

Comments Received/Metro Responses on RFP for Transportation and Processing Services for Organic Waste from MCS labeled "Vendor Review DRAFT 8-5-11"

(Note: Comments and Metro's responses are organized by sections of the draft. The full set of comments will be posted to the procurement webpage.)

Request for Proposals

I. Introduction

Comment: Is Metro willing to allow proposals for a portion of the commercial organic waste received at MCS?

Metro Response: No.

II. BACKGROUND/HISTORY OF PROJECT

Comment: Metro should not limit the procurement to commercial food waste; rather it should include curbside residential organics to facilitate proper composting.

Metro Response: The procurement is limited to commercial food waste because of its special characteristics and potential for a variety of processing options. No change.

III. PROPOSED SCOPE OF WORK/SCHEDULE

Comment:

- A mutual extension of the agreement rather than one at Metro's sole discretion will result in a more competitive price.
- Consider extending operations through March 31, 2017 with a mutual extension to December 31, 2019.
- The section indicates that Metro will have sole responsibility to train the MCS operator in pre-sorting and load check/quality control services. Suggest allowing the selected contractor to also participate in the initial and on-going training of the MCS operator.

Metro Response:

- Metro will change the RFP to reflect a five year contract. It is Metro's intent to negotiate a termination clause to allow Metro (and the Contractor if the successful proposer so desires) to terminate after three years under certain condition. In the final RFP the section has been left blank and will be subject to negotiations with the successful proposer.
- Metro is willing to include an extension or series of extensions until the end of 2019.
- Metro will permit training of the MCS operator both initially and on an ongoing basis for quality control services.

IV. QUALIFICATIONS/EXPERIENCE

Comment:

- The experience requirement should be more than 2 years in Oregon to understand and effectively handle the effects of weather, compost markets, and community impacts.
- A demonstrated ability to effectively market finished compost in Oregon should be added in order to avoid issues associated with inventory surplus.
- Metro should lower the experience requirement to one year.

Metro Response:

- Metro will not change the experience requirement.
- Metro will evaluate the ability of proposers to market products produced by its feedstock as part of the proposal process.

VII. PROPOSAL CONTENT

Comment: Given the breadth and depth of the Proposal Questionnaire, suggest limiting the proposal length to 80 pages and allowing 4 to 6 weeks for the preparation of proposals.

Metro Response: Metro will increase proposal length to 30 pages and exempt required submittals. Proposals will be due October 13th.

IX. EVALUATION OF PROPOSALS

Comment:

- Suggest **OPERATIONAL APPROACH** criterion be weighted more heavily (35% from 25%) due to the importance of a well run composting site and quality end product.
- Suggest the following revisions to evaluation criteria values in support of the region's priorities:
 - Cost 40 25
 - Sustainable Business Practices 10 25
- Suggest **OPERATIONAL APPROACH** be revised to add: "Ability to produce and distribute products created by the organics processing by providing sufficient quality controls and experienced marketing personnel".
- Many of the **OPERATIONAL APPROACH** criteria are not addressed in the proposal questionnaire- suggest adjusting the criteria to align the two sections.
- Criteria in support of sustainability goals, such as the Metro Council's sustainability attribute in Resolution 08-3940 and Ordinance 10-1244B for example, could be strengthened. The suggestion is then followed by detailed revisions and expansion of the **SUSTAINABLE BUSINESS PRACTICES** criterion that are posted to the website for this project.

Metro Response:

- **OPERATIONAL APPROACH** has been increased to 30 points and combined with the **EXPERIENCE** criterion.

- Metro will not change the value of the **COST** criterion point allocation but is increasing the **SUSTAINABLE BUSINESS PRACTICES** to 20 points.
- The Questionnaire and Criteria sections have been realigned.
- The **SUSTAINABLE BUSINESS PRACTICES** criterion has been modified.

Scope of Work

A. Introduction

Comment: Please indicate whether more intensive contaminant removal (i.e. plastics removal), or feedstock preparation, beyond “selective sorting of gross contaminants” may be allowed at MCS. This will assist in determining transport costs.

Metro Response: Yes, but proposers should be aware that this will be subject to negotiations with the MCS transfer station operator and that Metro cannot guarantee that proposed feedstock preparation will be fully implemented.

C. Transport Protocols

Comment:

- The transfer station operator should be penalized for causing the Contractor the expense of waiting time for legalizing overweight boxes. Any Contractor delays caused by transfer station operator should be billed at \$85 per hour and reimbursed to Contractor.
- Cleaning containers should be on an as needed basis instead of on every load. This seems like an unnecessary use of water.
- The references to “containers” imply that the Contractor is required to use drop boxes (for example see Scope of Work, C. and Transport Protocols, item 6). Suggest that “container” be defined as a DOT-approved sealed debris/drop box, truck (dump body), trailer, or other containment approved by Metro.
- The equipment currently dedicated to the organics bay at MCS is a 938H.

Metro Response:

- Metro will not compensate the Contractor for delays but will work with the Contractor and transfer station operator to minimize overload and other delays. The MCS operations contract contains incentives and disincentives to avoid such delays.
- The cleaning requirement has been modified to an as-needed basis with Metro given the right to make such determination.
- The references to containers have been modified as has reference to loader.

E. End Product Testing

Comment:

- It would not be feasible to test just compost derived from Metro since the material will be blended with yard waste for proper composting and perhaps with food waste from other sources.
- To comply with this and other stated requirements, the Operator would have to develop a Metro-only operating plan/system independent of other existing or planned operations.

Metro Response: The end product testing has been modified to require no additional testing but making any tests available to Metro. End products must comply with industry standards.

F. Reporting

Comment:

- Insert “as they relate to this contract” after the first three bullets.
- Bullets 4,5,6 and 8 are proprietary information.

Metro Response: The reporting section has been modified.

G. General

Comment:

- Please clarify which party will be responsible for the disposal of contaminants/unacceptable material that is removed from the feedstock stream at MCS
- MCS operator will be responsible for load check/quality however the successful Contractor for this RFP is expected to take steps necessary to monitor and remedy material quality issues. How will this be accomplished since the Contractor will have no role in sorting, load checking and quality control prior to its arrival at processing facility?
- Who pays the costs of reloading and disposal of an entire load of material that needs to be rejected at the processing facility? What is the MCS operator’s incentive to ensure quality loads?

Metro Response:

- The transfer station operator will be responsible for the disposal of contaminants removed at MCS.
- Proposers can propose changes to the feedstock quality control procedures. It is Metro’s desire that in addition that the successful proposer develop feedback processes to the MCS operator to improve feedstock quality.
- As this has never happened in the history of the program Metro has not addressed it in the RFP but will consider the issue during negotiations with the successful proposer.

I. Sustainable Business Practices

Comment:

- Diesel Particulate Pollution Reduction: (Related to idling policies)- Bulleted items do not seem entirely applicable to this contract.
- Natural Resource Conservation: (Plan will include estimate of potential water use reduction.)- It is not clear what “water use reduction” refers to. There is no baseline established. Also for consideration, cleaning of every container each time would greatly increase water consumption.
- Is it correct to assume that the LEED requirements apply to buildings only?

Metro Response:

- The idling policy requirements have been modified. The tier emission requirements has been lowered to tier 3 with higher performance considered as part of evaluation.
- The language regarding water conservation has been modified.
- The LEED requirements have been changed.

J. Acceptable/Unacceptable Materials List

Comment:

- Please indicate if the Contractor may be able to negotiate to accept certain materials currently on the Prohibited items list (i.e.: grease trap waste, etc.).
- Comment only: Compostable products are currently a contaminant due to inconsistency in consumer understanding and deciphering compostable products vs. biodegradable vs. plastics within a load of food waste.
- Does an item such as a trash bag qualify as being larger than a 5 gallon bucket? This threshold seems to allow for unlimited contaminates smaller than a 5 gallon bucket (forks, foil, plates, etc.).
- Suggest that Metro remove the reference to “Cedar Grove Approved” lists and instead insert language that is more flexible and requests the contractor to submit their own approved list for “Compostable bags and compostable service items”. This list can be expanded in the future as the selected composting facility gains experience testing for compostability in their composting system.

Metro Response: The final list of acceptable/unacceptable items as well as thresholds for contamination are subject to the proposal process and negotiations with the successful proposer. Proposers should be aware that over 700 businesses in Portland currently participating in the commercial organics program (and generating the projected tonnages) are doing so with direction from the City of Portland and Metro and that the items on the list contained in the RFP are acceptable for this program.

Price Schedule

Comment:

- What is the purpose of having these priced separately if the contract will be awarded to one firm? We strongly suggest this be a bundled price.
- Allowing alternative rate structures (i.e. rates that include an annual inflationary adjustment and fuel surcharge, a fixed flat rate with an additional rate per ton, or a scaled rate tied to volumes) may allow for a wider range of competitive bids with more favorable costs per ton.

Metro Response:

- Metro has changed the price schedule to call for a single price per ton (see new section “L” in SOW section).
- Metro has included an inflation adjustment clause under supplemental conditions and a line item on the price schedule to propose a percentage of the CPI.
- A fuel surcharge has been included under supplemental conditions.
- Proposals may include alternative rate structures. However, Metro will only consider alternative structures during negotiations, not for evaluation purposes unless different per ton rates are over time are proposed (please do so on the Price Schedule).

Questionnaire

C. Process/Facility Information:

Comment:

- Item 2: This should be clarified to include the number of complaints filed with DEQ since January 1, 2011.
- Item 5: It should be required that the proposer have a site properly permitted and ready to accept this quantity of organic waste at time of RFP submittal.
- Item 8: This does seem not relevant to this contract and could vary considerably depending of various factors.

Metro Response:

- Item 2 has been modified.
- No change to item 5.
- The item 8 referenced has been eliminated.

Sustainable Business Practices

Comment:

- Item 3.b: Suggest deletion of “including changes proposed to equipment, water systems or operations” in above section, it does not seem applicable.
- Item 4.a: Suggested wording change from “do you have a zero tolerance safety policy” to “describe your safety policy”.

Metro Response: Both items have been modified.

Sample Contract

Comment:

- Suggest addition of the words “with cause” in the first sentence of the termination clause. Arbitrary termination presents significant risk.

Metro Response: The termination clause has been made subject to negotiations.

General Comments

Comment:

- Strongly encourage Metro to consider the inclusion of a renewable energy generation preference or requirement in the RFP. Pre- and post-consumer organic waste is an energy-rich feedstock ideal for conversion into biogas. By stating a preference for, or requiring that these highly caloric materials at some point generate energy, Metro will support the push toward next-generation organic waste processing. The technologies to make this conversion possible are commercial today.

Metro Response: Metro will consider the advantages/disadvantages of each proposed process based on available information.