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January 29, 2016

Mr. Mark Watson  
City Manager  
City of Oak Ridge  
PO Box 1  
Oak Ridge, TN 37831

Dear Mr. Watson,

I am writing to express my concern regarding a proposal to extend the contract of your current waste collection provider without a competitive procurement process.

I understand city leaders are considering a contract extension with Waste Connections, despite there being more than five years of life remaining on Waste Connections' existing agreement with the city. I also understand you have been led to believe by your current provider that a competitive bidding process would result in an increase to your current rates.

To the contrary, I can cite numerous instances of late where local governments' rates for waste collection service were dramatically reduced as a result of a procurement process. As a reference, I have attached a list of these examples.

Secondly, I don't understand why the city is in such a hurry to extend a contract when there's more than five years remaining on the existing agreement. If you talk to local officials in Soddy Daisy, Madisonville, Cleveland and Tellico Village, they will confirm a procurement process substantially lowered disposal rates for their constituents. (See attachment.) My company, Santek Waste



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Services, was instrumental in the process and we welcome an opportunity to do the same for the City of Oak Ridge.

Please allow our free enterprise system to work for the benefit of your constituents. I encourage you to let the existing contract run its course and, then, allow solid waste collection companies in the market place to put their best offers on the table. I'm confident you will reap significant savings!

I've included a company profile which I will also make available to your mayor and city council members.

Please feel free to contact me with any questions or concerns.

Sincerely,

A handwritten signature in black ink, appearing to read "K. Fuquea", with a long horizontal flourish extending to the right.

Kenny R. Fuquea  
VP of Business Development  
Santek Waste Services of TN.  
706-463-0020  
[Kfuquea@santekenviro.com](mailto:Kfuquea@santekenviro.com)

# Market Area Competitive Bid Pricing

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Pursuing a procurement process encourages vendors to keep their prices competitive and has proven to be successful in municipalities reducing rates to their residents.

Soddy Daisy, TN is a great example of how competitive pricing can reduce the cost per home. Each time the City of Soddy Daisy has released a Request for Proposal it has saved residents money.

The attached table is a history of residential solid waste services of cities in Oak Ridge's market area that participated in competitive bidding.



<i>City</i>	<i>Type of Service</i>	<i>Price Per Home Before Bid</i>	<i>Bid Date</i>	<i>Competitive Bid Price Per Home</i>	<i>Savings Per Home</i>
Cleveland, TN	Residential Curbside Collection; No Cart	2013 Waste Connections \$6.90	June 2013	Santek \$6.21	<b>\$0.97 Per Home</b>
				Waste Connections' \$5.93 *Awarded	
Madisonville, TN	Residential Curbside Collection; No Cart	2012 Waste Connections \$12.39	January 2015	Santek \$7.37	<b>\$5.22 Per Home</b>
				Waste Connections' \$7.17 *Awarded	
Soddy Daisy, TN	Residential Curbside Collection; No Cart	2012 Waste Connections \$8.14  2015 Waste Connections \$7.85	April 2015	Santek \$7.39	<b>\$0.54 Per Home</b>
				Waste Connections' \$7.47	
				Priority Services' \$7.31 *Awarded	
Tellico Village POA, TN	Residential Curbside Collection; 95-gallon Cart and 18-gallon Recycle Bin	2014 Waste Connections \$14.56	June 2014	Waste Connections' \$13.17	<b>\$1.88 Per Home</b>
				Santek \$12.68 *Awarded	