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February 19, 2016

Jim Guerra  
Mid-Coast Solid Waste Corporation  
P.O. Box 1016 - Rockport, ME 04856

As you know, we here at Casella are involved in every aspect of resource management. As a vertically integrated organization, we have the ability to handle not just your municipal solid waste, but your recyclables, demolition debris, universal waste and more.

Enclosed with this letter you will find an alternate option from Maine Waste Processing, LLC outlining a reduced rate to the PERC incinerator that utilizes your Tip Fee Stabilization fund balance.

Additionally, this letter serves as an open ended offer to discuss a single source solution to all your hauling and material management needs at the facility. Since some of your existing equipment does not pair well with our current transportation resources, we would look to retrofit either your facility, or potentially our own fleet to develop a match.

Prior to making any formal decision on where to send your municipal solid waste, we would like an opportunity to explore this option of a single source provider to better understand how we may be able to benefit your organization, and the communities you serve.

I look forward to hearing from you.

A handwritten signature in black ink, appearing to read "Jim Dunning". The signature is fluid and cursive, with a large loop at the end.

Jim Dunning  
Assistant General Manager

# MAINE WASTE PROCESSING, LLC

February 18, 2016

James Dunning  
Casella Resource Solutions  
31 Freedom Parkway  
Hermon, ME 04401

Mr. Dunning:

Thank you for your request for a pricing proposal for solid waste processing and disposal services from the PERC facility in Orrington Maine, to include in your bid to the Mid-Coast Solid Waste Corporation communities. As we discussed, Maine Waste Processing (MWPC) is contracted with the PERC facility to provide Maine communities the most safe, environmentally sound and proven solid waste processing and disposal services in the State of Maine.

In addition to solid waste processing and disposal, MWPC has entered into an alliance with various Maine companies to provide our customers the ability to utilize their contract with MWPC. This will allow our customers to enhance or modify their existing solid waste management system to include programs that may increase the efforts to reduce, reuse or recycle their municipal waste stream. The MWPC service options include several innovative programs; Zero sort recycling programs, residential "Pay as you throw" programs, organics composting and anaerobic digestion options.

We would welcome the opportunity to assist Casella in educational efforts and implementation of these optional programs, in not only this project but in any existing municipal solid waste management contracts/projects in Maine.

## **Solid Waste Processing and Disposal Pricing - MCSWC 2018**

5-year term	No Bid
10-year term	\$89.57
15-year term	\$84.36

## **Alternate Bid-**

Several communities in the MCSWC are Equity Charter members of the current partnership of PERC. As Equity partners, these communities have accrued significant monies as part of the original PERC Partnership operating plan. These funds in the Tipping Fee Stabilization Fund are owned and available to the communities and were meant to be applied towards reducing or stabilizing future solid waste management services costs.

As part of the MWPC, we can work with Casella and the communities to develop and implement a long term procedure to apply the existing funds over the term of the processing and disposal contract minimize cost increases or offset the addition of new solid waste management services e.g. composting, enhanced recycling etc.

Below is an example of the impact of the application of the Tipping Fee Stabilization funds already generated and owned by the communities from their current relationship with PERC.

**Mid-Coast-**

-As of December 2014 Mid-Coast Tipping Fee Stabilization Fund balance - \$1,592,677

-MWPC Tipping Fee-subject to annual CPI adjustment:

-10-Year - \$89.57 per ton 60,000 tons	Total Cost - \$5,374,200.
-15-Year - 84.36 per ton 90,000 tons	Total Cost - \$7,592,400.

Potential per ton reduction through application of current Tipping Fee Stabilization funds based on 6,000 tons annually:

-10-Year \$ 26.54 per ton - 60,000 tons	Net Tipping Fee - \$63.03 per ton
-15-Year \$ 17.70 per ton - 90,000 tons	Net Tipping Fee - \$66.66 per ton

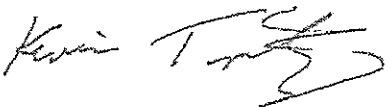
**Total cost after Tipping Fee Stabilization fund application:**

10-Year - \$63.03 per ton 60,000 tons- Total Cost - \$3,781,800.

15-Year - \$66.66 per ton 90,000 tons- Total Cost - \$5,999,400.

If you have any questions or concerns on this proposal please feel free to contact me. I look forward to the opportunity to working with you.

Regards,



Kevin Tritz  
President

