



Legislation Text

File #: 18-340, Version: 1

CITY COUNCIL AGENDA ITEM

ACTION REQUESTED:

Approve the award of Option Year One to Contract 16-173, Leaf Disposal Services, to BioAg for an amount not to exceed \$160,000 (Item 1 of 2)

DEPARTMENT: Department of Public Works

SUBMITTED BY: Richard Dublinski, Director

BOARD/COMMISSION REVIEW:

N/A

BACKGROUND:

The other related item on the City Council agenda is:

- 18-352, Authorize the City Manager to Extend the Lease for Three Parcels of City Property for Leaf Disposal.

The Department of Public Works (DPW) is responsible for the City's bulk curbside leaf collection program. This program is structured so that leaves are collected from the street next to the curb in front of residences. City residents are provided three curbside leaf collection opportunities during the fall season, which equates to one pickup collection citywide every two weeks. The program has historically begun six weeks prior to Thanksgiving Day.

DPW annually collects between 40,000 and 50,000 cubic yards of leaves through the curbside program. The collected leaves must be disposed of in an environmentally appropriate way compliant with Illinois EPA regulations. The City has historically contracted with a third party to appropriately dispose of the collected leaves. The disposal process involves the City hauling the collected leaves to designated farm land where the contracted third-party spreads, treats and tills the leaves into the soil.

Properly disposing of the 40,000 to 50,000 cubic yards of leaves is a challenging task and the availability of local disposal sites is crucial to the efficiency of the bulk curbside leaf collection program. Available farm land is increasingly difficult to find locally and the cost of hauling the leaves out of the area greatly increases costs and negatively impacts DPW's ability to complete the program on time.

For the past two years, DPW has also been using an incinerator to burn a portion of the leaves collected through the curbside program. DPW is currently working with the Federal EPA to determine if this process will require additional permitting that could make burning leaves not as cost effective as traditional disposal. As such, DPW may decide not to burn leaves in the Fall of 2018. The

incinerator will continue to be used and be a valuable tool in disposing of clean wood such as the 800 trees that are removed annually under the existing permit that the City has with the EPA for the use of the incinerator.

On March 15, 2016, the City Council:

- Approved the award of Sole Source Procurement 16-173, Leaf Disposal Services, to Bio Ag, Inc for a two-year contract term in an amount not to exceed \$208,000 per year
- Authorized the City Manager to enter into a two-year lease agreement of three parcels of City property for the disposal of leaves.

DISCUSSION:

BioAg Sole Source:

After researching the availability of sources for the disposal of leaves in 2016 and publishing an Intent to Sole Source for this service, the City entered into the existing leaf disposal agreement between the City and BioAg (see attached). Under the terms of this agreement, BioAg must provide nearby local farm land for the disposal of up to 52,000 cubic yards of leaves, although they are not guaranteed that a minimum amount of leaves will be delivered. The term of the agreement was May 1, 2016 through April 30, 2018 with three additional option years available. It is recommended that the City extend the agreement for the first option year from May 1, 2018 through April 30, 2019. The agreed upon unit cost is \$4.00 per cubic yard and BioAg has agreed to a 0% increase for the extension year.

Lease of City's Agricultural Property:

The City has identified the following three parcels of vacant City owned agricultural property upon which leaves may be spread for disposal.

- 4100 Plainfield/Naperville Road (15.9 acres)
- The southeast corner of Route 59 and 103rd Street (19 acres) and
- The southwest corner of 91st Street and Wolf's Crossing Road (17.5 acres)

These parcels are a strategic piece of DPW's leaf disposal operations because of their convenient locations and ability to take leaves during all weather conditions. The existing lease agreement with Drendel Farms expires on April 30, 2018, with three additional option years. Drendel Farms has met all the terms of the existing lease including accepting leaves from the bulk curbside leaf collection program and maintaining the site. It is recommended that Council authorize the City Manager to enter into the extensions of the lease agreement for these properties for a nominal fee contingent of the City being allowed to deposit its leaves on the parcels for disposal. The term of the extension will be May 1, 2018 through April 30, 2019 with two additional extension years available.

Future of Leaf Program:

It has come to the attention of DPW that there may be new vendors willing to pick up a portion of the leaves collected during the curbside program from selected City sites and haul them away for disposal outside of the Naperville area. As such, DPW will be soliciting bids for this alternative method of leaf disposal services later this year. Should additional or less expensive options be found, DPW will consider reducing the amount of leaves disposed of through the BioAg contract.

DPW is preparing a report for the City Council that will discuss options and efficiencies of the bulk

leaf collection program. This report will be forwarded to the City Council in May.

FISCAL IMPACT:

CIP #: N/A

Leaf disposal services are budgeted to the account listed below. A total of \$160,000 is budgeted for the disposal of 40,000 cubic yards of leaves.

Account Number	Fund Type	Total Budget Amount
31251100-542416	General Fund	\$210,000