



## Legislation Text

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File #: 18-545, Version: 1

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### CITY COUNCIL AGENDA ITEM

#### **ACTION REQUESTED:**

Waive the applicable provisions of the Naperville Procurement Code and award Procurement 18-146, Leaf Disposal, to Tri-County Excavation & Construction, Inc for an amount not to exceed \$67,500 and to Steve Piper and Sons for an amount not to exceed \$32,500 (Requires six positive votes)

**DEPARTMENT:** Department of Public Works

**SUBMITTED BY:** Richard Dublinski, Director

#### **BOARD/COMMISSION REVIEW:**

N/A

#### **BACKGROUND:**

The Department of Public Works (DPW) manages the City's annual bulk curbside leaf collection program. The program is offered in conjunction with the free bagged leaf and yard waste container program offered through the City's refuse collection contract. The bulk curbside collection program is structured so that residents are provided three curbside leaf collection opportunities during the six-week program to dispose of their leaves. The program begins mid-October and continues through the end of November. DPW annually collects between 40,000 and 50,000 cubic yards of leaves through the curbside program.

Most of the leaves picked up by City crews have traditionally been hauled to designated local farm land with a portion of the leaves being burned at the City's compost site using the incinerator. The City contracts with a third party to spread, treat and till the leaves into the farm fields. Available farm land is increasingly difficult to find locally as properties develop in Naperville. For example, with the upcoming Clow Farm development in south Naperville, DPW will no longer be able to use this site, which has historically been used to dispose of approximately 8,000 cubic yards of leaves each year.

The City has used a variety of equipment over the years to pick-up the leaves. Currently, the following equipment is used:

- 5 leaf loaders (Autumates)
- 5 vacuum trucks (Dinkmars)
- 2 front end loaders (Case/John Deere)
- 20 single axle/tandem axle trucks (International/Peterbilt)

The City's equipment has aged without a true replacement for the leaf loaders, which pick up the bulk of the leaves during the program. Staff has researched and found newer pieces of equipment that

can be used for leaf pick-up; however, most pieces of equipment are generally slower and less efficient, making them less functional in our operation. For example, several vendors manufacture and sell slower moving vacuum trucks, as opposed to the City's current leaf loaders that pick-up approximately 80% of the leaves during the short six-week program. The vacuum trucks leave less debris on the street than the more efficient leaf loaders. The slower equipment is ideal for warmer regions in the country like Chattanooga, Tennessee, whereby leaves are picked up over the course of two or three months. Slower pieces of equipment are still used in regions where winter temperatures quickly follow the fall season, however the jurisdictions that use the newer equipment are significantly smaller in geographic size than Naperville. Staff has examined larger pieces of equipment, including the LeeBoy 3000 FFL, which may be able to quickly pick up the volume of leaves generated during the program, but this equipment costs nearly \$250,000 for each unit, which would be a total cost of \$1,250,000 to replace the leaf loaders. DPW's biggest challenge is having efficient equipment that can pick-up 40,000 cubic yards of leaves located in an area over 40 square miles with 500 miles of street within the short six-week timeframe before winter weather begins.

In addition to the lack of available farm fields and our aging equipment, the United States Environmental Protection Agency (USEPA) will no longer allow DPW to burn leaves or brush under the permit issued to the City by the Illinois Environmental Protection Agency (IEPA). The USEPA made this determination after the 2017 program due to complaints regarding smoke and odor from the use of the incinerator. Although the IEPA permit will allow DPW to burn clean wood (logs), burning leaves collected during the annual program will not be allowed under our existing permit. As a result, the viability of the curbside leaf collection program is becoming more challenging with each year. DPW has researched other means to collect and dispose of leaves in an efficient manner so that the program can continue.

Through this research, DPW has learned there are 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. These vendors will use the leaves to compost and resell the final product. As a result, DPW issued Bid 18-146 to evaluate this alternative method of leaf disposal. Under our existing process, all leaves collected by the City crews are short dumped (dropped off at a collection site) on City property or trucked directly to local farm fields. Farm field availability and weather determines how much was dumped directly into the fields versus short dumped and then trucked later to an open field. Double handling the leaves is inefficient and costly due to the expense of cartage. Under the new bid, the City would pilot a program whereby the crews would dump leaves collected by DPW on designated City owned properties. The vendors that have bid to compost the leaves would pick-up the leaves directly from the designated sites and take them to their property for composting.

## **DISCUSSION:**

Advertisement Date:	06/01/18	Notices Sent:	76
Opening Date:	06/18/18	Planholders:	4
		Bids Received:	4

The following bids were received:

Company Name	Total Base Bid	Alternate Bid
<b>Tri-County Excavation &amp; Construction, Inc</b>	<b>Non-Responsive</b>	<b>No Bid</b>
Steve Piper and Sons	\$260,000	\$160,000
Midwest Material Management	\$313,600	No Bid
Bioag Inc.	\$480,000	\$160,000

Vendors were invited to bid on the base bid, an alternate bid or both:

- Base Bid - Haul leaves from designated sites, and
- Alternate Bid - Dispose of leaves on farm fields.

Vendors were also asked to provide the total cubic yards of leaves that they had the capacity to take. Bid amounts shown above are based on 40,000 cubic yards of leaves.

The lowest responsive bidder, which is defined in the City's code as "a person who has submitted a bid that conforms in all material respects to the invitation for bids", was Steve Piper and Sons (Piper). Piper bid \$6.50 per cubic yard to pick-up leaves from a designated location in the City. However, Piper can only take up to 5,000 cubic yards of leaves.

The lowest non-responsive bidder was Tri-County Excavation & Construction Inc. (Tri-County) at \$4.50 per yard and can take up to 40,000 cubic yards of leaves. Tri-County was determined to be non-responsive because Tri-County did not upload the required bid documents to city's online bidding service. Although considered non-responsive, Tri-County provided a bid amount and is considered a responsible bidder. Per code, a responsible bidder is "a person who has the capability in all respects to perform fully the contract requirements, and possesses integrity and reliability that will ensure good faith performance". City staff is confident Tri-County can perform the work despite being classified as a non-responsive bidder since they have both the equipment and business plan to take all the City's leaves collected during the program.

To pilot the program within budget in 2018, staff recommends waiving the code and awarding a portion of the contract to both Steve Piper and Sons and Tri County Excavation. The award amounts allow for Steve Piper and Sons to dispose of up to 5,000 cubic yards and Tri County Excavation to dispose of up to 15,000 cubic yards of leaves. The remaining 20,000 cubic yards of leaves collected through the program will be disposed of on local farm fields through the existing contract with Bioag, Inc. Waiver of Section 1-9B-4 (Methods of Source Selection) of the Naperville Code is required because the recommended award does not conform with the requirement to award to the lowest responsive and responsible vendor as outlined in the Code.

The tables below show a cost comparison between the existing and proposed leaf disposal methods.

#### Existing Disposal Process

Vendor	Cost per CY	Farm Fields	Pick-up	Subtotal	Cartage	Total
Bioag	\$4.00	40,000	N/A	\$160,000	\$60,000	<b>\$220,000</b>

**Proposed Disposal Process**

<b>Vendor</b>	<b>Cost per CY</b>	<b>Farm Fields</b>	<b>Pick-up</b>	<b>Subtotal</b>	<b>Cartage</b>	<b>Total</b>
Bioag	\$4.00	20,000	N/A	\$80,000	N/A	\$80,000
Tri-County	\$4.50	N/A	15,000	\$67,500	N/A	\$67,500
Steve Piper	\$6.50	N/A	5,000	\$32,500	N/A	\$32,500
					\$30,000	\$30,000
						<b>\$210,000</b>

This award allows DPW to adequately and financially pilot the new methodology for disposing of leaves. If the new methodology is successful, DPW hopes to expand the amount of leaves picked up directly by vendors and composted at their facilities. This action is also anticipated to save the City money with respect to the disposal of leaves. With the continued decrease and eventual elimination of all available local farm fields, this new methodology may assist in creating a long term, sustainable bulk curbside leaf collection program for our residents.

The term of the contract is from date of award through December 31, 2018 with three, one-year options to extend.

**FISCAL IMPACT:**

CIP #: N/A

Leaf disposal services are budgeted to the refuse and recycling service account listed below. A total of \$160,000 is budgeted for the disposal of 40,000 cubic yards of leaves in 2018. The requested total award of \$100,000 is within the budget amount for this expense.

<b>Account Number</b>	<b>Fund Description</b>	<b>Total Budget Amount</b>
31251100-531311	General Fund	\$210,000