July 1, 2020

The City of Bloomfield
111 W. Franklin Street
Bloomfield, Iowa 52537

Mayor, Clerk and City Council,

This correspondence will serve as notice of a rate adjustment effective July 1, 2020 affecting the compensation rate for Waste Management's curbside services provided under our contract with the Davis County Service Agency.

The 2016 contract began services at a compensation rate of $13.28.

As stated in that contract:

CITY shall pay the CONTRACTOR a monthly fee with the first such monthly period commencing May 1, 2016 for services completed in April. The charge shall be equal to the sum $13.28 multiplied by the number of residential solid waste collection units.

Under the terms of the agreement, the compensation rate was subject to an annual increase of 2% on the anniversary date of the agreement:

Contractor may increase the price of the contract by a fixed CPI (Consumer Price Index) of 2% annually at contract anniversary date, or if the Dumping Fees at the landfill are increased during the remainder of the term.

Under these contract terms, the rates for each year of the contract should have been:

<table>
<thead>
<tr>
<th>Date Range</th>
<th>Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>5/1/2016 – 6/30/2017</td>
<td>$13.28</td>
</tr>
<tr>
<td>7/1/2017 - 6/30/2018</td>
<td>$13.54</td>
</tr>
<tr>
<td>7/1/2018 – 6/30/2019</td>
<td>$13.81</td>
</tr>
<tr>
<td>7/1/2019 – 6/30/2020</td>
<td>$14.08</td>
</tr>
<tr>
<td>7/1/2020 – 6/30/2021</td>
<td>$14.36</td>
</tr>
</tbody>
</table>
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It is not clear why the rate was billed at $13.92. Waste Management assumes the error is on our part and we will not attempt to recover the difference between the billed rate and the contractually stipulated rate.

Going forward effective July 1, 2020, Waste Management will bill these services at the contractually specified rate of $14.36 for services delivered on or after July 1, 2020.

Thank you for your attention to this correspondence. We value our relationship with the City and your citizens and look forward to continued service to the community.

Sincerely,

David M. Schaab
Municipal Marketing Manager
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309-208-2221