



MIXED MUNICIPAL SOLID
WASTE, YARD WASTE, BULK
ITEMS, PROBLEM MATERIALS,
AND RECYCLABLES

THE CITY OF ST. PAUL



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Driven By Service. Dedicated To Sustainability.



MISSION STATEMENT

LRS is the industry leader in providing innovative and environmentally responsible waste and recycling solutions. Our team delivers exceptional service and value through relentless commitment to customer satisfaction and preservation of our environment.



SAFETY

Protecting the well-being of our employees and the communities is essential. That's why we've taken the lead in building a lasting culture of safety and awareness.

SOCIAL IMPACT

From volunteering and fundraising to our mindful hiring practices and outreach programs, we're proudly working to help enrich the neighborhoods we serve and live in.

SUSTAINABILITY

We're proud to be reducing consumption, diverting material away from landfills, and consistently working to improve our planet's long-term viability.

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Best and Brightest
Companies in the
Nation



Environmental Leader
Top Product
of the Year



Top 100 Waste and
Recycling Haulers in
America



BBB Torch Award
for Business Ethics



Excellence in
Corporate Social
Responsibility



Fastest Growing
Private Companies in
America



December 29, 2023

RE: The City of St. Paul
Request for Proposals – Mixed Municipal Solid Waste/Yard Waste (MSW/Yard Waste), Bulky Items/Problem Materials, and Recyclables

COMPANY EXPERIENCE

Lakeshore Recycling Systems (LRS) is prepared and committed to providing the highest level of service for the City of St. Paul's MSW/Yard Waste services. We believe our submission will not only outline our abilities to meet and exceed the City's criteria, but will also demonstrate LRS' ability to stand out when it comes to additional value to the resident of the City of St. Paul.

LRS owns and operates several dozen facilities throughout Illinois, Iowa, Michigan, Minnesota and Wisconsin, including several of the Midwest's most sophisticated Material Recovery Facilities (MRF), and several of the country's most advanced recycling plants.

LRS is the contracted service provider for over 200 municipalities. Several of those with similar make-up and characteristics of the City of St. Paul. LRS understands the unique characteristics and high standards that the St. Paul community will demand.

GENERAL MANAGEMENT

Since our inception, LRS has flourished into one of the largest haulers in the Midwest, and one of the largest privately-held waste haulers in America. Our growth has been a combination of acquisitions and organic over our 20+ year journey. Several factors come into play when it comes to our successful growth as a company, but none more important than the first-rate service we have been delivering on since the day we started.

Our St. Paul team will consist of an Operations Leader, Operations Supervisor, two Municipal Coordinators and a dedicated team to assist with communication and reporting. Each of these roles will have separate duties and accountabilities to ensure that the City and its residents are addressed quickly and effectively from standard weekly services to everyday questions and concerns.

FINANCIAL STABILITY AND STRENGTH

LRS is owned by Macquarie Asset Management (MAM). LRS is part of \$6.9B Macquarie Infrastructure Partner's V fund. Macquarie provides LRS with the necessary capital and experience to operate at a high level. Financial results can be provided upon request.

RESIDENTIAL MUNICIPAL COLLECTION EXPERIENCE FOR THE SERVICE(S) PROVIDED

LRS is one of the largest municipal service providers in the Midwest, providing service to over two million homes in over 200 municipalities. In most of our municipal relationships, LRS provides MSW, recycling and yard waste / organic material waste services. We also provide e-waste, street sweeping and HHW services to many of our customers as well. Our approach has been welcomed by the markets we've entered and has allowed us to successfully create sustainable waste management services.

II.

DESCRIPTION OF APPROACH TO SERVICE PROVISION

If awarded the opportunity to partner with the City of St. Paul, LRS will develop an integration plan to ensure that proper communication is provided to City staff and residents in regards to the change in haulers. LRS will provide St. Paul with a dedicated customer service team and management team. Our team will oversee all facets of the City's contract and constantly look for opportunities to improve efficiencies and enhance the overall experience for the City's residents.

Operations support will be provided by the LRS corporate office. Our corporate team will use their vast industry experience; specifically related to municipal work, to ensure a smooth transition and provide the necessary equipment and resources to exceed the City's expectations.

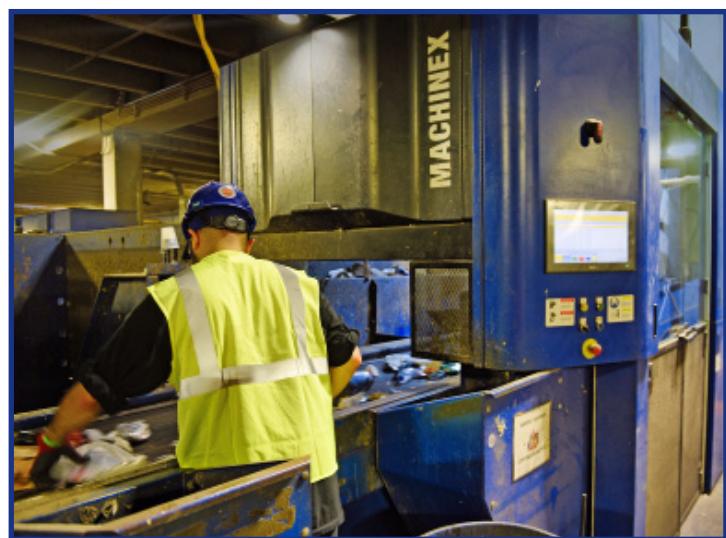
Safety: Safety is a primary LRS value. LRS continues to expand our company safety program for internal operations. Our Safety Directors and Safety Leadership work daily with our operations team to ensure safe procedures and work together to make sure our employees go home healthy to their families each night. As an organization, LRS has a current experience modification rate of .70 which is significantly below industry standards and among the best in the waste & recycling industry.

Drug Free Workplace: It is a policy of LRS to provide a safe working condition and a healthy work environment. Upon employment, supervisors instruct their team members of general safety regulations and special safety requirements and procedures for their work location. Safety is an essential part of our company's culture. Select work areas, like our Material Recovery Facilities (MRF), require Personal Protective Equipment (PPE) such as safety glasses, hearing protection or other items. All team members are required to wear PPE as a condition of employment.

All employees are expected to cooperate fully by observing LRS' safety regulations and by taking an active part in protecting themselves, their co-workers and families. Employees are encouraged to establish and maintain a good safety record. LRS conducts weekly safety meetings across all facilities to address a variety of potential issues and best practices.

The past success and future growth of LRS is linked by our most important asset; our people. Consequently, LRS does not tolerate the use of alcohol, illegal drugs or controlled substances in the workplace and provides DOT mandated drug testing as required by law.

LRS has a vital interest in maintaining safe and efficient working conditions for its employees and ensuring that all company vehicles and equipment are properly maintained and operated. Our current and ongoing safety success has provided us with an outstanding safety track record. Our employee handbook of rules, regulations and procedures will be provided upon request.



II.

DESCRIPTION OF APPROACH TO SERVICE PROVISION (CONT.)

Technology: LRS introduced driver tablets into every fleet vehicle in order to track pickups, easily photograph carts for customers and retain the most updated route schedule possible while drivers are enroute. Our onboard technology allows for improved communication and route efficiency. Data collection from our TRUX software can be utilized or manipulated to work in the format necessary for St. Paul.

3rd Eye (Environmental Solutions Group Company) camera's will also be installed in every LRS vehicle. This camera technology is a tool that has positively modified driver behavior, reduced accident costs and provides LRS with unmatched awareness of what's happening with our vehicles and drivers at all times. The multiple camera system allows us to provide service verification and collect data that's valuable to our municipal partners.

Additional Services: LRS is a fully integrated company with local assets that rank with our largest competitors. Our fleet of vehicles include end-loaders, front-loaders, portable restroom trucks and 100-yard semi-trailers is unmatched in the Twin Cities area. LRS is a leading provider of roll-off container services and portable restroom services since our acquisition in 2021 of Atomic Recycling and Jimmy's Johnnys and Airfresh that have since been rebranded as LRS Portables.

STAFF AND EQUIPMENT RESOURCES TO BE DEDICATED TO THE AGREEMENT

LRS plans on providing this agreement with brand new vehicles for the MSW and yard waste collection services. Equipment resources will include the safest trucks on the street with integrated camera systems and GPS technology. LRS will provide the necessary staff that includes local management and staff resources for supervision and reporting. LRS will also provide leadership and experience from our vast team of seasoned professionals so that all potential creativity and best practices can be utilized to meet and exceed the expectations of the St. Paul team and residents.

CUSTOMER SERVICE STANDARDS AND TRAINING

Customer Experience: Our local office is currently staffed for growth. We have industry veterans in all departments of our company to meet your service support and reporting needs. Our local management team in Minneapolis will work directly with City personnel and homeowners to ensure customer satisfaction and compliance.

St. Paul staff will be provided a specific e-mail and phone number for direct contact to the LRS team. Residents will also be provided specific communication in order to reach our Customer Service Center and St. Paul team. Our team of professionals will work diligently so that all inquiries, questions or issues are fully resolved within 24-hours. All calls will be tracked and reviewed by a LRS manager on a daily basis. At LRS, we truly value all aspects of customer service. Our experience with similar communities will serve us well.

Training: LRS will provide our team with the necessary training prior to service start date. Such training includes proper hiring of drivers, dry run of routes, review of operational procedures and reporting. We will make sure that all reports and data meet the needs of the St. Paul staff.

II.

DESCRIPTION OF APPROACH TO SERVICE PROVISION (CONT.)

TRANSITION PLAN AND DATA INTEGRATION

LRS is extremely experienced in transitioning of services from an incumbent hauler to LRS. The transition will be less complicated since the carts are owned by the City of St. Paul. We understand that yard waste carts will need to be replaced and per the RFP, will be handled by the City of St. Paul.

LRS will require resident address data so that all properties can be uploaded into our software system. Resident data will also include current cart size and frequency of service (i.e. 1x/week versus Every Other Week). LRS will initially maintain the current service day and will route each resident accordingly. LRS will also require the approximate 5,000 residents that have subscription yard waste services so that those residents can be properly routed for weekly collection.



The Yard Waste subscription customers will receive a cart hanger to indicate the new day of service as it may change from the current service day. That communication will take place with the delivery of the new yard waste cart.

SUSTAINABILITY PRACTICES

LRS is always looking for new, emerging markets for recyclables. At the LRS Chicago Exchange Material Recovery Facility (MRF), we obtained a grant from The Recycling Partnership for an optical sorter for plastic #5, polypropylene. In the past, this plastic was sorted into our mixed plastic bale which had low value and were not always recycled. Now, with the emerging market for #5 polypropylene recycling, we can sort this plastic as an isolated commodity.

LABOR MANAGEMENT PRACTICES

LRS drivers are members of the Teamster's Local 120. Please see separately attached LRS of Minnesota affirmative action plan.

III.

ENVIRONMENTAL AND COMMUNITY BENEFITS

As part of our commitment to partnering with the City of St. Paul, LRS will donate \$25,000 annually to St. Paul community or environmental causes.

LRS has been active community member in the municipalities that we do business. LRS has been part of tree planting initiatives, community festivals and parades and recycling education with local schools and stakeholders. As a service that comes in contact with each resident every week, we feel it's important to be an active participant within the community.

The following of LRS' environmental initiatives:

- LRS received board approval for our Net Zero (NZE) Plan September, 2023. NZE is the balance between greenhouse gases released into the atmosphere and the amount removed or offset. LRS plans to achieve the net zero goal by 2040.
- The first strategic pillars LRS is tackling for NZE are landfill gas capture, equipment electrification, and route optimization.
- LRS had its greenhouse gas emissions inventory third party verified in 2023. This legitimizes our reporting and helps us get on a path to net zero.
- LRS will release its GHG emissions for 2023 in our first sustainability report coming out Summer 2024.
- LRS has supported other municipalities (Village of Skokie) in its effort to reduce waste bin size and service frequency.
- LRS supports food scrap composting for municipalities, either by providing the service or promoting community drop off sites.
- LRS operates a small fleet of compressed natural gas (CNG) vehicles and recently purchased an Mack electric garbage truck that we are operating in Oak Park, IL.

LRS monitors greenhouse gases (GHG) in order to reduce company-wide carbon emissions. In 2023, LRS established a GHG emissions inventory based on 2022 emissions data. The baseline carbon emissions was third-party verified and allowed LRS to begin planning for our net zero future. The 2022 GHG inventory data led LRS to develop and complete a roadmap aimed at reaching a net zero target by 2040.



IV.

NET ZERO PLAN

LRS' Net Zero Business Plan by 2040 (NZEBP) received board approval in September 2023 and identified three strategic pillars for energy transformation. Net zero is defined as the balance between GHGs emitted and taken out of the atmosphere by an organization.

LRS' three strategic pillars are as follows:

1. Landfill gas capture
2. Fleet decarbonization
3. Route optimization

These three pillars establishes a path toward achieving our net zero by 2040 goal.

Landfill gas capture reduces landfill emissions by increasing methane capture efficiency and converting captured methane for productive use. Fleet decarbonization includes transitioning to low-carbon fuel alternatives and electricification for vehicles and equipment. Route optimization utilizes advanced technology to reduce LRS' carbon footprint through fuel savings and reduced operational costs.

In our first public sustainability report due in summer 2024, we will disclose LRS' carbon emissions for 2023 and additional plans related to sustainability. As the net zero pillars are implemented, we will be able to provide further information regarding their impact on local communities.

In regards to community activities, LRS is committed to education, transparency and collaboration with the communities we serve. We are excited about the opportunity to expand our community collaboration from the other parts of the Midwest that we operate to St. Paul, Minnesota.

The LRS Exchange Material Recovery Facility (MRF), located in the stockyards neighborhood of Chicago, processes the recyclable materials from the City of Chicago blue cart program. We have a unique opportunity to increase the city's overall recycling rates, which are currently reported as 9.6%. In August 2023, LRS released an interactive map with the City of Chicago, Department of Streets and Sanitation to increase transparency regarding the city's blue cart recycling program (ChicagoRecycles.org). This interactive map is available to anyone and shows the journey of recycling in the city. We are committed to increasing access to data and transparency in the recycling process.

Since the LRS Exchange MRF opened in March 2023, we've hosted over 280 guests to tour the facility. Our visitors include university professors and students, package designers, government leaders, customers, businesses, and community groups. Tours involve an educational presentation and a collaborative discussion on waste, recycling, technology, and sustainability. Guests walk the facility to see the magnets, cameras, people, and machines involved in properly sorting recyclables. In May 2023, LRS hosted over 40 guests from Kraft-Heinz. The research and design engineers from Kraft-Heinz were interested in their ability to design for recyclability. LRS shared which products made it through our system and which products were unable to be recovered. We hope these types of educational events will lead to changes in packaging design. In October 2023, LRS hosted over 80 guests from the Chicago Paper and Plastics Recycling Conference.

LRS continues to expand our partnerships with local community groups and organizations in the Chicago-land area. We believe similar partnerships and opportunities are possible in St. Paul and with the current recycling providers in the Twin Cities area.

V.

REFERENCES

See separate attachment / document for reference.

