

BEFORE THE METRO COUNCIL

AUTHORIZING THE RELEASE OF REQUEST) RESOLUTION NO. 06-3657
FOR COMPETITIVE SEALED PROPOSALS NO.)
06-1170-SWR FOR ADVERTISING SERVICES) Introduced by Chief Operating Officer
FOR RESIDENTIAL RECYCLING CAMPAIGN) Michael Jordan, with the concurrence of
Council President David Bragdon

WHEREAS, local governments' curbside residential recycling programs are a significant part of the Region's waste reduction programs; and

WHEREAS, maintaining and improving their performance is critical to meeting Regional Solid Waste Management Plan goals (Metro Ordinance 95-624) and state-mandated recovery goals set forth in Division 90 Oregon Administrative Rules Chapter 340; and

WHEREAS, beginning in 1999, residents were allowed to mix most of their recyclables in one bin and, as a result, the quantity of recyclable material being recycled at the curb has increased, but the quality of materials has declined with residents mixing in materials that contaminate the recyclables or cannot be recycled; and

WHEREAS, curbside recycling is strongly supported by residents of the region and is viewed as a practical step households can take to help conserve natural resources and protect the environment; and

WHEREAS, changes in the curbside collection systems may be leaving residents unsure about what materials they can properly leave at the curb; and

WHEREAS, outreach and education programs are one of the primary means for Metro to improve residents' knowledge about proper sorting of materials; and

WHEREAS, such outreach and education programs require Metro to engage the services of an advertising firm to conduct market research focus groups and implement an advertising campaign to educate residents about materials recycled at the curb in order to improve the quality of mix of recycled materials; and

WHEREAS, pursuant to Metro Code Section 2.04.042 a procurement for personal services exceeding \$100,000 shall be awarded in accordance with the provisions of ORS 279B.060; and

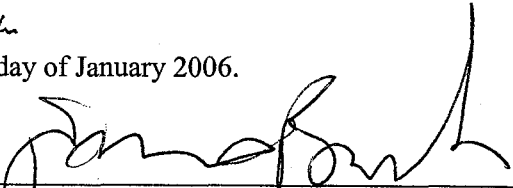
WHEREAS, pursuant to the provisions of Metro Code 2.04.026, both requests for competitive sealed proposals for personal service contracts for a term greater than 12 months and in an amount greater than \$50,000 as well as the resulting contract are required to obtain the approval of the Metro Council; now therefore

BE IT RESOLVED THAT:

1. The Metro Council, authorizes the release of a request for competitive sealed proposals for a personal service contract No. 06-1170-SWR for Advertising Services for Resident Recycling Campaign as set forth on the attached as Exhibit A; and

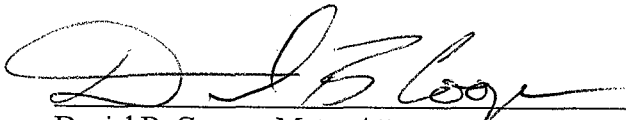
2. The Metro Council, , pursuant to Metro Code Section 2.04.026, authorizes the Chief Operating Officer to execute a contract with the responsible proposer for Advertising Services for Residential Recycling Campaign whom Metro determines to be the most advantageous to Metro based on the evaluation process and factors described in the request for competitive sealed proposals.

ADOPTED by the Metro Council this 19th day of January 2006.

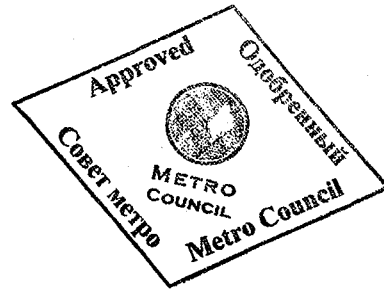


David Bragdon, Council President

Approved as to Form:



Daniel B. Cooper, Metro Attorney



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REQUEST FOR PROPOSALS

Advertising Services Residential Recycling Campaign RFP No. 06-1170-SWR

I. INTRODUCTION

The Solid Waste and Recycling Department of Metro, a metropolitan service district organized under the laws of the State of Oregon and the Metro Charter, located at 600 NE Grand Avenue, Portland, OR 97232-2736, is requesting proposals for advertising services. Proposals will be due no later than 3 p.m., February 10, 2006, in Metro's business offices at the reception/security desk in the lobby at 600 NE Grand Avenue, Portland, OR 97232-2736. Proposals must be in sealed envelopes identified on the outside with the RFP title and number. Details concerning the project and proposal are contained in this document.

Metro is requesting proposals to develop an advertising campaign to educate residents about materials recycled at the curb in order to improve the quality of the curbside mix. In addition, Metro is requesting that focus group research be done as part of the campaign development. Focus groups will identify the barriers that exist for changing certain recycling behaviors and what benefits, resources and tools could be provided to assist in these changes. Focus groups will also be used to test the campaign messages prior to launching the campaign.

Metro and local governments have been researching and applying the principles of community-based social marketing (Doug McKenzie-Mohr, www.cbsm.com) to enhance our education and outreach programs and campaigns. Metro is seeking a firm that is familiar with these principles to conduct the focus groups and to develop and implement the advertising campaign.

CONTACT:

Receipt of all proposals and any questions shall be directed to the attention of Vicki Kolberg, Waste Reduction and Outreach, Metro, 600 NE Grand Ave., Portland, OR 97232, (503) 797-1514, fax (503) 797-1795, kolbergv@metro.dst.or.us.

II. BACKGROUND/HISTORY OF PROJECT

Curbside recycling receives strong support and participation by residents of the region. A December 2004 telephone survey of residents with curbside recycling service showed that 95 percent of them participate in curbside recycling. Based on data from the annual recycling and disposal surveys conducted by DEQ, Metro staff estimate that residents are recycling 50 percent of the waste they set at the curb. Recycling is frequently cited as one of the primary action citizens can take to do something good for the environment, and it has become one of the norms of region that recycling is "the right thing to do."

Although the quantity of recyclable material being recycled at the curb has increased over time, the quality of the material residents are leaving at the curb has declined. The curbside mix is being contaminated with materials that cannot be recycled, or for which there are limited markets. Contamination includes broken glass, plastic bags, plastic tubs, toys and other material that should not be included in the curbside mix.

When curbside recycling was initiated in the region in 1992, customers were asked to sort each material into separate bags or containers: newspapers, magazines, brown glass, green glass, clear glass, etc. -- up to 13 separate materials were sorted into separate paper bags. In the late 90s, changing sorting technologies at materials recovery facilities made it possible to discontinue this level of sorting at the curb. In addition, it was recognized that the efficiency and safety of collection could be improved if haulers did not have to stop and empty individual bags or containers into separate, larger containers on a truck. Studies also indicated that residents would recycle more materials if it were simpler and easier to do. As a result, in Fall 1999 a new system was initiated that allowed most recyclables to be mixed together in curbside bins, a practice known as "commingling" in recycling parlance.

Although the sorting required by customers at the curb has been reduced, some sorts still need to take place, such as keeping motor oil separated and glass separate. This is important because of the final use of the recovered material. Broken glass that ends up mixed in with paper damages expensive equipment at the paper mills where paper is made into new products. Additionally, some items are being put in the bins that aren't part of the current curbside program. Plastic bags jam sorting equipment and other plastic contaminants require additional worker time to pull out, resulting in higher labor costs. Contaminants baled with end-market recyclables lower the value resulting in reduced prices that can be asked by the material recovery facilities.

The new commingled system has been successful: more recycling is being collected at a faster rate than before, and at a lower cost. However, contamination of materials has increased fivefold. Local governments have been educating customers about the changes since the system was rolled out in late 1999. Most of the education has been through direct mailings to residents' homes on an annual or semi-annual basis. These educational pieces both describe and show through illustrations and photos how to sort materials, explain why it's important to sort correctly and give customers resources to contact if they have questions, which includes calling their local garbage hauler, calling their local government or calling Metro.

Recycling is collected by private hauling companies that have franchise agreements with local governments. As part of their franchise agreements, some local governments have required haulers to educate customers about the proper setout of recyclables, but education at the curb is done inconsistently among haulers. Some haulers will leave contaminated materials at the curb with a note to the customer explaining why they can't take that material; others may leave the material without a note of explanation. If it is difficult to see the contaminants, others may collect the material, even though it isn't part of the curbside mix and throw it into the truck to be sorted at a materials recovery facility.

III. PROJECT DESCRIPTION

Metro is seeking an advertising firm to develop and implement a region-wide advertising campaign to promote correct curbside recycling. Services required include recruiting and conducting focus groups, creative development, final production of all campaign materials, media planning and purchase, and community and public relations, if recommended. Focus groups are to be conducted to help inform this campaign, as well as future education and outreach efforts.

Campaign objectives:

Primary

Improve the quality of materials set out for recycling at the curb. This will reduce the sorting cost of recycling and improve the resource value of recyclables at the end market. Build awareness that

recycling has evolved over time. Recycling is easier than ever, convenient and good for the environment. But improper sorting of materials causes damage to equipment, lowers the value of the collected materials and reduces the amount and environmental benefits of materials recovered for higher use. Residents are doing a great job participating **and** the quality of material needs to be improved to keep recycling successful in the region.

Secondary

Provide residents the basic information that they need to be able to sort properly. For this campaign, key messages are:

- Keep glass separate from other materials.
- No plastic bags at the curb.

IV. SCOPE OF WORK

The agency selected will provide the following services according to the approximate schedule outlined below:

Metro is seeking an advertising firm to conduct two to four focus groups and develop and implement a region-wide advertising campaign to improve the quality of materials set out for curbside recycling.

Focus Group Objectives:

- Identify barriers to correct sorting of recyclables.
- Identify barriers to reducing the contamination of recyclables with non-recyclable materials.
- Determine and evaluate what primary tools (prompts, commitments, hauler leaving the material behind with explanation, etc.) would assist in eliminating these barriers.
- Determine what reasons (benefits) citizens who set out recyclable materials properly define as motivators for their behaviors (i.e., resource conservation, doing the right thing, market value of properly prepared materials, etc.).
- Identify benefits to recycling that will persuade more residents to sort correctly.
- Test a variety of messages for upcoming advertising campaign to see what is viewed as effective, motivational, compelling, and clear.

Hypotheses:

- Residents are confused because the system has changed.
- Residents are confused about what types of plastics can be recycled.
- Residents think the recycling symbol on plastics means it is recyclable.
- Many people are uncertain about what is recyclable and rather than call someone or look it up, they put it out and hope the hauler will take it.
- Some people think they are recycling correctly when they aren't.
- People want to recycle everything they can, so they put questionable items out in the hopes that they are recyclable or to find out if they are recyclable.
- If the hauler takes it away from the curbside bin, the assumption is that it was recyclable (when in fact it may not be).
- The mixing of unlike materials together (tin cans and plastic bottles can now go together, for example) leads some people to think you can just throw everything together now.

- Some residents think they no longer need to sort anything.
- Some residents express suspicion of the new system. They see haulers “throwing everything together in one truck” and they question whether their recyclables are really being recycled or if they are being thrown away.
- Some people question how it can be more efficient to sort it out after the fact rather than at the curb.
- Residents who learned under the former sorting system may be locked into the old system and may have missed the change or do not want to make the change, believing that the old system is better than commingling.
- New residents have moved into the region from geographic areas with different recycling systems and bring with them their old city’s knowledge of what’s recyclable and what isn’t.
- A large group of residents, maybe a majority, are busy, want to do the right thing, but don’t take the time to focus on what may be seen as changing rules and confusion in the system.

Focus Group Outcomes and Deliverables:

- Recommend number and composition of focus groups (e.g. residents living in the region less than five years and residents who have lived in the region more than five years).
- Recruit focus group members.
- Secure facility for focus groups to be conducted.
- Design structure and content of process.
- Conduct focus groups that includes identifying barriers to proper set out of recycling and benefits from those actions, determine and evaluate what primary tools would reduce or eliminate these barriers, as well as what benefits to promote that would persuade citizens to sort correctly.
- Develop and test a variety of messages/mock-ups for upcoming advertising campaign to see what is viewed as effective, motivational, compelling, and clear.
- Provide videotape, transcripts, analysis and recommendations.

Campaign Objectives and Deliverables:

Based on the findings of the focus groups, develop an advertising campaign and collateral material to target two key behavior changes needed to improve the quality of materials at the curb:

1. Glass needs to be set out in a separate container to prevent it from being broken and mixed in with paper. It can be set out in a paper bag, bucket, box or other container. Some local governments are using “Glass on the Side” as a descriptor in their printed materials.
2. Plastic bags should not be included as part of the curbside mix. Bags are recyclable at grocery stores and some recycling centers, but they are not collected curbside.
3. Other problem materials could be addressed in the campaign, but there are some differences among local governments in their collection systems and in the interest of simplicity, glass and plastic bags are the materials of primary importance for this campaign.
4. To leverage the value of the campaign and provide consistent and widespread use of campaign messages and materials, local governments, haulers and industry partners will participate in this campaign. Their roles will vary from active participation to review and comment. Metro will facilitate this communication and participation and will be the point of contact for selected advertising agency.

Campaign deliverables will include all development, creative, production, printing, media placement and purchase, public relations, media relations and/or community relations elements.

Schedule

The following is an approximate contract award and completion schedule.

- Proposals due February 10, 2006.
- Proposal review and finalist selection week of February 13th, 2006.
- Start-up meeting with agency (Week of February 20th, 2006).
- Focus groups conducted and campaign development and production (February –March 2006).
- Campaign implementation (April/May 2006).

V. BUDGET

The advertising budget to complete the campaign may not exceed \$150,000. All campaign expenses, including campaign development, ad production, media planning and purchase and public/community relations will be covered by this budget. Additional funds, not to exceed \$20,000 are budgeted to conduct focus groups.

VI. SUBMISSION OF PROPOSALS

One paper copy of the proposal and one electronic copy (diskette or CD) shall be furnished to Metro. Proposals must be received by 3 p.m. February 10, 2006. Mail or deliver to the attention of Vicki Kolberg, Metro, 600 NE Grand Avenue, Portland, Oregon 97232. The proposal should be submitted on recyclable, double-sided recycled paper with a minimum of 30 percent post-consumer recycled fiber content and staple-bound. No coated page dividers, 3-ring binders, or non-recyclable materials should be included in or with the proposal.

VII. PROPOSAL CONTENTS

The proposal should describe the ability of the proposer to perform the scope of work and should be in the following format:

Transmittal Letter

Indicate who will be assigned to the project, who will be the project manager, and that the proposal will be valid for 90 days.

Approach

Based on the contents of the RFP, briefly discuss how you might approach this campaign; including incorporating community based social marketing, focus group results, the general creative direction, media strategy, and public relations elements that you might recommend, given the objectives and budget. Include how you will help evaluate the success of the campaign in making progress towards the objectives.

Agency Team

Identify the team that would work on this campaign, including account executive, creative director, focus group leader/analyst, art director, copywriter, media buyer and production

manager, and their hourly rates. Briefly describe their qualifications and experience, and why they would be an asset to this project. Include resumes of individuals proposed for this contract.

Past Work

Describe two or three recent campaigns completed by the creative team proposed for this project. Also describe how focus group and knowledge of community based social marketing was integrated into the campaign, if applicable. How are these past projects relevant to the recycling campaign? What made them effective, and how did you extend the budget? Please describe the results achieved and include samples, a contact name, and a telephone number for each project.

Budget

Provide an approximate breakdown of how you would allocate the budget based on the information available in the RFP. Include your realistic estimates for the value of media sponsorships and any in-kind goods, services, or time. List hourly rates for personnel assigned to the project, total personnel expenditures, support services, and sub-consultant fees (if any). Requested expenses should also be listed.

Award

Metro intends to award this contract to a single firm to provide the services required. Proposals must identify a single person as project manager to work with Metro. The consultant must assure responsibility for any sub-consultant work and shall be responsible for the day-to-day direction and internal management of the consultant effort.

Exceptions and Comments

To facilitate evaluations of proposals, all proposers must follow the format outline above. However, if you wish to take exception to, or comment on, any aspect of this RFP, please do so in this section of your proposal.

VIII. PROPOSAL EVALUATION

Proposals that are responsive to this Request for Proposals will be evaluated according to the following criteria:

Approach	35%
Agency Experience/Team	20%
Budget or price	25%
Ratio of development costs to media purchase costs *	<u>20%</u>
	100%

* Focus group research costs are not evaluated as part of the campaign development costs, as referenced in Section V Budget.

Proposals will be evaluated by a team of Metro and other local government public relations/marketing staff. If required, finalist interviews will be scheduled. The areas under discussion during the interview will include detailed discussion of proposal approach, agency team experience and costs of services.

Metro will select the contractor that it determines to be the most advantageous to Metro based on the evaluation process and factors described in the request for competitive sealed proposals.

IX. GENERAL PROPOSAL/CONTRACT CONDITIONS

RFP as Basis for Proposals:

This Request for Proposals represents the most definitive statement Metro will make concerning the information upon which Proposals are to be based. Any verbal information, which is not addressed in this RFP will not be considered by Metro in evaluating the Proposal. All questions relating to this RFP should be addressed to at Vicki Kolberg at (503) 797-1514. Any questions, which in the opinion of Metro, warrant a written reply or RFP amendment, will be furnished to all parties receiving this RFP. Metro will not respond to questions received after February 1, 2006.

Information Release:

All Proposers are hereby advised that Metro may solicit and secure background information. Based upon the information, including references, provided in response to this RFP. By submission of a proposal all Proposers agree to such activity and release Metro from all claims arising from such activity.

Minority and Women-Owned Business Program:

In the event that any subcontracts are to be utilized in the performance of this agreement, the Proposer's attention is directed to Metro Code provisions 2.04.100. Copies of that document are available from Purchasing/Contract Office of Metro, Metro Regional Center, 600 NE Grand Avenue, Portland, OR 97232 or call (503) 797-1816.

Limitation and Award:

This RFP does not commit Metro to the award of a contract, nor to pay any costs incurred in the preparation and submission of proposals in anticipation of a contract. Metro reserves the right to waive minor irregularities, accept or reject any or all proposals received as the result of this request (ORS 279B.100), negotiate with all qualified sources, or to cancel all or part of this RFP.

Billing Procedures:

Proposers are informed that the billing procedures of the selected firm are subject to the review and prior approval of Metro before reimbursement of services can occur. Contractor's invoices shall include an itemized statement of the work done during the billing period, and will not be submitted more frequently than once a month. Metro shall pay Contractor within 30 days of receipt of an approved invoice.

Validity Period and Authority:

The proposal shall be considered valid for a period of at least ninety (90) days and shall contain a statement to that effect. The proposal shall contain the name, title, address, and telephone number of an individual or individuals with authority to bind any company contacted during the period in which Metro is evaluating the proposal.

Conflict of Interest:

A Proposer filing a proposal thereby certifies that no officer, agent, or employee of Metro or Metro has a pecuniary interest in this proposal or has participated in contract negotiations on behalf of Metro; that the proposal is made in good faith without fraud, collusion, or connection of any kind with any other Proposer for the same call for proposals; the Proposer is competing solely in its own behalf without connection with, or obligation to, any undisclosed person or firm.

X. NOTICE TO ALL PROPOSERS - STANDARD AGREEMENT

The successful proposer will sign a Personal Services Agreement, which is a standard agreement approved for use by the Office of Metro Attorney. This will be the contract between Metro and the selected agency.

STAFF REPORT

CONSIDERATION OF RESOLUTION No. 06-3657, FOR THE PURPOSE OF APPROVING A RESIDENTIAL RECYCLING CAMPAIGN, AUTHORIZING RELEASE OF A REQUEST FOR PROPOSALS, AND AUTHORIZING THE CHIEF OPERATING OFFICER TO ENTER INTO A CONTRACT.

Date: January 19, 2006

Prepared by: Vicki Kolberg

BACKGROUND:

The adopted Metro FY 2005-2006 Budget includes funds to conduct a residential outreach campaign. This staff report is to explain the purpose of the campaign. A copy of the Request for Proposals is attached to the resolution as Exhibit "A."

The purpose of this campaign is to educate residential customers about proper sorting of curbside materials in order to reduce the level of contamination and improve the quality of materials left at the curb.

In October 1999, local governments moved from a source-separated collection system to a commingled collection system. This was done because changing sorting technologies at material recovery facilities made it possible to discontinue this level of sorting at the curb. In addition, it was recognized that the efficiency and safety of collection could be improved if haulers did not have to stop and empty individual bags or containers into separate, larger containers on a truck. Studies also indicated that residents would recycle more materials if it were simpler and easier to do. As a result, a new system was initiated that consisted of most recyclables being mixed together in curbside bins, a practice that is known as "commingling" in recycling parlance.

Although the sorting required by customers at the curb has been reduced, some sorts still need to take place, such as keeping motor oil separated and glass separate. This is important because of the final use of the recovered material. Broken glass that ends up mixed in with paper damages expensive equipment at the paper mills where paper is made into new products. Additionally, some items are being put in the bins that aren't part of the current curbside program. Plastic bags jam sorting equipment and other plastic contaminants require additional worker time to pull out, resulting in higher labor costs. Contaminants baled with end-market recyclables lower the value resulting in reduced prices that can be asked by the material recovery facilities.

The new commingled system has been successful: more recyclables are being collected at a faster rate than before, and at a lower cost. However, contamination of materials has increased fivefold, making subsequent processing and use by end markets more expensive.

Local governments have been educating customers about the changes since the system was rolled out in 1999. Most of the education has been through direct mailings to residents' homes on an annual or semi-annual basis. Metro has not conducted a region-wide residential campaign since commingling has been implemented. In addition to the change in the collection system for existing residents, new residents that have moved into the area need to be educated about the recycling system in this region.

The Request for Proposals includes focus group research. This research will be used to identify barriers to correct sorting of recyclables; determine and evaluate what primary tools would assist in eliminating these barriers; and test messages for the upcoming advertising campaign to see what is viewed as

effective, motivational, compelling, and clear. The research will be used for this campaign and to inform future outreach.

ANALYSIS/INFORMATION

1. Known opposition

There is no known opposition. Local governments, haulers, material recovery facilities and end users of recovered materials strongly support additional education of residents about the importance of properly prepared materials being left at the curb.

2. Legal Antecedents

ORS 459A “Opportunity to Recycle Act” requires “that the city, county or metropolitan service district responsible for solid waste management” provide recycling services, public education programs, and contribute to the statewide solid waste recovery goals. OAR 340-90-040 sets forth the administrative requirements for such programs. In response to these and other state requirements and more aggressive regional goals, Metro developed a Regional Solid Waste Management Plan (a functional plan) adopted by Council via Ordinance 95-624, “For the Purpose of Adopting the Regional Solid Waste Management Plan.” The residential outreach campaign that results from this resolution will assist in effectively implementing the Regional Solid Waste Management Plan.

3. Anticipated Effects

The anticipated effects of this authorization is the development and implementation of a region-wide campaign to educate residential customers about correct curbside setouts to reduce the contamination of the curbside mix and improve the quality and value of recovered materials.

4. Budget Impacts

The amount budgeted for the campaign is \$150,000. In addition, Smurfit Recycling has provided to Metro an additional \$19,200 as required by the Mutual Agreement and Order No. LQ/SW-NWR-05-026, dated 8/05/05, between Smurfit-Stone and the Oregon Department of Environmental Quality. As further required by the Mutual Agreement and Order, these funds will be used to support Metro’s advertising campaign to educate residential customers on recycling system requirements, with the goal of reducing “prohibitives” in the curbside collection stream. These funds will be used to conduct the focus groups to determine barriers, motivations and tools to improve the quality of materials in the residential curbside mix.

RECOMMENDED ACTION:

1. Authorize the release of RFP No. 06-1170-SWR for advertising services for a residential recycling campaign.
2. Pursuant to Section 2.04.026 of the Metro Code, authorize the Chief Operating Officer to execute a contract with the selected firm.