


Village of Oak Park
Department of Public Works
Administration Division
MEMORANDUM

DATE: October 1, 2021

TO: Lisa Shelly, Interim Village Manager

FROM: John P. Wielebnicki, Public Works Director 

CC: Ahmad Zayyad, Deputy Village Manager
Rob Sproule, Assistant Public Works Director
Cameron Hendricks, Environmental Services Manager
Steve Drazner, CFO

RE: Solid Waste Collection Request for Proposals Review

Purpose

The Public Works Department requested proposals (RFP) for Solid Waste Hauling services for approximately 11,200 residential properties with five or less units within the Village. The proposed waste hauling contract is a five-year agreement (April 2022 – March 2027) with the option to extend the agreement for a period of one to three years. Four Waste Hauling Contractors initially expressed interest in the contract and attended the pre-bid conference. On the close date of August 19, 2021, two waste haulers submitted proposals, Waste Management (WM) and Lakeshore Recycling Services (LRS). The Waste Collection Proposal Summary is attached.

Background

The Village has contracted with Waste Management for waste hauling services for over 25 years. The current agreement with WM expires on March 31, 2022.

Oak Park is unique with a dense population and 100 miles of alleys. The Village's residents have a devote focus on environmental consciousness and sustainable practices. The Villages current waste hauling programs reflect that focus with unique services including: At Your Door Hazardous Waste and Electronic waste collection (including latex paint), residential food scrap collection, street leaf collection, a full fleet of CNG vehicles for refuse collection, annual recycling audits and outstanding customer service.

The solid waste collection program is funded by fees collected from Village property owners who are billed for refuse service quarterly. Village policy requires the solid

waste collection program be 100% funded by user fees. There are no subsidies to support the program, similar to fees collected for water and sewer usage.

Discussion




WM and LRS submitted proposals that encompass all the services currently included in the Village's waste hauling program. In addition, staff requested alternate pricing for possible modification to the current compost program and annual fall leaf collection. Provided below is an overview of the proposals along with staff recommendations. Staff presented the proposals to the Environment and Energy Commission on Wednesday September 22 for their review. Their recommendations are incorporated as well.

The following items are highlighted for discussion:

- Base Refuse Service
- Food Scrap/Yard Waste service
- Fall Leaf Collection
- Customer Service Program Modification
- Proposed Rates for Service

Base Refuse Service

Base Refuse Service includes the weekly collection of trash and recycling. The basic refuse service also allows for the scheduling and collection of household hazardous waste, latex paint and electronics. Pricing shown below is for collection only and is not the cost to users (see note *).

Base Services			 Hauler Rates 2021
* Municipal Trash (96 or 64-gallon container) Includes Electronic & Hazardous Waste	\$19.93	\$15.60	\$15.50
Recycling (64-gallon container)	Included in monthly rate	Included in monthly rate	Included in monthly rate
Additional Recycle Cart (per month)	\$3.00	no charge	no charge
Additional Trash Cart	\$20 per unit	\$3 per month	no charge
*Pink Trash Sticker Cost	\$1.98	\$2.70	\$1.54
GreenYard Waste sticker cost	\$3.55	\$2.70	\$2.76

* rate does not include disposal fee, administrative costs, alley fee and fall leaf collection fee.




Staff Recommendation: The Village enter into an agreement with LRS.

EEC Recommendation: The commission recommends selection of LRS.

Food Scrap/Yard Waste Service

Village Staff emphasized the importance of the food scrap/yard waste program during the bidding process. Both proposers were able to fully accommodate the program as specified in the RFP including providing an option for food scrap/yard waste service to locations not serviced by the Village Solid Waste Collection (residential structures with 6 or more units) and food scrap collection service at up to three drop off locations.

Pricing is based on the current "Opt-in" program and the alternate pricing includes a Universal (All-in) program. Note that the Opt-In program provides a 96-gallon container while the Universal program provides a 35-gallon container. Also note, the LRS proposal for food scrap/yard waste collection does not include collecting meat products.

Food Scrap / Yard Waste			 Hauler Rates 2021
*Food Scrap/Yard Waste (96-gallon container) Base Program-Opt in	\$20.13	\$15.00	\$15.92
GreenYard Waste sticker cost	\$3.55	\$2.70	\$2.76
Alternate Pricing			
*Food Scrap/Yard Waste (35-gallon container) Universal Program cost per month	\$22.39	\$11.00	N/A

*LRS does not accept meat as part of their food scrap program.

Staff Recommendation: Maintain the current Opt-in Program. Staff believes moving to Universal program would require additional conversation since this will impact approximately 8,700 customers who currently haven't opted into the program, some being fixed income seniors and low/moderate income families. LRS has committed to keep the option open to change to the universal composting service starting in year two if so desired by the Village Board.

EEC Recommendation: The commission recommends maintaining the current Opt-in Program with the expectation that the resulting financial savings go towards education about composting and the haulers meat restrictions (i.e. lid labels).




Fall Leaf Collection

Historically, the Village has collected leaves from private and parkway trees across the Village during the fall season. Since 1994, the Fall Street Leaf Collection Program has been provided as a joint operation between the Public Works Department and the waste hauling contractor, Waste Management.

The process for collection includes three Public Works staff members working nights (11pm – 11am) to push leaves to the end of the block. The waste hauling contractor utilizes a maximum of three crews (minimum of three people per crew) to collect the

leaf piles. The leaves are currently being composted at Waste Management's commercial compost facility in Joliet.

The Base Fall Leaf Collection Program pricing is the current leaf collection program as described above (raking leaves into the street). Pricing for two (2) alternative programs was also collected. Both alternatives are for the collection of bagged leaves in the alley. One program requires the use of yard waste stickers purchased by the resident. With either option residents would no longer be allowed to rake leaves into the street.

Fall Leaf Collection			 Hauler Rates 2021
Base Fall Leaf Collection Program (6-week collection) cost per year	\$252,700.00	\$184,000.00	\$194,316.00
Alternate Pricing			
① Bagged/Rigid Container Collection Program (6-week collection)	\$197,900.00	\$145,000.00	N/A
② Bagged/Rigid Container Collection Program (6-8 week collection) per sticker	\$3.55	\$2.70	N/A

Staff Recommendation: Maintain the existing Base Fall Leaf Collection Program. While alternate program pricing is lower, both alternate options will result in additional cost to the Village as Public Works staff will need to be street sweep the streets clean of leaves and haul those leaves to the composting facility. This is currently done by the waste hauler but would become the Village's responsibility.

Staff also recommends charging those not part of the Village Waste Hauling Program (commercial properties and residential units of 6 or more) for their use of the leaf collection program. Currently these properties utilize the program by putting their leaves in the street but are not charged for the service as it is paid through the refuse bill. By including these additional users, the monthly cost per user would go down.

EEC Recommendation: The commission recommends maintaining the current Base Fall Leaf Collection Program.

Customer Service Program Modification

User questions and complaints regarding the refuse program are currently processed by the Village call center. Issues that need attention from the Waste Hauling Contractor are forwarded to the contractor at the end of the day to have the issues addressed no sooner than the next business day. Both Waste Haulers have state of the art customer service call centers that have direct access to the staff and equipment in the field. They are often able to address issues within the same business day. Both haulers have offered to provide customer service support at part of their proposal for no additional cost. Residents will be able to contact the waste hauler directly by calling a designated number and/or using a website hosted by the waste hauler specific to the Village of Oak Park.

Staff Recommendation: Transfer Customer Service support from in-house staff to the selected Waste Hauler as part of the new contract.

Proposed Rates for Service

Waste Management's current agreement ends on March 31, 2022. They are due an increase of 2.5% effective January 1, 2022 through March 31, 2022. Beginning April 1, 2022, the new rates for service with LRS will take effect.

Below is a comparison of the costs and proposed rates.

Service/Cost per month	96-gallon container	64-gallon container	Food Scrap/Yard Waste
2021 Cost to Village from WM	\$15.50	\$15.50	\$15.92
2021 Total User Cost including: disposal fee, administrative costs, alley fee and fall leaf collection fee	\$27.81	\$26.35	\$15.92
2021 Published Cost to Customers	\$29.06	\$26.39	\$15.68
2022 WM Total User Cost including: disposal fee, administrative costs, alley fee and fall leaf collection fee 1/1/22 - 3/31/22	\$28.20	\$26.70	\$16.32
2022 Cost to Village from LRS: 4/1/22 - 12/31/22	\$15.60	\$15.60	\$15.00
2022 LRS Total User Cost including: disposal fee, administrative costs, alley fee and fall leaf collection fee 4/1/22 - 12/31/22	\$27.91	\$26.41	\$15.00

Base on the costs in the table above, the Village can hold on any User Fee increase for service for **all** of 2022. The 2022 costs for WM and LRS service were incorporated into the proposed Environmental Services Fund budget for fiscal year 2022 and without an increase refuse rates to customers there is a projected surplus of \$20,191 at the end of 2022.

Staff Recommendation: No increase in refuse and composting rates for 2022.

Conclusion

Village Staff interviewed the two haulers that submitted proposals. Both were found capable of delivering exceptional service as expected by the Village of Oak Park and its residents. Additionally, the Village checked references and reached out other

communities that are services by the haulers. Both haulers received positive recommendations. The services outlined are a true “Apples to Apples” comparison with cost being the only major difference between the two.

From the information ascertained by the Village, staff recommend Lakeshore Recycling Services (LRS) as the preferred waste hauler.

Next steps will include Village staff bringing the results of the Proposals and the Staff and Commission recommendations to the Village Board during the 2022 budget review and for final approval at a 2021 Village Board meeting. No rate increase Ordinances would be required this fall.

**Village of Oak Park, Municipal Trash, Recycling Food Scrap/Yard Waste,
Household Hazardous Waste and Electronics Collection - Proposal Summary**

Proposal Number: 21-110

August 19, 2021

		Contractor Proposals			
Item	Unit	Waste Management	LRS	Groot	Republic Services
*Municipal Trash (96 or 64-gallon container)	Cost per Month	\$19.93	\$14.15	No Bid	No Bid
Recycling (64-gallon container)	Cost per Month	included	included	No Bid	No Bid
Household Hazardous Waste and Electronics Program	Cost per Month	included	\$1.45	No Bid	No Bid
Total Cost per Residential Unit per month	Cost per Month	\$19.93	\$15.60	No Bid	No Bid
Food Scrap/Yard Waste (96-gallon container) Base Program – Opt-in	Cost per Month	\$20.13	\$15.00	No Bid	No Bid
Additional Services					
*Municipal Trash Sticker	Cost per Sticker	\$1.98	\$2.70	No Bid	No Bid
Landscape Waste Sticker	Cost per Sticker	\$3.55	\$2.70	No Bid	No Bid
Back Door Collection Service	Cost per Month	\$22.02	\$15.00	No Bid	No Bid
Emergency Requests for Public Service	Cost per Hour	\$140.00	\$135.00	No Bid	No Bid
Base Fall Leaf Collection Program (6-week collection)	Cost per Year	\$252,700.00	\$184,000.00	No Bid	No Bid
Additional week of Leaf Collection	Cost per Week	\$42,116.00	\$36,000.00	No Bid	No Bid
Street Sweeper Disposal	Cost per Pull	\$225.00	\$200.00	No Bid	No Bid
Special Landscape Waste Pickup	Cost per Cubic Yard	\$25.00	\$15.00	No Bid	No Bid
Alternate Food Scrap/Yard Waste Collection Program					
Food Scrap/Yard Waste (35-gallon container) Universal program)	Cost per unit per month	\$22.39	\$11.00	No Bid	No Bid
Alternate Leaf Collection Program No. 1 Pricing					
Bagged/Rigid Container Collection Program (6-week Collection)	Cost per Year	\$197,900.00	\$145,000.00	No Bid	No Bid
Additional week of collection	Cost per Week	\$32,983.00	\$28,000.00	No Bid	No Bid
Alternate Leaf Collection Program No. 2 Pricing					
Bagged/Rigid Container Collection Program (6-8 week Collection)	Cost per Sticker	\$3.55	\$2.70	No Bid	No Bid
Additional Rates					
*Bulk Item Disposal (two refuse stickers)	per item	\$3.96	\$5.40	No Bid	No Bid
*White Goods	per item	\$30.00	\$5.40	No Bid	No Bid
Additional Recycling Cart Rental	per cart/per month	\$3.00	no additional charge	No Bid	No Bid
Additional 96 gallon Carts	per cart or per month	\$20 per cart	\$3.00 per month	No Bid	No Bid

*disposal cost not included.