



State of New Jersey

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MUNICIPAL BID SPECIFICATIONS GUIDANCE-2014

The New Jersey Department of Environmental Protection has prepared the following information for your municipality to consider while preparing a new request for bids for solid waste and recycling services.

In evaluating how your municipality can control solid waste collection costs, you should consider not only the direct costs of waste disposal, but the cost benefits of recycling versus waste disposal, as well as costs associated with potential adverse environmental impacts. NJDEP is available to assist your municipality to better understand these costs and to develop a bid request that benefits both your community and the environment.

ENHANCE RECYCLING BY BIDDING SOLID WASTE & RECYCLABLE COLLECTION TOGETHER

According to the Uniform Bid Specifications (N.J.A.C. 7:26H-6.18), a municipality has the option to solicit bid proposals for the collection of recyclable materials together with bid proposals for solid waste collection. Many municipalities that use this option, rather than relying on individual residents to hire their own recycling company, see increases in their recycling rates. A municipality can realize a net savings in waste disposal costs by promoting separation of recyclable materials from the waste stream. Disposal costs are reduced when recyclable materials are source separated by the generator and revenues are generated from the sale of recyclable materials, which can be used to offset disposal costs. For more information on recycling, please refer to NJDEP's website at: www.nj.gov/dep/dshw/recycling.

EXTEND RECYCLABLE COLLECTION TO SMALL BUSINESSES

NJDEP encourages municipalities to provide recycling collection to small businesses in their communities, even if even if solid waste collection services are not provided to these businesses. Providing recycling collection to small businesses will help small businesses comply with municipal with recycling ordinances and thus, boost a municipality's recycling rate.

PERFORMANCE BOND

The Uniform Bid Specifications (N.J.A.C. 7:26H-6.9) requires the successful bidder to provide a one-year performance bond for each succeeding year of a multi-year contract. In addition, each new bond must be delivered no less than 120 days prior to the expiration/termination of the current bond. In the

past, some municipalities were not adequately notified by the contractor or the bond issuer that their bond was being cancelled or that it would not be renewed. This failure to notify can often preclude a municipality from accessing the bond proceeds, if necessary. Accordingly, NJDEP recommends that municipalities take a proactive role regarding the status of their contractors' performance bonds by establishing a direct communication with the surety companies.

SEPARATELY BID SERVICES FOR SOLID WASTE COLLECTION AND DISPOSAL

A municipality has the option to include both solid waste collection and disposal services when it advertises its bid for municipal solid waste collection services. While this is convenient from the procurement perspective, it can hamper the ability of a municipality to monitor its disposal costs and may result in higher disposal costs. Therefore, some municipalities choose to obtain waste collection and disposal services from different vendors. NJDEP recommends that municipalities consider simultaneously bidding these services separately as well as together to obtain the most favorable bids.

CLEANER AIR

Diesel emissions pose the greatest cancer risk of all toxic air pollutants in New Jersey, and continued exposure can result in premature death, asthma attacks and other debilitating respiratory illnesses. This can be a particular concern in urban areas that are densely populated and where residents are in close proximity to truck traffic on the streets. NJDEP recommends that municipalities take the following steps to ensure that vehicles used in solid waste collection and recycling collection contracts comply with existing diesel regulations, including the Diesel Retrofit Law:

- 1) Municipalities should ensure that all solid waste and recycling trucks used on their routes have passed their annual emission inspection at a licensed diesel emission inspection center by checking for a windshield inspection sticker. For more information or to confirm that inspections have been completed, call NJDEP's Bureau of Mobile Sources at (609) 292-7953.
- 2) The following contract language should be considered for inclusion in municipal bid proposals to help ensure that the contractor meets diesel emission laws during execution of the contract:

Bidders shall include, in their response to the request for proposal, a list of all vehicles retrofit or exempt under the Diesel Retrofit Law, and a copy of the compliance form issued pursuant to N.J.A.C. 7:27-32.20 (Diesel Retrofit Law- Issuance and Completion of Compliance Forms) for each vehicle to be used in performing the terms of this RFP. The contractor shall ensure at all times that any vehicle used in execution of this contract is in compliance with the Diesel Retrofit Law (N.J.S.A. 26:2C-8), and inspection requirements and idling limits set forth at N.J.A.C. 7:27-14. Bidders shall provide training for all vehicle drivers on the idling limits.

Should a municipality choose to use the suggested contract language above, the foregoing language should also be inserted into the wording of the Uniform Bid Specifications (N.J.A.C. 7:26H-6, APPENDIX A, Section 5.7).

The Diesel Retrofit Law (N.J.S.A. 26:2C-8.26) was passed on September 7, 2005, requiring all solid waste vehicles with engines manufactured prior to 2007 that are publicly owned or used to perform solid waste services under a public contract to be retrofitted to control diesel emissions.¹ In addition, publicly-owned recycling vehicles with engines manufactured prior to 2007 (but not privately owned ones that are used in public contracts) are covered by the Diesel Retrofit Law and must be retrofitted. See www.stopthesoot.org for more information. In lieu of retrofitting their vehicles, solid waste haulers can comply with the Law by replacing their older vehicles with vehicles that have a 2010 or newer engine or vehicles powered by gasoline, propane, natural gas or electric.

- 3) Municipalities should encourage bidders that utilize diesel-powered vehicles to take one or more of the following actions:
 - a. Use or phase-in diesel vehicles with at least a model year 2010 engine. These engines meet more stringent air pollution emission requirements.
 - b. Phase in vehicles that run on gasoline, propane, natural gas, or electric.
 - c. Install diesel retrofit devices on privately-owned diesel powered recycling vehicles used in the contract.

Please be reminded that your municipality must comply with NJDEP's Uniform Bid Specifications (N.J.A.C. 7:26H-6) for any new request for bid proposals for these services, which is found at the link: http://www.nj.gov/dep/rules/rules/njac7_26h.pdf as well as the Department of Community Affairs (DCA) Local Public Contracts Law, N.J.A.C. 5:34; the link to DCA's rules is: http://www.state.nj.us/dca/divisions/dlgs/resources/rules_reg.html#5

If you have any questions, please feel free to contact NJDEP's Economic Regulation Unit at (609) 292-9880.

¹ Any vehicle where the retrofit is deemed technically infeasible for safety or functional reasons is exempt from these requirements.