



J. P. Mascaro & Sons

If it's service, it's us!

2650 Audubon Rd,
Audubon, PA 19403
(888) MASCARO
www.jpascaro.com

2023

Dear Valued Customer:

As we approach 2023, we want to reiterate our commitment to our business and to you, our valued customer. We understand fully our obligation to provide you with efficient and economical services and we remain committed to sustainability. Our formula to achieve these objectives has always been simple and straightforward: committed management, state-of-the-art equipment and a unified workforce. It is as straightforward as our motto, **"If it's service, it's us!"**

However, our ability to maintain this formula and achieve our objectives has been revamped to account for the many challenges we face within the industry and the realities of today's pandemic-impacted economy and now **"runaway"** inflation and a **broken** supply chain. We have altered some of our business practices to ensure a proper workforce with built-in contingencies to sustain our expected and your desired level of service. Additionally, we are purchasing more spare equipment to deal with the issues of keeping the trucks on the road in today's business climate. As a result, we have been forced to restructure our pricing, as our costs have dramatically increased in a number of critical areas. For example:

- Interest rates are seven (7) times or approximately 600% what they were a year ago, and they continue to rise.
- The continuing nationwide shortage of CDL drivers and laborers has resulted in payroll-related cost increases of an additional 10% on top of the recent 30% increases from the pandemic payroll restructuring for these positions.
- Health insurance costs (and as a result, Workers' Comp medical costs as well) have once again increased approximately 10%.
- Liability and vehicle insurances are up approximately 10%.
- Capital expenditures have increased by approximately 33% over prior year to upgrade fleet and essential safety equipment, all of which have been impacted severely by inflation and supply chain constraints.
- The cost to dispose of trash has increased up to 10%.
- The cost to process recyclables has increased 15% and contamination rates continue to trend above 20%.
- The recycling commodity markets have crashed with certain commodities now being negative (mixed paper – currently <\$20/ton> vs. last year \$95/ton) and others being dramatically less than a year ago (OCC - currently \$35/ton vs. last year \$175/ton.)
- Fuel prices are up 60% on average over last year with continued increases expected through 2023.

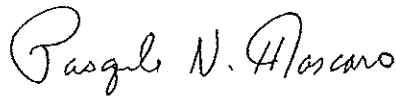
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- The Consumer Price Index measure of inflation is well over 8% or up approximately **80%** on average from last year.
- The overall costs of raw materials and parts are up **40%**.

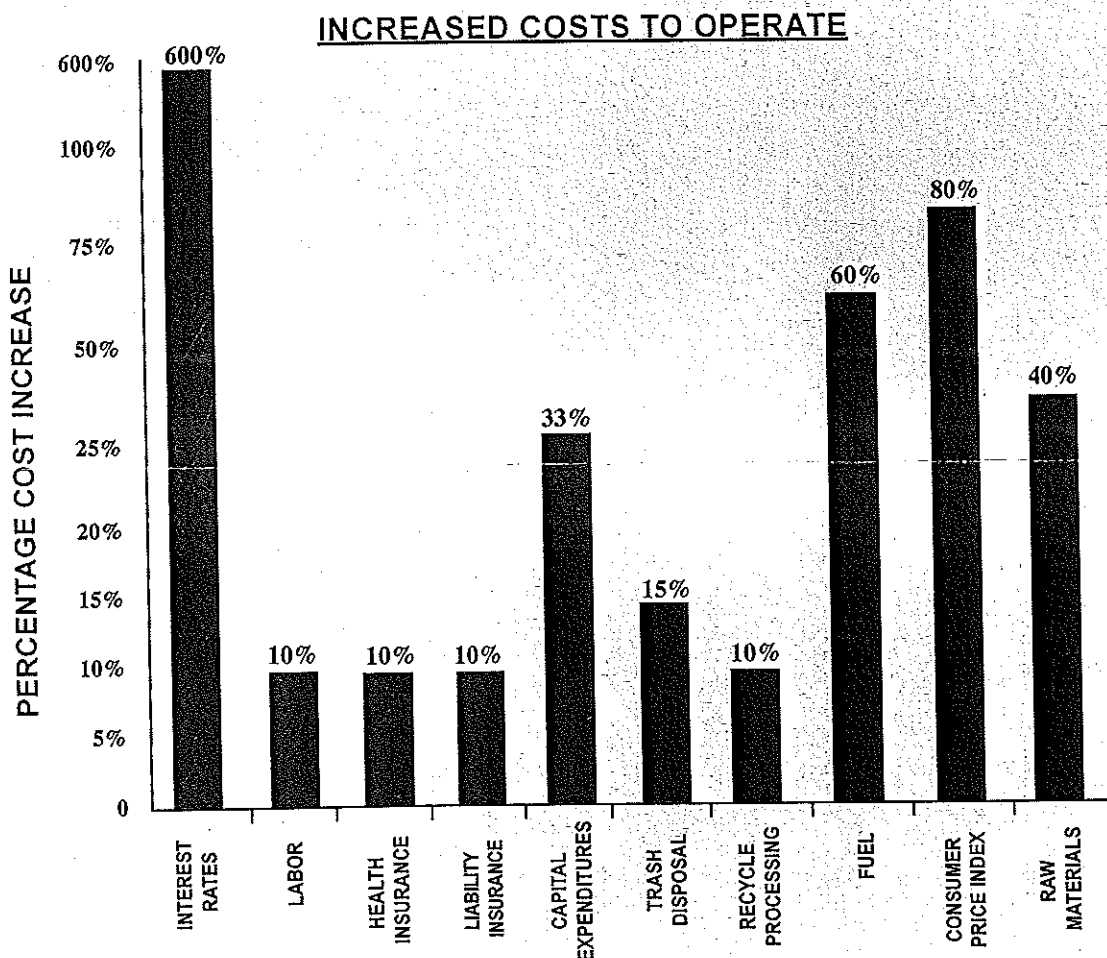
We pride ourselves on being family owned and operated and extremely cost-conscious, efficient, and committed to sustainability. As you know, we adjusted your price last year and incurred substantial energy and related increases over our budget within 90 days of the adjustment. In deference to your budgets and the pricing of your goods and services, we felt it was not fair to adjust your price again during the year and rather, absorbed these costs internally. The chart below illustrates the actual increases we are facing. Any adjustment reflected on your future 2023 invoices can and will be substantiated at your request.

Thank you for your loyalty and patronage.

Sincerely,



Pasquale N. Mascaro, President



IMPORTANT TO NOTE: Our increase does not include any markup. It is strictly covering the new costs applicable to our servicing divisions.



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2650 Audubon Road
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800-222-1818
484-398-6500
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We respectfully submit the following proposal for Avoca Borough:

*A. For a one (1) year period beginning February 1, 2023 and terminating January 31, 2024.

\$ 278,652.00

*B. For a two (2) year period beginning February 1, 2023 and terminating January 31, 2025.

\$ 557,304.00

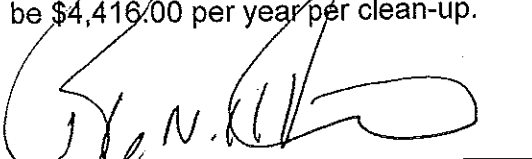
*C. For a three (3) year period beginning February 1, 2023 and terminating January 31, 2026.

\$ 852,552.00

Per Bag Extra \$ 5.00

*Prices the same for 1, 2, or 3 bag limit options

**The above includes the collection of 1 non-freon bulk item per household per month. Alternatively if the Borough desires a one-time per year bulk clean up, the additional cost would be \$4,416.00 per year per clean-up.



Pasquale N. Mascaro, President

October 6, 2022

Solid Waste Services, Inc.,
d/b/a J. P. Mascaro & Sons
2650 Audubon Road
Audubon, PA 19403

Telephone: 267-933-6034
Fax: 267-933-6035

A Pennsylvania Corporation