

RFP Overview

Procurement process	Objectives Approach General requirements RFP organization
Proposal contents	All proposals Leachate proposals Site Lease and LFG proposals: common elements Site Lease proposals LFG proposals

Procurement process: Objectives

Raise revenue for the Town!

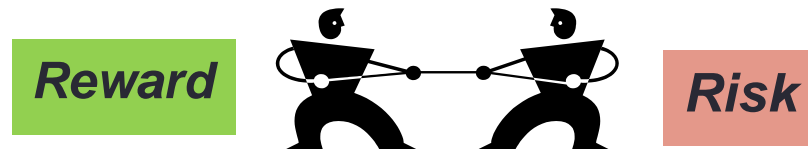
Site Lease RFP	Lease site-assigned land for private development of facilities compatible with ISWM activities
LFG RFP	Sell landfill gas for beneficial use
Leachate RFP	Buy equipment to reduce leachate disposal costs



Procurement process: Approach

The Town's dilemma

- Existing technologies might not be best for the Town
- Emerging technologies come with trade-offs.



1. Vendors must address unproven aspects of technology design, performance and costs; new service markets; and investor concerns
2. The Town needs protection from project risks and vendor non-performance

Procurement process: Approach

The Town's response

1. Offer a developed site. Avoid surprises, so vendors can design proposals that work. Provide site details. Clarify Town and permit requirements and preferences in the RFPs.
2. Encourage innovative competition. Issue 3 RFPs at the same time with multiple facility and service options. Compare all proposal responses and select the best overall.
3. Evaluate claims carefully. Use Chapter 30B to procure the most advantageous proposal(s) based on criteria in addition to price.

Procurement process: General provisions

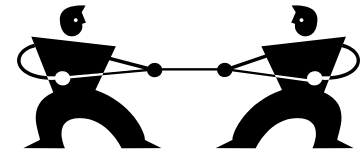
Chapter 30B procurement

1. Submit separate Non-Price and Price proposals.
2. Evaluate Non-Price Proposals first
3. Apply minimum requirements and comparative criteria from the RFP
4. Select the most advantageous proposal accounting for criteria in addition to price
5. Limit negotiations to issues in the RFPs and the proposals
6. Allow for property removal at the end of the 25-year site lease term



Procurement process: General provisions

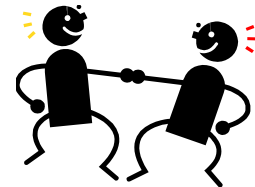
Competition between RFPs



1. LFG RFP respondents will compete for landfill gas rights with Leachate and Site Lease respondents
2. Site Lease and LFG RFP respondents will compete to use Parcel C
3. Site Lease and LFG RFP respondents might both propose to generate electricity

Procurement process: General provisions

Resolution of RFP conflicts



1. Selected vendors get exclusive lease rights
 - Parcels might host more than one facility
 - Facilities might span more than one parcel
2. The Town will award firm landfill gas rights or use landfill gas for its leachate equipment – but not both
3. The Town encourages integrated proposals to address all Town needs

Procurement process: RFP Organization

RFP contents

1. Existing conditions: lease areas, LFG and leachate management, site infrastructure, permitting environment, etc.
2. Business arrangements: roles, responsibilities, risk allocation and compensation during development, construction and commercial operation
3. Proposal submittal: contents, forms and instructions
4. Evaluation: process description and criteria
5. Attachments: checklists, transmittal letter, draft forms of site lease and development agreements, certification forms
6. Figures and Appendices: plans, data, permits, etc.

Proposal contents

All proposals

Leachate proposals

Site Lease and LFG proposals:
common elements

Site Lease proposals

LFG proposals

***Raise revenue
for the Town!***



Proposal contents: All proposals

Non-Price Proposals

1. Transmittal letter: fill in the blanks, red-line and sign
2. Statement of qualifications
3. Plan of services
4. Site lease: red-line, ready to sign, **NO PRICES**
5. Certificates: non-collusion and tax compliance
6. Evidence of insurance
7. Proposal security
8. Evidence of ability to provide financial assurance



Proposal contents: All proposals



Price Proposals

1. Separate submittal packaging labeled and sealed per RFP instructions
2. Transmittal letter: fill in the blanks with proposed price information, red-line and sign
3. Pro forma information
4. Price and other impacts of options

Proposal contents: All proposals

Development responsibility

1. The Board of Health will screen qualifying Non-Price Proposals
2. The Board of Selectmen will make the award
3. The Town will apply for certain site-related permits with vendor support (MEPA, Cape Cod Commission, site assignment modification, site plan review)
4. Vendors can share available infrastructure
5. Commercial operation occurs when a performance test is passed

Proposal contents: Leachate proposals

Technical Requirements

The equipment will

- Destroy leachate using heat from combustion of landfill gas – or otherwise (innovation is encouraged!)
- Include an enclosed flare that can operate alone
- Meet emission requirements and control odors

The vendor will

- Specify performance (gallons destroyed per MMBtu landfill gas input – or otherwise!)
- Provide an option to solidify residuals

Proposal contents: Leachate proposals

Equipment design basis

Leachate quantities: Currently 16 million gal/year, historically 8 million

Leachate disposal: trucked off-site

Landfill gas quantities: up to 60.7 MMBtuh,
down to 7.5 MMBtuh

Landfill gas quality: 35% to 60% methane
H₂S < 200 ppm_{dv}

Emissions standards Destroy >98% of methane
Meet Mass DEP lb/MMBtu standards
for NO_x, CO, NMOCs, PM and SO_x

Residuals Prefer non-hazardous material acceptable for
landfill disposal

Proposal contents: Leachate proposals

Business Arrangements

The Vendor will

- Provide, install, and start-up the equipment
- Have the equipment pass a performance test
- Provide warranty service and technical support

The Town will

- Get permits and pre-construction approvals
- Purchase the equipment
- Utilize its own landfill gas
- Own, operate and maintain the equipment

Proposal contents: Leachate proposals

Business Arrangements

The Vendor will provide prices for

- A conventional equipment purchase
- Estimated costs of annual operation
- Optional equipment to solidify residuals for landfill disposal
- Payments to lease-to-own over a five-year term
- Early buy-out prices for the lease-to-own deal

Proposal contents: Site Lease and LFG proposals

Common elements: Business Arrangements

The Vendor will

- Develop and acquire permits for the facility
- Own, finance and make business arrangements
- Construct the facility and pass a performance test
- Operate and maintain the facility
- Pay the site lease and compensate the Town

The Town will

- Get specified site permits with vendor support
- Give access to the lease area and supporting infrastructure
- Provide landfill gas and/or leachate as indicated

Proposal contents: Site Lease and LFG proposals

Common Elements: Contents of the Site Lease and Development Agreements

- Provide a 25-year lease term
- Document all business arrangements
- Provide for compensation to the Town
- Provide milestones based on
 - Guaranteed Development Period
 - Guaranteed Construction Period
- Allow extensions for permit and interconnection delays
- Require increased site lease payments if milestones are not achieved
- Provide security for facility removal
- Accommodate lender and investor concerns

Proposal contents: Site Lease and LFG proposals

Site Lease and Development Agreement: process

1. The Site Lease and LFG RFPs provide draft site leases
2. Vendor proposals will include red-lined site leases for evaluation
3. Post-award, the Town and selected vendor(s) will:
 - A. Negotiate a final executable site lease
 - B. Sign an interim development agreement
4. The Board of Health will review the site lease
5. The Board of Selectmen will execute the site lease after Board of Health approval

Proposal contents: Site Lease proposals

Technical Requirements

- Three sites available for lease
 - Parcel A – 4.41 acres
 - Parcel B – 1.79 acres with a 10,000-sf building
 - Parcel C – 0.40 acres
- Use site access roads, queuing space and staffed scales/scale house
- Use site stormwater system, fire suppression tank

Proposal contents: Site Lease proposals

Technical Requirements

- Infrastructure available on-site
 - 23.5 kV electric service
 - Water service
 - Leachate management system
 - Active landfill, transfer station and residential drop-off center
- Infrastructure NOT available on the site
 - Natural gas service (distribution line west of Route 28)
 - Sewer connections (not in Town of Bourne south of the bridge)

Proposal contents: Site Lease proposals

Technical Requirements

Technologies encouraged

- Source-separated organics processing
- Biosolids processing
- Other solid waste processing permissible by Mass. DEP (non-combustion processing into products used off-site)



Proposals on Parcels A or B that include combustion will require revisions of site assignment conditions

Proposal contents: Site Lease proposals

Technical Requirements

Technologies not encouraged

- MSW landfilling or combustion (includes gasification, pyrolysis, etc., for electricity production)
- Combustion of C&D wood



The burden is on the vendor to demonstrate permissibility of the proposed technologies

Proposal contents: Site Lease proposals

Technical Requirements

Base proposal: manage syngas or bio-gas internally

Proposal options:

- Buy excess landfill gas
- Sell syngas or bio-gas to landfill gas facility
- Accept Town leachate for management
- Prepare an integrated proposal taking all LFG
- Use or demolish the 10,000-sf building on Parcel B

Proposal contents: Site Lease proposals

Plan of Services

- General description
- Conceptual design
- Performance information (Landfill residuals rate)
- Development plan and schedule
- Finance plan
- Construction plan
- Operating plan (define Acceptable Waste)
- Impacts of options

Proposal contents: Site Lease proposals

Summary of compensation

	Parcel A	Parcel B	Parcel C
Lump sums at			
Signing of the Interim development agreement	\$10,000	\$10,000	\$10,000
Construction start	\$40,000	\$30,000	\$10,000
Commercial operation	\$50,000	\$40,000	\$10,000
Minimum quarterly site lease	\$2,500	\$2,500	\$2,500
Variable site lease	Proposed % of gross revenues subject to proposed Minimum Gross Revenues		
Host fees	\$3.27 per ton in 2012 escalating with CPI subject to Minimum Host Fee Tonnage		
Other as applicable	LFG sales, leachate savings, tax benefit share		
PILOT	Included above		

Proposal contents: LFG proposals

Business arrangements

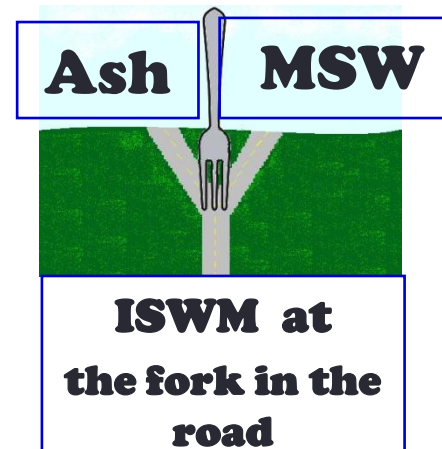
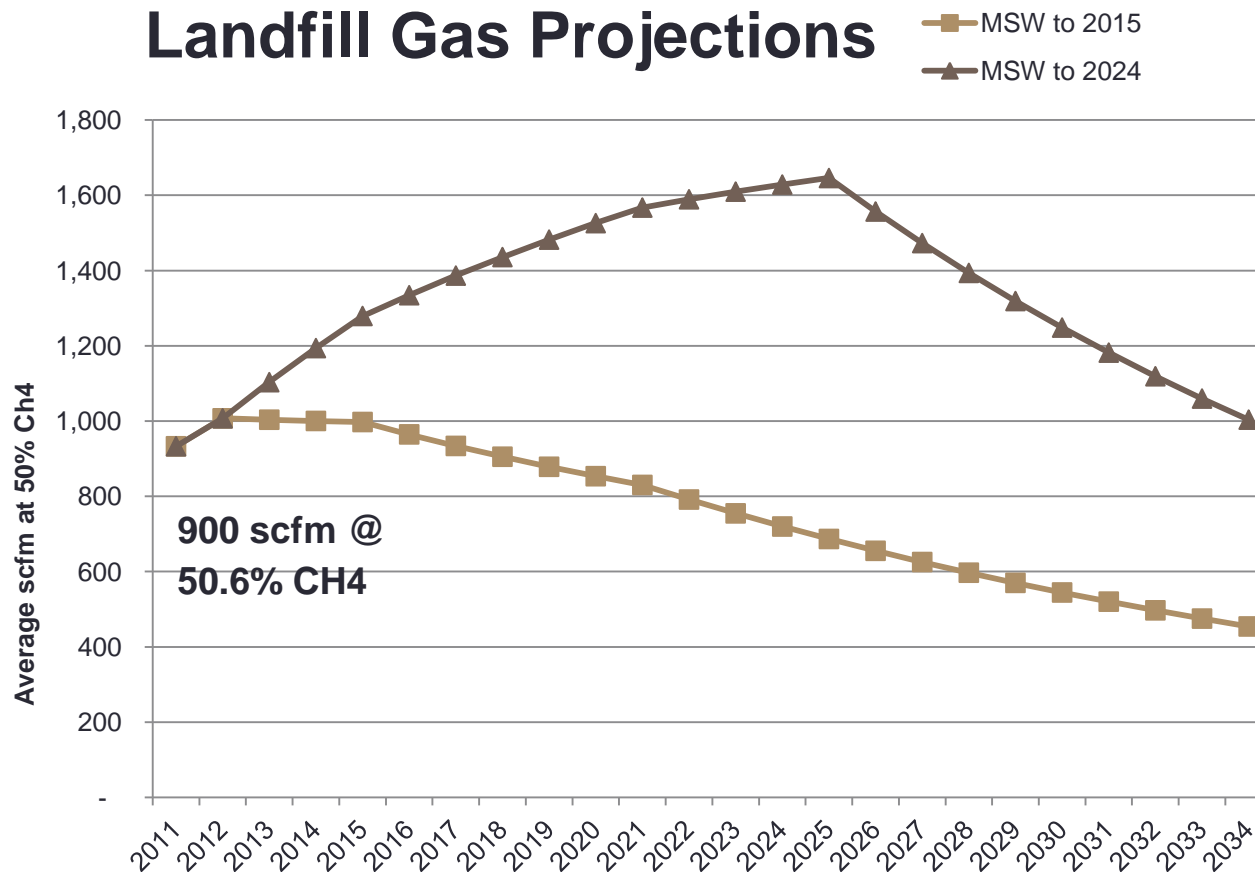
The vendor will

- Purchase the landfill gas
- Operate and maintain the gas management system per the scope of services in Attachment J
- Develop a facility with their choice of technology
- Sell all products (fuels, electricity, RECs, GHG offsets, etc.)

The Town will

- Add horizontal and vertical extraction wells
- Operate and maintain the existing sulfur removal system

Proposal contents: LFG proposals



Scalable approaches are advantageous

Proposal contents: LFG proposals

The landfill gas management system

- A network of vertical and horizontal wells
- Condensate management system
- Vacuum blower station with flow meters, etc.
- An existing open flare (to be supplemented with a new flare)
- Perimeter gas monitoring probes (7 now, to be increased to 10 this year)

Proposal contents: LFG proposals

The landfill gas management system:
Hydrosulfur removal system to sustain <200 ppm_{dv}



Proposal contents: LFG proposals

Technical requirements

Base proposal: install a facility on Parcel C

Proposal options:

- Buy syngas or bio-gas from the Site Lease RFP awardee
- Accept Town leachate for disposal
- Prepare an integrated proposal linked to a facility on Parcel A or Parcel B

Proposal contents: LFG proposals

Plan of Services

- General description
- Conceptual design
- Performance information
- Development plan and schedule
- Finance plan
- Construction plan
- Operating plan for the facility
- Operating plan for the landfill gas management system

Proposal contents: LFG proposals

Summary of compensation

	Parcel C
Lump sums at	
Signing of the interim development agreement	\$10,000
Construction start	\$10,000
Commercial operation	\$10,000
Minimum quarterly site lease	\$2,500
Variable site lease	Proposed % of gross revenues subject to proposed Minimum Gross Revenues
Landfill gas sales	Proposed price per MMBtu
Other as applicable	LFGMS O&M savings, leachate savings, tax benefit share
PILOT	Included above

Proposal contents: Integrated Site Lease and LFG proposal responses

Options for proposing to develop a facility on Parcels A or B or C AND purchase all landfill gas and operate the LFGMS

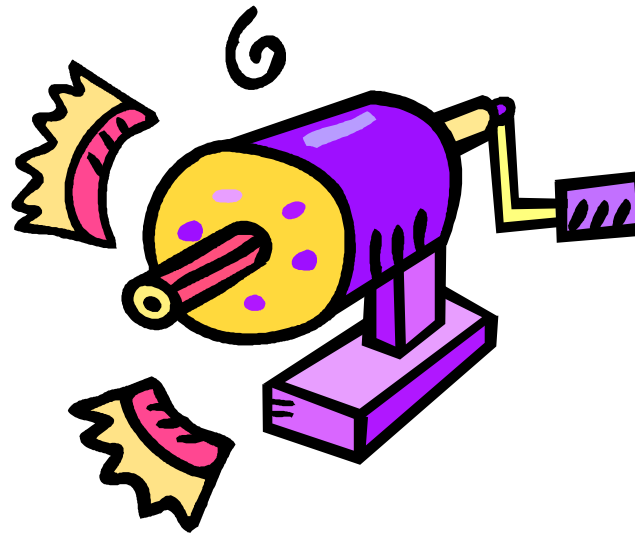
- Submit two linked proposals
 - Identify contingencies and dependencies
 - Confirm conditions for accepting individual proposals
- Submit one comprehensive proposal
 - Modify the site lease and development agreement to reflect landfill gas purchases and LFGMS operations
 - Define separate milestone dates, construction dates, commercial operation dates, performance tests, and compensation levels

Proposal contents: LFG proposals

Remainder of the RFP process

1. Tours: 2 pm Thursdays through March 22 (RSVP)
2. Questions: submit in writing by March 9, 2012
3. Addenda: registered vendors will all receive all written responses
4. Proposal submittal deadline: March 29th at Town Hall at 2 pm (unless extended)
5. Evaluation timetable: April and May, depending on proposals received, interview schedule, etc.
6. Award: vote of the Board of Selectman upon consideration of the evaluation committee recommendation and the screening report of the Board of Health

Sharpen your pencils!



CommonWealth

Resource Management Corporation

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