



August 13, 2019

City of Naperville  
400 south Eagle Street  
Naperville, IL 60540  
Attention: Bryn Wildman, Procurement Officer

**RE: Additional rate information**

Dear Ms. Wildman,

As discussed, transportation and labor are two of the major expenses that have gone up significantly since bidding the previous contract in 2017. Below are some of the contributing factors for the 2021 proposed rates.

- In 2019 the diesel tax more than doubled, up 24 cents to 45.5 cents per gallon cents per gallon. Additionally, Illinois voted to index future rates of the taxes to inflation.
- Commercial license plate fees have gone up approximately 50%.
- Each year, the costs associated with employee wages and benefits increase. Note: Since bidding in 2017, Prevailing Wages alone have gone up 10%.
- Additional costs have been incurred when the City of Naperville has rejected fields due to concerns over potential public relations exposure.
- Another area of increased expense has been, COVID 19. As an essential business, the costs associated COVID-19 have been substantial. Shortages in all supplies has created challenges and price increases in just about everything required to run a business.

Stewart Spreading bid was based on a reasonable expectation that several companies would bid on the contract and we bid accordingly. Our proposed rate was competitive and was based on the scope of work and level of service that Naperville requires.

Please let us know if you have any questions.

Sincerely,

A handwritten signature in black ink that reads "Greg Halmagyi".

Greg Halmagyi  
Stewart Spreading, Inc.

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**A FULL SERVICE RESIDUALS MANAGEMENT COMPANY**

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