MEMORANDUM - OFFICE OF THE BOARD OF SELECTMEN

TO: Board of Selectmen

FROM: Michael Branley, Town Administrator MTB

RE: Solid Waste Hauling Proposals

DATE: September 6, 2013

CC: Waste Disposal Committee

We received proposals from four companies for the hauling of our solid waste and recyclable materials for the next three years. The companies are G.W. Shaw, Northeast Resource Recovery Association (NRRA), Monadnock Disposal Services, and Waste Management. In addition, G.W. Shaw provided one proposal if we utilize them for all services and a different one if we mix and match.

At current, we utilize two vendors (Shaw and NRRA) for the combination of the services covered in the RFP. I believe we should use a maximum of two vendors again to limit the number of companies our staff will be dealing with, both in terms of hauling and billing. As such, I have organized the data to provide a choice for MSW (Municipal Solid Waste) and C & D (Construction and Demolition debris) hauling and for recyclable hauling. This is not precisely the same as our current delineator between contractors, but it seems like a logical one. To make comparison easier, I used our average data over the past two years (number of hauls, tons of waste, etc.) and multiplied it by each contractor's three year average costs. For recyclables, I did not calculate some of the more minor items to keep the spreadsheets from getting unwieldy. As always this information is primarily an estimate to make comparison easier, not necessarily predictive. For simplicity sake, I will refer to these as waste total and recyclables total, respectively. For more information, see the spreadsheets attached.

The waste totals per year were calculated as follows:

- NRRA – $43,290
- Waste Management - $48,168.86
- Shaw – $50,477.67 ($49,561.67 for this portion if we select them for recyclables as well)
- Monadnock – $51,290

In my opinion, the gap is significant enough that pending checking references for some of NRRA's waste clients (we currently use them for recycling only) it is very difficult to justify selecting any other vendor.

It is worth noting that after we sent out and posted the RFP, NRRA notified me that we currently use 30 yard containers for newsprint and comingles and utilize tandem hauls (our RFP stated 40

yard containers for newsprint and did not mention tandem hauls). Through tandem hauls, they haul and replace both of these containers at once for the cost of one haul at a significant savings. Because we have been treating these hauls as only newsprint, we have been under-accounting for the expense related to comingles and it is difficult to predict how many hauls we would need if we began hauling comingles separately. I had hoped to get quotes from all vendors for tandem hauls prior to sending out this memo to make this issue moot, however Shaw has not yet been able to provide that information. The recyclables totals per year assuming tandem hauls for newsprint and comingles (for everyone except Shaw) were as follows:

- Monadnock – $10,640
- NRRA – $13,945
- Shaw – $15,720 ($14,506.67 for this portion if we select them for waste as well). If Shaw offered tandem hauls it would make them more competitive however it does not appear it would make them the lowest.
- Waste Management did not provide a proposal for recyclables however stated they would be interested if we switched to single stream.

My recommendation would be for you to authorize me to negotiate with NRRA and Monadnock to see if I could get NRRA's quote to the point where it is low enough to justify selecting them for all services. This would give us the benefit of having only one company to interact with. If not, selecting Monadnock for recyclables and NRRA for waste hauling is still a positive result that should save us 10-20% per year compared to our current costs. In addition to checking references, I would also welcome comments and suggestions from the staff and the Waste Disposal Committee. This would put you in a position to select vendors and sign contracts either at your next meeting or on 23rd at the latest.

Commodity / Service	Our estimated numbers*	GW Shaw 1 Estimate**	GW Shaw 2 Estimate	Monadnock Estimate	NRRA Estimate	Waste Management Estimate	Our Current Costs	Our Current Cost Total
MSW								
Hauling	52	$8,285.33	$9,013.33	$0.00	$10,400.00	$13,260.00	$170.00	$8,840.00
Monthly rental fee	12	$780.00	$780.00	$0.00	$0.00	$0.00	$50.00	$600.00
Charge per ton	369	$31,426.50	$31,426.50	$42,435.00	$24,907.50	$26,350.29	$92.00	$33,948.00
C & D								
Hauling	12	$1,912.00	$2,100.00	$0.00	$2,400.00	$3,060.00	$160.00	$1,920.00
Monthly rental fee	12	$600.00	$600.00	$0.00	$0.00	$0.00	$50.00	$600.00
Charge per ton	77	$6,557.83	$6,557.83	$8,855.00	$5,582.50	$5,498.57	$92.00	$7,084.00
Waste TOTAL		**$49,561.67**	**$50,477.67**	**$51,290.00**	**$43,290.00**	**$48,168.86**		**$52,992.00**
Mixed Paper								
Hauling^	30	$4,650.00	$5,250.00	$5,550.00	$7,500.00		$250.00	$7,500.00
Monthly rental fee	12	$600.00	$600.00	$0.00	$0.00		$0.00	$0.00
Glass								
Hauling	18	$2,820.00	$3,060.00	$3,330.00	$3,600.00		$150.00	$2,700.00
Monthly rental fee	12	$600.00	$600.00	$0.00	$0.00		$50.00	$600.00
Charge per ton	62	$0.00	$0.00	$0.00	$1,426.00		$23.00	$1,426.00
Co-Mingles								
Hauling^	30	$3,760.00	$4,080.00	$0.00	$24.00		$0.00	$0.00
Monthly rental fee	12	$600.00	$600.00	$0.00	$0.00		$0.00	$0.00
Charge per ton	34	$850.00	$850.00	$1,020.00	$595.00		$17.50	$595.00
Aluminum								
Hauling	4	$626.67	$680.00	$740.00	$800.00		$150.00	$600.00
Recycling TOTAL		**$14,506.67**	**$15,720.00**	**$10,640.00**	**$13,945.00**			**$13,421.00**
Combined TOTAL		**$64,068.33**	**$66,197.67**	**$61,930.00**	**$57,235.00**			**$66,413.00**

* For comparison sake only

^ Have been tandem hauled with mixed paper

** These quotes are only if we use GW Shaw for all services

Commodity / Service **G.W. Shaw Inclusive**

MSW	Year 1	Year 2	Year 3	3 year average	Our estimate*	Estimated cost^
Charge per haul	$150.00	$158.00	$170.00	$159.33	52	$8,285.33
Monthly rental fee	$65.00	$65.00	$65.00	$65.00	12	$780.00
Charge per ton	$82.50	$85.00	$88.00	$85.17	369	$31,426.50
C & D						
Charge per haul	$150.00	$158.00	$170.00	$159.33	12	$1,912.00
Monthly rental fee	$50.00	$50.00	$50.00	$50.00	12	$600.00
Charge per ton	$82.50	$85.00	$88.00	$85.17	77	$6,557.83
Waste TOTAL						**$49,561.67**
Mixed Paper						
Charge per haul	$150.00	$155.00	$160.00	$155.00	30	$4,650.00
Monthly rental fee	$50.00	$50.00	$50.00	$50.00	12	$600.00
Glass						
Charge per haul	$150.00	$155.00	$165.00	$156.67	18	$2,820.00
Monthly rental fee	$50.00	$50.00	$50.00	$50.00	12	$600.00
Charge per ton	$0.00	$0.00	$0.00	$0.00	62	$0.00
Co-Mingles						
Charge per haul	$150.00	$155.00	$165.00	$156.67	24	$3,760.00
Monthly rental fee	$50.00	$50.00	$50.00	$50.00	12	$600.00
Charge per ton	$20.00	$25.00	$30.00	$25.00	34	$850.00
Aluminum						
Charge per haul	$150.00	$155.00	$165.00	$156.67	4	$626.67
Recycling TOTAL						**$14,506.67**
Only TOTAL available with this option						**$64,068.33**

* For comparison sake only

^ Estimated cost is calculated based on three year averages to facilitate comparison

Commodity / Service **G.W. Shaw Individual**

MSW	Year 1	Year 2	Year 3	3 year average	Our estimate*	Estimated cost^
Charge per haul	$165.00	$175.00	$180.00	$173.33	52	$9,013.33
Monthly rental fee	$65.00	$65.00	$65.00	$65.00	12	$780.00
Charge per ton	$82.50	$85.00	$88.00	$85.17	369	$31,426.50
C & D						
Charge per haul	$165.00	$175.00	$185.00	$175.00	12	$2,100.00
Monthly rental fee	$50.00	$50.00	$50.00	$50.00	12	$600.00
Charge per ton	$82.50	$85.00	$88.00	$85.17	77	$6,557.83
Waste TOTAL						**$50,477.67**
Mixed Paper						
Charge per haul	$165.00	$175.00	$185.00	$175.00	30	$5,250.00
Monthly rental fee	$50.00	$50.00	$50.00	$50.00	12	$600.00
Glass						
Charge per haul	$160.00	$170.00	$180.00	$170.00	18	$3,060.00
Monthly rental fee	$50.00	$50.00	$50.00	$50.00	12	$600.00
Charge per ton	$0.00	$0.00	$0.00	$0.00	62	$0.00
Co-Mingles						
Charge per haul	$160.00	$170.00	$180.00	$170.00	24	$4,080.00
Monthly rental fee	$50.00	$50.00	$50.00	$50.00	12	$600.00
Charge per ton	$20.00	$25.00	$30.00	$25.00	34	$850.00
Aluminum						
Charge per haul	$160.00	$170.00	$180.00	$170.00	4	$680.00
Recycling TOTAL						**$15,720.00**

* For comparison sake only

^ Estimated cost is calculated based on three year averages to facilitate comparison

Commodity / Service **Monadnock Disposal Service**

MSW	Year 1	Year 2	Year 3	3 year average	Our estimate*	Estimated cost^
Charge per haul	$0.00	$0.00	$0.00	$0.00	52	$0.00
Monthly rental fee	$0.00	$0.00	$0.00	$0.00	12	$0.00
Charge per ton	$115.00	$115.00	$115.00	$115.00	369	$42,435.00
C & D						
Charge per haul	$0.00	$0.00	$0.00	$0.00	12	$0.00
Monthly rental fee	$0.00	$0.00	$0.00	$0.00	12	$0.00
Charge per ton	$115.00	$115.00	$115.00	$115.00	77	$8,855.00
Waste TOTAL						**$51,290.00**
Mixed Paper						
Charge per haul	$185.00	$185.00	$185.00	$185.00	30	$5,550.00
Monthly rental fee	$0.00	$0.00	$0.00	$0.00	12	$0.00
Glass						
Charge per haul	$185.00	$185.00	$185.00	$185.00	18	$3,330.00
Monthly rental fee	$0.00	$0.00	$0.00	$0.00	12	$0.00
Charge per ton	$0.00	$0.00	$0.00	$0.00	62	$0.00
Co-Mingles						
Charge per haul**	$0.00	$0.00	$0.00	$0.00	24	$0.00
Monthly rental fee	$0.00	$0.00	$0.00	$0.00	12	$0.00
Charge per ton	$30.00	$30.00	$30.00	$30.00	34	$1,020.00
Aluminum						
Charge per haul	$185.00	$185.00	$185.00	$185.00	4	$740.00
Recycling TOTAL						**$10,640.00**

* For comparison sake only

^ Estimated cost is calculated based on three year averages to facilitate comparison

** Verbally agreed to tandem hauls with mixed paper using 30 yard containers

Commodity / Service **Northeast Resource Recovery Association**

MSW	Year 1	Year 2	Year 3	3 year average	Our estimate*	Estimated cost^
Charge per haul	$200.00	$200.00	$200.00	$200.00	52	$10,400.00
Monthly rental fee	$0.00	$0.00	$0.00	$0.00	12	$0.00
Charge per ton	$67.50	$67.50	$67.50	$67.50	369	$24,907.50
C & D						
Charge per haul	$200.00	$200.00	$200.00	$200.00	12	$2,400.00
Monthly rental fee	$0.00	$0.00	$0.00	$0.00	12	$0.00
Charge per ton	$72.50	$72.50	$72.50	$72.50	77	$5,582.50
Waste TOTAL						**$43,290.00**
Mixed Paper						
Charge per haul	$250.00	$250.00	$250.00	$250.00	30	$7,500.00
Monthly rental fee	$0.00	$0.00	$0.00	$0.00	12	$0.00
Glass						
Charge per haul	$200.00	$200.00	$200.00	$200.00	18	$3,600.00
Monthly rental fee	$0.00	$0.00	$0.00	$0.00	12	$0.00
Charge per ton	$23.00	$23.00	$23.00	$23.00	62	$1,426.00
Co-Mingles						
Charge per haul**	$1.00	$1.00	$1.00	$1.00	24	$24.00
Monthly rental fee	$0.00	$0.00	$0.00	$0.00	12	$0.00
Charge per ton	$17.50	$17.50	$17.50	$17.50	34	$595.00
Aluminum						
Charge per haul	$200.00	$200.00	$200.00	$200.00	4	$800.00
Recycling TOTAL						**$13,945.00**

* For comparison sake only

^ Estimated cost is calculated based on three year averages to facilitate comparison

** Using tandem hauls with mixed paper using 30 yard containers

Commodity / Service **Waste Management**

MSW	Year 1	Year 2	Year 3	3 year average	Our estimate*	Estimated cost^
Charge per haul	$250.00	$255.00	$260.00	$255.00	52	$13,260.00
Monthly rental fee	$0.00	$0.00	$0.00	$0.00	12	$0.00
Charge per ton	$70.00	$71.40	$72.83	$71.41	369	$26,350.29
C & D						
Charge per haul	$250.00	$255.00	$260.00	$255.00	12	$3,060.00
Monthly rental fee	$0.00	$0.00	$0.00	$0.00	12	$0.00
Charge per ton	$70.00	$71.40	$72.83	$71.41	77	$5,498.57
Waste TOTAL						**$48,168.86**
Mixed Paper						
Charge per haul	NO BIDS ON RECYCLABLES					
Monthly rental fee						
Glass						
Charge per haul						
Monthly rental fee						
Charge per ton						
Co-Mingles						
Charge per haul						
Monthly rental fee						
Charge per ton						
Aluminum						
Charge per haul						

* For comparison sake only

^ Estimated cost is calculated based on three year averages to facilitate comparison