

Gate City Waste Services, LLC

431 Raleigh View Road
Raleigh, North Carolina 27610
Phone 919.719.3900

September 7, 2011

Mr. Rashad Young
Manager
City of Greensboro
300 West Washington Street
Greensboro, NC 27401

**RE: CITY OF GREENSBORO REQUEST FOR PROPOSALS # 11-695
MUNICIPAL SOLID WASTE MANAGEMENT SERVICES
PROPOSED CONTRACT ADDENDUM**

Mr. Young:

With this letter Gate City Waste Services (Gate City) is proposing additional solid waste management services that will enhance our original offering and provide additional revenue and/or cost savings to the City of Greensboro. The addition of services related to, but not specifically requested, in the original RFP is allowed under NC General Statute 143-129.2 *Construction, design, and operation of solid waste management ... facilities.*

Gate City is specifically proposing four additional solid waste management related services. These services are outlined on the attached summary sheets. We look forward to discussing these options with you and your staff during the coming days.

Sincerely,
GATE CITY WASTE SERVICES, LLC

Signing for:

F. Norbert Hector, Jr.
Managing Member, Gate City Waste Services, LLC

Gate City Waste Services
Solid Waste Management Services - Contract Addendum Proposal
September 7, 2011

With this proposed contract addendum Gate City Waste Services (Gate City) is offering additional solid waste management services that will provide additional revenue and/or cost savings to the City of Greensboro. The addition of services related to, but not specifically requested, in the original RFP is allowed under NC General Statute 143-129.2 *Construction, design, and operation of solid waste management ... facilities.*

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Option I
Landfill Gas Project Development

Gate City Waste Services believes that there is a significant revenue source existing at the landfill in the unutilized landfill gas from Phase 3 which is currently being flared and the additional gas which is under a limited length contract with Cone Mills. Upon issuance of a contract by the City, Gate City Waste Services will independently finance an engineering feasibility/options study to determine the best use of this resource. The study parameters will be subject to City review/approval prior to initiation of the study. This action will allow the City to assess their specific desires and needs related to this unique resource. Upon completion of that study, a recommendation will be made to the City, including a proposed revenue sharing agreement which will be subject to negotiation. Gate City will provide all engineering, design, construction, and financing related to this project.

Option II
Transfer Station Operations

The second service being proposed by Gate City Waste Services is the continued operation and maintenance of the Burnt Poplar Road Transfer Station, following reopening of White Street Landfill for disposal of City collected residential/commercial waste. This service would provide an alternative disposal location for the citizens and businesses of Greensboro and Guilford County. This proposed option also allows for income generation from a City resource that otherwise might need to be "mothballed" in the interim prior to closure of White Street Landfill. Gate City proposes to provide total turn-key operation of the site for a fixed, per ton rate subject to an annual CPI adjustment. The rate for this service is subject to negotiation and will be dependent upon such factors as the ability to extend current transportation and disposal contracts.

Option III
New Disposal Option Partnership

Gate City Waste Services is interested in assisting Greensboro with the transition to an alternative disposal site in the Piedmont region. Two landfill development projects are currently being pursued in surrounding counties; a privately owned project in Rockingham County and a public project in Randolph County. Both sites are approximately 35 to 40 miles from the City's Burnt Poplar Road transfer station and may provide competitive disposal options for Greensboro. Gate City is an equity partner in the Rockingham County project and as such, may be able to assist the City with disposal options if and when project permits are forthcoming.

Option IV
Alternative Disposal Technology

Gate City Waste Services is not currently proposing an alternative disposal technology; however it is our belief that one or more technologies are close to being proven as economical and sustainable in the waste management arena. Our team has been involved in research and system/technology development for several years and we are anxious to see the industry as a whole move away from the traditional practice of waste burial. At the appropriate time we would like to present options to the City and renegotiate any necessary aspects of our potential City contract, so that our community can be a leader in this field.

(End)