

**AUTHORIZE NEW AGREEMENT WITH LAKESHORE RECYCLING SYSTEMS, LLC FOR SOLID
WASTE DISPOSAL AND RECYCLING SERVICES**

THE CHIEF EXECUTIVE OFFICER REPORTS THE FOLLOWING DECISION:

Authorize a new agreement with Lakeshore Recycling Systems, LLC ("Vendor") to provide Solid Waste Disposal and Recycling Services to the Facilities Department at a cost of approximately \$3,784,600 annually, total cost not to exceed \$18,923,000 for the five year term. Vendor was selected on a competitive basis pursuant to Board Rule 7-2. A written agreement for Vendor's services is currently being negotiated. No services shall be provided by Vendor and no payment shall be made to Vendor prior to execution of the written agreement. The authority granted herein shall automatically rescind in the event a written agreement is not executed within 120 days of the date of this Board Report. Information pertinent to this agreement is stated below.

Specification Number : 13-250056

Contract Administrator : Hernandez, Miss Patricia / 773-553-2280

VENDOR:

- 1) Vendor # 99227
LAKESHORE RECYCLING SYSTEMS, LLC
6132 WEST OAKTON STREET
MORTON GROVE, IL 60053
Joshua Connell
773 685-8811
773-685-6043

USER INFORMATION :

Contact:
11880 - Facility Opers & Maint - City Wide

125 South Clark Street 17th Floor

Chicago, IL 60603

Mcdermott, Ms. Meredith C.

773-553-2960

TERM:

The term of this agreement shall commence on the contract execution date, but no later than January 1, 2014 and shall end on December 31, 2018. This agreement shall have two (2) options to renew for periods of one (1) year each.

EARLY TERMINATION RIGHT:

The Board shall have the right to terminate this agreement with 90 days written notice.

SCOPE OF SERVICES:

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

DELIVERABLES:

The Vendor will provide collection and disposal of solid waste at CPS buildings and properties, as required, and assist the Board in recycling of 50 percent of the aggregate solid waste collected. Also, the Vendor will:

1. Develop and implement a detailed plan focusing on continuous improvement and year over year cost reduction.
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 Board's recycling efforts.
7. Conduct a monthly report on key statistics.
8. Develop and manage a website for CPS to track performance on a school by school basis.
9. Conduct ad-hoc reports.

OUTCOMES:

School waste will be collected in a timely basis. In addition, Vendor's services will reduce costs year over year, maximize recycling, and expand and improve reporting. The agreement will also generate revenue for the Board. The estimated annual revenue from recycling is \$180,000 and will likely improve (subject to marketplace behavior) as Vendor owns no landfill and is therefore highly cost-incentivized to minimize use of landfills and maximize recycling through, for example, providing materials/signage at school for better recycling.

COMPENSATION:

Vendor shall be paid as stated in the written agreement, not to exceed the sum of \$18,923,000.

REIMBURSABLE EXPENSES:

None.

AUTHORIZATION:

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

AFFIRMATIVE ACTION:

This agreement is in full compliance with the goals required by the Remedial Program for Minority and Women Owned Business Enterprise Participation in Goods and Services Contracts. The MBE/WBE goals for this agreement include: 30% total MBE and 7% total WBE participation.

The Vendor has identified the following participation:

Total MBE: 30%

Black Dog
2300 North Lincoln Ave.
Chicago, Illinois 60614

Petromex, Inc.
14702 South Hamlin
Midlothian, Illinois 60445

Total WBE : 7%

Luise, Inc.
1 South 711 School Street
Lombard, Illinois 60148

LSC REVIEW:

Local School Council approval is not applicable to this report.

FINANCIAL:

Funding unit : 11880-230-54105-254021-00000

FY2014: \$1,746,829

FY2015: \$3,563,530

FY2016: \$3,706,071

FY2017: \$3,854,314

FY2018: \$4,008,487

FY2019: \$2,043,542

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:



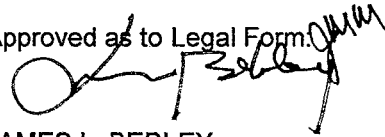
SÉBASTIEN de LONGEAUX
Chief Procurement Officer

Approved:



BARBARA BYRD-BENNETT
Chief Executive Officer

Approved as to Legal Form:



JAMES L. BEBLEY
General Counsel