

VILLAGE OF DOWNERS GROVE
Report For The Village Council Meeting
8/9/2022

SUBJECT:	SUBMITTED BY:
Authorize a Contract Extension with Republic Services for Solid Waste Collection and Disposal Services	Mike Baker Deputy Village Manager

SYNOPSIS

A resolution has been prepared to authorize an extension and amendment to the contract with Allied Waste, Inc. (also known as Republic Services) for solid waste collection and disposal services.

STRATEGIC PLAN ALIGNMENT

The goals for 2021-2023 include *Exceptional Municipal Services. Enter into a Contract for Solid Waste Collection and Management* is a Priority Action Item in the 2021-2023 Long Range Plan.

FISCAL IMPACT

Fees for service are paid directly by households served by Republic Services under this contract. The Village can choose to pay Republic Services directly for additional Amnesty Day events.

RECOMMENDATION

Approval on the August 16, 2022 active agenda.

BACKGROUND

The Village of Downers Grove contracts for solid waste (refuse, recycling and yard waste) collection and disposal services. This contract serves approximately 14,500 households and provides options for residents to dispose of solid waste with the use of stickers or by renting carts for a monthly fee. Currently, 62% of households rent carts, leaving the remaining 38% of households that exclusively use stickers for refuse collection and disposal. Republic has been the long-standing provider of this service in Downers Grove. The current contract with Republic took effect on April 1, 2018 and is set to expire on March 31, 2023.

At the June 7, 2022 Council meeting, the Village Council directed staff to negotiate a contract extension with Republic Services. The Village Council also expressed a desire to incorporate an annual Amnesty Day program.

Based on Council direction, terms for a contract extension have been negotiated between the Village and Republic Services to include the following:

- 3-year contract extension (April 1, 2023 - March 31, 2026)

- Increase in monthly cart and sticker fees of 3.75% in year one, 2.5% increase in year two and 2.5% in year three (see table below)
- One Amnesty Day during the contract term at no additional cost to the Village
- Optional pricing that would allow the Village to pay Republic Services directly for Amnesty Day events in one or both of the remaining years of the contract. The flat fee cost for Amnesty Day in year 1 is \$60,000 and that amount increases by 2.5% annually.
- Flexibility for residents to choose the refuse and recycling cart size that best meets their needs. For example, a household could select a 35 gallon refuse cart and a 95 gallon recycling cart.

Description of Service	Year 1 4/01/23-3/31/24	Year 2 4/01/24-3/31/25	Year 3 4/01/25-3/31/26
1. Base Pricing – Required to perform services described in Detailed Specifications.			
1.1. Sticker Price	\$4.33	\$4.44	\$4.55
2. Cart Pricing			
2.1. Monthly Cart Price (35-gallon)	\$19.47	\$19.96	\$20.46
2.3. Monthly Cart Price (65-gallon)	\$22.16	\$22.72	\$23.28
2.3. Monthly Cart Price (95-gallon)	\$29.00	\$29.73	\$30.47

Staff recommends approval of the contract extension for the following reasons:

- The cost increases are competitive, especially in an environment of high inflation.
- The contract extension preserves the cart and sticker option and allows households to mix-and-match cart sizes to best meets their needs.
- The extension maintains a contractual relationship with a reliable service provider.
- The contract extension will provide Village Council and staff capacity to focus on other high-priority projects.

ATTACHMENTS

Resolution
Agreement

RESOLUTION NO. _____

**A RESOLUTION AUTHORIZING EXECUTION OF AN
EXTENSION AND AMENDMENT TO THE CONTRACT
BETWEEN THE VILLAGE OF DOWNERS GROVE
AND ALLIED WASTE SERVICES OF NORTH AMERICA, LLC**

BE IT RESOLVED by the Village Council of the Village of Downers Grove, DuPage County, Illinois, as follows:

1. That the form and substance of a certain Extension and Amendment (the "Contract"), between the Village of Downers Grove (the "Village") and Allied Waste Services of North America, LLC (the "Contractor"), for refuse collection and recycling services, as set forth in the form of the Contract submitted to this meeting with the recommendation of the Village Manager, is hereby approved.

2. That the Village Manager and Village Clerk are hereby respectively authorized and directed for and on behalf of the Village to execute, attest, seal and deliver the Contract, substantially in the form approved in the foregoing paragraph of this Resolution, together with such changes as the Manager shall deem necessary.

3. That the proper officials, agents and employees of the Village are hereby authorized and directed to take such further action as they may deem necessary or appropriate to perform all obligations and commitments of the Village in accordance with the provisions of the Contract.

4. That all resolutions or parts of resolutions in conflict with the provisions of this Resolution are hereby repealed.

5. That this Resolution shall be in full force and effect from and after its passage as provided by law.

Mayor

Passed:

Attest: _____

Village Clerk

**EXTENSION AND AMENDMENT TO THE CONTRACT
BETWEEN THE VILLAGE OF DOWNERS GROVE
AND ALLIED WASTE SERVICES OF NORTH AMERICA, LLC**

The Village of Downers Grove, Illinois (“Village”) and Allied Waste Services of North America, LLC (“Contractor”) entered into a contract ("Contract") for refuse collection and recycling services on July 18, 2017 - effective April 1, 2018-March 31, 2023. Pursuant to the terms stated therein, the parties have agreed to extend and amend the Contract pursuant to the following terms:

1. The Contract for solid waste removal services is extended for a period of three (3) years through March 31, 2026.
2. Section 39.1 shall be amended by adding the following:

In addition to the one Amnesty Day provided for in the contract, Amnesty Day programs in other years can be added by the Village at the following rates:

	Year 1	Year 2	Year 3
Option 1: Flat fee paid directly by the Village	\$60,000	\$61,500	63,038
Option 2: Fee paid directly by the Village on a time and material basis			
Rate / hour for truck & driver w/helper	\$67.50	\$69.19	\$70.92
Rate / ton disposal	\$62.00	\$63.55	\$65.14

3. Section 40.3 is here by amended as follow:

Customers using the refuse cart option shall be entitled to a recycling cart to be provided by the Contractor at no extra-cost. ~~A 65-gallon recycling cart will be provided for Customers using a 65- or 95-gallon refuse cart and a 35-gallon recycling cart will be provided to those Customers using a 35-gallon refuse cart.~~ **Cart customers can select any size of refuse and recycling cart combination that best suits their needs. Available cart sizes include 35 gallon, 65 gallon and 95 gallon. The subscription rate will continue to be based on the size of the refuse cart.**

4. Appendix 1 shall be deleted in its entirety and replaced with the following:

APPENDIX 1

Pricing associated with once a week, same day refuse, yard waste, and recycling collection services for each year in accordance with the following schedule:

Description of Service	Year 1	Year 2	Year 3
	4/01/23-3/31/24	4/01/24-3/31/25	4/01/25-3/31/26
1. Base Pricing – Required to perform services described in Detailed Specifications.			
Sticker Price	\$4.33	\$4.44	\$4.55
2. Cart Pricing			
Monthly Cart Price (35-gallon)	\$19.47	\$19.96	\$20.46
Monthly Cart Price (65-gallon)	\$22.16	\$22.72	\$23.28
Monthly Cart Price (95-gallon)	\$29.00	\$29.73	\$30.47

5. All other terms from the 2018-2023 Contract shall remain in full force and effect.

VILLAGE OF DOWNERS GROVE

**ALLIED WASTE SERVICES OF
NORTH AMERICA, LLC
dba Republic Services of Melrose Park**

Robert Greco

Attest:

Title: General Manager

Village Clerk

Date: 08/03/2022

Date: _____