



County of Sacramento

Date: June 12, 2018

To: All interested parties

SUBJECT: Request for a Letter of Interest to provide diversion services for organic waste, primarily including residentially collected green waste and food waste

To whom it may concern,

The County of Sacramento Department of Waste Management and Recycling (DWMR) is issuing this request for Letters of Interest (LOI) from potential proposers capable of providing DWMR, and other municipalities participating in this process including the City of Sacramento and the City of Folsom, with diversion services for organic material (green waste and/or food waste). DWMR wishes to establish a list of qualified potential vendors interested in participating in the procurement process for providing organic material diversion services. This letter provides a brief description of the organic material DWMR collects; DWMR's facilities; and organic material collected from jurisdictions within the county that are exploring a partnership with DWMR for managing organic materials. It also includes guidelines for submittal of requested information. Letters of Interest are due by 4:00 PM on Thursday, July 26, 2018.

Background Information

Organic Material Collection Figures by Jurisdiction

DWMR collects approximately 78,000 tons per year (TPY) of residential green waste from approximately 150,000 residential curbside customers located in the unincorporated area of Sacramento County. Of these, approximately 28,000 TPY are collected in the South Collections area and 50,000 TPY are collected in the North Collections area, roughly divided by the American River. These annual collection figures include seasonal peaks in spring and autumn.

The City of Sacramento collects approximately 65,000 TPY of green waste from its approximately 120,000 residential customers and the City of Folsom collects approximately 10,000 TPY of green waste from its approximately 24,000 residential customers. Both jurisdictions have indicated a desire to participate in DWMR's diversion services solicitation. While neither City is under obligation to participate in a subsequent procurement process, this Request for Letters of Interest, identifying the tonnage under their management, is solicited with the accord of both Cities.

In light of the implementation of statewide organic material diversion goals and mandates, specifically those stemming from Senate Bill 1383, food waste from all three jurisdictions' residential customers is anticipated to need collection for diversion. Food waste tonnage additions to the green waste totals cited above are estimated to be DWMR: 42,000 TPY; City of

Sacramento 34,000 TPY; and City of Folsom 5,000 TPY. Table 1 summarizes organics tonnage estimates from the three jurisdictions.

Table 1: Residentially collected organics by participating jurisdictions in estimates

Jurisdiction	Customers	Green waste	Food waste	Total organics
County of Sacramento	150,000	78,000 TPY	42,000 TPY	120,000 TPY
City of Sacramento	120,000	65,000 TPY	34,000 TPY	99,000 TPY
City of Folsom	24,000	10,000 TPY	5,000 TPY	15,000 TPY

DWMR owns and operates two transfer stations and one landfill; all are fully permitted and are envisioned as possible locations for tipping, processing, and/or transferring organic material in partnership with selected vendor(s).

- The North Area Recovery Station (NARS - 4450 Roseville Road, North Highlands, CA)
- The South Area Transfer Station (SATS - 8850 Fruitridge Road, Sacramento, CA)
- Kiefer Landfill (KLF - 12701 Kiefer Boulevard, Sloughouse, CA)

Additionally, NARS and KLF receive approximately 22,000 TPY of organic material (primarily commercially generated green waste and clean wood waste) from commercial waste haulers and self-haulers. Additional commercially-generated, source-separated food waste may in time be received and become available at County facilities as part of regional SB 1383 compliance strategies. These materials are available for consideration in developing a viable proposal for organic material diversion services; but residentially-collected green and/or food waste remains DWMR’s and the neighboring jurisdictions’ top priority in obtaining diversion services.

Near-Term and Long-Term Services

DWMR seeks Letters of Interest for providing diversion services for either the Near-Term or Long-Term or both.

Diversion services

DWMR seeks “diversion services” to divert organic materials, including green waste and food waste. Diversion includes waste minimization, also known as source-reduction, reuse, recycling, composting, in-vessel composting, digestion, and/or potentially other technologies utilized to repurpose organic material and divert them from landfilling. For the purpose of this LOI, “diversion services” could include processing or pre-processing organic material for transfer to another facility where recycling, composting, digestion, etc. would occur.

Near-Term Services

Near-term services would occur approximately from July 1, 2020 to July 1, 2025. It is anticipated that organic material diversion services would be provided for a waste stream that consists of primarily residentially collected green waste. Some self-haul organic material, such as

wood and brush that arrives at DWMR facilities could be included, but the goal for the near-term services would be for diversion of residentially collected green waste. Additionally, beginning in 2022, DWMR anticipates collection of food waste in accordance with SB 1383 regulations.

Long-Term Services

Long-term services would occur through an anticipated contract term of up to 20 years. It is anticipated that long term organic material diversion services would be provided for a waste stream that consists of residentially collected green waste and residentially collected food waste. As mentioned above, other organic waste may become available at County facilities. DWMR is interested in developing long term diversion services at DWMR facilities or other locations that would meet our long term organic diversion needs. We are interested in composting, digestion, and/or any other strategies that will help meet the obligations required by SB 1383 regulations.

- DWMR will accept letters of interest for diversion services to be provided at NARS, at KLF, or at SATS.
- DWMR will also accept letters of interest for diversion services to be provided at a site immediately across from the Kiefer Landfill entrance site, hereinafter referred to as the former GreenCycle site. The former GreenCycle is a previously proposed regional compost facility. An Environmental Impact Report (Control Number PNLP2009-PWE-70173 State Clearinghouse Number 2010022015) was prepared for the project, but the project was indefinitely suspended in 2015.
- DWMR will also accept letters of interest for diversion services to be provided at the potential proposer's facility.

Letter of Interest Structure

All questions concerning this Letter of Interest request must be submitted by electronic mail to the Project Manager:

Dave Ghirardelli
ghirardellid@saccounty.net

All questions must be submitted no later than Thursday, July 5, 2018. At DWMR's discretion, the Project Manager may or may not answer the specific questions asked. Questions deemed appropriate for response will be posted, along with their respective responses, by Thursday, July 12, 2018 to the following website:

<http://www.wmr.saccounty.net/Pages/Doing-Business-with-Us.aspx>

Required Submittals

DWMR is seeking Letters of Interest which will serve as a means to identify potential project proposers. These letters are meant to provide information about the potentially proposing enterprises and their ability to provide organic material diversion services, and alternatives for structuring the business terms of the project. The Letters of Interest must contain ALL of the information in the following bulleted list.

- Whether interest is in providing near-term or long-term services or both;
- Anticipated start dates and contract length;
- The potential proposer's operational or company history;
- Resumes of the primary personnel that will be responsible organic diversion services;
- A list of jurisdictions for which the potential proposer has provided organic material diversion services, the primary contact information at that jurisdiction, and description of tipping locations and end uses;
- A statement describing the potential proposer's current financial status and proposed method of financing the organic material diversion program;
- A description of the potential proposer's current operational capabilities;
- A statement describing the diversion services the potential proposer would perform;
- A statement describing the location of interest for performing diversion services, including if at County facilities;
- A statement describing the manner of residential food waste collection necessary, e.g. would it be commingled with green waste or source-separated (this is for long-term diversion services only);
- A statement describing the processing or pre-processing of organic material necessary;
- A statement describing the minimum tonnage commitment anticipated on the part of the County and/or the Cities;
- A statement describing the maximum tonnage commitment available on the part of the potential proposer; and
- A statement describing marketable products created by the recycling of organic material and contact information for at least two customers from the potential proposer's current operations.

Note: If an interested party presents letters with a project in mind that is only in its conceptual or planning stages, responses to the required information listed above must include as much information as possible and an anticipated timeframe for finalizing that item.

One Adobe PDF file of the Letter of Interest **shall be submitted electronically** to Dave Ghirardelli at ghirardellid@saccounty.net before **4:00 PM on Thursday, July 26, 2018**.

The Remaining Procurement Process

DWMR may issue a Request for Qualifications in order to pre-qualify a short list of proposers. Alternatively DWMR may move directly to requesting formal proposals. DWMR looks forward to receiving your response.

Sincerely;

Dave Ghirardelli
 County of Sacramento
 Department of Waste Management and Recycling
ghirardellid@saccounty.net