



Board of Education

Office of the Board
1 North Dearborn Street
Suite 950
Chicago, IL 60602

Board Report

25-0225-PR2

Agenda Date: 2/27/2025

AUTHORIZE THE SECOND (FINAL) RENEWAL AND EXTENSION AGREEMENT WITH LAKESHORE RECYCLING SYSTEMS, LLC FOR SOLID WASTE DISPOSAL, RECYCLING, AND COMPACTOR MAINTENANCE AND REPAIR SERVICES

THE CHIEF EXECUTIVE OFFICER REPORTS THE FOLLOWING DECISION:

Authorize the final renewal and extension agreement with Lakeshore Recycling Systems, LLC to provide Solid Waste Disposal, Recycling, and Compactor Maintenance and Repair services to the Department of Facilities and all schools at an estimated annual cost set forth in the Financial Section of this report. Vendor was selected on a competitive basis pursuant to Board Rule 7-3. 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 the execution of their 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.

The extension term was presented to the Single/Sole Source Committee on January 22, 2025, and approved by the Chief Procurement Officer. Prior to approval as a Single Source, the item was published on the Procurement website on January 22, 2025 found here: cps.edu/procurement. The item will remain on the Procurement website until the February 27, 2025 Board Meeting. This process complies with the independent consultant's recommendations for single source procurements and the Board's "Single/Sole Source Committee Charter."

Specification Number: 20-350027

Contract Administrator: Zimnie, Stephen A / 773-553-2280

VENDOR:

- 1) Vendor # 20375
LAKESHORE RECYCLING SYSTEMS, LLC
5500 PEARL STREET
ROSEMONT, IL 60018

Joshua Connell
847- 779-7500

Ownership: Goldman Sachs - 46.34%, Golf, Inc. - 16.06%,
Lakeshore Waste Services, LLC - 16.06%, Hillfort LRS, L.P. - 9%,
Various Employees each with less than 10% holding - 12.54%

USER INFORMATION :

Project
Manager: 11880 - Facility Opers & Maint - City Wide
42 West Madison Street
Chicago, IL 60602

Rehberg, Caleb M
773-553-2960

PM

Contact: 11880 - Facility Opers & Maint - City Wide
42 West Madison Street
Chicago, IL 60602

Hansen, Ivan
773-553-2960

ORIGINAL AGREEMENT:

The original Agreement (authorized by Board Report 21-0127-PR7) in the amount of \$27,350,000 is for a term commencing April 1, 2021 and ending March 31, 2024, with the Board having two (2) options to renew for one (1) year terms. The first renewal Agreement (authorized by Board Report 24-0321-PR3) in the amount of \$8,000,000 is for a term commencing April 1, 2024 and ending March 31, 2025. The original agreement was awarded on a competitive basis pursuant to Board Rule 7-3.

OPTION PERIOD:

The term of this agreement is being renewed and extended for three (3) years commencing April 1, 2025, and ending March 31, 2028.

OPTION PERIODS REMAINING:

There are no option periods remaining.

SCOPE OF SERVICES:

Vendor will provide collection, processing and disposal of solid waste and recyclable materials from designated locations (including garbage, solid waste and refuse). Vendor will provide monthly preventative maintenance to the Board's compactors and will quote and perform repairs to those compactors as requested by the Board. Vendor will lease compactors to the Board, with all repairs and maintenance included, at the request of the Board.

DELIVERABLES:

Vendor will 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. Vendor will schedule and perform monthly preventative maintenance on Board's compactors.

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;
9. Prepare ad-hoc reports as requested by the Board;
10. Provide proper signage for education initiatives at each building to improve single-stream recycling;
11. Provide instruction videos for in-class recycling; and
12. Upon request, review design drawings for renovation and new construction projects and provide equipment size and cut sheets based on these designs.

OUTCOMES:

Vendor services will result in school waste being collected on a timely basis, help extend the life of the Board's compactors through monthly preventative maintenance, when compactors break down and are beyond useful life, the Board will have the ability to request to lease compactor(s), inclusive of all maintenance and repairs, from the Vendor.

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 the Chief Facilities Officer to execute all ancillary documents required to administer or effectuate this option agreement.

AFFIRMATIVE ACTION:

Pursuant to the Remedial Policy for Minority-Owned Business Enterprise (MBE) and Women-Owned Business Enterprise (WBE) policy participation in Goods and Services contracts, the vendor has committed to the aspirational goals of 30% MBE and 7% WBE with their strategic plan and subcontractors. The vendor has scheduled the following firms:

Total MBE: 30%

Petromex, Inc.
14702 S. Hamlin Avenue
Midlothian, IL 60445
Ownership: Filipe Estrada

King Construction Co., Inc.
3865 W. Columbus Avenue
Chicago, IL 60652
Ownership: Elaine King

Total WBE: 7%

DisposALL Waste Services, LLC
5817 W. Ogden Avenue
Cicero, IL 60804
Ownership: Elizabeth Christofylakis

LSC REVIEW:

Local School Council approval is not applicable to this report.

FINANCIAL:

Fund 230, Unit 11880, Facilities, Operations and Maintenance

FY25 - \$2,000,000
FY26 - \$6,000,000
FY27 - \$6,170,000
FY28 - \$4,760,000

Not to exceed \$18,930,000 for the three (3) year term. Future year funding is contingent upon budget appropriation and approval.

GENERAL CONDITIONS:

The agreement shall contain general conditions including but not limited to the following: Inspector General provision, in accordance with 105 ILCS 5/34-13.1; Conflicts provision, in accordance with 105 ILCS 5/34-21.3; Indebtedness

provision, in accordance with the Board's Indebtedness Policy adopted June 26, 1996 pursuant to Board Report 96-0626-PO3; Ethics provision, in accordance with the Board's Ethics Code as amended; and, Contingent Liability provision.

Approved for Consideration:



PATRICIA HERNANDEZ
Chief Procurement Officer

Approved:



PEDRO MARTINEZ
Chief Executive Officer

Approved as to Legal Form: 



RUCHI VERMA
General Counsel