



THE CITY OF SAN DIEGO

MEMORANDUM

DATE: July 10, 2012

TO: Members of the Managed Competition Independent Review Board (MCIRB)

FROM: MCIRB Cost Evaluation Board (CEB)

SUBJECT: Cost Evaluation of RFP #10022242-12-A Landfill Operations & Maintenance

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This memorandum transmits to the Managed Competition Independent Review Board (MCIRB) the results of the Cost Evaluation Board's (CEB) completed evaluation of the Cost Proposals submitted in response to the RFP for the Landfill Operations Managed Competition.

The first costing test required by the Managed Competition Guide is to determine if the outside vendor's cost proposal is more than 10% lower than the Employee Proposal Team's (EPT) bid. The "Minimum Cost Differential" test performed by the CEB in May 2012 determined that no outside bidder met the 10% threshold required by the Managed Competition Guide. The CEB then proceeded to thoroughly examine the responsiveness of the Cost Proposal submitted by the EPT. The CEB analyzed all three sections of the EPT's proposal, which included costing for: Fee Booth, Landfill Operations Maintenance & Monitoring, and Landfill Operations/Greenery/Hazmat services. Particular attention was paid to the equipment detail listed on the Price Schedule submitted with the EPT bid.

As part of their analysis, the CEB requested additional information and clarifications from the EPT. The types of clarifying questions included:

- The auction value for City equipment not included in the EPT bid
- Proposed new Program Manager position and the related assumptions built into the cost proposal
- Productive/non-productive analysis used to prepare the proposed FTE (full time equivalent) count included in the EPT bid

The Cost Evaluation Board has reviewed and confirmed that the EPT's bid is responsive and accounts for the costs associated with the Landfill Operations & Maintenance function. No significant cost issues were identified by the CEB that should be considered before awarding the contract.

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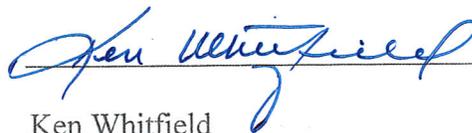
To: Members of the Managed Competition Independent Review Board (MCIRB)

July 10, 2012



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Stephen Stroebel  
Member, Cost Evaluation Board



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Ken Whitfield  
Member, Cost Evaluation Board

SS/md

cc: Wally Hill, Assistant Chief Operating Officer