

CITY OF BATAVIA

DATE: May 11, 2018
TO: Committee of the Whole – City Services
FROM: Gary Holm, Director of Public Works
Scott A. Haines, Street Superintendent
SUBJECT: Resolution 18-65-R: Authorizing Execution of a Contract with Lakeshore Recycling Systems, LLC for Solid Waste Services

Background

COW directed staff to seek proposals from various waste haulers at a meeting this past January. Staff joined together with the City of Geneva and City of St. Charles to develop a Request for Proposals for Tri-City Solid Waste Services. It was thought that this collaboration would result in more favorable prices due to economies of scale, although separate proposals were required for each municipality.

A few changes to the current program included in both RFP options include yard waste collection for the first two weeks of the season without stickers, pricing for electronic recycling based on stickers, optional cost for spring cleanup pricing, and the ability for residents to add food scrap items to yard waste (fruits, vegetables, grains, pastas).

Under Option #2, residents can place an additional refuse item outside the toter without a sticker, while any more refuse items would require a sticker. The additional item can be any disposal unit (32-gallon can or bag, one bulk item, one white good, or one bundled item under 50 pounds of household waste such as carpet, as defined in the RFP). Also included in Option #2 is a 65-gallon yard waste toter with a monthly rental or pay per tip.

A Request for Proposal was advertised publicly and proposals were sought from several waste hauling vendors. The RFPs included two options. **Option #1** is referred to as Volume Based Sticker Program with Recycling Toters and Optional Refuse Toters, which is the same program we currently operate. **Option #2** is referred to as Refuse and Recycling Toter Program. This option would require all residents to select a 35/65/95-gallon toter for refuse and pay for those services quarterly at a monthly rate.

Proposals for the Tri-City Solid Waste Services were opened and read aloud publicly on May 7 at Geneva City Hall. Advanced Disposal, Lakeshore Recycling Systems, and Groot all submitted proposals. A complete five-year proposal from each of the three vendors is attached. Below are side-by-side comparisons of Year 1 only for **Option #1** and **Option #2**, both of which present a cost savings to our residents.

Option #1 – Year 1

Volume Based Sticker Program with Recycling Toters & Optional Refuse Toters

Item	Lakeshore Recycling Systems	Advanced Disposal	Groot	Current Contract
Refuse Sticker	\$2.60	\$3.10	\$4.20	\$3.40
Yard Waste Sticker	\$2.60	\$3.10	\$4.20	\$3.40
Half Refuse Bag	\$2.00	\$2.05	\$2.40	\$2.21
Recycle Toter	\$0	\$0	\$0	\$0
35-Gal. Refuse Monthly	\$17.25	\$22.00	\$26.00	\$22.66
65-Gal. Refuse Monthly	\$18.25	\$23.25	\$27.00	\$23.85
95-Gal. Refuse Monthly	\$19.25	\$25.00	\$28.00	\$25.04
65-Gal. Yard Waste	\$25.00	\$29.81	\$16.56	\$29.81

Option #1 - Volume Based Sticker Program with Recycling Toters & Optional

Refuse Toters: Based on Lakeshore Recycling Systems’ pricing, residents who average 1 sticker/week would save \$41.60/year, half-refuse bag users would save \$10.92/year, while residents who use the 65-gallon refuse cart would save \$64.92/year based on our current contract.

Option #2 – Year 1

Refuse and Recycling Toter Program

Item	Lakeshore Recycling Systems	Advanced Disposal	Groot
35-Gal. Refuse Monthly	\$11.50	\$14.00	\$17.00
35-Gal. Senior Refuse Monthly	\$11.50	\$8.75	\$12.50
65-Gal. Refuse Monthly	\$12.25	\$17.00	\$18.00
95-Gal. Refuse Monthly	\$13.95	\$18.25	\$19.50
65-Gal. Yard Waste Monthly	\$25.00	\$19.00	\$13.33
65-Gal. Yard Waste Pay/Tip	\$5.50	\$1.68/month + 3 stickers/use	N/A
Refuse Stickers for Extra Items	\$2.75	\$2.35	5 @ \$2.30
Yard Waste Stickers	\$2.75	\$2.35	\$2.30

Option #2 - Refuse and Recycling Toter Program: Residents who average 1 sticker/week could use the 35-gallon toter alternative at \$11.50/month which is \$0.22/month more than a month’s worth of stickers in Option #1 but still \$38.96/year less expensive than our current contract; they would no longer need to go to a store to purchase stickers or utilize a garbage can, plus they would be able to put out one additional item each week with no charge. Current 65-gallon toter users would save \$139.20/year based on the LRS pricing as compared to our current rates and save \$57/year less than the next lowest vendor proposal; they would no longer need stickers or a can, plus they would be able to put out one additional item each week with no charge. LRS initially did not provide a discounted price for the senior refuse toter, but they have since clarified their proposal to include the half-bag option with Option #2.

Staff Recommendation

Over the past few days Staff has reviewed the details of each proposal and has performed additional due diligence related to the lowest cost proposal for both options which was submitted by Lakeshore Recycling Systems, LLC (LRS). Staff contacted several other communities currently served by LRS. The communities provided positive comments about LRS's day-to-day performance. We specifically asked them about the transition period during which LRS assumed service from another vendor. The other communities indicated that their respective transitions went smoothly and they commended LRS's transition team. The most significant issue noted was of a community's prior vendor not sharing accurate route information with LRS. This resulted in some service issues within the first few months. The community noted that LRS was able to work through the issues and that they are now very pleased with LRS's performance.

On May 10 we met with LRS to review the details of their proposal and to discuss the potential transition for Batavia. LRS assured us that they have already taken steps internally within their organization to make any transition as seamless as possible. They have been in contact with toter and garbage truck manufacturers. They are confident that they can have everything in place by the proposed start date of the contract. LRS informed us that Batavia's collection days are not expected to change unless something unexpected happens with one of the other Tri-Cities.

Based on our review, we feel that LRS has submitted the most competitive proposal. Staff recommends awarding a contract to Lakeshore Recycling Systems, LLC and utilizing Option #2 which represents a transition to a Refuse and Recycling Toter Program. The waste disposal industry is moving towards usage of toters for refuse and recycling for greater efficiency. We believe this is the most equitable option for our residents because of the significant cost savings, and it will promote uniformity and cleanliness throughout the community.

Recommended Committee and Council Action

Recommend to waive formal bidding and approval of Resolution 18-65-R authorizing execution of a contract with Lakeshore Recycling Systems, LLC for Solid Waste Services

Attachments : RFP for Tri-City Solid Waste Services Including Addendums 1 & 2
Service Area Map
Downtown Refuse Can Map
Detailed Five-Year Proposals

**CITY OF BATAVIA
RESOLUTION 18-65-R**

**APPROVING TRI-CITY SOLID WASTE SERVICES CONTRACT
WITH LAKESHORE RECYCLING SYSTEMS, LLC**

WHEREAS, the City of Batavia has determined the need to provide Solid Waste Services for its residents, and

WHEREAS, a Request for Proposals for Tri-City Solid Waste Services was developed with the City of Geneva and City of St. Charles, and

WHEREAS, the Request for Proposals for Tri-City Solid Waste Services was advertised publicly, and

WHEREAS, proposals for the Tri-City Solid Waste Services were opened and read aloud publicly on May 7, 2018, at Geneva City Hall, and

WHEREAS, the lowest cost proposal was submitted by Lakeshore Recycling Systems, LLC, and

WHEREAS, references were checked and found to be favorable, and

WHEREAS, it is in the best interest of all citizens to enter into a Solid Waste Services contract with Lakeshore Recycling Systems, LLC;

NOW, THEREFORE, BE IT RESOLVED, by the City Council of the City of Batavia, Kane and DuPage Counties, Illinois, as follows:

Section 1: That the Mayor and City Clerk are hereby authorized to execute a Solid Waste Services contract with Lakeshore Recycling Systems, LLC in accordance with the contract terms and proposal documents attached hereto as Exhibit A.

CITY OF BATAVIA ILLINOIS RESOLUTION 18-65-R

PRESENTED to and **PASSED** by the City Council of the City of Batavia, Illinois, on the 21st day of May, 2018.

APPROVED by me as Mayor of said City of Batavia, Illinois, on the 21st day of May, 2018.

Jeffery D. Schielke, Mayor

Ward	Aldermen	Ayes	Nays	Absent	Abstain	Aldermen	Ayes	Nays	Absent	Abstain
1	O'Brien					Salvati				
2	Callahan					Wolff				
3	Meitzler					Chanzit				
4	Malay					Stark				
5	Uher					Theilin Atac				
6	Cerone					Russotto				
7	McFadden					Brown				
Mayor Schielke										
VOTE:		Ayes	0 Nays	Absent	0 Abstention(s) counted as _____					
Total holding office: Mayor and 14 aldermen										

ATTEST:

Ellen Posledni, City Clerk