



WASTE MANAGEMENT OF UTAH

8652 South 4000 West
West Jordan, UT 84088

September 24, 2019

Dean Lundell
Finance Director
Lehi City

Re: Renewal Rates

Dear Mr. Lundell & Council,

It has been a pleasure serving the citizens of Lehi during the past year. Waste Management sincerely values your patronage and looks forward to continuing our partnership. Based on our previous discussions we have outlined the new rates listed below effective January 1, 2020.

Adjustment Terms

The rates have been calculated based upon a new 30-month term with the option for an additional 30-month term based upon mutual acceptance.

Option 1

1 st trash	\$5.75	<i>Current</i> <i>4.38</i>
2 nd trash	\$4.52	<i>2.52</i>
1 st recycle	\$5.10	<i>3.40</i>
2 nd recycle	\$5.10	<i>3.40</i>

Option 2 – Blended Value/Rebate Recycle Program

1 st trash	\$5.75
2 nd trash	\$4.52
1 st recycle	\$3.40
2 nd recycle	\$3.40

Our goal continues to be to provide the highest quality, environmentally responsible service to Lehi City. If you have any additional questions, I can be reached at (801) 716-0210.

Sincerely,

Blake T. Leonelli
Public Sector Manager



Example Lehi Residential Single Stream Pricing

Publication	Market	Grade	July-19 Price (High)	Percentage	Value
Pulp & Paper (OBM)	Southwest	Resl Fiber # 56	\$15	14.2%	\$2.13
Pulp & Paper (OBM)	Southwest	OCC # 11	\$30	41.5%	\$12.44
Pulp & Paper (OBM)	Southwest	Actual Mixed Paper # 54	(\$37)	8.2%	(\$3.03)
Recyclingmarkets.net (SMP)	Pacific NW	Natural HDPE	\$440	1.4%	\$6.32
Recyclingmarkets.net (SMP)	Pacific NW	Colored HDPE	\$200	1.5%	\$3.01
Recyclingmarkets.net (SMP)	PNW/Houston	PET	\$180	3.0%	\$5.45
Recyclingmarkets.net (SMP)	Houston	Steel/Tin Cans	\$25	0.9%	\$0.22
Recyclingmarkets.net (SMP)	Pacific NW	Aluminum Cans	\$1,080	0.8%	\$8.17
		Other Plastic	(\$16)	2.2%	(\$0.35)
		3 mix Glass	(\$42)	0.0%	\$0.00
		Residue	(\$42)	26.3%	(\$11.05)
				100.0%	\$23.32

> Excess Contamination Charge per level

0 - 10%	No deduction
10.1 - 15%	\$2.50 per ton
15.1 - 25%	\$5.00 per ton
25.1% and above	\$7.50 per ton

> The index prices and rebate will be adjusted on a monthly basis.

> If above Indexes do not reasonably reflect actual market conditions, actual sales price for the grade may be utilized

> The stream composition will be adjusted on a quarterly basis.

Rebate/Tip Fee Calculation

	To WJ MRF
Material Sales Value	\$ 23.32
Less base fee	\$ (102.30)
Available Commodity Value	\$ (78.98)
Customer rebate % (if positive)	60.0%
Customer Base Rebate/(Tip Fee) per Ton	\$ (78.98)
TS processing/haul fee	\$ (36.00) via North Pointe TS
Customer Rebate/(Tip Fee) per Ton	\$ (114.98)
Excess Contamination Charge	\$ (7.50)
Total Customer Rebate/(Tip Fee) per Ton	\$ (122.48)
Tons Received	240.30
Customer Rebate/(Tip Fee)	\$ (29,431.94)