

LOWMAN S. HENRY, Chairperson ROBIN L. LINDSEY, Vice-Chairperson CHRIS JUDD NORMAN C. ZOUMAS PAUL W. NAVARRO

Dear Residents.

RECTED 1767

We are writing to inform you about the new trash contract that will be effective as of July 2, 2023. As you may already know, rising fuel and labor costs have caused many municipalities across the country to experience a significant increase in trash collection rates.

In 2022, for example, Derry Township saw an 89.7 percent trash increase to \$113.85 per quarter, and Middle Paxton Township collection rates nearly doubled to \$600 per year.

How we arrived at a new contract

The Township's five-year contract with Waste Management ends July 1, and Waste Management refused to extend the agreement. As a result, the Township was required to put the contracts for waste and recycling out to bid. Over 80 haulers were contacted directly with the bid invitation in addition to those reached through the public advertisement. Of these 80+ haulers, only three companies bid, with Penn Waste emerging as the lowest responsible bidder. By state law, the Township is required to award the contracts to the lowest responsible bidder.

Cost – and what the Township is doing to mitigate the impact

When the new Penn Waste five-year contract goes into effect in July, the quarterly base rate will increase to \$103.52, with additional increases of roughly \$7 per year thereafter. *To lower costs for residents*, the Township will handle billing in-house, which would only cost \$5/quarter – a \$25 savings over Penn Waste's proposal.

New trash cans

All bidders only offered automated collection, <u>requiring residents to use the kind of trash container provided by the hauler</u>. In mid-June, all residents will receive two 96-gallon bins -- one for recycling and the other for trash. **Residents who want smaller containers** can switch to 65-gallon containers after the contract begins in July.

We appreciate your patience and understanding as we work to ensure that the Township's trash collection services are cost-effective and sustainable. For more information and updates, please visit the Township's website at **www.LowerPaxton-Pa.gov**. Penn Waste will also provide additional information on service-related topics soon.

Sincerely,

Bradley Gotshall

425 PRINCE STREET, HARRISBURG, PA 17109 717-657-5600 / FAX 717-724-8311 www.lowerpaxton-pa.gov





