

AUTHORIZE THE SECOND AND FINAL RENEWAL AGREEMENTS WITH LAKESHORE RECYCLING SYSTEMS, LLC FOR SOLID WASTE DISPOSAL AND RECYCLING SERVICES

THE CHIEF EXECUTIVE OFFICER REPORTS THE FOLLOWING DECISION:

Authorize the second and final renewal agreements with Lakeshore Recycling Systems, LLC to provide Solid Waste Disposal and Recycling Services to the Facilities Department at an estimated annual cost set forth in the Compensation Section of this report. A written document exercising this option is currently being negotiated. No payment shall be made to the Vendor during the option period prior to execution of the written document. The authority granted herein shall automatically rescind in the event a written document is not executed within 90 days of the date of this Board Report. Information pertinent to this option is stated below.

Specification Number : 13-250056

Contract Administrator : Gilliam, Mr. Stephen / 773-553-2280

VENDOR:

- 1) Vendor # 99227
LAKESHORE RECYCLING SYSTEMS, LLC
6132 WEST OAKTON STREET
MORTON GROVE, IL 60053

Joshua Connell
773 685-8811

Ownership: Goldman Sachs - 46.81%
Golf, Inc - 16.47%
Lakeshore Waste Services, LLC - 16.47%
Various Employees each with under 10%
holding - 20.25%

USER INFORMATION :

Project
Manager: 11880 - Facility Opers & Maint - City Wide

42 West Madison Street

Chicago, IL 60602

Peng, Mr. Yanbo

773-553-2960

ORIGINAL AGREEMENT:

The original Agreement (authorized by Board Report 13-0925-PR5) in the amount of \$18,923,000 was for a term commencing November 20, 2013 and ending December 31, 2018, with the Board having two (2) options to renew for one (1) year terms each. This agreement was renewed (authorized by Board Report 18-0822-PR5) in the amount of \$3,784,600 for a term commencing January 1, 2019 and ending December 31, 2019. The original agreement was awarded on a competitive basis pursuant to former Board Rule 7-2.

OPTION PERIOD:

The term of this agreement is being renewed for one (1) year commencing January 1, 2020 and ending December 31, 2020.

OPTION PERIODS REMAINING:

There are no option periods remaining.

SCOPE OF SERVICES:

Vendor will continue to provide collection, processing, and disposal of solid waste and recyclable materials from designated locations (including garbage, solid waste and refuse). Vendor will continue to provide labor, materials, supplies, reporting, advisory and support services. Vendor will also continue to assist the Board in achieving cost savings and recycling improvements where possible.

DELIVERABLES:

Vendor will continue to provide collection and disposal of solid waste at CPS buildings and properties, as required, and assist the Board in recycling of 50% of the aggregate solid waste collected.

The Vendor will also:

1. Develop and implement a detailed plan focusing on continuous improvement and year over year cost reduction where possible;
2. Right-size container usage to reduce costs;
3. Conduct weekly container audits;
4. Conduct annual right-size audits;
5. Conduct semi-annual waste generation audits;
6. Produce materials and signage to support the Board's recycling efforts;
7. Prepare a monthly report on key statistics;
8. Develop and manage a website for CPS to track performance on a school by school basis; and
9. Prepare ad-hoc reports as requested by the Board.

OUTCOMES:

Vendor's services will result in School waste being collected on a timely basis. In addition, Vendor's services will monitor costs year over year, maximize recycling, and expand and improve reporting.

COMPENSATION:

Vendor shall be paid during this option period as follows: Estimated annual costs for this option period are set forth below:

FY20 - \$2,271,500

FY21 - \$2,271,500

AUTHORIZATION:

Authorize the General Counsel to include other relevant terms and conditions in the written option document. Authorize the President and Secretary to execute the option document. Authorize Chief Facilities Officer to execute all ancillary documents required to administer or effectuate this option agreement.

AFFIRMATIVE ACTION:

Pursuant to the Remedial Program for Minority and Women-Owned Business Enterprise Participation in Goods and Services contracts (M/WBE Program), this contract is in full compliance as the Prime vendor has committed to the participation goals of 30% MBE and 7% WBE. The vendor has scheduled the following firm(s):

Total MBE: 30%
Petromex Products
14702 S Hamlin Avenue
Midlothian, IL 60445
Ownership: Felipe Estrada

Total WBE: 7%
E. King Construction
3865 W Columbus Avenue
Chicago, IL 60652
Ownership: Elaine King

LSC REVIEW:

Local School Council approval is not applicable to this report.

FINANCIAL:

Fund 230

Facilities, Operations and Maintenance - Unit 11880

FY20 - \$2,271,500

FY21 - \$2,271,500

Not to exceed \$4,543,000 for the one (1) year term.

Future year funding is contingent upon budget appropriation and approval.

CFDA#: Not Applicable

GENERAL CONDITIONS:

Inspector General - Each party to the agreement shall acknowledge that, in accordance with 105 ILCS 5/34-13.1, the Inspector General of the Chicago Board of Education has the authority to conduct certain investigations and that the Inspector General shall have access to all information and personnel necessary to conduct those investigations.

Conflicts - The agreement shall not be legally binding on the Board if entered into in violation of the provisions of 105 ILCS 5/34-21.3 which restricts the employment of, or the letting of contracts to, former Board members during the one year period following expiration or other termination of their terms of office.

Indebtedness - The Board's Indebtedness Policy adopted June 26, 1996 (96-0626-PO3), as amended from time to time, shall be incorporated into and made a part of the agreement.

Ethics - The Board's Ethics Code adopted May 25, 2011 (11-0525-PO2), as amended from time to time, shall be incorporated into and made a part of the agreement.

Contingent Liability - The agreement shall contain the clause that any expenditure beyond the current fiscal year is deemed a contingent liability, subject to appropriation in the subsequent fiscal year budget(s).

Approved for Consideration:




JONATHAN MAPLES
Chief Procurement Officer

Approved:



JANICE K. JACKSON
Chief Executive Officer

Approved as to Legal Form: 



JOSEPH T. MORIARTY
General Counsel