DAIGLER ENGINEERING P.C.
engineering • science • design

2620 Grand Island Blvd. Grand Island, New York 14072 ph (716) 773-6872 /fax (716) 773-6873

May 1, 2014

Mr. John Sheppard
Supervisor
Town of Seneca
3675 Flint Road
Stanley, NY 14561

Re: Proposal for Professional Services
Ontario County Landfill 2013 Host Fee Audit

Dear Mr. Sheppard:

We are pleased to present the following proposal to conduct an audit of quarterly payments made to the Town of Seneca in 2013 by Casella Waste Systems, Inc. (Casella) under the Host Agreement for the Ontario County Landfill. Section 9 of the Host Agreement, established on November 8, 2003 and last amended October 21, 2008, contains a financial arrangement whereby the Town of Seneca receives quarterly payments from Casella based on tonnage and revenue from waste and Beneficial Use Determination (BUD) material accepted for disposal at the landfill. This audit will be conducted to verify that the quarterly payments made by Casella were the correct amounts according to the Host Agreement.

SCOPE OF WORK

To complete the audit, the following scope of work is proposed:

- Task 1 Assemble Information and Data;
- Task 2 Compute and Verify Quarterly Payments; and,
- Task 3 Prepare Summary Report.

Task 1 Assemble Information and Data

Records of quarterly payments (i.e., cancelled checks) received from Casella will be obtained from the Town of Seneca. Reports submitted by Casella to NYSDEC and monthly waste summary reports including itemized tonnages of third party waste, intercompany waste, and

BUD material will be acquired from Casella. Itemized monthly sales reports detailing revenue from acceptance of the materials named above will also be assembled. Daigler Engineering, PC (DE) will review and summarize the quarterly statements prepared by Casella presenting the calculation of payments due. Finally we will coordinate with Casella to confirm our interpretation of their material and revenue reports.

Task 2 Compute and Verify Quarterly Payments

Using data from Casella's monthly waste summary reports; quarterly third party waste, intercompany waste, and BUD material tonnage totals will be computed. Monthly sales reports will be summarized and quarterly revenues corresponding to those materials will be determined. Total tonnage and total revenue for third party and intercompany waste will be combined, and an average quarterly rate will be determined to compute the quarterly "Acceptable Waste Host Fee". An average quarterly rate will be calculated from the total tonnage and revenue from BUD material to compute the quarterly "BUD Material Host Fee".

Records of quarterly payments made to the Town of Seneca by Casella will be tabulated. The value of quarterly payments received will be compared to the expected quarterly Host Fees and any discrepancies will be identified.

Task 3 Prepare Summary Report

A report summarizing our findings and the results of the audit will be prepared. All supporting references, data and calculations will be included in the report and attachments.

FEE

The tasks identified above will be completed for a lump sum fee of $2,000. We will forward an invoice on completion of the report. Terms are net 30 days from receipt of the invoice. In the event additional or out-of-scope services are requested, we will complete that work on a time and material basis in accordance with our fee schedule, which is attached for reference.

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2014 FEE SCHEDULE

PERSONNEL

STAFF LEVEL	HOURLY RATE
Chief Engineer	$100
Senior Project Engineer/Scientist/Geologist	$95
Project Engineer/Scientist/Geologist II	$80
Project Engineer/Scientist/Geologist I	$75
Staff Engineer/Scientist/Geologist II	$65
Staff Engineer/Scientist/Geologist I	$55
CADD Designer/Drafting Technician	$65
Technician Level III	$55
Technician Level II	$45
Technician Level I	$35
Administrative Assistant	$50
Clerical	$35

EXPENSES

ITEM	RATE
General Expenses (copy, print, communications, etc.)	5% of Labor
Mileage	$0.57/mile
Lodging/Travel other than Privately Owned Vehicle	7% Markup
Per Diem - Meals & Incidentals (Full Day Travel/24 hr)	7% Markup; Max. per GSA
Per Diem - Meals & Incidentals (Day Trips > 12 hr)	7% Markup; Max. 75% GSA
Out of house equipment/services	7% Markup

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If you have any questions or comments regarding this proposal or the fee estimate, please do not hesitate to contact me.

Sincerely,
DAIGLER ENGINEERING, P.C.

James A. Daigler

Digitally signed by James A. Daigler
DN: cn=James A. Daigler, o=Daigler Engineering, PC, ou=Engineering, email=jim@jadenvegr.com, c=US
Date: 2014.05.01 11:00:52 -04'00'

James A. Daigler, P.E.
President

The scope of services and the fee described above are accepted.

Signature

05-21-2014
Date

John T Sheppard
Printed/Typed Name

Attachment: 2014 Fee Schedule