

BEFORE THE METRO COUNCIL

FOR THE PURPOSE OF AUTHORIZING) RESOLUTION NO. 95-2172A
ISSUANCE OF RFP #95R-17A-REM FOR A)
COMMERCIAL FOOD WASTE COLLECTION) Introduced by Mike Burton,
AND PROCESSING PROJECT) Executive Officer

WHEREAS, the Riedel Mass Composting Facility is no longer a part of the Metro solid waste management system; and

WHEREAS, Resolution No. 94-1915A directs staff to revise the Regional Solid Waste Management Plan and Metro Code to include new options for managing organic waste in the region;

WHEREAS, The Regional Solid Waste Management Plan, in continuing to recognize and support the state hierarchy (ORS 459.015) for managing solid waste, specifies landfilling as the least preferred option; and

WHEREAS, A public process composed of a series of workshops, meetings and a regional conference were conducted to examine new options for managing organic waste in the Metro region, whose participants included waste generators, waste haulers, waste processors, business leaders, government officials and other interested parties; and

WHEREAS, Businesses may benefit from a potential cost savings if less expensive alternatives to landfilling organic waste can be developed; and

WHEREAS, Processing organic waste produces environmentally beneficial soil products; and

WHEREAS, Food waste collection and processing provides the next logical step for organics processing in the Metro region; and

WHEREAS, Key recommendations from the public workshops, meetings and organic waste management conference include conducting a food waste collection and recycling project that focuses on recovering source separated organics from commercial food-related businesses; and

WHEREAS, It is in Metro's best interest to utilize a request for proposals to obtain the inovative recycling services requested in RFP 95R-17A-REM; and

WHEREAS, The resolution was submitted to the Executive Officer for consideration and was forwarded to the Metro Council for approval; now therefore,

BE IT RESOLVED,


1. The Metro Council authorizes issuance of RFP #95R-17A-REM attached as Exhibit A.

ADOPTED by the Metro Council this 16 day of Nov, 1995.



J. Ruth McFarland, Presiding Officer

Approved as to Form:



Daniel B. Cooper, General Counsel

Exhibit A

**REQUEST FOR PROPOSALS
for**

Phase I

Commercial Food Waste Collection and Processing

RFP # 95R-17A-REM

**Metro
Regional Environmental Management Department
600 NE Grand Avenue
Portland, OR 97232**

TABLE OF CONTENTS

| | |
|---|----|
| I. INTRODUCTION | 1 |
| II. BACKGROUND/HISTORY OF PROJECT | 1 |
| III. PROJECT OVERVIEW | 2 |
| A. <u>Phase I</u> | 3 |
| B. <u>Phase II</u> | 4 |
| C. <u>Collection</u> | 4 |
| D. <u>Processing</u> | 5 |
| V. PROPOSAL SUBMITTAL QUESTIONS | 6 |
| VI. SCHEDULE | 15 |
| VII. PAYMENT | 16 |
| VIII. PROJECT ADMINISTRATION | 16 |
| IX. PROPOSAL INSTRUCTIONS | 17 |
| A. <u>Submission of Proposals</u> | 17 |
| B. <u>Deadline</u> | 17 |
| C. <u>RFP as Basis for Proposals:</u> | 17 |
| D. <u>Information Release</u> | 17 |
| E. <u>Minority and Women-Owned Business Program</u> | 18 |
| X. PROPOSAL CONTENTS | 18 |
| XI. GENERAL PROPOSAL/CONTRACT CONDITIONS | 19 |
| XII. EVALUATION OF PROPOSALS | 19 |

REQUEST FOR PROPOSALS

Phase I Commercial Food Waste Collection and Processing

I. INTRODUCTION

The Regional Environmental Management Department of Metro, a metropolitan service district organized under the laws of the State of Oregon and the 1992 Metro Charter, located at 600 NE Grand Avenue, Portland, OR 97232-2736, is requesting proposals to provide commercial pre-consumer vegetative food waste collection and processing services RFP #95R-17A-REM). Proposals will be due no later than 4:00 p.m., Friday, January 5, 1996, in Metro's business offices at 600 NE Grand Avenue, Portland, OR 97232-2736. Details concerning the project and proposal are contained in this document.

II. BACKGROUND/HISTORY OF PROJECT

According to the 1993/94 Metro Waste Characterization Study, approximately 200,000 tons of food waste and 60,000 tons of non-recyclable paper were delivered to the region's disposal facilities during the year-long study period. There are currently no significant on-site or post-collection recovery programs in place to divert these materials from the landfill. The Regional Solid Waste Management Plan, which gives the metropolitan region direction for meeting solid waste needs during the next decade (1995-2005), identifies source-separated organic waste recovery as an important program element that will bring the region closer to its 53% recycling goal by 2005.

In 1993/94 Metro conducted a series of public workshops to help develop a regional organic waste management strategy. The participants targeted composting pre-segregated food wastes from the commercial sector as a viable part of the overall strategy. This approach is valuable because it not only diverts waste from the landfill but converts it to a useful end product. In August 1995, a work group of Metro staff was formed to ascertain what elements are necessary to ensure the success of a food waste recovery system. This RFP is a result of the work group recommendations.

Currently, the Metro region diverts almost 100,000 tons a year of yard debris from the landfill, creating valuable soil products from it. Processing food waste is the next logical step to removing even more organic material from the waste stream. In fact, estimates predict that recovering food wastes and non-recycled paper can be done in the long-term that is equal-to or lower cost than landfilling. This has been proven in many areas of the country where food waste composting has already begun. It should be possible to economically recover food waste in the Metro region as well. The information obtained from this project will help Metro, local governments, food businesses, waste collectors, and food waste processors determine how we can best work together to implement organic waste recovery programs that are cost effective, environmentally sound, and publicly acceptable.

III. PROJECT OVERVIEW

The overall purpose of the project is to test the collection and recovery of commercial pre-consumer vegetative food waste (excluding meat and dairy products) from food-related businesses as an alternative to the current practice of landfilling. This project is expected to help establish an economically viable and self-sustaining food waste recovery system that will help the region meet its waste recovery goals, without using flow control. The project will be completed through partnerships between Metro, local governments, DEQ, and private industry who will identify opportunities and remove barriers that prevent the organics recovery system from developing.

Metro intends to use a two phased proposal process to assemble a team that will collect and process source separated food and non-recyclable paper from targeted businesses. This two part proposal process was selected to maximize participation in the project and to enable potential participants to indicate their interest with a relatively brief initial proposal (Phase I). Interested firms can propose to provide collection of food wastes and/or processing of the material in Phase I. It is anticipated that firms who propose on only one part of the project, collecting or processing, will team with another firm to provide a complete system during the Phase II proposal process. Metro will enter into a contract with the one entity representing both collection and processing. To be considered for Phase II and a contract, a firm must submit a Phase I proposal.

The successful Phase II proposer will be required to develop a complete system for collecting and processing source separated food waste. This includes: providing a site that is appropriate and suitable for this project, the design and construction of all necessary site improvements and the ability to obtain all necessary permits. The successful project team will be expected

to collect and process at least 1000 tons of preconsumer vegetative waste (excluding meat and dairy products) and non-recyclable paper from food warehouses, grocery stores and restaurants over a period of eight months. The proposer may propose to handle more waste over a similar period of time. If a proposer believes that they can process a more diverse mix of food waste while meeting the other project parameters, they may propose to do so as an alternative proposal. The total period of the pilot study shall not exceed 12 months. The successful proposer will be responsible for obtaining both the food waste and any bulking agent required by the process utilized.

Metro has allocated \$175,000, for this demonstration project (at award of Phase II, no money will be awarded at Phase I). This money is intended to defray the extraordinary costs associated with a small scale project and the costs associated with meeting Metro, local government, and DEQ data requirements. Metro does not make a financial commitment to the successful food waste collector and processor team beyond the term of this project. Therefore, proposals that appear to be economically viable and self-sustaining in long-term operations, will be viewed more favorably than those that require long-term subsidy.

IV. PROJECT DESCRIPTION

A. Phase I

This Request for Proposals includes questionnaires for firms interested in collection and/or processing of organic wastes from the Metro region. Basic information on the proposed process or collection methodologies is requested. This information will be reviewed by Metro, local government, and DEQ to identify any significant concerns associated with a particular proposal. Metro will notify each Phase I proposer of those concerns which will have to be addressed in a Phase II proposal. Processors will be required to identify a specific site where their processing operation will be located. Firms that propose to provide processing will be provided with the names of all of the collectors who submit Phase I proposals to facilitate teaming of collectors and processors.

After the Phase I proposals have been reviewed, a Pre Phase II Proposal conference will be held by Metro. Attendance at this pre-proposal conference is mandatory for all firms who intend to submit a Phase II proposal.

B. Phase II

Proposers for Phase II will be required to submit more detailed information on their proposed collection and process than was included in Phase I proposals.

C. Collection

This project requires the participation of a Metro area collection firm permitted by the local government to collect pre-segregated food waste in their jurisdiction. Food waste will be collected from food related businesses (e.g., grocery stores, restaurants, food processors) and deliver them to a designated processing site. A Metro Transfer Station could potentially be used to reload and consolidate food waste for transport to a processing site. The collector/processor would be required to make financial arrangements with Metro for this reload. If any processor is interested in this option, Metro will develop a reload cost that will be in effect for the term of this trial. This cost will be made available to all haulers and processors.

The successful proposer must have a sufficient number of food related businesses on their hauling routes that will be willing to participate in this project. In addition, the businesses should be clustered within a relatively concentrated geographical area. The clusters of businesses are analogous "urban centers" which are hubs for provision of goods and services in the Metro region. Urban centers are a key focus of Metro's Region 2040 growth concept. This food waste trial supports the objective of the 2040 growth concept.

Metro may assist the successful proposer to establish a program for the participating businesses to source separate food wastes. Metro intends to work closely with the participating businesses and waste hauler to: 1) develop in-house separation and collection methods, 2) provide containers, liners (if needed), and informational material, and 3) provide in-house training and follow-up to ensure separation efficiencies and minimize contaminants to the food and paper wastes. These wastes will be limited to pre-consumer vegetative material (excluding meat and dairy products) and non-recyclable paper depending on the needs of the processor with whom the collector is teamed. The food and paper wastes must be pre-segregated from other waste by the participating businesses and collected by the hauler on a regularly scheduled basis for the duration of this project.

The organic wastes (e.g. food waste, non-recyclable paper, and yard debris) may be collected together if they meet the processors requirements.

D. Processing

A wide variety of methods exist for processing the organic fraction of the waste stream. These processes range from windrow composting to producing electricity from methane generated by anaerobic digestion of the organic matter. Metro is interested in processes which are economically viable in the long-term. At this time, Metro does not expect to be able to guarantee flow to an organics processing facility. However, Metro is willing to explore other contractual arrangements with the hauler and processor in order to facilitate a food waste recovery system.

An appropriate site for the processing facility will be critical to the success of this project. While different processes will have different siting requirements, no processing proposal will be accepted unless a specific processing site is identified. This site must be appropriate for the particular process proposed. Full permitting of the site is not required in Phase I. However, it will be required before award of the contract after Phase II. The proposer must also determine how odors and other nuisance conditions will be controlled at the processing site. All proposers must keep in mind that this material is classified as a solid waste. In addition to local government land use permits, the proposed site will require, at a minimum, ~~a Metro Franchise,~~ meet applicable Metro regulatory requirements and obtain a Department of Environmental Quality (DEQ) Solid Waste Disposal and other permits.

V. PROPOSAL SUBMITTAL QUESTIONS

Businesses that want to do only collection, please complete Section A.
Businesses that want to do only processing, complete Section B. If you want to do both collection and processing, please complete Sections A and B.

A. COLLECTION:

A1. Where do you currently collect waste and where are you franchised?

A2. How will you work with generators to set up a food waste separation program and get them to participate (monitoring and continuing education).

A3. What type of recycling programs have you set up for these businesses in the past?

A4. Describe your proposed collection method. Include the equipment to be used by the customer (types and size of containers, location) your collection equipment, and frequency of food waste collection. Describe incentives to ensure customer participation.

A5. Please complete the following chart: Customers that you currently serve who might participate in this project. Do not list the customer's name, but fill in one line per customer. Use additional sheets if needed.

| Type of Business | Type & Frequency of Current Service | | | | Estimated Volume and Description of Vegetative Waste Per Week EXAMPLE: ½ of drop-box is food waste (mixed produce, paper) |
|------------------------------|-------------------------------------|--------------------|-----------|-------|--|
| | Drop Box | Compacted Drop Box | Container | Other | |
| Grocery Stores | | | | | |
| | | | | | |
| | | | | | |
| | | | | | |
| Restaurants | | | | | |
| | | | | | |
| | | | | | |
| | | | | | |
| Food Warehouses/Distributors | | | | | |
| | | | | | |
| | | | | | |
| | | | | | |
| Food Processors | | | | | |
| | | | | | |
| | | | | | |
| | | | | | |
| ... | | | | | |

A6. Itemize the additional cost for providing food waste hauling service to your customers.

| | | |
|-----------------|---|------------------|
| EXAMPLE: | One extra 3-yard container for six generators - 6 x \$500 | = \$3,000 |
| | Two extra pick ups/week for six generators - 6 x \$100/week x 40 weeks (separate route) | = \$24,000 |
| | Modify truck: | = \$3,000 |
| | Training and set-up at stores - 6 x \$200/store | = <u>\$1,200</u> |
| | TOTAL: | \$31,200 |

B. PROCESSING:

B.1 Site:

B1.1 Describe proposed food waste processing site; existing condition of property, address, size, zoning, and ownership. Include location map.

B1.2 Describe adjacent land uses, distance to the nearest residence, business or public facility, major access routes, and nearby environmentally sensitive areas. State why site is suitable for this project.

B1.3 Describe required improvements to conduct processing on the site (provide a site sketch).

B2. PROPOSED PROCESS:

Since this pilot project is expected to lead to a long-term food waste processing operation, questions will be asked about processing in the pilot project and long-term operations. Please answer both sets of questions.

B2.1 PILOT PROJECT

B2.1.1 Describe the process to be used, enclosures and equipment. Be specific about the process from receipt of material to final product.

B2.1.2 Describe food waste requirements: Quality, quantity, source.

Quality (also describe unacceptable contaminants):

Quantity:

Source:

B2.1.3 Describe bulking agent requirements: Quality, quantity, source.

Quality:

Quantity:

Source:

B2.1.4 Proposed ratio of food waste to bulking agent.

B2.1.5 **Equipment to be used in processing and required improvements to the sites (include existing or new equipment)**

B2.1.6 **List types of end products produced, the size of the target markets for each, and the value of the end products.**

B2.1.7 **Describe how you will reduce or avoid generating odors and how the odors produced will be controlled (i.e., biofilter, enclosed building; rural location).**

B2.1.8 **Describe means of controlling vectors, leachate, noise, and dust.**

B2.1.9 What is the expected tipping fee for the trial project?

B2.1.10 Itemize any additional cost for processing food waste in the pilot project.

B2.2. LONG-TERM OPERATIONS

B2.2.1 Food waste requirements:

Quality (list type and quantity of unacceptable contaminants):

Quantity:

Source.

B2.2.2 Bulking agent requirements:

Quality:

Quantity:

Source:

B2.2.3 Describe the changes that would need to be made to the site and process to transition from the pilot scale operation to full scale operations.

B2.2.4 What is the expected tipping fee for long-term operations?

B3. PILOT PROJECT OPERATING PARAMETERS

B3.1 How soon can you begin to process the food waste once a pilot project contract is signed?

B3.2 Describe who will be in charge of the project and their experience as it relates to the pilot project.

B3.3 Describe the company's experience as it relates to this pilot project.

VI. SCHEDULE

| | |
|---|-----------------|
| Issue Phase I RFP | Nov. 95 |
| Review Phase I proposals (involve local government work group) | Jan. 96 |
| * Project Check Point: Verify Feasibility | |
| Identify those eligible to propose Phase II | Jan.-Mar. 96 |
| Develop Phase II RFP | Oct.-Dec. 95 |
| Review Phase II RFP with Metro management, SWAC, Metro Councilors, local government work group, DEQ and potential proposers. Get input. | Dec. 95-Mar. 96 |
| Issue Phase II RFP | Mar. 96 |
| * Project Check Point: Verify Feasibility | |
| Award Phase II RFP | May 96 |
| Begin accepting food waste | Jun. 96 |
| Complete Pilot Project | May. 97 |
| Assess feasibility of food waste recovery in the region (local governments, DEQ, Metro). Report with recommendations. | July. 97 |
| Begin ongoing operations | |

VII. PAYMENT

Payment terms for the successful proposer will be detailed in the Phase II Request for Proposal.

VIII. PROJECT ADMINISTRATION

Metro's project manager and contact for this project is Jim Goddard, in the Waste Reduction & Planning Services Division of Metro's Regional Environmental Management Department.

Metro intends to award a contract to a single contractor after completion of the Phase II RFP process. This contractor will assume responsibility for any/all subcontractor work, as well as the day-to-day direction and internal management of the project, unless otherwise specified in this RFP or otherwise agreed upon in the actual contract.

IX. PROPOSAL INSTRUCTIONS

A. Submission of Proposals

Five (5) copies of the proposal shall be furnished to Metro, addressed to:

Jim Goddard
Metro Regional Environmental Management Department
600 NE Grand Avenue
Portland, OR 97232-2736

B. Deadline

Proposals will not be considered if received after 4:00 p.m.,
January 5, 1996

C. RFP as Basis for Proposals:

This Request for Proposals represents the most definitive statement Metro will make concerning the information upon that Proposals are to be based. Any verbal information that 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 Jim Goddard at (503) 797-1677. Any questions, that 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 Friday, December 15, 1996.

D. 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.

E. Minority and Women-Owned Business Program

Metro and its contractors will not discriminate against any person or firm based on race, color, national origin, sex, sexual orientation, age, religion, physical handicap, political affiliation or marital status.

Metro extends equal opportunity to all persons and specifically encourages disadvantaged, minority, and women-owned businesses to access and participate in this and all Metro projects, programs, and services.

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 & 200.

Copies of that document are available from the Risk and Contracts Management Division of Administrative Services, Metro, Metro Center, 600 NE Grand Avenue, Portland, OR 97232 or call (503) 797-1717.

X. PROPOSAL CONTENTS

The proposal should be submitted on recyclable, double-sided recycled paper (post consumer content). No waxed page dividers or non-recyclable materials should be included in the proposal. The following are proposal requirements to ensure that they are concise and provide only the requested information.

- The total submittal for the Phase I proposal will consist of the completed form from section V of this Request for Proposals, or responses submitted on separate sheets and a cover letter signed by an officer of the proposing company. Additional information will not be considered during the review of the proposals. An electronic version of Section V is available from Metro upon request.
- The proposal can be submitted for collection only (section A of form), processing only (section B of the form) or both collection and collecting (entire form). The proposal for collection (Section V.A) will be limited to three sides of a page. The proposal for processing (Section V.B) will be limited to seven sides of a page. Type size used in proposals will be no smaller than 12 point.

XI. GENERAL PROPOSAL/CONTRACT CONDITIONS

- A. 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, negotiate with all qualified sources, or to cancel all or part of this RFP.
- B. 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.
- C. Validity Period and Authority: The proposal shall be considered valid for a period of at least one hundred and twenty (120) 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 that Metro is evaluating the proposal.
- D. 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.

XII. EVALUATION OF PROPOSALS

Phase I proposal evaluation will be performed by a team of Metro, local government and DEQ staff. Questions and concerns raised during the evaluation will be reviewed with the proposer. These will need to be addressed by the proposer if they are to be eligible for responding to the Phase II RFP. (NOTE: Scores from Phase I RFP will not have a bearing on Phase II evaluations).

The collection and processing portions of the Phase I proposals will be evaluated independent of each other based on the following criteria and weightings:

FOOD WASTE COLLECTION

50 % Suitability of Existing Customer Base

- Number and type of businesses in geographically concentrated areas.
- Potential quantity and quality of feedstock.

25% Type of Equipment

- Suitability, new or proposed modifications.

25% Approach and understanding of project objectives

- Previous experience with business recycling programs.
- Ability to work with the targeted businesses and secure their participation.

FOOD WASTE PROCESSING

40% Site

- Appropriate location, ability to secure all necessary permits in a timely manner (e.g., land use, DEQ), existing and proposed on-site and off-site conditions for project.

40% Proposed Process

- Overall soundness of proposed processing system
- Appropriate feedstock requirements and sources
- Appropriate and effective odor and environmental controls
- Reasonable processing costs and tipping fee
- Ability to transition pilot project into long-term operations
- Ability to produce and market end product

20% Pilot Project Operating Parameters

- Ability to implement and follow through on proposal

S:\SHARE\DEPT\RFP1004.DOC
Printed 11/08/95 4:44 PM

STAFF REPORT

IN CONSIDERATION OF RESOLUTION NO. 95-2172 FOR THE PURPOSE OF AUTHORIZING ISSUANCE OF RFP #95R-17A-REM FOR A PHASE I COMMERCIAL FOOD WASTE COLLECTION/PROCESSING PROJECT

Date: October 25, 1995

Presented by: Jim Goddard
Bill Metzler

PROPOSED ACTION

Adopt Resolution No. 95-2172 to permit the Executive Officer to issue a request for proposals for the Phase I commercial food waste collection and processing project.

FACTUAL BACKGROUND AND ANALYSIS

According to the 1993/94 Metro region Waste Characterization Study, approximately 200,000 tons of food waste and almost 60,000 tons of non-recyclable paper were delivered to the region's disposal facilities during the year-long study period. There are currently no significant on-site or post-collection recovery programs in place to divert these materials from the landfill. At least some of these materials could be diverted and composted, thus bringing the region closer to its 50% recycling goal.

In 1993/94 Metro conducted a series of public workshops to help develop the optimal approach for a regional organic waste management strategy. The participants targeted composting pre-segregated food wastes from the commercial sector as a viable part of the overall strategy. The overall purpose of the project is to test the collection and processing of commercial organic waste from food-related businesses as an alternative to the current practice of landfilling. This project is expected to help establish an economically viable and self-sustaining food waste recovery system without using flow control.

Metro is testing this approach through a two phased proposal process described in the RFP. The two part proposal process was selected to maximize participation in the project and to enable potential participants to indicate their interest with a relatively brief initial proposal (Phase I). In Phase II (RFP to be developed), Metro will enter into a contract with one entity proposing both collection and processing. The successful Phase II proposer will be required to develop a complete system for collecting and processing source-separated food waste. The project team will be expected to collect and process at least 1000 tons of pre-consumer vegetative waste (excluding meat and dairy) and non-recyclable paper from food related businesses over a period of eight months. The pilot project will not exceed 12 months.

Source-separated food waste will most likely be collected from groups of businesses located in established communities that are representative of a "town center" as identified in the Region 2040 growth concept. The information obtained from this project will help Metro, the DEQ, local governments, food businesses, and waste haulers determine how we can best work together to implement food waste recovery programs that are cost effective, environmentally sound, and publicly acceptable.

TIMELINE

This is a multi-year project. The contract will be awarded in May 1996 and is expected to be completed by June 1997.

BUDGET IMPACTS

The maximum amount allocated for this contract is \$175,000. The 1995-96 budget contains a total of \$190,000 for development of an organic waste management system. \$175,000 will be available for this contract. The remaining budgeted funds will be used by Metro in support of this contract. Since award of the contract is expected in May 1996, approximately \$150,000 will be carried-over into FY 96-97.

EXECUTIVE OFFICER RECOMMENDATION

The Executive Officer recommends adoption of Resolution No. 95-2172.

BM:

S:\SHAREP&TS\FOODRFP\RFP1STAF.RPT

BEFORE THE METRO COUNCIL

| | | |
|------------------------------------|---|----------------------------|
| FOR THE PURPOSE OF AUTHORIZING |) | RESOLUTION NO. 95-2172 |
| ISSUANCE OF RFP #95R-17A-REM FOR A |) | |
| COMMERCIAL FOOD WASTE COLLECTION |) | Introduced by Mike Burton, |
| AND PROCESSING PROJECT |) | Executive Officer |

WHEREAS, the Riedel Mass Composting Facility is no longer a part of the Metro solid waste management system; and

WHEREAS, Resolution No. 94-1915A directs staff to revise the Regional Solid Waste Management Plan and Metro Code to include new options for managing organic waste in the region;

WHEREAS, The Regional Solid Waste Management Plan, in continuing to recognize and support the state hierarchy (ORS 459.015) for managing solid waste, specifies landfilling as the least preferred option; and

WHEREAS, A public process composed of a series of workshops, meetings and a regional conference were conducted to examine new options for managing organic waste in the Metro region, whose participants included waste generators, waste haulers, waste processors, business leaders, government officials and other interested parties; and

WHEREAS, Businesses may benefit from a potential cost savings if less expensive alternatives to landfilling organic waste can be developed; and

WHEREAS, Processing organic waste produces environmentally beneficial soil products; and

WHEREAS, Food waste collection and processing provides the next logical step for organics processing in the Metro region; and

WHEREAS, Key recommendations from the public workshops, meetings and organic waste management conference include conducting a food waste collection and recycling

project that focuses on recovering source separated organics from commercial food-related businesses; and

WHEREAS, It is in Metro's best interest to utilize a request for proposals to obtain the inovative recycling services requested in RFP 95R-17A-REM; and

WHEREAS, The resolution was submitted to the Executive Officer for consideration and was forwarded to the Metro Council for approval; now therefore,

BE IT RESOLVED,

1. The Metro Council authorizes issuance of RFP #95R-17A-REM attached as Exhibit A.

ADOPTED by the Metro Council this _____ day of _____, 1995.

J. Ruth McFarland, Presiding Officer

Approved as to Form:

Daniel B. Cooper, General Counsel

BM:ay
S:\SHARE\P&TS\FOOD_RFP\SW952172.RES

Exhibit A

**REQUEST FOR PROPOSALS
for**

Phase I

Commercial Food Waste Collection and Processing

RFP # 95R-17A-REM

**Metro
Regional Environmental Management Department
600 NE Grand Avenue
Portland, OR 97232**

TABLE OF CONTENTS

I. INTRODUCTION -----1

II. BACKGROUND/HISTORY OF PROJECT -----1

III. PROJECT OVERVIEW -----2

A. Phase I -----3

B. Phase II -----4

C. Collection -----4

D. Processing -----6

V. PROPOSAL SUBMITTAL QUESTIONS -----7

VI. SCHEDULE ----- 16

VII. PAYMENT ----- 17

VIII. PROJECT ADMINISTRATION ----- 17

IX. PROPOSAL INSTRUCTIONS ----- 18

A. Submission of Proposals ----- 18

B. Deadline ----- 18

C. RFP as Basis for Proposals: ----- 18

D. Information Release ----- 18

E. Minority and Women-Owned Business Program ----- 19

X. PROPOSAL CONTENTS ----- 19

XI. GENERAL PROPOSAL/CONTRACT CONDITIONS ----- 19

XII. EVALUATION OF PROPOSALS ----- 20

REQUEST FOR PROPOSALS

Phase I Commercial Food Waste Collection and Processing

I. INTRODUCTION

The Regional Environmental Management Department of Metro, a metropolitan service district organized under the laws of the State of Oregon and the 1992 Metro Charter, located at 600 NE Grand Avenue, Portland, OR 97232-2736, is requesting proposals to provide commercial pre-consumer vegetative food waste collection and processing services RFP #95R-17A-REM). Proposals will be due no later than 4:00 p.m., Friday, January 5, 1996, in Metro's business offices at 600 NE Grand Avenue, Portland, OR 97232-2736. Details concerning the project and proposal are contained in this document.

II. BACKGROUND/HISTORY OF PROJECT

According to the 1993/94 Metro Waste Characterization Study, approximately 200,000 tons of food waste and 60,000 tons of non-recyclable paper were delivered to the region's disposal facilities during the year-long study period. There are currently no significant on-site or post-collection recovery programs in place to divert these materials from the landfill. The Regional Solid Waste Management Plan, which gives the metropolitan region direction for meeting solid waste needs during the next decade (1995-2005), identifies source-separated organic waste recovery as an important program element that will bring the region closer to its 53% recycling goal by 2005.

In 1993/94 Metro conducted a series of public workshops to help develop a regional organic waste management strategy. The participants targeted composting pre-segregated food wastes from the commercial sector as a viable part of the overall strategy. This approach is valuable because it not only diverts waste from the landfill but converts it to a useful end product. In August 1995, a work group of Metro staff was formed to ascertain what elements are necessary to ensure the success of a food waste recovery system. This RFP is a result of the work group recommendations.

Currently, the Metro region diverts almost 100,000 tons a year of yard debris from the landfill, creating valuable soil products from it. Processing food waste is the next logical step to removing even more organic material from the waste stream. In fact, estimates predict that recovering food wastes and non-recycled paper can be done in the long-term that is equal-to or lower cost than landfilling. This has been proven in many areas of the country where food waste composting has already begun. It should be possible to economically recover food waste in the Metro region as well. The information obtained from this project will help Metro, local governments, food businesses, waste collectors, and food waste processors determine how we can best work together to implement organic waste recovery programs that are cost effective, environmentally sound, and publicly acceptable.

III. PROJECT OVERVIEW

The overall purpose of the project is to test the collection and recovery of commercial pre-consumer vegetative food waste (excluding meat and dairy products) from food-related businesses as an alternative to the current practice of landfilling. This project is expected to help establish an economically viable and self-sustaining food waste recovery system that will help the region meet its waste recovery goals, without using flow control. The project will be completed through partnerships between Metro, local governments, DEQ, and private industry who will identify opportunities and remove barriers that prevent the organics recovery system from developing.

Metro intends to use a two phased proposal process to assemble a team that will collect and process source separated food and non-recyclable paper from targeted businesses. This two part proposal process was selected to maximize participation in the project and to enable potential participants to indicate their interest with a relatively brief initial proposal (Phase I). Interested firms can propose to provide collection of food wastes and/or processing of the material in Phase I. It is anticipated that firms who propose on only one part of the project, collecting or processing, will team with another firm to provide a complete system during the Phase II proposal process. Metro will enter into a contract with the one entity representing both collection and processing. To be considered for Phase II and a contract, a firm must submit a Phase I proposal.

The successful Phase II proposer will be required to develop a complete system for collecting and processing source separated food waste. This includes: providing a site that is appropriate and suitable for this project, the design and construction of all necessary site improvements and the ability to obtain all necessary permits. The successful project team will be expected

to collect and process at least 1000 tons of preconsumer vegetative waste (excluding meat and dairy products) and non-recyclable paper from food warehouses, grocery stores and restaurants over a period of eight months. The proposer may propose to handle more waste over a similar period of time. If a proposer believes that they can process a more diverse mix of food waste while meeting the other project parameters, they may propose to do so as an alternative proposal. The total period of the pilot study shall not exceed 12 months. The successful proposer will be responsible for obtaining both the food waste and any bulking agent required by the process utilized.

Metro has allocated \$175,000, for this demonstration project (at award of Phase II, no money will be awarded at Phase I). This money is intended to defray the extraordinary costs associated with a small scale project and the costs associated with meeting Metro, local government, and DEQ data requirements. Metro does not make a financial commitment to the successful food waste collector and processor team beyond the term of this project. Therefore, proposals that appear to be economically viable and self-sustaining in long-term operations, will be viewed more favorably than those that require long-term subsidy.

IV. PROJECT DESCRIPTION

A. Phase I

This Request for Proposals includes questionnaires for firms interested in collection and/or processing of organic wastes from the Metro region. Basic information on the proposed process or collection methodologies is requested. This information will be reviewed by Metro, local government, and DEQ to identify any significant concerns associated with a particular proposal. Metro will notify each Phase I proposer of those concerns which will have to be addressed in a Phase II proposal. Processors will be required to identify a specific site where their processing operation will be located. Firms that propose to provide processing will be provided with the names of all of the collectors who submit Phase I proposals to facilitate teaming of collectors and processors.

After the Phase I proposals have been reviewed, a Pre Phase II Proposal conference will be held by Metro. Attendance at this pre-proposal conference is mandatory for all firms who intend to submit a Phase II proposal.

B. Phase II

Proposers for Phase II will be required to submit more detailed information on their proposed collection and process than was included in Phase I proposals.

C. Collection

This project requires the participation of a Metro area collection firm permitted by the local government to collect pre-segregated food waste in their jurisdiction. Food waste will be collected from food related businesses (e.g., grocery stores, restaurants, food processors) and deliver them to a designated processing site. A Metro Transfer Station could potentially be used to reload and consolidate food waste for transport to a processing site. The collector/processor would be required to make financial arrangements with Metro for this reload. If any processor is interested in this option, Metro will develop a reload cost that will be in effect for the term of this trial. This cost will be made available to all haulers and processors.

The successful proposer must have a sufficient number of food related businesses on their hauling routes that will be willing to participate in this project. In addition, the businesses should be clustered within a relatively concentrated geographical area. The clusters of businesses are analagous "urban centers" which are hubs for provision of goods and services in the Metro region. Urban centers are a key focus of Metro's Region 2040 growth concept. This food waste trial supports the objective of the 2040 growth concept.

Metro may assist the successful proposer to establish a program for the participating businesses to source separate food wastes. Metro intends to work closely with the participating businesses and waste hauler to: 1) develop in-house separation and collection methods, 2) provide containers, liners (if needed), and informational material, and 3) provide in-house training and follow-up to ensure separation efficiencies and minimize contaminants to the food and paper wastes. These wastes will be limited to pre-consumer vegetative material (excluding meat and dairy products) and non-recyclable paper depending on the needs of the processor with whom the collector is teamed. The food and paper wastes must be presegreated from other waste by the participating businesses and collected by the hauler on a regularly scheduled basis for the duration of this project.

The organic wastes (e.g. food waste, non-recyclable paper, and yard debris) may be collected together if they meet the processors requirements.

D. Processing

A wide variety of methods exist for processing the organic fraction of the waste stream. These processes range from windrow composting to producing electricity from methane generated by anaerobic digestion of the organic matter. Metro is interested in processes which are economically viable in the long-term. At this time, Metro does not expect to be able to guarantee flow to an organics processing facility. However, Metro is willing to explore other contractual arrangements with the hauler and processor in order to facilitate a food waste recovery system.

An appropriate site for the processing facility will be critical to the success of this project. While different processes will have different siting requirements, no processing proposal will be accepted unless a specific processing site is identified. This site must be appropriate for the particular process proposed. Full permitting of the site is not required in Phase I. However, it will be required before award of the contract after Phase II. The proposer must also determine how odors and other nuisance conditions will be controlled at the processing site. All proposers must keep in mind that this material is classified as a solid waste. In addition to local government land use permits, the proposed site will require, at a minimum, a Metro Franchise, and a Department of Environmental Quality (DEQ) Solid Waste Disposal and other permits.

V. PROPOSAL SUBMITTAL QUESTIONS

Businesses that want to do only collection, please complete Section A.
Businesses that want to do only processing, complete Section B. If you want to do both collection and processing, please complete Sections A and B.

A. COLLECTION:

A1. Where do you currently collect waste and where are you franchised?

A2. How will you work with generators to set up a food waste separation program and get them to participate (monitoring and continuing education).

A3. What type of recycling programs have you set up for these businesses in the past?

A4. Describe your proposed collection method. Include the equipment to be used by the customer (types and size of containers, location) your collection equipment, and frequency of food waste collection. Describe incentives to ensure customer participation.

A5. Please complete the following chart: Customers that you currently serve who might participate in this project. Do not list the customer's name, but fill in one line per customer. Use additional sheets if needed.

| Type of Business | Type & Frequency of Current Service | | | | Estimated Volume and Description of Vegetative Waste Per Week EXAMPLE: ½ of drop-box is food waste (mixed produce, paper) |
|------------------------------|-------------------------------------|--------------------|-----------|-------|--|
| | Drop Box | Compacted Drop Box | Container | Other | |
| Grocery Stores | | | | | |
| | | | | | |
| | | | | | |
| | | | | | |
| Restaurants | | | | | |
| | | | | | |
| | | | | | |
| | | | | | |
| Food Warehouses/Distributors | | | | | |
| | | | | | |
| | | | | | |
| | | | | | |
| Food Processors | | | | | |
| | | | | | |
| | | | | | |
| | | | | | |
| ... | | | | | |

A6. Itemize the additional cost for providing food waste hauling service to your customers.

| | | |
|-----------------|---|-----------------|
| EXAMPLE: | One extra 3-yard container for six generators - 6 x \$500 | = \$3,000 |
| | Two extra pick ups/week for six generators - 6 x \$100/week x 40 weeks (separate route) | = \$24,000 |
| | Modify truck: | = \$3,000 |
| | Training and set-up at stores - 6 x \$200/store | = \$1,200 |
| | TOTAL: | \$31,200 |

B. PROCESSING:

B.1 Site:

B1.1 Describe proposed food waste processing site; existing condition of property, address, size, zoning, and ownership. Include location map.

B1.2 Describe adjacent land uses, distance to the nearest residence, business or public facility, major access routes, and nearby environmentally sensitive areas. State why site is suitable for this project.

B1.3 Describe required improvements to conduct processing on the site (provide a site sketch).

B2. PROPOSED PROCESS:

Since this pilot project is expected to lead to a long-term food waste processing operation, questions will be asked about processing in the pilot project and long-term operations. Please answer both sets of questions.

B2.1 PILOT PROJECT

B2.1.1 Describe the process to be used, enclosures and equipment. Be specific about the process from receipt of material to final product.

B2.1.2 Describe food waste requirements: Quality, quantity, source.

Quality (also describe unacceptable contaminants):

Quantity:

Source:

B2.1.3 Describe bulking agent requirements: Quality, quantity, source.

Quality:

Quantity:

Source:

B2.1.4 Proposed ratio of food waste to bulking agent.

B2.1.5 **Equipment to be used in processing and required improvements to the sites (include existing or new equipment)**

B2.1.6 **List types of end products produced, the size of the target markets for each, and the value of the end products.**

B2.1.7 **Describe how you will reduce or avoid generating odors and how the odors produced will be controlled (i.e., biofilter, enclosed building, rural location).**

B2.1.8 **Describe means of controlling vectors, leachate, noise, and dust.**

B2.1.9 What is the expected tipping fee for the trial project?

B2.1.10 Itemize any additional cost for processing food waste in the pilot project.

B2.2. LONG-TERM OPERATIONS

B2.2.1 Food waste requirements:

Quality (list type and quantity of unacceptable contaminants):

Quantity:

Source.

B2.2.2 Bulking agent requirements:

Quality:

Quantity:

Source:

B2.2.3 Describe the changes that would need to be made to the site and process to transition from the pilot scale operation to full scale operations.

B2.2.4 What is the expected tipping fee for long-term operations?

B3. PILOT PROJECT OPERATING PARAMETERS

B3.1 How soon can you begin to process the food waste once a pilot project contract is signed?

B3.2 Describe who will be in charge of the project and their experience as it relates to the pilot project.

B3.3 Describe the company's experience as it relates to this pilot project.

VI. SCHEDULE

| | |
|---|-----------------|
| Issue Phase I RFP | Nov. 95 |
| Review Phase I proposals (involve local government work group) | Jan. 96 |
| * Project Check Point: Verify Feasibility | |
| Identify those eligible to propose Phase II | Jan.-Mar. 96 |
| Develop Phase II RFP | Oct.-Dec. 95 |
| Review Phase II RFP with Metro management, SWAC, Metro Councilors, local government work group, DEQ and potential proposers. Get input. | Dec. 95-Mar. 96 |
| Issue Phase II RFP | Mar. 96 |
| * Project Check Point: Verify Feasibility | |
| Award Phase II RFP | May 96 |
| Begin accepting food waste | Jun. 96 |
| Complete Pilot Project | May. 97 |
| Assess feasibility of food waste recovery in the region (local governments, DEQ, Metro). Report with recommendations. | July. 97 |
| Begin ongoing operations | |

VII. PAYMENT

Payment terms for the successful proposer will be detailed in the Phase II Request for Proposal.

VIII. PROJECT ADMINISTRATION

Metro's project manager and contact for this project is Jim Goddard, in the Waste Reduction & Planning Services Division of Metro's Regional Environmental Management Department.

Metro intends to award a contract to a single contractor after completion of the Phase II RFP process. This contractor will assume responsibility for any/all subcontractor work, as well as the day-to-day direction and internal management of the project, unless otherwise specified in this RFP or otherwise agreed upon in the actual contract.

IX. PROPOSAL INSTRUCTIONS

A. Submission of Proposals

Five (5) copies of the proposal shall be furnished to Metro, addressed to:

Jim Goddard
Metro Regional Environmental Management Department
600 NE Grand Avenue
Portland, OR 97232-2736

B. Deadline

Proposals will not be considered if received after 4:00 p.m.,
January 5, 1996

C. RFP as Basis for Proposals:

This Request for Proposals represents the most definitive statement Metro will make concerning the information upon that Proposals are to be based. Any verbal information that 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 Jim Goddard at (503) 797-1677. Any questions, that 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 Friday, December 15, 1996.

D. 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.

E. Minority and Women-Owned Business Program

Metro and its contractors will not discriminate against any person or firm based on race, color, national origin, sex, sexual orientation, age, religion, physical handicap, political affiliation or marital status.

Metro extends equal opportunity to all persons and specifically encourages disadvantaged, minority, and women-owned businesses to access and participate in this and all Metro projects, programs, and services.

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 & 200.

Copies of that document are available from the Risk and Contracts Management Division of Administrative Services, Metro, Metro Center, 600 NE Grand Avenue, Portland, OR 97232 or call (503) 797-1717.

X. PROPOSAL CONTENTS

The proposal should be submitted on recyclable, double-sided recycled paper (post consumer content). No waxed page dividers or non-recyclable materials should be included in the proposal. The following are proposal requirements to ensure that they are concise and provide only the requested information.

- The total submittal for the Phase I proposal will consist of the completed form from section V of this Request for Proposals, or responses submitted on separate sheets and a cover letter signed by an officer of the proposing company. Additional information will not be considered during the review of the proposals. An electronic version of Section V is available from Metro upon request.
- The proposal can be submitted for collection only (section A of form), processing only (section B of the form) or both collection and collecting (entire form). The proposal for collection (Section V.A) will be limited to three sides of a page. The proposal for processing (Section V.B) will be limited to seven sides of a page. Type size used in proposals will be no smaller than 12 point.

XI. GENERAL PROPOSAL/CONTRACT CONDITIONS

- A. 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, negotiate with all qualified sources, or to cancel all or part of this RFP.
- B. 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.
- C. Validity Period and Authority: The proposal shall be considered valid for a period of at least one hundred and twenty (120) 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 that Metro is evaluating the proposal.
- D. 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.

XII. EVALUATION OF PROPOSALS

Phase I proposal evaluation will be performed by a team of Metro, local government and DEQ staff. Questions and concerns raised during the evaluation will be reviewed with the proposer. These will need to be addressed by the proposer if they are to be eligible for responding to the Phase II RFP. (NOTE: Scores from Phase I RFP will not have a bearing on Phase II evaluations).

The collection and processing portions of the Phase I proposals will be evaluated independent of each other based on the following criteria and weightings:

FOOD WASTE COLLECTION

50 % Suitability of Existing Customer Base

- Number and type of businesses in geographically concentrated areas.
- Potential quantity and quality of feedstock.

25% Type of Equipment

- Suitability, new or proposed modifications.

25% Approach and understanding of project objectives

- Previous experience with business recycling programs.
- Ability to work with the targeted businesses and secure their participation.

FOOD WASTE PROCESSING

40% Site

- Appropriate location, ability to secure all necessary permits in a timely manner (e.g., land use, DEQ), existing and proposed on-site and off-site conditions for project.

40% Proposed Process

- Overall soundness of proposed processing system
- Appropriate feedstock requirements and sources
- Appropriate and effective odor and environmental controls
- Reasonable processing costs and tipping fee
- Ability to transition pilot project into long-term operations
- Ability to produce and market end product

20% Pilot Project Operating Parameters

- Ability to implement and follow through on proposal