



"Diversion Program Procurements: Lessons Learned"

By

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Harvey Gershman

- 30+ years of experience; product of Earth Day 1970
- Provides briefings to government management and elected officials and specializes in advising during the process for 'change'
- Instrumental in successful outcome of extensive solid waste management plans and implementation:
 - Baltimore, MD
 - Town of Babylon, NY
 - City of Fort Worth, TX
 - City of Alexandria/Arlington County, VA
 - Office Paper Systems, Inc. – Gaithersburg, MD
 - City/Parish of Baton Rouge, LA
 - Metro Nashville and Davidson County, TN
 - City of Plano, TX
- SWANA Professional Achievement Award - 1993





Overview

Gershman, Brickner & Bratton, Inc.

- Headquartered in Fairfax, VA
- Established in 1980 as an objective adviser to governments, institutions, and businesses
- Over 26 years implementing innovative solutions for the waste and recycling industry
- Dedicated exclusively to solid waste management
- Principals and senior staff have over 150 years of combined experience
- In-house staff and contractual relationships with independent consultants, working as GBB associates
- Significantly involved in helping to shape the solid waste management landscape throughout Virginia and Mid-Atlantic region
- “Change Agents” to produce better services and facilities





Diversion Procurements

- Storage
 - Cans
 - Carts
 - Bags
- Collection services
 - Waste
 - Recyclables
 - Yard waste/organics
 - Bulk waste
 - HHW/special wastes
- Processing services
- Public education and information



What are your goals?

- Diversion
- \$\$\$\$
- Facilities/Services
- Public-Private Partnerships
- Union
- Schedule



*How much waste are we for?
...as little as possible!*



What do you have now?

- Collection on a task system
- Union contract constraints
- Asset review
- Contracts review
- Organization review
- Maintenance review
- Input from customers
 - *What do they want?*





What does it cost?

- Full cost management review
- Functionality benchmarking
- Look for areas to improve
- Revenues review
 - *Are all customers being charged?*
 - *Are customers charged the right amount?*

Functionality	Amount
Waste Collect - Contract	\$17.29 million
Litter Bin Collect	\$0.064 million
Waste Collect - City	\$0.57 million
Disposal (North LF)	\$12.34 million
Trash Processing (Wood, WG)	\$1.11 million
Recyclables Collection	\$3.49 million
Recyclables Processing	\$0.47 million
Other Reduce/Recycling	\$0.28 million
HHW	\$0.045 million
Other	\$1.08 million
TOTAL COST	\$36.74 million



What options to consider?

- Changing collection frequency
- Dual vs. single stream for recyclables
- New MRF serve or new MRF
- Adding food waste to yard waste
- New carts
- Closing collection market
- Mandatory commercial recycling requirements
- Benchmark comparisons to others



Factors that Drive Cost Down

- ✓ Unbundling collection from processing
- ✓ Long-term contracts
- ✓ Automated collection
- ✓ Every other week collection for recyclables and yard waste
 - ✓ Even once per month for recyclables
 - ✓ Seasonal for yard waste
- ✓ Call in bulk service





Collection Procurement Issues

- Areas large enough to be cost-efficient for service providers and totally dedicated to your service requirement
- Estimating the lbs per HH per week that will be collected
- Including \$\$\$ in service contract for public education
- Term of agreement at least 7 years
- Requiring new equipment or equipment no older than 8 years in contracts with 10 year or greater terms
- Incentives and penalties
- Signage on trucks
- Involvement of Small/minority/women-owned firms



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Processing Procurement Issues

- ❑ Providing site(s)
- ❑ Public vs. private ownership
 - ❑ *Is there locally available capacity?*
 - ❑ *Can public ownership be implemented in a timely manner?*
- ❑ Sharing the value of recyclables
 - ❑ Breaking out separate from processing fee
 - ❑ Requiring returning % of yard waste/organics products for free
- ❑ Term of agreement at least 10 years
- ❑ Strict acceptance test that is repeated near end of term
- ❑ Monitoring to assure condition of Facility is kept up to a standard of care, especially when owned by public sector
- ❑ Including \$\$\$ in service contract from contractor for public education
- ❑ Involvement of Small, minority, women-owned firms



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Cart Procurement Issues

- Size of the carts – flexibility, i.e. at least ## gallons
- Wind resistance testing
- Ability to collect from smaller cart sizes
- Lifters for rear-loaders
- If PAYT, determining the initial order of each size
- Service contract
 - Warranty and maintenance
 - Replacing damaged and/or stolen carts
- Instructions on the carts
- Delivery of carts and education package for the resident
- Cart color and advertising
- RFD tags



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Truck Procurement Issues

- Spare parts supply
- Parts on consignment
- Long-term maintenance agreements
- Warranty work by yourself
- Training
- Bumper to bumper guarantee
- Truck graphics and design





Public Education And Information

- Assure funding every year
 - \$ 3 per capita per year is great
 - \$1 per capita per year is maintenance
 - Extra \$\$ when changes are being made
- Involve public relations capability in designing and branding
- Consistent messaging in all media delivery points
- Dedicated internal staff to carry it out
- Funding included in service contracts so budgets are raided





General Procurement Issues

- Purchasing agent involvement
- Invitation for bids
- RFQ/RFP
- Contract/agreement included
- Will there be a “managed competition”?*
- Evaluators
 - Early involvement of the people who will use the equipment and services post-selection
- Evaluation weighting
- Analyzing cost
 - Net Present Value
- Ability to negotiate



Procurement and Implementation Management

- ✓ Enlightened Elected Officials
- ✓ Staff Resources
- ✓ Game Plan
- ✓ Incremental Decision-Making
- ✓ Management & Operations Capability





Thank you!

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