

# **Livonia Public Schools**

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## ***Business Services Office***

Date: August 14, 2013

To: Randy Liepa, Ph.D., Superintendent

From: Lisa Abbey, Director of Business Services

Re: Extension of Service for Waste Removal

The Livonia Public School agreement for waste removal services with Waste Management will expire in August. We would like to discuss the extension of the agreement based on the following:

Pricing:

LPS currently pays \$1.77 per cubic yard. A three year extension would put LPS at \$1.91 per cubic yard. We compared this to other districts and this keeps us lower than nearly all other districts (see attachment). We also note that Waste Management has agreed to the following cost savings:

- Waive any fuel surcharges
- Replace containers that are damaged at no cost
- Waive regulatory Cost Recovery Charges (approximately 2%)

Service:

Waste Management has provided excellent service for the District. They have been timely and responsive to our requests for service.

Waste removal is a service and by law the district is not required to bid this service. While we could do a formal proposal, we are concerned we may not get the same pricing based on other districts current pricing. At the August 5, 2013 Finance sub-committee meeting we discussed this topic and it was their recommendation to bring this forward to the Committee of Whole on August 19, 2013 for further discussion.

Please let me know if there are any questions.

LA/kp

Attachment

Waste Management	Cost per Cubic Yard	Renewal Price
Livonia Public Schools	\$ 1.77	\$ 1.91
Hamtramck	\$ 1.85	
Trenton	\$ 1.74	\$ 2.02
Dearborn	\$ 1.85	\$ 2.00
South Lake	\$ 1.89	\$ 2.00
Roseville	\$ 1.89	\$ 2.00
Westland	\$ 1.66	

Waste management agrees to absorb all fuel fluctuations (no surcharge)  
 Waive \$7.25 per container fee to replace containers (damaged containers)  
 Waive 2.1% regulatory cost recovery for fees associated with landfill,  
 Waste disposal taxes, over the road taxes