REQUEST FOR PROPOSALS

FOR THE

OPERATION OF THE SHOREWAY

RECYCLING AND DISPOSAL CENTER (SRDC)

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GENERAL INFORMATION

1.1 INTRODUCTION

The South Bayside Waste Management Authority (SBWMA) is seeking proposals from qualified firms to operate the Shoreway Recycling and Disposal Center (SRDC). The Operating Agreement will be between the SBWMA and the selected Proposer for a ten (10) year period. The term of the new Agreement will commence on January 1, 2011, or sooner if an alternative start date is negotiated, and will end December 31, 2020. The SBWMA may extend the Term of this Agreement for one (1) or more periods of one (1) year, up to a maximum of three (3) years, on the same terms and conditions. Responsibility for the equipment installation and startup will begin in 2010, with full-scale SRDC operation under the Agreement commencing on January 1, 2011.

The South Bayside Waste Management Authority (SBWMA)

Formed in 1982, the SBWMA is a joint powers authority (**see Attachment 1 – JPA Agreement**) of twelve member agencies (the cities of Atherton, Belmont, Burlingame, East Palo Alto, Foster City, Hillsborough, Menlo Park, Redwood City, San Carlos and San Mateo along with the County of San Mateo and the West Bay Sanitary District) in San Mateo County and is a leader in innovative recycling and waste reduction programs. The primary goals of the SBWMA is to provide cost-effective waste reduction, recycling, and solid waste programs to member agencies through franchised services and other recyclers to meet and sustain a minimum 50% diversion mandated by California State Law, AB 939. Currently, Allied Waste, Inc. (Allied) provides collection, disposal and recycling services for the 91,000 SBWMA residences and nearly 10,000 businesses.

Shoreway Recycling and Disposal Center (SRDC)

The SBWMA owns the SRDC in San Carlos which consists of a permitted 3,000 tons per day solid waste transfer station, a Materials Recovery Facility (MRF), a buy back center, other associated waste management facilities and an area for collection vehicles and operations. The SBWMA oversees the Operations Agreement, currently held by Allied, to provide garbage and recycling materials handling through December 31, 2010.

The SRDC is located in the city of San Carlos, at 225 and 333 Shoreway Road, on the east side of highway 101, north of Holly Road. The SRDC handles approximately 500,000 tons/year of solid waste and recyclable materials (434,000 tons to the transfer station and 65,000 tons of materials at the MRF). The purpose of the SRDC complex is to:

1. provide a convenient location for the delivery/processing of waste and recyclable materials generated throughout the SBWMA service area and,

2. to recover recyclable materials and divert them from disposal.

Residential and commercial solid waste and recyclable materials that are collected by the franchise hauler are taken to the SRDC for processing, staging and shipment. To service smaller self haul recycling customers and increase diversion opportunities, the SRDC includes a Buy Back center, Household Hazardous Waste (HHW) drop off, and an Electronic waste (E-Waste) drop off center. Combined, the facilities are collectively referred to in this RFP as SRDC and are to be considered part of this solicitation.

The SBWMA is currently conducting a Master Plan re-design of the SRDC facilities. Under the current designs, the transfer station tip area will be enlarged, the MRF building will be rebuilt, single stream processing equipment will be installed in the MRF, and the SRDC scales and traffic flow will be reconfigured. These enhancements will reduce traffic congestion and enhance material recovery and waste diversion capabilities. These improvements will be in place before the start of the new operations contract and should be considered when responding to this solicitation.

In addition to providing facility operations, this solicitation requires proposers to provide single stream equipment selection, design/ layout and installation of all components that are needed to perform the proposed services. Single stream equipment will need to be installed in the MRF building in the 6 months prior to the start of the new Operations Agreement. The SBWMA's goal in having the Proposer involved in the equipment selection and design is to provide an opportunity for the Proposer to make contributions to the MRF's operational and diversion efficiencies. All MRF and transfer station rolling stock and non-stationary (permanent) equipment will be supplied by the Proposer.

Proposals are being solicited from qualified proposers or from a group of qualified proposers that form a team arrangement for the purposes of this solicitation. In the event a teaming arrangement is proposed, the proposers should recognize that the team must be represented by a single prime Proposer that will be responsible for entering into an agreement for facility operations and materials transportation with the SBWMA and who will serve as the primary contact point and responsible party for the SBWMA and its customers. Proposals shall be submitted in accordance with the guidelines presented in this RFP.

1.2 SBWMA'S GOALS AND OBJECTIVES

The SBWMA is seeking to secure the best services for the most competitive price. The SBWMA's goals and objectives are as follows:

1) Reduce the volume of waste being disposed through increased recycling and reuse activities at the SRDC.

2) Provide professional and timely service to all SBWMA Member Agencies including their franchised hauler(s), businesses and residents.

3) Receive the most innovative and effective recycling, handling and transfer operations.

The SBWMA's jurisdictions need to comply with requirements of the California Integrated Waste Management Act of 1989 and associated regulations (AB 939), which set a municipal diversion requirement of 50 percent or more. The new SRDC operator will be an integral component in the SBWMA's goal to meet and exceed the State's diversion goals above the 50 percent requirement.

The SBWMA currently recovers recyclable materials through load segregation and floor sorting at the transfer station, processing operations at the MRF and materials recovery activities at the buyback / drop off center. Additional new floor space will be added to the transfer station building to allow for the increased segregation and floor sorting of C&D debris and other materials from self-haul and commercial loads. The SBWMA will be constructing a new MRF building for installing single stream processing capabilities to recycle the materials that will be collected from residential and commercial customers beginning in January 1, 2011.

1.3 SCOPE OF REQUESTED SERVICES

The SBWMA is requesting proposals from qualified firms for the selection and installation of single stream processing equipment and for the ongoing management, operations and maintenance of the waste and recycling operations at the SRDC. The SBWMA seeks an operator that can:

- Cost effectively operates the transfer station and MRF.
- Operate the SRDC facilities to maximize material diversion.
- Select and install state-of-the-art single stream recycling equipment and technology.
- Be responsive to the needs of the SBWMA and member Agencies.
- Maintain full compliance with local, state and federal regulations.

The Proposer will operate the SRDC transfer station, MRF, buy back center/drop off center, manage the SRDC scales, collect tip fees from customers and provide administration and accounting services. In operating the transfer station, the Contractor is required to maximize diversion of waste materials through load segregation and floor sorting of materials. The Contractor will provide transportation service for waste and recyclable materials to the disposal and processing facilities designated by the SBWMA. Alternate proposals are encouraged to maximize diversion from self haul and commercial loads.

The SBWMA expects the Contractor to maximize diversion of residential and commercial single stream recyclables through the proper selection and operation of the MRF equipment. The SBWMA will be purchasing the new recycling equipment to be installed in the MRF. This installation will need to occur prior to the January 1, 2011 start of facilities operation. The Contractor will market all recyclable materials and share the gross sales with the SBWMA.

Specifically, this RFP requests that the Proposer respond to this RFP to provide the following scope of services:

- Operate and maintain the transfer station
- Operate and maintain the MRF
- Operate and maintain the buyback and drop off centers
- Operate and maintain the scale house
- Handle all inbound loads and collect payment
- Receive materials from franchised haulers and self-haul vehicles
- Separate out recoverable materials for reuse or recycling
- Market recovered materials and transport them as needed
- Load-out trash and residuals into transfer vehicles
- Transfer trash and recyclable materials to designated disposal and processing facilities
- Operate and maintain the SRDC to meet or exceed the SBWMA's requirements as stipulated in the attached Agreement as well as local, state and federal regulations
- Provide required and necessary rolling stock to operate the SRDC and transfer materials as stipulated in the Operations Agreement (**Attachment 2**)

- Provide MRF processing equipment design, installation, start-up services and operations to meet the diversion requirements of the Agreement
- Maintain a staffed administrative office
- Provide open communications to the public and SBWMA staff and consultants
- Provide excellent customer service
- Provide thorough and accurate reporting of all activities as stipulated in the attached Operations Agreement
- Operate the facilities safely and maintain an excellent safety record.
- Maintain all facility permits.
- Conduct invoicing / collections services.

1.4 PROPOSAL CONSIDERATIONS

1.4.1 SBWMA's Rights

In issuing this RFP, the SBWMA retains, but is not limited to the following rights:

- Issuing addenda to the RFP, including extending or otherwise revising the timeline for submittals.
- Withdrawing the RFP.
- Reissuing or modifying the RFP.
- Requesting clarification and/or additional information from the Proposer at any point in the procurement process.
- Executing an agreement with a Proposer on the basis of the original proposals and/or any other information submitted by the Proposers during the procurement process.
- Rejecting any or all proposals, waiving irregularities in any proposals, accepting or rejecting all or any part of any proposals, waiving any requirements of the RFP, as may be deemed to be in the best interest of the SBWMA.
- Accepting and negotiating with a Proposer any combination of services; the services and combination to be chosen by the SBWMA in its sole discretion.
- Negotiating with one or more than one Proposer.
- Accepting a proposal that does not offer the lowest cost but offers the best overall proposal, which the SBWMA determines is in the best interest of the citizens of the SBWMA, based on the Proposer's qualifications, technical proposal, financial strength, willingness to accept contractual terms as well as its cost proposal.
- Discontinuing its negotiations after commencing negotiations with a selected Proposer, if progress is unsatisfactory in the judgment of the SBWMA, and commencing discussions with another qualified Proposer.

1.4.2 Consequence of Submission of Proposal

The submission of a proposal shall not be deemed an agreement between the Proposer and the SBWMA. Specifically, the following provisions apply:

- The SBWMA shall not be obligated to respond to any proposal submitted nor be bound in any manner by the submission of a proposal.
- Acceptance of a proposal by the SBWMA obligates the Proposer to enter into good faith Agreement negotiations based on the proposal submitted.
- The Agreement shall not be binding or valid against the SBWMA unless and until it is executed by the SBWMA Board and the selected Proposer, and the Proposer's performance bond or other surety has been accepted by the SBWMA.

1.4.3 Proposal Costs

The cost of investigating, preparing and submitting a proposal is the sole responsibility of the Proposer and shall not be chargeable in any manner to the SBWMA. The SBWMA will not reimburse any Proposer for any costs associated with the preparation and submission of proposals or expenses incurred in making an oral presentation, participating in an interview, or negotiating an Agreement with the SBWMA.

1.5 ORGANIZATION OF THE RFP

General information regarding the RFP purpose, process, and schedule are provided in this section. Section 2 contains background information that will assist proposers in understanding the current and proposed operations at the SRDC including information about SBWMA members agencies, a facility description, waste types, waste quantities and vehicle counts. Section 3 defines the scope of services covered by this RFP. Section 4 details the payment and compensation structure for the services provided. Section 5 discusses the RFP proposal requirements. Section 6 describes the evaluation process and criteria. Section 7 provides instructions for submitting responses to the RFP. **Attachments 3 and 4** contain additional information required for proposal preparation including the Agreement and cost proposal forms.

1.6 MEMBER AGENCY COMMUNICATIONS EVENTS

Regular communication by SBWMA staff and consultants with Member Agency staff and elected officials will continue to be a critical component of the RFP process. The goal of the milestone events is to ensure that periodic communications with elected officials occurs at important decision points. Seven milestone events detailed below provide elected officials opportunities to: express their specific interests and needs; and, approve programs, services, contract terms, proposal solicitation processes, contractor selection recommendations, and final contract terms.

Table 1-1 summarizes the purpose and timing of Member Agency milestone events, which are intended to involve elected officials.

Table 1-1
Member Agency Milestone Events

	Purpose	Timing	Information or Decision Point
1.	Review general approach to the RFP process	Mar. – May 2006	Informational
2.	Approve services and process; commitment from Member Agencies to participate in the RFP process	Dec. 2006 - Mar. 2007	Decision point
3.	Approve RFP and Draft Agreement(s)	July – Sept. 2007	Decision point
4.	Attend proposer presentations	April - May 2008	Informational
5.	Receive proposal summaries	April – June 2008	Informational
6.	Approve selection of Contractor	Oct. – Dec. 2008	Decision point
7.	Approve final Agreement (code of conduct guidelines expire)	April – June 2009	Decision point

1.7 PROPOSAL SCHEDULE

The SBWMA intends to adhere to the schedule provided in **Table 1-2** during the selection process. This schedule may change at the SBWMA's discretion. In order to commence service on January 1, 2011, the SBWMA's procurement schedule is designed to have an Agreement finalized spring of June 2009, allowing the selected Proposer sufficient time to select and install MRF processing equipment and conduct transition activities necessary to implement the Agreement.

Table 1-2

Preliminary Procurement Schedule

Activity	Date
SBWMA releases RFP for SRDC Operations services	November 1, 2007
R.S.V.P deadline for pre-proposal meeting	November___, 2007
Deadline to submit written questions and comments	November___, 2007
Mandatory pre-proposal meeting	December ___, 2007
SBWMA will issue: response to written questions, summary of responses provided at the pre-proposal meeting, and RFP addendum if necessary.	January___, 2007
Proposals due	**February___, 2008, 3:00 p.m.**
SBWMA requests clarification of proposal information	March ___, 2008
Proposer presentations to SBWMA and Member Agencies	April - May 2008
SBWMA Board issues short list of recommended Proposer(s)	August 2008
Member Agencies select Contractor	October - December 2008
SBWMA and Member Agencies complete negotiations with Contractor	March 2009
Member Agencies approve negotiated Agreement	April 2009
MRF Equipment installation start	April 2010
MRF equipment installation and Acceptance Test completed	November 2010
Contractor commence providing services	January 1, 2011

SECTION 2

BACKGROUND INFORMATION

This section provides background information regarding the RFP process, current transfer and recycling services, waste and recyclables quantities and characteristics, and related SBWMA programs. Please note that data provided are for informational purposes only. Proposers should not rely solely on this section for developing proposals and service costs. Proposers are responsible for an independent assessment of the SBWMA's needs.

2.1 SBWMA MEMBER AGENCIES

The SBWMA includes twelve member agencies (as noted in Section 1.1). Under the framework of the Joint Powers Agreement, each member agency contracts for collection of residential and commercial waste and recycling. The member agencies are obligated, under the JPA agreement, to deliver materials to the SRDC.

Table 2-1 Population of Member Agencies Served by SBWMA

Member Agency	Actual 2000	Actual 2007
Atherton	7,194	7,423
Belmont	25,123	25,897
Burlingame	28,158	28,667
East Palo Alto	29,506	32,630
Foster City	28,803	30,269
Hillsborough	10,825	11,122
Menlo Park	30,785	31,146
Redwood City	75,402	77,025
San Carlos	27,718	28,639
San Mateo	92,482	95,510
West Bay	N.A.	N.A.
Unincorporated San Mateo Co.	30,300	N.A.
Total	**386,296**	**368,328**

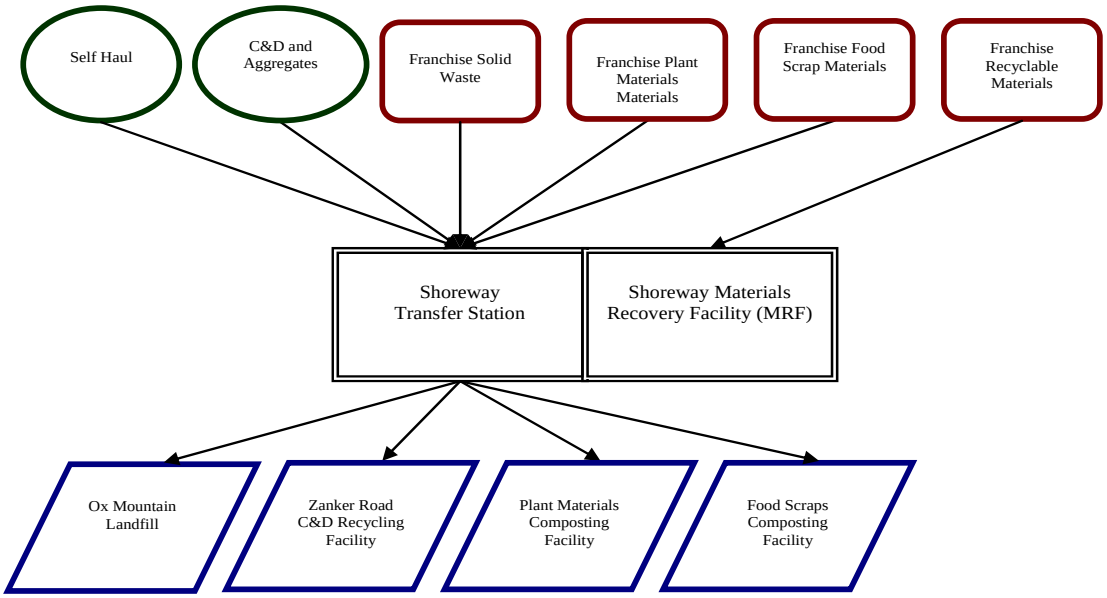
Source: CA State Department of Finance (N.A. = not available)

2.2 SRDC FACILITY DESCRIPTION AND SERVICES

The transfer station building, vehicle maintenance buildings and the administrative offices at the SRDC were originally built by Browning-Ferris Industries (BFI) in 1984. The adjacent MRF building was a pre-existing warehouse that was converted to a materials recovery facility. In 2000, bonds were secured by the SBWMA and the SBWMA purchased the SRDC complex from BFI. At the time of purchase, the SBWMA and BFI entered into an operations agreement for the operation of the transfer station and the MRF facility (**see Attachment 16**). Included in the operations agreement is the transportation of refuse from the SRDC to the Ox Mountain Landfill in Half Moon Bay located approximately 13 miles away. A separate Disposal Agreement is held between the SBWMA and Ox Mountain Landfill (disposal rates for year 2007 are $32.41 per ton) and an agreement for the processing of plant materials and food scraps at the Newby Island Recyclery in Milpitas. There is a separate agreement for the off site processing of construction and demolition materials at the Zanker

Road Resource Recover Facility in San Jose (**see Figure 2-1** for a materials flow into and out of the SRDC complex).

Figure 2-1 Material and Processor Diagram



The SRDC complex is approximately 13 acres and is owned entirely by the SBWMA. There are two large structures used for the transferring and recycling of waste materials, located at 225 and 333 Shoreway Road respectively in San Carlos, California, north of Holly Road in the middle of San Mateo County. There are several support structures that include 2 vehicle maintenance shops an administrative building and other small permanent and portable structures used for the drop off of recyclable materials. There is truck parking at the north end of the property that is used by Allied for the parking of collection route trucks and bin storage. Employee parking is located at the rear of the transfer station (**see Figure 2-2**, SRDC Facility Overview).

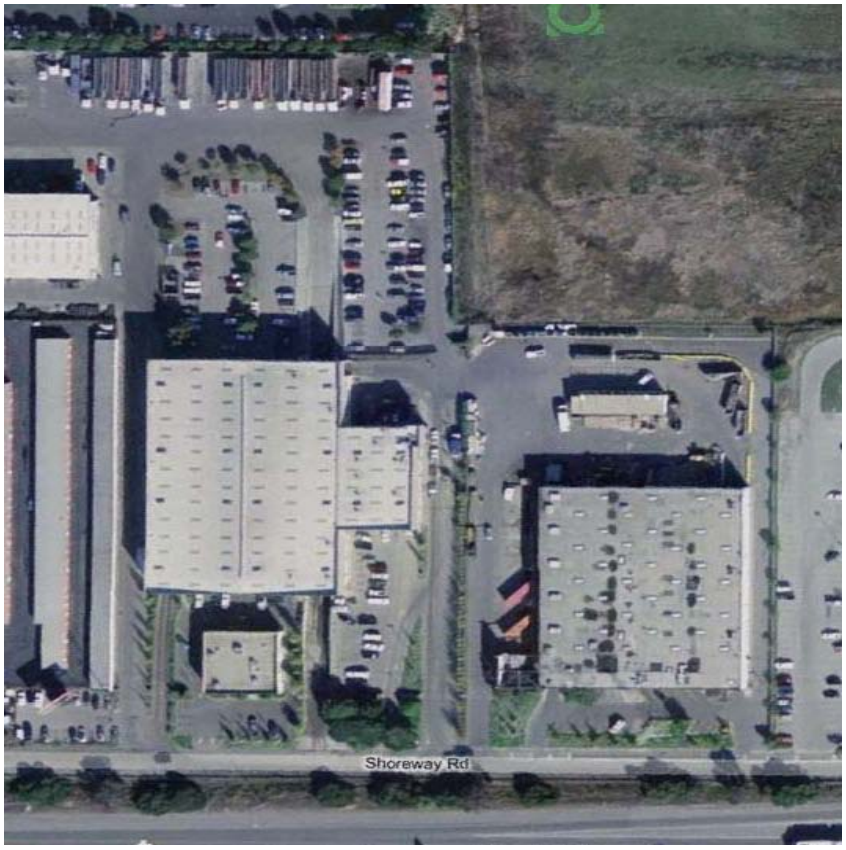


Figure 2-2. SRDC Facility Overview

2.2.1 Scale House

The scale house is where inbound loads are visually inspected, weighed, and fees are collected for each incoming load. Customers are directed to the appropriate area of the SRDC (transfer station, buy back or MRF building) after processing at the scale. The area includes two inbound lanes, one 12-foot by 70-foot scale and one non-scale lane where self haul vehicles are measured and inspected. Currently the self haul customers are charged by the cubic yard and do not require weigh-in. Redesign of the scale house area is currently underway to alleviate current traffic congestion onsite. Scale area improvements will be completed prior to the January 1, 2011 operations start date. It is anticipated that the upgraded scale facilities will include three inbound lanes with two commercial scale lanes.

The scale house is open to the public between 6:00 AM – 6:00 PM Monday through Friday and 8:00 AM to 5:00 PM Saturday and Sunday. There are two-eight hour employee work shifts at the scale house - first shift working from 2:00 AM to 10:30 AM and the second shift working from approximately 10:30 AM to 7:00 PM.

2.2.2 Transfer Station

The SRDC transfer station is a 63,000 square foot clear-span structure with +40 foot ceilings used for the dumping and transfer of materials delivered by the franchise waste hauler and self haul

customers. The SRDC waste complex has a Solid Waste Facilities Permit capacity of 3,000 tons per day (the MRF, transfer station and other activities are all included under this permit capacity).

After spotters receive and direct trucks to the proper unloading area, the load is tipped and inspected -- collection trucks containing refuse and plant material is dump materials on the north side of the building and trucks containing inert materials and C&D enter through a separate doorway and dump on the southern side of the building. The transfer station tunnels and the "load-out pits" are located about midpoint in the building floor and are designed with in-ground scales to allow for axle weighing of transfer trucks. The transfer station is set up as a top-load operation where transfer trucks pull through two tunnels under the facility for loading. Waste materials on the tipping floor are pushed at floor-level into "pits". The waste falls into the open-top trailers. When the in-tunnel truck scale indicates that the trailer has been filled to capacity it pulls through the tunnel and delivers its contents to the landfill or designated diversion facility.

Due to the tendency for C&D materials to damage aluminum transfer trailers, the current operator end-dump trailers which are also top-loaded by front-end loaders on the tipping floor.

The Transfer station currently operates from 2:00 AM to 6:00 PM and employees a total of 57 operational staff, 23 transfer truck drivers and 3 administrative staff (**See Attachment 5**, List of Equipment and Personnel used by Allied for a detailed employee count and assignment). The transfer station facility is open to receive material from the franchise hauler between the hours of 5:00 AM – 5:00 PM Monday through Friday. The facility is open to self haul customers and general public from 6:00 AM – 6:00 AM Monday through Friday and 8:00 AM – 5:00 PM on Saturdays and Sundays. Material load-out from the transfer station and transfer truck hauling typically occurs between the hours of 3:00 AM and 12:00 PM Monday through Saturday. The Solid Waste Facilities Permit allows operation between the hours of 2:00 AM -6:00 PM Monday through Saturday and 6:00 AM - 6:00 PM on Sundays. The permit requires that all solid waste be loaded out within 48 hours of receipt and that plant material, wood waste and inert materials loaded out within seven days of receipt (see copy of Solid Waste Facility Permit in **Attachment 6**).

2.2.3 Transportation and Current Contracts for Disposal and Off-Site Processing

Transportation of waste to the landfill and recoverable materials to off site processors is included as a component of the SRDC Operations Agreement. Currently waste is transported to Allied's landfill in Half Moon Bay between the hours of 3:00 AM – 12:00 noon. Proposers are advised to contact Caltrans and local cities for specific road and vehicle conditions regarding truck use on highway 92 going to Ox Mountain landfill (e.g., there are restrictions on left turns for trucks exiting the landfill in the morning hours (i.e., no left turn from the landfill between 7:00 AM- 8:00 AM) and may be special trailer-length requirements). The current service provider uses opossum–belly trailers to transport waste to the landfill. Allied Waste operates tipper that dumps the trailers at the landfill working-face. Plant Material (yard waste) is hauled in walking-floor trailers to Allied Waste in San Jose for composting at the Newby Island facility. End-dump trailers are used to haul food scraps to the Newby Island facility so that no free liquids fall from the trailers during transport. The current Contractor uses the same 50-cubic yard end-dump trailer to deliver C&D materials for processing at Zanker Road Resource Recovery facility in San Jose.

Table 2-3. Current Transportation by Material Type

Materials Hauled	Average Loads /day
Plant Material	12
Solid Waste Disposal	51
C&D Processing	4
Food Scraps Composting	3
TOTAL LOADS / DAY	**70**

The average number of loads per day hauled from the transfer station to off site locations is listed in **Table 2-3**. A current list of disposal and processing facilities that the SBWMA has contractual arrangements is provided in **Table 2-4** below.

Table 2-4. Current Processing and Disposal Arrangements

Service	Location	Company	Expiration
Plant Material Composting	Newby Island Composting Facility in Milpitas	Allied Waste	December 31, 2010
Solid Waste Disposal	Ox Mountain Landfill in Unincorporated San Mateo County	Allied Waste	December 31, 2019
C&D Processing	Zanker Road Resource Recovery in San Jose	Zanker Road Resource Mgt	December 31, 2010
Food Scraps Composting	Newby Island Composting Facility in Milpitas	Allied Waste	December 31, 2010

Source: SBWMA

2.2.4 Materials Recovery Facility (MRF)

The existing MRF operations are located in a 48,000 square foot converted warehouse structure, adjacent to the transfer station, along Shoreway Road. The facility is designed to process dual stream recyclable materials (where containers are processed separately from fiber). Current volumes shipped from the facility are approximately 5,000 tons per month.

Currently the facility processes a mix of approximately 60% residential and 40% commercial dual-stream material. Recycling collection route trucks enter the facility at the Shoreway Road side of the building and exit the back side of the building after dumping recyclables. There are two separate processing lines, one for the fiber sorting and one for container sorting (both installed by CP Manufacturing). Loose inbound materials are moved to the sorting lines using front-end loaders. After processing, bales of fiber and containers are loaded into overseas containers through the 5 loading docks at the north edge of the building. Currently the MRF is operating at a residual level of 4.5% which is transported to the transfer station and loaded into transfer trucks for disposal.

Material receiving hours are between 3:30 AM to 6:00 PM and include residential route trucks and commercial collection vehicles. Currently the MRF operates one-eight hour shift starting at 6:00 AM and ending at 3:30 PM. Allied employs sorters, spotters and equipment operators at the facility (for a complete staffing list, **see Attachment 5**). The general public is directed to the buyback center for recyclable materials drop-off and is not allowed into the MRF facility. The Solid Waste Facility Permit allows for the MRF to operate between the hours of 5:00 AM - 5:00 PM Monday through Saturday and the MRF shares the 3,000 tons per day site permit capacity with the SRDC transfer station.

In preparation for the conversion to single stream recycling, the MRF building and equipment are being redesigned and will be completely upgraded by the start of the new operations contract in 2011. Facility permits will likely be updated to include expanded operating hours.

2.2.5 Buy-Back and Drop-Off Facilities

The buy-back center provides the public with a location to drop off recyclable materials, such as aluminum cans, glass, cardboard, newspaper and scrap metal. The SRDC drop-off area accepts and handles household and small business Hazardous Waste (HHW), Electronic Wastes (E-Wastes) and Universal Wastes (U-Wastes). Used oil is also collected in this area in an above ground tank. Major improvements to the buy-back and drop-off locations are planned which will improve the traffic flow, make the facility more convenient to the public and to protect materials from weathering. The SBWMA will complete the construction improvements to this area before the beginning of the new Operations Agreement. It is the responsibility of the Contractor (currently Allied Waste) to manage the pickup and treatment of E-wastes and U-wastes that are delivered to the site by residence and small business.

The buy-back/drop-off center currently operates on the same hours as the public hours for the transfer station. The facility is staffed by one spotter and one equipment operator.

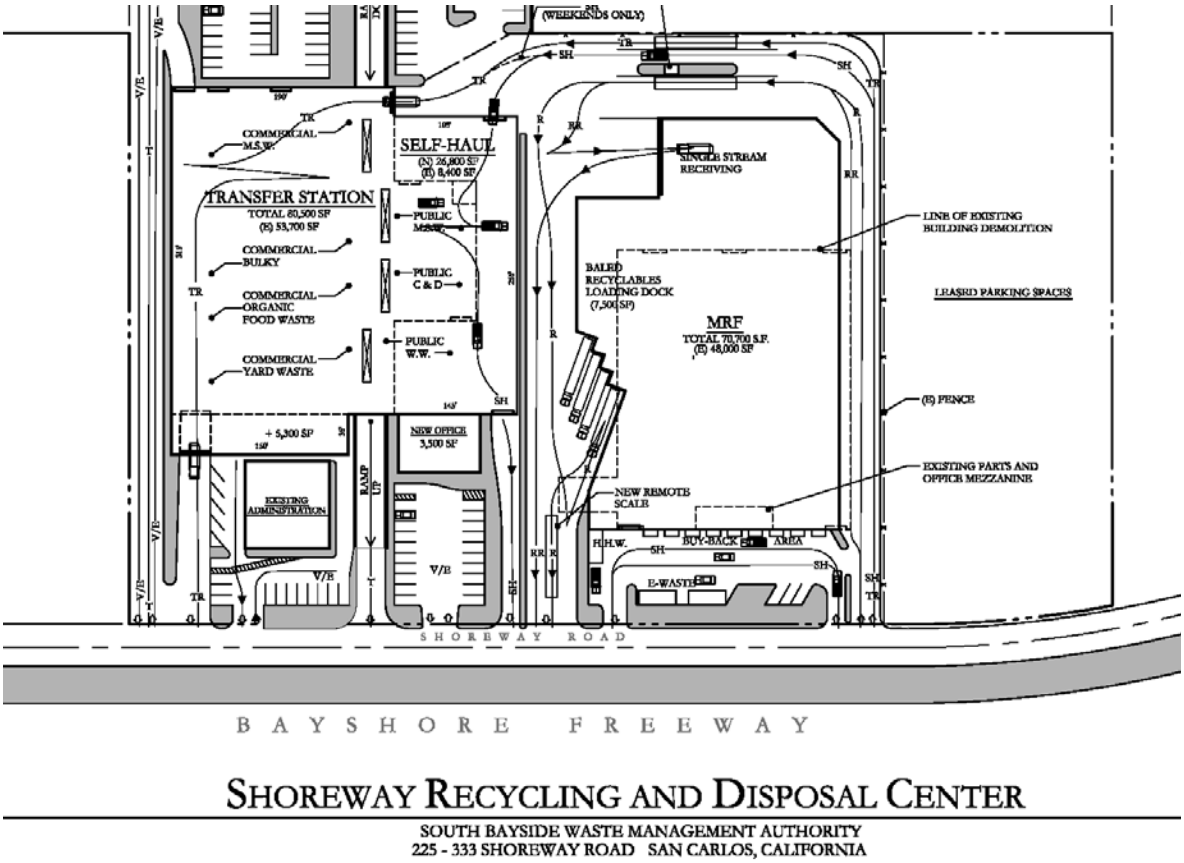
2.2.6 Administrative Area

The site currently has several administrative areas including: an approximate 1,000 square foot office area and shop area within the MRF building, a 1,200 square foot office and employee area within the transfer station, and a separate 2 story building that houses the office staff for the administration of the Operations and Collection companies. All administrative areas are equipped with sanitary facilities.

2.3 MASTER PLAN AND CONSTRUCTION OF NEW FACILITIES

The Master Planning process, for the construction of the new facilities at the SRDC, is underway at the time of this RFP release (**see Figure 2-3**, and **Attachment 7** for the complete Master Plan). All of the facility improvements will be completed prior to the start of operations under the new Agreement. As a part of this proposal process, the SBWMA requires that proposers fully understand the planned facility changes and include suggestions as appropriate as appropriate for potential improvements as part of the proposal process.

Figure 2-3. SRDC Master Plan



SHOREWAY RECYCLING AND DISPOSAL CENTER

SOUTH BAYSIDE WASTE MANAGEMENT AUTHORITY
225 - 333 SHOREWAY ROAD SAN CARLOS, CALIFORNIA

2.3.1 Entrance, Scale and Traffic Flow Improvements

The SBWMA will finalize the Master Plan and initiate facility modifications and improvements to the entrance way, scales and facility traffic flow to reduce traffic impacts on Shoreway Road and to improve overall traffic efficiency at the SRDC (See **Figure 2-3**, and the Master Plan Report **Attachment 7**). The design goals for the traffic improvements are as follows.

- Reduce traffic queuing and congestion on Shoreway Road.
- Create additional inbound traffic queuing area ahead of the scales.
- Increase the processing speed at the scale house.
- Separate franchise vehicles from the self haul vehicles.
- Create efficient and safe onsite vehicle traffic flow.
- Maximize the use of space at the facility.
- Isolate buy-back / drop-off center areas and employee parking areas from onsite facility traffic.

The Master Plan proposes to move the facility scales and entry to the border of the property along the southeastern edge of the MRF. All inbound traffic will enter at the same southern entrance and will proceed around the back corner of the property to the scales. There will be three inbound traffic lanes - - 2 inbound scales and one non-scale lane for self haul traffic. This new configuration will eliminate the back up of traffic onto Shoreway Road by increasing the queuing area before the scales and speed the vehicle processing at the scales.

2.3.2 Transfer Station Self-haul Tipping Area Improvements

The Master Plan includes the expansion of the south side of the transfer station to increase the area available for self haul customer unloading and material sorting. Currently the transfer station has a separate entry and sorting area for self haul C&D unloading. This 8,400 square foot area is on the other side of the transfer station tunnel from solid waste tip floor area. Because of the limited size of this area, traffic congestion is often a problem and materials storage and sorting is hampered. The SBWMA plans to increase the size of the current self haul tip area to a total of 26,800 square feet. The rest of the transfer station layout and operations will remain unchanged. The transfer station improvements are expected to begin in 2008 and to be completed in the beginning of 2010. These improvements will be performed and funded by the SBWMA.

2.3.3 MRF Facility Improvements

Under the Operations Agreement, the Proposer is to install all stationary MRF equipment necessary for the processing of single stream recyclable materials. The SBWMA will review and approve the Proposers design and will pay expenses related to the purchase and installation of the MRF material handling equipment. Rolling stock will be purchased and supplied by the Contractor.

A major component of the Proposer selection process will include the proposed equipment technology, system design/layout, equipment budget and the installation and start up plan for all operations in the MRF building. The SBWMA will select an innovative and efficient sorting equipment system that is able to accomplish the following goals:

- cost effective material processing,
- produce high-quality and high-value marketable commodities,
- minimal residual created, and
- processing equipment and equipment design that provide reliable materials handling and separation with minimal scheduled and unscheduled down time

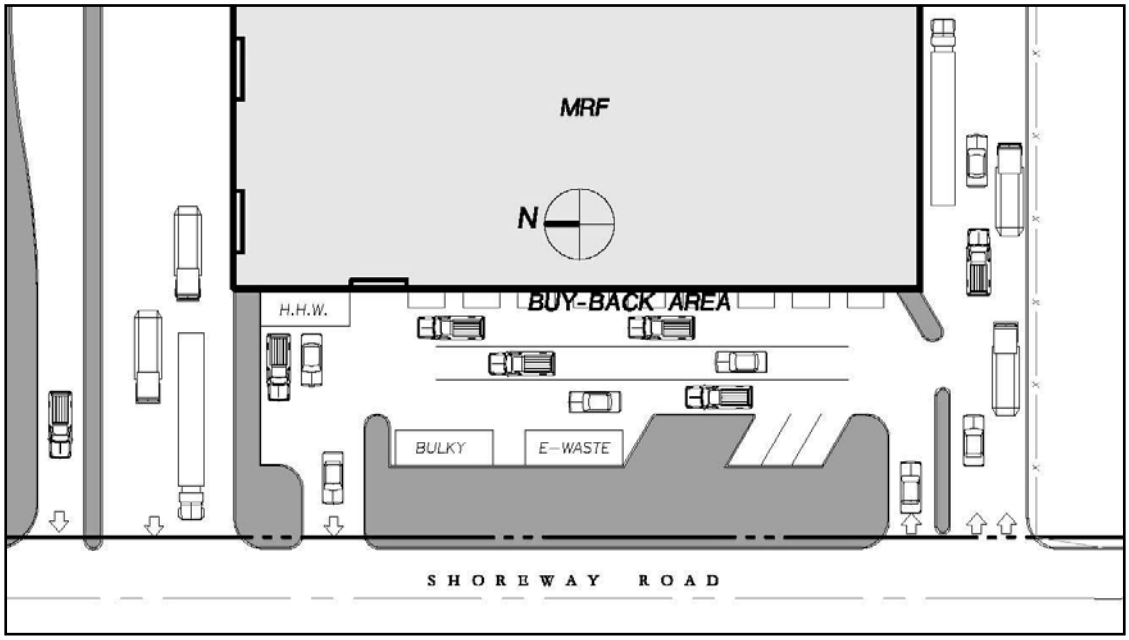
The SBWMA will work with the selected Proposer in the final equipment design/layout, MRF equipment selection and installation process. After the final equipment design is selected and ordered from the equipment manufacturer, the Proposer will perform the equipment installation, startup and Acceptance Tests prior to the start of the commencement of operations. The SBWMA will conduct an equipment Acceptance Test (see MRF Equipment Acceptance Test, **Attachment 8**) to verify that the equipment installed meets the claims made by the equipment vendor and the Proposer's proposal.

The Proposer is to provide and maintain all rolling stock necessary for the operation of the MRF. The SBWMA will not finance rolling stock and non-stationary equipment.

2.3.4 Buy Back / Drop Off area

The SBWMA will move the current location of the buy back center from the middle of the operations to the front of the MRF building (**see Figure 2-4**). This will improve the traffic flow and the convenience of the facility by providing more space, easier access from Shoreway Road and safer customer use by keeping the center's customers out of the traffic flow of commercial vehicles.

Figure 2-4. SRDC Proposed Buy-Back/Drop off Center



2.4 WASTE TYPES AND TONNAGES

Materials received at the SRDC consist of residential and commercial municipal solid waste, plant materials, commercial food scraps, inert materials, construction and demolition materials and recyclable materials. Prohibited materials include: liquid wastes, burning materials, infectious wastes, radioactive wastes and industrial hazardous wastes. High liquid content waste is not accepted at the SRDC. These restrictions are strictly enforced and any vehicle hauling designated wastes will be denied access. Except for occasional white goods (large appliances or bulky items) and tires, no loads of wastes requiring special handling are accepted. The removal of freon from white goods is performed by a licensed contractor. There are storage tanks onsite for used motor oil and used antifreeze and containers for the storage of latex paint and lead-acid batteries collected from the public are located near the transfer station building.

2.4.1 Materials Delivered to the Transfer Station

The transfer station accepts approximately 434,000 tons of solid waste and recyclable materials per year. The materials that are delivered to the transfer station include residential and commercial solid waste, construction and demolition materials, residential and commercial plant materials, and source separated commercial food scraps. Source separated loads of materials are directed by scale house personnel and tipping floor spotters to dump in designated areas within the transfer station. K rails are used on the transfer station floor to keep different categories of material separate until load out.

Table 2-5 provides a summary of the tonnage that was delivered to the transfer station in 2006 (a more detailed breakdown of the material types and diversion achievement are presented in **Attachment 9**). There is expected to be a 30% increase in plant waste volume entering the transfer station as a result of switching from bi-weekly to weekly collection of this material in January 2011. However, the SBWMA does not guarantee any particular volume of waste or recyclables to be delivered to the SRDC.

Table 2-5. Transfer Station Materials Composition

TRANSFER STATION TONS IN YEAR 2006	
Material Type	TOTAL TONS
Total Municipal Solid Waste	318,170
Total Plant Materials	70,295
Total Commercial Food Scraps	18,636
Total Other Diversion (C&D, Aggregates, Metals)	27,150
TOTAL TONS IN	**434,251**

2.4.2 Transfer Station Diversion

The SRDC receives self-hauled material from contractors, the public, debris box companies, city vehicles and others. Self-hauled materials account for approximately 24% of the SBWMA's total waste stream. To meet the Diversion Program Guarantees, the Contractor is required to divert recoverable materials from the self haul loads entering the SRDC. The materials that are targeted for recovery include plant material, wood, roofing, dry wall, concrete, carpet, asphalt, and scrap metal. Other more traditional recyclable materials like paper, containers and electronic wastes are to be directed to the buy-back/drop-off center at the facility and included under the Buy Back and drop off program tonnage.

C&D material is the largest subset of the total self haul volume entering the transfer station. In 2006, 50% or 27,150 tons of self hauled tonnage delivered to the SRDC was recovered. Of this self haul tonnage, diverted C&D material comprised 19,624 tons.

The current Contractor performs some floor sorting to remove contamination and white goods from the inbound self haul loads however, there is little floor space in the current transfer station building to conduct extensive floor separation. Most C&D material sorting is performed off site at the designated 3rd party processor, Zanker Road Resource Recovery. Materials targeted by Zanker Road Resource Recovery included: wood, roofing, dry wall, concrete, asphalt, and scrap metal.

2.4.3 Materials Delivered to the MRF and Buy Back

Currently, residential and commercial recyclables are collected separately. Residential (single family household) recyclables are collected in a dual-stream container-based collection system where fiber is collected separately from containers. Commercial recyclables are co-collected with multi-family recyclables in a dual stream collection system. Large quantities of glass containers and bales of cardboard are collected on a separate route using specialized collection equipment. The current residential and commercial collection method has low contamination levels that have resulted in a residual rate of 4.5% from the current MRF operations. During the conversion to single stream recycling, it is SBWMA's goal to maintain a high quality feed stock for the MRF. The SBWMA intends to support the conversion to single stream with an excellent and thorough education program that keeps contamination levels to a minimum.

As shown in the **Table 2-6**, the SBWMA expects the volume of recyclable material to increase significantly (it is anticipated that there will be a 25% increase in recyclable materials tonnage from the conversion to single stream recycling and an additional 5% increase in tonnage resulting from the change to weekly collection from the existing bi-weekly collection programs). This projection is based on experiences in other communities but is not guaranteed by the SBWMA.

Table 2-6. MRF Tons Current and Projected by Commodity Type

	TOTAL 2006	PROJECTED 2011
Aluminum	228	296
Cardboard	16,484	20,605
Glass	8,708	11,320
Mixed Plastics 2-7	994	1,292
Newspaper	34,155	44,402
Mixed Paper	2,780	3,614
PET	807	1,049
Tin	868	1,128
TOTALS	**65,024**	**83,707**

While it is anticipated that the residue level will increase with the conversion to single stream recycling, the SBWMA has limited the list of Acceptable Materials to those which have a demonstrated reliable market and which current sorting equipment has a demonstrated effectiveness at recovering (See list of Acceptable Materials, **Table 2-7**).

Table 2-7. Single Stream Acceptable Materials List

See definition of "Recyclable Materials" in the Agreement
newspaper (including inserts, coupons, and store advertisements); mixed paper (including office paper, computer paper, magazines, junk mail, catalogs, brown paper bags, brown paper, paperboard, paper egg cartons, telephone books, colored paper, construction paper, envelopes, legal pad backings, shoe boxes, cereal and other similar food boxes); chipboard; corrugated cardboard; paper milk cartons; glass containers of any color (including but not limited to brown, blue, clear, and green glass containers); aluminum (including food and beverage containers, foil, small pieces of scrap metal); small pieces of scrap metal weighing less than 10 pounds and fitting into the Recyclable Materials Collection Container (appliances, auto parts, hand tools, wire, cable and chain are prohibited); steel, tin or bi-metal containers; plastic containers (i.e., all plastic containers stamped with the Society for the Plastics Industry (SPI) code #1 through #7; and, plastic containers that are not stamped but clearly can be identified as PET, HDPE, PP). For Single-Family and Multi-Family Premises, Acceptable Recyclable Materials shall also include Used Motor Oil, Used Motor Oil Filters, Household Batteries, and Cell Phones. Traditional Recyclable Materials are a subset of Recyclable Materials.

In an attempt to encourage the Proposer to maximize recovery of recyclables from the single stream materials, the SBWMA has created an Incentive Plan that rewards the Proposer for high levels of recovery. Conversely, there are financial penalties should the Proposer fall below a specific recovery threshold (see Section 4, Payment and Compensation).

The Buy Back operation is considered part of the MRF operation and the Proposer will need to accept all the materials on the Acceptable Materials at the Buy Back center. **Table 2-8** shows the tonnage that was delivered to the Buy Back center in 2006.

Table 2-8. Tonnage Delivered to the Buy Back Year 2006

Month	Tons
January	151
February	133
March	131
April	133
May	158
June	175
July	167
August	195
September	170
October	173
November	143
December	144
TOTAL	**1,874**

2.5 VEHICLE COUNTS

The SRDC receives approximately 710 vehicles per day (mix of self haul and franchise vehicles) delivering solid waste and recyclable materials. The transfer station receives the majority of the traffic and material volume. The transfer station, MRF and associated recycling activities are regulated under one solid waste facilities permit coving the whole SRDC complex. The SRDC permit, (SWIS# 41-AA-0016) issued by the California Integrated Waste Management Board, allows for a total vehicle count of 1,237 units to enter the site. The SBWMA expects that the permit capacity is sufficient to accommodate potential volumes increases during the term of the Operations Agreement.

Table 2-9 below shows the typical vehicle count traveling over the SRDC scales during the day (**Attachment 9** includes additional vehicle detail). The SBWMA is expecting an increase in vehicle traffic as a result of switching from bi-weekly to weekly collection of recyclable materials and plant materials. There will likely be additional vehicle trips generated from the increase volumes of plant materials and recyclable materials delivered to the SRDC, yet these volumes will be offset somewhat by a decline in solid waste volumes.

Table 2-9. Typical Daily Vehicle Count at Scales

Time	Vehicle Type	Total
3:00 AM	Transfer	12
4:00 AM	Transfer	8
5:00 AM	Transfer	9
6:00 AM	Public/Transfer	13
7:00 AM	Public/Trans/Sea container	33
8:00 AM	Public/Transfer	34
9:00 AM	Public/Trans/Route	87
10:00 AM	Public/Trans/Route	88
11:00 AM	Public/Trans/Route	74
12:00 PM	Public/Route	72
1:00 PM	Public/Route	80
2:00 PM	Public/Route	90
3:00 PM	Public/Sea container	40
4:00 PM	Public	24
5:00 PM	Public	24
6:00 PM	Public	22
Total		**710**

SECTION 3

SCOPE OF REQUESTED SERVICES

This section describes the scope of services that will be required for the selected Proposer to perform as part of the Operations Agreement with the SBWMA. The Agreement should be carefully reviewed by all proposers as it provides the detailed terms, conditions, and scope of services that will largely define the contractual arrangements between the SBWMA and the Proposer selected through this RFP process. The required services are set forth in the Operations Agreement. In the case of a conflict between the Agreement and this RFP, the language in the Agreement takes precedence. For all services required under the Agreement, the Proposer must provide all labor, supervision, equipment, and materials to conformance with all permits and regulatory requirements.

3.1 MRF EQUIPMENT DESIGN AND INSTALLATION

In addition to the MRF operations, the SBWMA requires the selected Proposer to design and install a single stream system that will sort the single stream materials in the volumes and composition that will be collected from the SBWMA service area. The details of the equipment selection and installation requirements of this RFP can be found in **Attachment 4**, Equipment Selection and Installation. The volume and composition of the current stream is expected to change as a part of the conversion to single stream collection. The Proposer should draw on the information supplied in this RFP document, waste characterizations from other communities and other information sources to estimate the composition of the SBWMA's recycle stream after conversion to single stream.

After equipment installation the Proposer will need to perform a system start up and operate the equipment to meet the Acceptance Tests specified in this RFP before the commencement of regular operations of the MRF. The installation, startup and Acceptance Test costs will be wholly reimbursed by the SBWMA.

The SBWMA will rebuild the MRF building to increase its size to accommodate additional material and processing equipment. It will be the responsibility of the SBWMA to provide the building space and necessary utilities required for the installation of the Proposer's equipment 6 months prior to the commencement of operations.

The SBWMA will arrange for and pay for the interim transportation and processing of recyclable materials during the six-month transition phase when the Contractor is installing the MRF equipment. However, any costs arising out of a delay in equipment startup and processing that is the result of the Contractor not meeting the agreed upon Scope of Services, shall be borne by the Contractor (including interim processing and transportation that are a result of delays). The Proposer is also responsible for any cost overruns related to the installation and initial operations of the processing equipment.

3.2 SRDC FACILITY OPERATIONS

3.2.1 General Services to be Provided

The selected Contractor shall be responsible for providing services that meet the following broad goals:

- Excellent operations and management of the SRDC and associated facilities.
- Accurate measurement, recording and cash management at the scale house.
- Efficient transportation of the waste and recyclable materials to the designated landfill, off site materials processors, and commodity consumers.
- Maximize recovery of recyclable materials delivered to transfer station, MRF and buy-back center.
- Collect information and provide required reports to the SBWMA on the facility operations and diversion tracking.

As part of the general operations of the SRDC, the Contractor shall operate the facilities according the following considerations:

a) The Contractor shall accept all permitted materials delivered at the transfer facility during the hours of 5:00 a.m. to 5:00 p.m. Monday through Friday for designated haulers and between the hours of 8:00 a.m. to 5:00 p.m. Monday through Sunday for the general public. These hours may be extended upon mutual agreement by SBWMA and Contractor during the term of the contract. Days of operation shall be Monday through Sunday except for holidays (New Year's Day, Thanksgiving Day, and Christmas Day). The actual day the Holiday is observed may be changed by notifying the SBWMA 30 days prior to the Holiday. During business hours the scale house will be continuously attended and the facility opened to receive incoming materials.

b) The Contractor will inspect all inbound materials at the time of dumping to ensure that the load does not contain any hazardous materials or other materials that are not accepted at the SRDC. Once the vehicle has dumped its load and the truck has left the facility, the ownership and responsibility for the proper management of the materials resides with the Contractor. The Contractor remains responsible for the materials until the disposal site or markets / processors take ownership of the materials. The SBWMA maintains no ownership responsibility for the proper management of materials at the SRDC.

c) The Contractor is required to provide sufficient numbers of qualified and trained staff necessary for operating the facility, transporting of wastes, recovering and marketing recyclables, and other obligations necessary to operate the SRDC during the contract term.

d) The Contractor is required to purchase, lease, or otherwise procure, all necessary rolling stock, materials, and supplies necessary for operating the facility, transporting of wastes, recovering and marketing recyclables, and other obligations necessary to operate the SRDC during the contract term.

e) Contractor will ensure that onsite traffic is controlled and directed so that vehicles move around the site in a safe and efficient manner.

f) Contractor will be required to maintain operating efficiency within the transfer station, MRF and buy back/drop off centers to ensure customers and other vehicles are able to dump materials quickly and in accordance with the Vehicle Turnaround Guarantee (specified in the Agreement).

g) Contractor will be responsible for minor facility maintenance (as defined in the Agreement) at the Contractor's expense. Major facility improvements and capital projects will be the responsibility of the SBWMA. The Proposer will coordinate with the SBWMA and work cooperatively to effect repairs on the facility structures and equipment.

h) The Contractor will operate the facility to minimize the offsite impacts (i.e. blowing litter, odor, traffic, noise) of the facility operations. Correction of offsite impacts will be the responsibility of the Proposer (including picking up litter on Shoreway).

i) Contractor will use the structures and operate the facilities in such a way that minimizes facility and equipment wear during the contract term. And, the Contractor will keep the facilities clean through regular washing and sweeping.

j) Contractor will implement a safety program that covers all aspects of anticipated site operations and transportation. The safety program must include specific safety protocols for all SRDC employees, drivers of commercial vehicles, facility customers and site visitors. Contractor will maintain documentation of the safety program, implement a training program, and maintain an on going schedule for safety review meetings with mandatory attendance by all regular employees, as well as periodic trainings for new-hires or temporary workers.

k) The Contractor will coordinate with the SBWMA and work cooperatively to provide community services such as tours, education about recycling and facility operations. The Contractor will staff and maintain the buyback center and other public areas to provide excellent service to the public.

l) The operations Contractor will need to work closely and coordinate with the Collection Contractor(s) to ensure that onsite traffic flows smoothly and efficiently, that the inbound materials are delivered to the proper location on the SRDC property, and that the materials delivered to the facility are of acceptable quality. Additionally, it is likely that the operations Contractor will share the SRDC location with a Collection Contractor. In this situation, both Contractors need to cooperate in the shared use of some common areas of the site.

3.2.2 Shared Use of the SRDC Property

The SRDC facilities are dedicated for the purposes of providing waste and recyclables collection and processing services. After the award of the Collection Agreement(s) and the Operations Agreement, the SRDC may be shared between the Collection Contractor and the Operations Contactor. The Collection Contractor will occupy the northern portion of the SRDC property and will provide waste and recycling collection services to the SBWMA jurisdictions out of the existing truck maintenance shop, the bin repair/paint shop building, portable trailers and front administrative building areas. The parking and asphalt area on the northern portion of the property will be used by the Collection Contractor for the parking of collection vehicles. The Operations Contractor will generally occupy the

southern portion of the SRDC which includes the transfer station and MRF buildings, the scales, the buyback area and associated parking and asphalt areas. The potential areas of shared utilization and responsibility include: entry access roads, utilities, fueling area, some of the vehicle maintenance area, and the parking area behind the transfer station building. Each Contractor on the site will pay for costs associated with their usage and in cases where there is a single meter (i.e. water and sewer), the costs will be allocated to the Contractors by the SBWMA.

3.3 SCALE HOUSE OPERATION

a) Scale house personnel will be trained in customer service and be knowledgeable in the capabilities of the facility so that they can answer customer questions and provide excellent customer service.

b) The scale staff will direct vehicles to the appropriate unloading area(s). Scale attendants will need to provide tare weights and outbound weights for all outbound loads. Inbound customers for the buy-back/drop-off center will go directly to this area and will not enter through the scales.

c) Scale house attendants will determine the city of origin, type and acceptability of each load delivered. The scales attendants will measure volume (cubic yardage) of self haul customers and weight of all franchise loads and issue as appropriate paperwork and receipts.

d) The Contractor will provide all necessary hardware and software programs for the complete and accurate recording of information collected at the scale. The software used by the Contractor will need to meet the approval of the SBWMA and must be accessible through an internet connection from offsite locations by authorized SBWMA staff. All scale house paper and computer based records will need to be maintained according to the records Retention Policy in the Operations Agreement.

e) All inbound loads need to be inspected before tipping in the SRDC facilities; a spotter, camera and/or other methodology to handle this load-checking must be provided.

f) Cameras will record all scale transactions, customer vehicle traffic and vehicle unloading. All camera views and recordings will need to be accessible through an internet connection from offsite locations by authorized SBWMA staff. Camera recordings will be maintained by the Contractor. There is currently a camera system in place at the scale house and changes and upgrades to the system will be the responsibility of the SBWMA.

g) Proposer will provide all maintenance, calibration, testing and operation of the scales, provide a licensed weigh master for operating the scales, and ensure all scale transactions are recorded through a direct link to a centralized computer recording and billing system for tracking all transactions.

h) The Proposer is responsible for all cash management at the scale house and shall be liable for any deficiencies in charges and cash collected from tip fees of inbound customers and outbound shipments.

i) For self haul customers billed by the cubic yard, the Proposer will need to maintain an industry average self haul cubic yards to tons ratio of greater that 2.7 cubic yards per ton as stipulated in the Operations Agreement.

3.4 TRANSFER STATION OPERATIONS

a) Contractor will provide sufficient staff and equipment to perform movement and diversion of materials that complies with the all facility permits, diversion goals and requirements stated in the Operating Agreement.

b) Loading and transporting solid waste and recyclable materials from the transfer station to designated disposal and processing locations is included under the scope of services to be provided by the transfer station operations.

c) For load-out operations, the Contractor will provide loaders to push the waste from the receiving area on the tipping floor into a consolidated pile. When a sufficient volume of waste is consolidated, the loader operator will push the material into a transfer trailer waiting in the below-grade load-out area.

d) The transfer station tipping area spotter will ensure that the traffic flows smoothly into the receiving area and that the tipping floor is clear to receive each load before the vehicle is allowed to enter. The spotter will visually inspect the materials as they are unloaded to identify hazardous or unacceptable wastes(if any is discovered), and require the hauler to take back the material and advise the hauler of appropriate disposal options. No scavenging will be allowed by spotters, drivers or passengers.

e) Contractor will coordinate with the landfill, C&D processor, food scraps processor, and plant materials processor so as to provide materials that are prepared and delivered in a condition and form that meet the processors / disposers specifications and receiving requirements.

Transfer Station Floor Sorting of Inert Materials

a) Contractor will implement an aggressive materials segregation operation which will include procedures for identifying and directing loads containing recoverable materials to the appropriate area in the transfer station building, implement safe and efficient unloading procedures, store materials in appropriate containers or bunkers/pile areas, establish reliable market outlets for recovered materials, and deliver or arrange for delivery of materials to markets.

b) The Contractor will floor-sort (to the extent that is practical, safe and makes economic sense) recyclable materials from the C&D and recyclable rich loads that come into the facility. Potential recoverable materials for a floor sort program include but are not limited to: cardboard, wood, ferrous and non-ferrous metals and white goods. The Contractor and the SBWMA will work together to analyze the cost and revenues associated with the sorting of materials to determine the economic effectiveness of the sorting activities. The SBWMA may choose to provide the Contractor a supplemental payment to encourage the recovery of materials that may not be economically feasible based on the material value and avoided disposal cost.

c) The floor-sort of incoming self-haul C&D materials will be necessary to remove items prohibited by the designated processor. These items currently include mattresses, furniture, wire, tarps and carpet (see Processing Agreement, Zanker Road Resource Recovery Attachment 10 for the current processors requirements).

Self Haul Diversion

d) Contractor will implement a Self Haul Diversion Program that is designed to exceed 30,000 tons per year.

e) Proposers will submit a Self Haul Diversion Plan as a part of this proposal which will demonstrate the methods and resources that the proposer intends to us to achieve Self Haul Diversion.

f) The Contractor will be compensated though a Self Haul Diversion Program for materials diverted in excess of the 30,000 tons/year Diversion baseline. The Contractor will be penalized $70.00 per ton if the annual self haul tons diverted does not meet or exceed 30,000 tons per year (see in the Operations Agreement Compensation section).

3.5 TRANSPORTATION AND SHIPMENT OF MATERIALS

a) The Contractor is to provide all equipment, staffing and coordination necessary to transport materials from the transfer station, MRF, and other SRDC operational areas to off site destinations. The Contractor needs to understand the flow of materials onsite and the storage capabilities (and regulatory limitations) and provide sufficient transportation capabilities to meet peak materials flows.

b) Contractor must provide all transportation of waste to the designated disposal site(s), and must provide sufficient back-up capability (drivers and equipment) in its transfer fleet to minimize disruption during normal business hours due to scheduled vehicle/trailer preventive maintenance and/or unscheduled equipment breakdown.

c) All loads must be checked to confirm they do not exceed the legal load limit, and any trailer opening must be covered with a tarp or screen. All loads will need to be checked to ensure that all materials are enclosed within the trailer and that the potential of material falling onto the roadways is minimized.

d) Selection of transfer equipment will depend on the receiving capabilities of the designated disposal site and materials processors. At the time this RFP is being issued, it is likely the landfill receiving SBWMA waste will have tippers to unload trailers. For the preparation of the response to this RFP, Contractor should review the Ox Mountain Landfill Disposal Agreement (**Attachment 11**) to consider contractual conditions of material transportation to the landfill.

e) The SBWMA has a contract with the Ox Mountain Sanitary Landfill in Half Moon Bay; Zanker Road Resource Management in San Jose for C&D materials processing and Newby Island Compost facility in Milpitas for the processing of organics materials including plant material and food scraps. The selected Contractor will be required to haul to sites that have been designated by the SBWMA. The Contractor should be prepared at the expiration of these contract terms to haul materials to other designated sites should the SBWMA require. The Contractor's compensation will be adjusted for any haul cost differential should the SBWMA redirect materials to another designated site. For the preparation of the response to this RFP, Proposer should review the disposal and processor agreements to review any contractual conditions related to the transportation of materials to these sites.

f) Contractor is responsible for costs to haul other materials to other locations that are not designated in the Agreement. Examples of these transportation requirements are the movement of all recyclable commodities recovered from the floor sorting activities and the transportation of MRF commodities.

3.6 SCOPE OF MRF OPERATIONS

a) The Contractor will accept recyclable materials delivered within the operational hours of the facility. And the MRF tipping area will be kept open and clear of piles to the extent necessary so that material tipping is not hampered.

b) The Contractor will be responsible for providing on site rolling stock for the efficient movement and load out of materials.

c) The operations Contractor will receive materials from residential collection, multi-family, and commercial collection accounts that are serviced by the collection Contractor(s). It will be the responsibility of the operations Contractor to inspect all inbound materials at the time of delivery. The Operations Contractor will be responsible for accepting and processing all Acceptance Materials for single stream recycling.

d) The Contractor will be responsible for documenting contamination in inbound materials delivered by the collection Contractor. If there are cases where the collection Contractor delivers MRF loads in excess of 10% contamination, but less that 20%, the SBWMA will request support documentation from the operations Contractor about the inbound material quality to assist in education and training efforts with customers and collection drivers about the need to keep recyclable materials clean.

e) The operations Contractor will have the ability to reject loads delivered to the MRF (that are deemed, upon visual inspection or load sampling by the SBWMA) to exceed 20% contamination. Rejected loads will be either sent to the transfer station for disposal or, at the discretion of the SBWMA, the load will be processed at the MRF. If the load is processed at the MRF, the Operations Contractor will be paid a supplemental processing fee by the SBWMA of $25 per ton, and the residual from the load will not be counted in the facility residual calculation.

f) The operations Contractor shall operate the facility to meet the diversion goals and maximum allowable residual of 10%. The Contractor is incentified though a MRF Diversion Program incentive payment (see Operations Agreement, compensation section) to reduce residual below the 10% maximum specified in the Agreement. There is a penalty for the Contractor exceeding the 10% limit on residual of $70.00 per ton.

g) Residual from the MRF sorting operations will need to be weighed and recorded prior to disposal. The maximum amount of residual that is allowed under the Agreement is **10%.** All residual will be delivered to the Ox Mountain Landfill by the Proposer and costs of handling, transporting and disposing of MRF Residual will be born by the Contractor (the cost of disposal at Ox Mountain Landfill is $32.41 in year 2007 and escalates according to the CPI in the Disposal Agreement in **Attachment 11**). Since the Operations Contractor will pay for (and not be reimbursed by the SBWMA) for the cost of MRF residual disposal at the Ox Mountain landfill. Proposers will need to build in a CPI increase to the residual disposal to reflect the tip fee increases year over year.

h) The Contractor will not bring in materials from areas outside the SBWMA jurisdictions without prior written approval of the SBWMA.

i) Equipment will be maintained, by the Contractor at the Contractor's expense, according to the equipment manufacturers recommendations and as required by the equipment manufactures warranty. Any loss of warranty coverage as a result of the Contractors operation or maintenance will be the financial responsibility of the Contractor. The Contractor may use non-OEM parts (i.e. rubber stars) in equipment maintenance and repair only upon the consent of the SBWMA.

j) The Contractor will sort materials to obtain the highest gross revenue from commodity sales.

3.6.1 Marketing of Recyclable Materials

a) Contractor is responsible for securing markets for recovered materials, for maintaining accurate accounting of material quantities, types, pricing, and payments received on all recovered materials.

b) Materials shall be sorted, prepared and transported by the operations Contractor in a way that maximizes the gross revenue on material sales.

c) The SBWMA will get all commodity sales revenue up to the Revenue Guaranty. gross revenues from commodity sales above the Revenue Guaranty will be shared 25%:75% between the Contractor and the SBWMA respectively (as described in the Compensation section of the RFP and Agreement).

d) A complete record of all commodity sales transactions shall be kept by the Contractor and be submitted for review according to the reporting requirements of this agreement and/or upon request of the SBWMA.

e) Contractor has the responsibility to market all recyclable materials and maintains ownership and liability for materials until there has been a release of ownership signed by a buyer. All rejected loads and related claims shall be the responsibility of the Contractor.

f) Contractor shall provide a Materials Marketing Plan as part of the proposal submission. This plan will be updated quarterly as market conditions and forecasts change. The plan shall contain a Materials Specifications section that lists the materials specifications for the markets/vendors used by the Proposer. A section of the Plan will be dedicated to Materials Marketing Contingency that discusses how the Proposer will manage a change in the market conditions or marketing services used by the Proposer. The Plan will list all of the Proposer's commodity buyers and who will provide materials marketing services and commodity transportation.

3.7 PUBLIC BUY-BACK / DROP-OFF CENTER OPERATIONS

a) Contractor must maintain the buy-back/drop-off center so that it is clean, organized and convenient for public access and use. The hours of operation for this center shall be consistent with the hours and schedule in effect for the transfer station.

b) Contractor shall provide sufficient dedicated space and convenient storage container arrangements at the buy-back for use by the public.

c) Payments for public buy-back transactions shall be made from the recycling area, not from the scale house. The Contractor is responsible for providing State certified scales, payment records, inventory logs, and related items necessary for buy-back operations, and shall maintain separate documentation and cash accounting for the buy-back operation. Contractor is responsible for making customer payments for materials delivered to the Buy Back Center.

d) Buy-back materials shall consist of, at a minimum, all beverage containers and all fiber types included in the single stream program. The center must maintain certification by the State as a redemption center and meet all reporting requirements in effect for such redemption centers.

e) Drop off materials shall consist of U-wastes, E-wastes, Batteries, paints, oils and other HHW materials that conform to the list of acceptable HHW materials.

f) Contractor should include additional materials accepted for buy-back / drop off transactions to the extent available markets exist and to the extent that the market prices for additional materials create an incentive for the collection of additional materials from the public.

3.8 ADMINISTRATIVE SERVICES AND REPORTING

a) The Contractor shall maintain an adequately staffed administrative office on site and provide site management and supervisory staff as necessary to oversee day-to-day operations and communicate to the public and SBWMA during business hours.

b) Contractor is responsible for the monthly invoicing of franchise haulers so that the franchise hauler payments are made directly to the SBWMA or to an agent of the SBWMA.

c) The Contractor is responsible for cash transaction and collecting money from self hauler customers and wiring the scale house monies to the SBWMA.

d) Currently there are no customers on “account” at the SRDC and all self haul business is done on a cash-only basis. Should customer accounts be set up in the future, collection of accounts payable and bad debt will be the responsibility of the Contractor.

e) Contractor will maintain accurate and complete records for all facility operations. These records shall be made available to the SBWMA for purposes of monitoring the contract services provided.

f) Contractor will provide monthly and annual reports to include at a minimum such items as: regulatory compliance and communications with regulatory agencies, staffing levels, tonnage reports, complaint log entries, and diversion and disposal data by jurisdiction.

g) The Contractor is responsible for maintaining all records related to the reporting requirements, regulatory requirements, financial data, scale transactions, and all other items mentioned in the RFP and Agreement throughout the term of the Agreement. Before the end of the term of the Operations Agreement, the contactor will transfer the ownership of this information to the

SBWMA. Changes to this records retention requirement can only be made through written correspondence from the SBWMA.

h) The Contractor is responsible for training its staff to interface with the general public, with regulators and with the SBWMA, and to provide excellent customer service in all aspects of its operations.

i) Contractor will provide printed materials, minor site signage, and after-hours telephone information service, and other services necessary to keep the public fully aware of the SRDC business hours, acceptable materials, tipping fees, recycling options, and other items related to use of the SRDC.

j) The Contractor is responsible for maintaining and keeping current all permits related to the SRDC site, the operation as a solid waste facility, and the use of all equipment onsite.

k) The Contractor will be responsive to the requests for information from the SBWMA and allow the SBWMA complete access to the information related to the operations and management of the SRDC.

l) The Contractor will notify the SBWMA of all changes in permit status, involvement by other regulatory agencies, accidents, and operational changes that can materially effect the SRDC facility operations and the movement of materials into/out of the facility.

m) Contractor will assist the SBWMA in offering public tours of the facility to community organizations as described in the Operation Agreement.

3.9 OTHER OPERATIONAL CONSIDERATIONS

3.9.1 Collective Bargaining and Employee Retention Policy

a) Proposer will be required to ensure that existing collective bargaining agreements (collective bargaining unit contracts in place as of the issuance of the SBWMA's RFP) are honored. The current collective bargaining agreement (CBA) is provided in **Attachment 12**).

b) Proposer shall retain workers who have been employed by the current Contractor for at least 120 calendar days prior to the expiration of the contract to fill positions, provided that the future Contractor shall not be required to create additional positions that the Contractor does not need. Contractor is prohibited from discharging any retained workers for at least 90 calendar days after the contract startup except for cause.

c) The Contractor shall maintain a list of the predecessor Contractor's employees who were not offered employment after two months after the start of the new Agreement. If any positions become available during the three months following the initial 3-month contract period (i.e., from January 1, 2011 through April 30, 2011), Contractor shall offer employment to qualified persons on the list by seniority within the collective bargaining unit. Respondents to the RFP shall be required to include this language in the collective bargaining agreements, if any such agreement exists or is negotiated.

3.9.2 Emergency Preparedness

a) The selected Contractor will need to prepare and maintain up-to-date an Operational Contingency Plan for all aspects of operations including: equipment repair, permanent and temporary worker replacement, earthquake preparedness, and disruptions in shipping of recyclable commodities. Contingency Plan should include potential off site materials processors that can be used in emergency and a list of equipment repair vendors. The Operational Contingency plan will be an Attachment to the Operations Agreement.

b) The SRDC serves many cities and must be prepared to function in the event of a natural disaster. Towards this goal, the Contractor will coordinate with local County and City departments and attend meetings related to emergency preparedness efforts.

SECTION 4

PAYMENT AND COMPENSATION

4.1 CONTRACTOR'S COMPENSATION

4.1.1 Compensation for Equipment Installation and Startup

The selected Contractor (and equipment manufacturer(s)) will propose a single stream sorting system and cost for the system as a part the proposal process (**see Attachment 4**). The SBWMA will procure the processing system directly from the equipment vendor at the price presented in the Contractor's proposal (adjusted for inflation and the increase cost of steel).

The SBWMA will pay for any building modifications necessary to complete the installation of the sorting equipment. The SBWMA will reimburse the Contractor for the installation costs after the completion of the Acceptance Test. Start up costs will be paid to the Contactor over the first year of MRF operation and will be paid to the Contractor on a supplemental per ton basis over the first 12 months of the Agreement.

4.1.2 Components of Contractor's Facility Operations Compensation

As described in the Agreement, Compensation Section, the Contractor shall provide cost for services in the following three areas:

1. Transfer Station receipt and handling fee per incoming ton of Solid Waste, Plant Material, Organic Material, and Construction and Demolition Materials;

2. Transport fee per ton mile for outbound tons of Solid Waste, Plant Material, Organic Material, and Construction and Demolition Materials; and,

3. MRF Recyclable Materials processing fee per incoming ton of Recyclable Materials.

The Contractor's Compensation shall be the product of multiplying each of these fees by the tons of material received at the Transfer Station, MRF and transported off site.

4.1.3 Pass-Through Component

The Pass-Through Component is that portion of the Service Fee comprised of the Contractor's Pass-Through Costs. The Pass-Through Component is subject to adjustment only as necessary to reflect changes in Pass-Through costs or rate changes made by the designated disposal location or the third party processors, or as the result of a change in law. The Contractor is to pass these costs through to the SBWMA and or member Agencies.

4.1.4 Determining the Performance Adjustment to Contractor's Fees

Contractor shall be entitled to an annual adjustment in Contractor's Fees to reflect: performance payments or penalties related to: (1) the Contractor's diversion at the Transfer Station of recoverable materials that would otherwise be disposed of or used as ADC at a landfill (the Diversion Guarantee); and, (2) the minimization of residual material at the MRF that would otherwise be sent to a landfill (the Residual Guarantee). The MRF residual reduction incentive payment is paid to the Contractor as an

increase in the percent share of commodity sales revenue based on the incentive payment schedule in the compensation section of the Operation Agreement.

4.1.5 Contractor's Fee Adjustment Processes

The Contractor's Proposed Fees may be adjusted for three different circumstances:

1. Compensation Section of the Agreement states that Contractor's Fees for Rate Year 1 of the Agreement shall be adjusted to bring the values from 2008 to 2011.

2. In accordance with the Compensation Section of the Agreement, throughout the term of the Agreement, the Contractor will annually file with the SBWMA a detailed Fee Adjustment Application (Application) to determine fees for the upcoming Rate Year.

3. Additionally, at any time due to specific conditions, the SBWMA or Contractor may, according to the Compensation Section of the Agreement, request "Special" compensation review outside of the annual adjustments.

4.2 CONTRACTOR'S COMPENSATION FOR RATE YEAR ONE

Contractor's Fees for Rate Year One (January 1, 2011 through December 31, 2011), will be **based on Contractor's proposed costs and SBWMA-stipulated tonnage and composition. The Contractor's Fees for Rate Year One will be expressed in 2008 values and shall be adjusted to 2011 values** to reflect changes in the costs of labor; fuel/power; and, other operating and maintenance (but shall not be adjusted for any other reason, unless approved in writing by the SBWMA).

4.3 ANNUAL ADJUSTMENT OF CONTRACTOR'S FEES

For future Rate Years (including any extensions) Contractor's Fees will be determined by adjusting Rate Year 1 fees by the change in certain indices. Contractor's Fees for each Rate Year will be calculated using the following procedures:

4.3.1 Contractor's Receipt and Handling Fee

The Contractor's Receipt and Handling Fee will be disaggregated into the following components and each component shall be adjusted as described:

a) Labor Costs - Labor Costs shall be adjusted: (1) to reflect negotiated changes in the collective bargaining agreements (CBA), the increased costs of non-represented employees (based on annual changes in the U.S. Department of Labor, Bureau of Labor Statistics, Private Industry Employment Costs Index), workers compensation rates (assuming not more than a 1.0 modification factor) applied to the data contained in the Contractor's cost forms, to bring these costs to their 2011 value; and, (2) upon the termination of the CBAs, the then current Labor Cost component shall be multiplied by one plus the average percentage change for the twelve months ending the previous June 30 in the U.S. Department of Labor, Bureau of Labor Statistics, Private Industry Employment Cost Index for Service Producing Industries

(seasonally adjusted, total compensation, series no. ecs12102i) from the same index for the 12 months ending one year earlier.

b) Fuel/Power Costs - For the transportation component, Fuel Costs shall be adjusted by multiplying the then current value by one plus the average percentage change for the twelve months ending the previous June 30 in the U.S. Department of Labor, Bureau of Labor Statistics, Producer Price Index – Commodity Index for #2 diesel fuel (not seasonally adjusted, fuels, and relate products and power, series no wpu57303) from the same index for the 12 months ending one year earlier. For the MRF and Transfer Station rate component, Power Cost shall be adjusted by multiplying the then-current value of electricity supplied to the SRDC facilities by the utility company by one plus the average percentage change for the twelve months ending the previous June 30 from the same Power Cost for the 12 months ending one year earlier.

c) Other Operating and Maintenance Costs - Other Operating and Maintenance Costs shall be adjusted by multiplying the then current value by one plus the average percentage change for the twelve months ending the previous June 30 in the U.S. Department of Labor, Bureau of Labor Statistics, Consumer Price Index – All Urban Consumers, U.S. City average (not seasonally adjusted, all items, base period: 1982-84 +100. series no. cuur0000sa) from the same index for the 12 months ending one year earlier.

The adjusted Labor, Fuel/Power, and Other Operating and Maintenance Components shall be summed and become the Contractor's per-ton Receipt and Transfer Fee for the coming Rate Year.

4.3.2 Contractor's Transport Fee

The Contractor's Transport Fee per ton mile will be disaggregated into the same components as the Contractor's Receipt and Handling Fee and each component shall be adjusted in the same manner as described above using the fuel index (Contractor's Receipt and Transfer Fee)

4.3.3 Contractor's Processing Fee

The Contractor's Processing Fee will be disaggregated into the same components as the Contractor's Receipt and handling Fee and each component shall be adjusted in the same manner as described above (Contractor's Receipt and Transfer Fee).

4.4 Special Compensation Review

The Contractor may apply to the SBWMA for consideration of a special review of Contractor's Compensation (the amount the Contractor receives from the Contractor's Fees multiplied by the appropriate tonnage), or the SBWMA may initiate such a review, should one or more of the following occur or should there be a "special occurrence" having a material effect of 1% or more annually on the Contractor's Compensation for the then current Rate Year:

1. A SBWMA-directed, change in scope, as provided in the Agreement;
2. Provision of emergency services pursuant to the Agreement;
3. Catastrophic events which are beyond the control of the Contractor; and,

4. Change in Law.

4.4.1 Recyclable Materials Revenue

Annually, commencing with Rate Year One, the Contractor shall pay to the SBWMA not less than the Revenue Guarantee (proposed by the Contractor as part of the Cost Proposal Section 5, and **Attachment 3**) from the sale of Recyclable Materials. Should the Contractor's actual revenues from the sale of Recyclable Materials be less than the Revenue Guarantee, the Contractor shall still be required to pay not less than the Revenue Guarantee to the SBWMA. Should the Contractor's actual revenues from the sale of Recyclable Materials be more than the Revenue Guarantee, then the Contractor shall share such additional amount with the SBWMA and the SBWMA shall receive 75% and the Contractor shall receive 25% of the additional amount. In no case shall the Revenue Guarantee proposed by the Proposer be less than $6.75 millions dollars per year. The gross revenues from commodity material sales include all Department of Conservation California Redemption Value monies or other current or future public funds issued for the purposes of increasing recycling.

4.5 FACILITY MAINTENANCE COSTS

The Contractor is responsible for the cost of maintaining all equipment purchased by the contractor as part of performing the operations required under the scope of service. The Contractor will be cover all the costs related to keeping the stationary equipment in good operating condition and in compliance with the manufacturer's warranties. Maintenance of the exterior paving, paving in the transfer station and transfer station tunnels will be covered by the SBWMA. Repairs to structures, roofs and utility infrastructure will also be covered by the SBWMA except in cases where the repair is minor or damage to the buildings is the direct result of damage by the Contractor or negligence by the Contractor. A detailed discussion of what maintenance expenses are the responsibility of the Contractor or the SBWMA can be found in the Operating Standards Attachment to the Operations Agreement. The SBWMA may request that the Contractor manage or perform repairs to the facility on behalf of the SBWMA and bill the SBWMA through the rate structure. This arrangement for this type of work will be determined on a case-by-case basis and performed upon mutual agreement of both parties.

SECTION 5

PROPOSAL REQUIREMENTS

Proposer must provide all information requested in this section and addendum items, if any, as part of their proposal, including qualifications and disclosure information. **Attachments 3 and 4** contain the Proposal Forms that are required to be completed by the Proposer. Failure to provide all required information may be grounds for rejection of a proposal. The proposal requirements have been separated into Qualifications, Financial, Technical, Agreement Acceptance, Cost Proposal, and Other Proposal Form components. Every Proposer that is offering to provide the SRDC operations services is required to address each of the requirements below.

5.1 QUALIFICATIONS COMPONENT

Describe your company and staff qualifications as they relate to successfully operating a solid waste transfer station and MRF facility to recover recyclable materials and transport materials. In addition, the Proposer's qualifications information must demonstrate how the company's local management and corporate structure are linked, and how the company or joint venture fosters innovation and high quality performance. If companies are submitting as a team, describe any prior successful working arrangements involving similar types of services for similarly sized communities.

Describe these qualifications by providing the following information.

1. **Company Information**. State the name and address of the company that will be signing the Agreement. State name, address, phone number, fax number, e-mail address, and title of person to be contacted regarding the proposal. State the names of any other company(ies) that will share significant, substantive responsibilities as team members in performing under the proposed Agreement.

2. **Company Qualifications.** Fully describe services provided currently or in the past that are directly relevant to services described in this RFP, including description of relevant Agreements and degree of involvement (related to solid waste transfer and materials recovery operations) and the date the service was provided. Provide names and telephone numbers for all municipal clients over the last five years as references for your experience providing relevant transfer station and materials recovery services.

3. **Key Personnel.** Supply names and resumes of principal officers, partners, or other officials of each company to perform significant, substantive responsibilities required under the RFP. Clearly identify the names of individual(s) who will implement the Agreement and include resumes for each individual (include names, addresses, and telephone numbers of key individuals). Describe relevant technical experience of key personnel, their background in solid waste transfer, materials recovery and materials marketing services, and customer service. Specify training and background check requirements (criminal record, DMV, etc.) that will be used for screening and hiring staff performing services requested in this RFP.

4. **MRF Installation and Startup Personnel.** Identify the number of people and provide a resume for the installation Project Coordinator who will be the primary contact and representative for the company or entire team throughout the term of the MRF Equipment Installation.

5. **Litigation History.** Has any company, partner or subsidiary in this venture, sub-Contractor, or any corporate officer been involved within the past five years in litigation: arising out of performance of a solid waste Agreement or recycling Agreement, or violation of environmental laws, regulations or permits; arising out of or connected with violation of state or federal antitrust laws; or arising from or connected with allegation of corrupt practices? Has any company, partner or subsidiary in this venture, sub-Contractor, or any corporate officer, been notified of or been the subject of any enforcement action, order, decree, or notice of violation of any environmental laws, regulations or permits? If an answer is "yes," please explain fully. Provide details of any past or pending litigation against the Contractor or its parent company or joint venture company(ies) by a governmental entity contracting with the Contractor or its parent for services relating to waste management, or against such a governmental entity by the Contractor or its parent company or joint venture company(ies). Failure to identify litigation history may result in disqualification of your proposal.

6. **Environmental Compliance.** List any environmental compliance-permit violations incurred by the company, partner or subsidiary in this venture, or sub-Contractor in the past 5 years for similar types of facilities operated within California.

5.2 FINANCIAL COMPONENT

Provide the following information in sufficient detail to allow the SBWMA to determine the company's financial capabilities.

1. **Financial Background.** Provide satisfactory evidence that the contractually responsible party has been in existence for at least three years and has financial resources sufficient to undertake the proposed project.

2. **Financial Stability.** Provide audited financial statements, including income and balance sheets for the contractually responsible party and any parent company and joint venture company(ies), for the most recent three complete fiscal years and through the most recently completed quarter of the current fiscal year. Provide a statement from the chief financial officer indicating that there has been no material change in the financial circumstances of the proposing entity (or its parent or owners if they are providing financial assurance of performance) since the date of the last audited statements*. Note: the Agreement will require annual audited financial statements from the Contractor.*

3. **Financing Method.** Provide a financing plan that identifies all capital requirements and describes the sources and uses of funds, the financing structure, and all assumptions used in the formulation of the program strategy. Proposer must demonstrate access to the necessary funds either from equity or specific written commitments from third parties.

5.3 TECHNICAL COMPONENT

Technical information should focus on the method of performing the services required under the Agreement and as described under Section 3, Scope of Services. Proposals applying commercially demonstrated and environmentally sound waste receiving, materials recovery, and transportation techniques are encouraged. Projects relying on unproven technologies with little or no operational experience may be deemed unqualified by the SBWMA. Proposers should describe in detail the proposed method for providing the following services requested in the RFP.

1. **Methods and Procedures for Scale House Operations**. Provide a detailed description of the how the Proposer will implement the scope of services detailed in section 3.3.

2. **Transfer Station Operation and Materials Segregation**. The level of materials recovery (measured as tons diverted from landfill disposal) is a high priority of the SBWMA in issuing this RFP, and Proposer's are encouraged to provide detailed and aggressive procedures and methods for significantly increasing the current recovery efforts, and initiating new approaches as appropriate. Provide the detailed information, including proposed staffing levels and equipment requirements, for accomplishing the following material recovery activities:

   i. Implement the scope of services detailed in Section 3.4.

   ii. Proposers must specify the proposed target materials; how the target materials will be segregated, sorted, and stored before shipment; the proposed markets for the separated materials; and the vendors used to transport materials to market.

   iii. Describe proposed procedures for loading transfer trailers. Specify how loading procedures will encourage maximizing payloads while avoiding having loads exceed legal weight limits. Describe staffing and equipment anticipated for the transportation of materials from the transfer station. Propose scales that work with the Proposers scale software systems and identify cost for equipment and installation for such. If there are constraints or limitations at the landfill or designated processing destinations that restrict the efficient transfer and unloading of materials suggest alternatives that can be implemented to improve trucking efficiency.

   iv. What unique ideas, equipment, materials handling procedures, or markets does the Proposer employ at other transfer stations to separate materials from inert loads and waste loads.

   v. Confirm that the Master Plan design of the transfer facility is consistent with your proposed materials handling methods. Recommend improvements and alternative layouts if appropriate to the building features and how it would improve the transfer station operation.

   vi. Describe the load tarping program to ensure that there is no littering from outbound transportation of materials.

Transportation of Materials to Designated Disposal and Processing Facilities. The transfer station receives large volumes of waste materials that require regular and consistent hauling out to disposal or off site processing facilities. In response to this section, the Proposer will need to provide the following information.

1. State whether the transportation will be done directly by the Proposer or whether it will be subcontracted. In both instances describe current and prior transfer operations that are managed by the proposer or its subcontractor. Include information about the contract and the entity serviced. The descriptions should include detailed information relating to the materials transported, tonnages transported, distance traveled, frequency, number of vehicles and vehicle types.

2. Discuss how the proposer's prior experience in operating trucks and/or transferring waste qualifies the proposer to perform the waste transport for the SBWMA.

3. Provide a detailed description of the proposed equipment to be used for the transfer of wastes from the SRDC. Confirm that the trucks and trailers that are proposed fit in the loading tunnel at the SRDC and that these trucks will work at the truck tipper at the Ox Mountain Landfill and are compliant with any vehicle restrictions that may pertain to the Highway 92 transportation route.

4. List the equipment that will be used to haul the recyclable materials that are currently hauled to designated off site processors and describe how this equipment is well suited for the handling of these materials (materials include: C&D, plant materials, food scraps). Describe how the vehicles will unload at the destination.

5. Describe how the equipment will be maintained and what equipment maintenance service the proposer will perform and what maintenance services will be contracted out. For services that are to be contracted / subcontracted, list the companies and what maintenance services the company will perform.

6. Describe back-up capacity (detail the number of units that will be maintained throughout the term of the Agreement) in the event of transfer vehicle breakdowns or during unanticipated downtime of equipment at the transfer station loading operation.

7. Describe the procedures that are currently used by the Proposer to ensure safe operation of the vehicles by drivers. Include a description of the;

    a. driver training and safety program,

    b. proposed methods and equipment used to securing loads before leaving the SRDC, and,

    c. compliance with all federal, state and local regulations for waste transport, vehicle inspection and maintenance, and handling spillage.

MRF Operations. The SBWMA will be making a large capital investment in the MRF building improvements and the sorting equipment that will be needed to process the single stream recyclables collected from SBWMA member agencies. It is important that proposers demonstrate their technical capabilities in the area of MRF operations and experience with single stream sorting equipment. Proposer needs to describe the experience and history of the company in operating single stream and other MRF's. Discuss the MRF processing facility based on the layout presented in the Master Plan section of the RFP (**Attachment 7**) and suggest alternative equipment and facility layouts, if appropriate, that will improve operational efficiency and safety. Additional information required from the proposers includes a description of the following:

1. What is the experience, history, volumes marketed by your materials marketing staff/agent. What special arrangements (pre-existing contractual arrangements) does your company have that will assist the SBWMA obtain better, more reliable pricing for commodities. List the volumes and sale price for commodities that will be produced by the SRDC MRF, that are currently sold by the proposer (from the western United States) in the last 3 months.

2. What unique ideas, equipment, materials handling procedures, or markets does the Proposer employ at other MRF operations to reduce the amount of residue that may be applicable to the SRDC MRF to help reduce residual levels.

3. Grading and managing material received on the tipping floor of the MRF from the commercial and residential franchise collector.

4. Safe and efficient unloading procedures.

5. Maximizing material separation and recovery results. Proposers must specify at a minimum, how the target materials will be separated, what materials will be baled and which will be marketed loose, and methods and vendors used to transport materials to market.

6. Include specific proposed staffing for the MRF; the location, function and work hours for the personnel.

7. Show examples of reports and metrics that are used by the Proposer at other locations to track the material flow, material recovery, efficiency of operational and personnel costs (for example, metric may include process tons per hour, process tons per labor hour, percentage downtime, etc.)

Operation of the Public Buy Back / Drop-off Center. Provide a list of materials to be purchased by the Proposer, method of payment, and experience in meeting AB 2020 requirements for buy-back of California Redemption Value containers, tracking and reporting of cash transactions that are relevant to the operation of the buyback center. Also, describe any other experiences the Proposer has with the operation and management of electronic waste and universal waste Drop-off centers or the management of these materials at other solid waste facilities owned/operated by the Proposer.

MRF Equipment and Installation. Proposers should select equipment vendors that have a proven record of manufacturing state-of-the-art single stream sorting equipment that is proven to maximize the recovery of materials while keeping operational and maintenance costs low. Such vendors shall have demonstrated experience designing and manufacturing single stream systems of 30 tons per hour or more. The proposer will include the equipment selection, technical information about the equipment and cost information in responding to the MRF Equipment and Installation in **Attachment 4**.

MRF Materials Marketing. Proposer shall provide a Materials Marketing Plan as part of the proposal submission. The plan shall contain a Materials Specifications section that lists the materials specifications for the markets/vendors used by the Proposer. The Plan will also include a Materials Marketing Contingency section that discusses how the Proposer will manage a change in the market conditions or marketing services used by the Proposer. The Plan will list all of the Proposer's commodity buyers and who provides materials marketing services and commodity transportation.

5.4 AGREEMENT ACCEPTANCE COMPONENT

The procurement schedule **Table 1-1** designates the schedule to select a Contractor and to finalize the Agreement with the selected Contractor. In an effort to accomplish this objective, the Agreement is provided in **Attachment 2** to inform Contractors of the SBWMA's intentions regarding the roles, responsibilities, and obligations of the Contractor and the SBWMA. Proposers are required to review the Agreement prior to submittal of proposals to the SBWMA. This review process allows Proposers to clearly focus the proposal and costs for services with full consideration of your role, responsibilities, and risks.

The SBWMA is interested in selecting a Contractor that is prepared to sign the Agreement in its current form. Proposers may, if necessary, propose exceptions to the Agreement. Any comment must be accompanied by recommended alternative language, such that if the alternative language is acceptable to the SBWMA, the Proposer is prepared to sign the amended Agreement without further discussions or negotiations. However, the number, and more importantly, the substantive nature of the comments will be compared to those noted by the other Proposers during proposal evaluation. If comments include significant exceptions to the SBWMA's Agreement terms, the SBWMA may reject the proposal regardless of its other merits and proposed rates. Except at the sole discretion of the SBWMA, all negotiations with the Proposers will be limited to the Proposer's comments and recommended alternative Agreement language contained in their proposal.

5.5 COST PROPOSAL

Receiving cost effective services is a top priority for the SBWMA member agencies. The Proposer is required to submit its rate and cost proposals using Forms provided in **Attachment 3** for this purpose. The rate and cost proposals must be based on the technical component(s) of your proposal. The Evaluation Committee will develop a model to compare all of the proposed costs. All components of the Forms must be completed, and failure to do so can disqualify the proposal. The selected Proposer's proposal and cost Forms will be included as an Attachment to the Agreement. The Cost Proposal has the following components: Transfer Station Operations Cost Proposal, MRF Operations Cost Proposal, Transport Cost Proposal and the MRF Equipment cost, and equipment Installation and Startup Cost Proposal. The Cost Proposal components are described below. The 2006 financial statements for Allied's operations of the SRDC are provided in **Attachment 15** and will provide Proposers information about the cost of Allied's operations under the cost plus structure of the existing Operations Agreement.

1. **Transfer Station Operations Cost Proposal** is the Proposer's cost to operate the transfer station, the scales, "bunker program" and other associated operations. The proposer is requested to provide a cost per ton to operate each of the facilities. The transfer station Operations Cost Proposal is subject to Annual Indexing that is called out in the Compensation section of the Operations Agreement.

2. **MRF Operations Cost Proposal** is the Proposer's cost to operate the MRF, the Buy Back center, market commodities, and other associated activities. The proposer is requested to provide a cost per ton to operate the MRF facilities. The buy back / drop off and HHW cost is to be included under the MRF cost proposal. MRF Operations Cost Proposal is subject to Annual Indexing that is called out in the compensation Section of the Operations Agreement.

3. **Transport Cost Proposal** is the Proposer's costs (per ton mile) related to transport of solid waste materials and recoverable materials from the transfer station to the Designated Disposal and Processing Facilities. The transportation cost is subject to Annual Indexing that is called out in the compensation section of the Operations Agreement.

4. **MRF Equipment Installation and Startup Cost Proposal**. The Proposer and an equipment manufacturer/vender(s) are required to submit a firm lump-sum cost for the Stationary Equipment and baler(s)proposed for installation at the MRF. This equipment cost is for a complete single stream processing system and baler(s) and should include all costs for equipment, controls, guarding and walkways. The equipment cost will be paid by the SBWMA directly to the equipment supplier. Since the SBWMA will not purchase the equipment until 2009, the MRF lump-sum cost proposal will be indexed to adjust the bid price (in 2008 dollars) to adjusted 2009 dollars. The cost adjustment will be based 50% on the US Department of

Labor CPI labor index and 50% on the US Department of Labor CPI-Steel index. As a part of the equipment cost proposal and in response to this RFP, the equipment vendor shall provide "suggested equipment cost indexing language" that will be considered by the SBWMA. The Equipment Purchase Agreement will be negotiated between the equipment provider and the SBWMA and will include agreed upon cost indexing language. Any business relationship between the equipment supplier and the proposer shall be explained in the proposal. Installation and start-up expenses are one-time costs associated with the installation, construction management and startup of the single stream recycling system. These costs will be incurred before the January 1, 2011 commencement of service and are directly reimbursable by the SBWMA to the Proposer. Installation costs shall include all the cost relating to the installation of the equipment as supplied by the equipment supplier and includes such items as permitting, receiving, installing, hooking up power, below-grade concrete work, fire suppression and installation related fire department requirements.

Rate and Cost Considerations

In preparing Forms in **Attachment 3 and 4**, Proposers should keep in mind the following considerations:

1. All proposed per ton rates are to be proposed in 2008 dollars and will be adjusted to 2011 dollars. The selected Contractor's Proposed rates will be adjusted to 2011 values to reflect the changes in fuel/power, labor, and other operating and maintenance costs as detailed in the Compensation section of the Operations Agreement after the signing of the new Operations Agreement.
2. Rates must include all service requirements including, but not limited to: administrative cost; customer billing, collection, and remittance; AB 939 and other SBWMA identified reporting requirements: vehicle and equipment acquisition and maintenance, minor facility cleaning and maintenance and other services provided to meet requirements of the Agreement.
3. The proposed rates will be applicable to serving any number of customers using the SBWMA's SRDC facility, varying volumes of solid waste (up to the permitted daily throughput capacity of the facility), recyclables, reusable items, C&D materials and solid waste with variable amounts of recoverable materials over the term of the Agreement.

5.6 OTHER PROPOSAL REQUIREMENTS

It is the responsibility of each Proposer to do the following before submitting the proposal:

1. Examine this RFP, including all Attachments, enclosures, and forms, thoroughly.
2. Attend the pre-proposal conference and tour with representatives of the SBWMA.
3. Become familiar with local conditions that may affect operations costs, transportation conditions, dumping conditions at the designated locations, materials quality, types of inbound vehicles or other aspects of the services to be furnished under this Agreement.
4. Consider all federal, state and local laws, statutes, ordinances, regulations and other applicable laws that may affect costs.
5. Clarify, with the SBWMA, any conflicts, errors, or discrepancies in this RFP.
6. Agree not to collaborate or discuss with other Proposer's the content of the proposal or rates proposed.

7. Agree not to use the California Public Records Act to obtain information on competitive proposals.
8. Before submitting a proposal, each Proposer will, at Proposer's own expense, make or obtain any additional examinations, investigations, and studies, and obtain any additional information and data that may affect costs, services or other aspects to be furnished under the scope of the agreement.

5.7 PROPOSAL FORMS AND TECHNICAL INFORMATION

Proposal Forms are included in **Attachment 3 and 4**. It is a requirement of the RFP that each form be completely filled-in by each Proposer.

Cost proposal forms in **Attachment 3** are where the proposer is to provide the cost to provide the ongoing SRDC Operations and services. Cost proposal and other forms in **Attachment 4** are where proposers are asked to provide one-time costs and information regarding the details of the MRF equipment, equipment installation and start-up.

SECTION 6

PROPOSAL EVALUATION AND CONTRACTOR SELECTION

This section describes the process for evaluating proposals and selecting the Operation Contractor. This Section describes the parties that will be involved in the evaluation process including those that will make contract award recommendations for final approval by the Member Agencies and presents the evaluation criteria. Note that the SBWMA reserves the right to modify this process in any way and at any time during the RFP and contractor selection process.

6.1 EVALUATION PROCEDURES

The Proposer's proposals will be evaluated based on the content, completeness, and clarity of their proposals. The specific evaluation criteria will focus on evaluating the information requested in the Forms and other requested documentation in the RFP. Proposals will be evaluated based on the level or extent to which they meet evaluation criteria.

An evaluation team representing the SBWMA will evaluate proposals. The SBWMA's evaluation team will be an Ad Hoc Committee appointed by the SBWMA Board which may include: the SBWMA Staff, representatives from member agencies, and SBWMA solid waste management consultants. Each evaluator will review all proposals received using a set of established evaluation criteria. The criteria will be applied to identify the relative strengths and weaknesses of individual proposals.

The ratings from the evaluators will be compiled to determine a preliminary ranking of the proposals based solely on the evaluation criteria. After initial evaluation of proposals and preliminary ranking, the evaluation team will prepare a short list of Proposers to be interviewed.

Invitations may be issued to Proposers on the short list to make oral presentations to and/or interviews with the evaluation team. Oral presentations and interviews will be conducted in closed meetings. Site visits to Proposer's representative facilities, may also be required as part of the selection process.

Based on the contents of submitted proposals, the results of interviews and oral presentations (and site visits, if included), along with any other information requested by the SBWMA, the evaluation team will prepare a final ranking of the short listed Proposers and present its ranking to the SBWMA Board. After the SBWMA Board approval and the approval of two/thirds of the member agencies, SBWMA staff will enter into negotiations with the selected Proposer to provide the services outlined in this RFP. The final Operating Agreement will require approval of two-thirds of the Member Agencies. In the event the negotiations with the selected Proposer are unsuccessful, the SBWMA may designate another Proposer from the list of short listed Proposers and enter into negotiations with that company.

It is the SBWMA's intent to finalize negotiations with the selected Proposer in a very timely manner once the authorization to enter into negotiations is obtained.

6.2 EVALUATION CRITERIA

Proposals will be numerically scored and ranked using the criteria and weighting described in this section. The scores assigned will reflect the extent to which criteria is fulfilled relative to other

proposals. The evaluation criteria and maximum score that can be achieved for each criterion is presented in Table 6-1.

Table 6-1
Evaluation Criteria and Maximum Evaluation Score

Criteria	Maximum Evaluation Score
Response to RFP	**Pass/fail**
Company qualifications and experience	125
Cost proposal (includes information supplied in Proposal Cost Forms in Attachments 3 and 4)	125
Proposal for SRDC operations (Operations Plan covering all aspects requested under Scope of Services, Section 3 and Proposal Requirements, Section 5)	100
MRF installation and startup proposal (MRF equipment design, installation and startup plan)	50
Materials marketing (MRF materials marketing plan and marketing materials recovered from transfer station diversion)	50
Environmental enhancements and other considerations	25
Number and materiality of exceptions	25
Total Maximum Score	**500**

The potential factors that may be considered by the Evaluation Team when developing the score for each criterion are presented below.

6.2.1 Responsiveness (Pass/Fail)

Proposer must be fully compliant with the RFP and procurement procedures as demonstrated by submittal of all elements required including; full completion of all cost proposal forms required; and compliance with proposal submission process.

6.2.2 Company's Qualifications and Experience (125 points)

1. Company Experience - Demonstrated experience of the company in operating transfer stations, MRFs and related operations. If the proposer is a joint venture, demonstrated experience of parties working together.
2. Startup and Transition Experience - Demonstrated experience of the company's to implement the requested services and smoothly manage transitions similar to the SBWMA's services in comparable sized communities.
3. Management - Demonstrated capabilities of the company's existing management and it's responsiveness to the ongoing needs and requests of customers including: reporting, providing new services, tracking and monitoring operational activities, regulatory compliance, safety record, general quality of operations, billing and collection, scale house performance and management, and administrative services.
4. Key Personnel Qualifications - Extent and relevance of the qualifications and experience of key personnel proposed for the transition team and on-going management of the SRDC operations.
5. Past Performance Record - Review of company's history with litigation and regulatory action (e.g., nature of past and pending civil, legal, regulatory, and criminal actions; history and nature of payments of liquidated damages); regulatory compliance related to equipment and facilities including compliance with land use permits, storm water discharge permits, state highway requirements, etc.).
6. Financial Stability - Financial strength and ability of company to acquire equipment and provide financial assurance of performance based on review of its audited financial statements and its proposed financing plan and the relationship of the SBWMA contract to the company's total annual revenues.
7. Jurisdiction Satisfaction - Satisfaction of company's references with the services received in the past 5 years.

6.2.3 Cost Proposal (125 points)

1. Reasonableness of Cost Proposals - Logical relationship between proposed costs and operational assumptions for the cost proposals.
2. Competitiveness of Cost Proposals - Cost competitiveness relative to other proposals.
3. Value to Member Agencies - The level of value provided given the relative cost for that service.

6.2.4 Proposal for SRDC Operations (100 points)

1. Approach – Reasonableness and reliability of the proposed services (e.g., technology, equipment, and staffing levels,); reasonableness of productivity and operating assumptions (operating statistics).
2. Diversion Ability – The nature, reliability, and innovation of proposed diversion programs and potential of such programs to divert solid waste from landfill disposal.
3. Innovative Diversion Plans – proposed methods to increase diversion of materials that are entering the transfer station including plans for materials segregation, onsite processing plans, and transfer station diversion commitments that the company may guaranty to the SBWMA.

4. General Operations – Proposed methods of tracking and reporting operation activities and productivity, staffing levels, and training programs.
5. Scale System– Scale software system proposed, capabilities and reliability of the system, connectivity and report capabilities of the system. Billing approach, procedures for handling customers, and coordination with Member Agencies in billing and diversion reporting.
6. Implementation Plan - Reasonableness of implementation and transition schedule and ability to meet deadlines (e.g., reasonableness of equipment procurement schedules, implementation staffing levels, and contingency plans).
7. Other Operational Considerations - Includes other operational considerations such as: planning details of facilities space usage for equipment storage and parking, maintenance and administration. Contingency capabilities and planning including a list of sub-contractors or support services that can assist in case unforeseen issues or problems with labor, equipment or the need to transport outbound material volumes.

6.2.5 MRF Equipment Selection, Installation, and Startup Plan (50 points)

1. Functionality and thoughtfulness of the single stream sorting equipment design proposed for the MRF.

2. Level of Detail – The proposer's equipment plan, cost detail and compliance with the specifications described in the RFP (Equipment Selection and Installation, **Attachment 4**).

3. Company's Past Experience - demonstrated ability to manage the installation and startup of the equipment that is designed for use in the MRF (including references, qualifications and past experiences of subcontractors that are identified in the proposal to assist in the equipment installation).

6.2.6 Materials Marketing Plan (50 points)

1. Commodity marketing experience - demonstrated ability to reliably market MRF commodities and obtain best gross revenues from commodity sales including: descriptions of current and past materials marketing experiences, and purchase contracts with buyers that demonstrate the company's future product quality, pricing, and stability on MRF materials and recyclable material recovered from the transfer station diversion program.

2. Other materials marketing – companies demonstrated ability to market materials that will be diverted from landfill through the self haul diversion efforts, u-waste, e-waste, and other drop off activities.

6.2.7 Environmental Enhancements and Other Considerations (25 points)

Proposals that include Environmental Enhancements will receive additional evaluation points. Potential areas include, but are not limited to:

1. Green-house Gas Emissions (GHG) – Reduction in GHG through the use of alternative fuels in trucks and equipment, purchase of green-power in buildings, the use of carbon offsets to counter atmospheric emissions, etc.

2. Community Education – education and outreach that may include tours of the facilities and/or addition of educational components to the SRDC site (e.g., compost demonstration, educational garden, recycling educational enhancements).

6.2.8 Number and Materiality of Exceptions (25 points)

The number, nature and materiality of exceptions to the Operations Agreement will be taken into account in evaluating proposals.

SECTION 7

PROPOSAL SUBMITTAL INSTRUCTIONS

7.1 PROPOSAL SUBMITTAL

Proposer shall follow the proposal submittal process as outlined below.

Step One – Register for Future Correspondence and Announcements

Proposer must request that it be placed on the list of interested parties in order to receive future correspondence or announcements related to this RFP. The deadline for submitting a request to be included in this RFP process is _____. Proposer must post, fax or email said request to:

SBWMA
610 Elm Street, Suite 202
San Carlos, CA 94070
ATTN: Mr. Kevin McCarthy, Executive Director
Fax: 650-802-3501
Email: kmccarthy@rethinkwaste.org

Step Two – Submission of Written Questions

SBWMA directs proposer to submit all questions and requests for information in writing directly to SBWMA. The deadline for submitting written questions and requests for information will be _____**, or two weeks prior to the pre-proposal meeting**. Therefore, any questions, requests for clarification, or requests for additional information regarding this RFP must be submitted in writing or via email to SBWMA at the address listed in Section 7.1.

Step Three – Mandatory Pre-Proposal Meeting

The mandatory pre-proposal meeting will be held in Room **__,** at the San Carlos Library, 610 Elm Street, San Carlos, CA 94070, on _____ at 10:00 a.m**.** Proposer must R.S.V.P. in writing to SBWMA by _____, if interested in participating in this RFP process. Attendance at this meeting is mandatory for all contractors intending to submit a proposal. SBWMA will NOT accept proposals from companies that do not attend the pre-proposal meeting. Proposers are encouraged to prepare and pose questions at the pre-proposal meeting. Preliminary oral responses to questions will be provided at the discretion of SBWMA staff at the pre-proposal meeting. Written responses to questions will be provided to all eligible proposers (those companies that registered pursuant to Step One and attended the pre-proposal meeting) by _____. In the event of any inconsistencies between oral responses provided at the pre-proposal meeting and written responses subsequently issued, the written responses must be used for the purpose of preparing proposals.

Step Four – Proposal Submittal

Proposer shall submit ten bound double-sided copies of the complete proposal and one single sided, signed original. In addition, a computer disk containing an electronic copy of the proposal and all completed proposal forms (i.e., those provided in **Attachment 3 & 4** of the RFP), in Microsoft Excel formatted for a PC, shall be submitted in a sealed package. Proposals must be printed on 8½" x 11"

paper with 30% or greater post-consumer recycled-content paper. All pages shall be consecutively numbered; although, each section may start with a new page number if preceded with the section number (e.g., Page 2-1 for the first page of Section 2).

The package shall be clearly labeled:

PROPOSAL FOR SBWMA OPERATIONS SERVICES

FROM:

Name of Proposer:

Address:

Contact Person:

Telephone Number:

Fax Number:

E-mail:

The proposal may be mailed or hand delivered to:

Executive Director
SBWMA
610 Elm Street, Suite 202
San Carlos, CA 94070
(650) 802-3500
(650) 802-3501 fax

All proposals must be received by 3:00 p.m. on _____**,** 2008. Proposals received late will not be considered. Postmarks will not be accepted as proof of receipt.

Step Five – Site Visits and Clarification of Proposal Information

Proposer may be asked to clarify information through written communications, and interviews or during site visits of each proposer's offices, transfer stations, and MRF facilities. The clarification process may be performed by SBWMA staff, Member Agency staff, and/or their consultants.

Step Six – Selection of Short List of Proposers

One or more proposers will be placed on a short list to commence negotiations. Upon notification of being placed on the short list to negotiate a contract, the proposer will have seven (7) calendar days to provide a surety made payable to the SBWMA in the amount of $100,000 and in the form of a cashier's check. The purpose of the surety is to guarantee that the contractor will execute in good faith an Operations Agreement with the SBWMA. If the selected contractor does not execute Operations Agreement within thirty (30) calendar days after receiving notice of its selection, the SBWMA reserves the right to keep the surety to offset potential costs associated with identification of an alternate service provider and schedule delays. Checks will be returned to all proposers within ten (10) calendar days after the SBWMA has an executed Operations Agreement.

Step Seven – Presentation to SBWMA and Member Agencies

One or more proposers may be invited to present their proposals to the SBWMA Board and Member Agencies. Invitations to present will be based on evaluation of the proposals.

Schedule

The schedule of events presented in this Section is summarized in **Table 1-2** in Section 1.

7.2 RESPONSE CONTENT

All proposals must be submitted according the following format and include the following:

A cover letter providing:

- Name, address, and telephone and fax number of applicant and key contact person
- Description of type of organization (e.g., corporation, partnership) submitting proposal
- If teaming arrangement with two or more parties is proposing, describe past working relationships on similar projects
- Name of entity that would sign an Agreement if one is negotiated for this project
- A written statement warranting that you have reviewed the requirements of the project as described in this RFP, its enclosures, and all addenda, by listing all addenda and dates received hereto.
- The cover letter and Proposal Validity Form must be signed by an officer or agent of the Proposer who is duly authorized to bind the Proposer. In signing the rate and cost proposal, the Proposer: 1) agrees that the terms of both the technical proposal and the cost proposal as submitted by Proposer are firm for a period of one-year from proposal due date, and 2) assures that a performance bond or other instrument as specified in the Operations Agreement will be issued by the Proposer (the SBWMA may require a commitment letter from the Proposer's bonding company after the initial selection process).

Executive summary (not to exceed five pages) that highlights the major elements of your qualifications and proposal and clearly states the services your proposal addresses.

Responses to all information requested in Section 5. Organize your responses into components, and address each component following the format outlined below in **Table 7-1** so that all requested information can be readily found. Include the following components: qualifications, financial, technical, Agreement acceptance, and rates and costs. Complete all Forms included in **Attachments 3 and 4** of this RFP.

Table 7-1. Proposal Outline

Title Page
Cover Letter
Table of Contents
Executive Summary
Company Description and Qualifications
1. Company Information
2. Company Qualifications
3. Key Personnel
4. Startup, Transition and MRF Installation Personnel and Experience
5. Litigation History
6. Environmental Compliance

Financial Information
1. Financial Background
2. Financial Stability
3. Financial Method

Technical Component
1. Methods and Procedures for Scale House Operations
2. Transfer Station Operation and Self Haul Diversion Plan
3. Transportation of Materials
4. MRF Operation
5. Operation of the Public Buy Back / Drop-off Center
6. MRF Equipment and Installation
7. MRF Materials Marketing Plan
8. Proposed Environmental Enhancements

Agreement Acceptance Component
Cost Proposal and Technical Information Forms
1. Transfer Station Operations
2. MRF Operations
3. Transportation or Materials
4. Equipment, installation, and Startup Cost

Anti-Collusion Affidavit – proposer shall submit the Anti-Collusion Affidavit, **Attachment 13**. The anti-collusion affidavit shall be signed by the designated representative authorized to bind the proposing company.

Code of Conduct - proposer shall sign and submit the Proposer Code of Conduct, **Attachment 14**. The code of conduct shall be signed by the designated representative authorized to bind the proposing company.

Additional information or data relevant to your qualifications is optional and may be included as an appendix to the proposal.

All pages of the proposal must be numbered for reference.

7.3 ACCURACY IN REPORTING REQUESTED INFORMATION

Information submitted as part of the proposal will be subject to verification. Inaccurate information or information that is misleading will be, at the SBWMA's sole discretion, grounds for removal of a proposal from further consideration. Should the company have been awarded any Agreement as a result of this RFP, such inaccurate or misleading information will be, at the SBWMA's sole discretion, grounds for default.

Attachment 3

SRDC Operations Cost Proposal Forms

Form F-1

Contractor Validity and Commitment to Sign Agreement

I acknowledge the following commitment, inherent in submitting a proposal, to sign the Operations Agreement upon selection as a Finalist, subject to resolution of any specific exceptions to the SBWMA's language submitted with this proposal. Any exceptions to the SBWMA's language should be attached to this form.

I (authorized agent) _____ having to act on behalf of (Company name) _____ do hereby acknowledge that (Company name) _____ will be bound by all terms, costs and conditions of this proposal for a period 18 months years from the date of submission; and commit to sign the Operations Agreement as noted above.

Signed _____

Title _____

Date _____

Form F-2

Operations Staffing Plan

In the table provided, include list of all proposed operating personnel required for operations and that are included in the cost Form.

Position	No. of Staff	Duties Description (location and function)
<u>Scale House</u> **Weigh master** **Load check** **Others (specify)** **1)** **2)**		
<u>Transfer Station Operations</u> **Supervisors** **Equipment operators** **Spotters** **Sorters** **Others (specify)** **1)** **2)**		
<u>Transfer Drivers</u> **Class A Drivers** **Road Service Support**		
<u>MRF Operations</u> **Supervisors** **Equipment operators** **Spotters (locations)** **Sorters** **Others (specify)** **1)** **2)**		

Maintenance **Mechanic** **Mechanics Helper** **Others (specify)** **1)** **2)**		
Management/Administration **Managers (by title)** **Materials Marketing** **Administrative** **Others (specify)** **1)** **2)**		
Others (specify) **1)** **2)** **3)** **4)** **5)** **6)** **7)** **8)** **9)** **10)**		

Form F-3

SRDC Operations Equipment List

Provide a listing of all proposed equipment to be used in the SRDC Operations.

Operations Equipment Type	Make/Model	Number
Wheeled Loaders (Transfer Station)		
Transfer Trucks		
Transfer Trailers		
Wheeled Loaders (MRF)		
Forklifts		
Roll off Trucks		
Field Service Vehicles		
Sweepers		
<u>Others (specify)</u> **1)** **2)** **3)** **4)** **5)**		

INFORMATION AND INSTRUCTIONS USED FOR COMPLETING COST FORMS

Proposer's will use the following Forms in proposing costs for services to be provided to the SBWMA under the Operations Agreement. The Proposer's costs for service that are submitted in these Forms and in the Forms in Attachment 4 (one-time costs of equipment, Installation and startup) will constitute all of the costs that the Contractor is to be paid.

All cost proposal forms are to be completed in 2008 dollars. Contractor's Fees for Rate Year One (January 1, 2011 through December 31, 2011), will be **based on Proposer's proposed costs and SBWMA-stipulated tonnage and composition. The Contractor's Fees for Rate Year One will be expressed in 2008 values and shall be adjusted to 2011 values to reflect changes in the costs of labor; fuel/power; and, other operating and maintenance (but shall not be adjusted for any other reason, unless approved in writing by the SBWMA).**

Proposers are to use the data that is supplied in the Input Information section of the Form in calculating the rates to be entered into the Cost Forms.

- Proposers are asked to break operating costs into three components so that these can be indexed in future years to reflect changes in the costs of labor, fuel/power, and other operating and maintenance (Compensation Section 6, Operating Agreement).

- Costs supplied in the forms are to be for services that the Proposer is to provide to the SBWMA and should not include pass-through costs. Pass Through costs include: franchise fees, disposal cost for MSW; processing costs for e-waste, u-waste and HHW waste; processing costs charged by designated 3rd party processors(except for MRF residual which will be born by the Contractor); payment to the City of San Carlos as a "host fee"'; and SBWMA fees or fees charged by the member agencies.

Note: The information supplied in the Cost Information Tables is to be used for bidding purposes so that proposers bids can be compared and does not represent a commitment or guaranty of tonnage or costs.

Form F-4

SRDC Transfer Station Operations Fee Proposal

The SRDC Transfer Station Operations Fee Proposal includes all costs associated with operating the Transfer Station, the scales and associated administrative expenses. Proposed costs to be in 2008 Dollars.

Transfer Station Input Information

- Tonnage by materials type: See tonnage data presented in Attachment 9, SRDC Transfer Station Inbound Tons by Category Year 2006.
- Hours of operation: use transfer station hours provided in the RFP Section 2
- Labor rates and benefits: use labor Rates and Benefits presented in Collective Bargaining Agreement in Attachment 12, section 5(b) year 1/1/08. For transfer truck drivers use the "semi-driver" 1-1-2008 rate of $31.96 per hour plus benefits as listed in Attachment 12.
- Holidays when SRDC is closed: Thanksgiving, Christmas and New Years.

Transfer Station Receipt and Transfer Fee:

Fee Component	**Amount**	
Operators cost per ton for receipt and transfer of all materials at the transfer station (paid on inbound tonnage, not to include processing, disposal fees or SBWMA fees).	Labor Component:	$_____/ton
	Power Component:	$_____/ton
	Other O&M Component:	$_____/ton
	Total Fee	**$_____/ton**

Form F-5

SRDC MRF Operations Fee Proposal

The SRDC MRF Operations Fee Proposal is to include all costs associated with MRF and Buyback/drop off center operations. Proposed costs to be in 2008 Dollars.

MRF Input Information

- Tonnage: Use projected tonnage of 83,707 tons per year see Projected MRF Single Stream Tonnage in Attachment 12.
- Materials Composition: proposers are to base their MRF material processing cost and commodity marketing revenues on the City of Palo Alto Recyclables Composition Study in Attachment 9.
- Hours and days of operations: use those presented in RFP for MRF and Buy Back.
- PG&E Power rate per kwhr; Power usage for the SRDC in 2006 is provided in Attachment 9, 2006 for reference, proposers should request the most recent PG&E invoices from the SBWMA in calculating power usage.
- Residual disposal: Proposer is responsible for paying the cost of transporting and disposing of MRF Residual. The 2007 cost for residual disposal is $32.41 per ton. *Note: the 2011 adjusted cost will be based on the CPI found in the Ox Mountain landfill agreement in Attachment 11.*

Recyclable Materials Processing Fee Cost Proposal

Component	Amount
Proposer's cost per inbound ton for the service of processing Single Stream and Source Separated recyclables (MRF cost includes the cost of buy back drop off center operations)	Labor Component: $_____/ton Power Component: $_____/ton Other O&M Component: $_____/ton **Total Fee** **$_____/ton**

Revenue Price Guarantee for annual recyclable commodity sales. This is the payment that Proposer will make to the SBWMA annually, above which commodity revenues will shared 25%:75% respectively.	$_____ / year (Proposer to guarantee no less than $6.75 Million dollars/year*

** Based on the 2006 MRF tonnage of 65,024, the Revenue Guarantee equals $103.80 per blended average ton, using the projected annual tonnage of 83,707 tons of single stream recyclables, the Revenue Guarantee equals $80.63 per blended average ton.*

Form F-6

Transport Fee Proposal

The Transport Fee is based on ton mile for loads transported to the designated processor/disposal locations and is to include all costs associated with the transportation and equipment needed to transport materials to disposal and third party processing locations. This cost proposal should not include the proposer's cost to transport commodities from the MRF, buy back or other special wastes (e-waste, u-waste, haz-waste). Pass-Through components (tipping costs at the designated disposal and processing facilities, franchise fees, and SBWMA management fees) should not be included. Proposed Costs to be in 2008 Dollars.

Transportation Input Information (for informational purposes only)

Material Type	Designated Disposal or Processing Location	Distance to Designated Disposal or Processing Location	2006 Tonnage by Material Type	2006 Payload by material type
Municipal Solid Waste	Ox Mtn. Landfill	13 miles one-way	318,170 tons/yr.	20.25 tons/load
C&D	Zanker Road	23 miles one-way	19,563 tons/yr.	14.65 tons/load
Plant Materials	Newby Island	25 miles one-way	70,295 tons/yr.	18.11 tons/load
Food Scraps	Newby Island	25 miles one-way	18,636 tons/yr.	14.63 tons/load

Transportation Cost Proposal Form

Material Type	Transport Fee (Cost per Ton Mile)*			
	Labor Component	**Fuel Component**	**Other O&M Component**	**Total Fee**
Municipal Solid Waste	$_____/ton mile	$_____/ton mile	$_____/ton mile	$_____/ton mile
C&D	$_____/ton mile	$_____/ton mile	$_____/ton mile	$_____/ton mile
Plant Materials	$_____/ton mile	$_____/ton mile	$_____/ton mile	$_____/ton mile
Food Scraps	$_____/ton mile	$_____/ton mile	$_____/ton mile	$_____/ton mile

* Cost per ton mile = haul cost / one-way miles hauled / payload tons

**Food Scraps may be Food Scraps only or mixed Organic Materials.

Note: Pay load will vary by the Materials hauled and the truck type used

Attachment 4

MRF Equipment and Installation

Specifications and

Cost Proposal Forms

Attachment 4

SBWMA - MRF Equipment and Installation

Specifications and Cost Proposal Forms

1.0 MRF Equipment and Installation Scope of Work

The Proposer will provide the complete equipment design, installation services and start up for all aspects of the single stream sorting system. The South Bayside Waste Management Authority (SBWMA) will review the equipment designs and will either accept the design as-is, make alterations to the design or choose different equipment than is recommended by the Proposer. The SBWMA will enter into a contract directly with the equipment provider(s) to procure the selected equipment (including, but not limited to process, structural, mechanical, electrical, and control elements). After the equipment has been ordered, the Proposer will be responsible for managing the installation and construction of the single stream system and working with the equipment suppliers to complete the System Acceptance Test.

A conceptual design of the MRF building is included in the Master Plan Attachment 5 to the Operations RFP. Detailed Architectural drawings of the MRF building are under development at the time of this RFP issuance and will be provided to the Proposers as they become available. The SBWMA will be constructing a new MRF building and the building construction will begin after the completion of the Proposer selection process. It is expected that the selected Contractor, equipment supplier(s), and installation firms will provide input to the design process so that critical equipment and/or operational aspects can be incorporated into the building design. The SBWMA will work with the Contractor and the equipment suppliers to ensure that power and other utilities are supplied to the locations and in the sufficient quantities as may be required by the processing equipment.

It is the SBWMA's requirement to have the Proposer act as the Project Lead overseeing the equipment installation and providing overall responsibility for the start up the system and getting the systems fully operational.

1.1 The Proposer's proposal shall include the following items.

a) Provide costs, designs, specifications, details and documentation for all sort system components, necessary structural and metal fabrications, electrical, mechanical and control systems comprising a complete and functional single stream system. The system shall be designed to produce marketable end products as defined in the Product Quality Standards in Attachment ___ of the Operations Agreement.

b) Produce system flow schematics and drawings for review by the SBWMA that meet system requirements. Meet with SBWMA and its representatives to review and receive comment upon the proposed design. If requested by SBWMA, incorporate SBWMA's changes into design.

c) Produce a System Operations and Maintenance Plan, based on the tonnage and material composition projections provided by the Authority including but not limited to:

   1. staffing plan - including job category and number of personnel,
   2. preventive maintenance plan,
   3. equipment replacement schedule,
   4. other operational parameters.

d) Ensure that the proposed system meets safety standards required by local, state and federal codes (meeting applicable ANSI and OSHA specifications).

e) Meet requirements of local fire code and obtain final inspection signoff.

f) Ensure that equipment designs and costs include all equipment support structures and operator/maintenance access stairs, platforms and ladders (include all handrails, railings, kick plates, floor plates and gratings as required).

g) Ensure that installation cost proposal includes the provision for the wiring of electrical equipment including motors, electrical drives, power panels, control panels and operator interface panels in accordance with the requirements of the specifications.

h) Provide preliminary testing, startup, commissioning and Acceptance Testing of the completed system in accordance with the requirements of the specifications.

i) At the completion of the installation, the Contractor is to provide complete and accurate as-built drawings and Operation and Maintenance Manuals (operations and maintenance manuals are to be supplied 30 days prior to the date of the System Acceptance Test).

1.2 Interruption of Existing Operations

The existing MRF facility will be closed during the building construction and the equipment installation. The equipment installation must not interfere with the traffic flow on the SRDC Site. A detailed Master Plan (prepared by J.R. Miller & Assoc.) is included as Attachment 5 to the RFP. It provides the construction schedule and a detailed Construction Phasing Plan for the MRF building and for other planned construction at the SRDC site.

2.0 Single Stream Processing Equipment Specification

Proposer's proposed equipment and equipment design shall address the following requirements.

a) In-feed and presort for commingled single stream residential recyclables into the processing system from the tipping floor via a metering drum feed system that is controlled so to provide steady and constant feed volume to the sorting and screen system. Feed system shall have a hopper capacity of 40+ cubic yards so as to allow the loader to charge the hopper and not be continually attending the feed hopper. At a minimum, the presort station will have pick stations for trash, plastic film, large HDPE, and final sort station for a second trash pick.

b) Separate in-feed and presort for commingled commercial recyclables loaded onto the processing system from the tipping floor via pit-feed belt system that is controlled so to provide a steady and constant feed volume to the sorting and screen system. At a minimum, the presort station will have pick stations for wood, trash, plastic film, scrap metal, and final sort station for a second trash pick.

c) Optional belt-scale weigh system on the residential single stream infeed line that is connected to the sort system PLC (programmable logic control) and relays data to a PC for monitoring and tracking material infeed rate and feed consistency (cost out this item as an optional cost on Detail Equipment Proposal and Equipment Cost Summary Form 2-C & 2-D).

d) The list of Acceptable Materials for the single stream recycling program includes small scrap metal (10 lbs or less and no appliances, hand tools , auto parts, chain, cable, banding are allowed) and the equipment design should include consideration for equipment to remove this material before it reaches the screen decks and causes potential damage to the system.

e) OCC screens that follow the commercial and the residential presort stations. Unders from the commercial stream should be able to be combined with the residential single stream inflow or deposited on the tipping floor. OCC from both OCC screens should combine so

that one sort station can pick trash from the OCC stream before it is dropped back onto the tip floor.

f) Optional design provision to screen-out at least 75% of broken glass and small containers before material reaches ONP screening decks (cost out this item as an optional cost on Detail Equipment Proposal and Equipment Cost Summary Form 2-C & 2-D).

g) Average process rate of **≥30 tons per hour of residential single stream material** (average processing rate shall be defined as time that the system is running at full capacity and does not include break times and down time). Note that though the sorted commercial material unders will likely be combined with the residential infeed, the combined single streams infeed will be 30 tons/hour and this is the target for the "residential" single stream sorting system.

h) Average process rate of **≥15 tons per hour of the commingled commercial** material (average processing rate shall be defined as time that the system is running at full capacity and does not include break times and down time).

i) Mechanical and optical processing technologies that produce high quality recyclable commodities with the cost effective use of manual labor - - target goal for MRF is greater than one-ton processed per operations man-hour.

j) Delivery of color-sorted glass to individual bunkers and a bunker for mixed glass fraction to a location of SBWMA's design.

k) Option of delivery of residual by overhead conveyor to a designated location or delivering trash to two-trash roll-off containers configured with a diverter so that sort-lines can run continuously without shutdown (cost out this item as an optional cost on Detail Equipment Proposal and Equipment Cost Summary Form 2-C & 2-D).

l) Minimize the generation of residual to less than 10% and ensure that less than 2 % of the residual is composed of whole pieces of recyclable material.

m) Quality control function to ensure that 99.5% of the whole aluminum cans from system are recovered and do not end up as trash or residual.

n) Ability to direct source separated fiber and other clean materials directly to the baler without running the material over the sorting platforms.

o) Ability to direct mixed containers directly to the container sort line, without directing this material through the entire single stream separation system (optional)

p) Option to direct container stream from fiber sort system directly to the container processing system or onto the floor (cost out this item as an optional cost on Detail Equipment Proposal and Equipment Cost Summary Form 2-C & 2-D).

q) Option to switch conveyance of sorted materials destined for baling to either baler (cost out this item as an optional cost on Detail Equipment Proposal and Equipment Cost Summary Form 2-C & 2-D and discuss how materials will be handled in case one baler is down for extended maintenance).
r) Control of system residue and broken glass to minimize housekeeping.
s) Control of dust generation from paper screens.
t) Control equipment noise to below 96 dBA (tested at employee work stations) for new equipment. SBWMA may wave this requirement in particular instances if the Proposer can justify why this may not be practical.
u) Utilize high-efficiency motors in all sorting equipment to minimize energy consumption.
v) System controls to be housed in an enclosed controlled room that will limit dust accumulation on the control equipment.
w) Sorting system reporting capabilities on key metrics (i.e. throughput for each line in tons/hour, run hours, historical metrics reporting, motor resistance, remote access, remote alert notification).
x) Cameras installed on the processing lines, all sort stations and at the residual bunkers that can be remotely accessed by internet.
y) All equipment selected by the Proposer will need to be approved by the SBWMA staff.
z) The equipment will be new and made for the purposes that the equipment will perform in the MRF.
aa) A glass cleanup system that separates the bottles and broken glass from fiber and grit and produces a mixed glass product stream that meets the Product Quality Standards in the Operations Agreement.
bb) Separate fiber from containers and produce products that meet the Product Quality Standards in the Operations Agreement.

3.0 Fiber Baler Specifications

The following table presents an estimate of the materials the fiber baler will process on an annual basis:

Material Type	Tons/Year
OCC	20,000
ONP & MP	50,000

Total Fiber	70,000

Proposer will provide a horizontal, single ram, no shear baler. Baler will need to perform the following requirements or have the following attributes:

a) produce 40 tons per hour of mixed fiber material,
b) produce 20 tons per hour of old corrugated containers,
c) produce bales that have sufficient density that 45 foot shipping containers can be loaded and shipped at maximum trailer payload trailer (48,000 lbs) for mixed paper and/or ONP fiber,
d) equipped with a single fiber fluffer conditioner that can be swung in and out hydraulically,
e) have fully automatic side and vertical tension panels,
f) have a vertical pre-press flap (with dual pulling cylinders, to prevent jamming),
g) have an extra wide feed-hopper and pre crusher (minimum size of 6'7" x 3'7") operated by a dedicated hydraulic system,
h) have programmable controlled electronics and proximity switches,
i) have a vertical wire tying system capable of tying multiple wires simultaneous around the bales,
j) have an inspection platform and ladder to service the in-feed from the "bridging conveyor",
k) have a computerized information management system capable of reporting operational metrics that reports out to a PC by cable or network connection,
l) operate with a computerized information system in an automated manner (no designated baler operator),
m) have provision for up to 20 wire coils of 2500 lbs to be placed on either side of the baler,
n) bearing wheels for main ram to reduce power use,
o) cylinders will have bolted removable head and bottom sections,
p) hydraulic system that uses a regenerative differential oil flow between the cylinders, and
q) nose-over "bridging conveyor" design with adequate spacing and supports for forklift traffic below it.

4.0 Other Equipment Considerations

The Proposer is to provide the following in response to this section of the RFP.

a) The SBWMA is interested in having two balers one primarily for fiber and a second to bale containers (HDPE, PET, mixed plastics and aluminum) and to serve as a fiber backup baler. The SBWMA owns a Harris HRB Centurion baler and is interested in the potential of reusing this baler in the new facility. The Proposer can suggest an alternative to reusing this baler and should show justification for a suggested alternative. The costs of re-installing this baler or the installation of a replacement baler should be included in the Proposers Equipment Installation Cost Proposal.

5.0 Proposer and Equipment Supplier Qualifications

Proposers are asked to supply the following information in the form and order requested.

a) Identify the equipment designer and equipment manufacturer(s) for all equipment proposed by the Proposer for the SRDC site.
b) Identify the installation project team selected to perform the construction / installation and management for the project. Explain the roles of the team members and indicate their relevant experience for this project including contact information (name, address, phone, and email) of prime contractor and subcontractors.
c) Provide contact name and phone number for references of the member(s) of the Proposers team who will responsible for the equipment installation and serve as the prime contact and be the responsible party for the project and coordination of any subcontractors.
d) Resumes of other key staff to be assigned to the project.
e) Reference projects of similar size and function that have been completed by the team members / companies.
f) Insurance Coverage. The Contractor and any sub-contractors are required to maintain (until successful completion of the System Acceptance Test) insurance for all work performed under this scope of work and performed under the Agreement. Insurance shall be as follows (the policy limits required are to be considered minimum amounts):
    1) Liability Insurance with minimum limits of $1,000,000 for each occurrence. This policy shall include the Broad Form Endorsement. The Certificate of Insurance for this coverage must identify if this coverage is provided under a claims-made form. Should this insurance coverage be on a claims-made form, a letter from the Contractor's Insurance Broker outlining the current policy aggregate limits must accompany the Certificate of Insurance. SBWMA shall be named “additionally insured” on the policy certificate.

2) Workers Compensation and Employers Liability Insurance shall cover the obligations of the Contractor in accordance with the provisions of the Worker's Compensation Act, as amended, of the State of California.

6.0 Proposal Requirements

Respondents are requested to discuss their approach to the project and address each of the following, in the order listed, in their Proposal:

a) Design Drawings - The Proposer must submit a conceptual design drawing and supporting documentation. The design should show:
   1) the arrangement of the facility and stationary equipment in the facility;
   2) elevations of equipment;
   3) how rolling stock will move through the facility;
   4) bale storage analysis for the proposed bale storage, location and access;
   5) tipping area storage capacity; and
   6) how bale and tipping area storage has been maximized.

b) Process Flow Diagram - Illustrate the anticipated materials flow through the facility in the terms of a Process Flow Diagram. The flow diagram needs to illustrate the anticipated flow rates (in tons per hour) for each sort line input.

c) List of Equipment - Enumerate each major piece of equipment the Proposer intends to install.

d) Equipment Description – Describing the types of equipment the Proposer will install in order to achieve the contract performance requirements. Describe how each piece of sorting equipment will function and how the equipment types will function in relationship to each other. Discuss why the selected screens or optical sorting technology were used in each instance.

e) Single Stream Equipment Maintenance Cost – Detail the system “wear parts” (i.e., screen disks) and the replacement schedule for the system parts and the total five-year cost.

f) Baler Maintenance Cost - List of replacement parts, anticipated maintenance service, service frequency for the proposed baler and the total five-year cost for baler maintenance.

g) Single Stream Equipment References - List five (5) other facilities that are using the single stream equipment in similar applications and how long the equipment has been operational, describe the quality of the inbound materials and the generation of residual,

and provide data on 2-years of historical residual generation by month as percentage of inbound tonnage.

h) Baler Equipment References – List of five (5) other MRF facilities in the US (with similar throughput) in which this particular baler model has been in operation for +5 years.

i) Disruption of Operations - Describe how the equipment installations will be done according to or vary from the Construction Phasing Plan in the SRDC Master Plan document. Provide an equipment installation schedule. Identify if there are areas of the SRDC (outside of the MRF footprint) that will be impacted by the equipment installation and for how long (days/hours).

j) Single Stream Power Usage Projection - Show projected energy consumption on a kw/hour basis for the sorting system based on the horsepower requirements and other supporting details for each new piece of equipment (there is a separate power consumption Form for the baler that is proposed).

k) Baler Power Consumption Cost – Complete the Baler Power Consumption Cost Worksheet (Form 2-F) that shows the power usage by the baler in full and continuous operation).

l) Residual - Discuss the maximum amount of residuals (waste, non-recyclables material) the system will generate after the presort station. Provide a description of how the system is designed to minimize the generation of residual.

m) Warranty - Describe the warranty on parts and labor for defective parts is required. Any parts replaced under warranty shall receive an additional one-year warranty. Describe what commitments of support are offered by the equipment manufacturers during the warranty period and what portions of the equipment are subject to longer supplier warranties.

    1) The Proposer can use non-OEM replacement parts but will need to confirm that the use of non-OEM replacement and wear-parts does not void the manufacturer's warranty. The signing and approval of the Agreement will serve as a confirmation that the Proposer received manufacture approval or has assumed the manufacture's warranty responsibility.

n) Performance Guarantees - The equipment provider(s) will need to provide a Certificate of Assurance to the SBWMA confirming that the proposed sorting system will pass the processing throughput goal tonnage that is required in the System Acceptance Test and meet the Residual Guaranteed maximum specified in the Operations Agreement.

6.1 System Acceptance Test

The MRF equipment installation and System Acceptance Test is to be to be completed within a six-month time window before the facility operation and the single stream programs commence (targeted for January 1, 2011). Successful completion of the equipment installation and start up portion of the Agreement will require that the Contractor and equipment supplier(s) successfully complete the requirements stated in Attachment 8, System Acceptance Test.

The baler(s) that are installed by the Contractor will need to pass a separate Baler Acceptance Test. In the Baler Acceptance Test the baler performance will be assessed separately from the single stream system. The baler performance will be measured against the manufacturer's published specifications. The Proposer will need to submit published manufacturer's specifications before the award of the Agreement to the SBWMA. The Baler specifications and Baler Acceptance Test will need to demonstrate the following:

a) Performance Items - baler stroke speed, bale density (OCC, ONP, Plastics), bale rate, bale system reporting capabilities and remote access.
b) Electrical Power Consumption – as a part of the Proposer's Proposal to this RFP, a power consumption of the proposed baler(s) will need to be submitted. During the time period of the Baler Acceptance Test, power consumption will be monitored and will need to comply with the power consumption figures submitted by the Proposer.

7.0 Equipment Selection and Installation Proposal

Proposers are required to complete all cost forms as provided in the RFP which will become Exhibits to the Agreement.

- Representations by Equipment Installation Company (Form E-1).
- Cost Proposal Summary for Equipment Installation and Startup (Form E-2) - installation costs includes but not limited to obtaining building and fire permits, performing field measurements, design, analyzing utilities, start up and System Acceptance Test performance.

- Detail Equipment Proposal (Form E-3) – provide a listing of all the proposed equipment and that will be necessary to operate the single stream system and the cost and power per unit.
- Proposal Summary for Equipment Costs (Form E-4) – summary of all single stream equipment and baler costs that are needed to operate the single stream plant. These costs will be paid directly by the SBWMA to the equipment Vendor(s).
- Single Stream Equipment Maintenance (Form E-5) - provide maintenance requirements and costs for the equipment including wear parts.
- Baler Power Consumption and Cost Worksheet (Form E-6) - provide the power consumption of the proposed baler(s) operating continuously at full capacity.
- Baler Maintenance (Form E-7) - provide maintenance requirements and costs for the Baler(s) including wear parts.

8.0 Proposer and Equipment Section Evaluation Criteria

Equipment selection will be evaluated on the following criteria:

a) Proposer's understanding of the project requirements and the Proposer's equipment, installation and start up plan to meet the project goals.
b) Technical consideration including the following items: Equipment design and adhearance to the specification, level of detail and consideration in response to the requests made in this Attachment; level of detail and consideration in design and processing capabilities of the equipment; thoroughness and detail provided in the equipment list and cost detail; consideration of the building design, construction and construction phasing in proposing equipment for the MRF.
c) References and reference projects that indicate successful design and construction of single stream systems. Proposer shall provide a complete listing of all California recycling processing operations that have been designed, manufactured, installed, owned (in whole or in part), managed, or operated by the proposer, or affiliates of the proposer since 2000. For each facility, contact information shall be provided for each municipality and for each private contractor that is served by the facility. A listing, including contact information, for all purchasers of all commodities from each listed facility shall also be provided.
d) Information contained on proposal forms.

e) Warranties and Guarantees provided by equipment manufacturers and the Proposer.
f) Cost proposal forms that follow.

Note: Equipment selection will not be based solely on the lowest cost, but based on the proposal that provides the equipment, equipment design, and best long term value to the SBWMA.

Form E-1

Required Representations by Equipment Installation Company

In responding to this RFP, the Proposer understands that the selected installation / construction Company that will be performing work on the equipment installation at the SRDC will abide by the following, and understands that the following are required as a condition of performing the Contract Work and receiving payment for same.

1. The Company will possess all applicable professional and business licenses required for performing work in California.

2. The Company satisfies all bonding and insurance requirements as stipulated in the solicitation for this project.

3. The Company and all subs that are employed or that may be employed in execution of the Contract Work shall be in full compliance with SBWMA's requirements for workers' compensation insurance.

4. If awarded the Contract Work, the Company represents that it will not exceed its current bonding limitations when the Contract Work is combined with the total aggregate amount of all unfinished work for which the Contractor is responsible.

5. The Company represents that it has no conflicts of interests with SBWMA if awarded the Contract Work and that any potential conflicts of interest that may arise in the future will be disclosed immediately to SBWMA.

6. The Company represents the price offered and other information submitted in connection with its proposal for the Contract Work were arrived at independently without consultation, communication or agreement with any other offer or competitor.

7. The Company will ensure that employees and applicants for employment are not discriminated against because of their race, color, religion, sex or national origin.

The undersigned hereby represents that all statements, representations, information and documents provided in or with this Contractor Qualification Statement and attachments hereto are complete, accurate and truthful.

Date and Signature of Authorized Representative

Print Name, Position/Title, Company Name

Notary Public

Form E-2

Proposal Summary for One-Time Installation and Startup Costs

	Items	**Description (one time costs)**	**Cost**
1	Construction Management Services Cost		$_____
2	Equipment Installation Service Cost (complete if performed by a separate installation company)		$_____
3	Startup and Acceptance Testing Costs		$_____
4	Other Costs (detail attached)		$_____
6	Total Price for Installed Equipment Cost (Total cost for all pre-operational equipment related expenses to be paid by the SBWMA)		**$_____**

Form E-3

Detail Equipment Proposal

Cost for all Equipment to be installed by Contractor (listing of each piece of equipment with cost without cost for installation and Construction Management services). *Proposer may use own form if it contains same information.*

Name of Equipment	**Full Description (make, model, model number, engine size and speed, belt type, gauge of steel, speed, range, gear box detail and special features (welded v. bolt together) etc.)**	**Cost**	**Horse Power Rating of Motors**

OPTIONAL EQUIPMENT			
1. Optional belt-scale weigh system on the residential single stream infeed line			
2. Trash to two-trash roll-off containers configured with a diverter			
3. Optional glass prescreening system to remove glass and small containers before the fiber screens			
4. Option to direct container stream form the fiber sort system directly to the container processing system or onto the floor			
5. Option to switch conveyance of sorted materials destined for baling to either baler			
6. Option of replacing existing Harris Centurion Baler			
	OPTIONAL EQUIPMENT TOTAL COST AND TOTAL HORSE POWER		

Form E-4

Proposal Summary for Equipment Costs

	Items	Description (one time costs)	Cost
1	Single stream system (to include all controls, in-feeds, and sort system related costs).		$_____
2	Other single stream system equipment related costs (not include above).		$_____
3	Total of Optional items from **Form E-3** Detail Equipment Proposal		$_____
4	Baler cost (includes all costs for baler, controls, and wire tie).		$_____
5	Other baler related costs (not include above).		$_____
6	Other costs not included above that are necessary to complete an operational single stream processing system		$_____

Form E-5

Single Stream Equipment Maintenance

System Routine Maintenance Requirements	Describe Required Maintenance	Expected approximate cost of parts and materials

Form E-6

Baler Power Consumption and Cost Work Sheet

Baler Manufacturer: _____

Baler Model: _____

Baler Description:_____

_____

Rated through put capacities by Material Type:

ONP:_____

OCC:_____

Plastic Containers:_____

Other:_____

Other: _____

Total Horsepower of Baler

Hydraulic Motor(s) _____ H.P.

_____ H.P.

_____ H.P.

Cooling System _____ H.P.

Fluffer(s) _____ H.P.

Total motors _____ **H.P.**

X .746 Kwh Conversion Factor

_____ Kwh Used

X $0.30 Kwh

$_____ Kwh Cost Per Hour

X 7 Hours Per Shift

$_____ Operating Cost Per Shift

X 260 Operating Shifts

$_____ Annual Baler Power Cost

X 5 Years

$_____ Five-Year Power Usage Cost

Form E-7

Baler Maintenance

Part and scheduled service required	Cost for part or service	Frequency of service	Total for five year period

Attachment 8

MRF Equipment Acceptance Test

Attachment 8

Systems Acceptance Test

General Testing Requirements and Acceptance Standards

The purpose of Systems Acceptance Test is to verify that the system, as constructed, is capable of operating at the performance required under the Agreement.

During Acceptance Test, the Contractor shall operate the system in accordance with staffing plan and specified method of operation that has been submitted by the Contractor and approved by the SBWMA in the MRF Operating Plan prior to the signing of the agreement and Acceptance Testing. For the purposes of the Acceptance Test, the Contractor shall not operate the facility in any manner which is not consistent with the approved Facility Operating Plan, nor shall the Contractor utilize additional personnel above and beyond those specified in the approved Facility Operating Plan to achieve Acceptance.

The Company shall be responsible to fully install and start-up (and test) all aspects of the MRF Facility to demonstrate compliance with all requirements of the RFP, Agreement, manufacturer's warrantee requirements, and this Acceptance Test. The Contractor will conduct the Acceptance Test in the presence of representatives from the SBWMA and it's Consulting Engineer(s) if appropriate.

Acceptance Test Process Materials

The Process Materials for the Acceptance Test will be residential curbside materials as described below. The Process Materials will be prepared at the SRDC by:

1) Importing single stream materials from a Bay Area location that has similar demographics to the SBWMA or by,

2) Selecting a material that meets the mutual agreement of the SBWMA and the Contractor or, by
3) mixing the collected source separated fiber and container streams that are currently collected from inbound curbside route trucks delivered to the SRDC by recycling route trucks.

The Process Material shall resemble as closely as possible the single stream material that will be collected and be processed by the facility after the initiation of single stream collection by the SBWMA. The current residual level of dual stream commercial and residential source separated fiber and container materials being processed at the existing MRF is approximately 4.5%.

Acceptance Test Run Time

The Acceptance Test will be conducted over three (3) consecutive operating days. The start-time and end-time will be pre-determined as well as scheduled break-time. No unscheduled down-time is acceptable, and any occurrence of unscheduled down time will void the day.

Contractor will provide clean product load-out containers (roll-off or smaller bins) at each of the product and residual generation areas. Each container will be tare weighed on the Facility's scales and identified prior to placement.

The following data will be recorded at a minimum:

- The individual and aggregate weights of all materials (Product and Residual) generated during the Acceptance Test run time by day.
- Start and stop time and total run time (less breaks). The Company shall at all times be responsible for the performance of the Facility, and Facility processing time will not be suspended for any reason other than normal scheduled breaks.

- Logs of all maintenance, repairs, and adjustments to Facility operations performed by the Company during each test period.

The hourly processing rate will be determined by dividing the total amount of Process Material (determined from the aggregate weight all products, residual and trash collected after the run) over the three (3) day testing period by the total amount of Run Hours.

Product Quality Test

The Product Quality Test will be conducted simultaneously with the Acceptance Test. During the Acceptance test, all Recyclable Material shall be recovered and processed as specified by the Contractor in the approved Facility Operating Plan, and all resulting Products shall be deposited in their designated containers (or bales). At the conclusion of each day, total tonnage of each product will be recorded.

A representative from the Contractor's company will select a Representative Sample (parties shall follow ASTM procedures if there is disagreement in the selection of a Representative Sample) of each Product from each of the system outputs. In the case of loose material, a five gallon bucket will be used to obtain the sample. In the case of baled material, a representative bale will be selected, unbound, and a sample will be placed in a 40-cubic yard box. All samples will be selected and analyzed in the presence of the SBWMA representatives.

1) Fiber - A bale of OCC, newsprint and mixed paper will be selected at random, loaded into a roll off container and unbound. To qualify for the Test, bale(s) must weigh more than 1,000 pounds. Fiber Product must meet the Product Quality Standards in the RFP and Agreement.
2) Glass - A five gallon bucket of cullet will be extracted, subdivided and combined in accordance with ASTM grab sample protocol from each glass product storage container/area. Samples will be analyzed in accordance

with procedures described in the Test Protocol. In order to meet product specification, each sample must meet the specifications set forth in Product Quality Standards in the RFP and Agreement.

3) Aluminum - If baled, aluminum will follow the procedures for sample collection as described for newspaper, and if loose, the procedures for sample collection will follow those described for glass cullet. The sample must meet the Product Quality Standards in the RFP and agreement.

4) Plastic - The sampling procedures will follow the procedure for sample collection as described for newsprint. In order to meet product specifications, PET and HDPE samples must meet the meet the Product Quality Standards in the RFP and Agreement.

Residual Generation

Residual will be collected from all points of generation within the Processing System and aggregated into a container for sampling. The aggregate weight of residual for the day will be compared to the total tons processed (Processed Material) to determine the percentage of Residual generated by the Processing System. The Residual must be below 10%.

Residual will be considered all materials that are not captured as Products (as tested under the Product Quality Standards). Any materials that fall to the floor from the Processing System will be considered Residual.