

# Township of Livingston 2020 Garbage Collection Contract



LIVINGSTON  
NEW JERSEY

EXPECT MORE. EXPERIENCE MORE.

# Why Switch Collectors?



- The 5-year contract with Waste Industries expired August 31, 2020, which had included two one-year extensions – the maximum permitted by law.
- By law, the Township was required to advertise and solicit competitive bids for garbage collection.
- The Township issued bid specifications in the form required by the State, seeking a three-year contract, with two one-year extensions at the option of the Township.
- The specifications included soliciting prices for rear-year collection.
- The Township received two bids from qualified companies, one from the then-current collector, Waste Industries, and one from Recycle Track Systems (RTS).
- Based on the bids, as shown on the following slide, the Township awarded the contract to RTS.

# Collection Bid Comparison



	<b>WASTE INDUSTRIES</b>	<b>RTS</b>	<b>SAVINGS</b>	<b>Annual Tax Impact Average Assessed Home \$ 704,753.51</b>
<b>GARBAGE COLLECTION</b>				
(Paid by Township thru taxes)				
Year 1	\$ 1,540,000	\$ 1,075,860	\$ 464,140	\$ 38.05
Year 2	\$ 1,585,000	\$ 1,094,688	\$ 490,312	\$ 40.20
Year 3	\$ 1,630,000	\$ 1,113,845	\$ 516,155	\$ 42.31
<b>3 YEAR TOTALS</b>	<b>\$ 4,755,000</b>	<b>\$ 3,284,393</b>	<b>\$ 1,470,607</b>	<b>\$ 120.56</b>
Year 4	\$ 1,680,000	\$ 1,133,337	\$ 546,663	\$ 44.82
Year 5	\$ 1,730,000	\$ 1,153,170	\$ 576,830	\$ 47.29
<b>5 YEAR TOTALS</b>	<b>\$ 8,165,000</b>	<b>\$ 5,570,900</b>	<b>\$ 2,594,100</b>	<b>\$ 212.66</b>

3-year difference is \$ 1,470,607, +\$120.56 in taxes on average home

5-year difference is \$ 2,594,900, +\$212.66 in taxes on average home

# Rear-Yard Collection



- The Township sought bids for 1- and 3-can rear-yard collection for all 5 years.
- As set forth below, while still an increase over the expiring Waste Industries rate of \$20 per month, the RTS bid was lower for all options and years than Waste Industries.

	WASTE INDUSTRIES		RTS		SAVINGS		ANNUAL COST DIFFERENCE	
REAR YARD COLLECTION (Paid by Participating Residents)	Monthly		Monthly					
<b>Years 1 - 3</b>								
1 Can	\$	30.00	\$	28.75	\$	1.25	\$	15.00
3 Cans	\$	35.00	\$	28.75	\$	6.25	\$	75.00
<b>Years 4 &amp; 5</b>								
1 Can	\$	35.00	\$	28.75	\$	6.25	\$	75.00
3 Cans	\$	40.00	\$	28.75	\$	11.25	\$	135.00

# Start-Up Service Issues



- The Township is aware of service issues with the start of the new contract, which were expected to a limited degree for any new company and new contract.
- The prior collector, Waste Industries, filed a legal challenge to the contract award to RTS, delaying RTS in preparing to take over. Waste Industries eventually dismissed its lawsuit with less than 2 weeks remaining until the September 1, 2020 start date.
- Waste Industries refused to share its collection routes with new collector, citing them as “proprietary.”
- Waste Industries refused to provide a list of current rear-yard customers (despite being contractually obligated to do so) asserting that their “computers were down.”
- RTS has been extremely cooperative and desirous of addressing issues, but has been overwhelmed due to the delay and other issues caused by Waste Industries.
- The Township appreciates our residents’ continuing patience and encourages residents to contact RTS for service issues and rear-yard collection, by phone (833-787-5886) or online.