



Legislation Text

File #: 21-0406, Version: 1

CITY COUNCIL AGENDA ITEM

ACTION REQUESTED:

Approve the award of Sole Source Procurement 21-094, Leaf Disposal Services, to BioAg and Option Year Three to Contract 18-146, Leaf Disposal, to Tri-County Excavation and Construction, Inc. and to Steve Piper and Sons for a combined amount not to exceed \$322,500 (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:

- 21-0445, Adopt a resolution authorizing the city manager to lease three parcels of city property for leaf disposal.

The Department of Public Works (DPW) manages the City's annual bulk curbside leaf collection program. To aid residents with leaf disposal, the City provides two leaf collection options:

1. a free bagged leaf program from the end of October through mid-December, and
2. a six-week bulk curbside leaf collection, which provides residents in Naperville with three opportunities each season to rake their leaves curbside for pickup and disposal by DPW.

The bulk collection program is intended to augment, not replace, the bagged program and enhance leaf removal options for the community. It begins six weeks prior to Thanksgiving and ends after the third and final pickup is complete, or when winter weather prevents DPW from picking up leaves. DPW annually collects between 45,000 and 52,000 cubic yards of leaves during the six-week program. The collected leaves must be disposed of in an environmentally appropriate way compliant with Illinois EPA regulations.

DPW currently uses the following two disposal methods for leaves:

1. leaves are picked up by City crews and hauled to designated local farm land.
2. leaves are collected by the City crews and then hauled out of the area by contractors for composting.

Leaf Disposal on Local Farm Fields

Historically, most of the leaves picked up by City crews have been hauled to designated local farm land. However, the availability of local farm fields has become scarcer over the years. The City has historically contracted with a third party to spread, treat and till the leaves into the farm fields. On

March 15, 2016, the City Council:

1. Approved the award of Contract 16-173, Leaf Disposal Services, to BioAg, Inc for a two-year contract term; and
2. Authorized the City Manager to enter into a two-year lease agreement for the disposal of leaves on three City-owned parcels.

In May 2018, May 2019, and April 2020, the City Council approved the award of the first, second and third option years to Contract 16-173, Leaf Disposal Services, to BioAg and authorized the City Manager to extend the lease agreement.

Leaf Disposal Outside of the Area (Contract 18-146)

Because farm land is increasingly difficult to find locally as properties develop in Naperville, DPW issued Bid 18-146 to evaluate alternative methods of leaf disposal. On May 17, 2018, the City Council awarded Contract 18-146, Leaf Disposal, to Tri-County Excavation & Construction, Inc and Steve Piper and Sons. Under this contract, DPW crews dump collected leaves on designated City owned properties and contractors take them to their property for composting. The award was for a one-year contract with three, one-year options to extend. On December 4, 2018, the City Council approved Change Order #1 to Contract 18-146 to Tri County Excavation & Construction, Inc. to allow for the disposal of leaves following the early winter events that extended leaf collection past Thanksgiving. In May 2019 and April 2020, the City Council awarded options years one and two respectively. There is one one-year option to extend remaining.

DISCUSSION:

Weather conditions play a significant role in completing fall leaf pickup collection operations. Wet conditions limit the ability of contractors to spread leaves on farm land and snow impedes collection. Additionally, there is always a concern regarding the availability of farm land due to development. In order to have greater flexibility in the City's leaf collection and disposal operations, and to ensure all leaves collected are properly disposed of (per the EPA) by Thanksgiving, DPW is requesting the City Council approve a total of \$322,500 to be shared between the two leaf collection contracts, depending upon operational need.

Leaf Disposal on Local Farm Fields (Sole Source Contract 21-094)

DPW has researched the availability of sources for the disposal of leaves collected by the City on local farm fields. DPW, as well as procurement staff, have concluded that BioAg continues to be the only available vendor within a reasonable distance with the capacity to accept the City's leaf quantities. In order to verify staff's determination, the Procurement Department published a Notice of Intent to award a sole source contract to BioAg for leaf disposal services on local farms. The notice was published on the City's on-line bidding service and in the Chicago Tribune. The stated purpose of the notice was to publicly announce the City's intent to sole source the local farms leaf disposal contract to BioAg for \$47,500 per year over two years with three additional option years. The notice invited any vendor who may disagree that BioAg is the sole vendor capable of meeting the City's needs the opportunity to contact the City's procurement services team. The notice was published on February 26, 2021. No responses were received.

The City's chief procurement officer has determined that BioAg is the only source available for the disposal of leaves collected via the City's bulk curbside leaf collection program. BioAg meets the City's requirements concerning access to nearby disposal sites and the ability to accept up to 52,000 cubic yards of leaves delivered over an approximate 45-day period in all weather conditions.

Additionally, BioAg has performed well as the City's current leaf disposal supplier on local farm fields. Last year, BioAg disposed of approximately 12,300 cubic yards of leaves for the City at a cost of \$4.00 per yard.

The term of the agreement is May 1, 2021 through April 30, 2023 with three additional option years available. The agreed upon unit cost will range from \$4 - \$5 depending on the volume that they receive from the City: \$5 per cubic yard for the first 10,000 cubic yards, \$4.50 for the next 10,000 cubic yards, and \$4 for anything over 20,000 cubic yards. These rates will be fixed for the first two years of the contract. The previous rate of \$4 per cubic yard has been in place for five years. As such, staff feels an increase is fair given that the cost has not changed in 5 years and will be maintained for the two-year contract term.

Leaf Disposal Outside of the Area (Contract 18-146)

Tri County Excavation & Construction and Steve Piper and Sons performed well during the initial contract term and first and second option years. Last year, Steve Piper and Sons disposed of approximately 5,000 cubic yards of leaves at a cost of \$6.50 per yard and Tri County Excavation disposed of 33,375 cubic yards of leaves at a cost of \$6.00 per yard.

Both Steve Piper and Sons and Tri-County Excavation have agreed to renew the contract for the third option year. Steve Piper and Sons has agreed to a zero percent increase. Tri-County has requested an increase to \$6.25 to better reflect the transportation costs associated with the service. The term of the third option year is from date of award through April 30, 2022, with no additional option years remaining.

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.

1. 3816 Plainfield/Naperville Road (15.9 acres)
2. The southeast corner of Route 59 and 103rd Street (19 acres) and
3. 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. The existing lease agreement with Drendel Farms expires on April 30, 2021. Drendel Farms has been leasing the land since 2011 and 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 the Council authorize the city manager to enter into a new 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 lease is May 1, 2021 through April 30, 2023 with three additional extension years available, which coincides with the City's agreement with BioAg.

FISCAL IMPACT:

CIP #: N/A

Leaf disposal services are budgeted to the refuse and recycling service account below. A total of \$322,500 has been budgeted for the disposal of 45,000 cubic yards of leaves in 2021. The requested award of \$322,500 is within the budgeted amount for this expense.

Account Number	Fund Description	Total Budget Amount
31251100-531311	General Fund	\$372,500