



September 28, 2023

To: Mayor and Council

CC: N/A

From: Brandon Perkins, Town Manager

Re: AMWaste Contract Extension

The Town of Tyrone entered into a three-year sanitation contract with AMWaste on November 5, 2020 with an effective date of January 1, 2021 and an end date of December 31, 2023. That contract allows for an additional three-year term if both parties agree. Staff, after discussions with members of Council, sent a letter to AMWaste stating the Town's desire to exercise the extension option on September 1, 2023 and AMWaste also desired to renew.

Staff recognizes that the transition from Republic Services to AMWaste came with a series of logistical and service delivery issues and required a considerable amount of staff time to ensure that they were providing the level of service that our contract required. It took some time, but AMWaste has done a great job, especially over the last year, making improvements and reducing complaints. Consequently, I believe an extension is prudent at this time.

A small number of citizens have expressed a desire to have several sanitation providers to choose from like some other cities offer. Staff researched this option and found several issues with it:

1. Due to the Town's size (~2300 households/customers), it was difficult to find sanitation providers that were willing to compete for business. From a business and service delivery perspective, this makes perfect sense.
2. More providers means more trucks on our streets, which increases wear and tear as well as the possibility for leaks/stains. With one provider, we know who to call for spills. A sole provider also makes the franchise fee process much easier to manage.

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3. Our current contract requires the vendor to provide sanitation services at the Town's parks and facilities at no cost. A multiple provider option would result in the Town having to pay for sanitation services.

I am sure some citizens may wonder why the Town did not seek new contractors through the bidding process. Some reasons for that are as follows:

1. Given AMWaste's current performance and extension option allowed under the current contract, we found it unnecessary to seek new bids. The current situation is working as it should.
2. It is understood that going out for bid would likely result in a substantial increase in costs for our citizens. For example, Pollard Sanitation advised us that they would be happy to service Tyrone as a sole provider for \$72 per quarter. It should be noted that Pollard's cost did not include recycling.

Again, AMWaste has made significant improvements to their service delivery and their management team is extremely responsive to my calls and messages when complaints do occur and they have been quick to rectify issues when I have to get involved. I have no reason to believe that would change if an extension were granted.

Please let me know if you have questions.