

Executive Summary: Waste Disposal Services Contract

The purpose of this memorandum is to recommend that the Board of Education approve a new 36-month service agreement with Republic Services for district-wide waste and recycling disposal. The district is currently out of contract and paying approximately \$3,000 per month for these services.

Background

While the district has partnered with Waste Management (WM) for many years, the Director of Buildings and Grounds reports that both service quality and pricing have become less favorable over time. To ensure fiscal responsibility and service reliability, the administration reviewed competitive quotes from Republic Services, Waste Connections, and Waste Management.

Proposal Comparison

Feature	Republic Services	Waste Management (WM)	Waste Connections
Contract Term	36 Months	36 Months	36-60 Months
Year 1 Base Monthly Rate	\$1,294.14	\$1,485.00	\$1,594
Annual Rate Increase	5% (Years 2 & 3)	7% (Years 2 & 3)	9% Annually
Fee Structure	All-inclusive of fees and taxes	Taxes, fees, and surcharges added	All-inclusive of fees and taxes

Key Justifications for Switch

- Significant Cost Savings: Republic's proposal has a base monthly rate that is \$190.86 lower than Waste Management's new proposal.
- Predictable Long-Term Pricing: Republic offers a more favorable escalation clause of 5% annually, compared to Waste Management's 7%.
- Cost Offset: Although there are one-time costs associated with removing existing Waste Management dumpsters, these expenses will be fully offset within the first year by Republic's lower monthly rates.
- Transparent Billing: Republic's pricing is explicitly inclusive of all fees and taxes, providing more budget certainty than the current structure.

Recommendation

The administration recommends the Board consider the approval of the 36-month contract with Republic Services. This transition will improve long-term price predictability and provide immediate monthly savings to the district's operations budget.