

	<h1>Board of Storey County Commissioners</h1> <h2>Agenda Action Report</h2>	
Meeting date: 1/2/2024 10:00 AM - BOCC Meeting		Estimate of Time Required: 60 min.
Agenda Item Type: Discussion/Possible Action		

- **Title:** Discussion and consideration to select one of three respondents to the Request for Proposal to provide solid waste collection and recycling services in Storey County, and to direct county staff, with assistance of Sloan Vazquez McAfee, to enter into negotiations with the chosen respondent and to bring a competitively procured, last, best, and final service contract to the board for consideration for approval.
- **Recommended motion:** In accordance with the findings and recommendations in the enclosed RFP Evaluation Analysis by Sloan Vazquez McAfee, I (commissioner) motion to approve conditional selection of _____(choose from respondents below)_____ to provide solid waste and recycling collection services in Storey County, and to direct county staff, with assistance of Sloan Vazquez McAfee, to enter into negotiations with this respondent and to bring a competitively procured, last, best, and final service contract to the board for consideration for approval. Final determination to select the respondent for this service is conditioned upon board approval of the negotiated service contract.
- Respondents:
 - 1. Nevada Recycling & Salvage, LTD
 - 2. Olcese Waste Services
 - 3. Waste Management, Inc.
- **Prepared by:** Austin Osborne

Department:

Contact Number: 775.847.0968

- **Staff Summary:** Storey County initiated the Franchise Collection Services Request for Proposals (RFP) process to enter into a new contract for collection services. The RFP process involves planning, soliciting, and evaluating proposals; selecting and negotiating with the selected contractor; and an implementation period leading to commencement of services on December 1, 2024.
- The county solicited proposals for the collection, transfer, processing, and marketing of all solid waste and recyclable materials, and the transfer station management. The county was interested in receiving proposals from companies that have demonstrated experience in providing collection services, and drop- off/transfer station management services, comparable to those described in this RFP and the agreement and that place a high priority on customer service and safety.
- The planning phase leading up to the RFP process included the review of numerous programs, services, procurement processes and contracting issues to provide insight and

formulate recommendations for consideration by the County Commissioners. During this phase, input was sought from stakeholders regarding current and potential programs and services. The resulting draft Scope of Services was presented to the commissioners for input and direction. An RFP document was prepared and presented to the board and ultimately approved for release in October 2023.

- The successful collector will be required to execute a franchise agreement with the county. The franchise agreement will be based on the draft agreement included with the RFP and may be modified to reflect the final negotiated terms and conditions of service. (e.g., the optional programs selected; agreed upon exceptions to the draft agreement, etc.). Services under the new agreement will commence on December 1, 2024.

- **Supporting Materials:** See attached

- **Fiscal Impact:** Yes

- **Legal review required:** TRUE

- **Reviewed by:**

_____Department Head

Department Name:

_____County Manager

Other Agency Review: _____

- **Board Action:**

<input type="checkbox"/> Approved	<input type="checkbox"/> Approved with Modification
<input type="checkbox"/> Denied	<input type="checkbox"/> Continued



Storey County, Nevada
Request for Proposals
for
Franchise Collection Services

Evaluation and Scoring of Proposals
FINAL DRAFT

Prepared by:

*Sloan***VAZQUEZ****McAFEE**
MUNICIPAL SOLID WASTE ADVISORS

Municipal Solid Waste & Recycling Advisors
P.O. Box 15623
Irvine, CA 92623
Office: 866.241.4533
www.sloanvazquez.com

December 2023

Table of Contents

1.0 OVERVIEW 1

1.1 RFP Goals..... 1

2.0 PROPOSAL EVALUATION PROCESS 2

2.1 Evaluation & Selection Process 2

2.2 Evaluation Criteria 3

3.0 PROPOSAL EVALUATION RESULTS..... 6

3.1 Evaluation Recommendation and Scoring..... 6

3.2 Summary of Proposer Evaluation Highlights 6

3.3 Major Findings 8

3.4 Cost Proposal Evaluation..... 9

4.0 RECOMMENDATION 9

5.0 PROPOSAL SUMMARY TABLES 14

1.0 OVERVIEW

Storey County initiated the Franchise Collection Services Request for Proposals (RFP) process to enter into a new contract for collection services. The RFP process involves planning, soliciting and evaluating proposals; selecting and negotiating with the selected Contractor; and, an implementation period leading to commencement of services on December 1, 2024.

The County solicited proposals for the collection, transfer, processing and marketing of all solid waste and recyclable materials, and the transfer station management. The County was interested in receiving proposals from companies that have demonstrated experience in providing collection services, and drop-off/transfer station management services, comparable to those described in this RFP and the Agreement and that place a high priority on customer service and safety.

The planning phase leading up to the RFP process included the review of numerous programs, services, procurement processes and contracting issues in order to provide insight and formulate recommendations for consideration by the County Commissioners. During this phase, input was sought from stakeholders regarding current and potential programs and services. The resulting draft Scope of Services was presented to the Commissioners for input and direction. An RFP document was prepared and presented to the Board and ultimately approved for release in October 2023.

The successful collector will be required to execute a franchise agreement with the County. The franchise agreement will be based on the Draft Agreement included with the RFP and may be modified to reflect the final negotiated terms and conditions of service. (e.g., the optional programs selected; agreed upon exceptions to the draft agreement, etc.). Services under the new agreement will commence on December 1, 2024.

1.1 RFP Goals

As part of the development of the RFP, the County established key process and program goals. These goals incorporate the feedback from stakeholders and reflect the priorities and expectations of the County for the implementation of the RFP process, and the County's goals and objectives for future collection services.

Process Goals: Integrity, Competition in Selection Process, and Industry-Standard Contract Terms

- Conduct the RFP process with integrity and transparency.
- Set high performance standards.
- Ensure value for ratepayers.
- Enter into contract with fair terms and conditions.

The RFP process conducted by the County achieved the Process Goals for integrity, competition in selection process, and industry-standard contract terms. The County's approach and the Commissioners' direction resulted in a process that was conducted with integrity and transparency. The County's RFP

attracted a strong level of competition and resulted in the submission proposals from a solid roster of participating companies, which stimulated the desired level of competition among proposers.

Program Goals: Quality, High-Value Programs

Each company's demonstrated ability and proposed plans to achieve the following program goals were evaluated as part of the RFP process.

- Consistent, reliable and quality service
- Efficient service delivery that provides a strong value to the ratepayers
- Responsive customer service system
- Well-planned and professionally-executed transition to any new programs and services
- Quality outreach and education

While each of the participating proposers is an established solid waste company with the resources and experience necessary to provide services for the County, there were differences in the thoroughness of the transition plans, commitment to providing the County's desired level of customer service and quality of the proposed outreach and education. Ultimately, the achievement of the Program Goals listed above is dependent on which proposer is ultimately selected.

Participating Proposers

Proposals were submitted by three (3) reputable companies with the financial stability necessary to initiate and conduct services for the County. The following is an alphabetical list of the proposers, and a brief description of each company.

Nevada Recycling & Salvage, LTD (NRS): NRS is a Nevada-based company founded in 2006. The company has 17 years of experience and is based in Reno, Nevada. The management team has 90 years of combined experience in the waste and recycling industry. The drivers and operation staff have 150 years of combined experience managing and collecting waste.

Olcese Waste Services: Olcese Waste Services is a local company established in 1996. With over 33 full-time employees, the company currently provides subscription solid waste services in unincorporated Churchill County, the City of Fernley and the City of Sparks.

Waste Management, Inc. (WM): WM is the largest company in the environmental services industry. The legal entity that would execute the Franchise Collection Services Agreement is Waste Management of Nevada, Inc.

2.0 PROPOSAL EVALUATION PROCESS

2.1 Evaluation & Selection Process

The Franchise Collection Services RFP prescribed a process for evaluation of proposals. The evaluation process set forth in the RFP required consultants to analyze and score the proposals in order to formulate

a recommendation for the Board of Supervisors. The evaluators, Joe Sloan, Enrique Vazquez and Charissa McAfee of Sloan Vazquez McAfee (the Evaluation Team) conducted an analysis and evaluation of the three (3) RFP responses and based the scoring and ranking upon the written proposals submitted by each company on November 21, 2023.

The Evaluation Team followed the prescribed process to evaluate the three (3) proposals submitted in response to the RFP. The Evaluation Team reviewed and scored the proposals based on a maximum score for each evaluation criteria as set forth in the RFP and also included below as **Table 1: Evaluation Criteria and Maximum Evaluation Score**.

Table 1: Evaluation Criteria and Maximum Evaluation Score

Evaluation Criteria	Maximum Evaluation Score	Percent of Total
Responsiveness to the RFP	Pass/Fail	n/a
Company Experience	150	15%
Company Financial Ability	100	10%
Service Approach	250	25%
References	100	10%
Cost Proposal	400	40%
Number and Materiality of Exceptions to Draft Agreement	Noted	n/a

Note: n/a = not applicable

2.2 Evaluation Criteria

The proposals were numerically scored and ranked using the criteria and weighting described in the RFP. The evaluation criteria, maximum score and scoring results are presented in Table 2: Proposer Evaluation Score. Four of the main categories and their corresponding subcategories are described below.

Responsiveness (Pass/Fail)

Proposer must be fully compliant with the RFP and procurement procedures as demonstrated by submittal of all elements required by Sections 3 and 5 of this RFP; full completion of all cost proposal forms; compliance with process guidelines presented in Section 4; and adherence to the code of conduct signed by the proposer.

Company Experience

1. Collection Experience. Demonstrated experience of company providing the requested or similar services to other jurisdictions. If the Proposer is a joint venture, demonstrated experience of parties working together.
2. Service Initiation Experience. Demonstrated experience of company's ability to implement new collection services and new franchise agreements and obligations that are like the County services in comparable sized communities.

3. Management and Customer Service Systems. Demonstrated capabilities of the company's existing management and customer service systems' abilities to track and monitor contract compliance, quality of collection service, and call center responsiveness and to report data required (see Article 8 of the Agreement). In the event the company proposes use of a new or modified system, the extent to which such system has the potential to meet the County's needs and contract requirements will be evaluated.
4. Key Personnel Qualifications. Extent and relevance of the qualifications and experience of key personnel proposed for the transition team and on-going management of the County's collection operations.
5. Past Performance Record. Review of company's history with litigation and regulatory action (including, by way of example, but not limited to nature of past and pending civil, legal, regulatory, and criminal actions; history and nature of payments of liquidated damages); regulatory compliance related to equipment and facilities including compliance with land use permits, storm water discharge permits, state highway requirements, etc.).

Company Financial Ability

1. Financial Stability. Financial strength and ability of company to acquire equipment and provide financial assurance of performance based on review of its audited financial statements and its proposed financing plan and the relationship of the County's Agreement to the company's total annual revenues.

Service Approach

1. Collection Approach. Reasonableness and reliability of the proposed collection methods (including, by way of example, but not limited to technology, equipment, and containers); reasonableness of productivity and operating assumptions including, by way of example, but not limited to number of routes, route drivers, route hours, stops per route, and other operating statistics), if applicable; and reasonableness of assumptions.
2. Transfer Station Management. Plan for Transfer Station management as required by the County.
3. Collection Facilities. Plan for providing the facilities needed for equipment storage and parking, maintenance, and administration. Level of assurance provided, if any, about site acquisition and timely development of necessary facilities if not proposing an existing, operational and permitted facility.
4. Public Education and Promotion Program. Compatibility of the proposed education program, staffing level, and program ideas with the needs of the County and the requirements of Article 5.10 of the Agreement; and, the quality of public education samples relative to other Proposers.
6. Employee Retention Plan. Whether or not Proposer intends to offer an employee retention plan to maintain employment of current Contractor's employees providing service to Storey County.
7. Implementation Plan. Reasonableness of implementation schedule and ability to meet deadlines (including, by way of example, but not limited to reasonableness of any equipment procurement

schedules, implementation staffing levels, public education program, container/cart distribution, new corporation or maintenance yard development, contingency plans, etc.).

8. Capacity. Reasonableness and reliability of the proposed facilities for transfer, disposal and/or processing of solid waste and recyclable materials, including documentation of existing facility permitting/approvals and/or guarantee of sufficient capacity for tonnage from the County service area, and the reasonableness of proposed material transport plans.
9. Customer Service. Customer service approach, staffing levels, and County-specific training programs.
10. Billing System. Billing approach, and procedures for handling customer billing activities.

References

1. Jurisdiction Satisfaction. Satisfaction of company's references with the services received in the past 10 years (including, but not limited to, implementation, customer service, call center, billing, payment of fees, reporting, and the handling of contractual issues).

Cost Proposal

1. Reasonableness of Cost Proposals. Logical relationship between proposed costs and operational assumptions for the base cost proposal.
2. Competitiveness of Cost Proposals. Cost competitiveness relative to other proposals.

Evaluators allocated points on a percentage basis after analyzing the responses of each proposer in each of the aforementioned evaluation sub-categories. The scores assigned to each of the proposals reflect the extent to which the company fulfilled the requirements of the evaluation criteria and the extent to which each criterion was fulfilled relative to other proposals. For example, with the exception of the "Cost Proposal" category, the response that evaluators deemed to be the most thorough, complete, responsive, and/or effective was awarded the highest rating of 100%. Then, the remaining proposals were scored based upon the evaluator's determination of divergence (decline) from the best rated response. Several factors were measured in each evaluation category. In some cases, responses were deemed to be equal and were allotted the same scores.

Additionally, the RFP included requests for information regarding any exceptions that the proposer may have taken to the Draft Agreement which was included as a part of the County's RFP. Proposers were also allowed to present options that were not requested by the County. As indicated in the RFP, responses to these items are noted for the County's consideration, but they are not scored in the evaluation score sheet.

3.0 PROPOSAL EVALUATION RESULTS

3.1 Evaluation and Scoring

The proposer's evaluation scores are presented in Table 2: Proposer Evaluation Score. Based on the comprehensive analysis and evaluation of each proposal, Waste Management earned the highest overall evaluation score of 955.5 points and Nevada Recycling & Salvage came in a very close second with an evaluation score of 955.0, a 5/10ths of 1% difference.

Table 2: Proposer Evaluation Score

Evaluation Criteria	Maximum Points Available	Proposer and Score		
		NRS	Olcese	WM
Company Experience: 15%	150	127.5	100	150
Company Financial Stability: 10%	100	90	85	100
Service Approach: 25%	250	237.5	125	212.5
References: 10%	100	100	100	100
Cost Proposal: 40%	400	400	-	393
Total Points Awarded	1000	955	-	955.5
Score		95.50%	-	95.55%
Ranking		2	-	1

The Olcese proposal lacked the detailed planning necessary to validate the company's ability to execute a municipal service contract. The company's proposal did not match the quality demonstrated by the other companies in their proposals. Additionally, their cost proposal presented operating costs that were significantly higher than the projected service fee revenues. Because of these factors, the evaluators cannot recommend Olcese to provide the requested services to Storey County's residents and businesses.

3.2 Summary of Proposer Evaluation Highlights

The following is a summary highlighting the evaluation results of the three (3) proposers:

NRS

NRS submitted a comprehensive, high-quality proposal that was tailored to the input of community stakeholders and Supervisor direction.

- The company has sufficient commercial collection experience and offers the necessary experience in service initiation and implementation.
- The key personnel bring years of local expertise and have the availability to effectively service Storey County.
- The company's performance record, financial capabilities and customer satisfaction are sufficient to assure that the company can provide stable, high-quality service in the County.
- NRS's proposal included a novel approach to providing weekly recycling service for residential customers.
- Their proposed programs would deliver excellent customer service, with a focus on diversion, public education, and customer service.
- The proposal included an implementation plan with realistic schedules. The company also demonstrated their capability to provide all of the services required, including local customer service and billing services.

NRS submitted the second-highest rated proposal, demonstrating excellent capabilities, service offerings and programs, and is the only proposer offering weekly residential Recycling services as a component of standard residential service.

Olcese

Olcese is a well-managed company that provides personalized solid waste collection services to residential and commercial customers in northern Nevada. The company has established a well-staffed operation and has positioned itself for continued growth. However, Olcese submitted the least comprehensive proposal.

- The company's management team is well-qualified and provides direct management of operations.
- While the company's submittal offered straightforward information, the proposal earned lower ratings due to the limited detail. The collection approach, public education and promotion program and implementation plans did not feature the level of specificity or examples necessary to demonstrate the experience, qualifications and capabilities needed for a contract of this size and complexity.
- The company's service rate proposal was not reviewed because the company failed to properly complete the cost proposal forms that were provided to all prospective proposers. While Olcese is a reputable, well-managed company with respected operations, their proposal did not provide the level of detail or planning necessary for a contract of this size and complexity.

Waste Management

Waste Management submitted the most comprehensive proposal that demonstrated their knowledge of the service area.

- The company has extensive collection expertise, a highly experienced management team and the resources necessary for reliable program implementation and service delivery.
- Waste Management's key personnel bring years of local expertise and have the ability to effectively service Storey County. The company's performance record and financial capabilities ensure that the company is able to provide stable, high-quality service to the County.
- Their proposed programs would deliver excellent customer service. The company provides excellent data management systems and public education materials.

Waste Management prepared an excellent proposal that was responsive to the County's feedback and direction. Additionally, Storey County customers will enjoy a reduction in rates, with Waste Management offering the lowest rates to both residential and commercial customers.

3.3 Summary of Findings

The following summary of findings provides highlights of the key details that were considered to be significant differentiators between proposers and key attributes or shortcomings of the proposals.

Company Experience

Waste Management received the highest rating for company qualifications and experience. As the long-term incumbent service provider, it would be difficult for another proposer to exceed WM's experience in Storey County. The company provided the most thorough and extensive information regarding the company's qualifications and experience. NRS and Olcese each have considerable local service experience, but neither company compares to WM in this regard.

Company Financial Ability

Waste Management is the world's largest municipal solid waste service provider and offers unparalleled financial resources. However, this evaluation category concerns the financial ability to service Storey County and provide the proposed services throughout the term of the contract. To that end, both the other proposers, NRS and Olcese, demonstrated the ability to service the capital and cash-flow requirements of their proposed services.

Service Approach

NRS was awarded the highest rating for Proposed Collection Services, scoring 237.5 out of the available 250 points. Both NRS and Waste Management provided proposals that were responsive to the feedback from community stakeholders and the direction of the Commissioners. However, NRS also proposed the addition of two, full-time Customer Service Representatives exclusively dedicated to Storey County, and small, lightweight residential collection vehicles that will be deployed in the County year around, offered the compelling prospect of improved service throughout the County. However, either of their proposed collection services programs would render excellent service for the County.

References

Each proposer provided references as required. All referred customers that responded to SVM inquiry offered favorable reviews of the respective companies.

3.4 Cost Proposal Evaluation

The following is the cost proposal evaluation of Waste Management and Nevada Recycling & Salvage. Olcese's service rate proposal was not reviewed because the company scored significantly lower than the other two proposers in the Service Approach category and cannot be recommended by the evaluators to the County for consideration. Additionally, Olcese failed to properly complete the cost proposal forms that were provided to all prospective proposers. While Olcese is a reputable, well-managed company with respected operations, their proposal did not provide the level of detail or planning necessary for a contract of this size and complexity and thus cannot be recommended for consideration.

Cost Proposal Evaluation Components

The RFP included criteria for evaluation of the Cost Proposal component of the proposals. The criteria are described in detail under **Section 2.0, Proposal Evaluation Process** and are included here in summary form for ease of reference:

Competitiveness of Cost Proposals: Cost competitiveness relative to other proposals.

Reasonableness of Cost Proposals: Logical relationship between proposed cost and operation assumptions. Proposals will be evaluated on total first-year revenue requirement.

Proposers were required to provide detailed financial information by completing the Cost Proposal Forms issued with the RFP. In addition, proposers were required to prepare a Cost Detail Form to provide cost projections by service sector such as residential and commercial. The projected revenue requirements include an 8% franchise fee. The amount of the franchise fee is always at the County's discretion.

Cost Proposal Competitiveness

Each cost proposal's competitiveness was determined using a formulaic approach. First, the rates quoted in the rate sheets by each proposer were used to project first-year revenue requirement. Proposers provided rates in three distinct service categories: residential, commercial and on-call roll off. In both the residential and commercial categories, proposers provide their estimated number of customers (residential) or services (commercial), and the number of customers or services is multiplied times their proposed rate to calculate the revenue requirement. The larger the number of customers or services, the greater the revenue requirement.

Rate Revenue Comparison

The proposed first-year residential rate revenue for each proposer is shown in Table 3 from lowest total revenue requirement to highest for ease of comparison.

Table 3: First Year Rate Revenue

Proposer	WM	NRS	Difference from Lowest	% Difference from Lowest
Residential Rate Revenue*	\$452,184	\$487,896	(\$35,712)	-7.3%
Commercial	\$653,047	\$579,588	\$73,489	12.7%
Total	1,105,231	\$1,067,454	(\$37,777)	3.5%
Cost Competitiveness Evaluation Points Awarded	193	200		

*First year residential rate revenue requirement includes the franchise fee.

The proposal with the lowest combined revenue requirement was given a rating of 100% for Cost Competitiveness. The remaining proposals were rated based on the percentage deviation from the proposal with the lowest revenue requirement.

It should be noted that to achieve a fair comparison, a normalization of customer subscription assumptions has been applied to WM's proposed residential revenue requirement. The rate revenue is projected by multiplying quantity of subscribers by the quoted rate. By using a reduced number of subscribers, WM's projected revenue requirement was understated. To allow for an "apples-to-apples" comparison, WM's project revenue was recast by multiplying their quote rates by the same quantity of subscribers as NRS.

Cost Proposal Reasonableness

In addition to evaluating cost proposal competitiveness, the reasonableness of the cost proposals was reviewed. The proposer's financial proformas are provided in

Table 4. This provides a side-by-side comparison of the projected revenues, costs and profit allowance based on each proposer's proposed rates and operating costs. The percentage of revenue by costs category for each proposer vary only by a few percentage points with an operating cost projection of 78.5% for WM and 75.1% for WRS. This indicates that the proposals are very much in line with required costs and revenue requirements.

It should be noted that to achieve a fair comparison, a normalization of tonnage assumptions has been applied to WM's proposed disposal and processing cost. This cost is projected by multiplying quantity of tons by the quoted gate fees. By using a reduced number of tons, WM's projected disposal and processing cost was understated. To allow for an "apples-to-apples" comparison, WM's disposal and processing cost was recast by multiplying their quote gate fees by the same tonnage as NRS.

Table 4: Cost Reasonableness Evaluation

	WM	% of Revenue	NRS	% of Revenue
Rate Revenue				
Residential	\$452,184		\$487,896	
Commercial	\$653,047		\$579,558	
Total Rate Revenue	\$1,105,231		\$1,067,454	
Franchise Fees	88,418	8.0%	\$85,396	8.0%
Net Revenue	\$1,016,812	92.0%	\$982,058	92.0%
Operating Cost	\$438,819	39.7%	\$342,887	32.1%
Management & Admin	\$105,171	9.5%	\$143,183	13.4%
Disposal & Processing	\$323,183	29.2%	\$315,832	29.6%
Total Operating Costs	\$867,173	78.5%	\$801,902	75.1%
Operating Profit	\$149,639	13.5%	\$180,156	16.9%
Interest Expense	\$0	0.0%	\$20,328	1.9%
Profit Allowance	\$149,639	13.5%	\$159,828	15.0%

Another way to look at this is to compare the percentage of operating costs from overhead costs including management and administrative costs, interest expense, and profit allowance as provided in Table 5. A comparison of direct costs to overhead indicates that both proposals are financially reasonable with WM showing 74.9% in direct costs and 25.1% in overhead, and NRS showing 67.1% in direct costs and 32.9% in overhead.

Table 5: Overhead Cost as Percent of Net Revenue

	WM		NRS	
Direct Costs	\$762,002	74.9%	\$658,719	67.1%
Overhead & Profit ¹	\$254,811	25.1%	\$323,339	32.9%
Total	\$1,016,812		\$982,058	

¹ Includes management and administration, interest expense, and profit.

Table 6 provides the combined Cost Proposal evaluation score.

Table 6: Cost Proposal Evaluation

Proposer	WM	NRS
Cost Competitiveness Points	193	200
Cost Reasonableness Points	200	200
Total Cost Proposal Points Awarded	393	400

4.0 RECOMMENDATION

The County Commissioners conducted a thorough procurement process that included extensive outreach to the public and the identification of new and enhanced services to benefit the residents and businesses of Storey County.

As a result, three proposers responded to the request for proposals and offered innovative programs and services for the County's consideration. Based upon the evaluation criteria set forth and approved by the Commissioners, there is an extremely small separation in scoring between the two highly rated companies, which may be summarized as follows:

- Waste Management brings unmatched financial strength, unparalleled service experience, and a responsive service offering.
- Nevada Recycling & Salvage offers the necessary financial capability, extensive local service experience, an excellent approach to residential service and customer service, and additional recycling opportunities.
- Waste Management earned the highest evaluation score among the proposers, receiving 955.5 points out of 1,000 (95.5%) in the combined categories of Company Experience, Company Financial Ability, Service Approach, References and Price Proposal.
- Nevada Recycling & Salvage earned nearly the same score, with 955.0 points out of 1,000 (95.0%) in the combined categories of Company Experience, Company Financial Ability, Service Approach, References and Price Proposal.
- Waste Management noted fifteen (15) Exceptions to the Draft Service Agreement. If WM is selected, these exceptions would have to be resolved during negotiation.
- Nevada Recycling & Salvage took zero (0) Exceptions to the Draft Service Agreement.

- Nevada Recycling & Salvage proposed to provide year-round residential service using smaller, much lighter collection vehicles so as not to subject County roads to the impact of much larger, heavier vehicles.
- Nevada Recycling & Salvage proposed to keep all customer service local with the addition of two (2) full-time customer service representatives dedicated exclusively to the Storey County contract.

Given the small separation in scoring between the two proposals, the evaluators recommend that the Commissioners select between Waste Management and Nevada Recycling & Salvage and direct County staff, assisted by Sloan Vazquez McAfee, to enter into negotiations to finalize the service contract and bring it back to the Commissioners for final approval.

The negotiation will include updating the Draft Service Agreement to include the programs and services specifically proposed by the selected proposer. Additionally, the exceptions taken to the draft agreement would have to be negotiated prior to a final agreement being presented to the County Commissioners for final approval.

5.0 PROPOSAL SUMMARY TABLES

Table 7 provides an overview of the proposed residential rates.

Table 7: Residential Solid Waste Services

Service Level	WM	NRS
Basic Service (1-96 Gal or 1- 64 Gal)	\$28.47	\$30.34
Basic Service (1-32 Gal)	\$26.17	\$27.50
Each Addl Cart in Addition to Basic Service (64-Gal or 96-Gal)	\$10.05	\$12.50
Senior (32-Gal or 64-Gal)	\$24.20	\$25.79
Low Income Senior (32-Gal or 64-Gal)	\$21.35	\$22.76
Bear Shed Service (In addition to base service)	\$14.30	\$14.20
Bear Cart Service (Customer owned cart in addition to base service)	\$0.00	\$0.00
Bear Cart Service (Contractor provided cart in addition to base service)	\$8.87	\$11.50

A selection of commercial rates is provided in Table 8 below and Table 9 on the following page. The selected services are the most common service levels currently used by Storey County commercial customers. While most tables provide proposer information in alphabetical order, in this table the proposed commercial rates are shown from lowest to highest for ease of comparison.

Table 8: Commercial & Multi-Family Service Rates (Solid Waste)

Service Level	WM	NRS
96 Gallon Cart, 1 time per week	\$41.62	\$46.63
2 yard bin, 1 time per week	\$185.74	\$200.63
2 yard bin, 2 times per week	\$371.52	\$401.28
3 yard bin, 1 time per week	\$220.19	\$237.83
3 yard bin, 2 times per week	\$440.35	\$475.64
4 yard bin, 1 time per week	\$256.52	\$282.41
4 yard bin, 2 times per week	\$513.04	\$564.82
6 yard bin, 1 time per week	\$379.84	\$468.24
6 yard bin, 2 times per week	\$759.68	\$936.60

Table 9: Commercial & Multi-Family Service Rates (Recycling)

Service Level	NRS	WM
96-Gal Cart	\$37.30	Not provided
4 cubic yard bin	\$225.93	\$237.93
6 cubic yard bin	\$374.59	\$394.48
8 cubic yard bin	\$437.76	\$461.00

The following table compares the proposed rate-per-pull for drop box service, as well as the rate-per-ton for the material collected in the drop box to be disposed of or processed. Under the new agreement, customers will only be charged for the actual amount of material disposed of or processed. The information in Table 10 is provided in alphabetical order because each proposer offered lower rates in different categories.

Table 10: Drop Box Services

Service Level	NRS	WM
Removal and Delivery - Per Haul (Company Owned)	\$290.00	\$279.77
Solid Waste Disposal – Per Ton	\$42.70	\$51.37
Recycling Materials	\$43.64	\$107.47
Temp Bin: 4 Yard – Pickup and one dump	\$260.00	\$144.68
Temp Bin: 6 Yard – Pickup and one dump	\$460.00	\$167.65

Exceptions

The following are the exceptions to the draft agreement submitted by each proposer. While the number and type of exceptions are not scored as part of the evaluation process, they are provided for consideration by the County. Items submitted as corrections to typos are not included as exceptions.

NRS: No exceptions to the agreement.

Olcese: No exceptions to the agreement.

Waste Management: 15 exceptions to the agreement (listed below).

1. Section 1.19.1 (new):

- a. Suggested change: Add definition of “Collection Services”. We believe it should be something like “Collection of Discarded Materials from Commercial, Residential and County Service Units in the County.”
- b. Reason: Avoid ambiguity in agreement.

c. Dollar change if accepted by County: N/A

2. Section 1.22

a. Suggested change: Remove “organizations”, because that could include a wide range of entities, some of which should be included in the franchise (e.g., non-profit entities such as hospitals, etc.).

b. Reason: Avoid ambiguity in agreement.

c. Dollar change if accepted by County: N/A

3. Section 1.32.1 (new):

a. Suggested change: Add definition of “Discarded Materials.” We believe it should be something like “All Solid Waste, Recyclable Materials and Bulky Items generated or coming to exist at a Commercial, Residential or County Service Unit in the County, except as provided in Section 4.2.”

b. Reason: Avoid ambiguity in agreement.

c. Dollar change if accepted by County: N/A

4. Section 1.42.1 (new):

a. Suggested change: The Agreement uses the capitalized term “Gross Receipts”, but we did not notice a definition. We suggest adding a definition, and assume Gross Receipts will be payments received from customers, and not what is billed.

b. Reason: Avoid ambiguity in agreement.

c. Dollar change if accepted by County: N/A

5. Section 1.52:

a. Suggested change: Clarify that non-collection notices may be sent electronically.

b. Reason: Adds efficiency to our collection operations.

c. Dollar change if accepted by County: N/A

6. Section 4.4:

a. Suggested change: Add to the agreement that customers may not hire third parties to compact materials in WM-provided containers.

b. Reason: That compaction process generally causes damage to containers and should be prohibited.

c. Dollar change if accepted by County: N/A

7. Sections 5.7(B)(1) (MFD) and 5.8(A)(3) (Commercial)

a. Suggested change: We would like to define “overflow” to include overloaded containers (lid lifted by at least 10 inches) as well as waste material laying on the ground beside containers.

b. Reason: Avoid ambiguity in the agreement.

c. Dollar change if accepted by County: N/A

8. Section 8.2

a. Suggested change: Clarify that WM may discontinue subscription-based services to SFD, MFD and Commercial customers if they are past due on invoices. This change would not include solid waste collection services, but instead only include subscription services such as recycling.

b. Reason: Reduce bad debt.

c. Dollar change if accepted by County: N/A

9. Section 8.9.B

a. Suggested change: If WM has photographic or other evidence (which would be provided to the County and customer upon request) that a customer did not place their container out by the time of scheduled collection, then WM will not be required to collect until the next scheduled collection day. Alternatively, the customer may schedule a return collection for a fee.

b. Reason: Fairness and efficiency in collection operations.

c. Dollar change if accepted by County: N/A

10. Sections 8.9.E and 8.9.F

a. Suggested change: WM uses the latest customer service technology designed to resolve customer issues as quickly and efficiently as possible (e.g., online chat). Consequently, some of the traditional call center metrics, such as average time to answer and on-hold times, are not applicable. During contract negotiations, WM will more fully explain its customer service system so we can prepare meaningful contract language that will hold WM accountable to a high level of customer service.

b. Reason: Relevant contract language.

c. Dollar change if accepted by County: N/A

11. Section 11.8

a. Suggested change: Delete "sole".

b. Reason: Other indemnification provisions in the draft agreement impose liability based on a party's negligence, not sole negligence, so we believe this change is appropriate.

c. Dollar change if accepted by County: N/A

12. Section 11.11

a. Suggested change:

i. A: Remove "07/04" in both places

ii. B: Regarding the second paragraph, WM's policy is written on ISO form CA 0020.

iii. G.2: Remove "certified mail, return receipt requested", "non-renewal or material

change”, and “non-renewal or material change”.

iv. I: Remove “suspended, voided”, “reduced in coverage or limits”, and “by certified mail, return receipt requested”.

b. Reason: Make contract language consistent with WM policies.

c. Dollar change if accepted by County: N/A

13. Section 12.6

a. Suggested change:

i. Item 1: Remove “or failure to initially respond to any other type of Customer complaint within one (1) Work Day”. The reason for this change is that some customer complaints may be received through a channel that makes it difficult to respond within 1 day or even track the time of a WM response.

ii. Item 8: Under Amount, change to “\$100 per Customer to a maximum of \$500 per day under Agreement”. The reason for this change is we believe the language, as drafted, would be overly punitive and therefore unenforceable under NV law.

iii. Item 9: Under Amount, change to “\$100 per Customer to a maximum of \$500 per day under the Agreement” The reason for this change is we believe the language, as drafted, would be overly punitive and therefore unenforceable under NV law.

iv. Item 12: Under Amount, change to “\$1,000 per route”. The reason for this change is we believe the language, as drafted, would be overly punitive and therefore unenforceable under NV law.

v. Item 14: Remove the \$25,000 amount, as we do not believe this is a reasonable estimate of actual harm (would be an unenforceable penalty under NV law).

b. Dollar change if accepted by County: N/A

14. Section 12.7

a. Suggested change: Change 30 calendar days to 90 calendar days and clarify that a County termination would be for convenience, not for breach.

b. Reason: If there is a partial interruption of discontinuance of services due to a force majeure event, we believe termination after 90 days is more appropriate than 30 days. Also, since such termination would not be based on a breach by WM, it should be considered “for convenience”, not from a WM default.

c. Dollar change if accepted by County: N/A

15. Exhibit 2

a. Suggested change: Regarding footnote 1, we believe it should reference the “CPI: Urban Consumer - Garbage and trash collection” index.

b. Reason: Avoid ambiguity in the Agreement.

c. Dollar change if accepted by County: N/A