



**RESOLUTION OF THE COUNTY BOARD
WILL COUNTY, ILLINOIS**

Awarding Bid for Electronics Recycling

WHEREAS, on January 25, 2016, the County Executive's Office opened one (1) bid, to provide permanent drop off for residential electronics recycling, and

WHEREAS, the Resource, Recovery & Energy Director has recommended, and the Executive Committee concurs, that the bid for permanent drop off for residential electronics recycling be awarded to the lowest responsible bidder, Electronic Recyclers International, Plainfield, IN, and

WHEREAS, sufficient funds are available in the Solid Waste Management Fund.

NOW, THEREFORE, BE IT RESOLVED, that the Will County Board hereby awards the contract for permanent drop off for electronics collection events to the lowest responsible bidder, Electronic Recyclers International, Plainfield, IN, for the approximate cost of \$202,960 for the first year.

BE IT FURTHER RESOLVED, that the County Executive is hereby authorized to take such action as necessary to implement the bid award set forth herein.

BE IT FURTHER RESOLVED, that the Preamble of this Resolution is hereby adopted as if fully set herein. This Resolution shall be in full force and effect upon its passage and approval as provided by law.

Adopted by the Will County Board this 18th day of February, 2016.

AYES:	Howard, Ogalla, Moustis, Singer, Moran, Rice, Harris, Bennefield, Fritz, Freitag, Gould, Fricilone, Brooks Jr., Winfrey, Parker, Staley-Ferry, Babich, Wilhelmi, Hart, Tuminello, Weigel, Collins, Ferry
ABSENT:	Traynere, Balich, Maher

Result: Approved - [Unanimous]

Nancy Schultz Voots
Nancy Schultz Voots (SEAL)
Will County Clerk

Approved this 18th day of February, 2016.

Lawrence M. Walsh
Lawrence M. Walsh
Will County Executive

**FROM THE DESK OF
RITA WEISS
PURCHASING DIRECTOR**

BID HISTORY

ITEM: 2016-5 RESIDENTIAL ELECTRONICS RECYCLE BID

DEPARTMENT: LAND USE, RESOURCE RECOVERY & ENERGY DIVISION

BID LETTING: JANUARY 13, 2016

PUBLISHED NOTICE: HERALD NEWS, JOLIET, JANUARY, 2016

BID OPENING: JANUARY 25, 2016, 9:10 A.M.

LOCATION: WILL COUNTY OFFICE BUILDING
302 N. CHICAGO ST.
JOLIET, IL. 60432

BIDDING RESULTS:

NUMBER RELEASED: 10 & INTERNET **NUMBER RETURNED:** 2

<u>BIDDER:</u>	<u>TOTAL</u>
ELECTRONIC RECYCLERS INT'L, (ERI) PLAINFIELD, IN	(EST) \$202,960.00
REPUBLIC SERVICES	NO BID

RECOMMENDATION FROM DEAN OLSON AND MARTA KEANE, LAND USE, RESOURCE RECOVERY & ENERGY DIVISION, IS TO GO WITH LOWEST, RESPONSIBLE BIDDER, ELECTRONIC RECYCLERS INT'L, PLAINFIELD, IN, FOR A ONE-YEAR CONTRACT, WITH A ONE-YEAR RENEWAL FOR SERVICE TO THREE PARTNER SITES. THE TOTAL COST IS ESTIMATED BASED ON PENALTY FEES AND UNRECOUPED COSTS FOR ITEMS NORMALLY RECYCLED BUT NOT BANNED BY ILLINOIS LAW.

BASED ON TAKING IN 70% OF THE WEIGHT RECORDED FROM 2015 THE TOTAL COST WAS NEGOTIATED TO AN ESTIMATED AT \$202,960. THIS IS SUBSTANTIALLY REDUCED FROM THE BID SUBMITTED WHICH WAS ESTIMATED AT \$503,151.

Attachment: Award docs (16-47 : Awarding Bid for Electronics Recycling)

BID TABULATION FORM

DEPARTMENT: 2016-5 RESIDENTIAL ELECTRONICS RECYCLING
 DUE: 01-25-2016, 9:00 AM OPENED: 01-25-2016, 9:10 AM

BIDDER	BID DEPOSIT PRIME	TOTAL PRICE
Electronic Recyclers Int'l Fresno, CA Plainfield, IN	BID DEP \$3,500 Ck Prime Cont Y N Forms Signed Y N References Y N Addenda (1) Y N	See explanation from Land Use staff.
Republic Services	BID DEP Prime Cont Y N Forms Signed Y N References Y N Addenda (1) Y N	NO BID
	BID DEP Prime Cont Y N Forms Signed Y N References Y N Addenda (1) Y N	
	BID DEP Prime Cont Y N Forms Signed Y N References Y N Addenda (1) Y N	
	BID DEP Prime Cont Y N Forms Signed Y N References Y N Addenda (1) Y N	

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ALSO PRESENT: Rita Weiss, Elisa Medina, Dean Olson, Marta Keane



**WILL COUNTY LAND USE DEPARTMENT
WASTE SERVICES DIVISION**

58 E. CLINTON STREET, SUITE 100 JOLIET, ILLINOIS 60432
815-727-8834

MEMORANDUM

Date: January 25, 2016

To: Nick Palmer, County Executive Chief of Staff
Through: Curt Paddock, Land Use Department Director
From: Dean Olson, Resource Recovery & Energy Director
Marta Keane, Recycling Program Specialist

Subject: Bid for Permanent Electronics Recycling Drop-Off Services

Summary

Following notification from Vintage Tech/Kuusakoski of their intention to break the County's Permanent Site and One-Day Drop-Off Residential Electronics Contract (that was to last through April 2017), staff bid a new contract. There have been some changes in the market place making competition for manufacturer funding highly competitive. This has resulted in less service to sites.

Most recyclers are requiring sites to sort materials and pack semi-trailers. While Will County had over a dozen partner sites with the higher level of service, only three were able to commit to meeting the new requirements. Most sites levels were included in the specification but it appears only the three that can host a semi-trailer and pack it on site will be able to receive service.

The changes in the value of commodities and competitiveness of the manufacturer funding, even in light of 2015 legislation aimed at reducing fees to government agencies, has resulted in fees to local governments across the state in 2016. These fees are meant to incentivize proper and efficient packing at sites. In light of the situation and after some negotiation, staff is recommending a one-year contract, with a one-year renewal option be awarded to Electronic Recyclers International – Indiana (ERI) for service to three partner sites. The total cost is estimated based on penalty fees and unrecouped costs for items normally recycled but not banned by Illinois law.

Based on taking in 70% of the weight recorded from 2015 the total cost was negotiated to an estimated at \$202,960. This is substantially reduced from the bid submitted which was estimated at \$503,151.

	70% of 2015 weight	Required Weight of Semi-loads	Fee for not meeting weight	Fee for improper sorting	Non-CEDs/EEDs		Estimated Cost
ERI Bid	3,101,518	22,000	\$193,750	\$8,748	\$180,392	\$120,260	\$503,151
ERI Negotiation	3,101,518	20,000	\$31,000	\$8,748	\$77,311	\$85,901	\$202,960

This year-round program was started in 2007 with four site partners, grew to 13 sites, and became a successful, beneficial recycling option to our residents, taking in over four million pounds in 2015. Under the terms of the new agreement, we expect weight to drop, due to the demands the manufacturers and

recyclers are placing on sites in order to receive service. No one bid one-day collections and they will need to be re-bid or negotiated if any are to be held in 2016.

Recommendation

Given the cost and service history, staff recommends ERI be awarded a one-year contract with one-year renewal.

Additional information on the history of the program and the state of commodity values that are impacting our bidding is below.

History

Will County began offering one-day residential electronic collection events in 2000. These collection events have been held at various locations throughout Will County. Residents and governmental organizations were permitted to contribute all types of electronic items without charge. (Appliances were not accepted but a variety of items from power tools to microwaves were included.) Typically, the residential collection was held on a Saturday from 8:00am – 3:00pm, averaging 2 – 4 semi-trailers per event and 6-12 laborers.

In 2007, Will County began a permanent residential electronic recycling collection program with four partner locations. A fifth location was added in 2008 and six additional locations opened in 2009, a few more were added shortly thereafter as we faced a ban on 17 items beginning in January of 2012. This was a cooperative effort between the County, local government host sites, the Contractor and the general public. Most sites were supervised by staff on the property as they performed other duties. The public relied on promotional materials and site signs to know which items were acceptable and the proper method of delivering them.

Year	2007	2008	2009	2010	2011	2012	2013	2014	2015
#Sites	4	5	11	12	13	13	13	13	13
Will Cost	\$42,850	\$41,610	\$105,908	\$15,132	\$3,895	\$9,000	\$10,000	\$10,000	\$10,000
<i>Costs include what was paid to the recycler, the cost of sites and educational efforts</i>									
Pounds	238,438	409,990	1.1 m	1.5 m	1.6 m	3.3 m	3.8 m	3.5 m	4.4 m

Illinois Electronics Take-Back Law

In 2008, a State law was passed, PA95-0959 Electronic Products Recycling and Reuse Act, making manufacturers responsible for the cost of residential electronic recycling in Illinois. It doesn't include coverage of all electronic items but includes 17 common items. The manufacturer responsibility law took effect on January 1, 2010 with a ban on landfilling some electronics that began January 1, 2012. No unit of government, retailer or other collector of electronics is allowed to charge to take covered electronic devices (CEDs) from a resident. In 2015, PA99-0013 made it illegal to charge units of local government acting as collection sites for supplies, transportation and recycling costs. The intention was that manufacturers would pay processors, who, in turn, would cover all or the majority of the costs of collection from retailers and units of local government. To date, there has not been a provision to cover the cost of staff time related to collection site work.

Data Security Issues

The issue of privacy protection has long been a concern to Will County when they have sought to provide residential recycling service as many residents are unable to erase data from computers, laptops, tablets, copiers and cell phones due to malfunctioning equipment. It is a requirement of the bid specification that the data is cleaned to DOC and NIST standards by the recycler.

Dismantling Requirements/Certificates

In the first ten years of electronic recycle there were issues of electronic equipment being shipped to developing countries where metals were recovered in unsafe ways, causing harm to human beings and the environment. Will County has always required that all items taken in our collection programs be dismantled in the United States to OSHA standards or sold as viable (tested), usable parts. In addition, we require our vendor to hold an R2 or E-Stewards certification. These third-party verification organizations check all the downstreams used by a vendor to ensure safe dismantling practices.

ERI, the proposed vendor, utilizes third party collection trucks with direct delivery to their facility in Plainfield, Indiana. They hold both the E-Stewards and R2 certifications, along with ISO 140001, and ISO 9001.

Potential Liability

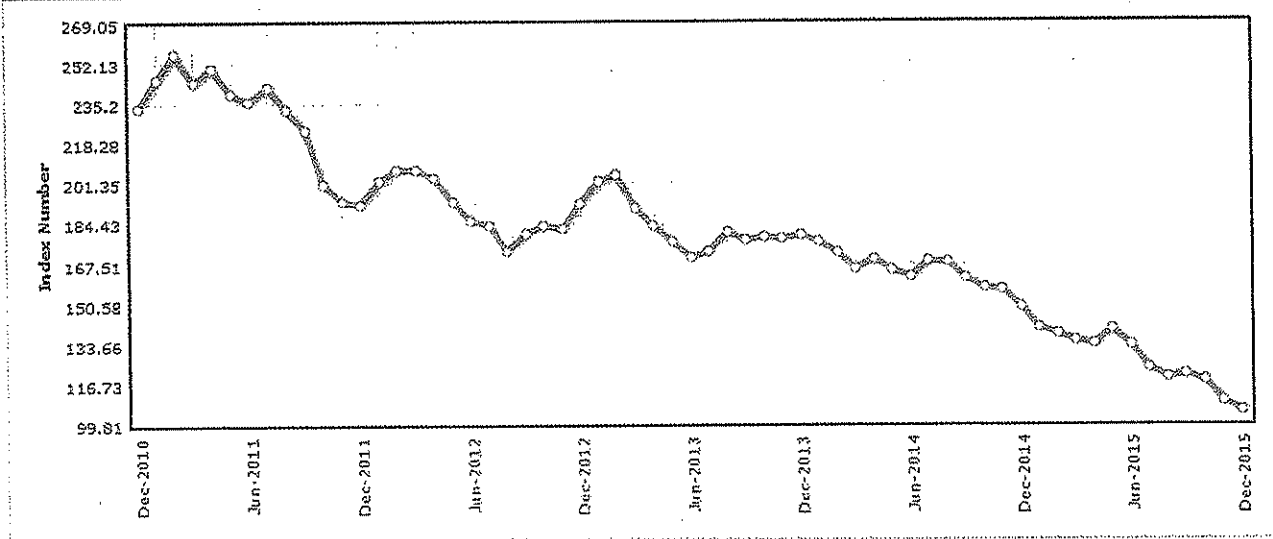
For all intents and purposes, under the 2008 State of Illinois Electronic Products Recycling and Reuse Act, units of government engaged in collection of residential electronics are not liable for data security breaches, theft of items or misdirection of items.

Commodity Value

Over the past few years the value of plastic and metals has dropped considerably. Several electronic recyclers and scrap recyclers have gone out of business due to the drastic fall in price for these commodities. A following graph illustrates the value of the metals that come from electronics:

Commodity Metals Price Index Monthly Price - Index Number

Range 6m 1y 5y 10y 15y 20y 25y 30y Dec 2010 - Dec 2015: -128.520 (-55.02 %)



Description: Commodity Metals Price Index, 2005 = 100, includes Copper, Aluminum, Iron Ore, Tin, Nickel, Zinc, Lead, and Uranium Price Indices

Attachment: Award docs (16-47 : Awarding Bid for Electronics Recycling)

Bid Received

Electronic Recyclers International (ERI), from Plainfield, Indiana was the sole bid. They are a respected recycler, headquartered in Fresno, California and operating nationally. They processed 220 million pounds of electronics nationally in 2015. They have been in business since November, 2002.

MEMORANDUM

DATE: November 17, 2015

TO: Will County Board Members

FROM: Dean Olson, Resource Recovery & Energy Director

CC: Nick Palmer, Chief of Staff to the County Executive
Curt Paddock, Will County Land Use Director
Marta Keane, Recycling Program Specialist

RE: Recycling Program Funding Cuts

My understanding is the County Board has decided to lower our request for the Recycling Programs Budget from \$350,000 to \$200,000 for FY2016. Therefore, the County Executive's Office asked me to provide the County Board an explanation as to why the County would need \$350,000 for Recycling Programs during the 2016 Budget Year. First of all, our recycling programs have never been this well attended before, which will increase the costs per event. See the below outline of what the costs of our recycling programs are, and the loss of service if recycling funding is reduced from \$350,000 to \$200,000:

- The loss of \$150,000 in recycling funding will greatly reduce the amount of events and recycling services the County will be able to provide. For instance, due to poor recycling markets, the cost of recycling pick-ups for the Drop-Off sites throughout the County/County Buildings will be about \$50,000 next year. If you take that amount away (\$50,000) and if we need to pay for a residential Tire Event due to the IEPA's lack of funding (\$55,000 was the cost of the last Tire Event) – we will only have \$95,000 left to use for our other events/activities.
- Assuming we have \$95,000 remaining, and a Household Hazardous Waste (HHW) event costs an average of \$38,000 (using current prices, see below table), we would only have enough funds for 2 HHW events. If we have less events, we will more than likely have more people attending them, so the cost will very likely be higher than \$38,000 per event, while making recycling less convenient. Our current HHW Agreement will expire early in 2016, therefore, we will need to issue an RFP. The costs per event are expected to increase, especially if I can only guarantee we would have enough funds to hold 2 events vs. 6.
- A lack of funding will reduce opportunities for our residents to recycle, and is not in keeping with our Solid Waste Plan – to recycle more and keep material out of the landfills. Reducing the printing budget - when one of the most effective ways we are told people know about the recycling events is through flyers will also reduce our overall effectiveness in promoting recycling.

See below rundown of recycling costs:

- 6 HHW events would run \$226,477 (based on a current cost on our contract, we will issue an RFP since the current contract one will expire and have a new one on 5/1/16).
- Countywide Drop-Off & Bulb/HW Recycling/Building/Disposal is about \$50,000 (the cost has increased due to poor recycling markets)
- Special Roll-Off Service @ 3 Events for wood, metals, carpet, pumpkins = \$4,000
- Containers for Electronic Recycling 1/year = \$2,200 + moving charges \$300
- Shredding/Book Events \$1,000
- One Residential Tire Event \$55,000 (if we only had one for municipalities & townships it would be \$10,000)
- \$500 Grant per Electronics Drop-Off Site X 12 = \$6,000
- Pharmaceutical Take Back (yellow jug program and pick-ups) 10 sites X \$500 = \$5,000

Total Recycling cost: \$349,977

- Printing of Flyers and Brochures for Recycling Programs for 8 – 10 events: \$10,000 (reduced to \$3,000 in County Board budget)

Year	2011	2012	2013	2014	2015
Number of Events	5	5	5	6	5*
Number of Participants with HHW	1,868	2,262	2,509	3,332	3,683
Average # of HHW Participants per Event	374	452	502	555	736
Pounds Collected	140,784	137,637	175,202	220,903	264,952
Average pounds per Event	28,156	27,527	35,040	36,817	52,990
Pounds Per Participant	75.00	60.00	69.00	66.00	72.00
Cost of Events	\$105,377.32	\$118,292.21	\$129,757.17	\$157,110.42	\$188,730.97
Average cost per event	\$21,075.00	\$23,658.00	\$25,951.00	\$26,185.00	\$37,746.00

*2015 had fewer events than 2014 yet had more participants and lbs collected, showing a greater need for more, not less recycling events