

Agenda
Village of Glen Ellyn
Village Board Workshop
Monday, November 8, 2010
7:00 P.M.
Galligan Board Room
Glen Ellyn Civic Center

1. Call to Order

2. Branch and Brush Collection – Public Works Director Caracci
(Pages 1-5)

3. Other items?

4. Motion to adjourn to Executive Session for the purpose of discussing pending litigation. *(Trustee Thorsell)*

Board Workshop

11/8/10

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To: Steve Jones, Village Manager
From: Joe Caracci, Public Works Director
Date: October 28, 2010
Re: Branch and Brush Pickup Service

Background

The Village has provided a branch and brush pick-up program since 1999 serving all attached homes with 2 units and detached single-family homes. The once-a-month pickup program has been a huge success with the residents as they appreciate the convenience of parkway brush pickup. The program has also eliminated the need for staff to discern whether brush left on the parkways is from public or private trees. Our contractor collects and disposes of all brush less than 10" diameter. Monthly pickups are divided into two weeks with Hill Avenue serving as the dividing line. The program begins in May and concludes in October of each year. The funds used to pay for this service come from revenues generated through monthly billings to residents as part of their residential waste pickup. The average monthly charge to the residents for this service is \$1.53.

For the past ten years, Kramer Tree Specialists has performed the program with great success. They originally entered into a three year contract with the Village for service in 2001 through 2003. In each of the next four years, Kramer offered to extend their unit pricing with no increase. The Village was happy to accept this offer. In 2008, the Village Board requested that we go back out to bid for a new three-year contract in order to gauge the competitive market. Two contractors submitted proposals with Kramer Tree Specialists providing the lowest cost by 30%. This past year, in response to the Village's initiative to seek cost reductions from our vendors, Kramer Tree Service reduced their 2010 monthly costs to the Village by \$500. This in essence kept their pricing static from 2009 to 2010. Attached to this memorandum is a summary of the Branch and Brush collections, by month, for the past ten years.

Issues

Kramer Tree Specialists has recently completed their latest contract and have provided a proposal for a new three-year contract. The proposed contract has them starting at the planned 2010 rates (prior to their rate reduction) and utilizing the flat rate monthly charge pricing. Their proposal is as follows:

2011	\$22,500 per month (6 months)	Total Cost \$135,000
2012	\$22,800 per month (6 months)	Total Cost \$136,800
2013	\$23,150 per month (6 months)	Total Cost \$138,900

Kramer Tree Specialists has performed this contract for us for 11 of the 12 years we have offered the contract. They are intimately aware of all of the requirements and expectations. They have utilized the same foreman on their crew since 1999. Their quality and service have been nothing short of spectacular and our residents have become accustomed to their procedures. They have streamlined the collection process over the years that have actually led to reductions in cost per cubic yard of collection. The average cost per cubic yard during the last three year contract (combined) was \$34.67 which is less than that charged in 2003 through 2007 of \$34.89.

Oversight and management of the contract is minimal at best. Public Works manages the invoicing while Administration basically handles the customer service calls. Customers reporting missed pickups are handled immediately without question.

Kramer has become a partner with the Village of Glen Ellyn during storm events as well. Even though our contract calls for a unit price for emergency collections, Kramer has consistently charged the lower of the unit price and time and material price. Our professional relationship with Kramer Tree Specialists is second to none.

The impacts on our homeowners would be as follows:

2010 current	\$1.53 / month	\$18.36 / year
2011	\$1.56 / month	\$18.72 / year
2012	\$1.58 / month	\$18.96 / year
2013	\$1.61 / month	\$19.32 / year

Action Requested

Public Works would like to move forward with a recommendation to enter into a three-year contract with Kramer Tree Specialists for the 2011 – 2013 Branch and Brush Pickup Contract. As the value of this contract would require competitive bidding, we are seeking the Village Board’s willingness, under its Home Rule Authority, to waive competitive bidding on this contract. Should the Village Board be willing to exercise this authority, we would bring forward a formal recommendation and contract at a future date.

Recommendation

I recommend the Village Board utilize their Home Rule Authority and waive competitive bidding on this contract.

Attachments

- Supplemental Attachment (Pros and Cons)
- Summary Spreadsheet of Program Costs (2001 – 2010)

**Supplemental Agenda Information
Village of Glen Ellyn**

Agenda Item Supplemented by Commentary

- X Pros & Cons
 - Strategic Action Goal
 - Downtown Strategic Plan Goal
- X Budget Impact/Return on Investment
 - Process Improvement
 - Green Initiative
 - Communication Initiative
 - Safety/Liability/Risk Assessment
 - Comparable Community Info
 - Other

Comments:

Pros / Cons : waiving competitive bidding and considering a contract with Kramer Tree Specialists

Pros	Cons
Existing contractor has successfully performed the contract 11 of 12 years	May (or may not) get a better price for the program
Eliminates the need to train a new contractor of the Village’s expectations for the program	
Existing contractor requires very little if any oversight and management	
Existing contractor has extended prices or offered discounts in 5 of their 11 years	
Existing contractor is reliable	

Budget Impact / Return on Investment : The total proposed cost increase to the residents compared to the last three-year contract is \$2.50.

**Kramer Tree Specialists, Inc.**

300 Charles Court
West Chicago, Illinois 60185

October 22, 2010

**Mr. Joe Carrecci
Director of Public Works
30 S. Lambert Road
Glen Ellyn, IL 60137**

Dear Joe,

Kramer Tree Specialists, Inc. has provided the Village of Glen Ellyn with its Residential Brush Pick-up service since May 2001. We know the people of Glen Ellyn consider the brush collection program to be a very important service.

Our managers and our production workers are familiar with the level of service expected of us by Village Officials, staff members and citizens alike. Kramer Tree Specialists, Inc. has always met or exceeded those requirements and we value our relationship.

It is in that spirit that we offer a proposal for a three year continuation of the Village's Residential Brush Collection Program as follows:

- 2011 \$22,500.00 per month - Six months May through October - Total \$135,000.00**
- 2012 \$22,800.00 per month - Six months May through October - Total \$136,800.00**
- 2013 \$23,150.00 per month - Six months May through October - Total \$138,900.00**

Thank you for considering our offer. We look forward to working with you again these next three years.

Sincerely,

**Joseph Kramer
President**

BRUSH AND BRANCH REMOVAL

2001 - 2010 COMPARISON

MONTH	2001		2002		2003		2004		2005		2006		2007		2008		2009		2010	
	CU YDS	COST																		
May	675	\$22,093	610	\$20,636	720	\$24,821	690	\$24,074	630	\$21,981	655	\$22,853	736	\$25,679	638	\$21,400	665	\$22,000	824	\$22,000
June	638	\$20,882	1,160	\$39,243	620	\$21,632	715	\$24,846	640	\$22,330	710	\$24,772	680	\$23,725	1005	\$21,400	570	\$22,000	917	\$22,000
July	670	\$21,929	670	\$22,666	655	\$22,853	625	\$21,806	490	\$17,096	600	\$20,924	560	\$19,538	574	\$21,400	660	\$22,000	555	\$22,000
August	682	\$22,322	590	\$19,960	585	\$20,411	600	\$20,934	520	\$18,143	570	\$19,887	480	\$16,747	862	\$21,400	496	\$22,000	552	\$22,000
September	670	\$21,929	600	\$20,298	555	\$19,364	590	\$20,585	535	\$18,666	510	\$17,794	440	\$15,352	410	\$21,400	455	\$22,000	703	\$22,000
October	640	\$20,947	645	\$21,820	605	\$21,109	560	\$19,538	515	\$17,968	620	\$21,632	460	\$16,050	495	\$21,400	480	\$22,000	563	\$22,000
Total	3975	\$130,102	4275	\$144,623	3740	\$130,190	3780	\$131,783	3330	\$116,184	3665	\$127,862	3356	\$117,091	3984	\$128,400	3326	\$132,000	4114	\$132,000

Variable Rate \$32.73 per cu.yd. Kramer Tree Service
 Variable Rate \$33.83 per cu.yd. Kramer Tree Service
 Variable Rate \$34.89 per cu.yd. Kramer Tree Service
 Fixed Rate \$21,400 per month Kramer Tree Service
 Fixed Rate \$22,000 per month Kramer Tree Service
 Fixed Rate \$22,000 per month Kramer Tree Service