

The Borough of Mendham

"Preserving the Past - Building the Future" mendhanni.org

Mayor Christine Glassner

September 10, 2020

Re: Household Waste and Recyclables

Dear Residents,

As you know, the Borough currently is considering what we intend to be the very best and most fiscally responsible approach to its household waste and recyclables disposal. By way of background, the New Jersey Mandatory Recycling Law was enacted in 1987 and accordingly all communities are required to provide for recycling collection, marketing and disposal of designated recyclable materials.

The Cost of Recycling

Historically, recyclables were not a costly endeavor for communities because they were collected and resold in a recyclable market. In fact, the Borough, for many years, did not incur any net cost for the pickup of recyclable materials.

However, over the past 36 months the recyclable market has dramatically changed whereby the market value for recyclables has in some cases decreased by 95%, resulting in a significant cost for communities throughout New Jersey, and the Borough of Mendham is no exception.

For example, the cost of recycling pick-up service per household has skyrocketed in the past 3 years. It has increased over 128% or more than doubled. Additionally, recycling disposal costs have gone up from \$10.00 per ton to \$85.00 (750%) in the past 2 years. Based on industry estimates, we anticipate those costs to continue to rise at the same rate. The Borough is legally required to dispose of recyclables at the Morris County Municipal Utility Authority Landfill, which is responsible for determining the disposal fee.

The Borough is Evaluating a Different Plan

Accordingly, the administration worked diligently to put together a bid specification in order to provide and consider Consolidated Solid Waste Services for five years beginning in 2021. The bid was prepared with the intention that this would be the best method to deliver the best price for these services - and many other municipalities in New Jersey have found great success in providing similar consolidated services. The only way that such contracts can be awarded is by qualified entities to provide a sealed bid with appropriate documentation and performance bonds for solid waste collection services. This state law was established in order to facilitate the lowest responsible bid to provide safe and responsible services. The process for municipalities to publicize service contracts is complex and has many legal requirements. In the case of the Borough, and in accordance with the law, we published notice of this bid in State and Local newspapers as well as the Borough's website and commonly visited websites such as the Star Ledger and the New Jersey Press Association. This bid specification was left open for the required 60 days, allowing for companies plenty of time to submit bids. In short, we complied with all the statutory requirements for promoting this bid specification. Although we expected to receive multiple bids, we only received on equalified bid - and by law we are required to consider any and all qualified bids. Again, municipalities do not have the liberty to change the legal bidding process or timing as determined by the state.

What Happens Next

While no decision has been made by the Council as to how to proceed with respect to these services for 2021, we are certainly asking for information and input from residents with respect to this proposal. Due to the importance of this decision we have gone to extra lengths to communicate with our residents. On Thursday, September 24th we will hold a Special Meeting of the Borough Council to present this proposal, listen to residents, and answer questions and concerns. With that information in hand the Governing Body will then decide how to proceed. Moving forward will mean the Introduction of an Ordinance at our Monday, September 28th meeting and Final Adoption and Public Hearing at our Wednesday, October 14th meeting. Should the proposal move forward both meetings will be well publicized for public participation.

By October 15, 2020, the Borough must make a decision whether to go forward with this proposal or rebid our existing, more limited service of recyclables and bulk trash. Whether the Governing Body rejects this proposal for this Consolidated Solid Waste Services or chooses to re-bid our existing services, we anticipate that each household will be charged a new monthly fee to cover a portion of these costs for a service we all benefit from. Unfortunately, the existing municipal budget cannot support the rising costs of our existing or future service.

We invite and value your comments and thoughts regarding this issue. We encourage you to view our presentation and provide us feedback so that the Governing Body can take your thoughts into consideration. Again, no decision has been made regarding 2021 and the proposal for these Consolidated Solid Waste Services. However, we assure you that we are working diligently to evaluate our limited options as imposed by law.

Very truly yours,

Mayor Christine Serrano Glassner

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BOROUGH OF MENDHAM Proposed 2021-2025 Consolidated Solid Waste Services Program Trash, Recycling & Bulk Pick-Up



- The Borough of Mendham is considering Residential Household Consolidated Solid Waste Pick-up Services.
- The proposed Consolidated Services would include Trash, Recycling and Bulk Pick-up.
- The Borough currently has separate contracts for Recycling & Bulk-Pick-up Solid Waste Services. These contracts expire December 31, 2020.

Like many municipalities throughout the State the Borough is evaluating Consolidated Solid Waste Services. Consolidation allows municipalities to maximize economies of scale and receive discounted pricing from Solid Waste haulers, not only on Recycling & Bulk Pick-up but Trash as well. Reducing cost and saving money.

- The cost of recycling and bulk services per household has skyrocketed in the past 3 years. They have increased over 128% or more than <u>doubled</u>.
- Recycling disposal costs having gone up from \$10.00 per ton to \$85.00 (750%) in the past 2 years.
- Municipalities are statutorily mandated to provide for recycling under N.J.S.A. 13:1E-99.16.
- If the Borough continues with the current level of service going forward in 2021, it will still be necessary for the Borough to bill each residential household for a portion of the cost for recycling and bulk services in order to comply and remain below the Borough's Budget State Mandated Cap of 2%.

- The Borough received bids for the proposed Consolidated Solid Waste Services per N.J.S.A. 40A:11-2. The new proposed service would be provided by Blue Diamond.
- The proposed plan if approved would transition all Borough residential households to the new solid waste pick-up services, including trash, effective January 1, 2021.

6

- The new service would be quiet, contactless and efficient mechanized pick-up.
 - All trucks have video cameras to confirm trash is properly dumped and the container returned.
- Under the new proposed service, recycling would change to once a week pick-up.
- Residents will be supplied with a recycling toter as well as a separate trash toter. The amount of curbside recycling material pick-up per household will remain as it is now.

- The net discounted price for Borough Consolidated Solid Waste Pick-up Services for resident's would be a flat \$30.00 per month and <u>fixed</u> for 5 years.
- Included in the price are two 96 or 64-gallon toter style trash cans with flip down lids per residential household.
 - Residents may also opt for smaller 64-gallon toters upon request.
 - Some residents have also requested the option for a much smaller 32-gallon toter which the Borough is assessing.
 - Each residential household will receive one recycling and one refuse toter.

8

Consolidated Trash, Recycling & Bulk Pick-up Services Reducing the Carbon Footprint & Noise

- Each toter has an RFID Tag which confirms via computer program when your refuse or recyclables are picked-up.
- Pick-up will be by a clean natural gas-powered environmentally friendly fleet.
- The new fleet will reduce greenhouse gas emissions by 16% and reduce NOx emissions by 90% as compared to diesel.

9

▶ The new fleet is 90% quieter than diesel.

- Can Borough residents be charged separately for Solid Waste Services on their tax bill?
 - No. Currently, Borough residents cannot be charged separately for these services on their tax bill due to changes in State Law. Only communities in the State that have a Solid Waste Special Tax District that was created prior to the 2% Cap may charge for these services as a separate line item on the tax bill. The State is no longer allowing Special Tax Districts to be created.

- Will the Borough pay for any portion of the Solid Waste Services?
 - Yes. The Borough Annual Budget will continue to include funding for a percentage of the Solid Waste Services.
- What if the Borough does not implement Consolidated Solid Waste Services?
 - The Borough will need to Re-bid for just Recycling & Bulk Pick-up. Residential households will still need to be billed for the difference between the lowest bid rate and the Borough annual budgeted amount.

- Why must the Borough begin charging for Solid Waste Services?
 - ► The cost of Solid Waste Services has increased significantly.
 - The Borough cost for Bulk Pick-up and Recycling has increased 128% in the past 3 years or more than <u>doubled</u>.
 - Recycling alone per household has skyrocketed over 250% in the past 3 years or more than <u>tripled</u>.
 - Additionally, recycling disposal costs have gone up from \$10.00 per ton to \$85.00 (750%) in the past 2 years.
 - It is anticipated based on industry estimates, that recycling cost will continue to escalate at this rate going forward. At the same time, Municipalities are statutorily mandated to provide for recycling under ¹² N.J.S.A. 13:1E-99.16.

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Although the Borough Annual Budget will continue to include funding for these service, as it has in the past, it no longer can sustain 100% of the cost. Even without consolidation, it will still be necessary to bill residents for a portion of these cost in order to comply and remain below the Borough's Budget State Mandated Cap of 2%.

How much would the rate go up annually or is it fixed?

- The rate is fixed. There is no annual increase during the 5-year term of the contract. The rate is \$30.00 per month per residential household.
- How will I be billed?
 - Each resident will receive a separate quarterly Solid Waste Bill from the Borough at the beginning of each quarter starting January 1, 2021.
- I have Blue Diamond now and pay more than proposed in the Borough Plan. Why?
 - The rate is less due to consolidated services and larger customer base.

- Can I pay my Solid Waste Bill online and is there an auto pay feature?
 - Residents will be able to pay their bill online at mendhamnj.org. Currently, the Borough does not have an auto bill pay feature that automatically debits your account. However, when possible, we recommend utilizing the auto bill pay feature most checking accounts provide. Since the payment is a set amount, simply set the feature up on a re-occurring payment to automatically make the payment to the Borough.

Is there a Senior/Disabled Citizen rate?

Yes. For qualified senior/disabled citizen residential households the rate is \$28.00 per month.

How do I qualify for the Senior/Disabled Citizen Rate?

The qualifications are the same as for the Sewer Bill Senior/Disabled Citizen Rate. To be eligible for the rate, Seniors must be over 65 and your annual income, <u>excluding Social Security</u>, cannot exceed \$25,000.

- Will additional services be provided for frail or handicapped residents? Is there an extra charge?
 - No. There is no extra charge for frail or handicapped services.
 - Yes. Blue Diamond will provide additional services for residents who are frail/handicapped and cannot put their trash out at the curb. If you have a handicapped placard just provide a copy to Blue Diamond and you will be added to the handicapped service.
 - If you do not have a handicapped placard call Blue Diamond Customer Service directly at 973-598-9800. Their customer service employees are available 5am to 5pm M-F. They will schedule a representative to come out to assess your needs.

- Can I keep my existing trash company?
 - In order to provide a discounted 5-year fixed price, residential households must be billed and share the cost for the new service. Residents may certainly keep their current trash hauler but will also be billed for and responsible to pay for the new Borough service.
- I recently signed a contract and paid for an annual subscription with Blue Diamond. Will Blue Diamond provide a refund?
 - Blue Diamond has agreed to refund the pro-rated amount once the new Borough service starts on₁₈ January 1, 2021.

- When and how should I notify my current waste hauler that I will no longer need their services? How much lead time will they need to cancel?
 - The NJ Customer Bill of Rights Act, N.J.A.C. 7:26H-5.12, as it pertains to trash collection utilities, provides as follows:

Residential Customers who are responsible for hiring their own collection service, have the rightto <u>discontinue</u> <u>service at any time, provided the collector is given seven</u> (7) days written notice.

- The NJ Customer Bill of Rights states that an automatic "renewal clause of any existing contract shall be considered void."
- If Borough residents have a private sanitation pickup arrangement, then pursuant to the NJ Customer Bill of Rights Act for collection utilities, it can be terminated upon seven (7) days' notice. Further, any provisions of the contract that call for automatic renewals is null and void.

Will trash containers be provided?

Yes. Two toters will be provided. There is no extra charge for the toters.

What are the dimensions of the toters?

- The 96-Gallon toter is 46" height, 26" width, 34" depth. The 64-Gallon toter is 41.5" height, 24" width, 27" depth.
- What is the average life of the provided toters?
 - The toter are extremely durable and last about 10 Years.

- What are the colors of the toters?
 - The toter for Recycling is Gray and Trash is Blue.
- What if I don't need a 96-gallon trash can toters because we make little trash?
 - We recommend the 96-gallon toters, but residents may opt for the smaller 64-gallon toters. The billing rate remains the same regardless of the size of the toter.
 - The Borough is also evaluating 32-gallon toters.

What if I need an additional trash can toter?

- Call Blue Diamond Customer Service directly at 973-598-9800. Their customer service employees are available 5am to 5pm M-F. Request & Schedule an additional toter. Blue Diamond will bill you directly. The monthly fee for the extra toter and service is \$21.00.
- Are the trash & recycling toters animal resistant?
 - The trash and recycling toters meet the industry standard for animal resistance and have a flip down lid. Unfortunately, NO container is 100% animal proof i.e. Bears.

- How do I get rid of the old containers for trash and recycling?
 - If you own your own trash cans and want to dispose of them, put them out on Bulk Pick-up Day and Blue Diamond will pick them up. We recommend putting a note on the cans that say "TAKE".
- I am concerned over Covid-19. Will Blue Diamond touch my can?
 - The pick-up system is mechanized and provides contactless pick-up of your trash and recycling toters.

- What do I do if I have additional trash that I need picked up occasionally, like after a big party and it does not all fit in the provided trash can toter?
 - Put the extra loose trash bags that do not fit into your trash toter out at the curb on Bulk Pick-Up Day. It will be picked up by Blue Diamond.
- I use a bungie cords on my trash containers. When I put my trash and recycling toters out do I need to remove the bungie cord? Yes. The bungie cord must be removed. For the mechanized system to work properly the lid cannot be locked down on pick-up day.

- What do I do with large heavy-duty cardboard boxes that do not fit in the Recycling Toter?
 - Cardboard boxes as much as practicable, should be cut down or folded and placed in the recycling container. If too large or heavy duty, simply place it on the ground next to the recycle toter and the driver will take when he picks up the recycle toter.
- Will Private Roads be picked up curbside?
 - The proposal includes curbside residential solid waste pick-up for residents on both public and private roads. The Borough will seek to require such services unless the condition of the road prevents the trucks from obtaining curb side access.

- Will recycling and garbage be picked-up on the same day?
 - Once the Blue Diamond Contract is finalized the pickup dates will be confirmed. The Borough's goal is to continue Bulk-pick-up on Mondays and Recycling on Thursdays. Recycling will change to once a week.
- Who do I call if my trash is not picked-up?
 - Call Blue Diamond Customer Service directly at 973-598-9800. Their customer service employees are available 5am to 5pm M-F. They will check their computerized tracking program and set up pick-up.

- Why does the Borough have to provide recycling? I can get it through my current hauler.
 - Although you may pay for private recycling, municipalities are required to provide for recycling under N.J.S.A. 13:1E-99.16. Recycling must be provided by <u>one</u> of the following methods:
 - Recycling Depot Center
 - Pick-up through a contracted hauler
 - Or service agreement with the County

Doesn't it cost more for weekly recycling?

- Two factors affect recycling:
 - Collection = Volume (tonnage)

Disposal = Expense

Whether recyclables are collected weekly or bi-weekly, the cost for the disposal is the same.

The bid price for recycling is based on the average tonnage collected in prior years as reported by the Morris County Municipal Utility Authority and required per the Bid specs.

- Will the recycling still be single stream and same service amount?
 - Yes. The recycling will remain as single stream and the same amount. The service level will change, and recycling will be curbside pick-up every week, not every other week as it is now. Everything must be placed in the supplied recycling toter. It will be mechanical contactless pick-up.
- Why curbside recycling? Curbside recycling pick-up is convenient while encouraging recycling and makes it simple to recycle.

- Will rules for bulk trash pick-up be the same as it has been?
 - Yes. The rules remain the same. Full rules are available on the website.
 - Appliances or "White Goods" that contain Freon (Chloro-Floro Carbon) require special handling before bulk trash pick-up.
 - Freon must be removed from items, such as refrigerators, freezers, air conditioners, etc. before collection will occur. Each item must have a sticker provided by an authorized company in order to be collected curbside.

NOT ACCEPTED

- Computers/Televisions
- Construction Waste: Building construction, alteration/demolition waste, lumber, asphalt shingles, concrete slabs, steel, iron, concrete or PVC pipes, railroad ties, or any type of fencing materials.
- Wooden Swing Sets/Playhouses

- Will the Department of Public Works still provide recycling at their site?
 - No. With the new program all recycling would be provided and picked-up curbside once a week.
 - > The dumpster drop-off system is redundant with curbside pickup.
 - Based on national household recycling averages over 47% of the dumpster usage is from outside of the Borough increasing recycling disposal cost.
 - The Morris County mandatory recycling processing fee for disposal has gone from \$10.00 per ton to \$85.00 per ton in 2 years.
 - > When the dumpster system was originally set up the recycling processing fee was \$0.

- Will the Morris County Compost Facility Dumpster for Grass & Leaves still be available at Department of Public Works?
 - Yes. The County Compost Dumpster for Grass & Leaves will still be available for use at the Department of Public Works. The service and rules for disposal are the same:
 - No Brush, Limbs or Plant Waste is allowed in the dumpster.
- Will Book Recycling still be available at the Department of Public Works?
 - > Yes. Book Recycling services will remain the same.

- Will Electronic Recycling still be available at the Department of Public Works?
 - Yes. Electronics Recycling services and rules will remain the same and continue <u>Saturdays Only</u> from 8am - 3pm.
 - ► ACCEPTED ITEMS
 - Computer Monitors (Flat Screen Only)
 - > Desktop Computers
 - Desktop Fax Machines
 - > Desktop Printers
 - Laptops
 - > Tablets
 - > Televisions
 - ▶ NOT ACCEPTED PUT OUT AS BULK-PICK-UP ITEMS
 - > CRT monitors (the ones with the large back)
 - > Appliances containing refrigerant such as refrigerators/air conditioners.
 - > Microwaves

Will the new Borough service reduce the carbon footprint?

- Yes. The new fleet will be clean natural gas powered. The fleet reduces greenhouse gas emissions by 16% and reduces NOx emissions by 90% as compared to diesel.
- Will the new Borough service save wear and tear on our roads?
 - Yes. The Borough currently has four different private Solid Waste haulers providing weekly trash pick-up on the same roads. The new Borough Consolidated Service will reduce the number of heavy refuse trucks on our roads. The cost of paving the roads goes up every year. By reducing the frequency that these heavy trucks travel on our roads we can prolong the pavement life longer, ultimately reducing paving costs to taxpayers.
- Will the new service significantly reduce noise?
 - > Yes. the new fleet is 90% quieter than diesel.

What was the Bidding process?

- Bidding for solid waste services must conform to the requirements of the Local Public Contracts Law (N.J.S.A. 40A:11-1 et seq.) and the Solid Waste Management Act (N.J.S.A. 13:1E-1 et seq.).
- This involved a sealed process with advertising and notice, not an RFP process.
- The Borough, to gain as much exposure for the bid opportunity as possible, advertised the bid in both the Daily Record and the Star Ledger on April 27, 2020, nine weeks in advance of the June 30, 2020 bid opening date. The Notice to Bidders was posted on the Borough's website on the same day. Additionally, notices to bidders are published by the Star Ledger and the New Jersey Press Association on their websites to ensure maximum circulation of bid notices.
- Interested parties are responsible for monitoring legal notices for bid opportunities.

How many bids were received?

- One bid proposal was received at the bid opening.
- The Borough Attorney's office reviewed the bid for compliance with the Local Public Contracts Law and determined that it was responsive pursuant to law. That bidder was deemed the lowest responsive, responsible bidder.
- The Local Public Contracts Law requires the lowest responsive, responsible bidder be awarded the contract. A Bid that is responsive cannot be disqualified because only one bid was received.
- The time to award the contract was extended to October 15, 2020, as permitted under the law. However, that extension does not alter the requirement to award the contract to the winning bidder or allow the Borough to permit another interested party to submit a bid.
- Once the bid opening is complete, no other bids may be accepted. The Governing Body is bound by the statutory requirements of the Local Public Contracts Law.