



Smart Procurement

NC SWANA Spring Conference



John G. Carlton, P.E., BCEE
Senior Vice President
April 17, 2013



Gershman, Brickner & Bratton, Inc.



- Established in 1980
- Solid Waste Management and Technology Consultants
- Helping Clients Turn Problems into Opportunities



Quality – Value – Ethics – Results





John Carlton



- Project Manager
- Senior Vice President
- 23 years of experience
- Professional Engineer
- Public and Private Sector Experience
- Landfill, waste-to-energy, conversion technologies, recycling, planning



3



The Challenge of Procurements

- Not clerical – strategic
- Many RFPs are combinations of old documents
- When the RFP seeks to implement a new idea, program, or policy, this is even more problematic
- Well developed document will receive serious proposals



4

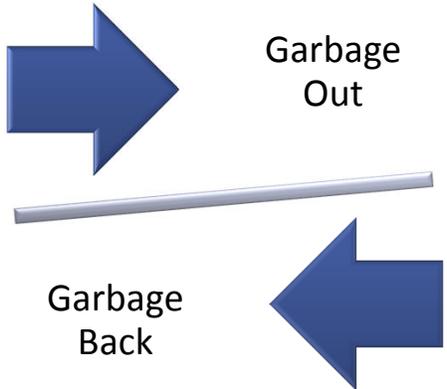


Guiding Principles

- Effective
- Competitive
- Clear
- Fair
- Legal
- Responsive
- Transparent



5



Garbage Out

Garbage Back

When RFPs are incomplete and inconsistent, they lack a cohesive picture for proposers to understand and respond to



6

SWANA Solid Waste Association of North America
North Carolina Chapter

Approach to Procurement Process

- Plan
- Construct
- Distribute
- Evaluate / Award
- Monitor / Assess

GBB
SOLID WASTE
MANAGEMENT
CONSULTANTS

7

SWANA Solid Waste Association of North America
North Carolina Chapter



PLAN

Taking the time to plan reduces the time to create, process, and manage the RFP, and ultimately improves results.

GBB
SOLID WASTE
MANAGEMENT
CONSULTANTS

8



Do Your Homework

- Start with the end in mind
- Assess market conditions
- Understand the questions and risks and take the time to gather and provide data
- Consider outside expertise if necessary
- Compare current programs vs. market trends
- Consider all types of procurements
- Set a firm timeline – it takes time



9



Outside Expertise

- Create your Team
 - Technical, financial, legal and other necessary skill sets
 - Review and approval team
- Analyze your team strengths and expertise
- Levels of outside support
 - Overview and guidance
 - Complete process



10



Current Programs vs. Market Trends

- Review current system
 - What is going right, what needs changed
- Explore and gain knowledge of latest industry trends
- Model best cost option for your community
- Consider community influencing factors



11



Dialogue with Proposers

- The pre-bid/pre-proposal meeting
- Understand concerns (concern = risk = \$)
- Identify and eliminate conflicts
- Be clear on your priorities and evaluation criteria
- Seek partnership
- Provide additional information and data as necessary



12



Collection System Options

Options to consider in the RFP decision-making process for collection service

- Current system and metrics
- Trends across the country
- Types of collection vehicles
- Automated, semi-automated, manual collection
- Recycling – dual stream, single stream, drop off
- Organics – yard waste and/or food waste
- Various forms of PAYT systems



13



Collection System Options

Options to consider in the RFP decision-making process for collection service

- Bulky collection
- Limited vs. unlimited collection
- Commodity markets and revenue sharing
- Bundled vs. unbundled procurement
- Effects of contract lengths on pricing
- Billing options



14



Keep your ideal in mind

Picture the winner: what will it look like?

- Low cost, best quality
- What you want
- What you need
- What is possible

Have a list of goals and priorities

- Bulk service
- Waste streams to collect
- Unlimited service
- Competition
- Long term contract
- Cost savings
- Increased recycling participation
- Leaking vehicles
- Blowing litter issues
- Technology



15



Types of Procurements

- Evaluate the Pros / Cons of each
 - Request for Qualifications
 - Request for Proposals
 - Request for Bid
 - DB
 - DBO
 - DBOO
- Gain legal guidance if needed



16



Firm Timeline

- Prevents the RFP process from dragging on
- Work backwards from desired service start
 - Start date
 - Award date
 - Review, Selection and Negotiation Period
 - Due Date
 - Question Period
 - Pre-bid meeting
 - Advertise / Issue RFP



17



CONSTRUCT

Proper document preparation will save time and money in the long run.



18



Construct

- Provide a structured format for vendors to present capabilities, costs and expectations
 - It will become the foundation for the contract agreement
- Prepare by committee or designated staff with support.
 - Call upon outside consultants as needed
 - A few eyes on the document will help make it better



19



Construct

- Provide background information and a clear scope of services
- Define evaluation criteria
- Use standardized language:
 - Bond, insurance, business/implementation plan, price adjustments, term, equipment, technology, service standards, etc.



20



DISTRIBUTE

Extend your reach by utilizing networks and publications.



21



Distribute

- Advertise
- Create Competition
- Ask others who you should or send to
 - Look in backyard, near by, and other leaders in the industry (locals, majors, new entrants)



22



Evaluate and Award

Tell contractors up-front how the winning bidder will be selected.



23



Evaluate and Award

- Establish an evaluation team
- Quantitative and qualitative factors for evaluations and decisions
- Know your priorities, must-haves, and nice-to-haves
- Review and score
- Interview
- Award



24



Administer and Assess

Work with your contractor to reduce costs or increase revenue and share in rewards.



25



Administer / Assess

- Annually assess the contractor(s)
- Insist on adherence to the contract
 - Reports, updating of bonds, insurance certificates
- Develop quantitative metrics to measure performance
- Seek to renegotiate if appropriate



26



What's Next

- Continually assess lessons learned
- Share your data with other communities for benchmarking
- Understand when you need to start the procurement process again



27



Procurement Best Practices

- Transparent process
- Taking the time to plan
- Unbundling services
- Clearly defined scope
- One size doesn't fit all
- Contract length
- Seasons / weather
- Introducing competition
- Aesthetics
- Community involvement & buy-in
- Revenue sharing
- Closed markets
- Maintenance contracts
- Combining with other communities



28

SWANA Solid Waste Association of North America
North Carolina Chapter

Thank you!

John Carlton
jcarlton@gbbinc.com
(908) 319-5992

GBB
SOLID WASTE
MANAGEMENT
CONSULTANTS

29