



# Smart Procurement

NC SWANA Spring Conference



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## 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




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## 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



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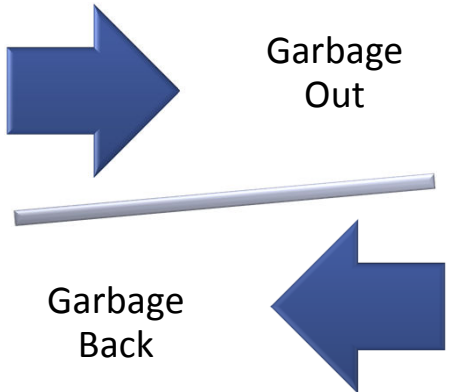



## Guiding Principles

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




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Garbage Out

Garbage Back

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



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## Approach to Procurement Process

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

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**PLAN**

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


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## 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



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## 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



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## 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




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## 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




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**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




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**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



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## 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




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## 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




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## 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




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## CONSTRUCT

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




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## 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




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## 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.




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**DISTRIBUTE**

Extend your reach by utilizing networks and publications.



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**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)




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### Evaluate and Award

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




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### 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




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**Administer and Assess**

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




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**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




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## 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



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## 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



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*Thank you!*

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