



Handout 2: Procurement Scope of Services Tool

Table 2.1- Procurement Planning and Strategy Considerations

Topic	Considerations
Procurement Approach	<ul style="list-style-type: none"> • Request for Proposals vs. Request for Bids
Award Procedure	<ul style="list-style-type: none"> • Evaluation procedure <ul style="list-style-type: none"> • One step vs. two step • Qualification/selection committee
Pre-bid Meeting	<ul style="list-style-type: none"> • Mandatory or non-mandatory

Table 2.2- Collection Scope of Service

Topic	Considerations
Term of Agreement and Termination	<ul style="list-style-type: none"> • Term of agreement <ul style="list-style-type: none"> • Initial term • Renewal terms • Termination <ul style="list-style-type: none"> • Termination for cause • Termination for convenience • Termination for unavailability of funds
Scope of Work: Customer Base	<ul style="list-style-type: none"> • Number of service areas • Inclusion or exclusion of <ul style="list-style-type: none"> • Residential • Multi-family • Commercial • Government buildings (billed vs. non-billed) • Special events (billed vs. non-billed)
Scope of Work: Collection Services	<ul style="list-style-type: none"> • Type of service: Refuse, Recycling, Yard Trimmings, Bulky Waste, HHW and Electronics • Can/bin vs. cart collection for Refuse and Recycling • Can, cart, compostable paper bags, or compostable plastic bags for Yard Trimmings • Subscription vs. universal recycling program • Dual stream vs. single stream recycling • Optional container sizes (e.g. 96 gallons, 64 gallons, 35 gallons) • Collection frequency for each service • Set-out limits and container types • Set-out requirements <ul style="list-style-type: none"> • Out of cart set-outs • Clearance from vehicles and other structures



Topic	Considerations
	<ul style="list-style-type: none"> • Weight limitations • Time of set-out • Days and hours of operation and holidays
Collection Vehicle Requirements	<ul style="list-style-type: none"> • Dedicated vehicles vs. assigned collection vehicles • New vs. average age requirement for collection vehicles • Appearance (i.e. City name, Contractor name, call center number, advertisements) • Diesel emission standards and/or CNG • Other collection vehicle equipment (internet, nextel, spill kit, RFID tag reader, etc.)
Carts/Bins	<ul style="list-style-type: none"> • Responsibility for cart/bin activities <ul style="list-style-type: none"> • Purchase, assembly, staging area, and initial distribution • Storage • Maintenance • Replacement and subsequent distribution • Ownership • Appearance (i.e. City name, Contractor name, call center number) • Educational labels (for recycling container)
Complaints	<ul style="list-style-type: none"> • City vs. Contractor • Local customer service office • Response time • Definition of missed collection
Planning and Reporting	<ul style="list-style-type: none"> • Transition plan • General reporting requirements <ul style="list-style-type: none"> • Reporting frequency • Sample report • Transmittal of report (hard copy, disk, and/or email) • Recommended required information <ul style="list-style-type: none"> • Route maps • Daily weight tickets by route and material type • Monthly weight records by route and material type • Complaint log
Public Education by Contractor	<ul style="list-style-type: none"> • Scholarships • Financial commitment • Other public education activities
Billing	<ul style="list-style-type: none"> • Customer billing • Services performed vs. payment received • Physical units vs. units served • Procedures for non-payment/delinquent accounts



Topic	Considerations
	<ul style="list-style-type: none"> • Procedure for foreclosures and new developments • City payment procedures
Cost Forms	<ul style="list-style-type: none"> • Unit based pricing • Variable pricing based on refuse container size • All-inclusive vs. separate fees
Non-Billed Services	<ul style="list-style-type: none"> • Government buildings • Special events • Public education
Franchise Fee	<ul style="list-style-type: none"> • Flat franchise fee • Other franchise fee structures <ul style="list-style-type: none"> • Percent of gross receipts • Percent of accounts receivable • Standard fee per household
Disposal Costs	<ul style="list-style-type: none"> • Payment by City vs. by Contractor • Actual disposal vs. generation rate • Generation rate <ul style="list-style-type: none"> • City specified vs. hauler proposed • Generation audits
Rate Adjustments	<ul style="list-style-type: none"> • Frequency • Limits to adjustments • Rate adjustment index <ul style="list-style-type: none"> • CPI • Fuel adjustment • Other adjustments
Administrative Fees	<ul style="list-style-type: none"> • Identify reasons <ul style="list-style-type: none"> • Missed collections • Commingling of recyclables with solid waste • Failure to timely submit monthly and annual reports • Failure to reconcile complaints within allotted timeframe • Grace period
Evaluation Criteria	<ul style="list-style-type: none"> • Cost Evaluation <ul style="list-style-type: none"> • Total cost • More weight to residential costs • Experience <ul style="list-style-type: none"> • Number of years • Experience in State or region • Similar programs • References <ul style="list-style-type: none"> • Most recent contracts for similar services



Topic	Considerations
	<ul style="list-style-type: none"> • Proposed approach <ul style="list-style-type: none"> • Strength of operations (qualifications of assigned staff, proposed customer service protocol, etc.) • Technical capability (number of trucks, truck type, etc.) • Vehicles and other collection equipment • Financial history • Transition plan • Other criteria
Bonds and Insurance	<ul style="list-style-type: none"> • Proposal/Bid Bond • Performance Bond (dollar amount vs. percentage of annual contract amount) • Letter of credit • Minimum insurance requirements

Table 2.3- Recycling Scope of Service

Topic	Considerations
Term of Agreement and Termination	<ul style="list-style-type: none"> • Term of Agreement <ul style="list-style-type: none"> • Initial term • Renewal terms • Termination <ul style="list-style-type: none"> • Termination for cause • Termination for convenience
Scope of Work: Customer Base	<ul style="list-style-type: none"> • Inclusion or exclusion of: <ul style="list-style-type: none"> • Residential • Multi-family • Government buildings contracted by City • Special events contracted by City • Ability of processing facility to accept materials from outside the City
Scope of Work: Recycling Processing and Marketing	<ul style="list-style-type: none"> • Single stream vs. dual stream recycling • Currently accepted materials • Materials to be accepted in addition to currently accepted materials • Materials to be discussed (ex. plastic film)
Processing Facility Requirements	<ul style="list-style-type: none"> • Public/private partnership (availability of City land) • Location of processing facility (within City limits, County limits, miles from City Hall) • Allowance of transfer of recyclables for processing • Facility capacity • Scale house protocol • Vehicle turn-around time



Topic	Considerations
	<ul style="list-style-type: none"> • Vehicle clearance • Tipping area • Sorting equipment • Access/security of processing facility • Priority access for City contracted vehicles
Audit Requirements and Procedures	<ul style="list-style-type: none"> • Selection of representative routes • Number of routes • Frequency of audits • Automated versus manual sort • Supervision requirements
Acceptance/Rejection of Loads	<ul style="list-style-type: none"> • Authority to reject a load • Notification to City • Procedure for disposal of rejected loads
Planning and Reporting	<ul style="list-style-type: none"> • Transition plan • General reporting requirements <ul style="list-style-type: none"> • Reporting frequency • Sample report • Transmittal of report (hard copy, disk, and/or email) • Recommended required information <ul style="list-style-type: none"> • Daily weight tickets • Market price verification • Trade publications • Individual program reports • Complaint log • Other reporting requirements
Public Education	<ul style="list-style-type: none"> • Facility tours • Scholarships • Financial commitment • Other public education efforts
Billing	<ul style="list-style-type: none"> • City payment procedures
Processing Fee and Recycling Revenues	<ul style="list-style-type: none"> • Processing Fee • Percent of revenue to the City and to the Contractor • Actual sales price vs. industry price index • Adjusted rate based on increase in recyclables collected
Disposal Costs	<ul style="list-style-type: none"> • Contractor responsible for residuals/contamination threshold • City responsible for rejected loads
Rate Adjustments	<ul style="list-style-type: none"> • Frequency • Limits to adjustments • Index-based adjustments (CPI)



Topic	Considerations
	<ul style="list-style-type: none"> • Other adjustments
Administrative Fees	<ul style="list-style-type: none"> • Identify reasons <ul style="list-style-type: none"> • Failure to accept materials upon commencement of agreement • Failure to accept materials during hours of operation • Failure to provide priority access to City contractors • Grace period
Evaluation Criteria	<ul style="list-style-type: none"> • Cost Evaluation <ul style="list-style-type: none"> • Processing fee • Revenue share • Experience <ul style="list-style-type: none"> • Number of years • Experience in State or region • Similar programs • References <ul style="list-style-type: none"> • Most recent contracts for similar services • Proposed approach <ul style="list-style-type: none"> • Strength of operations (qualifications of assigned staff, proposed customer service protocol, etc.) • Processing facility design (sorting equipment, capacity of facility, etc.) • Proposed end users and/or buyers of recyclables • Expansion of accepted recyclable materials • Financial history • Transition plan • Other criteria <ul style="list-style-type: none"> • Tour of facility or proposed facility location (visit location, review of site plans, observation of traffic patterns, etc.) • Commitment to education
Bonds and Insurance	<ul style="list-style-type: none"> • Proposal/Bid Bond • Performance Bond (dollar amount vs. percentage of annual contract amount) • Letter of credit • Minimum insurance requirements

Table 2.4 - Disposal Scope of Service

Topic	Considerations
Term of Agreement and Termination	<ul style="list-style-type: none"> • Term of Agreement <ul style="list-style-type: none"> • Initial term • Renewal terms • Termination <ul style="list-style-type: none"> • Termination for cause



Topic	Considerations
	<ul style="list-style-type: none"> • Termination for convenience
Scope of Work: Customer Base	<ul style="list-style-type: none"> • Inclusion or exclusion of: <ul style="list-style-type: none"> • Residential • Multi-family • Government buildings contracted by City • Special events contracted by City
Scope of Work: Recovery of Energy and Recycling of Materials from Solid Waste Services	<ul style="list-style-type: none"> • Define technologies to be considered responsive to RFB <ul style="list-style-type: none"> • Waste-to-energy • Landfill gas to energy • Composting • Mixed MSW processing • Other technologies
Facility Requirements	<ul style="list-style-type: none"> • Location of facility • Facility capacity • Scale house protocol • Vehicle turn-around time • Vehicle clearance • Tipping area • Access/security of facility • Priority access for City contracted vehicles
Acceptance/Rejection of Loads	<ul style="list-style-type: none"> • Authority to reject a load • Notification to City • Procedure for disposal of rejected loads
Planning and Reporting	<ul style="list-style-type: none"> • Transition plan • General reporting requirements <ul style="list-style-type: none"> • Reporting frequency • Sample report • Transmittal of report (hard copy, disk, and/or email) • Recommended required information <ul style="list-style-type: none"> • Daily weight tickets • Other reporting requirements
Public Education	<ul style="list-style-type: none"> • Facility tours • Scholarships • Financial commitment • Other public education efforts
Billing	<ul style="list-style-type: none"> • City Payment Procedures
Disposal Costs	<ul style="list-style-type: none"> • City vs. Contractor (if applicable)
Rate Adjustments	<ul style="list-style-type: none"> • Frequency



Topic	Considerations
	<ul style="list-style-type: none">• Limits to adjustments• Index-based adjustments<ul style="list-style-type: none">• CPI• Fuel adjustment• Other adjustments
Administrative Fees	<ul style="list-style-type: none">• Identify reasons<ul style="list-style-type: none">• Failure to accept materials upon commencement of agreement• Failure to accept materials during hours of operation• Failure to provide priority access to City contractors• Grace period
Evaluation Criteria	<ul style="list-style-type: none">• Cost Evaluation• Experience<ul style="list-style-type: none">• Number of years• Experience in State or region• Similar programs• References<ul style="list-style-type: none">• Most recent contracts for similar services• Proposed approach<ul style="list-style-type: none">• Strength of operations (qualifications of assigned staff, proposed customer service protocol, etc.)• Technical capability• Financial history• Transition plan• Other criteria
Bonds and Insurance	<ul style="list-style-type: none">• Proposal/Bid Bond• Performance Bond (dollar amount vs. percentage of annual contract amount)• Letter of credit• Minimum insurance requirements



Handout 3: Sample Contract Provisions

Sample Collection Services Contract Provisions

Solid Waste Collection. The Contractor shall Collect from each City Program Residential Unit, each Monday and Thursday or Tuesday and Friday, all Acceptable Solid Waste contained in that Residential Unit's Solid Waste Cart(s) per Scheduled Collection Day.

Bulky Waste Collection. The Contractor shall Collect from each City Program Residential Unit, once per month on a Scheduled Collection Day such Residential Unit receives Acceptable Solid Waste Collection, the greater of ____ () Bulky Waste items or ____ () cubic yards of Bulky Waste placed at the curb that are in compliance with this Agreement and the City ordinances on the first pass by the home.

Program Recyclable Materials Collection. The Contractor shall Collect from each City Program Residential Unit on a Scheduled Collection Day such Residential Unit receives Acceptable Solid Waste Collection, all Program Recyclable Materials in, under, or adjacent to that Residential Unit's Recycling Cart per Scheduled Collection Day.

Yard Trimmings Collection. The Contractor shall Collect from each City Program Residential Unit, on a Scheduled Collection Day such Residential Unit receives Acceptable Solid Waste Collection, all Yard Trimmings in Yard Trimming Bags, Bundles, or Yard Trimmings Cans and all Christmas Trees per Scheduled Collection Day.

Program Household Hazardous Waste and Electronics Collection. Upon request of a City Program Residential Unit Customer, the Contractor shall Collect from such Residential Unit, not to exceed one day per calendar month, all Program Household Hazardous Waste and Electronics set-out in accordance with Program Household Hazardous Waste and Electronics Collection Procedures developed by Contractor and approved by Contract Administrator.

Sample Processing Services Contract Provisions

See the Recycling Contract Negotiation Guidebook located at <http://www.nctcog.org/envir/SEELT/reduction/studies.asp> authored by Scott Pasternak and Veronica Roof of Burns & McDonnell.

Sample Disposal Services Contract Provisions

Delivery of Acceptable Solid Waste. City or its designee shall deliver, during hours of operation as defined in this Contract, to the Disposal Site all Acceptable Solid Waste collected pursuant to the Collection Agreement.¹

Disposal Service. The Contractor shall Dispose of all Solid Waste at a Disposal Site properly authorized under all applicable federal, state and local laws.

¹ Assumes separate contracts for collection and disposal.



Handout 4: Recyclable Commodities Audit Protocol

The initial recyclable commodities audit shall be conducted during the week of _____, 20___. The next recyclable commodities audit shall be conducted in ____ 20___. Unless agreed to via email or other writing by the City, subsequent recyclable commodities audits shall be conducted in _____, _____, _____, and _____ of each year. The City and _____ (the Contractor) shall agree on an audit week. Audits will not be conducted immediately after a holiday or during inclement weather.

The Contractor shall train employees involved in recyclable commodities audit on the following protocol. The City may be present for such training if the City desires.

The Contractor, at the Contractor's sole expense, shall conduct recyclable commodities audits in accordance with the following:

- 1) Each audit will be monitored by the Contractor and the City if City desires. The City may take pictures and video prior to and during the audit.
- 2) Audits will evaluate the composition of material collected curbside via the City's residential recyclable commodities collection program.
- 3) The Materials Recovery Facility scales, including the vehicle and baler scales, shall be calibrated within ninety (90) calendar days of the audit. The Contractor shall provide documentation to the City of the scales calibration.
- 4) The City and the Contractor will agree in writing to the description of each recyclable commodity and accepted recyclable materials in advance of the audit. Any recyclable material marketed by the Materials Recovery Facility shall be included in the description of recyclable commodity and accepted recyclable materials.
- 5) The audit will be conducted based on _____ loads per each scheduled collection day, unless more loads are agreed to by all Parties. The City and the Contractor will agree upon a day to randomly draw routes from each scheduled collection day at least two (2) weeks in advance of the audit.
- 6) The Contractor will have a segregated area to store loads from the selected routes ("Audit Loads"). The Contractor will have physical barriers in place to separate the segregated area from any other materials that are delivered to Materials Recovery Facility.
- 7) The Contractor will empty, clean, and remove any and all materials from the segregated area prior to 7:00 AM, local time on Friday the week prior to the audit. The Contractor shall maintain such segregated area empty, clean, and free of any and all materials other than Audit Loads.
- 8) The City shall deliver the Audit Load prior to the start time for processing such Audit Load (see item 10 below).



- 9) The Contractor shall and the City may weigh each vehicle delivering an Audit Load when full and empty to capture the tare weight of the vehicle and the weight of the Audit Load. On-file tare weights will not be acceptable during the audit.
- 10) The Contractor and the City shall agree as to the start time for processing Audit Loads at least two (2) weeks in advance of the audit. The audit start time shall not be before 7:00 AM, local time unless agreed to by all Parties. The Contractor shall not handle, including but not limited to remove or add materials, load, or process, the Audit Loads prior to the agreed upon start time.
- 11) The Contractor will ensure the number of employees available for the audit is appropriate to conduct the audit. For example, the number of employees utilized for sorting materials will be consistent with typical operations.
- 12) The Contractor shall process Audit Loads for each collection day the next business day after the collection day before processing any other materials (i.e. Friday Audit Loads processed Monday, Monday Audit Loads processed on Tuesday, Tuesday Audit Loads processed on Wednesday, Wednesday Audit Loads processed on Thursday, and Thursday Audit Loads processed on Friday). The Contractor and City agree to the following:
 - a. Immediately before processing Audit Loads, the Contractor will empty, clean and remove any and all debris from the system, including but not limited to the sort line, bunkers, balers, compactors, bins, and waste containers.
 - b. The Contractor shall load the materials from the Audit Loads onto the system and run at normal processing speed (25-30 tons per hour, or as designed) or slower. The Contractor will process the materials into the agreed upon recyclable commodity categories, residue, and contamination until a minimum of ninety-five percent (95.0%) by weight of accepted recyclable materials are processed into recovered materials. Residue means accepted recyclable materials that are not captured by the Materials Recovery Facility equipment for marketing. Contamination means material or substance on or contained in accepted recyclable materials other than accepted recyclable materials at the Materials Recovery Facility.
 - c. The Contractor shall load the residue and contamination onto the system and run at normal processing speed (25-30 tons per hour, or as designed) or slower.
 - d. The Contractor will process the Audit Loads for each collection day separately from all other materials.
 - e. The Contractor will bale, City and Contractor shall weigh, and City shall record the weight of each material by recyclable commodity categories and residue/contamination (for material that is not enough to make a full bale, Contractor will place the material in "Gaylord" type box or other container to fully account for 100% of each material type).



- f. The Contractor will ensure that at least (i) 95% by weight of accepted recyclable materials are processed into recovered materials and (ii) 95% by net weight of Audit Loads is accounted in the audit.
- 13) After removing the Audit Loads from the prior collection day from the segregated area, the Contractor will empty, clean, and remove any and all materials from the segregated area and maintain such segregated area empty, clean, and free of any and all materials other than Audit Loads.
- 14) The City will provide a report detailing the following:
 - a. *Tonnage by Collection Day*: Truck tare weights and net weights for all loads from material collected curbside via the City's residential recyclable commodities collection program during a time period to be determined by City by collection day (i.e. Monday, Tuesday, Wednesday, Thursday, Friday).
 - b. *Composition by Collection Day*: Composition (percentage) of total material collected curbside via the City's residential recyclable commodities collection program based on 14(a).
 - c. *Tonnage by Audit Load*: Truck tare weights and net weights by Audit Load.
 - d. *Audit Load Tonnage by Collection Day*: Recyclable commodity and residue/contamination weights for Audit Loads by collection day.
 - e. *Audit Load Composition by Collection Day*: Recyclable commodity and residue/contamination composition (i.e. percentage) for Audit Loads by collection day.
 - f. *City-wide Estimated Composition*: Estimated composition (i.e. percentage) of recyclable commodity and residue/contamination for all loads from material collected curbside via the City's residential recyclable commodities collection program based on based on 14(b) and (e).
- 15) The Contractor and City agree the City-wide estimated composition discussed in 14(f) above shall be based on the composition by collection day discussed in 14 (b) and Audit Load composition by collection day discussed in 14 (e). To calculate the City-wide estimated composition discussed in 14(f), the Contractor shall weight the Audit Load composition by collection day discussed in 14(e) based on the composition by collection day discussed in 14 (b).
- 16) The Contractor will use the estimated composition (i.e. percentage) of recyclable commodity and residue/contamination for all loads from material collected curbside via the City's residential recyclable commodities collection program to calculate the percentage value of each recyclable commodity used in calculating the dollar value of the materials.
- 17) The City will use the estimated composition (i.e. percentage) of recyclable commodity and residue/contamination for all loads from material collected curbside via the City's



residential recyclable commodities collection program to calculate the quantity of contamination from the Contractor's Material Recycling Facility to be accepted at no charge at the City's disposal facility.



Handout 5: Example Revenue Sharing Basis

Recyclable Materials	Revenue Share Basis
Newspaper	The greater of Pulp & Paper Week, ONP #8, high-side, Southwest region, (1st issue of the month), Average Monthly Actual Sales Price, or zero
Old Corrugated Cardboard	The greater of Pulp & Paper Week, OCC #11, high-side, Southwest region, (1st issue of the month), Average Monthly Actual Sales Price, or zero
Chipboard	The greater of Pulp & Paper Week, OCC #11, high-side, Southwest region, (1st issue of the month), Average Monthly Actual Sales Price, or zero
Magazines, Catalog, and Phone Books	The greater of Pulp & Paper Week, OMG #10, high-side, Southwest region, (1st issue of the month), Average Monthly Actual Sales Price, or zero
Cartons	The greater of the Average Monthly Actual Sales Price, Verified Market Price, or zero
Other Program Recyclable Material- Paper	The greater of Pulp & Paper Week, Mixed Paper #2, high-side, Southwest region, (1st issue of the month), Average Monthly Actual Sales Price, or zero
Plastic #1	The greater of RecyclingMarkets.net, Plastics PET Baled, Houston (Southcentral) region, (2nd business day of the month) regionally average price, Average Monthly Actual Sales Price, or zero
Plastic #2 Natural	The greater of RecyclingMarkets.net, Plastics Natural HDPE Baled, Houston (Southcentral) region, (2nd business day of the month) regionally average price, Average Monthly Actual Sales Price, or zero
Plastic #2 Colored	The greater of RecyclingMarkets.net, Plastics Colored HDPE Baled, Houston (Southcentral) region, (2nd business day of the month) regionally average price, Average Monthly Actual Sales Price, or zero
Other Program Recyclable Material- Plastic	The greater of the Average Monthly Actual Sales Price or Verified Market Price, or zero
Aluminum	The greater of American Metal Market (AMM), Aluminum, (1st issue of the month), Average Monthly Actual Sales Price, or zero
Steel/Tin	The greater of American Metal Market (AMM), Tin, (1st issue of the month), Average Monthly Actual Sales Price, or zero
Other Program Recyclable Material- Metal	The greater of American Metal Market (AMM), Tin, (1st issue of the month), Average Monthly Actual Sales Price, or zero
Glass	The greater of the Average Monthly Actual Sales Price, Verified Market Price, or zero
Aseptic Packaging	The greater of the Average Monthly Actual Sales Price, Verified Market Price, or zero
Residuals and Contamination	Zero