



# **REPUBLIC SERVICES**

WASTE COLLECTION • RECYCLING • TRANSFER • DISPOSAL

September 30, 2008

Mr. Christopher Ware  
Franchise Officer  
City of Las Vegas  
City Attorney's Office  
9th Floor, City Hall  
400 E. Stewart Avenue  
Las Vegas, NV 89101-2986

Dear Chris,

This letter is in response to your request for some additional information regarding the merger of Republic Services, Inc. and Allied Waste Industries, Inc. I am providing the PowerPoint presentation that was delivered to the U.S. Securities and Exchange Commission as part of a Form 425 filing on July 16, 2008 as well as a copy of the unaudited pro forma consolidated financial data for the combined company. . This PowerPoint and the accompanying financial data shows that the new company will have annual revenue of approximately \$9.3 billion and Income from Continuing Operations of \$571 million. Total assets of the new company will be almost \$21 billion, a total debt of \$8.4 billion and stockholders equity of \$7.4 billion. Republic has estimated that there will be \$150 million of savings during the first two years after the merger as a result of operating efficiencies, redundant corporate costs and strategic initiatives. These cost savings will make the company even more profitable. Since Republic and Allied Waste have no overlap operations in Clark County there will not be any layoffs in the Las Vegas area and with our current labor agreement in place until June 2012 we do not anticipate any labor disputes in Clark County related to the cost savings resulting from the merger. The new company will be based in Phoenix and will be much stronger. Republic Services will operate 218 landfills, 254 transfer stations, 427 solid waste

collection and recycling companies, 86 recycling processing facilities. The company will provide services to more than 13 million customers in 40 states and Puerto Rico. This company will be able to provide security to customers such as the City of Las Vegas with significant backup trucks and manpower.

The Company's new board of directors will consist of 5 existing Republic board members and 5 existing Allied Waste board members and will be led by Jim O'Connor the current Chairman and CEO of Republic Services. With the exception of Mr. O'Connor all of the remaining board members will be independent members of the board and will not be full time employees of Republic Services.

What does this mean for the City of Las Vegas? It means a stronger service provider for one of the key services provided by the City to its residents. The current franchise agreement will remain in effect with no changes unless the City requests any additional services. We will continue to provide residents of the City of Las Vegas with twice per week trash collection including bulky item pick up and we will continue to work with the Community Services Department to provide cleanups in scheduled areas of the City, and we will not change our general hours of operation for collecting residential waste that will continue to start no earlier than 6:00 A.M.

If you would like any additional information please feel free to contact me at your earliest convenience.

Sincerely,

A handwritten signature in black ink, appearing to read "Bob Coyle". The signature is fluid and cursive, with a large initial "B" and "C".

Bob Coyle  
Area President