

**Exhibit A: SWORRE Pricing Sheet****Required Services: Curbside Solid Waste & Recycling Collection**

All prices shall be expressed in per residential unit ("RU") per month charge, for the approximate number of units listed	Unlimited Solid Waste Collection Service, 3 years (with possible +1 year, +1 year extensions)	Unlimited Solid Waste Collection Service, 5 years
Bellbrook (2684 RU) Brookville (2,323 RU) Miamisburg (7,047 RU)  [Total RU = (12,054)]	Year 1-3 = \$ <u>14.76</u> *  Ext. Year 1 = \$ <u>15.72</u> *  Ext. Year 2 = \$ <u>16.74</u> *	Year 1-5 = \$ <u>16.39</u> *

\* No Fees on Recyclable Materials

Per RU per month surcharge for <b>Recyclables Collection Service</b> with a 64 gallon rolling cart	Weekly Recycling Collection Service, 3 years (with possible +1 year, +1 year extensions)	Weekly Recycling Collection Service, 5 years
Bellbrook (2684 RU) Brookville (2,323 RU) Miamisburg (7,047 RU)  [Total RU = (12,054)]	Year 1-3 = \$ <u>4.25</u>  Ext. Year 1 = \$ <u>4.52</u>  Ext. Year 2 = \$ <u>4.82</u>	Year 1-5 = \$ <u>4.72</u>

The base bid price shall not include the Per Residential Per Unit per month Generation Fee Adjustment Factor, which for the Montgomery County Solid Waste Management District (Brookville, Miamisburg, West Carrollton) is \$0.25; and for the Greene Solid Waste Management District (Bellbrook) is \$0.83

<p>Per RU per month surcharge for individual Residential Unit RENTAL of 96 gal., 64 gal., and 32 gal. Solid Waste and/or Recyclable Materials Collection Containers (1)</p>	<p>96 Gallon Year 1-3: <u>\$ 2.50</u>  Ext. Year 1: <u>\$ 2.50</u>  Ext. Year 2: <u>\$ 2.50</u></p> <p>64 Gallon Year 1-3: <u>\$ 2.50</u>  Ext. Year 1: <u>\$ 2.50</u>  Ext. Year 2: <u>\$ 2.50</u></p> <p>32 Gallon Year 1-3: <u>\$ 2.50</u>  Ext. Year 1: <u>\$ 2.50</u>  Ext. Year 2: <u>\$ 2.50</u></p>	<p>96 Gallon Year 1-5: <u>\$ 2.50</u></p> <p>64 Gallon Year 1-5: <u>\$ 2.50</u></p> <p>32 Gallon Year 1-5: <u>\$ 2.50</u></p>
<p>Per RU per month surcharge for residential billing services</p>	<p>Year 1-3 = \$ <u>3.07</u></p> <p>Ext. Year 1 = \$ <u>3.27</u></p> <p>Ext. Year 2 = \$ <u>3.49</u></p>	<p>Year 1-5 = \$ <u>3.42</u></p>
<p>Per unit charge for the provision of cardboard trash receptacles, if available</p>	<p>Year 1-3 = \$ <u>5.00</u></p> <p>Ext. Year 1 = \$ <u>5.00</u></p> <p>Ext. Year 2 = \$ <u>5.00</u></p>	<p>Year 1-5 = \$ <u>5.00</u></p>
<p>Per appliance surcharge for chloroflourocarbon (CFC) removal</p>	<p>Year 1-3 = \$ <u>177.00</u></p> <p>Ext. Year 1 = \$ <u>189.00</u></p> <p>Ext. Year 2 = \$ <u>202.00</u></p>	<p>Year 1-5 = \$ <u>196.00</u></p>

(1) Such bid price is for the rental of collection containers that an individual Residential Unity may request **in addition** to the collection containers provided to each residential unit pursuant to the Collection Agreement

Provision of an open top roll-off container of up to forty (40) yards capacity for a single event (over and above the roll-off containers provided per the agreement) (2)	Year 1-3 = \$ <u>450.00</u> Ext. Year 1 = \$ <u>479.25</u> Ext. Year 2 = \$ <u>510.40</u>	Year 1-5 = \$ <u>500.00</u>
Per pull charge for each additional pull of an open top roll-off container of up to forty (40) yards capacity (over and above the specified number of pulls provided per the agreement) (2)	Year 1-3 = \$ <u>450.00</u> Ext. Year 1 = \$ <u>479.25</u> Ext. Year 2 = \$ <u>510.40</u>	Year 1-5 = \$ <u>500.00</u>
Per pull charge for each additional pull of a dumpster of up to eight (8) yards capacity (over and above the specified number of pulls provided per the agreement)	Year 1-3 = \$ <u>84.59</u> Ext. Year 1 = \$ <u>90.09</u> Ext. Year 2 = \$ <u>95.95</u>	Year 1-5 = \$ <u>93.93</u>

(2) The communities recognize that there may be instances where a thirty (30) cubic yard roll-off container is more appropriate for a single event than a forty (40) cubic yard container. The communities will contact the selected hauler in the event they believe a smaller roll-off container is appropriate.

Per unit per day charge for provision of a portable restroom (if available) (3)	Year 1-3 = \$ <u>NO BID</u> Ext. Year 1 = \$ <u>NO BID</u> Ext. Year 2 = \$ <u>NO BID</u>	Year 1-5 = \$ <u>NO BID</u>
Per unit charge for emptying a portable restroom (if available)	Year 1-3 = \$ <u>NO BID</u> Ext. Year 1 = \$ <u>NO BID</u> Ext. Year 2 = \$ <u>NO BID</u>	Year 1-5 = \$ <u>NO BID</u>
Per unit charge for the provision of a portable sink or portable wash station (if available)	Year 1-3 = \$ <u>NO BID</u> Ext. Year 1 = \$ <u>NO BID</u> Ext. Year 2 = \$ <u>NO BID</u>	Year 1-5 = \$ <u>NO BID</u>
Per hour charge for the provision of a Solid Waste collection vehicle and driver (if available) (4)	Year 1-3 = \$ <u>NO BID</u> Ext. Year 1 = \$ <u>NO BID</u> Ext. Year 2 = \$ <u>NO BID</u>	Year 1-5 = \$ <u>NO BID</u>

(3) Please include information if provision of a portable restroom that is compliant with the Americans with Disabilities Act of 1990 (ADA) incurs an additional charge.

(4) Please specify the type or types of vehicles available, and state whether bid price is inclusive or exclusive of the costs of disposal.

## Preliminary Analysis of SWORRE 2022 Bid

### Bidders

The SWORRE 2022 Dayton Group received a responsive bid and an alternate bid from Rumpke. The group also received a “no bid” letter from Waste Management.

### Comparison to Other Contracts

Contracts for solid waste and recycling for Montgomery County governments that commenced on or after January 1, 2021 were benchmarked. This timeframe was selected because it reflects bids that were published during the Covid-19 pandemic and the ensuing economic repercussions. This also enables us to look at the most recent pricing trends. Each government’s present pricing and their pricing over the lifetime of their contract are included. This is done in order to account for contracts where prices escalate year after year. Trotwood is an outlier because their pricing is roughly \$2/residential unit (RU) / month lower than their peers. We therefore included pricing with and without Trotwood:

The benchmarking analysis also includes Germantown. Like us, Germantown bid for collection services in 2022. *As such, their pricing likely reflects the most direct comparison to our bid.* Rumpke was the sole bidder for Germantown.

### Pricing Benchmarks (Benchmarking chart available on last page)

- Current Average (ru/m) all governments: \$14.32
- Current Average (ru/m) excluding Trotwood: \$14.63
- Average over Lifetime of Contract (ru/m) all governments: \$15.13
- Average over Lifetime of Contract (ru/m) excluding Trotwood: \$15.50
- Germantown 2022 Pricing (ru/m): \$16.44
- Germantown average over lifetime of contract (ru/m): \$17.61

Note that Germantown’s price is \$2.12/ru/m over the average price that Montgomery County governments are paying in 2022. It is also \$2.11/ru/m higher over the lifetime of the contract. This is not surprising, due to high fuel prices and increases labor prices.

### 2022 SWORRE Bid: Pricing Overview for Residential Waste and Recycling Collection

*Note that the pricing below comes from the bid, and does NOT reflect solid waste district fees of \$.25/ru/m for Brookville and Miamisburg, and \$.83/ru/m for Bellbrook.*

The 2022 Dayton SWORRE bid presented two options:

- 3 year contract + 2 option years with weekly recycling collection with a rolling cart
- 5 year contract with weekly recycling collection and a rolling cart.

We also provided the option for bidders to provide an alternate bid. Rumpke chose to provide both a responsive bid and an alternate bid. The alternate bid escalates prices each year for 5 years. It also proposes contract amendments to sections 4.3 Starting and Ending Time; 5.6 Indemnification; 6.2 Deductions for Non-Performance; 7.2 Surety; 7.3 Termination due to change in ownership; 7.4 Termination for Excessive Fuel Price Adjustment; and 7.5 Termination for Facility Agreements.

### Responsive Bid Pricing (3 year + 2 options)

- Solid Waste (year 1-3): \$14.76; (year 4): \$15.72; (year 5): \$16.74
- Recycling (year 1-3): \$4.25; (year 4): \$4.52; (year 5): \$4.82
- Combined (year 1-3): **\$19.01**; (year 4): **\$20.24**; (year 5): **\$21.56**.
- *Analysis: Unfortunately the responsive bid pricing is \$1.40/ru/m over the Germantown benchmark of \$17.61.*

### Responsive Bid Pricing (5 year)

- Solid Waste: \$16.39
- Recycling: \$4.72
- Combined: **\$21.11**
- *Analysis: Similar to the 3+2 option above, this price is well above the Germantown benchmark of \$17.61.*

### Alternate Bid Pricing

- Solid Waste: (year 1): \$12.73; (year 2): \$13.55; (year 3): \$14.43; (year 4): \$15.37; (year 5): \$16.37
- Recycling: (year 1): \$3.66; (year 2): \$3.90; (year 3): \$4.15; (year 4): \$4.42; (year 5): \$4.71
- Combined: (year 1): **\$16.39**; (year 2): **\$17.45**; (year 3): **\$18.58**; (year 4): **\$19.79**; (year 5): **\$21.08**
- 3 year average price: **\$17.47**; 5 year average price: **\$18.66**
- *Analysis: The alternate bid pricing is a significant improvement on the responsive pricing, and is lower than the Germantown benchmark of \$17.61 over 3 years. However this comes with caveats. These include coming to mutually agreeable resolutions on the contract provisions that Rumpke disputes, AND it notes that "unlimited" solid waste is now defined as 6 30 gallon cans or 2 95 gallon carts + up to 3 large items per service day.*

The group also bid additional services such as CFC removal, dumpsters, roll-offs, and festival services like sinks or portable cans. A preliminary comparison of those prices is below (all 2017 and 2022 "responsive" prices are for 5 yrs):

- |   |   |
|---|---|
| <ul style="list-style-type: none"><li>• Rolling Cart Rental<ul style="list-style-type: none"><li>○ 2017: \$2.50/ru/m</li><li>○ 2022 Responsive: \$2.50/ru/m</li><li>○ 2022 Alternate: \$2.50/ru/m (all yrs)</li></ul></li><li>• Residential Billing<ul style="list-style-type: none"><li>○ 2017: \$2.00/ru/m</li><li>○ 2022 Responsive: \$3.42/ru/m</li><li>○ 2022 Alternate: \$3.01/ru/m (5yr avg)</li></ul></li><li>• Cardboard receptacles<ul style="list-style-type: none"><li>○ 2017: \$5</li><li>○ 2022 Responsive: \$5</li><li>○ 2022 Alternate: \$5 (all yrs)</li></ul></li></ul> | <ul style="list-style-type: none"><li>• CFC Removal<ul style="list-style-type: none"><li>○ 2017: \$115</li><li>○ 2022 Responsive: \$196</li><li>○ 2022 Alternate: \$173.65 (5yr avg)</li></ul></li><li>• Provision of roll-off<ul style="list-style-type: none"><li>○ 2017: \$350</li><li>○ 2022 Responsive: \$500</li><li>○ 2022 Alternate: \$441.82 (5yr avg)</li></ul></li><li>• Pull charge for roll-off<ul style="list-style-type: none"><li>○ 2017: \$350</li><li>○ 2022 Responsive: \$500</li><li>○ 2022 Alternate: \$441.82 (5yr avg)</li></ul></li></ul> |
|---|---|

- Pull charge for add'l dumpsters
  - 2017: \$55
  - 2022 Responsive: \$93.93
  - 2022 Alternate: \$82.04 (5yr avg)
- Per unit per day charge for a portable restroom
  - 2017: NO BID
  - 2022 Responsive: NO BID
  - 2022 Alternate: NO BID
- Per unit charge for emptying a portable restroom
  - 2017: NO BID
  - 2022 Responsive: NO BID
  - 2022 Alternate: NO BID
- Per unit charge for a portable sink / wash station
  - 2017: NO BID
  - 2022 Responsive: NO BID
  - 2022 Alternate: NO BID

### **Overall Analysis of Residential Waste and Recycling Bid**

The SWORRE bid is designed for each individual government to make the decision that is best for them, including whether to accept the published bid, the alternate bid, or not accept the bid and either go back out collectively or independently. One of the reasons that we bid in the spring is to provide lead time in case a government wants to pursue other alternatives. That said, any option will likely result in high prices due to fuel and labor factors, as indicated by Germantown's recent bid.

Furthermore, while the alternate bid offers more competitive prices, there are still questions and discussion points that need to be clarified:

- Will all governments need to "lock in" for 5 years?
- What are the SWORRE governments willing to compromise on in relation to the contract provisions that Rumpke objects to?
- Outside of objecting to the potential for termination of the contract for excessive fuel charge, a preliminary analysis of the bid indicates that they were silent on the fuel surcharge formula that was spec'd in section 6.5 of the contract.
- The pricing for the "optional services" is either comparable or lower across the board with the alternate bid. This indicates to me that Rumpke strongly wants the group to take the alternate bid.

Some of these questions can be directed to Rumpke, others can only be answered through discussion amongst the governments. A post-bid response meeting will be scheduled to discuss.

City	Contractor	Billing	Term	Term Start Date	Contract Start Price	Average over contract	Fuel Surcharge
Clayton	Republic	Contractor	5	7/1/2021	\$ 14.48	\$ 14.91	Yes
Englewood	Rumpke	City	6	4/1/2021	\$ 12.60	\$ 13.91	Yes
Germantown	Rumpke	City	1	5/1/2022	\$ 16.44	\$ 17.61	Yes
Huber Heights	Republic	Hauler	5	7/1/2021	\$ 14.54	\$ 15.44	Yes
Kettering	Rumpke	Hauler	5	7/1/2020	\$ 15.25	\$ 16.43	No
Riverside	Republic	Contractor	5	1/1/2021	\$ 14.45	\$ 15.57	Yes
Miami Twp	Rumpke	Contractor	4	1/1/2021	\$ 14.65	\$ 14.65	No
Trotwood	Rumpke	City	3	10/1/2020	\$ 12.18	\$ 12.54	Yes
Average:					\$ 14.32	\$ 15.13	
Average (No Trotwood):					\$ 14.63	\$ 15.50	

**Other Benchmarks**

Clay Twp	Republic	Contractor	5	7/1/2020	\$ 19.10	\$ 19.58	Yes
Village of Phillipsburg	Republic	Contractor	5	7/1/2020	\$ 19.10	\$ 19.58	Yes

City	Annual Increases	Cart Included	Additional Cart Rental/\$/ Month	Days of Service	Trash	Recycling	Bulk Pick-Up	End Year	Notes
Clayton	3%	Optional	\$1.77	5	Weekly	Every Other Week	Yes	7/1/2024	
Englewood	4%	Yes	\$3.00	5	Weekly	Weekly	Yes	4/1/2027	
Germantown	n/a	Yes	\$2.50		Weekly	Yes	Yes	5/1/2025	Newest contract / best benchmark
Huber Heights	3%	Yes	\$1.00	5	Weekly	Every Other Week	Yes	7/1/2026	2nd cart \$3.00; Senior rate \$13.09
Kettering	CPI nte 3%	Yes	\$4.00	5	Weekly	Weekly	Yes	7/1/2025	Simply assumed a 3% increase
Riverside	3%	Yes	\$3.00	5	Weekly	Weekly	Yes	1/1/2026	
Miami Twp	Flat for 3.5- years	Optional	\$1.50	5	Weekly	Weekly	Yes	1/1/2025	1st optional extension year: \$15.24; 2nd optional extension year: \$15.85.
Trotwood	3%	Optional	\$2.00	5	Weekly	Weekly	Yes	10/1/2023	

**Other Benchmarks**

Clay Twp	1.30%	Yes	\$2.75	5	Yes	Yes	Yes	7/1/2025	
Village of Phillipsburg	1.30%	Yes	\$2.75	5	Yes	Yes	Yes		



## 2022 Dayton SWORRE Bid: Alternative Bid Contract Analysis

### Background

Rumpke provided an alternative bid for SWORRE 2022. In addition to proposed changes in pricing (see Pricing Analysis), Rumpke proposed contract changes as well:

### Contract Changes Proposals

**4.3 *Starting and Ending Time.*** *Except as set forth in Exhibit E, Collection of Solid Waste and Recyclable Materials shall occur between 7:00 a.m. and 7:00 p.m. on the day designated for collection. In the event the City/Village notifies the Contractor that the Contractor has violated the permissible hours of collection three or more times in any ninety (90) day period, except for the purposes of picking up missed collections as set forth above, the City/Village may, at the City/Village's discretion, withhold two hundred dollars (\$200.00) per occasion from the monthly payment due to Contractor, including the first three occasions.*

Rumpke is no longer agreeable to defined service penalties due to staffing issues and the effects of the pandemic. It appears that their issue is with the penalty, not the time blocks. That said, this also may indicate that Rumpke's trash collection may be more spread throughout the day, especially if they are understaffed. My concern is that customer service issues have been a historical problem for some communities, and I want to ensure there is a clawback of some sort, even if it is not a "defined service penalty." . In the benchmark Germantown bid, Rumpke objected to similar provisions. I have reached out to Pat Shively with Germantown to see how they resolved these issues.

**5.6 *Indemnification.*** *The Contractor shall save, indemnify and hold the City/Village, its Board / Council, employees, agents, officers and consultants (each an indemnitee) harmless from and against any and all liabilities, claims, demands, causes of action, penalties, judgments, forfeitures, liens, suits, costs and expenses whatsoever (including those arising out of death, injury to persons, or damage to or destruction of property), and the cost and expenses incident thereto (including reasonable attorneys' fees), which any indemnitee may hereafter incur, become responsible for, or pay out for or resulting from the performance of the Collection Services under this Collection Agreement, provided that any such claim, damage, loss, or expense:*

- (a) *is attributable to bodily injury, sickness, disease, or death, or to injury to or destruction of tangible property, including any resulting loss of use; and*
- (b) *is caused in whole or in part by any intentional, reckless or negligent act or omission of the Contractor, anyone directly or indirectly employed by the Contractor, or anyone for whose acts any of them may be liable, regardless of whether or not it is caused in part by a party indemnified hereunder. Such obligation shall not be construed to negate, abridge, or otherwise reduce any other right or obligation of indemnity which would otherwise exist as to any party or person described in this section.*

Rumpke finds this language “excessively broad.” It should be noted that this language is identical to language from both the 2012 contract and the 2017 contract. My recommendation here is to determine what they find to be “excessively broad,” and why they did not object to this in 2017 or 2012.

**6.2 Deductions from Contractor’s Invoice for Non-performance.**

- A. *If the Contractor misses or fails to make a collection on the regularly scheduled day from any Residential Unit(s) on the same street three (3) or more times in any ninety (90) day period, even if corrected within twenty-four (24) hours, the City/Village may withhold payment as follows: the lesser of Twenty-Five Dollars (\$25.00) per Residential Unit or Two Hundred and Fifty Dollars (\$250.00) per street (no more than one mile in length).*
- B. *In the event the City/Village performs cleanup services pursuant to Section 4.7, the City/Village may withhold payment of one hundred dollars (\$100.00) per service call plus \$50.00 per hour for cleanup services performed by the City/Village.*

*The remedies available pursuant to this section are in addition to any other remedies available to the City/Village pursuant to this Collection Agreement, and the City/Village’s determination not to use any remedy in response to a failure to perform shall not constitute a waiver by the City/Village of the right to exercise any remedy in response to subsequent failures to perform.*

Similarly to what was stated in Section 4.3, Rumpke is no longer agreeable to defined service penalties. Their reasoning is staffing issues and the effects of the pandemic. I would still advise some form of accountability structure for Rumpke, even if the governments do not pursue the defined penalty. In the benchmark Germantown bid, Rumpke objected to similar provisions. I have reached out to Pat Shively with Germantown to see how they resolved these issues.

**7.2 Surety or City/Village Cover in the Event of a Material Failure.** *In the event of termination, the Contractor shall be liable to the City/Village for the additional costs incurred by the City/Village to cover the performance of the Contractor’s obligations of this Agreement. Such cover costs should include the cost to advertise and rebid the contract. The Contractor’s surety shall have the right to take over and perform under the Collection Agreement. However, if the surety does not commence performance, the City/Village shall take over performance by contract or otherwise at the expense of the surety. In the event there is no surety-provided cover, or the City/Village is unable to provide or obtain cover, the effective termination date may be delayed by the City/Village until the City/Village completes the process of obtaining a substitute service provider of the Collection Services. In such event, the Contractor shall continue to perform its responsibilities under this Collection Agreement until the effective date of termination. Material failure includes, but is not limited to, the City/Village’s receipt of more than twenty (20) bona fide complaints in any given month regarding the Collection Services. A bona fide complaint is a complaint that the City/Village has investigated and determined that the complaints represent failures of the Contractor to provide the required Collection Services. Material failure also includes the failure of the Contractor to provide the Performance Bond and proof of insurance as required, or payment of the City/Village income taxes.*

Rumpke finds this section too restrictive, noting that 20 complaints per month for a community of over 3,000 with 5 days of pickup is too low. How many complaints on average are communities receiving per

month? Have any of the participating communities considered enforcing this provision in previous contracts?

**7.3 Termination for Change of Control of Contractor.** *The award of this Collection Agreement is based on the ownership and control of the Contractor as of the time of the award. Such ownership and control is a material term in such award. If during the term of this Collection Agreement, the Contractor shall be merged or sold, the City/Village shall have the right, in its sole discretion, to terminate this Collection Agreement upon thirty (30) days written notice of termination to the Contractor. In the event of such notice of termination, the Contractor shall continue to perform under the terms of this Collection Agreement until such time as the City/Village is able to obtain alternate or substitute service.*

Rumpke finds this language “excessively broad.” It should be noted that this provision in its current form has existed since the 2012 SWORRE contract.

**7.4 Termination for Excessive Fuel Price Adjustment.** *In the event that the fuel price adjustment provision results in a twenty percent (20%) increase in the price per Residential Unit per month for the Collection Services from the initial price per Residential Unit per month accepted by the City/Village, the City/Village may, in the exercise of its sole discretion and without liability to the Contractor, terminate this Collection Agreement and issue a replacement Invitation to Bid. In the event of termination by the City/Village as provided herein, the effective date of any such termination shall be the date of the Notice to Proceed in the replacement Invitation to Bid.*

Rumpke finds this section too restrictive considering the current prices for fuel. It should be noted that fuel prices will affect all haulers, and Rumpke did not comment on the fuel price adjustment formula (section 6.5).

**7.5 Termination of Facility Agreements.** *The Contractor is required to deliver Solid Waste and Recyclable Materials collected pursuant to the Collection Agreement to the facility or facilities identified in the Bid. In the event of the termination of any agreement between the Contractor and the identified facility or facilities through no fault of the Contractor, the Contractor shall be excused from delivering materials to such identified facility or facilities. The Contractor may deliver such materials to an alternate facility selected by the Contractor, upon notice to the City/Village. However, any increase in the cost of providing Collection Services as a result of the termination of Contractor’s facility agreement shall be borne by the Contractor.*

In that all materials from this bid are delivered to the same Solid Waste District owned facility and MRF, this section may be irrelevant to the communities. It is a vestige of the original version of this bid from 2010, where a bid for facilities AND collection was considered.

## **Other Issues**

### **Unlimited Solid Waste**

Rumpke has also proposed a new definition of “unlimited” solid waste: Up to 6 30 gallon cans or 2 95 gallon carts per collection day and no more than 3 large items per collection day. They proposed almost identical language in the Germantown bid, minus the provision for large items. Do any governments have data on whether collections regularly exceed these prices?

**Portable Toilets**

Rumpke provided a “no bid” for this service. In the 2017 bid, they proposed an alternate bid consisting of their portable toilet pricing chart (see next page). It will be necessary to have Rumpke provide pricing for toilets or explain why they cannot.



April 21, 2022

TJ White, Executive Director  
Center for Local Government  
4015 Executive Park Dr., Suite 226  
Sharonville, OH 45241

RE: 2022 SWORRE Joint Bid Process for Solid Waste and Recycling Collection Services

Dear Mr. White:

Waste Management of Ohio ("WM") appreciates the opportunity to participate in the 2022 Dayton Area Southwest Ohio Regional Refuse Consortium Invitation to Bid. Unfortunately, WM is providing this Letter of No Bid in response to this solicitation. WM reviews each bid solicitation carefully and must meet specific parameters to maintain economic viability. Unfortunately, as presented, critical components within the current solicitation make these parameters difficult to attain or ensure. These components include:

- **Annual Adjustment to Collection Component of Rates**. The RFP provides that the Bidder must keep the price flat for the initial three-year term. The limitations placed on the adjustment typically result in higher initial residential rates.
- **Term**. A three-year term makes it very difficult to add the large amount of capital needed such as trucks and carts. Trucks and carts for communities of this size requires millions of dollars of investment in capital. Having only a three year guarantee of the work, with any extension option unilateral to the participating community, makes it difficult to generate required return on investment.
- **No guarantee of unit count**. Although the intention is to award to a single hauler, each community can make their own decision or opt out, which makes planning for capital and other start up costs even more problematic.
- **Service Options**. Unlimited service is difficult for a vendor to price (we can't quantify our disposal cost or labor hours) and dangerous for our drivers. WM is moving to automated service with carts to keep our drivers safe and to enlarge the driver pool to be inclusive of more diverse candidates. Carts also keep communities cleaner and allow the contractor to be more productive, thereby allowing more competitively priced service for your participating communities.

I do commend the Consortium on the timeline. Manufacturing time for trucks is currently 15 months or longer, so it is imperative for communities to issue their bid specifications far enough ahead of the contract start date to ensure contractors can put a plan in place for what equipment will be used in the meantime. Making an award six months prior to contract start date also allows for adequate time to order and deliver carts, communicate with residents, and hire and train drivers. Thank you for keeping that in mind with your solicitation.

Waste Management remains interested in your future bid opportunities. Please keep us on your vendor listing and contact us with any additional opportunities should you again seek proposals for solid waste and recycling services in the future.

Thank you once again for the opportunity to review and consider the bid form and information. Should you have any questions, please feel free to contact me at (317) 339-5304 or email me at mantell@wm.com.

Sincerely,

*Melinda Antell*

Melinda Antell  
Public Sector Solutions Representative

**From:** [T.J. White](mailto:T.J.White)  
**To:** [Chanda.Rohrer@rumpke.com](mailto:Chanda.Rohrer@rumpke.com)  
**Cc:** [Cody Smith](#); ["Valerie Griffin"](#); ["Keith Johnson"](#); ["Sonja Keaton"](#); [Rob Schommer](#)  
**Subject:** Southwest Ohio Regional Refuse Consortium- Questions and Comments on Rumpke Bid and Alternative Bid Submission  
**Date:** Thursday, April 28, 2022 12:09:14 PM

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Good afternoon. Thank you for your bid response and alternate bid proposal. I held a meeting with the participating governments yesterday. They have a number of questions pertaining to the bid and alternate bid responses. Although the timeline laid out in the bid stated that we would make a decision by April 29<sup>th</sup>, we are going to need to push that date back, as the governments will not be able to make any final decisions until they have time to review the answers to the questions below. Also as a reminder, not all governments are obligated to make the same decision- some may take the alternate for example while others may not.

**Question 1:** In the alternate bid, is this specifically for a 5 year contract (as opposed to a 3 years + 2 option years arrangement or another arrangement?)

**Question 2:** We would like some clarification on your proposal to define “unlimited” solid waste in the alternate:

- In previous contracts “unlimited” was not defined in this way- what is Rumpke’s motivation for the change?
- How often is Rumpke generally collecting from households who go over this limit (e.g. what would be your estimate of the percentage of collections)
- Is this a provision that Rumpke will be placing in its bid proposals for all municipalities moving forward?
- Would there be flexibility to allow pickups over the limit if a resident calls ahead?
- Does this limit include yard waste bags?

**Question 3:** The governments note Rumpke’s objections to “defined service penalties.” (Rumpke alternate bid sections 4.3, 6.2, etc.). One of the major concerns that I have heard when working with my governments is the need to ensure quality customer service. For example, one of my participating communities recorded 321 misses between January and June of 2021 (not counting misses due to weather, residents violating collection terms, or blockages). It is the opinion of the governments that some form of a defined penalty is necessary in contracts to hold the contractor responsible. What would Rumpke propose as an alternative to the penalties listed in 4.3 and 6.2?

**Question 4:** Rumpke’s response to the 2017 SWORRE bid included pricing for portable toilets. We noted that Rumpke did not bid this service for the 2022 bid. At least one government is interested in this service, and we would like to request pricing for portable toilets if available.

**Question 5:** In the alternative bid, did Rumpke consider changing collection days or collection frequency for any of the communities? With staffing issues across the industry, would changing collection day or frequency for any of the communities make a difference in pricing?

**Question 6:** The governments noted Rumpke’s exceptions to sections 7.2 through 7.4 of the

contract. These provisions have been in the Southwest Ohio Regional Refuse contracts for Cincinnati and Dayton since the inception of the program in 2010. What is the reason that Rumpke is now taking exception?

**Comment 1:** On Section 7.5, "Termination of Facility Agreements," the participating governments agree to eliminate that section.

Thank you very much! The governments will be able to respond to the bid proposals once we hear back with answers on these questions.

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"Effective Governance through Collaboration"



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