



October 20, 2008

Resource Management Programs: Sample *Request for Proposal* for use by Public Entities

This sample document is nearing its final form, but still carries a DRAFT watermark, indicating that it may have some further minor changes upon final review by the office of the state Attorney General.

The FY2009 round of Environmental Assistance Grants includes Resource Management Programs among the preferred projects. For the sake of those working to submit a pre-application by October 27, 2008, MPCA is sharing this draft template.

You are encouraged to download and read the current version as a starting point for developing an RFP that would work for your institution.

Do not use this template exactly as written or as a boilerplate document. Regardless of whether the template carries a DRAFT watermark or is in its final form, it is the responsibility of each user to customize the document for their own organization, and to ensure that their own final document satisfies their institution's contract rules and review by internal counsel.

Contact me for assistance with Resource Management Programs.

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10/20/2008

{PUBLIC ENTITY'S NAME}

**Request for Proposal (RFP)
Resource Management Program Services**

Issued by:

{PUBLIC ENTITY NAME/MAILING ADDRESS}

Date Issued: _____

Response Deadline: _____

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1.0. INTRODUCTION

1.1 Purpose and Objectives

The purpose of {PUBLIC ENTITY}'s Resource Management {RM} Program is to obtain expert management services to prevent, reduce, re-use, recycle, compost, and (as a last resort) process or dispose of all wastes generated at {PUBLIC ENTITY} facilities. The requested services include basic container service, hauling, processing and marketing of recyclables and disposal of solid waste but with the intent to emphasize and reward value-added services that improve {PUBLIC ENTITY}'s resource efficiency beyond traditional waste and recycling collection.

{PUBLIC ENTITY} understands that this program represents a new way of doing business and is prepared to compensate the selected contractor based on an incentive program designed to maximize the prevention, reduction, reuse, recycling and composting of materials in the waste stream. The RM program is envisioned as a partnership between {PUBLIC ENTITY} and the selected RM contractor for the life of the contract. It is intended that {PUBLIC ENTITY} will be the driving force behind increased diversion initiatives. However, the selected Contractor will play a critical role in working with {PUBLIC ENTITY}'s employees, consultants, and other contractors.

The Proposers' program shall meet the following objectives:

1. Pursue continuous improvements in resource efficiency (waste reduction, reuse, recycling/composting) by working closely with {PUBLIC ENTITY} and its consultants in identifying, designing, and implementing innovative, cost-effective measures to reduce waste generation and increase waste diversion at {PUBLIC ENTITY} buildings.
2. Optimize current solid waste and recycling removal services (take over and improve current service levels).
3. Assist {PUBLIC ENTITY} in developing a detailed tracking, reporting, and billing/invoicing system to support {PUBLIC ENTITY}'s goal setting, performance tracking and decision-making ability.
4. Collaborate with {PUBLIC ENTITY}'s staff and/or consultants to implement the RM program. This includes assisting with educational outreach and training as necessary to support reduced waste generation, recycling procedures and waste minimization.

More information on RM principles can be found in the United States Environmental Protection Agency's Waste Wise Resource Management Guide (www.epa.gov/wastewise/wrr/rm.htm).

1.2 Overview of Current Solid Waste Management Services

Attachment A provides a concise but comprehensive description of {PUBLIC ENTITY}'s solid waste and recycling program. It is the Proposers' responsibility to familiarize themselves with the current program and service information in preparing their Proposal.

2.0. PROPOSAL INSTRUCTIONS

The following section provides instructions for Proposal preparation that must be followed if a proposer is to be considered responsive.

2.1 Acknowledgement of Receipt and Intent to Propose

All Proposers must complete the Acknowledgement of Receipt and Intent to Propose Form (**Attachment B**) and submit this form via email or fax to {PUBLIC ENTITY}'s primary contact {NAME OF CONTACT} on or before {TIME/DAY/DATE}. Failure to return the executed form by this date may result in disqualification of the prospective proposer.

2.2 Queries and Primary Contact Person

All inquiries about this RFP must be made in written form and submitted via email to:

{NAME}
{ADDRESS}
{EMAIL}
{PHONE}
{FAX}

In the interest of fairness, all questions and responses will be distributed via email to the designated contacts for all prospective proposers who have indicated an intent to submit a proposal. The identity of companies who submitted questions will be kept confidential. All questions must be received by {TIME/DATE/DAY}. Responses to all questions submitted via email and at the pre-proposal briefing will be issued to all proposers by {DATE/TIME} via email by {DATE/DAY}.

2.3 Pre-Proposal Briefing and Site Tour

A pre-proposal briefing and site tour will be held on {DATE/MEETING START & END TIME}. **Proposers who intend to submit a response are required to attend the pre-proposal briefing.** The Proposer should indicate on the Acknowledgement of Receipt and Intent to Propose Form the names and contact information of all persons from the company who are planning to attend the pre-proposal briefing (See **Attachment B**).

2.4 RFP Addenda and Clarifications

Revisions or modifications to this RFP shall be made by written addendum and sent via email to all proposers. No verbal modification will be binding. Proposers must acknowledge their receipt of any addenda by completing the Addenda Confirmation Form (**Attachment C**) and submitting this along with their proposal.

2.5 Proposal Required Contents and Format

Proposals must address conditions and requirements as outlined in Scope of Services (Section 3), Cost of Services and RM Compensation Structure (Section 4), and the attached Proposal Forms. At a

minimum, a baseline response must be submitted that addresses {**PUBLIC ENTITY**}’s RM objectives outlined in Section 1.1 above. Responses must consist of three components.

1. Proposer qualifications and experience including the same for all subcontractors to be used by the Proposer.
2. A Narrative Proposal specifying a preliminary operations plan for the RM program. The requirements for the Narrative Proposal are included in the Scope of Services (Section 3). The preliminary operations plan must take into account the current levels of recycling and solid waste services as outlined in **Attachment A**.
3. A base Financial Proposal, including the completed Cost Proposal Response Forms that state the proposed annual cost for taking over existing recycling and solid waste services and that proposes an RM program compensation mechanism. Guidance for the Financial Proposal is included in Section 4 and in **Attachment F**. The Financial Proposal must be submitted on the forms supplied.

Complete responses should be received via mail/courier no later than {**TIME/DAY/DATE**} and should be sent to the primary contact noted in Section 2.2. Proposals should also be emailed to the primary contact person by the deadline above. Proposals received after this time and date will be rejected. **A complete response to this RFP shall contain {NUMBER} copies each of the Proposers qualifications/experience, Narrative Proposal, and Financial Proposal.**

In an effort to promote greater use of recycled and environmentally preferable products and minimize waste, all proposals submitted should comply with the following guidelines:

1. All Proposals and copies should be duplex-printed (double-sided) and should be printed on recycled paper with a minimum post-consumer content of 30%.
2. Unless absolutely necessary, all Proposals and copies should minimize or eliminate the use of non-recyclable or non-reusable materials such as plastic report covers, plastic dividers, vinyl sleeves, and GBC binding. Three-ringed binders, paper dividers, paper clips and staples are acceptable.
3. Proposers are encouraged to use other products that contain recycled content in their proposal documents including, but not limited to, folders, binders, envelopes, and boxes.
4. Unnecessary samples, attachments or documents not specifically asked for should not be submitted.

All Proposals by corporations shall bear the official seal of the corporation, if applicable, along with the signature of a duly authorized officer of the corporation. Proposals and all conditions therein shall remain effective for at least ninety (90) days.

Any Proposal may be withdrawn or modified by written request provided such request is emailed to {**PUBLIC ENTITY**}’s primary contact and the modified Proposal is received by the Proposal due date noted above. Each modification or correction to a Proposal must be clearly marked by the Proposer. Modifications received after the due date will not be allowed.

2.6 Proposer Capabilities

It is understood that the primary Proposer responding to this RFP may not have the capability to undertake all the tasks outlined. Proposers may subcontract with others in order to provide and manage the full scope of services requested by {PUBLIC ENTITY}. Detailed information on these collaborations must be submitted as part of the Proposal. The {PUBLIC ENTITY} reserves the right to reject any subcontractor who does not meet the requirements of this RFP.

2.7 Proposal Schedule

The following timeline will be used for the Proposal submission and selection process. The target date of a new contract is {INSERT DATE}.

	DATE	ACTION
1.	{INSERT DATE}	RFP Released
2.	{INSERT DATE}	Deadline for Submission of Acknowledgement of Receipt and Attendance of Pre-Proposal Meeting (Attachment B)
3.	{INSERT DATE}	Pre-Proposal Briefing (Attendance Required if Submitting Proposal)
4.	{INSERT DATE}	Deadline for Submission of Questions on RFP and Pre-Proposal Briefing
5.	{INSERT DATE}	Response to RFP and Pre-Proposal Briefing Related Questions and Comments Submitted to Proposers
6.	{INSERT DATE}	Proposals Due
7.	{INSERT DATE}	Proposer Interviews
8.	{INSERT DATE}	Selection of Contractor and Contract Award

2.8 Proposal Evaluation Criteria and Award Requirements

The Proposals will be evaluated based on how the following criteria best meet the purpose and objectives stated in Section 1.1.

1. Proposal Presentation **(XX% WEIGHT)**
 - a. Thoroughness/completeness of proposal.
 - b. Clarity and adherence to format.

2. Proposer's Qualifications **(XX% WEIGHT)**
 - a. Overall company quality in terms of reputation, financial strength, continuity of management, and ability to support indemnification and performance guarantees.
 - b. Corporate experience and performance in waste reduction and recycling, and in management of contracts of similar size and nature.
 - c. Quality and customer focused processes.

3. Technical Services (XX% WEIGHT)
- a. Ability to meet {PUBLIC ENTITY}'s RM requirements.
 - b. Proposed transition plan to take over existing services that minimizes impact on facility operations, incorporates efficiency improvements, and quickly launches the RM program.
 - c. Service capabilities and responsiveness related to:
 - i. Management leadership
 - ii. Supply chain management including the ability to source and manage sub-contractors
 - iii. Environmental health and safety experience and record with respect to applicable regulatory programs
 - iv. Customer communications
 - v. Technical staff qualifications
 - d. Ability to develop and maintain a detailed tracking, reporting and billing/invoicing system to support performance measurement. Preference will be given to proposals that indicate ability to report collected quantities of trash and recyclables (tonnage preferred over volume) - reporting size of collection container is not adequate.
 - e. Ability to provide innovative thinking to facilitate continuous reduction in waste generation and increase diversion.
 - f. Ability to assist with the development and implementation of RM education programs for {PUBLIC ENTITY}'s employees and other contractors.
4. Service Cost and Financial Benefit (XX% WEIGHT)
- a. Demonstrated price and cost reductions for total waste management services as compared to the current system.
 - b. Approach taken for revenue sharing and the sharing of service cost reductions with {PUBLIC ENTITY}.

Lowest cost will not be the sole determining factor in awarding a contract. Rather {PUBLIC ENTITY} may award the contract to the Proposer whose Proposal represents the best value proposal as determined by the evaluation criteria above.

2.9 Additional Information, Investigation and Inspection

{PUBLIC ENTITY} may request additional information from Proposers to clarify elements of their Proposals. {PUBLIC ENTITY} will notify Proposers after all Proposals are received on whether an interview is required. {PUBLIC ENTITY} reserves the right to make independent investigations as to the qualification of each Proposer. Such investigations may include contacting existing customers or conducting site visits to existing operations. {PUBLIC ENTITY} reserves the right to reject any Proposal if the evidence submitted by, or the investigation of, a Proposer fails to satisfy {PUBLIC ENTITY} that such Proposer is properly qualified to carry out the obligations of the contract.

2.10 Selection of Contractor and Contractor Award

{**PUBLIC ENTITY**}, at its sole option, will select the Proposal(s) which best fulfills the requirements of this RFP and provides the best value to {**PUBLIC ENTITY**}. Awards will be made based on the criteria in Section 2.8. above and on information supplied in response to the items in (Sections 3 and 4 of this RFP). {**PUBLIC ENTITY**} shall send written notice of award to the successful Proposer(s).

{**PUBLIC ENTITY**} reserves the right to negotiate simultaneously with more than one Proposer. Failure of the selected Contractor to sign a contract within 21 calendar days from notification of contract award may result in the award going to the next responsible Proposer.

2.11 Proposal Deposition

All Proposals timely submitted become the property of {**PUBLIC ENTITY**} upon submission, and will not be returned to the Proposers. By submitting a proposal, the Proposer agrees that {**PUBLIC ENTITY**} may make copies of the Proposal for purposes of facilitating the evaluation or to respond to requests for public data. The Proposer consents to such copying by submitting a proposal and warrants that such copying will not violate the rights of any third party, including copyrights. All Proposals shall be held firm until the contract has been awarded.

2.12 Proposal and Data Confidentiality

Pursuant to Minnesota Government Data Practices Act, Minn. Stat. § 13.591, the names of all entities that submitted a timely Proposal to {**PUBLIC ENTITY**} will become public once the Proposals have been opened. All other information contained in the Proposals remains private until {**PUBLIC ENTITY**} has executed a contract with the selected Proposer. After a contract has been executed, all information in all of the Proposals is public, except “trade secret” information as defined at Minn. Stat. § 13.37, and as specifically identified to {**PUBLIC ENTITY**} as “trade secret” or “confidential business information” by the Proposer.

Requests for release of information held by {**PUBLIC ENTITY**} are subject to the provisions of the Minnesota Government Data Practices Act. Minn. Stat. Ch. 13. Proposers are encouraged to familiarize themselves with these provisions before submitting a proposal.

All information submitted by a Proposer eventually will be treated as public information by {**PUBLIC ENTITY**} unless the Proposer properly requests, and {**PUBLIC ENTITY**} agrees, that information be treated as private or confidential. A Proposer making such a request must include the name, address and telephone number of the individual authorized by the Proposer to answer inquiries by {**PUBLIC ENTITY**} concerning the request {**PUBLIC ENTITY**} reserves the right to make the final determination of whether the data identified in such a request is private or confidential within the meaning of the Minnesota Government Data Practices Act. A Proposer’s failure to request private or confidential treatment of information pursuant to this Section will be deemed by {**PUBLIC ENTITY**} as a waiver by the Proposer of any private or confidential treatment of information included in the proposal.

2.13 Proposer's Responsibility for Costs

{PUBLIC ENTITY} will not reimburse any Proposer for any costs involved in the preparation and submission of Proposals, in making an oral presentation, or in contract negotiations. Proposers are responsible for all costs associated with preparing and submitting their Proposals in response to this RFP.

2.14 Non-Standard Forms and Formats

Proposals which are submitted in non-accordance with the instructions contained in this RFP or on forms other than those furnished by {PUBLIC ENTITY} may be rejected by {PUBLIC ENTITY}.

2.15 Reservations and Limitations

{PUBLIC ENTITY} reserves the following rights and options:

1. To reject any and all Proposals that fail to meet the literal and exact requirements of the specifications provided in this RFP document.
2. To accept the Proposal that is, in the judgment of {PUBLIC ENTITY}, in the best interest of {PUBLIC ENTITY}.
3. To reject any and all non-responsive Proposals.
4. To waive irregularities in any Proposal as {PUBLIC ENTITY} may elect to waive.
5. To reject all Proposals without cause.
6. To issue subsequent requests for new Proposals.
7. To discontinue its negotiations after commencing negotiations with a finalist, if progress is unsatisfactory, and commence discussions with another Proposer.

2.16 Fraud and Collusion

By submitting a Proposal, the Proposer certifies that it is the only party interested in its Proposal, and that its Proposal is made and submitted without fraud or collusion, with any other person, firm or corporation. {PUBLIC ENTITY} reserves the right to disqualify any Proposer, before or after opening their Proposal, upon evidence of collusion with intent to defraud, or other illegal practices upon the part of the Proposer, or for noncompliance with the requirements of this RFP. Proposers must fill out, sign and return **Attachment D** with their proposal to acknowledge non-collusion.

3.0 SCOPE OF SERVICES

3.1 General

The selected Proposer will be expected to manage all regularly generated non-hazardous solid waste and recycling streams from {PUBLIC ENTITY} facilities. This {DOES/DOES NOT} include confidential paper collection and recycling.

The following hierarchy shall be followed in managing all waste streams: 1) prevent or reduce at the source; 2) reuse, return or sell; 3) recycle or compost; and 4) process or dispose. Waste not recycled must be processed in accordance with any local solid waste master plan in affect at the time of service implementation.

Services required include:

1. Provide containers, collection, transportation, processing and recycling of recyclables and containers, collection, transportation, processing and/or disposal of solid waste.
2. Assist in the ongoing evaluation of waste streams to identify opportunities for reduction, reuse recycling and composting.
3. Work in partnership with {PUBLIC ENTITY} or {PUBLIC ENTITY}'s consultants to finalize a Resource Management Operations Plan for the prevention, reduction. reuse, recycling, composting, and/or final processing or disposal of all recyclables and MSW.
4. Assist with educational outreach and training for {PUBLIC ENTITY}'s staff and, if required, consultants and other contracted service providers.
5. Provide performance monitoring, data tracking, and comprehensive reporting.
6. Provide consolidated billings for applicable facilities at required level of detail.
7. Participate in {PUBLIC ENTITY}'s RM team meetings, as required.

Proposers shall submit, a **Narrative Proposal**, addressing how they will accomplish the services listed above. A significant portion of the Narrative Proposal should outline and discuss a preliminary three (3) year Resource Management Operations Plan as described in Section 3.6 that details the approach and methods for achieving the stated purpose and objectives of the RM program while managing wastes according to the hierarchy referenced above. The remainder of the Narrative Proposal will address other critical elements of the program as enumerated in this Section. The **Financial Proposal** requirements detailed in Section 4 shall be completed using the forms found in **Attachment E**.

As noted previously, Attachment A provides information on current service levels and a description of how material is currently handled. Your proposal must include your approach and scheduled tasks to perform the services outlined in this Section. Please include your assumptions for on-site work.

3.2 Period of Performance

This contract will be awarded for a minimum period of three (3) years with two (2) one-year renewal options. The initial three-year period is a commitment to work with the Contractor on the RM program, after which the program may be extended for a maximum of two twelve-month periods if the program is successful and meets {PUBLIC ENTITY}'s expectations.

3.3 Subcontractors

The Contractor retains all responsibility for the coordination and quality of work performed by any subcontractors utilized by the Contractor, subcontractor compliance with all federal, state and local regulations and ordinances, and fulfillment of subcontractor obligations and schedules.

3.4 Additional Services

From time to time, the Contractor may be requested to perform additional services not specified within this scope of work (i.e., construction/demolition waste stream management, specialized waste stream management, etc.), pursuant to an amendment of the contract. {PUBLIC ENTITY}, at its sole discretion, reserves the right to award any additional services not covered by this RFP through a competitive process.

3.5 General Management of Solid Waste and Recyclables

The successful Contractor will manage MSW and recycling streams for the service levels of {PUBLIC ENTITY} facilities listed in **Attachment A**. The Contractor will become familiar with the existing operations and provide the following services:

1. Provide for the collection, transportation, processing and recycling of recyclables and the collection, transportation, processing or disposal of solid waste.
2. Furnish all containers required to meet the service levels called for in Attachment A and provide maintenance on all containers placed into operation. The Contractor shall also pickup spillage and keep {PUBLIC ENTITY}'s premises clean and free of loose refuse.
3. Baseline the existing solid waste and recycling levels including preparing detailed reports of quantities of solid waste and recyclables (tonnage preferred over volume).
4. Provide monthly billing statements to {PUBLIC ENTITY} with all service costs broken out by location (if more than one facility) and including, at a minimum, the costs for:
 - a. Container/equipment rental fees;
 - b. Per pull or trip cost for servicing containers;
 - c. Recyclables processing costs;
 - d. Solid waste disposal fees;
 - e. State and local taxes and fees; and
 - f. Administrative fees, if applicable.

During the first three (3) months of the Contract period, the Contractor, working in partnership with {PUBLIC ENTITY}, will refine and finalize the Resource Management Operations Plan for RM services presented in the Proposal (see Section 3.6). {PUBLIC ENTITY} does not expect the Contractor to implement any new programs or significantly change any of the current service levels during this three-month period. This transition phase is meant to give the Contractor the time to familiarize themselves with {PUBLIC ENTITY}'s current collection system, build relationships with key personnel, and verify a baseline from which future cost savings will be measured.

Contractor must obtain all necessary permits and licenses, and pay all required fees in connection with the performance of this contract.

3.6 Resource Management Services and Business Systems

In responding to this section within the Narrative Proposal, Proposers should be mindful that {PUBLIC ENTITY} will remain actively involved in the new RM program and most, though not necessarily all,

initiatives will continue to be internally driven by {PUBLIC ENTITY} staff and/or consultants retained by {PUBLIC ENTITY}. The Contractor will be primarily responsible for 1) continually identifying and communicating opportunities to manage waste at the highest level of the hierarchy and reporting these findings to {PUBLIC ENTITY} staff and consultants, and 2) for servicing recycling and solid waste containers in the “back of the house”. {PUBLIC ENTITY} and the Contractor will work together in developing RM programs at {PUBLIC ENTITY} facilities. Additionally, the Contractor will be expected to assist {PUBLIC ENTITY} in education efforts as appropriate.

In short, with the Resource Management elements below, {PUBLIC ENTITY} is looking for a more responsive and engaged Contractor to assist them in managing waste according to the solid waste hierarchy described in Section 3.1. In the Narrative Proposal, address the following:

1. General: Describe your vision and overall management approach to developing and implementing a RM program for {PUBLIC ENTITY}. In your approach, briefly address the following elements:
 - a. Identify what resources (project personnel or teams) will be devoted to {PUBLIC ENTITY}'s RM program.
 - b. Describe how your staff devoted to {PUBLIC ENTITY}'S RM program will interact and utilize {PUBLIC ENTITY}'s resources and expertise in providing RM services that will benefit {PUBLIC ENTITY}.
 - c. Identify any third parties (subcontractors) with whom you will partner to provide RM services requested in this RFP, including which elements you propose each third party will cover, and their credentials to provide these services.
 - d. Describe your company's qualifications for providing solid waste, recycling and/or RM services listing three (3) of your current major customers.
 - e. List at least one customer that you provide services to that are comparable to {PUBLIC ENTITY}'s requirements. For each customer named, indicate: 1) number of years as a customer, 2) contact names and numbers, 3) general type of business of customer, and 4) services your company provides and relevant metrics of success.
2. Environment and Safety Issues: The Contractor must comply with all applicable local, state and Federal environmental health and safety regulations and with {PUBLIC ENTITY}'s policies governing the recycling, storage, transportation and disposal of waste streams. Lack of knowledge on the part of the Contractor shall in no way be a cause of relief from responsibility or constitute a defense against the legal effects thereof.

To this extent, describe your company's environmental health and safety programs that apply to managing risks associated with the services you're proposing to provide. Discuss the regulatory expertise of the staff you propose for your RM program services.
3. Existing Services Transition Plan: Describe your plan to immediately take over existing service levels to ensure a seamless transition of solid waste and recycling services.
4. Resource Management Operations Plan: The RM Contractor shall provide a preliminary 3-year

Resource Management Operations Plan that outlines the approach and methods for achieving the purpose and objectives as discussed in Section 1.1 and the management of waste per the management hierarchy in Section 3.1. {PUBLIC ENTITY} understands that the data in this RFP is limited and that the selected Contractor will need to refine their plan as they become more familiar with the in-house policies, procedures and practices of {PUBLIC ENTITY}.

The Resource Management Operations Plan should specifically address your process or methods in the areas described below:

- a. Method to Identify Areas for Potential Improvement: Detail the methods you would apply to identify specific opportunities to reduce, reuse, recycle or compost the volume of waste generated and disposed of at {PUBLIC ENTITY} throughout the life of the contract:
 - i. How would you identify immediate areas of improvement (within the first 12 months) of program implementation? Provide a timeline for when you expect activities to occur, beginning at contract implementation through the first 12 months of the contract.
 - ii. Explain how you plan on implementing a process to provide continuous improvement in resource efficiency (waste reduction, reuse, recycling, and composting) over the term of the contract (i.e. audits, composition studies, in-house training sessions, outreach and communications, market research and development, etc.).
- b. Specific Opportunities to Reduce, Reuse, Recycle or Compost Waste: Based on your knowledge of {PUBLIC ENTITY}'s operating environment, the information in Attachment A, and your own experience, identify potential measures or activities to:
 - i. Reduce waste at the source.
 - ii. Improve and expand upon materials being recycled/composted, including potential changes to in-house collection programs, back-end collection programs, processing and end markets.
 - iii. Optimize material pick-ups or "right sizing" containers to minimize costs, maximize transportation efficiencies, and encourage diversion.

To the extent possible, include a description of labor, activities, and equipment required for the above as well as any training/outreach/education activities recommended or required.

- c. Billing and Reporting Requirements: One major barrier to increasing recycling beyond current rates is the availability of accurate information on volumes of waste and recyclables. A major difference between a standard "hauling" contract and a contract for a RM program, is that in the latter case, the Contractor supplies the customer with regular information so that they can work together in targeting activities for increasing diversion. Address in your proposal how you would meet monthly billing requirements and quarterly reporting requirements as specified below.
 - i. Monthly Billing. In your proposal, state your ability to provide monthly billing statements broken out by location (if servicing multiple locations) with servicing costs broken out by: 1) container rental fee, 2) pull or trip fee, 3) secondary materials

processing cost (per ton) for recyclables, 4) per ton processing/disposal cost for MSW, 5) state and local solid waste taxes/fees, and 6) recycling revenues. Any extra costs for additional services (e.g., one time roll-offs) must be similarly itemized. {PUBLIC ENTITY} will look favorably on proposals that can also include the estimated or measured weights and volumes of waste and recyclables on a monthly basis to allow {PUBLIC ENTITY} to more easily track recycling rates and for providing billing transparency.

- ii. Quarterly Reporting: At a minimum, the Contractor must provide quarterly reports for collection, recycling, and processing for all waste and recyclables. The Contractor must report on material volume and weight of waste and recyclables by location. If estimates are used, the Contractor must document assumptions regarding density of materials and estimated volume of material serviced.

The two key metrics to measure the Contractors performance will be tracking the recycling rate and tracking cost savings. Thus, the quarterly report should include any documented cost savings, revenues received from recyclables and other gain sharing financial benefits. Include in your response any other information you would suggest in quarterly reports, including metrics, to assist {PUBLIC ENTITY}.

- d. Quarterly Resource Management Meetings: The RM Team at {PUBLIC ENTITY} and the Contractor shall meet at least quarterly to discuss progress, status and performance of service. It is expected that the Contractor will work closely with the {PUBLIC ENTITY} to set the agenda and that the Contractor will be present at all of these regularly scheduled meetings. Confirm your willingness to participate in these meetings and who you would expect from your company to be in attendance at these meetings.

4.0 COST OF SERVICES AND RM COMPENSATION STRUCTURE

4.1 General

The successful Proposer should provide any requested management services as a value-added service at little to no additional charge to {PUBLIC ENTITY}. Consistent with the goals of the RM program, quantities of waste currently disposed are expected to decrease over the initial three-year contract period. Therefore, expenses incurred in the provision of solid waste services should also decrease as a result of reduced waste/recycling hauling fees, reduced tipping fees, reduced state and local solid waste taxes/fees, and/or overall program savings as a result of operational efficiencies.

{PUBLIC ENTITY} is prepared to make an extraordinary commitment to the right partner(s) and work with the selected contractor in implementing a compensation structure that is tied directly to Contractor performance allowing the successful partner(s) to financially benefit from the savings achieved under this program. This rewards the successful partner(s) for bringing technical expertise, best industry practices, and innovation to implement a successful program.

{PUBLIC ENTITY} will only consider responses that meet all of the requirements for the RM program and that are consistent with the program objectives outlined in Section 1.1. {PUBLIC ENTITY} seeks an RM provider who can achieve favorable pricing on waste and recycling, and provide a range of

additional RM services. To successfully meet its goals, {PUBLIC ENTITY} is prepared to develop a strategic partnership with a provider over a minimum three (3) year period.

4.2 Base Financial Proposal

The Base Financial Proposal must consist of two components: 1) cost proposal for hauling, recycling, and processing/disposal services (including revenue sharing for marketed commodities), and 2) a Resource Management compensation proposal for resource efficiency innovations including a shared savings component resulting from solid waste management cost savings. At a minimum, Proposers must submit a Base Financial Proposal utilizing the format shown in **Attachment E**. **Please note, Attachment E must be signed.** The guidelines for cost breakout are provided below. Proposers must be prepared to breakout costs by facility, if required.

1. Container/Equipment Costs
 - a. Monthly cost for container/compactor rental and maintenance. Specify the size and type of containers/compactors being proposed (i.e., 6-yd dumpster, 20-yd roll-off, 36-yd compactor, etc.)
2. Solid Waste Collection and Disposal Costs (separate costs as indicated)
 - a. Cost for collection per container/compactor. Cost should be expressed on a per pull or per trip basis.
 - b. Disposal/processing tipping fee
 - c. Solid waste taxes/fees
3. Recycling Collection and Processing Costs (separate costs as indicated)
 - a. Cost for collection per container/cart. Cost should be expressed on a per pull or per trip basis
 - b. Cost for recyclables processing
4. Monthly management fee (if applicable)
5. Commodity Revenues
 - a. Net revenue estimates or costs (net after processing) for recyclable commodities listed in **Attachment A**.

Proposer should provide a proposed revenue split on revenues from the sale of recyclables. Revenue split should be based on a per commodity basis (i.e., OCC, office paper, aluminum, PET, HDPE, etc.).

4.3 Alternative Financial Proposal

Alternative Financial Proposals are encouraged to be submitted in addition to, not in lieu of, a fully responsive Base Financial Proposal per above. {PUBLIC ENTITY} is particularly interested in proposals with financial structures such that {PUBLIC ENTITY} and the selected Contractor(s) share in the benefits of recycling during high commodity markets and share the risk during low markets. For Alternative Proposals, the amount and method of revenue sharing may be further negotiated with {PUBLIC ENTITY} once proposals are received.

4.4 Resource Management Compensation Proposal

One goal of the RM program is to allow the selected Proposer to profit from helping {PUBLIC

ENTITY} achieve cost effective recycling and waste diversion initiatives. **{PUBLIC ENTITY}** understands the successful Proposer will incur costs to provide RM related services. While **{PUBLIC ENTITY}** recognizes that a portion of program savings will be used to finance the RM services provided by the Contractor(s), the Contractor(s) willingness and ability to share further savings with **{PUBLIC ENTITY}** will increase their chances of being selected.

Savings may come from avoided disposal fees, reduced hauling costs, reduced solid waste taxes/fees, elimination of a waste stream altogether, or any other documented cost savings. Overall program costs must be documented against reductions in the baseline costs. Baseline savings can be achieved in a number of ways, including but not limited to:

1. Increased recycling from existing programs through better education and outreach to **{PUBLIC ENTITY}** employees.
2. Streamlined logistics through optimization of container sizes and pickup schedules.
3. Implementation of new recycling programs (new materials or adding new facilities to a program)
4. Other diversion initiatives.

Your proposal for Resource Management Compensation that provides you with an incentive for implementing waste reduction initiatives, reducing solid waste service costs, finding program efficiencies, and providing other service enhancements should be included on **Attachment E**.

Within the first three months of the program, the Contractor(s) and **{PUBLIC ENTITY}** will establish a mutually agreed upon baseline. This baseline will be calculated based on the prices set forth in the base proposal and the existing levels of service as detailed in **Attachment A**. This new baseline will serve as the level from which diversion levels and cost savings will be measured.

Attachment F outlines some **options** for different compensation elements that you may wish to consider for your Proposal.

5.0. GENERAL TERMS AND CONDITIONS

A General Terms and Conditions section is optional for an RFP. If included, this section typically provides contracting requirements that are mandated by law or set forth by local government policies. Internal municipal, county and school district policies will differ from entity to entity. Examples of legal mandates and institutional policies that could be addressed under a General Terms and Conditions section include, but are not limited to:

1. Affirmative Action/Equal Opportunity Requirements
2. State and Local Labor Laws
3. Insurance Requirements for Contractors and Sub-Contractors
4. Indemnification Language
5. Compliance With Laws and Standards
6. Independent Contractor Status
7. Sub-Contractors
8. Contract Performance Requirements

9. Liquidated Damages and Other Penalties
10. Contractor Termination Process
11. Severability
12. Confidentiality

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Attachment A
Description of {PUBLIC ENTITY}
Solid Waste and Recycling Program

Information that could be provided here includes:

1. Number and locations of all buildings requiring service.
2. Identification of operations/areas/processes that generate different types of wastes.
3. Identification of key internal or contracted labor that handles/transport/separates waste internally.
4. Description of logistics to separate and transport materials from point of generation to loading dock to contractor vehicle.
5. Identification of materials that are currently recycled and composted and amounts (tonnage preferred over volume) of these materials by type over a 2 – 3 year period.
6. Identification of amounts disposed (tonnage preferred over volume) over a 2 – 3 year period.
7. Seasonal variations in waste or recycling generation.
8. Service levels for all recycled, composted and disposed of streams to be covered in the RM contract. This would include type and size of containers/compactors, frequency of pickup, and any available details on other waste/recycling services (i.e., confidential document shredding, etc.).
9. Estimated diversion rate over the last 2 – 3 year period.
10. Any other details that would allow proposers to get a better sense of your current programs and services.

At the very least include items 1, 3, 5, 6, 7, and 8.

Attachment B

Acknowledgement of Receipt and Intent to Propose Form

If you intend to submit a proposal in response to this RFP, please return a completed copy of this form via fax or email to {**PUBLIC ENTITY PRIMARY CONTACT NAME, FAX NUMBER, EMAIL ADDRESS**} no later than {**TIME AND DATE**}.

The pre-proposal briefing and site tour is scheduled for {**TIME/DATE**} at {**ADDRESS**}. Detailed information on the pre-proposal meeting (directions and agenda) will be sent {**NO. OF DAYS**} prior to the meeting date.

A. Acknowledgement of Receipt and Intent to Propose

_____ hereby acknowledges receipt of this RFP
(Proposing Company) and intends on submitting a proposal

(Print Name)

(Authorized Signature)

(Title)

(Date)

B. Representatives Attending the Pre-Proposal Briefing and Site Tour

1. _____
(Name) (Title)

Phone: _____

Email: _____

2. _____
(Name) (Title)

Phone: _____

Email: _____

3. _____
(Name) (Title)

Phone: _____

Email: _____

4. _____
(Name) (Title)

Phone: _____

Email: _____

Attachment C
Addenda Confirmation Form

The undersigned hereby acknowledges receipt of the following addenda to the RFP, all the provisions and requirements of which have been taken into consideration in the preparation of the foregoing proposal.

Project Title: _____

Original RFP Issue Date: _____

Addendum No. _____

Dated: _____

Addendum No. _____

Dated: _____

Addendum No. _____

Dated: _____

Addendum No. _____

Dated: _____

Addendum No. _____

Dated: _____

Company: _____

Name (Print): _____

Title: _____

Name (Signature): _____

Date: _____

Attachment D
Affidavit of Non-Collusion

I hereby swear (or affirm) under penalty of perjury:

1. That I am the Responder (if the Responder is a Sole Proprietorship), a partner in the company (if the Responder is a partnership), or an officer or employee of the responding corporation having authority to sign on its behalf (if the Responder is a Corporation);
2. That the attached proposal submitted in response to the _____ Request for Proposals has been arrived at by the Responder independently and has been submitted without collusion with and without agreement, understanding or planned common course of action with any other Responder or materials, supplies, equipment or services described in the Request for Proposals, designed to limit fair and open competition;
3. That the contents of the proposal have not been communicated by the Responder or its employees or agents to any person not an employee or agent of the Responder and will not be communicated to any such persons prior to the official opening of the proposals; and
4. That I am fully informed regarding the accuracy of the statements made in this affidavit.

Name of Proposing Company: _____

Authorized Representative (Print): _____

Authorized Representative (Signature): _____

Date: _____

Subscribed and sworn to me this _____ day of _____

Notary Public _____

My commission expires: _____

Attachment E
RFP Cost Proposal Response Forms

Please complete the following cost proposal response forms in accordance with Section 4 and the service levels in Attachment A.

SECTION E-I: BASE PROPOSAL – WASTE AND RECYCLING SERVICES COST

Please provide your waste and recycling service costs for Contract Year (20XX) based on the service levels in Attachment A.

If this proposal is accepted, the contract will in no way guarantee the successful proposer the current estimated tonnage or levels of services in Attachment A over the life of the contract. In fact, it is {**PUBLIC ENTITY**}’s intent with an RM program to increase diversion such that disposed tonnages and waste hauling services will decrease while recycling services will increase over the contract period.

1. Waste Collection and Disposal Cost (Contract Year 20XX)

Container/Compactor Type & Capacity	No. of Units	Service Frequency (Times/Mo.)	Cost of Service			Mgmt. Fee (\$/Mo.)	Estimated Total Cost of Service (\$/Mo)
			Rental & Maint. Fees (\$/Mo.)	Collection Cost			
				(\$/Trip)	(\$/Mo.)		
Totals							

Tip Fee (\$/Ton): _____

Est. State & Local Monthly Solid Waste Fees Based on Proposed
Costs above and Ave. Monthly Tonnages in Attachment A: _____

Attachment E

RFP Cost Proposal Response Forms (continued)

Indicate in the table below if you expect changes in Contract Years 2 and 3 in the **waste collection and disposal costs** for Contract Year (20XX)

Service Category	Contract Year 2	Contract Year 3
Rental & Maintenance Fees		
Collection Cost (\$/Trip)		
Management Fee		
Disposal Tip Fee		
State or Local Solid Waste Fees		
Other Cost Change (Explain)		

2. Recycling Collection and Processing Cost (Contract Year 20XX)

Commodity	Container/Compactor & Capacity	No. of Units	Service Frequency (Times/Mo.)	Cost of Service		Estimated Total Cost of Service (\$/Mo.)
				Rental & Maint. Fees (\$/Mo.)	Collection Cost (\$/Trip) (\$/Mo.)	
	Totals					

Processing Fee (\$/ton): _____

Attachment E

RFP Cost Proposal Response Forms (continued)

Indicate in the table below if you expect changes in Contract Years 2 and 3 in the **recycling collection and processing costs** for Contract Year (20XX)

Service Category	Contract Year 2	Contract Year 3
Rental & Maintenance Fees		
Collection Cost (\$/Trip)		
Processing Fee		
Other Cost Change (Explain)		

3. Recycling Revenue Split (Contract Year 20XX)

Please provide your proposed revenue split in the tables below. For example purposes indicate the current market value of the commodity and what {**PUBLIC ENTITY**} could have expected in the way of revenue based on the current market value and the recycling tonnages reported in Attachment A.

a. Paper

Recyclable Commodity	Current Value (\$/ton)	Proposed Revenue Split	Less Processing Fee (\$/Ton)	Revenue Share Amount Based on Most Recent Recycling Tonnage (Attachment A)
OCC				
ONP				
Office Paper				
Mixed Paper				
Other				
Totals				

Attachment E
RFP Cost Proposal Response Forms (continued)

b. Containers

Recyclable Commodity	Current Value (\$/ton)	Proposed Revenue Split	Less Processing Fee (\$/Ton)	Revenue Share Amount Based on Most Recent Recycling Tonnage (Attachment A)
Aluminum				
Ferrous				
PET Containers				
HDPE Containers				
Other Plastics				
Glass (Clear)				
Glass (Mixed)				
Other				
Totals				

SECTION E-II: RESOURCE MANAGEMENT PROPOSAL

{PUBLIC ENTITY} intends to share documented savings that come from resource efficiency improvements proposed by the RM Contractor, including but not limited to: 1) avoided hauling costs, 2) avoided disposal costs, 3) increased recycling through creation of new recycling (new materials) programs, 4) waste reduction or specific waste stream elimination initiatives, and 5) other cost savings the Contractor can document. The Proposer is required to propose a feasible and equitable contract mechanism outlining how cost savings will be calculated and shared for the initial three year contact period. Proposer should provide descriptive support and tables in this section.

Please see Attachment F for examples of potential compensation mechanisms. Proposers are encouraged to propose innovative, equitable compensation methods. As per Section 4.4 of this RFP, the Contractor and {PUBLIC ENTITY} will establish a mutual agreed upon baseline in the first 3 months of the program.

Note: The successful Proposer will be required to track and report savings that come from the RM program. The actual compensation mechanism for RM services will be negotiated and finalized during contract negotiations.

Attachment E
RFP Cost Proposal Response Forms (continued)

Proposed Resource Management Compensation Mechanism
(Attach additional pages as necessary)

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Proposing Company Name: _____

Authorized Representative: _____

Authorized Representative: _____

Title: _____

Date: _____

Attachment F

Examples of Resource Management Compensation Options

Option 1: Fixed Costs with Guaranteed Cost Reductions.

The RM Contractor provides all services (including hauling, recycling, disposal, containers, personnel, equipment/materials, etc.) for a pre-defined, fixed annual cost. This cost is determined based on the previous year's total costs and includes a guaranteed cost reduction.

How It Works

Assume after the initial contract period it is determined that, for the scope of facilities included in the contract, the customer is paying \$120,000 per year for its services. The initial monthly cost would then be \$10,000. Let's further assume that the Contractor agrees to provide the customer with a 5%¹ annual cost reduction (\$6,000 total or \$500 per month). Under this option, the customer would then pay the Contractor \$9,500 per month during the first year. This would be a profitable proposition for the Contractor if they have a high level of confidence they can realize greater than 5% cost savings within the first year.

If they achieve a 15% reduction in costs, they would keep 10% while maintaining the guaranteed 5% reduction to the customer. This can work well when the amount of waste generated remains relatively constant. The mechanism would contain a clause such that if waste generation exceeds a threshold (say +/- 5%) over the baseline that was used to determine the annual cost of services, the base fee is revisited. Thus, if some external circumstances (such as expansion or closure of a facility) cause a large increase or decrease over this threshold, both parties reset the base fixed fee.

Advantages and Disadvantages

The advantage of this system is that it is relatively simple and the customer is able to budget for each year with a high degree of certainty. It provides an incentive to the Contractor to provide the required services in a more cost effective way, since savings go straight to the Contractor's bottom line.² It would also shift more of the responsibility to the Contractor to drive down costs. The drawback with this option is that the customer doesn't have a direct financial incentive to continue to improve since it is guaranteed 5% (no more and no less). As noted above, it is generally used when generation levels have been fairly predictable and stable. It might not be appropriate if generation fluctuates wildly and both parties are constantly resetting the base fixed fee.

Option 2: Pass-Through of Service Costs with "Shared Savings" and Performance Bonus.

The Contractor provides all required services (container rental, hauling fees, tip fees) on a "cost pass through" basis. This cost pass through is based on the bids received to take over existing services (Base Financial Proposal). When the Contractor implements changes or improves the system to permanently decrease costs, they share in some of those savings. Examples of some of those savings opportunities include diverting more materials, making handling and hauling procedures more

¹ All % splits are used as examples and may be adjusted as fits the given situation.

² This can occur by either reducing the unit price of disposal, or, more importantly, decreasing the volume disposed/increasing diversion, or managing the process (hauling, handling, contract management) more efficiently.

Attachment F

Examples of Resource Management Compensation Options (continued)

efficient, “right sizing” containers for cost savings, and behavioral changes (e.g., smaller desk-side trash bins, more prominent recycling stations), and helping the customer reduce waste generation in the first place. Once a cost savings measure has been implemented, any shared savings would continue through the end of the 3-year contract.

How It Works

There are numerous ways in which shared savings can work, especially in playing with the percent of savings received by the Customer and the Contractor. Several options are outlined below with the percentage split in shared savings shown for exemplary purposes.

- The Contractor and the Customer share all cost savings on a 50/50 basis.
- The Customer gets 100% of the savings up to a predetermined level (5%). Once this level has been reached, then the Customer and the Contractor split the savings above this amount usually in a ratio that benefits the Contractor. For example, the Customer gets 100% of the savings for the first 5% of cost reductions and then above this amount the Customer gets 30% of the savings and the Contractor gets 70% of the savings.
- The use of a performance bonus is a third option. Under this scenario, the Contractor might propose an increase in the percentage of cost savings given to the Contractor when they meet certain performance targets that are of importance to the Customer. For example, initial savings are split 50/50 but if the Contractor is able to meet certain performance targets (e.g., increasing overall recycling by 10% in any given year), the shared savings would be split at a 60% Contractor/40% Customer ratio.

Advantages and Disadvantages

One of the other advantages of this option is its focus on measurable improvements in performance. Without this link between incentives and environmental goals, there is the risk that only the “easy” cost savings from economies of scale and leverage buying are pursued to the detriment of cost savings that can be achieved through “resource efficiency”.

This option does require more tracking of costs compared to Option 1 but it does reduce the Contractor’s risk in guaranteeing cost reductions up front. Its intent is to increase the incentive to the Contractor AND the Customer to decrease system wide costs and achieve pre-determined diversion and waste reduction goals. By tying increasing levels of diversion/waste reduction to increasing incentive levels, there is a proportionately higher inducement to commit resources to going after these improvements and higher diversion levels.

Option 3: Compensation Per Some Unit of Measurement.

This option is based on tying compensation to some dollar savings per unit of measurement (e.g., \$/unit of product made, \$/employee, \$/square foot of Customer’s floor space, etc.). Advantages of this method are that costs “self adjust” to production or work loads, and there is an incentive to the Contractor to decrease costs for larger profit margins. With this option, however, unavoidable cost increases (rates) can require renegotiations.

Attachment F

Examples of Resource Management Compensation Options (continued)

This “per unit” method is extremely difficult to apply in cases where there are many different types of “units” in play. In other words, it may work well for an auto producer or company that makes a single or limited number of products, but will not work well for manufacturers who make tens of hundreds of different products. If the Contractor and the Customer are confident in the costs, such a mechanism may be worth investigating.

The Proposers may come up with different types of RM Compensation options beyond those noted here. Above all, the compensation structure must be established in a way that is beneficial to both parties. Mutual benefit is critical to establishing a strong, long-term relationship.

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