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**Compost Collection RFP Results**

On October 22, 2007, the Public Services Area received proposals in response to an RFP that was released for compost collection services. Proposals were received from Republic Waste, Recycle Ann Arbor, and Waste Management Inc.

Vendors were asked to provide proposals on the current 8 month program, as well as a 7 month program that would end one month earlier, at the end of October. In addition, they were asked to provide proposals on the current manual collection system, as well as a cart collection system. Under the cart option, the carts would be purchased by the City, the residents, or a combination of the two.

A preliminary review of the proposals by the Selection Committee indicated that all three firms would be qualified to provide the service. The price proposals for all three firms were opened, and interviews followed. After the interviews, the firms were provided an opportunity for a Best and Final Offer (BAFO). Recycle Ann Arbor modified their pricing, while the other two firms did not make any changes.

The figures below compare the annual costs for the 3 firms and the City. These are based on current household levels. The City cost figures include the replacement purchase of three trucks over the next two fiscal years.

	RAA	Republic	WMI	City
<b>8 MONTH - CARTS</b>	\$354,744	\$380,364	\$845,473	\$352,657
<b>8 MONTH - MANUAL</b>	\$354,744	\$380,364	\$642,481	\$331,893
<b>7 MONTH - CARTS</b>	\$336,268	\$313,850	\$760,482	\$329,811
<b>7 MONTH - MANUAL</b>	\$336,268	\$313,850	\$577,691	\$309,046

At this time, the Solid Waste Budget does not include the provision of carts to residents for compost service. Based on this information, the Selection Committee recommended that the service continue to be provided by City crews. In addition to being less expensive than the private sector for manual operation, this option has other benefits, including direct control of quality of service and less customer confusion.

The Selection Committee also had these additional recommendations:

- 1. Elimination of cans:** Effective April 1<sup>st</sup>, 2008, resident-supplied cans will no longer be allowed for compost collection. The reason for eliminating the cans is that they have been an ongoing source of injuries for collection workers. Issues include but are not limited to: overweight cans, materials frozen in the bottom of cans, and cans frozen to the ground. Residents will still be able to use paper compost bags or bundles. In addition, city authorized compost curbcarts will be available for sale at several local vendors.
- 2. End collection on October 31<sup>st</sup>:** Starting in 2008, it is proposed that curbside compost collection end one month earlier, on October 31<sup>st</sup>. Currently street leaf collection and compost collection overlap by one month. Compost drivers often have to climb over leaf piles to collect bags and cans of compost. Ending one month earlier will allow a much more efficient use of our work force, with compost collection workers moving to leaf collection. Residents will be able to put compostable materials out with leaf collection. Cost savings to the City are estimated at \$22,800.

Specific recommendations related to the City's compost collection service are being brought to City Council for action in the form of code and regulation revisions.

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