

FREMONT TOWNSHIP MEETING MINUTES

August 1, 2019 7:00 P.M.

Refuse Hauling Pre-Bid Roundtable Discussion:

Location: 22385 W. Highway 60, Mundelein, IL 60060

1. CALL TO ORDER

- Supervisor O’Kelly called the meeting to order at 7:00 p.m.

2. ROLL CALL

Community Representatives Present: Tim Cardwell, Lin Galloway, Diana O’Kelly, Dan Prezell, Kevin Shifley, Connie Shanahan, Nick Tonkery,

Others Present: Donna Cardwell, Michael Nelson, Herb Riedel, Keith Voss

Haulers Present: Josh Molnar (Groot Industries), Steve Schweinsberg (Prairieland Disposal)

3. PUBLIC COMMENTS

None

4. REFUSE HAULING DISCUSSION

- Haulers from Prairieland Disposal and Groot Industries explained their services and partnerships with other municipal and township franchises. Both can provide required services including waste disposal, recycling, electronic recycling (additional fee or yearly pick-up date) and leaf disposal (subscription or cost shared by all in franchise).
- Groot currently services 78 municipalities/townships in northeast Illinois. Prairieland Disposal services 12 municipalities/townships including 50,000 homes and services private HOA’s in Fremont Township. Prairieland uses one-pass trucks (recycling and disposal). Groot does not. Prairieland representative believes their strength is that they’re a local, family owned business with excellent customer service. Groot representative believes their advantage is that they own three local landfills. Prairieland dumps at a transfer station in Crystal Lake owned by Waste Management. Groot rep said owning their own landfills (80% profit for each load) allows them to control better pricing for consumers. Both haulers prefer the bond be lowered to \$25,000 but will not turn away bid if bond is set at \$100,000.
- Both haulers agree that tying a contract to a third party (SWALCO) ties their hands regarding where they can dump waste or recycling (specific landfill versus any IEPA permitted facility). When a contract specifies that refuse can only be dumped at a SWALCO preferred location, SWALCO receives a “tipping fee” for each load. The tipping fees are used by SWALCO to support community programs and services. Both haulers contract for SWALCO approved disposal sites and non-SWALCO approved IEPA permitted disposal sites. If township does not want to be tied to a third-party agreement, it should be eliminated from working RFP.
- Currently, recycling dumps cost twice as much as waste disposal. Community needs to be educated about what can and cannot be recycled. Haulers are penalized at dumping station if recycling loads are not clean (i.e. no prohibited items in load). Haulers often notify customers if they are improperly disposing recycling items. Prairieland uses a tagging system to notify residents.
- Leaf disposal is a hardship for some township residents and not others. Both haulers agree that a leaf vac program can be difficult for them due to weather variations, but each will work with

township to ensure the program is a success if implemented. After discussion, consensus of community representatives and haulers is that two RFP's should be prepared: one that includes leaf vac services and one that does not. If cost to include leaf vac services is cost prohibitive, residents and/or HOA's would have to work with hauler to arrange services for additional fees. Prairieland will contract with private residents to provide leaf vac services. Groot does not. Both haulers can provide 95-gallon totes for yard waste for an additional fee.

- Both haulers agree a longer duration for contract is price beneficial. Rates drop when economies of scale are larger and guaranteed for longer periods of time. Five-year contracts are industry standard. Typically, contracts are structured with guaranteed rates for year one with incremental increases (usually based on CPI) for successive years. If township wants to know rates for all five years, the RFP should be prepared with five columns (years one, two, three, four and five).
- Both haulers offer snowbird (pause in service) up to three months
- Both haulers have modern truck fleets (Prairieland is side loading; Groot is overhead loading) and experienced truck drivers.
- Haulers explained that current pricing throughout the township varies from resident to resident based on when they contracted service (fewer customers equals higher pricing). This is industry standard due to economies of scale.

5. PUBLIC COMMENTS

None

6. ADJOURN

TIME: 9:00 p.m.