



January 14, 2022

Ms. Cynthia Schweers
Director of Citizen Engagement
City of Palm Coast
160 Lake Avenue
Palm Coast, FL 32164

RE: Contract Extension for Residential Solid Waste Services

Dear Cynthia,

On September 30, 2021, Waste Pro submitted a proposal for a five-year contract term based on specifications outlined in the City of Palm Coast RFP-CE-21-42. On November 30, 2021, the city summarily rejected all bids. Subsequently, the city requested conditions and pricing for a temporary one-year agreement.

Since the time of the proposal (September 30, 2021) there have been, and continue to be, significant changes in the economy and labor market. Some of those changes include 1) an increase in the consumer price index of 1.6% in just the last quarter (This amount of CPI used to occur over the period of an entire year); 2) the Omicron variant of COVID-19, which has affected 40% of the population and caused another round of issues with the labor force across the United States, and, among other things; 3) The latest labor reports indicate that baby boomers are retiring faster than they are being replaced in the workforce. Thus the need for increased sign-on incentives and the continued need for increased wages and better benefits for those already employed.

None of these conditions are improving and all are projected to get significantly worse in the future.

The current contract, which the extension would attach to, contains benefits to the city not contained in the RFP-CE-21-42. Specifically, it includes a recycle rewards program and it includes yard waste and bulk limitations that are less than those contained in the RFP-CE-21-42.

Therefore, our offer to extend would be based on the following conditions:

1. Force majeure language shall be adjusted/removed to reflect that Waste Pro shall not be responsible for payment or compensation to any subcontractor or other contractor under any claimed Force Majeure conditions. Waste Pro would only be paid for services performed.
2. Early termination language must be removed, including any "termination for cause" language.
3. The city shall waive the age requirement of contractor vehicles.
4. The city shall not assess any fines against Waste Pro upon signing and throughout the extension period.



The pricing for the contract extension of one year based upon all the above is **\$33.80 per month per household.**

Waste Pro values its long-term relationship with the City of Palm Coast and we welcome the opportunity to continue the partnership. Our senior and local management are committed to providing excellent service to your residents and businesses so that we will be the selected vendor as a result of the next RFP process.

Sincerely,

A handwritten signature in blue ink that reads "Brian Wintjen". The signature is stylized and overlaps the printed name below it.

Brian Wintjen

Northeast Florida Region RVP