



To: Dustin Anderson – Town Manager

From: Stephen Gunty – Director of Public Works

Subject: Solid Waste Collection Bids

Meeting Date: March 15, 2021

The Town received responsive and responsible bids on March 10, 2021 from Waste Management, Republic Services, and Homewood Disposal Service for residential curbside and municipal facility collection of trash and recycling beginning May 1, 2021 and ending April 30, 2024. The bids provide a 3-year term with 2 optional years, as follows:

<i>RESIDENTIAL PRICING (refuse & recycling pickup/disposal) of single to 4-unit dwellings</i>					
Vendor Name	Year 1	Year 2	Year 3	Year 4-option	Year 5-option
WASTE MANAGEMENT (includes 3.5% yearly increase)	\$22.52	\$23.31	\$24.13	\$24.97	\$25.84
REPUBLIC SERVICES (includes 4.0% yearly increase)	\$19.00	\$19.76	\$20.55	\$21.37	\$22.23
HOMEWOOD DISPOSAL SERVICE (includes 4.0% yearly increase)	\$18.45	\$19.19	\$19.96	\$20.75	\$21.58
<i>COMMERCIAL PRICING (refuse & recycling pickup/disposal) of Town Facilities</i>					
Vendor Name	Year 1	Year 2	Year 3	Year 4-option	Year 5-option
WASTE MANAGEMENT: Option A = Total Monthly Household Rate (with Town Facilities included)	\$22.73	\$23.53	\$24.35	\$25.20	\$26.08
WASTE MANAGEMENT: Option B = add'l Monthly Commercial Rate for Town Facilities	\$1,619.30	\$1,675.98	\$1,734.64	\$1,795.35	\$1,858.19
REPUBLIC SERVICES OPTION 1 = add'l Monthly Commercial Rate for Town Facilities	\$1,572.20	\$1,619.37	\$1,667.95	\$1,717.99	\$1,769.52
HOMEWOOD DISPOSAL: No extra charge for Town Facilities Pickup already included in Residential Rate quote	already built-in	already built-in	already built-in	already built-in	already built-in

The lowest price bid is Homewood Disposal Services (HDS) at \$18.45 per month per residence, which includes the collection of all Town-owned facilities (listed in Section 4 of the Bid Specs). The expiring WM rate is currently \$15.36. Based on 7,861 households, the new HDS contract will cost \$145,035.45 monthly or \$1,740,425.40 yearly. This equates to an increase of \$291,485.88 during the next 12 months.

HDS has 35 municipal contracts serving 150,000 homes weekly. Research was conducted on low bidder HDS to ascertain reputation, ability to perform and to understand their implementation plan, as follows:

REFERENCE CHECKS

Four similar sized communities to Munster were reached resulting in the following points:

Lansing = 8,208 homes

Mayor Patty Eidam shared that Lansing has utilized HDS since November 2013 and their experience with them can be described in one word: EXCELLENT. Additionally, HDS is generously working with Lansing to expand their electronic recycling program.

Frankfort = 6,179 homes

Village Administrator Robert Piscia said that Frankfort has utilized HDS for at least 10 years and has received nothing but exemplary service from them. He had nothing negative to say about them but indicated despite the tendency for residents to be demanding, HDS responds quickly to complaints/concerns. He further described them as being a FANTASTIC vendor.

New Lenox = 8,028 homes

Village Administrator Kurt Carroll (former Munster Assistant TM, circa 1995-2000) shared that New Lenox has utilized HDS for at least 10 years and that their service has been EXCELLENT.

Tinley Park = 12,012 homes

Village Trustee/Mayoral Candidate Mike Glotz stated that HDS is always reachable and has an unbelievable customer service ethic. He's never seen anything like it as they often provide above & beyond what's commonly expected. HDS is consistently considerate to residents, offering additional services at low prices (such as demolition roll-offs). They provide discounts on some services to seniors and veterans. HDS generously held prices to the Village one year despite a contract provision allowing a 3% increase. Their drivers are professional and trucks immaculate.

TRANSITION PLAN

HDS has exhaustively explained their transition plan in their bid section entitled "Munster Operational Approach". However, summarized here are some key points as follows:

- HDS is family owned since 1956
- Despite the pandemic, HDS has never interrupted service to their clients nor limited what customers could place out for collection each week.
- HDS will maintain the same Mon-Fri collection schedule on the same day residents are currently served by WM. Running the same routes as residents are used to will bring "NO TRANSITION" issues to residents.
- HDS pledges service with integrity to its customers, with its MOTTO being:
SERVICE – STEWARDSHIP – COMMUNITY – FAMILY

- HDS reports that most of its 35 municipal contracts serving over 150,000 homes weekly have been in place for decades.
- HDS has implemented numerous new collection services for communities and assures the Town of Munster that they have the trucks, manpower and equipment to begin service in the timeframe provided (i.e. beginning May 1st per the Bid Specs/Invite).
- All HDS collection vehicles run on quiet & clean compressed natural gas (CNG) so that Munster will be the first NWI community to have multiple CNG trucks for refuse & recycling. They also own and operate 3 CNG fuel stations. HDS recycling capabilities are detailed in their bid section entitled “Munster Operational Approach”.

ADDITIONAL INFORMATION

Because of the short timeframe involved in implementing the new contract with a new vendor, HDS answered some additional questions posed to them, with the following insight gained:

- A new truck is scheduled to be delivered by May 1, resulting in the entire HDS CNG fleet servicing the Town of Munster will be model year 2019 and newer.
- WM has agreed to sell all of their existing refuse carts (i.e. toters/garbage cans) to HDS. These carts are approximately 5 years old (typical 10 year useful life), thus in relatively good condition. HDS will relabel the carts with an attractive 8” quality UVL protected custom made sticker over the WM logo. Any resident with a damaged cart will have it replaced immediately. New residents will receive new carts upon request.
- Different sized carts (within reason) that residents may now be using will be allowed.
- The advantage of this arrangement is that it is especially seamless to residents. And due to the waning plastics market this will prevent the likely landfilling of over 15,000 carts.
- Another positive point over purchasing new carts is that it eliminates problems associated with the coordination of picking up old carts and delivering new carts that could be susceptible to manufacturer delivery delays.
- Residents will be notified by HDS via mail of the changeover and advised of any pertinent information such as contact information. However, there is generally nothing that residents need do differently while HDS implements its new service plan.

Recommendation: The Town Council should approve the bid that it deems will be in the best interest of the Town to the vendor that it believes will provide the best overall service for the investment required.