

Sample Template
REQUEST FOR QUOTE

**PERFORMANCE BASED SERVICES:
SOLID WASTE AND RECYCLING**

Date: xx/xx/xx

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PREFACE

Massachusetts State Agencies are encouraged to use performance based, Resource Management (RM), contracting when soliciting waste and recycling services. This RFQ template was designed to make bidding for solid waste services easier and result in a performance based RM contract that reduces waste generation and saves agencies money. The template was designed to be used in accordance with the State's Master Service Agreement **FAC33**.

Performance based RM contracting under FAC33 involves structuring a service contract to maximize resource conservation and recycling while decreasing waste generation. For more information on RM, including case studies and a more comprehensive contracting manual, please refer to the MA DEP Website: (<http://www.mass.gov/dep/recycle/reduce/rmcontr.htm>) or the EPA's website (www.epa.gov/epawaste/partnerships/wastewise/wrr/rm.htm).

How to Use the RFQ Template:

1. The 5 page RFQ – this is where you articulate the services you desire and how you want bidders to respond to your proposal.
2. Appendix A – this is where you describe your current service levels for waste, recycling, and current operations. This information is critical to ensure a competitive bid process.
 - a. This is also where the bidder will find the baseline financial proposal tables. Based on the information you provide, each bidder will fill out all unit costs and calculate annual cost estimates in the spaces provided.
3. Appendix B – this is where the bidder will calculate all data from the baseline financial proposal tables and provide the annual baseline financial proposal and revenue sharing plan. It is very important that when bids come back you can compare “apples to apples” for the different companies that submit proposals.
4. Appendix C – The Sample Reporting Template: improved data management, billing, and reporting are critical for continual improvement in any program, this identifies the information you want your vendor to provide on an ongoing basis.
5. Appendix D – this is where you will find guidance documents to help you complete the RFQ template. It is strongly suggested that you read the guidance instructions to complete the RFQ Template properly.

In sections where you will need to add text for data specific to your organization, or for dates, the text has {been bracketed}. The overall approach in requesting services is to state your desired goals or endpoints and not to be prescriptive in how bidders should perform the work. This allows for innovative ideas on behalf of the bidders.

Additional Information:

- Resource Management Manual – For detailed information on performance contracting for solid waste services. Contact MassDEP for Technical Assistance at (617) 348-4076

{Template RFQ - insert RFQ title here}

1. Introduction

{Organization X} is requesting proposals for waste and recycling services. In addition to traditional hauling, recyclables processing and disposal services, {Organization X} is seeking a vendor who will be proactive in helping {Organization X} manage all waste and recyclables more cost effectively. {Organization X} will provide an economic incentive for increasing the diversion materials currently going to the landfill. It is intended that the successful bidder will be the driving force behind increased diversion, working in partnership with {Organization X} staff and custodial personnel.

The successful bidder must meet the following objectives:

1. Seek continual improvement in {Organization X} resource use and assist {Organization X} in increasing diversion (reduce, reuse, and recycle/compost);
2. Optimize current hauling, garbage disposal and recycling service to reduce overall waste management system costs;
3. Develop a detailed tracking, reporting, and invoicing system;
4. Collaborate with {Organization X} staff to implement the program.

{Organization X} has approximately X,XXX employees and generates approximately XXX tons of waste per year. [Appendix A](#) provides more detail on how waste and recyclables are currently handled.

2. Scope of Work

2.1. Management of Waste and Recyclables

The successful bidder will manage all waste streams from {Organization X} facilities listed in [Appendix A](#). This includes all regularly generated solid, non-hazardous waste and recyclables. Recyclables will include some confidential paper, cardboard, office paper, and co-mingled beverage containers *{insert applicable recyclables}*. The successful bidder must take over existing service levels for these materials and suggest a more effective program per Section 4 of the RFQ. It is important to read [Appendix A](#) to better understand the types of services {Organization X} is requesting.

2.2. Proposed Program Implementation

{Organization X} proposes the following phased approach to meet the required scope of service.

Phase I - Program Transition: Phase I will begin upon award of contract and continue for a period of 3 (*or 6*) months. During that period, the winning bidder will become familiar with operations and develop a plan to make improvements. {Organization X} does not expect the successful bidder to implement any new programs or change any of the current service levels during this time. This transition phase is meant to give the successful bidder the time to build relationships and verify a baseline from which future cost savings will be measured. Activities should include, but are by no means limited to, the following:

- Become familiar with current programs and systems
- Baseline waste and recycling levels and verify the data in [Appendix A](#)
- Communicate and build relationships with key personnel
- Develop and prioritize an action plan for Phase II

Phase II - Program Implementation. {Organization X} anticipates implementation of Phase II by {mm/dd/yy}. During Phase II, it is expected that the successful bidder will improve upon existing service levels and programs and develop and implement new diversion programs. Coordination will be critical and must be specifically addressed in the submitted proposal.

2.3. Period of Performance

{Organization X} is looking for a strategic long-term partner and understands that many resource efficiency initiatives will take time to develop. As such, this contract will be awarded for a minimum period of {*recommend 3*} year(s) with the option to renew annually for an additional {*recommend 2*} years at the discretion of {Organization X}.

2.4. Additional Services

On a periodic basis, the successful bidder may also be asked to provide or coordinate disposal of occasional waste streams such as used computers/e-waste, fluorescent ballasts, batteries, office equipment and supplies, or spikes in waste due to construction/demolition *{If applicable}*. These services are apart from the base proposal and will be reimbursed by {Organization X} under a separate purchase order. This type of work may be competitively bid at {Organization X's} discretion.

3. Bid Response Requirements

Each bidder response must address the following:

3.1. General Requirements: Program Management Description

Provide a brief description of your overall management philosophy as it pertains to the following:

- Describe your vision of a performance based RM program for {Organization X}.
- Identify what resources (project personnel or teams) that you will devote to {Organization X's} RM program.
- Discuss the relationship that you plan to establish with relevant stakeholders. This should include relationships you propose to establish with {Organization X's staff, janitorial, facilities, etc.}.

3.2. Service Requirements

{Organization X} has an existing collection system for waste and recyclables but much work still needs to be done. Further detail is provided in [Appendix A](#). Bidders should be mindful that {Organization X} facilities personnel intend to be actively involved in the new program but the successful bidder will be the driving force in identifying opportunities to manage waste at the highest level of the solid waste hierarchy. This should include assistance with improving current staff and facilities-led programs and developing new programs, all with an eye toward minimizing waste to the landfill. Responses must address the following:

3.2.1. Program implementation milestones

Comment on the feasibility of meeting the dates outlined in the proposed phased approach identified in Section 2.2. Include here any thoughts you may have that could improve the implementation of a program as described in Section 3.2.

3.2.2. RM activities to decrease diversion

{Organization X} is seeking an RM program that delivers the following minimum outcomes:

- Reduce waste through preventative upstream measures
- Improve upon quantities of materials currently recycled
- Develop other waste and cost reduction initiatives
- Maintain existing waste service levels for a seamless program transition
- Provide full documentation of material removed via a monthly report

Describe generally the types of programs and types of waste streams you intend to focus on to meet these outcomes. This may include improving existing recycling programs as well as identifying new programs to reduce/reuse or recycle waste from {Organization X}. Also include any site specific equipment to make collection efforts more efficient. It is anticipated that education and outreach will play an important role in a successful program, so include in your discussion how you intend to interact with relevant stakeholders *{employees, and contracted janitorial personnel, etc.}*.

3.2.3 Additional Services:

Bidders should list any additional services as described in Section 2.4. This should provide enough information for {Organization X} to assess the qualifications and experience in managing these waste streams.

3.3. Billing/Data Information Systems/Performance Targets

One major barrier to increasing recycling beyond current rates is the availability of accurate information on volumes of waste and recyclables. The successful bidder will be expected to supply {Organization X} with regular information so {Organization X} can work with the contractor to target activities to increase diversion.

3.3.1. Billing and Reports

Response must commit to the monthly billing requirements and quarterly reports specified below and make recommendations on additional reporting elements.

- **Monthly Billing.** Bills must include: the location, the container size, the number of times it is serviced and the material hauled (e.g., cardboard/paper, trash, or co-mingled containers). Any extra costs for additional services (e.g., one-time roll-offs) must be similarly itemized. State your ability to have a single, itemized bill for all. Bidders must provide a sample bill and are encouraged to use the sample template provided in [Appendix C](#).
- **Monthly/Quarterly Reports.** At a minimum, the contractor must provide reports for collection, recycling, and processing for all waste and recyclables. A summary, by month, and by quarter is required. The contractor must report on material volume and

weight of waste and recyclables. If estimates are used, the contractor must document assumptions regarding density of materials and estimated volume of material serviced. The reports should also include the facility names used for final deposition of all materials. A sample template is included in [Appendix C](#). State your ability to submit quarterly reports electronically and in what form the reports will be sent.

- The two key metrics to measure the contractors' performance will be tracking the recycling rate and tracking cost savings. Thus, reports should include disposal costs and any cost savings documented for revenues received from recyclables and other gain-sharing per Section 4.3 below. Include in your response any other information you would suggest in quarterly reports, including metrics, to assist {Organization X}.

3.3.2. Data Information Systems

Identify your data information management tools that will be used to track {Organization X} wastes and recyclables. Propose how you will establish a baseline against which cost savings can be measured and a process for validating cost savings and increased diversion. This should occur during Phase I (program transition) as proposed in Section 2.2.

4. Financial Proposal

4.1. Base Proposal

{Organization X} seeks an RM provider that can meet the requirements described in Sections 3 and 4 **on a budget neutral basis** (i.e., at a cost not exceeding the cost to provide current waste and recycling services, adjusted for changes in waste volumes).

The successful bidder should provide the requested management services as a **value-added service at no additional charge to** {Organization X}. Expenses incurred in the provision of these services must be covered by waste/recycling hauling fees, recycling revenues and/or overall program savings from increasing diversion and improved efficiencies.

The base proposal must consist of two components: 1) costs for taking over existing services provided; and 2) an incentive structure for providing performance based services. **At a minimum, bidders must submit a base proposal on the attached [Appendix B](#).**

4.2. Cost for Existing Service

It is presumed that the bidder will start the program by providing {Organization X} with existing levels of service (see [Appendix A](#)). Prepare your quote for the requested services for the initial term of an {X-year- that you listed in section 2.3- recommend 3 years } contract – not including renewals.

In completing the bid form in the attached worksheet, include the following:

- Separate costs for hauling and disposal must be submitted where possible.
- Separate hauling and processing costs as well as revenue sharing opportunities for recyclables where possible. Otherwise have a fee that is net of any recycling commodity revenue.

4.3. Incentive Structure for RM Services

While {Organization X} recognizes that a portion of program savings will be used to finance the RM services proposed in Section 3, a bidder's willingness and ability to share some portion of the savings with {Organization X} will increase their chances of being selected.

In [Appendix B](#), propose a gain-sharing split (0-100%) between the bidder and {Organization X} for program cost savings realized, noting any minimum or maximum cut-offs.

As described in Section 2.2, the successful bidder and {Organization X} will establish a mutually agreed upon baseline. This baseline will serve as the current level from which improvements and cost savings will be measured. Resource efficiency improvements will yield savings from areas including (but not limited to): avoided hauling costs, avoided disposal costs, avoided taxes, commodity revenue, or other {Organization X} cost savings the successful bidder can document.

4.4. Alternate Financial Proposals

Alternative proposals reflecting this solicitation are strongly encouraged to be submitted in addition to, *not in lieu of*, a fully responsive baseline proposal. Note that {Organization X} is open to innovative structures that will help {Organization X} and the successful bidder share in the benefits of recycling during high commodity markets and share the risk during low markets. {Organization X} would look favorably on bids that involve transparent pricing for recycling that ties revenues or rebates to real time commodity markets so that {Organization X} and the awarded company benefit from increased recycling.

For example, bidders could propose hauling and processing fees for cardboard and then provide revenues tied to monthly "yellow sheets" for recycled cardboard. A flat rebate per ton of material recycled with appropriate floors and ceilings on rebates can also be proposed so {Organization X} and the awarded bidder shares the risks and rewards of secondary commodity markets.

Bidders interested in providing an alternative financial proposal should attach a sheet of paper and describe in detail how the program would function (e.g. proposing a new hauling schedule, innovative educational opportunities for staff, alternative bin size/replacement, etc.). Bidders must list all unit costs, annual costs, and must describe all assumptions when calculating price structure. Additional detail on current services is provided in [Appendix A](#). **All bidders are required to fill out the base financial proposal tables provided in [Appendix A](#) as well as the base proposal summary and revenue sharing plan in [Appendix B](#).**

The quoted prices the bidder lists on the attached document will represent the entire cost to perform the services outlined in this RFQ; this includes all fees, permits, taxes, and any other costs, including fuel surcharges associated with performing the services in accordance with this specification. {Organization X} reserves the right to accept any combination of base proposal or alternative proposal for each level of service.

Appendix A: Description of {Organization X}'s Current Internal Waste & Recycling Operations & Base Financial Proposal Tables

Table A1 describes the estimated baseline waste and recycling rates for the most recent 12-month period for which {Organization X} has data - {Organization X} has a recycling rate of 13.6%. Tables B1 through B4 show {Organization X}'s current waste and recycling service levels along with a description of how each material is handled. All locations receive waste service although recycling is not at all locations *{if applicable – insert services where italicized}*. All waste and recyclables are collected from buildings and brought to containers outside of buildings by janitorial staff. The contractor services the containers according to the schedules provided in Tables B1-B4. Currently, {Organization X} does not receive any revenue from recyclable commodities. The recycling program is managed by *(list who is responsible; if it is more of an ad-hoc program, state that here)* in the *{facilities}* department and is largely driven by *(if you have paid staff describe it here. If the program is more voluntary, state that here as well)*. {Organization X} has recycling programs for cardboard, mixed office paper and co-mingled beverage containers (glass, plastic) as described below. **All bidders must fill out each base financial proposal table provided below for each program (waste, cardboard, paper, co-mingled); base bids on the container size and service frequency provided.**

Month	Paper	Cardboard	Plastic/Glass/Cans	Solid Waste
July	4.24	2.98	1.85	27.67
August	6.3	4.08	1.49	37.56
September	1.02	2.44	1.85	69.03
October	2.34	5.22	1.85	69.77
November	1.68	7.21	1.49	47.25
December	1.25	3.98	1.49	53.94
January	2.17	6.77	1.49	57.03
February	3.08	4.44	1.85	54.83
March	1.89	2.87	1.85	47.84
April	3.04	3.79	1.49	62.34
May	4.94	3.87	1.49	82.33
June	2.86	0	1.49	40.09
YTD	34.81	47.65	19.68	649.68
Total Recycled		102.14	tons	
Total Waste		649.68	tons	
Total Generation		751.82	tons	
Recycling Rate = Total Recycled/Total Generation = 13.6%				

Table B1: Current Waste Service Levels at {Organization X}

{Waste}: {Organization X} janitorial staff collects bagged waste from inside individual buildings where it is deposited outside each building into waste containers as shown in Table B1. Bidders should base their bids on the container size and service frequency shown in the following table. For waste, one location has a 40-yard compactor, one location has a 30-yard roll-off serviced on an on-call basis, and the rest are front end loaded containers with regularly scheduled service.

Location/Building Name	# of containers	Container size (Cubic Yard)	Scheduled Pickup and notes
Building 1	1	40	once per month - compactor
Building 2	1	30	on call – roll off
Building 3	1	2	M/T/W/Th/F
Building 4	2	6	M/W/F
Building 5	1	2	M/T/W/Th/F

Note: Containers provided by contractor - {Organization X} does not own any of the above containers

BASE FINANCIAL PROPOSAL TABLE: WASTE

Bidder must fill out all unit costs and calculate annual cost estimates in the spaces provided. The quote prices below shall represent the entire cost to perform the services outlined in this RFQ and including all fees, permits, taxes, and any other costs associated with performing the services in accordance with this specification.

1. Example of a waste compactor - Base Proposal

- One (1) 40-Cu. Yd. compactor, pick up 1 time per month

Unit Costs: *Break out container rental from hauling costs and landfill disposal fee.*
(Rental fee must include maintenance and repair)

Container Rental (per month)	Hauling Cost (per pick-up)	Disposal Fee (cost per ton)
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Annual Cost Estimate: *Assume 12 pick-ups and a compacted tonnage of 9.5 tons per haul*

	+		X	12)	+		X	(12 x 9.5)	=	
Annual Container Rental		Hauling Cost		# of Pick Ups			Disposal Fee		Estimated Tonnage		Annual Cost

2. First example of a front-end loaded waste container - Base Proposal

- Two (2) 6-Cu. Yd. front end loaders, picked-up up 3 times a week (M/W/F)

Unit Costs: Breakout container rental from a combined hauling and landfill disposal “per pick-up fee”

Container Rental (per month)	Pick up Fee (haul and dispose)
---------------------------------	-----------------------------------

Annual Cost Estimate: Assume 156 pick-ups per year

$$\frac{\text{Annual Container Rental}}{\text{Pick-up Fee}} + \left(\frac{\quad}{\quad} \right) \times \left(\frac{156}{\text{\# of Pick Ups}} \right) = \text{Annual Cost}$$

3. Example of a waste roll-off container with on-call pick-up - Base Proposal

- One (1) 30-Cu. Yd. roll-off, pick-up on call

Unit Costs: Breakout container rental from a combined hauling and landfill disposal “per pick-up fee”

Container Rental (per month)	Pick up Fee (Haul and Dispose)
---------------------------------	-----------------------------------

Annual Cost Estimate: Assume 35 pick-ups per year

$$\frac{\text{Annual Container Rental}}{\text{Pick-up Fee}} + \left(\frac{\quad}{\quad} \right) \times \left(\frac{35}{\text{\# of Pick Ups}} \right) = \text{Annual Cost}$$

4. Second example of a front-end loaded waste container - Base Proposal

- Two (2) 2-Cu. Yd. Front end loaders, picked-up 5 times a week (M/T/W/Th/F)

Unit Costs: Breakout container rental from a combined hauling and landfill disposal “per pick-up fee”

Container Rental (per month)	Pick up Fee (Haul and Dispose)
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Annual Cost Estimate: Assume 260 pick-ups per year

$$\frac{\text{Annual Container Rental}}{\text{Pick-up Fee}} + \left(\frac{\quad}{\quad} \right) \times \left(\frac{260}{\text{\# of Pick Ups}} \right) = \text{Annual Cost}$$

Table B2: Current Cardboard Recycling Service Levels at {Organization X}

{Cardboard}: Cardboard is collected in buildings that have a significant amount of generation (*i.e., receiving, food service, mail room*). Staff in the buildings leave cardboard in designated areas where it is broken down by janitorial staff and placed in the designated containers at the docks of buildings that have cardboard recycling. The current contractor empties the cardboard containers on the service schedule for the locations identified in Table B2. A goal of the RM program is to increase cardboard recycling.

Location/Building Name	# of containers	Container size (Cubic Yard)	Scheduled Pickup and notes
Building 1	1	30	once per month
Building 2	N/A	N/A	N/A
Building 3	1	2	twice per month
Building 4	2	8	twice per month
Building 6	1	30	once per month

Note: Containers provided by contractor - {Organization X} does not own any of the above containers

BASE FINANCIAL PROPOSAL TABLE: CARDBOARD

Bidder must fill out all unit costs and calculate annual cost estimates in the spaces provided. The quote prices below shall represent the entire cost to perform the services outlined in this RFQ and including all fees, permits, taxes, and any other costs associated with performing the services in accordance with this specification.

5. Example of a Cardboard compactor - Base Proposal

- Two (2) 30-Cu. Yd. compactors, 1 pull each per month

Unit Costs: For base proposal assume hauling cost is net of any commodity revenue

Monthly Container Rental

Hauling Cost Per Pick Up

Annual Cost Estimate: Assume 12 pick-ups and a compacted tonnage of 3.4 tons per haul

$$\begin{array}{ccccccc}
 & & + & (& &) & \times & (& 12 &) & = & \\
 \text{Annual Container Rental} & & & \text{Pick-up Fee} & & & & \text{\# of Pick Ups} & & & \text{Annual Cost}
 \end{array}$$

6. Example of a Cardboard Dumpster - Base Proposal

- Two (2) 8-Cu. Yd. dumpster, 2 pulls each per month

Unit Costs: For base proposal assume hauling cost is net of any commodity revenue

Monthly Container Rental

Hauling Cost Per Pick Up

Annual Cost Estimate: Assume 48 pick-ups per year

$$\text{Annual Container Rental} + \left(\text{Pick-up Fee} \right) \times \left(\frac{48}{\# \text{ of Pick Ups}} \right) = \text{Annual Cost}$$

7. Example of a Cardboard Dumpster - Base Proposal

- One (1) 2-Cu. Yd. dumpster, 2 pulls per month

Unit Costs: For base proposal assume hauling cost is net of any commodity revenue

Monthly Container Rental

Hauling Cost Per Pick Up

Annual Cost Estimate: Assume 24 pick-ups per year

$$\text{Annual Container Rental} + \left(\text{Pick-up Fee} \right) \times \left(\frac{24}{\# \text{ of Pick Ups}} \right) = \text{Annual Cost}$$

Table B3: Current Paper Recycling Service Levels at {Organization X}

{Mixed Office Paper}: White and colored office paper is collected in desk-side bins. Janitors empty the bins into plastic bags and carry them to 32-gallon “totes” in the basement of each building. Totes are placed outside for pick-up per the schedule in Table B3. The contractor swaps the full totes for empty totes when each location is serviced.

Location/Building Name	# of containers	Container size (Gallons)	Scheduled Pickup and notes
Building 1	10	32	once per week
Building 2	N/A	N/A	N/A
Building 3	6	32	once per week
Building 4	12	32	once per week
Building 7	15	32	once per week

Note: Containers provided by contractor - {Organization X} does not own any of the above containers

BASE FINANCIAL PROPOSAL TABLE: MIXED OFFICE PAPER

Bidder must fill out all unit costs and calculate annual cost estimates in the spaces provided. The quote prices below shall represent the entire cost to perform the services outlined in this RFQ and including all fees, permits, taxes, and any other costs associated with performing the services in accordance with this specification

8. Example of paper pick-up - Base Proposal

- A total of forty-three, 32-gallon totes containers are serviced each week. These forty-three containers are dispersed over 5 locations as shown in Table B3.

Unit Costs: For *base proposal* assume cost is net of any commodity revenue. Presently, {Organization X} pays a rental charge on the totes and there are roughly 86 totes in use at {Organization X – 43 full and 43 empty}

Monthly Container Rental

Hauling Cost Per Pick Up

Annual Cost Estimate: Assume 52 pick-ups per year and a weight of 350 lbs per cubic yard.

$$\begin{array}{ccccccc}
 & + & (& &) & \times & (& 52 &) & = & \\
 \text{Annual Container Rental} & & & \text{Pick-up Fee} & & & \text{\# of Pick Ups} & & & & \text{Annual Cost}
 \end{array}$$

Table B4: Current Co-mingled Beverage Recycling (glass & plastic) Service Levels at {Organization X}

{Beverage Containers}: Individuals are responsible for bringing beverage containers to central recycling containers located in hallways, eating areas, and by vending machines. Janitors empty the central containers and consolidate the beverage containers into 90-gallon totes. These totes are serviced according to the schedule in Table B4. The contractor swaps the full totes with empty totes during pick-up

Location/Building Name	# of containers	Container size (Gallon)	Scheduled Pickup and notes
Building 1	2	90	once per week
Building 2	N/A	N/A	N/A
Building 3	4	90	once per week
Building 4	2	90	once per week
Building 5	4	90	once per week

Note: Containers provided by contractor - {Organization X} does not own any of the above containers

BASE FINANCIAL PROPOSAL TABLE: BEVERAGE CONTAINERS

Bidder must fill out all unit costs and calculate annual cost estimates in the spaces provided. The quote prices below shall represent the entire cost to perform the services outlined in this RFQ and including all fees, permits, taxes, and any other costs associated with performing the services in accordance with this specification.

9. Example of mixed beverage containers - Base Proposal

- A total of twelve, 90-gallon totes containers are serviced each week. These twelve containers are dispersed over 5 locations as shown in Table B4.

Unit Costs: For *base proposal* assume cost is net of any commodity revenue.

Monthly Container Rental

Hauling Cost Per Pick Up

Annual Cost Estimate: Assume 52 pick-ups per year.

$$\begin{array}{c} \text{Annual Container Rental} \end{array} + \left(\begin{array}{c} \text{Pick-up Fee} \end{array} \right) \times \left(\begin{array}{c} 52 \\ \text{\# of Pick Ups} \end{array} \right) = \begin{array}{c} \text{Annual Cost} \end{array}$$

Appendix B: Baseline Financial Proposal Summary & Revenue Sharing Plan

Bidders must summarize the baseline annual costs for waste and recycling from [Appendix A](#) (Base Proposal Tables) above in Sections C1 and C2 below.

C. 1. Summary of Baseline Financial Proposal

Total Baseline Annual Cost:

Waste \$ _____ Recycling \$ _____ Total \$ _____
(Recycling \$ = Paper + OCC + Co-Mingled)

C. 2. Revenue/Cost Savings Sharing

{Organization X} is willing to share a portion of overall program savings resulting from the joint efforts of {Organization X} and their RM contractor(s). Propose a revenue-sharing split (0-100%) between the contractor and {Organization X} for program cost savings realized, noting any minimum or maximum cut-offs. The selected contractor(s) and {Organization X} will establish a mutually agreed upon baseline within the first {3 - 6} months of the program that represents current costs to {Organization X}. This baseline will serve as the current level from which improvements and cost savings will be measured. Savings will be tracked monthly and reported quarterly per Section 4. Resource efficiency improvements will yield savings from areas including (but not limited to): avoided hauling costs, avoided processing costs, commodity revenue, improved pricing at processing facilities, or other {Organization X} cost savings the selected Contractor(s) can document.

Savings to {Organization X} _____% Savings to RM Contractor _____ %

Appendix C – Sample Reporting Template

The selected vendor must provide quarterly reports for collection, recycling, and processing for all waste and recyclables. The contractor must report on material volume and weight of waste and recyclables *by location*. If estimates are used, the contractor must document assumptions regarding density of materials and estimated volume of material serviced. A sample template is included below. Include in your response to Section 4.3 any other information you would suggest, including metrics, to assist {Organization X}. Electronic submittal of the quarterly report is desired by {Organization X}.

Include a summary with adequate supporting documentation for the following: Explanation of Cost Savings; Opportunities or Challenges Noted; Positive Actions Noted; Education Needed; Documented cost savings from increased recycling revenues; Other savings subject to gain sharing.

Solid Waste												
LOCATION / BUILDING NAME	# of Containers	Total Volume/Size of Containers	Monthly Rental Cost of Each	On Call or Scheduled Pick Up (O/S)	Number of Pick-Ups per-month	Hauling Cost per Pick-Up	Material Weight (tons) per-	Processing / Tip Fee	Monthly Invoice Amount	Other Services Rendered (if applicable) (e.g. resource management)	Name of Solid Waste Processing Facility	Weigh Slip Amount
Paper												
LOCATION / BUILDING NAME	# of Containers	Total Volume/Size of Containers	Monthly Rental Cost of Each	On Call or Scheduled Pick Up (O/S)	Number of Pick-Ups per-month	Hauling Cost per Pick-Up	Material Weight (Lbs) per-	Total Processing Cost or (Revenue)	Monthly Invoice Amount	Other Services Rendered (if applicable) (e.g. resource management)	Name of Recycling Facility	Weigh Slip Amount
Cardboard												
LOCATION / BUILDING NAME	# of Containers	Total Volume/Size of Containers	Monthly Rental Cost of Each	On Call or Scheduled Pick Up (O/S)	Number of Pick-Ups per-month	Hauling Cost per Pick-Up	Material Weight (Lbs) per-	Total Processing Cost or (Revenue)	Monthly Invoice Amount	Other Services Rendered (if applicable) (e.g. resource management)	Name of Recycling Facility	Weigh Slip Amount
Co-mingled (plastic & glass)												
LOCATION / BUILDING NAME	# of Containers	Total Volume/Size of Containers	Monthly Rental Cost of Each	On Call or Scheduled Pick Up (O/S)	Number of Pick-Ups per-month	Hauling Cost per Pick-Up	Material Weight (Lbs) per-	Total Processing Cost or (Revenue)	Monthly Invoice Amount	Other Services Rendered (if applicable) (e.g. resource management)	Name of Recycling Facility	Weigh Slip Amount
Yard Waste												
LOCATION / BUILDING NAME	# of Containers	Total Volume/Size of Containers	Monthly Rental Cost of Each	On Call or Scheduled Pick Up (O/S)	Number of Pick-Ups per-month	Hauling Cost per Pick-Up	Material Weight (Lbs) per-	Processing / Tip Fee	Monthly Invoice Amount	Other Services Rendered (if applicable) (e.g. resource management)	Name of Recycling Facility	Weigh Slip Amount
Food Waste												
LOCATION / BUILDING NAME	# of Containers	Total Volume/Size of Containers	Monthly Rental Cost of Each	On Call or Scheduled Pick Up (O/S)	Number of Pick-Ups per-month	Hauling Cost per Pick-Up	Material Weight (Lbs) per-	Processing / Tip Fee	Monthly Invoice Amount	Other Services Rendered (if applicable) (e.g. resource management)	Name of Recycling Facility	Weigh Slip Amount
Scrap Metal												
LOCATION / BUILDING NAME	# of Containers	Total Volume/Size of Containers	Monthly Rental Cost of Each	On Call or Scheduled Pick Up (O/S)	Number of Pick-Ups per-month	Hauling Cost per Pick-Up	Material Weight (Lbs) per-	Processing / Tip Fee	Monthly Invoice Amount	Other Services Rendered (if applicable) (e.g. resource management)	Name of Recycling Facility	Weigh Slip Amount
Other Waste Streams												
LOCATION / BUILDING NAME	# of Containers	Total Volume/Size of Containers	Monthly Rental Cost of Each	On Call or Scheduled Pick Up (O/S)	Number of Pick-Ups per-month	Hauling Cost per Pick-Up	Material Weight (Lbs) per-	Processing / Tip Fee	Monthly Invoice Amount	Other Services Rendered (if applicable) (e.g. resource management)	Name of Recycling Facility	Weigh Slip Amount

NOT TO BE SUBMITTED WITH RFQ

Appendix D – Guidance Instructions

2.1 Management of Waste and Recyclables

In starting an RM program, it is best to stick to regularly generated waste and recyclables. Section 2.4 shows how to handle more specialized waste streams.

2.2 Proposed Program Implementation

It has been found that allowing for a program transition period serves both the customer and RM service provider. The primary purpose is for both you and the RM to agree upon a cost and waste/recycling baseline from which cost savings will be measured. The data you gather in Appendix A, including your estimated recycling rate, may not be accurate. The transition period allows you to mutually agree upon a point from which progress will be measured. It also allows the RM to make a comprehensive plan before rushing into improvements in an ad-hoc fashion. It is strongly recommended that you follow a similar phased approach similar to the outline.

2.3 Period of Performance

It is recommended that the program last for a minimum of 3 years with 5 years the most typical period. You need to set a base-year contract period and then annual renewal options. For example, you can have a three-year base period with two, one-year renewal options or a one-year base and four, one-year renewal options. As the contractor will devote resources to improve your program, they need time to implement programs and be assured they can recoup savings from improvements/investments.

3 Bid Response Requirements for RM Program

This section details how you want each bidder to submit their text proposal. It relies on the Scope of Work in Section 2 and is meant to be specific on what areas bidders need to address in their proposal so you will receive comparable bids. As mentioned earlier the approach in requesting services is to state your desired goals or endpoints and not to be prescriptive in how bidders should perform the work. In short, state “what” you want and do not detail “how” they should do it. This allows for innovative ideas to start in the proposals you receive and can help you assess whether bidders will be able to deliver on services rather than simply reiterate parts of the RFQ.

3.2 RM Service Requirements

An introductory paragraph needs to outline at a high level what you expect from your RM. If you have no recycling programs it should indicate that you are looking for an RM that will help create recycling programs from scratch (and the RM should provide an action plan to do this during Phase I of implementation as described in Section 2.2). If you already do some recycling and you expect to keep elements in place, you need to state it here as well (and remember that detail is given in Appendix A). For example, maybe your janitors collect recyclables and you expect to keep it that way, indicate that to the RM.

4 Financial Proposal

This section is designed to have all bidders submit a base proposal which is simply taking over your existing service levels. While the goal of RM is to get at transparent pricing where hauling is separate from disposal or processing fees, it is typically not possible for waste that is not in a compactor (many containers are on a route and, without scales on the container, the cost to weigh material or place scales on containers is prohibitive). Thus, in order to get comparable bids the base proposal will seek lumped fees each time a container is serviced (called a “per-pull fee” or per-month fee based on the container size and frequency of service). Any waste containers with compactors should have fees broken out by rental fee if applicable, transport and disposal. All other containers will be on a per-month, per-pull basis.

Note that alternative bids are allowed in Section 4.4. This is especially relevant for recycling if you want to get rebates for recyclables and share the benefits and risks of secondary commodity markets.

4.4 Alternative Financial Proposal

The primary difference with the alternative proposal is that you are allowing the bidder to provide more innovative payment structures where you share in the risk and reward of secondary commodity markets.

Appendix A – Current Operations and Levels of Service

The information below and in Appendix A is sample text and must be replaced by data and information from your organization. This should include the following elements:

- *A table for your current waste service levels*
- *Table(s) for your current recycling levels*
- *A description of current waste and recycling operations*
- *An estimate of your current waste generation and recycling tonnage represented as a recycling rate*
- *While gathering data for this appendix, also track annual costs for the most recent year for all waste and recycling fees. This should be done by looking at one complete year of bills. You will not provide bidders detail of your costs but will need them when evaluating bids. You should provide your total annual waste and recycling costs to bidders either in this section or at the bidder briefing. This number is important as a target price so bidders come in a (hopefully) cost neutral number.*

The sample text below is an organization with 7 buildings and service for waste, cardboard recycling, paper recycling and co-mingled container recycling. There are a variety of ways you can tabulate your service levels; the most important factor is that they be accurate. It is strongly recommended that you confirm actual container sizes and pick-up frequency to make these tables as accurate as possible since container sizes or frequency of service has likely changed since your last contract.

Description of {Organization X}'s Current Internal Waste and Recycling Activities

Provide in this section a verbal description of how waste and recycling currently works at your organization. Provide as much detail as you can readily and easily obtain. The more transparent you can describe your current operations, the more bidders may be able to provide ideas for improvement in their text proposals.

If you have a fairly extensive recycling system with many containers inside buildings for your staff and others to use, you should provide a description and table of how many containers are in each building for all materials you recycle. This is especially important if you do not own the containers and are charged a rental fee from your current vender. If this is the case, a new vender will need to supply the same or similar containers as part of your program so you do not interrupt the current system. Even if you do own them, this information is important to include as it provides visibility into your overall potential to recycle, and bidders can offer ideas on how the existing system may be improved.

*Note that you will have to go back to your vendors to ask for weights of recyclables and waste. If the vender cannot supply estimated tonnage, which is likely, you will need to calculate based on the following 4 factors: 1) size of the container, 2) an assumption of how full the container is when it is serviced, 3) how often it is serviced and 4) the density of the material. You may also have to add conversion factors to get the tonnage. The Environmental Protection Agency has an excellent guidance document on how to measure recycling rates. A full methodology can be found at (<http://www.epa.gov/recycle.measure/>). For the purposes of stating an **estimated** recycling rate in this RFQ, you can take a much more simple approach and then let the winning bidder refine the estimate once they start the RM program. To get an estimate for the RFQ, first calculate the full volume for each waste stream at each building (multiply the container size by how many times it is serviced in a year to get the volume. Remember to multiply it by the assumption of how full the containers are). The final step is to simply multiply the volume by the density of the material and make sure you convert the appropriate units so you end up with a tonnage estimate. For this simplified method, the conversion factor appendix from EPA will be needed and can be found from a link from the above web page or you go here for a direct link (http://www.epa.gov/epaoswer/non-hw/recycle/recmeas/docs/guide_b.pdf).*

BASE FINANCIAL PROPOSAL TABLES

Proposal Tables provide examples for standard types of waste and recycling. You must have a line item for each container at each location. Thus, if you have a large number of locations to be serviced, the paper bid forms can get quite large in terms of the number of pages. Note that in the forms below, there is an assumption of the number of pick-ups per year and the density of the material to ensure bids come back in a comparable fashion.

Appendix B – Financial Proposal Instructions

There are two elements to this Appendix:

- 1. Summary of the Base Financial Proposal – this is the first page below and is simply requesting the bidder to sum up all their costs into an annual figure and a proposed gain-sharing split.*
- 2. Base Proposal Forms. This can be either a separate attachment in Excel that bidders fill out or paper forms you require them to fill out. In both cases, bidders must fill out bids for each container at each location for the levels of service specified in Appendix A (tables A1-A4 for this example). **It is very important to provide detailed instructions in the base bid so you get back comparable numbers from each company submitting a proposal.***
 - a. Alternative Proposal: Recall we are allowing bidders to give alternative bids (4.4) in addition to the base proposal. Thus, the information the bidder provides will be a variation of the base proposal forms and should be provided in the same format as the base proposal forms (electronic or paper).*