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April 15, 2021

Mr. Spenser Shambray, CPPB  
Purchasing Manager  
City of Margate Purchasing Division  
City Hall  
5790 Margate Blvd.  
Margate, FL 33063

RE: RFP #2021-004, Garbage and Recycling Collection Services

Dear Mr. Shambray:

Waste Management Inc. of Florida ("Waste Management") appreciates the opportunity to participate in the City of Margate's Request for Proposal #2021-004, Garbage and Recycling Collection Services. Waste Management, as the City's provider for decades, holds extensive experience with the Margate service area, community and their unique requirements. Our operation as Margate's solid waste, recyclables, and bulk and yard waste services provider has evolved over the years into one of the most comprehensive and responsive service packages in the area.

We have greatly valued our partnership with the City of Margate over the years, which is why it is with regret that Waste Management is providing this Letter of No Bid in response to the City's current solid waste solicitation, RFP #2021-004.

As I am sure you understand, a business entity must meet certain parameters in order to maintain economic viability. Unfortunately, critical components within the current solicitation, as presented, make these parameters very difficult, if not impossible, to attain. These components include:

- **Annual Adjustment to Collection Component of Rates**. The RFP provides that the City will utilize the CPI-G&T index; however, the rate is "capped" at 3% with no "catch up" adjustments in future years. While we appreciate the City's selection of a pricing adjustment index more closely aligned with industry trends, the limitations placed on the adjustment typically result in higher initial residential rates.
- **Service Options**. The RFP and all clarifying Addenda provide multiple service options for solid waste, recycling and bulk and yard waste services. Ultimately, the City Commission will select the services to be provided by the Contractor at some point in the future. It is unknown whether recycling service, along with the accompanying programs, will be required upon the commencement of the Franchise Agreement. It is also unknown whether unlimited weekly bulk and yard waste service will continue to be required by the City or if a cap may be placed on bulk service and the level of service may decrease. A significant amount of integral information remains outstanding until the Commission makes its decision. In turn, the indecision makes it

difficult for Waste Management to determine the economic viability of providing competitive pricing for services that remain undefined.

- **Recycling Enforcement/Audit.** The requirements of the recycling enforcement program are vast and include the provision of labor, equipment and management. The proposed recycling audit and its associated reporting will not only be costly, but may not be the most efficient or ideal way to provide the City and its residents with information regarding contamination.
- **“Optional” and “Pilot” Programs.** The requirements of the Optional and Pilot programs necessitate additional financial and other review once the solid waste, recycling and bulk and yard waste services are selected since the programs can be implemented and/or terminated at any time during the Agreement, upon notice of 90 and 180 days to the Contractor.
- **Administrative Charges.** The City may assess significantly increased administrative charges and deduct such charges from payments to the Contractor. There is no procedure for Waste Management to challenge or negotiate the assessment of Administrative Charges.
- **Operation During Storms.** Waste Management is not in the disaster debris removal business. As such, Waste Management cannot provide the requested assistance with disaster debris removal services to the City during storms.
- **Protection of Public and Private Property.** All claims of Waste Management are handled by its insurance company. Claims are submitted and evaluated subjectively by adjusters of the insurance company. It would therefore be impossible to repair any damage within three days after the Contractor receives notice that the damage occurred as required by the RFP. The RFP requirement and the procedures of the insurance company are in conflict.

No other environmental service provider understands the service intricacies, requirements, and needs of Margate’s residential and business customers better than Waste Management. We have proudly provided service to the City of Margate for many years, which is why our decision to not respond to this RFP is particularly difficult. However, the concerns outlined previously are too great to overcome to provide a competitive proposal.

Should the City reconsider its current solicitation and re-issue the RFP, we would welcome the opportunity to review any new documents.

We look forward to continuing to serve the City throughout the remainder of the current term of the Franchise Agreement, and any extension to which we collectively agree. Should you have any questions, please feel free to contact me at (954) 234-5179 or via email at [jsiegel@wm.com](mailto:jsiegel@wm.com).

Sincerely,

*Jodie Siegel*

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Waste Management Inc. of Florida