



# COUNTY OF HUMBOLDT

AGENDA ITEM NO.

**H-4**

For the meeting of: May 26, 2015

Date: Monday, May 18, 2015

To: Board of Supervisors

From:  Thomas K. Mattson, Public Works Director

Subject: Humboldt Waste Management Authority (HWMA) Request for Proposal (RFP) for Processing and Marketing Recyclable Material and Memorandum of Understanding (MOU) to Participate in a Regional Recyclable Materials Processing Agreement.

### RECOMMENDATIONS:

That the Board of Supervisors:

1. Reviews and provides comments on the proposed Regional Recycling RFP for Processing and Marketing Recyclable Materials (Attachment 1); and
2. Authorizes the Chairwoman of the Board of Supervisors to execute a substantially similar draft of the proposed MOU to participate in a Regional Recyclable Materials Processing Agreement (Attachment 2), once Section 2(b) thereof has been revised to allow the county to determine which franchise collection haulers will be referred to HWMA.

SOURCE OF FUNDING: Solid Waste (1100438)

### DISCUSSION:

On April 6, 2010, with Agenda Item C-25, the Humboldt County Board of Supervisors authorized HWMA to be the lead agency for an RFP to process recyclable materials collected within the unincorporated county solid waste franchise areas. At their February 10, 2011 meeting, the HWMA Board of Directors instructed HWMA staff to negotiate a recycling

Prepared by Thomas K. Mattson

CAO Approval 

REVIEW:

Auditor MSM County Counsel Sm Personnel \_\_\_\_\_ Risk Manager \_\_\_\_\_ Other \_\_\_\_\_

TYPE OF ITEM:

- Consent
- Departmental
- Public Hearing
- Other

BOARD OF SUPERVISORS, COUNTY OF HUMBOLDT

Upon motion of Supervisor Bohn  
Seconded by Supervisor Lovelace  
And unanimously carried by those members present,  
The Board hereby adopts the recommended action  
Contained in this report.

PREVIOUS ACTION/REFERRAL:

Board Order No. C-25; M-2

Meeting of: April 6, 2010; May 24, 2011

Dated: May 26, 2015  
Kathy Hayes, Clerk of the Board

By: 

contract with Solid Waste of Willits (SWOW). The resulting recycling contract between HWMA and SWOW was finalized and presented to the HWMA Board of Directors at their May 12, 2011 meeting. However, the HWMA Board of Directors postponed approval of the recycling contract with SWOW pending approval of an agreement with HWMA's Member Agencies which gave flow control of recyclable materials to participating Member Agencies for the five-year term of the recycling contract with SWOW. On May 24, 2011, with Agenda Item M-2, the Humboldt County Board of Supervisors authorized the Chair of the Board to execute the agreement with HWMA.

HWMA's current recycling contract with SWOW is set to expire in September 2016. As a result, HWMA recently established a RFP and MOU development committee consisting of staff members of HWMA, the County of Humboldt and the Cities of Arcata, Blue Lake, Eureka, Ferndale and Rio Dell for future recycling processing. The HWMA Board of Directors has tentatively approved the proposed RFP and MOU, and is now asking for Member Agency approval of the proposed MOU and participation in the proposed RFP process.

#### **Proposed RFP for Processing and Marketing Recyclable Material:**

When the HWMA Board of Directors adopted the "2013 HWMA Strategic Plan," HWMA expressed its desire to act as the regional recycling coordinator in order to: (1) procure regional source-separated and mixed-stream recycling processing capacity; and (2) provide Member Agencies with comprehensive, stable and cost-effective recycling processing and marketing services.

In order to meet the objectives of HWMA's Strategic Plan, the proposed RFP seeks cost-effective regional recyclable material processing and marketing services. HWMA anticipates that, through the proposed RFP process, it will be able to contract with a recycling contractor that has the ability to: (1) maximize the production of commodities for high value end market; (2) accept additional materials, if necessary; (3) adapt to market fluctuations and trends to secure the most competitive price rates; and (4) maintain quarterly facility total residual disposal to less than eight percent of inbound materials. The proposed RFP prioritizes, through specifically defined ranking criteria, operations that minimize adverse environmental impacts, including, without limitation, carbon footprint and greenhouse gas emissions, while maximizing the sustainability of recycling services. A quarterly market value credit will be paid to HWMA based on the amount of recyclable materials processed and full market value of the indices. The market credit will be distributed to Member Agencies based on tonnages for each quarter.

The proposed RFP was prepared in-house by HWMA staff, with review and input by Member Agency staff. The proposed RFP pertains to the processing of Member Agencies' recyclables that will occur after September 2016. Distribution of the proposed RFP is tentatively scheduled for July 2015, with proposals due in August 2015. HWMA intends to award a new recycling contract by November 2015, in order to allow time for a local processor to obtain the permits, property and equipment necessary for receipt of recyclables.

#### **Proposed MOU to Participate in a Regional Recyclable Materials Processing Agreement:**

The purpose of the proposed MOU, which was developed by HWMA, in coordination with Member Agency staff, is to establish the responsibilities and obligations of all the involved parties, with regard to flow control, reporting requirements, contract management, meeting and consultations, education and revenue distribution. The proposed MOU provides for the quarterly

distribution of recycling revenue on the following basis: (1) HWMA shall retain for contract administration fifteen percent of the agreed upon amount per ton base revenue received from all mixed-stream recyclable commodities; and (2) any revenue received from source-separated recyclable commodities shall be passed through to each participating Member Agency. The proposed MOU also provides that HWMA and each participating Member Agency will undertake coordinated educational and outreach activities to assist the recycling contractor in achieving a diversion rate of ninety-two percent of all recyclable materials received. Pursuant to the proposed MOU, HWMA will provide quarterly and annual summary reports to each participating Member Agency indicating the tonnage of recyclable materials processed for that period, a statement of revenues received from the recycling contractor and any other information concerning administration of the recycling contract.

The County of Humboldt currently has five solid waste franchisees. The franchises held by Arcata Garbage Company (unincorporated Arcata area) and Recology (unincorporated Eureka, Fieldbrook, Holmes Flat and Garberville areas) have been directing their recyclable materials to SWOW pursuant to HWMA's current recycling contract. From these franchise areas, the county currently provides approximately 685 tons of recycling materials to SWOW per year.

However, two of the franchisees, Humboldt Sanitation (unincorporated area of northwestern Humboldt County) and Eel River Disposal (unincorporated Ferndale, Fortuna, Weott, Myers Flat and Willow Creek areas), have internal methods for processing and marketing the recyclables within their franchise areas. Accordingly, the recyclable materials pertaining to the above-referenced franchise areas have been contractually committed to Humboldt Sanitation and Eel River Disposal for the term of their franchise agreements.

Section 2(b) of the proposed MOU requires each participating Member Agency, including the County of Humboldt, to direct its franchise collection haulers to deliver all recyclable materials to HWMA as soon as such materials are no longer under prior contract governing flow control thereof. This provision removes county control over individual franchise decisions, and substantially limits the ability of the Board of Supervisors to determine if certain franchise areas would be better served by having recycling processing remain under the control of the franchisee. Accordingly, acceptance of the proposed MOU, as currently written, could adversely affect the county's relationships with Humboldt Sanitation and Eel River Disposal, and may cause an unnecessary increase in recycling rates.

For all of the reasons stated above, staff recommends that the Board of Supervisors participate in the proposed RFP process, and authorize the Chair of the Board to execute a substantially similar draft of the proposed MOU, once Section 2(b) thereof has been revised to allow the County to determine which franchise collection haulers will be referred to HWMA.

#### FINANCIAL IMPACT:

The requested actions have no financial impact to the County General Fund. In addition, it is anticipated that participation in the proposed RFP process, and execution of the proposed MOU, once revised as explained above, will provide the least expensive alternative for the addition of curbside recycling to customers within unincorporated county solid waste franchise areas.

Participation in the proposed RFP process, and execution of the proposed MOU, once revised, supports the Board of Supervisors' Core Role of managing county resources to ensure sustainability of services.

OTHER AGENCY INVOLVEMENT:

HWMA, City of Arcata, City of Blue Lake, City of Eureka, City of Ferndale and City of Rio Dell.

ALTERNATIVES TO STAFF RECOMMENDATIONS:

The Board of Supervisors may choose not to participate in the proposed RFP process or execute the proposed MOU, once revised as explained above. However, this is not recommended since participation in the proposed RFP process, and execution of the proposed MOU, once revised, may provide for lower costs to operate curbside recycling programs.

ATTACHMENTS:

Attachment 1: Draft Regional Recycling RFP for Processing and Marketing of Recyclable Materials proposed by HWMA

Attachment 2: Draft MOU to Participate in Regional Recyclable Materials Processing Agreement proposed by HWMA

**REQUEST FOR PROPOSALS**  
**FOR**  
**PROCESSING AND MARKETING OF**  
**RECYCLABLE MATERIALS**

**ISSUED BY:**



**Humboldt Waste Management Authority**

**1059 West Hawthorne Street  
Eureka, CA 95501**

**Month Day, Year**

**TABLE OF CONTENTS**

**1.0 GENERAL INFORMATION.....4**  
**1.1 Humboldt Waste Management Authority .....4**

1.2 Authority Goals and Objectives .....5

1.3 Organization of the RFP .....6

2.0 PROPOSAL CONSIDERATIONS .....7

    2.1 Rights of the Authority .....7

    2.2 Consequence of Submission of Proposal.....7

    2.3 Proposal Costs .....8

    2.4 Proposal Schedule .....8

    2.5 Anti-Collusion Statement .....9

    2.6 Conflict of Interest .....9

    2.7 Limits on Disclosure of Proposal.....9

    2.8 Proposer Code of Conduct .....10

3.0 BACKGROUND INFORMATION .....10

    3.1 Recyclable Material Tonnage from Authority Member Agencies .....13

4.0 SCOPE OF SERVICES.....14

    4.1 Recyclable Materials Receiving and Processing Facility .....14

5.0 AGREEMENT ARRANGEMENTS .....16

6.0 PROPOSAL SUBMITTAL INSTRUCTIONS .....16

    6.1 Qualifications Response.....16

        6.1.1 Company Information .....17

        6.1.2 Key Personnel.....17

        6.1.3 Compliance, Litigation and Debarment History.....18

        6.1.4 Environmental Compliance .....18

    6.2 Financial Response.....18

    6.3 Operations Response .....19

        6.3.1 Recyclables Receiving and Processing .....19

    6.4 Agreement Acceptance Response .....20

**7.0 COST PROPOSAL AND COST FORM.....20**

**8.0 PROPOSAL EVALUATION AND PROPOSER SELECTION.....22**

**8.1 Proposal Evaluation Procedures .....22**

**8.2 Proposal Evaluation Categories & Factors .....22**

**9.0 PROPOSAL SUBMITTAL INSTRUCTIONS .....26**

**9.1 Authority Contact and Address.....26**

**9.2 Submittal of Written Questions.....26**

**9.3 Proposal Submittal Format.....26**

**9.4 Clarification of Proposal Information .....27**

**9.5 Presentation to HWMA Board .....27**

**9.6 Selection of Recommended Proposers .....27**

**9.7 Schedule .....27**

**9.8 Proposal Content.....27**

**Attachment 1 – Agreement .....30**

**Attachment 2 – Cost Forms .....31**

**Attachment 3 – Distance from Each Member Agency to the Proposer’s Proposed  
Receiving Facility Form .....33**

**Attachment 4 - Anti-Collusion Form .....34**

**1.0 General Information**

The Humboldt Waste Management Authority (“HWMA or Authority”) is issuing this Request for Proposals to select a qualified Proposer to process recyclable materials from Member Agencies. The Agreement will be between the HWMA and the selected Proposer for a ten (10)

year period. The terms of this Agreement may be extended for a five (5) year period at the sole discretion of the Authority. The term of the Agreement will commence (insert date) days from the date of approval by the HWMA Board. The Proposer will be responsible for securing property for a facility within the Authority's Member Agency's jurisdictions to receive recyclable material for transportation to the Proposer's facility for processing, marketing and disposal of residual materials.

Proposals are being solicited from qualified Proposers, or a group of qualified Proposers, that form a team arrangement, for 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 this Agreement and serve as the primary contact and responsible party. The Agreement specifying the Terms and Conditions for the requested services is located in *Attachment 1*.

The Proposal shall be submitted in accordance with the guidelines presented in this RFP. All data and information furnished by the HWMA or referred to in this RFP are provided for the Proposer's convenience. The HWMA does not guarantee that such information or data is accurate and assumes no responsibility as to the accuracy of the information. Proposers are encouraged to independently verify the accuracy and interpretation of all such information or data.

### **1.1 Humboldt Waste Management Authority**

The Humboldt Waste Management Authority is a Joint Powers Authority (JPA) consisting of the Member Agencies of the jurisdictions of Arcata, Blue Lake, Eureka, Ferndale, Rio Dell, and Humboldt County. The cities of Fortuna and Trinidad are not members of the HWMA JPA, although Trinidad has expressed interest in joining. The Authority was established in 1999 and acted as a regional focus point in a diverse waste management system. One of the primary goals of the Authority is to provide program support for cost-effective waste reduction, recycling, and solid waste programs to Member Agencies through their franchised collection providers and the public recyclers to meet and exceed the minimum 50% diversion mandated by California State Law, AB 939.

The Authority operates the Hawthorne Street Transfer Station located at 1059 West Hawthorne Street in the city of Eureka. The Hawthorne Street Transfer Station serves as a hub and central location in the area for drop off of solid waste from the public and local franchise collection haulers. Solid waste collected at the Transfer Station is loaded and hauled by transfer trailer trucks to the Potrero Hills Landfill in Suisun City, California and the Dry Creek Landfill in Medford, Oregon.

The Hawthorne Street Transfer Station also accepts recyclable materials at its drop-off location from the public and commercial businesses. Household hazardous waste, E-waste, and Universal materials are also received and managed at the Eureka Recycling Center housed within this complex, as well as through mobile collection programs in the Humboldt County area. The Authority owns and manages the Cummings Road Landfill in Eureka. The Authority also manages through contractual means composting of organic materials at the Mad River Compost Facility owned and operated by third-party contractors.



## 1.2 Authority Goals and Objectives

The Authority is interested in receiving proposals from companies that have demonstrated experience providing transportation and processing of recyclable materials comparable to those described in this RFP, to ensure success of the services for the Authority and its Member Agencies. The Authority will place an emphasis on a Proposer who places a high priority on reliable, cost effective, and environmentally sound operations, and who has demonstrated measurable results through its on-going operations on other similar projects. The Authority's goals and objectives for future services include:

- Low-cost and efficient local recycling, receiving and processing services.
- Maximize commodities for high value end market.
- Flexibility to adapt to market fluctuations and trends to secure most competitive price rates.
- A quarterly market value credit to the Authority based on the tons processed and full market value of the indices described in *Appendix 1 – Processing Agreement*.
- The demonstrated ability, and expressed interest, to accept and market additional materials.
- Maintain quarterly facility total residual disposal to less than 8% of inbound materials from the franchise haulers.
- Meet or exceed all current and future state and local regulations and permitting conditions, and have an Operations Plan approved by local regulatory authorities at the time the Processing Agreement goes into effect.
- Creation of good quality jobs and fair treatment of employees.
- Full cooperation with member agency franchise operators, as well as the Hawthorne Street Transfer Station.
- Maintain a high level of service (timely, courteous, and responsive) to the Authority and its Member Agencies.
- Ensure the cost competitiveness and effectiveness of the services provided; and
- Pursuant with CA Assembly Bill 32, minimize the carbon footprint; reduce overall greenhouse gas emissions and other adverse environmental impacts while maximizing the sustainability of the services.

## 1.3 Organization of the RFP

General information regarding the RFP purpose, process, and schedule are provided in the following.

- Section 1 contains General Information to assist Proposers in understanding the current and proposed services required, including general information about HWMA member agencies.
- Section 2 contains Proposal Considerations such as the rights of the Authority, consequence of Contract's submission of their proposal, costs to prepare a proposal, and the proposal schedule.
- Section 3 presents Background Information regarding recyclable material types to process and estimated quantities to be processed under this Agreement.
- Section 4, Scope of Services, defines the work and services covered by this RFP.
- Section 5 details the Agreement, terms and conditions for the requested services.
- Section 6 discusses the RFP Proposal Requirements to be submitted by the Proposer.
- Section 7 describes the Cost Proposal and Compensation required for submittal for this RFP and the Proposer's compensation and payment method to be employed by the Authority.
- Section 8 describes the Proposal Evaluation and Proposer selection process to be followed by the Authority.
- Section 9 presents the Proposal Submittal Instructions to be followed by Proposers for submittal of their RFP.
- Attachment 1 contains the Agreement and contractual arrangements binding by the Proposer.
- Attachment 2 contains the Proposal Cost Forms required to be filled out by the Proposer.
- Attachment 3 contains a Form to calculate the distance from each Member Agency to the Proposer's Proposed Receiving and Processing Facility.
- Attachment 4 is the Anti-Collusion Form.

## **2.0 Proposal Considerations**

### **2.1 Rights of the Authority**

The Authority's rights include, but are not limited to, the following:

- Reissuing or modifying the RFP.
- Withdrawing the RFP at any time during the procurement process
- Issuing addenda to the RFP, including extending or revising the timeline for submittals.
- Requesting clarification or additional information from the Proposers at any time during the procurement process.
- Execution of an Agreement with the successful Proposer on the basis of the original proposals and/or any other information submitted by the Proposers during the procurement process.
- Rejection of any or all proposals, waiving irregularities in any proposals, accepting or rejecting all or part of any proposals, and waiving any requirements of the RFP, as may be deemed in the best interest of the Authority.
- Negotiating with more than one Proposer.
- Accepting a proposal that does not offer the lowest cost but offers the best overall proposal, which the Authority determined is in the best interest of the Member Agencies based on the Proposer's qualifications, operations proposal, financial strength, and willingness to accept the Agreement terms as well as its cost proposal.
- Discontinuing negotiations after commencing negotiations with a selected Contactor if progress is unsatisfactory in the sole judgment of the Authority, and commencing negotiations with another qualified Proposer.

## **2.2 Consequence of Submission of Proposal**

- Proposal submission constitutes an incontrovertible representation and warranty by Proposer that the Proposer has investigated all aspects of the RFP.
- Proposer is aware of the applicable facts pertaining to the RFP process, its procedures and requirements.
- Proposer has read and understands the RFP, and complied with every requirement.
- Without exception, the proposal is premised upon performing and furnishing the services and equipment required by this RFP and Agreement and as such means, methods, techniques as may be indicated or required by this RFP and Agreement.

- Proposer submittal of an RFP, and/or any addendums, are sufficient in scope and detail to indicate and convey understanding of all the terms and conditions for performance and furnishing services of the project.

The submission of a proposal shall not be deemed an agreement between the Proposer and the Authority, and the following conditions apply:

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

**2.3 Proposal Costs**

Costs of investigating, preparing, and submitting a proposal is the sole responsibility of the Proposer and shall not be chargeable in any manner to the HWMA. The HWMA 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 HWMA.

**2.4 Proposal Schedule**

The HWMA intends to adhere to the schedule provided in Table 1 during the selection process. This schedule may change at the HWMA's sole discretion.

**Table 1: Proposal Procurement Schedule**

Procurement Activity	Date
HWMA release RFP.	July, 2015
Deadline to submit written questions and comments by Proposers.	TBD
HWMA will issue to Proposers: response to written questions and RFP addendum if necessary.	TBD
<b>PROPOSAL DUE</b>	<b>August, 2015</b>
HWMA may request clarification of proposal information.	August, 2015
HWMA interviews shortlisted Proposer(s).	September, 2015
HWMA Board selects Proposer.	October, 2015
HWMA conducts and completes negotiations with Contractor.	November, 2015
Proposer commences providing services.	September, 2016

\*The Authority retains the rights to modify and/or amend dates as necessary.

**2.5 Anti-Collusion Statement**



A sworn anti-collusion statement is included as *Attachment 2* as part of the proposal package. The Authority requires that a non-collusion statement be made as a sworn affidavit executed and sworn before a person who is authorized to administer oaths by laws of the State. This certification is required as important evidence in the event that collusion or bid rigging is discovered at a later date. If any Proposer submits a false statement, sanctions could then be taken against the Proposer.

### **2.6 Conflict of Interest**

The Proposer must disclose any contractual relationship that exists, or has existed, between the Proposer and a predecessor organization of the Proposer, or a sub-contractor included in the Proposer's response to this RFP, and the HWMA or its Member Agencies. Proposers must also disclose any existing business or personal relationship between the Proposer, its principals, or any affiliate or subcontractor, and the HWMA, its Member Agencies, or any other entity or person involved in the project that is the subject of this RFP.

Failure to disclose any such prior or existing contractual or personal relationship as described in this section may result in disqualification of the proposal. The Authority will make the final determination regarding the existence of a conflict of interest.

### **2.7 Limits on Disclosure of Proposals**

The HWMA has determined that the public interest will be best served if proposals submitted by Proposers in response to this RFP are not made available for review by other companies participating in the competitive selection process. For that reason, proposals submitted during the RFP process will not be made available to other Proposers or the public earlier than the date on which the HWMA issues to Member Agencies a shortlist of a company or companies recommended for final negotiation. The HWMA may, at its sole discretion, release select portions of the proposal(s) of the recommended companies that have not been identified as entitled to confidential treatment as containing trade secrets.

Conversely, public release may be deferred until the Authority has narrowed its consideration to one preferred Proposer. All materials received from that Proposer (other than those entitled to protection under California Government Code Section 6254(k)) will be made available for public review by the Member Agencies no less than twenty (20) days prior to the date on which the governing board of each Member Agency will consider a staff recommendation to award the Agreement to a selected company.

The HWMA will implement the following procedures:

1. All materials which a Proposer believes to contain trade secret information entitled to protection from disclosure under Government Code Section 6254(k) must be clearly marked on each page as "CONFIDENTIAL"; and
2. Prior to the date on which the Board of Directors selects its preferred Proposer, if HWMA receives a request to review and/or copy materials submitted by any Proposer, the Authority will decline release of those materials; and

3. If the person submitting the request files a legal action against HWMA seeking its release, the HWMA will notify the affected Proposer(s) and will not oppose a motion by such Proposer(s) to intervene in the action. The Proposer(s) must either intervene or agree to pay HWMA's and its agent(s) legal expenses in defending the action, including fees, if any, awarded to the plaintiff. Absent such an agreement, the HWMA will have no obligation to defend the action and may release the information sought without any liability whatsoever; and
4. Proposer will not seek damages against HWMA, its agents, or any Member Agency for recovery of its attorneys' fees as a result of any dispute related to the release or withholding of information submitted in response to this RFP.

### **2.8 Proposer Code of Conduct**

The Proposer is required to follow the Proposer Code of Conduct as a result of submitting an RFP. The Code of Conduct for Proposers includes the following provisions:

1. Prohibits ex parte communications with HWMA Board members or elected officials of Member Agencies;
2. Prohibits giving any gift or monetary compensation to an HWMA Board member, staff member or its agents; and
3. Prohibits collaboration or discussion with other Proposers of the content of the proposal or rates proposed.

Failure to abide by the above will result in the bid proposal being disqualified.

### **3.0 Background Information**

The HWMA, through its Member Agencies, has been tasked with the responsibility to contractually manage an agreement for processing and marketing of recoverable commodities, sale of the materials, and disposal of residuals. Recyclable materials within the Member Agencies are collected through a variety of methods including residential curbside collection programs in the cities of Arcata, Blue Lake, Eureka, and some unincorporated areas of Humboldt County, commercial recycling programs in some of the jurisdictions and drop-off materials at the Eureka Recycling Center.

***For purposes of responding to this RFP, Proposers can expect to process mixed-stream residential material from commercial collection activities, commercial source-separated recyclables (e.g. cardboard), and other materials as directed by the Authority.***

Commercial source-separated recyclables (i.e. cardboard) is an example of a commercial recycling program. Single-stream material is also collected by businesses and placed in designated bins and picked up by haulers.

Residential recycling curbside collection programs are set up as a mixed-stream system; residents set out containers with mixed-stream materials (for example, mixed paper, cardboard glass, plastic, and metal) for collection.

### Recyclable Material Types

Table 2 lists the various types of desired materials collected from Member Agency jurisdictions.

**Table 2: HWMA Member Agencies Recyclable Material Characterization**

<b>Recyclable Material Category</b>	<b>Subcategory</b>
<b>Source-separated material</b>	<b>Corrugated cardboard Other</b>
<b>Mixed Fiber</b>	<b>Corrugated cardboard, chip board, office paper, computer paper, magazine, junk mail, envelopes, catalogs, brown paper bags, paper board, telephone books, paperback books, colored paper, construction paper, and cereal and food boxes.</b>
<b>Newspaper</b>	<b>Inserts, coupons, and advertisements.</b>
<b>Glass</b>	<b>Clear, brown, green (all colors), CRV and non-CRV containers.</b>
<b>Plastics</b>	<b>Containers identified as P.E.T. # 1-5 (includes examples)</b> <ul style="list-style-type: none"> <li>• #1 PET (Clear plastic containers)</li> <li>• #2 HDPE (Ridge Containers)</li> <li>• #3 V (Vinyl or PVC)</li> <li>• #4 LDPE (Various containers, bags)</li> <li>• #5 PP (Ketchup, syrup, yogurt containers)</li> <li>• <b>Plastic bags and film plastic</b></li> <li>• <b>All containers stamped with the Society for Plastics Industry (SPI) code #1 through #5.</b></li> </ul>
<b>Aluminum</b>	<b>Food and beverage containers, foil, foil containers, pots, pans and baking containers.</b>
<b>Metal</b>	<b>Steel, tin, and bi-metal containers; small pieces of scrap metal weighing less than 10 pounds.</b>
<b>Textiles</b>	<b>Old clothes and fabrics</b>
<b>Aseptic packaging</b>	<b>Milk, fruit juice, broth, soup, etc. containers.</b>
<b>Gable top</b>	<b>Milk and juice cartons</b>
<b>Other</b>	<b>Other recyclable materials the proposer is able to process and market.</b>

The types of recyclable materials collected curbside are at the discretion of each individual Member Agency at this time. Materials are subject to change and decisions will be at the discretion of each Member Agency. Franchise haulers operating in the cities of Arcata, Eureka, and some unincorporated areas of Humboldt County including the Greater Arcata and Eureka areas are currently directed to deliver recyclable items collected to the Hawthorne Street Transfer Station.

**Table 3: HWMA Member Agencies Recycling Programs**

Component/Program Name	Arcata	Blue Lake	Eureka	Ferndale	Humboldt, County	Rio Dell
Residential Curbside	●	●	●	●	●	●
Residential Drop-Off	●		●	●	●	●
Residential Buy-Back	●		●		●	●
Commercial On-Site Pickup	●	●	●	●	●	●
Commercial Self-Haul	●	●	●	●		●
School Recycling Programs	●	●	●		●	●
Special Collection Seasonal (regular)	●	●	●	●	●	●
Special Collection Events	●	●	●	●	●	●
Other Recycling	●		●		●	

HWMA has an existing agreement with Solid Wastes of Willits, terminating in September 2016, for the transportation and processing of member agency franchise curbside collected recyclables and mixed stream recyclable materials received at the Authority. These materials do not include source-separated goods including cardboard, cans, CRV, white goods, scrap metal, electronic and household hazardous wastes received, at the Eureka Recycling Center. Franchise collectors for Arcata, Eureka, and the unincorporated areas of the Greater Arcata and Eureka area deliver recyclable materials and cardboard to the Hawthorne Street Transfer Station. The received materials are then loaded into Solid Wastes of Willits trucks for transportation to their processing facility located in Willits, CA.

The Eureka Recycling Center operated by the Authority receives mixed stream recyclable materials. This tonnage is included in the RFP. Recyclable materials from the cities of Ferndale and Rio Dell, and the adjacent unincorporated areas of southern Humboldt County area are processed at the privately-owned Eel River Disposal MRF in Fortuna. Since the respective franchise agreements direct recyclable materials to the ERD facility, their tonnage is not included into the RFP. Recyclable materials from City of Fortuna and its general area are not included within recyclables material tonnage estimates to be considered for the purposes of responding to this RFP.

Humboldt Sanitation operates a privately owned transfer station in McKinleyville that collects source-separated recyclables and CRV from the unincorporated community of McKinleyville and surrounding areas, as well as the City of Trinidad. The Humboldt Sanitation tonnage is not included in the RFP estimates because existing franchise agreements direct recycling material to Humboldt Sanitation until 2021.

In addition to the Eel River Disposal facility located in Fortuna, Eel River Resource and Recovery, Inc. also operates the Samoa Processing Facility, a MRF and permitted medium volume transfer station, located in the unincorporated community of Samoa, CA. While currently the City of Blue Lake has directed curbside collected material to this facility, until September 2016, this Member Agency material is included in the RFP. Humboldt State University is also directing source-separated recyclables to this facility, and the HSU tonnage is not included in the RFP estimates.



The recycling tons described herein **do not include** recycling material received by *open market drop-off* commercial recycling centers including Humboldt Sanitation, Eel River Disposal, Redwood Acres Recycling, G&R Metals, Sherricks Recycling, Popko Recycling, and Redway Transfer Station, as these companies serve independently from Member Agency franchise collection agreements. Additionally, other materials received by HWMA (i.e. electronic waste, household hazardous waste, white goods and other material diverted from the tip floor) will be processed and marketed by the Authority.

**3.1 Recyclable Material Tonnage from Authority Member Agencies**

Since processing of recyclables in the Authority region are non-regulated, precise measurement of recyclable tonnages generated within the HWMA is dependent on voluntary submission of data to the Authority. To the best of the Authority’s knowledge, as of January 2014, the total annual tonnage of recyclable materials is presented in Table 4. This tonnage is based on actual curbside collected materials received from the cities of Arcata, Blue Lake, and Eureka, and satellite areas of unincorporated Humboldt County surrounding urban pockets of customers to nearby Arcata, Eureka, and Blue Lake areas.

**Current and Future Recycling Tonnage**

When the contract for hauling recyclable material was put forth in 2010 the estimate was a baseline of 7,000 tons, increasing by 1.5% each year. Actual tonnage the first year (2011-2012) was 3,377 tons, with 655 tons from the Eureka Recycling Center. Following the implementation of mandatory curbside collection in 2012-2013, within the jurisdictions of Eureka and Arcata, tonnage increased to 6,415 tons, with 1,822 tons from the Eureka Recycling Center. In 2013-2014 7,477 tons was received with 2,310 tons from the Eureka Recycling Center. These figures include source-separated commercial cardboard.

The Authority is projecting a 5% per year growth in total incoming tonnage, but does not guarantee any particular level of recyclable material delivery to the Contactors’ material receiving facility. With other franchise areas anticipating mandatory curbside recycling the tonnage is expected to increase 5% annually, generating an estimated 10,252 tons in 2014-2015 and 10,739 in 2015-2016. Growth forecast being based on the increase in tonnage from the previous year. With planned implementation of AB 341- 75% Statewide Diversion Goal (Chesbro) will enable increased materials collection to order to meet diversion goals.

Table 4 presents the past (3) years of mixed-stream recyclable material and source-separated commercial cardboard tonnage as well as future projected recyclable material tonnage from the Authority’s Member Agencies, not including Ferndale, Rio Dell and portions of unincorporated Humboldt County, over the next two (2) years.

**Table 4: Material Tonnage Received in 2011-2014 and Projected Through 2016 from HWMA Member Agencies**

Agreement Term (Year)	2011-12	2012-13	2013-14	2014-15	2015-16
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				(est.)	(est.)
<b>Mixed-Stream Recycling</b>	3,837	7,411	8,476	8,827	9,201
<b>Source-Separated Commercial Cardboard</b>	195*	826	1,311	1,425	1,538
<b>Total Annual Tons</b>	4,032	8,237	9,787	10,252	10,739

\*2011-12 tonnage reflect primarily cardboard tonnage received through City of Arcata curbside collection with a significant increase the following year with the addition of Eureka's collection services.

#### 4.0 Scope of Services

The Humboldt Waste Management Authority, as a joint powers authority acting on behalf of its Member Agencies, is seeking to enter into an agreement with a contractor who will provide transportation, receiving and processing of recyclable materials at a Regional Processing Facility located within a Member Agency's jurisdiction for a term period of 10 years. The purpose of this RFP is to solicit proposals for the processing of identified recyclable materials in Table 2 of this RFP. Interested proposers are encouraged to submit proposals which include additional services not identified in this RFP. Proposers are also encouraged to provide alternatives if they can improve the efficiency, save monies, and/or reduce the disposal of residuals. The Authority will place an emphasis on a Proposer who places a high priority on reliable, cost effective, and environmentally sound operations, and who has demonstrated measurable results through its on-going operations on other similar projects.

Proposers should carefully review *Section 5.0 Agreement* that will define the contractual arrangements between the HWMA and the Contractor selected through this RFP process, and *Section 6: Proposal Submittal Instructions* which specifies required information from Proposers which will be used in the evaluation and selection process. In the event of a conflict between the Agreement and this RFP, the language in the Agreement takes precedence.

The selected proposer will be required to provide all labor, supervision, equipment, and materials in conformance to all required permits and regulatory requirements.

The selected Proposer will:

- Develop and/or, secure and maintain a building with sufficient capacity to receive Authority's Member Agencies' recyclable materials and the Authority's Eureka Recycling Center's mixed recyclable material for loading and transfer to Contractor's facility for processing.
- Provide all necessary personnel, rolling stock equipment, and supplies necessary for operations of the facility, transporting the recyclables, and other obligations through the Term of this Agreement.
- The Proposer's receiving/processing facility shall be open (business hours) to receive Authority's recyclable materials from 7:00 a.m. to 5:00 p.m., Monday through Friday, including all holidays. Member Agencies franchise collection haulers shall be provided key-

card access to the receiving facility outside of normal business hours and 365 days per year. The hours of operation of the facility may be changed upon mutual agreement between the HWMA and the Contractor.

- The Proposer shall ensure that the traffic into the selected facility flows smoothly, that there are no delays in unloading, and that the unloading area is clear to receive recyclable materials at all times during operating hours.
- The Proposer shall provide loader equipment and move the unloaded mixed-stream recyclable materials into the proper temporary storage area. Source-separated recyclable materials shall be kept separate from either of the mixed-stream recyclable materials and stockpiled within a temporary storage area or container until ready to process.
- The Proposer shall collect source-separated recyclable materials from the Authority's Hawthorne Street Transfer Station and transport to a local processing facility.
- The Proposer must provide turnaround time at the receiving facility of less than 15 minutes for franchise haul trucks.
- Inbound and outbound franchise haul trucks must be weighed, and electronic files of the scale data must be submitted monthly to the Authority.
- Maintain sufficient personnel and equipment to process at the Contractor's facility all loads of recyclable materials from the Authority.
- Maximize cost-effective marketing of recyclable materials delivered to the selected Proposer's processing facility. Allowable exceptions will be made for value added services.
- A complete record of all commodity sales transactions shall be kept by the Contractor and shall be submitted for review according to the reporting requirements of the Agreement.
- The selected Proposer is responsible for securing markets for recovered materials and maintaining accurate accounting of material quantities, types, pricing, and payments received on all recovered materials at the highest and best price available in the competitive market.
- The selected Proposer will market materials, including local markets, to obtain the highest gross revenue from commodity sales.
- Following separation and recovery of Authority's recyclable materials, the selected Proposer will dispose of residuals as approved by the sole discretion of the Authority. The disposal rate for residuals at no time will exceed the cost that would locally be provided by the HWMA

- ❑ The Proposer shall load the respective type of recyclables (either fibers or containers) into a transfer trailer truck when sufficient volumes of material are available to fully load the trailer.
- ❑ The selected Proposer will provide monthly documentation in a form satisfactory to the Authority and as required by applicable law documenting the recyclable material tonnage received, processed, marketed and the tonnage of residuals disposed.
- ❑ Proposers must submit a sales revenue plan through which the selected proposer would share revenues received from marketing the recyclable commodities collected and processed.
- ❑ Other items as identified through Addenda or proposed by Proposer.

The Proposer selected will be expected to be flexible and proactive in working with the Authority in order to provide services in an efficient manner and to add or modify services as requested to improve such services throughout the Term of the Agreement.

## 5.0 Agreement Arrangements

The procurement schedule in Table 1 designates the schedule to select a Proposer and to finalize the Agreement with the selected Proposer as the Authority's Contractor. In an effort to accomplish this objective, an Agreement is provided in Attachment 1. The Agreement provides Proposer required terms and conditions of the required services and the HWMA's roles, responsibilities, and obligations.

The HWMA is interested in selecting a Proposer that is prepared to sign the Agreement in its existing form. The Authority expects that the Draft Agreement will be executed by the selected proposer in substantially the same form as presented in Attachment 1. Proposers may, if necessary, propose exceptions to the Agreement; exceptions must be accompanied by recommended alternative language, such that the alternative language is acceptable to the HWMA. If Proposer's comments include material exceptions to the HWMA's Agreement terms, the HWMA may reject the proposal regardless of its other merits and proposed costs. Except at the sole discretion of the HWMA, all negotiations with the Proposers will be limited to the Proposers' comments and recommended alternative Agreement language contained in their proposal.

## 6.0 Proposal Submittal Instructions

Proposers must provide all information requested in this section and addendum items, if any, as part of their proposals. Attachments 2 and 3 contain the Cost Proposal Forms required to be completed by each Proposer. Failure to provide all required information as listed below may be grounds for rejection of a proposal.

The proposal requirements have been separated into the following responses: and will be evaluated and ranked according to the following categories: 1) Company Qualifications, Financial Assurance, Information and Experience, 2) Cost Proposal, 3) Operational Proposal, 4.) Environmental Compliance, Environmental Enhancements, Workforce Compliance, Litigation

History and Other considerations; and 5) Agreement Acceptance/Number and materiality of exceptions to the Agreement.

### **6.1 Company Qualifications, Financial Assurance Information and Experience**

At a minimum, provide a detailed description of the company and its qualification including key personnel and information on the Company's experience to successfully implement the requested services in the RFP.

- State the name and address of the company that will be signing the Agreement and the name, address, phone number, fax number, e-mail address, and title of person to be contacted regarding the proposal. Provide the names of any other company (ies) that will share significant responsibilities as team members in performing under the Agreement.
- Provide names and resumes of principal officers, partners, or other officials of the company who will perform significant responsibilities required under the RFP.
- Identify the names of individual(s) who will implement the Agreement, and include resumes for each key individual responsible for implementation of the Agreement.
- Describe relevant technical experience of key personnel, how long they have been with the company and their backgrounds in solid waste transfer, recycling materials processing and receiving, recyclable commodity marketing services, and customer service.
- Provide support that the Proposer has financial resources sufficient to undertake the proposed services.
- 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 (3) complete fiscal years and an audited statement 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.
- Describe your company and staff qualifications as they relate to successfully providing recycling, processing and marketing, as well as operations of a transfer station and permitted processing facility.
- Describe any proposed partnerships that could support or enhance recycling diversion efforts.
- If companies are submitting as a team, describe any prior successful working arrangements involving similar types of services for similarly sized communities.

- Describe services provided currently, or in the past, to other jurisdictions that are directly relevant to services described in this RFP, including descriptions of relevant contracts and the dates the service was provided.
- Provide the name, telephone number, and address for three (3) municipal clients serviced by the Proposer as references for your experience for the services requested in the RFP.

## 6.2 Cost Proposal

- The Marketing Plan shall include: 1) a materials specifications section that lists the materials specifications for the markets/vendors used by the Proposer, and 2) a materials marketing contingency section that discusses how the Proposer will manage a change in market conditions, and 3) proposed unit price it will pay for recyclable materials processed by the Proposer.
  - Describe how the Proposer's material marketing sale programs result in obtaining superior market value.
  - Describe how the company fosters innovation and high quality performance with proven examples.
  - Describe how materials will be marketed or made available to local businesses.
  - Description of the experience, history, and volumes marketed by your materials marketing staff/agent.
  - List the volumes and sale price by commodity types that will be produced by the Authority that have been sold by the Proposer (from Northern California) over the last 12 months to domestic and foreign markets.
  - Provide a detailed description of a proposed revenue sharing program with the Authority materials recovered and marketed by the Proposer.

## 6.3 Operations, Recyclable Receiving and Processing

Operations information supplied by the Proposer should focus on the methods of performing the services required under the Agreement and as described under Section 4, Scope of Services. Proposers should describe in detail the proposed method for providing the following services requested in the RFP. The Proposer will be required to secure and/or site and operate a recyclables receiving and processing facility to 1.) Receive recyclables from the Member Agencies franchise haulers; and 2.) Transport mixed-stream recyclable materials from the Authority's Eureka Recycling Center. The Proposer's facility must be located within any one of the Authority's Member Agency jurisdictions. Proposers are required to submit the following information on the facility:

- Address of the recyclables receiving facility. Provide a site map(s) showing the facility and its location to the surrounding area.
- Describe the facility layout and features in detail including the square footage of the building and the square footage of the recyclable receiving area.

- Describe the load receiving and inspection procedure proposed for use at the facility.
- Describe how the Proposer will collect and transport mixed-stream and identified source-separated recyclable materials from the Authority's Eureka Recycling Center to a local processing facility.
- Detail the staffing levels and equipment requirements that will be employed by the Proposer to process the materials. Identify the location, function and work hours for the personnel.
- Complete Attachment 3 "Distance from Each Member Agency to the Proposer's Proposed Receiving and Processing Facility".
- Describe the number and nature of jobs created or retained for providing the services requested in the RFP over the life of the contract period, including location of jobs, pay scale and benefit package for each job category.
- Describe the safety and training plans at the facilities, and safety plans for the drivers and collection trucks using the facility.
- Provide a table showing the position and number as full-time equivalents (or partial FTE) of all company employees that will be involved with providing these services
- Include a table that illustrates the distance (mileage) recyclables are transported and tonnage transported for each jurisdiction that utilizes the processing facility proposed to accept recyclable materials from the HWMA.
- Provide detailed information regarding the processing facility operations proposed for processing and sale of the Authority's recyclables. At a minimum, include permitting information; facility design and equipment in-use including a detailed flow chart of system operations; tonnage processed and recovered; residuals remaining as a percentage of tonnage received; and number of full time equivalent personnel employed at the facility.
- Describe how the Proposer will maintain safe and efficient unloading procedures of Authority's recyclables.
- Describe how materials will be received and managed on the tipping floor of the processing facility.
- Proposer will provide a detailed Materials Marketing Plan as part of the proposal submission.
- Provide a detailed description of a proposed revenue sharing program with the Authority for materials recovered and sold by the Proposer.

#### **6.4 Environmental Compliance, Environmental Enhancements, Workforce Compliance,**

### **Litigation History and Other Considerations.**

- List any environmental compliance-permit violations incurred by the company, partner or subsidiary in this venture, or sub-Proposer in the past five (5) years for similar types of facilities operated within Northern California.
- Provide detailed information regarding the Proposer's litigation history. Has any company, partner, or subsidiary proposing on this RFP or any corporate officer been involved within the past ten (10) years in litigation arising from:
  - Performance of solid waste contracts or recycling contracts;
  - Violation of environmental laws, regulations, permits, or federal antitrust laws; and
  - Connection with allegation of corrupt practices.
- Has any company, partner, or subsidiary in this venture, or any corporate officer, 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 Proposer or its parent company or joint venture company (ies) by a governmental entity contracting with the Proposer or its parent for services relating to waste management services, or against such a governmental entity by the Proposer or its parent company or joint venture in the past five (5) years. Failure to disclose an accurate litigation history may result in disqualification of the proposal.
- Proposer must provide information detailing its worker safety record for the past five (5) years for the company and its affiliates in California or pertinent State(s) where it operates.
- The worker safety record information will include, but not be limited to, employee safety metrics commonly used in the industry such as the number of hours lost for individual injuries per employee and workers' compensation insurance ratios.

### **6.5 Agreement Acceptance**

The HWMA is interested in selecting a Proposer that is prepared to sign the Agreement in its current form. Proposers may, if necessary, propose exceptions to the Agreement. Any exceptions must be accompanied by recommended alternative language such that if the alternative language is acceptable to the HWMA, the Proposer is prepared to sign the revised Agreement without further discussions or negotiations.

The number and the substantive nature of the exceptions will be compared to those taken by other Proposers during the proposal evaluation process. If comments by the Proposer include significant exceptions to the HWMA's Agreement terms, the Authority may reject the proposal regardless of its other merits and proposed service costs.

At the sole discretion of the HWMA, all negotiations with the Proposers will be limited to the Proposer's comments and recommended alternative Agreement language contained in their proposal.



## 7.0 Cost Proposal and Cost Form

Receiving cost effective and efficient recyclable processing and marketing services is a priority for the HWMA Member Agencies. The Proposer is required to submit its cost proposals using the Cost Forms in Attachment 2 for this submittal. The Attachment 2 Cost Form is divided into two (2) separate components:

### **Form #1, Standard Cost Proposal**

- A. Receiving Facility Cost:** The determination of the cost per ton by the Proposer related to the operation of a recyclables material receiving and loading facility.
- B. Transportation Cost:** The determination of the cost per ton related to the transportation of the Authority's mixed recyclable materials from the Eureka Recycling Center to the Proposer's processing facility.
- C. Processing Cost:** The determination of the cost per ton related to the processing of the Authority's recyclable materials at the Proposer's processing facility.
- D. Summation of All Cost Components:** Proposers are required to sum Cost Components A, B and C into one (1) Total Cost per Ton Fee (\$) for the services requested by the Authority for this RFP. For future rate escalation and Proposer compensation purposes, the Total Cost per Ton Fee will be the unit cost value submitted by the Proposer.

### **Form #2, Cost Proposal with Revenue Sharing**

The Attachment 2 Cost Form #2 with Revenue Sharing includes the Cost Components listed above less a share of the sale revenues of commodities per ton:

- A. Receiving Facility Cost:** The determination of the cost per ton by the Proposer related to the operation of a recyclables material receiving and loading facility.
- B. Transportation Cost:** The determination of the cost per ton related to the transportation of the Authority's mixed recyclable materials from the Eureka Recycling Center to the Proposer's processing facility.
- C. Processing Cost:** The determination of the cost per ton related to the processing of the Authority's mixed and source-separated recyclable materials at the Proposer's processing facility.
- D. The Determination of the Revenue per Ton from the Sales of Recyclables Credited Back to the HWMA.** We understand that this will be based on the items included in the final agreement and revenue may vary in response to periodic market conditions. Proposer should propose a method for sharing revenue and demonstrate projected revenue at the date of the bid submittal and allow for annual market adjustments.
- E. Summation of All Cost Components:** Proposers are required to sum Cost Components A, B, C less Component D into one (1) Total Cost per Ton Fee (\$) for the services requested by the Authority for this RFP. For future rate escalation and Proposer

compensation purposes, the Total Cost per Ton Fee will be the unit cost value submitted by the Proposer

## **Section 8.0 Proposal Evaluation and Proposer Selection**

### **8.1 Proposal Evaluation Procedures**

The proposals will be evaluated based on their content, completeness, and clarity. Specific evaluation criteria has been developed that will focus on evaluating the information requested in the RFP. Proposals will be evaluated based on the extent to which they meet evaluation criteria.

Proposals will be evaluated by a RFP Evaluation Committee (RFP Committee) consisting of two (2) HWMA staff members, and a staff member from each of the Authority Member Agencies. The Authority's Executive Director will help facilitate the process and support the RFP Evaluation Committee. The Executive Director will be available to answer questions by the RFP Evaluation Committee as needed, but will not have any proposal scoring and ranking voting authority. Each evaluator will review all proposals received using a set of established evaluation criteria that will be applied to identify the relative strengths and weaknesses of individual proposals.

The ratings from the RFP Committee 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 RFP Committee may prepare a shortlist of Proposers to be interviewed.

Invitations may be issued to Proposers on the shortlist to make oral presentations to and/or interviews with the evaluation team. Site visits to Proposer's representative facilities by RFP Committee members 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 conducted, along with any other information requested by the HWMA, the RFP Committee will prepare a final ranking of the short listed Proposers and present its ranking to the HWMA Board. The Authority Board will have the sole and final authority to select a preferred Proposer, and will direct staff to enter into negotiations with the selected Proposer to provide the services outlined in this RFP. In the event the negotiations with the selected Proposer are unsuccessful, the Authority, in its sole discretion, may designate another Proposer from the list of shortlisted Proposers and enter into negotiations with that Proposer.

### **8.2 Proposal Evaluation Categories and Factors**

Proposals will be numerically scored and ranked using the factors and weighting described in this section. The scores assigned will reflect the extent to which criteria is satisfied relative to other proposals. The evaluation categories and maximum score that can be achieved for each category are presented in Table 6.

**Table 6: Proposal Evaluation Categories and Maximum Evaluation Score**

	<b>Proposal Evaluation Category</b>	<b>Maximum Evaluation Score</b>
<b>1</b>	Company Qualifications, Financial Assurance, Information and Experience	<b>15</b>
<b>2</b>	Cost Proposal	<b>40</b>
<b>3</b>	Operational Proposal	<b>30</b>
<b>4</b>	Environmental Compliance, Environmental Enhancements, Workforce Compliance, Litigation History and Other considerations	<b>10</b>
<b>5</b>	Agreement Acceptance	<b>5</b>
	<b>Total Maximum Score</b>	<b>100</b>

The potential factors that may be considered by the proposal evaluation team when developing the score for each category are presented below. The factors which the Evaluation Team will score the proposals are outlined below. Proposer must be fully compliant with the RFP submission requirements, and rely on Sections 5 and 6 to guide the substance and form of their proposal. Proposers should not consider these category factors as being comprehensive or exhaustive

**Company’s Qualifications, Financial Assurances, Information and Experience (Maximum 15 points)**

- Company Experience:** Demonstrated experience of the company in operating transfer stations, transporting waste and other materials, operation of recycling, processing and related facilities.
- 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, environmental permits, highway requirements, etc.
- Key Personnel Qualifications:** Extent and relevance of the qualifications and experience of key personnel proposed for the team and on-going management of the operations.
- Management:** Demonstrated capabilities of the company’s existing management and its 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.
- 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.
- Jurisdiction References:** Level of satisfaction of jurisdictional customers with Proposer services.

**Cost Proposal (Maximum 40 points)**

- Reasonableness of Cost Proposal: Logical relationship between proposed costs and operational assumptions for the cost proposal.
- Competitiveness of Cost Proposal: Cost competitiveness relative to other proposals submitted
- Location and distance of the Proposer's regional processing facility to each of the Member Agencies.
- Revenue Sharing Plan: Reasonable relationship based upon the Marketing Plan, market conditions and potential revenue sharing.

**Operational Proposal (Maximum 30 points)**

- Approach: Reasonableness and reliability of the proposed services (e.g., technology, equipment, and staffing levels,); reasonableness of productivity and operating assumptions (operating metrics).
- The number and nature of jobs created or retained in Authority's Member Agency jurisdictions over the life of the contract period, including pay scale and benefit package for each job category.
- General Operations: Proposed methods of tracking and reporting operational activities such as productivity, staffing levels, and training programs.
- Diversion Plans: Proposed methods to increase diversion of materials at processing facility, plans, and transfer station diversion commitments that the company may guarantee.
- Processing System Design: The efficiency of the processing sorting equipment layout, equipment, personnel and use of technology in the proposed sorting system for the Authority's recyclables. Scale software system capabilities, reliability, billing and reporting procedures. How the Proposer will handle the Authority's mixed-stream recyclables in combination with its other single-stream customers, if applicable. The functionality and capabilities of the sorting system including the tons per hour throughput, effectiveness at sorting materials, labor conservation, and employee working conditions.
- Separation Efficiency: Proven effectiveness of the sorting system to deliver clean and fully separated commodity types and the ability of the system to capture recyclables and reduce residual.
- Commodity Marketing Experience: Demonstrated ability to reliably market the Authority's commodities and obtain the best revenues from commodity sales including: descriptions of current and past materials marketing experiences and purchase contracts

with buyers that demonstrate the company's future price/volume commitments.

Provide copies of all pertinent regulatory permits and contact names for regulatory agencies that monitor the facility's compliance with applicable local, state, and federal laws.

**Environmental Enhancements, Workforce Compliance, Litigation History and Other Considerations (Maximum 10 points)**

- Green-house Gas (GHG) Emissions: Overall reduction in GHG through the use of alternative fuels in trucks and equipment; purchase or generation of renewable power in Proposer's buildings; or other GHG emission reduction proposals.
- Market Enhancement: Identify domestic markets for recyclable materials and propose a plan for maximizing reuse or recycling within the US.
- Proposer must provide information detailing its worker safety record for the past five (5) years for the company and its affiliates in California or pertinent State(s) where it operates.
- The worker safety record information will include, but not be limited to, employee safety metrics commonly used in the industry such as the number of hours lost for individual injuries per employee and workers' compensation insurance ratios.
- Provide a table showing the position and number as full-time equivalents (or partial FTE) of all company employees that will be involved with providing these services.
- Describe any criminal proceedings in which the Proposer, and/or any director or officer of the proposer or affiliate and any individual identified as key personnel in the proposal has been named as a defendant that are either currently pending or were concluded within the past ten (10) years. For each proceeding, provide the name of the case, the court in which it was filed, and the docket number.
- Describe any civil lawsuit in which the Proposer has been named as a defendant or cross-defendant, either currently pending or were concluded within the past five (5) years. For each lawsuit, provide the name of the case, the court in which it was filed, and the docket number. Lawsuits which involved only claims for personal injury or property damage arising from vehicle accidents which resulted in defense verdicts or in judgments against defendant, or settlements of less than \$100,000, need not be disclosed.
- Describe any administrative proceedings involving the Proposer initiated by federal, state, or local regulatory agencies that are either currently pending or were concluded within the past ten (10) years. For each, provide the name of the regulatory Authority, the nature of the proceeding, and the amount of any fines or penalties assessed.

**Number and Materiality of Exceptions to Agreement (Maximum 5 points)**

Proposals will be scored based on the Proposer's acceptance of the Agreement without revisions. Although a Proposer may propose exceptions to the Agreement, points in this category will be

given based on the fewer number of revisions proposed. Authority shall reserve the right to determine if the exceptions are reasonable; if proposed revisions are determined to be reasonable, points may or may not be deducted.

## Section 9 Proposal Submittal Instructions

### 9.1 Authority Contact and Address

Proposers shall submit all correspondences, questions and the proposal submittal to the following contact individual:

Jill Duffy  
Executive Director  
Humboldt Waste Management Authority  
1059 West Hawthorne Street  
Eureka, CA 95501  
Telephone number: 707.268.8464  
Email: [jduffy@hwma.net](mailto:jduffy@hwma.net)

### 9.2 Submittal of Written Questions

HWMA requires Proposer to submit all questions and requests for information in writing (email is acceptable) directly to HWMA at the address listed in Section 9.1. The deadline for submitting written questions and requests for information will be **Month Day, Year**. HWMA will NOT accept questions or requests for information after **Month Day, Year**.

### 9.3 Proposal Submittal Format

The Proposer shall submit (8) double-sided copies in three-ring binders of the complete proposal and one (1) single-sided signed original, no later than **2:00 p.m.** on Month Day, Year in a sealed package. In addition, Proposers must submit an electronic copy either on disk or USB drive of the proposal in Adobe PDF (preferred) or Microsoft Word shall be submitted with the 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.

The sealed package shall be clearly labeled:

**PROPOSAL TO HWMA FOR PROCESSING AND MARKETING OF RECYCLABLE MATERIALS:** Name of Proposer:

The proposal must be mailed or hand delivered to HWMA's Business Office address as cited in Section 9.1. Proposals received late will not be considered and will be returned unopened to the Proposer. Postmarks will not be accepted as proof of receipt.

### 9.4 Clarification of Proposal Information

Proposer may be asked to clarify information through written communications and interviews or during site visits of the Proposer's processing facility. The clarification process may be

performed by HWMA staff, RFP Committee and/or Member Agency staff.

### **9.5 Presentation to HWMA Board**

One or more Proposers may be invited to present their proposals to the HWMA Board and Member Agencies. Invitations to present will be based on evaluation of the proposals at a time to be determined.

### **9.6 Selection of Recommended Proposers**

After the HWMA selects and approves a Proposer, Agreement negotiations will commence. Upon notification of being selected to negotiate a contract, the Proposer will have seven (7) calendar days to provide a surety made payable to the HWMA in the amount of \$100,000 and in the form of a cashier's check or surety bond. The purpose of the surety bond is to guarantee that the Proposer will execute in good faith the Agreement. If the selected Proposer does not execute the Agreement within thirty (30) calendar days after receiving notice of its selection, the HWMA reserves the right to keep the surety to offset potential costs associated with identification of an alternate service provider(s) and schedule delays. Un-cashed checks will be returned to all proposers within ten (10) calendar days after an Agreement is executed.

### **9.7 Schedule**

The schedule for the RFP procurement process is presented in Section 2.4, Table 1.

### **9.8 Proposal Content**

**Proposals must be submitted according the following format and include the following information:**

1. Cover letter providing:

- Name, address, and telephone and fax number of Proposer and key contact person.
- Description of type of organization (e.g., corporation, partnership) submitting proposal.
- If teaming arrangement with is proposed, describe past working relationships on similar projects.
- Name of entity that would sign the Agreement.
- A statement 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.
- The cover letter and Forms must be signed by an officer or agent of the Proposer authorized to bind the Proposer. In signing proposal, the Proposer agrees that the terms of proposal and the cost as submitted by Proposer are firm for a period of one year from proposal due date and assures that a performance bond or other instrument as specified in the Agreement will be issued by the Proposer.

2. Executive summary (not to exceed two pages) that highlights the major topics of your

qualifications and proposal and clearly states the services the proposal addresses.

3. Responses to all information requested in Section 4. Organize your responses into topics, and address each element following the format outlined below so that all requested information can be readily found.

#### 4. Proposal Outline

Each proposal must address the topics and scope of work as stated in Sections 6 and 7 of the RFP in the following format:

##### i. Title Page, Cover Letter, Table of Contents, Executive Summary

###### I. Company Description, Experience and Qualifications Element

1. Company Information
2. Company Qualifications
3. Key Personnel
4. Personnel and Experience
5. Litigation History
6. Environmental Compliance

###### II. Operations Element

1. Methods and Procedures for Operations of the Recyclable Receiving Facility
2. Transportation of Materials
3. Processing Facility (MRF) Operation
4. Materials Marketing Plan

###### III. Financial Background Element

1. Financial Stability, Materially Letter
2. Financing Method

###### IV. Proposed Environmental Enhancements Element

###### V. Agreement Acceptance Component Element

###### VI. Cost Proposals Element

1. Cost Proposal Form # 1
2. Cost Form #2
  
3. Anti-Collusion Affidavit Form
4. Distance from Proposer's Receiving/Transfer Facility to Member Agencies Form

Appendix, Additional Information – Other information or data relevant to your proposal is optional and may be included as an Appendix to the proposal.



**Attachment 1: Agreement**

**TO BE INSERTED-**

Legal Counsel will initiate drafting once the Board has approved a DRAFT RFP.

**Attachment 2: Cost Proposal Form #1**

**Proposer Name:** \_\_\_\_\_

<b>A. Receiving Facility Cost:</b> (Cost per ton related to the operation of a recyclables material receiving and loading facility.)	<b>Receiving Facility Cost (\$) = \$ _____/ton</b>
<b>B. Transportation Cost:</b> (Cost per ton related to the transportation of the Authority's recyclable materials from the Eureka Recycling Center to the Proposer's processing facility.)	<b>Transportation Cost (\$) = \$ _____/ton</b>
<b>C. Processing Cost:</b> (Cost per ton related to the processing of the Authority's recyclable materials at the Proposer's processing facility.)	<b>Processing Cost (\$) = \$ _____/ton</b>
<b>D. Summation of All Cost Components:</b> (Sum Cost Components A, B and C into one (1) Total Cost per Ton Fee (\$) for the services.)	<b>Total Cost Components (\$) = \$ _____/ton</b>

**Attachment 2: Cost Proposal Form #2, Revenue Share**

**Proposer Name:** \_\_\_\_\_

<b>A. Receiving Facility Cost:</b> (Cost per ton related to the operation of a recyclables material receiving and loading facility.)	<b>Receiving Facility Cost (\$)</b> = \$ _____/ton
<b>B. Transportation Cost:</b> (Cost per ton related to the transportation of the Authority's recyclable materials from the Eureka Recycling Center to the Proposer's processing facility.)	<b>Transportation Cost (\$)</b> = \$ _____/ton
<b>C. Processing Cost:</b> (Cost per ton related to the processing of the Authority's recyclable materials at the Proposer's processing facility.)	<b>Processing Cost (\$)</b> = \$ _____/ton
<b>D. Revenue Share:</b> (Revenue share related to the sales of HWMA recovered materials.)	<b>Mixed Recycling Revenue Share (\$)</b> = \$ _____/ton <b>Source-Separated Revenue Share (\$)</b> = \$ _____/ton <b>Total Revenue Share (\$)</b> = \$ _____/ton
<b>E. Summation of All Cost Components:</b> (Sum Cost Components A, B, C less Component D into one (1) Total Cost per Ton Fee (\$), Component D for the services.)	<b>Total Cost Components (\$)</b> = \$ _____/ton

**Attachment 3: Distance from Proposer's Receiving facility to Member Agencies Form**

Proposer Name: \_\_\_\_\_

<b>Selected Centroid Location</b>	<b>Proposer's Receiving/Transfer Location</b>	<b>One Way Distance (Miles) From Each Centroid to Proposer's Receiving/Transfer Location</b>
<b>30 South G Street, Arcata, CA 95521</b>		
<b>111 Greenwood Road, Blue Lake, CA 95525</b>		
<b>949 West Hawthorne Street, Eureka, CA 95501</b>		
<b>965 Riverwalk Drive, Fortuna, CA 95540</b>		

## Attachment 4 Anti-Collusion Statement Form

The under signed Proposer has not divulged to, discussed, or compared his/her proposal with other Proposers and has not colluded with any other Proposer or parties to the proposal whatsoever. Proposer acknowledges that all information contained herein is part of the public domain as defined in the guidelines in Section 2.7 Limits on Disclosure of Proposals as stated in the RFP and as governed by the State of California.

I certify that this proposal is made without prior understanding, agreement or connection with any corporation, firm or person submitting a proposal for the same service, and is in all respects fair and without collusion. I agree to abide by all conditions of these proposal specifications and I certify that I am authorized to sign this proposal.

(Please type or print below)

Executed under penalty of perjury on this \_\_\_\_\_ day of \_\_\_\_\_, 2016 at \_\_\_\_\_.

SIGNED BY: \_\_\_\_\_

TITLE: \_\_\_\_\_

ORGANIZATION: \_\_\_\_\_

Subscribed and sworn to before me this \_\_\_\_\_ day of \_\_\_\_\_, 2015 at \_\_\_\_\_.

Notary Public

My Commission expires:

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**MEMORANDUM OF UNDERSTANDING BETWEEN THE  
HUMBOLDT WASTE MANAGEMENT AUTHORITY AND ITS MEMBER AGENCIES  
TO PARTICIPATE IN A  
REGIONAL RECYCLABLE MATERIALS PROCESSING AGREEMENT**

This Memorandum of Understanding is entered into by and between the Humboldt Waste Management Authority (“HWMA” or “Authority”), a joint powers authority, and the undersigned participating member agencies (each, a “Participating Agency”) and is effective this day of \_\_\_\_\_ (“Effective Date”).

**Recitals**

- A. HWMA is a joint powers authority formed by the cities of Arcata, Blue Lake, Eureka, Ferndale, Rio Dell, and the County of Humboldt for purposes of efficient solid waste management.
- B. Based on the interests of its member agencies, HWMA is preparing to solicit a request for proposals for cost-effective regional recyclables materials processing services, evaluate said proposals and enter into an agreement for services.
- C. In order to solicit and secure a competitive proposal, member agencies are asked to commit their source-separated and mixed recyclable tonnage to HWMA. Some member agencies have entered into hauling franchise agreements in which recyclable materials are contractually committed to the franchisee for the term of the franchise agreement, but may be interested in committing recyclable materials to HWMA when such contractual commitments have ended and the materials are available.
- D. HWMA anticipates that said agreement with the Authority’s designated contractor for recyclable services will contain the following key components:
  - 1. Acceptance of source-separated or mixed recyclable materials from franchise haulers at either the HWMA facility (1059 W. Hawthorne Street, Eureka, CA), or other facilities approved by the HWMA and Contractor for purposes of implementing the Regional Recyclable Materials Processing Contract.
  - 2. A term of ten years, with a five-year extension option.
  - 3. Payment by the contractor for the recyclable materials at a rate to be determined through the negotiation process, with share of revenue distributed to member agencies based on contributed tonnage.
  - 4. Low-cost and efficient local recycling, receiving and processing services.
  - 5. Maximize commodities for high value end market.
  - 6. Flexibility to adapt to market fluctuations and trends to secure most competitive price rates.
  - 7. A quarterly market value credit to the Authority based on the tons processed and full market value of the indices described in the executed agreement between the Authority and the Authority’s designated contractor for recyclable services.

8. The demonstrated ability, and expressed interest, to accept and market additional materials.
9. Maintain quarterly facility total residual disposal to less than 8% of inbound materials from the franchise haulers.
10. Meet or exceed all current and future state and local regulations and permitting conditions, and have an Operations Plan approved by local regulatory authorities at the time the Processing Agreement goes into effect.
11. Creation of good quality jobs and fair treatment of employees.
12. Full cooperation with member agency franchise operators, as well as the Hawthorne Street Transfer Station.
13. Maintain a high level of service (timely, courteous, and responsive) to the Authority and its Member Agencies.
14. Ensure the cost competitiveness and effectiveness of the services provided; and
15. Pursuant with CA Assembly Bill 32, minimize the carbon footprint; reduce overall greenhouse gas emissions and other adverse environmental impacts while maximizing the sustainability of the services.

The undersigned HWMA member agencies would like to participate in the HWMA Regional Recycling RFP process, and ensure combined recycling tonnage is committed for recyclables materials processing.

NOW THEREFORE, based on the terms recited above, the parties enter into this memorandum of understanding:

1. Recyclable Materials Processing Agreement. HWMA shall solicit proposals and enter into an agreement for recyclable processing and marketing services with the Authority's Designated Recycling Contractor ("Contractor") with basic terms as outline above ("Recyclable Materials Processing Agreement").
2. Recyclable Materials Flow Control.
  - a. Each Participating Agency, for the term of the Recyclable Materials Processing Agreement, agrees to direct its franchise collection hauler to deliver all recyclable materials it collects under agreement with the Participating Agency to either the HWMA transfer facility located at 1059 W. Hawthorne Street, Eureka, or other facility approved by the HWMA for receipt by Contractor for purposes of implementing the Regional Recyclable Materials Processing Agreement.
  - b. In the event a Participating Agency is under a current contract governing recyclable materials flow control, the Participating Agency agrees that at the time recyclable materials are no longer under prior contract it shall direct its franchise collection hauler to deliver all recyclable materials in accordance with Section 2(a) for the then remaining term of the Recyclable Materials Processing Agreement.
3. Reuse in Value Added Product. Participating Agencies may request that HWMA divert specified recyclable materials for reuse in a value-added, local product.



4. Reporting. HWMA will provide quarterly and annual summary reports to each Participating Agency indicating the tonnage of recyclable materials processed for that period from the jurisdiction of each Participating Agency, a statement of revenues received from the Contractor, and any other information concerning contract administrator as the Participating Agency should request.
5. Contract Management. HWMA shall manage and administer the Recyclable Materials Processing Agreement based on direction from the HWMA Board of Directors.
6. Meetings and Consultation. HWMA staff agrees to meet as needed with Participating Agency staff to coordinate and discuss the ongoing management of the Recyclable Materials Processing Agreement.
7. Revenue Distribution. Revenue received by HWMA from the Contractor derived from the sale of recyclable commodities shall be disbursed to each Participating Agency quarterly on the following basis:
  - a. HWMA shall retain for contract administration 15% of the agreed upon \$ per ton base revenue received from all mixed-stream recyclable commodities;
  - b. Any revenue received from source separated recyclable commodities shall be passed through to each Participating Agency.
8. Education. The HWMA and Participating Agencies shall undertake coordinated educational and outreach activities to assist the Contractor in achieving a diversion rate of 92% of all recyclable materials received. The HWMA and Participating Agencies will coordinate, prepare and implement an annual education campaign, including periodic collection route audits to identify excessive residuals in the recycling stream.
9. Additional Participation. HWMA member agencies not initially participating in this MOU shall be permitted to enter into this MOU, and thereby participate in the Recyclable Materials Processing Agreement.
10. Third Party Beneficiaries. Participating Member Agencies are not considered third party beneficiaries under the Recyclable Materials Processing Agreement.
11. Indemnity. Pursuant to the HWMA Joint Powers Authority Agreement, the HWMA shall indemnify each Participating Agency for any defense to claims, as well as cost of any judgments imposed for claims resulting from actions by the HWMA in relations to its management and implementation of the Recyclable Materials Processing Agreement.
12. Counterparts. This MOU may be executed in separate counterparts, and all counterparts when signed, shall constitute and enforceable agreement.

13. Nuclear Free Ordinance(s) Compliance. The Contractor has certified to the HWMA that it is not a Nuclear Weapons Contractor, in that it does not knowingly or intentionally engage in the research, development, production, or testing of nuclear warheads, nuclear weapon systems, or nuclear weapons components as defined by the County of Humboldt Nuclear Free Humboldt County Ordinance, and the City of Arcata Nuclear Weapons Free Zone Act. The Contractor will agree to notify HWMA if it becomes a Nuclear Weapons Contractor as defined above, and the HWMA retains the authority to immediately terminate the Recyclable Materials Processing Agreement if it determines that the Contractor's certification is false or if the Contractor becomes a Nuclear Weapons Contractor.
14. AMENDMENTS. This MOU may be amended the majority determination of the Participating Agencies. Any Participating Agency may initiate an amendment to this MOU by written request from the Participating Agency's legislative body to the Authority's Executive Director who will forward the request to the Authority Board of Directors for its consideration as a Participating Agency. Regardless of the action taken by the Authority Board, the Authority shall process the amendment request as the administrator of the MOU. This MOU may not be amended in any way that would impact, alter or affect a material term of the Recyclable Materials Processing Agreement.

WHEREFORE, the governing bodies of each of the parties below has authorized and approved this Memorandum of Understanding, having decided to become a Participating Agency, on the date stated below:

**HUMBOLDT WASTE MANAGEMENT AUTHORITY**

Dated:

By: Board Chair

Attested to by:

Dated:

Executive Director Signature:

**CITY OF ARCATA**

Dated:

By: Its Mayor

Attested to by:

Dated:

City Clerk Signature:

**CITY OF BLUE LAKE**

Dated:

By: Its Mayor

Attested to by:

Dated:

City Clerk Signature:

**CITY OF EUREKA**

Dated:

By: Its Mayor

Attested to by:

Dated:

City Clerk Signature:

**CITY OF FERNDALE**

Dated:

By: Its Mayor

Attested to by:

Dated:

City Clerk Signature

**COUNTY OF HUMBOLDT**

Dated:

By: Its Chair of the Board

Attested to by:

Dated:

County Clerk Signature:

**CITY OF RIO DELL**

Dated:

By: Its Mayor

Attested to by:

Dated:

City Clerk Signature: