
**VILLAGE OF SUGAR GROVE
BOARD REPORT**

TO: VILLAGE PRESIDENT & BOARD OF TRUSTEES
FROM: BRENT EICHELBERGER, VILLAGE ADMINISTRATOR
ALISON MURPHY, ASSISTANT TO THE VILLAGE
ADMINISTRATOR/VILLAGE CLERK
SUBJECT: DISCUSSION: REFUSE CONTRACT EXTENSION
AGENDA: JANUARY 18, 2022 REGULAR BOARD MEETING
DATE: JANUARY 7, 2022

ISSUE

Should the Village Board discuss extending the current refuse and recycling contact with Lakeshore Recycling Systems (formerly DC Trash).

DISCUSSION

In May 2017 the Village Board approved a new contract with Lakeshore Recycling Systems (formerly DC Trash) effective August 2017. Services included unlimited trash and recycling with contractor provided totes, yardwaste pick-up, street sweeping, and large item, white goods, electronic and household hazardous waste curbside collection with a 3% annual increase for five years. Included in the contract is a provision for an optional five extension again at a 3% annual increase. The contract may be extended by the Village at any time prior to April 30, 2022 at the following rate structure.

Year	Price
August 1, 2022 - July 31, 2023	\$19.21
August 1, 2023 - July 31, 2024	\$19.79
August 1, 2024 - July 31, 2025	\$20.38
August 1, 2025 - July 31, 2026	\$20.99
August 1, 2026 - July 31, 2027	\$21.62

Staff has reached out to two major area refuse haulers (who also bid in 2017), to informally ask if they would be able to provide a competitive bid. Neither company has indicated they can. Based on current conditions in the market, it is most unlikely that any provider can match or beat the renewal rates. LRS has indicated they would not be able to match the extension price if it was to be rebid due to market changes.

In the unlikely event a cost savings could be achieved with a new provider, the savings would need to be enough to justify the inconvenience of changing out totes and potential changes to pick-up days. Staff and residents have been pleased with the services provided by LRS. LRS drivers and customer service representatives are responsive, courteous and provide timely service.

Staff believes the best interests of the residents will be served by executing the five year extension with LRS.

COST

There is no cost for the discussion. If the Board approves the contract extension, rates will increase 3% per year.

RECOMMENDATION

That the Board discuss extending the current refuse and recycling contract with Lakeshore Recycling Systems (formerly DC Trash) and direct staff to contact LRS to extend the current contract at the rates provided.