BEFORE THE COUNCIL OF THE
METROPOLITAN SERVICE DISTRICT

FOR THE PURPOSE OF APPROVING THE EVALUATION METHODOLOGY FOR PROPOSALS FOR THE METRO EAST STATION	))))	RESOLUTION NO. 89-1091 Introduced by Rena Cusma, Executive Officer

WHEREAS, The Council of the Metropolitan Service District approved a Request for Proposals (RFP) to provide a site and to design, construct, own and operate the Metro East Station pursuant to adoption of Resolution No. 89-1061A on April 13, 1989; and

WHEREAS, The evaluation methodology and weighting of criteria are to be issued as part of an addendum to the RFP on May 17, 1989; and

WHEREAS, The Council has reviewed the Evaluation Methodology, Amended Exhibit A to this Resolution, and finds it to be in satisfactory form; now therefore,

BE IT RESOLVED,

That the Council of the Metropolitan Service District approves the issuance of the Evaluation Methodology, shown as Amended Exhibit A to this Resolution, as a part of the addendum to the Request for Proposals for the Metro East Station.

ADOPTED by the Council of the Metropolitan Service District this 25th day of May, 1989.

Mike Ragsdale

Mike Ragsdale, Presiding Officer

SOLID WASTE COMMITTEE REPORT

Agenda Item 6.4

Meeting Date May 25, 1989

RESOLUTION NO. 89-1091, FOR THE PURPOSE OF APPROVING THE EVALUATION METHODOLOGY FOR PROPOSALS FOR THE METRO EAST TRANSFER STATION

Date: May 10, 1989

Presented by: Councilor Gary Hansen

Committee Recommendation: The Solid Waste Committee voted 4 to 1 to recommend Council adoption of Resolution No. 89-1091 as amended. Councilors voting aye: Hansen, Kelley, Buchanan and Wyers. Voting nay: Councilor Ragsdale. This action taken May 9, 1989.

Committee Discussion/Issues: An addendum to the Request for Proposals (RFP) for private firms to provide a site and to design, construct, own and operate the Metro East Transfer Station is recommended to provide additional detail on evaluation of proposals in terms of methodology and weighting.

The RFP addendum provides for : 1) minimum qualifications to be met prior to full evaluation of a proposal and 2) six general categories of evaluation with detailed criteria within each general category and 3) a bonus category related to special waste and household hazardous waste. An unacceptable rating of the minimum qualifications will disqualify a proposer from further evaluation.

The Solid Waste Committee held a public hearing on May 9, 1989. Two individuals testified. Jim Benedict, an attorney representing Oregon Waste Systems (OWS) recommended several changes to the proposed evaluation methodology and criteria for proposals for the Metro East Station (see OWS Comments Regarding Evaluation Methodology for the Metro East Transfer Station; and OWS Comments on Metro East Station Proposed Evaluation Criteria.) Andrew Selser expressed concern about vertical integration and recommended that a proposal from a company with vertical integration not be considered further.

Major Issue: The major issue regarding the evaluation methodology/criteria was that of vertical integration. Committee members expressed their concerns and the concerns of their constituents regarding the potential negative impact of a company having principal or partial involvement in the three primary functions of the solid waste system; that being collection, transfer station and land disposal. After considerable debate, the weighting of the general categories was amended by the Solid Waste Committee as follows:

Category	WEIGHT Proposed by Staff	Recommended by Committee
1) Technical	20%	20%
2) Management	10	10
3) Cost	25	25
4) Performance Standards	15	10
5) Qualifications	10	10
6) Vertical Integration	20	25
TOTAL	100%	100%

The vertical integration criteria weight was also revised regarding collection, disposal and recycling (see amended Exhibit A Evaluation Methodology, page 9).

RB:pa
A:\RAYB.078

AMENDED STAFF REPORT

CONSIDERATION OF RESOLUTION NO. 89-1091, APPROVING METRO EAST STATION PROPOSER EVALUATION METHODOLOGY REGARDING THE REQUEST FOR PROPOSALS APPROVED BY THE METRO COUNCIL ON APRIL 13, 1989

Date: May 11, 1989

Presented by: Bob Martin
Phil North

Factual Background

On April 13, 1989 the Metro Council approved the issuance of the Request For Proposals (RFP) for private firms to provide a site, and to design, construct, own and operate the Metro East Station. Official publication and distribution of the RFP took place April 19, 1989. The Council Solid Waste committee met on Tuesday, May 9, 1989 for initial consideration of the proposed Evaluation Methodology. This amended staff report and Amended Exhibit A reflect changes and modifications as a result of the May 9, 1989 Council Solid Waste committee meeting.

The RFP project schedule provides for the issuance of an addendum to the RFP on May 17, 1989 for the purpose of responding to proposers' requests for clarification, and secondly, to provide additional detail on evaluation of proposals in terms of methodology and weighting. AMENDED EVALUATION METHODOLOGY, Exhibit A to Resolution No. 89-1091 continues the Committee and Council involvement in this important element of the Metro East Station proposer evaluation process.

Thirdly, input from the consulting firm of R. W. Beck and Associates, primarily in the form of supplementary information requests, will be incorporated into the forthcoming addendum. The R. W. Beck input will be focussed principally upon obtaining information to ease the comparison of: the Public-Private analysis presently being performed by the Beck firm, and the private proposals to be obtained in response to the Metro East Station RFP.

Preliminary to a general discussion of the Evaluation Methodology, is a response to a concern raised at the Council Solid Waste Committee at its meeting of Tuesday, May 9, 1989. This concern related to the Minimum Qualifications section of the Evaluation Methodology, specifically as to whether having a credit rating of Baa was a sufficient guarantee of a proposer's ability to fulfill its obligations if selected by Metro.

As a response to this concern, the Minimum Qualifications section is proposed to be modified to delete the reference to "Credit rating is at least Baa" and substitute the following:

> "Sufficient credit or financing assurances pursuant to Section 7.7.2.4 of the RFP. ("The Financial qualification test is designed to ensure that the Proposer will be capable of performing its obligations under the Contract")"

There is an additional reference to financing and credit in terms of competitiveness under the Cost Proposal and Qualifications sections of the Evaluation Methodology. However, the relative importance of this item must be viewed in the context that a proposer meeting the Minimum Qualifications test has been determined to be capable of performing the obligations that would be expected of it under the contract.

The RFP addendum provides for: 1) minimum qualifications to be met prior to full evaluation of a proposal and 2) six general categories of evaluation with detailed criteria within each general category, and 3) a bonus category related to special waste and household hazardous waste pursuant to Section 7.5.8 of the RFP. An Unacceptable rating of the minimum qualifications will disqualify the proposer from further evaluation. Each of the six general categories and the bonus category will receive the weights indicated below as a percent of the total score:

		1% of Total
1)	Technical	20
2)	Management	10
3)	Cost	25
4)	Performance Standards	10
5)	Qualifications	10
6)	Vertical Integration	25
		100%
Special Waste/Household Haz Waste (Bonus)		5%

Two separate evaluations will be made for Alternatives 1 and 2 as shown on Form E. In Alternative 1 the Contractor retains ownership of the facility at the end of the contract, and in Alternative 2 Metro assumes ownership of facility at end of the contract. It is anticipated that the evaluation of Alternative 2, as contrasted with the evaluation of Alternative 1, will affect only the service fee criterion under the Cost Proposal category.

Upon commencement of full evaluation, the proposals will be evaluated under the general categories and the detailed criteria within each category, utilizing rankings of Superior, Acceptable,

Poor and Unacceptable. These rankings will carry weights of 3, 2, 1 and 0 respectively. The detailed criteria will be weighted and then multiplied by its assigned rank. The total score for each category of criteria (including the bonus category) will be determined by: 1) adding the detailed criteria scores, 2) dividing by the total possible for the category, and 3) multiplying by the percentage weighting factor for the category. The general and bonus category totals will be summed and compared between the proposals. A staff report and a separate Evaluation Committee report will be submitted to the Council.

Executive Officer's Recommendation

The Executive Officer recommends adoption of Resolution No. 89-1091.

PEN:jc
STAF0425.MES
May 16, 1989

AMENDED EXHIBIT A
EVALUATION METHODOLODY

EVALUATION OVERVIEW

1. Metro will evaluate the "Minimum Qualifications" as described in the following page(s). If all criteria within the "Minimum Qualifications" are Acceptable, then the evaluation proceeds.

2. If the minimum qualifications have been met, the following general categories, as well as a bonus category for special waste and household hazardous waste, shall be evaluated. Weighting will be given to each category as follows:

Category	Weight
• Technical Proposal	20%
• Management Proposal	10%
• Cost Proposal	25%
• Performance Standards	10%
• Qualifications	10%
• Vertical Integration	25%
TOTAL:	100%
• Bonus	5%

Two separate evaluations will be made for Alternatives 1 and 2 as shown on Form E of the RFP. (In Alternative 1 the contractor retains ownership of the facility at the end of the contract, and in Alternative 2 Metro assumes ownership of the facility at the end of the contract.) It is anticipated that the evaluation of Alternative 2, as contrasted with the evaluation of Alternative 1, will affect only the service fee criterion under the Cost Proposal category.

EVALUATION SCORING:

Evaluation scoring will be a function of ranking and weighting each criterion.

(1) Ranking the Proposal. Metro will rank each Proposal according to the criterion. The ranks of 0 to 3 will be:

Superior	3
Acceptable	2
Poor	1
Unacceptable	0

(2) Weighting the Criteria. Weights of 1 (least important) to 5 (most important) have been made by Metro to each criterion as shown in the following pages.

(3) Scoring the Criteria. The scores will be obtained by multiplying the criterion rank (1) by the criterion weight (2).

(4) Category Total. The category total will be determined by:

A. Summing the criterion scores (3)

B. Dividing the summed criterion scores by the total possible for the category

C. Multiplying by the percentage weighting factor for the category.

(5) Overall Evaluation. All six (percentage) category totals (4C) will be summed and compared between the proposals.

MINIMUM QUALIFICATIONS

A preliminary evaluation will be made to determine whether a proposal meets the minimum qualifications to be considered for full evaluation. In the event that the minimum qualifications are not met, full evaluation will not take place.

The "Minimum Qualifications" evaluation will include the following:

	ACCEPTABLE	UNACCEPTABLE
MINIMUM QUALIFICATIONS		
Proposal indicates site is permitted outright (subject to mitigation requirements) or has a conditional use permit (subject to existing conditions of approval and mitigation requirements)	_____	_____
Proposal fee ($5,000) submitted	_____	_____
Proposal includes cover letter signed by authorized officer and certificate of authorization	_____	_____
"Acceptable Waste Throughput" guarantee is at least 2500 TPD	_____	_____
Completion of required forms, drawings, plans, and narrative documentation	_____	_____
Traffic Impact Assessment included	_____	_____
Sufficient credit or financing assurances pursuant to Section 7.7.2.4 of the RFP. ("The financial qualification test is designed to ensure that the Proposer will be capable of performing its obligations under the Contract.")	_____	_____
Compliance with DBE/WBE requirements	_____	_____

CRITERIA	RANK	WEIGHT	SCORE
TECHNICAL PROPOSAL			
Overall soundness of the Facility design and integration of separate elements of the Facility (e.g., receiving, storage, Materials Recovery, compacting, and loading)	_____	5	_____
Drive time relative to centroid of waste	_____	2	_____
Technical feasibility of equipment and unit processes	_____	3	_____
Soundness of operations and maintenance plans including flexibility of the system with regard to fluctuations of quantity and composition in the Acceptable Waste stream, and contingency capabilities of the system	_____	3	_____
Consistency, accuracy and reasonableness of process flow diagram	_____	3	_____
Reliability/availability of system	_____	3	_____
Ability to prepare Recovered Materials for sale to the appropriate market(s)	_____	4	_____
Configuration of Facility Site plan	_____	4	_____
Demonstration that proposal is capable of complying with environmental regulations	_____	5	_____
Progress in meeting mitigation requirement	_____	5	_____
Energy & water conservation measures indicated in design/operation	_____	3	_____
~~Willingness and~~ commitment of Contractor to operate the Facility to maximize Materials Recovery	_____	5	_____
Environmental condition of site	_____	5	_____

TOTAL SCORE (TECHNICAL): _____ /150

TOTAL (%):_____ x 20% = _____%

RANK: Superior-3, Acceptable-2, Poor-1, Unacceptable-0; WEIGHT: Most Important (5) to Least Important (1)

CRITERIA	RANK	WEIGHT	SCORE
MANAGEMENT PROPOSAL			
Techniques and controls for Project management (e.g., reporting procedures, audits, payment and monitoring responsibilities)	_____	3	_____
Reasonableness of construction schedule	_____	4	_____
Safety policies	_____	3	_____
Maintenance philosophy and policies	_____	2	_____
Soundness of Acceptance Plan	_____	3	_____
Proposed working/operational relationship and procedures with: (1) Metro, (2) the Recovered Materials Markets, (3) Transportation contractor, and (4) Regional Landfill operator	_____	4	_____
Parent company and subcontractor staff support	_____	3	_____
Ability to meet Commercial Operation Date	_____	5	_____
Demonstration of programs to increase efficiency and maximize recovery of materials	_____	5	_____
Creative elements of the proposal which will encourage and enhance the degree of Source Separation by generators of waste	_____	3	_____

TOTAL SCORE (MANAGEMENT): _____ /105

TOTAL (%):_____ x 10% = _____%

RANK: Superior-3, Acceptable-2, Poor-1, Unacceptable-0; WEIGHT: Most Important (5) to Least Important (1)

CRITERIA	RANK	WEIGHT	SCORE
COST PROPOSAL			
COST PROPOSAL			
Competitiveness of Service Fee relative to other Proposals	_____	5	_____
Reasonableness of capital and operating cost estimates	_____	4	_____
Demonstrated recognition of potential cost issues with respect to environmental and permitting matters and Facility performance	_____	3	_____
CONTRACT PROPOSAL			
Allocation of Project economic risk	_____	4	_____
Insurance coverage	_____	3	_____
Acceptance of risk allocation items in Chapter 6	_____	4	_____
Position on contract terms in Chapter 6	_____	3	_____
Overall congruency of offered contract terms with Metro's position	_____	3	_____
FINANCING PLAN			
Proposer's financing plan and ability to secure the financing	_____	5	_____

TOTAL SCORE (COST): _____ /102

TOTAL (%):_____ x 25% = _____%

RANK: Superior-3, Acceptable-2, Poor-1, Unacceptable-0; WEIGHT: Most Important (5) to Least Important (1)

CRITERIA	RANK	WEIGHT	SCORE
PERFORMANCE STANDARDS			
Competitiveness of offered guarantees relative to other Proposals	_____	3	_____
Minimizing risk to Metro, such as hazardous waste detection, processing performance, and traffic separation of public and commercial	_____	3	_____
Competitiveness and reasonableness of proposed Materials Recovery Rate	_____	5	_____
Markets for the Recovered Materials	_____	4	_____

TOTAL SCORE (PERFORMANCE STANDARDS):_____ /45

TOTAL (%):_____ x 10% = _____ %

RANK: Superior-3, Acceptable-2, Poor-1, Unacceptable-0; WEIGHT: Most Important (5) to Least Important (1)

CRITERIA	RANK	WEIGHT	SCORE
QUALIFICATIONS			
EXPERIENCE			
Experience as full-service Contractor in Materials Recovery and transfer station	_____	4	_____
Experience in negotiating and developing solid waste facilities	_____	3	_____
Experience in project financing for solid waste facilities	_____	3	_____
MANAGEMENT CAPABILITY			
Parent company and subcontractor(s) staff experience in similar assignments and extent of human resources to draw upon for this project	_____	4	_____
Demonstrated capability to perform all required tasks	_____	3	_____
Techniques and controls for Project management	_____	3	_____
Past record to complete construction on time and within budget and price	_____	5	_____
Past or existing operational/maintenance practices	_____	3	_____
Past record in meeting Performance Standards at similar facilities	_____	5	_____
Evidence of neighboring community acceptability	_____	5	_____
TECHNICAL RELIABILITY			
Reliability of proposed Facility and equipment	_____	3	_____
Track record of any reference facilities in meeting similar technical, operational, and environmental performance levels contemplated for this Project	_____	5	_____
FINANCIAL CONDITION AND RESOURCES			
Competitiveness of the financial resources or credit rating of the Proposer, its parent, or joint venture partner to support their contractual obligations from construction through operations	_____	5	_____

TOTAL SCORE (QUALIFICATIONS): _____ /147

TOTAL (%):_____ x 10% = _____%

RANK: Superior-3, Acceptable-2, Poor-1, Unacceptable-0; WEIGHT: Most Important (5) to Least Important (1)

CRITERIA	RANK	WEIGHT	SCORE

VERTICAL INTEGRATION

The amount of involvement and the adequacy of an affirmative demonstration that any such involvement will avoid the undesireable consequences of vertical integration through management techniques and controls relative to each of the following areas:

Collection in the region	_____	5	_____
Disposal in the region	_____	5	_____
Recycling in the region	_____	4	_____
Proposer or parent ownership interests in licensing rights, manuufacturing, or distribution of solid waste equipment in the region	_____	1	_____
Outcome of past civil suits, anti-trust actions, and governmental regulatory agency actions relative to the Proposer's or parent's solid waste business activities	_____	5	_____

TOTAL SCORE (VERTICAL INTEGRATION): _____ /60

TOTAL (%):_____ x 25% = _____%

RANK: Superior-3, Acceptable-2, Poor-1, Unacceptable-0; WEIGHT: Most Important (5) to Least Important (1)

CRITERIA	RANK	WEIGHT	SCORE

BONUS - Special Waste & Household Hazardous Waste

ASH

Competitiveness of necessary Facility modifications and related Lump Sum price	_____	5	_____
Competitiveness of receiving, handling, storage, transport, and disposal methods and associated unit costs	_____	5	_____
Regulatory requirements and fees addressed	_____	2	_____
Consideration and competitiveness of packaging/treatment requirements ~~by incoming material~~	_____	3	_____

ASBESTOS

Competitiveness of necessary Facility modifications and related Lump Sum price	_____	5	_____
Competitiveness of receiving, handling, storage, transport, and disposal methods and associated unit costs	_____	5	_____
Regulatory requirements and fees addressed	_____	2	_____
Consideration and competitiveness of packaging/treatment requirements ~~by incoming material~~	_____	3	_____

NON-HAZARDOUS INDUSTRIAL SLUDGES

Competitiveness of necessary Facility modifications and related Lump Sum price	_____	5	_____
Competitiveness of receiving, handling, storage, transport, and disposal methods and associated unit costs	_____	5	_____
Regulatory requirements and fees addressed	_____	2	_____
Consideration and competitiveness of packaging/treatment requirements ~~by incoming material~~	_____	3	_____

SUBTOTAL 1 (BONUS): _____

RANK: Superior-3, Acceptable-2, Poor-1, Unacceptable-0; WEIGHT: Most Important (5) to Least Important (1)

CRITERIA	RANK	WEIGHT	SCORE

BONUS - Special Waste & Household Hazardous Waste (cont)

SEWAGE SLUDGE			
Competitiveness of necessary Facility modifications and related Lump Sum price	_____	5	_____
Competitiveness of receiving, handling, storage, transport, and disposal methods and associated unit costs	_____	5	_____
Regulatory requirements and fees addressed	_____	2	_____
Consideration and competitiveness of packaging/treatment requirements ~~by incoming material~~	_____	3	_____
PETROLEUM CONTAMINATED SOIL			
Competitiveness of necessary Facility modifications and related Lump Sum price	_____	5	_____
Competitiveness of receiving, handling, storage, transport, and disposal methods and associated unit costs	_____	5	_____
Regulatory requirements and fees addressed	_____	2	_____
Consideration and competitiveness of packaging/treatment requirements ~~by incoming material~~	_____	3	_____
INFECTIOUS MEDICAL WASTE			
Competitiveness of necessary Facility modifications and related Lump Sum price	_____	5	_____
Competitiveness of receiving, handling, storage, transport, and disposal methods and associated unit costs	_____	5	_____
Regulatory requirements and fees addressed	_____	2	_____
Consideration and competitiveness of packaging/treatment requirements ~~by incoming material~~	_____	3	_____
	SUBTOTAL 2 (BONUS):		_____

RANK: Superior-3, Acceptable-2, Poor-1, Unacceptable-0; WEIGHT: Most Important (5) to Least Important (1)

CRITERIA	RANK	WEIGHT	SCORE

BONUS - Special Waste & Household Hazardous Waste (cont)

HOUSEHOLD HAZARDOUS WASTE

Competitiveness of necessary Facility modifications and related Lump Sum price	--------	5	------
Competitiveness of receiving, handling, storage, transport and disposal methods and associated unit costs	--------	5	------
Regulatory requirements and fees addressed	--------	2	------
Consideration and competitiveness of packaging/treatment requirements ~~by incoming material~~	_____	3	_____

ANIMAL CARCASSES

Competitiveness of necessary Facility modifications and related Lump Sum price	_____	[illegible]	_____
Competitiveness of receiving, handling, storage, transport, and disposal methods and associated unit costs	_____	2	_____
Regulatory requirements and fees addressed	_____	1	_____
Consideration and competitiveness of packaging/treatment requirements ~~by incoming material~~	_____	1	_____

SUBTOTAL 2 (BONUS): _____

RANK: Superior-3, Acceptable-2, Poor-1, Unacceptable-0; WEIGHT: Most Important (5) to Least Important (1)

CRITERIA	RANK	WEIGHT	SCORE

BONUS - Special Waste & Household Hazardous Waste (cont)

DEMOLITION WASTE

Competitiveness of necessary Facility modifications and related Lump Sum price	_____	5	_____
Competitiveness of receiving, handling, storage, transport, and disposal methods and associated unit costs	_____	5	_____
Regulatory requirements and fees addressed	_____	2	_____
Consideration and competitiveness of packaging/treatment requirements ~~by incoming material~~	_____	3	_____

SUBTOTAL 3 (BONUS): _____

+ SUBTOTAL 1 (BONUS): _____

+ SUBTOTAL 2 (BONUS): _____

= TOTAL SCORE (BONUS): _____ /378

TOTAL (%):_____ x 5% = _____%

RANK: Superior-3, Acceptable-2, Poor-1, Unacceptable-0; WEIGHT: Most Important (5) to Least Important (1)

FINAL EVALUATION

ALTERNATIVE 1

CATEGORY	TOTAL (%)	SUBTOTAL (%)	OVERALL SCORE (%)
TECHNICAL PROPOSAL		_____	
MANAGEMENT PROPOSAL	+	_____	
COST PROPOSAL	+	_____	
PERFORMANCE STANDARDS	+	_____	
QUALIFICATIONS	+	_____	
VERTICAL INTEGRATION	+	_____	
		= _____	
BONUS		+ _____	
			= _____

ALTERNATIVE 2

CATEGORY	TOTAL (%)	SUBTOTAL (%)	OVERALL SCORE (%)
TECHNICAL PROPOSAL		_____	
MANAGEMENT PROPOSAL	+	_____	
COST PROPOSAL	+	_____	
PERFORMANCE STANDARDS	+	_____	
QUALIFICATIONS	+	_____	
VERTICAL INTEGRATION	+	_____	
		= _____	
BONUS		+ _____	
			= _____