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MEMORANDUM

TO: Board of Trustees
FROM: Bid Review Committee
RE: Review and Recommendation for Award of Single Residential Waste Hauler Contract
DATE: August 22, 2019

As the Board is aware, the Township's bid process resulted in the receipt of three bids by the August 5, 2019 deadline. Those bids were from GFL Environmental USA, Inc. (GFL), Waste Management of Michigan, Inc. (Waste Management), and Advanced Disposal Services Solid Waste Midwest, LLC (Advanced). With each Board member having been previously provided with the complete bid books, the only portions of the bids attached to this memo are the Bid Price and Proposal Forms. PLEASE NOTE that as confirmed to Dawn Cito by the Advanced representative, the prices on its Bid Price Form are monthly, not quarterly as requested/required, meaning that each amount must be multiplied by three. For example, the year 1 Basic Solid Waste quarterly price would be \$44.55.

Although each company's bid submittals demonstrated a commitment and ability to provide the residential single hauler services commencing March 30, 2020, for the reasons outlined in this memo, the Committee is recommending that the Township Board award a contract to GFL.

Bid Price Submittals. As the Board will recall, the Bid Price Form reflected the various types and levels of service the Board wanted to get prices on for reference in determining what services would be contracted for. GFL was the only bidder to provide a price for each item listed, which was a requirement of the bid documents. In contrast, Waste Management did not provide separate prices for basic solid waste collection and recycling collection, or any of the unlimited collection options on page 1 of the Bid Price Form, with Advanced also submitting no bid on those unlimited options, possibly in reliance on its Alternate Bids Nos. 1 and 2.

With us there are no boundaries

Exceptions. The bid documents allowed a bidder to note and request one or more Exceptions to the Township's bid/contract documents and specifications. GFL did not request any exceptions. Waste Management and Advanced each requested several.

Pricing. GFL's pricing was the lowest across the board when compared to prices that Waste Management and Advanced did provide.

Meeting with GFL. Based on the Committee's review of all three bids, with emphasis on the above considerations, a meeting was held with three GFL representatives on August 20, 2019. During and since that meeting, GFL:

1. Answered all questions asked to the Committee's satisfaction.
2. Confirmed that it would provide basic solid waste services to all properties, and recycling collection services to properties requesting them, for the prices stated in its bid.
3. Clarified that the prices stated for basic solid waste with unlimited yard waste collection at the bottom of page 1 of the Bid Price Form included recycling collection, and that without recycling collection, those prices would be reduced by the quarterly amounts for site separated recycling collection. For example, in year 1, the price for basic solid waste with unlimited yard waste collection would be \$39.75 per quarter (\$54.65 - \$14.90).
4. Recommended the unlimited yard waste basic solid waste collection option as opposed to the 12-bag limit yard waste basic solid waste collection option at \$39.00 per quarter.
5. Recommended 65-gallon recycling carts as opposed to the 95-gallon carts in the Township's Project Specifications.
6. Agreed to supplement the publicly available financial information provided with its bid, with GFL's private company proprietary financial information upon a Township pledge of confidentiality under the applicable FOIA exemption.
7. Advised that Waterford would be serviced out of GFL's Pontiac Service Center that is expected to be operational by November 1, 2019.
8. Although the Township's Project Specifications called for residents to be able to suspend services for up to six consecutive months in a calendar year (often referred to as a "snow bird" discount even though not limited to that group), confirmed that it would agree to that for three consecutive months.
9. Explained its rationale for Alternative Proposal 2 under which all rates would be reduced by 5% if the Township agreed to allow collections Monday through Friday, instead of Monday through Thursday.
10. Confirmed that on an annual basis during the term of the contract (5 years with possible 5-year renewal terms), the Township could change the level of service to be provided. For instance, the Township could change its mind on whether GFL was required to provide recycling collection services to all residents or only those choosing that option at the additional price as indicated.

Committee Recommendations. If the Board is ready to move forward with the Single Residential Waste Hauler concept, as noted above, the Committee recommends awarding a Contract to GFL. Subject to the Board's policy decision on how recycling is handled, the Committee's recommendations on the services to be provided for in that Contract are as follows:

1. Basic solid waste with unlimited yard waste collection services to all residents.
2. Recyclable materials collection to residents choosing and paying for that option.
3. Allow collections Monday through Friday for the additional 5% discount.
4. Use of 65 gallon carts for recycling subject to residents' limited ability to change.

Year 1 Contract Prices before other possible discounts (up to 5%).

	<u>Quarterly</u>	<u>Annual</u>
Solid waste with bulk item and unlimited yard waste	\$ 37.76	\$151.04
Recycling collection at each resident's option	\$ 14.15	\$ 56.60