

Arden Civic Committee Agenda
Trash Services Vendor Information Public Meeting
Sunday, September 12, 2021
2:00 p.m. via Zoom Meeting

- **Call to Order** at 2:00 p.m.
- **Background Information: Vendor Proposal Solicitation Process** Steve read something

Background Information Read at Civic Committee Trash Meeting

9-12-2021

- Our current three-year contract with Waste Management expires at the end of September.
- Our current contract includes an option to negotiate/extend the contract for another three-year period. Waste Management has provided several cost and service options for our consideration.
- Several months ago, we began the process of researching alternative contractors and soliciting proposals.
- We researched the websites of 82 waste haulers licensed by the Delaware Solid Waste Authority and attempted to contact each one that could provide municipal service to the Ardens.
- Only one contractor, Trash Tech, submitted a proposal.

- We spoke several times with and corresponded with Paul Beane, our service representative with Waste Management, and he provided all the information we requested about their proposal. In order to help us make a fair comparison with the competing Trash Tech proposal, Waste Management added two options that were more directly comparable to the single Trash Tech option.
- In addition to multiple phone conversations with Lou Matos, the Trash Tech representative, Jeffrey Politis, Alison Wakelin, and Steve Benigni met with Lou and Steve Sandler, Trash Tech operations manager, to discuss their proposal in detail.

The Civic Committee is grateful to both companies for their cooperation and professionalism.

- **Civic Committee’s Presentation of Waste Management and Trash Tech Proposals**

Steve Read the following:

Village of Arden, Ardentown & Ardencroft

Service Proposal: Trash, recycling, and yard waste collection.

Presented August 2021

Why choose Waste Management?

- ▶ **We share the Ardens’ values**
 - ▶ **Waste Management is committed to sustainability**
 - ▶ Our fleet of vehicles consists almost entirely of trucks powered by clean-burning compressed natural gas
 - ▶ We endorse zero waste practices
 - ▶ We encourage efforts that promote proper recycling practices
 - ▶ We support your commitment to maximize landfill diversion outcomes

- ▶ Our pricing is aligned with our shared sustainability principals
- ▶ **We know the Ardens' roads**
 - ▶ **Committed to preserving your lands**
 - ▶ Our team has a unique insight into the complex nature of your streets, your valued public lands, and your mature and carefully cultivated tree canopy
 - ▶ Waste Management has more than 10 years of experience in providing for the Ardens' essential waste collection services
 - ▶ Our drivers respect the sanctity of your protected space and carefully traverse your lands and property to limit our footprint and ensure no damage is done to your greenspace

Our team has navigated your roads more than 2,000 times!

- ▶ **We value loyalty and partnership with the Ardens**
 - ▶ Waste Management is proposing pricing that limits the fiscal burden on the Villages in order to maintain our continued partnership
 - ▶ Our team has long-established relationships with the leadership of the Villages
 - ▶ We have dedicated the time and resources to build trust with the Chiefs and the residents whose interests they represent
 - ▶ The Villages have a single point of contact at Waste Management who serves to ensure that the interests of all parties are considered, valued and well-protected
 - ▶ Waste Management has cultivated familiarity and trust with the residents of the Villages that is only established through long-term partnership
 - ▶ **We value our people**
 - ▶ **Waste Management understands the value that well-trained, safety conscious, and seasoned drivers represent to our success.**
 - ▶ The logistics/transportation industry as a whole has suffered significant loss of qualified drivers during the pandemic; these effects have continued to impact the waste industry, so we have taken action...
 - ▶ **Pay Enhancements**
 - ▶ In an effort to retain our existing team and attract new talent at Waste Management, we offered significant pay increases to our driving team in 2021; this has enhanced our position of one Fortune's 'Most Admired

Companies' and secured our place as an employer of choice in the waste arena.

▶ **Educational Opportunities**

- ▶ Waste Management also developed one of the most attractive education programs to further up-skill our existing team members. The program allows employees and their families to pursue certifications, associate's, bachelor's, and master's degrees in multiple fields of study.

▶ **We offer competitive pricing**

- ▶ Waste Management carefully developed two pricing options that ensure that the Villages continue to benefit from our proven service delivery model

- In the spirit of partnership, we are offering the Villages total transparency in how we arrived at the proposed rates. Outlined below are some of the inflationary and other price influencers that impact the price for the services you have requested...

▶ **Cost Drivers:**

- ▶ Labor – We pay our drivers wages that attract and retain the best talent;
- ▶ Diesel – The price of diesel gasoline has nearly doubled
- ▶ Consumer Price Index – this economic indicator has increased by 4%
- ▶ Oil – Increased by 24%
- ▶ Natural Gas – Increased by 36%
- ▶ Plastics - Resin / HDPE is up 61%
- ▶ Steel – Steel costs have increased by 176%

Competitive Pricing (Cont.)

Option 1*

- ▶ This option includes weekly trash, weekly yard waste, and biweekly recycling collection at an all-inclusive fixed rate.
- ▶ Rate per Home: \$27.92

Option 2*

- ▶ This option includes weekly trash, weekly yard waste, and biweekly recycling collection at a fixed rate for trash / recycling and a variable rate for yard waste based on tons of material generated.

- ▶ **Rate per home: \$25.32**
- ▶ Additional costs vary depending on how much yard waste is generated each month. The concept is designed to encourage internalization of yard debris.
- ▶ Estimated cost per home based on previous tonnage generated is \$2.01 per month.

Option 3*

- ▶ This option includes weekly trash, bi-weekly yard waste, and biweekly recycling collection at an all-inclusive fixed rate.
- ▶ **Rate per Home: \$26.25**

▶ Option 4*

- ▶ This option includes weekly trash, bi-weekly yard waste, and biweekly recycling collection at a fixed rate for trash / recycling and a variable rate for yard waste based on tons of material generated.
- ▶ **Rate per home: \$24.45**
- ▶ Additional costs vary depending on how much yard waste is generated each month. The concept is designed to encourage internalization of yard debris.
- ▶ Estimated cost per home based on previous tonnage generated is **\$2.01** per month.

*Years 2 and 3 will have a 5% escalator to ensure that our operational costs are covered and no modifications to terms and conditions Are necessary

Other service enhancements that distinguish Waste Management

- ▶ **Biannual Community Cleanup Events:** Waste Management will commit the resources to support the three communities' cleanup efforts by offering each community roll off dumpsters free of charge twice per year.
- ▶ **Yard Waste Carts:** Waste Management will commit to providing one 64 gallon rolling totter per household for the purposes of yard waste disposal. These carts will be provided upon the expressed request from the homeowner and will be furnished without charge. The carts will serve to:
 - Unify the aesthetic of the community
 - Further support landfill diversion efforts

					Arden Costs		
					Yearly Total (Based on Option 3)	Vendor Differential Cost	
All WM Options: 5% escalator for years 2 & 3							
Est. Total Cost	\$	\$	\$	\$	\$	\$	
Year 1:	27.92	27.33	26.25	26.46	74,340.00	7,080.00	
Year 2:	29.32	28.59	27.56	27.68	78,057.00	8,779.20	
Year 3:	30.78	29.92	28.94	28.97	81,959.85	10,603.72	
Trash Tech Proposal							
					Proposal		
					Bi-Weekly Yard Waste (Per Household Price)	Yearly Total (Based on Option 3)	Vendor Differential Cost
TT: 3% escalator for years 2 & 3							

Differential Cost Summary (Waste Management Minus Trash Tech)

	Option 1 Weekly Fixed	Option 2 Weekly Variable	Option 3 Biweekly Fixed	Option 4 Biweekly Variable
Year 1	\$11,809	\$10,139	\$7,080	\$7,675
Year 2	\$13,756	\$11,689	\$8,779	\$9,112
Year 3	\$15,813	\$13,377	\$10,604	\$10,687
3 Year Total	\$41,378	\$35,205	\$26,463	\$27,474

Three-year cost analysis comparison

	WM	TT
Collection at BWVC, GH, Museum, waste containers on green reg pricing	Y	Y
weekly house hold trash	Y	Y
Bi weekly recycle	Y	Y
Bi weekly yard waste	Y	Y
weekly yard waste	Y	N
Collect over 2 days	N	Y
Collect in one day	Y	N
Container provide 96-gal totter	Y	Y
container 64-gal roller yard waste upon request	Y	N
Bulk Items Weekly	Y	N

Bulk pickup once a month	N	Y
Added services:		
2 x ye roll up dumpsters	Y	N
Extra leaf day Oct, Nov & Dec	N	Y
Land cost increase	included in 5% escalated price	pass on to customer

Clarifying Comments on the Proposals

Option 1 and Option 2 - Keep the same weekly yard waste. Same service but two different pricing scenarios.

Option 3 and Option 4- are Bi-weekly yard waste with all other services remain the same. Fixed vs. Variable rate

Bulk trash - TT views items that are big (mattress, couch, refrigerator) once a month pick up. The size of an end table they view that as regular trash.

Option 1 & Option 2 comparing different services. The projections are high because comparing weekly yard waste (WM) to bi-weekly (TT).

Option 3 is the only true apples- to- apples comparison in which TT is cheaper.

If the decision is that everyone must have weekly yard waste, then there is only waste Management and then you would only have to decide which pricing proposal you wanted. TT not weekly.

There is a desire that has been expressed by many residents to consider community wide composting. Something to consider to phase in the future. That is the rational behind the variable part of the WM proposal that if Arden could somehow compost produce less yard waste save on costs.

What is the input of the communities to choose proposal? That will be the discussion at the September 28, 2021 Town Assembly.

Bins: WM will provide yard waste bin. TT will supply recycling trash bin.

TT will pick up over two days. Split the 2 days between the different sides of Harvey Road. The point is to try to limit the number of trucks. WM has 3 trucks in one day.

The numbers that were presented were for Arden. Ardencroft can approx. cost by dividing by 3 and Ardentown divide by 2 because of the number of pickups. Per household rate is the same.

Mark Wood suggests bring only two proposals to the Town Assembly to vote on: Option 1 WM and TT Option. It identifies the issue of weekly yard waste cleanup. People are either going to want this or the cheaper price from TT for the town meeting. If we are looking at price, then the lower price is TT but the quality of service is being limited between yard waste pickup every other week. (Option 2 & 4 do not suggest). Variable rate proposals could be more expensive depending upon consumption than option1. Mark Wood presets a **Motion** Civic Committee presents 2 proposals to Town Assembly the two proposals are the Waste Management Option 1 (fixed pricing/week yard waste) and Trash Tech Option (Bi-weekly yard waste/fixed pricing). Motion passed.

TT stronger proposal because of cost. Less pick up of yard waste is a way to signal to people they need to think on how they handle their yard waste.

Suggest posting a Google doc to let people have input. Only needs a g-mail account.

Steve will post all information even though committee is recommending only 2 options.

Summary was confusing. Suggest presenting the 3-year cost in terms of absolute \$ and the columns labels unclear. Which option was Waste Management vs Trash Tech?

Contract terms –

Steve – TT has expressed they are amenable to an escape clause and requested Arden write the clause for their review.

Rick The second one is likely buyer of anyone in that business is Waste Management. Taking a lot of time to find a new vendor that has better pricing for similar services only to be back in the saddle again with the vendor we ousted. Suggest to also ask whoever buys them, takes the contract with this pricing so we at least get the benefit of this decision for that period of lime. Rick will review contract terms. Need final contracts in hand by September's Town Assembly.

Adjourn

