

# Zero Waste Services

## Pre-Proposal Meeting

September 26, 2012  
1:00 - 4:00 p.m.



# AGENDA

1. Introductions
2. Disclosures
3. Process Integrity
4. Procurement Schedule for All Service Groups
5. Exceptions
6. Mandatory Proposal Alternatives
7. How Payments Work
8. Charges and Rates
9. Diversion Requirements
10. Preference Points
11. Additional Questions



# Disclosures

This meeting is being recorded.



# Disclosures

## **RFP Sections 3.2.4 and 4.2.4** **Interpretations and Inquires**

- Oral statements will not be binding and should not be relied upon.
- Any interpretation of, or changes to, the RFP document will be made in the form of a written addendum to the RFP.
- Only those interpretations of, or changes to, the RFP document that are made in writing and furnished to the proposers by the City may be relied upon.



# Process Integrity

- City Adopted Protocol for Process Integrity
  - Ensures an impartial climate
  - Establishes transparent system for communication
  - Sets a code of conduct for participants
- Staff and Consultants have completed:
  - Confidentiality Agreement
  - Conflict of Interest Form
- Code for Communications
  - Appointed Process Coordinator



# PROCUREMENT SCHEDULE FOR ALL SERVICE GROUPS

Activity	Date
Mandatory RFP Release Meeting for Disposal Services	August 3, 2012
Last Day to Submit Disposal Site Information to R3 Consulting Group	August 15, 2012
Mandatory RFP Release Meeting for Collection Services	September 5, 2012
Mandatory Pre-Proposal Meeting for Disposal Services and Collection Services	September 26, 2012
Last Day to Submit Questions	October 10, 2012
Last Day to Submit Partnership/Joint Venture Disclosure Notification to R3 Consulting Group	October 31, 2012
Disposal and Collection Services Proposals Due	December 12, 2012
Interviews and Site Visits	March 2013
Memo Notification of Top-Ranked Proposals Released	April 2013
Recommendations to City Council of Top Ranked Proposals	May 2013
Begin Operations	July 1, 2015



# Exceptions

## **RFP Sections 3.3.3 and 4.3.3**

### **Proposal Alternatives and Exceptions**

- City will review proposal exceptions or alternatives submitted as part of the RFP process.
- City is not obligated to evaluate or accept any alternative(s) or exception(s).
- In the event of Contract award, the proposer will not be allowed to request the discussion of any exceptions or alternatives that were not provided in their proposal in the form and manner set forth in Sections 3.3.3 and 4.3.3.



# Summary

## Service Group 1 – MM&O

- MFD Organics
- Call Center
- HHW & Sharps Collection
- Delinquent Service Account Process

## Service Groups 1 & 2 – MM&O and RR

- Non-exclusive Commercial Recycling





# Service Group 1 – MM&O

## MFD Organics

### **RFP Section 3.1.7 Organic Materials**

Proposals must include rates:

- Bundled in Mixed Materials Collection (Default)
  - Proposal Forms 2B and 2C
- By paid subscription (Alternative)
  - Proposal Form 2D, Section E.
  - Proposal Form 2E, Section C.

# Service Group 1 – MM&O Call Center

1. Proposal must include Call Center located in Alameda County. (Default)
2. Call Center outside of Alameda County may be proposed. (Alternative)

## Service Group 1 – MM&O

### HHW & Sharps Collection (SFD & MFD)

#### 1. RFP Section 3.3.2.5.6 HHW Collection Plan

Must provide proposal for on-call subscription HHW collection service.

#### 2. RFP Section 3.3.2.5.7 Sharps Collection Plan

Must provide proposal for subscription based Sharps collection service.

- City may or may not elect to include services as a base package for customers.

# Service Group 1 – MM&O

## Delinquent Service Account Process

### 1. Default process for SFD & MFD:

- Contractor may terminate service for non-payment
- If service is terminated, City may subscribe to service on customer behalf to abate a nuisance
- City may place a special assessment on property for the cost of abating the nuisance (paying for service going forward)
- When City receives proceeds from assessment, City will forward to Contractor
- See Section 7.13 of Contract

# Service Group 1 – MM&O

## Delinquent Service Account Process

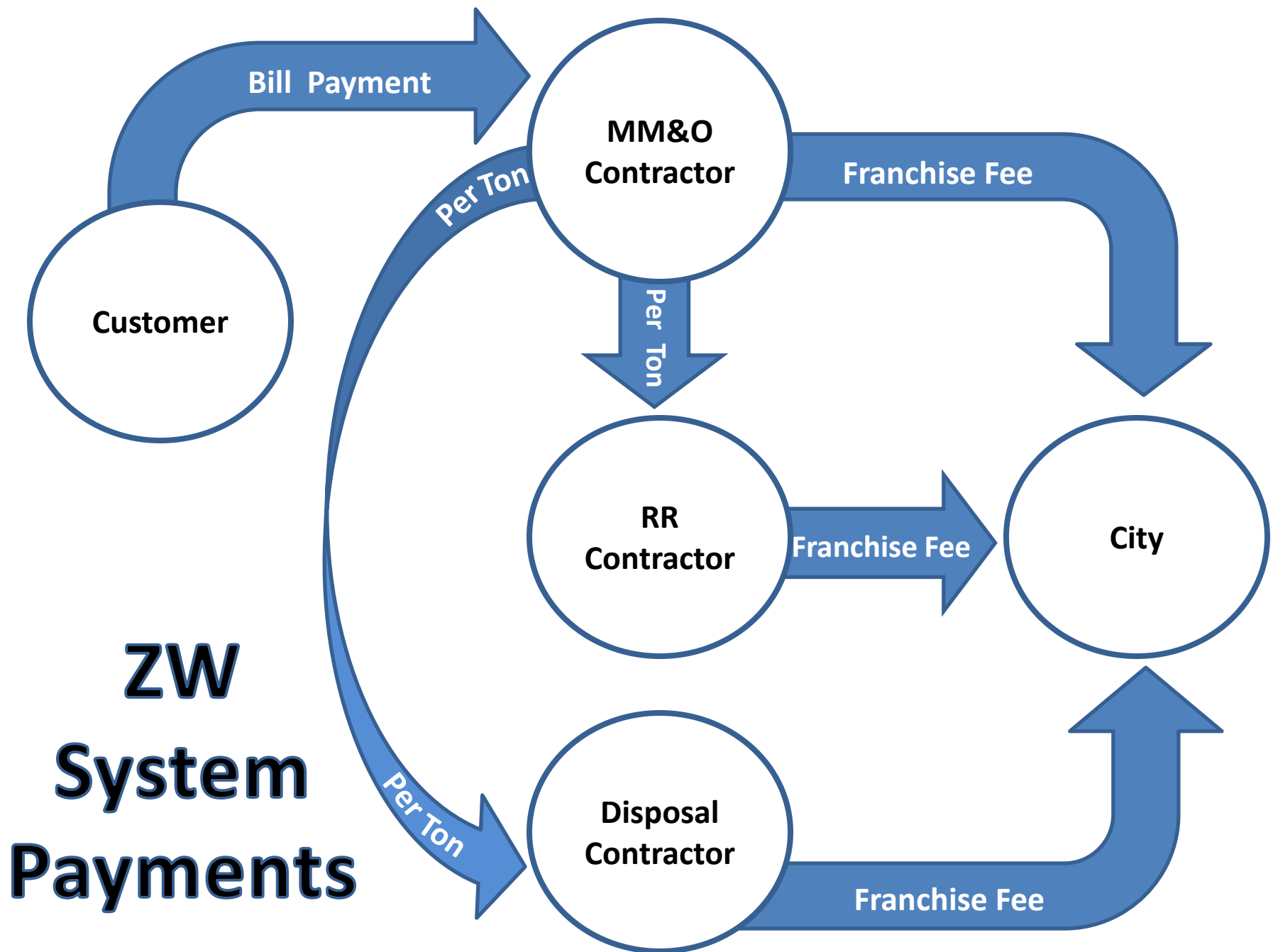
### 2. Alternate Process:

- Contractor may issue delinquent notices
- Contractor may after a 3<sup>rd</sup> notice turn over unpaid accounts to collection agency
- Contractor may **not** stop service for SFD & MFD customers
- Contractor may stop service for commercial customers
- Section 7.13.13 of the Contract

# Service Groups 1 & 2

## Non-Exclusive Commercial Recycling

- Proposers for Service Groups 1 and 2 must propose for this service.
- City will require either the Service Group 1 Contractor or the Service Group 2 Contractor to provide this service.



# Charges and Rates

## Service Group 1 – MM&O

### Adjustments to Maximum Service Rates

- Annual Adjustment to Maximum Service Rates Prior to Start of Collection Services – CPI
- Annual Adjustment to Maximum Collection Service Rates After Start of Collection Services
  - Refuse Rate Index (RRI) Adjustment
  - Diversion Adjustment





# Charges and Rates

## Service Group 2 – RR

### Adjustments to Maximum Recycling Service Rates

- Annual Adjustment to Maximum Recycling Service Rates Prior to Start of Residential Recycling Collection Services – CPI
- Annual Adjustment to Maximum Recycling Service Rates After Start of Residential Recycling Collection Services – RRI

# Charges and Rates

## Service Group 3 – Disposal

### Annual Disposal Fee Element Adjustment

- Contract Years 1 through 10 – methodology in Contract Exhibit 2
- Contract Year 11 –adjustment through negotiated agreement and/or market survey
- Contract Years 12 through 20 – methodology in Contract Exhibit 2
- Contract Year 21 –adjustment through negotiated agreement and/or market survey
- Contract Years 22 through 30 – methodology in Contract Exhibit 2

# Diversion – Service Group 1 – MM&O

RFP Sections:

**3.1.12.1 2022 Diversion Requirement**

**3.1.12.2 Minimum Annual Diversion**

Contract Section:

**7.16.2.2 Diversion Adjustment**



# Diversion – Service Group 1 – MM&O

## **RFP Section 3.1.12.1 2022 Diversion Requirement**

City is requiring that the MM&O Collection Services Contractor achieve a **minimum Diversion requirement of forty (40) percent of total Tons Collected in calendar year 2022**. 2022 Diversion shall be calculated using Exhibit 8, Table B of the MM&O Collection Contract.



# MM&O Contract Exhibit 8, Table B

Table B	
Calculation of Annual Diversion Rate	
<u>Diversion Tons (Net of Residue)</u> divided by	
<u>Total Collected Tons (all tons Collected under this Contract)</u> equals	
<u>Annual Diversion</u> as follows:	
<u>Diversion Tons (Net of Residue)</u>	Tons
1 SFD - Collected Organics Tons	
2 SFD - Material Diverted via Mixed Material Processing	
3 MFD - Collected Organic Tons	
4 MFD - Material Diverted via Mixed Material Processing	
5 BULKY - Collected Source Separated Bulky Goods	
6 BULKY - Material Diverted via Mixed Material Processing	
7 COMMERCIAL - Collected Organics Tons	
8 COMMERCIAL - Material Diverted via Mixed Material Processing	
9 COMMERCIAL - Collected Non-Exclusive Recyclable Material	
10 <u>Total Diversion Tons (Net of Residue)</u>	(Sum of lines 1-9)
12 <u>Diversion Tons (Net of Residue)</u>	(Line 10 carried over)
13 <u>Total Collected Tons (All Tons Collected under this Contract)</u>	
14 <u>Annual Diversion</u>	(Line 12 divided by line 13)



# Diversion – Service Group 1 – MM&O

## **RFP Section 3.1.12.2 Minimum Annual Diversion**

Proposers are required to include in their proposal **minimum annual Diversion for calendar years 2016 - 2024** in the Required Proposals Forms (MM&O Collection Form 15). Annual Diversion shall be calculated using Exhibit 8, Table B of the MM&O Collection Contract.



# MM&O RFP Form 15

(Becomes Contract Exhibit 8 Table A)

MM&O COLLECTION SERVICES FORM 15 GUARANTEED MINIMUM DIVERSION RATE	
Year	Minimum Diversion Rate
7/1/2015 – 12/31/2015	0.00%
1/1/2016 – 12/31/2016	0.00%
1/1/2017 – 12/31/2017	0.00%
1/1/2018 – 12/31/2018	0.00%
1/1/2019 – 12/31/2019	0.00%
1/1/2020 – 12/31/2020	0.00%
1/1/2021 – 12/31/2021	0.00%
1/1/2022 – 12/31/2022	0.00%
1/1/2023 – 12/31/2023	0.00%
1/1/2024 – 12/31/2024	0.00%
1/1/2025 – 6/30/2025	0.00%
The following minimum Diversion rates are to be completed on or before July 1, 2026.	
7/1/2025 – 12/31/2025	0.00%
1/1/2026 – 12/31/2026	0.00%
1/1/2027 – 12/31/2027	0.00%
1/1/2028 – 12/31/2028	0.00%
1/1/2029 – 12/31/2029	0.00%
1/1/2030 – 6/30/2030	0.00%
7/1/2030 – 12/31/2030	0.00%
1/1/2031 – 12/31/2031	0.00%
1/1/2032 – 12/31/2032	0.00%
1/1/2033 – 12/31/2033	0.00%
1/1/2034 – 12/31/2034	0.00%
1/1/2035 – 6/30/2035	0.00%



# Diversion – Service Group 1 – MM&O

## **Contract Section 7.16.2.2 Diversion Adjustment**

“...the diversion adjustment shall be the lesser of one hundred (100) percent or the percentage calculated by dividing the diversion rate achieved by CONTRACTOR in the calendar year immediately preceding the effective date of the rate adjustment by the minimum annual Diversion requirement for that calendar year...”

“The diversion rate achieved by CONTRACTOR each calendar year will be calculated using Table B of Exhibit 8.”





# Diversion – Service Group 1 – MM&O

## Contract Section 7.16.2.2 Diversion Adjustment

Adjustment shall be lesser of:

- A. Actual Diversion (Exhibit 8, Table B, Line 14)  
*divided by*  
Annual Diversion Requirement (Exhibit 8, Table A)
- B. 100%



# Diversion – Service Group 1 – MM&O

## Contract Section 7.16.2.2 Diversion Adjustment

Example 1

A.	Actual Diversion:	45%
	<i>divided by</i>	
	Annual Diversion Requirement	42%
	<i>equals</i>	<b>107%</b>
B.		<b>100%</b>

Adjustment = 100% of RRI



# Diversion – Service Group 1 – MM&O

## Contract Section 7.16.2.2 Diversion Adjustment

Example 2

A.	Actual Diversion:	39%
	<i>divided by</i>	
	Annual Diversion Requirement	42%
	<i>equals</i>	<b>93%</b>
B.		<b>100%</b>

**Adjustment = 93% of RRI**



# Diversion – Service Group 2 – RR

RFP Sections:

**4.1.9.1 Total Tons Collected**

**4.1.9.2 Diversion of Tons Collected**

**4.1.12 Compensation And Rate Adjustments**

- Payment for Tons Collected
- Tonnage Cap

**4.3.2.5.3 Diversion Plan**

Contract:

**Article 8 Material Diversion Standard**



# Diversion – Service Group 2 – RR

## **RFP Section 4.1.9.1 Total Tons Collected**

The City is requiring that the RR Collection Services Contractor include the **number of Tons to be Collected** under the RR Collection Services Contract.

## **RFP Section 4.1.9.2 Diversion of Tons Collected**

The City is requiring that the RR Collection Services Contractor include a **minimum Diversion rate**, as set forth in Article 8 of the RR Collection Services Contract (Section 6 of this RFP), in the Required Proposal Form (RR Collection **Form 2A** – Maximum Revenue).



# Diversion – Service Group 2 – RR

## RFP Section 4.1.12 Compensation and Rate Adjustments

### Payment for Tons Collected:

“...Contractor will be paid... **based on the number of Tons of material Collected** from SFD and MFD Service Addresses each month and the Per Collected Ton rate they propose, **subject to the Tonnage Cap limitation...**”



# Diversion – Service Group 2 – RR

## RFP Section 4.1.12 Compensation and Rate Adjustments

### Tonnage Cap:

“...proposer must propose a maximum Tonnage figure for the period July 1, 2015 through December 31, 2015 and for calendar year 2016.

The “Tonnage Cap” will... represent the maximum number of Tons that the RR Contractor will be paid for...”



# Diversion – Service Group 2 – RR

## RFP Section 4.1.12 Compensation and Rate Adjustments

### Tonnage Cap:

“Beginning with calendar year 2017, the Tonnage Cap will be adjusted to the greater of the actual amount of Tons Collected in the prior calendar year or the prior year’s Tonnage Cap.”





# Diversion – Service Group 2 – RR

## RFP Section 4.3.2.5.3 Diversion Plan

“Proposers must provide their approach in meeting or exceeding... (*Total Tons Collected and **Diversion Of Tons Collected***)”

“Proposers must provide a material Diversion standard...”

The Diversion plan must, at a minimum, include the following:

2. Provide audit procedures detailing the Diversion of actual materials Collected from Oakland



# Diversion – Service Group 2 – RR

## **Contract Section 8.01 Material Diversion Standard**

Beginning with calendar year 2016 and annually thereafter, CONTRACTOR shall Divert a minimum of (to be inserted) percent of all material Collected under the terms of this Contract. The standard shall represent the percentage of the actual amount of Tonnage Collected under the terms of this Contract that is Diverted in each calendar year. CONTRACTOR shall document compliance with this standard as follows. (methodology to be inserted based on that proposed by CONTRACTOR as amended and accepted by CITY.)



# RR Form 2A

RR Collection Form 2A MAXIMUM RECYCLING REVENUE City of Oakland, CA <del>Residential Recycling Collection Service</del>					
<b>A Residential Recycling Collection Services - Maximum Revenue</b>					
1	Cost Per Collected Ton	\$ -	per ton		
2	Projected Tonnage Cap (July 1, 2015-December 31, 2015)	0	Tons		
3	Projected Tonnage Cap (January 1, 2016-December 31, 2016)	0	Tons		
4	Minimum Material Recovery Rate	0.00%	Percent of Collected Tons		
<b>B Additional Services</b>					
1	Additional Recyclable Materials Cart	0.00	each additional cart/month		
1	Additional Cart Exchange	0.00	each additional cart/occurrence		
2	Additional Cart Replacement	0.00	each additional cart/occurrence		
3	Additional Bin Exchange	0.00	each additional bin/occurrence		
4	Additional Bin Replacement	0.00	each additional bin/occurrence		
5	Premium Backyard SFD Recycling Services	0.00	monthly		
<b>C Push Rates</b>		<b>0-25 feet</b>	<b>26-50 feet</b>	<b>51-75 feet</b>	<b>76-100 feet</b>
1	Push Rate	\$ -	\$ -	\$ -	\$ -
<b>D Bin Cleaning</b>		<b>1-4 CY Bin</b>	<b>5+ CY Bin</b>		
1	Cleaning Rate	\$ -	\$ -		
<b>E Additional Services</b>		<b>Rates</b>			
1	Key Service	\$ -	each additional cart/occurrence		
2	Difficult to Service Rate	\$ -	each additional bin/occurrence		

# Preference Points

## Service Group 1 & 2

Economic Benefits	Preference Points
Local Business Presence & Participation (Use Exhibit 16 form/ Exhibit 13 form)	Up to <b>3</b> points in ½ point increments
Local Hire	Up to <b>1</b> point in ½ point increments for commitment to train and hire disadvantaged workers
Local Hire	Up to <b>2</b> points in ½ point increments for commitment to maintain a certain percentage of full-time positions as Oakland residents.
	<b>Total: 6 Points Possible</b>

# Preference Points

## Service Group 3

Economic Benefits	Preference Points
Alameda County Landfills	2 points



# Thank You

Questions in writing only to:

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Zero Waste RFP Process Coordinator

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