



BOARD OF COMMISSIONERS

BUDGET WORKSHOP

AGENDA-MINUTES

Tuesday, October 22, 2019

1. **CALL TO ORDER:** 6:00 p.m.

Attendees: Commissioner Christina (Tori) Morgan, President
Commissioner Glenn Block, Vice President
Commissioner David L. Bond, Assist. Secretary
Commissioner Matt Mulqueen
Commissioner Mark Pinsley
Richard Roberts, Jr., Twp. Solicitor, Zator Law Offices
Renee Bickel, Township Manager
Randy Cope, Director of Twp. Operations
Steve Carr, Director of Finance
Chief Glen Dorney, SWT Police Department
Tracy Fehnel, Executive Assistant

2. **PLEDGE OF ALLEGIANCE**

3. **NOTIFICATION:** All public sessions of the South Whitehall Township Board of Commissioners are electronically recorded. The electronic record is kept until the minutes of the meeting are approved and destroyed if a request is not made to retain the electronic version at that time.

For the record, President Morgan advised that the Board met in Executive Session before this meeting to discuss legal matters.

4. **MOTIONS**

a. **Motion to Award Bid for Residential Municipal Solid Waste Collection, Disposal, and Recycling Services**

Township Manager Renee Bickel explained as you may recall at our last meeting the refuse and recycling bid, this had been taken out to bid early September 2019. We received bids, and then initiated a re-bid of that contract. On the first bid, we received two bids. We received the second round of bids on Monday, October 14th, and at this time are prepared to make a recommendation to the Board for the award of a bid. We did have three different trash haulers who bid on the second bid—**Advanced Disposal, JP Mascaro, and Waste Management.**

Steve Carr, Director of Finance next went over the numbers for each of these bids. (Re-Bid Tabulation Handout will be attached to this set of minutes.)

President Morgan said that we previously did a survey with our residents, which many residents participated in, in order to get their feedback and information regarding the expectation of the services to be provided for whoever is chosen as our trash hauler. The goal was to have addressed as many of those items as possible in this contract.

Township Manager Renee Bickel explained we also looked at operational plans. Based on the recommendation which we will make, there will be a transitional plan, and we also looked at materials to be sent to residents' homes, as well as education to residents, which will occur throughout this transition. Steve Carr, Finance Manager, said one item of great importance which came out of the survey was the desire for much better communication between hauler and residents—text capability. If residents so choose, they will be able to get direct updates from the hauler, without having to go through the Township. This is just another thing which was included in this bid.

Township Manager Renee Bickel said that based on the information given, Staff is making a recommendation to go with Advanced Disposal, and that the Township award the Residential Municipal Solid Waste (MSW) Collection, Disposal and Recycling Services contract to Advanced Disposal accepting their three-year (2020, 2021, & 2022) contract price of \$7,205,025.00, plus the individual per item costs as noted in Advanced Disposal's Bid. (Freon removal/item; price for bulk sticker; annual grass sticker (curbside); and individual grass sticker (curbside)).

Steve Carr, Director of Finance wanted to add an additional motion to accept the alternate bid on the toters—that the hauler will control the toters, i.e. store the toters, deliver the toters (resident will pay for the toters). This is a huge win for the township, since we currently spend a lot of time in the handling of toters, in addition to the fact that they take up a large amount of space too. This applies to replacement toters and new toters provided to new homes. Steve said that we will coordinate with hauler inventory of toters.

Township Manager Renee Bickel explained that we do have a SWT specification for the toters so that they remain as they are.

A **MOTION** was made by Commissioner Mulqueen, which was seconded by Commissioner Pinsley, that the Township award the Residential Municipal Solid Waste (MSW) Collection, Disposal and Recycling Services contract to Advanced Disposal accepting their three-year contract price of \$7,205,025, plus the individual per item costs as noted in Advanced Disposal's Bid, and as stated above. Additionally, **MOTION** to accept the alternate bid on the toters—hauler will control toters—i.e. store/keep inventory and handle delivery of toters as explained above. (For clarification purposes, the total contract price will be higher than the contract price of \$7,205,025 based on new houses receiving collection, disposal, and recycling services.) All in favor; none opposed.

5. 2020 BUDGET

a. **Refuse/Recycling Fund Review**

The following handouts were reviewed as follows:

- Refuse Fund 2020 Budget
- Refuse Fund – Estimated Cash in Bank at 12/31/2019
- Refuse Fund – Historical Comparison 2020 Budget
- Refuse Fund – Comparison to Neighboring Municipalities 2020 Budget

Township Manager Renee Bickel said that in light of the fact that we will be transitioning over to a new hauler, we wanted to specifically focus on the refuse fund and what awarding that new contract to a new hauler means to the Refuse Fund.

Steve Carr, Director of Finance therefore reviewed the Refuse Fund, along with the revenue and expenses.

With the hauler contract, we decided to go with the three-year contract, and then at the end of three years, we can decide to go elsewhere if we want, or lock in the third-year price if we want and the hauler wants to. With the five-year contract there is much more potential for an increase. Again, at year three we can go and rebid if we want and get the most competitive price or we can move forward with the lock in prices if agreeable with Advanced.

Current cost of refuse is \$70/Quarter or \$280/year. With new waste hauling fees, there will be a higher level of service provided, and cost comes to \$90/Quarter. Comparisons were done with regard to pricing/services provided, and we are in line with other municipalities—the services being provided here in SWT are more comprehensive than most municipalities.

Currently we are netting a negative number for this fund. With the \$90/quarter, the fund will be OK for 2+ years. Any future increases with this contract would be very minimal—perhaps somewhere in the area of \$2/quarter.

Three-year total is \$7.2M, which is an average of \$2.4M per year.

Suggestion - Cost of delivery/handling of toters, etc. by PW could go back into this fund to help keep number down.

Q: How much more a quarter? Approximately \$30/quarter more; \$120/year.

Steve will look into the PW-Refuse allocation to see if we could take some of that money to lower this increase.

We will not be giving out free toters. Also, the management of toters was between 20-30 hours/week which goes away with this new contract.

In January there will be an update to the fee schedule. All new residents will have to pay for their toters.

Commissioner Bond asked if Randy could look into the possibility of any grants out there to be applied to Senior Citizens getting a discount as it relates to trash. He said he will look into this to see if anything like that exists.

Discussion took place to determine exact total/quarter. It was determined that cost is \$96/quarter for refuse.

Commissioner Mulqueen asked that from a due diligence perspective, that these figures per resident be double-checked. Commissioner Bond also asked Staff to dive deep one more time to see if there might be areas we could possibly cut. Steve Carr, Director of Finance agreed and said we will take a look at it as a team and analyze/squeeze to see if we could bring that number down.

Steve will also work with Advanced now on the transition, and what that will look like. Commissioner Pinsley would really like to push with regard to green initiatives.

Township Manager Renee Bickel explained that Advanced Disposal has a route supervisor, who will come to the township daily to check up on the service for the day. This is a real plus.

6. **COURTESY OF THE FLOOR:** None.
 7. **EXECUTIVE SESSION:** None.
 8. **ADJOURNMENT** – At 7:15P a MOTION was made by Commissioner Block, which was seconded by Commissioner Mulqueen to adjourn. All in favor; none opposed.
 9. **APPROVED:** On November 6, 2019, a MOTION was made by Commissioner Bond, which was seconded by Commissioner Mulqueen, to approve the October 22, 2019, Budget Workshop Minutes. All in favor; none opposed. (This was a 5-0 Vote.)
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