

May 28, 2019

Leslie Bell Planning and Development Director County of Guilford 400 West Market Street Greensboro, NC 27402

Dear Mr. Bell,

Waste Industries would like to request that Guilford County increase our allowable billing rate to \$25.95 per month for weekly trash and every other recycle service (to include carts provided by Waste Industries and repaired and/or replaced as needed for normal wear and tear at no additional charge). Homeowners Associations, towns, etc. may negotiate lesser group rates.

Even though the rates we are requesting are higher than those of Republic's, it will be the residents' choice when choosing a service provider.

Please find below our proposed new rates:

Trash emptied one time per week and Recycling emptied every other week- \$25.95 per month

Trash emptied two times per week and Recycling emptied every other week- \$34.00 per month

Backdoor service- Trash emptied one time per week and Recycling emptied every other week- \$28.50 per month

(All above services include a 96 gallon cart for trash and a 96 gallon cart for recycling. These carts will be repaired and/or replaced as needed for no additional cost for normal wear and tear.)

These new rates would enable us to service more of the County and promote service competition which was the original intent of the Franchising. The current rates allowed are undesirable and we are currently unable to offer our services outside of our existing customer base which eliminates competition in a sizeable portion of the County.

As you are probably aware, the costs to process recyclable material have skyrocketed. New stricter policies in China are blocking the shipments of single stream recycling products from the United States to China primarily due to the high contamination rates.

When recycling was added to the service over ten years ago, haulers were receiving rebates for the material. Currently, we are paying in excess of \$125 per ton for processing to ReCommunity plus additional contamination charges. We do have alternate locations but are further in distance and after adding the transportation costs may be just as expensive.

It has been over ten (10) years since we have been allowed an increase under the franchise. Not only are we having to absorb the above changes in cost of recycle processing but across the board the cost of operations in our industry continue to climb at excessive rates. Driver shortages have driven up our costs to recruit and retain responsible and safe employees, while health, auto and worker's compensation insurance premiums have substantially increased. The cost of trucks and other equipment with imposed surcharges have achieved record highs. In an effort to continue to allow for us to provide our services to the residents of Guilford County we as that you consider the information we have provided.

Thank you for allowing Waste Industries to request these rate changes. We look forward to answering any questions you or your Board may have and discuss the challenges that we are encountering.

Respectfully,

Norma Yanez Government Contracts Manager