



South Bayside Waste Management Authority Request for Qualifications for Operation of the Shoreway Environmental Center



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Pre-Proposal Meeting/Tour: October 27, 2021
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SBWMA email: bids@rethinkwaste.org



HF&H Consultants, LLC

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SECTION 1

GENERAL INFORMATION

1.1 INTRODUCTION

1.1.1 Overview of Contractor Selection Process

The South Bayside Waste Management Authority (SBWMA) owns the Shoreway Environmental Center (SEC) and is conducting a competitive contractor selection process to select the future contracted operator (Contractor) for the SEC. **The contractor procurement process is a two-step process that includes this RFQ (Phase 1, RFQ Process) and Phase 2, Parallel Negotiations.** In Phase 1, which is initiated with this RFQ, proposers are asked to provide, among other items, a proposal and pricing for transfer station services, MRF operations, and transportation services. Proposers will be short-listed based on an evaluation of their responses to the RFQ (proposal). Phase 2, Parallel Negotiations, will be initiated by the SBWMA requesting that each of the short-listed Proposers provide additional information including cost proposals for alternative operating scenarios and services, and will involve the SBWMA engaging with short-listed Proposers in negotiations for the final Operations Agreement.

The SBWMA is seeking proposals from qualified firms to operate the SEC. The agreement for operation of the SEC (Operations Agreement) will be between the SBWMA and the selected Proposer for a ten- (10-) year period. The term of the new Operations Agreement will commence on January 1, 2024 and end December 31, 2033. The SBWMA may extend the Term of this Agreement for up to two (2) years at the SBWMA's sole discretion, and for two (2) more one- (1-) year terms with mutual agreement with the Contractor, on the same terms and conditions.

Proposals are solicited from qualified proposers or from groups of qualified proposers that form a team arrangement for the purpose 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 the Operations Agreement with the SBWMA and who will serve as the primary contact point and responsible party for the SBWMA and its customers. Proposals shall be submitted in accordance with the guidelines presented in this RFQ.

1.1.2 South Bayside Waste Management Authority (SBWMA)

Formed in 1982, the SBWMA is a joint powers authority (JPA) (see Attachment 1, JPA Agreement) of eleven Member Agencies in San Mateo County (i.e., the town of Hillsborough, cities of Belmont, Burlingame, East Palo Alto, Foster City, Menlo Park, Redwood City, San Carlos, and San Mateo along with the County of San Mateo and the West Bay Sanitary District) and is a leader in innovative recycling and waste reduction programs. The primary goal of the SBWMA is to provide cost-effective waste reduction, recycling, and solid waste programs to its Member Agencies and residents and businesses in the service area through franchised collection services and other recyclers to meet and exceed a minimum 50% diversion level mandated by California State Law AB 939 and to fulfill SB 1383 organics disposal reduction requirements. Currently, South Bay Recycling, LLC (SBR) operates the SEC under an agreement with the SBWMA, which is provided in Attachment 10. The SEC annually accepts

approximately 478,000 tons of materials, processes recyclable materials, processes commercial source separated organic materials, and transfers organic materials, solid waste, construction and demolition debris (C&D debris), organic slurry, and other materials to off-site processing and disposal facilities.

1.1.3 Shoreway Environmental Center (SEC)

The SEC is located in the city of San Carlos, at 225 and 333 Shoreway Road, on the east side of Highway 101, north of Holly Street/Redwood Shores Parkway. It consists of a permitted 3,000-ton-per-day transfer station, material recovery facility (MRF), an Organics-to-Energy (O2E) system (which includes an Anaergia organics extraction press (OREX™) to recover organic materials from source separated organic materials for the purposes of converting the organic materials to energy), public recycling center, employee parking areas, and other associated facilities. The SEC handles approximately 478,000 tons per year of solid waste, recyclable materials, organic materials, and C&D debris. Approximately 402,000 tons per year of materials are handled by the transfer station and 76,000 tons per year by the MRF. The purpose of the SEC is to:

- Provide a convenient location for the delivery/processing of solid waste, recyclable materials, and organic materials generated throughout the SBWMA service area; and,
- To process and recover organic materials and recyclable materials and divert them from disposal.
- To provide our 11 member agencies, and their 421,490 residents and 11,000 businesses/multi-family property owners, with innovative, cost-sharing, environmentally-responsible solid waste services, including receiving, handling, processing and transportation and brokering of these materials.
- Through our 16-acre regional solid waste facility, to provide our member agencies and ratepayers with high-value, direct control of their solid waste system operations that is centrally located in the heart of our 100+ square mile service area.

Residential and commercial solid waste, recyclable materials, and organic materials that are collected by the Member Agencies' franchise haulers are taken to the SEC for transfer, processing, and transportation to off-site processing and disposal facilities. The SEC operations currently involve recovery of recyclable materials through the MRF processing system, recovery of commercial organic materials through the O2E system, and recovery of C&D debris through load segregation and delivery to an off-site C&D processing facility. To serve the public, the SEC accepts self-hauled solid waste, recyclable materials, organic materials, and C&D debris at the transfer station and includes a public recycling center that accepts limited household hazardous waste (HHW), electronic waste (e-waste), and universal waste (u-waste). Combined, the facilities are collectively referred to in this RFQ as SEC.

In April 2021, the O2E operations began at a pilot program level. The results of the O2E pilot operations will be used to fully define the operating requirements for the O2E system under the Operations Agreement, which will be reviewed in Phase 2, Parallel Negotiations.

In 2021, the SBWMA initiated planning and design work for facility improvements (referred to as MRF Phase II) with the goal of modernizing some aspects of the MRF. The timing for the MRF Phase II design and equipment installation is yet to be determined. It may be that this work will be completed in 2023 before the selected Contractor commences facility operations, or the selected Contractor may be required to assist in/agree to the design of and accommodate

the MRF Phase II construction activities and equipment installation and testing during the term of the Operations Agreement.

The SEC also includes collection vehicle parking and maintenance facilities that are used by Member Agencies' franchise hauler (Collection Contractor), Recology San Mateo, for collection vehicles that operate in the SBWMA service area; offices that are used by Contractor and SBWMA staff; and an education facility managed by the SBWMA. The SEC Contractor is not required to maintain the areas dedicated for use by the Collection Contractor or the SBWMA.

1.2 SBWMA'S GOALS AND OBJECTIVES

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

- Reduce the volume of waste being disposed through increased recycling and reuse activities at the SEC.
- Provide professional and timely service to all SBWMA Member Agencies, including their franchised hauler(s) and businesses and residents that use the SEC.
- Implement the most innovative and effective recycling, handling, and transfer operations.

The SBWMA's Member Agencies need to comply with requirements of the California Integrated Waste Management Act of 1989 and associated regulations (AB 939), which set a municipal diversion requirement of 50 percent, along with California State Senate Bill 1383 and associated regulations (SB 1383) to reduce the organic materials going to landfill from 2016 levels by 75% Statewide by 2025 (with other related requirements). The new SEC operator will play an integral role in supporting the SBWMA's and Member Agencies' goals to meet and exceed the State's diversion goals above the 50 percent requirement and to achieve compliance with SB 1383 regulatory requirements, along with other goals as spelled out in the SBWMA's 2020 Long Range Plan¹.

1.3 SCOPE OF REQUESTED SERVICES

The SBWMA is requesting proposals from qualified firms for the ongoing management, operations, and maintenance of the SEC. The SBWMA seeks an operator that can:

- Cost-effectively operate the transfer station, MRF, and O2E.
- Operate the SEC facilities to maximize material diversion.
- Be responsive to the needs of the SBWMA, Member Agencies, and SEC customers.
- Maintain full compliance with local, state, and federal regulations.
- Support the construction and facility equipment modifications under the MRF Phase II project, if the project is not complete the initiation of the Operations Agreement.
- Support expansion of the O2E operation if warranted based on results of the 2021 and 2022

¹ Source: SBWMA Long Range Plan <https://rethinkwaste.org/wp-content/uploads/2020/05/2021-2024-RethinkWaste-Long-Range-Plan.pdf>.

O2E pilot program.

The selected Contractor will provide all sufficiently trained staff and management to operate the SEC transfer station, MRF, O2E, and public recycling center; manage the SEC scales; collect gate rate payments from customers; and provide administration and accounting services. Diversion of incoming materials is a top priority for the SBWMA. In operating the transfer station, the Contractor is required to maximize diversion of incoming materials through segregation of various material streams for transfer to off-site processing facilities and operation of the O2E system to recovery commercial source separated organic materials.

Through the operations of the MRF, the SBWMA expects the Contractor to maximize diversion of residential and commercial single stream recyclables delivered by the Collection Contractor through the proper management of the MRF equipment and operations. The Contractor will market all recyclable materials recovered and share the sales revenues with the SBWMA as described in Section 4.5.

The Contractor will provide transportation services for solid waste and processing residue to be delivered to the landfill designated by the SBWMA; for organic materials and C&D debris to be delivered to off-site processing facilities designated by the SBWMA; for slurry from the O2E system to be delivered to designated wastewater treatment plant(s); and, for recovered recyclable materials to be delivered to markets/end users or other processors.

Specifically, any Proposer that responds to this RFQ must demonstrate how they are capable of and prepared for providing the following scope of services in a safe and efficient manner:

- Operate and maintain the transfer station.
- Operate and maintain the MRF.
- Operate and maintain the O2E system.
- Operate and maintain the public recycling center.
- Operate and maintain the scale house.
- Receive and handle all inbound loads and collect gate rate payment from all customers except from the Collection Contractor.
- Receive materials delivered by Collection Contractor and self-haulers.
- Conduct invoicing/collections services for customers utilizing the SEC.
- Market recovered recyclable materials and transport them to markets, end-users, or other processors.
- Load solid waste, processing residual, organic materials (unless processed by the O2E), and C&D debris into transfer vehicles.
- Transfer solid waste, processing residual, organic materials, and C&D debris to SBWMA-designated disposal and processing facilities.
- Operate and maintain the SEC to meet or exceed the SBWMA's requirements as stipulated in the Operations Agreement (Attachment 2) as well as local, state, and federal regulations.
- Provide all necessary rolling stock to operate the SEC and transport materials as stipulated in the Operations Agreement, in compliance with California Air Resources Board Truck and Bus Regulation and Advanced Clean Trucks Regulations. All such equipment shall be new.

- Provide MRF processing equipment design, installation, start-up services, and operations to meet the diversion requirements of the Operations Agreement to the extent the Contractor is engaged in the MRF Phase II project or future MRF changes beyond the MRF Phase II plans.
- Maintain and staff the administrative office.
- Provide open communications to the public, customers, SBWMA staff, and SBWMA consultants.
- Formally communicate with the Collection Contractor as follows: conduct monthly meetings to address key issues (e.g., contamination) with the SBWMA's participation; provide monthly reports to the Collection Contractor quantifying loads received for transfer, recyclable materials processed, organic materials processed, etc.
- Provide excellent customer service.
- Provide thorough and accurate reporting of all activities as stipulated in the Operations Agreement.
- Operate the SEC safely and maintain an excellent safety record.
- Maintain all facility permits other than those the SBWMA agrees to maintain pursuant to Attachment 2-L of the Operations Agreement.

1.4 PROPOSAL CONSIDERATIONS

1.4.1 SBWMA's Rights

In issuing this RFQ and conducting this two-step contractor selection process, the SBWMA retains, but is not limited, to the following rights:

- Issuing addenda to the RFQ, including extending or otherwise revising the timeline for submittals.
- Withdrawing the RFQ, reissuing, or modifying the RFQ.
- Requesting clarification and/or additional information from the Proposer at any point in the procurement process.
- Allowing for the timely correction of errors and waiving minor deviations.
- Executing an agreement with a Proposer on the basis of the original proposals and/or any other information submitted by the Proposers during the procurement process.
- Rejecting any or all proposals, waiving irregularities in any proposals, accepting or rejecting all or any part of any proposals, and waiving any requirements of the RFQ, as may be deemed to be in the best interest of the SBWMA.
- Accepting and negotiating with a Proposer for provision of any combination of services; the services and combination to be chosen by the SBWMA in its sole discretion.
- Negotiating with one or more than one Proposer.
- Accepting a proposal that does not offer the lowest cost but offers the best overall value, which the SBWMA determines is in the best interest of the Member Agencies, residents, and business of the SBWMA service area, based on the Proposer's

qualifications, technical proposal, financial strength, willingness to accept contractual terms, and its cost proposal.

- Discontinuing its negotiations after commencing negotiations with one or more Proposer, if progress is unsatisfactory in the judgment of the SBWMA, and commencing discussions with another qualified Proposer.

1.4.2 Consequence of Submission of Proposal

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

- The SBWMA shall not be obligated to respond to any proposal submitted nor be bound in any manner by the submission of a proposal.
- Acceptance of a proposal by the SBWMA obligates the Proposer to enter into good faith negotiations for the Operations Agreement based on the proposal submitted.

1.4.3 Proposal Costs

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

1.4.4 Proposer Responsibilities

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

- Examine this RFQ and the Operations Agreement, including all Attachments, enclosures, and forms, thoroughly.
- Attend the pre-proposal meeting and tour the SEC with representatives of the SBWMA.
- Become familiar with local conditions that may affect operations costs, transportation conditions, delivery and unloading conditions at the designated disposal and processing facilities, material composition and quality, types of inbound vehicles, and other aspects of the services to be furnished under the Operations Agreement.
- Consider all federal, state, and local laws, statutes, ordinances, regulations, and other applicable laws that may affect operations and costs.
- Clarify, with the SBWMA, any conflicts, errors, or discrepancies in this RFQ.
- Agree to the Proposer Code of Conduct form conditions in Attachment 4.
- Agree not to collaborate or discuss with other Proposers the content of any proposal or costs proposed.

- Make or obtain any additional examinations, investigations, and studies, and obtain any additional information and data that may affect costs, services, or other aspects of the Operations Agreement.

1.5 ORGANIZATION OF THE RFQ

General information regarding the RFQ purpose, process, and schedule are provided in this section. Section 2 contains background information that will assist Proposers in understanding the current and proposed operations at the SEC including information about SBWMA Member Agencies, a facility description, material types and quantities handled, and vehicle counts. Section 3 defines the scope of services covered by this RFQ. Section 4 details key provisions of the Operations Agreement including Contractor’s compensation structure. Section 5 presents the RFQ proposal requirements. Section 6 describes the evaluation criteria. Section 7 provides instructions for submitting responses to the RFQ and describes the various steps of the contractor procurement process. Numerous attachments are provided with the RFQ to provide background information, cost proposal forms, and administrative proposal forms.

1.6 SBWMA BOARD AND MEMBER AGENCY COMMUNICATIONS EVENTS

Regular communication by SBWMA staff and consultants with members of SBWMA Board of Directors (Board) and Member Agency staff and elected officials will be a critical component of the RFQ process. The goal of the milestone events is to ensure that periodic communications with the Board members and Member Agency representatives, including elected officials of the Member Agencies, occurs at important decision points. Milestone events detailed in Table 1-1 provide the parties opportunities to: express their specific interests and needs, short-list preferred proposers, select the contractor, and approve the final contract terms and conditions of the Operations Agreement.

Table 1-1. Board and Member Agency Milestone Events

| | Purpose | Timing | Information or Decision Point |
|----|--|----------------|-------------------------------|
| 1. | Board Ad Hoc Board Selection Committee (AHBSC) reviews proposal evaluation and recommends two Proposers for the Phase 2, Parallel Negotiations | May 2022 | Informational, input point |
| 2. | Board receives evaluation report and AHBSC recommendation and approves short-list of top two Proposers for Phase 2, Parallel Negotiations | June 2022 | Decision point |
| 3. | Board apprised of Phase 2, Parallel Negotiations progress and provides input on contract terms and conditions, if needed | September 2022 | Informational, input point |
| 4. | Board approves final Contractor and Operations Agreement | November 2022 | Decision point |

1.7 PROPOSAL SCHEDULE

The SBWMA intends to adhere to the schedule provided in Table 1-2 during the procurement process. This schedule may change at the SBWMA's discretion. In order for the future Contractor to commence SEC services on January 1, 2024, the SBWMA's procurement schedule is designed to have an Operations Agreement finalized by November 2022, allowing sufficient time for the Contractor (if not the current Agreement-holder SBR) to execute its transition plan as necessary to implement the Operations Agreement.

Table 1-2. Contractor Procurement Schedule

| Date | Task | Details |
|-------------------|--|--|
| 2021 – Oct 1 | SBWMA Releases RFQ Documents to Industry | <ul style="list-style-type: none"> SBWMA staff posts RFQ materials and notifies prospective proposers |
| 2021 – Oct 15 | RSVP Deadline for Mandatory Pre-Proposal Meeting | <ul style="list-style-type: none"> Proposers must RSVP for pre-proposal meeting and SEC facility tour in order to submit Proposals |
| 2021 – Oct 27 | Mandatory Pre-Proposal Meeting and Facility Tour | <ul style="list-style-type: none"> Proposers must attend the pre-proposal meeting and SEC tour in order to submit proposals |
| 2021 – Oct to Dec | Proposers Site Visits (optional) | <ul style="list-style-type: none"> Proposers may visit the SEC to assess operations and equipment |
| 2021 – Nov 2 | Proposers Deadline to Submit Written Questions | <ul style="list-style-type: none"> Proposers may submit questions via email as specified in Section 7.1.3, which will only be accepted and responded to if submitted on or before the deadline |
| 2021 – Nov to Dec | SBWMA Issues Responses and Addendum, if Necessary | <ul style="list-style-type: none"> SBWMA issues response to written questions, summary of responses provided at the pre-proposal meeting and facility tour, and RFQ addendum if necessary |
| 2022 – Jan 12 | SBWMA Receives Proposals | <ul style="list-style-type: none"> SBWMA receives Proposals from Proposers |
| 2022 – Jan to May | SBWMA Evaluates Proposals | <ul style="list-style-type: none"> SBWMA and consultant(s) review Proposals and engage with ad hoc Board selection committee SBWMA, consultants, and possibly ad hoc Board selection committee members may conduct interviews with Proposers and tour Proposer's facilities AHBSC develops recommendation of the two Proposers to proceed to Phase 2, Parallel Negotiations |
| 2022 – Jun 25 | Board Selects top two Proposers for Phase 2, Parallel Negotiations | <ul style="list-style-type: none"> Board selects two Proposers and directs initiation of Phase 2, Parallel Negotiations |
| 2022 – Jul to Nov | SBWMA Conducts Phase 2, Parallel Negotiations | <ul style="list-style-type: none"> SBWMA and consultant(s) complete negotiations meetings with and prepare Operating Agreement revisions for each shortlisted Proposer SBWMA updates Board on negotiations and |

| Date | Task | Details |
|-------------------|---|---|
| | | seeks Board input at the 9/17/22 Board meeting |
| 2022 – Nov 17 | Board Approves Operations Agreement | <ul style="list-style-type: none"> Board selects best-value Contractor and directs SBWMA to execute new Operating Agreement with selected Contractor |
| 2023 – Jan to Dec | Contractor Conducts Transition Activities (if applicable) | SBWMA and Contractor agree upon and implement transition plan (if selected contractor is not the current operator) |
| 2023 – Dec 31 | Current Operations Agreement expires | <ul style="list-style-type: none"> Agreement with current operator (SBR) expires |
| 2024 – Jan 1 | Selected Contractor Commences Operations | <ul style="list-style-type: none"> Commencement of new services provided by selected Contractor |

SECTION 2

BACKGROUND INFORMATION

This section provides background information regarding the RFQ process, current SEC transfer and processing services; types, quantities, and characteristics of materials received at the SEC; operating information; and related SBWMA programs.

Please note that information and data provided through the RFQ, RFQ attachments, the Operating Agreement and its attachments, clarifications or addenda issued by the SBWMA during this procurement process, the SBWMA website, the SBWMA reports to the Board of Directors, or other SBWMA communications or materials are for informational purposes only. The SBWMA does not provide any guarantees related to the characteristics and quantities of materials, types and number of facility users, operational conditions, equipment performance, and/or facility performance. Proposers should not rely solely on the information provided by the SBWMA for developing proposals and service costs. Proposers are responsible for conducting an independent assessment of the SBWMA's needs and the facility and equipment and for making their own determination of the capabilities and performance levels that can be achieved by the Proposer at the SEC.

2.1 SBWMA MEMBER AGENCIES

The SBWMA includes eleven Member Agencies (as noted in Section 1.1.2) with a service area population of approximately 421,490 as presented in Table 2-1. Under the framework of the JPA Agreement, each Member Agency contracts for collection of residential and commercial solid waste, recyclable materials, organic materials, and bulky items through a franchise agreement with Recology San Mateo County (Recology), also referred to as Collection Contractor. In total, Recology provides collection services to approximately 95,000 residences and 11,000 businesses in the SBWMA service area. The Member Agencies are obligated, under the JPA agreement, to deliver franchised materials to the SEC. The franchise hauler has exclusive rights to collect solid waste from residential premises, commercial premises, and Member Agency facilities and to collect source separated recyclable materials and source separated organic materials from residential premises. Other non-franchised companies are allowed to collect source separated recyclable materials and source separated organic materials from commercial premises and non-putrescible materials such as C&D debris throughout the SBWMA service area.²

² Other limitations to the exclusive rights to the collection contractor are presented in each Member Agency's franchise agreement and include, but are not limited to the following: self-hauling; donation of materials; recyclable beverage containers delivered for recycling under the California Beverage Container Recycling Litter Reduction Act; animal waste and remains; by-products of sewage treatment; hazardous waste and infectious waste; e-waste; u-waste; materials removed as an incidental part of landscaping, gardening, weed or refuse abatement, yard clean-up, or grading of a lot or, construction, remodeling, or demolition of a building or structure; and solid waste removed from residential premises on an infrequent, unscheduled, on-call basis.

Table 2-1. Population of SBWMA Member Agencies

| Member Agency | Actual 2007 | Actual 2020 |
|------------------------------|--------------------|--------------------|
| Belmont | 25,897 | 26,673 |
| Burlingame | 28,667 | 31,799 |
| East Palo Alto | 32,630 | 28,970 |
| Foster City | 30,269 | 33,485 |
| Hillsborough | 11,122 | 11,269 |
| Menlo Park | 31,146 | 35,094 |
| Redwood City | 77,025 | 85,565 |
| San Carlos | 28,639 | 29,893 |
| San Mateo | 95,510 | 103,520 |
| West Bay Sanitary District | N.A. | N.A. |
| Unincorporated San Mateo Co. | 30,300 | 35,222 |
| Total | 398,628 | 421,490 |

Source: worldpopulationreview.com

N.A. = not available

2.2 SEC FACILITY DESCRIPTION AND SERVICES

2.2.1 Facility History and Overview

The original SEC transfer station building, vehicle maintenance buildings, and the administrative offices were originally owned and built by Browning-Ferris Industries (BFI) in 1984. The adjacent MRF building was a pre-existing warehouse that was converted to a MRF. In 2000, bonds were issued by the SBWMA and the SBWMA purchased the SEC from BFI. At the time of purchase, the SBWMA and BFI entered into an agreement for the operation of the transfer station and the MRF facility. In 2007, in anticipation of the expiration of that operations agreement, an RFP for a new contractor was issued by the SBWMA and SBR was selected to become the operator starting in 2011. With extensions issued to the SBR operations agreement, the SBR contract will run its maximum length expiring December 31, 2023. This RFQ and Parallel Negotiations process will result in selection of the next contractor.

In 2011, the SBWMA completed a \$30 million capital remodel of the facility. The primary goal for transformation of the SEC was to upgrade the recycling infrastructure required to handle new single-stream recyclable materials collection services provided to the residents and businesses in the SBWMA service area. The facility improvements included: (1) a new state-of-the-art MRF for sorting single-stream recyclable materials from residents and businesses; (2) expanded transfer station for more recycling and customer convenience; (3) green building features, such as LEED-gold MRF building certification based on solar panels and use of natural light among other improvements; (4) new environmental education center and demonstration gardens; and, (5) additional improvements to more effectively manage the traffic flow and public.

Over the following decade, several other changes occurred. In September 2016, the MRF experienced a large battery-caused fire that resulted in closure for over 4 months and damages covered by insurance of up to \$8.5 million. In 2019, the SBWMA approved closure (likely permanent) of the buyback center for public redemption of CRV-valued

materials. In 2020, MRF equipment upgrades (MRF Phase I) were completed that resulted in improvements of MRF productivity and commodity quality. MRF Phase I upgrades consisted of the following:

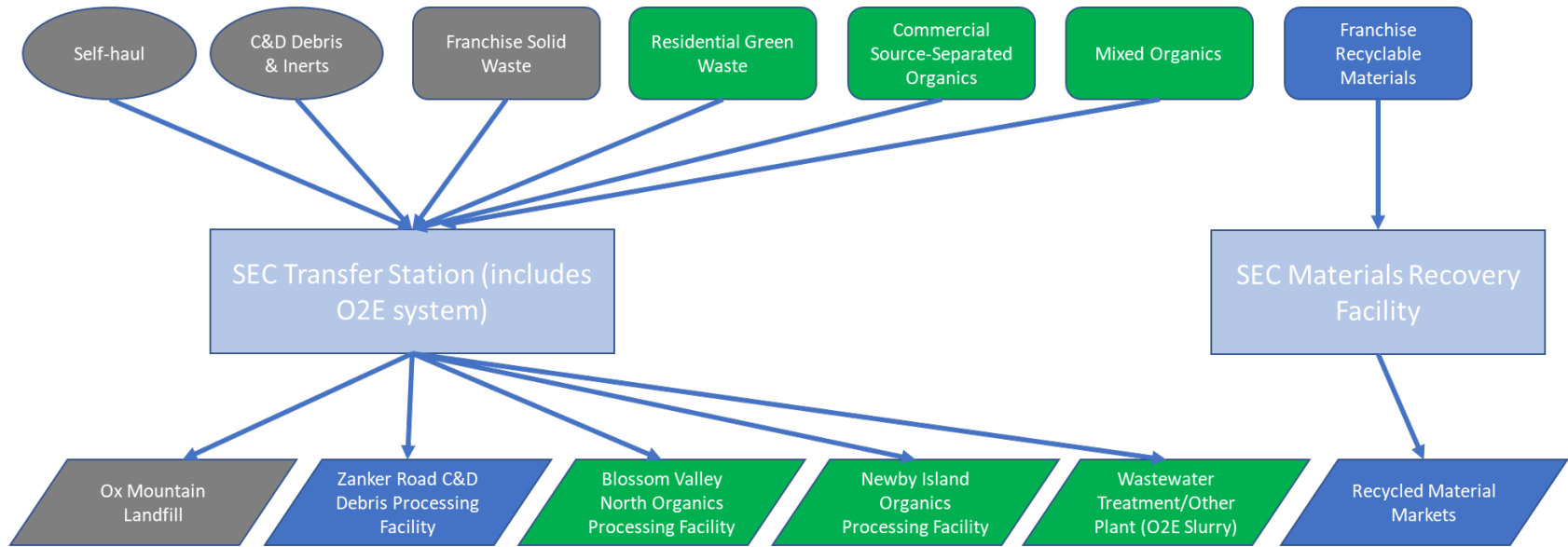
1. **Battery Removal/Glass Cleanup System.** This system is designed to remove contaminants (including shredded paper and metals from mix glass). In particular, the system is intended to remove batteries with the goal of reducing lithium ion batteries and the fire risk that they pose.³
2. **Mid-Fraction/Optical Sort Line.** This system mechanically scalps recyclable materials that are five inches or less in diameter from both the commercial and residential lines and conveys this material through two optical sorters: one recovering mixed fiber and another recovering CRV containers. Mixed fiber is conveyed to the fiber post-sort QC and containers are conveyed to the container post-sort lines where they are optically segregated by type (e.g., aluminum, PET, HDPE), while residue is conveyed directly to the transfer station.⁴

In March 2020, the O2E system, including the Anaergia OREX™ press equipment, was installed in the transfer station and tested. The pilot program for this O2E project was intended to start after the testing; however, the COVID pandemic resulted in disruptions to the volumes of the anticipated feedstock and the start-up was delayed. In April 2021, the OREX™ began processing food waste at a pilot-scale level, with plans to continue pilot-scale processing for at least six months to gather sufficient data for determining how to proceed.

³ Source: SBR Annual Report for 2020, submitted February 26, 2020.

⁴ Ibid.

Figure 2-1 Material and Processor Diagram.



The SEC complex is approximately 16 acres and is owned by the SBWMA. There are two large structures used for the transferring and recycling of materials, located at 225 and 333 Shoreway Road, respectively, north of Holly Street/Redwood Shores Parkway in San Carlos, California. There are several support structures, including two vehicle maintenance shops, a fuel island, an administrative building, education center, and public recycling center. There is truck parking area at the north end of the property that is used by Recology for parking of collection vehicles and storage of collection containers used to serve the SBWMA service area. Employee parking is also provided. Refer to Figure 2-2 for a map of the SEC showing the key structures and site features.

Figure 2-2 SEC Facility Map



2.2.2 Scale House

The scale house is where inbound loads are visually inspected, weighed, and gate fees are collected for incoming loads of materials. Customers are directed to the appropriate area of the SEC (transfer station or MRF building) after processing at the scale. The area includes three inbound lanes, two 12-foot by 70-foot scales, and one non-scale lane where self-haul vehicles are measured and inspected. Currently, most self-haul public customers are charged by the cubic yard, with a few larger commercial customers charged by the ton; therefore, most self-haul vehicles are not weighed.

The scale house is open to the public from 6:00 a.m. to 6:00 p.m. Monday through Friday and 8:00 a.m. to 5:00 p.m. Saturday and Sunday. There are three eight-hour employee work shifts at the scale house: Monday-Friday 5:45 a.m. to 2:15 p.m., 8:00 a.m. to 4:30 p.m. and 10:00 a.m. to 6:30 p.m. There are two eight-hour employee work shifts at the scale house on Saturday and Sunday 7:45 a.m. to 4:15 a.m. and 9:00 a.m. to 5:30 p.m.

2.2.3 Transfer Station

The SEC transfer station is a 100,000 square foot clear-span structure with 40-foot or higher ceilings. It is used for the tipping and transfer of materials delivered by Recology from the SBWMA service area and by self-haul customers. The SEC has a Solid Waste Facilities Permit that allows for a maximum capacity of 3,000 tons per day, where tonnage handled by the MRF, O2E, transfer station, and other activities are all included under this permitted capacity.

When vehicles arrive in the transfer station, spotters receive and direct vehicles to the proper unloading area. The driver unloads the materials, and the spotters inspect the materials. Collection trucks containing solid waste and organic materials tip materials on the north side of the building and self-haul vehicles enter through a separate doorway and unload on the south side of the building. The transfer station is set up as a top-load operation where transfer trucks pull through two tunnels under the transfer station for loading. Materials on the tipping floor are pushed at floor-level into load-out pits. The transfer station tunnels and the load-out pits are located about midpoint in the building floor. The tunnels are designed with in-ground scales to allow for monitoring of the axle weights of transfer trucks to ensure balanced loading within legal load limits.

The transfer station currently operates from 2:00 a.m. to 6:00 p.m. Monday through Friday and 6:00 a.m. to 5:00 p.m. on Saturday and Sundays. Spotters and loader operators work to manage the materials entering the facility (refer to SBR Annual Report for 2020, which includes a description of SBR's equipment and personnel).⁵ Material load-out from the transfer station and transfer truck hauling typically occurs between the hours of 2:00 a.m. to 1:30 p.m. Monday through Friday. The Solid Waste Facilities Permit allows operation between the hours of 2:00 a.m. to 6:00 p.m. Monday through Saturday and 6:00 a.m. to 6:00 p.m. on Sundays; however, the SBWMA anticipates obtaining approval by the end of 2021 or early 2022 to operate the SEC 24 hours per day, 7 days per week. The permit requires that all solid and organic waste be loaded out within 48 hours of receipt and that wood waste and C&D debris be loaded out within 7 days of receipt (refer to the SEC Solid Waste Facility Permit).

2.2.4 O2E System

The O2E system includes several pieces of equipment in the transfer station. A loading hopper, shredder, and conveyor system are provided as the first part of the system. Organic materials from the shredding system are fed into the OREX™ press. The output from the OREX™ is primarily organic materials that proceed through an organics polishing process resulting in a slurry that is stored in tanks before loading into a tanker vehicle for transport to an off-site wastewater treatment plant (WWTP). Residue resulting from the process is combined with other solid

⁵ SEC annual report by SBR: <https://rethinkwaste.org/about/service-area-map-providers/south-bay-recycling/>.

waste in the transfer station and is transported to the designed disposal landfill. The O2E system includes storage tanks for the organic slurry.

The projected infeed capacity of the O2E system is roughly 80 tons per shift (15 tons per hour). The pilot program, which began in April 2021, is processing receiving source separated commercial organic materials. Pursuant to the SBWMA's March 25, 2021 presentation to the Board, the purpose of the O2E pilot is to:

- Validate O2E system costs compared to disposal/composting alternatives for source-separated organics (SSO) processing;
- Validate proof of concept for SSO processing outbound slurry for treatment within to one or more wastewater treatment plant's anaerobic digestion (AD) system; and,
- Provide basis for expanding wastewater treatment plant partnerships.

2.2.5 Transportation to Off-Site Disposal and Processing Facilities

Transportation of solid waste and residual to an SBWMA-designated landfill, and organic materials, organic slurry from the O2E system, and C&D debris to SBWMA-designated off-site processors, is included as a component of the Operations Agreement. The off-site processing and disposal services are arranged and contracted by the SBWMA. Current SBWMA off-site processing and disposal facility agreements are provided in Attachments 5, 7, 8, 9, and 10.

Currently, solid waste and residuals are transported to Republic Services' Ox Mountain Landfill in Half Moon Bay between the hours of 4:00 a.m. and 4:00 p.m. Monday through Friday and 4:00 a.m. to 1:30 p.m. Saturday and Holidays. Proposers are advised to contact Caltrans and local cities for specific road and vehicle conditions regarding truck use on Highway 92 going to Ox Mountain Landfill (e.g., previously restrictions were in effect on left turns for trucks exiting the landfill in the morning hours such as no left turn from the landfill from 7:00 a.m. to 8:00 a.m.) and there may also be special trailer-length requirements. The current contractor uses possum-belly trailers to transport waste to the landfill. Republic operates a tipper at the landfill that dumps the SBWMA trailers at the landfill working face. Most organic materials (yard waste and food waste) are hauled in walking-floor trailers to San Jose or Vernalis for composting at the Republic Services' Newby Island composting facility and to Recology's Blossom Valley Organics North (BVON) composting facility, respectively. The current contractor uses 50-cubic yard end-dump trailers to deliver C&D debris for processing at Zanker Road Resource Recovery facility in San Jose. For a complete list of existing SBR drivers and vehicles, refer to SBR's 2020 Annual Report.⁶

⁶ SEC Monthly and Annual Reports by SBR: <https://rethinkwaste.org/about/service-area-map-providers/south-bay-recycling/>.

With the SBWMA’s recent start-up of the pilot O2E operation, some SSO materials are being directed to the O2E system (rather than transferred and transported to Newby Island and BVON for composting). The organic slurry resulting from the O2E system is being transported to one or more WWTPs for further processing. Tanker tractor trailers, each with capacity of 5,000 gallons (22 tons) are used to transport the slurry from the SEC to the WWTPs. Depending on the results of the O2E pilot program, the SBWMA will define its plans for the O2E in terms of the quantities of commercial source separated organic materials to be directed to the O2E system for processing.

The SBWMA is in the process of procuring a C&D debris processing contractor to provide C&D processing services commencing February 1, 2022 for a five-year base term. The proposed agreement for the future C&D processing services is provided as Attachment 6. It is anticipated that a C&D contractor will be selected with contract awarded in the fall of 2021. Proposers will be informed of the selected contractor and provided the final C&D debris processing agreement when it becomes available.

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

Table 2-2. Current Daily Transportation by Material Type

| Materials Hauled | Average Loads / Day |
|--------------------------|----------------------------|
| Organic Material | 14 |
| Solid Waste and Residual | 31 |
| C&D Debris | 3 |
| Food Scraps (Commercial) | 2 |
| TOTAL LOADS / DAY | 50 |

Source: SBWMA

Table 2-3. Current Processing and Disposal Arrangements

| Service | Location(s) | Company | Expiration |
|----------------|--|----------------|-------------------|
| Composting | Newby Island Composting Facility in San Jose | Republic | December 31, 2022 |
| Composting | Blossom Valley Organics North (BVON) in Vernalis | Recology | December 31, 2025 |

| Service | Location(s) | Company | Expiration |
|-----------------------|--|----------------------------|--|
| Solid Waste Disposal | Ox Mountain Landfill in Unincorporated San Mateo County | Republic | December 31, 2029 |
| C&D Debris Processing | Zanker Road Resource Recovery in San Jose | Zanker Road Resource Mgt | January 31, 2022 |
| O2E Organic Slurry | Silicon Valley Clean Water WWTP; Central Marin Sanitary District WWTP; East Bay Municipal Utility District WWTP; South San Francisco Water Pollution Control Plant | Various Sanitary Districts | TBD; contract(s) to be signed after pilot O2E completion |

Source: SBWMA

2.2.6 Materials Recovery Facility (MRF)

The existing MRF operations are located in a 70,000 square foot building adjacent to the transfer station. The Bulk Handling Systems, Inc. (BHS) sorting equipment inside was installed in 2010 and is designed to process single-stream recyclable materials. In 2020, Phase I MRF modifications were made to upgrade the processing system resulting in equipment additions and upgrades performed by BHS to yield processing capacities of 20 tons per hour for commercial recyclable materials and 30 tons per hour for the residential recyclable materials.

The facility processes a mix of approximately 70% residential and 30% commercial single-stream recyclable materials. Collection trucks delivering recyclable materials enter the MRF at the Shoreway Road side of the building and exit the back side of the building after unloading recyclable materials. There are two separate processing lines: one for sorting residential recyclable materials and one for commercial recyclable materials. Loose inbound materials are moved to the sorting lines using front-end loaders. After processing, bales of fiber and containers are loaded into shipping containers through the four loading docks at the north edge of the building. Current volumes shipped from the facility are approximately 28,304 tons per month. Currently the MRF is operating at a residual level of 17%. The residue is conveyed from the MRF to the transfer station and loaded into transfer trucks for disposal.

Recyclable materials are received from Recology 2:00 a.m. to 6:00 p.m. Monday through Friday and 6:00 a.m. to 5:00 p.m. on Saturday and Sundays, except Thanksgiving, Christmas, and New Year's Day. Currently, the MRF operates one 8-hour shift starting at 6:00 a.m. (processing starts at 7:00 am) and ending at 3:30 p.m. At the MRF, the current SEC operator employs sorters, spotters, and equipment operators and uses a combination of wheel loaders and fork lifts (refer

to SBR Annual Report for 2020 for a listing of staff and equipment).⁷ The Solid Waste Facility Permit allows for the MRF to operate between the hours of 2:00 a.m. and 11:00 p.m. Monday through Saturday; however, the SBWMA anticipates obtaining approval by the end of 2021 or early 2022 to operate the facility 24 hours per day, 7 days per week. Per the Solid Waste Facilities Permit, the MRF shares the 3,000 tons-per-day throughput capacity limit with the SEC transfer station and other SEC operations.

2.2.7 Buyback Center

Until 2019, a buyback center was operated at the SEC within the Public Recycling Center area to provide the public with a location to drop-off CRV recyclable materials and receive CRV value redemption. The buyback center hours coincided with the Public Recycling Center's operations. The buyback center operations were halted in 2019 due to unfavorable recyclable market conditions and inability to process the unsafe volume of vehicular traffic on and off-site, and the significantly increased redemption transactions in the public drop-off area following the closure of other local buyback centers. The SBWMA reserves the right to require the Contractor to restart the operations as described in the Operations Agreement should the state's CRV program be structurally modified.

2.2.8 Public Recycling Center

The SEC Public Recycling Center accepts and handles household Hazardous Waste (HHW), Electronic Wastes (E-Wastes), Universal Wastes (U-Wastes), used oil, antifreeze, and paint. The public recycling center receives materials from the public from 8:00 a.m. to 5:00 p.m. every day of the year, except Thanksgiving, Christmas, and New Year's Day. NOTE: In the past, the San Mateo County Household Hazardous Waste program operated a larger scale HHW drop off area at this site but this is now closed. Long term site planning may include an option to bring a version of this service back. The Agency reserves the right to consider reactivating this program in the future.

2.2.9 Education Center

The SBWMA uses the Education Center located in the MRF for conducting public education tours executed entirely by the SBWMA staff, as well as for holding community events like Earth Day (April); Rethink Recycling Day (fall); and other public exhibitions and events. Those tours lead the public and schoolchildren through the MRF and transfer station, stopping in the MRF's northeastern corner Rethinker Room for full debrief, display of art contest winners' pieces, and other functions. The Contractor shall base their plans around that Education Center site (and Rethinker Room) being reserved for those educational purposes, as well as

⁷ SEC annual report by SBR: <https://rethinkwaste.org/about/service-area-map-providers/south-bay-recycling/>.

possible expansion on the outdoor education area in front of the transfer station at the discretion of the SBWMA.

2.2.10 Administrative Area

The site currently provides several administrative areas for the contractor's administrative/management staff. The main administrative area for the Contractor is located at the second floor of the MRF building, which has five offices, a reception area, and cubical areas and a common area with storage and a kitchen. At the transfer station, there is an office located on the second floor with a window onto the transfer station floor and a shop office below. All administrative areas are equipped with sanitary facilities.

2.2.11 Operating Costs and Current Contractor Compensation

To review reports that present historical operating costs and the current SEC contractor's compensation, Proposers have access to SBR's applications for annual adjustment of the basic compensation for 2021 and prior years through the SBWMA's website.⁸ In addition, the SBWMA's reports on SBR's compensation applications from 2011 through 2020 are available on the SBWMA's website.⁹ Attachment 12 includes the *Collection Services and Facility Operations Annual Report and Financial Systems Audits, 2020* report, which includes operational information on the SEC.

2.2.12 Commodity Revenue Sharing

This section describes the current revenue sharing arrangement. The SBWMA is proposing a different commodity revenue sharing arrangement for the future Agreement as described in Section 4.

- a) **General Arrangement.** In the current operating agreement, the Contractor pays the SBWMA an amount that annually is not less than the Revenue Guarantee from the sale of Recyclable Materials. If the Contractor's actual revenues from the sale of Recyclable Materials are less than the Revenue Guarantee, the Contractor is required to pay not less than the Revenue Guarantee to the SBWMA (except in the case that there is a change in the payments from the State Department of Conservation for the recovery, processing, or recycling of California Redemption Materials, then the Revenue Guarantee and the Revenue Share will be adjusted to reflect this increase or decrease).

Under the terms of the current operating agreement, if the Contractor's actual revenues from the sale of recyclable materials are more than the Revenue

⁸ SBR compensation applications and SBWMA Final Reports on SBR Compensation Applications: <https://rethinkwaste.org/about/service-area-map-providers/south-bay-recycling/>.

⁹ Ibid.

Guarantee, then the Contractor shares such additional amount with the SBWMA as required by the Revenue Share, with the SBWMA receiving 75% and the Contractor receiving 25% of the amount above the Revenue Guarantee. The current operating agreement includes a mechanism that allows the percentage split to be adjusted depending on the residual level as described in subsection b below. In no case does the Contractor pay the SBWMA less than \$4.60 million per year. The actual revenues include all revenues from the sale of all recyclable materials commodities for materials originating from the MRF and Public Recycling Center; Department of Conservation California Redemption Value (CRV) monies and recycling supplemental processing payments; and other current or future public funds issued for the purposes of increasing recycling. Table 2-4 illustrates the current revenue sharing arrangements.

Table 2-4. Current Recyclable Materials Revenue Sharing Arrangements

| | |
|--|--|
| Contractor receives 25% of commodity revenue above Revenue Guarantee* | SBWMA receives 75% of commodity revenue above Revenue Guarantee* |
| <p>SBWMA receives 100% of the Revenue Guarantee</p> <p>Proposed fixed amount paid to the SBWMA by Contractor. Minimum commitment by Proposers is \$4.6 million.</p> | |

* The percentage split of the revenue share is subject to adjustment based on the MRF residual level.

- b) **Increased Revenue Share based on Residual Level.** Under the terms of the current operating agreement, the actual MRF residual level has an impact on the recyclable revenue sharing mechanism. For any calendar year that the residual level is less than 10% of the tonnage of recyclable materials processed, the Contractor’s percentage split of the gross commodity sales revenue (above the Revenue Guarantee) for that year will increase from 25% to a higher percentage based on amounts shown in Table 2-5. While this mechanism is included in the current agreement, the MRF residue level has historically exceeded the 10% threshold level, and thus, the current contractor has not received increased commodity shares.

Table 2-5 MRF Residual Reduction Incentive Payment

| MRF Residual Generation / Year* | Increase in Commodity Share |
|---------------------------------|-----------------------------|
| 10% or greater | No increase |
| 9.1% – 9.9% | 1.0% increase |

| | |
|-----------|---------------|
| 8.1% – 9% | 2.0% increase |
| 7.1% – 8% | 3.0% increase |
| 6.1% – 7% | 4.0% increase |
| 5.1% – 6% | 5.0% increase |
| 0% – 5% | 6.0% increase |

* Based on a 12-month average.

2.2.13 SEC Monthly and Annual Reports

SEC monthly and annual reports prepared by SBR are available on SBWMA’s website from 2011 through mid-2021.¹⁰ Proposers are advised that Atherton, a former member of the SBWMA, stopped delivery of recyclable materials, organic materials, solid waste, and bulky items collected by its collection contractor on December 31, 2020. As a result, Proposers reviewing historical SEC tonnage data are informed that tonnage from Atherton is included through December 31, 2020, and such tonnage will not be delivered to the SEC during the term of the Operations Agreement.

2.3 POTENTIAL FACILITY IMPROVEMENTS

The SBWMA anticipates potential facility changes in the near future as summarized in this section.

MRF Phase II sorting system modifications are tentatively slated for design and installation in 2023. The modifications will focus on material sorting system automation to reduce costs and improve the quality of the fibers recovered. The timing for the MRF Phase II may be adjusted and result in some or all of the activities occurring after January 1, 2024. In this case, the Contractor will be engaged in supporting the efforts and accommodating the equipment modifications.

Depending on the results of the O2E pilot program, the O2E operations may be scaled up to process additional SSO resulting from SB1383 implementation and tonnage collected by Recology from multi-family and/or commercial customers. The estimated maximum throughput capacity of the current OREX™ system is 15 tons per hour, handling up to 100 tons per 8-hour shift.

The SBWMA is planning other facility improvements such as fire suppression system enhancements (deluge water tanks), electric vehicle charging station installation (for fueling some of the collection and potentially Contractor’s transfer fleet or other vehicles), diesel fueling station underground storage tank replacement (removal of single-walled tanks for replacement with double-walled ones), and other projects that have the potential

¹⁰ SEC Monthly and Annual Reports by SBR: <https://rethinkwaste.org/about/service-area-map-providers/south-bay-recycling/>.

to occupy remaining open portions of the space-constrained SEC site and/or impact Contractor operations.

2.4 MATERIAL TYPES AND TONNAGES

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

Beginning January 1, 2022, ordinances adopted by Member Agencies will require all single-family, multi-family, and commercial customers to subscribe to a three-stream collection program that includes solid waste, recyclable materials, and organic materials collection services (with the exception of multi-family and commercial customers that are granted waivers for recyclable materials and/or organic materials collection for de minimis volumes or physical space limitations). This subscription requirement will result in implementation of organics collection service for approximately 6,000 to 7,600 multi-family and commercial accounts and recyclable materials collection services for approximately 175 to 200 multi-family and commercial accounts. The actual number of multi-family and commercial customers to subscribe to new organic materials and recyclable materials services will be impacted by the number of customers that obtain waivers for either or both of these services. The 3-stream collection program requirements may also result in approximately 3,000 single-family customers participating in organic materials collection service (that do not currently have organic materials containers). The changes in customer subscription levels are anticipated to impact the quantities of materials delivered to the transfer station and MRF.

2.4.1 Materials Delivered to the Transfer Station

The transfer station accepts approximately 350,000 to 400,000 tons of solid waste, organic materials, and C&D debris per year. Drivers delivering source separated loads of materials are directed by scale house personnel and tipping floor spotters to unload in designated areas within the transfer station. Physical barriers are used on the transfer station floor in some areas to keep different categories of material separate to allow materials to be separately loaded into transfer trailers.

Table 2-6 provides a summary of the tonnage that was delivered to the transfer station in the most recent three years. Detailed tonnage information is available in monthly and

annual reports prepared by SBR for SEC operations.¹¹ SBWMA does not guarantee any particular tonnage of waste or recyclables to be delivered to the SEC during the term of the Operations Agreement.

Table 2-6. Transfer Station Materials Received, 2018-2020 (annual tons)

| Material Type | 2018 | 2019 | 2020* |
|---|----------------|----------------|----------------|
| Solid Waste | 220,593 | 228,876 | 196,463 |
| Residential Food Scraps and Plant Materials | 77,497 | 80,906 | 82,516 |
| Commercial/Multi-Family Food Scraps and Plant Materials | 42,930 | 41,582 | 27,879 |
| C&D Debris and Bulky Items | 50,814 | 50,559 | 39,714 |
| Total Tons | 391,834 | 401,923 | 346,572 |

* Tonnage in this table includes Atherton tonnage, which will not be part of future tonnage at the SEC. The SBWMA does not guarantee volumes or composition of materials in the future.

2.4.2 Transfer Station Diversion

The SEC receives self-hauled material from contractors, the public, debris box companies, Member Agency vehicles, and others. Self-hauled materials account for approximately 23% of the transfer station tonnage. The current contractor is required to divert recoverable materials from the self-haul loads entering the SEC. The materials that are targeted for recovery include plant material, carpet, asphalt, and scrap metal.

C&D debris is the largest subset of the total self-haul volume entering the transfer station. In 2019, 61% or 45,152 tons of self hauled tonnage delivered to the SEC was recovered. Of this self haul tonnage, diverted C&D debris comprised 28,672 tons with the balance composed of plant materials.

The current contractor performs some floor sorting to remove contamination and white goods from the inbound self-haul loads. However, there is little floor space in the current transfer station building to conduct extensive floor separation. C&D debris sorting is performed off site at the designated third-party processor, Zanker Road Resource Recovery in San Jose. Materials targeted by Zanker Road include: wood, roofing, dry wall, concrete, asphalt, and scrap metal.

2.4.3 Materials Delivered to the MRF

Currently, residential and commercial single-stream recyclable materials are collected separately by the Collection Contractor. Table 2-7 presents the

¹¹ SEC Monthly and Annual Reports by SBR: <https://rethinkwaste.org/about/service-area-map-providers/south-bay-recycling/>.

quantities of recyclable materials received at the MRF from the Collection Contractor and the individual commodities recovered in 2019.

Table 2-7. MRF Commodities and Residual, 2018-2020 (Tons)*

| MATERIAL TYPE | 2018 | 2019 | 2020 |
|---|---------------|---------------|------------------|
| Aluminum | 342 | 369 | 314 |
| Mixed Paper (Sorted MP) | 27,078 | 23,163 | 24,960 |
| Cardboard | 14,897 | 15,589 | 16,043 |
| 3-Color Mixed Glass** | 14,092 | 14,162 | 13,404 |
| Tin | 894 | 829 | 789 |
| Rigid Containers (PET) | 1,767 | 1,654 | 1,492 |
| Rigid Containers (HDPE) | 884 | 1,160 | 903 |
| Mixed Rigid Plastic | 570 | 557 | 423 |
| Bi-Metal | 897 | 967 | 857 |
| Contaminated Recyclable Materials moved from the MRF to Transfer Station | 659 | 1,978 | 23 |
| Residual | 12,095 | 13,214 | 9,594 |
| Total | 74,358 | 73,666 | 68,821*** |

* The SBWMA does not guarantee volumes or composition of recyclable materials in the future.

** The 3-color mixed glass does not include 438 tons and 239 tons of clean buy-back center-sourced glass for 2018 and 2019, respectively, as the buy-back center closed in late 2019. It is assumed that those tons would not have been captured at the MRF.

*** Does not include 995 tons outbound as single-stream recyclable materials processed by third party.

Member Agencies establish the list of “Acceptable Materials”, which residents and businesses may place in the recyclable material containers, that have a demonstrated market and that the current SEC sorting equipment is effective at recovering. These materials are defined as “Targeted Recyclable Materials” in the Operations Agreement and are listed below. For single-family and multi-family premises, Acceptable Recyclable Materials also include used motor oil, used motor oil filters, household batteries, and cell phones.

“Targeted Recyclable Materials” shall include: newspaper (including inserts, coupons, and store advertisements); mixed paper (including office paper, computer paper, magazines, junk mail, catalogs, brown paper bags, office paper, paperboard, paper egg cartons, telephone books, colored paper, construction paper, envelopes, legal pad backings, shoe boxes, cereal and other similar food boxes); chipboard; corrugated cardboard; paper milk cartons; any other paper products and printing and writing papers as defined by 14 CCR Section 18982; glass containers of any color (including brown, blue, clear, and green glass containers); aluminum (including food and

beverage containers and foil; small pieces of scrap metal weighing less than 10 pounds and fitting into the Recyclable Materials Collection Container (excluding chain, cable, wire, banding, hand tools, and automotive parts); steel, tin or bi-metal containers; plastic containers (i.e., all plastic containers stamped with the Society for the Plastics Industry (SPI) code #1 through #7; and, plastics that are not stamped but clearly can be identified as PET, HDPE, and PP).”

In an attempt to encourage the contractor to maximize recovery of recyclables from the single-stream recyclable materials, the SBWMA currently has an incentive plan that rewards the Contractor for high levels of recovery. Conversely, there currently are financial disincentives if the Contractor falls below a specific recovery threshold.

The public recycling center is considered part of the MRF operation and annual quantities of materials received in 2019 at the public recycling center are presented in SEC monthly and annual reports prepared by SBR.¹²

2.5 VEHICLE COUNTS

The SEC receives approximately 820 vehicles per day (mix of self-haul and Collection Contractor vehicles) delivering solid waste, recyclable materials, organic materials, and C&D debris. The transfer station receives the majority of the traffic and material volumes. The transfer station, MRF, and associated recycling activities are regulated under one Solid Waste Facilities Permit covering the whole SEC complex. The SEC permit (SWIS# 41-AA-0016), which was issued by the California Integrated Waste Management Board (now CalRecycle), allows for a total vehicle count of 1,237 units to enter the site per day. The SBWMA expects that the permit capacity is sufficient to accommodate potential increases in vehicles during the term of the Operations Agreement.

Table 2-8 below shows the typical vehicle count traveling over the SEC scales during the day.

Table 2-8. Typical Daily Vehicle Count at Scales as of July 2021

| Vehicle Type | Total |
|--|-------|
| Self-Haul Solid Waste | 226 |
| Self-Haul Organic Materials / C&D Debris | 192 |
| Transfer Trucks | 50 |
| Commercial Solid Waste | 15 |

¹² SEC Monthly and Annual Reports by SBR: <https://rethinkwaste.org/about/service-area-map-providers/south-bay-recycling/>.

| | |
|--|------------|
| Residential Solid Waste | 47 |
| Commercial Organic Materials | 10 |
| Residential Organic Materials | 39 |
| Commercial Recyclable Materials | 29 |
| Residential Recyclable Materials | 35 |
| Roll-off Trucks (various material types) | 29 |
| Container / Commodity Trucks | 7 |
| Public Recycling Center | 140 |
| Total | 819 |

SECTION 3

SCOPE OF REQUESTED SERVICES

This section describes the scope of services that the selected Contractor will be required to perform under the terms of the Operations Agreement with the SBWMA. The Operations Agreement should be carefully reviewed by all Proposers as it provides the detailed terms, conditions, scope of services, and obligations that will define the contractual arrangements between the SBWMA and the Contractor selected through this RFQ process. In the case of a conflict between the Operations Agreement and this RFQ, the language in the Operations Agreement takes precedence. For all services required under the Operations Agreement, the Contractor must provide all labor, supervision, equipment, and materials in conformance to all permits and regulatory requirements. The Operations Agreement is included as Attachment 2 of this RFQ.

3.1 OVERVIEW OF REQUIRED SERVICES

3.1.1 General Services to be Provided

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

- a) Excellent operations and management of the SEC and associated facilities.
- b) Purchase, lease, or otherwise procure all rolling stock, equipment, materials, and supplies necessary to perform all services and to fulfill all obligations under the Operations Agreement. Provision of all rolling stock equipment to complete the work required to handle materials at the transfer station, MRF, O2E, and public recycling center and to transport materials to the landfill and off-site processors; all such equipment shall be as new and in compliance with California Air Resources Board Truck and Bus Regulation and Advanced Clean Trucks Regulations.

For reference purposes, Attachment 14 presents the list of vehicles and equipment supplied by the current operator. The SBWMA make no representation that this list of vehicles and equipment will satisfy the obligations of the Contractor under the Operations Agreement. Proposer is responsible for conducting its own due diligence and assessment of needs.

- c) Accurate weight measurement of materials received at the SEC and materials transported off-site
- d) Accurate recording of all vehicles/customers delivering materials and related payment, invoicing, and cash management at the scale house.
- e) Efficient transportation of the solid waste, residual, recyclable materials, organic materials, O2E slurry, and C&D debris to the designated landfill, off site materials processors, and commodity buyers or other third parties.
- f) Efficient operation of the O2E processing system to maximize recovery of source separated organic materials.

- g) Maximization of cost-effective recovery of recyclable materials delivered to transfer station, MRF, and Public Recycling Center.
- h) Collection and recording of information and provision of required reports to the SBWMA on the facility operations and diversion.

3.1.2 General Operational Requirements

As part of the general operations of the SEC, the Contractor shall operate the facilities according to the following:

- a) The Contractor shall accept all permitted materials delivered to the transfer station and MRF during the hours of 2:00 a.m. to 6:00 p.m. Monday through Friday and 6:00 a.m. to 5:00 p.m. on Saturday and Sundays from the Collection Contractor. The Contractor shall accept all permitted materials delivered to the transfer station by self-haul customers between the hours of 6:00 a.m. to 6:00 p.m. Monday through Friday and 8:00 a.m. to 5:00 p.m. Saturday and Sunday. The public recycling center shall be open to receive materials from the general public between 8:00 a.m. and 5:00 p.m. daily. Days of operation shall be every day of the year excluding three holidays: New Year's Day, Thanksgiving Day, and Christmas Day. During those hours while open for the general public, the scale house will be continuously attended to and the facility opened to receive incoming materials.
- b) The Contractor may conduct operations outside of these hours subject to limitations of the SEC permits, which in the near future may be amended to allow for "24/7" operations. The SBWMA's proposed 24/7 operations approach was approved by the City of San Carlos Planning Commission in September 2021 and the SBWMA is anticipated to receive all other permit approvals from the Local Enforcement Agency and others needed in the coming months.
- c) The Contractor will inspect all inbound materials at the time of unloading to ensure that the load does not contain any hazardous materials or other materials that are not accepted at the SEC. Once the vehicle has been unloaded and left the facility, the ownership and responsibility for the proper management of the materials resides with the Contractor. The Contractor remains responsible for the materials until the disposal site, processing facility, commodity buyers, or other third parties take ownership of the materials. The SBWMA assumes no ownership or responsibility for the proper management of materials at the SEC.
- d) The Contractor is required to provide sufficient numbers of qualified and trained staff necessary for operating the facility, transporting of materials off-site to designated facilities, recovering and marketing recyclables, and other obligations necessary to operate the SEC.
- e) Contractor will ensure that onsite traffic is controlled and directed so that vehicles move around the site in a safe and efficient manner.
- f) The Contractor will work closely and coordinate with the Collection Contractor(s) to ensure that onsite traffic flows smoothly and efficiently, that

the inbound materials are delivered to the proper location on the SEC property, and Contractor will communicate with the Collection Contractor(s) and the SBWMA on how the materials delivered to the facility are or are not of acceptable quality.

- g) Contractor will be required to maintain operating efficiency within the transfer station, MRF, O2E, and public recycling center to ensure customers and other vehicles are able to unload materials quickly and in accordance with the Vehicle Turnaround Guarantee (specified in the Operations Agreement).
- h) Contractor will be responsible for facility maintenance (as defined in the Operations Agreement) at the Contractor's expense. Major facility repairs and improvements and capital projects will be the responsibility of the SBWMA. Rolling stock shall be repaired, maintained, or replaced by the Contractor.
- i) The Contractor will operate the facility to minimize the offsite impacts (e.g., blowing litter, odor, traffic, noise, stormwater pollution) of the facility operations. Correction of offsite impacts will be the responsibility of the Contractor (including picking up litter on Shoreway Road in the vicinity of the SEC).
- j) Contractor will use the structures and operate the facilities in such a way that minimizes facility and equipment wear. The Contractor will keep the facilities clean through regular washing and sweeping.
- k) Contractor will implement a safety program that covers all aspects of anticipated site operations and transportation (except for signage, which is responsibility of the Authority). The safety program must include specific safety protocols for all SEC workers, drivers of commercial vehicles, facility customers, and site visitors. Contractor will maintain documentation of the safety program, implement a training program, and maintain an on-going schedule for safety review meetings with mandatory attendance by all regular employees, as well as periodic trainings for new hires or temporary workers. This includes documentation of employee compliance, logging workplace injuries and reported near misses and how they were addressed, and recording other conditions as required by OSHA and other regulators. An SBWMA employee shall be extended an invitation to attend and review the results of each safety review meeting.
- l) The Contractor will cooperate with the SBWMA as the SBWMA plans and executes public education program activities at the SEC site. The Contractor will coordinate with the SBWMA and work cooperatively to provide community services such as tours and education about recycling and facility operations.
- m) If SBWMA directs the reopening of the Buyback Center, the Contractor will staff and maintain the Buyback Center and other public areas to provide excellent service to the public.
- n) The Contractor is not permitted to bring in or accept materials from areas outside the SBWMA service area without prior written approval of the SBWMA.

- o) Contractor shall comply with all SB 1383 regulatory requirements that apply to transfer/processor facilities, including, but not limited to, separately managing organic materials and C&D debris and performing materials sampling and sorting.
- p) The Contractor shall perform all service described in the Operations Agreement, some of which are not described in this RFQ.

3.1.3 Shared Use of the SEC Property

The SEC facilities are dedicated for the purposes of providing solid waste, recyclables, organic materials, and C&D debris handling, transfer, and processing services. The SEC property is used not only by the SEC Contractor, but also by the Franchised Collection Contractor, Recology. The Collection Contractor occupies the northern portion of the SEC property and has exclusive use of the SEC truck maintenance shop, the bin repair/paint shop building, portable trailers, and portions of the administrative building. In addition, the parking and asphalt area to the north and east of the Transfer Station is used by the Collection Contractor for the parking of collection vehicles used to service the SBWMA service area. The SEC Contractor will generally occupy the southern portion of the SEC, which includes the transfer station and MRF buildings, the scales and scale house, the Public Recycling Center, and associated parking and asphalt areas. On Figure 2-2, the areas of shared utilization and responsibility include: entry access roads, utilities, fueling area, some of the vehicle maintenance area, and the parking area east of the transfer station building. Each contractor on the site will pay for costs associated with its usage and in cases where there is a single meter (e.g., water, gas, electricity, and sewer), the costs will be allocated to the SEC Contractor and the Collection Contractor by whichever Contractor pays the bill (e.g., SEC Contractor pays the power, gas, and security bills and allocates and charges a portion of these costs to the Collection Contractor).

3.2 SCALE HOUSE OPERATIONS

- a) The Contractor will provide all necessary hardware and software programs for the complete and accurate recording of information to be collected and documented through the scale system and at the scale house. The SBWMA's preference is for the Contractor to use the software system that is currently used at the SEC. If the Contractor prefers a different software system, Contractor shall demonstrate, to the SBWMA's satisfaction, that a different software system will render faster and/or improved results for day-to-day activities and report generation. The software used by the Contractor will need to meet the approval of the SBWMA and must be accessible through an internet connection from offsite locations by authorized SBWMA staff. All scale house paper and computer-based records will need to be maintained according to the record keeping requirements in the Operations Agreement.
- b) The Contractor will train scale house personnel in customer service and such personnel shall be knowledgeable in the capabilities of the facility so that they can answer customer questions and provide excellent customer service.
- c) Scale house personnel will direct vehicles to the appropriate unloading area(s). Scale house attendants will need to provide tare weights and outbound weights for all

outbound loads unless tare weights have been previously recorded. Inbound customers for the public recycling center will go directly to the public recycling center and will not enter through the scale house area.

- d) Scale house attendants will determine and record the jurisdiction of origin, material type, and acceptability of each load delivered. The scale house attendants will measure volume (cubic yardage) of self-haul customers, document weights of all Collection Contractor(s) loads, and issue as appropriate paperwork and receipts to customers.
- e) A hazardous waste exclusion plan shall be prepared and implemented to monitor incoming materials for hazardous substances. The scale house attendants shall request a verbal declaration that the self-haul loads contain no prohibited materials and personnel in the transfer station receiving area shall inspect loads during the unloading process for unacceptable materials including hazardous substances.
- f) Cameras operated by the Contractor will record all scale transactions, customer vehicle traffic, and vehicle unloading. All camera views and recordings will need to be accessible through an internet connection from offsite locations by authorized SBWMA staff. Camera recordings will be maintained by the Contractor. There is currently a camera system in place at the scale house and changes and upgrades to the system will be the responsibility of the SBWMA.
- g) Contractor will provide all maintenance, calibration, testing, and operation of the scales; provide licensed weigh masters for operating the scales; and ensure all scale transactions are recorded through a direct link to a centralized computer recording and billing system for tracking all transactions.
- h) The Contractor is responsible for all payment receipt, invoicing, and cash management at the scale house and shall be liable for any deficiencies in charges and cash collected from gate rate revenues charged for materials received from self-haul customers and for revenue from outbound shipments of materials sold.
- i) The majority of self-haul customers are charged by the cubic yard for materials delivered to the transfer station. The Contractor will need to maintain an average self-haul cubic yards to tons ratio equal to or greater than the ratio stipulated in the Operations Agreement.

3.3 TRANSFER STATION OPERATIONS

- a) Contractor will provide sufficient staff and equipment to manage receipt, storage, movement, and diversion of incoming materials that complies with all facility permits, diversion goals, and requirements stated in the Operations Agreement.
- b) The transfer station tipping area spotters will ensure that the traffic flows smoothly into the receiving areas and that the tipping floor is clear to receive each load before the vehicle is allowed to enter the area. The spotters will visually inspect the materials as they are unloaded to identify hazardous or unacceptable wastes, and (if any is discovered) require the customer to take back the material and advise the customer of appropriate disposal options. No scavenging will be allowed by spotters or the drivers or passengers of vehicles delivering materials.

- c) Loading and transporting solid waste, organic materials, organics-rich slurry from the O2E system, C&D debris, and recoverable materials from the transfer station to designated disposal and processing locations is included under the scope of services to be provided by the Contractor.
- d) For load-out operations, the Contractor will provide rolling stock (e.g., loaders) to move materials from the receiving area on the tipping floor into consolidated piles segregated for different material types. When a sufficient volume of material is consolidated, the equipment operator will push the material into transfer trailers located in the below-grade tunnel load-out area. The Contractor is required to manage receipt and storage of incoming materials to segregate materials streams (such as, but not limited to, solid waste, organic materials, inerts, and C&D debris) from each other for separate loading into transfer vehicles that will deliver the materials to the appropriate disposal/processing facilities.
- e) Contractor will coordinate with operators of the designated landfill and processing facilities so as to provide materials that are prepared and delivered in a condition and form that meet the facility operators' specifications and receiving requirements.

3.3.2 Transfer Station Sorting

- a) Contractor will provide safe and efficient unloading for vehicles, provide adequate space to store recovered materials, establish reliable market outlets for recovered materials, and deliver or arrange for delivery of recovered materials to markets.
- b) The Contractor will floor sort (to the extent that is practical, safe, and makes economic sense) recoverable materials from recyclable rich loads that are received at the transfer station. Potential recoverable materials for floor sort activities include, but are not limited to: cardboard, ferrous and non-ferrous metals, and white goods.
- c) The Contractor and the SBWMA will work together to analyze the expense and revenues associated with the sorting of materials to determine the economic effectiveness of the sorting activities. The SBWMA may choose to provide the Contractor a supplemental payment to encourage the recovery of materials that may not be economically feasible based on the material value and avoided disposal cost.
- d) The floor sort of incoming C&D materials will be necessary to remove items prohibited by the designated off-site processor. These items currently include removal of white goods, mattresses, furniture, wire, tarps, and carpet that are not accepted by the designated C&D debris processor (see Attachment 9, Processing Agreement with Zanker Road Resource Recovery).

3.4 TRANSPORTATION AND SHIPMENT OF MATERIALS

- a) As described in RFQ Section 2.2.5, the SBWMA has existing contracts with disposal and processing facilities to handle materials from the SEC. The SBWMA is invoiced for and pays for disposal and processing costs for materials these facilities receive from the SEC with the exception of disposal costs for residual from the MRF, which

are paid by Contractor. The selected Contractor will be required to haul solid waste, residue, organic materials, O2E slurry, and C&D debris to these facilities. For the preparation of the response to this RFQ, Proposer should review the disposal and processor agreements provided in Attachments 5, 7, 8, and 9 to understand contractual conditions related to the transportation of materials to these sites. Selection of transfer vehicles will depend on the receiving capabilities of the designated disposal site and materials processors. The designated disposal site provides a tipper for unloading SEC transfer trucks, whereas the designated processing facilities do not. Attachment 6 includes the proposed agreement for C&D debris processing that the SBWMA will use as the basis for negotiating its future C&D debris processing agreement.

- b) The Contractor is to provide all equipment, staffing, and coordination necessary to transport materials from the transfer station, MRF, O2E, and other SEC operational areas to off-site destinations. The Contractor needs to understand the flow of materials onsite and the storage capabilities (and regulatory limitations) and provide sufficient transportation capabilities to meet peak materials flows.
- c) Contractor must provide all transportation of materials to the designated disposal site(s) and designated processing facilities, and must provide sufficient back-up capability (drivers and equipment) in its transfer fleet to minimize disruption during normal business hours due to scheduled vehicle/trailer preventive maintenance and/or unscheduled equipment breakdown.
- d) All loads leaving the SEC must be weighed to confirm they do not exceed the legal load limit, and any trailer opening must be covered with a tarp or screen. All loads will need to be checked to ensure that all materials are enclosed within the trailer and that the potential of material falling or blowing onto the roadways is minimized.
- e) Contractor is responsible for costs to haul other materials to other locations that are not designated in the Agreement. Examples of transportation costs that are to be paid by the Contractor include the movement of all recyclable commodities from the MRF, materials recovered from the transfer station sorting activities, and transportation of MRF residual to the landfill.
- f) No shop equipment will be supplied by the SBWMA and the maintenance area designated for the maintenance of MRF and transfer station equipment may not be large enough or suitable for maintaining semi-trucks or trailers. The Proposer may need to make arrangements for off-site maintenance of transfer vehicles.

3.5 MRF OPERATIONS

3.5.1 General Operations

- a) The Contractor will accept recyclable materials delivered within the operational hours of the facility. The MRF tipping area will be kept open and clear of piles to the extent necessary so that material tipping is not hampered.
- b) The Contractor will receive recyclable materials at the MRF that are generated by residential and commercial accounts that are serviced by the Collection

Contractor. It will be the responsibility of the Contractor to inspect all inbound recyclable materials at the time of delivery.

- c) The Contractor will be responsible for documenting contamination (including non-targeted materials) in inbound recyclable materials delivered by the Collection Contractor. If there are cases where the Collection Contractor delivers loads of recyclable materials in excess of 10% contamination, but less than 20%, the SBWMA will request supporting documentation from the Contractor about the inbound material quality to assist in education and training efforts with Collection Contractor's customers and collection vehicle drivers about the need to keep recyclable materials clean.
- d) The Contractor will have the ability to reject loads delivered to the MRF by the Collection Contractor that have contamination levels in excess of 20% where the contamination level is determined upon visual inspection and mutual agreement of the parties or through a contamination measurement methodology defined in the Operations Agreement. Loads with contamination above the threshold level will be either sent to the transfer station for disposal or, at the discretion of the SBWMA, the load will be processed at the MRF. If the load is processed at the MRF, the Contractor will be paid a Supplemental MRF Processing Fee by the SBWMA.
- e) Residual from the MRF sorting operations will be weighed (via a conveyor belt scale that is located on residue conveyor or by weighing individual loads) and recorded by Contractor prior to disposal.
- f) All residual will be delivered to the designated disposal site by the Contractor and costs of transporting and disposing of MRF residual will be the responsibility of the Contractor.
- g) MRF sorting equipment will be maintained by the Contractor, at the Contractor's expense, according to the equipment manufacturers' recommendations and as required by the equipment manufactures' warranty. Any loss of warranty coverage as a result of the Contractor's operation or maintenance will be the financial responsibility of the Contractor. The Contractor may use non-OEM parts (e.g., replacement of screen disks or stars) in equipment maintenance and repair only with prior consent of the SBWMA.
- h) No shop equipment or parts inventory will be supplied by the SBWMA. The Contractor will need to provide equipment inventory for stationary equipment as well as rolling stock in order to keep the SEC equipment running.
- i) The Contractor will sort materials to meet the Product Quality Standards in Attachment 3 of the Operations Agreement.

3.5.2 Marketing of Recyclable Materials

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

- b) Contractor shall obtain and maintain a California Redemption Certificate and recover all monies available to processors from the State of California Department of Conservation (DOC) for California Redemption Value (CRV) materials processed at the SEC facilities. These monies are to be considered part of the commodity revenues and part of the commodity revenue sharing program between the SBWMA and the Contractor.
- c) The Contractor will market materials to obtain the highest gross revenue from commodity sales and will provide assurance to the SBWMA that commodity revenues received from the sale of materials are consistent with market prices in the Bay Area pursuant to Attachment 6-B of the Operations Agreement.
- d) Contractor will coordinate all commodity material shipments from the MRF to markets. Under the existing labor agreement, the Contractor is not required to do the hauling of processed commodities from the MRF and may use contracted transporters.
- e) Gross revenues from commodity sales will be shared: 10% to the Contractor and 90% to the SBWMA with an annual minimum revenue guarantee to the SBWMA as further described in the Section 4.5. (Note that this approach is different than the revenue sharing arrangement in the current operating agreement.)

3.6 O2E OPERATIONS

- a) The O2E system shall process source separated organic materials collected from commercial generators and delivered to the Transfer Station by the Collection Contractor(s) or other parties.
- b) The processing equipment shall be operated by the Contractor in a manner that maximizes productivity of the system and maintains a product quality that is consistent and meets the standards and expectation of the wastewater treatment plants that accept the O2E slurry. The operations shall entail proper operations and maintenance of the associated chain of processing equipment that includes a shredder/bag opener, Anaergia's Organics Extrusion Press (OREX™), organic polishing system, auger conveyors, holding tanks, and a load out area.
- c) The Contractor's O2E operating plan shall be approved by the Authority and shall maximize the production of O2E slurry for anaerobic digestion at the SBWMA-designated wastewater treatment plant(s).

3.7 PUBLIC RECYCLING CENTER OPERATIONS

- a) Contractor must maintain the public recycling center so that it is clean, organized, and convenient for public access and use.
- b) Contractor shall provide sufficient dedicated space and convenient storage areas or containers at the public recycling center for receipt of materials delivered by the public.
- c) Contractor shall accept u-wastes, e-wastes, household batteries, cell phones, paints, used motor oil, used motor oil filters, antifreeze, and other materials specified in the

Operations Agreement. Contractor shall be responsible for proper disposal or processing of these materials, and the SBWMA shall reimburse the Contractor for the disposal and processing costs.

3.8 ADMINISTRATIVE SERVICES AND REPORTING

- a) The Contractor shall maintain an adequately staffed administrative office on site and provide site management and supervisory staff as necessary to oversee day-to-day operations and communicate to the public and SBWMA during business hours.
- b) SBWMA is responsible for the monthly invoicing of Collection Contractor(s) so that the franchise hauler payments are made directly to the SBWMA.
- c) The Contractor is responsible for cash and credit transaction and collecting money from self-haul customers and wiring the scale house monies to the SBWMA.
- d) Currently there are a few customers on “account” at the SEC. Collection of accounts payable and bad debt will be the responsibility of the Contractor, with Contractor requiring those accounts to be pre-paid.
- e) Contractor will maintain accurate and complete records for all facility operations. These records shall be made available to the SBWMA for purposes of monitoring the contract services provided.
- f) in accordance with the requirements of the Operations Agreement, Contractor will provide monthly and annual reports, which shall include at a minimum: regulatory compliance and communications with regulatory agencies, staffing levels, tonnage reports, complaint log entries, liquidated damages, and diversion data.
- g) The Contractor is responsible for training its staff to interface with the general public, with regulators, and with the SBWMA, and to provide excellent customer service in all aspects of its operations.
- h) Contractor will provide printed materials, after-hours telephone information service, and other services necessary to keep the public fully aware of the SEC business hours, acceptable materials, gate rates, recycling options, and other items related to use of the SEC.
- i) Contractor will be responsible for complying with and maintaining all permits related to the SEC site, the operation as a solid waste facility, and the use of all equipment onsite.
- j) Contractor will be responsive to the requests for information from the SBWMA and will allow the SBWMA complete access to the information related to the operations and management of the SEC.
- k) Contractor will notify the SBWMA of all changes in permit status, involvement by other regulatory agencies, accidents, and operational changes that can materially affect the SEC facility operations and the movement of materials into/out of the facility.
- l) Contractor will assist the SBWMA in offering public tours of the facility to community organizations.

3.9 MRF IMPROVEMENTS

Since the SBWMA is in the early stages of planning the MRF Phase II improvements, Proposers are instructed to prepare their responses to the RFQ based on the current MRF equipment and facility configuration. During RFQ Phase 2, Parallel Negotiations, the SBWMA plans to make additional information available on the MRF Phase II design and equipment modifications. At that time, the SBWMA may request that short-listed proposers provide feedback on the design and/or provide estimates of: (i) efficiencies of the equipment modifications and related operations; (ii) residue transfer, transport, and disposal cost savings; and, (iii) improved product quality and commodity revenues.

3.10 FACILITY MAINTENANCE

Repairs to structures, roofs, utility infrastructure, exterior paving, and paving inside the transfer station and the transfer station tunnels will be managed and paid for by the SBWMA, except in cases where the repair is minor or damage to the buildings is the direct result of actions or negligence by the Contractor. A detailed description of what maintenance expenses are the responsibility of the Contractor or the responsibility of the SBWMA can be found in the Operations Agreement. Generally, the Contractor has the responsibilities listed below.

- a) The Contractor is responsible for the cost of repair, maintenance, and replacement of all rolling stock purchased by the Contractor.
- b) The Contractor will repair and maintain the SBWMA-owned stationary equipment and is responsible for minor repair costs (up to \$15,000 dollars). Major repairs to the stationary equipment (over \$15,001 dollars) will be paid by the SBWMA. All such projects shall be completed via the SBWMA's work order process, unless the cost exceeds the SBWMA's internal spending authority for non-public competitive procurement, in which case the project procurement shall be led by the SBWMA and will adhere to its RFQ and public solicitation process.
- c) The Contractor will maintain stationary equipment in good operating condition and in compliance with the manufacturer's warranties.

3.11 OTHER OPERATIONAL CONSIDERATIONS

3.11.1 Labor, Collective Bargaining Agreements

The SBWMA is interested in having the Contractor maintain labor peace and retain existing employees. Below is a description of the labor requirements.

- a) Collective Bargain Agreements. The Contractor is required to enter into collective bargaining agreements with the same collective bargaining units currently representing SEC employees and such collective bargaining agreements shall materially have the same terms and conditions of the current collective bargaining agreement. Employees are presently represented by Teamsters Local Union No. 350 and are assigned the Facility Operations Unit, Semi Drivers Unit, or Clerical Unit. Attachment 11 includes the current collective bargaining agreements with this organization.

- b) Hiring of Previous Employees. Refer to Section 5.11 of the Operations Agreement for requirements related to hiring of employees of the current operator and employee retention policy for these employees.
- c) Contractor Demonstration of Compliance. Proposer shall anticipate the aforementioned labor requirements in their cost proposals. In addition, Proposers that are engaged in Phase 2, Parallel Negotiations, will be required to provide signed Memorandums of Understanding with each collective bargaining unit documenting Proposer's commitment to enter into the collective bargaining agreements with materially the same terms and conditions as the current agreements.

3.11.2 Labor, San Mateo County's Vocational Rehabilitation Services (VRS)

A portion of the SEC MRF work force is obtained through the County of San Mateo VRS program under an agreement between SBR and the County of San Mateo, which is effective through December 31, 2021. The agreement is included in Attachment 13 for reference. Approximately 24 VRS personnel are employed and hold sorting positions in the MRF. In July 2021, the VRS staffing arrangements with the County were extended for six months, with negotiations ongoing to determine if/how the VRS work can continue afterwards. It may be that negotiations result in continued provision of VRS personnel to fill the MRF sorter positions or may result is a wind down of those labor arrangements. Given the dynamic nature of the VRS workforce, it is unclear if the Contractor will use VRS personnel.

For the purposes of submitting a proposal in response to this RFQ, Proposers are to assume VRS personnel will be available to fill MRF sorting positions. During the Phase 2, Parallel Negotiations, addition information may be available on the availability of VRS personnel. If the VRS workforce will not available, Proposers will be requested to engage with other workforce development service providers to fill MRF sorter positions.

3.11.3 Emergency Preparedness

- a) The SEC serves many jurisdictions and must be prepared to function in the event of a natural disaster. Towards this goal, the Contractor will coordinate with the SBWMA, the County of San Mateo, and Member Agencies in development of emergency planning documents (e.g., for transportation of materials from the SEC to other unaffected facilities, management of debris from emergencies), and with local County and City departments and attend meetings related to emergency preparedness efforts.
- b) The Contractor will prepare a Contingency Plan for all aspects of operations including: equipment repair, permanent and temporary worker replacement, earthquake preparedness, and disruptions in shipping of recyclable commodities and will provide it to the SBWMA for review and approval 60 days following the execution of the Operating Agreement.

SECTION 4

BUSINESS AND COMPENSATION ARRANGEMENTS

This Section presents an overview of the key business terms of the Operations Agreement and Contractor's compensation arrangements under the Operations Agreement. It covers the term of the Operations Agreement, extensions to the term, key components of the Contractor's basic compensation, Service Fee adjustment process, pass-through costs, recyclable materials revenue sharing, and conditions under which special compensation adjustments will be considered. In the case of a conflict between the Operations Agreement and this RFQ, the language in the Operations Agreement takes precedence.

4.1 TERM OF AGREEMENT

The Operations Agreement provides a term of 10 years, commencing on January 1, 2024 and concluding on December 31, 2033. The SBWMA may extend the Term of this Agreement for up to two years at the SBWMA's sole discretion, on the same terms and conditions, such that the final expiration date may be extended to December 31, 2035. Following that, Contractor and SBWMA may mutually agree to two additional one-year terms, to take the Agreement until December 31, 2037.

4.2 BASIC COMPENSATION

- a) **General.** The Contractor's basic compensation is determined based on four (4) Service Fees: (i) per-ton Transfer Station Fee, (ii) per-Ton MRF Fee, (iii) per-ton O2E Fee, and (iii) cost-per ton-mile Transportation Fee for various material types. The Contractor's compensation, which is paid monthly by the SBWMA, is determined by multiplying each of these Service Fees by the tonnage handled by Contractor for the four services.
- b) **Adjustment of Service Fees.** The Contractor's Service Fees shall be determined for each year of the Operations Agreement as follows:
 1. The Contractor's service fees for Rate Year 1 of the Operations Agreement shall be the service fees proposed through this RFQ and contractor selection process and shall be proposed in 2024 dollars.
 2. Throughout the term of the Operations Agreement, an annual adjustment shall be made to the then-current service fees based on the changes in various cost indices using a method described in the Operations Agreement. The Contractor will annually file with the SBWMA a detailed compensation adjustment application to determine service fees for the upcoming rate year.
 3. Each service fee consists of several cost components: direct labor costs, fuel and power costs, depreciation, other operating and maintenance costs, profit, and in the case of the MRF Fee, MRF residue transportation and disposal cost. Each of those components is broken down into additional categories. When the service fees are adjusted, different cost indices are applied to each subcomponent of the service fee components to adjust each component to reflect the change in the indices.

4.3 SUPPLEMENTAL PROCESSING FEES

For loads of recyclable materials delivered to the MRF that are determined to have contamination (including non-targeted materials) in excess of 20%, the Contractor will be paid a supplemental MRF processing fee by the SBWMA of \$25.00 (2024 dollars) per ton for loads entering the MRF in excess of the 20% contamination limit. The supplemental MRF processing fee shall also be paid to Contractor for loads of recyclable materials determined to have excess moisture levels.

4.4 REIMBURSEMENT OF PASS-THROUGH COSTS

The Contractor shall pay the costs listed in Table 4-1 and will receive monthly reimbursement from the SBWMA. Contractor will not receive profit or overhead for these costs.

Table 4-1. Pass-Through Costs

| Cost | Description |
|---|---|
| Regulatory and Permit Fees | Regulatory and permit fees that are a part of the regular operations of the facilities (not including penalties from non-compliance). |
| Interest Cost | Direct interest on capital equipment as directed by the SBWMA during the term of the Operations Agreement and as reflected in the debt service schedule. |
| Reimbursement for Work, Parts, Services Approved through Work Order Process | Reimbursement for work; parts purchased to maintain the SEC property or equipment; services, repairs and installations performed by the Contractor or third-party contractors necessary to keep the SEC in good working order or at the request of the Authority, capital depreciation or lease expense for equipment needed to perform services, provided the Contractor's expense(s) were pre-approved by the Authority through the work order process. |
| Credit Card Transaction Costs | Credit card company transaction processing charges for self-haul customers. |
| Costs of Transportation and Disposal of Some Materials from the Public Recycling Center | Costs of transportation and disposal or recycling of e-waste, u-waste, household hazardous waste from the Public Recycling Center, white goods, chlorofluorocarbons (CFCs) removed from appliances, tires, and any Hazardous Substances discovered by the Contractor through the Hazardous Waste Exclusion program (HWEP). |

4.5 RECYCLING REVENUES; GUARANTEE AND SHARING OF REVENUES

The revenue sharing arrangement presented in the Operations Agreement specifies that Contractor shall pay the SBWMA 90% of revenues earned from the sale of recyclable material recovered through the MRF and Public Recycling Center operations on a monthly basis, which allows the Contractor to retain 10% of the revenues. Contractor shall guarantee a minimum annual revenue share payment to the SBWMA of \$4,700,000.

4.6 MRF RESIDUAL REDUCTION INCENTIVE

To provide a MRF residue reduction incentive, the Contractor is required to pay the transportation and disposal costs of all MRF residue. The cost shall include the per-ton disposal rate for the designated disposal facility and the cost per ton-mile Transportation Fee for solid waste for each ton of MRF residual.

4.7 SPECIAL CIRCUMSTANCES ADJUSTMENT TO COMPENSATION

The Contractor may apply to the SBWMA for consideration of a special review of Contractor's compensation, or the SBWMA may initiate such a review, should one or more of the following occur or if there is a "special occurrence" having a material effect (1% or more annually) on the Contractor's compensation for the then-current Rate Year:

1. Catastrophic events which are beyond the control of the Contractor.
2. Change in Law.
3. Community emergency that requires a change in operations.
4. Departure of a Member Agency from the SBWMA.
5. An SBWMA-directed change in scope.

4.8 DEFAULTS AND REMEDIES

Article 11 of the Operations Agreement identifies the specific events of default, as well as the remedies available to the non-defaulting party should any such event of default occur.

4.9 INSURANCE REQUIREMENTS

The selected Contractor will be required to maintain insurance in effect during the term of the Agreement in accordance with the terms set forth in Section 10.02 of the Agreement.

SECTION 5 PROPOSAL REQUIREMENTS

Proposers must provide all information requested in this section and addendum items, if any, as part of their proposal. Attachments 3 and 4 contain the Proposal Forms that are required to be completed. Failure to provide all required information may be grounds for rejection of a proposal. The proposal requirements have been separated into components addressing: Qualifications, Financial, Technical, Agreement Acceptance, Cost Proposal, and Administrative Proposal Forms.

5.1 PROPOSAL OUTLINE

Proposer shall present its proposals in accordance with the outline provided in Table 5-1. Items that are not required elements of the proposal are noted as "Optional." At Proposer's option, the Proposer may include additional information or data on other relevant topics, or more detail on the information requested herein that is relevant to the proposal. Any additional information shall be included as attachments to the proposal.

Table 5-1. Proposal Outline

| | |
|-----------|---|
| | Title Page |
| | Cover Letter |
| | Table of Contents |
| ES | Executive Summary |
| 1 | Qualifications Component |
| | 1. Business Structure |
| | 2. Company Qualifications |
| | 3. Key Personnel |
| | 4. Labor Arrangements |
| | 5. Experience Modification Rating |
| 2 | Financial Component |
| | 1. Financial Background |
| | 2. Financial Stability |
| | 3. Financing Method |
| 3 | Technical Component |
| | 1. Scale House Operations |
| | 2. Transfer Station Operation and Materials Segregation |
| | 3. Transportation of Materials to Designated Facilities |
| | 4. MRF Operations |
| | 5. Materials Marketing |
| | 6. O2E Operations |
| | 7. Operation of the Public Recycling Center |
| | 8. Clean Air Fuels for On-Site Rolling Stock |
| 4 | Cost Proposal |
| | 1. Service Fees |
| | 2. Operating Ratio |

| | |
|----------|---|
| 3. | Cost Proposal Considerations |
| 5 | Operations Agreement Component |
| 6 | Administrative Proposal Forms |
| 1. | Proposer Code of Conduct |
| 2. | Anti-Collusion Affidavit |
| 3. | Secretary's Certificate |
| 4. | Iran Contracting Certification |
| 5. | Proposal Validity and Commitment to Sign Agreement Form |
| 6. | Bond or Surety Accompanying Proposal |
| 7. | Proposer Certification |
| 7 | Additional Information (optional) |

5.2 COVER LETTER

Proposer shall provide a cover letter that includes the items listed below. The cover letter shall be signed by the designated representative authorized to bind proposer as documented on the Secretary's Certificate to be submitted in accordance with Section 5.9. The cover letter must be signed by an officer or agent of the Proposer who is authorized to bind the Proposer.

In the cover letter, Proposer shall include the following:

- a) Name, address, email address, telephone and fax number of Proposer, and key contact person.
- b) Legal entity(ies) submitting the proposal, stating whether each entity is a sole proprietorship, partnership, corporation, joint venture, or other form of legal entity.
- c) If teaming arrangement with two or more parties is proposed, describe past working relationships on similar projects.
- d) Name of entity that will sign the Agreement if Proposer is the selected Contractor.
- e) A statement that the Proposer has performed its own due diligence related to the operations of the SEC including review of the RFQ, Operations Agreement, and relevant background information; observations of facility operations; and, other research and analysis necessary to develop its proposal.
- f) A statement that Proposer has reviewed the requirements of the project as described in this RFQ, its enclosures, and all addenda, by listing all addenda and dates received.
- g) A statement that Proposer agrees that the terms of both the technical proposal and the cost proposal as submitted by Proposer are firm for a period of one year from proposal submittal date; and,
- h) A statement that Proposer assures that a faithful performance bond or other instrument specified in the Operations Agreement will be issued by the Proposer, if Proposer is selected to enter into the Operations Agreement, and that such assurance will be provided on or before the Effective Date of the Operations Agreement.

5.3 EXECUTIVE SUMMARY

Proposer shall provide an executive summary to introduce its proposal; highlight qualifications; present its strategy and costs; and highlight unique aspects of its approach to operating the SEC and serving the SBWMA and Member Agencies. The executive summary can be used to highlight any additional programs, service enhancements, or other innovations proposed.

5.4 QUALIFICATIONS COMPONENT

Proposer shall describe company and staff qualifications as they relate to successfully operating a transfer station, MRF facility, O2E system, and transportation services. In addition, the Proposer's qualifications information must demonstrate how the company's local management and corporate structure are linked, and how the company or joint venture fosters innovation and high-quality performance. If companies are submitting as a team, describe any prior successful working arrangements involving similar types of services for similarly-sized communities.

Describe these qualifications by providing the following information.

1. **Business Structure.**

- a) Confirm that Proposer is authorized to do business in California;
- b) Identify the legal entity(ies) that will execute the Operations Agreement and any performance guarantee. State whether each entity is a sole proprietorship, partnership, corporation, joint venture, or other form of legal entity. Describe the relationship of the Proposer to the executing entity(ies). If the Proposer is a joint venture, describe the circumstances under which the entities have collaborated before;
- c) State the number of years the entities have been organized and doing business under this legal structure;
- d) Identify other entities with common ownership and/or management; and,
- e) Describe all services to be performed by subcontractors or affiliated companies, and identify each subcontractor by full name and principal business address.

2. **Company Qualifications.** Fully describe services provided currently or in the past that are directly relevant to services described in this RFQ and Operations Agreement, including descriptions of relevant contracts, the degree of the Proposer's involvement (related to solid waste, recyclable materials, organic materials, and C&D debris transfer, MRF operations, O2E operations, and organics processing) and the date the service was provided. Provide names and telephone numbers for all municipal and other public clients over the last five years as references for Proposer's experience providing relevant transfer station, MRF services, O2E operations, and organics processing. If the Proposer is relying on a subcontractor(s) to provide any operations services and/or transportation services, the proposal shall include both the Proposer's and its subcontractor's company qualifications.

3. **Key Personnel.** Provide names and resumes of principal officers, partners, or other officials of each company that will perform significant, substantive responsibilities required under the RFQ and include an organizational chart for the key personnel. Clearly identify the names of individual(s) who will implement the Agreement and include resumes for each individual (include names, addresses, and telephone numbers of key individuals). Describe relevant technical experience of key personnel, their background in transfer station operations, MRF operations, O2E operations or other organics processing operations, materials marketing, and customer service. Specify training and background check requirements (criminal record, DMV, etc.) that will be used for screening and hiring staff performing services requested in this RFQ and Operations Agreement. At a minimum, key personnel shall include the chief executive officer (CEO), chief financial officer (CFO), chief operating officer (COO), president, vice president, regional or division manager, general manager, operations manager, and primary contract manager (i.e., primary liaison with the SBWMA) for the SEC, or other personnel with similar titles/responsibilities.
4. **Labor Arrangements.** Proposer shall identify what experience they have working with the labor organization representing the SEC labor forces. Proposer shall describe when it or its subcontractor(s) plans to enter into any new collective bargaining agreement(s) or labor agreements with the current SEC labor organization, process and timeline for the negotiations, and any concerns it has with the terms of the labor agreements. Signed Memorandums of Understanding (MOUs) with existing on-site collective bargaining units will be requested of short-listed Proposers in Phase 2, Parallel Negotiations.
5. **Experience Modification Rating.** Provide documentation or proof of the Proposer's worker's compensation experience modification rating.

5.5 FINANCIAL COMPONENT

Provide the following information in sufficient detail to allow the SBWMA to generally assess the company's financial capabilities and financing plans.

1. **Financial Background.** Provide satisfactory evidence that the contractually responsible party has been in existence for at least three years and has financial resources sufficient to undertake the proposed project.
2. **Financial Stability.** Provide a signed statement from the chief financial officer (or Proposer's primary bank) attesting to the financial capabilities of the Proposer to take on the Operations Agreement and indicating what the relative expansion of company will be if awarded the Operations Agreement in context of a percentage increase in the Proposer's annual revenue. The statement shall also indicate if there has been material change in the financial circumstances of the proposing entity (or its parent or owners if they are providing financial assurance of performance) in the past three years and shall describe the nature of such changes, if any. Audited financial statements will be requested of short-listed Proposers in Phase 2, Parallel Negotiations.
3. **Financing Method.** Provide a general description of Proposer's financing plan for all capital requirements including a description of planned sources and uses of funds and

the financing structure. More detailed information will be requested of short-listed Proposers in Phase 2, Parallel Negotiations.

5.6 TECHNICAL COMPONENT

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

5.6.1 Scale House Operations

- a) Provide a detailed description of the how the Proposer will implement the scope of services required for the scale house operations.
- b) Provide information about the proposed scale software system(s). If the same as the current SEC system, present any relevant experience Proposer has with the system and any changes or modifications recommended. If different than the system currently used at the SEC, add description to explain why an alternate system is proposed and the system's capabilities to meet the record keeping, reporting, and billing needs of the SBWMA.

5.6.2 Transfer Station Operation and Materials Segregation

At a minimum, Proposers are requested to provide detailed information in the proposal that addresses the following items:

- a) Staffing levels and equipment that will employed by the Proposer to implement the transfer station scope of services. Identify the location, function, and work hours for the personnel.
- b) Load receiving and inspection procedure proposed for use at the transfer station and procedures for how recoverable loads will be identified for segregation, separately stored, and delivered to on-site or off-site processing.
- c) Proposed approach to managing self-haul vehicles and self-haul materials with an emphasis on acceptance and segregation of reusable, recyclable, and compostable materials for diversion from landfill disposal.
- d) Explanation of unique ideas, innovations, equipment, materials handling procedures, materials recovery strategies, or markets that the Proposer recommends to reduce costs and/or increase diversion. Provision of specific examples if Proposer employs these measures at other transfer stations.
- e) Recommended improvements to the transfer station (if any) and description of how it would improve the transfer station operation.

- f) Proposed procedures for loading transfer trailers. Specify how loading procedures will encourage maximizing payloads while avoiding having loads exceed legal weight limits.
- g) Description of load tarping program to ensure that there is no littering from outbound transportation of materials.
- h) Constraints or limitations at the designated disposal site and designated processing facilities that restrict the efficient transfer and unloading of materials and alternatives that can be implemented to improve trucking efficiency.
- i) Proposed methods of tracking and reporting operational activities and productivity, staffing levels, and training programs.
- j) Approach towards daily and routine maintenance, wear-part replacements, and catastrophic equipment replacements.

5.6.3 Transportation of Materials to Designated Facilities

The transfer station receives large volumes of materials that require regular and consistent load out and hauling off-site to the designated disposal site or designated processing facilities. In response to this section, the Proposer shall:

- a) State whether the transportation will be done directly by the Proposer or whether it will be subcontracted in situations where non-union drivers may be allowed. In both instances describe current and prior transfer operations that are managed by the Proposer or its subcontractor. Include information about the contract and the entity serviced. The descriptions should include detailed information relating to the materials transported, tonnages transported, distance traveled, frequency, number of vehicles and vehicle types.
- b) Provide a detailed description of the staffing arrangements and proposed equipment to be used for the transfer of solid waste, C&D debris, organic slurry from O2E system, organic materials, and recovered recyclable materials from the SEC.
- c) Discuss how the Proposer's prior experience in operating trucks and/or transferring materials qualifies the Proposer to perform the e-waste, u-waste, and hazardous substance transportation services for the SBWMA.
- d) Describe the equipment that will be used to transport materials off-site to the designated processing facilities. Describe how the vehicles will unload at the destination. Note that Proposer is required to specify estimated average payloads for various materials on Cost Proposal Form 3.
- e) Describe how the equipment will be maintained and what, if any, equipment maintenance service the Proposer will perform and what maintenance services will be subcontracted. The description shall include Proposer's approach toward daily and routine maintenance, wear-part replacements, and catastrophic equipment replacements for its transfer vehicle fleet. For services

that are to be subcontracted, list the companies and what maintenance services the company will perform.

- f) Describe back-up capacity (detail the number of units that will be maintained throughout the term of the Agreement) in the event of transfer vehicle breakdowns or during unanticipated downtime of equipment at the transfer station loading operation.
- g) Describe the procedures that are currently used by the Proposer to ensure safe operation of the vehicles by drivers. Include a description of the driver training and safety programs, proposed methods and equipment for securing loads, and compliance with all federal, state, and local regulations for solid waste and other material transport, vehicle inspection and maintenance, and handling spillage.

5.6.4 MRF Operations

- a) Describe safe and efficient unloading procedures.
- b) Explain how materials will be received, graded, and managed on the tipping floor of the MRF. Describe how residential recyclable materials will be handled differently from commercial recyclable materials.
- c) Specify proposed staffing and equipment to be employed for the MRF operations. If proposed staffing levels exceed the minimum staffing levels specified in the cost proposal forms, explain the rationale for additional personnel. If Proposer has strategies for reducing the number of staff below the minimum staffing levels, Proposer may describe its strategies and present an alternative staffing level for consideration by the SBWMA; however, the cost proposal shall reflect the minimum staffing level.
- d) Describe strategies for maximizing material separation and recovery results. Specify, at a minimum, how the target materials will be separated, what materials will be baled and which will be marketed loose, and methods and vendors used to transport materials to market.
- e) Present unique ideas, innovations, new equipment or equipment modifications, materials handling procedures, or markets that the Proposer recommends to maximize the quality of marketed materials, reduce residual, and reduce costs. Provide specific examples if Proposer employs the measures at other MRF operations.
- f) Include examples of reports and metrics that are used by the Proposer at other locations to track the material flow, material recovery, efficiency of operations and personnel costs (e.g., metric may include process tons per hour, process tons per labor hour, percentage downtime).

5.6.5 Materials Marketing

- a) Provide a general overview of its materials marketing plan, include arrangements with commodity brokers.

- b) Provide information demonstrating its track record in marketing materials through provision of historical annual volumes of materials marketed and data on gross revenues for commodities for the past five years.

More detailed information regarding Proposer's marketing plan and track record will be requested of short-listed Proposers in Phase 2, Parallel Negotiations.

5.6.6 O2E Operations

Present a strategy for efficiently operating the O2E system to recover high quality organic slurry that meets the needs of the designated wastewater treatment plant(s) and to minimize the residue levels. Present strategies and methods (if any) for expanding the O2E operations beyond its current operation level, including identification of the types of material streams recommended for processing and estimated tons per year of such materials. Explain reasoning for such proposal.

5.6.7 Operation of the Public Recycling Center

Describe strategies for the operation and management of public recycling center (particularly with its space constraints), including Proposer experience accepting drop-off of e-waste, u-waste, and used motor oil and filters by the public and in maximizing service provision in limited-space settings.

5.6.8 Clean Air Fuels for On-Site Rolling Stock and Transfer Vehicles

The SBWMA is interested in reducing air emissions impacts resulting from the SEC operations and transportation of materials to support Member Agencies' Climate Action Plans. It is interested in clean air fuels that minimize harmful air emissions from equipment and vehicles. Examples of clean air fuels include, but are not limited to, electricity, propane, liquid natural gas (LNG), compressed natural gas (CNG), biodiesel, and renewable diesel.

Proposers are to provide a description of the types of clean air fuel or alternative power technologies they propose to use for on-site rolling stock and for transfer vehicles including, but not limited to, natural gas, electricity, and hybrid power systems. Proposer may present a scenario in which it pilots various technologies and/or transitions over time to different fuel strategies. The fuel strategy shall also address the fuel infrastructure needs and plans.

All proposed equipment must comply with all California Air Resources Board (CARB) requirements, including the 2024 electric vehicle purchasing requirements in CARB's Advanced Clean Trucks Rule.

5.6.9 MRF Sorter Workforce (Optional)

Identify alternative workforce development organizations, which are committed to supporting persons with disabilities and other barriers to employment in job training and job placement, that may be capable of providing MRF sorters in the event MRF sorters are not provided through the County of San Mateo's VRS program.

5.7 COST PROPOSAL

Receiving cost-effective services is a top priority for the SBWMA and its Member Agencies. In response to the RFQ, Proposers are required to present a proposal for the Contractor's:

- Transfer Station Fee
- Transportation Fees
- MRF Fee

In the Phase 2, Parallel Negotiations process, the short-listed Proposers will be required to: (i) provide additional cost details and operation assumptions to support its proposed Transfer Station Fee and Transportation Fees, (ii) refine its per-ton MRF Fee (not-to-exceed the amount proposed in response to this RFQ) and provide additional cost details and operating assumptions, (iii) propose costs and a per-ton O2E Fee, and Transportation Fees for O2E Slurry; and (iv) propose costs and service fees for alternative operational scenarios. The MRF Fee is being requested as a not-to-exceed amount in Phase 1 with the goal of reducing the level of effort Proposers need to invest in understanding the nuances of the MRF operations and estimating the MRF Fee. In Phase 2, Parallel Negotiations, the short-listed Proposers will have the opportunity to conduct additional review and assessment of the MRF operations and refine their proposed MRF Fee, provided that the MRF Fee presented in Phase 2 does not exceed the amount proposed in Phase 1.

The O2E Fee is not being requested until Phase 2, which will allow for the SBWMA to provide short-listed Proposers with operating information based on more mature O2E operations.

Proposer is required to submit its cost proposal using forms provided in Attachment 3. The cost proposal must be based on the technical component of the proposal and full review and understanding of the Operations Agreement. All components of the cost proposal forms must be completed, and failure to do so may disqualify the proposal. The cost proposal components and cost proposal consideration are described below.

5.7.1 Service Fees

- a) Transfer Station Fee. The proposed per-ton Transfer Station Fee shall include the cost to operate the transfer station, the scale house and scales, and other associated operations. The per-ton Transfer Station Fee should exclude the cost of off-site disposal and processing services and regulatory and permit fees as these costs paid directly by the SBWMA. The Transfer Station Fee shall not include costs related to the O2E operations, which will be reflected in the O2E Fee solicited during Phase 2, Parallel Negotiations.
- b) MRF Fee. The per-ton MRF Fee shall be presented as a maximum not-to-exceed amount that may be refined by short-listed Proposers in Phase 2. The MRF Fee should provide the cost to operate the MRF and public recycling center, market recyclable material commodities, transport and dispose of MRF residue, and perform other associated activities. The estimated MRF Fee should exclude costs associated the offsite disposal or recycling of e-wastes, u-wastes, and household hazardous waste received from the public at the

public recycling center because these are pass-through costs (revenues) paid for by the SBWMA.

- c) Transportation Fee. The cost per ton-mile transportation fee shall include the cost of transporting solid waste, food scraps, organic materials, C&D debris, and organic slurry from the O2E system from the transfer station to the Designated Disposal Site and Designated Processing Facilities and the cost of transporting water from a local hydrant to the SEC. A different transportation fee is required for each material type to allow Proposers to account for different material densities and use of different types of vehicles.

5.7.2 Operating Ratio

As part of its cost proposal, Proposer is required to propose an operating ratio that reflects the profit level it has included in its service fees. Cost Proposal Forms 2 and 3 include input cells for the operating ratio to be presented. The proposed operating ratios will be used by short-listed Proposers during the Phase 2, Parallel Negotiations, when short-listed Proposers present additional cost proposal information and service fees. The profit amount is calculated equal to the sum of costs (excluding pass-through costs) divided by the operating ratio minus the sum of the costs.

5.7.3 Cost Proposal Considerations

In completing the cost proposal forms in Attachment 3, Proposers should keep in mind the following considerations:

- a) All proposed service fees are to be proposed in 2024 dollars. The selected Contractor's proposed service fees will be used to evaluate proposals in the Phase 1, RFQ process, and will serve as the basis for negotiations during Phase 2, Parallel Negotiations.
- b) Costs must cover all contractual requirements including, but not limited to costs associated with: management and administration; customer billing; collection, accounting, and remittance of gate rate revenues; record keeping and reporting; vehicle and equipment acquisition and maintenance; routine facility cleaning and maintenance; and other services and functions necessary to meet all requirements of the Operations Agreement.
- c) The Contractor's reasonable and necessary costs incurred during the transition period between the Effective Date of the Operations Agreement and the Commencement Date of operations may be included in the service fees provided such costs are annualized over 10 years. If included, the annualized transition costs shall be listed as a separate line item under the "Other operations and maintenance" category on Cost Proposal Forms 2 and 3.
- d) The proposed service fees are to include the Contractor's depreciation and interest expenses for acquisition of: (i) as-new on-site rolling stock and other vehicles and transfer trailers; and (ii) other equipment or vehicles needed to perform Contractor's obligations under the Operations Agreement.
- e) The proposed service fees will be applicable to serving any number of customers using the SBWMA's SEC facility, varying volumes of solid waste, recyclable materials, organic materials, C&D debris, and organic slurry (not to

exceed the facility's permitted capacity) with variable amounts of recoverable materials over the term of the Operations Agreement.

- f) In completing the cost proposal forms, Proposer should assume transfer vehicles and loaders will be powered by renewable diesel fuel and forklifts by a clean air fuel.¹³ In the Phase 2, Parallel Negotiations process, Proposer may be required to present a cost proposal for use of alternative clean air fuel and power strategies.
- g) Cost Proposal Form 1 is provided for Proposers to document their staffing plans. Proposers are required to complete this form. Proposed staffing levels shall meet or exceed the minimum staffing levels presented on Cost Proposal Form 1. For the purposes of preparing the staffing plan, Proposers shall assume that VRS labor will be available to fill MRF sorter positions. If there is a change in this labor arrangement, short-listed Proposers will address alternatives to VRS labor in Phase 2, Parallel Negotiations.
- h) Additional instructions are included in the cost proposals forms for Proposers. Cost Proposal Forms 2 and 3 identifies the minimum amount of information the Proposer is required to provide for the service fees and identifies the option of Proposers to present additional detailed cost information. If Proposer chooses not to provide the additional detailed cost information and it is invited to participate in Phase 2, Parallel Negotiations, Proposer will be required to provide the detailed cost information identified on Cost Proposals Forms 2 and 3 at that time.
- i) For reference purposes, Cost Proposal Forms 2 and 3 included estimated tonnages for inbound material streams for each service for which a proposed service fee is required. The tonnages presented are not guarantees of the actual tonnage that will be handled by the Contractor, and actual tonnages of the various material streams may vary significantly from tonnages presented in the cost proposal forms.
- j) If Proposer is invited to participate in Phase 2, Parallel Negotiations, Proposer shall be prepared to provide more detailed cost proposal information for each service fee proposed and such detailed cost proposal information must support the service fees proposed in response to this RFQ, unless the SBWMA agrees that changes are warranted or requests service fees for different SEC operating conditions.

5.8 OPERATIONS AGREEMENT COMPONENT

In Attachment 2, the SBWMA provides the proposed Operations Agreement. The terms and conditions of the Operations Agreement are based on SBWMA's current operations agreement, with some modifications to reflect current conditions and other adjustments chosen by the SBWMA. The Operations Agreement is provided to inform Contractors of the SBWMA's intentions regarding the roles, responsibilities, and obligations of the Contractor and the SBWMA. Proposer is required to review the Operations Agreement prior to submittal of its proposal to the SBWMA. This review process allows Proposers to

¹³ Transfer vehicles are currently fueled at the SEC with Neste renewable diesel fuel.

clearly focus the proposal and costs for services with full consideration of the Contractor's role, responsibilities, and risks. The SBWMA is interested in selecting a Contractor that is prepared to sign the Operations Agreement in its current form.

In its proposal, Proposer is to identify its willingness to accept the key provisions of the Operations Agreement or express concern and suggested changes related to key provisions. At a minimum, Proposer shall focus their comments on key sections of the Operations Agreement including, but not limited to the following:

- Term and options to extend (Sections 2.03 and 2.03 of the Operations Agreement);
- Operation of the SEC and transportation requirements (Article 5, Article 6, and Attachment 4 of the Operations Agreement);
- Compensation and payment procedures (Articles 7 and 8, Attachments 8-A and 8-B of the Operations Agreement); and,
- Other sections at Proposer's option.

A redline mark-up of the Operations Agreement presenting all of Proposer's exceptions and alternative contract language will be requested of short-listed Proposers in Phase 2, Parallel Negotiations. (Proposers may, at their option, provide a redline mark-up of the Operations Agreement as part of their responses to this RFQ.)

5.9 ADMINISTRATIVE PROPOSAL FORMS

Administrative proposal forms are included in Attachment 4. It is a requirement of the RFQ that each form be completed fully by the Proposer, signed by the authorized representative shown on the Secretary's Certificate, and submitted with the Proposal.

1. **Proposer Code of Conduct.** A designated representative authorized to bind the Proposer is required to sign the Proposer Code of Conduct. If Proposer does not sign the code of conduct or violates the code of conduct, the SBWMA has the right to disqualify the Proposer from this RFQ process.
2. **Anti-Collusion Affidavit.** Proposer shall submit the Anti-Collusion Affidavit documenting its anti-collusion commitment.
3. **Secretary's Certificate.** Proposer shall complete and submit the Secretary's Certificate documenting the designated representative authorized to bind the proposing company.
4. **Iran Contracting Act Certification.** Proposer shall complete and submit the Iran Contracting Act Certification.
5. **Proposal Validity and Commitment to Sign Agreement Form.** Proposer shall complete the Proposal Validity and Commitment to Sign Agreement Form.
6. **Bond or Surety Accompanying Proposal.** Proposer shall submit a bond or surety for \$500,000 in the form presented in Attachment 4, which shall be signed by the Proposer's principal, surety and attorney.
7. **Proposer Certification.** Proposer shall make certifications of compliance with seven core topics governing the Contractor's performance of services and obligation under the Operations Agreement.

5.10 ADDITIONAL INFORMATION (OPTIONAL)

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

5.11 ADDITIONAL PROPOSAL INFORMATION REQUIRED IN PHASE 2

Short-listed Proposers selected to participate in Phase 2, Parallel Negotiations, will be required to submit additional information. This information may include, but is not limited to, the information presented in this section.

5.11.1 Qualifications Component

- a) **Transition Experience.** Demonstrated experience of the company to implement the requested services and smoothly manage transitions similar to the SBWMA's services in comparable sized communities.
- b) **Labor Arrangements.** Provision of signed Memorandums of Understanding (MOUs) with collective bargaining units documenting the commitment of Proposer to enter into collective bargaining agreements with materially the same terms and conditions as are currently in place and to retain current operator's employees.
- c) **Litigation History.** If (i) any company, partner or subsidiary in this venture, sub-contractor, or any corporate officer has been involved within the past five years in litigation: arising out of performance of solid waste, recycling, or organics contracts, or violation of environmental laws, regulations or permits; arising out of or connected with violation of state or federal antitrust laws; or arising from or connected with allegation of corrupt practices. , and/or (ii) any company, partner or subsidiary in this venture, sub-contractor, or any corporate officer has been the subject of any enforcement action, order, decree, or notice of violation of any environmental laws, regulations or permits, then Proposer shall fully explain these instances. Provide details of any past or pending litigation against the Contractor or its parent company or joint venture company(ies) by a governmental entity contracting with the Contractor or its parent for services relating to waste management and materials recovery, or against such a governmental entity by the Contractor or its parent company or joint venture company(ies). Failure to disclose litigation history may result in disqualification of the proposal. Information must be provided for the Proposer and any partners or subcontractors included in Proposer's team.
- d) **Payment of Fines, Penalties, Settlements, or Damages.** Provide a statement disclosing any and all fines, penalties (including liquidated damages or administrative fees), settlements, or damages of any kind paid by Proposer, its parent company and subsidiaries, to public agencies in the past five years. For each payment, list the amount the company has paid, the name of the jurisdiction to which damages were paid, and the event(s) which triggered the damages. Identify what personnel and/or policy changes the company made in response to such incidents (e.g., terminated or reassigned employees involved, new process protocols). Information must be provided for the Proposer and any partners or subcontractors included in Proposer's team.

- e) **Environmental Compliance.** List any environmental compliance-permit violations incurred by the company, partner or subsidiary in this venture, or subcontractor in the past three years for similar types of facilities operated within California. Information must be provided for the Proposer and any partners or subcontractors included in Proposer's team.

5.11.2 Financial Component

- a) **Financial Stability.** Provide audited financial statements, including income and balance sheets for the contractually responsible party and any parent company and joint venture company(ies), for the most recent three complete fiscal years and 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. Note: The Operations Agreement will require annual audited financial statements from the Contractor.
- b) **Financing Method.** Provide a detailed financing plan that identifies all capital requirements and describes the sources and uses of funds, the financing structure, and all assumptions used in the formulation of the program strategy. Proposer must demonstrate access to the necessary funds either from equity or specific written commitments from third parties.
- c) **Performance Bond Commitment.** Provide letter of commitment from a bonding company assuring that a performance bond or other instrument as specified in the Operations Agreement will be issued by the Proposer if selected as the Contractor.

5.11.3 Technical Component

- a) **Maintenance Plan** - Describe how the equipment will be maintained and what, if any, equipment maintenance service the Proposer will perform and what maintenance services will be subcontracted. For services that are to be subcontracted, list the names of the subcontractors and describe the maintenance services each subcontractor will perform.
- b) **Commodities Materials Marketing Plan.** Provide a detailed MRF Materials Marketing Plan expanding on the general marketing plan description provide in Phase 1. The Plan shall include the following:
 - 1. Buyer's commodity specifications for the material that will be recovered at the MRF and marketed by the Proposer;
 - 2. A Materials Marketing Contingency Plan that discusses how the Proposer will respond to changes in market conditions and/or adjust its marketing strategies and services to respond to changes in market conditions;

3. A list of all Proposer's commodity buyers and description of any purchase contracts with buyers;
 4. A list of commodity transportation companies that will be used by Proposer;
 5. Description of the experience, history, and volumes marketed by Proposer's materials marketing staff/agent;
 6. Description of any special arrangements (pre-existing contractual arrangements) that Proposer may have with commodity buyers that will assist the SBWMA obtain better, more reliable pricing for commodities; and,
 7. A list of the volumes and sale prices for commodity types that will be produced by the MRF that have been sold by Proposer (from the western United States) in the last three months.
 8. Identification of any changes proposed to the list of targeted recyclable materials presented in Section 2.4.3, such as additions to the list of materials that are acceptable.
- c) **Other Materials Marketing.** Provide a description of the Proposer's experience and demonstrated ability to market materials u-waste, e-waste, other materials received at the Public Recycling Center, and materials recovered from self-haul materials.
- d) **Transition Plan.** Provide a transition plan and timeline that address the steps needed, and the schedule on which such steps need to occur, to prepare for commencement of operations on January 1, 2024. Include all elements required by Section 5.02 of the Operations Agreement.
- e) **Environmental Procurement Policy.** Provide an environmental procurement policy that identifies plans to use environmental responsibility as a factor in the purchasing goods and services for the SEC operations. The plan shall specify environmental responsibility criteria (e.g., recycled-content, ability to reuse or recycle items, energy use or cost) that will be considered when making purchases and shall include specific procurement policies for specific items (e.g., re-refined motor oil, remanufactured or refurbished parts, recycled-content paper). The proposed policy, subject to change during negotiations with the SBWMA, is intended to become an attachment to the Operations Agreement.
- f) **Stormwater Management Plan.** Provide a comprehensive plan for managing stormwater at the SEC to meet regulatory requirements. The proposed plan, subject to change during negotiations with the SBWMA, is intended to become an attachment to the Operations Agreement.

5.11.4 Cost Proposal Component

- a) **Transfer Station Fee and Transportation Fee Supporting Costs and Operations Statistics.** Proposer will be required to submit detailed cost and

operational statistics to support the proposed service fees presented by Proposer in Phase 1 in response to this RFQ. If the proposed service fees submitted in Phase 1 in response to the RFQ do not align with the supporting detailed information provided by Proposer in Phase 2, Parallel Negotiations, the SBWMA reserves the right to reject the Proposer from the Phase 2, Parallel Negotiations process.

- b) **MRF Fee.** In Phase 2, Parallel Negotiations, Proposer will be invited refine its per-ton MRF Fee provided that it does not exceed the estimated MRF Fee presented in Phase 1. If the proposed MRF Fee submitted in Phase 2 is greater than the not-to-exceed estimate provided in Phase 1 in response to this RFQ, the SBWMA reserves the right to reject the Proposer from the Phase 2, Parallel Negotiations process. In Phase 2, the proposed MRF Fee shall be accompanied by detailed cost and operating statistics to support calculation of the per-ton MRF Fee.
- c) **O2E Fee.** In Phase 2, Parallel Negotiations, Proposer will be required to propose a per-ton O2E Fee for operating the O2E system. The per-ton O2E Fee will exclude the cost of off-site processing of the O2E slurry and O2E residue disposal costs as these costs are paid by the SBWMA.
- d) **Alternative Proposals.** In Phase 2, the SBWMA may specify additional operating scenarios and request short-listed Proposers to propose per-ton service fees for the alternatives and present detailed cost and operating statistics to support the proposed service fees. The SBWMA has not determined what these alternative proposals will be, but the alternatives may include:
- Operating the O2E at various throughput scenarios;
 - Estimated operational impacts and cost savings for MRF Phase II modifications; and,
 - Reopening the buy-back center.
- e) **Optional Proposals.** Proposer will be invited to present other facility scenarios, at its option, to reflect strategies for increased diversion, reduced costs, alternative clean air fuel scenarios, etc.
- f) **Note.** The selected Proposer's Phase 2 cost proposal forms will be included as attachments to the Operations Agreement.

5.11.5 Operations Agreement Component

At its option, Proposer may propose exceptions to the Operations Agreement by submitting a redline version of the Operations Agreement. Any exceptions must be accompanied by recommended alternative language, such that if the alternative language is acceptable to the SBWMA, the Proposer is prepared to sign the amended Operations Agreement without further discussions or negotiations. However, the number, and more importantly, the substantive nature of the exceptions will be compared to those taken by the other Proposers during proposal evaluation. If comments include significant exceptions to the Operations Agreement terms, the SBWMA may reject the proposal regardless of its other

merits and proposed rates. Except at the sole discretion of the SBWMA, all negotiations with the Proposers will be limited to the Proposer's comments and recommended alternative Operations Agreement language contained in their proposal.

5.11.6 Other Required Components

SBWMA may request other information from Proposers.

SECTION 6

PROPOSAL EVALUATION CRITERIA

This Section presents evaluation criteria that the SBWMA, its consultants, the Ad Hoc Board Selection Committee (AHBSC), and/or the Board may use to evaluate and select short-listed Proposers for Phase 2, Parallel Negotiations, and to select the final Contractor. Note that the process for proposal evaluation, negotiations, and contractor selection process is described in Section 7.1. The SBWMA reserves the right to modify this process and the evaluation criteria in any way and at any time during the proposal and contractor selection process. The SBWMA's objective in evaluating proposals will be determining the proposal(s) that offer the best overall value to the SBWMA, its Member Agencies, and its residents and businesses.

Note that the SBWMA reserves the right to modify the criteria and contractor procurement process in any way and at any time during the contractor selection process.

The evaluation process in Phase 1 and/or Phase 2 may include ranking the proposals using evaluation criteria, although the SBWMA, AHBSC, or Board are not obligated to rank proposals and may focus on identifying the proposal(s) offering the best overall value.

6.1 EVALUATION CRITERIA FOR PHASE 1, RFQ PROCESS

In Phase 1, proposals will be evaluated using the criteria presented in this Section, considering the extent to which criteria is fulfilled relative to other proposals.

6.1.1 Responsiveness to RFQ (Pass/Fail)

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

6.1.2 Company's Qualifications and Experience

- a) **Company Experience** – Demonstrated experience of the company in operating transfer stations, transportation services for solid waste and other materials, MRFs, organics processing systems (such as the OREX™ press system or similar processes), and related operations. If the Proposer is a joint venture, demonstrated experience of parties working together.
- b) **Key Personnel** – Demonstrated capabilities of the company's proposed management team of key personnel for the on-going management of the SEC operations. Demonstrated ability to be responsive to the ongoing needs and requests of jurisdictions 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.
- c) **Labor Arrangements** – Extent of Proposer's commitment to support existing labor arrangements such as commitment to work with existing collective bargaining units, to terms of existing collective bargaining agreements, and to the employee retention policy.

- d) **Experience Modification Factor** – Reasonableness of company’s experience modification factor and comparison to that of other Proposers.
- e) **Jurisdiction Satisfaction** – Satisfaction of company’s references with the services received in the past five years.

6.1.3 Financial Capabilities

- a) **Financial Stability** – Demonstrated financial stability based on letter from chief financial officer or bank and identification of the relative expansion of company if awarded the Operations Agreement in context of company’s annual revenues.
- b) **Financing Method** – Reasonableness of general approach to facility modifications, equipment acquisition or modifications, and other expenses.

6.1.4 Technical Proposal

- a) **Scale System** – Scale software system proposed, capabilities and reliability of the system, connectivity and report capabilities of the system. Billing approach, procedures for handling customers, and coordination with SBWMA in billing, inbound and outbound tonnage reporting, and diversion reporting.
- b) **Approach** – Reasonableness and reliability of the proposed services (e.g., technology, equipment, and staffing levels); reasonableness of productivity and operating assumptions (operating statistics).
- c) **Diversion Ability** – The nature, reliability, and innovation of proposed diversion programs and potential of such programs to divert solid waste from landfill disposal.
- d) **Transfer Station Diversion Plans** – Proposed methods to increase diversion of materials that are entering the transfer station including plans for materials segregation, onsite processing plans, and transfer station diversion commitments that the company may guarantee to the SBWMA.
- e) **MRF Diversion Plans** – Proposed methods to increase diversion of recyclables materials processed at the MRF, including plans for increasing efficiencies, improving the quality of recovered materials, and reducing residue levels.
- f) **O2E Operations** – Proposed methods to increase diversion of organic materials processed by the O2E system; reasonableness of plans (if any) for expanding the O2E operations beyond the O2E pilot program throughput levels.
- g) **General Operations** – Proposed methods of tracking and reporting operational activities and productivity, staffing levels, and training programs.
- h) **Transportation Plans** – Proposed approach to providing transportation services, including the type(s) of transfer trailers proposed, average payloads for trailers, back-up capacity, etc.
- i) **Public Recycling Center Operations** – Proposed approach to operating the Public Recycling Center and the Proposer’s related experience.
- j) **Clean Air Fuels Plan** – Proposed strategy for use of clean air fuels for rolling stock and transfer vehicles.

- k) **Other Operational Considerations** – Includes other operational considerations such as: planning details of facilities space usage for equipment storage and parking, maintenance and administration. Contingency capabilities and planning including a list of subcontractors or support services that can assist in case unforeseen issues or problems with labor, equipment, or transportation of outbound material volumes.

6.1.5 Materials Marketing

- a) **Commodity Marketing Experience** – Demonstrated ability to reliably market MRF commodities and obtain best gross revenues from commodity sales.
- b) **Marketing Plan** – Reasonableness of general marketing approach.

6.1.6 Cost Proposal and Revenue Sharing Proposal

- a) **Reasonableness of Cost Proposals** – Logical relationship between the proposed annual costs and related service fees and staffing plans, to the extent detailed information is provided by Proposer for consideration.
- b) **Competitiveness of Cost Proposals** – Cost competitiveness relative to other proposals for the proposed Transfer Station Fee, proposed Transportation Fees for various materials, and proposed not-to-exceed MRF Fee. Note that for the purposes of evaluating the base cost proposal, the SBWMA may develop its own estimation of the future tonnage levels and use its assumptions to compare each Proposer's cost proposal to the others by examining estimated annual costs. This assessment may consider the competitiveness of the proposed staffing plan and proposed operating ratio compared to other proposals.

6.1.7 Operations Agreement

The nature and materiality of the exceptions described for key provisions of the Operations Agreement.

6.1.8 Other Proposal Information

Consideration of other proposal information provided by Proposers.

6.2 EVALUATION CRITERIA, PHASE 2, PARALLEL NEGOTIATIONS

During Phase 2, Parallel Negotiations, short-listed Proposers will be required to provide additional information as described in Section 5.11. Evaluation of the additional information provided by short-listed Proposers will be conducted in Phase 2. The evaluation criteria used in Phase 2 will include the Phase 1 criteria and is anticipated to include, but is not to be limited to, the additional criteria presented below. The evaluation of short-listed Proposers will be based on Proposers' proposals submitted in Phase 1 and additional information provided in Phase 2.

6.2.1 Company Qualifications and Experience

- a) **Start-up and Transition Experience** – Demonstrated experience of the company and key personnel assigned to the transition team to implement the

requested services and smoothly manage transitions for facilities that are similar to the SEC.

- b) **Past Performance Record** – Strong track record of performance based on 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 fines, penalties, settlements, damages, liquidated damages); regulatory compliance related to equipment and facilities including compliance with land use permits, storm water discharge permits, state highway requirements, etc.

6.2.2 Financial Capabilities

- a) **Financial Stability** – Demonstrated financial strength and ability of company to take on the Operations Agreement, acquire equipment, and provide financial assurance of performance based on review of Proposer’s audited financial statements, letter from chief financial officer, and the relationship of the SBWMA contract to the company’s total annual revenues.
- b) **Financing Plan** – Reasonableness of detailed financing plan to finance facility modification (if any), equipment acquisition or modifications, and other expenses.

6.2.3 Technical Proposal for SEC Operations

- a) **Maintenance Plan** – Reasonableness for the proposer’s maintenance plan.
- b) **Phase II MRF Project** – Depending on the status of the SBWMA’s plans for the Phase II MRF project, Proposer may be requested to provide input on equipment design, operating cost savings, their experience monitoring equipment installation and modifications, and more.

6.2.4 Materials Marketing Plan

- a) **Commodity Marketing Experience** – Demonstrated ability to reliably market MRF commodities and obtain best gross revenues from commodity sales (where evaluation will be more robust than the Phase 1 evaluation) and may include consideration of more detailed materials marketing plan; descriptions of current and past materials marketing experiences; list of commodity buyers and description of purchase contractors with buyers that demonstrate the company’s future price/volume commitments.
- b) **Other Materials Marketing** – Company’s experience and demonstrated ability to market materials that will be diverted from landfill through self-haul diversion efforts, u-waste, e-waste, and other drop-off activities.

6.2.5 Cost Proposal and Estimated Revenue Share

The cost proposal evaluation will address the reasonableness and competitiveness of the proposed facility staffing plan and annual labor costs, proposed Transfer Station Fee, proposed Transportation Fees, proposed MRF Fee (which may be adjusted by Proposers during Phase 2, but shall not exceed the MRF Fee presented in Phase 1), and estimated annual commodity revenues.

The SBWMA may develop hypothetical tonnage projections to use as a basis for calculating an annual cost for each proposal to compare proposals.

6.2.6 Operations Agreement

The evaluation will consider the number, nature, and materiality of exceptions to the Operations Agreement as reflected in the Proposer's redline version of the Operations Agreement.

6.2.7 Environmental Enhancements and Other Considerations

The evaluation will consider potential reduction in greenhouse gas (GHG) emissions through proposed use of alternative fuels or power supply used for on-site rolling stock and equipment and vehicles that transport materials off-site (largest GHG emissions source for the SBWMA); the use of carbon offsets to counter atmospheric emissions; and other strategies presented by Proposers.

SECTION 7

PROPOSAL SUBMITTAL AND CONTRACTOR SELECTION PROCESS

7.1 PROPOSAL SUBMITTAL AND CONTRACTOR SELECTION PROCESS

Proposers are required to follow the procedures described in this Section 7.1 and the procedures included in subsequent clarifications or addendums to this RFQ, which are issued by the SBWMA or its consultants. The content to be included in each proposal is presented in Section 5. Note that the SBWMA reserves the right to modify the proposal submittal and contractor selection process in any way and at any time during the contractor selection process.

7.1.1 Step One – Register for Correspondence and Announcements

By 3:00 p.m. on October 15, 2021, prospective Proposers shall request in writing via email to be placed on the list of interested parties in order to facilitate their receipt of future correspondence and announcements related to this RFQ process.

Proposer shall send its request via email to:

SBWMA

610 Elm Street, Suite 202
San Carlos, CA 94070

Attention: Joe La Mariana, Executive Director

Copy: Grant Ligon, Sr. Management Analyst

Email: jlamariana@rethinkwaste.org
gligon@rethinkwaste.org

7.1.2 Step Two – R.S.V.P to Attend Pre-proposal Meeting and Site Visit

By 3:00 p.m. on October 15, 2021, prospective Proposers must submit notification to SBWMA of its intention to attend the mandatory pre-proposal meeting and site visit that will be held on October 27, 2021. Prospective Proposers shall email said R.S.V.P. to the email addresses listed in Step One above.

7.1.3 Step Three – Submittal of Written Questions

SBWMA directs prospective Proposers to submit all questions and requests for information in writing via email directly to SBWMA at the email addresses listed in Section 7.1.1. The deadline for submitting written questions and requests for information will be November 2, 2021. Proposers are encouraged to submit questions in advance of the pre-proposal meeting to provide the SBWMA the opportunity to address some questions during the pre-proposal meeting and facility tour. Written requests for clarifications will be responded to in writing by the SBWMA and shared with all interested Proposers of record via email.

7.1.4 Step Four – Mandatory Pre-Proposal Meeting and Facility Tour

The mandatory pre-proposal meeting and SEC tour will be held on October 27, 2021. The meeting shall commence outdoors in the parking lot in front of the Transfer Station building. Proposer must R.S.V.P. as described in Section 7.1.2. Attendance at this meeting and facility tour is mandatory for all Proposers intending to submit a proposal. SBWMA will NOT accept proposals from companies that do not attend the mandatory pre-proposal meeting and facility tour. Proposers are encouraged to prepare and pose questions in advance of the pre-proposal meeting and tour. Preliminary oral responses to questions will be provided at the discretion of SBWMA staff at the pre-proposal meeting. Written responses to questions will be provided to all eligible proposers by November 19, 2021. In the event of any inconsistencies between oral responses provided during the pre-proposal meeting and facility tour and written responses subsequently issued, Proposers shall rely on the written responses for the purpose of preparing proposals.

The SBWMA reserves the right to limit the number of representatives that each prospective Proposer may have attend the pre-proposal meeting and facility tour. The conduct of the meeting will comply with any COVID-19 regulations and/or restrictions in place at the time of the meeting.

7.1.5 Step Five – Observations of Facility Operations (Optional)

Proposers are invited to, but are not required to, visit the SEC to observe and assess operational conditions and equipment from October 29, 2021 through December 17, 2021. All site visits must be coordinated with the SBWMA in advance of the visit and shall be limited in duration and in the number of company representatives that may attend. Proposers shall email their requests for site visits to the email addresses listed in Step One above. Depending on the interest level in site visits, the SBWMA reserves the right to limit the number of days and hours that a prospective Proposer may visit the site.

7.1.6 Step Six – Proposal Submittal

No later than 3:00 p.m. on January 12, 2022, Proposer shall submit its complete proposal via the electronic method as specified by the SBWMA. Information on that method, and a unique link for submission, shall be requested from the SBWMA via emailing bids@rethinkwaste.org well in advance of that submission deadline. The Proposer shall include the company name or abbreviated name in the name of each proposal file it uploads. In addition, Proposer shall email the SBWMA at the email addresses in Section 7.1.1 notifying the SBWMA that the proposal files have been upload and requesting confirmation of receipt.

The proposal files to be submitted via upload shall include the following:

1. A complete PDF of the proposal. In this PDF, all pages shall be consecutively numbered; although, each section may start with a new page number if preceded with the section number (e.g., Page 2-1 for the first page of Section 2).

2. A separate PDF of all completed proposal forms (i.e., those provided in Attachment 3 and 4 of the RFQ).
3. A Microsoft Excel version of the cost proposal forms.

On or before the proposal submittal deadline, Proposers shall deliver to the SBWMA completed administrative proposal forms with “wet” signatures and the proposal surety described in Section 7.4. The proposal package containing the administrative proposal forms and proposal surety shall be clearly labeled as follows:

PROPOSAL DOCUMENTS FOR SBWMA SEC OPERATIONS

Name of Proposer:
Address:
Contact Person:
Telephone Number:
Fax Number:
E-mail:

The proposal package shall be mailed or hand delivered to:

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

All proposals uploads and the above proposal package must be received by 3:00 p.m. on January 12, 2022. The SBWMA will not open or view the proposal files that have been uploaded by Proposers until due date and time, but may review the file names to confirm receipt of the proposals prior to this time. Proposals may be withdrawn by the Proposer prior to, but not after such time. Proposals received after this time and date will be rejected. The Contractor's upload time stamps or email time stamps will not be accepted as proof of receipt. SBWMA shall send email notification to each Proposer to confirm receipt of the proposal files that were uploaded and receipt of the proposal packages delivered to the SBWMA office, or Contractor may call the SBWMA at (650) 802-3500 to request confirmation.

7.1.7 Step Seven – Clarification of Proposal Information, Interviews, and/or Site Visits

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

7.1.8 Step Eight – Evaluation and Short-Listing of Top Proposers

The SBWMA staff and its consultants will evaluate proposals and prepare an evaluation summary. The evaluation process for this phase is further described in

Section 6. SBWMA staff and its consultants may request clarification information or supplemental information from Proposers during this process, and Proposers shall provide requested information in a timely manner.

The SBWMA staff and its consultants will present the evaluation summary to the Ad Hoc Board Selection Committee (AHBSC) and receive guidance from the committee. It is anticipated that the AHBSC will prepare a recommendation to the SBWMA Board that identifies qualified Proposers to be short-listed and advanced to Phase 2, Parallel Negotiations. The Board will be requested to approve the short-listed Proposers and authorize initiation of Phase 2, Parallel Negotiations. At this stage of the process, the SBWMA Board may take any number of actions, including those described in Section 1.4.1.

7.1.9 Step Nine – Phase 2, Parallel Negotiations

The SBWMA staff and its consultants will initiate Phase 2 by meeting with the short-listed Proposers and requesting additional information, including but not limited to the items identified in Section 5.10. Proposers will be invited to visit the SEC to conduct operational and equipment assessment(s) beyond assessments conducted in Phase 1. Upon receipt of the additional proposal information, SBWMA staff and its consultants will analyze the information. During this step in the process, the SBWMA will initiate negotiations of the Operations Agreement, which will include addressing the contract modifications proposed by the short-listed Proposers, and negotiations of key contract terms related to the provision of other proposed or alternative services not addressed in the Operations Agreement. Such negotiations may involve one or more in-person meetings. (Upon request, remote, virtual meetings may be held rather than in-person meetings subject to SBWMA approval.) Upon the SBWMA's request, Proposers shall participate in the meetings; review amended contract language for the Operations Agreement; and/or provide or draft sample contract language related to proposed or alternative services.

During this period, the SBWMA and its consultants will expand the evaluation of the proposals from short-listed Proposers beyond the initial evaluation conducted in Step Eight. The evaluation process for Phase 2 is further described in Section 6.

7.1.10 Step Ten – Contractor Selection and Contract Award

The proposals from the short-listed Proposers, as finalized and negotiated during Step Nine, will be presented to the SBWMA Board along with the evaluation summary of these short-listed proposals. The Board will have the sole discretion to proceed with the selection of the SEC Contractor, award the negotiated agreement, direct staff to continue negotiations with one or more Proposers, or take any other actions the Board deems to be in the best interest of the SBWMA, its Member Agencies, and its residents and businesses, including actions described in Section 1.4.1.

Each Proposer may be given the opportunity to make a presentation of their proposal to the Board during a public meeting.

7.1.11 Schedule

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

7.2 LIMITS ON DISCLOSURE OF PROPOSALS

The SBWMA has determined that the public interest will be best served if proposals submitted in response to this RFQ are not made available for review by other companies participating in the competitive selection process. For that reason, proposals (and materials submitted during Phase 2, Parallel Negotiations, subsequent meetings, discussions with SBWMA staff, and materials submitted in response to requests for clarification) will not be made available to other Proposers or the public generally any earlier than the date on which the SBWMA Board awards the Operations Agreement to the selected Proposer. At that point, the SBWMA may release the portions of the proposal(s) that have not been identified as entitled to confidential treatment as containing trade secrets.

All materials received from a Proposer (other than those entitled to protection under Government Code Section 6254(k)) will, in any event, be made available for public review no less than twenty (20) days prior to the date on which the SBWMA Board considers award of the final Operations Agreement to a specific Proposer.

The following procedures will be followed in order to implement this policy:

- a) Materials that a Proposer considers 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".
- b) If, prior to the date on which SBWMA Board intends to consider award of the Operations Agreement, SBWMA receives a request to review and/or copy materials submitted by any Proposer, it will decline to release those materials pursuant to Government Code Section 6255.
- c) If the person submitting the request files a legal action against SBWMA seeking its release, SBWMA 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 SBWMA's legal expenses in defending the action, including fees, if any, awarded to the plaintiff. Absent such an agreement, SBWMA will have no obligation to defend the action and may release the information sought without any liability whatsoever.
- d) No Proposer will, directly or through an intermediary, employ the Public Records Act in an attempt to obtain access to materials submitted to SBWMA by other Proposers.
- e) No Proposer will seek damages against SBWMA or any Member Agency or recovery of its attorneys' fees from SBWMA or any Member Agency as a result of any dispute related to the release or withholding of information submitted in response to this RFQ (and materials submitted during Phase 2, Parallel Negotiations, subsequent meetings, discussions with SBWMA staff, and materials submitted in response to requests for clarification).

- f) Materials that have been marked as “CONFIDENTIAL” will be returned to all unsuccessful Proposers once the Operations Agreement has been signed by SBWMA.

7.3 ACCURACY IN REPORTING REQUESTED INFORMATION

Information submitted as part of the proposal in response to this RFQ (and materials submitted during Phase 2, Parallel Negotiations, subsequent meetings, discussions with SBWMA staff, and materials submitted in response to requests for clarification) will be subject to verification. Inaccurate information or misleading information may result in the SBWMA removing a proposal from further consideration.

7.4 PROPOSAL SURETY

Each proposal must be accompanied by surety made payable to the SBWMA in the amount of \$500,000 and in the form of a certified check, cashier’s check, or bid bond. Proposer shall complete the Surety and Bond Accompanying Proposal form included in Attachment 4. The purpose of the surety is to guarantee that the selected Proposer will execute an Operations Agreement with the SBWMA. If the selected Proposer does not execute an Operations Agreement within 30 calendar days after receiving notice of the award of Operations Agreement, the SBWMA may keep the surety to offset the potential cost associated with identification of an alternate service provider and schedule delays, and the SBWMA has the right to pursue additional and reasonable costs incurred by the SBWMA in this event. Checks and bonds will be returned to all Proposers no later than 10 calendar days after the SBWMA has executed the Operations Agreement with the successful Proposer.

ATTACHMENT 4
ADMINISTRATIVE PROPOSAL FORMS

ATTACHMENT 4: PROPOSAL FORMS

PROPOSER CODE OF CONDUCT FOR THE SBWMA CONTRACTOR SELECTION PROCESS FOR OPERATIONS OF THE SHOREWAY ENVIRONMENTAL CENTER

The South Bayside Waste Management Authority (“SBWMA”) is a joint powers authority among the cities of Belmont, Burlingame, East Palo Alto, Foster City, Menlo Park, Redwood City, San Carlos, and San Mateo; town of Hillsborough; the West Bay Sanitary District; and the County of San Mateo (“Member Agencies”). The SBWMA is planning to request and receive proposals for the operation of the Shoreway Environmental Center (SEC) located in San Carlos, California through a Phase 1 Request for Qualifications (RFQ) process shortlisting top Proposers, and conducting a Phase 2, parallel negotiations process to select the future SEC Contractor (“Contractor Selection Process”).

The Board Members of the SBWMA are obligated to comply with the Political Reform Act of 1974 (“PRA”) and the Brown Act (Government Code §56950 et seq.).

The SBWMA has a desire to maintain a process free from any undue influence and the appearance of impropriety. The SBWMA prepared this “Proposer Code of Conduct”.

A potential proposer is defined as any individual or entity involved in making a proposal to the SBWMA under the Contractor Selection Process (“Potential Proposer”).

Each Potential Proposer is individually responsible for ensuring compliance with the following Code of Conduct. The Potential Proposer’s responsibility to comply with this Code of Conduct shall extend to the Potential Proposer’s employees, agents, consultants, lobbyists, or other parties or individuals engaged for the purposes of developing or supporting the Potential Proposer’s proposal.

The Proposer Code of Conduct is presented below:

1. **Ex Parte Contacts Prohibited**

From October 1, 2021 until such time as the SBWMA Board approves execution of an Operations Agreement with the selected Contractor, Potential Proposers are prohibited from having any verbal or written communications (ex parte contacts) with any SBWMA Board Member as well as SBWMA Technical Advisory Committee Members, SBWMA staff, and consultants concerning any matter related to the Contractor Selection Process, except in the course of a legally-noticed meeting of the SBWMA Board, or any subcommittee of the Board, a SBWMA Technical Advisory Committee meeting, or in conjunction with a meeting authorized by the Executive Director that which involves SBWMA staff and/or consultants as part of the Contractor Selection Process.

2. **Gift and Compensation Prohibited**

From October 1, 2021 until such time as the SBWMA Board approves execution of an Operations Agreement with the selected Contractor, Potential Proposers are prohibited from giving any gift of any monetary value, or compensation of any kind (as defined under the California Political Reform Act) to an SBWMA Board Member, as well as SBWMA Technical Advisory Committee Members, SBWMA staff, and consultants.

Please be aware that any Board Member or SBWMA Technical Advisory Committee Member who accepts such a gift or compensation may be subject to censure by the

ATTACHMENT 4: PROPOSAL FORMS

SBWMA Board. Any SBWMA staff member who violates this policy may be subject to discipline including termination of services and any consultant who violates this policy may be subject to termination of services. Any Potential Proposer who violates this policy as to gifts or compensation may be subject to disqualification by the SBWMA Board from the Contractor Selection Process.

3. **Collusive Activities Prohibited**

From October 1, 2021 until such time the SBWMA Board approves execution of an Operations Agreement with the selected Contractor, collusive activities among Potential Proposers are expressly forbidden and will likely result in immediate disqualification from the Contractor Selection Process. If two or more Potential Proposers are developing a joint proposal, the Potential Proposers must notify the Executive Director (see contact information provided below) in writing no later than thirty (30) days prior to the deadline for submission of proposals. This notification will be kept confidential until after submission of all technical and cost proposals.

4. **Other Proposals/Offers Prohibited**

From October 1, 2021 until such time the SBWMA Board approves execution of an Operations Agreement with the selected Contractor, Potential Proposers shall be prohibited from proposing or offering to provide any services within the SBWMA service area related to non-hazardous solid waste, recyclable materials, or organic materials management to any individual Member Agency (or subgroup of Member Agencies), its elected officials, or appointed officers or representatives. If such behavior is evidenced to the SBWMA Board, the offending Potential Proposer may be disqualified from the Contractor Selection Process.

_____ (Company Name)

By: _____ (Signature)

Name: _____ (Printed Name)

Title: _____

Date: _____

ATTACHMENT 4: PROPOSAL FORMS

ANTI-COLLUSION AFFIDAVIT

The following affidavit is submitted by proposer as a part of this proposal:

The undersigned deponent, of lawful age, being duly sworn, upon his oath deposes and says: that he has lawful authority to execute the within and foregoing proposal; that he has executed the same by subscribing his name hereto under oath for and on behalf of said proposer; that proposer has not directly or indirectly entered into any agreement, express or implied, with any proposer or proposers, having for its object the controlling of the price or amount of such proposal or proposals, the limiting of the proposals or proposers, the parceling or farming out to any proposer or proposers or other persons of any part of the agreement or any part of the subject matter of the proposal or proposals or of the profits thereof, and that he has not and will not divulge the sealed proposal to any person whomsoever, except those having a partnership or other financial interest with him in said proposal or proposals, until after the said sealed proposal or proposals are opened.

Deponent further states that the proposer has not been a party to any collusion among proposers in restraint of freedom of competition; by agreement to make a proposal at a fixed price or to refrain from submitting a proposal; or with any South Bayside Waste Management Authority staff or Member Agency official or staff -as to quantity, quality, or price in the prospective agreement; or in any discussions between proposers and any South Bayside Waste Management Authority or Member Agency official concerning exchange of money or other things of value for special consideration in the letting of an agreement; that the proposer/company has not paid, given or donated or agreed to pay, give or donate to any official, officer or employee of the South Bayside Waste Management Authority or Member Agencies directly or indirectly, in the procuring of the award of agreement pursuant to this proposal.

Executed under penalty of perjury on this ____day of_____, 2022 at _____.

SIGNED BY: _____

TITLE: _____

Subscribed and sworn to before me this ____day of_____, 2022 at _____.

Notary Public

My Commission expires: _____

ATTACHMENT 4: PROPOSAL FORMS

SECRETARY'S CERTIFICATE

REQUEST FOR QUALIFICATIONS FOR OPERATION OF THE SHOREWAY ENVIROMENTAL CENTER FOR THE SOUTH BAYSIDE WASTE MANAGEMENT AUTHORITY

I, _____, certify that I am the secretary
(Name of Secretary)
of the corporation named herein; that _____ who signed this
(Name of Person Signing Proposal)
Proposal on behalf of the corporation, was then _____ of
(Title of Person Signing Proposal)
said corporation; that said Proposal is within the scope of its corporate powers and was duly signed
for and on behalf of said corporation by authority of its governing body, as evidenced by the attached
true and correct copy of the _____.
(Name of Corporate Document)

By: _____ (signature)

Name: _____ (printed name)

Title: Secretary

Date: _____

ATTACHMENT 4: PROPOSAL FORMS

IRAN CONTRACTING ACT CERTIFICATION

Pursuant to Public Contract Code Section 2200 et seq. ("Iran Contracting Act of 2010"), Contractor certifies that:

- (1) Contractor is not identified on the list created by the California Department of General Services ("DGS") pursuant to California Public Contract Code Section 2203(b) as a Person engaging in investment activities in Iran; and,
- (2) Contractor is not a financial institution that extends twenty million dollars (\$20,000,000.00) or more in credit to another Person, for 45 days or more, if that Person will use the credit to provide goods or services in the energy sector in Iran and is identified on the DGS list made pursuant to Section 2203(b).

As used herein, "Person" shall mean a "Person" as defined in Public Contract Code Section 2202(e).

I, the official named below, CERTIFY UNDER PENALTY OF PERJURY, that I am duly authorized to legally bind the Contractor to this Certification, which is made under the laws of the State of California.

_____ (Company Name)

By: _____ (Signature)

Name: _____ (Printed Name)

Title: _____

Date: _____

ATTACHMENT 4: PROPOSAL FORMS

PROPOSAL VALIDITY AND COMMITMENT TO SIGN AGREEMENT FORM

I acknowledge the following commitment, inherent in submitting a Proposal, to sign the Agreement for Operations of the Shoreway Environmental Center (Operations Agreement) upon selection by the SBWMA Board as the preferred Contractor, subject to resolution of any specific exceptions to the SBWMA's language submitted with this Proposal. Any exceptions to the SBWMA's Operations Agreement are described in the Proposal.

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

Signed _____

Title _____

Date _____

ATTACHMENT 4: PROPOSAL FORMS

BOND OR SURETY ACCOMPANYING PROPOSAL

KNOW ALL BY THESE PRESENTS:

That the undersigned _____

(Name of Contractor)

as Principal and the undersigned as Surety are held and firmly bound unto Owner, SOUTH BAYSIDE WASTE MANAGEMENT AUTHORITY, a California Joint Powers Authority, as obligee, in the penal sum of Five Hundred Thousand Dollars (\$500,000.00) lawful money of the United States of America, for the payment of which, well and truly to be made, we bind ourselves, our successors, executors, administrators, and assigns, jointly and severally, firmly by these presents.

WHEREAS, said Principal is submitting a Proposal for Operations of the Shoreway Environmental Center at 225 and 333 Shoreway Road, San Carlos, CA 94070.

THE CONDITION OF THIS OBLIGATION IS SUCH that if the Proposal submitted by the said Principal be accepted and the Agreement be awarded to said Principal and said Principal shall, within the required periods, enter into the Agreement so awarded and provide any required Bond or Surety Accompanying Proposal, insurance certificates, and all other endorsements, forms, and documents per Section 5, then this obligation shall be void, otherwise to remain in full force and effect.

IN WITNESS WHEREOF, the above bounden parties have executed this instrument this _____ day of _____, 20__.

(Month)

(Corporate Seal)

By _____

Principal

By _____

Surety

(Corporate Seal)

By _____

Attorney in Fact

ATTACHMENT 4: PROPOSAL FORMS

PROPOSER CERTIFICATIONS

The undersigned Proposer certifies to Authority as set forth in Sections 1 through 7 below.

1. **STATEMENT OF CONVICTIONS**

By my signature hereunder, I hereby swear, under penalty of perjury, that no more than one final, unappealable finding of contempt of court by a Federal Court has been issued against Proposer within the past two years because of failure to comply with an order of a Federal Court or to comply with an order of the National Labor Relations Board.

2. **CERTIFICATION OF WORKER'S COMPENSATION INSURANCE**

By my signature hereunder, as the Contractor, I certify that I am aware of the provisions of Section 3700 of the Labor Code which require every employer to be insured against liability for worker's compensation or to undertake self-insurance in accordance with the provisions of that Code, and I will comply with such provisions before commencing the performance of the work of this Contract.

3. **CERTIFICATION OF PREVAILING WAGE RATES AND RECORDS**

By my signature hereunder, as the Contractor, I certify that I am aware of the provisions of Labor Code Section 1773, which requires the payment of prevailing wage on public projects. Also, that the Contractor and any subcontractors under the Contractor shall comply with Labor Code Section 1776, regarding wage records, and with Labor Code Section 1777.5, regarding the employment and training of apprentices. It is the Contractor's responsibility to ensure compliance by any and all subcontractors performing work under this Contract.

4. **CERTIFICATION OF COMPLIANCE WITH PUBLIC WORKS CHAPTER OF LABOR CODE**

By my signature hereunder, as the Contractor, I certify that I am aware of Sections 1777.1 and 1777.7 of the California Labor Code and Contractor and Subcontractors and am eligible to bid and work on public works projects.

5. **CERTIFICATION OF NON-DISCRIMINATION**

By my signature hereunder, as the Contractor, I certify that there will be no discrimination in employment with regard to race, color, religion, gender, sexual orientation, age or national origin; that all federal, state, and local directives and executive orders regarding non-discrimination in employment will be complied with; and that the principal of equal opportunity in employment will be demonstrated positively and aggressively.

6. **CERTIFICATION OF NON-DISQUALIFICATION**

By my signature hereunder, as the Contractor, I swear, under penalty of perjury, that the below indicated Proposer, any officer of Proposer, or any employee of Proposer who has a proprietary interest in such Proposer, has never been disqualified, removed, or otherwise prevented from proposing on, or completing a Federal, State, or local government project because of a violation of law or safety regulation, except as indicated on the separate sheet attached hereto entitled "Previous Disqualifications." If a statement of "Previous Disqualifications" is attached, please explain the circumstances.

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7. CERTIFICATION OF ADEQUACY OF CONTRACT AMOUNT

By my signature hereunder, as the Contractor, pursuant to Labor Code Section 2810(a), I certify that, if awarded the Contract based on the undersigned's Proposal, the Contract will include funds sufficient to allow the Contractor to comply with all applicable local, state, and federal laws or regulations governing the labor or services to be provided. I understand that Owner will be relying on this certification if it awards the Contract to the undersigned.

PROPOSER:

(Name of Proposer)

Date: _____, 20__

By: _____
(Signature)

Name: _____
(Print Name)

Its: _____
(Title of Signatory)

(Name of Proposer)

Date: _____, 20__

By: _____
(Signature)

Name: _____
(Print Name)

Its: _____
(Title of Signatory)