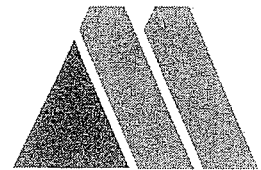


October 22, 2018

Mr. Nicholas Melson, City Administrator
City of Niagara Falls
PO Box 69
Niagara Falls NY 14302-0069



Re: Modern Disposal - Contract Service (Rev 2)

Dear Mr. Melson:

Thank you for your response to our offer dated October 11, 2018. Modern agrees with the items outlined in your offer dated October 16, 2018 with one exception. Considering the uncertainty of future recycling markets, no provision for a fuel adjustment, service fees incurred through credit card payment and the additional work we agreed to, we feel the cost of living adjust outlined in our original letter and re-stated below, must be part of the agreement moving forward.

Modern agrees to the following:

- 1) Weekly collection of up to three (3) items (bags/cans or bulk) plus two (2) additional items (bags/cans or bulk) per week bearing a "City of Niagara Falls" tag plus the City Issues trash and recycling cart. The City will share with Modern 50 percent of the revenue derived from the sale of City issues tags. The amounts currently charged to the City through contract modification for the current services will be folded into the monthly solid waste collection charge. This is an increase in service at no additional cost to the City.
- 2) Assume the City's trash and recycling cart maintenance program with services to include; repair or replace lids, wheels, axles, lift bars, replacement of lost or damaged carts and delivery of new carts. Modern will provide service no less than twice per week or as determined by the number of work orders received. The City will maintain an inventory of carts and cart parts. This is an increase in service at no additional cost to the City.
- 3) Sweeper Dirt disposal rate of \$18.00 per ton at Modern Landfill. This represents a cost reduction to the City.
- 4) Work with the City to provide a billing structure which provides compensation to both the City and Modern for "Enhanced Service". Service enhancements would be capped at 75 properties and exclude any new properties. This modification applies to properties who currently exceed the four (4) cart (waste/recycling) limit.
- 5) Modern will provide service to City owned "Street Cans" as shown in Appendix "I". Service will be provided Monday through Saturday from of April 1st through September 30th and Monday through Friday October 1st through March 31st with the exception of the locations noted. These locations will receive Saturday service during this period. This is an increase in service at no additional cost to the City.

MODERN CORPORATION

■ 4746 Model City Road, P.O. Box 209, Model City, NY 14107-0209
■ 716-754-8226 ■ 1-800-662-0012 ■ Fax: 716-754-8964

Mr. Nicholas Melson, City Administrator
City of Niagara Falls
Page 2

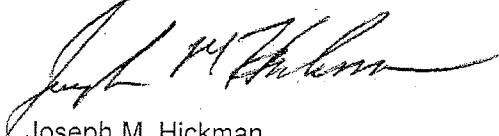
- 6) At the discretion of the City, Modern will provide access to residents holding a valid City issued Dump Permit at the times the disposal facility is open. We do request however that we receive a log each time a dump permit is issued. The log should include name, address, license plate number, description of vehicle and trailer type if applicable. This is an increase in service at no additional cost to the City
- 7) Modern agrees to accept payment for services from the City via credit card. Payment of invoice approved by the Director of Public Works will be made within no more than three (3) days from receipt of Moderns invoice.

In consideration of the above, Modern requests the following:

1. Abandon the current RFP process and enter into a five (5) year contract extension with Modern
2. End any rebate, rewards or benefits currently paid to the City for recycling.
3. Amounts charged for service amended and currently part of the City's contract with Modern will remain and will be consolidated into one monthly fee for collection services provided.
4. Contract price(s) will be adjusted upward or downward annually beginning May 1, 2019 based on the net percentage of change over the most recent 12 month period for which the figures are available for the Consumer Price Index (CPI) for the US WST (Waster, Sewer, Trash Collection) as published by the U.S. Department of Labor, Bureau of Labor Statistics. Annual increase will be no less than two (2) percent and capped at three and one half percent (3.5) annually.

Thank you once again for your efforts to arrive at a win for both the City of Niagara Falls and Modern and the continuation of our partnership. Please contact me directly at 716-622-0210 should you have any questions regarding our response or to discuss the next step in the process.

Sincerely



Joseph M. Hickman
Strategic / Municipal Sales Manager

Modern Disposal Services, Inc.



■ 4746 Model City Road, P.O. Box 209, Model City, NY 14107-0209
■ 716-754-8226 ■ 1-800-662-0012 ■ Fax: 716-754-8964