



Request for Proposals

for

Solid Waste Management Fee Study

for the San Luis Obispo County

Integrated Waste Management Authority

RFP Released:

September 6, 2024

RFP Submission Deadline:

3:00 PM on October 21, 2024

San Luis Obispo County IWMA

870 Osos Street

San Luis Obispo, CA 93401

805.782.8530

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SECTION I - INTRODUCTION AND BACKGROUND

A. Introduction

The San Luis Obispo County Integrated Waste Management Authority (IWMA) is requesting proposals from qualified Contractors to revise the Authority's methodology for establishing its Solid Waste Management Fee (SWMF) to better reflect costs-of-service. The Contractor will establish a methodology that is easy to understand and justifiable in accordance with the IWMA Fee Setting Policy.

All proposals must be received by, on, or before **3:00 PM on October 21, 2024**. The preferred method for proposal submission is electronic via jlane@iwma.com. However, if you wish to submit a paper copy, please submit it in a sealed envelope to:

Jordan Lane, Deputy Director
SLO County IWMA
870 Osos Street
San Luis Obispo, CA 93401

B. Background

Public Resources Code Sections 41901 and 41902 allow for government bodies to set and collect a fee to fund reasonable and necessary costs incurred by implementing a Countywide Integrated Waste Management Plan. The IWMA's SWMF was adopted by the Board of Directors in 2007 via Resolution No. 07-03. The IWMA SWMF is a fee collected from "any company that has an agreement with a governmental entity that is an IWMA Participating Agency to collect garbage in San Luis Obispo County, or possesses a permit issued by the County of San Luis Obispo, Division of Environmental Health pursuant to County Code Chapter 8.12.501."

Calculating the Fee

The SWMF was first calculated as 2% of gross revenue collected from commercial customers and \$0.30 per residential account for those residential accounts charged less than \$50 per month. For residential accounts charged more than \$50 per month, the SWMF was 2% of the gross revenue collected.

On or about March 9, 2022, the IWMA Board of Directors adopted Resolution 2022-03-04 replacing Resolution No. 07-03 (c) and increasing the SWMF to 5.4% on *all* gross receipts effective July 1, 2022.

The SWMF was temporarily reduced from 5.4% to 4.4% in Fiscal Year 23/24 and then reduced again to 3.0% in Fiscal Year 24/25.

Fee Year	Gross Revenue Multiplier		
	Residential < \$50	Residential > \$50	Commercial
2007	\$0.30	2%	2%
2022	5.4%	5.4%	5.4%
2023	4.4%	4.4%	4.4%
2024	3.0%	3.0%	3.0%

Fee Setting

On or about March 9, 2022, the IWMA Board adopted a Fee Setting Policy (FS-1) providing guidance on the authority to set fees; fee setting objectives and determinations; data required to support fee determinations; fee monitoring; and administrative requirements including coordination with member and participating agencies, coordination with industry representatives, and public review. The policy also states that prior to establishing a fee, a Fee Study shall be prepared for the IWMA by a qualified consultant selected through the Request for Proposal process.

Fee studies shall describe, document, and illustrate the estimated cost of services, the revenue requirements, and relevant calculations and evidence used to determine the specific fee recommendations. Cost and reserve requirements shall be projected over a period of not-less-than three years with the intent that fee recommendations are based upon a multiyear projection.

SECTION II – QUALIFICATIONS AND SCOPE OF SERVICES

A. Qualifications

The *ideal* Contractor will have the following characteristics:

- Experience with solid waste and regulatory fee analysis
- Strong communication skills
- Experience working with government agencies
- Familiarity with San Luis Obispo County agencies and key stakeholders in the regional solid waste industry

B. Scope of Services

The primary goal of the SWMF setting process and methodology is to determine whether a fee is fair to residents and businesses of the IWMA participating agencies (City, County, Special District) and provides adequate revenue to the IWMA to provide services to those agencies. The consultant shall, in accordance with the IWMA Fee Setting Policy FS-1 and under the direction of the Executive Director, prepare a comprehensive fee analysis and report.

The Contractor will be responsible for collecting data from the permitted solid waste haulers required to complete the SWMF analysis. At a minimum, this may include:

- Investigate and Data Collection.
- Work with the Permitted Franchise Haulers to determine and evaluate the current revenue streams.
- Survey other regional agencies as examples of fee methodology.
- Review existing Solid Waste Management Fee Methodology.
- Evaluate Solid Waste Management Fee Alternatives.
- Develop a cost-of-service fee analysis.
- Provide recommendations for collection of Solid Waste Management Fees.
- Present Recommendations to LTF.

The final report shall address the following:

- The SWMF must be justifiable and compliant with the requirements of Prop 218 and Prop 26.
- The SWMF should ensure adequate revenue to fully meet the cost-of-service requirements of the IWMA.
- The SWMF methodology should provide for ongoing review and fee stability to the customer.
- The SWMF should be easy to understand and administer.
- Costs should be allocated to each specific customer class to ensure a nexus with costs-of-service.
- Address extraordinary event fee setting methodology.
- The SWMF setting process should be defensible and fair to all parties.

The SWMF Review Methodology should clearly identify at a minimum the following costs/revenue category:

- Costs-of-service for residential/commercial.
- Costs-of-service for SB 1383 Rural Exemption vs Non-Exempt.
- Revenue for the current fee year and a three-year projection.
- Current annual cost of operations.
- Forecast cost of operations.

The Contractor should become familiar with the project to the extent that, if necessary, they can assist in performing associated tasks with adopting a new fee including, but not limited to:

- Preparing a SWMF narrative and fee recommendations reflective of the Study Objectives above and in compliance with Proposition 26.
- Meeting to confer with stakeholders as needed.
- Supplying a time schedule for the length of the study to include all deliverables.

- Presenting final report and recommendations at a public hearing to the IWMA Board.

SECTION III - TIMELINE AND SUBMITTAL INSTRUCTIONS

The following represents the tentative schedule for this RFP. Any change in the scheduled dates for the Pre-Proposal Conference, Deadline for Final Questions, Proposal Submission Deadline, or Interviews will be advertised in the form of an addendum to this RFP. The schedule for other milestones dates may be adjusted without notice.

A. Timeline

DATE - 2024	EVENT
September 7, 2024	RFP release date
September 19, 2024 September 18, 2024	Optional pre-proposal phone conference at 1:30 p.m. (PST)
October 11, 2024	Deadline to submit written questions due by 3:00 p.m. (PST)
October 21, 2024	Proposals due by 3:00 p.m. (PST)
November 8, 2024	Preliminary screening process complete, including reference checks
November 13, 2024	Board consideration and approval of staff recommended Contractor (including proposer presentation, if requested)
November 27, 2024	Negotiate and finalize contract
December 9, 2024	IWMA Board President signs contract (if applicable)

B. Proposal Format and Content Requirements

All proposals must include, and will be evaluated on, the following criteria:

- 1) Qualifications of Contractor and Personnel:
 - a) For bidder and each subcontractor and any other person or entities that will be conducting Fee Study (herein after referred to as “subcontractors”), list the following information:
 - i. Exact name and address of the company;
 - ii. Relevant experience;
 - iii. number of years the company has been in business under the present name; and
 - iv. the name, title, email address, phone number, and fax number of the primary contact.
 - b) Describe the relevant technical experience of key personnel and a description of their professional background.
 - c) The bidder and any potential subcontractors must be permitted to work in San Luis Obispo County and be listed in the proposal.
 - d) Provide a managerial flow chart under which events will be operated.
- 2) Technical Workplan
 - a) Briefly describe how tasks listed in the Scope of Services will be accomplished.
 - b) Include a sample invoice.
 - c) Include a timeline of deliverables and estimated project completion date (preferred completion by January 31, 2024).
- 3) Budget, Retainer, and/or Rates

Include an estimate of a rate or retainer for all proposed services that would be the basis for monthly invoices during the life of the contract with the IWMA. All hourly rates, fees, and reimbursable costs must be clearly stated. Provide the title and rate of all Contractor staff and subcontractors that will be assigned to regular duties as outlined in the Scope of Services.

4) Client References

Provide a list of current and former clients, including any governmental agencies you have serviced. Include client name, contact person and title, complete address, telephone number, type of organization, and a brief description of work performed.

For the bidder and each proposed subcontractor, include copies of all notices of violations, administrative orders, or other enforcement actions taken by regulatory agencies during the past three years.

5) Identify Existing and Potential Conflicts of Interest

List all current public clients in San Luis Obispo County for which the Contractor provides service. To the extent they are reasonably foreseeable, please indicate any actual or potential conflicts of interest that might arise from the Contractor's representation of the IWMA. Please outline the manner in which conflicts would be resolved, mitigated, or avoided.

6) Disclosure of Litigation

Contractor must include in its Proposal a complete disclosure of any civil or criminal litigation or indictment involving the Contractor. Contractor must also disclose any civil or criminal litigation or indictment involving any of its joint ventures, strategic partners, prime Contractor team members, and subcontractors. This disclosure requirement is a continuing obligation, and any litigation commenced after a Contractor has submitted a Proposal under this RFP must be disclosed to the IWMA in writing within five (5) days after the litigation has commenced.

C. Questions

All questions (requests for interpretations or corrections) pertaining to the content of this RFP must be made in writing to jlane@iwma.com with the email subject line of: **QUESTIONS – Fee Study RFP** by October 11, 2024, 3:00 p.m. (PST). Requests submitted after said date may not be considered. Questions will receive a response within five (5) business days. Questions and responses will be posted (anonymously) on the IWMA website: <https://iwma.com/about/requests-for-proposal/>. The IWMA reserves the right to determine the appropriateness of comments/questions that will be posted on the IWMA website.

D. Submittal Instructions

If you or your Contractor is interested and qualified, please submit one (1) electronic copy of your proposal, in Adobe (pdf), to jlane@iwma.com with the email subject line of: **PROPOSAL – Fee Study RFP**, by October 21, 2024, 3:00 p.m. (PST).

SECTION IV - RFP PROPOSAL EVALUATION AND SELECTION PROCESS

A. Criteria Weight

The proposals shall be reviewed based on the following criteria and scale. One of the most important criteria are the qualifications of the Contractor and the costs of services. The goal is to contract with a Contractor that is qualified and cost effective:

- 1) Qualifications of Contractor and Personnel: 25%
- 2) Technical Workplan: 40%
- 3) Budget and/or Rates: 25%
- 4) Client References: 10%

Proposals will be reviewed upon receipt and the most qualified Contractors may be requested to make a presentation to the IWMA Executive Committee and/or full Board. The recommendation by IWMA Staff will also be presented to the IWMA Executive Committee and/or full Board for approval of selection.

B. Final Selection

IWMA Staff will formulate its recommendation for award of the Contract and forward its selection to the full Board for approval. The final contract will be signed by the IWMA Board President.

C. Contract Award and Execution

The IWMA reserves the right to enter into a contract without further discussion of the submitted proposal. Therefore, the proposal should be initially submitted on the most favorable terms the proposer can offer. The IWMA reserves the right to withdraw the RFP in whole or in part, at any time and for any reason. Submission of a proposal confers no rights upon a proposer and does not obligate the IWMA in any manner. The IWMA reserves the right to award no contract and to solicit additional offers at a later date.

The contract awarded for this request will be written by the IWMA.

Each proposer, by submitting a proposal, agrees that if the IWMA accepts its proposal, such proposer will furnish all items and services upon the terms and conditions in this RFP and subsequent contract. Proposals that do not meet the mandatory requirements set forth in this RFP will not be considered. Proposers may be disqualified, and the proposal may be rejected by the IWMA for any of, but not limited to, the following reasons:

- Failure to properly respond to the RFP.
- Evidence of collusion among the proposers submitting the proposals.
- Failure to comply with the specification requirements of the RFP.

Terms, conditions, prices, methodology, or other features of the proposal may be subject to negotiation and subsequent revision. As part of the negotiations, the proposer

may be required to submit additional financial information and other data to allow for a detailed evaluation of the feasibility, reasonableness, and acceptability of the proposal.

The RFP document and the successful proposal, as amended by agreement between the IWMA and the successful proposer, including e-mail or written correspondence relative to the RFP, may become part of the contract documents. Additionally, the IWMA may verify the successful proposer's representations that appear in the proposal. Failure of the successful proposer to perform as represented may result in elimination of the successful proposer from competition or in contract cancellation or termination.

The requirements listed in this RFP are not negotiable and will remain unchanged unless the IWMA determines that a change in such requirements is in the best interest of the IWMA.

The IWMA expressly reserves the right, in its sole judgment, to accept or reject any or all proposals, with or without cause, modify, alter, waive any technicalities or provisions, or to accept the proposal which, in its sole judgment, is determined to be the best evaluated offer resulting from negotiation and taking into consideration other evaluation factors set forth in the RFP. The successful proposer will be expected to enter into a contract with the IWMA. If the successful proposer fails to sign a contract within fifteen (15) business days, unless the IWMA grants an extension, following the delivery of the contract documents, the IWMA may elect to negotiate a contract with the next-highest ranked proposer.

IWMA shall not be bound, or in any way obligated, until both parties have executed a contract. The selected proposer may not incur any chargeable costs prior to final contract execution. The foregoing should not be interpreted to prohibit either party from proposing additional contract terms and conditions during the negotiation of the final Contract.

The supplies and services are to be provided in compliance with all applicable state and federal standards, rules, and regulations. The IWMA reserves the right to request additional written and/or oral information from proposers at any time before contract award, to obtain clarification of their responses.

SECTION V - GENERAL CONDITIONS

A. IWMA Rights & Options

- 1) All proposals must be submitted to the IWMA email address: jlane@iwma.com with the email subject line of: **PROPOSAL – Fee Study RFP** in Adobe (pdf) format by October 21, 2024, 3:00 p.m. (PST). Late proposals will not be considered.
- 2) All costs incurred in the preparation and submission of proposals and related documentation will be borne solely by the proposer.

- 3) This RFP does not constitute an offer of employment or contract for services.
- 4) The IWMA may, in its sole and absolute discretion, accept or reject all proposals, in whole or in part, with or without cause, in response to this RFP and to make more than one award, or no award, or postpone or cancel, at any time, this RFP process, if the IWMA determines such action to be in its best interests.
- 5) The IWMA reserves the right to remedy technical errors, modify the published scope of services and approve or disapprove the use of all sub-consultants.
- 6) The issuance of this RFP does not constitute an agreement by the IWMA that any subsequent selection process will occur, or that any contract will be entered into by the IWMA. Proposals and other materials will not be returned.
- 7) The IWMA has the right to use any or all ideas or concepts presented in any proposal or interview without restriction and without communication to all applicants.
- 8) All documents submitted to the IWMA in response to this RFP will become the exclusive property of the IWMA.
- 9) All proposals shall remain Contractor for one hundred twenty (120) days, following the closing date for receipt of proposals.
- 10) The IWMA reserves the right to award the contract to the Contractor who presents the proposal which, in the judgment of the IWMA, best accomplishes the desired results.
- 11) Any request by the Contractor to increase pricing may not exceed national or regional CPI and must align with the IWMA's budget cycle.
- 12) Any contract awarded pursuant to this RFP will incorporate the requirements and specifications contained in this RFP. All information presented in the proposal will be considered binding upon selection of the successful proposer, unless otherwise modified and agreed to by the IWMA during subsequent negotiations.
- 13) Under the provisions of the California Public Records Act (the "Act"), Government Code section 6250 et seq., all "public records" (as defined in the Act) of a local agency, such as the IWMA, must be available for inspection and copying upon the request of any person. Under the Act, the IWMA may be obligated to provide a copy of all responses to this RFP, if such requests are made after the contract is awarded. One exception to this required disclosure is information which fits within the definition of a confidential trade secret [Government Code section 6254(k)] or contains other technical, financial, or other data whose public disclosure could cause injury to the proposer's competitive position. If any proposer believes that information contained in its response to this RFP should be protected from

disclosure, the proposer MUST specifically identify the pages of the response that contains the information by properly marking the applicable pages and inserting the following notice in the front of its response:

NOTICE: The data on pages _ of this response identified by an asterisk (*) contain technical or financial information, which are trade secrets, or information for which disclosure would result in substantial injury to the proposer's competitive position. Proposer requests that such data be used only for the evaluation of the response but understands that the disclosure will be limited to the extent the IWMA considers proper under the law. If an agreement is entered into with the proposer, the IWMA shall have the right to use or disclose the data as provided in the agreement, unless otherwise obligated by law.

- 14) The IWMA will not honor any attempt by proposer to designate its entire proposal as proprietary. If there is any dispute, lawsuit, claim or demand as to whether information within the response to the RFP is protected from disclosure under the Act, proposer shall indemnify, defend, and hold harmless the IWMA in any action arising out of such dispute, lawsuit, claim, or demand.
- 15) The proposer warrants that no official or employee of the IWMA has an interest, has been employed or retained to solicit or aid in the procuring of any contract resulting from this RFP, if any, and further warrants that such person will not be employed in the performance of the contract without immediate written notice to the IWMA.
- 16) Contractors submitting proposals shall warrant that their offer is made without any previous understanding, agreement, or connection with any person, Contractor or corporation submitting a separate proposal for the same service and is in all respects fair, without outside control, collusion, fraud, or otherwise illegal action. This condition shall not apply to proposals which are submitted by Contractors who have partnered with others to submit a cooperative proposal that clearly identifies a primary Contractor and the associated sub-Contractors.
- 17) Proposers shall comply with all laws and regulations governing nondiscrimination in employment, including the Americans with Disabilities Act of 1990, the Fair Employment and Housing Act (California Government Code, § 12900, et seq.), and the applicable regulations promulgated thereunder (2 California Code of Regulations, § 7285, et seq.).

Nondiscrimination: The proposer, regarding the work performed by them during the Contract, shall not discriminate on the grounds of race, color or national origin or other legally protected criteria in employment or the selection and retention of any potential subcontractors.

18) Unforeseen additional items and/or services may be required. The IWMA therefore reserves the right to negotiate with the successful proposer for additional items and/or services beyond what is described in the final contract.

B. Changes to the RFP

This RFP is posted on the IWMA's website: <https://www.iwma.com/about/requests-for-proposal/>. Any changes, additions, or deletions to this RFP will be in the form of written addenda issued by the IWMA. Any addenda will be posted on the website. Prospective proposers must check the website for addenda or other relevant added information during the response period. The IWMA is not responsible for the failure of any prospective proposer to receive such addenda. All addenda so issued shall become a part of this RFP. Any proposer who has already submitted their proposal and desires to make corrections, may remove and replace their proposal up to the date and time for which this RFP closes.

C. Communications

All communications concerning this RFP shall be directed to jlane@iwma.com with the email subject line of: **QUESTIONS – Fee Study RFP**. All other communication is not binding and shall in no way modify the RFP or the obligations of the IWMA.

After the solicitation has closed, proposers can view the RFP on the IWMA website where any available award information will be posted and updated within the solicitation. Any questions and requests for information must be addressed to jlane@iwma.com with the email subject line of: **QUESTIONS – Fee Study RFP**.

D. Insurance

The selected proposer will be required to provide insurance coverage in the amount of one million dollars (\$1,000,000) Commercial General Liability Insurance, and two million dollars (\$2,000,000) of Professional Liability Insurance.

INSURANCE REQUIRED	COVERAGE LIMITS
Commercial General Liability & Property Damage	\$1,000,000 Per Occurrence
Professional Liability	\$1,000,000 Per Occurrence \$2,000,000 Aggregate

The selected proposer shall provide, within five (5) days after the contract for services is executed by all parties, a certificate of liability insurance naming the IWMA and its employees and officers as additionally insured. This shall be maintained in full force and effect for the duration of the contract and must be in an amount and format satisfactory to the IWMA.

E. Exceptions and Deviations

Any exceptions to or deviations from the requirements set forth in this RFP must be declared in the proposal submitted by the proposer. Such exceptions or deviations must be segregated as a separate element of the proposal under the heading "Exceptions and Deviations". The IWMA may waive any immaterial deviation or defect in a proposal.

F. Award

The IWMA reserves the right to make awards within One Hundred Twenty, (120) days after the date of the RFP closing.