



April 24, 2018

Mac Serda
Town Manager
Town of Hillsboro Beach
1210 Hillsboro Mile
Hillsboro Beach, FL 33062

Via Electronic Mail, mserda@townofhillsborobeach.com

Re: Town of Hillsboro Beach Request for Renewal of Solid Waste Disposal and Recyclables Processing Contract dated June 27, 2013 ("Agreement").

Mr. Serda,

LGL Recycling, LLC (f/k/a Sun Recycling, LLC) has received The Town of Hillsboro Beach's April 20, 2018 request for renewal of the Agreement by and between the Town and Sun-Bergeron Solid Waste Services, JV ("S-B JV"). S-B JV is a Florida joint venture comprised of LGL and Bergeron Environmental and Recycling, LLC ("Bergeron").

On November 18, 2015, LGL delivered to Ronald M. Bergeron, Sr. LGL's consent for any:

"JV customer's execution of an extension of its existing Solid Waste processing and disposal agreement with the JV...on the same terms, conditions and prices contained in said processing and disposal agreement for a term not exceeding the first Renewal Term after the Initial Term"

A copy of that consent and the transmittal letter to Hillsboro Beach is attached hereto.

As the Town is undoubtedly aware, Bergeron's litigation against LGL has deterred many of the S-B JV Customer Cities from seeking renewals of their waste processing and disposal agreements, and, for the handful that have sought renewal, Bergeron has failed to provide its unconditional consent.

Regarding the Recyclables Processing services included in the Agreement, the deleterious change in the recyclable materials markets that began in late 2015 has resulted in worldwide frustration of purpose for single stream recycling ("SSR") service providers. For your reference I have attached two of the most recent news articles on this subject.

The pervasive and crippling effect of the worldwide collapse of recyclable materials markets has already been felt by S-B JV communities in South Florida, as neither Deerfield Beach nor Coral Springs could obtain a single bidder on their recent bids for SSR services, which had limited the processing price that each would pay to \$75/ton.

Suite 200 △ 2401 PGA Boulevard △ Palm Beach Gardens △ Florida △ 33410

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Although LGL did not pre-consent to the extension of the SSR contracts on the same terms and conditions, LGL continues to work with the S-B JV municipalities to provide SSR processing services for an additional 5-year renewal term. To that end, LGL has sought SSR terms, conditions and pricing from multiple SSR processors, but has only been able to obtain a quote from our subcontractor, Waste Management Inc. of Florida. That quote is as follows and remains available to any S-B JV Customer seeking SSR renewal until May 26, 2018.

27/pines
Pompano

SSR Processing Fee

\$85/ton

\$105/ton

For SSR Delivered To

Reuters Recycling - Pembroke Pines

Sun 11 (which will be loaded, transported & processed at Reuters Recycling)

N.B. If the Advised Minimum Value (AMV) of the SSR materials sold is less than the Fee(s) quoted above (per site) the Town will be invoiced for the difference. Loads with contamination of greater than 10% are subject to rejection, or a charge for reloading and disposal.

30/ton AMV

recycled materials.net

Sincerely,



John Casagrande

c: Lonnie N. Bergeron, Bergeron Environmental and Recycling,
cwooley@bergeroninc.com

