

VILLAGE OF DOWNERS GROVE
REPORT FOR THE VILLAGE COUNCIL WORKSHOP
JULY 24, 2007 AGENDA

SUBJECT:	TYPE:	SUBMITTED BY:
Solid Waste Contract Process and Specifications	<div style="display: flex; align-items: center;"> <div style="margin-right: 10px;">✓</div> <div> Resolution Ordinance Motion Discussion Only </div> </div>	Michael Baker Assistant Village Manager

SYNOPSIS

A motion is requested directing staff to develop and present to the Village Council for final authorization a Request for Proposal (RFP) for solid waste collection and disposal services after meeting with the Environmental Concerns Commission to solicit comments on the content of the RFP.

STRATEGIC PLAN ALIGNMENT

The Council Adopted Strategic Plan references and supports this item directly and indirectly in the following manner:

- The Village's Strategic Plan identified *Collect and Dispose of Solid Waste* as one of the primary businesses of the Village of Downers Grove.
- The Mission of the Village includes providing *Exceptional Municipal Services*. A supporting objective includes *Continuously Looking for Opportunities for Innovations and for Ways to Improve Management and Service Delivery*. The Mission also includes *Fiscally Responsible* through *Decisions Made with Financial Consequences in Mind*.

FISCAL IMPACT

N/A.

RECOMMENDATION

Approval on the August 7, 2007 active agenda.

BACKGROUND

The Village currently is under a one-year contract with Allied Waste Inc., for collection and disposal of refuse, recycling and yard waste (collectively known as solid waste). The existing contract, which is a one year extension of Allied Waste's previous contract with the Village, will expire on March 31, 2008. Staff is in the process of gathering input from key stakeholders and preparing an RFP with a release date in the month of September. Four primary areas (further described below) have been identified as topics for discussion for the Village Council, which will assist staff in developing the RFP. In addition, a preliminary schedule is provided for the RFP process. Staff is prepared to include the following specifications in the RFP unless directed otherwise from the Council.

The Village's present contract with Allied Waste is a volume-based program, meaning residents pay per bag of refuse and yard waste with stickers costing \$2.27 each. The refuse program in the Village has been volume-based since the early 1990s and presently serves approximately 14,100 households. In addition, the contract offers the option of disposing of refuse in a vendor-issued 64- or 96-gallon tote for which the resident is billed monthly. Yard waste is collected between April and December and also requires a sticker. Recycling is free of charge with costs built into the sticker charges to encourage residents to recycle.

Basic Program Structure and Scope – The present volume-based program has both its advantages and disadvantages. It increases the incentive for residents to recycle and allows residents greater discretion in controlling the costs of solid waste collection. On average, Downers Grove residents use about one sticker per week. The present contract also allows residents some choices by offering the 64- or 96-gallon tote program. In recent years, due to gasoline price increases as well as other industry costs, sticker prices have escalated significantly. Presently, the Village absorbs this increase in sticker costs by directly paying Allied Waste a set fee established in the most recent contract renewal. While the volume-based program structure has been successful in the past in Downers Grove, there are other models available that the Village can explore, including:

1. **Modified Volume-Based** – Residents may place one or two cans at the curb with no sticker required. A sticker must then be affixed to any additional cans.
2. **Variable Rate and Container Size** – Resident may decide what size container meets household needs and then are charged according to this size. Stickers can still be purchased if the container size is exceeded due to unexpected changes in household refuse.
3. **Unlimited Flat Rate** – Establishes a set monthly cost that allows for unlimited pickup within the program's guidelines. This program does not provide incentives to recycle like the above two options.

Single Solid Waste Collector for Businesses in the Downtown – Presently, the Village offers solid waste services to single-family residential areas. There may be an option of extending this service to businesses, specifically within the downtown, in order to consolidate dumpster locations and reduce the number of solid waste collection vehicles in the downtown area. Staff intends to explore options for including this service enhancement in the 2008 contract.

Preference for Fuel-Efficient Vehicles and Practices – In order to further the Village's practice of purchasing environmentally-friendly and fuel-efficient vehicles, staff will include a provision in the RFP which preferences contracts that will use such vehicles or plan to upgrade during the life of the contract.

Yard Waste/Leaf Collection – The contract currently requires that yard waste, including leaves, be properly bagged or bundled and a separate yard waste sticker be attached prior to collection. In the past, staff has presented alternatives for the provision of this service that attempts to address some of the concerns regularly raised by residents. Options include the following:

1. A six- to eight-week period during October/November when bagged leaves would be collected with no sticker required
2. A monthly service during the fall where leaves are raked into the street by residents for mass collection
3. A separate leaf pick-up sticker with a lower cost than the yard waste sticker
4. One week of brush collection during each calendar year with no stickers required

All options may require an increase to the yard waste or refuse sticker price to offset the costs of these services. Alternatively, Village funding could be used to subsidize the costs of these enhanced services.

Amnesty Day – The contract currently provides for one Amnesty Day per year, at which time residents can place an unlimited amount of refuse at the curbside provided that three refuse stickers are attached per household. The Village has offered one Amnesty Day per year since 2002, the cost of which has been included as part of the sticker price. Prior to 2002, two collections per year were provided and subsidized by the Village's General Fund at a cost of \$62,492 in FY 2000-01 and \$65,617 in FY 2001-02. Staff is sensitive to concerns that have been raised regarding the amount of refuse that the Amnesty Day

program contributes to area landfills and will explore options for incorporating donation day/week events in conjunction with future Amnesty Days.

Recommended RFP and Vendor Selection Process – Given the extensive array of potential contraction provisions that could be altered regarding the manner in which this service is provided, staff is proposing the following process to narrow the decision-making process:

August 2007	Meet with the Environmental Concerns Commission to discuss various options for service delivery and contract modifications
August 28, 2007	Present draft RFP for Village Council consideration
September 2007	Release Request for Proposal
October 2007	Review and Evaluate Proposals
November/ December 2007	Present contract to Village Council for approval