



April 13, 2022

Town of Barrington  
Erin Paradis, Transfer Station Administrator  
PO Box 660  
Barrington, NH 03825

**Re: Inflation Cost Recovery Related to Trash and Recycling Collection Operations**

Dear Erin,

Waste Management of New Hampshire, Inc. ("WM") is proud to be your community's service provider and grateful for your business. WM is also proud of the essential work our frontline collection, recycling, and disposal crews performed throughout the COVID-19 pandemic and continue to provide your community despite lingering and difficult disruptions.

Throughout 2021, the U.S. economy has been experiencing the unexpected adverse impacts of inflation caused in large part by an economy re-emerging from COVID-19 but hampered by labor and supply chain constraints. Not since the years immediately following WWII or the late-1970s has the U.S. experienced inflationary price increases at these levels. For WM, disruptions in the supply chain for critical materials and equipment, labor shortages, and significant increases in fuel costs have substantially increased WM's cost to provide services to your community. As just one example, the price of the steel WM needs for solid waste and recycling vehicles and containers has increased more than 150% over the past 12 months. Additionally, front line labor costs have nearly doubled since 2020, which represent a substantial portion of WM's overall operating costs. Many economists are projecting continued labor shortages and upward pressure on labor and critical material costs.

Due to these unforeseen and extraordinary market conditions, which the parties could not anticipate at the time the contract was executed, WM respectfully requests an extraordinary increase of 3%, to allow WM's compensation to better keep pace with WM's operating costs to provide critical services in your community. Although many of WM's contracts include annual price adjustment mechanisms, in most instances those mechanisms do not provide an adjustment to offset the inflationary pressures WM has absorbed over the past year. For that reason, WM is respectfully requesting this immediate relief.

WM is as committed as ever to provide best-in-class service to our customers and the communities we call home. We appreciate your partnership as we address these unusual market conditions.

Sincerely,

A handwritten signature in black ink, reading 'Peter Lachapelle'.

Peter Lachapelle

Public Sector Representative / 603-330-2104