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# **CONTRACTING FOR GOVERNMENT PROVIDED SOLID WASTE COLLECTION SERVICES**

**A.K.A. IF YOU BUILD IT (*CORRECTLY*)...  
THEY WILL COME!**

Robin D. Ennis, Chief  
Solid Waste Collections  
Montgomery County, MD

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# Four Steps to Contracting

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- Planning

2

- Design

3

- Implementation  
(procurement and execution)

4

- Administration  
(management & operations)

# Planning

- Identify needs (refuse, recycling, yard trim, etc.)
- Identify and educate stakeholders
  - Internal staff (Public Works, Finance, Legal, etc.)
  - Haulers/Collectors/Contractors
  - MRF Operators, Disposal site
  - Neighboring Municipalities
  - General Public/Customers
  - Elected Officials
- Set and communicate goals to stakeholders
  - Increase recycling, comply with bans and mandates, lower costs, reduce carbon footprint
- Research similar systems
  - Build case studies

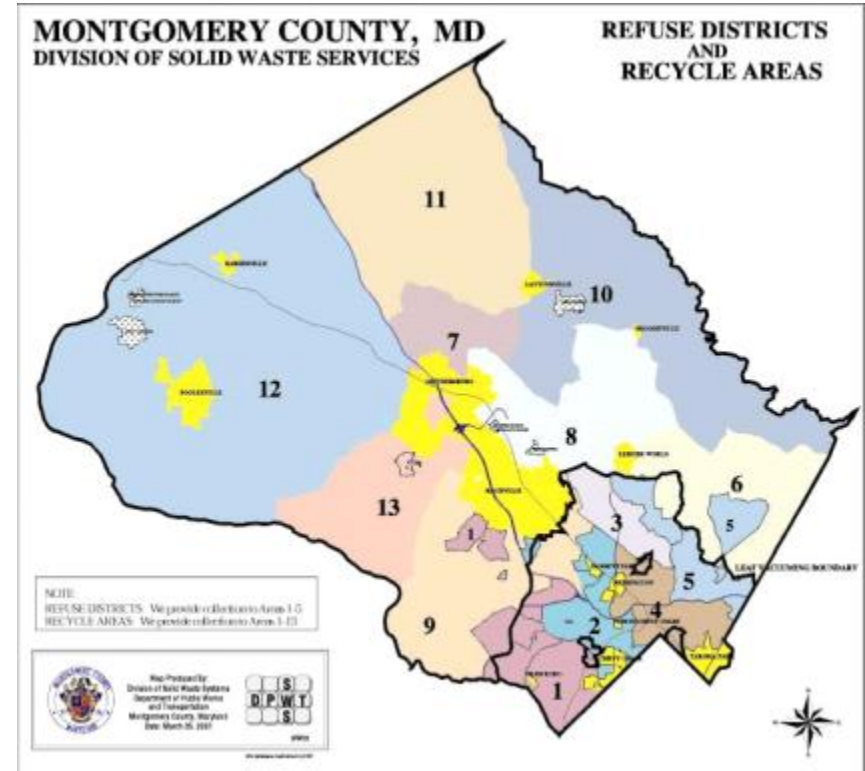
# Planning

- Identify waste quantities by type
  - Conduct waste composition study
  - Determine recycling potential
  - Lbs/household/week
- Identify waste generators
  - Residential, commercial
- Identify local resources
  - MRF, haulers, recycling markets
- System financing
  - Collection
  - Processing/Disposal



# Design

- Determine customer base
  - How many service areas
  - How many collectors
  - How many homes per service area
  - Single family, multi-family, townhomes
- Which services to be provided
  - Refuse, Recycling, Bulk Waste, Yard Trim
    - Electronics, HHW, Scrap Metal, Food Waste





# Design

- Frequency of Service
  - Refuse = weekly, or 2x/week
  - Recycling = 1x/wk, or every other week
  - Bulk Trash = 1 x/wk, or monthly on call
  - Yard Waste = 1x/wk, no service in winter
  - All services provided on the same day





# Design

- Funding
  - Customer Billed
    - Property Tax (highest rate of on-time payments)
    - Hauler or Utility Bill (lowest rate of payment)
- Develop Timeline
  - System Planning & Design
  - Contract and RFP Development
  - Procurement
  - Start-Up



# Procurement

- Determine Type of Solicitation
  - Request for Qualifications (Optional)
  - Request for Proposals
  - Request (Invitation) for Bid
- Scope of Services must be extremely clear
  - Attach copy of contract
- Schedule a Pre-proposal meeting
  - 2 weeks after issuance of RFP
  - Gives potential proposers opportunity to ask questions, get clarification
  - Send answers to questions to all attendees
- Proposals Due
  - 30 – 45 days from issue of RFP/IFB
  - Due date and attachment requirements (resumes, references, bid bond) must be very clear!

# Procurement

- Proposal evaluation
  - Lowest most responsive bidder
  - Qualifications and experience
  - Financial strength
- Interview three finalists
- If RFP, negotiate lower price and some terms
- If IFB, negotiate lower price
- Make award; execute; post on website
- 30 day protest period

What's the  
to a Successful  
Collection  
Contract?





Detail,  
Detail,  
Detail!

# Assumptions

- Municipality seeking service
- Private sector providing service
- Contractor procured through competitive solicitation
- Contract awarded to most qualified contractor with the lowest bid.
- Exclusive contract awarded
  - Residential refuse, recycling, bulk trash, yard trim services.



# Components of the Contract

- Definitions
- Services
  - Refuse, Recyclables, Bulk Waste, Scrap Metal, Yard Trim, Disabled Customers
- Frequency of Collection
- Time of collection
  - Start at 7 a.m., end at 7 p.m., or 1 hr. before MRF closes
  - Holidays (slide?)
- Manner of Collection
  - Obey Traffic Laws
  - Require route maps. Change routes only when necessary.
  - Identify Start, middle end point of each route
  - Return containers to point of collection
  - No littering
  - Max. container weight, yard trim bundle

# Components of the Contract

- Recyclables to be collected
  - Leave room for expansion (initially...)
- Containers
  - Ownership
  - Replacement
  - Do not specify size, can change
- Manner of collection
  - No mixing of trash and recyclables
  - Return of bins and carts
- Title to recyclables



# Components of the Contract

- Marketing Recyclables
- Revenue from Recyclables
- Customer Billing
- Contingency Plans
  - Equipment Spares
  - Weather, Natural or Man-made Disaster
- Personnel
  - Supervisor for each area
  - Three-way communication
    - Customer/County/Contractor
  - Drivers must have valid license
  - PPE and Uniforms w/company name
  - Minimum one driver, one helper
  - Regular safety training



# Components of the Contract

- Collection Equipment
  - Specify quantity + # of spares
    - Based on number of stops per day
  - Type of equipment
    - New rear load packer, split packer
    - Flippers for carts
    - For uniform fleet, specify truck color w/PMS color
    - Fuel Type (Diesel, Bio-diesel, CNG, LNG, Hybrid, Hydrogen)
      - Must consider availability of fuel
  - GPS system, back up camera and beeper



# Components of the Contract

- Where to Transport Material
  - County owned
    - Landfill, Transfer Station, MRF, etc.
  - Privately owned facility
- How to pay for disposal
  - Pre-paid by customers (tax assessment, bill)
  - Tipping fee
- Customer Service
  - Who handles complaints and service requests
  - How are complaints conveyed to contractors



# Components of the Contract

- Liquidated Damages
- Compensation and Adjustments
  - How and how often are they paid
  - CPI, fuel adjustments
- Performance Incentive
  - Monthly award to crew with best performance
- Performance Security
  - Performance Bond
  - Letter of Credit
- Reporting Requirements





# Components of the Contract

- Use of recycled products
  - Paper, recycling bins
- Point of contact
  - Contractor
  - County
- Promotional Requirements
  - Contractor to assist with outreach
  - \$\$ to the County (it's a pass through)
- Changes in scope
  - Good faith negotiations
  - Future plans (single stream, automated collection)



# Components of the Contract

- Default or termination
  - Clearly define process
- Replacement of defaulted contractor
  - Performance bond
  - Other contractors have first right of refusal
- Term of agreement
  - (5 – 10 years with optional renewals)
- Insurance
  - Liability, Workers' Compensation

# Components of the Contract

- Change of Law
- Amendments and Waivers
- Assignment and Subcontract
  - Prime is still responsible for performance
  - County must approve
- Terms and Conditions



**QUESTIONS?**