Republic received from the plans and is certified by the plans' actuary. Among other factors, plans in the critical red zone are generally less than 65% funded, plans in the endangered yellow zone are less than 80% funded and plans in the safe green zone are at least 80% funded. Plans in the critical and declining zone are classified as critical and projected to be insolvent in the current year or any of the 14 following plan years. The last column lists the expiration dates of the CBAs to which the plans are subject.

Legal Plan Name	EIN	Pension Protection Act Zone Status 2025	Pension Protection Act Zone Status 2024	Funding Improvement or Rehabilitation Plan Status Pending / Implemented	Republic Contributions to Plan 2025	Republic Contributions to Plan 2024	Republic Contributions to Plan 2023	Surcharge Imposed	Expiration Dates of CBAs
Western Conference of Teamsters Pension Plan	91-6145047	Safe	Safe	No	$ 83	$ 75	$ 70	No	Various dates through 9/30/2030
All other plans	N/A	N/A	N/A	N/A	29	29	29	N/A	
Total					$ 112	$ 104	$ 99		

Defined Contribution Plan

We maintain the Republic Services 401(k) Plan (the 401(k) Plan), which is a defined contribution plan covering all eligible employees. Under the 401(k) Plan, participants may direct us to defer a portion of their compensation to the 401(k) Plan, subject to Internal Revenue Code limitations. We provide for an employer matching contribution equal to 100% of the first 3% of eligible compensation and 50% of the next 2% of eligible compensation contributed by each employee, which is funded in cash. All contributions vest immediately.

Total expense recorded for matching 401(k) contributions in 2025, 2024 and 2023 was $98 million, $95 million and $82 million, respectively.

Deferred Compensation Plan

We provide eligible Republic employees, officers and directors with the opportunity to voluntarily defer base salary, bonus payments, long-term incentive awards and other compensation, as applicable, on a pre-tax basis through the Republic Services, Inc. Deferred Compensation Plan (the DCP). The DCP is a nonqualified deferred compensation plan that conforms to Section 409A of the Internal Revenue Code. Eligible participants can defer up to 80% of base salary and up to 100% of bonus,

long-term compensation and directors' fees. Under the DCP, some participants also are eligible for matching contributions. The matching contribution under the DCP is equal to the lesser of 2% of the participant's compensation over established 401(k) limits or 50% of the amount the participant has deferred. The DCP participants have no ownership or security interest in any of the amounts deferred or the measurement funds under the DCP. The right of each participant in the DCP is solely that of a general, unsecured creditor of Republic with respect to his or her own interest under the DCP. Deferred amounts may be subject to forfeiture and are deemed invested among investment funds offered under the DCP, as directed by each participant. Payments of deferred amounts are payable following separation from service or at a date or dates elected by the participant when the deferral is elected. Payments of deferred amounts are made in either a lump sum or in annual installments over a period not exceeding 15 years.

Republic invested in corporate-owned life insurance policies to satisfy future obligations under the DCP. These corporate-owned life insurance policies are held in a Rabbi Trust and are recorded at the amount that can be realized under insurance contracts at the balance sheet date, which is the cash surrender value adjusted for other charges or other amounts due that are probable at settlement. The aggregate cash surrender value of these life insurance policies was $143 million and $125 million as of December 31, 2025 and 2024, respectively, and is classified in other assets in our consolidated balance sheets. The DCP liability was $125 million and $120 million as of December 31, 2025 and 2024, respectively, and is classified in other long-term liabilities in our consolidated balance sheets.

13. SHARE REPURCHASES AND DIVIDENDS

Available Shares

We currently have approximately 10 million shares of common stock reserved for future grants under the Republic Services, Inc. 2021 Stock Incentive Plan.

Share Repurchases

In October 2020, our Board of Directors approved a $2.0 billion share repurchase authorization effective starting January 1, 2021, extending through December 31, 2023. In October 2023, our Board of Directors approved a $3.0 billion share repurchase authorization effective January 1, 2024 and extending through December 31, 2026. Share repurchases under the program may be made through open market purchases or privately negotiated transactions in accordance with applicable federal securities laws. While the Board of Directors has approved the program, the timing of any purchases, the prices and the number of shares of common stock to be purchased will be determined by our management, at its discretion, and will depend upon market conditions and other factors. The share repurchase program may be extended, suspended or discontinued at any time. On a quarterly basis, our Board of Directors reviews the intrinsic value of our stock and the parameters around which we repurchase our shares.

Share repurchase activity during the years ended December 31, 2025, 2024 and 2023 follows (in millions, except per share amounts):

	2025	2024	2023
Number of shares repurchased	3.8	2.5	1.8
Amount paid	$ 864	$ 480	$ 262
Weighted average cost per share	$ 224.50	$ 193.59	$ 145.72

The average price paid per share, total repurchase costs and approximate maximum dollar value of the shares that may yet be purchased under the plans or programs exclude a 1% excise tax.

As of December 31, 2025, there were no repurchased shares pending settlement. As of December 31, 2024, there were less than 1 million repurchased shares pending settlement, resulting in an associated $10 million of share repurchases unpaid and included within other accrued liabilities. As of December 31, 2023, there were no repurchased shares pending settlement. As of December 31, 2025, the remaining authorized purchase capacity under our October 2023 repurchase program was $1.7 billion.

In December 2024, our board of directors changed the status of 8 million treasury shares to authorized and unissued. In doing so, the number of our issued shares was reduced by the stated amount. Our accounting policy is to deduct the par value from common stock and to reflect the excess of cost over par value as a deduction from additional paid-in capital. The reduction in issued shares resulted in a change of $1.2 billion in treasury stock which was reclassified as less than 1 million in common stock, and $1.2 billion in additional paid-in capital. There was no effect on our total stockholders' equity position as a result of the change.

Dividends

In October 2025, our Board of Directors approved a quarterly dividend of $0.625 per share. Aggregate cash dividends declared were $749 million, $699 million and $650 million for the years ended December 31, 2025, 2024 and 2023, respectively. As of December 31, 2025, we recorded a quarterly dividend payable of $193 million to shareholders of record at the close of business on January 2, 2026.

14. EARNINGS PER SHARE

Basic earnings per share is computed by dividing net income attributable to Republic Services, Inc. by the weighted average number of common shares (including vested but unissued restricted stock units and performance stock units) outstanding during the period. Diluted earnings per share is based on the combined weighted average number of common shares and common share equivalents outstanding, which include, where appropriate, the assumed exercise of employee stock options, unvested RSUs and unvested PSUs at the expected attainment levels. We use the treasury stock method in computing diluted earnings per share.

Earnings per share for the years ended December 31, 2025, 2024 and 2023 are calculated as follows (in thousands, except per share amounts):

	2025	2024	2023
Basic earnings per share:			
Net income attributable to Republic Services, Inc.	$ 2,139,249	$ 2,043,173	$ 1,730,985
Weighted average common shares outstanding	311,880	314,399	316,182
Basic earnings per share	$ 6.86	$ 6.50	$ 5.47
Diluted earnings per share:			
Net income attributable to Republic Services, Inc.	$ 2,139,249	$ 2,043,173	$ 1,730,985
Weighted average common shares outstanding	311,880	314,399	316,182
Effect of dilutive securities:			
Unvested RSU awards	92	126	104
Unvested PSU awards	196	284	379
Weighted average common and common equivalent shares outstanding	312,168	314,809	316,665
Diluted earnings per share	$ 6.85	$ 6.49	$ 5.47

15. SEGMENT REPORTING

Our senior management evaluates, oversees and manages the financial performance of our operations through three field groups, referred to as Group 1, Group 2 and Group 3. Group 1 is our recycling and waste business operating primarily in geographic areas located in the western United States. Group 2 is our recycling and waste business operating primarily in geographic areas located in the southeastern and mid-western United States, the eastern seaboard of the United States, and Canada. Group 3 is our environmental solutions business operating in geographic areas located across the United States and Canada. These groups are presented below as our reportable segments, which each provide integrated environmental services, including but not limited to collection, transfer, recycling and disposal.

We generated $188 million, $182 million and $170 million of revenue in Canada for the years ended December 31, 2025, 2024 and 2023, respectively. As of December 31, 2025 and 2024, we had $136 million and $128 million, respectively, of long-lived assets in Canada. The remainder of our revenue and assets were related to our United States operations.

Our chief operating decision maker (CODM) is Jon Vander Ark, President and Chief Executive Officer of Republic Services, Inc. Adjusted EBITDA is the single financial measure our CODM uses to evaluate segment profitability and returns, which informs resource allocation. For all segments, the CODM uses adjusted EBITDA to evaluate income generated from segment assets (return on invested capital). The CODM considers budget-to-actual variances and year-over-year growth on a monthly basis to assess the performance of each segment. Cost of operations and selling, general and administrative expenses are significant segment expenses used in the evaluation.

REPUBLIC SERVICES, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS—(Continued)

Summarized financial information concerning our reportable segments for the years ended December 31, 2025, 2024 and 2023 follows:

	Group 1	Group 2	Recycling & Waste Subtotal[1]	Group 3 (Environmental Solutions)	Corporate entities and other	Total
2025						
Gross revenue	$ 8,630	$ 8,244	$ 16,874	$ 1,784	$ 369	$ 19,027
Intercompany revenue	(1,271)	(1,069)	(2,340)	(48)	(48)	(2,436)
Revenue allocations	150	141	291	30	(321)	—
Net revenue	$ 7,509	$ 7,316	$ 14,825	$ 1,766	$ —	$ 16,591
Cost of operations	4,248	4,265	8,513	1,117	—	9,630
Selling, general and administrative	750	683	1,433	277	—	1,710
Other segment items	(11)	(45)	(56)	—	—	(56)
Adjusted EBITDA	$ 2,522	$ 2,413	$ 4,935	$ 372	$ —	$ 5,307
Capital expenditures	$ 876	$ 633	$ 1,509	$ 181	$ 197	$ 1,887
Total assets	$ 14,441	$ 11,616	$ 26,057	$ 5,217	$ 3,092	$ 34,366

	Group 1	Group 2	Recycling & Waste Subtotal[1]	Group 3 (Environmental Solutions)	Corporate entities and other	Total
2024						
Gross revenue	$ 8,130	$ 8,084	$ 16,214	$ 1,860	$ 344	$ 18,418
Intercompany revenue	(1,208)	(1,064)	(2,272)	(49)	(65)	(2,386)
Revenue allocations	125	122	247	32	(279)	—
Net revenue	$ 7,047	$ 7,142	$ 14,189	$ 1,843	$ —	$ 16,032
Cost of operations	4,043	4,161	8,204	1,146	—	9,350
Selling, general and administrative	721	689	1,410	264	—	1,674
Other segment items	—	29	29	—	—	29
Adjusted EBITDA	$ 2,283	$ 2,263	$ 4,546	$ 433	$ —	$ 4,979
Capital expenditures	$ 883	$ 614	$ 1,497	$ 141	$ 217	$ 1,855
Total assets	$ 13,978	$ 11,318	$ 25,296	$ 4,462	$ 2,644	$ 32,402

	Group 1	Group 2	Recycling & Waste Subtotal[1]	Group 3 (Environmental Solutions)	Corporate entities and other	Total
2023						
Gross revenue	$ 7,573	$ 7,756	$ 15,329	$ 1,697	$ 253	$ 17,279
Intercompany revenue	(1,145)	(1,036)	(2,181)	(57)	(76)	(2,314)
Revenue allocations	96	97	193	(16)	(177)	—
Net revenue	$ 6,524	$ 6,817	$ 13,341	$ 1,624	$ —	$ 14,965
Cost of operations	3,797	4,114	7,911	1,032	—	8,943
Selling, general and administrative	664	666	1,330	279	—	1,609
Other segment items	—	—	—	(34)	—	(34)
Adjusted EBITDA	$ 2,063	$ 2,037	$ 4,100	$ 347	$ —	$ 4,447
Capital expenditures	$ 672	$ 576	$ 1,248	$ 145	$ 238	$ 1,631
Total assets	$ 13,397	$ 11,256	$ 24,653	$ 4,471	$ 2,286	$ 31,410

(1) The Recycling & Waste Subtotal represents the combined results of our Group 1 and Group 2 reportable segments

Corporate entities and other includes marketing, operations support, business development, legal, tax, treasury, information technology, risk management, human resources and other administrative functions. National Accounts revenue included in Corporate entities and other represents the portion of revenue generated from nationwide and regional contracts in markets

outside our operating areas where the associated material handling is subcontracted to local operators. Revenue and overhead costs of Corporate entities and other are either specifically assigned or allocated on a rational and consistent basis among our reportable segments to calculate adjusted EBITDA.

Intercompany revenue reflects transactions within and between segments. Capital expenditures for Corporate entities and other for the year ended December 31, 2025 largely included investments in our digital platforms and our third Polymer Center. Capital expenditures for Corporate entities and other for the years ended December 31, 2024 and December 31, 2023 primarily included vehicle inventory acquired but not yet assigned to operating locations and facilities.

As presented in the tables above, adjusted EBITDA reflects certain adjustments for loss from unconsolidated equity method investments, adjustments to withdrawal liability for multiemployer pension funds, restructuring charges, gain on certain divestitures and impairments, net, loss on extinguishment of debt and other related costs, and labor disruption. This presentation is consistent with how our CODM reviews our results of operations to make resource allocation decisions.

Other segment items during the year ended December 31, 2025, consist of the impact from labor disruptions that we experienced in certain isolated markets. Other segment items during the year ended December 31, 2024, consist of a gain on the sale of a transfer station facility. Other segment items during the year ended December 31, 2023, consist of US Ecology, Inc. acquisition integration and deal costs.

A reconciliation of the Company's single measure of segment profitability (segment adjusted EBITDA) to income before income taxes in the Consolidated Statements of Net Income is as follows:

	2025	2024	2023
Group 1 Adjusted EBITDA	$ 2,522	$ 2,283	$ 2,063
Group 2 Adjusted EBITDA	2,413	2,263	2,037
Group 3 Adjusted EBITDA	372	433	347
Total Adjusted EBITDA	5,307	4,979	4,447
Other income	(21)	(23)	(7)
Interest income	(8)	(9)	(6)
Interest expense	574	539	508
Depreciation, depletion and amortization	1,814	1,677	1,501
Accretion	114	107	98
Loss from unconsolidated equity method investments	163	255	94
Adjustments to withdrawal liability for multiemployer pension funds	1	—	5
Restructuring charges	20	29	33
Gain on certain divestitures and impairments, net	—	(30)	(4)
US Ecology, Inc. acquisition integration and deal costs	—	—	34
Loss on extinguishment of debt and other related costs	—	2	—
Labor disruption	56	—	—
Income before income taxes	$ 2,594	$ 2,432	$ 2,191

16. REVENUE

Our operations primarily consist of providing environmental services. The following table disaggregates our revenue by service line for the years ended December 31 (in millions of dollars and as a percentage of revenue):

	2025		2024		2023	
Collection:						
Residential	$ 3,010	18.1 %	$ 2,939	18.3 %	$ 2,823	18.9 %
Small-container	5,055	30.5	4,820	30.1	4,439	29.7
Large-container	3,098	18.7	3,024	18.9	2,922	19.5
Other	70	0.4	72	0.4	69	0.4
Total collection	11,233	67.7	10,855	67.7	10,253	68.5
Transfer	1,833		1,780		1,699	
Less: intercompany	(985)		(975)		(933)	
Transfer, net	848	5.1	805	5.0	766	5.1
Landfill	3,202		2,981		2,885	
Less: intercompany	(1,282)		(1,240)		(1,206)	
Landfill, net	1,920	11.6	1,741	10.9	1,679	11.2
Environmental solutions	1,828		1,907		1,701	
Less: intercompany	(62)		(64)		(76)	
Environmental solutions, net	1,766	10.6	1,843	11.5	1,625	10.9
Other:						
Recycling processing and commodity sales	433	2.6	409	2.5	312	2.1
Other non-core	391	2.4	379	2.4	330	2.2
Total other	824	5.0	788	4.9	642	4.3
Total revenue	$ 16,591	100.0 %	$ 16,032	100.0 %	$ 14,965	100.0 %

Other non-core revenue consists primarily of revenue from National Accounts, which represents the portion of revenue generated from nationwide or regional contracts in markets outside our operating areas where the associated material handling is subcontracted to local operators. Consequently, substantially all of this revenue is offset with related subcontract costs, which are recorded in cost of operations.

Intercompany revenue reflects transactions within and between lines of business.

See Note 15, *Segment Reporting*, for additional information regarding revenue by reportable segment.

Revenue by Service Line

Collection Services

Our collection business involves the collection of material for transport to transfer stations, or directly to landfills or recycling centers. Our collection services business includes both recurring and temporary customer relationships. Our standard contract duration is three years, although some of our exclusive franchises are for significantly longer periods. The fees received for collection services are based primarily on the market, collection frequency, type of service, type and volume or weight of the material collected, the distance to the disposal facility and the cost of disposal.

In general, small-container and residential collection fees are billed monthly or quarterly in advance. Our large-container customers are typically billed on a monthly basis based on the nature of the services provided during the period.

Revenue recognized under these collection services agreements is variable in nature based on the number of residential homes or businesses serviced during the period, the frequency of collection and the volume of material collected. In addition, certain of our contracts have annual price escalation clauses that are tied to changes in an underlying base index such as a consumer price index which are unknown at contract inception.

Transfer Services

Revenue at our transfer stations is primarily generated by charging tipping or disposal fees. The fees received for transfer services are based primarily on the market, type and volume or weight of the material accepted, the distance to the disposal

facility and the cost of disposal. In general, fees are billed and revenue is recognized at the time the service is performed. Revenue recognized under these transfer services agreements is variable in nature based on the volume and nature of the material accepted at the transfer station.

Landfill Services

Revenue at our landfills is primarily generated by charging tipping fees to third parties based on the volume disposed and the nature of the waste. In general, fees are variable in nature and revenue is recognized at the time the waste is disposed at the facility.

Environmental Solutions

Environmental solutions revenue is primarily generated from the fees we charge for the collection, treatment, consolidation, disposal and recycling of hazardous and non-hazardous waste, field and industrial services, equipment rental, emergency response and standby services and in-plant services, such as transportation and logistics, including at our treatment, storage and disposal facilities (TSDF). Activity for this service line varies across markets and reflects the regulatory environment, pricing and disposal alternatives available in any given market. Revenue recognized under these environmental solutions agreements is variable in nature and primarily based on the volume and type of waste accepted or processed during the period. For certain field and industrial services contracts, we have a right to consideration from our customers in an amount that corresponds directly with the value to the customer of the Company's performance completed to date. Therefore, we have applied the practical expedient to recognize revenue in the amount to which we have the right to invoice.

Recycling Processing and Commodity Sales

Our recycling centers generate revenue through the processing and sale of old corrugated cardboard (OCC), old newsprint (ONP), aluminum, glass, plastic and other materials at market prices. In certain instances, we issue recycling rebates to our municipal or large-container customers, which can be based on the price we receive upon the final sale of recycled commodities, a fixed contractual rate or other measures. We also receive rebates when we dispose of recycled commodities at third-party facilities. The fees received are based primarily on the market, type and volume or weight of the materials sold. In general, fees are billed and revenue is recognized at the time title is transferred. Revenue recognized under these recycling processing and commodity sales agreements is variable in nature based on the volume and type of materials sold. In addition, the amount of revenue recognized is based on commodity prices at the time of sale, which are unknown at contract inception.

Revenue Recognition

Our service obligations of a long-term nature, e.g., certain collection service contracts, are satisfied over time, and we recognize revenue based on the value provided to the customer during the period. The amount billed to the customer is based on variable elements such as the number of residential homes or businesses for which collection services are provided, the volume of material collected, treated, transported and disposed, and the nature of the material accepted. We do not disclose the value of unsatisfied performance obligations for these contracts as our right to consideration corresponds directly to the value provided to the customer for services completed to date and all future variable consideration is allocated to wholly unsatisfied performance obligations.

Additionally, certain elements of our long-term customer contracts are unknown upon entering into the contract, including the amount that will be billed in accordance with annual price escalation clauses, our fuel recovery fee program and commodity prices. The amount to be billed is often tied to changes in an underlying base index such as a consumer price index or a fuel or commodity index, and revenue can be recognized once the index is established for the period.

Deferred Revenue

The factors that impact the timing and amount of revenue recognized for each service line may vary based on the nature of the service performed. Generally, we recognize revenue at the time we perform a service. In the event that we bill for services in advance of performance, we recognize deferred revenue for the amount billed and subsequently recognize revenue at the time the service is provided. Depending on the nature of the contract, we may also generate revenue through the collection of fuel recovery fees and environmental fees which are designed to recover our internal costs of providing services to our customers.

Substantially all of the deferred revenue recognized as of December 31, 2024 was recognized as revenue during 2025 when the service was performed.

Deferred Contract Costs

We incur certain upfront payments to acquire customer contracts which are recognized as other assets in our consolidated balance sheet, and we amortize the asset over the respective contract life. In addition, we recognize sales commissions that represent an incremental cost of the contract as other assets in our consolidated balance sheet, and we amortize the asset over

the average life of the customer relationship. As of December 31, 2025 and 2024, we recognized $81 million and $82 million, respectively, of deferred contract costs and capitalized sales commissions.

17. FINANCIAL INSTRUMENTS

Fair Value Measurements

In measuring fair values of assets and liabilities, we use valuation techniques that maximize the use of observable inputs (Level 1) and minimize the use of unobservable inputs (Level 3). We also use market data or assumptions that we believe market participants would use in pricing an asset or liability, including assumptions about risk when appropriate.

The carrying value for certain of our financial instruments, including cash, accounts receivable, accounts payable and certain other accrued liabilities, approximates fair value because of their short-term nature.

As of December 31, 2025 and 2024, our assets and liabilities that are measured at fair value on a recurring basis include the following:

	December 31, 2025				
		Fair Value			
	Carrying Amount	Total	Quoted Prices in Active Markets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Assets:					
Money market mutual funds - restricted cash and marketable securities and other assets	$ 75	$ 75	$ 75	$ —	$ —
Bonds and fixed income - restricted cash and marketable securities and other assets	97	97	—	97	—
Derivative and hedging assets - other assets, prepaid expenses and other current assets	32	32	—	32	—
Total assets	$ 204	$ 204	$ 75	$ 129	$ —
Liabilities:					
Derivative and hedging liabilities - other accrued liabilities and other long-term liabilities	$ 46	$ 46	$ —	$ 46	$ —
Contingent consideration - other accrued liabilities and other long-term liabilities	63	63	—	—	63
Total liabilities	$ 109	$ 109	$ —	$ 46	$ 63

	December 31, 2024				
		Fair Value			
	Carrying Amount	Total	Quoted Prices in Active Markets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Assets:					
Money market mutual funds - restricted cash and marketable securities and other assets	$ 62	$ 62	$ 62	$ —	$ —
Bonds and fixed income - restricted cash and marketable securities and other assets	90	90	—	90	—
Derivative and hedging assets - other assets, prepaid expenses and other current assets	55	55	—	55	—
Total assets	$ 207	$ 207	$ 62	$ 145	$ —
Liabilities:					
Derivative and hedging liabilities - other accrued liabilities and other long-term liabilities	$ 72	$ 72	$ —	$ 72	$ —
Contingent consideration - other accrued liabilities and other long-term liabilities	65	65	—	—	65
Total liabilities	$ 137	$ 137	$ —	$ 72	$ 65

Total Debt

As of December 31, 2025 and 2024, the carrying value of our total debt was $13.6 billion and $12.7 billion, respectively, and the fair value of our total debt was $13.5 billion and $12.2 billion, respectively. The estimated fair value of our fixed rate senior notes, debentures and certain tax-exempt financings is based on quoted market prices. The fair value of our remaining notes payable, tax-exempt financings and borrowings under our credit facilities approximates the carrying value because the interest rates are variable. The fair value estimates are based on Level 2 inputs of the fair value hierarchy as of December 31, 2025 and 2024. See Note 9, *Debt*, for further information related to our debt.

18. COMMITMENTS AND CONTINGENCIES

Legal Proceedings

We are subject to extensive and evolving laws and regulations and have implemented safeguards to respond to regulatory requirements. In the normal course of our business, we become involved in legal proceedings. Some may result in fines, penalties or judgments against us, or settlements, which may impact earnings and cash flows for a particular period. Although we cannot predict the ultimate outcome of any legal matter with certainty, we do not believe the outcome of any of our pending legal proceedings will have a material adverse impact on our consolidated financial position, results of operations or cash flows.

As used herein, the term *legal proceedings* refers to litigation and similar claims against us and our subsidiaries, excluding: (1) ordinary course accidents, general commercial liability and workers' compensation claims, which are covered by insurance programs, subject to customary deductibles, and which, together with insured employee health care costs, are discussed in Note 7, *Other Liabilities*; and (2) environmental remediation liabilities, which are discussed in Note 8, *Landfill and Environmental Costs*.

We accrue for legal proceedings when losses become probable and reasonably estimable. As of the end of each applicable reporting period, we review each of our legal proceedings and, where it is probable that a liability has been incurred, we accrue for all probable and reasonably estimable losses. Where we can reasonably estimate a range of losses we may incur regarding such a matter, we record an accrual for the amount within the range that constitutes our best estimate. If we can reasonably estimate a range but no amount within the range appears to be a better estimate than any other, we use the amount that is the low end of such range. As of December 31, 2025, we estimate that the probable and reasonably estimable outcomes of any such legal proceedings, as well as the aggregate potential liability using reasonably possible high ends of our ranges, are immaterial to the Company's consolidated financial statements.

Multiemployer Pension Plans

We participate in multiemployer pension plans that generally provide retirement benefits to participants of contributing employers. We do not administer these plans.

Under current law regarding multiemployer pension plans, our withdrawal (which we consider from time to time) or the mass withdrawal from any under-funded multiemployer pension plan (each, a Withdrawal Event) could require us to make payments to the plan for our proportionate share of the plan's unfunded vested liabilities. During the course of operating our business, we incur Withdrawal Events regarding certain of the multiemployer pension plans in which we participate. We accrue for such events when losses become probable and reasonably estimable.

Unconditional Purchase Commitments

Royalties

We have entered into agreements to pay royalties to prior landowners or host communities, based on, among other things, revenue received and waste tonnage disposed at specified landfills. These royalties are generally payable quarterly and amounts incurred, but not paid, are accrued in our consolidated balance sheets. Royalties are accrued as revenue is received or tonnage is disposed of, as applicable, in the landfills.

Disposal Agreements

We have several agreements that require us to dispose of a minimum number of tons at third-party disposal facilities. Under these put-or-pay agreements, we must pay for agreed-upon minimum volumes regardless of the actual number of tons placed at the facilities.

Our unconditional purchase commitments have varying expiration dates, with some extending through the remaining life of the respective landfill. Future minimum payments under unconditional purchase commitments, consisting primarily of (1) disposal related agreements, which include fixed or minimum royalty payments, host agreements and take-or-pay and put-or-pay agreements, and (2) other obligations including committed capital expenditures and consulting service agreements, as of December 31, 2025 are as follows:

2026	$ 196
2027	140
2028	90
2029	70
2030	64
Thereafter	384
	$ 944

Cash and Cash Equivalents and Restricted Cash and Marketable Securities

Restricted cash and restricted cash equivalents are included with cash and cash equivalents when reconciling the beginning-of-period and end-of-period total amounts shown on the statements of cash flows. Beginning-of-period and end-of-period cash, cash equivalents, restricted cash and restricted cash equivalents as presented in the statements of cash flows are reconciled as follows:

	December 31, 2025	December 31, 2024	December 31, 2023
Cash and cash equivalents	$ 76	$ 74	$ 140
Restricted cash and marketable securities	259	208	164
Less: restricted marketable securities	(86)	(79)	(76)
Cash, cash equivalents, restricted cash and restricted cash equivalents	$ 249	$ 203	$ 228

Our restricted cash and marketable securities includes amounts pledged to regulatory agencies and governmental entities as financial guarantees of our performance under certain collection, landfill and transfer station contracts and permits and relating to our final capping, closure and post-closure obligations at our landfills and restricted cash and marketable securities related to our insurance obligations.

The following table summarizes our restricted cash and marketable securities as of December 31:

	2025	2024
Capping, closure and post-closure obligations	$ 67	$ 59
Insurance	192	149
Total restricted cash and marketable securities	$ 259	$ 208

We must provide financial assurance to governmental agencies and a variety of other entities under applicable environmental regulations relating to our landfill operations for capping, closure and post-closure costs and our performance under certain collection, landfill and transfer station contracts. We satisfy our financial assurance requirements by providing surety bonds, letters of credit, insurance policies or trust deposits. The amount of the financial assurance requirements for capping, closure and post-closure costs is determined by applicable state environmental regulations, which vary by state. The financial assurance requirements for capping, closure and post-closure costs can either be for costs associated with a portion of the landfill or the entire landfill. Generally, states will require a third-party engineering specialist to determine the estimated capping, closure and post-closure costs that are used to determine the required amount of financial assurance for a landfill. The amount of financial assurance required can, and generally will, differ from the obligation determined and recorded under U.S. GAAP. The amount of the financial assurance requirements related to contract performance varies by contract. Additionally, we are required to provide financial assurance for our insurance program and collateral for certain performance obligations.

We had the following financial instruments and collateral in place to secure our financial assurances as of December 31:

	2025	2024
Letters of credit	$ 474	$ 464
Surety bonds	$ 5,414	$ 5,045

We had $319 million and $317 million of letters of credit outstanding under our Credit Facility as of December 31, 2025 and 2024, respectively. Surety bonds subject to expiration will expire on various dates through 2033.

These financial instruments are issued in the normal course of business and are not classified as debt. Because we currently have no liability for this financial assurance, it is not reflected in our consolidated balance sheets. However, we have recorded capping, closure and post-closure obligations and insurance reserves as they are incurred.

We own a 19.9% interest in a company that, among other activities, issues financial surety bonds to secure capping, closure and post-closure obligations for companies operating in the environmental services industry. We account for this investment using an alternative measurement approach. There have been no identified events or changes in circumstances that may have a significant adverse effect on the recoverability of this investment. This investee company and the parent company of the investee had written surety bonds for us relating primarily to our landfill operations for capping, closure and post-closure, of which $2.0 billion were outstanding as of December 31, 2025. Our reimbursement obligations under these bonds are secured by an indemnity agreement with the investee.

Off-Balance Sheet Arrangements

We have no off-balance sheet debt or similar obligations, other than short-term operating leases and financial assurances, which are not classified as debt. We have no transactions or obligations with related parties that are not disclosed, consolidated into or reflected in our reported financial position or results of operations. We have not guaranteed any third-party debt.

Guarantees

We enter into contracts in the normal course of business that include indemnification clauses. Indemnifications relating to known liabilities are recorded in the consolidated financial statements based on our best estimate of required future payments. Certain of these indemnifications relate to contingent events or occurrences, such as the imposition of additional taxes due to a change in the tax law or adverse interpretation of the tax law and indemnifications made in divestiture agreements where we indemnify the buyer for liabilities that relate to our activities prior to the divestiture and that may become known in the future. We do not believe that these contingent obligations will have a material effect on our consolidated financial position, results of operations or cash flows.

We have entered into agreements with property owners to guarantee the value of property that is adjacent to certain of our landfills. These agreements have varying terms. We do not believe that these contingent obligations will have a material effect on our consolidated financial position, results of operations or cash flows.

Other Matters

Our business activities are conducted in the context of a developing and changing statutory and regulatory framework. Governmental regulation of the environmental services industry requires us to obtain and retain numerous governmental permits to conduct various aspects of our operations. These permits are subject to revocation, modification or denial. The costs and other capital expenditures that may be required to obtain or retain the applicable permits or comply with applicable regulations could be significant. Any revocation, modification or denial of permits could have a material adverse effect on us.

ITEM 9. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE

None.

ITEM 9A. CONTROLS AND PROCEDURES

REPORT OF MANAGEMENT ON REPUBLIC SERVICES, INC.'S INTERNAL CONTROL OVER FINANCIAL REPORTING

We, as members of management of Republic Services, Inc., are responsible for establishing and maintaining adequate internal control over financial reporting, as such term is defined in Exchange Act Rule 13a-15(f). Internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. Internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect transactions and dispositions of our assets; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles and that our receipts and expenditures are being made only in accordance with authorizations of our management and directors; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of our assets that could have a material effect on the financial statements.

Because of its inherent limitations, our internal control systems and procedures may not prevent or detect misstatements. An internal control system, no matter how well conceived and operated, can provide only reasonable, not absolute, assurance that the objectives of the control system are met. Because of the inherent limitations in all control systems, no evaluation of controls can provide absolute assurance that all control issues and instances of fraud, if any, have been detected. Also, projections of any evaluation of effectiveness to future periods are subject to the risks that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies and procedures may deteriorate.

We, under the supervision of and with the participation of our management, including the Chief Executive Officer, Chief Financial Officer and Chief Accounting Officer, assessed the effectiveness of our internal control over financial reporting as of December 31, 2025, based on criteria for effective internal control over financial reporting described in Internal Control — Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission. Based on this assessment, we concluded that we maintained effective internal control over financial reporting as of December 31, 2025, based on the specified criteria.

Our internal control over financial reporting has been audited by Ernst & Young LLP, an independent registered public accounting firm, as stated in their attestation report which is included herein.

Disclosure Controls and Procedures

We carried out an evaluation, under the supervision and with the participation of our management, including our Chief Executive Officer and Chief Financial Officer, of the effectiveness of our disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) as of the end of the period covered by this Annual Report. Based upon that evaluation, our Chief Executive Officer and Chief Financial Officer concluded that our disclosure controls and procedures were effective as of the end of the period covered by this Annual Report.

Changes in Internal Control Over Financial Reporting

Based on an evaluation, under the supervision and with the participation of our management, including our Chief Executive Officer and Chief Financial Officer, there has been no change in our internal control over financial reporting during the quarter ended December 31, 2025 identified in connection with that evaluation, that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

ITEM 9B. OTHER INFORMATION

During the quarter ended December 31, 2025, no director or officer adopted or terminated any contract, instrument or written plan for the purchase or sale of Republic securities intended to satisfy the affirmative defense conditions of Rule 10b5-1(c) under the Exchange Act or any non-Rule 10b5-1 trading arrangement as defined in Item 408(c) of Regulation S-K.

ITEM 9C. DISCLOSURE REGARDING FOREIGN JURISDICTIONS THAT PREVENT INSPECTIONS

Not applicable.

PART III

ITEM 10. DIRECTORS, EXECUTIVE OFFICERS AND CORPORATE GOVERNANCE

Information required by this item is incorporated by reference to the material appearing under the headings Proposal 1 - Election of Directors, Biographical Information Regarding Director Nominees, Board of Directors and Corporate Governance Matters, Delinquent Section 16(a) Reports and Executive Officers in the Proxy Statement for the 2026 Annual Meeting of Shareholders.

ITEM 11. EXECUTIVE COMPENSATION

Information required by this item is incorporated by reference to the material appearing under the headings Executive Compensation and Director Compensation in the Proxy Statement for the 2026 Annual Meeting of Shareholders.

ITEM 12. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT AND RELATED STOCKHOLDER MATTERS

Information required by this item is incorporated by reference to the material appearing under the headings Security Ownership of Five Percent Shareholders and Security Ownership of the Board of Directors and Management in the Proxy Statement for the 2026 Annual Meeting of Shareholders.

The following table sets forth certain information regarding equity compensation plans as of December 31, 2025 (number of securities in millions):

Plan Category	Number of Securities to be Issued Upon Exercise of Outstanding Options and Rights [b]	Weighted Average Exercise Price of Outstanding Options and Rights [c]	Number of Securities Remaining Available for Future Issuance Under Equity Compensation Plans (excluding securities reflected in the first column) [d]
Equity compensation plans approved by security holders [a]	1	$ 201.33	28
Equity compensation plans not approved by security holders	—	—	—
Total	1	$ 201.33	28

(a) Includes our 2006 Plan, Amended and Restated 2007 Stock Incentive Plan, our 2018 Employee Stock Purchase Plan (ESPP) and our 2021 Stock Incentive Plan.

(b) Includes no stock options as all were exercised in or prior to 2020, approximately 1 million shares underlying restricted stock units, less than 1 million shares underlying performance shares and less than 1 million shares underlying purchase rights that accrue under the ESPP.

(c) Excludes restricted stock units and performance shares as these awards do not have exercise prices.

(d) The shares remaining available for future issuances include approximately 10 million shares under our 2021 Stock Incentive Plan and approximately 2 million shares under our ESPP. No further awards will be granted under the Amended and Restated 2007 Stock Incentive Plan after December 31, 2020.

ITEM 13. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS, AND DIRECTOR INDEPENDENCE

Information required by this item is incorporated by reference to the material appearing under the headings Board of Directors and Corporate Governance Matters and Certain Relationships and Related Party Transactions in the Proxy Statement for the 2026 Annual Meeting of Shareholders.

ITEM 14. PRINCIPAL ACCOUNTANT FEES AND SERVICES

Information required by this item is incorporated by reference to the material appearing under the heading Audit and Related Fees in the Proxy Statement for the 2026 Annual Meeting of Shareholders.

PART IV

ITEM 15. EXHIBITS AND FINANCIAL STATEMENT SCHEDULES

(a) The following documents are filed as part of this report:

1. Financial Statements

Our consolidated financial statements are set forth under Part II, Item 8 of this Annual Report on Form 10-K.

2. Financial Statement Schedules

All schedules are omitted as the required information is not applicable or the information is presented in the consolidated financial statements and notes thereto in Part II, Item 8 of this Annual Report on Form 10-K.

3. Exhibits

The following exhibits are filed herewith or are incorporated by reference to exhibits previously filed with the SEC, as indicated in the description of each, File No. 1-14267 in the case of Republic and File No. 1-14705 and No. 0-19285 in the case of Allied, and File No. 1-06805 in the case of Browning-Ferris Industries, Inc.

Exhibit Number	Description
3.1	Amended and Restated Certificate of Incorporation (incorporated by reference to Exhibit 3.1 of the Company's Quarterly Report on Form 10-Q for the period ended June 30, 1998).
3.2	Certificate of Amendment of Amended and Restated Certificate of Incorporation of Republic Services, Inc. (incorporated by reference to Exhibit 4.2 of the Company's Registration Statement on Form S-8, Registration No. 333-81801, filed with the Commission on June 29, 1999).
3.3	Amended and Restated Bylaws of Republic Services, Inc. (incorporated by reference to Exhibit 99.1 of the Company's Current Report on Form 8-K dated February 13, 2026).
4.1	Republic Services, Inc. Common Stock Certificate (incorporated by reference to Exhibit 4.4 of the Company's Registration Statement on Form S-8, Registration No. 333-81801, filed with the Commission on June 29, 1999).
4.2	Indenture, dated as of August 15, 2001 between Republic Services, Inc. and The Bank of New York, as trustee, including the form of notes (incorporated by reference to Exhibit 4.1 of the Company's Current Report on Form 8-K filed August 16, 2001).
4.3	Second Supplemental Indenture, dated as of March 21, 2005, to the Indenture dated as of August 15, 2001, by and between Republic Services, Inc. and The Bank of New York, as trustee, including the form of 6.086% Note due March 15, 2035 (incorporated by reference to Exhibit 4.1 of the Company's Quarterly Report on Form 10-Q for the quarter ended March 31, 2005).
4.4	Indenture, dated as of September 8, 2009, by and between Republic Services, Inc. and The Bank of New York Mellon Trust Company, N.A., as trustee (incorporated by reference to Exhibit 4.1 of the Company's Current Report on Form 8-K dated September 9, 2009).
4.5	Fourth Supplemental Indenture, dated as of May 9, 2011, to the Indenture dated as of September 8, 2009, by and among Republic Services, Inc., the guarantors named therein and The Bank of New York Mellon Trust Company, N.A., as trustee, including the form of 5.700% Notes due 2041 (incorporated by reference to Exhibit 4.3 of the Company's Current Report on Form 8-K dated May 9, 2011).
4.6	Indenture, dated as of November 25, 2009, by and between Republic Services, Inc. and U.S. Bank National Association, as trustee (incorporated by reference to Exhibit 4.1 of the Company's Current Report on Form 8-K dated November 25, 2009).
4.7	Third Supplemental Indenture, dated as of March 4, 2010, to the Indenture dated as of November 25, 2009, by and among Republic Services, Inc., the guarantors named therein and U.S. Bank National Association, as trustee, including the form of 6.20% Notes due 2040 (incorporated by reference to Exhibit 4.2 of the Company's Current Report on Form 8-K dated March 4, 2010).
4.8	Restated Indenture, dated as of September 1, 1991, by and between Browning-Ferris Industries, Inc. and First City, Texas-Houston, National Association, as trustee (incorporated by reference to Exhibit 4.22 of Allied's Registration Statement on Form S-4/A (No. 333-61744)).
4.9	First Supplemental Indenture, dated as of July 30, 1999, to the Restated Indenture dated as of September 1, 1991, by and among Allied Waste Industries, Inc., Allied Waste North America, Inc., Browning-Ferris Industries, Inc. and Chase Bank of Texas, National Association, as trustee (incorporated by reference to Exhibit 4.23 of Allied's Registration Statement on Form S-4/A (No. 333-61744)).

Exhibit Number	Description
4.10	First [sic] Supplemental Indenture, dated as of December 31, 2004, to the Restated Indenture dated as of September 1, 1991, by and among Browning-Ferris Industries, Inc., BBCO, Inc. and JP Morgan Chase Bank, National Association as trustee (incorporated by reference to Exhibit 4.33 of Allied's Annual Report on Form 10-K for the year ended December 31, 2004).
4.11	Third Supplemental Indenture, dated as of December 5, 2008, to the Restated Indenture dated as of September 1, 1991, by and among Allied Waste Industries, Inc., Allied Waste North America, Inc., Browning-Ferris Industries, LLC (successor to Browning-Ferris Industries, Inc.), BBCO, Inc., Republic Services, Inc., the guarantors party thereto and The Bank of New York Mellon Trust Company, N.A., as trustee (incorporated by reference to Exhibit 4.1 of the Company's Current Report on Form 8-K dated December 10, 2008).
4.12	Fifth Supplemental Indenture, dated as of July 5, 2016, to the Indenture, dated as of November 25, 2009, between Republic Services, Inc. and U.S. Bank National Association, as trustee, including the form of 2.900% Notes due 2026 (incorporated by reference to Exhibit 4.1 of the Company's Current Report on Form 8-K dated July 5, 2016).
4.13	Sixth Supplemental Indenture, dated as of November 16, 2017, between Republic Services, Inc. and U.S. Bank National Association, as trustee, including the form of 3.375% Notes due 2027 (incorporated by reference to Exhibit 4.1 of the Company's Current Report on Form 8-K dated November 15, 2017).
4.14	Form of Browning-Ferris Industries, Inc. 7.4% Debentures due 2035 (incorporated by reference to Exhibit 4 of Browning-Ferris Industries, Inc.'s Current Report on Form 8-K dated September 15, 1995).
4.15	Seventh Supplemental Indenture, dated as of May 14, 2018, between Republic Services, Inc. and U.S. Bank National Association, as trustee, including the form of 3.950% Notes due 2028 (incorporated by reference to Exhibit 4.1 of the Company's Current Report on Form 8-K dated May 3, 2018).
4.16	Description of Securities Registered Under Section 12 of the Securities Exchange Act of 1934 (incorporated by reference to Exhibit 4.23 of the Company's Annual Report on Form 10-K for the year ended December 31, 2019).
4.17	Ninth Supplemental Indenture, dated as of February 27, 2020, between Republic Services, Inc. and U.S. Bank National Association, as trustee, including the form of 2.300% Notes due 2030 and the form of 3.050% Notes due 2050 (incorporated by reference to Exhibit 4.1 of the Company's Current Report on Form 8-K dated February 21, 2020).
4.18	Tenth Supplemental Indenture, dated as of August 20, 2020, between Republic Services, Inc. and U.S. Bank National Association, as trustee, including the form of 1.450% Notes due 2031 (incorporated by reference to Exhibit 4.1 of the Company's Current Report on Form 8-K dated August 13, 2020).
4.19	Eleventh Supplemental Indenture, dated as of November 24, 2020, between Republic Services, Inc. and U.S. Bank National Association, as trustee, including the form of 0.875% Notes due 2025 and the form of 1.750% Notes due 2032 (incorporated by reference to Exhibit 4.1 of the Company's Current Report on Form 8-K dated November 12, 2020).
4.20	Twelfth Supplemental Indenture, dated as of November 8, 2021, between Republic Services, Inc. and U.S. Bank National Association, as trustee, including the form of 2.375% Notes due 2033 (incorporated by reference to Exhibit 4.1 of the Company's Current Report on Form 8-K dated November 4, 2021).
4.21	Form of Commercial Paper Dealer Agreement--4(a)(2) Program, dated as of May 25, 2022, between Republic Services, Inc. and the applicable dealer party thereto (incorporated by reference to Exhibit 10.1 of the Company's Current Report on Form 8-K filed September 1, 2022).
4.22	Thirteenth Supplemental Indenture, dated as of March 28, 2023, between Republic Services, Inc. and U.S. Bank Trust Company, National Association (as successor in interest to U.S. Bank National Association), as trustee, including the form of 4.875% Notes due 2029 and form of 5.000% Notes due 2034 (incorporated by reference to Exhibit 4.1 of the Company's Current Report on Form 8-K dated March 23, 2023).
4.23	Fourteenth Supplemental Indenture, dated as of December 12, 2023, between Republic Services, Inc. and U.S. Bank Trust Company, National Association (as successor in interest to U.S. Bank National Association), as trustee, including the form of 5.000% Notes due 2033 (incorporated by reference to Exhibit 4.1 of the Company's Current Report on Form 8-K dated December 11, 2023).
4.24	Fifteenth Supplemental Indenture, dated as of June 25, 2024, between Republic Services, Inc. and U.S. Bank Trust Company, National Association (as successor in interest to U.S. Bank National Association), as trustee, including the form of 5.000% Notes due 2029 and the form of 5.200% Notes due 2034 (incorporated by reference to Exhibit 4.1 of the Company's Current Report on Form 8-K dated June 20, 2024).

Exhibit Number	Description
4.25	Second Amended and Restated Credit Agreement, dated as of July 26, 2024, by and among Republic Services, Inc., USE Canada Holdings, Inc., Bank of America, N.A., as Administrative Agent, Swing Line Lender and L/C Issuer, and the other lenders party thereto (incorporated by reference to Exhibit 4.1 of the Company's Current Report on Form 8-K dated July 31, 2024).
4.26	Amendment No. 1 to Second Amended and Restated Credit Agreement, dated as of April 2, 2025, by and among Republic Services, Inc., USE Canada Holdings, Inc., J.P. Morgan Securities LLC, as Sustainability Structuring Agent, Bank of America, N.A., as Administrative Agent, Swing Line Lender and L/C Issuer, and the other lenders party thereto (incorporated by reference to Exhibit 10.1 of the Company's Quarterly Report on Form 10-Q for the quarter ended June 30, 2025).
4.27	Sixteenth Supplemental Indenture to the Indenture between Republic Services, Inc. and U.S. Bank Trust Company, National Association (as successor in interest to U.S. Bank National Association), as trustee (incorporated by reference to Exhibit 4.1 of the Company's Current Report on Form 8-K dated March 18, 2025).
10.1+	Republic Services, Inc. Amended and Restated 2007 Stock Incentive Plan effective May 12, 2011 (incorporated by reference to Appendix A of the Company's Proxy Statement on Schedule 14A filed on April 1, 2011).
10.2+	Republic Services, Inc. Executive Incentive Plan, as amended and restated effective October 26, 2020 (incorporated by reference to Exhibit 10.1 to the Company's Quarterly Report on Form 10-Q for the quarter ended September 30, 2020).
10.3+	Form of Employee Restricted Stock Unit Agreement under the Republic Services, Inc. Amended and Restated 2007 Stock Incentive Plan (for awards on or after December 27, 2011) (incorporated by reference to Exhibit 10.1 of the Company's Current Report on Form 8-K dated December 27, 2011).
10.4+	Form of Non-Employee Director Restricted Stock Unit Agreement (annual vesting) under the Republic Services, Inc. Amended and Restated 2007 Stock Incentive Plan (for awards on or after December 27, 2011) (incorporated by reference to Exhibit 10.2 of the Company's Current Report on Form 8-K dated December 27, 2011).
10.5+	Form of Non-Employee Director Restricted Stock Unit Agreement (3 year vesting) under the Republic Services, Inc. Amended and Restated 2007 Stock Incentive Plan (for awards on or after December 27, 2011) (incorporated by reference to Exhibit 10.3 of the Company's Current Report on Form 8-K dated December 27, 2011).
10.6+	Republic Services, Inc. Deferred Compensation Plan, as amended and restated effective January 1, 2025 (incorporated by reference to Exhibit 10.6 of the Company's Annual Report on Form 10-K for the year ended December 31, 2024).
10.7+	Amendment No. 1 to the Republic Services, Inc. Deferred Compensation Plan, effective as of August 1, 2025 (incorporated by reference to Exhibit 10.1 of the Company's Quarterly Report on Form 10-Q for the quarter ended September 30, 2025).
10.8+	Republic Services, Inc. Amended and Restated Executive Incentive Plan, effective February 4, 2014 (incorporated by reference to Appendix A of the Company's Proxy Statement on Schedule 14A filed on March 26, 2014).
10.9+	Republic Services, Inc. Executive Separation Policy, as amended as of February 8, 2023 (incorporated by reference to Exhibit 10.9 of the Company's Annual Report on Form 10-K for the year ended December 31, 2022).
10.10+	Republic Services, Inc. Amended and Restated 2007 Stock Incentive Plan effective May 9, 2013 (incorporated by reference to Exhibit 10.1 of the Company's Quarterly Report on Form 10-Q for the quarter ended June 30, 2013).
10.11+	Offer Letter, dated July 25, 2016, by and between Catharine D. Ellingsen and Republic Services, Inc. (incorporated by reference to Exhibit 10.37 of the Company's Annual Report on Form 10-K dated February 16, 2017).
10.12+	Non-Competition, Non-Solicitation, Confidentiality and Arbitration Agreement, effective February 13, 2024, by and between Catharine D. Ellingsen and Republic Services, Inc. (incorporated by reference to Exhibit 10.15 of the Company's Annual Report on Form 10-K for the year ended December 31, 2023).
10.13+	Republic Services, Inc. 2018 Employee Stock Purchase Plan (incorporated by reference to Annex A of the Company's Proxy Statement on Schedule 14A filed on March 29, 2018).
10.14+	Offer letter, dated May 29, 2020, by and between Brian DelGhiaccio and Republic Services, Inc. (incorporated by reference to Exhibit 10.1 of the Company's Quarterly Report on Form 10-Q for the quarter ended June 30, 2020).

Exhibit Number	Description
10.15+	Non-Competition, Non-Solicitation, Confidentiality and Arbitration Agreement, effective February 13, 2024, by and between Brian DelGhiaccio and Republic Services, Inc. (incorporated by reference to Exhibit 10.20 of the Company's Annual Report on Form 10-K for the year ended December 31, 2023).
10.16+	Offer letter, dated March 26, 2021, by and between Jon Vander Ark and Republic Services, Inc. (incorporated by reference to Exhibit 10.1 of the Company's Quarterly Report on Form 10-Q for the quarter ended March 31, 2021).
10.17+	Non-Competition, Non-Solicitation, Confidentiality, and Arbitration Agreement, effective February 13, 2024, by and between Jon Vander Ark and Republic Services, Inc. (incorporated by reference to Exhibit 10.22 of the Company's Annual Report on Form 10-K for the year ended December 31, 2023).
10.18+	Republic Services, Inc. 2021 Stock Incentive Plan (incorporated by reference to Exhibit 10.30 of the Company's Annual Report on Form 10-K for the year ended December 31, 2020).
10.19+	Form of Performance Share Agreement (Executive Officer) under the Republic Services, Inc. 2021 Stock Incentive Plan (incorporated by reference to Exhibit 10.18 of the Company's Annual Report on Form 10-K for the year ended December 31, 2024).
10.20+	Form of Performance Share Agreement (Other Executive) under the Republic Services, Inc. 2021 Stock Incentive Plan (incorporated by reference to Exhibit 10.19 of the Company's Annual Report on Form 10-K for the year ended December 31, 2024).
10.21+	Form of Performance Share Agreement (Non-Executive Officer EVP) under the Republic Services, Inc. 2021 Stock Incentive Plan (incorporated by reference to Exhibit 10.20 of the Company's Annual Report on Form 10-K for the year ended December 31, 2024).
10.22+	Form of Employee Restricted Stock Unit Agreement (Senior Executive) under the Republic Services, Inc. 2021 Stock Incentive Plan (incorporated by reference to Exhibit 10.21 of the Company's Annual Report on Form 10-K for the year ended December 31, 2024).
10.23+	Form of Employee Restricted Stock Unit Agreement (Senior Executive, Cliff Vesting) under the Republic Services, Inc. 2021 Stock Incentive Plan (incorporated by reference to Exhibit 10.22 of the Company's Annual Report on Form 10-K for the year ended December 31, 2024).
10.24+	Form of Employee Restricted Stock Unit Agreement (Other Employees) under the Republic Services, Inc. 2021 Stock Incentive Plan (incorporated by reference to Exhibit 10.23 of the Company's Annual Report on Form 10-K for the year ended December 31, 2024).
10.25+	Non-Competition, Non-Solicitation, Confidentiality, and Arbitration Agreement, effective February 13, 2024, by and between Brian A. Bales and Republic Services, Inc. (incorporated by reference to Exhibit 10.30 of the Company's Annual Report on Form 10-K for the year ended December 31, 2023).
10.26+	Offer Letter, dated August 18, 2023, by and between Gregg Brummer and Republic Services, Inc. (incorporated by reference to Exhibit 10.1 of the Company's Quarterly Report on Form 10-Q for the quarter ended March 31, 2024).
10.27+	Non-Competition, Non-Solicitation, Confidentiality and Arbitration Agreement, effective February 13, 2024, by and between Gregg Brummer and Republic Services, Inc. (incorporated by reference to Exhibit 10.2 of the Company's Quarterly Report on Form 10-Q for the quarter ended March 31, 2024).
10.28+	Amendment No. 1 to Republic Services, Inc. 2018 Employee Stock Purchase Plan, effective February 4, 2025 (incorporated by reference to Exhibit 10.27 of the Company's Annual Report on Form 10-K for the year ended December 31, 2024).
10.29+	Amendment No. 1 to Republic Services, Inc. 2021 Stock Incentive Plan, effective February 4, 2025 (incorporated by reference to Exhibit 10.28 of the Company's Annual Report on Form 10-K for the year ended December 31, 2024).
19.1	Insider Trading Policy (incorporated by reference to Exhibit 19.1 of the Company's Annual Report on Form 10-K for the year ended December 31, 2024).
19.2	Insider Trading Procedures (incorporated by reference to Exhibit 19.2 of the Company's Annual Report on Form 10-K for the year ended December 31, 2024).
19.3	Republic Services Share Repurchase Policy (incorporated by reference to Exhibit 19.3 of the Company's Annual Report on Form 10-K for the year ended December 31, 2024).
21.1*	Subsidiaries of the Company.
23.1*	Consent of Ernst & Young LLP.
31.1*	Rule 13a-14(a)/15d-14(a) Certification of Chief Executive Officer.
31.2*	Rule 13a-14(a)/15d-14(a) Certification of Chief Financial Officer.
32.1**	Section 1350 Certification of Chief Executive Officer.

Exhibit Number	Description
32.2**	Section 1350 Certification of Chief Financial Officer.
97+	Amended and Restated Clawback Policy, dated July 19, 2023 (incorporated by reference to Exhibit 10.1 of the Company's Quarterly Report on Form 10-Q for the quarter ended June 30, 2023).
101.INS*	XBRL Instance Document. - the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document.
101.SCH*	XBRL Taxonomy Extension Schema Document.
101.CAL*	XBRL Taxonomy Extension Calculation Linkbase Document.
101.LAB*	XBRL Taxonomy Extension Labels Linkbase Document.
101.PRE*	XBRL Taxonomy Extension Presentation Linkbase Document.
101.DEF*	XBRL Taxonomy Extension Definition Linkbase Document.
104*	Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101).

* Filed herewith.

** This exhibit is being furnished rather than filed and shall not be deemed incorporated by reference into any filing, in accordance with Item 601 of Regulation S-K.

\+ Indicates a management contract or compensatory plan or arrangement.

Pursuant to Item 601(b)(4)(iii)(A) of Regulation S-K, the Company has not filed as exhibits to this Form 10-K certain long-term debt instruments under which the total amount of securities authorized does not exceed 10% of the total assets of the Company and its subsidiaries on a consolidated basis. The Company hereby agrees to furnish a copy of any such instrument to the SEC upon request.

ITEM 16. FORM 10-K SUMMARY

None.

Signatures

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

REPUBLIC SERVICES, INC.

Date: February 17, 2026

By: /s/ JON VANDER ARK
Jon Vander Ark
President and
Chief Executive Officer
(Principal Executive Officer)

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the Registrant and in the capacities and on the dates indicated.

Signature	Title	Date
/s/ JON VANDER ARK Jon Vander Ark	President, Chief Executive Officer and Director (Principal Executive Officer)	February 17, 2026
/s/ BRIAN DELGHIACCIO Brian DelGhiaccio	Executive Vice President, Chief Financial Officer (Principal Financial Officer)	February 17, 2026
/s/ ELYSE M. CARLSEN Elyse M. Carlsen	Vice President and Chief Accounting Officer (Principal Accounting Officer)	February 17, 2026
/s/ MANUEL KADRE Manuel Kadre	Chairman of the Board of Directors	February 17, 2026
/s/ IAN CRAIG Ian Craig	Director	February 17, 2026
/s/ MICHAEL A. DUFFY Michael A. Duffy	Director	February 17, 2026
/s/ THOMAS W. HANDLEY Thomas W. Handley	Director	February 17, 2026
/s/ JENNIFER M. KIRK Jennifer M. Kirk	Director	February 17, 2026
/s/ MICHAEL LARSON Michael Larson	Director	February 17, 2026
/s/ N. THOMAS LINEBARGER N. Thomas Linebarger	Director	February 17, 2026
/s/ MEG REYNOLDS Meg Reynolds	Director	February 17, 2026

/s/ JAMES P. SNEE James P. Snee	Director	February 17, 2026
/s/ BRIAN S. TYLER Brian S. Tyler	Director	February 17, 2026
/s/ SANDRA M. VOLPE Sandra M. Volpe	Director	February 17, 2026
/s/ KATHARINE B. WEYMOUTH Katharine B. Weymouth	Director	February 17, 2026

AFFIDAVIT II

EASTON, MARYLAND
EASTON, MARYLAND 21601

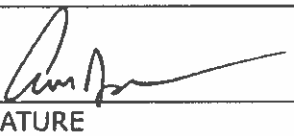
TITLE: **RECYCLING SERVICES**
JULY 2026 – JUNE 2029

DISCLOSURE OF INTEREST BY PERSONS DOING BUSINESS WITH TOWN OF EASTON

The undersigned does hereby declare that no officer or employee of the Town of Easton and/or Easton Utilities Commission, whether elected or appointed has in any manner whatsoever any interest in or has received prior to hereto or will receive subsequent hereto any benefit, monetary or material consideration from the profits or emoluments of this contract, job, work or service for the Town, and that no officer or employee has accepted or received or will receive, directly or indirectly, any part of any fee, commission or other compensation paid or payable by the Town in connection with the contract, job, work, or service for the Town, excepting, however, the receipt of dividend or corporation stock.

I, we do solemnly declare and affirm under the penalties of perjury and the contents of the foregoing affidavit are true and correct to the best of my knowledge, information and belief.

June 9th 2026
DATE

X 
SIGNATURE

Anthony Spirito
PRINTED

General Manager
TITLE

BFI Waste Services LLC-907 Willow Grove Road, Felton DE 19943
FIRM NAME AND ADDRESS

END OF SECTION

Should the Contractor default in the performance of required work and/or the quality and performance of the work as described in the contract documents, the Town shall have the right to terminate this contract and pursue other means for completing work for the remainder of the contract period in addition to any other remedy available by law. Should the Town be required to initiate work for any portion of the Landscape Maintenance Contract, as outlined in the contract documents, due to Contractor failing to complete said work, the Town shall charge to the Contractor the dollar amount in excess of the unit price bid for that line item of work that the Town incurred in completing that work on the Contractor's behalf.

IN WITNESS WHEREOF, the parties hereto have executed this Contract as of the day and year first above written, the Town, by its Mayor, by authority duly given.

ATTEST: THE TOWN OF EASTON

_____ By: _____

Town Clerk Mayor

APPROVED as to Form and Legality

_____

Attorney

ATTEST:

_____ BFI Waste Services LLC

Contractor

By: X _____

Anthony Spirito

Print Name

General Manager

Title

END OF SECTION

AFFIDAVIT I

EASTON, MARYLAND
EASTON, MARYLAND 21601

TITLE: **RECYCLING SERVICES**
JULY 2026 – JUNE 2029

NON-COLLUSION CERTIFICATE

COUNTY OF: _____

STATE OF: _____

Before me, the undersigned, a Notary Public, in and for the County and State aforesaid, personally appeared Anthony Spirito-GM BFI Waste Services, LLC And made oath in due form of law that the Proposer herein, his Agents, servants and/or employees, to the best of his knowledge and belief, have not in any way colluded with anyone for and on behalf of the Proposer, or themselves, to obtain information that would give the Proposer an unfair advantage over others, nor have they colluded with anyone for and on behalf of the Proposer, or themselves, to gain any favoritism in the award of the Contract herein.

In Witness thereof, I hereby set my hand and official seal.

_____
(NOTARY PUBLIC)

My Commission Expires:

_____

_____

X _____
Sign for Identification

I/We propose to furnish all labor, equipment, materials and other facilities necessary and proper to construct **RECYCLING SERVICES – JULY 2026 – JUNE 2029**, in accordance with this Request for Proposals at the **Total Three (3) Year Lump Sum** price of:

_____Dollars

($_____).

_____
(Signature of Bidder)

The Bidder agrees that this Proposal shall be good and may not be withdrawn for a period of **30** calendar days after the opening of the Bid Proposals.

A contract, if awarded, will be awarded to the lowest, responsible, responsive Bidder whose proposal in the sole opinion of the Owner (Town of Easton) represents the best value to the Town of Easton and the acceptance of which, in whole or in part, is in the best interest of the Town of Easton. The Town of Easton reserves the right to reject any and all bids, to waive any irregularities, and to re-advertise for new bids.

Bids shall include sales tax and all other applicable taxes and fees.

Section I: New Residential Permits Issued (Inside and Outside the PFA)
(§1-208(c)(1)(i) and (c)(3)(ii))

(A) In *Table 1*, *New Residential Permits Issued (Inside and Outside the PFA*) below, enter the number of new residential building permits issued in CY2025. Enter 0 if no new residential building permits were issued in 2025.

Table 1: New Residential Permits Issued
Inside and Outside the Priority Funding Area (PFA)

Residential – Calendar Year 2025	PFA	Non - PFA	Total
New Residential Permits Issued	71	0	71

Note: *If new residential permit data is not available or tracked, jurisdictions are encouraged to begin a process to track the number of new residential permits approved. MDP will accept new residential occupancy permits as a substitute for new residential permits, provided that the jurisdiction represents the data as new occupancy permits, rather than new residential permits, in this template or other reporting form submitted to MDP. Similarly, if permitting data that specifies within and without of the PFA is not available, and the jurisdiction submits data related to a locally defined growth area, instead of PFAs, then the jurisdiction should consider a future process to track permits within the PFA. MDP will accept permit or occupancy data specific to a locally defined growth area, provided that the jurisdiction represents the data as such in this template or another reporting form submitted to MDP, rather than as PFA.*

Section II: Amendments and Growth Related Changes In Development Patterns (§1-207(c)(1) through (c)(4))

Note: Growth related changes in development patterns are changes in land use, zoning, transportation capacity improvements, new subdivisions, new schools or school additions, or changes to water and sewer service areas.

(A) Were any new comprehensive plan or plan elements adopted? If yes, briefly summarize what was adopted. Y ☐ N X

However, the Planning Commission made progress towards the adoption of a new Plan in 2025 and have in fact now adopted it and forwarded it to the Town Council for approval where that process is currently underway.

(B) Were there any amendments to zoning regulations or the zoning map? If yes, briefly summarize each amendment, include an updated zoning map, and/or GIS shapefile, if available. Y ☐ N X

Although the Planning Commission worked on two different sets of Zoning Amendments, they were not approved by the Town Council until their first meeting of Calendar Year 2026, and thus will be reported on in next year's Annual Report.

(C) Were there growth-related changes, including land use, annexations, zoning ordinance changes, new schools, changes in water or sewer service areas, municipal annexations that changed municipal or unincorporated area boundaries? If yes, describe or attach a map of the changes and/or GIS shapefile, and describe how they are consistent with internal, state, or adjoining jurisdiction plans.

Y ☐ N X

One Annexation request was reviewed by the Planning Commission, but the matter is currently pending before the Town Council. If approved, it will be reported on next year.

(D) If yes to municipal annexations, have copies of each adopted resolution been submitted to: Georgeanne Carter, Legislative Counsel Municipal Resolution Reposition Department of Legislative Services, 90 State Circle, Annapolis MD, 21401-1991 and copied to MDP's Daniel Mullinix (daniel.mullinix@maryland.gov) to expedite PFA status updates.

MDP would like to inform municipalities of 2025's Senate Bill (SB) 245 - Municipalities – Annexation Resolutions – Submission to the Department of Planning. This bill, effective October 1, 2025, requires municipalities to send a copy of the signed annexation resolution(s) to MDP within 10 days of when the resolution(s) take effect. This is an addition to the existing list of entities outlined in Section 4-414 of the Local Government Article. To meet this requirement, please send Daniel Mullinix a copy of the notification (daniel.mullinix@maryland.gov) transmitted to the Department of Legislative Services.

Y ☐ N ☐

(E) Did your jurisdiction identify and/or implement recommendations related to the following general planning topics, to improve the local planning and/or development process? Please select all that apply. Y ☐ N ☐

✓ Green Infrastructure	✓ Revitalization and Infill
✓ Zoning Reform	✓ Bike/Ped Planning
✓ Climate Change	✓ Commercial Redevelopment
✓ Affordable/Workforce Housing	✓ Sustainable Growth
✓ Equity	✓ Placemaking
✓ Resilience	☐ Aging Population
☐ Water/Air Quality	☐ Sensitive Area Preservation
☐ Water/Sewer Capacity	☐ Expedited Review for Preferred Projects
☐ Brownfield Remediation	

Please describe any other planning improvements identified or implemented in CY2025.

To a certain degree, all of these subject areas, and more, were addressed in 2025 in the form of our Comprehensive Plan. The ones selected are of particular importance in the Plan. Additionally, the work of the ad hoc Attainable Housing Task Force extensively studied issues associated with housing affordability. Also, a number of Transportation-related issues (including elements of Placemaking) were addressed in an ongoing Complete Streets Study.

(B) Have all Planning (Commission/Board) and Board of Appeals members completed the Maryland Planning Commissioners Association (MPCA) training course?

Y X N ☐

Section III: Development Capacity Analysis (DCA)(§1-208(c)(1)(iii))

Note: MDP provides technical assistance to local governments in completing development capacity analyses. Please contact your MDP regional planner for more information.

(A) Has an updated DCA been submitted with your annual report or to MDP within the last three years? Y ☐ N X

1. If no, explain why not, such as, no substantial growth changes.

There have been no substantial growth changes and we have been in the midst of a Comprehensive Plan Update. The DCA included in the Draft Comprehensive Plan was reviewed by MDP and other State agencies as part of the required review process. A copy of this section of the Plan from an earlier Draft is attached to this Report. The earlier version is provided as it goes into greater detail concerning the calculations than the Planning Commission approved version.

2. If yes, when was the last DCA submitted? Identify month and year:

Note: A DCA is not due if a comprehensive plan was updated in the past three years (CY2023-2025). MDP recommends that jurisdictions share DCAs with local school boards and facilities planners.

3. Was the DCA shared with the local school board facilities planner? Y X N ☐

Yes, via the County review component of the review process. We will also share pursuant to the annual School Facilities Master Plan review process.

(B) Using the most current DCA available, provide the following data on capacity inside and outside the PFA in *Table 2, Residential Development Capacity (Inside and Outside the PFA)*:

Table 2: Residential Development Capacity (Inside and Outside the PFA)

Parcels & Lots w/ Residential Capacity	PFA	Non – PFA	Total
Residentially Zoned Acres w/ Capacity			
Residential Parcel & Lots w/Capacity			
Residential Capacity (Units)	2,744	6,773	9,517

***** - SEE attached excerpt from Municipal Growth Element Draft version for discussion of residential development capacity in Easton**

ATTACHMENT FROM DRAFT VERSION OF EASTON COMPREHENSIVE PLAN

CAPACITY FOR DEVELOPMENT WITHIN EXISTING TOWN LIMITS

This subsection of the Plan delves into the more technical realm of Planning mentioned in the Introduction to the Element. One of the more recent requirements for Comprehensive Plans is to estimate the capacity for development within the existing Town boundaries. This requires that we look at undeveloped land, land suitable for infill development, and land with potential for redevelopment. In order to complete this exercise, certain assumptions have to be made concerning each of these types of development. For example, we are assuming that future development will occur at a more urban density than has occurred in recent years. At a minimum we will assume that we can achieve a density of 3.5 dwelling units per acre (3.5 du/ac), the minimum required to satisfy the requirements of being designated a Primary Funding Area (PFA). We have also used guidance provided by the MD Department of Planning in their Models and Guidelines Series publication "Estimating Residential Development Capacity." Finally, some assumptions are based on our past experience with development review in Easton. The following table walks through the development of our estimate for residential development capacity within the current Town limits:

Estimating Residential Development Potential in Easton

A. Estimate Infill/Redevelopment/Build-out Potential (i.e. what we could get with no additional annexations)

Look back at the "Priority Development Areas" from current (2010) Comp Plan

Area 1 – ~~SSPP – non-residential (institutional)~~

Area 2 – Brooks Farm (in-Town portion)

Area 3 – Hospital-owned Oxford Road site (purchased by Talbot County in 2024, likely removing it from consideration for development)

Area 4 – Ashby Commons (89 du approved)

Area 5 – ~~Easton Commons Site (non-residential)~~

Area 6 – ~~Waterside Village (non-residential)~~

Area 7 – Alvin Lapides Property

Area 8 - Easton Point

Area 2 - 252 units approved in 2022

Area 7 – (Approx. 20 ac zoned residential, assumed to be multifamily [assume Londonderry density of 4.0 du/ac] x 4.0 du/ac x .75) = 60 units

Area 8* - 332 units (residential units reflected in the Port Street Small Area Plan. NOTE: This includes lands not within the Town of easton. For the purpose of this projection, they are treated as being within Town Limits)

Total estimated possible units from Priority Development Areas in 2004 Plan = 644

B. Other Parcels with Infill Potential

Unimproved parcels ≥ 1 acre (using same build-out factors as above) = (49.9 ac x 3.5 x .75 = 131)units

Unimproved parcels ≥ 1 acre in the PR District (substituting the PR density of a max. 40 du/ac for 3.5 in the equation above) = (3.3 ac x 40 x .75) = 99 units

# of unimproved residentially-zoned parcels < 1 ac (assume one triplex middle housing type per parcel) = 94 parcels x 3 units = 282 units

Total estimated possible "other" infill units = 512

C. Completion of Approved or Pending Project

Residential Projects Under Construction = 189 units

Residential Projects Under Review = 415 units (excludes Area 2 (Brooks Farm - Four Seasons) and Area 3 (Poplar Hill) which are already counted above)

Total Units in Approved/Pending Projects = 604

D. Downtown Residential Development Potential (per AKRF study) = 100

E. Redevelopment Potential (Parcels w/ improvements assessed at ≤ $50,000; = 63.7 acres x 3.5 du/ac x 0.75) = 167 – 158 existing units = 9 (net new units) + 875 units from Table ____ below = 884

Total Infill/Redevelopment/Build-out Potential (A+B+C+D+E) = 2,744 units

**** - As of June 11, 2024**

Table _____ Redevelopment Target Areas		
Project/Area	Acres	Potential Residential Units (acres x 30 du/ac x 0.75)
Hospital	14.84	334
Easton Plaza (Parking lot)	12.456	280
Perdue - Brookletts	6.548	147
Brookletts Building	1.787	40
Perdue - Maryland Ave	2.36	53
Safeway	1.46	21 (net, after deducting 12 units already included in the AKRF Study)

The net result is that our best estimate is that we can accommodate 2,744 more dwelling units within the Town, without the need to add any additional land for residential development (other than the portions of Easton Point per item A 8 that are currently beyond Town Limits). Obviously it is not as simple as saying we do not need to add any land for growth until these units are built. There will be some parcels that have environmental constraints making it difficult to develop. We have accounted for the more obvious such lands, but there is undoubtedly more that will not be as evident until we are actually reviewing a development proposal for such sites. There will also be the landowner who has no interest in developing, at least for the time being. Finally, simple supply and demand economics dictate that at some point some of the growth areas will need to be tapped or housing prices will escalate, thereby exacerbating an already serious problem in Easton. This is a problem we will have to grapple with when we ultimately reach the limits of the urban growth boundary, but while we have growth areas available, it would seem unwise to artificially inflate housing prices by

restricting supply, though for the current Planning period, it seems new annexation is not necessary.

The 2,744 represents a slight increase from the 2,492 units projected in the 2010 Plan, despite 14 years of growth The increase is primarily the result of the addition of Area 8 (Easton Point) as a "Priority Development Area" and a more detailed analysis of redevelopment potential through the inclusion of specific properties believed to possess significant opportunities for redevelopment (Table ___ above). This is offset by the removal of "Area 3" as a potential for development as the result of its purchase by Talbot County.

Section IV: (Locally) Funded Agricultural Land Preservation & Local Land Use Goal (Counties Only) (§1-208(C)(1)(iv and v))

N/A To Town of Easton

(A) How many acres were preserved using **local** agricultural land preservation funding? Enter 0 if no land was preserved using **local** funds. Enter the value of local program funds, if available.

Table 3: Locally Funded Agricultural Land Preservation*

Local Preservation Program Type	Acres	Value ($)
Example: Transfer of Development Rights		
Example: Building Lot Retirement		
Example: Land Purchase		
Example: Local Land Trust		
Example: Easement		
Example: Other		
Total		

**State funded agricultural land preservation acres and values are not required to be reported as state funding is documented. If including state funded land preservation, please separate the locally funded contributions and data, accordingly.*

(B) What is the county's established local land use percentage goal? This percentage should include land uses within PFAs, not including PFA comment areas %

(C) What is the timeframe for achieving the local land use percentage goal? Years.

(D) Has there been any progress in achieving the local land use percentage goal?

(E) What are the resources necessary (e.g. legislative actions (programs incentives), functional planning, and capital funding) for infrastructure inside the PFAs?

(F) What are the resources necessary (e.g. legislative actions (program incentives and zoning changes), preservation planning, and easement funding) for land preservation outside the PFAs?

Section V: Measures and Indicators (§1-208(c)(1))

Note: Measures and Indicators, Section V, is only required for jurisdictions issuing more than 50 new residential building permits in the reporting year, as reported in Table 1.

Table 4A: Amount of Residential Growth (Inside and Outside the PFA)

Residential – Calendar Year 2025	PFA	Non - PFA	Total
1.Total Units Approved on an Existing Lot	83	0	83
2.Gross Acres of Existing Lots in Row 1	No Data for this indicator	0	
3.Net Acres of Existing Lots in Row 1	No Data for this indicator	0	
4.Total Minor Subdivisions Approved	12	0	12
5.Total Minor Subdivision Lots Approved	1	0	1
6.Total Residential Units Approved in Minor Subdivisions*	1	0	1
7.Gross Acres of All Approved Minor Subdivisions	40.915	0	40.915
8.Net Lot Area** in Acres of All Approved Minor Subdivisions	40.915	0	40.915
9.Total Major Subdivisions Approved	0	0	0
10.Total Major Subdivision Lots Approved	0	0	0
11.Total Residential Units Approved in Major Subdivisions	0	0	0
12.Gross Acres of All Approved Major Subdivisions	0	0	0
13.Net Lot Area** in Acres of All Approved Major Subdivisions	0	0	0
14.Total Residential Units Approved (Minor + Major Subdivisions + Existing Lots)	83	0	83
15.Total Residential Units Constructed (CofO)	83	0	83
16.Total Residential Units Demolished***	1	0	1
17.Total Residential Units Reconstructed/Replaced***	82	0	82

* The number of residential units may be greater than the number of lots if they include duplexes, triplexes. or multifamily

***Net lot area is the sum of all developed lots, minus open spaces and right-of-way, other publicly dedicated land.*
****Not required.*

Table 4B: Net Density of Residential Growth (Inside and Outside PFAs)

Residential – Calendar Year 2025	PFA	Non – PFA	Total
1.Total Units Approved in Development Plans	1	0	1
2.Total Net Acres of Development Parcels in Row 1	40.915	0	40.95
3.Total Net Acres of Existing Lots in Row 1	40.991	0	40.915

**Net lot area is the sum of all developed lots, minus open spaces and right-of-way, other publicly dedicated land.*

Table 4C: Share of Residential Growth (Inside and Outside the PFA)

Residential – Calendar Year 2025	PFA	Non – PFA	Total
1.Total Units Approved on Existing Lots	82	0	82
2.Gross Acres of Existing Lots in Row 1	Date not collected		
3.Net Acres of Existing Lots in Row 1			
4.Total Units Approved (Major + Minor Subdivisions + Existing Lots + Units in Commercial Site Plans)	83	0	83
5. % of Total Units (Approved Residential Units)	100%	0%	100%

Table 4D: Amount of Commercial Growth (Inside and Outside the PFA)

Commercial – Calendar Year 2025	PFA	Non - PFA	Total
Site Plans			
1.Total # of Commercial Site Plans Approved	3	0	3
2.Gross Acres of All Approved Commercial Site Plans	7.668	0	7.668
3.Gross Building Area Approved in Square Feet for Commercial Site Plans	26,905 sq. ft.	0	26,905
Building Permits			
5.Total Commercial Building Permits Issued	40	0	40
6.Gross Building Area Constructed in Square Feet for issued Building Permits	Data not Collected		
7.Number of residential units approved as part of a commercial site plan (mixed-use), if any. *Only applies to jurisdictions with at least 150,000 residents	N/A	N/A	N/A

Section VI: Adequate Public Facility Ordinance (APFO) Restrictions (§7-104)
(Section VI is only required by jurisdictions with adopted APFOs)

N/A TO TOWN OF EASTON

Note: Jurisdictions with adopted APFOs must submit a biennial APFO report. The APFO report is due by July 1 of each even year and covers the reporting period for the previous two calendar years. APFO reports for CY2024 and CY2025 are due July 1, 2026. However, jurisdictions are encouraged to submit an APFO report on an annual basis. See MDP's new APFO website and 2025 NCSG APFO Report.

(A) Does your jurisdiction have an adopted APFO? Y ☐ N x

If No, skip this Section.

If Yes, continue to (B).

(B) What type of infrastructure is monitored and may trigger development approval restrictions or require a developer to address deficiencies? (List each for schools, roads, water, sewer, stormwater, health care, fire, police or solid waste.)

(C) Has APFO impacted development approvals within the PFA? Y ☐ N ☐

(D) If APFO has delayed, limited, or denied development, defined here as a "restriction":

1. Are there infrastructure or service facility deficiencies that have triggered denials of development requests, or held up development approvals? Y ☐ N ☐

Note: This does not include APFO required developer-funded projects, or phased development approvals due to APFO limitations, or APFO required study areas for approval.

2. Can the impact area of facility deficiencies/ development restrictions, which temporarily delay development approvals, be mapped? Y ☐ N ☐

(E) If yes for (C), where is each restriction located? (Identify on a map, including PFA boundary.)

1. Describe what is causing each restriction.

2. If applicable, what is the proposed resolution of each restriction?

3. If applicable, what is the estimated date to resolve each restriction?

(F) If a development restriction has been addressed, what was the resolution that lifted each restriction?

(G) If a development restriction has been addressed, when was each restriction lifted?

Section VII: Planning Survey Questions (Optional)

This information can help MDP and MDOT staff to identify potential pedestrian/bicycle projects and their funding.

(A) Does your jurisdiction have a bicycle and pedestrian plan? Y ☐ N X

However, bicycle and pedestrian facilities, needs, etc., are included in the Transportation Element of our Comprehensive Plan. We are also in the process of developing a Complete Streets Plan. Both are well on the way to formal adoption.

1. Plan name
2. Date Completed (MM/DD/YR)
3. Has the plan been adopted? Y ☐ N ☐
4. Is the plan available online? Y ☐ N ☐
5. How often do you intend to update it? (Every ____ years)
6. Are existing and planned bicycle and pedestrian facilities mapped? Y ☐ N ☐

(B) Does your jurisdiction have a transportation functional plan in addition to a comprehensive plan? Y ☐ N X

1. Plan name
2. Date completed (MM/DD/YY)
3. Has the plan been adopted? Y ☐ N ☐
4. Is the plan available online? Y ☐ N ☐
5. How often do you intend to update it? (Every ____ years)

(C) Has your jurisdiction completed and submitted a five-year mid-cycle comprehensive plan implementation review report this year? Y ☐ N X

If yes, please include the 5-Year Report as an attachment.

Note: To find out if your jurisdiction is scheduled to submit this report, consult the Transition Schedule (Counties/Municipalities) section located at: https://planning.maryland.gov/pages/OurWork/compPlans/ten-year.aspx

END

June 30, 2026

Mayor Megan Cook and
Easton Town Council
14 South Harrison Street
Easton, Maryland 21601

Dear Mayor Cook and Town Council Members:

For many years the Easton Planning and Zoning Commission has been preparing, and sharing with the Mayor and Council, an Annual Report as required by the State Land Use Article (formerly Article 66B) of the Annotated Code of Maryland. At our June 18, 2026 meeting, the Easton Planning and Zoning Commission adopted the attached Annual Report for 2026. The requirements for Annual Reports have been streamlined in recent years to require the completion of various tables. The attached Report does so for the data that we collect to ref;ect development activity for Calendar Year 2025.

In accordance with the requirements of the State Land Use Article, we are hereby providing and filing a copy of our Report with you, our local legislative body and the Planning staff will concurrently send a copy to the Maryland Department of Planning. No action is required on your part although we would be happy to arrange a presentation of the Report or answer any questions you may have about anything in it.

Please contact me or a member of the Planning staff if you have any questions concerning this matter or would like to schedule a more formal presentation of the Report.

Sincerely,
Easton Planning and Zoning Commission

Philip Toussaint

Philip Toussaint, Chair

Attachment (2026 Annual Report)



JUNE 2026

SENIOR CITIZEN TASK FORCE

PRELIMINARY BRIEFING

TALBOT COUNTY
Office of Community Partnerships

This preliminary briefing summarizes the findings of the Talbot County Senior Citizens Task Force and explores emerging challenges, opportunities, and potential strategies to address senior housing insecurity and homelessness in Talbot County.

Nancy Andrew, Office of Community Partnerships

TABLE OF CONTENTS

Task Force Members 2

INTRODUCTION 3

KEY FINDINGS 4

MAJOR THEMES 7

POSSIBLE STRATEGIES – Organizing the Response Continuum 9

FOR DISCUSSION - POTENTIAL PRIORITIES FOR COUNTY CONSIDERATION 13

APPENDIX A - DEFINITIONS 15

APPENDIX B - SCHEDULE OF MEETINGS AND PRESENTERS 18

TASK FORCE MEMBERS

Jennifer Marchi, Chair	Talbot County Commission on Aging
Rachel Cox	Talbot County Department of Emergency Services
R. Andrew Hollis	Neighborhood Service Center
Shannon Joyce	Mid Shore Behavioral Health
Julie Lowe	Talbot Interfaith Shelter
The Honorable Lynn L. Mielke	Talbot County Council
Lee Newcomb	Talbot County Department of Social Services
Michelle Nichols	Delmarva Community Services
Carrie Ottey	Talbot County Health Department
The Honorable Robert Rankin	Easton Town Council
William Wieland	Community Representative
The Honorable Robert C. Willey	Community Representative

Staff

Nancy Andrew	Office of Community Partnerships

INTRODUCTION

Talbot County is experiencing locally — and possibly more acutely — demographic and housing trends emerging across Maryland and the nation. Older adults are among the fastest growing populations experiencing housing insecurity and homelessness nationally. These demographic shifts are occurring alongside broader housing affordability and availability challenges that exist in Talbot County.

Maryland's recently adopted Longevity Ready Maryland initiative recognizes the need for greater coordination across housing, healthcare, transportation, and aging services systems as the State's population continues to age. Talbot County has one of the highest proportions of older adults in Maryland, with approximately 29–30% of residents age 60 and older. The establishment of the Talbot County Senior Citizens Task Force, alongside the ongoing work of the Talbot County Commission on Aging and community partners, positions the County to proactively address emerging needs and opportunities related to aging and housing stability.

This preliminary briefing provides the Talbot County Council with a high-level overview of the Task Force's work to date and summarizes key findings and themes emerging from local data and partner engagement. While the Task Force identified significant challenges related to senior housing insecurity, homelessness prevention, crisis response, affordability, accessibility, and services coordination, the group also reviewed promising practices from other communities. Possible solutions exist. The information that the Task Force reviewed also suggests that senior housing insecurity is not solely a housing issue, but also a broader community challenge intersecting with healthcare, aging, transportation, behavioral health, and long-term planning.

HOUSING STABILITY AND HOMELESSNESS RESPONSE CONTINUUM

As the Task Force considered both local needs and good ideas from other communities, discussions organized around the three pillars of the housing stability and homelessness response continuum:

- **Preventing homelessness** and housing instability before crisis occurs;
- Strengthening **crisis response** systems for older adults experiencing housing emergencies; and
- Expanding access to **permanent housing** solutions that are affordable, accessible, and appropriate for seniors.

The Task Force is seeking guidance from the Talbot County Council regarding the role Talbot County government should play in addressing senior housing insecurity and homelessness among older adults, including how the County may help convene partners, coordinate community responses, and support future planning efforts.

KEY FINDINGS

SENIOR HOUSING INSECURITY EXTENDS BEYOND VISIBLE HOMELESSNESS

Nationally, older adults are among the fastest growing populations experiencing homelessness and housing insecurity, with many living in unstable or precarious situations long before entering formal shelter or homelessness systems. Task Force discussions and local data suggest the same pattern in Talbot County, where homelessness among seniors represents only a portion of the broader challenge. Many older adults are experiencing housing instability through unsafe housing conditions, cost burdens, risk of eviction, utility insecurity, temporary motel stays, health challenges, or inability to maintain their homes while aging in place.

In 2025 alone, the Neighborhood Service Center reported serving 660 seniors through programs including utility assistance, eviction prevention, temporary shelter, and first month's rent assistance. Talbot Interfaith Shelter reported a significant increase in inquiries from older adults seeking assistance. Calls involving individuals age 55+ increased from 29 in 2024 to 53 in 2025 — an approximately 83% increase. In less than the first quarter of 2026, the organization received 32 calls involving this age group.

LOCAL DATA SUGGESTS A CONTINUUM OF VULNERABILITY AMONG OLDER ADULTS

Data reviewed by the Task Force identified hundreds of seniors annually seeking assistance through local service systems, including behavioral health services, healthcare-related supports, housing assistance, and aging services. Talbot County Health Department and the Talbot County Department of Social Services reported increasing concern regarding seniors who are slightly above eligibility thresholds for assistance programs but still unable to maintain long-term housing stability.

The Task Force discussed the potential impact of reductions in funding due to State budget cuts for programs that help older adults remain safely housed and connected to care. Changes to existing supports, such as the health department's Senior Program, may increase housing instability among vulnerable seniors who are already living on limited incomes.

Affordable senior housing options in Talbot County currently have substantial waitlists, reflecting both limited unit availability and growing demand for affordable and accessible housing that supports aging in place. Housing providers reported estimated wait times ranging from approximately 12–18 months at Hambleton Village, to 2–3 years at Asbury Place, to as long as 6–7 years at St. Mark's Village depending on unit availability and applicant eligibility.

At the same time, the Task Force heard that newer local "affordable" senior housing options with rents in the approximate range of $1,000–$1,100 per month may remain financially out of reach for some vulnerable older adults relying primarily on Social Security incomes of approximately $1,400 per month or less. While additional affordable housing is needed, some older adults on fixed incomes may be unable to afford rents deemed affordable by conventional standards. For these seniors, subsidized housing options may be required to achieve long-term housing stability.

SENIORS FACE CHALLENGES NAVIGATING FRAGMENTED SYSTEMS AND SERVICES

The Task Force repeatedly heard that many older adults struggle to identify and access appropriate resources, particularly when needs overlap across housing, healthcare, transportation, benefits, and aging services systems. Upper Shore Aging's latest strategic planning process stresses the importance of improved "no wrong door" approaches and service coordination to help seniors more effectively navigate available supports.

HOUSING, HEALTH, AND AGING ARE CLOSELY INTERCONNECTED

Discussions with leadership from University of Maryland Shore Regional Health, Mid Shore Behavioral Health, the Talbot County Health Department, and other community partners reinforced that housing instability among seniors is closely connected to chronic health conditions, behavioral health needs, mobility limitations, social isolation, transportation barriers, and access to healthcare and benefits. In SFY24, more than 400 Talbot County residents age 60+ received treatment through the Public Behavioral Health System. The Task Force also noted that Talbot County has a significant veteran population. Nationally, nearly half of all veterans are age 65 or older, underscoring the overlap between aging, healthcare, disability, and housing-related challenges facing many older veterans

LACK OF EMERGENCY SHELTER IN TALBOT LEAVES OLDER ADULTS ESPECIALLY VULNERABLE

The Task Force identified the lack of a local low-barrier emergency shelter as a significant gap in Talbot's crisis response system, particularly for older adults with mobility limitations, chronic health conditions, or functional impairments. Talbot County currently has no low-barrier shelter. Mobile Integrated Health reported situations in which older adults experiencing unsafe housing conditions, abuse, or other crises had no immediate local shelter option.

The nearest emergency shelter is in Cambridge and frequently operates at capacity, while requiring guests to leave during daytime hours. As a result, local agencies often rely on temporary motel placements. In FY25, three local agencies collectively invested $109,351 to temporarily house community members at a local motel. While these expenditures were

not limited to older adults, they illustrate both the ongoing need for emergency housing options and the limitations of relying on motels as a crisis response strategy.

Talbot Interfaith Shelter provides an important transitional housing program focused on helping individuals return to employment and long-term stability. However, as a high-barrier program, it is not designed to serve many seniors who are unable to work or live independently without support. Task Force members also noted that safely sheltering older adults requires additional considerations related to mobility, medical needs, and accessibility.

MAJOR THEMES

AN EMERGING CHALLENGE REQUIRING PROACTIVE PLANNING

Talbot County is experiencing locally many of the demographic and housing pressures emerging across Maryland and the nation as populations age. The Task Force's work suggests that senior housing insecurity is likely to become an increasingly urgent community issue requiring proactive planning, coordination, and cross-sector collaboration in addition to crisis response. The review of local data, stakeholder input, and promising practices from other communities reinforced two parallel conclusions: the challenge is real and growing, and practical solutions exist. Members emphasized the importance of positioning Talbot County to respond proactively to emerging needs rather than reactively after vulnerabilities become crises.

SENIOR HOUSING INSECURITY OFTEN REMAINS HIDDEN

The Task Force repeatedly observed that many vulnerable seniors are not visibly homeless but instead live in unstable or increasingly precarious situations including unsafe housing conditions, severe cost burdens, temporary housing arrangements, social isolation, or homes they can no longer safely maintain while aging in place. As a result, traditional homelessness data may not fully capture the scale of senior housing vulnerability in Talbot County. The Task Force also observed that many seniors experiencing early housing instability may benefit from intervention and support before circumstances escalate into crisis.

EXISTING HOUSING AND SERVICES SYSTEMS DO NOT FULLY ALIGN WITH SENIOR NEEDS

Discussions throughout the Task Force highlighted gaps in both housing inventory and service systems for older adults. The community currently has limited deeply affordable and accessible housing options for seniors, particularly for individuals with mobility limitations, chronic health conditions, or very low fixed incomes. Talbot County also currently lacks a low-barrier emergency shelter. Existing crisis response systems, including high-barrier transitional housing models, are not always structured to meet the needs of older adults experiencing housing instability, particularly seniors who are unable to work, live independently without support, or navigate traditional shelter environments.

COORDINATION AND LEADERSHIP WILL BE CRITICAL MOVING FORWARD

The Task Force found that senior housing insecurity intersects with healthcare, behavioral health, transportation, aging services, and public benefits systems, making coordination across sectors essential. The challenge is greater than one organization or agency can tackle alone. While many organizations throughout Talbot County are already providing important services and supports, no single entity currently serves in a clearly defined long-

term convening or coordinating role around senior housing insecurity. Sustained progress is unlikely to occur without clearly identified leadership, defined responsibility, and ongoing coordination beyond the duration of this task force.

POSSIBLE STRATEGIES – ORGANIZING THE RESPONSE CONTINUUM

Assistant Secretary Danielle Meister and the Maryland Department of Housing and Community Development Division of Homeless Solutions introduced the Task Force to a framework commonly used to organize homelessness and housing stability efforts. It focuses on three core functions: prevention, crisis response, and permanent housing solutions.

1. **Preventing Homelessness**
    a) Service Navigation
    b) Aging in Place
        i) Home Repairs
        ii) Supportive Services
        iii) Financial Assistance
2. **Crisis Response**
    a) Shelter
        i) Low barrier
        ii) Year-round, open 24/7
        iii) Senior Specific Shelter
    b) Rapid Re-housing
    c) Transitional Housing
3. **Permanent Housing**
    a) New Construction
        i) Accessible
        ii) Affordable
        iii) Subsidized
    b) Accessory Dwelling Units (ADUs)
    c) Home Sharing
    d) Master Leasing
    e) Set-Asides

1. Preventing Homelessness
Strategies, programs, and services designed to **keep individuals and households housed and avoid entry into the homelessness system**. This includes short-term financial assistance (e.g., rent or utility arrears), legal assistance, housing counseling, and case management to stabilize households at risk of eviction or displacement.

Preventing homelessness is often the most effective and least costly strategy. Many seniors experience housing instability due to fixed incomes, rising housing costs, health issues, or the loss of support systems. Prevention efforts focus on identifying risks early and helping older adults remain safely housed before a crisis occurs.

a. Service Navigation
Many seniors struggle to navigate systems involving housing, healthcare, transportation, and supportive services. Service navigation helps connect individuals with available

resources and ensures seniors are aware of programs that may help them remain stable and independent.

b. Aging in Place
Aging in place strategies focus on helping seniors remain safely in their current homes and communities for as long as possible. These efforts can reduce displacement, preserve community ties, and prevent unnecessary entry into homelessness or institutional care.

i. Home Repairs
Many seniors live in aging homes that require repairs or accessibility modifications they cannot afford. Addressing critical repairs and safety concerns can help prevent homes from becoming uninhabitable and reduce the risk of displacement.

ii. Supportive Services
Supportive services such as transportation, meal delivery, in-home assistance, and healthcare coordination help seniors maintain independence and stability. These services can address challenges that may otherwise contribute to housing loss.

iii. Financial Assistance
Financial assistance programs can help seniors facing temporary economic hardship due to rising rents, utility costs, medical expenses, or unexpected emergencies. Targeted assistance may prevent evictions, foreclosures, or utility shutoffs that can lead to homelessness.

2. Crisis Response
Crisis response strategies focus on assisting seniors who are already experiencing homelessness or immediate housing instability. These interventions aim to provide safety, stabilization, and pathways back to permanent housing as quickly as possible.

a. Shelter
Emergency shelter options provide immediate protection and temporary housing for individuals experiencing homelessness. For seniors, shelters should consider accessibility, safety, medical needs, and the unique challenges faced by older adults.

i. Low-barrier Shelter
Low-barrier shelters are designed to reduce obstacles that may prevent individuals from seeking help. These shelters prioritize immediate access to safety and may accommodate individuals who would otherwise struggle to qualify for traditional shelter settings.

ii. Year-round, Open 24/7 Shelter
A year-round, 24/7 shelter provides safe, stable emergency housing at all times, regardless of season, weather conditions, or time of day.

iii. Senior Specific Shelter
Senior-specific shelters are designed to meet physical, medical, and emotional

needs of older adults. These facilities may provide accessible accommodations, quieter environments, and connections to age-related services.

b. Rapid Re-housing

Rapid re-housing programs help individuals quickly transition from homelessness back into permanent housing through short-term rental assistance and supportive services. The goal is to minimize the length of time a senior experiences homelessness and restore housing stability as quickly as possible.

c. Transitional Housing

Transitional housing is temporary housing combined with supportive services for individuals who need additional time and assistance before moving into permanent housing. These programs can provide stability for seniors facing barriers to housing.

3. Permanent Housing

Permanent housing strategies focus on creating long-term housing solutions that are stable, accessible, and affordable for older adults. Expanding housing options is critical to addressing the growing number of seniors experiencing housing insecurity.

a. New Construction

New housing development can help address shortages in affordable, subsidized and accessible housing for seniors. Strategic development efforts may include partnerships between local governments, nonprofits, and private developers.

i. Accessible

Accessible housing includes features that accommodate mobility limitations, disabilities, and aging-related needs. Designing housing with accessibility in mind allows seniors to remain independent and safely housed as they age.

ii. Affordable

Affordable housing ensures seniors living on fixed or limited incomes have access to stable housing without experiencing severe financial burden. Increasing the supply of affordable housing remains a major need in many communities.

iii. Subsidized

Subsidized housing utilizes government funding reduces the cost of rent, allowing low-income households to pay less than the market rate for housing.

b. Accessory Dwelling Units (ADUs)

ADUs, sometimes called in-law suites or backyard cottages, can provide smaller and more affordable housing options for seniors. ADUs may also allow families to support aging relatives while preserving independence and reducing housing costs.

c. Home Sharing

Home sharing programs connect individuals willing to share housing in ways that reduce

housing expenses and social isolation. These arrangements may benefit both seniors seeking affordable housing and homeowners needing financial or caregiving support.

d. Master Leasing
Master Leasing is a housing strategy in which a nonprofit organization, government agency, or housing provider leases one or more housing units from a property owner and then subleases those units to individuals experiencing homelessness or housing instability. By serving as the primary tenant, the organization reduces risk for landlords and can quickly create housing opportunities without new construction.

e. Set-Asides
Set-asides are housing units reserved within an existing or new residential development for a specific population, such seniors. These units remain under the ownership and management of the property owner but are designated for eligible households when vacancies occur, creating a dedicated supply of affordable housing over time.

FOR DISCUSSION - POTENTIAL PRIORITIES FOR COUNTY CONSIDERATION

Senior housing insecurity reflects broader housing challenges facing Talbot County, but older adults often experience those challenges in unique ways that warrant focused attention. While the locus of housing is prioritized in towns, the vulnerabilities that the Task Force identified are countywide. Many potential solutions require ongoing operational, capital, or partnership investments. Funding mechanisms and long-term sustainability must be considered.

Based on the group's inaugural work, these appear to be promising areas for initial attention across the continuum:

STRENGTHEN PREVENTION EFFORTS

- Maintain existing senior services and enhance or expand supports as waitlists and community needs evolve. There are an array of local organizations and programs that help older adults remain safely housed, connected to services, and out of crisis. These are some prevention-oriented services that are making a meaningful difference:
    - Bay Hundred Community Volunteers
    - Mobile Integrated Health
    - Senior Care Program at the Talbot County Health Department

Preserving assets like these may be as important as developing new initiatives.

- Invest in asset mapping and gap analysis of senior prevention services.
- Improve service navigation.
- Increase cross-agency coordination around housing insecurity.
- Expand strategies that help older adults safely age in place, including home modifications, accessibility improvements and supportive services.

EVALUATE CRISIS RESPONSE CAPACITY

- Invest in a feasibility study for a year-round 24/7 low-barrier shelter.
    - Identify models that can safely serve older adults
    - Examine facility, operational and sustainability considerations
    - Examine county-owned properties for project site suitability

ACCESS PERMANENT HOUSING OPPORTUNITIES

- Evaluate county-owned properties for potential housing opportunities and public-private partnerships.

- Explore opportunities to increase affordable and subsidized housing for older adults.

ALIGN EXPERTISE WITH THE GOALS

Different parts of the housing stability continuum require different tools, partners, and expertise. The people and partners best suited to prevent homelessness may not be the same people needed to develop housing. Future efforts should align the right expertise and partnerships with the specific goals being pursued.

The Task Force's work ultimately raises a broader **policy question**:

What role should Talbot County government play in helping the community respond to an aging population facing increasing housing vulnerability?

APPENDIX A - DEFINITIONS

HOUSING & AGING TERMS

Senior
Person age 60 and older (following the Older Americans Act and the Talbot County Commission on Aging).

Aging in Place
The ability of an individual to live safely, independently, and comfortably in their own home and community regardless of age, income, or ability level.

Senior Housing
Housing designed or designated for older adults, which may include age-restricted communities (typically 55+), independent living, assisted living, or other housing types that incorporate accessibility features and, in some cases, supportive services.

Affordable Housing
Housing is considered affordable when a household spends no more than 30% of its gross income on housing costs, including rent or mortgage and utilities.

Subsidized Housing
Housing in which government programs provide financial assistance to reduce housing costs for eligible low- or moderate-income households, including vouchers, public housing, or project-based rental assistance.

Workforce Housing
Housing that is affordable to households earning moderate incomes, typically between approximately 60% and 120% of Area Median Income (AMI), including essential workers such as healthcare aides, teachers, and service employees.

Accessory Dwelling Units (ADUs) and Junior ADUs
A secondary, self-contained residential unit located on the same lot as a primary dwelling. ADUs may be detached, attached, or internal. Junior ADUs are smaller units, typically located within the primary residence and may have limited kitchen or bathroom facilities.

Manufactured Housing
Factory-built housing constructed in accordance with the federal HUD Code and transported to a site for installation, providing a lower-cost alternative to site-built housing. Manufactured housing is distinct from older "mobile homes," which were built prior to the HUD Code.

Mobile Home
A factory-built home constructed before June 15, 1976, prior to implementation of the

federal HUD Code for manufactured housing. Although the terms are often used interchangeably, mobile homes and manufactured homes are distinct housing types.

SHELTER & HOMELESSNESS SYSTEM

Shelters
Facilities that provide temporary housing and basic services for individuals and families experiencing homelessness, including emergency and transitional shelter options.

Low / No Barrier Shelter
Shelters that minimize entry requirements, such as sobriety, identification, or program participation, in order to maximize accessibility for individuals experiencing homelessness.

High Barrier Shelter
Shelters that require individuals to meet certain conditions for entry or continued stay, such as sobriety, curfews, background checks, or participation in programs.

INCOME & HOUSING STABILITY

Low Income Households
Earning at or below 80% of Area Median Income (AMI), as defined by HUD and used by DHCD to determine eligibility for housing programs.

Homeless (General Definition)
An individual or family lacking a fixed, regular, and adequate nighttime residence, including those living in shelters, transitional housing, or places not meant for human habitation.

Situational / Temporary Homelessness
Short-term homelessness resulting from a specific life event, such as job loss, illness, or eviction, with a higher likelihood of returning to stable housing with assistance.

Chronic Homelessness
Homelessness experienced by individuals with a disabling condition who have been continuously homeless for at least 12 months or have experienced multiple episodes of homelessness totaling 12 months over a period of time.

Housing Insecure
A condition in which individuals or households face instability in housing, including risk of eviction, frequent moves, overcrowding, or inability to afford housing costs.

PLANNING & ZONING TERMS

Inclusionary Zoning
A land use policy that requires or incentivizes developers to include a percentage of affordable housing units within new residential developments.

Mixed Use Zoning
A land-use designation that allows a combination of residential, commercial, and sometimes light industrial uses within a single area or building.

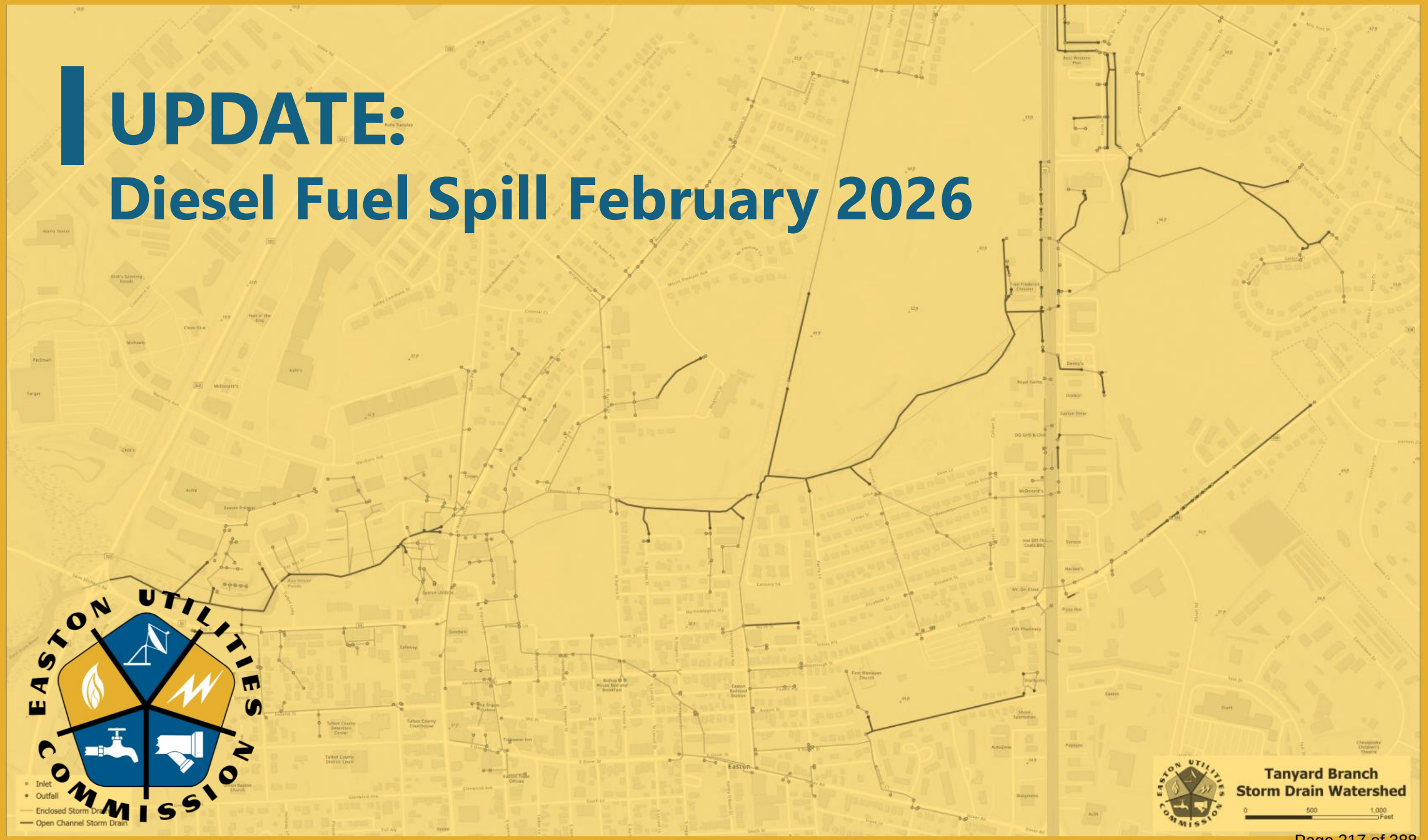
Planned Redevelopment Overlay District (PRD)
A zoning designation that allows flexible, master-planned development or redevelopment of a specific area, often encouraging a mix of housing types, densities, and uses through a unified development plan.

Planned Unit Redevelopment (PUD)
A flexible zoning mechanism that allows a mix of uses (residential, commercial, open space) on larger tracts of land to create cohesive neighborhoods.

APPENDIX B - SCHEDULE OF MEETINGS AND PRESENTERS

- November 13, 2025
- December 11, 2025
- January 8, 2026
- February 12, 2026
  - Ken Kozel, MBA, FACHE, President, University of Maryland Shore Regional Health
  - Zack Royston, Vice President, Rural Health Care Transformation and Population Health, University of Maryland Shore Regional Health
  - Lara Wilson, MHA, Director of External Affairs and Community Liaison, University of Maryland Shore Regional Health
- March 10, 2026
  - Ross Benincasa, Senior Vice President Community Development, Chesapeake Community Development
  - John Hurt, St. Marks Housing Ministry, LLC
  - Gary Yeatman, St. Marks Housing Ministry, LLC
- April 9, 2026
  - Don Bibb, Housing Commission of Talbot
  - Miguel Salinas, Planning Officer, Town of Easton
- May 28, 2026
- June 1, 2026

UPDATE:
Diesel Fuel Spill February 2026



Summary of Events

- On February 8, 2026, a valve malfunction on a fuel tank resulted in an estimated 5-10 gallons of diesel fuel entering the North Fork of the Tanyard Branch, which runs into the Bay Street Ponds.
- Easton Utilities focused on the clean-up and remediation of the Bay Street ponds and impacted wildlife, partnering with local emergency responders, and environmental and wildlife protection agencies.





Clean-up and Remediation

- Mechanical Updates- 100% complete
  - Relocated tank vents away from stream
  - Added overflow catch tanks
- Electrical Controls and Alarm Updates
  - Adds multiple new controls fail safe controls and alarms
- Pressure tested all underground fuel lines via third party per MDE best practices guidelines
- Multiple MDE inspections were conducted
- Modified fuel receiving processes to exceed best practices
- Monitoring three groundwater test points
- Staff reorganization
- Independent 3rd party Stationary Engineer firm contracted to oversee and improve operations over next 2 years





Clean-up and Remediation



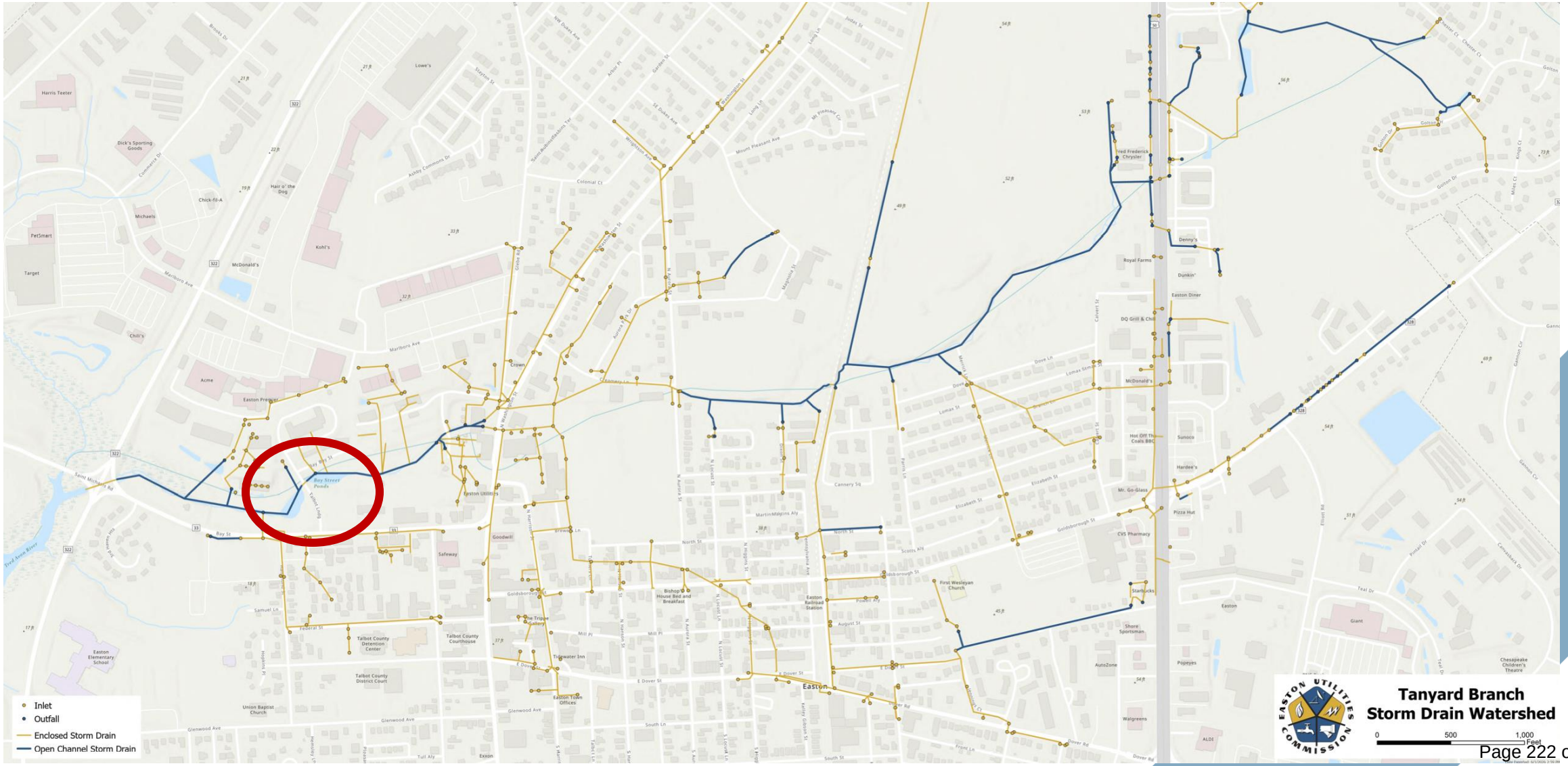


Post Clean-up and Bay Street Ponds





Tanyard Branch Storm Drain Watershed




EASTON UTILITIES COMMISSION

MEMORANDUM

TO: EASTON MAYOR AND TOWN COUNCIL

FROM: LYNN B. THOMAS, JR., AICP, TOWN PLANNER
SHARON VANEMBURGH, TOWN ATTORNEY
MIGUEL SALINAS, DIRECTOR OF PLANNING & ZONING

DATE: JUNE 30, 2026

SUBJECT: COMPREHENSIVE PLAN REVISIONS UPDATE

In order to advance the Comprehensive Plan to its ultimate approval by the Town Council, Town Planning and Legal staff met to review comments made at the May 4, 2026 Council meeting. Generally speaking, we believe the additional revisions suggested by Council members can be summarized as falling under the following categories:

1. Poplar Hill & Tristan Drive descriptions
2. Growth Rate Treatment
3. Form-Based Zoning
4. The Role of Annexation and Annexation Policies

This memorandum will detail how we are proposing to address each of these areas so that you can let us know if you concur with these suggestions, would like to suggest an alternative to what we have proposed, or have any final additions to the list of proposed changes. As long as the list of any such final changes is not too extensive, we would then make them and present a Final version of the Plan for formal vote at your Jul 20, 2026 meeting.

1. **Poplar Hill & Tristan Drive**

These proposed changes are very straightforward as we are simply incorporating Dr. Montgomery's suggested revisions to the applicable sections of the Plan. Specifically, the language in question would be changed as follows:

First, under the subsection titled Special Districts and Place Types in the Land Use Chapter, the description of Poplar Hill would be simplified as follows

- Poplar Hill Farm –– Recently acquired by Talbot County and designated for institutional use. ~~1~~~~20 acre parcel purchased by Talbot County in 2025. Formerly viewed as a key site for future growth, it is designated for Institutional use, reflecting its ownership by the County. This could mean a host of things, including active or passive parks and/or new County government facilities. It is also large enough that a portion could be subdivided and sold for private development to raise funds for the governmental use of the bulk of the property. If so, the appropriate use in this location would be residential, although a very small-scale commercial or mixed-use component to serve the numerous strictly residential developments in the area (e.g., Cooke's Hope, Thread Haven, and now, effectively (with the closure of the restaurant and Club House), Easton Club.~~

Next, the description of Tristan Drive in the transportation Map and Proposed Improvements subsection of the Transportation Chapter would be revised as follows:

1. Tristan Drive to ~~Oxford Road Connector~~Easton Woodland Park

This proposed route would connect the parking lot for the Town's Woodland Park with MD Route 322 (Easton Parkway). The remainder of the route was included when private development of Poplar Hill was expected. Since Talbot County

now owns Poplar Hill, only the connection from Tristan Drive to provide access to ~~Route 33 (Oxford Road), creating a new east-west corridor and reducing pressure on the existing Parkway/Oxford Road intersection.~~

~~Coordination with Talbot County is needed, especially in light of the County's recent acquisition of the adjacent Poplar Hill Farm property. Given current ownership of the property by Talbot County, it is anticipated that this road will primarily serve as access to~~ parking for the Town's Woodland Park located on an adjacent parcel is proposed.

2. Growth Rate Treatment

For the purpose of establishing a framework for the growth measures outlined in the Plan, as well as potentially stricter measures in the future, the following language is proposed to be inserted in the Municipal Growth Element in the subsection "Growth Rate Discussion."

As mentioned previously, the Town should monitor both the number of dwelling units approved annually, as well as the actual number of dwelling units built annually (number of occupancy permits issued) to ensure the pace of community growth aligns with the Town's fiscal sustainability and long-term capacity of public infrastructure. To this end, the Town establishes a targeted annual growth rate of 1% for residential development. The growth rate and a comparison of the number of units approved versus the number of building and occupancy permits issued should be reported to both the Planning Commission and the Town Council on at least an annual basis. An upward deviation from the targeted rate of growth of 1%, particularly if it is a significant deviation or if the deviation is sustained for multiple consecutive years, may warrant additional studies to evaluate the necessity of implementing formal growth management measures.

Earlier in this chapter, public infrastructure and services that are affected by growth were identified. At a minimum, the Town should consider giving the Planning Commission additional standards for its site plan and subdivision reviews to allow it to consider the burden a development will have on public infrastructure and services and whether the benefits of the development offset those burdens to the extent legally permissible. The Planning Commission should have the ability to require impact assessments for projects that exceed objective

thresholds to ensure that public infrastructure and services are adequate to support the demands of new developments. The Town is conducting a comprehensive traffic model. Upon its completion and incorporation into a Comprehensive Transportation Plan, the Planning Commission's review of subdivision and site plans shall utilize the resulting Level of Service (LOS) data to objectively evaluate a development's impact on the transportation network. Independent impact assessments for other specific public facilities may be required if the proposed development does not comply with current capacities (such as the Water and Sewer Master Plan).

Restrictions on annexations were previously discussed. As part of the rezoning process that typically follows the Comprehensive Plan adoption and update to the zoning ordinance, the Town should evaluate the zoning of large residentially zoned parcels to determine if a more suitable zoning is appropriate.

If growth continues to exceed the targeted growth rate despite the implementation of the mechanisms previously discussed, then more drastic growth control measures should be investigated and possibly implemented. Those may include things such as restrictions on annual sewer permits or building permits, an adequate public facilities ordinance, a temporary development moratorium, or other growth control measures. Additional study and investigation would be required before those types of growth control measures could be implemented. In addition, growth control measures can be contrary to other goals of the Comprehensive Plan such as affordable housing and housing market diversity. The benefits and burdens of each must be carefully weighed and studied to determine the best strategies moving forward.

3. Form-Based Zoning

The discussion of Form-Based Zoning is found in the Place Chapter of the Plan, under subsection E, The Case for Traditional Zoning. Following a discussion about the potential benefits of Traditional Neighborhood Development (TND), the following language is included. Proposed Revisions are shown:

> One possible alternate regulatory approach that received public support during the public review and comment process was the use of Form-Based Codes (FBCs). FBCs stand in contrast to traditional or Euclidean Zoning in that they emphasize the design/form of buildings and their relationship to the public realm much more so than the use of the property. The book **Form-Based Codes** describes them as "A method of regulating

development to achieve a specific urban form. Form-Based Codes create a predictable public realm primarily by controlling physical form, with a lesser focus on land use, through city or county regulation."

Whatever option the Town ultimately pursues to implement in this Plan following its adoption, one thing is clear: a new approach to land development regulation will be necessary to create the future Easton that this Plan envisions. Such a new Code(s) should address the following objectives:

- Permitting a variety of housing types and appropriate densities to improve missing middle options and housing affordability.
- Harmoniously blend multi-family and middle housing within residential and commercial blocks.
- Soften the impact of large-scale retail in commercial corridors through better design and pedestrian-oriented placement.
- Ensure building scale, massing, and placement create a walkable, inviting streetscape
- Design streets and sidewalks as safe, functional spaces for all users - bicyclists, pedestrians, vehicles, and transit.
- Promote development patterns that are environmentally resilient and fiscally sustainable.

In order to best facilitate the future Easton that this Plan describes, the Town commits to initiating the study and implementation of FBCs and other alternative regulatory frameworks within two years of the adoption of this Plan by the Town Council. Such approaches may include the TND approach described previously as well as FBC, which itself may take different forms. For example, a pure FBC is a land development regulation that prioritizes a building's physical shape, massing, and relationship to the street over the specific activity occurring inside it. It focuses on *form* rather than *land use* to create predictable, walkable, and cohesive neighborhoods. Key characteristics of a true form-based code include:

- **Form First, Use Second:** The physical relationship between the building facade and the public realm is the organizing principle. Land uses are treated as secondary; compatible mixes of uses are heavily encouraged to promote walkability.
- **Regulating Plan:** Instead of a standard zoning map, a true FBC relies on a Regulating Plan that designates the specific physical character of different areas (often categorized along an urban-to-rural transect) rather than strict use districts.
- **Highly Visual:** The regulations are written primarily through clearly drawn diagrams, physical parameters (e.g., minimum percentage of ground-floor glass, "build-to" lines), and architectural standards, rather than dense blocks of text.
- **By-Right Development:** If a proposed development's design aligns perfectly with the diagrams and regulations of the code, it is permitted "by-right," bypassing lengthy and politicized rezoning processes.
- **Public Realm Focus:** The code regulates the space between the building and the street (sidewalks, street trees, plazas), recognizing that the public and private realms work together to create a sense of place.

Another variation of FBCs is the hybrid FBC. A hybrid form-based code combines traditional use-based zoning with form-based techniques. It retains conventional rules about what activities are allowed on a property (like residential or retail), but overlays graphic design standards that dictate building placement, bulk, and scale to ensure physical compatibility within a neighborhood.

A hybrid code typically blends two approaches:

- **Traditional Zoning:** Focuses heavily on the separation of land uses (e.g., commercial vs. residential).
- **Form-Based Code (FBC):** Focuses on a building's shape, mass, and how it interacts with the public realm (streets, sidewalks, and open spaces).

Another alternative zoning technique some communities have utilized is the Pattern-book based approach. According to the American Planning Association, a pattern-book-based approach to zoning is rooted in three foundational concepts: pre-reviewed plans, the pattern book, and pattern zones. Pre-reviewed plans are sets of reusable housing construction plans that have already been vetted by local officials, which takes the guesswork out of permitting processes. The pattern book is a collection of pre-reviewed plans available to potential home builders. Pattern zones are zoning districts where specific pre-reviewed plans are permitted by right. There is some precedence for the use of Pattern Books in Easton as the Easton Village

community is governed by such a document.

4. **The Role of Annexation and Annexation Policies**

Annexation is discussed in a few different locations in the Plan, but most directly in the Municipal Growth Chapter, in a Subsection titled "Future Growth Areas and Annexation." It is copied below. In their review of the Plan, the Council recommended maintaining strong language suggesting a very limited role for Annexation over the next Planning period without necessarily completely prohibiting it. The rationale for this stance, besides not completely shutting the door to something that might in the future be deemed to be desirable, is that Annexation, as a discretionary approval, represents one of the best opportunities to exact amenities that the Town may need and/or to establish conditions of approval to best insure the ultimate development of the property in question occurs when and how the Town leaders deem most appropriate at the time. The language below is shown with a handful of suggested revisions:

D. Future Growth Areas and Annexation

As noted previously, Easton's longstanding policy is that municipal services, including water and sewer, are extended only to properties within the corporate limits. This policy encourages annexation prior to development and reinforces a compact growth pattern. The Town does not support extension of services to development in the County. Growth is to occur at the edges of Easton in a contiguous fashion, coordinated with infrastructure capacity and consistent with community character

The area between the April 2004 Town boundary and the established Growth Boundary became Easton's designated Future Growth Area. The 2004 Plan divided this area into three sequential priority levels for annexation, ranging from near-term to long-range.

The 2010 Plan retained this three-tiered system:

- Priority 1 – Boundary Refinement Areas: Mostly already developed under Talbot County jurisdiction, suitable for annexation to correct boundary irregularities
- Priority 2 – Intermediate Growth Areas and

- Priority 3 – Long-Range Growth Areas: Not expected to be needed for development during that planning period

Much of the Boundary Refinement Area was already built out under County zoning and septic system regulations. Annexation of these areas has generally been driven by the desire for Town water or sewer service, with limited potential for new development except for redevelopment or moderate intensification. Although the 2010 Plan map showed about 1,200 acres in this category, much of it was not actually available for new growth.

Shift in Approach for 2026

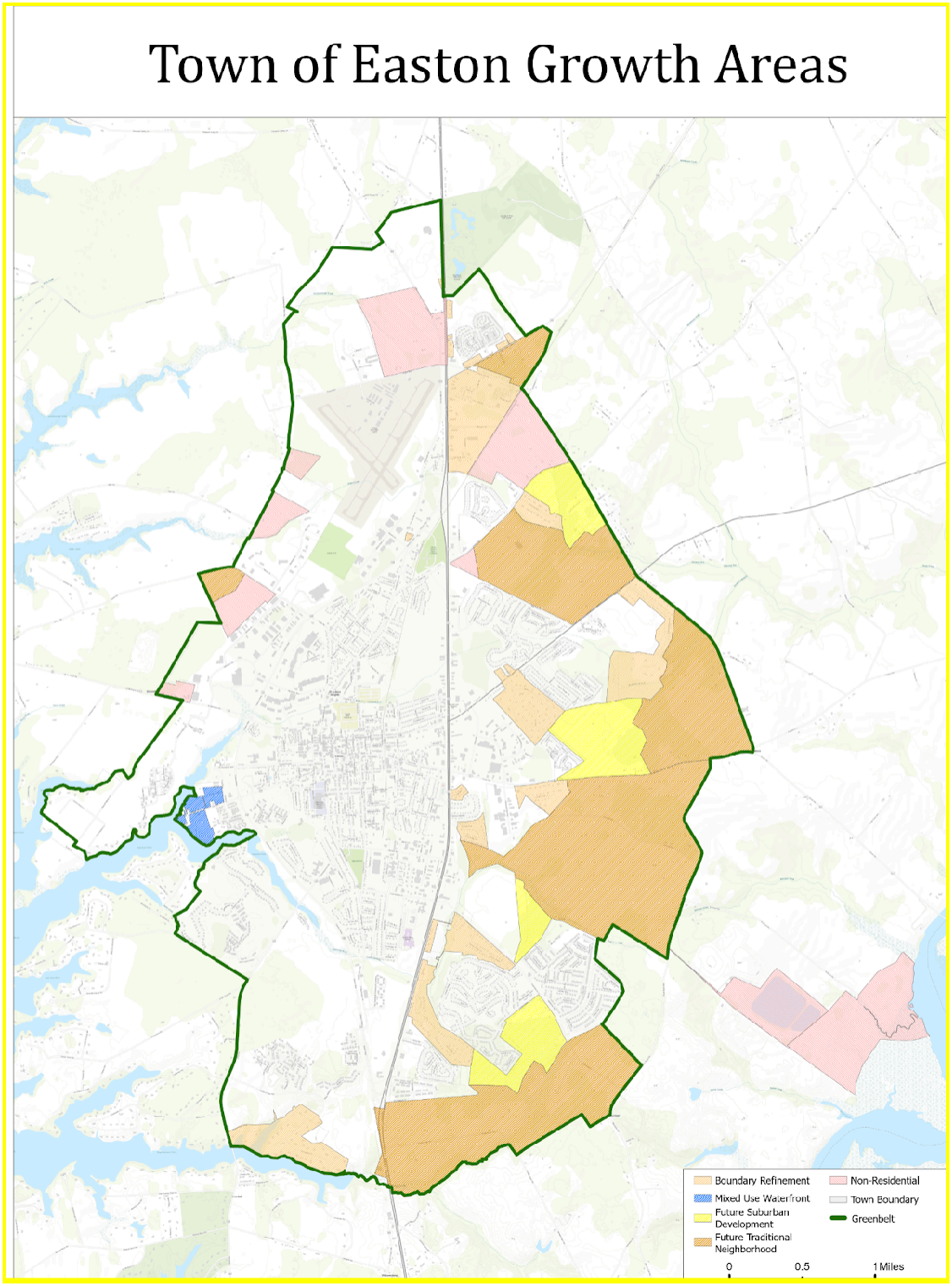
In place of the tiered priority framework, this Plan adopts Annexation Policies that evaluate proposals based on merit rather than preset classifications. This approach allows for more flexible, needs-based decision-making.

While Annexation is not viewed as necessary during the Planning Period, those Annexation proposals that are submitted will be assessed on whether they:

- Fill a geographic or infrastructure gap in the Town boundary.
- Can be efficiently served with water, sewer, and other public services.
- Address identified community objectives or needs for land use, housing, or public facilities as outlined in this Plan.
- Align with the character, scale, and infrastructure pattern of adjacent neighborhoods.
- Provide benefits that outweigh potential negative impacts (e.g., traffic, demand on services, etc.)
- Implement an adopted Small Area Plan of the Town.

This policy-driven approach maintains growth management objectives while allowing the Town to respond to changing conditions and emerging opportunities.

Map 8: Growth Areas



As mentioned in the Land Use Element, this Plan proposes one adjustment to the Growth Boundary, to bring the Town's Wastewater Treatment Plan within the Growth Boundary,

rather than in the Greenbelt (or beyond). Such an action would facilitate an Annexation in the future, bringing a Town-owned facility within Town limits. This has advantages from an administration standpoint. It also potentially opens up additional avenues for State funding in the future, to the extent that such finding is restricted to being spent within Priority Funding Areas.

Annexation issues appear again in the Implementation Chapter. That section should similarly be revised, as follows:

A. 2026 - 2036 Growth Strategy

Throughout the course of developing this Plan, the Planning Commission has grappled with the question of what the appropriate strategy should be for accommodating the expected growth during the life of this Plan. ~~The rationale for targeting 1.75% growth rather than 1% has previously been discussed. In short, this was picked for a number of reasons including an expectation that there is some demand in our housing market that will naturally result in more growth, that 1.75% corresponds to a rate that the Town can comfortably handle in terms of administrative processing, and the Town's infrastructure is more than adequate to accommodate such growth.~~ A 1% rate of growth~~, however, remains a key component of the Town's growth management strategy as it is~~ has been chosen as that target, because ~~suggested that~~ it corresponds to a rate of growth with which the possibility of significant negative impacts associated with that growth may warrant special observation to safeguard against their coming to fruition.

Another aspect of growth is where it will occur. This Plan has described the options for future growth in terms of inward-looking options (i.e., Infill Development, Redevelopment, and Adaptive Reuse) or the more outward-focused options of annexing more of the Future Growth Area to accommodate future "Greenfield" development applications. The question of how much of our growth should come from these options during this Planning period was a focus of the public input phase, where an overwhelming preference for Infill/Redevelopment options was expressed. The Municipal Growth Element of this Plan estimates that 2,745 additional housing units can be constructed within the existing Town limits of Easton. These would all be

considered of the inward-focused type of development.

Given this convergence of a preference for Infill/Redevelopment and the ability to accommodate the residential growth needs of this 10 year Planning cycle, the Planning Commission has determined that it is both possible and appropriate to ~~not prioritize~~ plan for no annexation of additional lands for residential development until at least the next Comprehensive Plan Update.

This statement is made with a number of caveats. One, it assumes that development in the pipeline proceeds through to project completion. Two, it assumes that there will be sufficient landowners willing to develop or redevelop their properties to accommodate the remaining projected growth for the next 10 years. Finally, it does not preclude new annexation. Boundary refinement annexations should be welcomed at any time, as should property identified in adopted Town Small Area Plans (e.g., Easton Point) and proposed for development consistent with those Plans.

Non-residential annexations are also not expected to be necessary during the Planning Period, although Annexations proposed for the purpose of new job creation (i.e., Industrial projects) might reasonably be considered one of the "extraordinary circumstances" warranting an exception to this policy.

Lastly, it does not definitively preclude annexing new land for residential development. It does, however, suggest that doing so would be limited strictly to development proposals of extraordinary quality that have minimal adverse impacts to the environment or the Town's fiscal sustainability, and that adequately address, and are consistent with, the aforementioned annexation policies discussed previously in the Municipal Growth Element. Such an approach has the advantage of maintaining the ability of future Town Council's to entertain Annexation requests under potentially different circumstances. It also recognizes that as a discretionary form of approval, Annexations represent an opportunity to obtain exactions from developers and impose conditions of approval to best assure that development of the land in question precedes precisely as the Town deems appropriate at that time.

Town of Easton
NOTICE OF PUBLIC HEARING

The Town of Easton will conduct a Public Hearing Monday, July 6, 2026 at 5:35 p.m., to obtain the views of citizens on community, economic development, and housing needs to be considered for submission of an application to the Maryland Community Development Block Grant Program (CDBG). Citizens will have the opportunity to discuss proposed projects and to provide input on other needs to be considered.

The hearing will be held at the Council Chambers, Monday, July 6, 2026 at 5:35 p.m. The draft application will be available for the public to review on June 30, 2026 at the Easton Town office during normal business hours, 8:30 a.m. to 4:00 p.m.

Citizens will be furnished with information including but not limited to:

* the amount of CDBG funds available for State Fiscal Year 2026;
* the range of activities that may be undertaken with CDBG funds; and
* the proposed projects under consideration by the Town of Easton.

The Maryland Community Development Block Grant (CDBG) Program is a federally funded program designed to assist governments with activities directed toward neighborhood and housing revitalization, economic development, and improved community facilities and services. It is administered by the Department of Housing and Community Development.

The Maryland CDBG Program reflects the State's economic and community development priorities and provides public funds for activities which meet one of the following national objectives, in accordance with the federal Housing Community Development Act of 1974, as amended, that:

1. benefit to low- and moderate-income persons and households;
2. aid in the prevention or elimination of slums or blight;
3. meet other community development needs of an urgent nature, or that are an immediate threat to community health and welfare.

Efforts will be made to accommodate the disabled and non-English speaking residents with advance notice by June 30, 2026 to Kathy Ruf, Town Clerk.

Kathy M. Ruf
Town Clerk

STATE OF MARYLAND
CDBG PROGRAM

FFY26 / SFY 2027
APPLICATION

COMMUNITY DEVELOPMENT
SPECIAL PROJECTS

Maryland
DEPARTMENT OF HOUSING
AND COMMUNITY DEVELOPMENT

Wes Moore, Governor
Aruna Miller, Lt. Governor

Jacob R. Day, Secretary
Julia Glanz, Deputy Secretary

DHCD
Division of Neighborhood Revitalization
7800 Harkins Road
Lanham, MD 20706
301/429-7525
TTY/RELAY 711 or 1/800-735-2258

EQUAL HOUSING OPPORTUNITY

MARYLAND
COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM
APPLICATION SFY 2027

1. Name of Jurisdiction: Town of Easton

2. County (Municipal applicants only): Talbot County

3. Address:
Port Street
Easton, Maryland 21601

4. Name of Subrecipient or Business, if applicable, and their Unique Entity Number:
Osprey Property Company II LLC or its Affiliates

5. FID Number: 38-2988641

Unique Entity Number: (Confirm us or town)

6. Name, phone number and email of jurisdiction's contact person for this application:
Dawn Hutchinson
Purchasing & Grants, Town of Easton
Office: 410-822-2525
E-mail: dhutchinson@eastonmd.gov

7. Project title, brief description & location (**Full street address(es) and zip code of Project is required**):
Port Street Senior is the acquisition of a 3.49 acre parcel of land for the development of 64 units of senior apartments in one (1) building with 64 parking spaces. Project will be located on Port Street at the southeast corner of Easton Parkway and Port Street in Easton, Maryland 21601.

8. Project type:
☒ Housing ☐ Public Facilities
☐ Infrastructure ☐ Economic Development
☐ Other ☐ Public Services

9. National objective(s):
☒ Low and moderate income benefit
☐ Elimination of slum/blight

10. CDBG request: $ 800,000
Local funds $
Other funds $ 22,523,591
Total costs $ 23,323,591

11. U.S. Congressional District No. 1
State District No. 37B
(List State legislators for ***entire*** district):
Chris Van Hollen, Jr.
Andy Harris
John Mautz IV
Christopher Adams
Thomas Hutchinson

12. Date Public Hearing held: July 6, 2026
(*Attach minutes and hearing notice to application*)

13. Required Resolution attached
☒ Yes ☐ No

14. Is Citizens Participation Plan current? ☒ Yes ☐ No Dated: Town of Easton to confirm
If not, did you attach new plan? ☐ Yes ☐ No

15. Is Anti-Displacement Plan current? ☒ Yes ☐ No Dated: Town of Easton to confirm
If not, did you attach new plan? ☐ Yes ☐ No

16. If applicable, did you complete Debarment Check on application subrecipient or business?
☒ Yes ☐ No Town of Easton to confirm

17. Digital Photos and Drive included? ☒ Yes ☐ No *(User permissions must allow view and download)*	18. Date: July 6, 2026 Town of Easton?

PART A

PROJECT DESCRIPTION: Describe the proposed project in detail. Include location and specific activities to be undertaken.

Port Street Senior involves the purchase of 3.49 acres of land for $1,280,000 for the development of a senior affordable housing community located at the intersection of Easton Parkway and Port Street in the Town of Easton, Talbot County, Maryland. The development will consist of 64 apartments in one (1) three-story elevator building with 34 one-bedroom, and 30 two-bedroom units ranging from 661 s.f. to 1,222 s.f. The project will be built to meet National Green Building Standard ("NGBS") standards. All units will include a modern kitchen, abundant cabinetry, washer/dryer hook-ups as well as a dishwasher, disposal, and microwave. The first floor will include a centrally located and spacious common area space including a large community room, game room, storage area, fitness room, large patio area for outdoor gathering and recreation, and a property management offices.

Port Street Senior will serve seniors that earn at or below 60% of the Area Median Income ("AMI"). Estimated rents will range from $1,225 to $1,465 per month and will include water, sewer and trash collection.

The site is located within a 2026 Qualified Census Tract ("QCT") and benefits from a highly strategic location within the Town of Easton, a commercial and cultural hub of Talbot County. The site is situated along Easton Parkway with immediate access to U.S. Route 50, a major regional corridor that provides connectivity to Annapolis, Baltimore, and the greater Washington, D.C. metropolitan area. The site is located approximately 0.4 miles from the Easton Neighborhood Service Center transit stop, which is served by DCT Route C (Denton – Easton AM Shuttle), providing convenient access to regional employment centers and services. The site's proximity to Easton Parkway, a primary local arterial, ensures strong connectivity not only for vehicular traffic but also for transit routing, making the property well-positioned for residents who rely on public transportation. The site is surrounded by a wide range of community amenities and neighborhood-serving retail including Giant Food, ACME Markets, Target, Walmart Supercenter, CVS Pharmacy, and Walgreens, all located within a 10-minute drive of the property. Additional retail and dining options are available in downtown Easton, which offers a mix of local shops, restaurants, and services. Recreational amenities are abundant in the immediate area, including Moton Park, which is located directly adjacent to the site and provides open green space, walking paths, and outdoor recreational opportunities. The Easton Family YMCA is also located nearby, offering fitness facilities and community services for residents of all ages.

The total development cost is $23,323,591. Construction/permanent financing for the development will include 4% LIHTC Equity being provided by Berkadia in the amount of $8,857,203 and Maryland Multifamily Bond Program Funds of $5,135,000 provided by Maryland CDA. Other financing sources include a $3,200,000 Rental Housing Works Fund loan from Maryland CDA, $4,500,000 loan from St. Mark's Housing Ministry, and Deferred Developer Fee. If awarded, CDBG financing ($800,000) will be used to assist with the acquisition and closing costs of the property ($1,280,000).

The proposed sub-recipient of the CDBG grant will be Osprey Property Company II LLC ("OPC") or its affiliate. OPC is a for profit real estate investment and development company

with a history of developing successful affordable housing projects throughout the Mid-Atlantic. OPC and its principals have been the developer and/or managing member in 68 Low Income Housing Tax Credit developments with a total of over 5,700 units.

The Development will be professionally managed by Habitat America LLC, who will also coordinate the provision of resident services designed to encourage self-sufficiency. Habitat America was formed in 1988 and currently manages over 100 affordable communities, including Riverwoods at St. Michaels. The General Contractor for the Development will be Harper & Sons, Inc. pursuant to a construction contract of approximately $13,929,840.

PART B

PROJECT NEED/IMPACT: Describe the need for the proposed project. Include statistics and other documentation supporting the described need. Discuss how the project will make an impact on the described need? If existing infrastructure or facility, discuss past maintenance and improvements undertaken or deferred.

The need for affordable senior housing in Easton and Talbot County is significant and continues to grow as the population ages. The number of older adults in the region has increased steadily in recent years, while many senior households live on fixed incomes that have not kept pace with rising housing costs. Existing affordable senior housing communities operate at near-full occupancy with lengthy waiting lists, leaving many low- and moderate-income seniors with limited housing options. As a result, there remains a substantial unmet need for safe, decent, and affordable housing that allows older residents to age in place within the community.

The Need for Affordable Senior Housing in Easton and Talbot County

The need for affordable senior housing in Easton and Talbot County is growing rapidly as the area's population continues to age, and the supply of affordable age-restricted housing remains limited. A market survey found that senior households are one of the fastest growing demographic groups in the market area. Between 2020 and 2026, the number of households headed by individuals age 55 and older increased by approximately 318 households annually. This growth is projected to continue over the next five years as more residents age in place and retirees continue to relocate to Maryland's Eastern Shore. (1)

The market area has a significantly older population than many communities throughout Maryland. Seniors aged 62 and older represent approximately 31% of the total population, while 44% of all renter households are headed by individuals age 55 or older. Despite the area's relatively high overall household incomes, many senior renters live on fixed incomes. The median income of renter households age 55 and older is only $43,062 annually. 26% of senior renter households earn between $25,000 and $50,000 per year, and 30% earn less than $25,000 annually. (1)

As the senior population continues to grow, affordable housing opportunities have not kept pace. A survey of twelve (12) age-restricted rental communities in the market area found only four vacant units among 538 total units, representing a vacancy rate of just 0.7%. The senior multifamily inventory in the Port Street market area is performing well with low vacancies, lengthy waiting lists, and no leasing concessions currently offered demonstrating the strong demand for affordable senior housing throughout the region. (1)

The market study identified demand for approximately 362 additional senior rental units within the next three years. In addition, affordable senior housing currently serves only a small portion of income-qualified senior renters in the market area. The study found that existing affordable senior housing inventory serves approximately 10.7% of income-qualified senior renter households, indicating a substantial unmet need for additional affordable housing options for older adults. (1)

The Impact of Port Street Senior Apartments on Housing Needs in Easton

In a market where affordable senior housing operates at near-full occupancy and demand significantly exceeds supply, the need for additional affordable housing opportunities for older adults is clear. Port Street Senior will help address this need through the development of 64 new affordable rental apartments specifically designed for households age 55 and older.

All 64 units will be restricted to households earning no more than 60% of area median income, meaning that 100% of the project will provide a direct benefit to LMI households.

Health and Safety Conditions

The development will provide housing specifically designed to meet the needs of aging residents. 5% of units will be constructed to meet UFAS accessibility standards and an additional 2% percent will be designed for hearing- or vision-impaired residents. The building will include an elevator and all common areas will be accessible – large community room, library, game room, fitness center, central laundry facilities, and outdoor gathering spaces that encourage social interaction and healthy living. These features will improve the quality of life for residents while helping seniors remain independent longer and reducing barriers often associated with older housing stock.

Sources

(1) Real Property Research Group, Port Street Senior Market Study

PART B WORKSHEET

NOTE: First time applicants must provide a copy of the most recent audit and copy of the most recent single audit.

1. As CDBG funds are "Gap" financing, did you pursue *appropriate* other funds from state, federal agencies and/or private sources? What other funding sources did you pursue for this project? Please list the funding source, amount and whether it is committed, pending, or denied.

The development team is applying for Multifamily Bond Program funds in the amount of $5,135,000, 4% Low Income Housing Tax Credits in the approximate amount of $1,055,000 which will generate $8,891,639 in equity, and a Rental Housing Works (RHW) loan in the amount of $3,200,000 from the Maryland Department of Housing and Community Development (DHCD) in June 2026. With that application, the development team has secured letter of intent from a tax credit syndicator. In addition to these funding sources, the project team is receiving approximately $4,500,000 in funding from St. Mark's Housing Ministry and will have Deferred Developer Fee.

2. Documentation of commitment of funds must be attached, including copies of award and/or rejection letters, current statements of funds availability, etc.

The following funding letters are provided as attachments for reference:

- Initial Submission of Port Street Senior to DHCD Multifamily in June 2026 requesting Multifamily Bond Program funds of $5.135 million and Rental Housing Works (RHW) loan of $3.2 million.
- DHCD Multifamily Housing Notice 24-4 dated April 29, 2024 awarding $1.44 million in annual tax credits to the project.
- Berkadia (tax credit syndicator) letter dated _____ for a proposed $8.89 million equity investment.
- St. Mark's Housing Ministry Memorandum of Understanding (MOU) dated _____ for a proposed $4.5 million in funding.

3. Will your project require payment from beneficiaries including, but not limited to: rent, fees for services, fees for participation, and utility charges?

Yes _√_ **No** ____

If yes, what is the estimated monthly cost? __$1,225 to $1,465_____

Is the cost per person or households? __Household_____

If this project improves existing facilities, housing or utilities, is the estimated cost higher than the current amount? Not Applicable

If yes, what is the % increase? __Not Applicable

How were new or increased costs were determined? Not Applicable

Discuss how the grantee or subrecipient determined that charges are affordable to beneficiaries:
Rents are based on Area Median Income and will have regulatory agreement restrictions of 60% AMI or below.

PART C

COMMUNITY SUPPORT AND INVOLVEMENT: Describe community involvement with developing this project and application. Attach current letters of support from community members and groups and potential beneficiaries for this project and the CDBG funding. *NOTE: This activity is separate from the public hearing(s).*

Community Support

The Development Team has worked diligently to involve community members in the development process in efforts to secure wide community support for the Port Street Senior project. Included with this application are letters of support from:
Brian and Joe to get letters of support

- Delegate
- Delegate
- Delegate
- Congressman

Community Involvement

- March 4, 2026 – Osprey met with Town of Easton Director of Planning and Zoning, Miguel Salinas, to introduce project and discuss zoning requirements.
- April 22, 2026 – Project went to Easton Staff Development Review (ESDR) meeting and received approval.
- May 21, 2026 – Project went to Planning Commission meeting and received comments to be addressed prior to June 2026 meeting.
- June 5, 2026 – Osprey met with Mayor Megan Cook and Councilmember Reverand Elmer Davis Jr. in person to discuss the proposed project and development timeline.
- June 18, 2026 – Project went to Planning Commission meeting and received conditional approval.
- July 1, 2026 – Notice of Public Hearing published and draft CDBG Application made available to the public for review and comment.
- July 6, 2026 – Town of Easton Council held a public hearing and approved a resolution authorizing submission of a CDBG application for the Port Street Senior project.

(See attached Resolution Number _____)

PART D

LOCAL PLANNING/GROWTH MANAGEMENT:

Answer the following questions:

1. Describe how the proposed project conforms to revitalization strategies, marketing studies, economic development strategies, capital improvement plans, housing study, a comprehensive plan or other community plan. Do *not* submit copies of the entire plan(s), but reference the name and date of the plan, the section and the page. You should ATTACH a copy of the REFERENCED portion which specifically mentions your project.

2. For economic development projects discuss any feasibility studies, economic conditions survey, financial analysis, economic impact assessment or market analysis completed in relation to the proposed activity. Provide the dates those items were completed and information on who prepared them.

3. Is your project located in a Priority Funding Area? _X_ Yes ____ No

ATTACH MAP(S) OF PROJECT AREA

List Census Tract(s) and Block Groups for all projects: Block Group 1001, Census Tract 9603.00, Talbot County

(1) The Port Street Senior project is specifically consistent with portions of the Town of Easton 2026 Comprehensive Plan ("Plan") dated February 19, 2026, particularly the policies related to housing affordability, infill development, redevelopment, and sustainable growth. Additionally, the plan mentions the Port Street Corridor as an area that should be targeted for redevelopment.

Housing Affordability – the Plan recognizes that Easton faces increasing housing affordability challenges and specifically notes that the Town is experiencing "a housing affordability problem" (Page 10). The Plan further identifies that Easton and Talbot County have a significant senior population, with 24.9% of Easton residents and 29.9% of Talbot County residents aged 65 or older (Pages 6-7). These demographic trends underscore the need for additional affordable senior housing units that allow older adults to age in place within the community.

Infill Development, Redevelopment, and Sustainable Growth – the Plan emphasizes that, due to the limited amount of undeveloped land remaining within Town boundaries, "strategic infill and redevelopment are essential to future growth" (Page 17). The Plan further states that "policies that promote higher density, infill, and redevelopment are essential" and that future development should occur in areas already served by public infrastructure (Page 19).

Port Street Corridor – the Plan specifically identifies the "Port Street Corridor" as an area "targeted for redevelopment with housing, employment, and civic amenities" (Page 28). Port Street Senior directly fulfills this redevelopment objective by transforming a vacant site into a new affordable senior housing community that will strengthen the surrounding neighborhood and expand housing opportunities for low- and moderate-income residents.

The Port Street Senior project directly advances the goals outlined in the Plan by redeveloping an underutilized site within the Town of Easton and providing 64 affordable senior rental units

in a location served by existing public water and sewer infrastructure, transportation facilities, healthcare services, recreational amenities, and commercial services.

Sources
Town of Easton 2026 Comprehensive Plan (February 19, 2026)

(2) A market feasibility analysis for Port Street Senior was prepared by Real Property Research Group (RPRG) on May 24, 2026. The conclusion of the analysis determined the Port Street Senio project to be in a good location for a senior multifamily rental community. The analysis determined the project would need to capture 7.3% of all income-qualified renter households in order to lease all 64 units at the property which is below the capture rate required by the Maryland Community Development Administration. Additionally, the analysis found that existing senior rental housing operates at extremely high occupancy levels with a current market vacancy rate of only 0.7%. Most communities maintain waiting lists and offer no leasing incentives. The RPRG market study demonstrates a clear and documented need for the proposed project and confirms that Port Street Senior will help address a significant shortage of affordable senior housing within the community.

Sources
Real Property Research Group, Port Street Senior Market Study

(3) The project is located in a Priority Funding Area, Block Group 1001, and Census Tract 9603.00 in Talbot County. Map of project showing PFA designation is attached.

PART E
NATIONAL OBJECTIVE:

1. **Using the attached "National Objective" chart, determine which national objective will be met by the proposed project.**
2. **Next, fill out the appropriate worksheet (A, B, C, D or E). Insert that page behind this one in your application.**
3. **In the space below, describe in narrative form how the project will meet at least ONE of the national objectives.**

☐ **1. Benefit to Low and Moderate Income Persons**:

☐ **Area Benefit (LMA)**	☐% Determined by survey or census (Attach Survey Approval Ltr)
☒ **Housing (LMH)**	☐ Single Family ☒ Multi-Family ☐ Financial Assistance ☐ Water and Sewer Connections
☐ **Limited Clientele (LMC)**	☐ Presumed ☐ 51% of clientele are persons whose family is LMI ☐ Nature and location conclude area is primarily LMI ☐ Removal of architectural barriers
☐ **Jobs (LMJ)**	☐ Job Creation ☐ Job Retention

Total estimated # of beneficiaries 141
Total estimated # of LMI beneficiaries 141
% of LMI beneficiaries to total 100%

CDBG $ per beneficiary $5,673.76
CDBG $ per LMI beneficiary $5,673.76

☐ **2. Elimination of Slum and Blight**: ☐ Area Basis ☐ Spot Basis

Port Street Senior will meet the National Objective of providing "Benefit to Low and Moderate Income Persons" by funding the acquisition and closing costs of the property ($800,000 of the total $1,280,000 in acquisition costs), for 64 apartments that will serve as permanent housing for seniors earning at or less than 60% of the HUD Area Median Income. The development will be income restricted to 60% AMI under the Low Income Housing Tax Credit Program (LIHTC) which is approximated $62,100 for a household of three in Talbot County, Maryland.

NATIONAL OBJECTIVE CHART				
Nat. Objective	**Subcategory**	**Definition**	**Test**	**Examples**
Low/Moderate Income Persons	Area Benefit (LMA)	Activity benefits all residents in an area where at least 51% of the residents are LMI	* Census - 51% of persons residing in the service area are LMI, determined by using the most recent data provided by State for cities or towns * Survey - applicant may do a survey of residents in the service area. The results must meet statistical reliability standards and be approved by DHCD.	* water and sewer lines * neighborhood facilities * roadway improvements
Low/Moderate Income Persons	Limited Clientele (LMC)	Activity that benefits a limited number of people as long as at least 51% of those served are LMI	Activity must qualify under one of the following: * Presumed Clientele - benefit to a group presumed to be principally LMI: abused children, battered spouses, elderly persons, severely disabled adults, homeless persons, illiterate adults, persons living with AIDS and migrant workers; or * Require documentation on family size and income in order to show that at least 51% of the clientele are LMI; or * Be of such a nature and in such a location that it can be concluded that clients are primarily LMI	* construction of senior center * services for the homeless * meals on wheels for the elderly * construction of job training facilities for the disabled * construction of Head Start Center
Low/Moderate Income Persons	Housing Activities (LMH)	Activity that is undertaken for the purpose of providing or improving permanent residential structures which, upon completion, will be occupied by LMI persons	* Structures with one unit must be occupied by LMI persons * If structure contains more than 1 unit, at least 51% must be LMI occupied * 2-unit structures must have at least one unit occupied by a LMI household * Rental buildings under common ownership and management located on the same or contiguous properties may be considered as a single structure	* rehabilitation of owner-occupied housing * conversion of non-residential structures into permanent housing * infrastructure for new housing
Slum/Blight	Area Basis (SMA)	Activity that aids in the prevention or elimination of slums or blight in a designated area	* Delineated area in which the activity occurs must meet definition of slum, blighted, deteriorated or deteriorating area under state or local law; and * Substantial number of deteriorated or deteriorating buildings or public improvements in the area, and the activity must address one or more of the conditions which contributed to the deterioration of the area; and * Documentation must be maintained by recipient on the boundaries of the area and the conditions that qualified the area at the time of its designation	* public facilities or improvements * elimination of safety hazards
Slum/Blight	Spot Basis (SBS)	Activity that eliminates specific conditions of blight or physical decay on a spot basis not located in a slum or blighted area	* Only acquisition, clearance, relocation, historic preservation and building rehabilitation activities qualify for this national objective * Rehabilitation is limited to the extent necessary to eliminate a specific condition detrimental to public health and safety NOTE: Must demonstrate code enforcement actions taken by the local government	* elimination of damaged retaining wall creating danger for pedestrians * demolition of vacant, deteriorating building
Low/Moderate Income Persons	Jobs (LMJ)	Activity that results in the creation and/or retention of jobs	* At least 51% of jobs must be taken by LMI persons * At least 51% of jobs must be retained by LMI persons * Permanent, full-time jobs only * LMI status is determined by income of the family	* acquisition of land to construct a distribution center * extension of water and sewer service to land to be developed for a business(s) * acquisition of equipment

Low/Moderate Income Benefit
Worksheet A
Area Basis (LMA)

If you have determined that the proposed project will meet the national objective of benefit to low and moderate income (LMI) persons through area benefit (LMA) activities, please fill out this form and attach it to Part E of your application.

1. **Estimated** Total Beneficiaries _____ (*Count by Persons)*

2. **Estimated** Total LMI Beneficiaries _____ (*Count by Persons)*

3. **FOR THOSE WITH AN APPROVED SURVEY ONLY –** Provide race and ethnicity data for persons in the service area. The following is required for Civil Rights reporting.

Count for all estimated persons in the service area:	***RACE***	***Ethnicity (Hispanic or Latino)***
a. Total White	___	___
b. Total Black or African American	___	___
c. Total Asian	___	___
d. Total American Indian or Alaska Native	___	___
e. Total Native Hawaiian or Other Pacific Islander	___	___
f. Total American Indian or Alaska Native and White	___	___
g. Total Asian & White	___	___
h. Total Black or African American & White	___	___
i. Total American Indian or Alaska Native & Black or African American	___	___
j. Other Multi-Racial	___	___
Total (number of all by Race must be the same as #1 above)	___	___

4. **Total** Number of Female-Headed Households ____

5. **Total** Number of Disabled ____

6. Describe the proposed accomplishments of the project:

Low/Moderate Income Benefit
Worksheet B
Limited Clientele (LMC)

If you have determined that the proposed project will meet the national objective of benefit to low and moderate income (LMI) persons through limited clientele (LMC) activities, please fill out the following form and then attach it to Part E of your application.

1. **Estimated** Total Beneficiaries _____ *(Count by Persons)*

2. **Estimated** Total LMI Beneficiaries _____ *(Count by Persons)*

Your project will qualify using ONE of the three categories identified below. Select the most appropriate.

▶ If the project benefits a group *presumed* to be low and moderate income, please identify the group:

☐ Abused Children
☐ Battered Spouses
☐ Migrant Farm Workers
☐ Homeless Persons
☐ Elderly Persons
☐ Illiterate Adults
☐ Severely Disabled Adults
☐ Person Living with AIDS

▶ If the project is of such a *nature* and in such a *location* that it can be concluded that the income of the persons benefitting are primarily low and moderate income, please explain why the nature and location demonstrate this:

▶ If the project requires information on family size and income, does the information demonstrate that at least 51% of the clientele served are persons from households whose income does not exceed the LMI income limits. The activity is restricted to the LMI persons. Please identify activities:

Describe the proposed accomplishments of the project:

Low/Moderate Income Benefit
Worksheet C
Housing (LMH)

If you have determined that the proposed project will meet the national objective of benefit to low and moderate income (LMI) by providing, constructing or improving permanent residential housing, please fill out this form and attach it to Part E of your application.

1. **Estimated** Total Beneficiaries *Count 64 Units AND 141 Persons*
   ***assumes 1.5 persons per bedroom x 94 bedrooms = 141 beneficiaries**

2. For new construction, acquisition and/or renovation of rental units, how many units will be made available to rent? 64

   Of these, how many are to be occupied by LMI persons? 64

3. For new construction, acquisition and/or renovation of homeownership units, how many units will be made available to sell? N/A

   Of these, how many are to be occupied by LMI persons? N/A

4. For housing rehabilitation, how many total units will be rehabilitated? N/A

5. For housing rehabilitation, how many total units will receive emergency repairs? N/A

6. If providing financial assistance to homebuyers, how many homebuyers will be assisted? N/A

7. Will requested funds for new housing be targeted to an area of minority concentration or a specific geographical area? ☐Y ☒ N

   If yes, provide specific explanation of why this area was targeted.

8. Will program income be generated by this activity? ☒Y ☐ N

   If yes, provide Re-Use Plan as an attachment to this application. *Previously approved Re-Use Plans will not be accepted*
   See the Program Income Reuse Plan attached to the application in Tab R. Town of Easton?

Slum/Blight
Worksheet D

If you have determined that the proposed project will meet the national objective of the elimination of slum/blight, please fill out this form and attach it to Part E of your application.

Check One: ☐ Slum and Blight - Area Basis ***OR*** ☐Slum and Blight - Spot Basis

1. Provide property address or boundaries of blighted area. ***This activity requires a street address(s)***

2. If the project addresses slum and blight on an area basis, does the area:

   Have an official designation of blight by local government? ☐ No ☐ Yes
   If yes, what is the date of designation?_____
   Please provide a copy with your application.

   Meet a definition of slum, blighted, deteriorated or deteriorated area under State or local law?
   ☐ No ☐ Yes

   Have a substantial percentage of deteriorated buildings? ☐ No ☐ Yes

   If yes, what is the percentage? ___%

3. Does the activity address one or more of the blighting conditions? How?
   Identify each type of improvement located within the area and its condition at the time the area was designated slum/blight.

4. Describe the proposed accomplishments of the project:

NOTE: If your project involves the acquisition of property as an activity to eliminate blight, then the national objective should address the intended use of the property.

Low/Moderate Income Benefit
Worksheet E
Jobs (LMJ)

If you have determined that the proposed project will meet the national objective of benefit to low and moderate income (LMI) persons through job creation and/or retention activities, please fill out this form and attach it and all supporting documents to Part E of your application.

1. Will this project create new jobs? _____
   Or will this project result in retention of existing jobs? ____

2. How many total jobs are estimated to be created? _____
   Of those created, how many will be taken by LMI persons? _____

3. How many total jobs are estimated to be retained? _____
   Of those jobs retained, how many are retained by LMI persons? _____

Taken By Standard

In cases where the businesses will demonstrate that at least 51% of the jobs created will be taken by LMI persons, in addition to information identified in the Policies and Procedures Manual, provide the following:

1. a written commitment by the business that at least 51% of all the jobs created on a full time equivalent basis will be taken by LMI persons,

2. a listing by job title of all employees at the time the application for assistance is submitted,

3. a listing by job title of the permanent, full-time jobs to be created as a result of the CDBG assistance,

4. evidence supporting the estimated number of jobs to be created.

Retention Standard

Retained jobs are those that would be permanently lost due to a business closing or relocating out of the area without CDBG financial assistance. In cases where the business will retain jobs that are held by persons that are at least 51% LMI, in addition to information identified in the Policies and Procedures Manual, provide the following:

1. a clear and objective evidence that, in the absence of the CDBG assistance, the jobs would be lost. This includes a notice provided to affected employees, a public announcement, or analysis of relevant financial records demonstrating the need for job cuts,

2. a written commitment from the business that they will meet the standard for retained jobs involving the employment of LMI persons,

3. a listing by job title of the full-time, permanent jobs to be retained as a result of the CDBG assistance.

Business Information

Please provide the following information on the business to be assisted. If more than one, please provide information for each.

1. Name of Business;
2. Ownership of Business;
3. Business Management:
4. Company History including start-up date, type of operation, progress and number of employees to date;
5. Current Location(s):
6. Product Line(s) or Service;
7. Discuss their market area(s) including geography, major customers and other
8. Characteristics; and
9. Certificate of Good Standing from the State of Maryland if an existing business.

For projects which provide CDBG assistance as a financing measure to profit making businesses, discuss the need for financial assistance. Attach three years of historical financial statements and personal financial statements for principal owner(s) and a five-year pro-forma. Explain the basis for requesting assistance (e.g., gap financing). Additional financial information may be requested.

PART F

SOURCES AND USES OF FUNDS: List each specific project activity separately (*please break down the costs as far as possible*). Type in the actual sources of other funding. Indicate whether funds are "L" for loan or "G" for grant. INDICATE STATUS OF FUNDS using "P" for pending, "C" for committed, "R" for received, "N" for no action. Attach commitment letters and cost estimates directly behind this page of the application. For administrative costs, indicate what portion of local contribution is cash and what portion is in-kind.

THE APPLICANT IS THE JURISDICTION. ALL PROJECTS MUST INCLUDE ADMINISTRATIVE COSTS FOR THE APPLICANT.

ACTIVITY	SOURCES OF FUNDS					TOTALS BY ACTIVITY	STATUS
	CDBG (L)	State (L)	LIHTC Equity (G)	Church (G)	Developer (G)		
Acquisition	800,000			480,000		1,280,000	CDBG = P
Construction (Hard)		8,335,000	3,033,535	3,257,797		14,626,332	State = P
Construction (Soft)			2,476,203			2,476,203	LIHTC = P
Water Connection Fees, Major Facilities Fees, Title & Recording Fees			451,200			451,200	Church = C Developer = C
Financing Fee			1,499,544			1,499,544	
Syndication Costs			185,426			185,426	
Reserves & Escrows			430,248			430,248	
Developer Fee			815,483	762,203	875,993	2,453,679	
Project Admin. (Cash)							
Project Admin. (In-Kind)							
General Admin. (Cash)							
General Admin. (In-Kind)							
TOTALS BY SOURCES OF FUNDS	$800,000	$8,335,000	$8,891,639	$4,500,000	$875,993	$23,402,632	

PART G

STAFFING AND PROJECT MANAGEMENT: This section will discuss the capacity of the applicant to administer the project and how CDBG funds will be used for project administration costs. Project costs for engineering, architectural services and inspections are to be identified as separate line items in Part F.

Identify the primary person for the *jurisdiction* who will administer this project. Discuss their experience with CDBG regulations and requirements as well as past grant and project implementation. Town of Easton

The primary person responsible for administering this project will be Dawn Hutchinson, Purchasing and Grants, for the Town of Easton. Ms. Hutchinson oversees _____. In this role, she is responsible for ensuring compliance with _____.

The Town of Easton has extensive experience managing state and federal funding programs, including infrastructure, revitalization, housing, transportation, and community development initiatives. The Town will work closely with Talbot County, DHCD staff, project consultants, and Osprey Property Company throughout the administration and implementation of the proposed Port Street Senior project.

Identify others who will assist in the administration of this CDBG project. Town of Easton

Ms. Hutchinson will be assisted by _____, who has experience coordinating and administering state and federal grant programs, including Community Development Block Grant (CDBG) projects. Additional assistance will be provided by Town staff, project consultants, legal counsel, and representatives of Osprey Property Company, who collectively will support grant compliance, reporting, environmental review coordination, procurement, financial management, and project implementation activities.

Amount of funds requested for Project Administration, if any:

If Project Administration funds requested for staffing, please identify the following:

Person	# Hours Anticipated to Work on Project	Hourly Wage	Total Funds

If planning to use Project Administration funds for other expenses other than staffing, identify those expenses and estimated costs.

Expenses	Estimated Costs

PART H

PROJECT SCHEDULE: Using the anticipated month of grant award as the start of the activities, list all project activities and the anticipated dates for the start and end of specific activities. A CDBG grant agreement provides a 24-month implementation period so all activities to be paid for with CDBG funds must occur within this timeframe. If an activity is completed prior to application or award, indicate the actual dates.

EXAMPLE: For a Community Development application, CDBG funds are being requested for site acquisition and construction. The applicant provided the following schedule:

Activity	Begin	Completion
Grant Award	August 1, 2026	
Environmental Review	August 1, 2025	October 15, 2026
Preliminary Engineering	Completed	
Site Acquisition	October	November
Bidding & Selection for Engineering	October	November
Meeting 180 Day Expenditure Requirement	August 1,2026	January 28, 2026
Engineering Complete	November	December
Bidding & Selection Construction	December	January
Construction	January 2027	December 2028

NOTE: A*n Environmental Review is the first step for every funded grant after award date*

	BEGIN	COMPLETION	RESPONSIBLE PERSON
Tax Credit Award	June 2026	September 2026	OPC
Planning Commission	June 2026	June 2026	OPC
Concept Plans (65%)	July 2026	November 2026	OPC
Environmental Review	June 2026	November 2026	OPC
CDBG Grant Award	July 2026	November 2026	DHCD
Construction Plans (95%)	November 2026	January 2027	OPC
LIHTC VC Package	November 2026	March 2027	OPC
Acquisition	December 2026	December 2026	OPC
Construction	April 2027	July 2028	OPC

PART I

DAVIS BACON / BUILD AMERICA BUY AMERICA:

Do Davis-Bacon wage rates apply to the project? ☐ **Yes** ☒ **No**

If yes, do cost estimates reflect the use of Davis-Bacon rates? ☐ **Yes** ☒ **No**

Discuss Davis-Bacon rates and their impact on the project.

Not Applicable.

Explain how you calculated the rates into your cost estimates.

Not Applicable.

Explain how you factored in Build America Buy America requirements for iron and steel and listed construction materials, if applicable.

The General Contractor for the project, Harper & Sons, Inc., does a significant amount of work for the Federal Government and is familiar with the Build America Buy America requirements. We will ensure that these provisions are included in the construction contract.

PART J

ACQUISITION / RELOCATION:

Has site control been secured? ☒ **Yes** ☐ **No** If yes, explain how:
The developer has secured a Land Purchase Agreement with the current owners.

Has an option been secured? ☐ **Yes** ☒ **No** If yes, explain how:

Estimated cost of acquisition:	Sources of funds for acquisition:
$ 1,280,000	CDBG Funds ($800,000) & St. Mark's Ministry Funding ($480,000)
Number of parcels to be acquired: Residential: 1 Business: N/A	Will acquisition be done with eminent domain if needed? ☐ Yes ☒ No

Is acquisition of easements required? ☐ Yes ☒ No
If yes, did applicant include costs associated with the Uniform Act? ☐ Yes ☐ No

Has anyone been forced to move from the site within the three months prior to the initial application for funds? ☐ Yes ☒ No ☐ Unknown
If yes, explain:

Estimated cost of relocation:	. Sources of funds for relocation:
Not Applicable	Not Applicable

# Units in Property(s) _____	Number of Units Occupied at time of application		Number of Occupants to be Displaced	Number of Occupants to Remain	
	Owner	Tenant		Total	Temporarily Relocated
Residential					
Business					

10. Do the activities of this project trigger the one-for-one replacement housing requirements? ☐ Yes ☒ No
If yes, discuss how you plan to meet these requirements.

11. If property is to be leased, describe lease terms.
Not Applicable

PART K

FAIR HOUSING/EQUAL OPPORTUNITY: Applicants certify that a grant will be conducted and administered in conformity with applicable federal fair housing and equal opportunity laws and regulations. Complete the following to show what steps have been taken by the jurisdiction in these areas in recent years.

1. Does the jurisdiction have written employment and personnel policies and practices with equal opportunity guidelines? ☒ Yes ☐ No

If yes, please attach a copy. Town of Easton

2. In the past three years, have any complaints of discrimination in employment been filed against the jurisdiction by employees regarding employment? ☐Yes ☒ No If yes, please explain: Town of Easton

3. Has the jurisdiction adopted a fair housing ordinance? ☒ Yes ☐ No Town of Easton

4. Has the jurisdiction taken any actions to affirmatively further fair housing through activities such as land development, zoning, site selection policies or programming or needs assessment? ☒ Yes ☐ No If yes, please describe: Town of Easton

The Town of Easton has taken affirmative steps to further fair housing through its housing, land use, redevelopment, and community development policies and programs. The Town of Easton 2026 Comprehensive Plan identifies housing affordability as a community challenge and promotes a broader range of housing opportunities for residents of varying ages, incomes, and household types. The Plan encourages infill development, redevelopment of underutilized properties, and the creation of diverse housing opportunities in areas served by existing infrastructure, transportation, employment centers, healthcare services, and community amenities. The Comprehensive Plan also identifies the Port Street Corridor as an area targeted for redevelopment with housing, employment, and civic amenities.

The proposed Port Street Senior Apartments project is consistent with these efforts and will further the Town's fair housing objectives by creating 64 affordable senior rental units for households age 55 and older in a location with convenient access to transportation, healthcare, recreation, and community services.

5. Are there fair housing advocates or agencies that work in your county? If yes, who are they? Have they informed you of either public or private issues or complaints regarding discrimination? Town of Easton

Talbot County residents have access to fair housing information and assistance through the Talbot County Office of Housing, the Maryland Commission on Civil Rights (MCCR), and the U.S. Department of Housing and Urban Development (HUD). Individuals who believe they have experienced housing discrimination may file complaints with HUD or the Maryland Commission on Civil Rights for investigation and enforcement.

At this time, the County is not aware of any public or private fair housing complaints or discrimination issues affecting the proposed project area.

6. Are all buildings owned or occupied by the jurisdiction that are open to the public in compliance with the Americans with Disabilities Act? If not, which ones, and what are the plans to bring them into compliance? Town of Easton

Yes, all buildings owned or occupied by the jurisdiction that are open to the public are in compliance with the Americans with Disabilities Act.

PART L

ENVIRONMENTAL IMPACT: Complete the following information related to your overall project to the best of your knowledge. Provide copies of letters or other information received to date from state and/or federal agencies about these issues related to your project. Schedule and budget should account for any mitigation or corrective actions to be taken.

Will your project involve the renovation of a building that is at least 50 years old or is located in a national historic register district? ☐ Yes ☒ No

Will your project involve or impact an archaeological site? ☐ Yes ☒No

Will your project impact any wildlife that is threatened or endangered? ☐ Yes ☒No

Will your project involve the abatement or removal of asbestos from a building?
☐ Yes ☒ No

Will your project involve the abatement or removal of lead-based paint from a building?
☐ Yes ☒ No

Is your project new construction? ☒ Yes ☐ No

If you answered YES, is the proposed project located in any of the following:

☐ Special Flood Hazard Area – an area that is lower than the base flood elevation level and has special flood or mudflow, and/or flood related erosion hazard

☐ 100 Year Floodplain – an area that has a 1 in 100 or 1% probability of a flood event occurring in a given year

☐ Regulatory Floodway – an area beside a river or other watercourse that has certain restrictions placed on it related to discharging moving floodwaters downstream

☐ Coastal High Hazard Area – an area along the coast subject to high velocity wave action from storms or seismic sources

☐ 500 Year Floodplain – an area that has a 1 in 500 or .02% probability of a flood event occurring in a given year

☐ Non-Special Flood Hazard Area – an area that has a moderate to low risk of flooding

Comments: Project is located in an Area of Minimal Flood Hazard (Zone X) per FEMA National Flood Hazard Layer FIRMette attached.

PART M

PROCUREMENT: All procurement must comply with the requirements and processes identified in the CDBG Financial and Procurement Manual.

REMINDER – For existing contractual agreements with an engineering firm, the applicant must be able to demonstrate that they hired the specific firm through a competitive process AND that the contract was for no more than a three year period with an option to extend twice for one year periods for a total of five years. Additionally, the contract must have identified all potential projects to be undertaken during the three to five year period including the one included in this application.

1. **Will your project use CDBG funds for professional services? ☐ Yes ☒ No**

   If yes, is it for new services? ☐ Yes ☐ No

   If yes, will services be under a new contract? ☐ Yes ☐ No

   If no, please explain:

2. **Will your project use CDBG funds for construction? ☐ Yes ☒ No**

   If yes, attach the proposed scope of work and estimated costs for construction and materials.

   If yes, will construction be under a new contract(s)? ☐ Yes ☐ No

   If no, is it for a change order? ☐ Yes ☐ No

   If the answer is yes, please contact CDBG staff to discuss further.

STATEMENT OF ASSURANCES AND CERTIFICATIONS

The applicant hereby assures and certifies that it:

1. has adopted and maintains a written Citizen Participation Plan in accordance with the citizen participation requirements for the Community Development Block Grant (CDBG) Program at the Code of Federal Regulations 24 Part 570.486; and

2. held a public hearing and provided appropriate notice to ensure participation of citizens in the development the project and of this application for CDBG funding; and

3. assures that all reasonable steps have been taken to minimize the displacement of persons as a result of CDBG assisted activities identified in this application; and

4. in the event that our project does trigger displacement of persons, we will comply with the acquisition and relocation requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended, and implementing regulations at 49CFR Part 24 and it has in effect and is following a Residential Anti-Displacement and Relocation Assistance Plan required under Section 104(d) of the Housing and Community Development Act of 1974, 42 U.S.C. § 5304(d), as amended, in connection with any activity assisted with funding under the CDBG Program; and

5. will not attempt to recover any capital costs of public improvements assisted with CDBG funds, by assessing any amount against properties owned and occupied by persons of low and moderate income, including any fee charged or assessment made as a condition of obtaining access to such public improvements. However, if CDBG funds are used to pay the proportion of a fee or assessment attributable to the capital costs of public improvements (assisted in part with CDBG funds) financed from other revenue sources, an assessment or charge may be made against the property with respect to the public improvements financed by a source other than with CDBG funds. In addition, with respect to properties owned and occupied by moderate-income (but not low-income) families, an assessment or charge may be made against the property with respect to the public improvements financed by a source other than CDBG funds if the State certifies that it lacks CDBG funds to cover the assessment; and

6. will conduct and administer grant in conformity with title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d) and the Fair Housing Act (42 U.S.C. 3601-3619) and implementing regulations and agrees to take action to affirmatively further fair housing; and

7. has adopted and is enforcing or will adopt if a new applicants:

a) a policy prohibiting the use of excessive force by law enforcement agencies within its jurisdiction against any individuals engaged in non-violent civil rights demonstrations; and

b) a policy of enforcing applicable State and local laws against physically barring entrance to or exit from a facility or location that is the subject of such non-violent civil rights demonstrations within its jurisdiction.

8. will certify, to the best of the certifying official's knowledge and belief, that:

a) no Federal appropriated funds have been paid or will be paid, by or on behalf of it, to any person for influencing or attempting to influence an officer or employee of any agency, a

Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement; and

b) if any funds other than Federal funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress with this Federal contract, grant, loan or cooperative agreement, it will complete and submit Standard Form- LLL, Disclosure Form to Report lobbying in accordance with its instructions; and

c) it will require that the language of paragraphs (a) and (b) of this certification be included in the award documents for all sub-awards at all tiers (including subcontracts, subgrants and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

9. will adhere to federal and state Code of Conduct or Conflict of Interest standards relative to conflict of interest restrictions and financial disclosure requirements for local elected officials and candidates; and

10. will prevent fraud, waste and abuse of federal funds and ensure that funds are expended on activities that are reasonable and necessary;

11. will comply with the requirements of the Build America, Buy America Act which was included in the federal Infrastructure Investment and Jobs Act which was signed into law on November 15, 2021;

12. will comply with the requirements of the Right to Report Crime and Emergencies from One's Home which was included in the Violence Against Women Act Reauthorization Act of 2022;

13. will comply with the provisions of Title I of the Housing and Community Development Act of 1974, 42 U.S.C. § 5301 et seq., as amended, Title 24 CFR Part 570, and with other applicable State and Federal laws if awarded this grant; and

14. will ensure that, if applicable, any subrecipient, developer or business will comply with all regulations, policies and laws that govern this grant.

I declare that I am duly authorized to make these certifications on behalf of the applicant and certify that the above actions have or will be taken.

_____	_____	_____
Typed Name and Title Chief Elected Official	Signature	Date

Maryland DHCD

CDBG Application

Port Street Senior

Port Street
Easton, Maryland
Talbot County
July 6, 2026



Submitted by:

Town of Easton
14 S. Harrison Street
Easton, MD 21601
Dawn Hutchison
410-822-2525

Town of Easton

14 S. HARRISON STREET, EASTON, MARYLAND 21601

MEGAN JM COOK
MAYOR

410-822-2525
mcook@eastonmd.gov

July 1, 2026

Mr. Joe Clark
Vice President
Osprey Property Company II LLC
16 Greenmeadow Dr, G107
Timonium, MD 21093

RE: Port Street Senior - Community Development Block Grant

Dear Mr. Clark:

Per our discussion, with the assistance of Osprey Property Company II LLC, the Town of Easton (the "Town") will be submitting an application to the Maryland Department of Housing and Community Development ("DHCD") for CDBG funds associated with the Port Street Senior project.

If the application is successful, it is the intent of the Town to grant those funds to Osprey Property Company II LLC or its affiliates (the "Partnership") as the sub-recipient. The grant would be used by the Partnership for acquisition costs following the requirements of the DHCD in the State of Maryland CDBG Program Policies and Procedures Manual SFY 2027.

The Town of Easton fully supports the Port Street Senior project, and we look forward to working with your development team in this effort.

Sincerely,

Megan JM Cook
Mayor

TOWN OF EASTON
P.O. Box 520
Easton, Maryland 21601
410-822-2525
www.EastonMD.gov

July 1, 2026

Ms. Dona Sorce
Director, Community Development Programs
Division of Neighborhood Revitalization
Maryland Department of Housing and Community Development
7800 Harkins Road
Lanham, Maryland 20706

RE: Application for Community Development Block Grant Funds In Support of Port Street Senior

Dear Ms. Sorce:

Enclosed is a Community Development Block Grant (CDBG) application for the July 2026 funding round. This CDBG application is being submitted by the Town of Easton, Talbot County to be used for the acquisition of the property for an affordable senior rental housing project, Port Street Senior. The sub-recipient Osprey Property Company II LLC or its affiliates (the "Partnership") will construct Port Street Senior, a 64-unit affordable senior housing community. The development will provide Talbot County seniors with high-quality apartments at affordable rents, all within a newly developed state-of-the-art, green community. This development will be extremely desirable and will meet the needs of seniors in our community.

We believe this development will serve the CDBG national objective by:

1. **Continuing to meet the critical need for affordable, high-quality housing for low- and moderate-income households in our community**. Market Research strongly suggests that this area has tremendous need for new senior housing. The project will help address a growing need for affordable housing options that allow residents to age in place while maintaining access to healthcare, shopping, services, and social support networks.

2. Converting under-utilized vacant lot into an attractive community resource that will contribute to the revitalization of Port Street in the Town of Easton. The

proposed community is located on 3.497 acres at the Easton Parkway and Port Street corner. The site is located along the Port Street Corridor as identified in the Town of Easton's 2026 Comprehensive Plan. The investment being made and the positive impact that Port Street Senior will have on the surrounding community are exactly the results that these designations were intended to create.

We look forward to working with you on this important addition to the further revitalization of the Port Street Corridor in the Town of Easton. Please contact me at 410-822-2525 or by email to dhutchison@eastonmd.gov if you have any questions regarding our application. If you have specific questions regarding the proposed housing activities, please contact Joe Clark at Osprey Property Company at 410-707-1643 or by email at jclark@ospreypc.com.

Sincerely,

Dawn Hutchison

Dawn Hutchison
Grant Administrator

cc: Joe Clark, Osprey Property Company

Town of Easton

Authorizing Resolution

RESOLUTION NO. 6224

A RESOLUTION OF THE TOWN OF EASTON AUTHORIZING THE APPLICATION FOR A MARYLAND COMMUNITY DEVELOPMENT BLOCK GRANT FOR A SENIOR AFFORDABLE HOUSING PROJECT

INTRODUCED BY: _____

WHEREAS, the State of Maryland through the Department of Housing and Community Development has solicited applications from eligible jurisdictions to apply for funding under the Maryland Community Development Block Grant Program; and

WHEREAS, the Town of Easton is eligible to apply for funds from the Maryland Community Development Block Grant program through the Maryland Department of Housing and Community Development; and

WHEREAS, the Town of Easton is in need of affordable housing and particularly, affordable housing for senior households; and

WHEREAS, the Port Street Senior project proposes to build 64 apartments that will serve seniors that earn at or below 60% of the Area Median Income; and

WHEREAS, the Town Council held a public hearing related to the Town's Block Grant application; and

WHEREAS, the Town Council understands and acknowledges that the Town would be responsible for the completion of grant activities and any corrective actions including repayment of funds if necessary.

NOW, THEREFORE, the Town of Easton hereby resolves as follows:

Section 1. The recitals set forth above are incorporated herein by reference and made a part of this Resolution.

Section 2. The Mayor is hereby authorized to execute and deliver the Grant Agreement, a true and correct copy of which (save for executing and dating) is attached to this Resolution as Exhibit "A";

Section 3. The Mayor may make any non-substantive changes to the attached documents necessary to effectuate the purpose of this Resolution;

Section 4. The Mayor is hereby authorized to take whatever additional actions are reasonably necessary to effectuate the terms of this Resolution;

Section 5. Any prior execution and delivery of documents related to the Grant Agreement that are consistent with the purpose of this Resolution, are hereby ratified and approved; and

Section 6. This Resolution shall become effective upon approval by the Mayor after adoption by the Town Council.

Curry	-
Rankin	-
Montgomery	-
Davis	-
Abbatiello	-

I hereby certify that the above Resolution was passed by a yea and nay vote of the Council this _____ day of _____, 2026.

_____
Don Abbatiello, Town Council President

Delivered to the Mayor by me this _____ day of _____, 2026.

_____
Kathy M. Ruf, Town Clerk

APPROVED:

Date: _____ _____
Megan J. M. Cook, Mayor

EFFECTIVE DATE: _____, 2026.

Evaluation Criteria

Port Street Senior Apartments

EVALUATION CRITERIA

PROGRAM OBJECTIVES:

The proposed Port Street Senior Apartments project satisfies the Community Development Block Grant (CDBG) National Objective of benefiting Low- and Moderate-Income (LMI) persons through housing activities. The Town of Easton is requesting $800,000 in CDBG funding to assist with the acquisition of a 3.49-acre site located at the southeast corner of Port Street and Easton Parkway in Easton, Talbot County, Maryland. The requested funds will be used exclusively toward acquisition and associated closing costs, representing a portion of the total acquisition cost of $1,280,000. The proposed development will provide 64 high-quality affordable senior rental apartments that will be restricted to households earning at or below 60 percent of the Area Median Income (AMI), thereby ensuring that 100 percent of the project directly benefits LMI households. The CDBG grant funds will help fill a gap in project financing. The project engineering and architecture is well underway with construction drawings expected to be at 95% completion by December 2026 with construction starting in April 2027.

ELIGIBILITY REQUIREMENTS:

- The applicant is the Town of Easton, a non-entitlement jurisdiction located in Talbot County, Maryland.
- Acquisition and closing costs of real property are eligible activities under Title I of the Housing and Community Development Act of 1974 as amended.
- The project meets the Benefit to LMI Persons through Housing Activities national objective under 24 CFR Part 570.
- The proposed subrecipient affiliates are eligible.
- The project is located in a Maryland Priority Funding Area.

PERFORMANCE THRESHOLDS:

1. **Financial:** The applicant has met the expenditure of minimum percentages of previous CDBG grants.
2. **Reporting:** The applicant is current with submission of reports due to the program for existing grants.
3. **Monitoring:** The Grantee does not have grants open with monitoring issues.
4. **Performance:** The Grantee does not have grants that have expended funds but have moved slowly or failed to perform in conformance with their project schedule.

PROJECT EVALUATION:

Public Purpose/Local Need

Severity of Need: As discussed in Part B of the application, there is an acute need for senior affordable housing in Easton and Talbot County, and continues to increase as the region experiences significant demographic changes. The market area has one of the oldest populations in Maryland, with approximately 31% of residents age 62 or older. Between 2020 and 2026, the number of households headed by individuals age 55 and older increased by 318 households annually. Existing affordable senior housing developments consistently operate at or near full occupancy with lengthy waiting lists, leaving many income-qualified seniors with few affordable housing options. A market analysis prepared by Real Property Research Group

found that only four vacant units existed among twelve senior rental communities totaling 538 units, representing an overall vacancy rate of approximately 0.7 percent. Furthermore, the market study concluded that demand exists for approximately 362 additional senior rental units within the market area during the next three years. Existing affordable senior housing currently serves only a small percentage of income-qualified senior renter households, demonstrating a significant shortage of affordable housing opportunities for older adults. The project should receive 30 points for Severity of Need.

Community Support and Involvement: The Town of Easton has expressed support for the Port Street Senior project, passing a resolution during a public meeting in support of the project. Prior to the passing of this resolution, a draft of the CDBG application was shared with the public for comment and feedback. The Mayor, a Councilmember, and many members of the local community have also expressed support for the project through letters of support. Copies of the resolutions and letters of support are included with this application. The project should score 5 points for Community Support and Involvement.

***Consistency with Local Need / Plans / Strategies*:** The Port Street Senior project is consistent with the Town of Easton 2026 Comprehensive Plan. The development site is a vacant, infill parcel surrounded by existing development. The project will benefit by using existing infrastructure serving the surrounding sites. Excerpts from the comprehensive plans are included whit this application. The project should score 10 points for Consistency with Local Needs/Plans/Strategies.

Port Street Senior scores 45 points under the Public Purpose/Local Need evaluation criteria section.

Project Impact

Affordability: Port Street Senior will have 64 affordable rental units that serve seniors with incomes at or below 60% of the HUD Area Median Income. Estimated rents will range from $1,125 to $1,350 per month and will include water, sewer and trash collection. The community will be income restricted to 60% of the AMI under the Low Income Housing Tax Credit Program (LIHTC). This housing project will be affordable to all beneficiaries. The project should score 5 points for Affordability.

Impact on Need: Port Street Senior will produce a substantial and measurable impact on one of the Town of Easton's highest identified housing priorities by creating 64 new affordable rental apartments for seniors in a market experiencing severe housing shortages. The market analysis performed by RPRG confirms that the affordable senior housing demand significantly exceeds available supply and existing senior communities operate at full occupancy with extensive waiting lists. Although the proposed development cannot fully eliminate the documented shortage, it represents a significant step toward reducing the affordable housing deficit. The project should score 10 points for Impact on Need.

Benefit to Low and Moderate (LMI) Households: All 64 units at Port Street Senior will be restricted for households earning at or below 60% of area median income, meaning that 100% of project will provide a direct benefit to LMI households. The project should score 10 points for Benefit to Low and Moderate (LMI) Households.

Port Street Senior Apartments scores 25 points under the Project Impact evaluation criteria section.

Project Management

Readiness to Proceed: The Development Team received Town of Easton Planning Commission approval on June 18, 2026 and will be submitting the site plan to the Town of Easton within 30 days of submitting this application. If awarded the CDBG grant in November 2026, the Development Team anticipates using these funds for the acquisition of the property within 30 days of receiving the award. An anticipated project schedule is shown at Tab H. The project should score 35 points for Readiness to Proceed.

Accuracy of Costs: The costs shown in Tab F Sources and Uses of Funds are based on careful accounting of costs and a contractor's estimate based on to date architectural drawings. All estimates are current within 6 months. All $800,000 CDBG funds will be used specifically to cover a portion of the property's total acquisition costs ($1,280,000). The project should score 10 points for Accuracy of Costs.

Administrative Capacity: The Town of Easton has a very capable staff with experience in grant administration. Osprey has established a proven record of successfully developing affordable housing communities throughout Maryland and the Mid-Atlantic region. Collectively, the firm's principals have participated in the development of more than seventy (70) affordable housing communities comprising over 5,700 apartment homes utilizing Low-Income Housing Tax Credits, tax-exempt bond financing, Rental Housing Works funding, HOME funds, Community Development Block Grants, and numerous other federal, state, and local financing programs. The project should score 10 points for Administrative Capacity.

Port Street Senior Apartment scores 55 points under the Project Management evaluation criteria section.

Local Commitment and Leveraging

Local Commitment: The Town of Easton is considering waiving bonus provision fees, saving approximately $440,000 for the Project. The project should score 5 points for Local Commitment.

Debt Service: The project financing for Port Street Senior includes several loans, including MD CDA RHW loan for the project and additional project financing provided through St. Mark's Housing Ministry. Evidence of these loans is provided in this application. The project should score 5 points for Debt Service.

Leveraging: As shown in Tab F, Sources and Uses, the proposed CDBG funds would be highly leveraged on the Port Street Senior Apartment project. Total project costs are expected to be $23.4 million. The CDBG funding will amount to approximately 3.4% of the total sources of funding. Well over 50% of the project costs are covered by other sources of funding. The project should score 10 points for Leveraging.

Port Street Senior Apartment scores 20 points under the Local Commitment and Leveraging evaluation criteria section.

BONUS POINTS

Energy Saving Materials for Construction: Port Street Senior incorporates numerous energy-saving materials and systems that reduce long-term operating costs while improving building performance. The development includes high-efficiency HVAC equipment, LED lighting, ENERGY STAR® appliances

where applicable, water-conserving plumbing fixtures, enhanced insulation, high-performance windows, and durable building materials designed to reduce energy consumption and maintenance costs. These features improve housing affordability by reducing utility expenses for low-income senior households. The project should score 3 bonus points for Energy saving materials for construction or renovation of utilities.

Green Building Materials and Practices: Port Street Senior Apartments will be designed and constructed in accordance with the National Green Building Standard (NGBS). The development will utilize sustainable construction practices, environmentally responsible building materials, energy-efficient building systems, water conservation measures, and durable products that promote long-term environmental sustainability while providing healthy, high-quality housing for residents. The project should score 3 bonus points for Green Building materials and Practices.

Impediments to Fair Housing: The proposed development expands affordable housing opportunities for low- and moderate-income seniors within a neighborhood that provides convenient access to healthcare, shopping, public transportation, recreation, and community services. The building incorporates Universal Design principles, elevator access, UFAS-compliant apartments, sensory-accessible units, and barrier-free common areas, increasing housing opportunities for seniors while furthering the goals of the Fair Housing Act. The project should score 3 bonus points for Impediments to Fair Housing.

Port Street Senior Apartment scores 157 points under the CDBG project evaluation criteria.

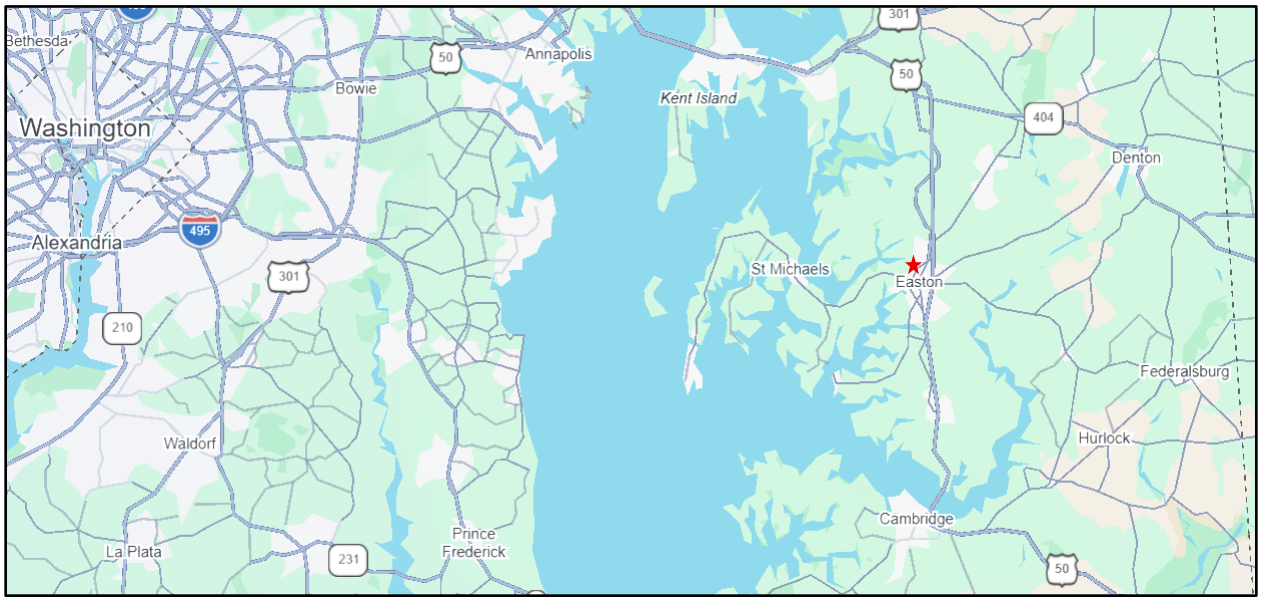
CDBG – COMMUNITY DEVELOPMENT AND SPECIAL PROJECTS

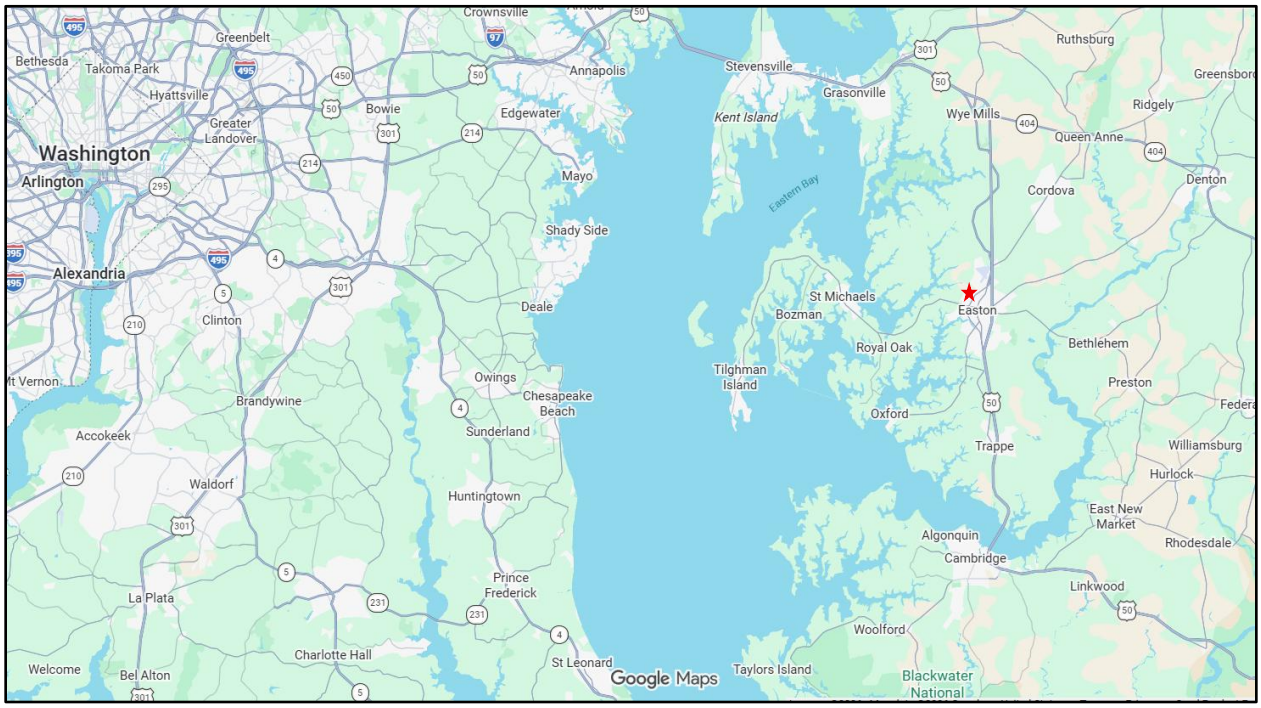
APPLICATION CHECKLIST

Attachment	Required Submission	Included ?
Anti-Displacement Plan	Only if new plan	TOE
Citizen Participation Plan	Only if new plan	TOE
Copy of Applicant's audit	Only if new applicant	TOE
Clearinghouse Submission	Yes	TOE
Copy - Commitment letters from other funding sources	Yes	YES
Copy - Rejection letters from other funding sources	Yes	NONE
Copy – Relevant sections of plans as required for Part D	Yes	YES
Copy - Survey Approval Letter	If applicable	N/A
Cost Estimates	Yes	YES
Debarment Check	Only if issues	TOE
Form - Status of RLF Program and/or Program Income accounts.	N/A	TOE
Information on Previous Awards – Exhibit K	If applicable	N/A
Local Resolution	Yes	YES
Map	Yes	YES
Map of the area showing areas of minority concentration, LMI concentration and other assisted housing in the area	Only if application for new housing	YES
National Objective Worksheet(s)	Yes	YES
Photographs and CD/File of Photographs	Yes	YES
Program Income Re-Use Plan	N/A	TOE
Public Hearing Minutes	Yes	YES
Public Hearing Notice	Yes	YES
Rental Housing Loan Terms and Requirements	Only if application for rental housing	N/A
Statement of Assurances and Certifications	Yes	TOE
CBDO/CHDO Certification	If applicable	N/A
Subrecipient 501(c)3 documentation, mission and bylaws	If applicable	N/A
Support Letters	Yes	YES
Original Application and 3 copies for CD/2 copies for Special	Yes	PROVIDED

Project Location Maps

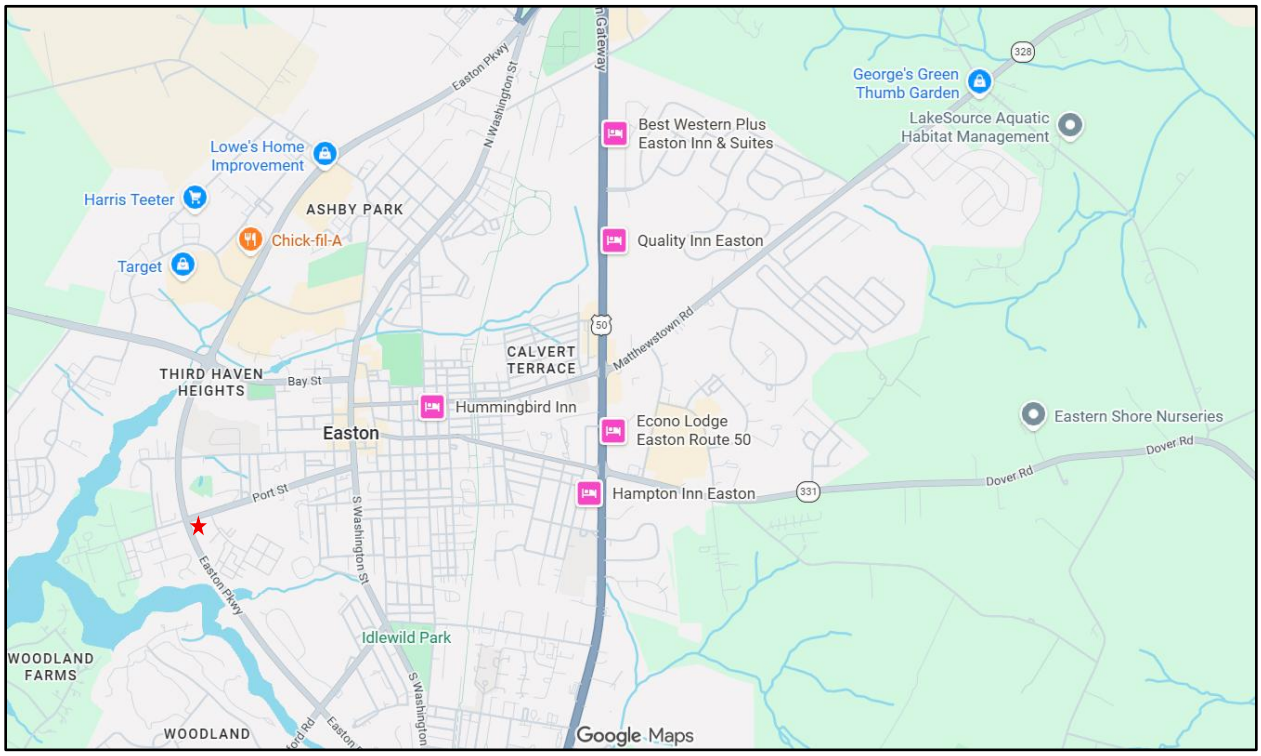
Site Location





Project Location

Easton, Talbot County



Site Aerial Map



Site Photos

Site Photographs



Subject site facing west from SE corner



Subject site facing SW from NE corner



Subject site facing south from NW corner of site



Subject site facing NW from SE corner

Photographs of Surrounding Land Uses



Patriot Square owner-occupied townhome community



Quail Meadows Apartments



Port Street Commons



Parkway Apartments



Easton Parkway followed by assisted living community



Moton Park

Market Study Summary

EXECUTIVE SUMMARY

Real Property Research Group, Inc. (RPRG) has been retained by Osprey Property Company to conduct a market feasibility analysis for the proposed Port Street Senior Apartments, an age-restricted rental community to be located in Easton, Talbot County, Maryland. The subject would be financed in part with four percent Low Income Housing Tax Credits. Port Street Senior Apartments would include 64 units restricted to householders age 55 and older while targeting households at 60 percent Areawide Media Income (AMI). This market study accompanies an application to the Maryland Department of Housing and Community Development (DHCD) as part of an application for four percent tax credits, and accordingly, meets DHCD's market study requirements.

The proposed unit distribution, square footages, and rents are as follows:

Type	# Units	Income Level	Size (Sq Ft)^	Contract Rent (1)	Utility Allowance	Gross Rent
1BR/1BA	34	60%	713	$1,125	$100	$1,225
2BR/2BA	30	60%	984	$1,350	$115	$1,465
Total	**64**					

(1) Utilities included in contract rents: water, sewer, and trash collection

(^) Weighted average of multiple floorplans

Source: Osprey Property Company

Based on our research, including a site visit on May 21, 2026, we have arrived at the following findings:

Site Analysis: The Port Street Senior Apartments site is attractive and appropriate for an affordable rental community with convenient access to retailers, transportation, and other services needed on a daily and occasional basis.

- Moton Park and a public swimming pool are located across the street from the subject site. Downtown Easton begins one-half mile from the proposed subject and is home to a wide variety of stores and restaurants. The three-mile Easton Rails-to-Trails pathway can be accessed one block east of the site.
- The site is 0.4 miles from a stop on Easton Route C, which offers local bus service throughout Easton and transfer opportunities to other routes.
- Numerous supermarkets, pharmacies, national brand retail outlets, Target, and an urgent care facility are within 1.5 miles of the site.
- The nearest hospital to the subject site is the University of Maryland Shore Medical Center at Easton which is 0.7 miles from the site. That said, a new hospital is being constructed four miles from the site. This state of the art facility will replace the existing hospital when it opens in 2028.
- Residents will have convenient access to recreation opportunities. The BAAM Athletic Center, located 0.2 miles from the site, is a community-focused fitness and recreation facility offering free, inclusive activities for all ages and fitness levels. The Talbot County Senior Center (Brookletts Place) is located one mile east of the subject site.
- RPRG did not identify any land uses that would negatively impact the proposed development's viability in the marketplace. The site is appropriate for the development of affordable senior rental housing and will be appealing to low-income senior renter households.

Economic Analysis: Talbot County's labor force was already contracting prior to the COVID-19 pandemic, but economic indicators have improved in recent years, and key local economic sectors are performing relatively well.

- Despite the contraction of the local labor force, Talbot County's annual average unemployment rate has generally been comparable to the state average and less than the national average over the past ten years. The county rate of 3.5 percent in 2019 increased to 6.3 percent in 2020 at the onset of the COVID-19 pandemic but was still less than the state rate of 6.5 percent and national rate of 8.1 percent. As of 2023, the countywide unemployment rate had fallen to 2.3 percent before increasing in concert with the state and national rates in 2024. Unemployment continued inching up, and for the 11 months of 2025 for which there is data, the county rate averaged 3.7 percent, the state rate was 4.0 percent, and the national rate increased to 4.3 percent.
- The county lost 895 jobs in 2019 and during the pandemic year of 2020, the county's At-Place Employment dropped by 11.9 percent, or a loss of 2,204 jobs to 16,290 jobs compared to roughly six percent nationally. The county has added jobs every year since 2020 and surpassed the 2019 level during 2025 but still has 774 fewer jobs than it did in 2018.
- The Education Health sector is Talbot County's largest sector, accounting for 23 percent of all county jobs versus 17 percent of jobs nationwide. Trade-Transportation-Utilities is the second largest sector at 19 percent followed by Leisure Hospitality at 18 percent. Compared to the national share of 14 percent each, the Government and Professional-Business sectors are notably small in the county with each comprising just 11 percent.

Population and Households Trends: The Port Street Market Area has experienced steady household growth in recent years, with growth expected to continue over the next five years.

- The Port Street Market Area added 8,572 people and 4,014 households from 2010 to 2026 for net growth of 7.3 percent among the population (0.4 percent annually) and 8.4 percent among households (0.5 percent annually). By comparison, Eastern Shore increased 6.1 percent among its population and 7.2 percent for its household base during the same period.
- The market area is projected to reach 129,674 people and 53,052 households by 2031. Annual increases in the Port Street Market Area from 2026 to 2031 are projected at 581 people and 269 households; the average annual growth rate is projected at 0.5 percent for both population and households.
- Senior householders aged 55 and older increased at an annual rate of 1.1 percent or 318 households between 2020 and 2026. Growth among senior households includes net in-migration as well as aging in place. Over the next five years, growth among senior (55+) households is projected to be 2.8 percent or 168 households annually.

Demographic Analysis: The demographics of the Port Street Market Area reflect a similar tenure and age profile to that of the Eastern Shore.

- The median age of the population in the market area is 45 years compared to the Eastern Shore median of 43 years. The largest age cohort in both areas consists of persons age 35 to 61, representing approximately 32 percent of the population. That said, seniors are the next largest cohort with seniors aged 62 and older comprising 31 percent of the market area population.
- Nearly one-half of households in the Port Street Market Area and the region are households with at least two adults but no children. Meanwhile, 27 percent of households

are single persons. Only 24 percent of market area and regional households include children.

- The Port Street Market Area has a smaller proportion of renters compared to Eastern Shore, with 2026 renter percentages of 26.2 percent in the market area and 31.1 percent in the region. Among seniors aged 55 and older, 19.7 percent of households rent their home.
- One and two person households comprised 63 percent of all renter households in the market area with one person households representing 37 percent. Forty-four percent of renter households are age 55+ in the market area.
- The 2026 median household income for all households in the Port Street Market Area is $90,643, 15 percent higher than the Eastern Shore's median income of $79,108. The 2026 estimated median household income for age 55 and over households in the Port Street Market Area is $79,581. The median senior income will grow to $88,681 by 2031.
- The median household income in the market area for renter households 55 and over in the Port Street Market Area is $43,062. Among senior renters, 30 percent have incomes of less than $25,000 per year; 26 percent have incomes between $25,000 and $50,000; and 14 percent have incomes between $50,000 and $75,000. Approximately 30 percent earn more than $75,000.

Competitive Analysis: Based on RPRG's survey, the senior multifamily inventory in the Port Street Market Area is performing well with low vacancy rates, lengthy waiting lists, and no leasing concessions currently offered.

- RPRG examined 12 communities that contain nonsubsidized age-restricted rental units inside the market area. Two communities are Rural Development and one is market rate while the remaining nine are LIHTC communities. The properties have a total 538 units with four vacancies or 0.7 percent.
- Among senior rental communities, average effective rents are:
  - The average net one-bedroom rent among the surveyed properties is $778 for an average size of 644 square feet, or $1.21 per square foot. One-bedroom units offered at 60 percent AMI range from $713 to $1,272.
  - The average net two-bedroom rent at surveyed senior properties is $936 for an average size of 872 square feet, or $1.07 per square foot. Two-bedroom units offered at 60 percent AMI range from $796 to $1,530.
- There are no age-restricted units in the multifamily development pipeline.
- To provide additional context to the market dynamics of the market area rental stock, RPRG surveyed 13 general occupancy communities, six of which contain at least some income-restricted units. Only four of the 794 units at the 11 stabilized communities were reported vacant for an aggregate average of 0.5 percent. Two communities are undergoing initial lease up.
- Among general occupancy communities, including both tax credit and market rate communities, one-bedroom net rents average $1,208 for a 709-square foot unit, or $1.70 per square foot. The average two-bedroom unit rent is $1,381 for 939 square feet or $1.47 per square foot.

Based on these findings, we have arrived at the following conclusions:

Net Demand for Senior Rental Housing: The Net Demand calculation indicates total demand for 362 new senior rental units over the next three years. Our only caveat is the fact that older adults typically have other housing options, such as general occupancy housing, remaining in their own homes, or moving in with relatives. This analysis should be used as only one factor in evaluating the potential demand for senior rental housing.

Affordability: The capture rate for the subject is 7.3 percent among 877 senior income qualified renter households within the market area. This capture rate is reasonable and achievable.

Penetration: All comparable LIHTC rental units would serve 10.7 percent of income-qualified senior (55+) renter households in the market area. The penetration rate indicates that there is room for further expansion of the market area's affordable rental housing stock addressing low- and moderate-income senior households.

Target Markets: With one and two-bedroom units targeting senior households earning up to 60 percent of AMI, the subject will target low-income senior renters aged 55 and over. The subject's units will primarily appeal to retirees, empty nesters and, to a lesser degree, those still in the workforce, both singles and couples.

Evaluation of Proposed Product: Considered in the context of the competitive environment, the relative position of Port Street Senior Apartments is as follows:

- **Structure Type:** Port Street Senior Apartments consists of 64 units within an elevator-serviced midrise building. This structure type is common among competitive senior communities in the market area and is appropriate for the subject location.
- **Unit Distribution:** The subject will include 34 one-bedroom units (53 percent) and 30 two-bedroom units (47 percent). The senior rental stock in this market includes 84 percent one bedroom units and 16 percent two bedroom units. The subject contains a smaller proportion of one bedroom units and more two bedroom compared to the market as a whole. That said, the subject's unit distribution is reasonable for a modern senior community that will be targeting somewhat higher income seniors. Much of the existing product is restricted to lower income targets where two bedroom units are less common. Moreover, the market distribution is somewhat skewed by the dated USDA communities which are comprised of only one bedroom units.
- **Unit Size:** The subject's one-bedroom units will have a weighted average of 713 square feet which is ten percent higher than the market average of 649 square feet. The subject's two-bedroom units will average 984 square feet which is 13 percent larger than the two bedroom average of 872 square feet. The subject's unit sizes are generous and will be well received by the intended target market.
- **Unit Features:** Each unit will have a dishwasher, range with smart burners, refrigerator, and microwave. Kitchens will have energy efficient appliances and laminate countertops. Units will have washer/dryer connections. These features are comparable or superior to other senior communities in the market area. Only the market rate Village at Chester offers in-unit washer/dryer as well as a microwave. Only the newest LIHTC community, Village at Slippery Hill, includes a microwave. That said, most communities offer grab bars and emergency pull cords, but the newest communities do not offer them as a standard feature.
- **Amenities:** The subject will offer a community room, library, central laundry facility for those residents who chose not to install washer dryers in their units, game room, fitness room, and

large back porch area. These community amenities are comparable or superior to the surveyed senior tax credit communities in the market area.

- **Parking:** The subject will have free surface parking, which is the standard parking option available at all surveyed senior communities in the market area.
- **Rents:** The subject's rents are generally in the middle to upper range of price but are among the largest in the market.

Absorption Estimates: All In estimating an absorption pace for the subject community, we typically consider recent absorption activity in the market in addition to demand and supply factors. Village at Slippery Hill, the only age-restricted community to open in this market during the past decade, opened with 54 units in April 2024 and was fully leased by the end of July 2024 for an absorption pace of 13 units per month. Only four units at the senior communities within the market area are vacant with the remaining communities completely occupied and maintaining waitlists. The subject will have a price advantage over the general occupancy market rate housing inventory in the market area. Additionally, the penetration rate for comparable affordable senior units is 9.9 percent, indicating that the supply of LIHTC units provides housing for just ten percent of the senior renters aged 55+ which are income-qualified for such a unit. Even so, we temper our absorption estimate to reflect the reality that the LIHTC subject will have to attract renters within a very specific income range. Moreover, the decision to downsize to an age-restricted rental community is one that takes time for seniors and their families, and many of these seniors are moving from longer distances and/or selling their homes. Based on the projected senior household growth and the product the community will offer, we would conservatively expect a leasing pace of ten units per month. At this pace, the subject's 64 proposed units would be leased within roughly six months.

Impact on Existing Market: RPRG does not anticipate that the subject will have an adverse impact on the existing rental market. The aggregate vacancy rate for the senior income-restricted rental communities within the market area is low at 0.4 percent and the senior household base is expected to grow over the next five years. The subject will provide a high-quality rental community that will assist in meeting the market's demand for affordable rental options.

Given the effective demand, need for high quality affordable senior housing, and competitive environment showing vacancies well below five percent, annual turnover is likely to be minimal, allowing the subject to maintain an average 95 percent occupancy rate.

Project Area Map

5. HOUSING MARKET AREA

A. Introduction

The primary market area for the subject is defined as the geographic area from which future residents of the community would primarily be drawn and in which competitive rental housing alternatives are located. In defining the primary market area, RPRG sought to accommodate the joint interests of conservatively estimating housing demand and reflecting the realities of the local rental housing marketplace.

B. Delineation of Market Area

The Port Street Market Area includes Queen Anne's, Talbot, and Dorchester Counties (Map 5). The three counties are linked by Route 50, the major north south arterial of the Eastern Shore. Easton/Talbot County is the geographic center of this corridor, offering the most extensive retail and services in the tri-county area. Thus, it is reasonable to assume that seniors looking for age restricted housing would look south from Queen Anne's county and north from Dorchester County.

The approximate boundaries of the Port Street Market Area are:

North: Border with Kent County

East: Border with Caroline County and Delaware

South: Nanticoke River, Chesapeake Bay

West: Chesapeake Bay

As appropriate for this analysis, the Port Street Market Area is compared to the Eastern Shore, the secondary market area, which is which is comprised of Kent, Queen Anne's, Caroline, Talbot, Dorchester and Wicomico Counties. Demand estimates, however, are based solely on the Port Street Market Area.

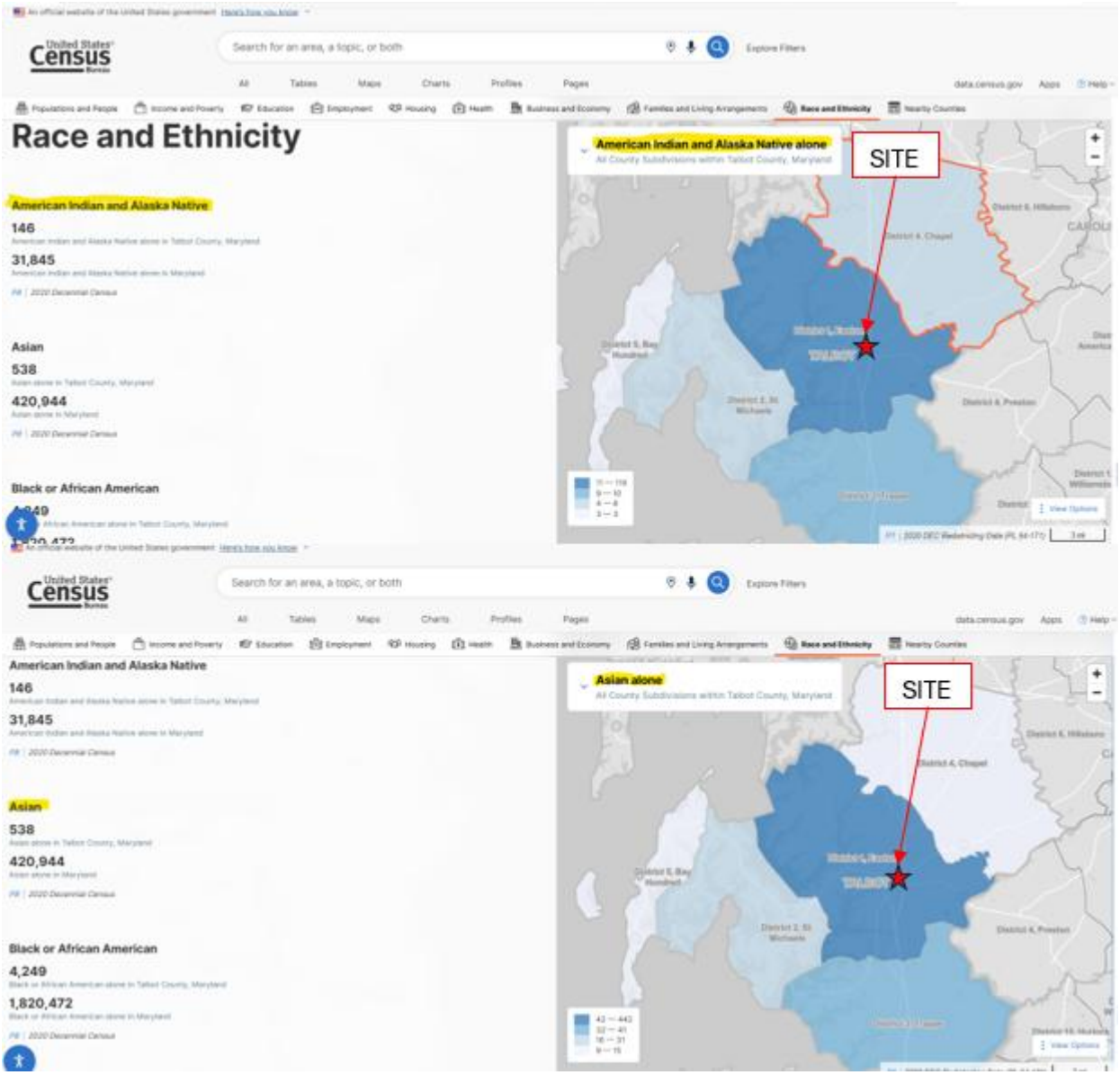
Map 5 Port Street Market Area

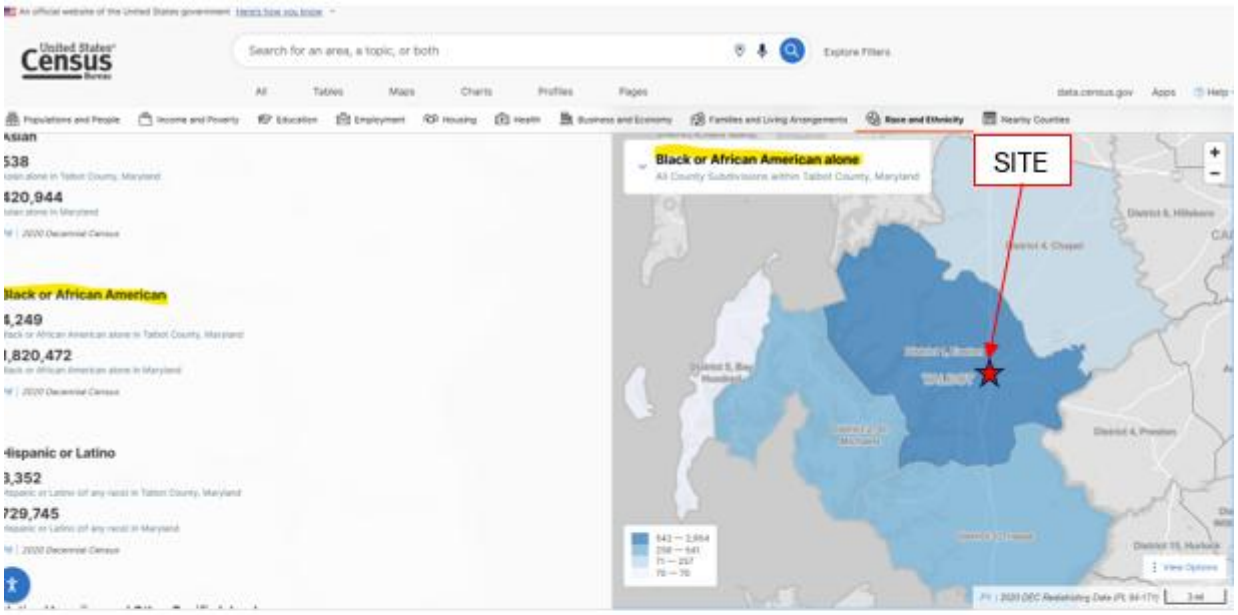


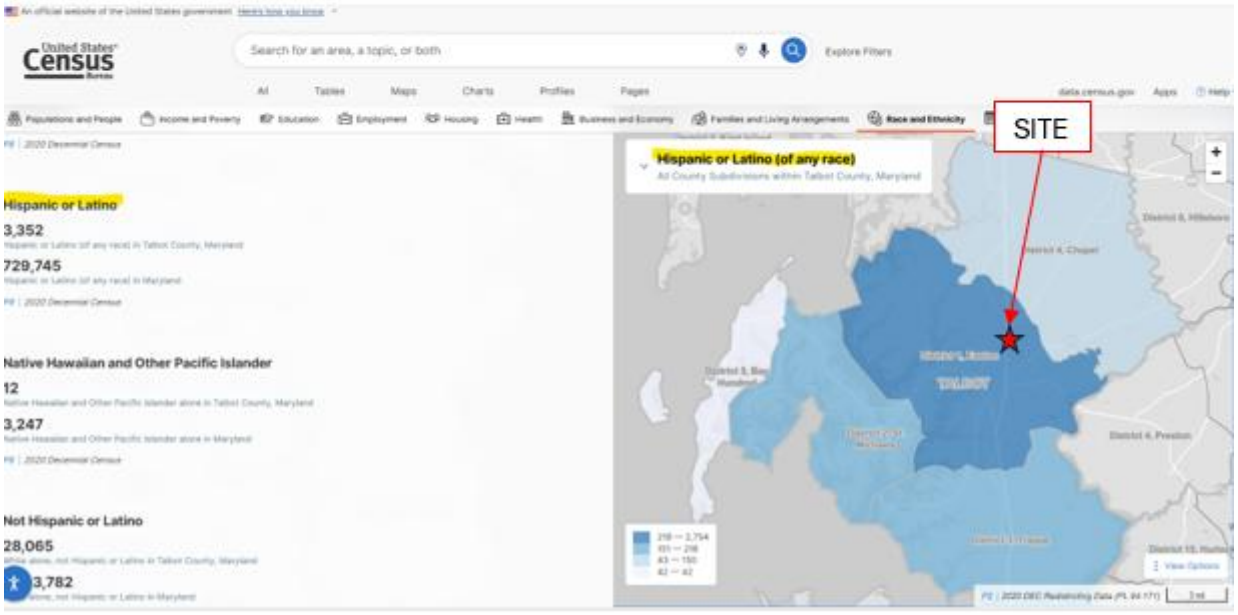
Map 6 Secondary Market Area, Eastern Shore

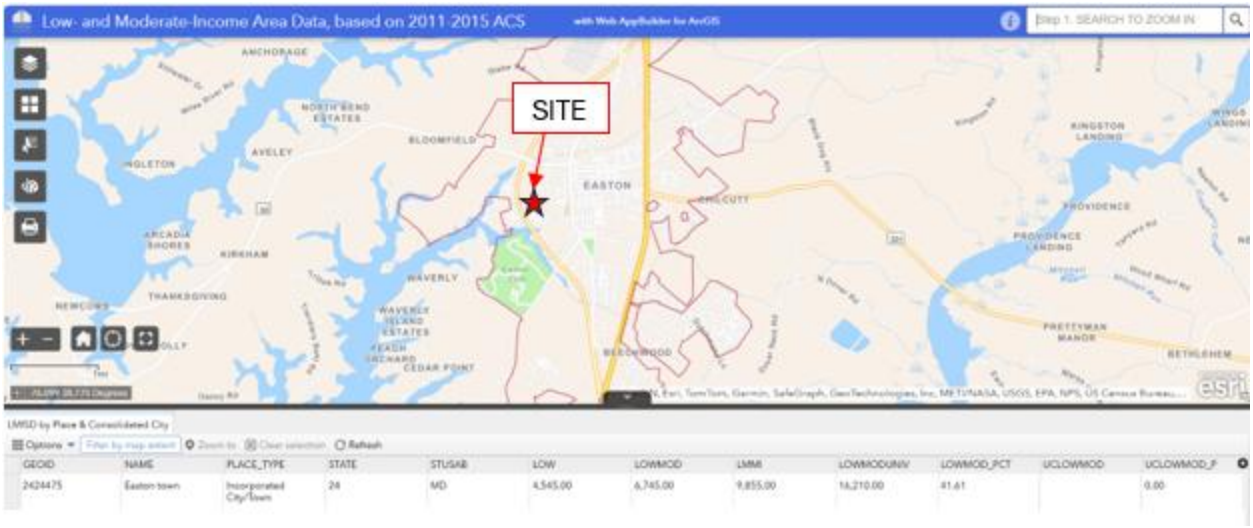


Maps of Minority Concentration, LMI Concertation, and Other Assisted Housing


United States Census Bureau
Search for an area, a topic, or both
Explore Filters
All
Tables
Maps
Charts
Profiles
Pages
data.census.gov
Apps
Help
Populations and People
Income and Poverty
Education
Employment
Housing
Health
Business and Economy
Families and Living Arrangements
Race and Ethnicity
Nearby Counties
Race and Ethnicity
American Indian and Alaska Native
146
31,845
Asian
538
420,944
Black or African American
American Indian and Alaska Native alone
All County Subdivisions within Talbot County, Maryland
SITE
United States Census Bureau
Search for an area, a topic, or both
Explore Filters
All
Tables
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Education
Employment
Housing
Health
Business and Economy
Families and Living Arrangements
Race and Ethnicity
Nearby Counties
American Indian and Alaska Native
146
31,845
Asian
538
420,944
Black or African American
4,249
1,820,472
Asian alone
All County Subdivisions within Talbot County, Maryland
SITE


Census
Search for an area, a topic, or both
Explore Filters
Race and Ethnicity
Black or African American alone
All County Subdivisions within Talbot County, Maryland
SITE
Black or African American
Hispanic or Latino
Hispanic or Latino (of any race)


Census
Search for an area, a topic, or both
Explore Filters
Race and Ethnicity
Hispanic or Latino (of any race)
All County Subdivisions within Talbot County, Maryland
SITE
Hispanic or Latino
Native Hawaiian and Other Pacific Islander
Not Hispanic or Latino


Low- and Moderate-Income Area Data, based on 2011 2015 ACS
SITE
EASTON
BLOOMFIELD
AVELEY
ANCHORAGE
KINGSTON LANDING
PROVIDENCE
PROVIDENCE LANDING
ARCADIA SHORES
KIRKHAM
WAVERLY
THANKSGIVING
WAVERLY ISLAND ESTATES
CEDAR POINT
PRETTYMAN MANOR
BETHLEHEM
LMISD by Place & Consolidated City
Options
Refresh
GEOID
NAME
PLACE_TYPE
STATE
STUSAB
LOW
LOWMOD
LMMI
LOWMODUNIV
LOWMOD_PCT
UCLOWMOD
UCLOWMOD_P
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Easton town
Incorporated City/Town
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MD
4,545.00
6,745.00
9,855.00
16,210.00
41.61
0.00

Notice of CDBG Public Hearing, Proof of Publication, Agenda, Meeting Minutes

Community Support Letters

ANN D. HURT
19 Lynnbrook Terrace
EASTON, MARYLAND 21601

June 26, 2026

The Honorable Secretary Jacob Day
Maryland Department of Housing and Community Development
7800 Harkins Road
Lanham, Maryland 20706

RE: Port Street Senior – Application for CDBG Funds

Dear Community Development Block Grant Administrators:

I am writing to express my strong support for the Town of Easton's Application to the Maryland Department of Housing and Community Development ("DHCD") for Community Development Block Grant ("CDBG") funding to support the Port Street Senior project.

Port Street Senior is a proposed affordable housing community that will provide more than 60 high-quality apartment homes for seniors in Easton and Talbot County. The project will help address a growing need for affordable housing options that allow residents to age in place while maintaining access to healthcare, shopping, services, and social support networks.

The need for senior affordable housing in Talbot County is significant and continues to grow. As housing costs increase and the population ages, many seniors living on fixed or limited incomes face challenges finding safe and affordable housing. Developments such as Port Street Senior are essential to making sure that long-time residents can continue to live independently and remain active members in the community.

The requested CDBG funding will help make this important project possible and support the creation of much needed affordable housing options for local seniors.

For these reasons, I respectfully encourage DHCD to consider the Town of Easton's CDBG application for the Port Street project.

Sincerely,

Ann D. Hurt

Ann D. Hurt, Jr.
410-822-1271
Ahurt@goeaston.net

Childlene R. Brooks
8505 Tilghman Island Road Wittman, MD 21676
June 28, 2026

The Honorable Secretary Jacob Day
Maryland Department of Housing and Community Development
7800 Harkins Road
Lanham, Maryland 20706

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The need for senior affordable housing in Talbot County, especially in the Town of Easton, is significant and continues to grow. As housing costs increase and the population ages, many seniors living on fixed or limited incomes face challenges finding safe and affordable housing. Developments such as Port Street Senior are essential to making sure that long-time residents can continue to live independently and remain active members in the Town of Easton community.

The requested CDBG funding will help make this important project possible and support the creation of much-needed affordable housing options for local seniors.

As the manager of Brookletts Place, Talbot County Senior Center, an agency of Upper Shore Aging, In. I encourage DHCD to consider the Town of Easton's CDBG application for the Port Street project.

Sincerely,

Childlene R. Brooks

Childlene R. Brooks

CDR Frank L. Gunsallus III, USN (Ret.)
5993 Landing Neck Rd.
Trappe, MD 21673

June 23, 2026

The Honorable Secretary Jacob Day
Maryland Department of Housing and Community Development
7800 Harkins Road
Lanham, Maryland 20706

RE: Port Street Senior – Application for CDBG Funds

Dear Community Development Block Grant Administrators:

I am writing to express my strong support for the Town of Easton's application to the Maryland Department of Housing and Community Development ("DHCD") for Community Development Block Grant ("CDBG") funding in support of the Port Street Senior project.

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The need for affordable senior housing in Talbot County is significant and continues to grow. As housing costs rise and the population ages, many seniors living on fixed or limited incomes face increasing challenges finding safe, stable, and affordable homes. Developments such as Port Street Senior are essential to ensuring that long-time residents can continue to live independently and remain active, valued members of the community.

The requested CDBG funding will help make this important project possible and support the creation of much-needed affordable housing options for local seniors.

For these reasons, I respectfully urge DHCD to give full and favorable consideration to the Town of Easton's CDBG application for the Port Street Senior project.

Sincerely,

F Gunsallus

Frank L. Gunsallus III

June 24, 2026

The Honorable Secretary Jacob Day
Maryland Department of Housing and Community Development
7800 Harkins Road
Lanham, Maryland 20706

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Dear Community Development Block Grant Administrators:

I am writing to express my strong support for the Town of Easton's Application to the Maryland Department of Housing and Community Development ("DHCD") for Community Development Block Grant ("CDBG") funding to support the Port Street Senior project.

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The need for senior affordable housing in Talbot County, especially in the Town of Easton, is significant and continues to grow. As housing costs increase and the population ages, many seniors living on fixed or limited incomes face challenges finding safe and affordable housing. Developments such as Port Street Senior are essential to making sure that long-time residents can continue to live independently and remain active members in the Town of Easton community.

The requested CDBG funding will help make this important project possible and support the creation of much needed affordable housing options for local seniors.

As a local representative of the Town of Easton, I encourage DHCD to consider the Town of Easton's CDBG application for the Port Street project.

Sincerely,

Gary Yeatman

June 26, 2026

The Honorable Secretary Jacob Day
Maryland Department of Housing and Community Development
7800 Harkins Road
Lanham, Maryland 20706

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As a local representative of the Town of Easton, I encourage DHCD to consider the Town of Easton's CDBG application for the Port Street project.

Sincerely,

Hali Leeson

Hali Leeson
7685 Rollyston Dr.
St. Michaels, MD 21663

John W. Hurt, Jr.
P O Box 1475, Easton, Maryland 21601

June 24, 2026

The Honorable Secretary Jacob Day
Maryland Department of Housing and Community Development
7800 Harkins Road
Lanham, Maryland 20706

RE: Port Street Senior – Application for CDBG Funds

Dear Community Development Block Grant Administrators:

I am writing to express my strong support for the Town of Easton's Application to the Maryland Department of Housing and Community Development ("DHCD") for Community Development Block Grant ("CDBG") funding to support the Port Street Senior project.

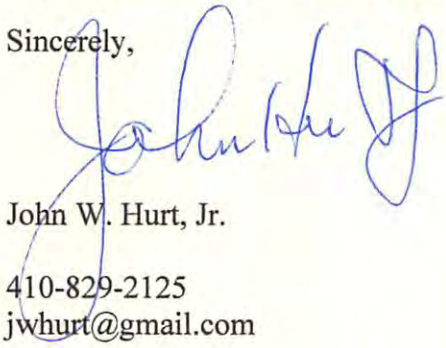
Port Street Senior is a proposed affordable housing community that will provide more than 60 high-quality apartment homes for seniors in Easton and Talbot County. The project will help address a growing need for affordable housing options that allow residents to age in place while maintaining access to healthcare, shopping, services, and social support networks.

The need for senior affordable housing in Talbot County is significant and continues to grow. As housing costs increase and the population ages, many seniors living on fixed or limited incomes face challenges finding safe and affordable housing. Developments such as Port Street Senior are essential to making sure that long-time residents can continue to live independently and remain active members in the community.

The requested CDBG funding will help make this important project possible and support the creation of much needed affordable housing options for local seniors.

For these reasons, I respectfully encourage DHCD to consider the Town of Easton's CDBG application for the Port Street project.

Sincerely,



John W. Hurt, Jr.

410-829-2125
jwhurt@gmail.com

June 25, 2026

The Honorable Secretary Jacob Day
Maryland Department of Housing and Community Development
7800 Harkins Road
Lanham, Maryland 20706

RE: Port Street Senior – Application for CDBG Funds

Dear Community Development Block Grant Administrators:

I am writing to express my strong support for the Town of Easton's Application to the Maryland Department of Housing and Community Development ("DHCD") for Community Development Block Grant ("CDBG") funding to support the Port Street Senior project.

Port Street Senior is a proposed affordable housing community that will provide more than 60 high-quality apartment homes for seniors in Easton and Talbot County. The project will help address a growing need for affordable housing options that allow residents to age in place while maintaining access to healthcare, shopping, services, and social support networks.

The need for senior affordable housing in Talbot County, especially in the Town of Easton, is significant and continues to grow. As housing costs increase and the population ages, many seniors living on fixed or limited incomes face challenges finding safe and affordable housing. I have seen this firsthand with my own aging parents, who struggled to live near me in Easton on their limited incomes. Developments such as Port Street Senior are essential to making sure that long-time residents can continue to live independently and remain active members in the Town of Easton community.

The requested CDBG funding will help make this important project possible and support the creation of much needed affordable housing options for local seniors.

As a local representative of the Town of Easton, I strongly encourage DHCD to consider and approve the Town of Easton's CDBG application for the Port Street project.

Sincerely,

Jacqui Yeatman

June 29, 2026

The Honorable Secretary Jacob Day
Maryland Department of Housing and Community Development
7800 Harkins Road
Lanham, Maryland 20706

RE: Port Street Senior – Application for CDBG Funds

Dear Community Development Block Grant Administrators:

I am writing to express my strong support for the Town of Easton's Application to the Maryland Department of Housing and Community Development ("DHCD") for Community Development Block Grant ("CDBG") funding to support the Port Street Senior project.

Port Street Senior is a proposed affordable housing community that will provide more than 60 high-quality apartment homes for seniors in Easton and Talbot County. The project will help address a growing need for affordable housing options that allow residents to age in place while maintaining access to healthcare, shopping, services, and social support networks.

The need for senior affordable housing in Talbot County, especially in the Town of Easton, is significant and continues to grow. As housing costs increase and the population ages, many seniors living on fixed or limited incomes face challenges finding safe and affordable housing. Developments such as Port Street Senior are essential to making sure that long-time residents can continue to live independently and remain active members in the Town of Easton community.

The requested CDBG funding will help make this important project possible and support the creation of much needed affordable housing options for local seniors.

As a local representative of the Town of Easton, I encourage DHCD to consider the Town of Easton's CDBG application for the Port Street project.

Sincerely,



Michael Mullen
28259 Knapps Lot St.
Easton MD 21601
610-368-1890

Peg and Rick Hughes
10 Hughlett Street
Easton, MD 21601

June 24, 2026

The Honorable Secretary Jacob Day
Maryland Department of Housing and Community Development
7800 Harkins Road
Lanham, Maryland 20706

Re: Port Street Senior – Community Development Block Grant Application Support

Dear Community Development Block Grant Review Committee:

We are writing to offer our strong support for the Town of Easton's application to the Maryland Department of Housing and Community Development for Community Development Block Grant (CDBG) funding in support of the Port Street Senior housing project.

Port Street Senior represents an important opportunity to expand affordable housing options for older adults in Easton and throughout Talbot County. The proposed development will create more than 60 quality apartment homes designed specifically for seniors, helping to meet a critical and increasing demand in our community.

As the cost of housing continues to rise and our local population ages, many seniors—particularly those on fixed incomes—are finding it increasingly difficult to remain in the communities they have called home for decades. Access to affordable, safe, and well-located housing is essential for allowing seniors to maintain their independence while staying connected to healthcare providers, essential services, shopping, and the social networks that support their quality of life.

Talbot County has a clear and growing need for this type of housing. Projects like Port Street Senior help ensure that longtime residents can age with dignity, remain active in the community, and continue contributing to the life and vitality of Easton.

The requested CDBG funding will play a vital role in making this project a reality and in addressing one of the most pressing housing challenges facing our region.

We respectfully encourage the Department to give favorable consideration to the Town of Easton's application and to support this much-needed investment in affordable senior housing.

Sincerely,

Peg Hughes
Rick Hughes

St. Mark's United Methodist Church

100 Peachblossom Road ❖ Easton, Maryland 21601
410-822-0001 ❖ Fax: 410-822-0002
www.stmarkseaston.org ❖ email: churchoffice@stmarkseaston.org

June 29, 2026

The Honorable Secretary Jacob Day
Maryland Department of Housing and Community Development
7800 Harkins Road
Lanham, Maryland 20706

RE: Port Street Senior – Application for CDBG Funds

Dear Community Development Block Grant Administrators:

I am writing to express my strong support for the Town of Easton's Application to the Maryland Department of Housing and Community Development ("DHCD") for Community Development Block Grant ("CDBG") funding to support the Port Street Senior project.

Port Street Senior is a proposed affordable housing community that will provide 64 high-quality apartment homes for seniors in Easton and Talbot County. The project will help address a growing need for affordable housing options that allow residents to age in place while maintaining access to healthcare, shopping, services, and social support networks.

The need for senior affordable housing in Talbot County is significant and continues to grow. As housing costs increase and the population ages, many seniors living on fixed or limited incomes face challenges finding safe and affordable housing. Developments such as Port Street Senior are essential to making sure that long-time residents can continue to live independently and remain active members in the community.

As a pastor in this community, I see the struggles of residents firsthand. I am hopeful that this proposed senior affordable housing will aid in their suffering.

The requested CDBG funding will help make this important project possible and support the creation of much needed affordable housing options for local seniors.

For these reasons, I respectfully encourage DHCD to consider the Town of Easton's CDBG application for the Port Street project.

Respectfully,

Rev. Meredith West

Rev. Meredith West
Lead Pastor

Upper Shore Aging

Respect | Independence | Purpose

June 24, 2026

The Honorable Secretary Jacob Day
Maryland Department of Housing and Community Development
7800 Harkins Road
Lanham, Maryland 20706

RE: Port Street Senior – Application for CDBG Funds

Dear Community Development Block Grant Administrators:

Upper Shore Aging, Inc. is the designated Area Agency on Aging for Talbot County. As the local AAA, Upper Shore Aging strongly supports the Town of Easton's Application to the Maryland Department of Housing and Community Development ("DHCD") for Community Development Block Grant ("CDBG") funding to support the Port Street Senior project.

Port Street Senior is a proposed affordable housing community that will provide more than 60 high-quality apartment homes for seniors in Easton and Talbot County. The project will help address a growing need for affordable housing options that allow residents to age in place while maintaining access to healthcare, shopping, services, and social support networks.

The need for senior affordable housing in Talbot County, especially in the Town of Easton, is significant and continues to grow. As housing costs increase and the population ages, many seniors living on fixed or limited incomes face challenges finding safe and affordable housing. Developments such as Port Street Senior are essential to making sure that long-time residents can continue to live independently and remain active members in the Town of Easton community.

The requested CDBG funding will help make this important project possible and support the creation of much-needed affordable housing options for local seniors. Upper Shore Aging encourages DHCD to consider the Town of Easton's CDBG application for the Port Street project.

Sincerely,

L. Herbert Cain

L. Herbert Cain, Executive Director

William L. Crabson. Lt. Colonel
4 Downing Street
Easton, Maryland 21601

June 24, 2026

The Honorable Secretary Jacob Day
Maryland Department of Housing and Community Development
7800 Harkins Road
Lanham, Maryland 20706

RE: Port Street Senior – Application for CDBG Funds

Dear Community Development Block Grant Administrators:

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The requested CDBG funding will help make this important project possible and support the creation of much needed affordable housing options for local seniors.

As a local representative of the Town of Easton, I encourage DHCD to consider the Town of Easton's CDBG application for the Port Street project.

Sincerely,

William Crabson

tal08@goeaston.net

443.786.9177

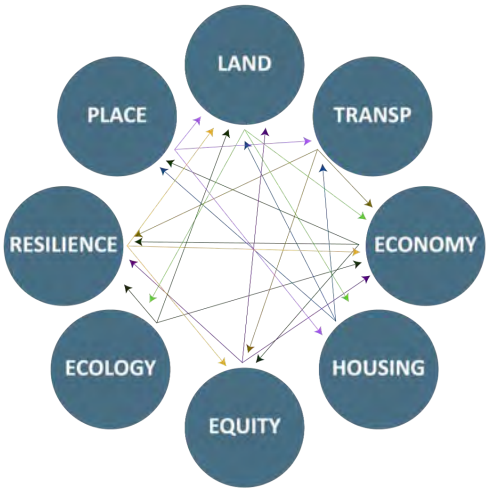
Excerpts from Comprehensive Plans

Town of Easton 2026 Comprehensive Plan



February 19, 2026

shift from Smart Growth to Sustainable Growth to achieve more balanced land use and development. Sustainable Growth focuses on policies addressing economic, social, and environmental factors for both current and future generations. These eight Planning Principles are designed to make sustainable growth policies simpler, clearer, and easier for everyone involved in planning and development to use effectively.



The new Planning Principles are summarized below:

Maryland's Planning Principles

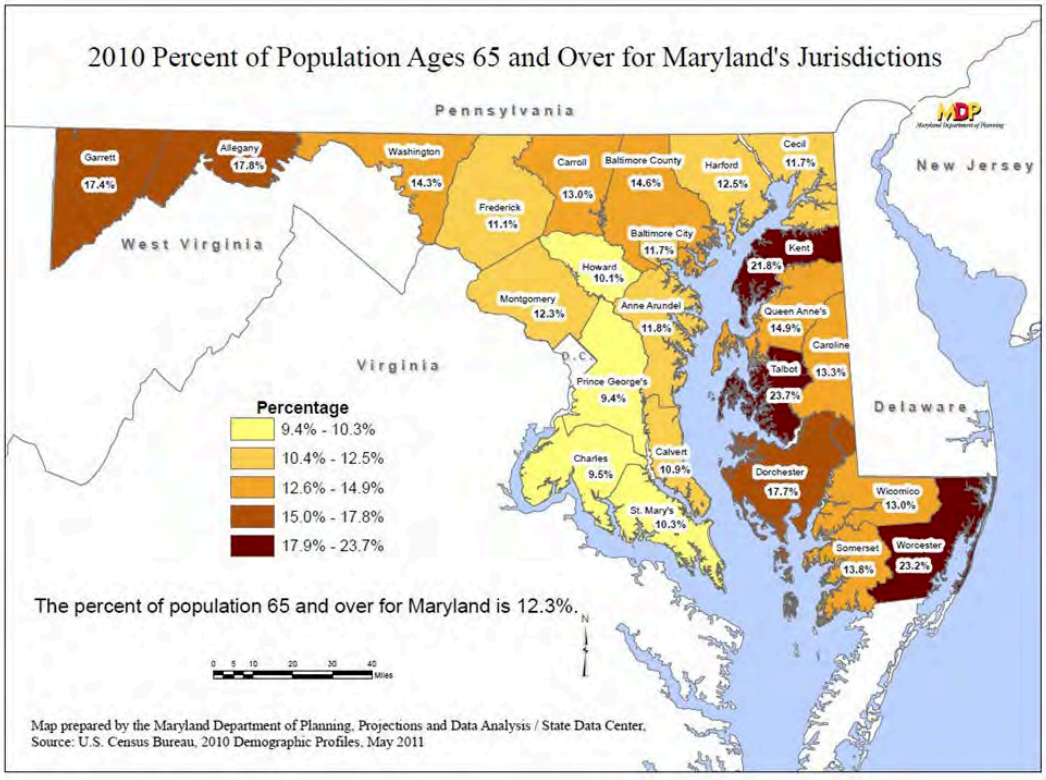
1. **Land:** Optimize productivity of **working landscapes**, including **farms** and **forests**, and **fisheries**, and prioritize **development within population centers** that are in proximity to existing infrastructure and facilities.
2. **Transportation:** Prioritize transportation networks that create **energy efficient**, **affordable**, and **reliable access** to jobs, housing, and services.
3. **Housing:** Enable a mix of **quality housing types** and **affordability** options to accommodate all who want to live in the state.
4. **Economy:** Allow for **adaptive reuse**, **mixed–use**, and **context appropriate** new development that responds to changing markets and innovations.
5. **Equity:** Engage **all sectors of the community** in plan development to ensure **diverse voices** are heard and the needs of **underserved populations** are prioritized.

Year	Total Population	African American	African American %	Hispanic or Latino	Hispanic or Latino %
1990	9,372	2,521	26.9%	337	0.4%
2000	11,708	2,746	23.5%	404	3.5%
2010	15,9945	2,742	17.2%	1,570	9.8%
2020	17,101	2,467	14.4%	2,454	14.4%

TABLE 1 AFRICAN AMERICAN AND HISPANIC POPULATION CHANGE, 1990-2020

SOURCE : US Decennial Census for Year identified

Easton and Talbot County have a high concentration of people over age 65. In 2010 Maryland Department of Planning produced the following map illustrating this:



Map 1: Maryland Senior Population by County

American Communities Survey data for 2021 indicates that senior citizens remain a significant portion of the local population. It found that while the state percentage of the population that was 65 or over in 2021 was 16.3%, Talbot County's was 29.9% and the Town of Easton's was 24.9%.

E. Planning Process and Public Engagement

Work on this Comprehensive Plan update began in 2021 with a review of the 2010 Plan's implementation outcomes. Through 2022, 2023 and 2024, Town staff and consultants gathered data, conducted mapping and zoning analysis, and assessed growth capacity. Community engagement began in 2023 and continued into 2025, including public open houses, stakeholder workshops, online surveys, and formal public hearings.

Since 1997, each subsequent update of the Comprehensive Plan has continued to refine the Town's growth strategy, summarized in the 2010 Plan as:

- Contain Sprawl within an Urban Growth Boundary
- Increase Density
- Build Neighborhoods
- Improve Design
- Manage the Rate of Growth

The 2026 Plan adds a sixth component to this Growth Management Strategy:

- Encourage More Sustainable Development Patterns

Key themes identified through public input included the need for workforce housing, reinvestment in the downtown core, traffic and multimodal transportation improvements, protection of neighborhood character, and preservation of Easton's agricultural and open space edges. The Planning Commission oversaw the process and incorporated community feedback into all major chapters and policy recommendations.

Community Feedback Process Highlights

The community input phase of this Plan Update asked the public about the continued relevance or appropriateness of each component of the Growth Management strategy. The results were clear: each received something between moderate to very strong support for continuing to be included in the next Planning Period (2026-2036). As a result, this Plan Update begins with the premise that

F. Vision

This Plan's Vision for the future of Easton can be summarized as "A Return to our Roots." This suggests that we desire the future growth and development of our Town to occur in a more Traditional sense, not in the modern constructs of suburbia. Furthermore, we envision our Town to continue to function as the main population center of Talbot County and one of the major Towns on the mid-Shore, along with Cambridge, Denton, Salisbury, Centreville, and Chestertown. We will be a significant place of employment, entertainment and shopping, but on our scale, not that of National Retailers. We have no desire to become THE major shopping destination for the region stretching from the Bay Bridge to Chestertown, to Salisbury and the Delaware State line. We are happy to be THE destination for the citizens of Talbot County and one of several options for people in the region described above, but nothing grander than that.

The "Return to our Roots" theme stems from our desire to develop much more like we did from our earliest days until the beginning of the Post World War II era than from the 1940's through roughly the present. We want the same kind of density, mix of land uses, and general character of the earlier days and we want to move away from homogenous uses, cookie-cutter, mass produced looking subdivisions, strip development along our highways, and the general "looks like anywhere Suburban America". We want to be urban, not suburban, although urban on an Eastern Shore of Maryland scale. To that end, this chapter is the perfect companion to Place Element, where this whole theme is discussed in greater detail.

This Vision and theme is the same as that set forth in the 2010 Plan. Considering that in terms of the growth of the Town, little changed from 2010 to today, this makes sense. Specifically, in 2025, just as in 2010, Easton finds itself in a period of slow growth, with a housing affordability problem, and with public support for our overall growth strategy. In some ways though, it will be more challenging to implement this strategy, given that there are at least a few factors that are different in 2026 than they were in 2010. These differences include the increased severity of the housing affordability issue, and recent purchases of large parcels of land by the Town of Easton and Talbot County, which while advancing land preservation/parks and open space goals, also remove hundreds of acres of land from consideration of potential new housing.

Lastly, there is the existence of the Lakeside at Trappe subdivision located a mere five minutes from our southernmost Town boundary. In 2010, and really for decades, Easton has been "the only game in town" in terms of residential development. Now, there is significant "competition" in the form of this 2,000 unit subdivision. How that affects the absorption rate of home sales (and prices) in

B. Land Use Goals, Issues and Policy Considerations

Easton's land use strategy is grounded in a practical understanding of land availability, infrastructure capacity, and fiscal impacts. With limited undeveloped space remaining within Town boundaries, strategic infill and redevelopment are essential to future growth. The Town's land use goals remain consistent with the core principles outlined in the 1997 and 2010 Comprehensive Plans: preserving neighborhood character, maintaining a compact development pattern, and focusing growth within a defined boundary supported by infrastructure and public services.

The foundation for future land use decisions begins with understanding current land use patterns. A key indicator is shown in the table below, which presents the acreage of each zoning district established under the 2021 Zoning Ordinance, along with estimated amounts of unimproved land within each district.

be met through annexation in designated Future Growth Areas, redevelopment within the existing boundary, or both.

Buildout analysis confirms that under current zoning, Easton can accommodate only modest additional residential and nonresidential development without annexation. As such, policies that promote higher density, infill, and redevelopment are essential. In areas where infrastructure exists but capacity is limited, targeted investment in water, sewer, and transportation systems will be necessary. Growth must occur where public systems can support it efficiently and where the design enhances walkability, access to services, and long-term fiscal sustainability.

The 2026 Plan emphasizes that sustainable land use planning is not only about where growth happens, but how. The Future Land Use Map and supporting policies direct development to areas already served by public infrastructure while discouraging inefficient sprawl that burdens the community with long-term maintenance costs.

Each land use category in the Plan reflects both function (e.g., residential, commercial, open space) and expectations for form, intensity, and infrastructure compatibility. These categories aim to reinforce planning goals while allowing flexibility for context-sensitive design and public input during development review.

While the 2004 Plan explored the ideal mix of residential, commercial, and industrial uses, the 2010 Plan omitted that discussion, acknowledging the subjectivity of such targets. The original intent was never to cap any land use type, but rather to flag imbalances. At the time, it was clear—both from data and public input—that Easton had significantly more commercial development than typical for a town its size.

Public input for the 2026 Plan suggests that imbalance persists, likely worsened by the national decline of traditional retail and the accelerated shift to online shopping during the COVID-19 pandemic. Addressing this imbalance will require thoughtful land use strategies that reflect modern economic trends while supporting a more diversified, resilient community fabric.

i. Retail Uses

Public input for this Plan revealed what seems at first to be a contradiction: while Easton is perceived as over-commercialized, many residents also expressed a desire for more variety in retail and food establishments. This apparent conflict begins to make sense when we examine Easton's

There is one proposed addition to the overall limits of the Town's Future Growth Area. During the course of the past planning cycle, it has become increasingly apparent that there would be advantages to having the Town-owned property that is the site of our Wastewater Treatment Facility to be located within Town Boundaries. This would require Annexation and in order for any future Annexation to be consistent with this Plan, the land for said annexation needs to be included in our Future Growth Area. Thus, this Plan proposes to expand the Growth Boundary to the east from its present limit to the WWTP site. The only additional land besides the WWTP that would be brought into the Growth Area as a result of this change would be Seth Forest and the bed of Chesapeake Avenue as it passes along the southern border of the property. Given that these properties are State-owned and Town-owned, and the purpose for which each is used, there is essentially no possibility that such an action would increase the development potential of the Future Growth Area.

See Table 2 on page 18 for detailed definitions and acreage summaries by zoning category.

E. Special Districts and Place Types

The Future Land Use Framework includes several key districts that serve as focal points for the Town's identity and growth strategy. These include:

- Downtown Easton – walkable, civic and cultural hub with mixed-use development.
- East End/Dover Road Corridor – commercial node with opportunities for infill and street-front redesign.
- Port Street Corridor – targeted for redevelopment with housing, employment, and civic amenities.
- Hospital District – medical and institutional anchor, with supportive residential and commercial uses.
- Poplar Hill Farm - 120 acre parcel purchased by Talbot County in 2025. Formerly viewed as a key site for future growth, it is designated for Institutional use, reflecting its ownership by the County. This could mean a host of things, including active or passive parks and/or new County government facilities. It is also large enough that a portion could be subdivided and sold for private development to raise funds for the governmental use of the bulk of the property. If so, the appropriate use in this location would be residential, although a very small-scale commercial or mixed-use component to serve the numerous strictly residential developments in

Confirmation of Priority Funding Area

June 26, 2026

Osprey Property Company II LLC
16 Greenmeadow Drive, SSuite G107
Timonium, MD 21093

RE: Port Street Senior Apartments, Easton, MD

To Whom It May Concern:

I am in receipt of your application for a Zoning Verification Letter for property located at Tax Map 0034, Parcel 0077, Lot 4, in Easton, MD. The property is located at the southeast corner of the intersection of Port Street and Easton Parkway (MD 322) in the corporate limits of the Town of Easton. It is currently subject to an application for a multifamily apartment complex that has been represented as being age and income restricted. Such a project was approved at sketch site plan level by the Easton Planning and Zoning Commission on June 18, 2026.

The Zoning of the property is Mixed Use Waterfront (MXW). This is a newly created zoning district intended to encourage the mixed-use development of Easton Point and the Port Street Corridor consistent with a Small Area Plan for this portion of Town. The MXW includes four subdistricts, two of which (Port Street and Inland) apply to the subject property. In both of these subdistricts, the proposed use is indicated as one which is outright permitted.

With respect to Maryland's Priority Funding Area (PFA) classifications, the subject property was annexed into the Town of Easton in 1967. This means that it was within the Town limits at the time that PFAs were established as was, by definition, automatically considered a PFA. The property continues to enjoy that status today.

Please let me know if you have any additional questions. You may contact me at (410) 822-1943 or via email at lthomas@eastonmd.gov.

Sincerely,

Lynn B. Thomas, Jr., AICP
Town Planner

Sources & Uses of Funds

CDA 202

Financing Letters

Form 212

Maryland
DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT

MULTIFAMILY RENTAL FINANCING APPLICATION

FORM 202

Effective Date: 12/05/2023

GENERAL INFORMATION

Date 5/30/2025 *(Enter Application Submission Date)*

Application Type: *(choose)* **4% Project**

Stage of Processing *(choose one)*

X	Application for Submission		Commitment Review Submission
	Viability Review Submission		Viability/Commitment Review Submission

Type of Credit Enhancement: *(choose)* Risk Sharing

Basis Boost Documentation (if applicable) *(Choose one)* N/A

Funding Applied For

Low Income Housing Tax Credit	$ 1,058,528	20,385,854	Basis
Multifamily Bonds *(taxable)*	$ -	1,280,000	Land
Multifamily Bonds *(long term tax-exempt)*	$ 5,135,000	21,665,854	
Multifamily Bonds *(short term tax-exempt)*	$ 6,350,000	53%	
		11,485,000	**T-E Loan Required for 50% Test**

DHCD Subordinate Financing

		Assumed DHCD Debt?
Rental Housing Program Funds	$ -	
Rental Housing Works	3,200,000	
Housing Trust Funds	-	
HOME Funds	-	
Multifamily Capital Fund	-	
HOME ARP	-	
Partnership Rental Housing Program Funds	-	
Weinberg	-	
Other:		

PROJECT NAME AND LOCATION

Project Name Port Street

Complete Mailing Address: Port Street

If no street address indicate lot — Parcel: — Tax Map: —

City: Easton — County: Talbot County

Zip Code: 21601 — Census Tract: —

Congressional District: — Legislative District: —

Existing HUD Project No.: — *(if applicable)*

APPLICANT INFORMATION

Applicant Name Osprey Property Company II LLC

Complete Mailing Address: 16 Greenmeadow Drive, Suite G107

Contact: Joe Clark — Phone: 410-707-1643

Title: Executive Vice President — E-mail: jclark@ospreypc.com

OWNERSHIP ENTITY INFORMATION

Owner/Borrower Name TBD

Taxpayer ID: To be formed

Type of Ownership *(mark one box only)*

	Individual		General Partnership		Local Government
	Corporation		Limited Partnership		Other:
X	Limited Liability Corporation				

Principals *(complete information for corporations and controlling general partners)*

Name	*Taxpayer ID*	*GP/LP*	*Ownership Interest*	*Nonprofit*
Osprey Property Company II LLC	**38-3988641**	Managing Member	100.00%	No

PROJECT DESCRIPTION *(This section should **NOT** be left blank)*

Port Street Senior will be a 64-unit senior development. The project will consist of one 3-story building with 34 one-bedroom units and 30 two-bedroom units. All 64 units will be affordable at or below 60% of the Area Median Income (AMI).

PROJECT INFORMATION

Amenities *(indicate all that apply)*

X	Cable Access		Laundry Facilities	
	Transportation Services	X	Washer/Dryer Hook-up	
X	Carpet	X	High Speed Internet Access	
X	Dishwasher	X	Other:	Washer/dryer in-unit
X	Disposal		Other:	
X	Microwave		Other:	

Type of Project *(indicate all that apply)*

	Acquisition of Existing Building(s)
	Refinance

Type of Project *(indicate all that apply)*

X	New Construction
	Rehabilitation

Unit Types - NC and/or Rehab *(indicate all that apply)*

64	New Construction
	Rehabilitation

UFAS Units *(indicate number of units and AMI)*

	Units	AMI
UFAS 1 BR	2	60%
UFAS 2 BR	1	60%
UFAS 3 BR		
UFAS 4+ BR		

4 Minimum UFAS Units = 5% of Total Units

2 Minimum Visual/Hearing Impaired Units = 2% of Total Units

Related Party Transaction *(indicate appropriate choice)*

A transaction between parties where familial, business, controlling interests, or other close ties exist prior to the transaction, as defined in Section 3.9.8.1 of the Guide.

No

Existing Building Information *(complete all that apply)*

Percentage currently occupied	0.0%
Project includes historic rehabilitation?	No
Project involves the permanent relocation of tenants?	No
Project involves the temporary relocation of tenants?	No
Year the building(s) were built	

Year the building(s) were built | Year the building(s) were built

Developer Fee Funded Services / Rent Subsidy /Reserve

Developer Fee Funded Supportive Services / Rent Subsidy/Sponsor Note Reserve? No

Number of Residential Buildings *(complete all that apply)*

Garden (walk-up)	0
Townhouse	0
Cottage, single-family, or semi-detached	0
Elevator (≤ 4 floors w/frame construction)	0
Elevator (≥ 5 floors w/concrete construction)	1
Units Stacked- no elevator	0
Total Buildings	**1**

Total Land Area *(acres)* 2.18

Total Building Area *(gross square footage)*

Residential Units: Low-Income	53,777
Residential Units: Market	
Nonresidential Units and Staff Units	
Commercial Space: Describe	
Common Space:	13,039
Circulation (hallways, stairways etc.)	
Recreation	
Other: Describe	
Other: Describe	
Other: Describe	
Other: Describe	
Other: Describe	
Total Gross Square Footage	66,816

Type of Occupancy *indicate number of units)*

Families	
General Occupancy	64
Elderly (See Guide, Section 3.2.2)	0
Special Needs or Alternative Housing	
Total Residential Units	**64**

Revise UFAS units to equal minimum number of required UFAS Units

Commercial Unit(s)

Housing for Targeted Populations at or below 30% AMI (See Guide, Section 4.4.2)

	Units	Targeted Population	Units	Targeted Population
Target Population(s): *(choose population and enter number of units)*				
Target Population(s): *(choose population and enter number of units)*				

Total Housing Units for Targeted Populations at or below 30% AMI * **0**

Units with Project Based Rental Subsidy (i.e., Section 8, 236, etc.) * 0

** (Enter specific subsidy information in the Rental Subsidy column in the Project Income tab)*

Occupancy Restrictions of Project *(Indicate number of units)*

Units to be occupied by households with income 20% or less of the area median	-
Units to be occupied by households with income 21-30% of the area median	-
Units to be occupied by households with income at 31-40% of the area median	-
Units to be occupied by households with income at 41-50% of the area median	-
Units to be occupied by households with income at 51-60% of the area median	64
Units to be occupied by households with income at 61-70% of the area median	-
Units to be occupied by households with income at 71-80% of the area median	-
Units to be occupied by households with no income restrictions	-
Staff Residential Unit(s) *	-
Total Units	**64**

** (Enter in Project Income tab as Market Rate Units or Non-Income Producing Units)*

Long Term Use Restrictions and Homeownership Opportunities (See Guide, Section 3.2.3)

Is this a structured Year-15 transition to homeownership program? *(choose)* No

ANTICIPATED DEVELOPMENT SCHEDULE (See Guide, Section 3.11)

Activity	*Enter: (MM//DD/YY)*
Site Control	
Does the sponsor have site control?	
Type of site control?	Purchase Contra
Date site control expires *(each site)*	3/6/2026
Date site will be acquired by the ownership entity	
Zoning Status	
Current Zoning Classification	
Describe Current Classification	
Zoning change, variance or waiver required? *(choose)*	No
Date application for zoning change, variance or waiver filed	
Date of final hearing on zoning change, variance or waiver	
Date of final approval of zoning change, variance or waiver	
Date of local planning approval	08/01/26
Date financing applications filed with other lenders *(public and private)*	05/01/26
Date firm commitments received from other lenders *(public and private)*	08/01/26
Date final plans and specifications completed	07/15/26
Date 10% of project costs incurred *(No later than 12 months from carryover allocation.)*	03/15/27
Date evidence will be provided that 10% of project costs have been incurred	04/15/27
Date of construction loan closing	12/01/26
Date construction or rehabilitation begins	**12/01/26**
Date 50% of construction or rehabilitation completed	07/01/27
Date of substantial completion of construction or rehabilitation	**03/01/28**
Date first certificate of occupancy received	03/01/28
Date final certificate of occupancy received	04/01/28
Date sustaining occupancy achieved	08/30/28
Date of permanent loan closing	**08/01/28**

Yes | No | Identity of interest between the seller and sponsor/applicant?

2 | Contract extension period (in days) | No. of extensions

The total Construction Period will be **15** ***months***

Construction Loan Period **24** ***months***

DEVELOPMENT TEAM INFORMATION

Port Street

Date: 5/30/2025

DEVELOPMENT TEAM MEMBERS

Developer	Osprey Property Company II LLC		
Enter Complete Mailing Address	16 Greenmeadow Drive, Suite G107, Timonium, Maryland 21093		
Contact	Brian Lopez	Phone	(410) 935-8489
Title	President	E-mail	blopez@ospreypc.com
D&B Duns Number			
Developer			
Enter Complete Mailing Address			
Contact		Phone	
Title		E-mail	
D&B Duns Number			
Guarantor	Osprey Property Company II LLC		
Enter Complete Mailing Address	16 Greenmeadow Drive, Suite G107, Timonium, Maryland 21093		
Contact	Brian Lopez	Phone	(410) 935-8489
Title	President	E-mail	blopez@ospreypc.com
D&B Duns Number			
Guarantor			
Enter Complete Mailing Address			
Contact		Phone	
Title		E-mail	
D&B Duns Number			
General Contractor	TBD	Related Entity?	**No**
Enter Complete Mailing Address			
Contact		Phone	
Title		E-mail	
D&B Duns Number			
Management Agent	TBD	Related Entity?	**No**
Enter Complete Mailing Address			
Contact		Phone	
Title		E-mail	
D&B Duns Number			
Consultant		Related Entity?	**No**
Enter Complete Mailing Address			
Contact		Phone	
Title		E-mail	
D&B Duns Number			
Architect	Studio K Architecture, LLC	Related Entity?	**No**
Enter Complete Mailing Address	7809 Jaki Terrace Court, Glen Burnie, Maryland 21060		
Contact	Chip Keener	Phone	301-938-5195
Title	Principal	E-mail	ckeener@studiokarch.net
D&B Duns Number			
Nonprofit Participant		Related Entity?	**No**
Enter Complete Mailing Address			
Contact		Phone	
Title		E-mail	
D&B Duns Number			
MBE/WBE Participant		Related Entity?	**No**
Enter Complete Mailing Address			
Contact		Phone	
Title		E-mail	
D&B Duns Number			
Real Estate Attorney	Rosen, Hoover, Sykes, Brown P.A.	Related Entity?	**No**
Enter Complete Mailing Address	300 Redland Court, Suite 203		
Contact	Dan Sykes	Phone	410-539-6606
Title	Partner	E-mail	dsykes@rhsblaw.com
D&B Duns Number			
Tax Attorney		Related Entity?	
Enter Complete Mailing Address			
Contact		Phone	
Title		E-mail	
D&B Duns Number			

LENDING AND INVESTMENT PARTNERS

Private/Public Lender	TBD		
Enter Complete Mailing Address			
Contact		Phone	
Title		E-mail	
D&B Duns Number			

Private/Public Lender
Enter Complete Mailing Address
Contact — Phone
Title — E-mail
D&B Duns Number

Private/Public Lender
Enter Complete Mailing Address
Contact — Phone
Title — E-mail
D&B Duns Number

LIHTC Equity Provider TBD
Enter Complete Mailing Address
Contact — Phone
Title — E-mail
D&B Duns Number

Federal Historic Equity Provider
Enter Complete Mailing Address
Contact — Phone
Title — E-mail
D&B Duns Number

State Historic Equity Provider
Enter Complete Mailing Address
Contact — Phone
Title — E-mail
D&B Duns Number

DEVELOPMENT TEAM HISTORY

Are there direct or indirect identity of interests, financial or otherwise, among any members of the development team? If yes, explain.	**No**
Has any development team member* participated as owner or manager in the development or operation of a project that has defaulted on a Department or other government or private sector loan in the previous five years? If yes, explain. Please list the names and dates of projects in question.	**No**
Has any development team member* consistently failed to provide documentation required by the Department in connection with other loan applications or the management and operation of other, existing developments? If yes, explain.	**No**
Does any development team member* have a limited denial of participation from HUD or is any development team member* debarred, suspended or voluntarily excluded from participation in any federal or state program, or have been involuntarily removed within the previous 5 years as a general partner or managing member from any affordable housing project whether or not financed or subsidized by the programs of this Department? If yes, explain.	**No**
Does any development team member* acting in the roles of sponsor, developer, guarantor or owner have any chronic past due accounts, substantial liens or judgments, three or more instances of unpaid taxes (even if cured prior to the application date), foreclosures or bankruptcies, or deeds in lieu of foreclosure within the past five years? If yes, explain.	**No**
Has any development team member* acting in the roles of sponsor, developer, guarantor or owner been involved with any project placed on the Department's defaulted loans watch list due to actions that are attributable to the sponsor or development team? If yes, explain.	**No**
Has any development team member* received a reservation, allocation or commitment of funding or a carryover allocation of tax credits from the Department within the last four years that it was unable to use, or place their project in service within the time allowed by the tax credit program? If yes, explain.	**No**
Does any development team member* have unpaid fees, loan arrearages or other obligations due to the Department on other projects, or for general partners or management agents, have tax credit compliance problems resulting in the issuance of an IRS Form 8823 and that are still outstanding in the following year? If yes, explain.	**No**

** Refer to the Multifamily Rental Financing Program Guide for a definition of development team members.*

PROJECT INCOME

#REF!

Date: 5/30/25

RESIDENTIAL RENTAL INCOME

Low-Income Units

Median Income	*Unit Description*		*Number of Units*	*Unit Size* (Net leasable Sq. Ft.)	*Tenant Utilities**	*"Resident Paid" Rent*	*Rent Subsidy*	*Rent Subsidy Source*	*Income Per Unit*	*Monthly Income*	*Annual Income*
	Bedrooms	*Baths*									
60%	**1**	**1**	**11**	**694**	**100**	**1,125**			**$ 1,125**	**$ 12,375**	**$ 148,500**
60%	**1**	**1**	**5**	**710**	**100**	**1,125**			**1,125**	**5,625**	**67,500**
60%	**1**	**1**	**4**	**694**	**100**	**1,125**			**1,125**	**4,500**	**54,000**
60%	**1**	**1**	**1**	**742**	**100**	**1,125**			**1,125**	**1,125**	**13,500**
60%	**1**	**1**	**3**	**758**	**100**	**1,125**			**1,125**	**3,375**	**40,500**
60%	**1**	**1**	**2**	**742**	**100**	**1,125**			**1,125**	**2,250**	**27,000**
60%	**1**	**1**	**1**	**793**	**100**	**1,125**			**1,125**	**1,125**	**13,500**
60%	**1**	**1**	**1**	**788**	**100**	**1,125**			**1,125**	**1,125**	**13,500**
60%	**1**	**1**	**1**	**793**	**100**	**1,125**			**1,125**	**1,125**	**13,500**
60%	**1**	**1**	**2**	**718**	**100**	**1,125**			**1,125**	**2,250**	**27,000**
60%	**1**	**1**	**3**	**661**	**100**	**1,125**			**1,125**	**3,375**	**40,500**
60%	**2**	**2**	**2**	**955**	**115**	**1,350**			**1,350**	**2,700**	**32,400**
60%	**2**	**2**	**1**	**955**	**115**	**1,350**			**1,350**	**1,350**	**16,200**
60%	**2**	**2**	**4**	**970**	**115**	**1,350**			**1,350**	**5,400**	**64,800**
60%	**2**	**2**	**1**	**992**	**115**	**1,350**			**1,350**	**1,350**	**16,200**
60%	**2**	**2**	**2**	**1,006**	**115**	**1,350**			**1,350**	**2,700**	**32,400**
60%	**2**	**2**	**9**	**955**	**115**	**1,350**			**1,350**	**12,150**	**145,800**
60%	**2**	**2**	**2**	**1,030**	**115**	**1,350**			1,350	2,700	32,400
60%	**2**	**2**	**3**	**1,222**	**115**	**1,350**			1,350	4,050	48,600
60%	**2**	**2**	**6**	**909**	**115**	**1,350**			1,350	8,100	97,200
	Total LIHTC		**64**	**53,777**						**$ 78,750**	**$ 945,000**
	Vacancy Allowance *(Total Annual Income x Vacancy Rate)*					**5.00%**					$ (47,250)
	Effective Gross Income/Low Income Units *(Total Annual Income - Vacancy Allowance)*										**$ 897,750**

Market Rate Units

Unit Description		*Number of Units*	*Unit Size (Net Leasable Sq. Ft.)*	*Resident Paid Rent*	*Monthly Income*	*Annual Income*
Bedrooms	*Baths*					
					$	$
Total Market Rate		**0**	**0**		**$**	**$**

Vacancy Allowance *(Total Annual Income x Vacancy Rate)* $

Effective Gross Income/Market Rate Units $ *(Total Annual Income - Vacancy Allowance)*

* **Tenant Paid Utilities** *(mark all utilities to be paid by tenants)*

Yes	Household Electric	Electric	Yes	Cooking	Electric
Yes	Air Conditioning	Electric	Yes	Heat:	Eletric
Yes	Hot Water	Electric		Other:	

NONRESIDENTIAL INCOME

	Description of Type and Size	*Square footage*	*Monthly Income*	*Annual Income*
Misc. Income	Laundry / Vending		1,600	$ 19,200
Misc. Income	Describe			
Other:	Describe			
Other:	Describe			
Commercial Income	Describe			
Total Nonresidential		**0**	**$ 1,600**	**$ 19,200**
Vacancy Allowance - Nonresidential (Total Annual Income x Vacancy Rate)		**5.00%**		(960)
Vacancy Allowance - Commercial Income (Total Annual Income x Vacancy Rate)		**0.00%**		
Effective Gross Income/Nonresidential Space *(Total Annual Income - Vacancy Allowance)*				**$ 18,240**
Effective Gross Income *(sum Low Income, Market Rate, Nonresidential totals)*				**$ 915,990**

NON-INCOME PRODUCING UNITS *(including management units, tenant services units, recreation, etc.)*

Description of Type and Size	*Number of Units*	*Square Footage*
Describe		
Describe		
Describe		
Describe		
Describe		
Total Non-income	**0**	**-**

PROJECT EXPENSES

#REF!

Date: 5/30/25

ADMINISTRATIVE EXPENSES

Advertising and Marketing		$ 2,500
Other Administrative Expense	Bond Fees	-
Office Salaries		50,000
Office Supplies		7,500
Office or Model Apartment Rent		-
Management Fee (Effective Gross Income x Annual Rate of ***5.00%***)		45,800
Manager or Superintendent Rent Free Unit		-
Legal Expenses *(project only)*		3,000
Auditing Expenses *(project only)*		15,000
Bookkeeping Fees and Accounting Services		600
Telephone and Answering Services		4,200
Bad Debts		5,000
Miscellaneous Administrative Expenses	Resident Events	3,000
Annual Tax Credit Compliance Monitoring Fee ($35.00 per tax credit unit)	**2,240**	2,240
Total Administrative Expenses		**$ 138,840**

UTILITY EXPENSES *(paid by owner)*

Fuel Oil	$ -
Electricity	18,000
Gas	-
Water	15,000
Sewer	15,000
Total Utility Expenses	**$ 48,000**

OPERATING AND MAINTENANCE EXPENSES

Janitor and Cleaning Payroll		$ -
Janitor and Cleaning Supplies		900
Janitor and Cleaning Contract		18,000
Exterminating Payroll or Contract		3,000
Exterminating Supplies		-
Garbage and Trash Removal		9,000
Security Payroll or Contract		-
Grounds Payroll		-
Grounds Supplies		-
Grounds Contract		12,000
Repairs Payroll		45,000
Repairs Material		6,000
Repairs Contract		7,500
Elevator Maintenance or Contract		4,500
Heating and Air Conditioning Maintenance or Contract		3,000
Swimming Pool Maintenance or Contract		-
Snow Removal		1,500
Decorating Payroll or Contract		6,000
Decorating Supplies		1,200
Other Operating and Maintenance Expenses	Describe	-
Miscellaneous Operating and Maintenance Expenses		50,000
Total Operating and Maintenance Expenses		**$ 167,600**

TAXES AND INSURANCE

Real Estate Taxes					$ 50,000
Payment in Lieu of Real Estate Taxes	*Total:* $ -	*Years:*	10	*Annual:*	-
Payroll Taxes (FICA)					14,250
Miscellaneous Taxes, Licenses and Permits					-
Property and Liability Insurance *(hazard)*					38,400
Fidelity Bond Insurance					-
Workmen's Compensation					-
Health Insurance and Other Employee Benefits					14,250
Other Insurance	Describe				-
Total Taxes and Insurance					**$ 116,900**

Reserve for Replacement	**$300**	**Per unit**	$ 19,200
	$1,600	**Per month**	
Total Operating Expenses			**$ 490,540**
Net Operating Income *(Effective Gross Income - Total Operating Expenses)*			**$ 425,451**

Per Unit Operating Expenses less Reserve for Replacement	**$ 7,365**

SOURCES OF FUNDS

#REF!

Date: 5/30/2025

DEBT

Debt Service Financing

Type of Funds	*Source of Funds*	*Lien Position **	*Required Debt Coverage*	*Annual Payment*	*Interest Rate*	*Amortization Term*	*Loan Term*	*Loan Amount*
Taxable Bonds		_						
Tax-exempt Bonds (Long Term Only)	Risk Sharing	1	1.15	357,252	6.170%	40	40	$ 5,135,000
Private Loan		_		12,838	0.250%			
FHA MIP								
Rental Housing Program Funds *(Must pay debt)*	Maryland DHCD	_						
HOME *(Must pay debt)*	Maryland DHCD	_						
HOME *(non-DHCD)* *(Must pay debt)*	Enter Entity Name	_						
Other: Describe	Enter Entity Name							
Other: Describe	Enter Entity Name							
Credit Enhancement Describe								
Total Debt Service Financing				**$ 370,090**				**$ 5,135,000**

1st Mortgage	
Rate	6.420%
Amortization	40
Proposed 1st Mortgage	5,135,000
Annual Payment	357,252
MIP *(if Applicable)*	
Rate	0.25%
Amount	5,135,000
MIP Payment	12,838
Total Payment	**370,090**
NOI	425,451
DSCR	1.15

Anticipated Short-Term Tax-Exempt Loan, if any: **$ 6,350,000**

Total Tax-Exempt Loan: $ 11,485,000

Cash Flow Financing and Grants

Type of Funds	*Source of Funds*	*Lien Position **	*Percent of Cash Flow (Choose One)*	*Annual Payment*	*Interest Rate*	*Amortization Term*	*Term*	*Loan Amount*
Rental Housing Program Funds	Maryland DHCD	2	**Surplus Cash Model**	0	2.0%	40	40	
Rental Housing Works	Maryland DHCD	2		116,285	2.0%	40	40	$ 3,200,000
Housing Trust Funds	Maryland DHCD	2		0	2.0%	40	40	
HOME Funds	Maryland DHCD	2		0	2.0%	40	40	
Multifamily Capital Fund	Maryland DHCD	2		0	2.0%	40	40	
HOME ARP	Maryland DHCD	2		0	2.0%	40	40	
Partnership Rental Housing Program Funds	Maryland DHCD	2						
Weinberg	Maryland DHCD	3						
HOME *(non-DHCD)*	Enter Entity Name	_				1		
Seller Note	Enter Entity Name	_				1		
Other: CDBG	CDBG	3		0	2.0%	40	40	800,000
Other: St. Mark's Gap Funding	Enter Entity Name	_		0	0.0%	40	40	4,500,000
Other: Describe	Enter Entity Name	_				1		
Other: Describe	Enter Entity Name	_				1		
Other: Describe	Enter Entity Name	_				1		
Other: Describe	Enter Entity Name	4			0.0%	0	0	
Total Cash Flow Financing				**$ 116,285**				**$ 8,500,000**
Total Debt *(Debt Service + Cash Flow Financing)*				**$ 486,375**				**$ 13,635,000**

EQUITY

Type of Equity	*Source of Equity*		*Amount*	
Federal Historic Tax Credit Proceeds *(from Tax Credit section)*	0		-	**0**
State Historic Tax Credit Proceeds *(from Tax Credit section)*	0		-	**0**
Low Income Housing Tax Credit Proceeds *(from Tax Credit section)*	TBD		8,891,639	**8,891,639**
Deferred Developer Fee		**36%**	875,993	
Developer Equity *(not from syndication proceeds)*				
Interim Income *(occupied rehabilitation projects)*		***Provide a construction period income and expense budget***		
Other: 45L Energy Credits				
Other: Neg Arb LOC Return	Truist		-	
Other: Describe				
Other: Describe				
Other: Describe				
Total Equity			**$ 9,767,632**	
Total Sources of Funds *(Total Debt + Equity)*			**$ 23,402,632**	
		Uses	**23,402,632**	23,402,632
		Surplus / (Gap)	**0**	

USES OF FUNDS

#REF!

Date: 5/30/2025

TOTAL DEVELOPMENT COSTS

Construction or Rehabilitation Costs

	Type of Uses	*Percentage*	*Total Budgeted Cost*	*Acquisition Basis**	*Construction Basis**	*Not in Basis**
01	Net Construction Costs		$ 12,068,859		$ 11,761,299	$ 307,560
02	General Requirements	5.14%	$ 620,000		$ 620,000	
03	Builder's Profit	7.32%	$ 883,039		$ 883,039	
04	Builder's General Overhead **14%**	1.95%	$ 235,477		$ 235,477	
05	Bond Premium		$ 105,965		$ 105,965	
05a	Other: Describe		$ -		$ -	
05b	Other: Describe		$ 16,500		$ 16,500	
06	Total Construction Contract		$ 13,929,840	$	$ 13,622,280	$ 307,560
07	Construction Contingency	5.00%	$ 696,492		$ 696,492	
08	**Total Construction Costs**		**$ 14,626,332**	**$**	**$ 14,318,772**	**$ 307,560**

Fees Related to Construction or Rehabilitation

	Type of Uses	*Percentage*	*Total Budgeted Cost*	*Acquisition Basis**	*Construction Basis**	*Not in Basis**
9	Architect's Design Fee	2.43%	$ 338,125	$ -	$ 338,125	$ -
10	Architect's Supervision Fee	0.70%	$ 97,640	$ -	$ 97,640	-
11	Architect Reimbursable Additional Design	0.14%	$ 20,000	$ -	$ 20,000	-
12	Real Estate Attorney		$ 100,000	$ -	$ 100,000	-
13	Civil Engineering Fee	0.84%	$ 101,750	$ -	$ 101,750	-
14	Marketing		$ 64,000	$ -	$ -	64,000
14a	Other: Describe		$ -	$ -	$ -	-
15	Surveys		$ 10,625	$ -	$ 10,625	-
16	Soil Borings		$ 20,000	$ -	$ 20,000	-
17	Appraisal		$ 15,000	$ -	$ 15,000	-
18	Market Study		$ 10,000	$ -	$ 10,000	-
19	Environmental Report		$ 39,225	$ -	$ 39,225	-
19a	Environmental Consultant		$ -	$ -	$ -	
20	Building Permits and Fees		$ 624,302	$ -	$ 624,302	-
21	Tap Fees		$ 451,200	$ -	$ 451,200	-
22	FF&E		$ 150,000	$ -	$ 150,000	-
23	Accessibility Consultant		$ 15,000	$ -	$ 15,000	-
22a	Other: Green Certifications/Energy Consultant		$ 75,000	$ -	$ 75,000	-
23b	Other: Cost Certification		$ 18,000	$ -	$ 18,000	-
23c	Other: Soils Testing During Construction		$ 50,000	$ -	$ 50,000	-
23d	Other: Impact Fees		$ 616,336	$ -	$ 616,336	-
23e	Other: Utility Fees		$ 100,000	$ -	$ 100,000	-
23f	Other: Traffic Study		$ 11,200	$ -	$ 11,200	-
23g	Other: Describe		$ -	$ -	$ -	-
24	**Total Fees**		**$ 2,927,403**	**$**	**$ 2,863,403**	**$ 64,000**

Financing Fees and Charges

	Type of Uses	*Total Budgeted Cost*	*Acquisition Basis**	*Construction Basis**	*Not in Basis**
25	Construction Interest	$ 500,000	$ -	$ 450,000	$ 50,000
25a	Negative Arbitrage	$ -	$ -	$ -	
26	Real Estate Taxes	$ 30,000	$ -	$ 30,000	
27	Insurance Premium	$ 120,000	$ -	$ 120,000	
28	Mortgage Insurance Premium	$ -	$ -	$ -	
29	Title and Recording	$ 125,000	$ -	$ 100,000	25,000
30	Financing (soft cost) Contingency ***2.5% maximum =*** 108,174	$ 100,000	$ -	$ -	100,000
31	CDA Subordinate Loan Commitment Fees (RHP/RHW/HTF/HOME/PRHP/MCF/HOME-ARP)	$ 48,000	$ -	$ -	48,000
32	CDA Loan Servicing Fee	$ 7,500	$ -	$ -	7,500
32a	CDA Subsidy Layering Fee *1,000 If applicable*	$ 1,000	$ -	$ -	1,000
32b	Other: Describe	$ -	$ -	$ -	
33	CDA Bond Commitment Fee	$ 103,594	$ -	$ -	103,594
34	CDA Trustee Fees (long term loan only)	$ -	$ -	$ -	
35	CDA Trustee Fees (short term taxable/tax-exempt loan only)	$ -	$ -	$ -	
36	CDA/FHA Risk Sharing Fees	$ 51,500	$ -	$ -	51,500
37	CDA Closing Fee *($32K 1st loan + $6K per additional loan)*	$ 54,000	$ -	$ -	54,000
37a	Other: Construction Lenger Origination	$ 82,500	$ -	$ -	82,500
38	Other Lenders' Origination Fees (non-syndication only)	$ -	$ -	$ -	
39	Other Lenders' Legal Fees (non-syndication only)	$ -	$ -	$ -	
39a	Other: FHA Lender Legal	$ -	$ -	$ -	
39b	Other: FHA Commitment Fee	$ -	$ -	$ -	
39c	Other: FHA Inspection Fee	$ -	$ -	$ -	
39d	Other: FHA Lender Fee	$ -	$ -	$ -	
39e	Other: FHA Lender Due Diligence	$ -	$ -	$ -	
39f	Other: FHA Processing Fee	$ -	$ -	$ -	
40	Bond Issuance Costs	$ 201,450	$ -	$ -	201,450
40a	Other: Construction Lender Legal Fees	$ 25,000	$ -	$ -	25,000
40b	Other: Construction Lender 3rd Parties	$ 50,000	$ -	$ 50,000	
41	**Total Financing Fees and Charges**	**$ 1,499,544**	**$**	**$ 750,000**	**$ 749,544**

** Complete for Tax Credit Applications Only*

Acquisition Costs

	Type of Uses	*Total Budgeted Cost*	*Acquisition Basis**	*Construction Basis**	*Not in Basis**
42	Building Acquisition	$ -	$ -		$
43	Land Acquisition *If a rehabilitation project, describe land acquisition cost*	$ 1,280,000			1,280,000
44	Special Assessment	$ -	$ -		
45	Carrying Charges	$ -	$ -		
46	Relocation Costs	$ -	$ -		
47	Off-Site Improvements	$ -	$ -		
47a	Other: Extension Fees	$ -	$ -		
47b	Other: Improvements	$ -	$ -		
48	**Total Acquisition Costs**	**$ 1,280,000**	**$**	**$**	**$ 1,280,000**
49	**Total Development Costs (TDC)**	**$ 20,333,278**	**$**	**$ 17,932,175**	**$ 2,401,103**

OTHER USES OF FUNDS

Developer's Fee

	Type of Uses	Total Budgeted Cost	Acquisition Basis*	Construction Basis*	Not in Basis*
50	Fee on Non-Acquisition Costs *(calculated below)*	$ 2,325,679		2,325,679	$
51	Fee on Acquisition Costs *(calculated below)*	$ 128,000	128,000		
52	**Total Developer's Fee**	**$ 2,453,679**	**$ 128,000**	**$ 2,325,679**	**$**

Syndication Related Costs

	Type of Uses	Total Budgeted Cost	Acquisition Basis*	Construction Basis*	Not in Basis*
53	Syndication Fee	$ 50,000	$ -	$ -	$ 50,000
54	Legal *(syndication only)*	$ -	$ -	$ -	
55	Bridge Loan Fees	$ -	$ -	$ -	
56	Bridge Loan Interest	$ 30,000	$ -	$ -	30,000
57	Organizational Costs	$ 5,000	$ -	$ -	5,000
58	Tax Credit Application Fee	2,500	$ -	$ -	2,500
59	Tax Credit Allocation Fee 52,926	$ 52,926	$ -	$ -	52,926
60	Tax Credit Reservation Fee *Include Carryover fee if applicable*	$ 10,000	$ -	$ -	10,000
61	Accounting and Auditing Fee	$ 35,000	$ -	$ -	35,000
61a	Other: Describe	$ -	$ -	$ -	
61b	Other: LC Fee	$ -	$ -	$ -	
62	**Total Syndication Related Costs**	**$ 185,426**	**$**	**$**	**$ 185,426**

Guarantees and Reserves *(funded amounts only)*

	Type of Uses	Total Budgeted Cost	Acquisition Basis*	Construction Basis*	Not in Basis*
63	Construction Guarantee	$ -			$
64	Operating Reserve 6 mos. = 430,315	$ 430,248			430,248
65	Rent-up Reserve	$ -			
66	Supportive Services Reserve	$ -			
67	Developer Fee Funded Supportive Services / Rent Subsidy / Sponsor Note Reserve	$ -	$ -	$ -	
67a	Other Reserve: Working Capital	$ -			
67b	Other: Describe	$ -			
68	**Total Guarantees and Reserves**	**$ 430,248**	**$**	**$**	**$ 430,248**
69	**Total Uses of Funds**	**$ 23,402,632**	**$ 128,000**	**$ 20,257,854**	**$ 3,016,778**

** Complete for Tax Credit Applications Only*

MAXIMUM DEVELOPER'S FEE

Fee on Non-acquisition Costs	Fee on Costs Over $10 Million	Fee on Costs $10 Million or Less		
Total Development Costs *(from line **49** above)*	$ 20,333,278			
Less Acquisition Costs *(from line **48** above)*	(1,280,000)			
Less Construction Contingency (*from line 08 above*)	(696,492)			
Less Financing (Soft Cost) Contingency (*from line 29 above*)	(100,000)			
Non-acquisition Costs	18,256,786			
Lesser of $10,000,000 or Non-acquisition Costs *(enter on both lines)*	10,000,000	10,000,000		
Non-acquisition Fee Basis	8,256,786	10,000,000		
Fee Percentage	10%	15%		
Fee on Non-acquisition Costs	$ 825,679	$ 1,500,000	Total =	**$ 2,325,679**

Fee on Acquisition Costs				
Acquisition Costs *(from line 45 above)*	$ 1,280,000			
Lesser of $10,000,000 or Acquisition Costs *(enter on both lines)*	1,280,000	1,280,000		
Acquisition Fee Basis		1,280,000		
Fee Percentage	5%	10%		
Fee on Acquisition Costs	$	$ 128,000	Total =	**$ 128,000**

Total Developer's Fee *(Fee on Non-acquisition Costs + Fee on Acquisition Cost)* **$ 2,453,679**

See Guide, Section 3.9.8.3 for Limitations on Developer's Fees

MAXIMUM DEVELOPER FEE FUNDED SUPPORTIVE SERVICES /RENT SUBSIDY/SPONSOR NOTE RESERVE

Fee calculated only if General Tab "Developer Fee Funded Services / Rent Subsidy / Reserve" question is answered Yes

Fee on Non-acquisition Costs	Fee on Costs Over $10 Million	Fee on Costs $10 Million or Less		
Total Development Costs *(from line **49** above)*	$ 20,333,278			
Less Acquisition Costs *(from line **48** above)*	(1,280,000)			
Less Construction Contingency (*from line 08 above*)	(696,492)			
Less Financing (Soft Cost) Contingency (*from line 29 above*)	(100,000)			
Non-acquisition Costs	18,256,786			
Lesser of $10,000,000 or Non-acquisition Costs *(enter on both lines)*	10,000,000	10,000,000		
Non-acquisition Fee Basis	8,256,786	10,000,000		
Fee Percentage (5% maximum)	5%	5%		
Fee on Non-acquisition Costs	$	$	Total =	$

Fee on Acquisition Costs				
Acquisition Costs *(from line 45 above)*	$ 1,280,000			
Lesser of $10,000,000 or Acquisition Costs *(enter on both lines)*	1,280,000	1,280,000		
Acquisition Fee Basis		1,280,000		
Fee Percentage *(5% maximum)*	5%	5%		
Fee on Acquisition Costs	$	$	Total =	$

Total Developer's Fee Attributed to Supportive Services Reserve **$**

LOW-INCOME HOUSING TAX CREDIT

Complete This Section Only If Applying For Low Income Housing Tax Credits

Date: 5/30/25 **#REF!**

Type of Low Income Housing Tax Credit Requested *(mark all that apply)*

X	New Construction
	Acquisition *(must include substantial rehabilitation as defined in Tax Credit Regulations)*
	Substantial Rehabilitation *(as defined in Tax Credit Regulations--Department's standard is different)*

EXISTING BUILDING INFORMATION

Location and Placed-in-Service Information

Building Address	*Building Identification Number (BIN) (If Applicable)*	*Control Document*	*Date Control Document Expires*	*Number of Units*	*Purchase Price*		*Date Last Placed in Service (PIS)*	*Sponsor's Purchase Date*	*Years Between PIS & Purchase Date*
Total				**0**	**$ -**				

Ten Year Rule Exemption: Does the building qualify for an exemption to the 10 Year Rule as provided in HR 3221?* *(choose)*

** If yes, application must include written explanation and legal opinion.*

Substantial Rehabilitation Determination *(for Tax Credit eligibility -- Department's standard is different)*

Total rehabilitation related costs equal:

Total rehabilitation related costs must exceed the greater of the following tests *(choose one option)*

	Costs are at least $7,900* per unit:	Total Units:		x $6,000	$ -
	Costs are at least 20% of the project's adjusted basis:	Basis:		x 20% =	$ -

** Adjusted annually for inflation.*

ELECTIONS

Minimum Set-aside Election *(choose one option)*

	20% of the units will be occupied by households with income below 50% of the area median
X	40% of the units will be occupied by households with income below 60% of the area median
	Income Averaging Set-Aside

Rent Floor Election

The rent floor for the project will be established as of *(choose one option)*

X	Date of allocation
	Date the project is placed in service

SYNDICATION INFORMATION

Name of Syndicator TBD

Contact: 0 Phone: -

Type of Offering *(choose)*

	Public
X	Private

Type of Investors *(mark one box only)*

	Individuals
	Fund
X	Corporation

Schedule for Funds to be Paid

Percent Paid	*Amount Paid*	*Date Paid*
0.00%	$ -	1/0/00
0.00%	$ -	1/0/00
0.00%	$ -	1/0/00
0.00%	$ -	1/0/00
0.00%	$ -	1/0/00
0.00%	$ -	1/0/00

CALCULATION OF TAX CREDIT AMOUNT

Maximum Low-Income Housing Tax Credit Based on Eligible Costs

Description	***Acquisition Basis***	***Construction Basis***
Total Uses of Funds *(from Uses of Funds worksheet)*	$ 128,000	$ 20,257,854
Less: Federal Grants Financing Qualifying Costs *(list below)*		-
Less: Other Non-qualifying Financing		
Less: Value of Commercial Space		
Less: Non-qualifying Units of Higher Quality		
Less: Federal Historic Tax Credit		-
Less: State Historic Tax Credit		-
Adjusted Project Costs	$ 128,000	$ 20,257,854
Adjustment for Federal QCT/DDA or State Basis Boost *(130% maximum)*		130%
CENSUS TRACT/DDA #		
Eligible Basis	$ 128,000	$ 26,335,210
Applicable Fraction *(calculate below)*	100%	100%
Qualified Basis	$ 128,000	$ 26,335,210
Applicable Percentage *(enter correct percentage per IRS rules)*	4%	4%
Low Income Housing Tax Credit Eligible	**$ 5,120**	**$ 1,053,408**

20,385,854	Basis	
1,280,000	Land	
21,665,854		
53%		
$ 11,485,000	**T-E Loan Required for 50% Test**	

1,058,528

Estimated Low-Income Housing Tax Credit Syndication Proceeds

Description		***Amount***
Combined Low Income Housing Tax Credit Eligible	*Use calculated formula -or- enter credit amount less than $1.5M ---->>*	$ 1,058,528
Tax Credit Period *(10 years)*		x 10
Total Tax Credit Received Over Period		$ 10,585,284
Raise Ratio from Syndicator's Proposal		0.8400
Gross Proceeds from Low Income Housing Tax Credit		$ 8,891,639
Less: Gross Proceeds from Federal Historic Tax Credit *(calculate below)*		0
Less: Gross Proceeds from State Historic Tax Credit *(calculate below)*		0
Total Equity from Syndication Proceeds		**$ 8,891,639**

=IF((J86=9%),MIN(SUM(I87:J87),1500000),(I87+J87))

$ 0.8400	*Calculated Raise Ratio*
8,891,639	*Enter "LIHTC Proceeds" amount from the 202's Sources tab*

8,891,639

Maximum Low-Income Housing Tax Credit Based on Proceeds Needed

Description	***Amount***
Proceeds Needed ***(enter lesser of Total Equity from Syndication Proceeds or Financing Gap)***	8,891,639
Less: Gross Proceeds from Federal Historic Tax Credit *(calculate below)*	0
Less: Gross Proceeds from State Historic Tax Credit *(calculate below)*	0
Low Income Housing Tax Credit Syndication Proceeds *(to Sources of Funds worksheet)*	$ 8,891,639
Raise Ratio from Syndicator's Proposal	0.840
Total Tax Credit Received Over Period	$ 10,585,284
Tax Credit Period *(10 years)*	÷ 10
Maximum Low-Income Housing Tax Credit	**$ 1,058,528**

Sources of Federal Financing

Show all direct and indirect federal funds financing qualified costs below

	Amount	*Amount Deducted from Eligible Basis*
Rural Housing and Community Development Service		
Community Development Block Grant		
Rental Rehabilitation Program		
Urban Development Assistance Grant		
Housing Development Assistance Grant		
HOME Investment Program		
Other Describe		
Total Federal Funds	**$**	**$**

Applicable Fraction

The applicable fraction is the lesser of the following formulas *(complete the Unit Percentage information **AND** the Square Footage Percentage information)*

Unit Percentage		**Square Footage Percentage**	
64	Low Income Units	53,777	Low Income Sq. Ft.
64	Total Units	53,777	Total Residential Units Sq. Ft.
100.00%	**Unit Percentage**	**100.00%**	**Sq. Ft. Percentage**

Gross Proceeds from Historic Tax Credits	**Federal HTC**	**State HTC**	**Total HTC**
Historic Tax Credit			$ -
Raise Ratio from Syndicator's Proposal			
Gross Proceeds from Historic Tax Credit *(to Sources of Funds worksheet)*	**$**	**$**	**$**

PROJECT SUMMARY INFORMATION

Date:

GENERAL INFORMATION

Project Information

Project Name	Port Street		
Address	Port Street		
City	Easton	County:	Talbot County
Sponsor	Osprey Property Company II LLC		

Funding Applied For

Low Income Housing Tax Credit	$ 1,058,528
Multifamily Bonds (taxable)	-
Multifamily Bonds (long term tax-exempt)	5,135,000
Multifamily Bonds (short term tax-exempt)	6,350,000
DHCD Subordinate Financing	-
Rental Housing Program Funds	-
Rental Housing Works	3,200,000
Multifamily Capital Fund	-
HOME ARP	-
Partnership Rental Housing Program Funds	-
Weinberg	-
Other:	-

Occupancy Restrictions

Units 20% or less of AMI	
Units at 21-30% of AMI	
Units at 31-40% of AMI	
Units at 41-50% of AMI	
Units at 51-60% of AMI	
Units at 61-70% of AMI	
Units at 71-80% of AMI	
Units at market rates	
Staff Unit(s)	
Total Units	

PROJECT INCOME (*Effective Gross Income*)

Source of Income	*Total Units*	*Annual Gross Potential Income*	*Years Until Sustaining Occupancy*	*Annual Trending*
Low Income Units	64	$ 945,000		2.00%
Market Rate Units		-		2.00%
Nonresidential		19,200		2.00%
Commercial Income		-		2.00%
Total Gross Potential Income		**$ 964,200**		
Vacancy Allowance				
Trended Effective Gross Income				

PROJECT EXPENSES

Expense Categories	*Annual Expense*	*Years Until Sustaining Occupancy*	*Annual Trending*
Administrative	$ 93,040		3.00%
Management Fee *(Effective Gross Income x percentage)*	45,800		
Utilities	48,000		3.00%
Operating and Maintenance	167,600		3.00%
Taxes and Insurance	116,900		3.00%
Reserve for Replacement	19,200		
Total Project Expenses	**$ 490,540**		

Trended Net Operating Income *(Effective Gross Income - Project Expenses)*
Annual Debt Service Financing Payments
Annual Cash Flow Financing Payments
Remaining Cash Flow *(Net Operating Income - Financing Payments)*

SOURCES OF FUNDS

Debt Service Financing

Source of Funds	*Lender*	*Debt Coverage*	*Interest Rate*	*Amortization Term*	*Loan Term*	*Annual Payment*
Taxable Bonds		1.15				$
Tax-exempt Bonds (Long Term Only	Risk Sharing	1.15	6.17%	40	40	357,252
Private Loan		1.15	0.25%			12,838
FHA MIP						
Rental Housing Program Funds	Maryland DHCD	1.15				
HOME	Maryland DHCD	1.15				
HOME (non-DHCD)	Enter Entity Name	1.15				
Other:	Enter Entity Name	1.15				
Other:	Enter Entity Name	1.15				
Credit Enhancement						
Total Debt Service Financing						**$ 370,090**

Cash Flow Financing and Grants

Source of Funds	*Lender*		*Interest Rate*	*Loan Term*	*Annual Payment*
Rental Housing Program Funds	Maryland DHCD		2.00%	40	
Rental Housing Works	Maryland DHCD		2.00%	40	116,285
Housing Trust Funds	Maryland DHCD		2.00%	40	
HOME Funds	Maryland DHCD		2.00%	40	
Multifamily Capital Fund	Maryland DHCD		2.00%	40	
HOME ARP	Maryland DHCD		2.00%	40	
Partnership Rental Housing Program	Maryland DHCD				
Weinberg	Enter Entity Name				
HOME (non-DHCD)	Enter Entity Name				
Seller Note	Enter Entity Name				
Other:	CDBG		2.00%	40	
Other:	Enter Entity Name			40	
Other:	Enter Entity Name				
Other:	Enter Entity Name				
Other:	Enter Entity Name				
Other:	Enter Entity Name				
Total Cash Flow Financing					**$ 116,285**

Equity

Type of Equity	*Source of Equity*
Federal Historic Tax Credit Proceeds (from Tax Credit section)	
State Historic Tax Credit Proceeds (from Tax Credit section)	
Low Income Housing Tax Credit Proceeds (from Tax Credit section)	
Deferred Developer Fee	
Developer Equity (not from syndication proceeds)	
Interim Income (occupied rehabilitation projects)	
Other: 45L Energy Credits	
Other: Neg Arb LOC Return	
Other: Describe	
Other: Describe	
Other: Describe	

Total Equity

Total Sources of Funds *(must equal Total Uses of Funds)*

USES OF FUNDS

Type of Uses
Construction or Rehabilitation Costs
Fees Related to Construction or Rehabilitation
Financing Fees and Charges
Acquisition Costs
Total Development Costs
Developer's Fee
Syndication Related Costs
Guarantees and Reserves

Total Uses of Funds

#REF!

5/30/25

64
64

Trended Income	
$	963,900
	-
	19,584
	-
$	**983,484**
$	**(49,174)**
$	**934,310**

Trended Expense	
$	95,831.20
	46,715
	49,440
	172,628
	120,407
	19,200
$	**504,222**
$	**430,088**
$	**(370,090)**
$	**(116,285)**
$	**(56,287)**

Amount	
$	
	5,135,000
	-
	-
	-
	-
	-
	-
	-
$	**5,135,000**

Amount	
$	
	3,200,000
	-
	-
	-
	-
	-
	-
	-
	-
	800,000
	4,500,000
	-
	-
	-
	-
$	**8,500,000**

Amount	
$	
	-
	8,891,639
	875,993
	-
	-
	-
	-
	-
	-
	-
$	**9,767,632**
$	**23,402,632**

Amount	
$	14,626,332
	2,927,403
	1,499,544
	1,280,000
	20,333,278
	2,453,679
	185,426
	430,248
$	**23,402,632**

20-YEAR OPERATING PRO FORMA:

#REF!

Date: 5/30/2025

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Income										
Low-Income Units	$ 945,000	$ 963,900	$ 983,178	$ 1,002,842	$ 1,022,898	$ 1,043,356	$ 1,064,223	$ 1,085,508	$ 1,107,218	$ 1,129,362
Market Rate Units	-	-	-	-	-	-	-	-	-	-
Nonresidential	19,200	19,584	19,976	20,375	20,783	21,198	21,622	22,055	22,496	22,946
Commercial Income	-	-	-	-	-	-	-	-	-	-
Gross Project Income	$ 964,200	$ 983,484	$ 1,003,154	$ 1,023,217	$ 1,043,681	$ 1,064,555	$ 1,085,846	$ 1,107,563	$ 1,129,714	$ 1,152,308
Vacancy Allowances	(48,210)	(49,174)	(50,158)	(51,161)	(52,184)	(53,228)	(54,292)	(55,378)	(56,486)	(57,615)
Effective Gross Income	**$ 915,990**	**$ 934,310**	**$ 952,996**	**$ 972,056**	**$ 991,497**	**$ 1,011,327**	**$ 1,031,554**	**$ 1,052,185**	**$ 1,073,228**	**$ 1,094,693**
Expenses										
Administrative	$ 93,040	$ 95,831	$ 98,706	$ 101,667	$ 104,717	$ 107,859	$ 111,095	$ 114,427	$ 117,860	$ 121,396
Management Fee	45,800	46,715	47,650	48,603	49,575	50,566	51,578	52,609	53,661	54,735
Utilities	48,000	49,440	50,923	52,451	54,024	55,645	57,315	59,034	60,805	62,629
Maintenance	167,600	172,628	177,807	183,141	188,635	194,294	200,123	206,127	212,311	218,680
Taxes and Insurance	116,900	120,407	124,019	127,740	131,572	135,519	139,585	143,772	148,085	152,528
Replacement Reserve	19,200	19,200	19,200	19,200	19,200	19,200	19,200	19,200	19,200	19,200
Total Expenses	**$ 490,540**	**$ 504,222**	**$ 518,305**	**$ 532,802**	**$ 547,724**	**$ 563,084**	**$ 578,895**	**$ 595,170**	**$ 611,923**	**$ 629,168**
Net Operating Income	**$ 425,451**	**$ 430,088**	**$ 434,691**	**$ 439,254**	**$ 443,773**	**$ 448,243**	**$ 452,659**	**$ 457,015**	**$ 461,306**	**$ 465,525**
Debt Service Financing										
Taxable Bonds	$	$	$	$	$	$	$	$	$	$
Tax-exempt Bonds (Long Term Only)	357,252	357,252	357,252	357,252	357,252	357,252	357,252	357,252	357,252	357,252
FHA MIP										
Private Loan	12,838	12,838	12,838	12,838	12,838	12,838	12,838	12,838	12,838	12,838
Rental Housing Program Funds										
HOME										
HOME (non-DHCD)										
Other: Describe										
Other: Describe										
Total Debt Service	**$ 370,090**	**$ 370,090**	**$ 370,090**	**$ 370,090**	**$ 370,090**	**$ 370,090**	**$ 370,090**	**$ 370,090**	**$ 370,090**	**$ 370,090**
Cash Flow	**$ 55,361**	**$ 59,998**	**$ 64,601**	**$ 69,164**	**$ 73,683**	**$ 78,153**	**$ 82,569**	**$ 86,925**	**$ 91,216**	**$ 95,435**
Debt Coverage Ratio	**1.15**	**1.16**	**1.17**	**1.19**	**1.20**	**1.21**	**1.22**	**1.23**	**1.25**	**1.26**
Cash Flow Financing										
Investor Services Fee *(max $3,000)*										
Enter % of CF										
Deferred Developer's Fee **25.0%**	13,840	15,000	16,150	17,291	18,421	19,538	20,642	21,731	22,804	23,859
CDA Subordinate Debt **75.0%**	41,520	44,999	48,451	51,873	55,262	58,615	61,927	65,194	68,412	71,576
Other Gov't Lender:										
Total Cash Flow Debt	**$ 55,361**	**$ 59,998**	**$ 64,601**	**$ 69,164**	**$ 73,683**	**$ 78,153**	**$ 82,569**	**$ 86,925**	**$ 91,216**	**$ 95,435**
Remaining Cash Flow	**$**	**$**	**$**	**$**	**$**	**$**	**$**	**$**	**$**	**$**
Debt Coverage Ratio	**1.00**	**1.00**	**1.00**	**1.00**	**1.00**	**1.00**	**1.00**	**1.00**	**1.00**	**1.00**

	Years 1 - 15 - OR - During DDF Period		Years 16+ - OR - Post DDF Period
Deferred Developer Fee	**25.0%**		
DHCD Loans	**50.0%**		**50.0%**
Local Gov't	**25.0%**		**25.0%**
Remaining Cash Flow			**25.0%**
	100.0%		**100.0%**

DDF	**875,993**
YR15 *	**875,993**

*** Year-15 or earlier if deferred developer fe**

20-YEAR OPERATING PRO FORMA:

#REF!

Date: 5/30/2025

	Year 11	*Year 12*	*Year 13*	*Year 14*	*Year 15*	*Year 16*	*Year 17*	*Year 18*	*Year 19*	*Year 20*
Income										
Low-Income Units	$ 1,151,950	$ 1,174,989	$ 1,198,488	$ 1,222,458	$ 1,246,907	$ 1,271,846	$ 1,297,282	$ 1,323,228	$ 1,349,693	$ 1,376,687
Market Rate Units	-	-	-	-	-	-	-	-	-	-
Nonresidential	23,405	23,873	24,350	24,837	25,334	25,841	26,357	26,885	27,422	27,971
Commercial Income	-	-	-	-	-	-	-	-	-	-
Gross Project Income	$ 1,175,354	$ 1,198,862	$ 1,222,839	$ 1,247,296	$ 1,272,241	$ 1,297,686	$ 1,323,640	$ 1,350,113	$ 1,377,115	$ 1,404,657
Vacancy Allowances	(58,768)	(59,943)	(61,142)	(62,365)	(63,612)	(64,884)	(66,182)	(67,506)	(68,856)	(70,233)
Effective Gross Income	**$ 1,116,587**	**$ 1,138,918**	**$ 1,161,697**	**$ 1,184,931**	**$ 1,208,629**	**$ 1,232,802**	**$ 1,257,458**	**$ 1,282,607**	**$ 1,308,259**	**$ 1,334,424**
Expenses										
Administrative	$ 125,038	$ 128,789	$ 132,653	$ 136,632	$ 140,731	$ 144,953	$ 149,302	$ 153,781	$ 158,394	$ 163,146
Management Fee	55,829	56,946	58,085	59,247	60,431	61,640	62,873	64,130	65,413	66,721
Utilities	64,508	66,443	68,437	70,490	72,604	74,782	77,026	79,337	81,717	84,168
Maintenance	225,240	231,998	238,958	246,126	253,510	261,115	268,949	277,017	285,328	293,888
Taxes and Insurance	157,104	161,817	166,671	171,672	176,822	182,126	187,590	193,218	199,014	204,985
Replacement Reserve	19,200	19,200	19,200	19,200	19,200	19,200	19,200	19,200	19,200	19,200
Total Expenses	**$ 646,920**	**$ 665,193**	**$ 684,003**	**$ 703,366**	**$ 723,299**	**$ 743,818**	**$ 764,940**	**$ 786,683**	**$ 809,066**	**$ 832,108**
Net Operating Income	**$ 469,667**	**$ 473,726**	**$ 477,694**	**$ 481,564**	**$ 485,330**	**$ 488,984**	**$ 492,518**	**$ 495,924**	**$ 499,193**	**$ 502,316**
Debt Service Financing										
Taxable Bonds	$	$	$	$	$	$	$	$	$	$
Tax-exempt Bonds (Long Term Only)	357,252	357,252	357,252	357,252	357,252	357,252	357,252	357,252	357,252	357,252
FHA MIP										
Private Loan	12,838	12,838	12,838	12,838	12,838	12,838	12,838	12,838	12,838	12,838
Rental Housing Program Funds										
HOME										
HOME (non-DHCD)										
Other: Describe										
Other: Describe										
Total Debt Service	**$ 370,090**	**$ 370,090**	**$ 370,090**	**$ 370,090**	**$ 370,090**	**$ 370,090**	**$ 370,090**	**$ 370,090**	**$ 370,090**	**$ 370,090**
Cash Flow	**$ 99,577**	**$ 103,636**	**$ 107,604**	**$ 111,474**	**$ 115,241**	**$ 118,894**	**$ 122,428**	**$ 125,834**	**$ 129,103**	**$ 132,226**
Debt Coverage Ratio	**1.27**	**1.28**	**1.29**	**1.30**	**1.31**	**1.32**	**1.33**	**1.34**	**1.35**	**1.36**
Cash Flow Financing										
Investor Services Fee *(max $3,000)*										
Enter % of CF										
Deferred Developer's Fee **25.0%**	24,894	25,909	26,901	27,869	**581,144**					
CDA Subordinate Debt **75.0%**	74,683	77,727	80,703	83,606	86,430	**59,447**	**61,214**	**62,917**	**64,552**	**66,113**
Other Gov't Lender:										
Total Cash Flow Debt	**$ 99,577**	**$ 103,636**	**$ 107,604**	**$ 111,474**	**$ 667,575**	**$ 59,447**	**$ 61,214**	**$ 62,917**	**$ 64,552**	**$ 66,113**
Remaining Cash Flow	**$**	**$**	**$**	**$**	**$ (552,334)**	**$ 59,447**	**$ 61,214**	**$ 62,917**	**$ 64,552**	**$ 66,113**
Debt Coverage Ratio	**1.00**	**1.00**	**1.00**	**1.00**	**0.47**	**1.14**	**1.14**	**1.15**	**1.15**	**1.15**

e is repaid; no later than year-15.

BERKADIA®

LETTER OF INTEREST

June 25, 2026

Joe Clark
Osprey Property Company II, LLC
16 Greenmeadow Drive, Suite G107
Timonium, MD 21093

RE: Port Street, a 64-unit affordable senior community
Easton, Talbot County, MD

Dear Mr. Clark:

Berkadia Affordable Tax Credit Solutions ("Berkadia") is pleased to provide you with this Letter of Interest for Port Street, a low-income housing development located in Easton, MD (the "Project"). We are providing this letter in connection with an application for tax credits, to evidence our interest in making an equity investment in the Project as the tax credit investor.

We understand that you are submitting an application for an allocation of 4% low income housing tax credits, which will be based on the information and terms set forth on Exhibit A, attached hereto.

The provisions of this Letter of Interest are non-binding and not intended to create or constitute any liability of legally binding obligation between the parties and is given for the sole purpose of inclusion with your tax credit application. Berkadia is willing to comply with applicable DHCD regulations and requirements in connection with the proposed syndication. Our due diligence process will include financial, development, market, legal, and tax credit review, and we anticipate completing such diligence in accordance with the application and award timeline established by DHCD; our review is currently at a preliminary stage, and a site visit has not yet been completed unless otherwise noted. Once you receive your allocation, we will endeavor to obtain placement of this deal into one of our funds, subject to completion of our standard due diligence process, approval by the Berkadia Investment Committee, and certain other conditions and requirements to be determined at a later date.

Thank you for giving us the opportunity to review your LIHTC community. Please let us know if we can provide you with any additional information you may need to make your application successful.

Sincerely,

Chris McGraw
Senior Vice President – Head of Acquisitions
Berkadia Affordable Tax Credit Solutions

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Tax credit syndication business is conducted exclusively by Berkadia Affordable Tax Credit Solutions

EXHIBIT A:

The preliminary terms and conditions set forth herein are based on information and assumptions provided by you for review by Berkadia:

I. DEAL INFORMATION:

a.	Type of Construction:	New Construction
b.	Number of Units:	64 units
c.	Number of Buildings:	1 building
d.	Tenancy Type:	Senior
e.	Annual Allocation for Tax Credits:	$1,058,528 per annum
f.	Total Tax Credit Allocation:	$10,585,280
g.	Limited Partner Total Credits:	$10,584,221
h.	Price Per Credit:	$0.84 per $1.00 of federal tax credit
i.	Total Equity:	$8,891,639

II. TIMING AND TAX CREDIT INFORMATION

a.	Estimated Closing Date:	December 1, 2026
b.	Construction Completion Date:	March 1, 2028
c.	100% Qualified Occupancy Date:	December 30, 2028
d.	Stabilized Operations Date:	March 30, 2029
e.	Applicable Percentage:	100%
f.	Applicable Tax Credit Rate:	4%
g.	Use of Bonus Depreciation:	Yes

III. CAPITAL CONTRIBUTIONS

a. $0.84 per dollar of the Limited Partner Total Credits.
b. Installment Payments:
    i. $1,778,328 (20.00%) at Closing.
    ii. $6,224,147 (70.00%) at later of March 1, 2028, Construction Completion, or receipt of the Final Cost Cert.
    iii. $666,873 (7.50%) at later of December 30, 2028, 95% Physical Occupancy, Funding of Permanent Loans, 100% Qualified Occupancy, or 100% Credit Qualification, achievement of a Debt Service Coverage Ratio of 1.15x for three (3) consecutive months.
    iv. $222,291 (2.50%) later of June 30, 2029, or receipt of Form 8609 ("Final Capital Contribution").

IV. RESERVES/GUARANTEES

a. Replacement Reserve: $300 per unit per year, which amount is subject to final underwriting and lender/funder requirements.

b. Operating Reserve: $430,248 to be funded into the operating reserve account (the "Operating Reserve Account"), which amount is subject to final underwriting.

c. Completion Guaranty: Unlimited through Stabilization

d. Operating Deficit Guaranty: Capped at 6 months of OERDS for 5 years following Stabilization.

e. Tax Credit Guaranty: Unlimited through the compliance period.

f. Other: If applicable - Repurchase, Environmental, Section 8, as further described in the Partnership Agreement.

V. DEVELOPER FEE

a. Estimated Development Fee: $2,453,679
b. Cash Developer Fee: $1,577,686
c. Deferred Developer Fee: $875,993

Maryland
DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT

SUMMARY COST ESTIMATE

FORM 212

Project: Port Street Senior Apartments
Location: 101 Meadow Dr; Easton, MD 21601
Contractor: Harper & Sons, Inc.

Date: 19-May-26

Number of Units in Project: 64
Gross Square Footage in Project: 67,516.00

Description of Work		*Average Cost*	*Average Cost*	
Code	*Item*	*Per GSF*	*Per Unit*	*Total Cost*
010-00	Total General Requirements			620,000.00
021-00	Total Earth Work			569,296.00
022-00	Total Site Utilities			296,608.00
023-00	Total Roads And Walks			400,432.00
024-00	Total Site Improvements			91,330.00
025-00	Total Lawns and Planting			112,132.00
026-00	Total Unusual Site Conditions			-
027-00	Total Underground Construction			-
028-00	Total Demolition			-
029-00	Total Off-Site Improvements			-
030-00	Total Concrete			523,045.00
040-00	Total Masonry			505,114.00
050-00	Total Metals			71,262.00
060-00	Total Carpentry			2,826,631.00
071-00	Total Waterproofing			2,250.00
072-00	Total Insulation			209,982.00
073-00	Total Roofing			110,590.00
074-00	Total Sheet Metal			14,326.00
081-00	Total Doors			367,874.00
082-00	Total Windows			208,928.00
083-00	Total Miscellaneous			-
091-00	Total Lath And Plaster			-
092-00	Total Drywall			471,261.00
093-00	Total Tile Work			84,295.00
094-00	Total Acoustical			-
095-00	Total Flooring			273,780.00
096-00	Total Painting and Decorating			238,461.00
100-00	Total Specialties			196,741.00
111-00	Total Special Equipment			-
112-00	Total Appliances			326,719.00
121-00	Total Draperies and Shades			45,681.00
122-00	Total Carpeting			-
130-00	Total Special Construction			-
140-00	Total Elevators			397,196.00
151-00	Total Plumbing			1,023,825.00
152-00	Total HVAC			1,045,500.00
160-00	Total Electric			1,360,600.00
170-00	Total Modules			-
180-00	Miscellaneous			

Description of Work		Percent of	Average Cost	Average Cost	
Code	*Item*	*Net Costs*	*Per GSF*	*Per Unit*	*Total Cost*
190-00	**Net Construction Costs** *(021-00 Through 180-00)*				11,773,859.00
200-00	Builder's General Overhead	2.0%			235,477.00
210-00	Bond Premium				105,965.00
220-00	Builder's Profit	7.5%			883,039.00
230-00	Other				16,500.00
010-00	General Requirements *(from page 1)*	5.3%			620,000.00
240-00	**Total Construction Costs**				13,634,840.00

APPROVALS

Signature: _____ Date: _____
Developer: _____

Signature: _____ Date: _____
Contractor: Harper & Sons, Inc

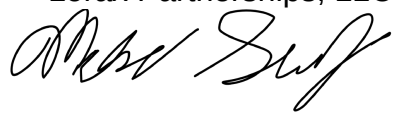
Signature: _____ Date: _____
Department of Housing and Community Development

Construction Items

NGBS Checklist

FEMA Flood Map Confirmation

Michael Sumpter
NGBS Master Verifier
Lorax Partnerships, LLC



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ICC 700-2020 National Green Building Standard®

Summary of Results of the Design Phase

Scoring Tool Version: 5.3.04 **Revision Date:** 3/3/2026

Project Name: **Port Street Senior**

Location: **Port St and Easton Pwky, Easton, Maryland 21601**

✓	No Mandatory items missing on the "Overview (Design)" page

	Points Required				Points Claimed	Mandatory Practices	No Errors
	Bronze	Silver	Gold	Emerald			
Chapter 5: Lot Design, Preparation, and Development	50	64	93	121	**58**	✓	✓
Chapter 6: Resource Efficiency	43	59	89	119	**71**	✓	✓
Chapter 7: Energy Efficiency	30	45	60	70	**61**	✓	✓
Chapter 8: Water Efficiency	25	39	67	92	**77**	✓	✓
Chapter 9: Indoor Environmental Quality	25	42	69	97	**61**	✓	✓
Chapter 10: Operation, Maintenance, and Building Owner Education	8	10	11	12	**15**	✓	✓
Additional Points required	50	75	100	100			
Additional points required due to SF over 4000 (601.1)	0	0	0	0			
Total points required	231	334	489	611	**343**		
Additional Points Claimed	**162**	**84**	**(46)**	**(168)**			

Overall Level Achieved for Design	**Bronze**

Michael Sumpter
NGBS Master Verifier
Lorax Partnerships, LLC

Goal Level:	**Bronze**	© Home Innovation Research Labs, Inc., 2020. All rights reserved.			
Goal Level: Bronze, Overall Level: None		ICC 700-2020 NGBS®			
Points to Goal Level: Ch5: 50, Ch6: 25, Ch7: 27, Ch8: 25, Ch9: 19, Ch10: 6		**Version:** 5.3.04	**Home Address:**	Port St and Easton Pwky, Easton, Maryland 21601	
Add'l Pts above goal level: Ch5: 0, Ch6: 0, Ch7: 0, Ch8: 0, Ch9: 0, Ch10: 0		**Rev. Date:** 3/3/2026	**Community/Lot #:**	Port St Senior	
Report Phase:	Rough				

Practice #	Practice	Points Available	Points Claimed	Points Awarded	Status	Verifier Notes	Design Phase Notes
500 LOT DESIGN, PREPARATION AND DEVELOPMENT							
500.0	**500.0 Intent**. This section applies to lot development for the eventual construction of residential buildings, multifamily buildings, or additions thereto that contain dwelling units or sleeping units.						
501 LOT SELECTION							
501.1	**501.1 Lot.** Lot is selected in accordance with § 501.1(1) or § 501.1(2).		0	0	Certified Site:		None
(1)	A lot is selected within a site certified to this Standard or equivalent	**15**			☐		
(2)	A lot is selected to minimize environmental impact by one or more of the following:						
(a)	An infill lot is selected.	**10**			☐		
(b)	A lot is selected that is a greyfield.	**10**			☐		
(c)	An EPA-recognized brownfield lot is selected.	**15**			☐		
501.2	**501.2 Multi-modal transportation.** A range of multi-modal transportation choices are promoted by one or more of the following:						None
(1)	A lot is selected within one-half mile (805 m) of pedestrian access to a mass transit system	**6**	0	0	☐		None
(2)	A lot is selected within five miles (8,046 m) of a mass transit station with provisions for parking.	**3**	3	0	☐		None
(3)	Walkways, street crossings, and entrances designed to promote pedestrian activity are provided. New buildings are connected to existing sidewalks and areas of development.	**5**	5	0	☐		None
(4)	A lot is selected within one-half mile (805 m) of six or more community resources No more than two each of the following use category can be counted toward the total: Recreation, Retail, Civic, and Services. Examples of resources in each category include, but are not limited to the following:				☐		None
	Recreation: recreational facilities (such as pools, tennis courts, basketball courts), parks.	**4**	4	0			Moton Park, Easton Point Park
	Retail: grocery store, restaurant, retail store.						None
	Civic: post office, place of worship, community center.						Union Baptist Church, St. Marks United
	Services: bank, daycare center, school, medical/dental office, laundromat/dry cleaners.						Polaris Village Academy, Easton
	NOTE: List the 6 community resources in the Notes field.						None
	OR						
	A lot is selected within a census block group that, compared to its region, has above-average neighborhood walkability using an index within the EPA's Smart Location Database:		0	0			None
(a)	Walkability is within the top quartile for the region.	**5**					
(b)	Walkability is within the second quartile for the region.	**2**					
(5)	Bicycle use is promoted by building on a lot located within a community that has rights-of-way specifically dedicated to bicycle use in the form of paved paths or bicycle lanes, or on an infill lot located within 1/2 mile of a bicycle lane designated by the jurisdiction.	**5**	0	0	☐		None
(6)	Dedicated bicycle parking and racks are indicated on the site plan and constructed for mixed-use and multifamily buildings:		0	0			None
(a)	Minimum of 1 bicycle parking space per 3 residential units	**2**					
(b)	Minimum of 1 bicycle parking space per 2 residential units	**4**					
(c)	Minimum of 1 bicycle parking space per 1 residential unit.	**6**					
(d)	Bicycle enclosed storage is provided or parking spaces are covered or otherwise protected from the elements	**2 per (a)-(c)**	0	0	☐		None
(7)	Select a lot in a community where there is access to shared vehicle usage such as carpool drop-off areas, car-share services, and shuttle services to mass transit.	**5**	0	0	☐		None
	NOTE: Enter name of car sharing program.						
(8)	Lot is within 1/2 mile walking distance of where a bike sharing program is provided.	**5**	0	0	☐		None
	NOTE: Enter name of bike sharing program.						
502 PROJECT TEAM, MISSION STATEMENT, AND GOALS							
502.1	**502.1 Project team, mission statement, and goals.** A knowledgeable team is established and team member roles are identified with respect to green lot design, preparation, and development. The project's green goals and objectives are written into a mission statement.	**4**	0	0	☐		None
503 LOT DESIGN							
503.0	**503.0 Intent.** The lot is designed to avoid detrimental environmental impacts first, to minimize any unavoidable impacts, and to mitigate for those impacts that do occur. The project is designed to minimize environmental impacts and to protect, restore, and enhance the natural features and environmental quality of the lot. **(Points awarded only if the intent of the design is implemented.)**						None
503.1	**503.1 Natural resources.** Natural resources are conserved by one or more of the following:						None
(1)	A natural resources inventory is completed under the direction of a qualified professional.	**5**	0	0	☐		
(2)	A plan is implemented to conserve the elements identified by the natural resource inventory as high-priority resources.	**6**	0	0	☐		
(3)	Items listed for protection in the natural resource inventory plan are protected under the direction of a qualified professional.	**4**	0	0	☐		
(4)	Basic training in tree or other natural resource protection is provided for the on-site supervisor.	**4**	0	0	☐		
(5)	All tree pruning on-site is conducted by a certified arborist or other qualified professional.	**3**	0	0	☐		
(6)	Ongoing maintenance of vegetation on the lot during construction is in accordance with TCIA A300 or locally accepted best practices.	**4**	0	0	☐		
(7)	Where a lot adjoins a landscaped common area, a protection plan from construction activities next to the common area is implemented.	**5**	0	0	☐		
(8)	Developer has a plan to design and construct the lot in accordance with the International Wildland-Urban Interface Code (IWUIC). *[Only applicable where the AHJ has not declared a wildland-urban interface area, but a fire protection engineer, certified fire marshal, or other qualified party has determined and documented the site as hazarded per the IWUIC].*	**6**	0	0	☐		
503.2	**503.2 Slope disturbance.** Slope disturbance is minimized by one or more of the following:				Max Slope in Const. Zn:		None
	Note: Points are only available for lots with slopes of 25% or greater.						
(1)	The use of terrain adaptive architecture.	**5**	0	0	☐		
(2)	Hydrological/soil stability study is completed and used to guide the design of all buildings on the lot.	**5**	0	0	☐		
(3)	All or a percentage of driveways and parking are aligned with natural topography to reduce cut and fill.		0	0			
(a)	10 percent to < 25 percent	**1**					
(b)	25 percent to 75 percent	**4**					
(c)	greater than 75 percent	**6**					
(4)	Long-term erosion effects are reduced through the design and implementation of clustering, terracing, retaining walls, landscaping, or restabilization techniques.	**6**	0	0	☐		
(5)	Underground parking uses the natural slope for parking entrances.	**5**	0	0	☐		
503.3	**503.3 Soil disturbance and erosion.** Soil disturbance and erosion are minimized by one or more of the following: (also see Section 504.3)						None
	Note: Points must be earned in 503.3 in order for points in 504.1 to be available						
(1)	Construction activities are scheduled such that disturbed soil that is to be left unworked for more than 21 days is stabilized within 14 days..	**5**	0	0	☐		
(2)	At least 75% of total length of the utilities on the lot are designed to use one or more alternative means:						
(a)	tunneling instead of trenching	**5**	0	0	☐		
(b)	use of smaller (low ground pressure) equipment or geomats to spread the weight of construction equipment				☐		
(c)	shared utility trenches or easements				☐		
(d)	placement of utilities under paved surfaces instead of yards				☐		

	(3)	Limits of clearing and grading are demarcated on the lot plan.	5	5	0	☐		
503.4		**503.4 Stormwater Management.** The stormwater management system is designed to use low impact development/green infrastructure practices to preserve, restore or mitigate changes in site hydrology due to land disturbance and the construction of impermeable surfaces through the use of one or more of the following techniques:						None
		NOTE: For lots in a development, the points for 503.4 may be awarded for the lot when there is a community storm water management plan implemented and the builder does not violate that plan with respect to water leaving the lot.						
	(1)	A site assessment is conducted and a plan prepared and implemented that identifies important existing permeable soils, natural drainage ways and other water features, e.g., depressional storage, onsite to be preserved in order to maintain site hydrology.	7	0	0	☐		None
	(2)	A hydrologic analysis is conducted that results in the design of a stormwater management system that maintains the pre-development (stable, natural) runoff hydrology of the site through the development or redevelopment process. Ensure that post construction runoff rate, volume and duration do not exceed predevelopment rates, volume and duration.	10	0	0	☐		None
	(3)	Low Impact Development/Green infrastructure stormwater management practices to promote infiltration and evapotranspiration are used to manage rainfall on the lot and prevent the off-lot discharge of runoff from all storms up to and including the volume of following storm events:		0	0			None
	(a)	80th percentile storm event	5					
	(b)	90th percentile storm event	8					
	(c)	95th percentile storm event	10					
	(4)	Permeable materials are used for driveways, parking areas, walkways, patios, and recreational surfaces and the like according to the following percentages:		0	0			None
	(a)	10 percent to less than 25 percent (add 2 points for use of vegetative paving system)	5					
	(b)	25-50 percent (add 4 points for use of vegetative paving system)	8					
	(c)	Greater than 50 percent (add 6 points for use of vegetative paving system)	10					
		[Points for vegetative paving systems are only awarded for locations receiving more than 20 inches per year of annual average precipitation]	0	0	0	☐		None
	(5)	Complete gutter and downspout system directs storm water away from foundation to vegetated landscape area, a raingarden, or catchment system that provides for water infiltration.	3	0	0	☐		None
503.5		**503.5 Landscape plan.** A plan for the lot is developed to limit water and energy use while preserving or enhancing the natural environment.						None
		(Where "front" only or "rear" only plan is implemented, only half of the points (rounding down to a whole number) are awarded for Items (1)-(9))						
	(1)	A plan is formulated and implemented that protects, restores, or enhances natural vegetation on the lot.		0	0			None
	(a)	100 percent of the natural area	0					
	(b)	50 percent of the natural area	0					
	(c)	25 percent of the natural area	0					
	(d)	12 percent of the natural area	0					
	(2)	Non-invasive vegetation that is native or regionally appropriate for local growing conditions is selected to promote biodiversity.	0	7	0	☐		None
	(3)	To improve pollinator habitat, at least 10 percent of planted areas are composed of native or regionally appropriate flowering and nectar producing plant species. Invasive plant species shall not be utilized.	0	0	0	☐		None
	(4)	EPA WaterSense Water Budget Tool or equivalent is used when implementing the site vegetative design.	0	0	0	☐		None
	(5)	Where turf is being planted, Turfgrass Water Conservation Alliance (TWCA) or equivalent as determined by the adopting entity third party qualified water efficient grasses are used.	0	0	0	☐		None
	(6)	For landscaped vegetated areas, the maximum percentage of turf area is:		0	0			None
	(a)	0 percent	0					
	(b)	Greater than 0 percent to less than 20 percent	0					
	(c)	20 percent to less than 40 percent	0					
	(d)	40 percent to 60 percent	0					
	(7)	Plants with similar watering needs are grouped (hydrozoning) and shown on the lot plan.	0	0	0	☐		None
	(8)	Summer shading by planting installed to shade a minimum of 30 percent of building walls. To conform to summer shading, the effective shade coverage (five years after planting) is the arithmetic mean of the shade coverage calculated at 10 am for eastward facing walls, noon for southward facing walls, and 3 pm for westward facing walls on the summer solstice.	0	0	0	☐		None
	(9)	Vegetative wind breaks or channels are designed to protect the lot and immediate surrounding lots as appropriate for local conditions.	0	0	0	☐		None
	(10)	Site or community generated tree trimmings or stump grinding of regionally appropriate trees are used on the lot to provide protective mulch during construction or for landscaping.	3	0	0	☐		None
	(11)	An integrated pest management plan is developed to minimize chemical use in pesticides and fertilizers.	4	4	0	☐		None
	(12)	Developer has a plan for removal or containment of invasive plants from the disturbed areas of the site.	3	0	0	☐		None
	(13)	Developer implements a plan for removal or containment of invasive plants on the undisturbed areas of the site.	6	0	0	☐		None
503.6		**503.6 Wildlife habitat.** Measures are planned to support wildlife habitat and include at least two of the following:		0	0			None
	(1)	Plants and gardens that encourage wildlife, such as bird and butterfly gardens.	3			☐		
	(2)	Inclusion of a certified “backyard wildlife” program.	3			☐		
	(3)	The lot is adjacent to a wildlife corridor, fish and game park, or preserved areas and is designed with regard for this relationship.	3			☐		
	(4)	Outdoor lighting techniques are utilized with regard for wildlife.	3			☐		
503.7		**503.7 Environmentally sensitive areas.** The lot is in accordance with one or both of the following:		4	0			None
	(1)	The lot does not contain any environmentally sensitive areas that are disturbed by the construction.	4					
	(2)	On lots with environmentally sensitive areas, mitigation and/or restoration is conducted to preserve ecosystem functions lost through development and construction activities.	4					
503.8		**503.8 Demolition of existing building.** A demolition waste management plan is developed, posted at the jobsite, and implemented to recycle and/or salvage with a goal of recycling or salvaging a minimum of 50 percent of the nonhazardous demolition waste.	5	0	0			None
		(One additional point awarded for every 10 percent of nonhazardous demolition waste recycled and/or salvaged beyond 50 percent).	1 additional					
504 LOT CONSTRUCTION								
504.0		**504.0 Intent.** Environmental impact during construction is avoided to the extent possible; impacts that do occur are minimized and any significant impacts are mitigated.						
504.1		**504.1 On-site supervision and coordination.** On-site supervision and coordination is provided during on-the-lot clearing, grading, trenching, paving, and installation of utilities to ensure that specified green development practices are implemented. (also see Section 503.3)	4	0	0	☐		None
		NOTE: Points must be taken in 503.3 to claim points in 504.1.						
504.2		**504.2 Trees and vegetation.** Designated trees and vegetation are preserved by one or more of the following:						None
	(1)	Fencing or equivalent is installed to protect trees and other vegetation.	3	0	0	☐		
	(2)	Trenching, significant changes in grade, and compaction of soil and critical root zones in all “tree save” areas as shown on the lot plan are avoided.	5	0	0	☐		
	(3)	Damage to designated existing trees and vegetation is mitigated during construction through pruning, root pruning, fertilizing, and watering.	4	0	0	☐		
504.3		**504.3 Soil disturbance and erosion implementation.** On-site soil disturbance and erosion are minimized by one or more of the following in accordance with the SWPPP or applicable plan: (also see Section 503.3)						None
	(1)	Sediment and erosion controls are installed on the lot and maintained in accordance with the stormwater pollution prevention plan, where required.	5	5	0	☐		None

(2)	Limits of clearing and grading are staked out on the lot.	**5**	5	0	☐		None
(3)	"No disturbance" zones are created using fencing or flagging to protect vegetation and sensitive areas on the lot from construction activity.	**5**	0	0	☐		None
(4)	Topsoil from either the lot or the site development is stockpiled and stabilized for later use and used to establish landscape plantings on the lot.	**5**	0	0	☐		None
(5)	Soil compaction from construction equipment is reduced by distributing the weight of the equipment over a larger area (laying lightweight geogrids, mulch, chipped wood, plywood, OSB, metal plates, or other materials capable of weight distribution in the pathway of the equipment).	**4**	0	0	☐		None
(6)	Disturbed areas on the lot that are complete or to be left unworked for 21 days or more are stabilized within 14 days using methods as recommended by the EPA or in the approved SWPPP, where required.	**3**	0	0	☐		None
(7)	Soil is improved with organic amendments or mulch.	**3**	0	0	☐		None
(8)	Utilities on the lot are installed using one or more alternative means: tunneling instead of trenching, use of smaller equipment, use of low ground pressure equipment, use of geomats, shared utility trenches or easements, other. NOTE: List "other" means of installing utilities in the assigned Notes area.	**5**	0	0	☐ ☐ ☐ ☐ ☐ ☐		None
(9)	Inspection reports of stormwater best management practices are available.	**3**	0	0	☐		None

505 INNOVATIVE PRACTICES

505.0	**505.0 Intent.** Innovative lot design, preparation, and development practices are used to enhance environmental performance. Waivers or variances from local development regulations are obtained and innovative zoning is used to implement such practices.							
505.1	**505.1 Driveways and parking areas.** Driveways and parking areas are minimized or mitigated by one or more of the following:							
(1)	Off-street parking areas are shared or driveways are shared. Waivers or variances from local development regulations are obtained to implement such practices, if required.	**5**	0	0	☐		None
(2)	In a multifamily project, parking capacity does not exceed the local minimum requirements.	**5**	0	0	☐		None
(3)	Structured parking is utilized to reduce the footprint of surface parking areas.		0	0			None
(a)	25 percent to less than 50 percent	**4**					
(b)	50 percent to 75 percent	**5**					
(c)	greater than 75 percent	**6**					
505.2	**505.2 Heat island mitigation.** Heat island effect is mitigated by the following.							
(1)	Hardscape: Not less than 50 percent of the surface area of the hardscape on the lot meets one or a combination of the following methods.	**5**	0	0			None
(a)	Shading of hardscaping: Shade is provided from existing or new vegetation (within five years) or from trellises. Shade of hardscaping is to be measured on the summer solstice at noon.				☐		
(b)	Light-colored hardscaping: Horizontal hardscaping materials are installed with a solar reflectance index (SRI) of 29 or greater. The SRI is calculated in accordance with ASTM E1980. A default SRI value of 35 for new concrete without added color pigment is permitted to be used instead of measurements.				☐		
(c)	Permeable hardscaping: Permeable hardscaping materials are installed.				☐		
(2)	Roofs: Not less than 75 percent of the exposed surface of the roof is vegetated using technology capable of withstanding the climate conditions of the jurisdiction and the microclimate conditions of the building lot. Invasive plant species are not permitted.	**5**	0	0	☐		None
505.3	**505.3 Density.** The average density on the lot on a net developable area basis is:		7	0			None
(1)	7 to less than 14 dwelling units/sleeping units per acre (per 4,047 m2)	**4**					
(2)	14 to less than 21 dwelling units/sleeping units per acre (per 4,047 m2)	**5**					
(3)	21 to less than 35 dwelling units/sleeping units per acre (per 4,047 m2)	**6**					
(4)	35 to less than 70 dwelling units/sleeping units per acre (per 4,047 m2)	**7**					
(5)	70 or greater dwelling units/sleeping units per acre (per 4,047 m2)	**8**					
505.4	**505.4 Mixed-use development.**							
(1)	The lot contains a mixed-use building.	**8**	0	0	☐		None
505.5	**505.5 Multifamily & mixed-use community garden(s).** A portion of the lot is established as a community garden(s), available to residents of the lot, to provide for local food production to residents or area consumers.				Community Garden (sf):			
(a)	A portion of the lot of at least 250 sq ft is established as community garden(s) for the residents of the site. [*3 points per 250 sq ft]	**9 max**	0	0			None
(b)	Locate the project within a 0.5-mile walking distance of an existing or planned farmers market/ farm stand that is open or will operate at least once a week for at least five months of the year.	**3**	0	0	☐		None
(c)	Areas and physical provisions are provided for composting.	**1**	0	0	☐		None
(d)	Signs designating the garden area are posted.	**1**	0	0	☐		None
505.6	**505.6 Multi-Unit Plug-In Electric Vehicle Charging.** Plug-in electric vehicle charging capability is provided for not fewer than 2 percent of parking stalls. [An additional 2 points can be earned for each percentage point above 2% for a maximum of 10 points] Fractional values shall be rounded up to the nearest whole number. Electrical capacity in main electric panels supports Level 2 charging (208/240V- up to 80 amps or in accordance with SAE J1772). Each stall is provided with conduit and wiring infrastructure from the electric panel to support Level 2 charging (208/240V- up to 80 amps or in accordance with SAE J1772) service to the designated stalls, and stalls are equipped with either Level 2 charging AC grounded outlets (208/240V- up to 80 amps or in accordance with SAE J1772) or Level 2 charging stations (208/240V- up to 80 amps or in accordance with SAE J1772) by a third party charging station. NOTE: SF/BTR homes are also eligible if 2% or more of the total of shared/communal/visitor parking stalls in the development/community have plug-in electric vehicle charging capability.	**4 (10 max)**	0	0			None
505.7	**505.7 Multi-unit residential CNG vehicle fueling.** CNG vehicle residential fueling appliances are provided for at least 1 percent of the parking stalls. The CNG fueling appliances shall be listed in accordance with ANSI/CSA NGV 5.1 and installed in accordance with the appliance manufacturer's installation instructions. NOTE: Single-Family/Build-to-Rent homes are also eligible if 1% of the shared/communal/visitor parking stalls in the development have residential CNG vehicle refueling.	**4**	0	0	☐		None
505.8	**505.8 Street network.** Locate the project in an area of high intersection density.	**5**	0	0	No. of intersection/mi²:		None
505.9	**505.9 Smoking prohibitions.** Signs are provided on multifamily and mixed-use lots prohibiting smoking at the following locations: NOTE: Build-to-rent homes are also eligible for (a), (b) and (c) if smoking is prohibited and signs posted for all homes in the development/community. SF homes for sale are not eligible.				Build-to-Rent? ☐			
(a)	Smoking is prohibited within 25 feet (7.5 m) of all building exterior doors and operable windows or building air intakes within 15 (4.5 m) vertical feet of grade or a walking surface.	**3**	3	0	☐		None
(b)	Smoking is prohibited on decks, balconies, patios and other occupied exterior spaces.	**3**	3	0	☐		None
(c)	Smoking is prohibited at all parks, playgrounds, and community activity or recreational spaces.	**3**	0	0	☐		None
505.10	**505.10 Exercise & Recreation Area.** For multifamily buildings, on-site dedicated recreation space for exercise or play opportunities for adults and/or children open and accessible to residents is provided.							
(a)	A dedicated area of at least 400 square feet is provided inside the building with adult exercise and/or children's play equipment.	**3**	3	0	☐		None
(b)	A courtyard, garden, terrace, or roof space at least 10% of the lot area that can serve as outdoor space for children's play and /or adult activities is provided.	**3**	0	0	☐		None
(c)	Active play/recreation areas are illuminated at night to extend opportunities for physical activity into the evening.	**3**	0	0	☐		None

601 QUALITY OF CONSTRUCTION MATERIALS AND WASTE

601.0		**601.0 Intent.** Design and construction practices that minimize the environmental impact of the building materials are incorporated, environmentally efficient building systems and materials are incorporated, and waste generated during construction is reduced.						
601.1		**601.1 Conditioned floor area.** Finished floor area of a dwelling unit or sleeping unit is limited. Finished floor area is calculated in accordance with ANSI Z765 for single family and ANSI/BOMA Z65.4 for multifamily buildings. Only the finished floor area for stories above grade plane is included in the calculation. [For every 100 square feet (9.29 m2) over 4,000 square feet (372 m2), one point is to be added to rating level points shown in Table 303, Category 7 for each rating level.]		9	9			None
	(1)	less than or equal to 700 square feet (65 m^2)	**14**					
	(2)	less than or equal to 1,000 square feet (93 m^2)	**12**					
	(3)	less than or equal to 1,500 square feet (139 m^2)	**9**					
	(4)	less than or equal to 2,000 square feet (186 m^2)	**6**					
	(5)	less than or equal to 2,500 square feet (232 m^2)	**3**					
	(6)	greater than 4,000 square feet (372 m^2) **(For every 100 square feet (9.29 m^2) over 4,000 square feet (372 m^2), one point is to be added to rating level points shown in Table 303, Category 7 for each rating level.)** Multifamily Building Note: For a multifamily building, a weighted average of the individual unit sizes is used for this practice.	**N/A** **add. pts. needed** **0**					
601.2		**601.2 Material usage.** Structural systems are designed or construction techniques are implemented that reduce and optimize material usage.						
	(1)	Minimum structural member or element sizes necessary for strength and stiffness in accordance with advanced framing techniques or structural design standards are selected.	**3**	0	0	☐		None
	(2)	Higher-grade or higher-strength of the same materials than commonly specified for structural elements and components in the building are used and element or component sizes are reduced accordingly.	**3**	0	0	☐		None
	(3)	Performance-based structural design is used to optimize lateral force-resisting systems.	**3**	0	0	☐		None
601.3		**601.3 Building dimensions and layouts.** Building dimensions and layouts are designed to reduce material cuts and waste. This practice is used for a minimum of 80 percent of the following areas:						
	(1)	floor area	**3**	0	0	☐		None
	(2)	wall area	**3**	0	0	☐		None
	(3)	roof area	**3**	0	0	☐		None
	(4)	cladding or siding area	**3**	0	0	☐		None
	(5)	penetrations or trim area	**1**	0	0	☐		None
601.4		**601.4 Framing and structural plans.** Detailed framing or structural plans, material quantity lists and on-site cut lists for framing, structural materials, and sheathing materials are provided.	**4**	0	0	☐		None
601.5		**601.5 Prefabricated components.** Precut or preassembled components, or panelized or precast assemblies are utilized for a minimum of 90 percent for the following system or building:	**13 Max**					
	(1)	floor system	**4**	4	0	☐		None
	(2)	wall system	**4**	0	0	☐		None
	(3)	roof system	**4**	4	0	☐		None
	(4)	modular construction for the entire building located above grade	**13**	0	0	☐		None
	(5)	manufactured home construction for the entire building located above grade	**13**	0	0	☐		None
601.6		**601.6 Stacked stories.** Stories above grade are stacked, such as in 1½-story, 2-story, or greater structures. The area of the upper story is a minimum of 50 percent of the area of the story below based on areas with a minimum ceiling height of 7 feet (2,134 mm).	**8 Max**	6	6	from overview: 3 story bldg.		None
	(1)	first stacked story	**4**					
	(2)	for each additional stacked story	**2**					
601.7		**601.7 Prefinished materials. Prefinished building** materials or assemblies listed below have no additional site-applied finishing material are installed.	**12 Max**	5	0			None
		(Points awarded for each type of material or assembly.)						
	(a)	interior trim not requiring paint or stain						
	(b)	exterior trim not requiring paint or stain						
	(c)	window, skylight, and door assemblies not requiring paint or stain on one of the following surfaces: i. exterior surfaces ii. interior surfaces						
	(d)	interior wall coverings or systems, floor systems, and/or ceiling systems not requiring paint or stain or other type of finishing application						
	(e)	exterior wall coverings or systems, floor system, and/or ceiling systems not requiring paint or stain or other type of finishing application						
	(1)	90 percent or more of the installed building materials or assemblies listed above:	**5**					
	(2)	50 percent to less than 90 percent of the installed building material or assembly listed above:	**2**					
	(3)	35 percent to less than 50 percent of the installed building material or assembly listed above:	**1**					
601.8		**601.8 Foundations.** A foundation system that minimizes soil disturbance, excavation quantities, and material usage, such as frost-protected shallow foundations, isolated pier and pad foundations, deep foundations, post foundations, or helical piles is selected, designed, and constructed. The foundation is used on 50 percent or more of the building footprint. NOTE: Indicate in the assigned Notes area the type designed and constructed: frost-protected shallow foundations, pier and pad foundations, post foundations, or other similar foundation type.	**3**	0	0	☐		None

602 ENHANCED DURABILITY AND REDUCED MAINTENANCE

602.0		**602.0 Intent.** Design and construction practices are implemented that enhance the durability of materials and reduce in-service maintenance.						
602.1		**602.1 Moisture Management – Building Envelope**						
602.1.1		**602.1.1 Capillary breaks**						
602.1.1.1		**602.1.1.1** A capillary break and vapor retarder are installed at concrete slabs in accordance with ICC IRC Sections R506.2.2 and R506.2.3 or ICC IBC Sections 1907 and 1805.4.1.	**Mandatory**			Met		None
602.1.1.2		**602.1.1.2** A capillary break between the footing and the foundation wall is provided to prevent moisture migration into foundation wall.	**3**	0	0	☐		None
602.1.2		**602.1.2 Foundation waterproofing.** Enhanced foundation waterproofing is installed using one or both of the following:	**4**	0	0			None
	(1)	rubberized coating, or				☐		
	(2)	drainage mat				☐		
602.1.3		**602.1.3 Foundation drainage**						
602.1.3.1		**602.1.3.1** Where required by the ICC IRC or IBC for habitable and usable spaces below grade, exterior drain tile is installed.	**N/A**			☐		None
602.1.3.2		**602.1.3.2** Interior and exterior foundation perimeter drains are installed and sloped to discharge to daylight, dry well, or sump pit.	**4**	0	0	☐		None
602.1.4		**602.1.4 Crawlspaces**						
602.1.4.1		**602.1.4.1** Vapor retarder in unconditioned vented crawlspace is in accordance with the following, as applicable. Joints of vapor retarder overlap a minimum of 6 inches (152 mm) and are taped.						
	(1)	Floors. Minimum 6 mil vapor retarder installed on the crawlspace floor and extended at least 6 inches up the wall and is attached and sealed to the wall.	**6**	0	0	☐		None
	(2)	Walls. Dampproof walls are provided below finished grade.	**N/A**					None
602.1.4.2		**602.1.4.2** Crawlspace that is built as a conditioned area is sealed to prevent outside air infiltration and provided with conditioned air at a rate not less than 0.02 cfm (.009 L/s) per square foot of horizontal area and one of the following is implemented:						
	(1)	a concrete slab over 6 mil polyethylene sheeting. Or other Class I vapor retarder installed in accordance with Section 408.3 or Section 506 of the International Residential Code	**8**	0	0	☐		None
	(2)	6 mil polyethylene sheeting, or other Class I vapor retarder installed in accordance with Section 408.3 or Section 506 of the International Residential Code	**N/A**					None

602.1.5		**602.1.5 Termite barrier.** Continuous physical foundation termite barrier provided: See Figure 6(3)				termite infest. prob.:			
	(1)	In geographic areas that have moderate to heavy infestation potential in accordance with figure 6(3), a no or low toxicity treatment is also installed.	**4**	0	0	☐			None
	(2)	In geographic areas that have a very heavy infestation potential in accordance with figure 6(3), in addition a low toxicity bait and kill termite treatment plan is selected and implemented.	**4**	0	0	☐			
602.1.6		**602.1.6 Termite-resistant materials.** In areas of termite infestation probability as defined by Figure 6(3), termite-resistant materials are used as follows: See Figure 6(3)							
	(1)	In areas of slight to moderate termite infestation probability: for the foundation, all structural walls, floors, concealed roof spaces not accessible for inspection, exterior decks, and exterior claddings within the first 2 feet (610 mm) above the top of the foundation.	**2**	0	0	☐			None
	(2)	In areas of moderate to heavy termite infestation probability: for the foundation, all structural walls, floors, concealed roof spaces not accessible for inspection, exterior decks, and exterior claddings within the first 3 feet (914 mm) above the top of the foundation.	**4**	0	0	☐			
	(3)	In areas of very heavy termite infestation probability: for the foundation, all structural walls, floors, concealed roof spaces not accessible for inspection, exterior decks, and exterior claddings.	**6**	0	0	☐			
602.1.7		**602.1.7 Moisture control measures**							
602.1.7.1		**602.1.7.1** Moisture control measures are in accordance with the following:							
	(1)	Building materials with visible mold are not installed or are cleaned or encapsulated prior to concealment and closing.	**2**	0	0	☐			None
	(2)	Insulation in cavities is dry in accordance with manufacturer's instructions when enclosed (e.g., with drywall). NOTE: If "N/A" is selected, explain why in the assigned Notes area.	**Mandatory 2**	2	2	Met			None
	(3)	The moisture content of lumber is sampled to ensure it does not exceed 19 percent prior to the surface and/or cavity enclosure.	**4**	0	0	☐			None
602.1.7.2		**602.1.7.2** Moisture content of subfloor, substrate, or concrete slabs is in accordance with the appropriate industry standard for the finish flooring to be applied.	**2**	0	0	☐			None
602.1.7.3		**602.1.7.3** Building envelope assemblies are designed for moisture control based on documented hygrothermal simulation or field study analysis. Hygrothermal analysis is required to incorporate representative climatic conditions, interior conditions and include heating and cooling seasonal variation.	**4**	0	0	☐			None
602.1.8		**602.1.8 Water-resistive barrier.** Where required by the ICC, IRC, or IBC, a water-resistive barrier and/or drainage plane system is installed behind exterior veneer and/or siding. NOTE: If "N/A" is selected, explain why in the assigned Notes area.	**Mandatory**			Met			None
602.1.9		**602.1.9 Flashing.** Flashing is provided as follows to minimize water entry into wall and roof assemblies and to direct water to exterior surfaces or exterior water-resistive barriers for drainage. Flashing details are provided in the construction documents and are in accordance with the fenestration manufacturer's instructions, the flashing manufacturer's instructions, or as detailed by a registered design professional.							
	(1)	Flashing is installed at all of the following locations, as applicable:	**Mandatory**			☑			None
	(a)	around exterior fenestrations, skylights, and doors							
	(b)	at roof valleys							
	(c)	at all building-to-deck, -balcony, -porch, and -stair intersections							
	(d)	at roof-to-wall intersections, at roof-to-chimney intersections, at wall-to-chimney intersections, and at parapets							
	(e)	at ends of and under masonry, wood, or metal copings and sills							
	(f)	above projecting wood trim							
	(g)	at built-in roof gutters, and							
	(h)	drip edge is installed at eave and rake edges.							
	(2)	All window and door head and jamb flashing is either self-adhered flashing complying with AAMA 711-13 or liquid applied flashing complying with AAMA 714-15 and installed in accordance with fenestration or flashing manufacturer's installation instructions.	**2**	2	0	☐			None
	(3)	Pan flashing is installed at sills of all exterior windows and doors.	**3**	3	0	☐			None
	(4)	Seamless, preformed kickout flashing, or prefabricated metal with soldered seams is provided at all roof-to-wall intersections. The type and thickness of the material used for roof flashing including but not limited kickout and step flashing is commensurate with the anticipated service life of the roofing material.	**3**	0	0	☐			None
	(5)	A rainscreen wall design as follows is used for exterior wall assemblies		0	0				None
	(a)	a system designed with minimum 1/4-inch air space exterior to the water-resistive barrier, vented to the exterior at top and bottom of the wall, and integrated with flashing details. OR	**4**						
	(b)	a cladding material or a water-resistive barrier with enhanced drainage, meeting 75 percent drainage efficiency determined in accordance with ASTM E2273.	**2**						
	(6)	Through-wall flashing is installed at transitions between wall cladding materials or wall construction types.	**2**	0	0	☐			None
	(7)	Flashing is installed at expansion joints in stucco walls.	**2**	0	0	☐			None
602.1.10		**602.1.10 Exterior doors.** Entries at exterior door assemblies, inclusive of side lights (if any), are covered by one of the following methods to protect the building from the effects of precipitation and solar radiation. Either a storm door or a projection factor of 0.375 minimum is provided. Eastern- and western-facing entries in Climate Zones 1, 2, and 3, as determined in accordance with Figure 6(1) or Appendix A, have either a storm door or a projection factor of 1.0 minimum, unless protected from direct solar radiation by other means (e.g., screen wall, vegetation). This Project's Climate Zone: 4	**2 per exterior door 6 Max**	4	0				None
	(a)	installing a porch roof or awning							
	(b)	extending the roof overhang							
	(c)	recessing the exterior door							
	(d)	Installing a storm door							
		Note: The pedestrian door protected in a garage leading to living space does not qualify for points.							
602.1.11		**602.1.11 Tile backing materials.** Tile backing materials installed under tiled surfaces in wet areas are in accordance with ASTM C1178, C1278, C1288, or C1325.	**Mandatory**			Met			None
602.1.12		**602.1.12 Roof overhangs.** Roof overhangs, in accordance with Table 602.1.12, are provided over a minimum of 90 percent of exterior walls to protect the building envelope. See Table 602.1.12	**4**	0	0	☐			None
602.1.13		**602.1.13 Ice barrier.** In areas where there has been a history of ice forming along the eaves causing a backup of water, an ice barrier is installed in accordance with the ICC IRC or IBC at roof eaves of pitched roofs and extends a minimum of 24 inches (610 mm) inside the exterior wall line of the building.	**Mandatory**			Met			None
602.1.14		**602.1.14 Architectural features**. Architectural features that increase the potential for water intrusion are avoided:							
	(1)	All horizontal ledgers are sloped away to provide gravity drainage as appropriate for the application.	**Mandatory 1**	1	1	Met			None
	(2)	No roof configurations that create horizontal valleys in roof design.	**2**	2	0	☐			None
	(3)	No recessed windows and architectural features that trap water on horizontal surfaces.	**2**	2	0	☐			None
602.1.15		**602.1.15 Kitchen and vanity cabinets.** All kitchen and vanity cabinets are certified in accordance with the ANSI/KCMA A161.1 performance standard or equivalent. NOTE: Identify what product was used in the assigned Notes area.	**2**	2	0	☐			SMART
602.2		**602.2 Roof surfaces.** A minimum of 90 percent of roof surfaces, not used for roof penetrations and associated equipment, on-site renewable energy systems such as photovoltaics or solar thermal energy collectors, or rooftop decks, amenities and walkways, are constructed of one or more of the following:	**3**	0	0				
	(1)	products that are in accordance with the ENERGY STAR® cool roof certification or equivalent				☐			None
	(2)	a vegetated roof system				☐			None
	(3)	Minimum initial SRI of 78 for low-sloped roof (a slope less than 2:12) and a minimum initial SRI of 29 for a steep-sloped roof (a slope equal to or greater than 2:12). The SRI is calculated in accordance with ASTM E1980. Roof products are certified and labeled.				☐			None

602.3	**602.3 Roof water discharge.** A gutter and downspout system or splash blocks and effective grading are provided to carry water a minimum of 5 feet (1524 mm) away from perimeter foundation walls.	**4**	0	0	☐		None
602.4	**602.4 Finished grade.**						
602.4.1	**602.4.1** Finished grade at all sides of a building is sloped to provide a minimum of 6 inches (150 mm) of fall within 10 feet (3048 mm) of the edge of the building. Where lot lines, walls, slopes, or other physical barriers prohibit 6 inches (152 mm) of fall within 10 feet (3048 mm), the final grade is sloped away from the edge of the building at a minimum slope of 2 percent.	**Mandatory**			☐		None
602.4.2	**602.4.2** The final grade is sloped away from the edge of the building at a minimum slope of 5 percent.	**1**	1	0	☐		None
602.4.3	**602.4.3** Water is directed to drains or swales to ensure drainage away from the structure.	**1**	0	0	☐		None
603 REUSED OR SALVAGED MATERIALS							
603.0	**603.0 Intent.** Practices that reuse or modify existing structures, salvage materials for other uses, or use salvaged materials in the building's construction are implemented.						
603.1	**603.1 Reuse of existing building.** Major elements or components of existing buildings and structures are reused, modified, or deconstructed for later use. **(Points awarded for every 200 square feet (18.5 m^2) of floor area.)** NOTE: Describe materials used in the assigned Notes area. Materials, elements, or components awarded points under Section 603.1 shall not be awarded points under Section 603.2.	**1** **12 Max**	0	0			None
603.2	**603.2 Salvaged materials.** Reclaimed and/or salvaged materials and components are used. The total material value and labor cost of salvaged materials is equal to or exceeds 1 percent of the total construction cost. **(Points awarded per 1% of salvaged materials used based on the total construction cost.)** NOTE: Describe materials used in the assigned Notes area. Materials, elements, or components awarded points under Section 603.1 shall not be awarded points under Section 603.2.	**1** **9 Max**	0	0			None
603.3	**603.3 Scrap materials.** Sorting and reuse of scrap building material is facilitated (e.g., a central storage area or dedicated bins are provided). NOTE: Indicate in the assigned Notes area what salvage materials were sorted for reuse.	**4**	0	0	☐		None
604 RECYCLED-CONTENT BUILDING MATERIALS							
604.1	**604.1 Recycled content.** Building materials with recycled content are used for two minor and/or two major components of the building. Enter material percent recycled content. See Table 604.1 NOTE: In the assigned Notes area, list materials used for minor and/or major building components.	**per Table 604.1**	0	0	First Minor Comp.: Second Minor Comp.: First Major Comp.: Second Major Comp.:		None None None None
605 RECYCLED CONSTRUCTION WASTE							
605.0	**605.0 Intent.** Waste generated during construction is recycled.						
605.1	**605.1 Hazardous waste.** The construction and waste management plan shall include information on the proper handling and disposal of hazardous waste. Hazardous waste is properly handled and disposed.	**Mandatory**			☑		None
605.2	**605.2 Construction waste management plan.** A construction waste management plan is developed, posted at the jobsite, and implemented diverting, through reuse, salvage, recycling, or manufacturer reclamation, a minimum of 50 percent (by weight) of nonhazardous construction and demolition waste from disposal. For this practice, land clearing debris is not considered construction waste. Materials used as alternative daily cover are considered construction waste and do not count toward recycling or salvaging.				☐		None
	For buildings following the new construction path that also have a renovation component, the waste management plan includes the recycling of 95 percent of electronic waste components (such as printed circuit boards from computers, building automation systems, HVAC, fire and security control boards) by an E-Waste recycling facility.	**6**	6	0			
	Exceptions:						
	(1) Waste materials generated from land clearing, soil and sub-grade excavation and vegetative debris shall not be in the calculations.						
	(2) A recycling facility (traditional or E-Waste) offering material receipt documentation is not available within 50 miles of the jobsite.				☐		
605.3	**605.3 On-site recycling.** On-site recycling measures following applicable regulations and codes are implemented, such as the following:	**7**	0	0	☐		None
	(a) Materials are ground or otherwise safely applied on-site as soil amendment or fill. A minimum of 50 percent (by weight) of construction and land-clearing waste is diverted from landfill.						
	(b) Alternative compliance methods approved by the Adopting Entity.						
	(c) Compatible untreated biomass material (lumber, posts, beams, etc.) are set aside for combustion if a solid fuel-burning appliance per Section 901.2.1(2) will be available for on-site renewable energy.						
605.4	**605.4 Recycled construction materials.** Construction materials (e.g., wood, cardboard, metals, drywall, plastic, asphalt roofing shingles, or concrete) are recycled offsite.	**6 Max**	0	0			
	(1) a minimum of two types of materials are recycled	**3**					
	(2) for each additional recycled material type	**1**					
	(a) wood				☐		None
	(b) cardboard				☐		
	(c) metals				☐		
	(d) drywall				☐		
	(e) plastic				☐		
	(f) asphalt roofing shingles				☐		
	(g) concrete				☐		
	(h) other				☐		None
	(i) other				☐		None
	NOTE: List "other" types of materials recycled in the assigned Notes area.						
606 RENEWABLE MATERIALS							
606.0	**606.0 Intent.** Building materials derived from renewable resources are used.						
606.1	**606.1 Biobased products.** The following biobased products are used:						
	(a) certified solid wood in accordance with Section 606.2						None
	(b) engineered wood						
	(c) bamboo						
	(d) cotton		0	0			
	(e) cork						
	(f) straw						
	(g) natural fiber products made from crops (soy-based, corn-based)						
	(h) other biobased materials with a minimum of 50 percent biobased content (by weight or volume)						
	Note: Please list "other biobased materials" used in the Notes field						
	(1) Two types of biobased materials are used, each for more than 0.5 percent of the project's projected building material cost.	**3**					
	(2) Two types of biobased materials are used, each for more than 1 percent of the project's projected building material cost.	**6**					
	(3) For each additional biobased material used for more than 0.5 percent of the project's projected building material cost.	**1** **2 Max**					
606.2	**606.2 Wood-based products.** Wood or wood-based products are certified to the requirements of one of the following:						
	(a) American Forest Foundation's *American Tree Farm System®* (ATFS)						
	(b) Canadian Standards Association's *Sustainable Forest Management System Standards* (CSA Z809)						
	(c) *Forest Stewardship Council* (FSC)						
	(d) *Program for Endorsement of Forest Certification Systems* (PEFC)						
	(e) *Sustainable Forestry Initiative ® Program (SFI)*						
	(f) National Wood Flooring Association's Responsible Procurement Program (RPP)						

	(g) other product programs mutually recognized by PEFC							
	(h) A manufacturer's fiber procurement system that has been audited by an approved agency as compliant with the provisions of ASTM D7612 as a responsible or certified source. Government or tribal forestlands whose water protection programs have been evaluated by an approved agency as compliant with the responsible source designation of ASTM D7612 are exempt from auditing in the manufacturers' fiber procurement system.				Program(s):			
	(1) A minimum of two responsible or certified wood-based products are used for minor components of the building.	**3**	0	0			None	
	Note: Please list products and components in the Notes fields						None	
	(2) A minimum of two responsible or certified wood-based products are used in major components of the building.	**4**	0	0			None	
	Note: Please list products and components in the Notes fields						None	
606.3	**606.3 Manufacturing energy.** Materials manufactured using a minimum of 33 percent of the primary manufacturing process energy derived from (1) renewable sources, (2) combustible waste sources, or (3) renewable energy credits (RECs) are used for major components of the building. **(2 points awarded per material.)**	**6 Max**	0	0			None	
	Note: Please list materials in the Notes field							
607 RECYCLING AND WASTE REDUCTION								
607.1	**607.1 Recycling and composting.** Recycling and composting by the occupant are facilitated by one or more of the following methods:							
	(1) A readily accessible space(s) for recyclable material containers is provided and identified on the floorplan of the house or dwelling unit or a readily accessible area(s) outside the living space is provided for recyclable material containers and identified on the site plan for the house or building. The area outside the living space shall accommodate recycling bin(s) for recyclable materials accepted in local recycling programs.	**2**	0	0	☐		None	
	(2) A readily accessible space(s) for compostable material containers is provided and identified on the floorplan of the house or dwelling unit or a readily accessible area(s) outside the living space is provided for compostable material containers and identified on the site plan for the house or building. The area outside the living space shall accommodate composting container(s) for locally accepted materials, or, accommodate composting container(s) for on-site composting.	**4**	0	0	☐		None	
607.2	**607.2 Food waste disposers.** A minimum of one food waste disposer is installed at the primary kitchen sink.	**1**	0	0	☐		None	
608 RESOURCE-EFFICIENT MATERIALS								
608.1	**608.1 Resource-efficient materials.** Products containing fewer materials are used to achieve the same end-use requirements as conventional products, including but not limited to:						None	
	(1) lighter, thinner brick with bed depth less than 3 inches and/or brick with coring of more that 25 percent	**9 Max** **3 per material**	0	0				
	(2) engineered wood or engineered steel products							
	(3) roof or floor trusses							
	NOTE: In the assigned Notes area, describe the types of products that comply with 608.1.							
609 REGIONAL MATERIALS								
609.1	**609.1 Regional materials.** Regional materials are used for major and/or minor components of the building.	**10 Max**			# of major components:			
	(1) Major component	**2 per each component**	4	0			drywall, concrete	
	(2) Minor component	**1 per each component**			# of minor components:		None	
	For a component to comply with this practice, a minimum of 75 percent of all products in that component category must be sourced regionally, e.g., stone veneer category – 75 percent or more of the stone veneer on a project must be sourced regionally.							
	NOTE: In the assigned Notes areas, list major and minor materials used that comply with 609.1.							
610 LIFE CYCLE ASSESSMENT								
610.1	**610.1 Life cycle assessment.** A life cycle assessment (LCA) tool is used to select environmentally preferable products, assemblies, or, entire building designs. Points are awarded in accordance with Section 610.1.1 or 610.1.2. Only one method of analysis or tool may be utilized. The reference service life for the building is 60 years for any life cycle analysis tool. Results of the LCA are reported in the manual required in Section 1001.1 or 1002.1(1) of this Standard in terms of the environmental impacts listed in this practice and it is stated if operating energy was included						None	
	NOTE: Identify the LCA tool utilized and the person who completed the analysis.							
610.1.1	**610.1.1 Whole-building life cycle assessment.** A whole-building LCA is performed in conformance with ASTM E2921 using ISO14044 compliant life cycle assessment.							
	(1) Execute LCA at the whole building level through a comparative analysis between the final and reference building designs as set forth under Standard Practice, ASTM E2921. The assessment criteria includes the following environmental impact categories:				☐		None	
	(a) Primary energy use **(b)** Global warming potential **(c)** Acidification potential **(d)** Eutrophication potential **(e)** Ozone depletion potential **(f)** Smog potential	**8**	0	0				
	(2) Execute LCA on regulated loads throughout the building operations life cycle stage. Conduct simulated energy performance analyses in accordance with Section 702.2.1 ICC IECC analysis (IECC Section 405) in establishing the comparative performance of final versus reference building designs. Primary energy use savings and global warming potential avoidance from simulation analyses results are determined using energy supplier, utility, or EPA electricity generation and other fuels energy conversion factors and electricity generation and other fuels emission rates for the locality or Sub-Region in which the building is located	**5**	0	0	☐		None	
	(3) Execute full LCA, including use-phase, through calculation of operating energy impacts (c) – (f) using local or regional emissions factors from energy supplier, utility, or EPA.	**2**	0	0	☐		None	
610.1.2	**610.1.2 Life cycle assessment for a product or assembly.** An environmentally preferable product or assembly is selected for an application based upon the use of an LCA tool that incorporates data methods compliant with ISO 14044 or other recognized standards that compare the environmental impact of products or assemblies.	**10 Max**	0	0				
610.1.2.1	**610.1.2.1 Product LCA.** A product with improved environmental impact measures compared to another product(s) intended for the same use is selected. The environmental impact measures used in the assessment are selected from the following: **(a)** Primary energy use **(b)** Global warming potential **(c)** Acidification potential **(d)** Eutrophication potential **(e)** Ozone depletion potential **(f)** Smog potential **(Points are awarded for each product/system comparison where the selected product/system improved upon the environmental impact measures by an average of 15 percent.)**	**per Table 610.1.2.1 10 Max**			# of comparisons with 4 measures:		None	
					# of comparisons with 5 measures:		None	
	NOTE: List products/systems compared & impact measures considered in the assigned Notes area.							
610.1.2.2	**610.1.2.2 Building assembly LCA.** A building assembly with improved environmental impact measures compared to an alternative assembly of the same function is selected. The full life cycle, from resource extraction to demolition and disposal (including but not limited to on-site construction, maintenance and replacement, material and product embodied acquisition, and process and transportation energy), is assessed. The assessment includes all structural elements, insulation, and wall coverings of the assembly. The assessment does not include electrical and mechanical equipment and controls, plumbing products, fire detection and alarm systems, elevators, and conveying systems. The following types of building assemblies are eligible for points under this practice: **(a)** exterior walls				exterior walls:		None	
					roof/ceiling:		None	

	(b) roof/ceiling							
	(c) interior walls or ceilings	per Table 610.1.2.2						
	(d) intermediate floors	10 Max						
	The environmental impact measures used in the assessment are selected from the following:				int. walls or ceilings:			None
	(a) Primary energy use							
	(b) Global warming potential							
	(c) Acidification potential							
	(d) Eutrophication potential							
	(e) Ozone depletion potential				intermediate floors:			None
	(f) Smog potential							
	(Points are awarded based on the number of types of building assemblies that improve upon environmental impact measures by an average of 15 percent.)							
	NOTE: List assemblies compared & impact measures considered in the assigned Notes area.							
611 PRODUCT DECLARATIONS								
611.1	**611.1 Product declarations.** A minimum of 10 different products installed in the building project, at the time of certificate of occupancy, comply with one of the following sub-sections. Declarations, reports, and assessments are submitted and contain documentation of the critical peer review by an independent third party, results from the review, the reviewer's name, company name, contact information, and date of the review.	**5**	0	0				
611.1.1	**611.1.1 Industry-wide declaration.** A Type III industry-wide environmental product declaration (EPD) is submitted for each product. Where the program operator explicitly recognizes the EPD as representative of the product group on a National level, it is considered industry-wide. In the case where an industry-wide EPD represents only a subset of an industry group, as opposed to being industry-wide, the manufacturer is required be explicitly recognized as a participant by the EPD program operator. All EPDs are required to be consistent with ISO Standards 14025 and 21930 with at least a cradle-to-gate scope. **(Each product complying with Section 611.1.1 shall be counted as one product for compliance with Section 611.1.)**				# of products:			None
	NOTE: List products in the assigned Notes area.							
611.1.2	**611.1.2 Product Specific Declaration.** A product specific Type III EPD are submitted for each product. The product specific declaration shall be manufacturer specific for an individual product or product family. All Type III EPDs are required to be certified as complying, at a minimum, with the goal and scope for the cradle-to-gate requirements in accordance with ISO Standards 14025 and 21930. **(Each product complying with Section 611.1.2 shall be counted as two products for compliance with Section 611.1.)**				# of products (not effective number):			None
	NOTE: List products in the assigned Notes area.							
612 INNOVATIVE PRACTICES								
612.1	**612.1 Manufacturer's environmental management system concepts.** Product manufacturer's operations and business practices include environmental management system concepts, and the production facility is registered to ISO 14001 or equivalent. The aggregate value of building products from registered ISO 14001 or equivalent production facilities is 1 percent or more of the estimated total building materials cost. **(1 point awarded per percent.)**	**10 Max**	0	0				None
	NOTE: In the assigned Notes area, list products that comply with manufacturers and ISO registrars.							
612.2	**612.2 Sustainable products.** One or more of the following products are used for at least 30% of the floor or wall area of the entire dwelling unit or the sleeping unit, as applicable. Products are certified by a third-party agency accredited to ISO 17065.	**9 Max**	0	0				
(1)	50% or more of carpet installed (by square feet) is certified to NSF 140 or equivalent.	**3**			☐			None
(2)	50% or more of resilient flooring installed (by square feet) is certified to NSF 332 or equivalent.	**3**			☐			None
(3)	50% or more of the insulation installed (by square feet) is certified to UL 2985 or equivalent.	**3**			☐			None
(4)	50% or more of interior wall coverings installed (by square feet) is certified to NSF 342 or equivalent.	**3**			☐			None
(5)	50% or more of the gypsum board installed (by square feet) is certified to UL 100 or equivalent.	**3**			☐			None
(6)	50% or more of the door leafs installed (by number of door leafs) is certified to UL 102 or equivalent.	**3**			☐			None
(7)	50% or more of the tile installed (by square feet) is certified to TCNA A138.1 Specifications for Sustainable Ceramic Tiles, Glass Tiles and Tile Installation Materials or equivalent.	**3**			☐			None
612.3	**612.3 Universal design elements.** Dwelling incorporates one or more of the following universal design elements. Conventional industry construction tolerances are permitted.	**12 Max**	12	0				
(1)	Any no-step entrance into the dwelling which (1) is accessible from a substantially level parking or drop-off area (no more than 2%) via an accessible path which has no individual change in elevation or other obstruction of more than 1-1/2 inches in height with the pitch not exceeding 1 in 12 and (2) provides a minimum 32-inch wide clearance into the dwelling.	**3**			☐			None
(2)	Minimum 36-inch wide accessible route from the no-step entrance into at least one visiting room in the dwelling and into at least one full or half bathroom which has a minimum 32-inch clear door width and a 30-inch by 48-inch clear area inside the bathroom outside the door swing.	**3**			☐			None
(3)	Minimum 36-inch wide accessible route from the no-step entrance into at least one bedroom which has a minimum 32-inch clear door width.	**3**			☐			None
(4)	Blocking or equivalent installed in the accessible bathroom walls for future installation of grab bars at water closet and bathing fixture, if applicable.	**1**			☐			None
(5)	All interior and exterior door handles are levers rather than knobs.	**1**			☐			None
(6)	All sink, lavatory and showering controls that comply with ICC A117.1.	**1**			☐			None
(7)	Interior convenience Power receptacles, communication connections (for cable, phone, Ethernet, etc.) and switches are placed between 15" and 48" above the finished floor. Additional switches to control devices and systems (such as alarms, home theaters and other equipment) not required by the local building code may be installed as desired.	**1**			☐			None
(8)	All light switches are rocker-type switches or other similar switches that can be operated by pressing them (with assistive devices). Toggle-type switches may not be used.	**1**			☐			None
(9)	Any of the following can be controlled with a (wireless) mobile device such as a smartphone, tablet or laptop computer: HVAC, lighting, alarm system or door locks	**1 per system [5 max]**						None
613 RESILIENT CONSTRUCTION								
613.1	**613.1 Intent.** Design and construction practices developed by a licensed design professional or equivalent are implemented that enhance the resilience and durability of the structure (above building code minimum design loads) so the structure can better withstand forces generated by; flooding, snow, wind or seismic activity (as applicable) and reduce the potential for the loss of life and property.		2	0				None
(a)	**Minimum structural requirements (base design).** The building is designed and constructed in compliance with structural requirements in the IBC or IRC as applicable.	**2**						
(b)	**Enhanced resilience – 10% above base design.** Design and construction practices are implemented that enhance the resilience and durability of the structure by designing and building to forces generated by; flooding, snow, wind or seismic (as applicable) that are 10% higher than the base design.	**3**						
(c)	**Enhanced resilience – 20% above base design.**	**5**						
(d)	**Enhanced resilience – 30% above base design.**	**10**						
(e)	**Enhanced resilience – 40% above base design.**	**12**						
(f)	**Enhanced resilience – 50% above base design.**	**15**						

701 MINIMUM ENERGY EFFICIENCY REQUIREMENTS

701.1	**701.1 Mandatory requirements.** The building shall comply with Section 702 (Performance Path), Section 703 (Prescriptive Path), or Section 704 (ERI Target Path). Items listed as "mandatory" in Section 701.4 apply to all Paths. Unless otherwise noted, buildings in the Tropical Climate Zone shall comply with Climate Zone 1 requirements. Please indicate energy modeler's professional credential and, in the notes field, their name. When selecting "Other," enter professional credentials (e.g., engineer, architect) within the notes field.			Select Path: Prescriptive Path Modeler's Credential:		None
701.1.1	**701.1.1 Minimum Performance Path requirements.** A building complying with § 702 shall include a minimum of two practices from § 705, or a minimum of one practice from § 705 and a minimum of one practice from § 706.	**Not enough practices from 705/706**				None
701.1.2	**701.1.2 Minimum Prescriptive Path requirements.** A building complying with § 703 shall obtain a minimum of 30 points from § 703 and shall include a minimum of two practices from § 705, or a minimum of one practice from § 705 and a minimum of one practice from § 706.					None
701.1.3	**701.1.3 ERI Target Path requirements.** A building complying with § 704 shall obtain a minimum of 30 points from § 704 and shall include a minimum of two practices from § 705, or a minimum of one practice from § 705 and a minimum of one practice from § 706.					None
701.1.4	**701.1.4 Alternative bronze and silver level compliance**. As an alternative, any building that qualifies as an ENERGY STAR Version 3.0 Certified Home or ENERGY STAR Multifamily High Rise Version 1.0 Rev. 03 building or demonstrates compliance with the 2018 IECC or Chapter 11 of the 2018 IRC achieves the bronze level for Chapter 7. As an alternative, any building that qualifies as an ENERGY STAR Version 3.1 Certified Home or ENERGY STAR Multifamily High Rise Version 1.0 Rev. 03 (with the baseline at ASHRAE 90.1-2010) building achieves the silver level for Chapter 7. As an alternative in the Tropical Climate Zone, any building that meets all of the requirements in IECC Section R401.2.1 (Tropical Zone) achieves the silver level for Chapter 7. The buildings achieving compliance under Section 701.1.4 are not eligible for achieving a rating level above silver.		0 0	Alternative: Option: Per interpretation, HI recognizes ES MFNC v1.1 for Alt Silver and ES MFNC v1.2 or ES v3.2 for Alt Gold.		None
701.1.6	**701.1.6 Alternative gold level compliance for tropical zones**. One- or two-family dwelling in the tropical zone at an elevation less than 2,400 feet (731.5 m) above sea level that complies with the following shall achieve the gold level for chapter 7:					
	(1) The residence complies with IECC Tropical Zone than section R401.2.1.	N/A		☐		None
	(2) The residence includes a minimum of 2 kW of PV and a minimum of 6 kWh of battery storage.	N/A		☐		None
	(3) Any air conditioning has a minimum of 18 SEER.	N/A				None
	(4) Solar, wind or other renewable energy source supplies not less than 90 percent of the energy for service water heating.	N/A		☐		None
	(5) Glazing in conditioned spaces has a solar heat gain coefficient of less than or equal to 0.25, or has an overhang with a projection factor equal to or greater than 0.30.	N/A				None
	(6) The exterior roof/ceiling complies with at least two of the following:					
	(a) Minimum roof reflectance and emittance in IECC Table C402.3	N/A		☐		None
	(b) Roof or ceiling has insulation with an R-value of R-15 or greater	N/A		☐		None
	(c) Includes a radiant barrier	N/A		☐		None
	(7) Walls comply with at least one of the following:					
	(a) Walls have an overhang with a projection factor equal to or greater than 0.30	N/A		☐		None
	(b) Walls have insulation with an R-value of R-13 or greater	N/A		☐		None
	(c) Walls have a solar reflectance of 0.64	N/A		☐		None
	(8) A ceiling fan is provided for bedrooms and the largest space that is not used as a bedroom; alternately a whole house fan is provided.	N/A		☐		None
	(9) Wiring sufficient for a Level 2 (208/240V 40-80 amp) electric vehicle charging station is installed on the building site.	N/A		☐		None
701.2	**701.2 Emerald level points.** The Performance Path (Section 702) or the ERI Target Path (Section 704) shall be used to achieve the emerald level.	**Emerald Not Available**				
701.3	**701.3 Adopting Entity review.** A review by the Adopting Entity or designated third party shall be conducted to verify design and compliance with Chapter 7. NOTE: List the reviewer in the assigned Notes field.			☐		Lorax
701.4	**701.4 Mandatory practices.**					
701.4.1	**701.4.1 HVAC systems.**					
701.4.1.1	**701.4.1.1 HVAC system sizing.** Space heating and cooling system is sized according to heating and cooling loads calculated using ACCA Manual J, or equivalent. Equipment is selected using ACCA Manual S or equivalent.	**Mandatory**		☑		None
701.4.1.2	**701.4.1.2 Radiant and hydronic space heating.** Where installed as a primary heat source in the building, radiant or hydronic space heating system is designed, installed, and documented, using industry-approved guidelines and standards (e.g., ACCA Manual J, AHRI I=B=R, ACCA 5 QI-2010, or an accredited design professional's and manufacturer's recommendations).	**Mandatory**		No Radiant or Hydronic		None
701.4.2	**701.4.2 Duct systems.**					
701.4.2.1	**701.4.2.1 Duct air sealing.** Ducts are air sealed. All duct sealing materials are in conformance with UL 181A or UL 181B specifications and are installed in accordance with manufacturer's instructions.	**Mandatory**		☑		None
701.4.2.2	**701.4.2.2 Ducts and Plenums.** Building framing cavities are not used as ducts or plenums.	**Mandatory**		☑		None
701.4.2.3	**701.4.2.3 Duct system sizing.** Duct system is sized and designed in accordance with ACCA Manual D or equivalent.	**Mandatory**		☑		None
701.4.3	**701.4.3 Insulation and air sealing.**					
701.4.3.1	**701.4.3.1 Building Thermal Envelope Air Sealing.** The building thermal envelope is durably sealed to limit infiltration. The sealing methods between dissimilar materials allow for differential expansion and contraction. The following are caulked, gasketed, weather-stripped or otherwise sealed with an air barrier material, suitable film, or solid material:			701.4.3.3 Exception: ☐		None
	(a) All joints, seams and penetrations.	**Mandatory**		Met		None
	(b) Site-built windows, doors, and skylights.			N/A		None
	(c) Openings between window and door assemblies and their respective jambs and framing.			Met		None
	(d) Utility penetrations.			Met		None
	(e) Dropped ceilings or chases adjacent to the thermal envelope.			N/A		None
	(f) Knee walls.			N/A		None
	(g) Walls, ceilings, and floors separating conditioned spaces from unconditioned.			Met		None
	(h) Behind tubs and showers on exterior walls.			Met		None
	(i) Common walls between dwelling units or sleeping units.			Met		None
	(j) Attic access openings.			Met		None
	(k) Joints of framing members at rim joists.			Met		None
	(l) Top and bottom plates.			Met		None
	(m) Other sources of infiltration.			Met		None
701.4.3.2	**701.4.3.2 Air barrier, air sealing, building envelope testing, and insulation.** Building envelope air barrier, air sealing envelope tightness, and insulation installation is verified to be in accordance with this Section and Section 701.4.3.2.1. Insulation installation other than Grade 1 is not permitted.	**Mandatory**		ACH50: 3.00 ELR:	Lorax	Lorax
	(1) **Testing.** Building envelope tightness is tested. Testing is conducted in accordance with ASTM E-779 using a blower door at a test pressure of 1.04 psf (50 Pa). Testing is conducted after rough-in and after installation of penetrations of the building envelope, including penetrations for utilities, plumbing, electrical, ventilation, and combustion appliances. Testing is conducted under the following conditions:					None
	(a) Exterior windows and doors, fireplace and stove doors are closed, but not sealed;					None
	(b) Dampers are closed, but not sealed, including exhaust, intake, makeup air, backdraft and flue dampers;					None
	(c) Interior doors are open;					None
	(d) Exterior openings for continuous ventilation systems and heat recovery ventilators are closed and sealed;					None
	(e) Heating and cooling systems are turned off;					None
	(f) HVAC duct terminations are not sealed; and					None
	(g) Supply and return registers are not sealed.					None
	Multifamily Building Note: Testing by dwelling units, sleeping units, groups of dwelling units, groups of sleeping units, or the building as a whole is acceptable.					None

	(2)	**Visual inspection.** The air barrier and insulation items listed in Table 701.4.3.2(2) are field verified by visual inspection. See Table 701.4.3.2(2)				☑		None
701.4.3.2.1		**701.4.3.2.1 Grade I insulation installations.** Field-installed insulation products to ceilings, walls, floors, band joists, rim joists, conditioned attics, basements, and crawlspaces, except as specifically noted, are verified as Grade I by a third-party are in accordance with the following: NOTE: Attic/Roof insulation is confirmed	Mandatory			☑ Attic/Roof insulation is confirmed ☑		
	(1)	Inspection is conducted before insulation is covered.						None
	(2)	Air-permeable insulation is enclosed on all six sides and is in substantial contact with the sheathing material on one or more sides (interior or exterior) of the cavity. Air permeable insulation in ceilings is not required to be enclosed when the insulation is installed in substantial contact with the surfaces it is intended to insulate.						None
	(3)	Cavity insulation uniformly fills each cavity side-to-side and top-to-bottom, without substantial gaps or voids around obstructions (such as blocking or bridging).						None
	(4)	Cavity insulation compression or incomplete fill amounts to 2 percent or less, presuming the compressed or incomplete areas are a minimum of 70 percent of the intended fill thickness; occasional small gaps are acceptable.						None
	(5)	Exterior rigid insulation has substantial contact with the structural framing members or sheathing materials and is tightly fitted at joints.						None
	(6)	Cavity insulation is split, installed, and/or fitted tightly around wiring and other services.						None
	(7)	Exterior sheathing is not visible from the interior through gaps in the cavity insulation.						None
	(8)	Faced batt insulation is permitted to have side-stapled tabs, provided the tabs are stapled neatly with no buckling, and provided the batt is compressed only at the edges of each cavity, to the depth of the tab itself.						None
	(9)	Where properly installed, ICFs, SIPs, and other wall systems that provide integral insulation are deemed in compliance with this section.						None
701.4.3.3		**701.4.3.3 Multifamily air leakage alternative.** Multifamily buildings four or more stories in height and in compliance with IECC section C402.5 (Air leakage-thermal envelope) are deemed to comply with Sections 701.4.3.1 and 701.4.3.2.				See 701.4.3.1		None
701.4.3.4		**701.4.3.4 Fenestration air leakage.** Windows, skylights and sliding glass doors have an air infiltration rate of no more than 0.3 cfm per square foot (1.5 L/s/m2), and swinging doors no more than 0.5 cfm per square foot (2.6 L/s/m2), when tested in accordance with NFRC 400 or AAMA/WDMA/CSA 101/I.S.2/A440 by an accredited, independent laboratory and listed and labeled. For site-built fenestration, a test report by an accredited, independent laboratory verifying compliance with the applicable infiltration rate shall be submitted to demonstrate compliance with this practice. This practice does not apply to field-fabricated fenestration products. **Exception:** For Tropical Zones Only, Jalousie windows are permitted to be used as a conditioned space boundary and shall have an air infiltration rate of not more than 1.3 cfm per square foot.	Mandatory			☑		None
701.4.3.5		**701.4.3.5 Lighting in building thermal envelope.** Luminaires installed in the building thermal envelope which penetrate the air barrier are sealed to limit air leakage between conditioned and unconditioned spaces. All luminaires installed in the building thermal envelope which penetrate the air barrier are IC-rated and labeled as meeting ASTM E283 when tested at 1.57 psf (75 Pa) pressure differential with no more than 2.0 cfm (0.944 L/s) of air movement from the conditioned space to the ceiling cavity. All luminaires installed in the building thermal envelope which penetrate the air barrier are sealed with a gasket or caulk between the housing and the interior of the wall or ceiling covering.	Mandatory			Met		None
701.4.4		**701.4.4 High-efficacy lighting.** Lighting efficacy in dwelling units or sleeping units is in accordance with one of the following:	Mandatory					
	(1)	A minimum of 75 percent of the total hard-wired lighting fixtures or the bulbs in those fixtures qualify as high efficacy or equivalent				☑		None
	(2)	Lighting power density, measured in watts/square foot, is 1.1 or less.				☐		None
701.4.5		**701.4.5 Boiler piping.** Boiler piping in unconditioned space supplying and returning heated water or steam is insulated.	N/A			☐		None
702 PERFORMANCE PATH								
702.1		**702.1 Point allocation.** Points from Section 702 (Performance Path) shall not be combined with points from Section 703 (Prescriptive Path) or Section 704 (ERI Target Path).						
702.2		**702.2 Energy performance levels.**						
702.2.1		**702.2.1 ICC IECC analysis.** Energy efficiency features are implemented to achieve energy cost or source energy performance that meets the ICC IECC. A documented analysis using software in accordance with ICC IECC, Section R405, or ICC IECC Section C407.2 through C407.5, applied as defined in the ICC IECC, is required.	N/A			☐		None
702.2.2		**702.2.2 Energy performance analysis.** Energy savings levels above the ICC IECC are determined through an analysis that includes improvements in building envelope, air infiltration, heating system efficiencies, cooling system efficiencies, duct sealing, water heating system efficiencies, lighting, appliances, and on-site renewable energy. Points are assigned using the following formula: **Points = 30 + (percent above NGBS Reference Home) * 2** Multifamily Building Note: Modeling is completed building-wide using one of the following methods: whole building energy modeling, a unit-by-unit approach, or a building average of a unit-by-unit approach.	**Points per formula**	0	0	Percent above NGBS Reference Home:		None None
702.2.3		**702.2.3 Tropical standard reference design.** For the Tropical Climate Zone, the standard reference design shall use the specifications in IECC Section R401.2.1 (Tropical Zone).						None
703 PRESCRIPTIVE PATH								
703.1		**703.1 Mandatory practices.**	**30**	30	**0**			
703.1.1		**703.1.1 Building thermal envelope compliance.** The building thermal envelope is in compliance with Section 703.1.1.1 or 703.1.1.2. Exception: Section 703.1.1 is not required for Tropical Climate Zone.	Mandatory					None
703.1.1.1		**703.1.1.1 Maximum UA and SHGC.** For IECC residential buildings, the total building UA is less than or equal to the total maximum UA as computed by ICC IECC Section R402.1.5. The SHGC requirements for fenestration in Table R402.1.2 are also met. For IECC commercial buildings, the total UA is less than or equal to the sum of the UA for ICC IECC Tables C402.1.4 and C402.4, including the U-factor times the area and C-factor or F-factor times the perimeter. The SHGC requirements for fenestration in Table C402.4 are also met. The total UA proposed and baseline calculations are documented. REScheck or COMcheck is deemed to provide UA calculation documentation.						
703.1.1.2		**703.1.1.2 Prescriptive R-values and fenestration requirements**. The building thermal envelope is in accordance with the insulation and fenestration requirements of ICC IECC Table R402.1.2 or Tables C402.1.3. The fenestration U-factors and SHGC's are in accordance with Table 703.2.5.1 or ICC IECC Table C402.4.						
703.1.2		**703.1.2 Building envelope leakage.** The building thermal envelope is in accordance with ICC IECC R402.4.1.2 or C402.5 as applicable. Exception: Section 703.1.2 is not required for Tropical Climate Zone	Mandatory			☐		None
703.1.3		**703.1.3 Duct Testing.** The duct system is in accordance with ICC IECC R403.3.2 through R403.3.5 as applicable.	Mandatory			Rough-In Test: Postconstruction Test:		None
703.2		**703.2 Building envelope**						
703.2.1		**703.2.1 UA improvement.** The total building thermal envelope UA is less than or equal to the baseline total UA resulting from the U-factors provided in Table 703.2.1(a) or ICC IECC Tables C402.1.4 and C402.4, as applicable. Where insulation is used to achieve the UA improvement, the insulation installation is in accordance with Grade 1 meeting Section 701.4.3.2.1 as verified by a third-party. Total UA is documented using a RESCheck, COMCheck, or equivalent report to verify the baseline and the UA improvement. See Table 703.2.1(a)	Per Table 703.2.1(b)	0	0	☐ UA Improvement:		None
703.2.2		**703.2.2 Mass walls.** More than 75 percent of the above-grade exterior opaque wall area of the building is mass walls.	Per Table 703.2.2	0	0	Mass thickness:		None
703.2.3		**703.2.3** A radiant barrier with an emittance of 0.05 or less is used in the attic. The product is tested in accordance with ASTM C1371 and installed in accordance with the manufacturer's instructions.	**1**	0	0	☐		None
703.2.4		**703.2.4 Building envelope leakage**. The maximum building envelope leakage rate is in	Per Table			Air leakage from		None

		accordance with Table 703.2.4a or Table 703.2.4b and whole building ventilation is provided in accordance with Section 902.2.1.	703.2.4a or 703.2.4b	0	0	701.4.3.2 or 705.6.2.1: 3.00		
703.2.5		**703.2.5 Fenestration**						
703.2.5.1		**703.2.5.1** NFRC-certified (or equivalent) U-factor and SHGC of windows, exterior doors, skylights, and tubular daylighting devices (TDDs) on an area-weighted average basis do not exceed the values in Table 703.2.5.1. Area weighted averages are calculated separately for the categories of 1) windows and exterior doors and 2) skylights and tubular daylighting devices (TDDs). Decorative fenestration elements with a combined total maximum area of 15 square feet (1.39 m2) or 10 percent of the total glazing area, whichever is less, are not required to comply with this practice. See Table 703.2.5.1	**Mandatory**			Met		None
703.2.5.1.1		**703.2.5.1.1 Dynamic glazing.** Dynamic glazing is permitted to satisfy the SHGC requirements of Table 703.2.5.1 provided the ratio of the higher to lower labeled SHGC is greater than or equal to 2.4 and the dynamic glazing is automatically controlled to modulate the amount of solar gain into the space in multiple steps. Fenestration with dynamic glazing is considered separately from other fenestration and area-weighted averaging with fenestration that does not use dynamic glazing is not permitted. Dynamic glazing is not required to be automatically controlled or comply with minimum SHGC ratio when both the lower and higher labeled SHGC already comply with the requirements of Table 703.2.5.1.				N/A		None
703.2.5.2		**703.2.5.2** The NFRC-certified (or equivalent) U-factor and SHGC of windows, exterior doors, skylights, and tubular daylighting devices (TDDs) are in accordance with Table 703.2.5.2(a), (b), or (c). Decorative fenestration elements with a combined total maximum area of 15 square feet (1.39 m^2) or 10 percent of the total glazing area, whichever is less, are not required to comply with this practice.	Per Table 703.2.5.2(a) or 703.2.5.2(b) or 703.2.5.2(c)	0	0			None
	(a)	Table 703.2.5.2(a)	**3**					
	(b)	Table 703.2.5.2(b)	**4**					
	(c)	Table 703.2.5.2(c)	**6**					
703.2.5.2.1		**703.2.5.2.1 Dynamic glazing.** Dynamic glazing is permitted to satisfy the SHGC requirements of Tables 703.2.5.2(a), 703.2.5.2(b), and 703.2.5.2(c) provided the ratio of the higher to lower labeled SHGC is greater than or equal to 2.4, and the dynamic glazing is automatically controlled to modulate the amount of solar gain into the space in multiple steps. Fenestration with dynamic glazing is considered separately from other fenestration, and area-weighted averaging with fenestration that does not use dynamic glazing is not permitted. Dynamic glazing is not required to be automatically controlled or comply with minimum SHGC ratio when both the lower and higher labeled SHGC already comply with the requirements of Tables 703.2.5.2(a), 703.2.5.2(b), and 703.2.5.2(c).						None
703.3		**HVAC equipment efficiency**						
703.3.0		**703.3.0 Multiple heating and cooling systems.** For multiple heating or cooling systems in one home, practices 703.3.1 through 703.3.6 apply to the system that supplies 80% or more of the total installed heating or cooling capacity. Where multiple systems each serve less than 80% of the total installed heating or cooling capacity, points under Sections 703.3.1 through 703.3.6 are awarded either for the system eligible for the fewest points or the weighted average of the systems. The weighted average shall be calculated in accordance with the following equation and be based upon the efficiency and capacity of the equipment as selected in accordance with ACCA Manual S with it loads calculated in accordance with ACCA Manual J. Weighted Average = $[(E_{unit\ 1}*C_{unit\ 1})+(E_{unit\ 2}*C_{unit\ 2})+...+(E_{unit\ n}*C_{unit\ n})] / (C_{unit\ 1}+C_{unit\ 2}+...+C_{unit\ n})$ where: E = Rated AHRI efficiency for unit C = Rated heating or cooling capacity for unit *n* = Unit count				multiple heating sys.?		None
						multiple cooling sys.?		None
703.3.1		**703.3.1** Combination space heating and water heating system (combo system) is installed using either a coil from the water heater connected to an air handler to provide heat for the building, dwelling unit or sleeping unit, or a space heating boiler using an indirect-fired water heater. Devices have a minimum combined annual efficiency of 0.80 and a minimum water heating recovery efficiency of 0.87.	**4**	0	0	☐		None
703.3.2		**703.3.2** Furnace and/or boiler efficiency is in accordance with one of the following:						
	(1)	Gas and propane heaters:		0	0	Min. or Average AFUE:		None
		≥90% AFUE	**6**					
		≥92% AFUE	**7**					
		≥94% AFUE	**9**					
		≥96% AFUE	**10**					
		≥98% AFUE	**11**					
	(2)	Oil furnace:		0	0	Min. or Average AFUE:		None
		≥85% AFUE	**3**					
		≥90% AFUE	**6**					
	(3)	Gas boiler:		0	0	Min. or Average AFUE:		None
		≥85% AFUE	**2**					
		≥90% AFUE	**4**					
		≥94% AFUE	**5**					
		≥96% AFUE	**6**					
	(4)	Oil boiler:		0	0	Min. or Average AFUE:		None
		≥85% AFUE	**3**					
		≥90% AFUE	**5**					
703.3.3		**703.3.3** Heat pump heating efficiency is in accordance with Table 703.3.3(1) or Table 703.3.3(2) or Table 703.3.3(3). Refrigerant charge is verified for compliance with manufacturer's instructions utilizing a method in Section 4.3 of ACCA 5 QI-2010.						
	(1)	Electric Heat Pump Heating		2	0	Min. or Average HSPF:		None
		≥8.5 HSPF	**2**					
		≥9.0 HSPF	**5**					
		≥9.5 HSPF	**7**					
		≥10.0 HSPF	**10**					
		≥12.0 HSPF	**11**			Min. or Average HSPF:		
	(2)	Electric Heat Pump Heating for Multifamily Buildings Four or More Stories in Height	**8**	0	0	Min. or Average COP:		None
	(3)	Gas Engine-Driven Heat Pump Heating (≥1.3 COP at 47°F)	**14**	0	0			None
703.3.4		**703.3.4** Cooling efficiency is in accordance with Table 703.3.4(1) or Table 703.3.4(2). Refrigerant charge is verified for compliance with manufacturer's instructions utilizing a method in Section 4.3 of ACCA 5 QI-2010.						
	(1)	Electric Air Conditioner and Heat Pump Cooling		1	0	Min. or Average SEER:		None
		≥15 SEER	**1**					
		≥17 SEER	**3**					
		≥19 SEER	**6**					
		≥21 SEER	**8**					
		≥25 SEER	**10**					
	(*)	Tropical Climate Zone: None of the occupied space is air conditioned and ceiling fans are provided for bedrooms and the largest space which is not used as a bedroom.	**20**	0	0	☐		None
						Min. or Average COP:		
	(2)	Gas Engine-Driven Heat Pump Cooling (≥1.2 COP at 95°F)	**1**	0	0			None
703.3.5		**703.3.5** Water source cooling and heating efficiency is in accordance with Table 703.3.5. Refrigerant charge is verified for compliance with manufacturer's instructions utilizing a method in Section 4.3 of ACCA 5 QI-2010. ≥15 SEER, ≥4.0 COP	**30**	0	0	☐		None
703.3.6		**703.3.6** Ground source heat pump is installed by a Certified Geothermal Service Contractor in accordance with Table 703.3.6. Refrigerant charge is verified for compliance with manufacturer's instructions utilizing a method in Section 4.3 of ACCA 5 QI-2010.		0	0	Min. or Average EER:		None
		≥16 EER, ≥3.6 COP	**16**					
		≥24 EER, ≥4.3 COP	**31**					
		≥28 EER, ≥4.8 COP	**42**					
703.3.7		**703.3.7** ENERGY STAR, or equivalent, ceiling fans are installed. **(Points awarded per building.)** **Note for Tropical Climate Zone and Climate Zones 2B, 3B, and 4B: points awarded per fan where AC is not installed in the dwelling unit or sleeping unit (Max 8 points), and where points awarded in Section 703.3.8 for these specific climate zones, points shall not be awarded in**	**1**	0	0	☐ # of fans:		None

		Section 703.3.7						
		NOTE: For multi-unit buildings, each dwelling unit must comply to claim this point.						
703.3.8		**703.3.8** Whole-building or whole-dwelling unit or whole-sleeping unit fan(s) with insulated louvers and a sealed enclosure is installed. **(Points awarded per building.)**	**3**	0	0	☐		None
		NOTE: For multi-unit buildings, each dwelling unit must have compliant whole-dwelling unit fans installed to claim these points.						
703.4		**703.4 Duct Systems**						
703.4.1		**703.4.1** All space heating is provided by a system(s) that does not include air ducts.	**6**	0	0	☐		None
		(No points awarded for multifamily buildings four or more stories in height.)						
703.4.2		**703.4.2** All space cooling is provided by a system(s) that does not include air ducts.	**2**	0	0	☐		None
		(No points awarded for multifamily buildings four or more stories in height.)						
703.4.3		**703.4.3** Ductwork is in accordance with all of the following:	**8**	0	0			
	(1)	Building cavities are not used as return ductwork.				☐		None
	(2)	Heating and cooling ducts and mechanical equipment are installed within the conditioned building space.				☐		None
	(3)	Ductwork is not installed in exterior walls.				☐		None
		(No points awarded for multifamily buildings four or more stories in height.)						
703.4.4		**703.4.4 Duct Leakage.** The entire central HVAC duct system, including air handlers and register boots, is tested by a third party for total leakage at a pressure differential of 0.1 inches w.g. (25 Pa) and maximum air leakage is equal to or less than 6 percent of the system design flow rate or 4 cubic feet per minute per 100 square feet of conditioned floor area.		0	0	Sys. Design Flow Rate:		None
						Sys. Design Flow Rate:		
		(Points not awarded if points are taken under Section 705.6.2.3)						
	(1)	ductwork entirely outside the building's thermal envelope	**3**					
	(2)	ductwork entirely inside the building's thermal envelope	**1**					
	(3)	ductwork inside and outside the building's thermal envelope	**2**					
703.5		**703.5 Water heating system**						
703.5.1		**703.5.1** Water heater Uniform Energy Factor (UEF) is in accordance with the following:				type:		None
		Where multiple systems are used, points awarded based on the system with the lowest efficiency.						
		Water heater design is based on only 1 (one) water heater per dwelling unit, based on approved methods from IPC or ASPE or manufacturer specifications.						
		All table values are based on water heaters with medium water draws as defined by the US DOE text procedures (55 gallons per day).						
						type:		
	(1)	Gas water heating						
	(a)	Storage Water Heater, Rated Storage Volume > 20 Gallons and ≤ 55 Gallons, Medium Water Draw		0	0	efficiency:		
		UEF: 0.65 to <0.78	**2**					
		UEF: ≥0.78	**3**					
	(b)	Storage Water Heater, Rated Storage Volume > 55 Gallons and ≤ 100 Gallons, Medium Water Draw	**1**	0	0			
	(c)	Storage Water Heater with Input Rate Greater than 75,000 Btu/h (Commercial)		0	0			
		Thermal Efficiency: 0.90 to < 0.95	**3**					
		Thermal Efficiency: ≥0.95	**4**					
	(d)	Storage Water Heater with Input Rate Greater than 75,000 Btu/H (Commercial), In Buildings with High-Capacity Service Water-Heating Systems (1,000,000 Btu/h or Greater)		0	0			
		Thermal Efficiency: 0.92 to < 0.95	**1**					
		Thermal Efficiency: ≥0.95	**2**					
	(e)	Instantaneous Water Heater, Rated Storage Volume < 2 Gallons and Input Rate of > 50,000 Btu/h, Medium Water Draw		0	0			
		UEF: 0.89 to < 0.94	**1**					
		UEF: ≥0.94	**2**			type:		
	(2)	Electric water heating						
	(a)	Storage Water Heater, Rated Storage Volume ≥ 20 Gallons and ≤ 55 Gallons, Medium Water Draw		0	0	efficiency:		
		UEF: 0.94 to <1.0	**1**					
		UEF: 1.0 to <1.5	**2**					
		UEF: 1.5 to <2.0	**2**					
		UEF: 2.0 to <2.2	**5**					
		UEF: 2.2 to <2.5	**6**					
		UEF: 2.5 to <3.0	**8**					
		UEF: ≥3.0	**11**					
	(b)	Storage Water Heater, Rated Storage Volume ≥ 55 Gallons and ≤ 120 Gallons, Medium Water Draw		0	0			
		UEF: 2.2 to <2.5	**3**					
		UEF: 2.5 to <3.0	**3**					
		UEF: 3.0 to <3.5	**4**					
		UEF: ≥3.5	**5**					
	(c)	Electric Tabletop Water Heating (Tabletop Water Heater, Rated Storage Volume ≥ 20 Gallons and ≤ 120 Gallons, Medium Water Draw)	**1**	0	0			
	(d)	Electric Instantaneous Water Heating (Instantaneous Electric Water Heater, Rated Storage Volume < 2 Gallons, Medium Water Draw)	**1**	0	0			
	(e)	Electric Grid Enabled Water Heating (Grid Enabled Storage Water Heater, Rated Storage Volume ≥ 75 Gallons, Medium Water Draw)	**2**	0	0	efficiency:		
	(3)	Oil water heating (Oil water heating, < 50 gallons, Medium water draw)	**1**	0	0			
703.5.2		**703.5.2** Desuperheater is installed by a qualified installer or is pre-installed in the factory.	**7**	0	0	☐		None
703.5.3		**703.5.3** Drain-water heat recovery system is installed. **(Points awarded per building.)**	**2**	0	0	☐		None
703.5.4		**703.5.4** Indirect-fired water heater storage tanks heated from boiler systems are installed.	**1**	0	0	☐		None
703.5.5		**703.5.5 Solar water heater.** SRCC (Solar Rating & Certification Corporation) OG 300 rated, or equivalent, solar domestic water heating system is installed. Solar Energy Factor (SEF) as defined by SRCC is in accordance with Table 703.5.5(a) and Table 703.5.5(b).				type:		None
						SEF:		
	(a)	Storage Water Heater, Rated Storage Volume of Backup Water Heater is ≥ 0.1 Gallon and ≤ 55 Gallons, Medium Water Draw		0	0			
		SEF ≥ 1.3	**5**					
		SEF ≥ 1.51	**6**					
		SEF ≥ 1.81	**9**					
		SEF ≥ 2.31	**14**					
		SEF ≥ 3.01	**23**					
	(b)	Storage Water Heater, Rated Storage Volume of Backup Water Heater is >55 Gallons, Medium Water Draw		0	0			
		SEF ≥ 1.3	**5**					
		SEF ≥ 1.51	**7**					
		SEF ≥ 1.81	**10**					
		SEF ≥ 2.31	**16**					
		SEF ≥ 3.01	**23**					
703.6		**703.6 Lighting and appliances**						
703.6.1		**703.6.1 Hard-wired lighting.** Hard-wired lighting is in accordance with one of the following:						
	(1)	A minimum percent (*95%*) of the total hard-wired interior luminaires or lamps qualify as ENERGY STAR, DesignLights Consortium (DLC), or applicable equivalent.	**2**	2	0	☐		None
	(2)	A minimum of 80 percent of the exterior lighting wattage has a minimum efficacy of 61 lumens per watt or is solar-powered.	**1**	0	0	☐		None
	(3)	In multifamily buildings, common area lighting power density (LPD) is less than 0.51 Watts per square foot.	**7**	0	0	☐		None
703.6.2		**703.6.2 Appliances.** ENERGY STAR or equivalent appliance(s) are installed:						
	(1)	Refrigerator	**1**	1	0	☐		None
	(2)	Dishwasher	**1**	1	0	☐		None
	(3)	Washing machine	**4**	4	0	☐		None
		Multifamily Building Note: Washing machines in ALL units must comply.						

703.7		**703.7 Passive solar design**							
703.7.1		**703.7.1 Sun-tempered design.** Building orientation, sizing of glazing, and design of overhangs are in accordance with all of the following:	**4**	0	0	☐			
	(1)	The long side (or one side if of equal length) of the building faces within 20 degrees of true south.							None
	(2)	Vertical glazing area is between 5 and 7 percent of the gross conditioned floor area on the south face [also see Section 703.7.1(8)] and glazing U-factors meet Table 703.2.5.2(a).							None
	(3)	Vertical glazing area is less than 2 percent of the gross conditioned floor area on the west face, and glazing meets Table 703.2.5.2(a).							None
	(4)	Vertical glazing area is less than 4 percent of the gross conditioned floor area on the east face, and glazing meets Table 703.2.5.2(a).							None
	(5)	Vertical glazing area is less than 8 percent of the gross conditioned floor area on the north face, and glazing meets Table 703.2.5.2(a).							None
	(6)	Skylights, where installed, are in accordance with the following:							
	(a)	shades and insulated wells are used, and all glazing meets Table 703.2.5.2(a)							None
	(b)	horizontal skylights are less than 0.5 percent of finished ceiling area							None
	(c)	sloped skylights on slopes facing within 45 degrees of true south, east, or west are less than 1.5 percent of the finished ceiling area							None
	(7)	Overhangs or adjustable canopies or awnings or trellises provide shading on south-facing glass for the appropriate climate zone in accordance with Table 703.7.1(7): See Table 703.7.1(7)							None
	(8)	The south face windows have a SHGC of 0.40 or higher.							None
	(9)	Return air or transfer grilles/ducts are in accordance with Section 705.4.							None
		Multifamily Building Note: The site is designed such that at least 40 percent of the multifamily dwelling or sleeping units have one south facing wall (within 15 degrees) containing at least 50 percent of glazing for entire unit, Effective shading is required for passive solar control on all south facing glazing. The floor area of at least 15 feet from the south facing perimeter glazing is massive and exposed to capture solar heat during the day and reradiate at night.							None
703.7.2		**703.7.2 Window shading.** Automated solar protection or dynamic glazing is installed to provide shading for windows.	**1**	0	0	☐			None
703.7.3		**703.7.3 Passive cooling design.** Passive cooling design features are in accordance with three or more of the following:		0	0				
		Points for three items:	**3**						
		Points for one additional item:	**1**						
	(1)	Exterior shading is provided on east and west windows using one or a combination of the following:							
	(a)	vine-covered trellises with the vegetation separated a minimum of 1 foot (305 mm) from face of building				☐			None
	(b)	moveable awnings or louvers				☐			None
	(c)	covered porches				☐			None
	(d)	attached or detached conditioned/unconditioned enclosed space that provides full shade of east and west windows (e.g., detached garage, shed, or building)				☐			None
	(2)	Overhangs are installed to provide shading on south-facing glazing in accordance with Section 703.7.1(7). **(Points not awarded if points are taken under Section 703.7.1.)**				☐			None
	(3)	Windows and/or venting skylights are located to facilitate cross and stack effect ventilation.				☐			None
	(4)	Solar reflective roof or radiant barrier is installed in climate zones 1, 2, or 3 and roof material achieves a 3-year aged criteria of 0.50.				☐			None
	(5)	Internal exposed thermal mass is a minimum of three inches (76 mm) in thickness. Thermal mass consists of concrete, brick, and/or tile fully adhered to a masonry base or other masonry material in accordance with one or a combination of the following:							
	(a)	A minimum of 1 square foot (0.09 m^2) of exposed thermal mass of floor per 3 square feet (2.8 m^2) of gross finished floor area.				☐			None
	(b)	A minimum of 3 square feet (2.8 m^2) of exposed thermal mass in interior walls or elements per square foot (0.09 m^2) of gross finished floor area.				☐			None
	(6)	Roofing material is installed with a minimum 0.75 inch (19 mm) continuous air space offset from the roof deck from eave to ridge.				☐			None
703.7.4		**703.7.4 Passive solar heating design**. In addition to the sun-tempered design features in Section 703.7.1, all of the following are implemented: Note: Points shall not be awarded in the Tropical Climate Zone.	**4**	0	0	☐			
	(1)	Additional glazing, no greater than 12 percent, is permitted on the south wall. This additional glazing is in accordance with the requirements of Section 703.7.1.							None
	(2)	Additional thermal mass for any room with south-facing glazing of more than 7 percent of the finished floor area is provided in accordance with the following:							
	(a)	Thermal mass is solid and a minimum of 3 inches (76 mm) in thickness. Where two thermal mass materials are layered together (e.g., ceramic tile on concrete base) to achieve the appropriate thickness, they are fully adhered to (touching) each other.							None
	(b)	Thermal mass directly exposed to sunlight is provided in accordance with the following minimum ratios:							None
	(i)	Above latitude 35 degrees: 5 square feet (0.465 m^2) of thermal mass for every 1 square foot (0.0929 m^2) of south-facing glazing.							
	(ii)	Latitude 30 degrees to 35 degrees: 5.5 square feet (0.51 m^2) of thermal mass for every 1 square foot (0.0929 m^2) of south-facing glazing.							
	(iii)	Latitude 25 degrees to 30 degrees: 6 square feet (0.557 m^2) of thermal mass for every 1 square foot (0.0929 m^2) of south-facing glazing.							
	(c)	Thermal mass not directly exposed to sunlight is permitted to be used to achieve thermal mass requirements of Section 703.7.4 (2) based on a ratio of 40 square feet (3.72 m^2) of thermal mass for every 1 square foot (0.0929 m^2) of south-facing glazing.							None
	(3)	In addition to return air or transfer grilles/ducts required by Section 703.7.1(9), provisions for forced airflow to adjoining areas are implemented as needed.							None
704 ERI TARGET PATH									
704.1		**704.1 ERI target compliance.** Compliance with the energy chapter shall be permitted to be based on the EPA National ERI Target Procedure for Energy Star Certified Homes. Points from Section 704 (ERI Target) shall not be combined with points from Section 702 (Performance Path) or Section 703 (Prescriptive Path). Dwelling ratings shall be submitted to a Rating Certification Body approved by the Adopting Entity for calculating points under this section.		0	0	EPA National ERI Target:			None
704.2		**704.2 Point calculation.** Points for Section 704 shall be computed based on Step "1" of the EPA National ERI Target Procedure. Points shall be computed individually for each building as follows: **30 + (Number of National ERI Points less than EnergyStar National ERI Target for that building) * 2.**				ERI As Designed:			
705 ADDITIONAL PRACTICES									
705.2		**705.2 Lighting**							
705.2.1		**705.2.1 Lighting controls** **(Percentages for point thresholds are based on lighting not required for means of egress or security lighting as defined by local building codes.)**							
705.2.1.1		**705.2.1.1 Interior lighting.** In dwelling units or sleeping units, permanently installed interior lighting fixtures are controlled with an occupancy sensor, or dimmer:		0	0				None
	(1)	50 percent to less than 75 percent of lighting fixtures.	**1**						
	(2)	A minimum of 75 percent of lighting fixtures.	**2**						
705.2.1.2		**705.2.1.2 Exterior lighting.** Photo or motion sensors are installed on 75 percent of outdoor lighting fixtures to control lighting.	**1**	1	0	☐			None
705.2.1.3		**705.2.1.3 Multifamily common areas.**							
	(1)	In a multifamily building, occupancy sensors, or dimmers are installed in common areas (except corridors and stairwells).		2	0				None
	(a)	50 percent to less than 75 percent of lighting fixtures.	**1**						
	(b)	A minimum of 75 percent of lighting fixtures.	**2**						
	(2)	In a multifamily building, occupancy controls are installed to automatically reduce light levels in interior corridors and exit stairwells when the space is unoccupied. Light levels are reduced by:		0	0				None
	(a)	50 percent to less than 75 percent or to local minimum requirements	**2**						

	(b)	A minimum of 75 percent	**3**					
705.2.1.4		**705.2.1.4** In a multifamily building, occupancy controls are installed to automatically reduce light levels in garages and parking structures when the space is unoccupied. Light levels are reduced by:		0	0			None
	(1)	50 percent to less than 75 percent or to local minimum requirements	**2**					
	(2)	A minimum of 75 percent	**3**					
705.2.2		**705.2.2 TDDs and skylights.** A tubular daylighting device (TDD) or a skylight that meets the requirements of Table 703.2.5.2(a) is installed in rooms without windows. **(Points awarded per building.)**	**2**	0	0	☐		None
705.2.3		**705.2.3 Lighting outlets.** Occupancy sensors are installed for a minimum of 80 percent of hard-wired lighting outlets in the interior living space.	**1**	0	0	☐		None
705.2.4		**705.2.4 Recessed luminaires.** The number of recessed luminaires that penetrates the thermal envelope is less than 1 per 400 square feet (37.16 m^2) of total conditioned floor area and they are in accordance with Section **701.4.3.5**.	**1**	0	0	# of luminaires: per 67516 square feet		None
705.3		**705.3 Induction cooktop.** Induction cooktop is installed.	**1**	0	0	☐		None
705.4		**705.4 Return ducts and transfer grilles.** Return ducts or transfer grilles are installed in every room with a door. Return ducts or transfer grilles are not required for bathrooms, kitchens, closets, pantries, and laundry rooms.	**2**	2	0	☐		None
705.5		**705.5 HVAC design and installation**						
705.5.1		**705.5.1** Meet one or both of the following:						
	(1)	HVAC contractor is certified by the Air Conditioning Contractors of Americas Quality Assured Program (ACCA/QA) or by an EPA-recognized HVAC Quality Installation Training Oversight Organization (H-QUITO) or equivalent.	**1**	1	0	☐ Enter name of contractor:		None
	(2)	HVAC installation technician(s) is certified by North American Technician Excellence, Inc. (NATE) or equivalent.	**1**	0	0	☐		None
705.5.2		**705.5.2** Performance of the heating and/or cooling system is verified by the HVAC contractor in accordance with all of the following:	**3**	3	0	☐		None
	(1)	Start-up procedure is performed in accordance with the manufacturer's instructions.						None
	(2)	Refrigerant charge is verified by super-heat and/or sub-cooling method.						None
	(3)	Burner is set to fire at input level listed on nameplate.						None
	(4)	Air handler setting/fan speed is set in accordance with manufacturer's instructions.						None
	(5)	Total airflow is within 10 percent of design flow.						None
	(6)	Total external system static does not exceed equipment capability at rated airflow.						None
705.5.3		**705.5.3** HVAC Design is verified by 3rd party as follows:						
	(1)	The ENERGY STAR HVAC Design and Rater Design Review Checklists are completed and correct.	**3**	3	0	☐		None
	(2)	HVAC Installation is inspected and conforms to HVAC design documents and plans.	**3**	3	0	☐		None
705.6		**705.6 Installation and performance verification.**						
705.6.1		**705.6.1** Third-party on-site inspection is conducted to verify compliance with all of the following, as applicable. Minimum of two inspections are performed: one inspection after insulation is installed and prior to covering, and another inspection upon completion of the building. Where multiple buildings or dwelling units of the same model or sleeping units of the same model are built by the same builder, a representative sample inspection of a minimum of 15 percent of the buildings or dwelling units or sleeping units is permitted.	**3**	3	3	By using this tool, this project automatically qualifies for this practice.		None
705.6.2		**705.6.2 Testing.** Testing is conducted to verify performance:						
705.6.2.1		**705.6.2.1 Air leakage validation of building or dwelling units or sleeping units.** A visual inspection is performed as described in 701.4.3.2(2) and air leakage testing is performed in accordance with ASTM E779 or ASTM E1827. **(Points awarded only for buildings where building envelope leakage testing is not required by ICC IECC.)** **(Points not awarded if points are taken under Section 703.2.4)**				ACH50:		
	(1)	A blower door test.	**3**	0	0	☐ ELR: ☐		None
	(2)	Third-party verification is completed. NOTE: Specify name of person or company conducting blower door test in the assigned Notes area.	**5**	0	0	☐		None
705.6.2.2		**705.6.2.2 HVAC airflow testing.** Balanced HVAC airflows are demonstrated by flow hood or other acceptable flow measurement tool by a third party. Test results are in accordance with the following:						
	(1)	Measured flow at each supply and return register meets or exceeds the requirements in ACCA 5 QI-2010, Section 5.2.	**5**	0	0	☐		None
	(2)	Total airflow meets or exceeds the requirements in ACCA 5 QI-2010, Section 5.2. NOTE: Specify name of person or company conducting HVAC airflow test in the assigned Notes area.	**3**	0	0	☐		None
705.6.2.3		**705.6.2.3 HVAC duct leakage testing.** One of the following is achieved: **(Points awarded only where these practices are not required by IECC.)** **(Points not awarded if points are taken under Section 703.4.4)**		0	0			None
	(1)	Duct leakage is in accordance with IECC R403.3.3 and R403.3.4.	**3**					
	(2)	Duct leakage is in accordance with IECC R403.3.3 and R403.3.4, and testing is conducted by an independent third party.	**5**					
705.6.3		**705.6.3 Insulating hot water pipes.** Insulation with a minimum thermal resistance (R-value) of at least R-3 is applied to the following, as applicable: **(Points awarded only where these practices are not required by IECC.)**	**1**	0	0	☐ required by IECC: ☐		
	(a)	piping 3/4-inch and larger in outside diameter						None
	(b)	piping serving more than one dwelling unit or sleeping unit						None
	(c)	piping located outside the conditioned space						None
	(d)	piping from the water heater to a distribution manifold						None
	(e)	piping located under a floor slab						None
	(f)	buried piping						None
	(g)	supply and return piping in recirculation systems other than demand recirculation systems						None
705.6.4		**705.6.4 Potable hot water demand re-circulation system.**						
705.6.4.1		**705.6.4.1** Potable hot water demand re-circulation system is installed in a single-family unit.	**1**	0	0	☐		None
705.6.4.2		**705.6.4.2** Potable hot water demand re-circulation system(s) that serves every unit in a multifamily building is installed in place of a standard circulation pump and control.	**2**	0	0	☐		None
705.7		**705.7** In multi-unit buildings, an advanced electric and fossil fuel submetering system is installed to monitor electricity and fossil fuel consumption for each unit. The device provides consumption information on a monthly or near real-time basis. The information is available to the occupants at a minimum on a monthly basis.	**1**	0	0	☐		None
706 INNOVATIVE PRACTICES								
706.1		**706.1 Energy consumption control.** A whole-building or whole-dwelling unit or whole-sleeping unit device or system is installed that controls or monitors energy consumption.	**3 Max**	0	0			
	(1)	programmable communicating thermostat with the capability to be controlled remotely	**1**			☐		None
	(2)	energy-monitoring device or system	**1**			☐		None
	(3)	energy management control system	**3**			☐		None
	(4)	programmable thermostat with control capability based on occupant presence or usage pattern	**1**			☐		None
	(5)	lighting control system	**1**			☐		None
706.2		**706.2 Renewable energy service plan.** Renewable energy service plan is provided as follows:						
	(1)	Builder selects a renewable energy service plan provided by the local electrical utility for interim (temporary) electric service, or purchases renewable energy certificates (RECs) to cover electricity used. The builder's local administrative office has renewable energy service or has otherwise been paired with RECs. Green-ecertified (or equivalent) is required for renewable electricity purchases.	**1**	0	0	☐		None
	(2)	The buyer of the building selects one of the following renewable energy service plans provided by the utility prior to occupancy of the building with a minimum two-year commitment.		0	0			None
	(a)	less than half of the dwelling's projected electricity and gas use is provided by renewable energy	**1**					

	(b)	half or more of the of the dwelling's projected electricity and gas use is provided by renewable energy	**2**					
706.3		**706.3 Smart Appliances and Systems.** Smart appliances and systems are installed as follows:		0	0			None
		Three to five smart appliances installed	**1**					
		Six or more smart appliances installed	**2**					
		(Items (7) and (8) are permitted to count as two appliances each for the purpose of awarding points.)						
		(where points awarded in Section 706.3, points shall not be awarded in Section 706.7 and 706.9)						
	(1)	Refrigerator				☐		None
	(2)	Freezer				☐		None
	(3)	Dishwasher				☐		None
	(4)	Clothes Dryer				☐		None
	(5)	Clothes Washer				☐		None
	(6)	Room Air Conditioner				☐		None
	(7)	HVAC Systems				☐		None
	(8)	Service Hot Water Heating Systems				☐		None
706.4		**706.4 Pumps.**						
706.4.1		**706.4.1** Pool, spa, and water features equipped with filtration pumps as follows:						
	(1)	Electronically controlled variable-speed pump(s) is installed (full load efficiency of 90 percent or greater).	**1**	0	0	☐		None
	(2)	Electronically controlled variable-speed pump(s) is installed (full load efficiency of 90 percent or greater) in a pool	**3**	0	0	☐		None
706.4.2		**706.4.2** Sump pump(s) with electrically commutated motors (ECMs) or permanent split capacitor (PSC) motors is installed (full load efficiency of 90 percent or greater).	**1**	0	0	☐		None
706.5		**706.5 On-site renewable energy system.** One of the following options is implemented						None
	(1)	Building is Solar-Ready in compliance with IECC Appendix A Solar Ready Provisions.	**1**	0	0	☐ kW per dweliing unit:		
	(2)	An on-site renewable energy system(s) is installed on the property.	**2 per kW**	0	0	kWh per dwelling unit:		
	(3)	An on-site renewable energy system(s) and a battery energy storage system are installed on the property. **Points awarded shall not be combined with points for renewable energy in another section of this chapter. Points shall not be awarded for solar thermal or geothermal systems that provide space heating, space cooling, or water heating, points for these systems are awarded in § 703. Where onsite renewable energy is included in § 702 Performance Path or 704 ERI Target Path, § 706.5 shall not be awarded. The solar-ready zone roof area in #1 is area per dwelling unit. Points in item #2 and #3 shall be divided by the number of dwelling units.** *__Multifamily Building Note:__ Conditioned common area and non-residential space is excluded for the purpose of calculating number of units.*	**2 per kW, 1 per 2 kWh**	0	0			
706.6		**706.6 Parking garage efficiency.** Structured parking garages are designed to require no mechanical ventilation for fresh air requirements.	**2**	0	0	☐		None
706.7		**706.7 Grid-interactive electric thermal storage system.** A grid-interactive electric thermal storage system is installed.						
	(1)	Grid-Interactive Water Heating System	**1**	0	0	☐		None
	(2)	Grid-Interactive Space Heating and cooling System	**1**	0	0	☐		None
		(where points awarded in Section 706.7, points shall not be awarded in Section 706.3 and 706.9)						
706.8		**706.8 Electrical vehicle charging station.** A Level 2 (208/240V 40-80 amp) or Level 3 electric vehicle charging station is installed on the building site. (Note: Charging station shall not be included in the building energy consumption.)	**2**	2	0	☐		None
706.9		**706.9 CNG vehicle fueling station.** A CNG vehicle residential fueling appliance is installed on the building site. The CNG fueling appliances shall be listed in accordance with ANSI/CSA NGV 5.1 and installed in accordance to the appliance manufacturer's installation instructions. (Note: The fueling appliance shall not be included in the building energy consumption.)	**1**	0	0	☐		None
706.10		**706.10 Automatic demand response.** Automatic demand response system is installed that curtails energy usage upon a signal from the utility or an energy service provider is installed. **(where points awarded in Section 706.10, points shall not be awarded in Section 706.3 and 706.7)**	**1**	0	0	☐		None
706.11		**706.11 Grid-interactive battery storage system.** A grid-interactive battery storage system of not less than 6 kWh of available capacity is installed.	**2**	0	0	☐		None
706.12		**706.12 Smart ventilation.** A whole-building ventilation systems is installed with automatic ventilation controls to limit ventilation during periods of extreme temperature, extreme humidity, and/or during times of peak utility loads and is in accordance with the specifications of ASHRAE Standard 62.2-2010 Section 4.	**1**	0	0	☐		None
706.13		**706.13 Alternative refrigerant.** Use of the following in mechanical space cooling systems for dwellings.		0	0			None
	(1)	Use alternative refrigerant with a GWP < 1000	**1**					
	(2)	Do not use refrigerants	**2**					
706.14		**706.14 Third-party utility benchmarking service.**						
	(1)	For a multifamily building, the owner has contracted with a third-party utility benchmarking service with at least five (5) years of experience in utility data management and analysis to perform a monthly analysis of whole-building energy and water consumption for a minimum of 1 year.	**3**	0	0	☐		None
	(2)	The building owner commits to reporting energy data using U.S. Environmental Protection Agency's ENERGY STAR Portfolio Manager for a minimum of three years.	**1**	0	0	☐		None
706.15		**706.15 Entryway air seal.** For multifamily buildings, where not required by the building or energy code, to slow the movement of unconditioned air from outdoors to indoors at the main building entrance, the following is installed:						
	(1)	Building entry vestibule.	**2**	0	0	☐		None
	(2)	Revolving entrance doors.	**2**	0	0	☐		None

801 INDOOR AND OUTDOOR WATER USE

801.0	**801.0 Intent.** Implement measures that reduce indoor and outdoor water usage. Implement measures that include collection and use of alternative sources of water. Implement measures that treat water on site.						
801.1	**801.1 Mandatory requirements.** The building shall comply with Section 802 (Prescriptive Path) and 803 (Innovative Practices) or Section 804 (Performance Path). Points from Section 804 (Performance Path) shall not be combined with points from Section 802 (Prescriptive Path) or Section 803 (Innovative Practices). The mandatory provisions of Section 802 (Prescriptive Path) are required when using the Water Rating Index of Section 804 (Performance Path) for Chapter 8 Water Efficiency compliance.				Prescriptive Path		None

802 PRESCRIPTIVE PATH

802.1	**802.1 Indoor hot water usage.** Indoor hot water supply system is in accordance with one of the practices listed in items (1) through (5). The maximum water volume from the source of hot water to the termination of the fixture supply is determined in accordance with Tables 802.1(1) or 802.1(2). The maximum pipe length from the source of hot water to the termination of the fixture supply is 50 feet.		0	0			
	(Where more than one water heater is used or where more than one type of hot water supply system, including multiple circulation loops, is used, points are awarded only for the system that qualifies for the minimum number of points.)						
	(Systems with circulation loops are eligible for points only if pumps are demand controlled. Circulation systems with timers or aquastats and constant-on circulation systems are not eligible to receive points.)						
	(Points awarded only if the pipes are insulated in accordance with Section 705.6.3.)						
	See Table 802.1(1)						
	See Table 802.1(2)						
(1)	The maximum volume from the water heater to the termination of the fixture supply at furthest fixture is 128 ounces (1 gallon or 3.78 liters).	**8**					None
(2)	The maximum volume from the water heater to the termination of the fixture supply at furthest fixture is 64 ounces (0.5 gallon or 1.89 liters).	**12**					
(3)	The maximum volume from the water heater to the termination of the fixture supply at furthest fixture is 32 ounces (0.25 gallon or 0.945 liters).	**20**					
(4)	A demand controlled hot water priming pump is installed on the main supply pipe of the circulation loop and the maximum volume from this supply pipe to the furthest fixture is 24 ounces (0.19 gallons or 0.71 liters).	**24**					None
(a)	The volume in the circulation loop (supply) from the water heater or boiler to the branch for the furthest fixture is no more than 128 ounces (1 gallon or 3.78 liters).	**4 Additional**					
(5)	A central hot water recirculation system is implemented in multifamily buildings in which the hot water line distance from the recirculating loop to the engineered parallel piping system (i.e., manifold system) is less than 30 feet (9,144 mm) and the parallel piping to the fixture fittings contains a maximum of 64 ounces (1.89 liters) (115.50 cubic inches) (0.50 gallons).	**9**					None
(6)	Tankless water heater(s) with at least 0.5 gallon (1.89 liters) of storage are installed, or a tankless water heater that ramps up to at least 110F within 5 seconds is installed. The storage may be internal or external to the tankless water heater.	**1 Additional**	0	0	☐		None
802.2	**802.2 Water-conserving appliances.** Energy Star or equivalent water-conserving appliances are installed.						
(1)	dishwasher	**2**	2	0	☐		None
(2)	clothes washer, or	**13**	13	0			None
(3)	clothes washer with an Integrated Water Factor of 3.8 or less	**18**					
	NOTE: If multiple dishwashers and washing machines are installed, ALL instances must meet the above conditions to be awarded points.						
	Multifamily Building Note: Washing machines are installed in individual units or provided in common areas of multifamily buildings.						
802.3	**802.3 Water usage metering.** Water meters are installed meeting the following:						
(1)	Single-Family Buildings: Water Usage Metering:						
(a)	Where not otherwise required by the local AHJ, installation of a meter for water consumed from any source associated with the building or building site.	**2 per unique meter**	0	0			None
(b)	Each water meter shall be capable of communicating water consumption data remotely for the dwelling unit occupant and be capable of providing daily data with electronic data storage and reporting capability that can produce reports for daily, monthly, and yearly water consumption. (Fire sprinkler systems are not required to be metered).	**2 per sensor package**	0	0			None
(2)	Multi-Family Buildings: Water Usage Metering: **(Points earned in Section 802.3(2) shall not exceed 50% of the total points earned for Chapter 8)**						
(a)	Where not otherwise required by the local AHJ, installation of a meter for water consumed from any source associated with the building or building site.	**2 per unique use meter**	0	0			None
(b)	Each water meter shall be capable of communicating water consumption data remotely for the dwelling unit occupant and be capable of providing daily data with electronic data storage and reporting capability that can produce reports for daily, monthly, and yearly water consumption. (Fire sprinkler systems are not required to be metered).	**2 per sensor package**	0	0			None
802.4	**802.4 Showerheads.** Showerheads are in accordance with the following:				# of compartments:		
(1)	The total maximum combined flow rate of all showerheads in a shower compartment with floor area of 2600 square inches or less is equal or less than 2.0 gpm. For each additional 1300 square inches or any portion thereof of shower compartment floor area, an additional 2.0 gpm combined showerhead flow rate is allowed. Showerheads shall comply with ASME A112.18.1/CSA B125.1 and shall meet the performance criteria of the U.S. EPA WaterSense Specification for showerheads. Showerheads shall be served by an automatic compensating valve that complies with ASSE 1016/ASME A112.1016/CSA B125.16 or ASME A112.18.1/CSA B125.1 and specifically designed to provide thermal shock and scald protection at the flow rate of the showerhead.	**4 for first compartment** **1 for each additional compartment in dwelling**	4	0			None
	(Points awarded per shower compartment. In multifamily buildings, the average of the points assigned to individual dwelling units or sleeping units may be used as the number of points awarded for this practice, rounded to the nearest whole number.)	**7 Max**					
(2)	All shower compartments in the dwelling unit(s) or sleeping unit(s) and common areas meet the requirements of 802.4(1) and all showerheads are in accordance with one of the following:		10	0			None
(a)	maximum of 1.8 gpm	**6 Additional**					
(b)	maximum of 1.5 gpm	**10 Additional**					
(3)	Any shower control that can shut off water flow without affecting temperature is installed. **(Points awarded per shower control.)**	**1** **3 Max**	0	0			None
802.5	**802.5 Faucets**						
802.5.1	**802.5.1** Install water-efficient lavatory faucets with flow rates not more than 1.5 gpm (5.68 L/m), tested in compliance with ASME A112.18.1/CSA B125.1 and meeting the performance criteria of the EPA WaterSense High-Efficiency Lavatory Faucet Specification:		13	0			None
(1)	Flow rate ≤ 1.5 gpm (*all faucets in a bathroom are in compliance) **(Points awarded for each bathroom. In multifamily buildings, the average of the points assigned to individual dwelling units or sleeping units may be used as the number of points awarded for this practice, rounded to the nearest whole number.)**	**1** **3 Max**					
(2)	Flow rate ≤ 1.2 gpm (*all faucets in a bathroom are in compliance)	**2 (6 Max)**					
(3)	Flow rate ≤ 1.5 gpm for all lavatory faucets in the dwelling unit(s) or sleeping unit(s)	**6 Additional**					
(4)	Flow rate ≤ 1.5 gpm for all lavatory faucets in the dwelling unit(s), and at least one bathroom has faucets with flow rates ≤ 1.2 gpm	**8 Additional**					
(5)	Flow rate ≤ 1.2 gpm for all lavatory faucets in the dwelling unit(s)	**12 Additional**					
802.5.2	**802.5.2** Water-efficient residential kitchen faucets are installed in accordance with ASME A112.18.1/CSA B125.1. Residential kitchen faucets may temporarily increase the flow above the maximum rate but not to exceed 2.2 gpm.		3	0			None
(1)	All residential kitchen faucets have a maximum flow rate of 1.8 gpm.	**3**					
(2)	All residential kitchen faucets have a maximum flow rate of 1.5 gpm.	**1 Additional**					
802.5.3	**802.5.3** Self-closing valve, motion sensor, metering, or pedal-activated faucet is installed to enable intermittent on/off operation. **(Points awarded per fixture.)**	**1** **3 Max**	0	0			None
802.5.4	**802.5.4 Water closets and urinals.** Water closets and urinals are in accordance with the						

		following:						
	(1)	Gold and emerald levels: All water closets and urinals are in accordance with Section 802.5.4.	**Gold/Emerald not available**					None
	(2)	A water closet is installed with an effective flush volume of 1.28 gallons (4.85 L) or less in accordance with ASME A112.19.2/CSA B45.1 or ASME A112.19.14 as applicable. Tank-type water closets shall be in accordance with the performance criteria of the U.S. EPA WaterSense Specification for Tank-Type Toilets. **(Points awarded per fixture. In multifamily buildings, the average of the points assigned to individual dwelling units or sleeping units may be used as the number of points awarded for this practice, rounded to the nearest whole number.)**	**4** **12 Max**	4	0			None
	(3)	All water closets are in accordance with Section 802.5.4(2).	**17 Additional**	13	0	☐		None
	(4)	All water closets are in accordance with Section 802.5.4(2) and one or more of the following are installed:						
	(a)	Water closets that have an effective flush volume of 1.2 gallons or less. **(Points awarded per toilet. In multifamily buildings, the average of the points assigned to individual dwelling units or sleeping units may be used as the number of points awarded for this practice, rounded to the nearest whole number.)**	**2 Additional** **6 Max**	0	0			None
	(b)	One or more urinals with a flush volume of 0.5 gallons (1.9L) or less when tested in accordance with ASME A112.19.2/CSA B45.1.	**2 Additional**	0	0	☐		None
	(c)	One or more composting or waterless toilets and/or nonwater urinals. Nonwater urinals shall be tested in accordance with ASME A112.19.2/CSA B45.1.	**12 Additional**	0	0	☐		None
802.6		**802.6 Irrigation systems**						
802.6.1		**802.6.1** Where an irrigation system is installed, an irrigation plan and implementation are executed by a qualified professional or equivalent.	**Mandatory**					None
802.6.2		**802.6.2** Irrigation sprinkler nozzles shall be tested according to ANSI standard ASABE/ICC 802-2014 Landscape Irrigation Sprinkler and Emitter Standard by an accredited third party laboratory.	**6**	0	0	☐		None
802.6.3		**802.6.3** Drip irrigation is installed.						
	(1)	Drip irrigation is installed for all landscape beds.	**4**	0	0	☐		None
	(2)	Subsurface drip is installed for all turf grass areas.	**4**	0	0	☐		None
	(3)	Drip irrigation zones specifications show plant type by name and water use/need for each emitter (Points awarded only if specifications are implemented.)	**5**	0	0	☐		None
802.6.4		**802.6.4** The irrigation system(s) is controlled by a smart controller or no irrigation is installed. **(Points are not additive.)**						
	(1)	Irrigation controllers shall be in accordance with the performance criteria of the EPA WaterSense program	**10**	0	0	☐		None
	(2)	No irrigation is installed and a landscape plan is developed in accordance with Section 503.5, as applicable. NOTE: 5 Points must be taken in 503.5(1)-(7) for a Full Landscape Plan in order to receive points for 802.6.4(2).	**15**	15	0	☐		None
802.6.5		**802.6.5 Commissioning and water use reduction for irrigation systems.** *[Points are not additive per each section.]*						
	(1)	All irrigation zones utilize pressure regulation so emission devices (sprinklers and drip emitters) operate at manufacturer's recommended operating pressure.	**3**	0	0	☐		None
	(2)	Where dripline tubing is installed, a filter with mesh size in accordance with the manufacturer's recommendation is installed on all drip zones.	**3**	0	0	☐		None
	(3)	Utilize spray bodies that incorporate an in-stem or external flow shut-off device.	**3**	0	0	☐		None
	(4)	For irrigation systems installed on sloped sites, either an in-stem or external check valve is utilized for each spray body.	**3**	0	0	☐		None
	(5)	Where an irrigation system is installed, a flow sensing device is installed to monitor and alert the controller when flows are outside design range.	**3**	0	0	☐		None
802.7		**802.7 Rainwater collection and distribution.** Rainwater collection and distribution is provided.						
802.7.1		**802.7.1** Rainwater is used for irrigation in accordance with one of the following:		0	0			None
	(1)	Rainwater is diverted for landscape irrigation without impermeable water storage	**5**					
	(2)	Rainwater is diverted for landscape irrigation with impermeable water storage in accordance with one of the following:						
	(a)	50 – 499 gallon storage capacity	**5**					
	(b)	500 – 2499 gallon storage capacity	**10**					
	(c)	2500 gallon or larger storage capacity (system is designed by a professional certified by The American Rainwater Catchment Systems Association or equivalent)	**15**					
	(d)	All irrigation demands are met by rainwater capture (documentation demonstrating the water needs of the landscape is provided and the system is designed by a professional certified by The American Rainwater Catchment Systems Association or equivalent).	**25**					
802.7.2		**802.7.2** Rainwater is used for indoor domestic demand as follows. The system is designed by a professional certified by The American Rainwater Catchment Systems Association or equivalent.		0	0			
	(1)	Rainwater is used to supply an indoor appliance or fixture for any locally approved use. **(Points awarded per appliance or fixture.)**	**5** **15 Max**					None
	(2)	Rainwater provides for total domestic demand.	**25**			☐		None
802.8		**802.8 Sediment filters.** Water filter is installed to reduce sediment and protect plumbing fixtures for the whole building or the entire dwelling unit.	**1**	0	0	☐		None
802.9		**802.9 Water treatment devices.**						
802.9.1		**802.9.1** Water Softeners shall not be installed where the supplied water hardness is less than 8.0 grains per gallon measured as total calcium carbonate equivalents. Water softeners shall be listed to NSF 44 and a rated salt efficiency of 3400 grains of total hardness per 1.0 pound of salt based on sodium chloride equivalency. Devices shall not discharge more than 4.0 gallons of water per 1000 grains of hardness removed during the service or recharge cycle.		0	0			None
	(1)	No water softener.	**5**					
	(2)	Water softener installed to supply softened water only to domestic water heater.	**2**					
802.9.2		**802.9.2** Reverse Osmosis (R/O) water treatment systems shall be listed to NSF 58 and shall include automatic shut-off valve to prevent water discharge when storage tank is full.		0	0			None
	(1)	No R/O system.	**3**					
	(2)	Combined capacity of all R/O systems does not exceed 0.75 gallons.	**1**					
802.10		**802.10 Pools and spas.**						
802.10.1		**802.10.1** Pools and Spas with water surface area greater than 36 square feet and connected to a water supply shall have a dedicated meter to measure the amount of water supplied to the pool or spa.	**Mandatory**					None
	(1)	Automated motorized non-permeable pool cover that covers the entire pool surface.	**10**	0	0	☐		None
803 INNOVATIVE PRACTICES								
803.1		**803.1 Reclaimed, gray, or recycled water**. Reclaimed, gray, or recycled water is used as permitted by applicable code. **(Points awarded for either Section 803.1(1) or 803.1(2), not both.)** **(Points awarded for either Section 803.6 or 803.1, not both.)**		0	0			
	(1)	each water closet flushed by reclaimed, gray, or recycled water **(Points awarded per fixture or appliance.)**	**5** **20 Max**					None
	(2)	irrigation from reclaimed, gray, or recycled water on-site	**10**			☐		None
803.2		**803.2 Reclaimed water, graywater, or rainwater pre-piping.** Reclaimed, graywater, or rainwater systems are rough plumbed (and permanently marked, tagged or labeled) into buildings for future use.	**3 per roughed in system**	0	0	# of systems:		None
803.3		**803.3 Automatic leak detection and control devices.** One of the following devices is installed. Where a fire sprinkler system is present, ensure the device will be installed to not interfere with the operation of the fire sprinkler system.	**2**	0	0			None
	(1)	automatic water leak detection and control devices						
	(2)	automatic water leak detection and shutoff devices						
803.4		**803.4 Engineered biological system or intensive bioremediation system.** An engineered biological system or intensive bioremediation system is installed and the treated water is used on site. Design and implementation are approved by appropriate regional authority.	**20**	0	0	☐		None
803.5		**803.5 Recirculating humidifier.** Where a humidifier is required, a recirculating humidifier is used	**1**	0	0	☐		None

	in lieu of a traditional “flow through” type.	1	0	0			
803.6	**803.6 Advanced wastewater treatment system.** Advanced wastewater (aerobic) treatment system is installed and treated water is used on site. **(Points awarded for either Section 803.6 or 803.1, not both.)**	**20**	0	0	☐		None
804 PERFORMANCE PATH							
804.1	**804.1 Performance Path.** The index score for the Performance Path shall be calculated in accordance with Appendix D Water Rating Index (WRI) or equivalent methodology.	**None**			WRI		
804.2	**804.2 Water efficiency rating levels.** In lieu of threshold levels for Chapter 8 in Table 303, rating levels for Section 804.1 are in accordance with Table 804.2.						None
804.3	**804.3 Water efficiency NGBS points equivalency.** The additional points for use with Table 303 from the Chapter 8 Water Efficiency Category are determined in accordance with equation 804.3.	**(As Designed)**					
			0	0			
	Equation 804.3 **NGBS = WRI x (-2.29) + 181.7**						

901 POLLUTANT SORCE CONTROL								
901.0		**901.0 Intent.** Pollutant sources are controlled.						
901.1		**901.1 Space and water heating options**						
901.1.1		**901.1.1** Natural draft furnaces, boilers, or water heaters are not located in conditioned spaces, including conditioned crawlspaces, unless located in a mechanical room that has an outdoor air source and is sealed and insulated to separate it from the conditioned space(s). **(Points are awarded only for buildings that use natural draft combustion space or water heating equipment.)**	**5**	0	0	☐		None
901.1.2		**901.1.2** Air handling equipment or return ducts are not located in the garage, unless placed in isolated, air-sealed mechanical rooms with an outside air source. Not available if there is no attached garage	**5**	0	0	☐		None
901.1.3		**901.1.3** The following combustion space heating or water heating equipment is installed within conditioned space:						
	(1)	all furnaces or all boilers		0	0			None
	(a)	power vent furnace(s) or boiler(s)	**3**					
	(b)	direct vent furnace(s) or boiler(s)	**5**					
	(2)	all water heaters		0	0			None
	(a)	power vent water heater(s)	**3**					
	(b)	direct vent water heater(s)	**5**					
901.1.4		**901.1.4** Gas-fired fireplaces and direct heating equipment is listed and is installed in accordance with the NFPA 54, ICC IFGC, or the applicable local gas appliance installation code. Gas-fired fireplaces within dwelling units or sleeping units and direct heating equipment are vented to the outdoors. Alcohol burning devices and kerosene heaters are vented to the outdoors.	**Mandatory**			N/A		None
901.1.5		**901.1.5** Natural gas and propane fireplaces are direct vented, have permanently fixed glass fronts or gasketed doors, and comply with CSA Z21.88/CSA 2.33 or CSA Z21.50b/CSA 2.22b.	**7**	0	0	☐		None
901.1.6		**901.1.6** The following electric equipment is installed:		5	0			None
	(1)	heat pump air handler in unconditioned space	**2**					
	(2)	heat pump air handler in conditioned space	**5**					
901.2		**901.2 Solid fuel-burning appliances**						
901.2.1		**901.2.1** Solid fuel-burning fireplaces, inserts, stoves and heaters are code compliant and are in accordance with the following requirements:						
	(1)	Site-built masonry wood-burning fireplaces use outside combustion air and include a means of sealing the flue and the combustion air outlets to minimize interior air (heat) loss when not in operation.	**N/A** **4**	0	0			None
	(2)	Factory-built, wood-burning fireplaces are in accordance with the certification requirements of UL 127 and are an EPA Phase 2 Emission Level Qualified Model.	**N/A** **6**	0	0			None
	(3)	Wood stove and fireplace inserts, as defined in UL 1482 Section 3.8, are in accordance with the certification requirements of UL 1482 and are in accordance with the emission requirements of the EPA Certification and the State of Washington WAC 173-433-100(3).	**N/A** **6**	0	0			None
	(4)	Pellet (biomass) stoves and furnaces are in accordance with ASTM E1509 or are EPA certified.	**N/A** **6**	0	0			None
	(5)	Masonry heaters are in accordance with the definitions in ASTM E1602 and ICC IBC Section 2112.1.	**N/A** **6**	0	0			None
901.2.2		**901.2.2** Fireplaces, woodstoves, pellet stoves, or masonry heaters are not installed.	**6**	6	6	☑		None
901.3		**901.3 Garages.** Garages are in accordance with the following:						
	(1)	Attached garage						
	(a)	Doors installed in the common wall between the attached garage and conditioned space are tightly sealed and gasketed.	**N/A** **2**	0	0			None
	(b)	A continuous air barrier is provided separating the garage space from the conditioned living spaces.	**N/A** **2**	0	0			None
	(c)	For one- and two-family dwelling units, a 100 cfm (47 L/s) or greater ducted or 70 cfm (33 L/s) cfm or greater unducted wall exhaust fan is installed and vented to the outdoors and is designed and installed for continuous operation or has controls (e.g., motion detectors, pressure switches) that activate operation for a minimum of 1 hour when either human passage door or roll-up automatic doors are operated. For ducted exhaust fans, the fan airflow rating and duct sizing are in accordance with ASHRAE Standard 62.2-2007 Section 7.3.	**8**	0	0	☐		None
	(2)	A carport is installed, the garage is detached from the building, or no garage is installed.	**10**	10	0	☐		None
901.4		**901.4** Wood materials. A minimum of 85 percent of material within a product group (i.e., wood structural panels, countertops, composite trim/doors, custom woodwork, and/or component closet shelving) is manufactured in accordance with the following:	**10 Max**	0	0			
	(1)	Structural plywood used for floor, wall, and/or roof sheathing is compliant with DOC PS 1 and/or DOC PS 2. OSB used for floor, wall, and/or roof sheathing is compliant with DOC PS 2. The panels are made with moisture-resistant adhesives. The trademark indicates these adhesives as follows: Exposure 1 or Exterior for plywood, and Exposure 1 for OSB. NOTE: If "N/A" is selected, please explain in the Notes area.	**Mandatory**			Met		None
		Countertops Composite trim/doors Custom woodwork Component closet shelving						None
	(2)	Particleboard and MDF (medium density fiberboard) is manufactured and labeled in accordance with CPA A208.1 and CPA A208.2, respectively.	**2**					
	(3)	Hardwood plywood in accordance with HPVA HP-1.	**2**					
	(4)	Particleboard, MDF, or hardwood plywood is in accordance with CPA 4.	**3**					
	(5)	Composite wood or agrifiber panel products contain no added urea-formaldehyde or are in accordance with the CARB *Composite Wood Air Toxic Contaminant Measure Standard* .	**4**					
	(6)	Non-emitting products.	**4**					
901.5		**901.5 Cabinets.** A minimum of 85 percent of installed cabinets are in accordance with one or both of the following: **(Where both of the following practices are used, only 3 points are awarded.)**						
	(1)	All parts of the cabinet are made of solid wood or non-formaldehyde emitting materials such as metal or glass.	**5**	0	0	☐		None
	(2)	The composite wood used in wood cabinets is in accordance with CARB *Composite Wood Air Toxic Contaminant Measure Standard* or equivalent as certified by a third-party program such as, but not limited to, those in Appendix B.	**3**	0	0	☐		None
901.6		**901.6 Carpets.** Wall-to-wall carpeting is not installed adjacent to water closets and bathing fixtures.	**Mandatory**			☐		None
901.7		**901.7 Floor materials.** The following types of finished flooring materials are used. The materials have emission levels in accordance with CDPH/EHLB Standard Method v1.1. Product is tested by a laboratory with the CDPH/EHLB Standard Method v1.1 within the laboratory scope of accreditation to ISO/IEC 17025 and certified by a third-party program accredited to ISO 17065, such as, but not limited to, those in Appendix B. **(Points are awarded for every 10% of conditioned floor space using one of the below materials.)**	**1** **8 Max**	0	0	actual %:		None
	(1)	Hard surface flooring: Prefinished installed hard-surface flooring is installed. Where post-manufacture coatings or surface applications have not been applied, the following hard surface flooring types are deemed to comply with the emission requirements of this practice: **(a)** Ceramic tile flooring **(b)** Organic-free, mineral-based flooring **(c)** Clay masonry flooring **(d)** Concrete masonry flooring **(e)** Concrete flooring **(f)** Metal flooring				actual %'s:		None
	(2)	Carpet meeting and carpet cushion not meeting the emission limits is installed.						None
	(3)	Carpet and carpet cushion meeting the emission limits is installed. **(When carpet cushion meeting the emission limits of the practice is also installed, the percentage of compliant carpet area is calculated at 1.33 times the actual installed area.)**						None
901.8		**901.8 Wall coverings.** A minimum of 10 percent of the interior wall surfaces are covered and a minimum of 85 percent of wall coverings are in accordance with the emission concentration				☐		None

		limits of CDPH/EHLB Standard Method v1.1. Emission levels are determined by a laboratory accredited to ISO/IEC 17025 and the CDPH/EHLB Standard Method v1.1 is in its scope. The product is certified by a third-party program accredited to ISO 17065, such as, but not limited to, those in Appendix B.	**4**	0	0			
901.9		**901.9 Interior architectural coatings.** A minimum of 85 percent of the interior architectural coatings are in accordance with either Section 901.9.1 or Section 901.9.3, not both. A minimum of 85 percent of architectural colorants are in accordance with Section 901.9.2.						None
901.9.1		**901.9.1** Site-applied interior architectural coatings, which are inside the water proofing envelope, are in accordance with one or more of the following:	**5**	5	0			
	(1)	Zero VOC as determined by EPA Method 24 (VOC content is below the detection limit for the method)				☐		None
	(2)	GreenSeal GS-11				☐		None
	(3)	CARB *Suggested Control Measure for Architectural Coatings* (see Table 901.9.1).				☐		None
		See Table 901.9.1						
901.9.2		**901.9.2** Architectural coating colorant additive VOC content is in accordance with Table 901.9.2. **(Points for 901.9.2 are awarded only if base architectural coating is in accordance with 901.9.1.)** See Table 901.9.2	**1**	0	0	☐		None
901.9.3		**901.9.3** Site-applied interior architectural coatings, which are inside the waterproofing envelope, are in accordance with the emission levels of CDPH/EHLB Standard Method v1.1. Emission levels are determined by a laboratory accredited to ISO/IEC 17025 and the CDPH/EHLB Standard Method v1.1 in its scope of accreditation. The product is certified by a third-party program accredited to ISO 17065, such as, but not limited to, those found in Appendix B.	**8**	0	0	☐		None
901.10		**901.10 Interior adhesives and sealants.** A minimum of 85 percent of site-applied adhesives and sealants located inside the waterproofing envelope are in accordance with one of the following, as applicable.		5	0			
	(1)	The emission levels are in accordance with CDPH/EHLB Standard Method v1.1. Emission levels are determined by a laboratory accredited to ISO/IEC 17025 and the CDPH/EHLB Standard Method v1.1 is in its scope of accreditation. The product is certified by a third-party program accredited to ISO 17065, such as, but not limited to, those found in Appendix B.	**8**			☐		None
	(2)	GreenSeal GS-36.	**5**			☐		None
	(3)	SCAQMD Rule 1168 in accordance with Table 901.10(3), excluding products that are sold in 16 ounce containers or less and are regulated by the California Air Resources Board (CARB) Consumer Products Regulations.	**5**			☐		None
		See Table 901.10(3)						
901.11		**901.11 Insulation.** Emissions of 85 percent of wall, ceiling, and floor insulation materials are in accordance with the emission levels of CDPH/EHLB Standard Method v1.1. Emission levels are determined by a laboratory accredited to ISO/IEC 17025 and the CDPH/EHLB Standard Method v1.1 is in its scope of accreditation. Insulation is certified by a third-party program accredited to ISO 17065, such as, but not limited to, those in Appendix B.	**4**	0	0	☐		None
901.12		**901.12 Furniture and Furnishings.** In a multifamily building, all furniture in common areas shall have VOC emission levels in accordance with ANSI/BIFMA e3-Furniture Sustainability Standard sections 7.6.1 and 7.6.2, tested in accordance with ANSI/BIFMA Standard Method M7.1.	**2**	0	0	☐		None
901.13		**901.13 Carbon monoxide (CO) alarms.** A carbon monoxide (CO) alarm is provided in accordance with the IRC Section R315.	**Mandatory**					None
901.14		**901.14 Building entrance pollutants control.** Pollutants are controlled at all main building entrances by one of the following methods:		0	0			None
	(1)	Exterior grilles or mats are installed in a fixed manner and may be removable for cleaning.	**1**			☐		
	(2)	Interior grilles or mats are installed in a fixed manner and may be removable for cleaning.	**1**			☐		
901.15		**901.15 Non-smoking areas.** Environmental tobacco smoke is minimized by one or more of the following:						
	(1)	All interior common areas of a multifamily building are designated as non-smoking areas with posted signage.	**1**	1	0	☐		None
	(2)	Exterior smoking areas of a multifamily building are designated with posted signage and located a minimum of 25 feet from entries, outdoor air intakes, and operable windows.	**1**	1	0	☐		None
902 POLLUTANT CONTROL								
902.0		**902.0 Intent.** Pollutants generated in the building are controlled.						
902.1		**902.1 Spot ventilation.**						
902.1.1		**902.1.1** Spot ventilation is in accordance with the following:						
	(1)	Bathrooms are vented to the outdoors. The minimum ventilation rate is 50 cfm (23.6 L/s) for intermittent operation or 20 cfm (9.4 L/s) for continuous operation in bathrooms.	**Mandatory**			☐		None
	(a)	A window complying with IRC Section R303.3 is provided in addition to mechanical ventilation.	**1**	0	0	☐		None
	(2)	Clothes dryers (except listed and labeled condensing ductless dryers) are vented to the outdoors.	**Mandatory**					None
	(3)	Kitchen exhaust units and/or range hoods are ducted to the outdoors and have a minimum ventilation rate of 100 cfm (47.2 L/s) for intermittent operation or 25 cfm (11.8 L/s) for continuous operation.	**8**	8	0	☐		None
902.1.2		**902.1.2** Bathroom and/or laundry exhaust fan is provided with an automatic timer and/or humidistat:	**11 Max**	0	0	# of timers:		None
	(1)	for first device	**5**			# of humidistats:		
	(2)	for each additional device	**2**			☐		
902.1.3		**902.1.3** Kitchen range, bathroom, and laundry exhaust are verified to air flow specification. Ventilation airflow at the point of exhaust is tested to a minimum of:	**8**	8	0	☐		None
	(a)	100 cfm (47.2 L/s) intermittent or 25 cfm (11.8 L/s) continuous for kitchens, and						
	(b)	50 cfm (23.6 L/s) intermittent or 20 cfm (9.4 L/s) continuous for bathrooms and/or laundry						
902.1.4		**902.1.4** Exhaust fans are ENERGY STAR, as applicable.	**12 Max**	2	0			None
	(1)	ENERGY STAR, or equivalent, fans operating above 1 sone **(Points awarded per fan.)**	**2**			# of fans:		
	(2)	ENERGY STAR, or equivalent, fans operating at or below 1 sone **(Points awarded per fan.)**	**3**			☐		
902.1.5		**902.1.5** Fenestration in spaces other than those identified in 902.1.1 through 902.1.4 are designed for stack effect or cross-ventilation in accordance with all of the following:	**3**	0	0			
	(1)	Operable windows, operable skylights, or sliding glass doors with a total area of at least 15 percent of the total conditioned floor area are provided.				☐		None
	(2)	Insect screens are provided for all operable windows, operable skylights, and sliding glass doors.				☐		None
	(3)	A minimum of two operable windows or sliding glass doors are placed in adjacent or opposite walls. If there is only one wall surface in that space exposed to the exterior, the minimum windows or sliding glass doors may be on the same wall.				☐		None
902.1.6		**902.1.6 Ventilation for Multifamily Common Spaces.** Systems are implemented and are in accordance with the specifications of ASHRAE 62.1 and an explanation of the operation and importance of the ventilation system is included in 1002.1 and 1002.2 of NGBS.	**3**	3	0	☐		None
902.2		**902.2 Building ventilation systems.**						
902.2.1		**902.2.1** One of the following whole building ventilation systems is implemented and is in accordance with the specifications of ASHRAE Standard 62.2-2010 Section 4 and an explanation of the operation and importance of the ventilation system is **included in either 1001.1(9) or 1002.2(11)**.	**Mandatory**	3	0			None
	(1)	exhaust or supply fan(s) ready for continuous operation and with appropriately labeled controls	**3**					
	(2)	balanced exhaust and supply fans with supply intakes located in accordance with the manufacturer's guidelines so as to not introduce polluted air back into the building	**6**					
	(3)	heat-recovery ventilator	**7**					
	(4)	energy-recovery ventilator	**8**					
	(5)	Ventilation air is preconditioned by a system not specified above	**10**					
902.2.2		**902.2.2** Ventilation airflow is tested to achieve the design fan airflow in accordance with ANSI/RESNET/ICC 380 and Section 902.2.1.	**4**	4	0	☐		None
902.2.3		**902.2.3** MERV filters 8 to 13 are installed on central forced air systems and are accessible.				☐		None

		Designer or installer is to verify that the HVAC equipment is able to accommodate the greater pressure drop of MERV 8 to 13 filters.	**2**	0	0				
902.2.4		**902.2.4** MERV filters 14 or greater are installed on central forced air systems and are accessible. Designer or installer is to verify that the HVAC equipment is able to accommodate the greater pressure drop of the filter used.	**3**	0	0	☐			None
902.3		**902.3 Radon reduction measures.** Radon reduction measures are in accordance with ICC IRC Appendix F or 902.3.1. Radon Zones as identified by the AHJ or, if the zone is not identified by the AHJ, as defined in Figure 9(1).	**N/A**						None
	(1)	Buildings located in Zone 1		0	0				
	(a)	a passive radon system is installed	**N/A**						
	(b)	an active radon system is installed	**12**						
	(2)	Buildings located in Zone 2 or Zone 3		0	0				
	(a)	a passive radon system is installed	**6**						
	(b)	an active radon system is installed	**12**						
902.3.1		**902.3.1 Radon reduction option.** This option requires section 902.3.2.1 through 902.3.2.7.							
902.3.1.1		**902.3.1.1 Soil-gas barriers and base course.** A base course in accordance with Section 506.2.2 of the IRC shall be installed below slabs and foundations. There shall be a continuous gas-permeable base course under each soil-gas retarder that is separated by foundation walls or footings. Between slabs and the base course, damp proofing or water proofing shall be installed in accordance with Section 406 of the IRC. Punctures, tears and gaps around penetrations of the soil-gas retarder shall be repaired or covered with an additional soil-gas retarder. The soil-gas retarder shall be a continuous6-mil (0.15 mm) polyethylene or an approved equivalent.							
902.3.1.2		**902.3.1.2 Soil gas collection.** There shall be an unobstructed path for soil gas flow between the void space installed in the base course and the vent through the roof. Soil gases below the foundation shall be collected by a perforated pipe with a diameter of not less than 4 inches (10 cm) and not less than 5 feet (1.5 m) in total length. A tee fitting or equivalent method shall provide two horizontal openings to the radon collection. The tee fitting shall be designed to prevent clogging of the radon collection path. Alternately the soil gas collection shall be by approved radon collection mats or an equivalent approved method.							
902.3.1.3		**902.3.1.3 Soil gas entry routes.** Openings in slabs, soil-gas retarders, and joints such as, but not limited to, plumbing, ground water control systems, soil-gas vent pipes, piping and structural supports, shall be sealed against air leakage at the penetrations. The sealant shall be a polyurethane caulk, expanding foam or other approved method. Foundation walls shall comply with Section 103.2.3 of the IRC. Sumps shall be sealed in accordance with Section 103.2.2 of the IRC. Sump pits and sump lids intended for ground water control shall not be connected to the sub-slab soil-gas exhaust system.							
902.3.1.4		**902.3.1.4 Soil gas vent.** A gas-tight pipe vent shall extend from the soil gas permeable layer though the roof. The vent pipe size shall not be reduced at any location as it goes from gas collection to the roof. Exposed and visible interior vent pipes shall be identified with not less than one label reading “Radon Reduction System” on each floor and in habitable attics.							
902.3.1.5		**902.3.1.5 Vent pipe diameter.** The minimum vent pipe diameter shall be as specified in Table 902.3.2.5.							
902.3.1.6		**902.3.1.6 Multiple vented areas.** In dwellings where interior footings or other barriers separate the soil-gas permeable layer, each area shall be fitted with an individual vent pipe. Vent pipes shall connect to a single vent that terminates above the roof or each individual vent pipe shall terminate separately above the roof.							
902.3.1.7		**902.3.1.7 Fan.** Each sub-slab soil-gas exhaust system shall include a fan, or dedicated space for the post-construction installation of a fan. The electrical supply for the fan shall be located within 6 feet (1.8 m) of the fan. Fan is not required to be on a dedicated circuit.							
902.3.2		**902.3.2 Radon testing.** Radon testing is mandatory for Zone 1. **Exceptions:** (2) Testing is not mandatory where the occupied space is located above an unenclosed open space.	**N/A**			Exception:			
	(1)	Testing specifications. Testing is performance as specified in (a) through (j).	**8**	0	0	☐ Test results (pCi/L):			None
	(a)	Testing is performed after the residence passes its airtightness test.							
	(b)	Testing is performed after the radon control system installation is complete. If the system has an active fan, the residence shall be tested with the fan operating.							
	(c)	Testing is performed at the lowest level within a dwelling unit which will be occupied, even if the space is not finished.							
	(d)	Testing is not performed in a closet, hallway, stairway, laundry room, furnace room, kitchen or bathroom.							
	(e)	Testing is performed with a commercially available test kit or with a continuous radon monitor that can be calibrated. Testing shall be in accordance with the testing device manufacturer’s instructions.							
	(f)	Testing shall be performed by the builder, a registered design professional, or an approved third party.							
	(g)	Testing shall extend at least 48 hours or to the minimum specified by the manufacturer, which ever is longer.							
	(h)	Written radon test results shall be provided by the test lab or testing party. Written test results shall be included with construction documents.							
	(i)	An additional pre-paid test kit shall be provided for the homeowner to use when they choose. The test kit shall include mailing or emailing the results from the testing lab to the homeowner.							
	(j)	Where the radon test result is 4 pCi/L or greater, the fan for the radon vent pipe shall be installed.							
	(2)	Testing results. A radon test done in accordance with 902.3.1 and completed before occupancy receives a results of 2 pCi/L or less.	**6**	0	0				None
902.4		**902.4 HVAC system protection.** One of the following HVAC system protection measures is performed.	**3**	0	0				
	(1)	HVAC supply registers (boots), return grilles, and rough-ins are covered during construction activities to prevent dust and other pollutants from entering the system.				☐			None
	(2)	Prior to owner occupancy, HVAC supply registers (boots), return grilles, and duct terminations are inspected and vacuumed. In addition, the coils are inspected and cleaned and the filter is replaced if necessary.				☐			None
	(3)	If HVAC systems are to be operated, during construction, all return grilles have a temporary MERV 8 or higher filter installed in a manner ensuring no leakage around the filter.				☐			None
902.5		**902.5 Central vacuum systems.** Central vacuum system is installed and vented to the outside.	**3**	0	0	☐			None
902.6		**902.6 Living space contaminants.** The living space is sealed in accordance with Section 701.4.3.1 to prevent unwanted contaminants.	**Mandatory**			☑			None
903 MOISTURE MANAGEMENT: VAPOR, RAINWATER, PLUMBING, HVAC									
903.0		**903.0 Intent.** Moisture and moisture effects are controlled.							
903.1		**903.1 Plumbing.** Plumbing is in accordance with one of the following.		0	0				None
	(1)	Cold water pipes in unconditioned spaces are insulated to a minimum of R-4 with pipe insulation or other covering that adequately prevents condensation.	**2**						
	(2)	Plumbing is not installed in unconditioned spaces.	**5**						
903.2		**903.2 Duct insulation.** Ducts are in accordance with one of the following.		0	0				None
	(1)	All HVAC ducts, plenums, and trunks are located in conditioned space.	**1**						
	(2)	All HVAC ducts, plenums, and trunks are in conditioned space. All HVAC ducts are insulated to a minimum of R4.	**3**						
903.3		**903.3 Relative humidity.** In climate zones 1A, 2A, 3A, 4A, and 5A, equipment is installed to maintain relative humidity (RH) at or below 60 percent using one of the following:	**7**	0	0				None
	(1)	additional dehumidification system(s)				☐			
	(2)	central HVAC system equipped with additional controls to operate in dehumidification mode				☐			
904 INDOOR AIR QUALITY									
904.0		**904.0 Intent.** IAQ is protected by best practices to control ventilation, moisture, pollutant sources and sanitation.							
904.1		**904.1 Indoor Air Quality (IAQ) During Construction.** Wood is dry before close-in (602.1.7.1(3)),				☐			None

		materials comply with emission criteria (901.4- 901.11), sources of water infiltration or condensation observed during construction have been eliminated, accessible interior surfaces are dry and free of visible suspect growth (per ASTM D7338-10 section 6.3), and water damage (per ASTM D7338-10 section 7.4.3).	**2**	0	0			
904.2		**904.2 Indoor Air Quality (IAQ) Post Completion.** Verify there are no moisture, mold, and dust issues per 602.1.7.1(3), 901.4-901.11, ASTM D7338 Section 6.3, and ASTM D7338 Section 7.4.3.	**3**	0	0	☐		None
904.3		**904.3 Microbial growth & moisture inspection and remediation.** A visual inspection is performed to confirm the following:						
	(1)	Verify that no visible signs of discoloration and microbial growth on ceilings, walls or floors, or other building assemblies Or If minor microbial growth is observed (less than within a total area of 25 square feet) in homes or multifamily buildings, reference EPA Document 402-K-02-003 (A Brief Guide to Mold, Moisture, and Your Home) for guidance on how to properly remediate the issue. If microbial growth is observed, on a larger scale in homes or multifamily buildings (greater than 25 sq ft), reference EPA document 402-k-01-001 (Mold Remediation in Schools and Commercial Buildings) for guidance on how to properly remediate the issue.	**Mandatory**			☑		None
	(2)	Verify that there are no visible signs of water damage or pooling. If signs of water damage or pooling are observed, verify that the source of the leak has been repaired, and that damaged materials are either properly dried or replaced as needed.	**Mandatory**			☑		None
905 INNOVATIVE PRACTICES								
905.1		**905.1 Humidity monitoring system.** A humidity monitoring system is installed with a mobile base unit that displays readings of temperature and relative humidity. The system has a minimum of two remote sensor units. One remote sensor unit is placed permanently inside the conditioned space in a central location, excluding attachment to exterior walls, and another remote sensor unit is placed permanently outside of the conditioned space.	**2**	0	0	☐		None
905.2		**905.2 Kitchen exhaust.** A kitchen exhaust unit(s) that equals or exceeds 400 cfm (189 L/s) is installed, and makeup air is provided.	**2**	0	0	☐		None
905.3		**905.3 Enhanced air filtration.** Meet all of the following.	**2**	0	0			
	(1)	Design for and install a secondary filter rack space for activated carbon filters.				☐		None
	(2)	Provide the manufacturer's recommended filter maintenance schedule to the homeowner or building manager.				☐		None
905.4		**905.4 Sound barrier.** Provide room-to-room privacy between bedrooms and adjacent living spaces within dwelling units or homes by achieving an articulation index (AI) between 0 and 0.15 per the criteria below. *Articulation Index 0 to 0.05 = STC greater than 55 (NIC greater than 47)* *Articulation Index 0.05 to 0.15 = STC 52 to 55 (NIC 44 to 47)*	**1 SF / 4 MF**	0	0	☐		None
905.5		**905.5 Evaporative coil mold prevention.** For buildings with a mechanical system for cooling, ultraviolet lamps are installed on the cooling coils and drain pans of the mechanical system supplies. Lamps produce ultraviolet radiation at a wavelength of 254 nm so as not to generate ozone. Lamps have ballasts housed in a NEMA-rated enclosure.	**2**	0	0	☐		None

1001 HOMEOWNER'S MANUAL AND TRAINING GUIDELINES FOR ONE- AND TWO-FAMILY DWELLINGS

1001.0		**1001.0 Intent.** Information on the building's use, maintenance, and green components is provided.						
1001.1		**1001.1** A homeowner's manual is provided and stored in a permanent location in the dwelling that includes the following, as available and applicable.	**1** **8 Max**	0	0			
		(Points awarded per two items. Points awarded for non-mandatory items.)						
	(1)	A National Green Building Standard certificate with weblink and completion document.	**N/A**			☐		None
	(2)	List of green building features (can include the national green building checklist).	**N/A**			☐		None
	(3)	Product manufacturer's manuals or product data sheet for installed major equipment, fixtures, and appliances. If product data sheet is in the building owners' manual, manufacturer's manual may be attached to the appliance in lieu of inclusion in the building owners' manual.	**N/A**			☐		None
	(4)	Maintenance checklist.				☐		None
	(5)	Information on local recycling and composting programs.				☐		None
	(6)	Information on available local utility programs that purchase a portion of energy from renewable energy providers.				☐		None
	(7)	Explanation of the benefits of using energy-efficient lighting systems [e.g., compact fluorescent light bulbs, light emitting diode (LED)] in high-usage areas.				☐		None
	(8)	A list of practices to conserve water and energy.				☐		None
	(9)	Information on the importance and operation of the home's fresh air ventilation system.				☐		None
	(10)	Local public transportation options.				☐		None
	(11)	A diagram showing the location of safety valves and controls for major building systems.				☐		None
	(12)	Where frost-protected shallow foundations are used, owner is informed of precautions including: **(a)** instructions to not remove or damage insulation when modifying landscaping. **(b)** providing heat to the building as required by the ICC IRC or IBC. **(c)** keeping base materials beneath and around the building free from moisture caused by broken water pipes or other water sources.				☐		None
	(13)	A list of local service providers that offer regularly scheduled service and maintenance contracts to ensure proper performance of equipment and the structure (e.g., HVAC, water-heating equipment, sealants, caulks, gutter and downspout system, shower and/or tub surrounds, irrigation system).				☐		None
	(14)	A photo record of framing with utilities installed. Photos are taken prior to installing insulation, clearly labeled, and included as part of the building owners' manual.				☐		None
	(15)	List of common hazardous materials often used around the building and instructions for proper handling and disposal of these materials.				☐		None
	(16)	Information on organic pest control, fertilizers, deicers, and cleaning products.				☐		None
	(17)	Information on native landscape materials and/or those that have low water requirements.				☐		None
	(18)	Information on methods of maintaining the building's relative humidity in the range of 30 percent to 60 percent.				☐		None
	(19)	Instructions for inspecting the building for termite infestation.				☐		None
	(20)	Instructions for maintaining gutters and downspouts and importance of diverting water a minimum of 5 feet away from foundation.				☐		None
	(21)	A narrative detailing the importance of maintenance and operation in retaining the attributes of a green-built building.				☐		None
	(22)	Where stormwater management measures are installed on the lot, information on the location, purpose, and upkeep of these measures.				☐		None
	(23)	Explanation of and benefits from green cleaning in the home.				☐		None
	(24)	Retrofit energy calculator that provides baseline for future energy retrofits.				☐		None
1001.2		**1001. 2 Training of initial homeowners.** Initial homeowners are familiarized with the role of occupants in achieving green goals. Training is provided to the responsible party(ies) regarding equipment operation and maintenance, control systems, and occupant actions that will improve the environmental performance of the building. These include:	**N/A** 8	0	0	☐		None
	(1)	HVAC filters.						
	(2)	Thermostat operation and programming.						
	(3)	Lighting controls.						
	(4)	Appliances operation.						
	(5)	Water heater settings and hot water use.						
	(6)	Fan controls.						
	(7)	Recycling and composting practices.						
	(8)	Whole-dwelling mechanical ventilation systems.						

1002 CONSTRUCTION, OPERATION, AND MAINTENANCE MANUALS AND TRAINING FOR MULTI-UNIT BUILDINGS

1002.0		**1002.0 Intent.** Manuals are provided to the responsible parties (owner, management, tenant, and/or maintenance team) regarding the construction, operation, and maintenance of the building. Paper or digital format manuals are to include information regarding those aspects of the building's construction, maintenance, and operation that are within the area of responsibilities of the respective recipient. One or more responsible parties are to receive a copy of all documentation for archival purposes.						
1002.1		**1002.1 Building construction manual.** A building construction manual, including five or more of the following, is compiled and distributed in accordance with Section 1002.0.	**1**	1	0	Build-to-Rent? ☐		
		(Points awarded per two items. Points awarded for non-mandatory items.)						
	(1)	A narrative detailing the importance of constructing a green building, including a list of green building attributes included in the building. This narrative is included in all responsible parties' manuals.	**Mandatory**			☐		None
	(2)	A local green building program certificate as well as a copy of the *National Green Building Standard* ™, as adopted by the Adopting Entity, and the individual measures achieved by the building.	**Mandatory**			☐		None
	(3)	Warranty, operation, and maintenance instructions for all equipment, fixtures, appliances, and finishes.	**Mandatory**			☐		None
	(4)	Record drawings of the building.				☐		None
	(5)	A record drawing of the site including stormwater management plans, utility lines, landscaping with common name and genus/species of plantings.				☐		None
	(6)	A diagram showing the location of safety valves and controls for major building systems.				☐		None
	(7)	A list of the type and wattage of light bulbs installed in light fixtures.				☐		None
	(8)	A photo record of framing with utilities installed. Photos are taken prior to installing insulation and clearly labeled.				☐		None
1002.2		**1002.2 Operations manual.** Operations manuals are created and distributed to the responsible parties in accordance with Section 1002.0. Between all of the operation manuals, five or more of the following options are included.	**1**	2	0	Build-to-Rent? ☐		
		(Points awarded per two items. Points awarded for non-mandatory items.)						
	(1)	A narrative detailing the importance of operating and living in a green building. This narrative is included in all responsible parties' manuals.	**Mandatory**			☐		None
	(2)	A list of practices to conserve water and energy (e.g., turning off lights when not in use, switching the rotation of ceiling fans in changing seasons, purchasing ENERGY STAR appliances and electronics).	**Mandatory**			☐		None
	(3)	Information on methods of maintaining the building's relative humidity in the range of 30 percent to 60 percent.				☐		None
	(4)	Information on opportunities to purchase renewable energy from local utilities or national green power providers and information on utility and tax incentives for the installation of on-site renewable energy systems.				☐		None
	(5)	Information on local and on-site recycling and hazardous waste disposal programs and, if applicable, building recycling and hazardous waste handling and disposal procedures.				☐		None
	(6)	Local public transportation options.				☐		None
	(7)	Explanation of the benefits of using compact fluorescent light bulbs, LEDs, or other high-efficiency lighting.				☐		None
	(8)	Information on native landscape materials and/or those that have low water requirements.				☐		None
	(9)	Information on the radon mitigation system, where applicable.				☐		None
	(10)	A procedure for educating tenants in rental properties on the proper use, benefits, and maintenance of green building systems including a maintenance staff notification process for				☐		None

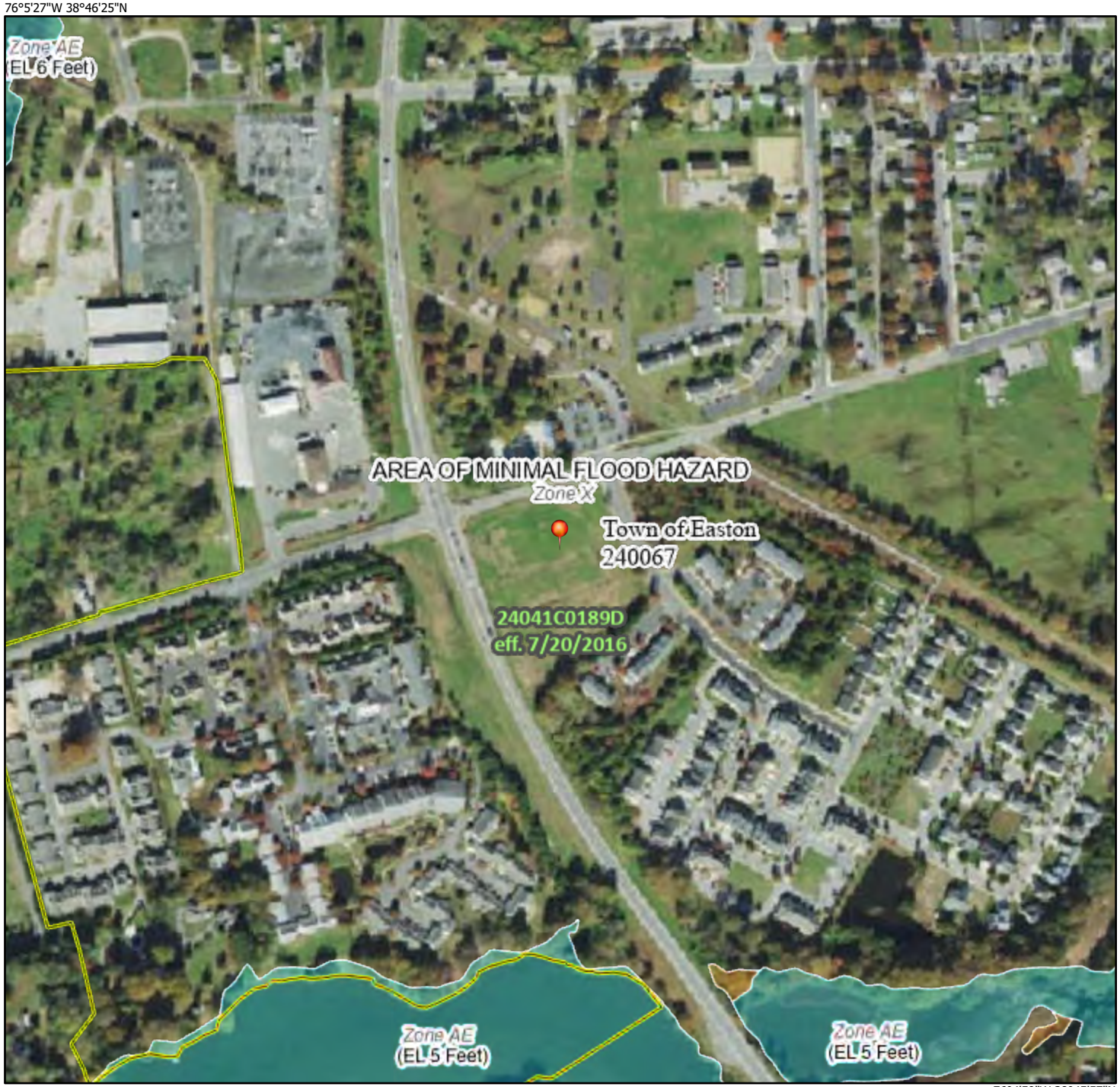
		improperly functioning equipment.						
	(11)	Information on the importance and operation of the building's fresh air ventilation system.						None
1002.3		**1002.3 Maintenance manual.** Maintenance manuals are created and distributed to the responsible parties in accordance with Section 1002.0. Between all of the maintenance manuals, five or more of the following options are included. **(Points awarded per two items. Points awarded for non-mandatory items.)**	**1**	2	0	Build-to-Rent?		
	(1)	A narrative detailing the importance of maintaining a green building. This narrative is included in all responsible parties' manuals.	**Mandatory**					None
	(2)	A list of local service providers that offer regularly scheduled service and maintenance contracts to ensure proper performance of equipment and the structure (e.g., HVAC, water-heating equipment, sealants, caulks, gutter and downspout system, shower and/or tub surrounds, irrigation system).						None
	(3)	User-friendly maintenance checklist that includes: **(a)** HVAC filters **(b)** thermostat operation and programming **(c)** lighting controls **(d)** appliances and settings **(e)** water heater settings **(f)** fan controls						None
	(4)	List of common hazardous materials often used around the building and instructions for proper handling and disposal of these materials.						None
	(5)	Information on organic pest control, fertilizers, deicers, and cleaning products.						None
	(6)	Instructions for maintaining gutters and downspouts and the importance of diverting water a minimum of 5 feet away from foundation.						None
	(7)	Instructions for inspecting the building for termite infestation.						None
	(8)	A procedure for rental tenant occupancy turnover that preserves the green features.						None
	(9)	An outline of a formal green building training program for maintenance staff.						None
	(10)	A green cleaning plan which includes guidance on sustainable cleaning products.						None
	(11)	A maintenance plan for active recreation and play spaces (e.g., playgrounds, ground markings, exercise equipment.						None
1002.4		**1002.4 Training of building owners.** Building owners are familiarized with the role of occupants in achieving green goals. On-site training is provided to the responsible party(ies) regarding equipment operation and maintenance, control systems, and occupant actions that will improve the environmental performance of the building. These include:	**Mandatory** 8	8	0	Build-to-Rent?		None
	(1)	HVAC filters						
	(2)	thermostat operation and programming						
	(3)	lighting controls						
	(4)	appliances operation						
	(5)	water heater settings and hot water use						
	(6)	fan controls						
	(7)	recycling and composting practices						
	(8)	Whole-dwelling mechanical ventilation systems						
1002.5		**1002.5 Multifamily occupant manual.** An occupant manual is compiled and distributed in accordance with Section 1002.0. *[Points awarded for non-mandatory items.]*	**1 per 2 items**	0	0	Build-to-Rent?		
	(1)	NGBS certificate	**Mandatory**					None
	(2)	List of green building features	**Mandatory**					None
	(3)	Operations manuals for all appliances and occupant operated equipment including lighting and ventilation controls, thermostats, etc.	**Mandatory**					None
	(4)	Information on recycling and composting programs						None
	(5)	Information on purchasing renewable energy from utility						None
	(6)	Information on energy efficient replacement lamps						None
	(7)	List of practices to save water and energy						None
	(8)	Local public transportation options						None
	(9)	Explanation of benefits of green cleaning						None
1002.6		**1002.6 Training of multifamily occupants.** Prepare a training outline, video or website that familiarizes occupants with their role in maintaining the green goals of the project. Include all equipment that the occupant(s) is expected to operate including but not limited.	**1 per 2 items**	0	0	Build-to-Rent?		
	(1)	Lighting controls						None
	(2)	Ventilation controls						None
	(3)	Thermostat operation and programming						None
	(4)	Appliances operation						None
	(5)	Recycling and composting						None
	(6)	HVAC filters						None
	(7)	Water heater setting and hot water use						None
1003 PUBLIC EDUCATION								
1003.0		**1003.0 Intent.** Increase public awareness of the National Green Building Standard and projects constructed in accordance with National Green Building Standard to help increase demand for high-performance homes.						
1003.1		**1003.1 Public Education.** One or more of the following is implemented:	**2 Max**	0	0			
	(1)	**Signage.** Signs showing the project is designed and built in accordance with the National Green Building Standard are posted on the construction site.	**1**					None
	(2)	**Certification Plaques.** National Green Building Standard certification plaques with rating level attainted are placed in a conspicuous location near the utility area of the home or, in a conspicuous location near the main entrance of a multifamily building.	**1**					None
	(3)	**Education.** A URL for the National Green Building Standard is included on site signage, builder website (or property website for multifamily buildings), and marketing materials for homes certified under the National Green Building Standard.	**1**					None
1004 POST OCCUPANCY PERFORMANCE ASSESSMENT								
1004.0		**1004.0 Intent.** A verification system for post occupancy assessment of the building is intended to be a management tool for the building owner to determine if energy or water usage have deviated from expected levels so that inspection and correction action can be taken.						
1004.1		**1004.1** A verification system plan is provided in the building owner's manual (Sections 1001 or 1002). The verification system provides methods for demonstrating continued energy and water savings that are determined from the building's initial year of occupancy of water and energy consumption as compared to annualized consumption at least every four years.						
	(1)	Verification plan is developed to monitor post-occupancy energy and water use and is provided in the building owner's manual.	**1**	0	0			None
	(2)	Verification system is installed in the building to monitor post-occupancy energy and water use.	**3**	0	0			None
1005 INNOVATIVE PRACTICES								
1005.1		**1005.1 Appraisals.** One or more of the following is implemented:						
	(1)	Energy rating or projected usage data is posted in an appropriate location in the home, or public posting so that an appraiser can access the energy data for an energy efficiency property valuation.	**2**	0	0			None
	(2)	An Appraisal Institute Form 820.05 "Residential Green and Energy Addendum" or Form 821 "Commercial Green and energy Efficient Addendum" that consider NGBS, LEED, ENERGY STAR certifications and equivalent programs, is completed for the appraiser by a qualified professional or builder to use in performing the valuation of the property.	**2**	0	0			None
	(3)	NGBS certification information or one of the Appraisal Institute Forms cited in (2) above is uploaded to a multiple listing service (MLS) or equivalent database so that appraisers can access it to compare property valuations.	**2**	2	2	Home Innovation makes key certification details available, but MLS organizations need to take affirmative action to ensure data is received and made publicly available. Contact us for		

more details.

National Flood Hazard Layer FIRMette

FEMA

76°5'27"W 38°46'25"N



76°4'50"W 38°45'57"N

0 250 500 1,000 1,500 2,000 Feet

1:6,000

Basemap Imagery Source: USGS National Map 2023

Legend

SEE FIS REPORT FOR DETAILED LEGEND AND INDEX MAP FOR FIRM PANEL LAYOUT

SPECIAL FLOOD HAZARD AREAS
- Without Base Flood Elevation (BFE) *Zone A, V, A99*
- With BFE or Depth *Zone AE, AO, AH, VE, AR*
- Regulatory Floodway

OTHER AREAS OF FLOOD HAZARD
- 0.2% Annual Chance Flood Hazard, Areas of 1% annual chance flood with average depth less than one foot or with drainage areas of less than one square mile *Zone X*
- Future Conditions 1% Annual Chance Flood Hazard *Zone X*
- Area with Reduced Flood Risk due to Levee. See Notes. *Zone X*
- Area with Flood Risk due to Levee *Zone D*

OTHER AREAS
- NO SCREEN Area of Minimal Flood Hazard *Zone X*
- Effective LOMRs
- Area of Undetermined Flood Hazard *Zone D*

GENERAL STRUCTURES
- Channel, Culvert, or Storm Sewer
- Levee, Dike, or Floodwall

OTHER FEATURES
- 20.2 / 17.5 Cross Sections with 1% Annual Chance / Water Surface Elevation
- Coastal Transect
- Base Flood Elevation Line (BFE)
- Limit of Study
- Jurisdiction Boundary
- Coastal Transect Baseline
- Profile Baseline
- Hydrographic Feature

MAP PANELS
- Digital Data Available
- No Digital Data Available
- Unmapped

N

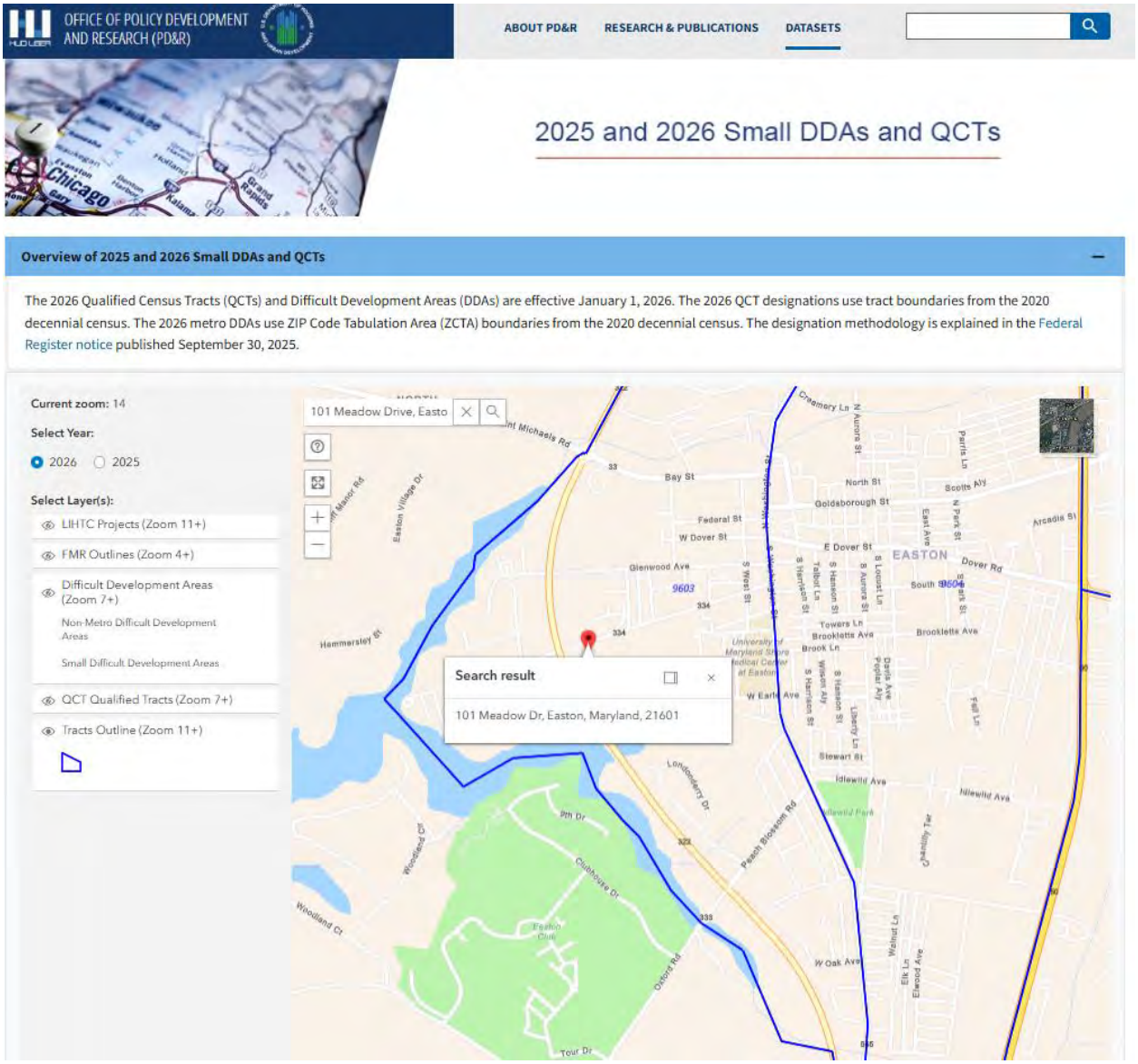
The pin displayed on the map is an approximate point selected by the user and does not represent an authoritative property location.

This map complies with FEMA's standards for the use of digital flood maps if it is not void as described below. The basemap shown complies with FEMA's basemap accuracy standards

The flood hazard information is derived directly from the authoritative NFHL web services provided by FEMA. This map was exported on 6/5/2026 at 6:33 PM and does not reflect changes or amendments subsequent to this date and time. The NFHL and effective information may change or become superseded by new data over time.

This map image is void if the one or more of the following map elements do not appear: basemap imagery, flood zone labels, legend, scale bar, map creation date, community identifiers, FIRM panel number, and FIRM effective date. Map images for unmapped and unmodernized areas cannot be used for regulatory purposes.

Census Tract Map


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DATASETS
2025 and 2026 Small DDAs and QCTs
Overview of 2025 and 2026 Small DDAs and QCTs
The 2026 Qualified Census Tracts (QCTs) and Difficult Development Areas (DDAs) are effective January 1, 2026. The 2026 QCT designations use tract boundaries from the 2020 decennial census. The 2026 metro DDAs use ZIP Code Tabulation Area (ZCTA) boundaries from the 2020 decennial census. The designation methodology is explained in the Federal Register notice published September 30, 2025.
Current zoom: 14
Select Year:
2026
2025
Select Layer(s):
LIHTC Projects (Zoom 11+)
FMR Outlines (Zoom 4+)
Difficult Development Areas (Zoom 7+)
Non-Metro Difficult Development Areas
Small Difficult Development Areas
QCT Qualified Tracts (Zoom 7+)
Tracts Outline (Zoom 11+)
101 Meadow Drive, Easto
Search result
101 Meadow Dr, Easton, Maryland, 21601
EASTON
Bay St
Federal St
W Dover St
E Dover St
Glenwood Ave
North St
Goldsborough St
Dover Rd
Brookletts Ave
Stewart St
Idlewild Ave
Peach Blossom Rd
W Oak Ave
Hammersley St
Woodland Ct
Clubhouse Dr
Oxford Rd
Tour Dr
Londonderry Dr
Creamery Ln
Scotts Aly
Arcadia St
Brook Ln
Towers Ln
W Earle Ave
Fall Ln
Walnut Ln
Elk Ln
Elwood Ave
9603
9604

RESOLUTION NO. 6221

A RESOLUTION OF THE TOWN OF EASTON ADOPTING THE TOWN OF EASTON 2026 COMPREHENSIVE PLAN

INTRODUCED BY: _____

WHEREAS, the Town of Easton is authorized and required by the provisions of the Land Use Article of the Maryland Annotated Code § 3-204 to adopt a comprehensive plan for the purposes of assuring the orderly development of the Town and for the other purposes as set forth in § 3-101 *et. seq*. The Easton Planning and Zoning Commission, with the participation of members of the Easton Community, has prepared such a plan for the Town of Easton; and

WHEREAS, both the Easton Planning and Zoning Commission and the Easton Town Council have conducted public hearings on the proposed Comprehensive Plan and it appears to the members of the Town Council that adoption of the Comprehensive Plan by the Town Council will inure to the benefit of the Town of Easton.

NOW, THEREFORE, be it resolved by the Easton Town Council:

Section 1. The Comprehensive Plan prepared by the Easton Planning Commission entitled “Town of Easton 2026 Comprehensive Plan” is hereby adopted as the Comprehensive Plan of the Town of Easton. A photocopy of the Comprehensive Plan shall be maintained by the Town Clerk as part of the official records of the Town.

Section 2. This Resolution shall become effective upon approval by the Mayor after adoption by the Town Council.

Curry	-
Rankin	-
Montgomery	-
Davis	-
Abbatiello	-

I hereby certify that the above Resolution was passed by a yea and nay vote of the Council this _____ day of _____, 2026.

_____
Don Abbatiello, Town Council President

Delivered to the Mayor by me this _____ day of _____, 2026.

_____
Kathy M. Ruf, Town Clerk

APPROVED:

Date: _____ _____
Megan J. M. Cook, Mayor

EFFECTIVE DATE: _____, 2026.

RESOLUTION NO. 6224

A RESOLUTION OF THE TOWN OF EASTON AUTHORIZING THE APPLICATION FOR A MARYLAND COMMUNITY DEVELOPMENT BLOCK GRANT FOR A SENIOR AFFORDABLE HOUSING PROJECT

INTRODUCED BY: _____

WHEREAS, the State of Maryland through the Department of Housing and Community Development has solicited applications from eligible jurisdictions to apply for funding under the Maryland Community Development Block Grant Program; and

WHEREAS, the Town of Easton is eligible to apply for funds from the Maryland Community Development Block Grant program through the Maryland Department of Housing and Community Development; and

WHEREAS, the Town of Easton is in need of affordable housing and particularly, affordable housing for senior households; and

WHEREAS, the Port Street Senior project proposes to build 64 apartments that will serve seniors that earn at or below 60% of the Area Median Income; and

WHEREAS, the Town Council held a public hearing related to the Town's Block Grant application; and

WHEREAS, the Town Council understands and acknowledges that the Town would be responsible for the completion of grant activities and any corrective actions including repayment of funds if necessary.

NOW, THEREFORE, the Town of Easton hereby resolves as follows:

Section 1. The recitals set forth above are incorporated herein by reference and made a part of this Resolution.

Section 2. The Mayor is hereby authorized to execute and deliver the Grant Agreement, a true and correct copy of which (save for executing and dating) is attached to this Resolution as Exhibit "A";

Section 3. The Mayor may make any non-substantive changes to the attached documents necessary to effectuate the purpose of this Resolution;

Section 4. The Mayor is hereby authorized to take whatever additional actions are reasonably necessary to effectuate the terms of this Resolution;

Section 5. Any prior execution and delivery of documents related to the Grant Agreement that are consistent with the purpose of this Resolution, are hereby ratified and approved; and

Section 6. This Resolution shall become effective upon approval by the Mayor after adoption by the Town Council.

Curry	-
Rankin	-
Montgomery	-
Davis	-
Abbatiello	-

I hereby certify that the above Resolution was passed by a yea and nay vote of the Council this _____ day of _____, 2026.

_____
Don Abbatiello, Town Council President

Delivered to the Mayor by me this _____ day of _____, 2026.

_____
Kathy M. Ruf, Town Clerk

APPROVED:

Date: _____ _____
Megan J. M. Cook, Mayor

EFFECTIVE DATE: _____, 2026.