



IESI - Austin

March 4, 2005

Mr. Frank Salvato
City of Taylor
400 Porter Street
Taylor, Texas 76574

Dear Mr. Salvato,

I want to thank you and the council for the opportunity to service your community. IESI and the City of Taylor have been successfully working together for the past two years. We, at IESI, take our job of servicing your community very seriously and try to hold ourselves to the highest service standard. Understanding the importance of service and the cost associated with the service, IESI would like to request the extension of the contract for the two years of successful service as provided for in section 4.2 of our contract. This will extend the base rate for an additional two years. Unfortunately, I will have to ask for a temporary rate adjustment to cover the increase in vehicle operating cost. Over the past two years, the price of fuel, oils, and lubricants have gone up by 47.8%. Throughout this time, IESI have made numerous changes to control cost and prevent the need to ask for an increase but the cost of vehicle operating has continued to remain high. These cost account for 12.9% of our operating cost for the City of Taylor contract and thus I am requesting a 6.2% or .45 cents per home adjustment as outlined in section 14.1.2 of our contract. The commercial and roll-off prices will be adjusted by this percentage until the vehicle operating cost drops to within 10% of the benchmark rate. For purposes of this calculation, the benchmark rate is the cost at the time of the proposal. The fuel cost was \$1.39 per gallon when we submitted our proposal to the City of Taylor. This request is made so IESI can continue to provide the City of Taylor with the best service but also cover the increased cost of vehicle operating. If you have any questions, please give me a call on my mobile at 512-917-9804.

Sincerely,

Dean Gorby
Division Manager - Austin

Cc: City Council Members

P.O. Box 1650 Manchaca, Texas 78652 Phone: (512) 282-3508 Fax: (512) 280-1099

500/200 d

MAR-07-2005(MON) 14:21

Linda Keel

From: Linda Keel [lkeel@lesi.com]
Sent: Monday, March 07, 2005 1:10 PM
To: 'Wendy Stehling'
Subject: RE: PURCHASE ORDER

Please use 005-0305-A77.

Thanks
Linda Keel

Phone (512) 329-1145
Fax (512) 280-1099

From: Wendy Stehling [mailto:wendystehling@texconoil.com]
Sent: Monday, March 07, 2005 12:37 PM
To: LINDA KEEL@TESI
Subject: PURCHASE ORDER

May I please get a P.O. for invoice # 334275 which was delivered on 3/03/05. It was for 7299 gallons of clear diesel and the total amount is \$14,998.16. Thank you!

Wendy K. Stehling
Tex-Con Oil Company
wendystehling@texconoil.com
512-444-1941 ext. 26

\$ 2.054 PER GALLON

3/7/2005

P.O. Box 1959 1113 E. Sarah Lewis
 Gonzales, Texas 78629
 Ph: (830) 672-9374 Fax: (830) 672-6659

JOHNSON OIL COMPANY

Ahrens, Texas 79601
 Ph: (915) 676-7771 Fax: (915) 676-7779

4332 I H 35 South
 New Braunfels, Texas 78132
 Ph: (830) 625-3215 Fax: (830) 625-1924

REMIT TO:
 P.O. Box 201748
 Houston, Texas 77216-1748

1512 Central Commerce Circle
 Pflugerville, Texas 78660
 Ph: (800) 887-8816

INVOICE DATE	CUSTOMER P.O. #	ACCOUNT #	INVOICE # OR DEL TICKET #	SHIP FROM	VIA	SALESMAN
12/17/02	none 005-7213-AD1	554094	241099		5304	64

BILLING ADDRESS:

I.E.S.I.
 MANCHACA
 P.O. BOX 1650
 MANCHACA, TX 78652

ST1097

SHIPPED TO:

< S A M E >

TERMS: NET 30 DAYS FROM INVOICE DATE

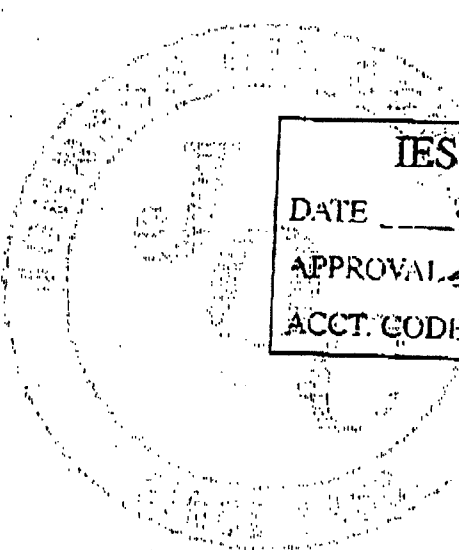
COUNTY CODE: TRAVIS COUNTY

INVOICE

Item	Qty	Unit	Price	Amount
12/17 BULK GOLD DIESEL	7416.7		7416.70	.943 6993.95
FEDERAL EXCISE TAX			7416.70	.244 1809.67
STATE EXCISE GOLD (Gross)			7416.70	.20 1483.34

THIS DIESEL FUEL DOES NOT CONTAIN VISIBLE EVIDENCE OF DYE.

*\$1.387
 PER GALLON*



IESI - AUSTIN

DATE 24 Dec

APPROVAL [Signature]

ACCT. CODE 52450-005-300

ENTERED
 DEC 27 2002

ax ID Numbers:

PRICES AND EXTENSIONS SUBJECT TO CORRECTION.
 EMERGENCY CONTACT NUMBER 1-800-424-9300

\$10,286.95
SUBTOTAL

CUSTOMER ORIGINAL RETAIN, NO OTHER WILL BE SENT

THE PRICE OF THIS DIESEL FUEL DOES NOT INCLUDE
 FEDERAL MOTOR FUEL TAXES AND DOES NOT CONTAIN
 VISIBLE EVIDENCE OF DYE.

TIME _____ TIME _____

PAY THIS AMOUNT