

January 22, 2013

Mr. David Corliss, City Manager
City of Lawrence
City Hall
6 E. 6th Street
Lawrence, KS 66044

Mr. Corliss:

Please allow me to clarify a statement that was included in the January 11, 2013 memo from the Curbside Recycling Review panel.

In the summary of the Deffenbaugh Industries proposal, the memo states: *"The rebate per ton would approximate 20-30% of the composite value for the likely range of prices to be received but would be capped at \$10,000 per month."* It is important to note that the \$10,000 monthly amount applies only to the weekly collection option. The Deffenbaugh proposal does not include a limit on the City's rebate for recyclable materials for collections on an **every-other-week** basis.

Additionally, I would like to remind you that our turn-key proposal includes:

- Current haulers can maintain and bill their existing customer base
- Deffenbaugh incurs the cost of buying, delivering and maintaining more than 30,000 carts
- Deffenbaugh provides its Routware software and personnel to the city for trash rerouting
- Deffenbaugh provides the trucks and personnel needed to collect and transport materials
- Deffenbaugh incurs the cost of designing and implementing a robust public education plan

Thank you again for allowing us to participate in the City's curbside recycling RFP process. We continue to enjoy providing our residential collection service in the community, and we hope to maintain our partnership with Lawrence for many more years.

Sincerely,



Michael H. Clagett
Vice President of Strategic Partnerships
Deffenbaugh Industries Inc.