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**DRAFT**

February 10, 2018

TO: Peoria City Council

CC: Patrick Nichting, Dave Meyers, Stacy Peterson, Jim Scroggins, Scott Sorrel

FR: Patrick Urich, Joshua Gabehart

RE: Solid Waste Policy Session, February 10, 2018

## **Introduction**

The City of Peoria held initial public meetings in July of 2016 seeking feedback on current solid waste services and input for the future of solid waste services provided in the City. In late 2016, Foth Infrastructure & Environment, LLC (Foth), was engaged to assist the City through evaluating current services, seeking public input and preparing for a potential request for proposals.

Extensive public outreach was conducted with Simantel Group Inc., who utilized an online survey, social media platforms, field distribution of surveys, promotion at public events and a public meeting. The survey response had the one of the highest participant total of a public outreach campaign. All City of Peoria zip codes were represented and a broad spectrum of age groups and households. Results of the public input were presented to City Council on May 9, 2017, following recent City Council elections. Select slides are included in the presentation and will be discussed further, if needed, during the policy session. Following the presentation to Council, City staff were requested to investigate expanded recycling per public feedback, cost effective and industry best management practices, and public versus private operations.

The City of Peoria released a request for proposals (RFP) on August 11, 2017 and subsequently issued six (6) RFP Addenda. The RFP designation issued by the City was RFP #29-17. Four Respondents submitted proposals by the amended deadline of Thursday, November 9, 2017:

- ◆ Advanced Disposal (Advanced)
- ◆ City of Peoria, Public Works Department (PWD)

- ◆ PDC Services, Inc. (“PDC”)
- ◆ Waste Management (“WM”)

The purpose of this memorandum is to summarize selected qualitative elements of proposals for the Peoria City Council; not all proposal details are included. Pursuant to standard City and State procurement policies and procedures, the RFP allowed for confidential business information to be submitted (e.g., Illinois Combined Statutes, ILCS140.7-g-h).

A communication packet will be provided to Council with more detailed level of the components offered in the proposals at a later date. This memo is for the purposes the February 10, 2018 policy session as to the current progress of the RFP. This summary memo is intended to supplement the presentation provided to Council during the policy session based on qualitative elements of the actual proposals as submitted by the Respondents and follow-up interview questions. There are certain items of the proposals omitted due to confidential business information as negotiations with potential vendors is ongoing. Economic analysis of prices and other cost information is not provided due to ongoing negotiations with potential vendors.

To review and evaluate proposals, a City Selection Committee was formed consisting of Patrick Nichting (City), Jim Scroggins (City), Dave Meyers (Peoria Public Schools), Scott Sorrel (Peoria County), and Patrick Urich (City)

Following submittal of Proposals from the Respondents, interviews were conducted with all Respondents followed by questions from the City Selection Committee.

### **Summary of Base Proposals as Submitted**

The RFP specified a “Base” level of solid waste collection services including, but not limited to: Waste, Recyclable Materials and Landscape Waste to all Residential Units, Stacked Condominiums, City Buildings, Peoria Public Schools (PPS), and various Peoria County Facilities. Submitting a Base proposal was a required element of the RFP process to allow for similar price comparisons between Respondents.

Detailed Base collection service standards were specified in the RFP packet, including Attachment 1 - Draft Solid Waste and Recycling Collection Services Agreement (“Draft Contract”).

Table 1 displays a side-by-side summary of selected elements of each Base Proposal as submitted by the Respondents; not all service elements are listed as additional details are contained in the base proposals including some elements that may be considered confidential business information. No interpretations or proposal modifications are provided or intended. Table 1 is intended to quickly display selected service elements in the Base Proposals as submitted. Highlighted cells and footnotes identify if Respondents changed any element of the RFP Base Proposal specifications. Unless specified by these highlighted cells, the proposals appeared to adhere to the minimum collection service standards as part of their Base Proposal.

## **Summary of Alternate Proposals as Submitted**

Alternate proposals were allowed and encouraged by the City's RFP. Three (3) of the four (4) Respondents submitted Alternate Proposals as part of their original packets. Later, through the interview process, the Respondents provided additional information and clarification.

Because the Alternate Proposals were created by the Respondents outside of the Base specifications, the Alternates are stand-alone system options that cannot be directly compared between Respondents. However, Alternate Proposals can be compared to the same Respondent's Base Proposal. This system of Base and Alternate Proposals was intended to encourage both competitive and creative submittals.

Table 2 outlines selected Alternate Proposal elements as provided by the Respondents. No interpretations or proposal modifications are provided or intended. Not all service elements are listed as some of the additional details may be considered confidential business information.

### **Respondent #1**

Respondent #1 provided one (1) proposal as a response to the RFP. Respondent #1 requested an alteration to the contract term and a revenue/risk sharing for recyclable materials. Through the interview process, Respondent #1 provided additional information and clarifications that will help the Selection Committee with final negotiations should Respondent #1 be selected as a vendor.

### **Respondent #2**

Respondent #2 provided one (1) Base and two (2) Alternate Proposals within their RFP response packet. Several additional services including a CDL Training Program, high minority work force utilization, additional debris and tire removal and other items were included in the Base Proposal of note to the City. Through the interview process, Respondent #2 provided additional information and clarification that will be useful to the Selection Committee if Respondent #2 is selected as a vendor. The following provides a brief summary of selected elements of each Alternate proposal.

#### ***Respondent #2 "Alternate Proposal #1"***

##### ***Trash & Recycling Cart Procurement, Distribution and Management Services:***

- ◆ Respondent #2 would provide contracted cart purchasing services

#### ***Respondent #2 "Alternate Proposal #2"***

##### ***8 yard dumpsters for Neighborhood Cleanup Boxes:***

- ◆ Use of 8 yard dumpsters instead of 20 yard roll-off boxes for Neighborhood Cleanups

### **Respondent #3**

Respondent #3 provided one (1) base and two (2) alternative proposals within their RFP response packet. Respondent #3's Base proposal for public education proposes that Respondent #3 would pay the City to do all of the public education, including the tools assigned to the Contractor in the RFP Base Proposal specifications. Through the interview process, Respondent #3 provided additional information and clarifications that will be helpful to the Selection Committee in final negotiations if Respondent #3 is selected as a vendor.

The following provides a brief summary of each Alternate proposal.

#### ***Respondent #3's "Alternate Proposal 1":***

- ◆ Commencement date prior to July 1, 2019
- ◆ Recycling would be provided to households on an "opt-in" basis and no deposit fee (not citywide, with all households automatically receiving a cart as per the Base proposal)
- ◆ Landscape Waste would be weekly collections rather than the Base proposal of reduced to monthly over summer months

#### ***Respondent #3's "Alternate Proposal 2":***

- ◆ Same list of Alternate service elements as in Respondent #3's Alternate Proposal 1, except that all collection of materials from Residential Units (trash, recycling, landscape waste) to be performed at curbside (i.e., no alley collection)

### **Respondent #4**

Respondent #4 provided one (1) Base and one (1) Alternate Proposal within their RFP response packet. Respondent #4 does not plan to have a local customer service office (within city limits of Peoria). Through the interview process, Respondent #4 provided additional information and clarifications that will be useful to the Selection Committee if Respondent #4 in final negotiations if Respondent #4 is selected as a vendor. The following narrative provides a high level summary of selected elements of Respondent #4's "Alternative" proposal.

#### ***Respondent #4's "Alternative Proposal":***

- ◆ Landscape Waste would be weekly collections rather than the Base proposal of reduced to monthly over summer months
- ◆ Limited Bulky Waste Items per year at no charge with a fee for more than proposed
- ◆ Collections of household hazardous waste and other hard to recycle items

Table 1 - BASE Proposals

Respondents:	Respondent #1	Respondent #2	Respondent #3	Respondent #4
<b>BASE Proposals</b>				
Proposed Contract Term	Longer than Base	Same as Base	Same as Base	Same as Base
Proposed Changes to Draft Contract	Yes	No	Yes	Yes
Proposed Change for Procurement Partners	Yes	Yes	Yes	Yes
Contractor's Public Education	Yes	Yes	No (b)	Yes
Local Customer Service Office	Yes	Yes	Yes	No (c)
Additional Components Offered as part of Base	Yes	Yes	Yes	Yes
<b>Residential Collection Services</b>				
Residential Waste Collection:	Yes Separate unit price	Yes Separate unit price	Yes Separate unit price	Yes "Bundled" into one Solid Waste (SW) price
Recyclable Materials Collection/Processing:	Yes Separate unit price, but with Revenue/Risk Sharing (a)	Yes Separate unit price	Yes Separate unit price	Yes "Bundled" into one SW price
Curbside Recycling Design:	EOW, Citywide, "Opt Out"	EOW, Citywide, "Opt Out"	EOW, Citywide, "Opt Out"	EOW, Citywide, "Opt Out"
Landscaped Waste Collection:	Yes Separate unit price	Yes Separate unit price	Yes Separate unit price	Yes "Bundled" into one SW price
<b>Neighborhood Cleanup Days</b>	Yes No added charge.	Yes No added charge.	Yes No added charge.	Yes "Bundled" into one SW price

Notes:

(a) Respondent #1 proposed a recycling revenue/risk sharing element in their Base Proposal.

(b) Respondent #2 offer to pay City a set amount to conduct public education

(c) Respondent #4 proposes to use their Illinois regional customer service center as their "local" office for Peoria.

(Highlighted cells indicate a change in proposed Base specifications.)



Table 2 - ALTERNATE PROPOSALS

Respondents:	Respondent #1 (No alternates submitted)	Respondent #2		Respondent #3		Respondent #4
		"Alternate Proposal #1" "Cart Procurement"	"Alternate Proposal #2" "8 Yard Dumpsters"	Alternate Proposal 1	Alternate Proposal 2 Same elements in both Alternate 1 and 2	
Title of Alternate Proposals:						"Alternative"
Commencement Date	Same as Base	Same as Base	Same as Base	Prior to July 1, 2019		Same as Base
Unlimited Waste Collection	Same as Base	Same as Base	Same as Base	Extra carts by subscription		Same as Base
Recycling Citywide ("opt out")	Same service as Base, City pay processing fees directly	Same as Base	Same as Base	No. "Opt-in" basis. No cart deposit.		Same as Base
Unlimited Recyclables Collection	Same as Base	Same as Base	Same as Base	No. Excess recyclables held until next collection (2 Carts)		No.
Non-Containerized Waste		Same as Base	Same as Base	Limited		Limited
Yard Waste Season	Direct Subscription Service, set number of pickups per year	Same as Base	Same as Base	Weekly Schedule during Season		Weekly Schedule during Season
Public Education by Contractor	Same as Base	Yes. Same as Base	Yes. Same as Base	No. Respondent #3 would pay City set amount to conduct per year		Yes. Same as Base
Cart Procurement	Same as Base	Respondent #2 procures carts		Respondent #3 purchases recycling carts as per current contract.		Same as Base
Clean-Up Events	Same as Base		No. Different from Base	Same as Base		Yes. Same as Base
Bulky Waste	Same as Base	Yes. Same as Base	Yes. Same as Base	Same as Base		Limited
Household Hazardous Waste	Same as Base	Same as Base	Same as Base	Same as Base		Collection at house

Note, not a complete list of Proposal components. Responses included confidential business information and as such withheld in context of the public policy session.