

Honor The Contract. Promises Are Made To Be Kept!

Contracts are promises that are written down so the obligations of each party are clearly understood. Contracts are signed to verify that everyone understands their roles and their obligations. Like most people, at Waste Management we take the promises we make very seriously. In 1991, we promised the people of Jacksonville we would give them exceptional service and we have kept our promise and compiled an excellent environmental record at the Trail Ridge landfill.

But, sometime in the 1990s lawyers for Jacksonville started to argue that the promise wasn't really a promise. They said that you could actually argue that the agreement to build and operate the landfill was only for the first 148 acres and that the contract could be broken to allow bidding on future development.

If that is the case, why did the City work with us to purchase, engineer, permit and develop the entire 977-acre site? Our contract with the City of Jacksonville was and is for the life of the full 977 acres.

Waste Management won the competitive bid.

The truth is that we won the contract by offering the City the best value in a competitive bid process. We were the highest rated bidder and our price was \$160 million lower than the next low bid. We agreed to purchase, engineer, permit, develop and operate the entire Trail Ridge site. In 1992, the first area of 148 acres was opened and began receiving waste material. That area is now nearing capacity and it is time to start preparing the next area. Millions of dollars in closure and post-closure costs and environmental liability hang in the balance.

A lot to gain by keeping the promise.

In an effort to avoid litigation, the City approached Waste Management with an offer to resolve the contract dispute and a restated contract has been reached. The Mayor, the Public Works Department, and the Solid Waste Division drove a hard bargain that will save according to the City Auditor \$266 million.

However, another landfill operator has urged the restated contract not be approved but they have not made an offer that approaches the benefits of the City/Waste Management restated contract, nor have they offered to protect the City from breach of contract litigation.

Everyone should keep their promises.

At Waste Management, we strongly believe it is in the best interest of Jacksonville to keep its promise. We also believe there are wise, prudent, and responsible reasons for the City Council to approve the restated contract. It is our opinion the City has much to lose by going to litigation. Loss of liability protection, substantially increased fees and the responsibility for closure and post-closure costs are possibilities if the restated contract is not approved.

The restated contract is going before City Council for approval. Soon, we will know if the City Council believes that a promise made is a promise to be kept.

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A Promise Made Is A Promise To Be Kept.

To be better informed about the restated landfill contract visit:

www.KeepTrailRidge.com

