

Mr. Dave Olsen, City Attorney  
City of Boulder City  
401 California Avenue  
Boulder City, NV 89005

March 17, 2011

Re: Boulder City Landfill, Waste Logistics and Steve Kalish

Dear Mr. Olsen:

We the undersigned citizens of Boulder City's Knowledge About the Landfill Is So Helpful (KALISH) believe the following information will illuminate the dismal contract performance of Waste Logistics and inspire those professing integrity and transparency to charge Mr. Kalish with breach of his Landfill Contract.

Mayor Porter in 1990 authorized a recycling program to meet a Federal 25% recycling target by 1992. Recycling was to prolong landfill life, save on energy costs, reduce the use of our natural resources and allow the reuse of valuable materials. The three-year contract established the following recycling programs at the landfill site:

1. Buy Back Center (3-1-90)
2. Curbside Recycling (1-1-91)
3. Sorting Conveyor for commingled material
4. Recycling Collection Truck (6-92)
5. Organizational Recycling Accounts
6. Household Hazardous Waste Drop Off Site
7. Used Motor Oil Collection (Curbside/ Buy Back Center)
8. Paint Collection (Buy Back Center)
9. Increased Baler Capacity (10-92)

This contract was amended December 8, 1992 to continue until February 13, 1998, to correspond with Boulder Disposal's Solid Waste Contract dates.

At the end of the contract term City Council advertised and requested bids for the collection, disposal and recycling of solid waste generated within the City. City Council determined that Boulder City Disposal LLC was the most responsive and responsible bidder, based in substantial part on its past performance and services for several years in the collection, disposal and recycling of solid waste for the city. This action resulted in the current Solid Waste Collection, Disposal and Recycling Agreement NO. 98-A534 approved December 13, 1998.

On December 14, 2004 City Council approved the purchase of Boulder City Disposal LLC by Waste Logistics Nevada to step into the shoes of Boulder City Disposal, LLC, and to assume all of the duties and obligations under Agreement No. 98-A534.

During Waste Logistics first three years of operation they have received more quarterly Health District citations than any previous operator.

Also during this time the City's lack of oversight and contract mismanagement have caused:

- The City to expend hundreds of thousands of dollars for permitting costs that should be the Contractors responsibility.
- Loss of the Recycling Center/Buy Back Center operation.
- City owned recycling equipment to be discarded.
- Composting services to be eliminated.
- Recycling rate to be reduced from 25% to less than 10%.
- More recyclables to be deposited in the landfill.
- The erosion of our "Clean Green" values.

In 2007, it was declared that Waste Logistics and Mr. Kalish was violating the existing contract by making unauthorized trash pickups outside the city's boundaries. It was a claim that was even agreed to by your Finance Director. Other issues discussed when the City Manager and Finance Director met with Mr. Kalish were:

- Need to improve residential recycling.
- Purchasing of recyclables from the public at the landfill.
- Provision of certified annual financial reports.
- Contract clean-up provisions related to composting.

On August 28, 2007 the Finance Director during his report to Council stated he would not dispute that recyclable material had been deposited into the landfill as a standard practice for some time. He stated recycling was a concern and a contractual issue to be addressed.

The City Administration and City Council failed to take action even though the evidence presented to them clearly indicated breaches of contract.

On August 26, 2008 City Manager acknowledges Council consensus that the landfill contract required, at the very least, an amendment to clarify some contract parameters.

The City Manager says we need to renegotiate but Kalish will not open contract.

On September 23, 2008 Public Works Director Scott Hansen updated Council on Landfill Operator's Contract Requirements. This is a relatively simple contract. City staff has verified the key elements of the contract and is continuing to explore ways to improve the recycling operations along with other methods to reduce the waste inflow to the landfill.

In October 2008 Kalish exercises option to extend contract to October 2013.

Does inaction by the City for six years indicate a lack of knowledge, ability or leadership within the highly paid Administrative staff?

Are special interest groups influencing Council integrity and compromising the best interest of the citizens?

Certainly you have advised the City Manager and Council that any possible breach of the contract can be corrected under the default provisions in the contract. Notification of breach is a very simple administrative process to cure the differences without opening the contract or resorting to litigation, similar to citations used by the Health District.

We the undersigned hereby request you consider placing Waste Logistics Nevada in breach of those contract provisions identified on the attachment entitled "Breach of Contract Provisions by Waste Logistics Nevada".

Sincerely,

Knowledge About the Landfill Is So Helpful

Attachments:

Breach of Contract Provisions by Waste Logistics Nevada  
Boulder City Landfill Violation Matrix, June 2005 – May 2008  
Recycling History, July 2003 – December 2008  
An Examination of the Reporting of the Waste Stream at the Boulder City  
Landfill and its Effects on Landfill Closure Charge, July 5, 2007  
Boulder City View, December 18, 2007

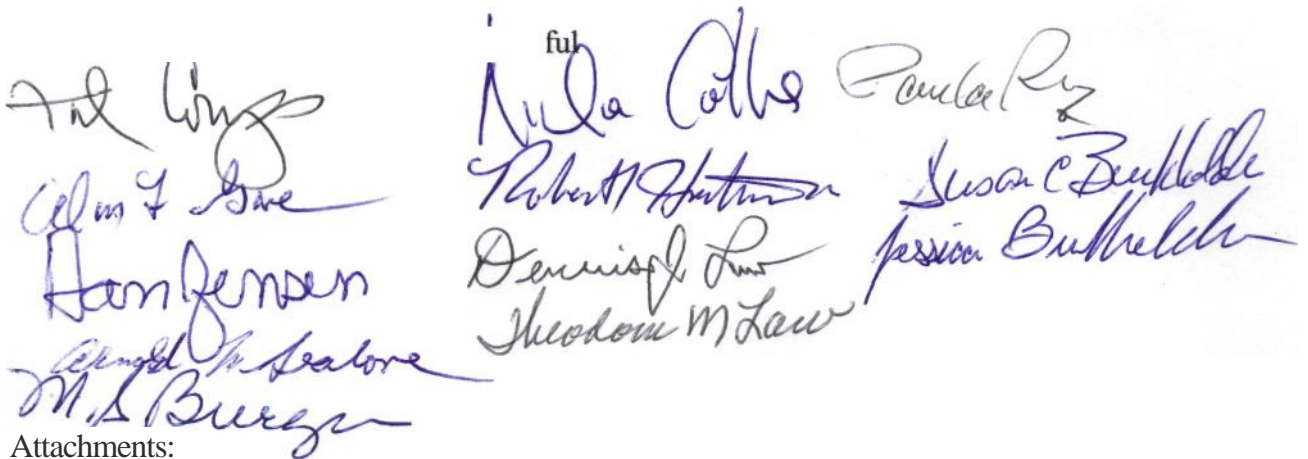
Cc: City Manager Mayes  
Mayor Tobler  
Council Member Chandler  
Council Member McCoy  
Council Member Strickland  
Council Member Walker

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Sincerely,

The block contains nine handwritten signatures in blue ink, arranged in three columns. The first column contains four signatures: 'Neil Long', 'Alan J. Dore', 'Jan Jensen', and 'M. A. Burgess'. The second column contains three signatures: 'Nula Colby' (with a small 'ful' above the 'u'), 'Robert J. Hartman', and 'Theodora M. Law'. The third column contains two signatures: 'Paula Ryz' and 'Susan C. Buehler'. The signature 'Jessica Buehler' is also present, appearing to be a variation or correction of the name above it.

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Cc: City Manager Mayes Mayor  
Tobler Council Member  
Chandler Council Member  
McCoy Council Member  
Strickland Council Member  
Walker