REQUEST FOR PROPOSAL

FOR THE

PROFESSIONAL SERVICES

TO CONDUCT A

PERFORMANCE REVIEW

AND BILLING AUDIT

OF FRANCHISED WASTE HAULERS

Issued by:

City of Stockton

Public Works Department

Solid Waste & Recycling Division

22 E. Weber Avenue, Room 301

Stockton, CA 95202

Date Issued: February 11, 2016

Date Proposals Due: March 3, 2016

LATE SUBMITTALS WILL NOT BE ACCEPTED

1.0 INTRODUCTION

The City of Stockton (City) requests professional proposals from qualified consulting firms to conduct a performance review and billing audit of the city's franchised waste haulers, Republic Services and Waste Management. The Consultant and its staff must be familiar with the City's franchise agreements, its history of changes, and general municipal solid waste management principles and standards. Further, the consultant and its staff must demonstrate an understanding of state-wide solid waste industry standards and CalRecycle requirements and mandates.

The project involves a specialized field and its success requires an experienced professional who has successfully performed such projects in the past. The success of this project will depend on the ability to develop a credible and working relationship with the City, as well as with the franchised waste haulers.

The City of Stockton franchise agreements can be reviewed on the City's website at:

Republic Services: http://www.stocktonca.gov/files/C-03-188.pdf

Waste Management: http://www.stocktonca.gov/files/C-03-187.pdf

Additional information about the franchise agreements and its amendments can be found at the web links provided under **Exhibit A & B**.

2.0 BACKGROUND

In 2004, the City of Stockton entered into a franchise agreement with two waste haulers, Republic Services (previously Allied Waste), and Waste Management (USA Waste). The 15-year agreement provides a residential and commercial 3-cart waste collection system that includes recyclables, green and food waste. The franchise agreement with both haulers is due to expire in 2019, unless it is extended. According to Article 8.7 of the franchise agreement, the city may require a Performance Review of the waste haulers up to five times during the base term of the agreement, and one time during the extension of the agreement. The performance review shall be conducted as set forth in Article 8.7.

3.0 PROJECT DESCRIPTION

The project proposes to conduct a performance review and billing audit of the City's waste haulers as outlined in Article 5.1 – Consumer Information & Public Education, Article 6.7 A – Audit of Billings & Financial Reports, and 8.7 - Performance Review of the waste hauler franchise agreements. For each article, the performance review should study and evaluate compliance, as well as quality and level of services provided. The study shall observe efficacy, timeliness, billing and staffing practices, safety procedures and evaluate service levels respectively.

The proposed project will prepare a detailed final report for each waste hauler that describes the findings, methodology, data analysis, areas of concerns or correction, and recommendations for improvements.

4.0 SCOPE OF WORK

Each consultant shall prepare a detailed scope of services for this project based, in part and at a minimum, on information presented in this Request for Proposal, and other available information.

The scope of the performance review and billing audit will follow specifications described in Articles 5.1, 6.7, and 8.7 respectively in the franchise agreements with the waste haulers.

Additional items may be recommended.

Contract Item	**Contract Article 5.1** **Consumer Information & Public Education**
1.	Efficacy of Contractor's Public Education Plan
Contract Item	**Contract Article 6.7.A** **Audit of Billings and Financial Reports**
1.	Audit of Billings. The auditor shall review the billing practices of the Contractor with relation to delivery of Collection Services. The intent of this audit is to use sampling to verify that Customers are receiving the type and level of service for which they are billed.
2.	Audit of Revenue Reporting. The auditor shall review relevant financial reports and data submitted by the Contractor. The purpose of this audit is to verify the Contractor is correctly calculating Gross Rate Revenues, and is properly remitting Contractor Fees, AB 939 Fees and Liquidated Damages.
Contract Item	**Contract Article 8.7.A** **Performance Review**
1.	Compliance with the terms of this Agreement and Applicable Laws.
2.	Overall organizational structure and management systems and procedures.
3.	Efficiency of Collection operations, including an analysis of routes, schedules and the impact of the requirements of this Agreement.

4.	Timeliness and thoroughness of street sweeping, including coordination with Collection Services.
5.	Staffing practices, including the deployment of management and supervisory personnel.
6.	Financial management practices, including the Contractor's billing and collection system and its policies with regard to uncollected Customer accounts.
7.	Personnel management practices, including compensation policies and the resolution of employee grievances.
8.	Employee job and safety training, and management of Hazardous Waste.
9.	Procedures for receiving and resolving Customer complaints and concerns.
10.	Procedures for the acquisition, maintenance, safety check, and replacement of equipment.
11.	Utilization and management of facilities, equipment and personnel.
12.	Comparison with practices of businesses deemed similar to the Contractor.

4.1 Coordination/Meetings

The Consultant shall establish a clear and consistent communication with city and waste hauler staff for the duration of the project. The Consultant shall attend meetings with the city and waste haulers as needed to discuss and finalize the design. Further, the consultant is responsible for coordinating meetings, site visits and reviews with city and waste hauler staff as needed for the project.

4.7 Project Work Matrix:

The consultant must present a comprehensive Project Work Matrix for the project to identify all key team members including a work chart providing their name, title team member what project team member is assigned, team member percentage of work assigned for the project and hours per task total hours, direct labor, overhead percentage of work by task for prime and all sub-consultants. **Do not include any costs or hourly rates in this matrix.**

5.1 Proposal Submissions

Proposals shall be submitted no later than **12:00 PM on March 3, 2016** to:

Gretchen Olsen, Solid Waste Manager
CITY OF STOCKTON
22 E. WEBER AVENUE, ROOM 301
STOCKTON, CA 95202

The proposal should be firmly sealed in an envelope which will clearly be marked on the outside with "Proposal for Waste Hauler Performance Review" for the City of Stockton. Late Proposals will not be accepted.

5.2 Acceptance or Rejection of Proposal

The City reserves the right to negotiate an agreement with the firm submitting the highest ranking proposal. Also, the City reserves the right to reject any and all proposals or to waive any irregularity in a proposal if it is deemed to be in the best interest of the City. Failure to submit all requested information could be grounds to reject the proposal.

5.3 Proposal Questions and Requests for Clarification

Any question or request for clarification shall be submitted in writing to:

Sabine Verelst, Project Manager
sabine.verelst@stocktonca.gov
(209) 937-7579

Requests for clarification shall be submitted at least seven (7) business days prior to the proposal due date. If a response warrants an addendum to the RFP, such addendum will be communicated at least two days prior to the proposal due date.

5.4 Causes for Disqualification

Any of the following may be considered cause to disqualify a proposal:

A. Evidence of collusion among proposers
B. Any attempt to improperly influence any member of the evaluation panel
C. A proposer's default or breach of contract in previous work that resulted in termination of that agreement and/or
D. Existence of any lawsuit, unresolved contractual claim, or dispute between proponent and the City.

5.5 Licensing Requirements

Any professional certifications or licenses that may be required are the sole cost and responsibility of the proposer. A City of Stockton business license is required. Please contact the City of Stockton Business License Customer Service at (209) 937-8313.

5.6 Insurance Requirements

The proposer must obtain and maintain the required insurance. Proposer should review **Exhibit D**, **Instructions to Proposers** for information on insurance requirements, employment policies, and other requirements. Failure to comply with the Instructions to Proposers may be grounds for rejection.

5.7 Department of Industrial Relations

Please refer to **Exhibit D, Instructions to Proposers**, for registration requirements with the Department of Industrial Relations.

5.8 Product Ownership

Any documents resulting from the performance of work in the contract will become property of the City. This includes all work performed by sub consultants.

6 REQUIRED PROPOSAL CONTENT

The proposal shall contain the following, at a minimum:

- Cover Letter
- Table of Contents
- Executive Summary
- Project Team
- Project Understanding and Approach
- Examples of experience with similar types of work
- Detailed Work Plan
- References (Three for the firm, two of which are familiar with the proposed team)
- Schedule with key dates, milestones and critical path
- Cost proposal in a separate sealed envelope
- Use of 100% recycled paper

The body of the technical proposal shall not exceed **25 double-sided (8½" x 11")** pages with a minimum font size of 10. Proposer shall submit One (1) original and six (6) bound sets of the proposal. The maximum allowable length is exclusive of any folder, cover, or section dividers. Proposals shall be no more than **50 pages**, including resumes and the cover letter.

6.1 Cover Letter

The letter shall be signed by an official with the authority to negotiate and contractually bind the firm with the City of Stockton. Provide name, title, address, email, and telephone number for this officer. Describe any subcontract arrangements or licensing agreements. Include any potential conflict of interest.

6.2 Table of Contents

The proposal should include a table of contents.

6.3 Executive Summary

The Executive Summary shall include a summary of the proposal, emphasizing the approach to be taken and including a work plan, schedule, and description of the capabilities of the consultant and its staff. The summary should convey an understanding of the purpose of the project and the services required for performance.

6.4 Project Team

Describe your team organization including the qualifications of the prime consultant and any sub consultants. Provide an organizational chart of the proposed team structure.

The following should be addressed:

- Demonstrate the firm's experience in each of the areas of expertise needed to successfully complete the project. This should include a description of prior experience in working with public agencies, including working with City staff.

- Provide references with emphasis on the completion of projects related to performance reviews and billing audits with similar challenges (provide list with proposal).

- Ability for project team to perform the proposed work within the time limits of the project, considering their current and projected workload and assignments.

- Ability to provide quality control of all deliverables and be responsive to all issues in a timely manner.

- Provide project team resumes (Resumes shall be included in an Appendix and will not be counted as part of the 25 double-sided page limit).

6.5 Project Understanding and Approach

Describe your understanding of California municipal solid waste principles and standards and CalRecycle regulations.

6.6 Detailed Work Plan

Provide a proposed work plan for this project as described in the Scope of Service. Describe the proposed approach and the activities to be accomplished. Describe how the team will complete each task. Alternative approaches to the project can be submitted if a rationale is given for the suggested changes. Information on software which will be used to prepare all working documents and final documents shall be provided to the City.

6.7 Key Personnel References

Provide three client references for the firm, two of which are familiar with the project manager and key personnel. This shall include the name, company, contact information, and description of related work that was provided to the client.

6.8 Schedule

The selected consultant shall be expected to begin work within two weeks of contract signing and complete all tasks by **2016**.

The Consultant shall prepare and provide a comprehensive schedule to reflect the timeframe for each task of the proposed Scope of Service. The project schedule shall show a time line, tasks, milestones, assignments, critical paths, and other relevant data. The Consultant is encouraged to develop additional project schedule details and suggest changes for the project. The project schedule shall be maintained and updated monthly.

6.9 Cost Proposal

Submit a cost proposal in a separate sealed envelope.

7 PROPOSAL EVALUATION

The Consultant Selection process will follow the timeline shown below

Event	Date
Post Request for Proposals	February 11, 2016
Written Questions submitted by	February 18, 2016
Response to Written Questions	February 26, 2016
Proposals Due	**March 3, 2016**
Negotiations	April 14, 2016
City Council Approval	June 21, 2016

7.1 Proposal Evaluation

The selection committee will evaluate all proposals. This is a qualifications based selection and the **Evaluation Scoring Worksheet** seen under **Exhibit C** will be used. Proposer shall submit a cost proposal in a separate sealed envelope clearly labeled "Cost Proposal."

7.2 Negotiations

City staff will begin negotiations with the highest ranked firm. If an agreement cannot be reached after a reasonable period of time, as determined by the City, Then the City will terminate negotiations with the number one ranked firm and negotiations will be opened with the second ranked firm. The compensation discussed with one prospective Consultant will not be disclosed or discussed with another Consultant.

The selected consultant will be expected to enter into a Professional Services Contract with the City. Proposers should direct their attention to **Exhibit D, Instructions to Proposers** for the most current insurance and indemnification language. It is expected that the successful proposer will accept these terms without modification.

The contract shall not be in force until the Council approves the contract and the City manager signs it. Work performed before the issuance of a Notice to proceed cannot be paid by the City.

8.0 PROJECT INVOICING AND METHOD OF PAYMENT

The Consultant shall submit payment requests monthly. Payment requests shall include a detailed invoice of the costs incurred, a progress report (no more than one page) and an updated schedule (if changes have been made). The invoice and progress report should provide enough detail to define the amount of work being billed and to allow an evaluation of the percentage of work accomplished with respect to the budget expenditures made to date.

Payment will be made within thirty days after invoices are received and accepted by the Project manager. Invoices are to be rendered monthly. Compensation shall be paid no more frequently than once per month on a time and materials basis with a maximum not-to-exceed amount paid for total work completed.

EXHIBITS:

Exhibit A – Franchise Agreement URLs

Exhibit B – Franchise amendments URLs

Exhibit C – Evaluation Scoring Sheet

Exhibit D – Instructions to Proposers

Exhibit E – Sample Professional Services Contract