

Livonia Public Schools

Business Services Office

Date: October 2, 2013

To: Randy Liepa, Ph.D., Superintendent

From: Lisa Abbey, Director of Business Services

Re: Review Bid Results for Waste Disposal Services

We have received and analyzed the bids for waste disposal services. Four companies submitted bids. They provided the following information:

- Cost per normal scheduled pick-up for 8 yard and 10 yard containers
- An estimated annual price for normal scheduled pick-up
- Cost for special pick-ups, e.g., 20 yard containers

The annual bid prices are:

		Advanced	Rizzo	Republic	Waste Management
Pricing annual	Yearly cost	\$66,072	\$80,952	\$71,730	\$68,987

The price per yard is:

		Advanced	Rizzo	Republic	Waste Management
Pricing for 8 yards	Cost per pick-up	\$14.32	\$14.80	\$12.00	\$13.60
Pricing for 10 yards	Cost per pick-up	\$17.90	\$18.50	\$15.00	\$17.00

Separate from this we estimated the annual pick-up price for each company based on our estimated pick-up schedule to make sure we were looking at consistent pricing for each bid:

		Advanced	Rizzo	Republic	Waste Management
Annual cost calculated	44 & 8 weeks	\$76,584	\$72,554	\$64,176	\$72,733

Last, the bid prices for special pick-ups were:

		Advanced	Rizzo	Republic	Waste Management
Roll Off	20 yard container	\$275	\$245	\$250	\$175
Additional cost per ton		\$25	\$29	-	\$25
		> 4 tons	> 4 tons	n/a	per ton

Based on the above, we see a range of estimates. Advanced did say that they would commit to their annual bid price regardless of the number of pick-ups. Any additional information in the bid tabulation is listed below.

Per our analysis, the cost for this service from the different companies is within several thousand dollars of each other. It is also worth noting that the contract will only be for the remainder of this year; any cost estimates should be prorated by $\frac{3}{4}$ or more. This brings any price variance even closer. After reviewing this information, we recommend that we stay with our current service provider, Waste Management for the remainder of the year and re-evaluate disposal services next spring for the following year. Their prices are very competitive and we know we will receive outstanding service from them. The bid responses are available in Ray Raymond's office for review.

We look forward to reviewing this with the Board of Education at the October 7, 2013 Finance Committee meeting. Thank you.

LA/kp

c: Board of Education

	Advanced	Rizzo	Republic	Waste Management
Six yard pick-up	\$10.74	\$11.10	\$9.00	\$10.20

Roll off	Advanced	Rizzo	Republic	Waste Management
30 yard	\$325	\$275	\$260	\$175
40 yard	\$375	\$325	\$275	\$175