

DATE: December 6, 2021

MEMO TO: Jessica Vealitzek, Chair
Operations Committee

Julie Simpson, Chair
Finance Committee

FROM: John E. Nelson
Director of Operations and Infrastructure

RECOMMENDATION: Approve Change Order No. 1 to the Contract with Waste Management of Illinois, Inc. for District-Wide Refuse and Recycling Services in an amount not-to-exceed \$70,729.20.

STRATEGIC DIRECTIONS SUPPORTED: Organizational Sustainability; Public Access & Connections

FINANCIAL DATA: Funding for the refuse and recycling collection comes from the adopted budget line items for disposal in multiple accounts including:

\$50,000.00 for General District 15524000-704400;
\$1,900.00 for Countryside 80864000-704400;
\$600.00 for Brae Loch 81864000-704400
\$1,800.00 for ThunderHawk 83864000-704400

BACKGROUND: In 2016, the District entered into a contract (the “2016 Contract”) with Advanced Disposal Services Solid Waste Midwest, LLC (“Advanced Disposal”) for district-wide refuse and recycling services. On October 30, 2020, Advanced Disposal was acquired by Waste Management of Illinois, Inc. (“Waste Management”). Waste Management has continued to service the 2016 Contract, which was set to expire on September 30, 2021, and was extended in accordance with the terms of the 2016 Contract through December 31, 2021.

On two separate occasions, the District has recently solicited competitive bids for a new contract for Refuse Disposal and Recycling Collection. The first time was in June 2021. Sealed bids were received and opened on July 8, 2021, and are summarized as follows:

TOTAL BID

Waste Management of Illinois Inc., Waukegan, Illinois	\$67,471.20
Prairieland Disposal, Inc., Barrington, Illinois	\$82,165.40

At that time, it was determined that Waste Management’s bid was non-responsive, because it proposed many deviations from the bid specifications and contract language, and both bids exceeded the budget amount. Therefore, the project specifications were updated, and the District again advertised for bids on August 24, 2021. Two (2) bids were received and opened on September 9, 2021, and are summarized as follows:

<u>BIDDER</u>	<u>BID AMOUNT</u>
Waste Management of Illinois Inc., Waukegan, Illinois	\$71,828.48
Prairieland Disposal, Inc., Barrington, Illinois	\$109,889.80

Both bids were again over-budget, and again Waste Management’s bid proposed many deviations from the bid specifications and contract language and therefore was deemed non-responsive.

Following consultation with the District’s Corporate Counsel, it was determined that the District could negotiate a change order to extend the term, and amend provisions, of the 2016 Contract. As such, staff has negotiated Change Order Number 1 to the Contract with Waste Management that will extend service through December 31, 2022 and recommends its approval.

REVIEW BY OTHERS: Chief Operations Officer, Director of Finance, Purchasing Manager, Corporate Counsel

Committee Motion:

Motion to approve Change Order No. 1 to the Contract with Waste Management, for refuse and recycling District-wide, increasing the Contract Amount by \$70,279.20 in substantially the form attached to staff’s December 6, 2021 memorandum for the following reasons:

- a. The circumstances necessitating the Change order were not reasonably foreseeable at the time the Contract was signed.
- b. The Change Order is germane to the original Contract, as signed; and
- c. The Change Order is in the best interest of the District.

OPERATIONS COMMITTEE:

Date: _____ Roll Call Vote: Ayes: ____ Nays: _____
 Voice Vote Majority Ayes; Nays: _____

FINANCE COMMITTEE:

Date: _____ Roll Call Vote: Ayes: ____ Nays: _____
 Voice Vote Majority Ayes; Nays: _____

**Change Order No. 1 to Contract between
Lake County Forest Preserve District and Waste Management of Illinois, Inc. for
Refuse and Recycling Services**

This **Change Order No. 1** (“Change Order No. 1”) to the certain Contract for Refuse and Recycling Services (“Contract”) is dated as of December 14, 2021 and is between the Lake County Forest Preserve District (“Owner”) and Waste Management of Illinois, Inc., a Delaware Corporation (“Waste Management” or “Bidder”). In consideration of the mutual covenants set forth in the Change Order No. 1, the receipt and sufficiency of which are hereby acknowledged, Owner and Waste Management agree as follows:

Section 1. Recitals.

- A. On September 13, 2016, Owner and Advanced Disposal Services Solid Waste Midwest, LLC (“Advanced Disposal”) entered into the Contract for Refuse and Recycling Services.
- B. Advanced Disposal was acquired by Waste Management on October 30, 2020 and the Contract has been assumed by Waste Management.
- C. Owner and Waste Management desire to amend the Contract to provide that Bidder shall continue to provide the Products to the District until December 31, 2022, for a total Contract price not to exceed \$70,279.20, for Products provided to the District from January 1, 2022 through December 31, 2022.

Section 2. Definitions; Rules of Construction.

- A. **Definitions.** All capitalized words and phrases used in this Change Order No. 1 have the meanings set forth (i) in this Change Order No. 1 or (ii) if not specifically defined in this Change Order No. 1, the Contract.
- B. **Rules of Construction.** Except as specifically provided in this Change Order No. 1, all terms, provisions and requirements contained in the Contract remain unchanged and in full force and effect. In the event of a conflict between the Contract and Change Order No. 1, Change Order No. 1 controls.

Section 3. Amendments.

- A. **Schedule of Prices.** Immediately prior to Section 2.B of the Contract, the following new language is added:

“Bidder proposes and agrees that Bidder shall deliver the Products in accordance with the following Schedule of Prices, which will apply to Products delivered between January 1, 2022 and December 31, 2022:

GROUP I REFUSE COLLECTION SERVICES PRODUCT SIZE AND CONTAINER DESCRIPTION	PRODUCT Quantity to be Delivered to Owner	ANNUAL SERVICE	refuse rate PER PICK-UP	per ton charge	EXTENSION (Multiply refuse rates by annual service)
90 Gallon Tote	17	400	\$3.55	n/a	\$1,420.00
2 Yard Container	2	112	\$8.73	n/a	\$977.76
4 Yard Container	1	40	\$16.74	n/a	\$669.60
4 Yard – Manure Container	1	8	\$54.00	n/a	\$432.00
4 Yard – Deer Carcass Container	1	2	\$54.00	n/a	\$108.00
6 Yard Container	4	316	\$20.52	n/a	\$6,484.32
8 Yard Container	24	1,356	\$25.38	n/a	\$34,415.28
Disposal of Contents of 30 Yard Compactor	1	6	\$220.00	\$52.00	\$4,128.00
20 Yard Roll Off Container	1	15	\$220.00	\$52.00	\$6,420.00
30 Yard Roll Off Container	1	3	\$220.00	\$52.00	\$1,284.00

GROUP II RECYCLING COLLECTION SERVICES PRODUCT SIZE AND CONTAINER DESCRIPTION	PRODUCT Quantity to be Delivered to Owner	ANNUAL SERVICE	refuse rate PER PICK-UP	per ton charge	EXTENSION (Multiply refuse rates by annual service)
90 Gallon Tote	134	2,456	\$3.55	n/a	\$8,718.80
2 Yard Container	4	80	\$8.73	n/a	\$698.40
4 Yard Container	4	60	\$16.74	n/a	\$1,004.40
6 Yard Container	4	122	\$20.52	n/a	\$2,503.44
8 Yard Container	1	40	\$25.38	n/a	\$1,015.20

GROUP III CONTAINER PRICING PER PICKUP	PRODUCT Quantity to be Delivered to Owner	ANNUAL SERVICE	PRODUCT Quantity to be Delivered to Owner	ANNUAL SERVICE	refuse rate PER PICK-UP
REFUSE SERVICE		REFUSE SERVICE			
35 Gallon Toter	1	TBD	1	TBD	\$3.55
65 Gallon Toter	1	TBD	1	TBD	\$3.55
1 Yard	1	TBD	8	TBD	\$8.00
1.5 Yard	1	TBD	1	TBD	\$12.00
10 Yard	n/a	TBD	n/a	TBD	n/a
RECYCLING SERVICE		RECYCLING SERVICE			
35 Gallon Toter	1	TBD	1	TBD	\$3.55
65 Gallon Toter	1	TBD	1	TBD	\$3.55
1 Yard	1	TBD	1	TBD	\$8.00
1.5 Yard	1	TBD	1	TBD	\$12.00
10 Yard	n/a	TBD	n/a	TBD	n/a

Potential charges may apply for (to be verified by video from Waste Management trucks)

- \$10/incident for overages (dumpsters being overfilled)
- \$10/yard for contamination in recycling dumpsters (non-recyclable materials found in dumpsters)

The parties have executed this Change Order No. 1 to the Contract as of the day and year first above written

Lake County Forest Preserves

By: _____
Alex Ty Kovach, Executive Director

Attest/Witness

By: _____

Waste Management of Illinois, Inc.

By: Natalie Neeve
Name (printed): Natalie Neeve
Title: Account manager

Attest/Witness

By: _____
Name (printed): _____
Title: _____