

PROPOSAL EVALUATION REPORT

FOR
RFP # 2007-201-01



City of
Santa Monica[®]

OFFICE OF THE CITY MANAGER

**CONTRACT SERVICES FOR:
COLLECTION OF COMMERCIAL SOLID WASTE
October 23, 2007**

PROPOSAL EVALUATION REPORT
FOR COLLECTION OF COMMERCIAL SOLID WASTE
RFP 2007-201-01

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1.0 Introduction to Procurement Process

1.1 Overview of the Process

The City of Santa Monica ("City") invited Proposers to submit a response to a Request for Proposals ("RFP") for Collection of Commercial Solid Waste issued on January 23, 2007. The RFP requested that any firm that felt it was qualified could submit technical proposals, qualifications and cost proposals in the form requested in the RFP. All proposals received by the specified due date and time would be evaluated. Under this process, an award, if made, would be made to the best Proposer whose Proposal is most advantageous to City, taking into consideration criteria set forth in the RFP.

1.2 Project Timetable

The following timetable sets forth the key events in the RFP process.

<u>RFP Event</u>	<u>Date</u>
RFP Issued	January 22, 2007
Mandatory Pre-Proposal Conference	February 6, 2007
First Addendum Issued	March 9, 2007
Second Addendum Issued	March 19, 2007
Mandatory Pre-Proposal Conference for Roll Off Service	March 20, 2007
Third Addendum Issued	April 6, 2007
Fourth Addendum Issued	April 6, 2007
Fifth Addendum Issued	April 6, 2007
Proposal Due Date	May 4, 2007
Convene Oral Presentations – 1 st round	July 31 & August 1, 2007
Convene Oral Presentations – 2 nd round	August 29, 2007
Recommendations Presented to City Council for Approval	October 30, 2007

1.3 Purpose/Objective

The City has a number of goals that it wants to achieve as a result of this RFP. These goals include:

1. Provide efficient and cost-effective Commercial Collection Services to all business establishments in the City;
2. Utilize competition to ensure that the commercial establishments have Commercial Collection Services that are market driven;
3. Maximize the opportunities for recycling by businesses and commercial facilities and thereby increase their contribution to the City's diversion as mandated by AB939;
4. Achieve the sustainability goal of 70 percent diversion;
5. Increase the cleanliness and aesthetics of the municipal solid waste (MSW) set-out areas and containers;

6. Reduce the number of individual collection vehicles providing MSW Commercial collection service in the City and thereby reduce traffic congestion, particularly in the Downtown District/Main Street; and
7. Reduce air pollution and the emission of greenhouse gases.

To achieve these goals, the revised City commercial collection system will depend on establishing and following implementation criteria based on the goals including:

- Automation of lifting and emptying containers where practical;
- Incorporation of waste and recycling containers in building and area design;
- Optimizing route structures utilizing geographic information system (GIS) based computer routing software;
- Maximum recovery of recyclable materials;
- Right sizing of service through container selection and collection frequency;
- Use of compressed natural gas (CNG) or liquefied natural gas (LNG) fuel; and
- Increasing the education of waste “best practices” for the commercial sector.

1.4 Services Requested by City

The City requested proposals from private service providers for collection of Acceptable Material, including refuse, recyclable materials, cardboard, and food waste from the commercial establishments in three (3) Commercial Collection Areas of the City as follows:

1. Downtown District/Main Street;
2. Outside of Downtown District/Main Street; and/or
3. Entire City of Santa Monica, combination of Option 1 and Option 2.

The City also requested proposals on the collection of Construction and Demolition (C7D) waste (Roll Off bins).

1.4.1 Proposal Options

Proposers could propose to supply Commercial Collection services in the City under one of seven (7) options described below:

1. Single service provider for Downtown District/Main Street - either a private service provider or the City’s Solid Waste Management Division (SWMD);
2. Two service providers for Downtown District/Main Street - both one private service provider and SWMD competing for accounts;
3. Single service provider for commercial establishments outside of the Downtown District/Main Street - either a private service provider or SWMD;
4. Two service providers for commercial establishments outside of the Downtown District/Main Street - both one private service provider and SWMD competing for accounts;
5. Option No. 1 and No. 3 combined;

6. Option No. 2 and No. 4 combined; and
7. Single service provider for roll-off bins in the City of Santa Monica - either a private service provider or SWMD.

Proposer could propose to collect Acceptable Materials from commercial establishments under one option, any group of options and/or all options.

1.5 Evaluation Methodology

The RFP specified that the City may choose not to select any proposal if that is in the best interest of the City and its ratepayers, and continue with existing transfer and disposal services performed by the City. An award, if made, will be made to the best Proposer(s) whose proposal is most advantageous to the City, taking into consideration the other factors set forth in the RFP. The Evaluation Committee evaluated all proposals simultaneously in order to determine which was in the best interest of the City.

2.0 Evaluation of Proposals

2.1 Proposal Evaluation Team

An Evaluation Committee appointed by the Office of the City Manager evaluated the Proposals and made a recommendation to the City Manager. The Evaluation Committee included:

Chair:

- Gordon Anderson, City of Santa Monica, Assistant City Manager

Members:

- Carol Swindell, City of Santa Monica, Finance Director
- Jim Greco, California Waste Associates
- Don McIntyre, Urban Affairs Consultant
- Erik Neandross, Representative from the Task Force on the Environment
- Andrew Thomas, Bayside District Corporation

An Advisory Panel assisted the Evaluation Committee in their evaluation of the proposals and included:

- Don Patterson, City of Santa Monica, Assistant to the City Manager for Management Services
- Annette Morales, City of Santa Monica, Principal Budget Analyst
- Harvey Gershman, Gershman, Brickner, & Bratton, Inc. (GBB)
- Frank Bernheisel, GBB
- Lois Clarke, GBB

Each Evaluation Committee and Advisory Panel member was required to sign a statement certifying that he or she had no conflict of interest that would preclude participation in the evaluation and conduct the evaluation in a confidential manner.

Deputy City Attorney, Eriko Matsumoto, also participated as one of the advisors in certain aspects of the process.

2.2 Proposal Evaluation Factors

The factors to be considered in the evaluation of Proposals are listed below and include the criteria set forth in the City of Santa Monica Municipal Code 2.24.072, except “bidder” has been replaced with “Proposer.”

1. **Price**
 - Total cost proposed for services
 - Best cost to City and ratepayers
 - Other economic benefits to City (e.g., jobs, taxes, etc.)
2. **The quality of the material or services offered**
 - Comprehensiveness
 - Feasibility and quality of the business plan
 - Responsiveness to the information required by the RFP
3. **The ability, capacity and skill of the Proposer to perform or provide the material or services**
 - Management team
 - Qualifications
 - Approach, technical solutions, and feasibility
 - Transition plan
 - The capacity of the Proposer to perform the contract or provide the service promptly, within the time specified, and without delay or interference
 - Able to produce the required outcomes in a timely manner
 - Current capability with permitting agencies
 - History with permitting agencies
 - Current capability of performance and vehicle and facility maintenance
 - History of performance and vehicle and facility maintenance
4. **The sufficiency of the Proposer’s financial resources**
 - Capacity, financial strength, and ability to obtain bonding and insurance
 - Good financial standing with City and/or other government contracts
 - Proposal bond provided
 - The character, integrity, reputation, judgment, training, experience and efficiency of the Proposer
 - Financial ability to provide the services throughout the duration of the Contract
 - References
 - Experience in providing services of similar size and scope
 - History of customer service and as an employer
 - Commitment to fair and sound working conditions for its employees

- Current on all licenses and contractual requirements, if any, with the City and/or other government contracts
 - History of performance measures and benchmarking
 - History of litigation
5. **The ability of the Proposer to provide such future maintenance or service as may be needed**
6. **Any other factor which will further the intent set forth in Section 608 of the City Charter**
- Environmental compliance
 - Environmental stewardship
 - Ability to minimize environmental impacts (e.g., minimize air pollution, minimize traffic impacts, provide highest and best use of materials)

2.3 Procedure for Evaluating Proposals

The City first examined proposals to eliminate those that were clearly non-responsive to the stated requirements. Proposers were evaluated based upon the responses provided in the Proposal and in the other documents, if any, that Proposers were required to submit with the completed Proposal.

In a measure to maintain confidentiality of sensitive materials, financial information was submitted by the Proposer as a separate bound attachment and clearly identified as financial information to the City. The City's Finance Department was responsible for evaluating the sufficiency of the Proposer's financial resources.

All of the Proposers were given the same bidding information, requests for clarification and the equal opportunity for an interview. Notices and information was posted on the City's website at http://www.smgov.net/cmo/solid_waste/index.htm throughout the process. Proposers were notified when a new notice was posted via e-mail.

The Evaluation Committee members were each provided with their own set of proposals and other supplemental information submitted by Proposers in response to clarification questions and provided at or after the interviews with Proposers during the course of the evaluation process.

The Evaluation Committee members met at various times during the course of the evaluation process to provide input, discuss proposals and review supplemental information. The Evaluation Committee also participated in the interview process. During the Interview both the Evaluation Committee and Advisory Panel asked questions.

Following the interviews with the Proposers, additional information was received by e-mail and distributed to the Evaluation Committee. The information was evaluated and discussed. A final consensus scoring was completed, and the Evaluation Committee

developed and reached consensus on the recommendations included herein this Evaluation Report.

3.0 Overview of Proposals

Proposals from a total of seven firms were received as a result of RFP #2007-201-01. These firms were:

- Allied Waste Services (Allied)
- Athens Services (Athens)
- City of Santa Monica, Solid Waste Management Division (SWMD)
- Consolidated Disposal Service (Consolidated)
- Downtown Diversion (Downtown)
- IRS
- Southern California Disposal (SCD)

The key elements of each proposal are summarized in Section 3.1.

3.1 Proposal Summary

Five Proposers submitted proposals that addressed all the services requested by the City and two Proposers submitted proposal only for Option 7. These are described in the following paragraphs.

Proposers for All Commercial Services

Allied – Allied proposed on all seven collection service options for all materials as described in Section 1.4. They proposed to use their 5.5-acre base yard located at 14905 S. San Pedro Street in Gardena where they have a complete facility including maintenance. This is 20 miles from the City Yard. Allied would fuel their CNG vehicles at the Clean Energy Plant on Stewart Street in Santa Monica. They proposed a wet/dry collection approach with food waste collected in biodegradable bags as approaches to increase diversion. Allied proposed \$1.9 million to purchase the required trucks for the full City option (Option 5). The implementation would be complete in four months after contract signing. No franchise fee was proposed.

Athens – Athens proposed on all seven collection service options for all materials as described in Section 1.4. They proposed to use their 2-acre base yard located at 900 S. Maple Avenue, City of Montebello. This is 28 miles from the City Yard. Athens would fuel their LNG vehicles at the LA Sanitation District fueling station at Puente Hills. They proposed separate and intensive collection for corrugated and food waste combined with dry waste processing as approaches to increase diversion. Athens indicated that awarding both collection and transfer and disposal to them would maximize diversion, and they would move their base yard to the City Yard facility. Athens proposed \$2.0 million to purchase the required trucks for the full City option (Option 5). The implementation

would be complete in 6 to 8 months after contract signing based on the options awarded to Athens. Athens pricing includes a 10 percent franchise fee and a 2 percent administrative fee. Athens also offered an additional rate reduction or City fee of 5% for Options 5 and 6 if the City selects Athens for the exclusive franchise collection and the development and operation of the transfer station.

Consolidated – Consolidated proposed on all seven collection service options for all materials as described in Section 1.4. They proposed to use their 4-acre base yard located at 1449 W. Rosecrans Avenue in Gardena, where they have a complete facility including maintenance, and their North Long Beach facility would be used to maintain roll-off containers. The Gardena facility is 21 miles from the City Yard. Consolidated would fuel their LNG vehicles at their proposed Bel Art fueling station in North Long Beach or a third-party station. Consolidated did not propose to purchase the City's equipment. They proposed targeting larger businesses with commingled collection and a separate food waste collection as approaches to increase diversion. Consolidated proposed \$3.7 million to purchase the required trucks for the full City option (Option 5). The implementation would be complete in 8 months after contract signing depending upon options awarded. No specific franchise fee was proposed, but Consolidated indicated that this was a negotiable item.

SWMD – SWMD proposed on four of the seven services (Options 1, 3, 5 and 7) for all materials as described in Section 1.4, however, their proposal was silent on the final disposition of materials. They proposed to utilize the facility at the City Yard and use the current fueling station, which they stated was of sufficient size to accommodate the expansion. SWMD indicated that increases in diversion would be achieved by a public information and outreach program targeted toward individual accounts regarding triple bottom line benefits and economics of increased recycling. They also identified other diversion options to consider but did not include it in the pricing. The options included potential emerging technologies, rate strategies, public education opportunities, mandatory recycling, and other potential zero waste strategies. SWMD proposed to individually identify customers that do not recycle for educational contacts by supervisors. Also, the new utility billing system would be used to tailor information about each customer for better recycling education.

SWMD proposed \$871,000 to purchase the required trucks for the full City option (Option 5). The implementation would be complete in 16 months after contract signing. SWMD did not offer a franchise fee.

SCD – SCD proposed on all seven collection service options as described in Section 1.4. They proposed using their existing base yard on Delaware Street in Santa Monica where they perform their own maintenance. SCD proposed using Biodiesel trucks in their proposal and later modified this that they would comply with the CNG requirement. During their interview, SCD indicated that they have applied for a grant for 10 CNG trucks and would fuel their CNG vehicles at the Clean Energy Plant on Stewart Street in Santa Monica. They proposed an intensive program of source separation and collection including food waste as well as a “dirty MRF” as approaches to increase diversion. SCD

proposed \$2.0 million to purchase the required trucks for the full City option (Option 5). The implementation would be complete in 12 months after contract signing. A franchise fee of 10 percent was proposed; however, it is not clear whether it is included in the prices proposed. As a result, the cost analysis addresses this by presenting the franchise fee in and not in. The inclusion or exclusion of the franchise fee did not have an impact on the final ranking of SCD. In addition, should SCD be awarded the transfer services contract and the commercial collections, SCD would be willing to reduce all collection rates by an additional 5%.

Proposers for C&D Roll-Off Collection Services Only

Two Proposers addressed only a single specialized material in their proposal, and they are discussed below.

Looney – Looney proposed on only Option 7 for the collection of only the C&D and other materials using roll-off boxes. Looney is a sister company to Downtown Diversion and East Side Diversion and proposed to utilize their facility at 2424 E. Olympic Street in Los Angeles as their base yard. This is 15 miles from the City Yard. Looney guaranteed a 76 percent recycling rate for the C&D materials processed with the residue disposed of at the City-approved facility. For fueling, Looney would set up accounts at SoCalGas in Santa Monica and ERG/L.A. in Los Angeles. Looney proposed \$422,000 to purchase the required trucks for Option 7. The implementation would be complete immediately after contract signing. No franchise fee was proposed.

IRS – IRS proposed on only Option 7 for the collection of only the (C&D) and other materials using roll-off boxes. They proposed to utilize their 7.1-acre facility located at 9309 Royo Ave, in South Gate, as their base yard, 25 miles from the City Yard. IRS guaranteed a 76 percent recycling rate for the C&D materials processed with the residue disposed of at the City-approved facility. IRS proposed using the City LNG fueling facility at City Yard as their fueling point. IRS proposed \$657,000 to purchase the required trucks for Option 7. The implementation would be six months after contract signing. No franchise fee was proposed.

3.2 Proposal Cost Summary

The costs for the seven proposals for commercial collection are summarized in Table 1. In computing the net present values shown in Table 1, a number of assumptions were made, as follows:

- The Annualized Net Present Value represents the City's cost for one year.
- Annualized Net Present Value is the Net Present Value divided by the length of the contract.
- The Net Present Value is the total cost, in current dollars, to the City over the length of the contract.
- The total cost includes the Proposer's pricing.
- Positive cash flow is money paid by the City to the Proposer.

- Negative cash flow is money paid by the Proposer to the City.
- Proposer's pricing is based on SWMD's current set out of bins for approximately 700 of the City's accounts, scaled up to the entire number of accounts (approximately 2,100) in the City.
- For purposes of comparison for Options 2, 4, and 6, SWMD's pricing is assumed to be half the pricing in Options 1, 3, and 5, respectively.
- NA = not applicable because IRS and Looney bid only on Option 7: Roll-Off.
- Athens pricing is reduced by 10% franchise fee.
- Since SWMD was not provided financial assistance from the City Finance Department, a more detailed financial review of SWMD's proposal was conducted. The financial review concluded that overhead administrative costs were low. SWMD agreed to adjust their costs accordingly and is reflected below.

**TABLE 1
PROPOSAL COST SUMMARY**

Annualized Net Present Value of Proposer's Price to the City							
Proposer	Option 1: Downtown, 1 Provider	Option 2: Downtown, 2 Providers	Option 3: Outside Downtown, 1 Provider	Option 4: Outside Downtown, 2 Providers	Option 5: Entire City, 1 Provider	Option 6: Entire City, 2 Providers	Option 7: Roll-Off
Allied	\$2,199,659	\$1,099,829	\$2,199,659	\$1,099,829	\$4,399,317	\$2,199,659	\$284,174
Athens	\$2,168,486	\$1,084,243	\$2,016,514	\$1,008,257	\$4,033,027	\$2,016,514	\$290,310
SWMD*	\$1,334,935	\$667,467	\$1,368,911	\$684,455	\$2,711,521	\$1,355,760	\$294,906
Consolidated	\$3,422,358	\$1,711,179	\$3,152,586	\$1,576,293	\$6,305,173	\$3,152,586	\$336,741
IRS	NA	NA	NA	NA	NA	NA	\$280,333
Looney	NA	NA	NA	NA	NA	NA	\$234,336
SCD**	\$2,093,165	\$1,046,582	\$2,093,165	\$1,046,582	\$4,186,330	\$2,093,165	\$319,674

*SWMD initially used overhead burdens that were adjusted upward by the Finance Department. The higher overheads are reflected in Table 1. SWMD also used productivity factors deemed too high to reasonably reflect budgetary costs and are adjusted in Table 2 to show the potential impact.
** It was not clear whether the 10 % franchise fee is included in SCD's costs; if included, their revised net costs have been computed and are shown in Table 2.

**TABLE 2
ADJUSTED PROPOSAL COST SUMMARIES FOR SWMD AND SCD**

Proposer	Option 1: Downtown, 1 Provider	Option 2: Downtown, 2 Providers	Option 3: Outside Downtown, 1 Provider	Option 4: Outside Downtown, 2 Providers	Option 5: Entire City, 1 Provider	Option 6: Entire City, 2 Providers	Option 7: Roll-Off
SWMD*	\$1,940,216	\$970,108	\$2,053,366	\$1,026,683	\$4,067,281	\$2,033,641	\$294,906
SCD**	\$ 1,902,877	\$ 951,439	\$ 1,902,877	\$ 951,439	\$ 3,805,754	\$ 1,902,877	\$ 308,037

4.0 Completeness/Compliance Review

The completeness/compliance review resulted in the determination that none of the omissions were considered significant enough to require rejection; however, requests for information were sent in writing to clarify submissions.

5.0 Capability, Capacity, Financial Strength and Experience

5.1 Evaluation Requirements – Qualifications and Background

As presented in the RFP, Proposers were evaluated on the basis of their demonstrated competence to undertake and provide each and every component of the Commercial Collection Services at the desired levels of quality, timeliness and cost effectiveness. The following dimensions of Proposer qualifications were indicated in the RFP as key parameters for the competency review:

Corporate Profile – *Does the Proposer have the necessary expertise and available resources to provide commercial collection services? Does the Proposer have experienced managers available to lead the proposed project successfully? What kind of corporate infrastructure exists within the Proposer to support this project?*

Proposer Experience – *What is the quality and quantity of experience of the Proposer in commercial collection services? For what duration, how recently and with what success?*

Financial Strength – *Has the Proposer ever declared bankruptcy or failed to meet a financial obligation for past projects? The insurability, bondability, short-term funding capability and general financial strength of the Proposer were considered. What is the credit strength of the Guarantor and what limitations on liability has the Guarantor imposed?*

Contractual, Regulatory and Legal – *What have been the environmental and safety records of the Proposer on previous collection contracts? Has the Proposer and/or any of their respective representatives ever failed to complete a previous collection contract, faced significant legal claims against it, or committed any criminal offenses?*

Qualifications Evaluation

The Evaluation Team reviewed the Proposals received in response to its RFP with respect to the criteria outlined above. In reviewing the Qualifications submittals, the minimum requirements and “dimensions checklist” presented above were used to track the team information in general and experience in general. The Committee concluded that all seven Proposers appear qualified.

Financial Capability - The City's Department of Finance reviewed the confidential financial information provided by Proposers and made the scoring for each Proposer. In its review, the Department of Finance looked for financial indicators that could constrain the Proposer from implementing the proposed facilities, equipment, and services. While some Proposers had greater financial strength than others, none of the Proposers was deemed incapable of providing the service based on the financial information provided.

6.0 Comprehensiveness and Feasibility of Business Plan

6.1 Allied

In their proposal, Allied showed the ability to provide current and future services. They are a national company with large technical and financial resources. Allied currently serves over 200 commercial establishments in Santa Monica. Qualifications showed experience in local market. The first impression of their pricing seemed high. The business plan left concerns on the part of the Evaluation Committee with their fleet fueling and transition plans. Allied's proposal gave the impression that they were not being aggressive for business and did not take into account City sustainability goals.

6.2 Athens

Athens' proposal was somewhat limited on detailed operational information. However, the proposal demonstrated that the company had a keen interest in doing work in Santa Monica. They were prepared to take over service at a higher level than other Proposers and showed creativity in approach to reaching the 70 percent goal by proposing processing commercial waste to recover recyclables. They believe that they could achieve 80% diversion in Santa Monica. Although Athens is not national, it is a noted regional company and there is no question about their ability to provide service. They report to be the largest recycler in L.A. County and currently provide collection services in Santa Monica. Athens proposed a 10 percent franchise fee. Their base yard is a good distance from Santa Monica, resulting in a long drive with trucks on the freeway. Athens stated that they would move Santa Monica collection base yard to their new facility in the City if they were awarded contracts resulting from both the commercial and transfer services procurements.

6.3 Consolidated

Consolidated has the highest pricing of the Proposers. Their proposal conveyed a very cautious approach to making a commitment and had the highest truck costs. However, they did fully address the detail of their alternative fuel use. Consolidated is part of Republic, the third largest national solid waste firm. They have familiarity with Solid Waste and are capable of providing good service. Their proposal did not present a very detailed plan. Consolidated did not propose to equip trucks with GPS units.

6.4 SWMD

SWMD knows the territory and currently services 720 accounts with business establishments. They are most likely to meet City's sustainability goals and do so without being forced. SWMD communicated the responsibility of AB 939 placed on the City and showed that in their proposal. They know customer base in the City well. Their base yard is located here reducing travel and environmental impact. SWMD placed heavy emphasis on public information and their role in meeting the goals. They have the ability to respond. Pricing appears low and SWMD had the lowest truck purchase cost. They did not propose to equip trucks with GPS units. The SWMD summarized the current customer information program which would be enhanced by supervisor delivery of recycling information to individual customers and the use of the City's new utility billing system for individualized information. In reviewing the SWMD proposal the Committee questioned the overhead charges incorporated into the SWMD prices as well as productivity factors that could result in higher costs. .

6.5 IRS

IRS delivered a proposal with less detail than others, but still met minimum criteria. They are already working in Santa Monica and are achieving high diversion rates. Their proposal focused on work primarily with contractors, not municipalities. IRS indicated that permitting is not complete on their facility. They have won awards, including one from SWANA. IRS is already achieving 70 percent diversion.

6.6 Looney

Looney's proposal was less impressive than others. They are already working in Santa Monica. Looney has been recognized by the NRDC and other groups by receipt of awards. Looney is already achieving 70 percent diversion. However, their yard is in downtown Los Angeles, some distance from Santa Monica resulting in a high level of truck miles.

6.7 SCD

SCD's proposal was not as concise and focused as other proposals. The company is a small operation and gave the impression that they may not have the expansion capability of larger companies, and their depth of management appeared less than other proposers. Their facilities are located in the City of Santa Monica which gives them local knowledge and compact logistic routes. This saves on traffic and pollution. They placed an emphasis on bio-diesel and their commitment to LNG/CNG was clarified and found acceptable. SCD currently services 200 commercial accounts in Santa Monica. SCD mentioned a franchise fee of 10 percent. SCD's response was not clear whether their proposed service prices had the 10 percent franchise fee payments inside or outside the charges to the City. The cost evaluation was conducted both ways, with the franchise fee assumed to be in their service charges treated as a footnote in the tables that follow re: cost analysis and overall evaluation rankings.

7.0 Evaluation Results, Rankings and Recommendations

The evaluation of the seven proposals received as a result of RFP #2001-201-01 was conducted using the procedure described in Section 2. As discussed in Section 2, the Evaluation Committee developed specific questions for each of the Proposers to clarify their submissions. The responses to the questions and additional clarifying discussions were held during the individual interviews. Several additional clarifying questions were identified for each Proposer. The responses were received and reviewed by the Evaluation Committee prior to determining its final consensus scoring. The criteria and weights used in the evaluation of the proposals are shown in Table 2. The weights shown were not shared with the Evaluation Committee prior to scoring or the Proposers prior to issuance of this report. The final consensus scoring was developed and is shown in Table 3.

**TABLE 2
PROPOSAL EVALUATION CRITERIA AND WEIGHTING**

Criteria	Weight (%)
1. Price	40
2. Quality of the service offered	15
3. Ability, capacity, and skill of the Proposer to perform or provide the services	15
4. Sufficiency of the Proposer's financial resources	15
5. Ability of the Proposer to provide such future maintenance or service as may be needed	Pass/Fail
6. Any other factor which will further the intent set forth in Section 608 of the City Charter	15

**TABLE 3
MATRIX OF FINAL SCORING**

Proposer	Weighted Score	Rank
All Collection Services		
SWMD	9.29	1
Athens	7.78	2
Allied	7.24	3
SCD	6.74	4
Consolidated	6.63	5
Roll-Off Collection Services		
Looney	5.93	Not Applicable
IRS	4.52	Not Applicable

Summary comments from the Evaluation Committee for each Proposer are presented below. The financial evaluation was based on a limited review of submitted data. A more rigorous financial evaluation will be required of the selected entity or entities.

7.1 Allied

- Reliable cost, cost changes would be reflected in contract changes.
- Meet or exceed diversion requirements.
- Would complete route audits to determine most efficient deployment.
- Routine daily inspections.
- Well established company.
- Did not demonstrate strong commitment to alternative fuels.
- Well written proposal, interview lacked enthusiasm.
- Demonstrated knowledge of AB939.
- Didn't seem to understand the potential volume of food waste.
- Could do the job, but seemed more reactive than proactive.
- Large publicly traded company with strong ability to finance operation.

7.2 Athens

- Proposed costs are on the high side; discount offered if awarded both.
- Reliable numbers, cost changes would be reflected in contract modifications.
- Very good understanding of AB939.
- Demonstrated awareness of various diversion strategies through work in other cities.
- Fine reputation within the region and industry.
- Demonstrated commitment to alternative fuels not as strong as others.
- Excellent management team.
- Current yard facility remote.
- Offered highest franchise fee (up to 12%).
- Routes computer generated for efficiency, GPS tracked trucks.
- Really demonstrated that they wanted to work with the City, brought the "A" Team to the interview.
- Thorough proposal.
- Firm is a large regional provider with ability finance needed capital.

7.3 Consolidated

- Highest costs.
- Had the most caveats and exceptions to the RFP.
- Remote yard.
- Can hire and gear up quickly.
- Solid training program.

- Interview lacked enthusiasm.
- Demonstrated knowledge of AB939.
- Noteworthy company reputation and experience, well qualified.
- Costly, but reliable. Future cost changes would be reflected in contract modifications.
- Want to start before 7:00 am and was non-committal about 100% alternative fuels.
- Commitment to diversion not as strong.
- Interview was not as impressive as written proposal.
- Consolidated is owned by Republic, a large, publicly traded company with generally strong financial condition.

7.4 SWMD

- Lowest cost as proposed; concerned that proposed cost too low, and with adjustments, proposed increase costs significantly.
- Best ability to provide service at cost indicated and to respond to cost changes.
- Very committed to sustainability goals and alternative fuels.
- No additional freeway driving needed.
- Have great team, experience and knowledge of the City.
- Well thought out proposal and business plan.
- Committed to CNG fleet. Qualified management team. Some concern about number of current vacancies.
- Represented labor force, well treated and experienced.
- Already provide majority of collection in City between residential/multi-family and commercial, incremental increase.
- Excellent knowledge of AB 939. Greatest ability to respond to changes, no contract modifications required.
- Local yard, progressive with alternative fuel equipment.
- Stated an ultimate goal of 100% diversion.
- City is able to finance debt and can adjust rates to cover operating costs

7.5 IRS

- Questions about permit status and capacity. Bid depends on granting of permit.
- Small company, this would be an expansion of current focus.
- Great plans for the future, but light on experience and resources.
- Small company appears to have ability to finance needed capital.
- Company is small and there is a concern about their ability to gear up.

7.6 Looney

- Proactive and good experience with construction and demolition debris recycling.

- Well regarded in industry.
- Currently has 75% diversion rate. Achieved 90% with Santa Monica Natural Resources Defense Council Building.
- Demonstrated good employee training and hiring program.
- At their interview, criticized City for potentially closing the roll-off services market in the City.
- Business plan focused on construction and demolition.
- Small company appears to have ability to finance needed capital.

7.7 SCD

- Cost second lowest. Low confidence in ability to maintain costs. Cost changes would be reflected in future contract modifications.
- Local presence and yard. Limited need to travel far with trucks.
- Separate pricing for food and wet waste.
- Offered franchise fee up to 10%.
- Good training program, anti-drug program, community involvement.
- Has sizable commercial operation in Santa Monica.
- Management Team, not as strong as other companies.
- Strong consultant team.
- Small company, limited experience.
- Experience in Biodiesel, but not CNG or LNG.
- Small family-run company appears to have ability to finance needed capital.

Recommendations

The Evaluation Committee unanimously agreed on the following recommendations for Transfer and Disposal Services:

- 1) The Committee recommends that **Option 5**, commercial collection throughout the entire City, should be awarded to the Solid Waste Management Division of the City. The SWMD best meets all of the City's evaluation criteria and has proposed the overall best proposal to the City. Additionally, this option provides the Council with the greatest control over labor and operational issues, virtually guaranteeing non-interruption of service and the ability to change to meet Council's goals.
- 2) The collection of C&D roll-off boxes, **Option 7**, should not be awarded to any proposer and the current open market system retained. The mandatory recycling requirement should be raised to 70 percent and the bond level raised, if necessary, to attain the 70 percent. Additionally, requirements for LNG/CNG fuels should be imposed on trucks used for this service in the City.

Additional Committee Thoughts

Option 1 through 4 – These options, collection of commercial waste in a portion of the City, should not be awarded to any proposer. There is no advantage to the City in the divided approach: (1) the prices are the same for all options, (2) the environmental impact is higher than for the full City options, (3) accountability, especially for the Downtown is lessened and (4) the administrative effort and cost to the City will be higher.

Option 6 – This option, where the SWMD and a private service provider provide commercial collection services throughout the entire City is not recommended since it is contrary to most of the City's stated objectives in the RFP.