



February 1, 2021

Michael Gladbach  
Public Works Director  
Sandy City  
8775 S 700 W  
Sandy City, Utah 84070

Re: Request to Extend and Increase Price

Dear Mr. Gladbach:

It has been a pleasure serving the citizens of Sandy City for the past several years. Waste Management of Utah, Inc. (WM) sincerely values your patronage and looks forward to continuing our partnership.

The Residential Solid Waste Collection Service Agreement (the "Agreement") between WM and Sandy City states the initial four (4)-year term, which ended on November 30, 2019, may be extended for up to two (2) additional two (2)-year terms. WM and the City previously agreed to extend the Agreement term by two years, meaning the current term is scheduled to expire on November 30, 2021.

WM desires to extend the Agreement to June 30, 2024, provided the recycling component of WM's rate is increased.

In February of 2019, WM and the City partially addressed these recycling issues in the way of a "Value Share" program. As we discussed at that time and many subsequent times, WM would need additional relief to completely offset the increased costs related to providing recycling services. WM proposed either reducing the recycling services from every week to every other week for a rate reduction or accept an increase to the curbside recycling rate. On July 7, 2020, the Sandy City Council verbally elected not to reduce recycling services to every other week.

Based on the above, WM would like to review all options once again, and if either option 1 or 2 is accepted, extend the Agreement to June 30, 2024. An extension to this date would allow Sandy City to move its waste collection contract with us to the Sandy City Fiscal Year cycle.

Option 1. Increase the recycling component of the Monthly Home Rate effective July 1, 2021 by \$2.45 from \$3.54 to \$5.99. This will make the weekly recycle rate commensurate with the trash rate. The costs associated with providing weekly recycling are nearly identical to trash pick-up.



Option 2. Change the recycling program from a weekly collection to a biweekly collection. This would reduce the recycling component of the Monthly Home Rate from \$3.54 to \$3.25. As discussed during the July 2020 meeting with the City Council, WM would assist with marketing and implementing this change including providing 96-gallon containers for residents that make this request.

Option 3. Make no changes and have WM continue to provide service per the current Agreement until it expires on November 30, with no extension.

With either option WM would like to change the CPI language from point to point West Urban to an annualized WST. Over the years this has been very difficult to calculate and a more standardized CPI indicative to the Waste industry would be preferred.

Options 1 and 2 are mutually beneficial and would enable the continuation of a successful partnership. If the City agrees to either Option 1 or Option 2 of WM's proposed Agreement term extension, Waste Management will conduct a 100% waste and recycling can audit that will ensure the accuracy of all databases. Please confirm your decision in writing, so that we can process an amendment to the agreement or proceed as directed. If you have any additional questions, I can be reached at (801) 716-0210.

Sincerely,

Blake Leonelli  
Public Sector Solutions

Residential Service	2020 Rate
First Trash Container	\$ 6.28
Additional Trash Containers	\$ 3.24
First Recycle Container	\$ 3.54
Additional Recycle Container	\$ 2.81
Roll Off	\$181.51