

**SUBJECT**

Ratification of Request for Proposals for Rubbish Hauling Franchise Contractors

**AUTHORITY:**  ID Code       IAR \_\_\_\_\_       City Ordinance No. 840

**BACKGROUND:** The RFP was approved by the Council with changes on January 9, 2012. Following the approval, some changes have been made that are deemed minor. The following changes were made:

- Changes to the RFP publish dates, pre-bid conference dates and bid opening dates .
- Language added to Sections 1.b and 2.b, Residential Curbside Recycling Service – Exclusive Contract and Commercial Recycling Service - Exclusive Contract respectively. The language added allows Hailey the right to grant a non-exclusive franchise agreement to a contractor at a later date if and when food waste recycling is commercially feasible in Blaine County (language has been reviewed and approved by the City Attorney).

**FISCAL IMPACT / PROJECT FINANCIAL ANALYSIS:**

Budget Line Item # 100-00-34004 and 100-00-32237      Annual Line Item Amount \$72,000 in each

Hailey's franchise fee is intended to cover Hailey's costs for 1) street maintenance caused by the use of heavy trash trucks on streets and for enforcement of exclusive franchise ordinance (6%), and 2) billing costs for the City to handle all rubbish billing for customers with water/wastewater accounts in Hailey (6%). An additional 1% fee has been added to this latter category to cover the cost of city staff producing or contracting for the production and distribution of information and outreach to promote recycling.

Through this combination fee structure, Hailey would collect 13% of total rubbish billed, or approximately \$155,000 per year.

**ACKNOWLEDGEMENT BY OTHER AFFECTED CITY DEPARTMENTS:**

|   |  |                                       |  |
|---|--|---------------------------------------|--|
| <input checked="" type="checkbox"/> City Attorney | <input type="checkbox"/> Clerk / Treasurer   | <input type="checkbox"/> Engineer     | <input checked="" type="checkbox"/> Sustainability |
| <input type="checkbox"/> P & Z Commission         | <input type="checkbox"/> Parks & Lands Board | <input type="checkbox"/> Public Works | <input type="checkbox"/> Other                     |

**RECOMMENDATION FROM APPLICABLE DEPARTMENT HEAD:**

Motion to ratify final Request for Proposals for Rubbish Hauling Franchise, as amended by staff as described in the January 30, 2012-agenda item summary, following direction from City Council on January 9, 2012.

**FOLLOW UP NOTES:**

## ADVERTISEMENT FOR BIDS

### REQUEST FOR PROPOSALS

The City of Hailey is seeking proposals from rubbish collection, disposal, and hauling companies for the City of Hailey's rubbish and recycling service contracts.

Qualified firms are invited to submit a full proposal in the format outlined in the Request for Proposals to the office of the City Clerk at 115 S. Main, Suite H, Hailey, Idaho 83333 no later than **5:00 pm on February 9, 2012** to be eligible for this contract. Proposals received by the deadline will be opened at that time. City Staff will review the proposals provided and prepare a recommendation for the City Council to review and award a contract.

The PROPOSAL DOCUMENTS may be examined and obtained at the City of Hailey, 115 South Main, Suite H, Hailey, ID 83333, or requested by email from [heather.dawson@ahileycityhall.org](mailto:heather.dawson@ahileycityhall.org) or printed from the City of Hailey website [www.haileycityhall.org](http://www.haileycityhall.org) Include \$5.00 for each set of documents requested to be mailed.

The City of Hailey reserves the right to reject any and all proposals, to waive any irregularities in the proposals received, and to accept the proposal deemed most advantageous to the best interest of the City. The City will also consider whether the proposer is a responsible proposer. All proposals must be signed by a person authorized to bind the company.

Publish: Idaho Mountain Express  
January 18, January 25, and February 1, 2012.

**RUBBISH & RECYCLING SERVICES  
REQUEST FOR PROPOSALS**

1.0 INTRODUCTION:

A. INTENT: It is the intent of the City of Hailey to solicit proposals from and enter into an agreement with a qualified solid waste contractor(s) to provide solid waste collection services to City residents, businesses, and institutions. The service will include collection and hauling of trash and recyclables, as well as public information, customer service, public education, and data collection and reporting. As additional solid waste programs are needed, the contractor will be required to assist in developing such programs by conducting pilot projects and collecting data as specified. Contractor selection will be made on the basis of qualifications as described in this document as well as price

The City of Hailey wishes to minimize the impact of rubbish trucks utilizing Hailey's residential area streets, provide for recycling and waste reduction, and enhance customer service to residences and businesses through simple, comprehensive, and well-stated rubbish and recycling programs.

B. PROGRAMS: Two types of collection programs have been designated within Hailey for solid waste programs, residential programs and commercial programs. Elements of each program will generally include:

**1.a. Mandatory Residential Solid Waste Collection – Exclusive Contract**

The City of Hailey will enter into an exclusive contract for solid waste collection service for all residential accounts within the city limits of Hailey. Subscription to this service will be required of all occupied households with individual solid waste collection service, and of all residential complexes of four or less units. The City of Hailey will conduct the billing and collection of service fees based on a weekly and on-call pickup from such households and residential complexes. The contractor will be expected to provide data regarding amounts collected and tipping fees charged for base weekly services, for on-call solid waste collection services and for conversion of containers.

**1.b. Residential Curbside Recycling Service – Exclusive Contract**

The contractor will be required to provide for the removal of separated recyclable materials from individual households on a weekly basis. Pickup of recyclable materials shall be scheduled concurrently with the weekly solid waste pickup, and shall not be limited in quantity. Types of recyclable or diverted materials designated by the City of Hailey include: glass, plastic, aluminum, tin, oil, paper, and newspaper. Types of recyclable materials shall be in conformance with standards established by the Southern Idaho Solid Waste District and by Blaine County through its solid waste collection center programs at the Ohio Gulch Transfer Station and Recycling Center. This includes potential changes made to the Recycling Center's collection processes or lists of acceptable materials, such as if the Recycling Center switches to a single or dual stream recycling process. The City of Hailey reserves the right to grant a non-exclusive franchise to a contractor at a later date if and when food waste recycling is commercially feasible in Blaine County. The contractor will be

delivered, and revenue generated from such deliveries. The fee for such service will not be separated from the base residential solid waste collection fee. The contractor must coordinate to provide city staff and/or 3<sup>rd</sup> party contractor information and help with dissemination of education and outreach materials in an effective and efficient manner. The contractor collecting residential solid waste and recyclable materials must provide, at no charge to the City of Hailey, the following:

- One early-mid January holiday tree recycling,
- One May/June, clean-up of biodegradable items, such as grass clippings, leaves, branches, clean wood and similar products, and
- One October/November clean-up of biodegradable items, such as grass clippings, leaves, branches, clean wood and similar products.
- Cardboard recycling at the Park and Ride lot and one other location determined by the City of Hailey.

**1.c. Rates structure for Residential Solid Waste and Recyclable Material Collection.**

Contractor’s proposed rate structure shall reflect a tiered rate increase, whereby each can size - 32, 68 and 95 gallons, approximately – shall have a different monthly cost, which increases with increasing size. A tiered rate increase is a pricing structure similar to the City’s water meter billing structure. It is aimed at further increasing the incentive to recycle in order to keep the can sizes to a minimum, without charging exorbitant amounts for increased can sizes. The following is an example for illustrative purposes only; cost increases and monthly costs are examples only and proposed amounts will need to be submitted with each bidder’s package:

| Approximate Size | Size Increase from previous can size | Cost increase from previous can size | Monthly cost |
|------------------|--------------------------------------|--------------------------------------|--------------|
| 32 gallon can    | -                                    | -                                    | \$11.80      |
| 68 gallon can    | 36                                   | \$7.00                               | \$18.80      |
| 95 gallon can    | 27                                   | \$12.00                              | \$28.80      |

The proposed rate shall take into account the requirements for weekly curbside pick up of trash and unlimited recyclable materials. No delivery fees for recycling or waste diversion receptacles for new accounts or request for additional receptacles shall be charged to the customer. Each new account shall automatically receive recycling receptacles along with their trash can. No delivery or other fees shall be charged for downsizing trash cans.

**2.a. Mandatory Commercial Solid Waste Collection – Exclusive Contract**

The City of Hailey will enter into an exclusive contract for solid waste collection service for all commercial customers with the city limits of Hailey. Subscription to this service will be required of all residential complexes consisting of five or more units, and all other non-residential uses, including but not necessarily limited to businesses, institutions, construction companies, and governmental entities. At a minimum, the solid waste collection for commercial customers shall be made available on a weekly basis. On-call commercial solid waste collection in excess of the base weekly services shall also be provided by the contractor. The contractor will be expected to provide data regarding amounts collected and

services, for on-call solid waste collection services, and for conversion containers. The contractor must coordinate to provide city staff and/or 3<sup>rd</sup> party contractor information and help with dissemination of education and outreach materials in an effective and efficient manner to help promote recycling and waste reduction.

## **2.b. Commercial Recycling Service – Exclusive Contract**

The contractor will be required to provide for the removal of separated recyclable materials from commercial customers on a weekly basis. Pickup of recyclable materials shall be scheduled concurrently with the weekly solid waste pickup, and shall not be limited in quantity. Types of recyclable or diverted materials designated by the City of Hailey include: cardboard, clean wood waste, glass, plastic, aluminum, tin, oil, paper, and newspaper. Types of recyclable materials shall be in conformance with standards established by the Southern Idaho Solid Waste District and by Blaine County through its solid waste collection center programs at the Ohio Gulch Transfer Station and Recycling Center. This includes potential changes made to the Recycling Center's collection processes or lists of acceptable materials, such as if the Recycling Center switches to a single or dual stream recycling process. The City of Hailey reserves the right to grant a non-exclusive franchise to a contractor at a later date if and when food waste recycling is commercially feasible in Blaine County.

No delivery fees for recycling or waste diversion receptacles for new accounts or request for additional receptacles shall be charged to the customer, including clean wood waste and cardboard receptacles. Receptacles for clean wood waste, diverted from the landfill, shall be provided in a range of sizes, for example from 1.5 yards to 30 yards. The City of Hailey shall reserve the right to enter into other recyclable materials hauling agreements with contractors for material outside of this designated list. Types of recyclable materials and the fees for collection of recyclable materials shall be subject to free-market forces, including any costs established by the Southern Idaho Solid Waste District and by Blaine County through its solid waste collection center programs at the Ohio Gulch Transfer Station and Blaine County Recycling Center.

The contractor will be expected to provide data regarding the amounts and types of recyclable materials collected and delivered, and revenue generated from such deliveries. The contractor must provide detailed billing on all construction projects that indicate the amount, type, and cost of recyclable materials and all fees associated with trash disposal to Hailey, in a clear and easy to understand format, which will be mailed to construction customers. The contractor must coordinate to provide city staff and/or 3<sup>rd</sup> party contractor information and help with dissemination of education and outreach materials in an effective and efficient manner to help promote recycling and waste reduction. Containers and dumpsters used to collect recyclable material shall be clearly marked with clear, international signage and standardized color schemes to denote what recyclable commodity is collected within the container.

The contractor collecting commercial solid waste and recyclable materials must provide, at no charge to the City of Hailey, garbage pickup services and recyclable material hauling services for the 4<sup>th</sup> of July festivities, the Northern Rockies Folk Festival and the Trailing of the Sheep Festival.

Thursday, February 9, 2012. The proposal must be received (not postmarked) and specifically marked: RFP Solid Waste Collection Services- Rubbish & Recycling BID, and delivered to:

City of Hailey  
City Clerk's Office  
115 South Main Street, Suite H  
Hailey, ID 83333

D. PRE-PROPOSAL CONFERENCE: A pre-proposal conference will be held on Wednesday, February 1, 2012 at 10:00 a.m. in the Hailey City Hall Conference Room. The purpose of this conference is to provide background information to proposers and to answer any questions.

E. CLARIFICATION: Except for the pre-proposal conference, clarifications to the RFP will be provided only if questions are submitted in writing and received by the City Clerk (see address above, Section C) at least five (5) working days prior to the proposal opening. All clarifications to the submittal requirements will be addressed in a written addendum to the RFP. No verbal clarifications will be binding on the City or the vendor.

F. CONFIDENTIAL INFORMATION: Proposals may be considered a matter of public record after the award of the contract and, except as noted below, will be available for inspection and copying by any person after the award of this Contract. Trade secrets exempt from disclosure pursuant to Idaho Code Section 9-340(2) may be submitted in a separate envelope, sealed and marked "Confidential Information Idaho Code Section 9-340(2)". The City will take reasonable efforts to protect such confidential information, but the City will assume no liability for disclosure of such information.

## 2.0 BACKGROUND:

The City of Hailey is currently operating under a seven-year franchise agreement for rubbish removal, which was to expire April 10, 2010, but was extended until April 10, 2012. The franchise was instituted with Hailey Ordinance No. 840 on April 9, 2003. On July 9, 1995, Hailey enacted Ordinance No. 559, which provided that Hailey conduct a billing service for rubbish collection in order to facilitate compliance with Hailey's mandatory collection and disposal rule requiring all residences, businesses, and commercial enterprises to pay a base rubbish rate. Ordinance No. 559 also required the rubbish removal company to collect and segregate all recyclable materials "at the time such service becomes feasible". That time arrived in 1995, when a fee for the collection and hauling of recyclable materials was added to the base rubbish rate, and the rubbish company instituted a program for curbside collection of recyclable materials within Hailey.

## 3.0 INFORMATION:

The City of Hailey currently bills approximately 2767 residential rubbish accounts and 259 commercial rubbish accounts. Hailey's current provider hauls approximately 475 tons of rubbish per month from Hailey, and approximately 62 tons of recyclable materials per month.

- A. Provide a residential rubbish & recycling collection and disposal program within Hailey.
- B. Provide a commercial rubbish collection and disposal program within Hailey.
- C. Provide a recyclable materials collection program which offers incentives for its use to residences and commercial enterprises within Hailey.
- D. Coordinate with Hailey to provide city staff and/or 3<sup>rd</sup> party contractor information and help with dissemination of education and outreach materials in an effective and efficient manner to help promote recycling and waste reduction.
- E. Provide a monthly billing program and accompanying reports.
- F. Provide a fee to Hailey for use of its streets and rights-of-ways, education and notification program, and billing service.

#### 5.0 RESPONDENT QUALIFICATIONS AND REQUIRED PROPOSAL CONTENT:

The following are respondent qualifications: 1) the respondent must obtain a performance bond throughout the term of the Franchise Agreement in the amount of \$100,000, 2) the respondent must have worker's compensation, as required by Idaho Law, 3) the respondent must be capable of providing weekly recycling and rubbish services for commercial and/or residential accounts, 4) the respondent must be capable of providing on call services, as requested by customers; 5) the respondent must have general liability insurance in the amount of \$2,000,000 and 6) the respondent must provide the required proposal content in their response (the required proposal content is listed in detail below). The city will then use this information to score each respondent consistent with the review criteria and weighted scoring system listed in Section 6.0, Review Criteria, of this RFP.

As a qualification, the following content is required in each respondent's proposal:

1. Respondents need to provide the following information about their company:
  - Name, address and telephone number(s)
  - Names of representatives authorized to discuss this contract
  - A summary of the company's capabilities to meet the RFP's requirements as well as options beyond those requested by the City of Hailey.
  - Name, address and telephone number of personnel who would be responsible for this contract
  - References of other collection and disposal accounts including name and telephone number of a contact person. Include length of contract, size and current status (active, cancelled, past, etc.).
2. Respondents must describe its customer service capabilities, detailing its organizational chart and the number of employees in each area of service, and a description of its communication tools and equipment.

specify the minimum number and age of vehicles and sizes and numbers of containers needed to provide services and a description of additional and back-up equipment. Include a description validating the adequacy of the current or proposed equipment to meet the service needs of this RFP.

4. Respondents must indicate the rotation and timing of its collection and disposal programs including regular, holiday, and seasonal programs.
5. Respondents must provide detailed examples of educational and informational methods, which will be used to introduce customers to their services. Include a description of how this information will be distributed to customers in regular, special, and seasonal circumstances, and if a bilingual approach will be used.
6. Respondents must give detailed examples of recycling and waste diversion signage for recycling bins and carts, which will be used to promote waste reduction, showing the specific implementation and longevity of these programs. Respondents must explain their commitment to cooperate and coordinate with the city to effectively and efficiently execute education and outreach strategies and materials developed by the city or a 3<sup>rd</sup> party contractor, selected and approved by the city.

Education and outreach activities include, but are not limited to, attaching information (created by the city or 3<sup>rd</sup> party contractor) on recycling to recycling bins when delivering bins to a new customer, meeting with the city to discuss and identify recycling barriers and possible solutions, and delivering notification information (created by the city or 3<sup>rd</sup> party contractor) to existing customers when recycling changes have been made.

7. Respondents must provide details of base rates and special service rates, payment provisions, and monthly billing activity and financial reporting. Include a description of any on-line capabilities. Include a description of billing information collection and process for sharing this billing information. Include a description of the ability to provide billing information to Hailey for Hailey to continue billing services in house.
8. Respondents must identify all costs and incentives associated with their proposal including any fees or monthly charges that are included and/or waived. Describe any discounts which may be included for certain customer groups or any incentives which may be applied for conservation efforts.
9. Respondents must indicate any unusual issues or problems that they may anticipate in providing the service and how they propose to respond.
10. Respondents must provide a minimum of three references with the names of the person or entity, a contact person, a mailing address and telephone number. The references should include, if possible, at least one governmental entity to which the contractor provides solid waste and/or recycling services. The other references can include current or past customers.

## 6.0 REVIEW CRITERIA

- **Adequacy of existing and proposed equipment** - including, but not limited to the ability of the existing and proposed fleet volume, types, sizes, and number and sizes of dumpsters and recycling receptacles to meet Hailey's recycling and rubbish needs.
- **Billing** – the ability of the respondent to provide clear, concise, and detailed billing information to Hailey, for Hailey to continue billing services in house.
- **Proposed rate price**
- **Experience**
- **Adequacy of existing and proposed staffing levels**
- **Credit worthiness/financial soundness**
- **Reliability of Services/References**
- **Ability to adapt to changing recycling programs** - such as dual or single stream, composting, etc.
- **Ability of proposal to increase the percentage of materials recycled** – by either rate structures and pricing, education and outreach proposals, or other proposed incentives.

The number of points shown below is a maximum number possible for each criterion. A total of 100 points are possible:

|   |        |
|---|--------|
| <b>Adequacy of existing and proposed equipment</b>                          | 15 pts |
| <b>Proposed rate price</b>  | 20 pts |
| <b>Experience</b>   | 10 pts |
| <b>Adequacy of existing and proposed staffing levels</b>                    | 10 pts |
| <b>Credit worthiness/financial soundness</b>                                | 5 pts  |
| <b>Reliability of Service/References</b>                                    | 15 pts |
| <b>Ability to adapt to changing recycling programs</b>                      | 5 pts  |
| <b>Ability of proposal to increase the percentage of materials recycled</b> | 15 pts |
| <b>Billing</b>  | 5 pts  |

## 7.0 TERMS AND CONDITIONS OF FRANCHISE AGREEMENTS

Each franchise agreement will be an exclusive contract for a period of five (5) years beginning on or after April 11, 2012 and upon contract signature, and will include an option to renew for an additional three (3) year period upon mutual agreement of both parties. The agreements will include the recyclable materials hauling services for cardboard and clean wood waste (commercial program only), and for glass, plastic, aluminum, tin, oil, paper, and newspaper (residential and commercial programs). Each Franchise Agreement will provide for the payment of a franchise fee of six percent (6%) and an administrative fee of seven percent (7%) of gross revenue billed by the City of Hailey for all collection services. Each Franchise Agreement will provide that the contractor will obtain and maintain security in the form of a performance bond, irrevocable letter of credit or cash equivalent for the use and benefit of Hailey and in a form acceptable to Hailey throughout the term of the Franchise Agreement in the amount of \$100,000. Any performance bond or irrevocable letter of credit shall be issued by a surety company or a financial institution authorized to do business in the

the components of the services described in Paragraph 1, above. The proposed Franchise Agreements are available for inspection at City Hall.

**CITY OF HAILEY  
RUBBISH & RECYCLING SERVICES**

**PROPOSAL INFORMATION CHECK-OFF LIST**

1.0

- Summary of Company Capabilities and Mission Statement
- Name, Address & Telephone Number of Contract Representative
- References

2.0

- Organizational Chart
- Employees and their service areas and capabilities
- Hardware, software, and administrative equipment
- Examples of bills, showing information to customers

3.0

- Residential trash collection and hauling fleet and equipment
- Residential recyclable materials collection fleet and equipment
- Households hazardous waste disposal equipment
- Organic materials collection equipment
- Commercial trash collection fleet and equipment
- Commercial recyclable materials collection fleet and equipment

4.0

- Residential trash collection hours and cycle of operation
- Residential recyclable materials collection hours and cycle of operation
- Households hazardous waste disposal hours of operation
- Organic materials collection hours and cycle of operation
- Commercial trash collection hours and cycle of operation

- \_\_\_ Commercial recyclable materials collection hours and cycle of operation
  
- 5.0
  - \_\_\_ New Residential Customer Information Packet
  - \_\_\_ New Commercial Customer Information Packet
  - \_\_\_ Description of information distribution plan.
  
- 6.0
  - \_\_\_ Educational programs for residential waste reduction
  - \_\_\_ Educational programs for commercial waste reduction
  
- 7.0
  - \_\_\_ Base monthly rates
  - \_\_\_ Fees
  - \_\_\_ Special Service Rates
  - \_\_\_ Monthly Billing Sample
  - \_\_\_ On-Line Capabilities
  - \_\_\_ Additional Items
  
- 8.0
  - \_\_\_ Costs
  - \_\_\_ Incentives
  - \_\_\_ Discounts
  - \_\_\_ Conservation bonuses
  - \_\_\_ Additional Items
  
- 9.0
  - \_\_\_ Unusual Elements
  
- 10.0
  - \_\_\_ Idaho Business License

**BIDDER COMPANY NAME:** \_\_\_\_\_  
\_\_\_\_\_

**AUTHORIZED BIDDER SIGNATURE:** \_\_\_\_\_  
\_\_\_\_\_

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

**BUSINESS ADDRESS:** \_\_\_\_\_  
\_\_\_\_\_

**TELEPHONE:** \_\_\_\_\_ **DATE:** \_\_\_\_\_  
\_\_\_\_\_