



Request for Proposals

for

Collection Services and Facility Operations Reports, Tonnage
Data and Customer Service Systems Auditing Project for 2014

Issued: January 29, 2015

Proposals Due: February 19, 2015 at 3:00pm

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The South Bayside Waste Management Authority (RethinkWaste) is a public agency committed to environmental leadership in sustainable materials management practices to support livable communities.

Through issuance of this Request for Proposals (RFP), RethinkWaste is soliciting a proposal from qualified firms (herein "Proposers") interested in conducting the Collection Services and Facility Operations Reports, Tonnage Data and Customer Service Systems Auditing Project for 2014.

Please note that submittals to RethinkWaste will be considered public records and made available for public review upon request after conclusion of this RFP process. Please refer to Section 3 for the specific scope of work.

RFQ Process Timeline	
<u>ITEM</u>	<u>DATE</u>
RFP Released	January 29, 2015
Deadline for Submitting Questions to RethinkWaste	February 6, 2015 3:00pm
Deadline for Submitting Proposal by Email to: Cliff Feldman, Recycling Programs Manager email: cfeldman@rethinkwaste.org (phone: 650-802-3502)	February 19, 2015 3:00pm
Proposer Interviews (per discretion of RethinkWaste)	February - March 2015
Contract Negotiations	February-March 2015
RethinkWaste Staff Report Recommendation Issued to Board of Directors (per discretion of RethinkWaste)	March 19, 2015
Board Consideration of Contract Award (if needed)	March 26, 2015
Project Schedule	March – May 2015

1. BACKGROUND

RethinkWaste is a joint powers authority of twelve public agencies (Atherton, Belmont, Burlingame, East Palo Alto, Foster City, Hillsborough, Menlo Park, Redwood City, San Carlos, San Mateo, the County of San Mateo and the West Bay Sanitary District) in San Mateo County, California and is a leader in the delivery of innovative waste reduction and recycling programs. RethinkWaste owns and manages the Shoreway Environmental Center which receives all of the recyclables, organics, and garbage collected in its service area. RethinkWaste also provides strategic oversight, support and management of service providers that collect, process, recycle and dispose of materials for the 12 Member Agencies. RethinkWaste, also known as the South Bayside Waste Management Authority was formed in 1982.

RethinkWaste's mission is to cost effectively design, implement and manage innovative waste reduction and recycling programs and facility infrastructure that fulfills our fiduciary responsibilities to our Member Agencies while achieving community environmental and economic goals.

2. INTRODUCTION

RethinkWaste is charged with a variety of responsibilities regarding developing and implementing diversion programs and policies for its Member Agencies. In addition, RethinkWaste provides Franchise Agreement administrative and programmatic assistance to its Member Agencies and also manages the Shoreway Environmental Center Operating Agreement.

The twelve RethinkWaste Member Agencies have exclusive Franchise Agreements with Recology San Mateo County (Recology) for the collection of solid waste, recyclable materials and organic materials. Recology provides collection services to approximately 93,000 households and 9,000 businesses in the RethinkWaste service area. The company also provides a variety of collection related services.

The core residential collection services provided by Recology include weekly, cart-based collection of garbage, single-stream recycling and compost (including food scraps), batteries/cell phones, used motor oil and used oil filters, and twice a year bulky items collection. The commercial and multi-family sectors are provided similar services based on customer subscriptions including recycling (no additional cost to the customer) and compost service (additional cost to the customer). All of the materials collected by Recology are delivered to the RethinkWaste owned, Shoreway Environmental Center in San Carlos. This facility is operated by South Bay Recycling (SBR) under contract with RethinkWaste.

Proposals are being sought from firms interested in conducting an audit of the companies performance in 2014, as described in the scope of work in Section 3 below.

3. SCOPE OF WORK

The agreements with Recology and SBR include performance standards and reporting requirements. Both companies are required to submit monthly, quarterly and annual reports which are due 15, 30 and 45 days after the close of each reporting period, respectively. This project entails auditing the data included in the reports and the compliance with numerous aspects of their contracts.

The following is the scope of work for the Collection Services and Facility Operations Reports, Tonnage Data and Customer Service Systems Auditing Project for 2014. Please refer to Section 7 for the proposal submittal guidelines. (In addition, if you prefer presenting a proposal with alternative or revised tasks, or a combination of the two, please clarify this in your proposal and provide the rationale for the changes.)

Task 1: Audit Project Kick-off Meetings

- Prior to the kick-off meetings, prepare and send separate requests for information to the contractors (Recology and SBR) to provide background on topics to be discussed at the meeting.

- For example, request a narrative of Recology and/or SBR's step-by-step procedures for allocating tons and identifying variances from the prior year.
- Prepare an agenda and schedule a meeting with RethinkWaste and the contractors to discuss the goals and objectives of the audit and to reach agreement on the roles and responsibilities of RethinkWaste, the contractors and consultant.
- Discuss the content of the final report and reach agreement on a project timeline including deliverable due dates of information needed from the contractors.
- Prepare a summary of the meeting for RethinkWaste and include revisions as requested.

Task 2: Verify Completeness and Mathematical Accuracy of 2014 Quarterly and Annual Report(s)

- Confirm quarterly and annual reports submitted by the contractors contain complete information (broken down by month) for each of the reporting categories required in accordance with Article 9.06 of the Recology Franchise Agreement(s) and Article 9.5 of the SBR Operating Agreement.
- Verify the mathematical accuracy of the calculations contained in the reports.
 - Request missing information from the appropriate contractor.

Task 3: Interview Contractors to Determine Sources of Reported Data

- Meet with contractors to discuss the source documents used to populate each section of their quarterly reports.
- Trace at least one data point of each section to verify the documents stated to be the source do in fact tie to the data point.
 - If data does not tie, request clarification until the ultimate source documents have been accurately determined and obtained.

Task 4: Verify Accuracy of Tonnage Data Reported Quarterly by Recology

- Test at least two separate months for each Member Agency (covering all twelve months during the year) of the tons reported and verify the amounts tie to the supporting documents.
 - If variances are found, test additional months to determine reason for the discrepancy.
 - For example, verify the 1,507.34 tons collected in January from San Mateo commercial customers ties to the supporting documentation.
- Test the accuracy of supporting documentation.
 - Test the accuracy of Recology's tonnage allocation methodology.
 - Documents could include tonnage reports, customer account data, list of vehicles assigned to which routes, etc.
 - Review the reasonableness of the tonnage allocation methodology.
- Verify accuracy of tonnage allocation for each Member Agency – monthly, quarterly and annual totals.
 - Determine if tons reported by Recology consistently tie to SBR scale system records and request explanations for variances.

Task 5: Verify Accuracy of Customer Service Data Reported

- Test at least two separate months for each Member Agency (covering all twelve months during the year) of customer service data reported and verify it ties to the supporting documents.
 - If variances are found, test additional months to determine the discrepancy.
 - For example, verify the 11 missed pickups in Belmont in January ties to the supporting documentation.
- Test that Recology customer service representatives (CSR) statistics reported annually tie to the supporting call center reports.
- Test the accuracy of CSR's coding calls.
 - Take a statistically valid sampling (minimum of 380) of CSR transactions (for specific call types) from 2 different months and verify each has been properly coded. This will entail reading the CSR's comments and verifying they match the coding used to generate the statistics reported quarterly.

Task 6: Verify Accuracy of Liquidated Damages, Incentive, and Disincentive Payments

- Verify the liquidated damages, incentive, and disincentive payments have been properly calculated and tie to the events reported.
 - Request explanations for any discrepancies.
- Verify and explain Recology's procedures to identify and report events which would trigger liquidated damages and performance incentives/disincentives.

Task 7: Verify Accuracy of In-Bound Tonnage Data Reported

- Verify SBR's reported data (from franchised services) is consistent with Recology's reports.
- Verify all other SBR tonnage is also accurate.
 - Sample various tons reported for each Member Agency and verify the amounts tie to the supporting documents.
- Verify liquidated damages payments have been properly calculated in accordance with the Operating Agreement and tie to the reported events.
 - Request explanations for any discrepancies.
- Verify and explain SBR's procedures to identify and report events which would trigger liquidated damages.

Task 8: Draft Report

- Prepare draft report of preliminary findings and recommendations.
 - Provide explanation of the auditing process and data analyzed.
 - Provide detailed analysis supporting findings and recommendations.
 - The preliminary findings and recommendations should include any recommendations for revised reporting and tracking documents and additional written procedures for administering and enforcing the Franchise Agreement(s) and Operating Agreement.
 - Include the monetary impact of the preliminary findings and recommendations.
 - For example, if the call center coding is determined to be done inaccurately then the monetary results of extrapolating the error rate should be quantified.

- Include the results of any 3rd party or RethinkWaste customer service call center monitoring work in the report.
 - The details may be included as an appendix with the highlights captured in the body of the report.
 - The scope of the information to include in the report shall be provided by RethinkWaste.
- Meet with RethinkWaste to review the preliminary findings.
 - Conduct additional analysis per feedback from RethinkWaste.
- Meet with RethinkWaste and contractors to review the preliminary findings.
- Review and discuss contractor's comments and any additional information requested.
 - Based on comments and/or additional information provided, perform additional analyses and adjust the preliminary findings (if warranted) to ensure that all matters have been satisfactorily reviewed.

Task 9: Final Report

- Prepare and distribute a draft final report documenting the findings and recommendations.
- Provide for review by RethinkWaste and contractors.
 - Include a matrix summarizing pertinent sections of the Franchise Agreement(s) and Operating Agreement regarding record keeping, data management, and reporting; how the contractor(s) performed in regard to each sections (providing qualitative and quantitative support); and, any recommendations for revised procedures.
 - Include a narrative of findings and recommendations regarding the reasonableness and accuracy of the Member Agency tonnage allocations by SBR and Recology.
 - Include a similar narrative regarding Recology CSR call coding.
- Review comments and facilitate follow-up discussion with RethinkWaste and potentially the contractors.
- Revise draft report to include necessary final revisions and issue the final report.
- Attend a meeting of the RethinkWaste Board to present the findings upon request.

4. REFERENCES

The following are the links to pertinent references including the agreement(s) with Recology and SBR, reports from the companies and prior audits conducted by RethinkWaste:

Recology Franchise Agreement(s) and Reports:

<http://rethinkwaste.org/about/service-providers/recology>

SBR Operating Agreement and Reports:

<http://rethinkwaste.org/about/service-providers/south-bay-recycling>

Prior Audits:

<http://www.rethinkwaste.org/about/board-of-directors/board-meetings/meeting-archive>

- June 26, 2014 Regular Board Meeting (agenda item 5B)
- September 12, 2013 Special Board Meeting (agenda item 3D)

- June 28, 2012 Regular Board Meeting (agenda item 6D)

5. QUALIFICATIONS

Each proposal should include a brief description of the qualifications and experience of Proposers with regard to performing similar scopes of work as set forth in Section 3 above.

Proposers are encouraged to concisely and thoroughly explain their relevant professional and technical background, and provide the details of any related experience. **Any experience with similar projects/programs for public agencies similar to the Member Agencies of RethinkWaste or the JPA itself should be noted.**

6. PROCEDURE FOR SUBMITTING QUESTIONS

All questions/inquiries must be directed to Cliff Feldman in writing via email at cfeldman@rethinkwaste.org by **February 6, 2015 at 3:00pm**. RethinkWaste will provide a written response to all questions in the form of an Addendum to this RFP, if necessary. Please include both a PDF version and the source file (e.g., Word or Excel file) of all documents submitted.

7. PROPOSAL REQUIREMENTS

7.1 Proposers must respond to this RFP by submitting a Proposal **in electronic format via email only** no later than **February 19, 2015 at 3:00pm** in order for submittals to be considered.

Proposals must be sent to Cliff Feldman at cfeldman@rethinkwaste.org, clearly labeled **"Response to RFP – 2014 Annual Reports"** in the email subject line. Please include both a PDF version and the source file (e.g., Word or Excel file) of all documents submitted.

7.2 PROPOSAL CONTENTS

The Proposal should be concise and responsive. The length of the Proposal is limited to the guidelines explained below.

7.2.1 Cover Letter

A maximum of two (2) pages for a cover letter is allowed. A cover letter must be provided and should describe your firm, its history, the number of years in business and an explanation of your firm's desirable qualifications and related past experience.

The individual authorized to contractually bind the firm should sign the cover letter. Resumes for the proposed team and sub-consultants, if any, should be provided as an appendix.

7.2.2 Description of Qualifications

A maximum of two (2) pages are allowed to describe the qualifications, expertise and prior specific related experience. RethinkWaste prefers that Proposers explain their specific qualifications related to the scope of work and that a more general description of qualifications and experience be only included in the cover letter explained in Section 7.2.1.

Firms are encouraged to provide examples of similar projects/programs they have worked on, the scope of work, timing, cost, references and list of the role of the various staff that conducted the work.

7.2.3 Work Proposal

A maximum of six (6) pages are allowed to describe the methodology, tasks and specific approach to ensure the work specified in Section 3 is completed.

7.2.4 List of Staff and Hourly Rates

A one (1) page list of all staff and sub-consultants associated with the Proposer and their respective hourly rates is required.

7.2.5 Cost Proposal

A one (1) page table presenting the cost proposal is required. The cost proposal must include a detailed budget by task and subtask, denoting the staff assigned to each specific item and the amount of time (and cost) budgeted for each task/subtask. All overhead costs or other charges and proposed contingency must be included.

The cost proposal must include the proposed dollar amount per day of liquidated damages that will be paid by Proposer if the preliminary and final reports are submitted late. The liquidated damages will not be applied if the delays are caused to RethinkWaste. RethinkWaste shall be kept apprised of any potential delays (e.g., not getting information in a reasonably timely manner from the contractors) and provided an opportunity to ensure these delays are overcome.

7.2.6 Implementation Schedule

A one (1) page table presenting an implementation schedule is required. The schedule must denote the availability of Proposer's staff for project status meetings and/or conference calls with RethinkWaste and the expectations regarding meetings with RethinkWaste to keep the project on track. It is anticipated that status meetings will allow RethinkWaste to remain up to date on progress and assist with overcoming any possible delays to ensure the project stays on schedule.

7.2.7 Attachment A – PROPOSAL CERTIFICATION

The contents of this attachment are provided below.

7.2.8 Attachment B – REFERENCE FORM

The contents of this attachment are provided below.

7.2.9 Additional Attachments

Proposers are encouraged to include pertinent examples of similar projects/programs they have worked on and any deliverables such as audit results, final reports, staff reports, powerpoint presentations, etc.

Attachment A: Qualifications Certification

FIRM NAME:
ADDRESS:
TELEPHONE #:
FAX #:
CONTACT NAME AND TITLE:

PROPOSER REPRESENTATIONS

1. Proposer additionally certifies that neither Proposer nor its principals are presently disbarred, suspended, proposed for disbarment, declared ineligible or voluntarily excluded from participation in this transaction by any federal department or agency, any California State agency, or any local governmental agency.
2. Proposer did not receive unauthorized information from any RethinkWaste staff member during the RFP response period except as provided for in the RFP package or through formal addenda issued by RethinkWaste.
3. Proposer hereby certifies that the information contained in the Proposal and all accompanying documentation is true and correct.
4. Please check the appropriate box below:
 - If an individual submits the Proposal, he or she shall sign it, and if he or she is doing business under a fictitious name, the Proposal shall so state.
 - If the Proposal is submitted by a partnership, the full names and addresses of all members and the address of the partnership shall be stated and the Proposal shall be signed for all members by one or more members thereof.
 - If a corporation submits the Proposal, an authorized officer or officers shall sign it in the corporate name.
 - If a limited liability company submits the Proposal, an authorized officer or officers shall sign it in the corporate name.
 - If the Proposal is signed by a joint venture, the full names and addresses of all members of the joint venture shall be stated and each individual shall sign it.

Attachment A – Qualifications Certification (continued)

By signing below, the submission of Proposal with all accompanying documents shall be deemed a representation and certification by the Proposer that they have investigated all aspects of the RFP, that they are aware of the applicable facts pertaining to the RFP process, its procedures and requirements, and that they have read and understand the RFP.

Authorized Representative Name: (Sign name)
Authorized Representative Name: (Print name)
Authorized Representative Title: (Print title)
Complete additional signatures below as required.
Authorized Representative Name: (Sign name)
Authorized Representative Name: (Print name)
Authorized Representative Title: (Print title)
Authorized Representative Name: (Sign name)
Authorized Representative Name: (Print name)
Authorized Representative Title: (Print title)

