Morris County Solid Waste Management Plan Amendment January 2013

Contract For Operating The Two Morris County Solid Waste Transfer Stations, Located In Parsippany-Troy Hills Township And Mount Olive Township, Including Providing Transportation Via Transfer Trailers And Disposal Of All Solid Waste Received At The Transfer Stations

Prepared for:

Morris County Board of Chosen Freeholders and Morris County Solid Waste Advisory Council

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INTRODUCTION

The New Jersey Solid Waste Management Act (N.J.S.A. 13:1E-1 et seq.) established a comprehensive system for the management of solid waste in New Jersey. The Act designated all twenty-one (21) of the state's counties, and the Hackensack Meadowlands District, as Solid Waste Management Districts, and mandated the respective Boards of Chosen Freeholders and the Hackensack Meadowlands Development Commission develop comprehensive plans for waste management in their respective districts. On January 29, 1981, the New Jersey Department of Environmental Protection (NJDEP) approved, with modifications, the Morris County District Solid Waste Management Plan (Plan).

This document has been prepared as an amendment to the Morris County Solid Waste Management Plan which updates the Plan with respect to the operation of the two Morris County Municipal Utilities Authority (MCMUA) transfer stations (TS/MRFs) and the disposal of solid waste delivered to each transfer station. This Plan amendment incorporates the terms and conditions contained in an September 13, 2012 proposal submitted by Solid Waste Services, Inc. d/b/a J.P. Mascaro & Sons (Mascaro), as adopted by resolution on October 16, 2012 by the MCMUA. The Mascaro bid was submitted in response to a request for bids issued by the MCMUA on July 9, 2012 entitled, "Sealed Bids For Operating The Two Morris County Solid Waste Transfer Stations, Located In Parsippany-Troy Hills Township And Mount Olive Township, Including Providing Transportation Via Transfer Trailers And Alternatives For Intermodal Rail Containers And Disposal Of All Solid Waste Received At The Transfer Stations."

BACKGROUND

1997 Waste Flow Control Administrative Action

On January 9, 1998, NJDEP Commissioner Robert G. Shinn approved Morris County's solid waste management system as an administrative action, pursuant to N.J.A.C. 7:26-6.11(f), after finding that the MCMUA had sufficiently demonstrated that the procurement process for the out-of-state landfill capacity and the operation of the two transfer stations and the transportation to the out-of-state landfill were consistent with the criteria set forth in Atlantic Coast Demolition and Recycling, Inc. v. Board of Chose Freeholders of Atlantic County et al. (112F.3d 652 (3rd Cir. 1997), cert. Den., November 10, 1997).

Requirement for a Plan Amendment

N.J.A.C. 7:26-6:10(b)3 requires that a solid waste disposal contract entered into by a district or authority is required to be included in the appropriate district's Plan as accomplished through the adoption of a Plan amendment. This document has been prepared as a Plan amendment to meet this requirement.

Transfer Stations Operation, Transportation and Disposal Bid

On July 9, 2012, the MCMUA issued a notice to bidders seeking "Sealed Bids For Operating The Two Morris County Solid Waste Transfer Stations, Located In Parsippany-Troy Hills

Township And Mount Olive Township, Including Providing Transportation Via Transfer Trailers And Alternatives For Intermodal Rail Containers And Disposal Of All Solid Waste Received At The Transfer Stations." Notice to Bidders was advertised nationally in Waste News and locally in the Star Ledger and Daily Record to provide for a fair, open and competitive bidding process. The MCMUA received eight sealed competitive bids on September 13, 2012 from the following firms:

- 1. Advanced Enterprises Recycling, Inc.
- 2. Blue Diamond Disposal, Inc.
- 3. Coastal Distribution, LLC, Coastal Distribution of Paterson, LLC
- 4. Waste Management of New Jersey, Inc.
- 5. Solid Waste Services, Inc. d/b/a J.P. Mascaro & Sons
- 6. Covanta 4Recovery, L.P.
- 7. Republic Services of NJ, LLC d/b/a Midco Waste
- 8. Interstate Waste Services of New Jersey, Inc.

The MCMUA determined that it was in its best interests to award a contract to the lowest responsible bidder for "Alternate A" for combined operation of the two transfer stations, transportation of solid waste to final disposal facilities via over-the-road transfer trailers, and disposal of solid waste from the MCMUA's two transfer stations for a period of four (4) years, with a single one-year renewal extension period. The determination of whether to authorize the one-year renewal extension period is within the sole discretion of the MCMUA.

The bids of Covanta 4Recovery, L.P. and J.P. Mascaro & Sons were both reviewed by the MCMUA staff, technical and legal counsel to determine compliance with the bid specifications in accordance with the Local Public Contracts Law, N.J.S.A. 40A:11-1, et seq. Counsel for the MCMUA concluded that the lowest bid, Covanta4Recovery, L.P. constituted a non-responsive and invalid bid due to a number of non waivable material defects, and that the second lowest bid, J.P. Mascaro & Sons, did not contain any material defects that prevented the MCMUA from awarding the contract to J.P. Mascaro & Sons as the "lowest responsible bidder." Schedule A provides a detail break down of the prices submitted by all bidders.

In a resolution that was adopted by the MCMUA on October 16, 2012, the MCMUA Executive Director was authorized to enter into the contract with Mascaro for Alternate A contained in the bid documents for combined operation of the two transfer stations, transportation of solid waste to final disposal facilities via over-the-road transfer trailers, and disposal of solid waste from the MCMUA's two transfer stations for a period of four (4) years, with a single one-year renewal extension period. The determination of whether to authorize the one-year renewal extension period is within the sole discretion of the MCMUA.

Since the actual contract is voluminous, a summary of the contract terms has been prepared and attached to this Plan amendment. One actual copy of the entire contract will be provided to NJDEP with the submission of this Plan amendment. In addition, copies of the contract will be available for review at the offices of the Morris County Municipal Utilities Authority. Finally, the October 16, 2012 resolution by the MCMUA awarding the contract has been attached to this Plan amendment.

PLAN AMENDMENT

Pursuant to N.J.S.A. 13:1E-1 et. seq. Morris County proposes to amend its Solid Waste Management Plan to include the terms and conditions of the bid of Solid Waste Services, Inc. d/b/a J.P. Mascaro & Sons dated September 13, 2012. This bid was submitted in accordance with the notice to bidders issued by the MCMUA on July 9, 2012 entitled "Sealed Bids For Operating The Two Morris County Solid Waste Transfer Stations, Located In Parsippany-Troy Hills Township And Mount Olive Township, Including Providing Transportation Via Transfer Trailers And Alternatives For Intermodal Rail Containers And Disposal Of All Solid Waste Received At The Transfer Stations."

The bid of Mascaro provides for the operation of the two MCMUA transfer stations located in Parsipanny-Troy Hills Township (Block No 768, Lots 2.01; Block 769, Lot 1 (portion of); and Block 770, Lots 17, 18 and 19) and Mount Olive Township (Block 4500; Lot 5) by Mascaro.

In addition and in accordance with the bid, Mascaro will transport all the solid waste accepted at the two MCMUA transfer stations to the proposed disposal facilities. Mascaro will provide for the disposal of the solid waste accepted at the transfer stations and transported to the following three disposal facilities (or such other additional disposal facilities which meet the criteria for approval set forth in the contract, subject to all applicable legal requirements):

- Commonwealth Environmental Systems Landfill, Hegins, PA
- Keystone Landfill, Dunmore, PA
- Pioneer Crossing Landfill, Exeter Township, PA

The performance of the contract shall commence after the execution of the contract, the submission by Mascaro of the performance bond, insurance certificates in a form acceptable to the Risk Manager of Morris County, and any other documents required by the bid documents; and after the issuance of a notice to proceed issued by the MCMUA, which shall be issued after satisfaction of all the conditions set forth in the bid documents, and shall continue in force and effect for a minimum period of four years thereafter, unless sooner terminated in accordance with the contract documents. Additionally, as provided in the contract there is a single one-year renewal extension period. The determination of whether to authorize the one-year renewal extension period is within the sole discretion of the MCMUA.



Custom Map Report

Currently Viewing: MCMUA Mt. Olive Transfer Station/MRF, Block No 4500, Lot No. 5.



Projection: State Plane (FIPS 2900)

Datum: NAD 83
Units: Feet



COUNTY OF MORRIS, NEW JERSEY

Morris County Board of Taxation and the Dept. of Planning, Development, & Technology

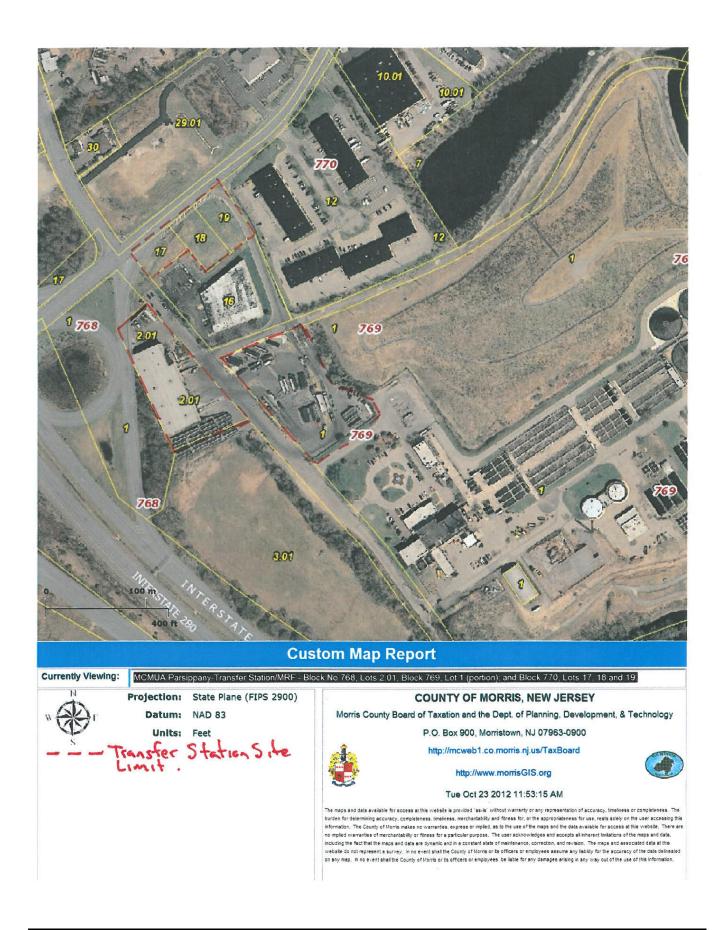
P.O. Box 900, Morristown, NJ 07963-0900





Tue Oct 23 2012 01:32:21 PM

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This proposed Plan amendment is in conformance with the approved Plan by providing for the management of solid wastes generated in Morris County. To insure the broadest possible participation by the general public in this Plan amendment process, the Morris County Board of Chosen Freeholders will conduct a public hearing. All County residents, public officials or organizations interested in this action are encouraged to attend the public meeting and offer testimony.

Inquiries and written comments or questions concerning this proposed plan amendment may be addressed to:

- Morris County Board of Chosen Freeholders P.O. Box 900 Morristown, New Jersey 07963-0900
- Morris County Municipal Utilities Authority P.O. Box 370 Mendham, New Jersey 07945-0370

Schedule A

Morris County Municipal Utilities Authority

Transfer Station Bid - Price Proposals - September 13, 2012

Advanced Ent.	Alternate B		Coastal Distrub.	Interstate Waste	Republic	Blue Diamond	Waste Management	JP Mascaro	Covanta	Alternate A	
\$15.00 \$	Oper.	T	\$17.49	\$11.29	\$ 9.00	\$ 8.25	\$ 9.00	\$10.57	\$ 7.00	Oper.	T
\$ 67.40	Trans/Disp	Year 1	\$ 70.00	\$ 61.94	\$ 61.50	\$ 60.23	\$ 58.00	\$ 56.62	\$ 56.25	Trans/Disp	Year 1
\$ 82.40	Total		\$ 87.49	\$ 73.23	\$ 70.50	\$ 68.48	\$ 67.00	\$ 67.19	\$ 63.25	Total	
\$15.45 \$	Oper.	Γ	\$17.93	\$11.29	\$ 9.23	\$ 8.40	\$ 9.09	\$10.57	\$ 7.00	Oper.	
	Trans/Disp	Year 2	\$ 71.63	\$ 61.94	\$ 63.04	\$ 61.59	\$ 58.58	\$ 56.62	\$ 57.35	Trans/Disp	Year 2
69.42 \$84.87 \$15.91	Total		\$89.56	\$73.23	\$72.27	\$69.99	\$67.67	\$67.19	\$64.35	Total	
\$15.91	Oper.		\$18.47	\$11.51	\$ 9.46	\$ 8.55	\$ 9.23	\$10.57	\$ 7.00	Oper.	Year 3
\$ 71.50	Trans/Disp	Year 3	\$ 73.63	\$ 63.18	\$ 64.62	\$ 62.95	\$ 59.46	\$ 56.62	\$ 58.48	Trans/Disp	
71.50 \$87.41	Total		\$92.10	\$74.69	\$74.08	\$71.50	\$ 68.69	\$67.19	\$65.48	p Total	
\$16.39	Oper.		\$19.02	\$11.75	\$ 9.70	\$ 8.70	\$ 9.41	\$10.57	\$ 7.00	Oper.	*
\$ 73.65	Trans/Disp	Year 4	\$ 75.69	\$ 64.44	\$ 66.24	\$ 64.30	\$ 60.65	\$ 56.62	\$ 60.03	Trans/Disp	Year 4
\$90.04	Total		\$94.71	\$76.19	\$75.94	\$73.00	\$70.06	\$67.19	\$67.03	Total	
\$16.88	Oper.		\$19.69	\$11.98	\$ 9.95	\$ 8.85	\$ 9.60	\$10.57	\$ 7.00	Oper.	
\$ 75.86	Trans/Disp	Year 5	\$ 78.16	\$ 65.73	06.29	\$ 65.95	8 61.86	\$ 56.62	\$ 60.40	Trans/Disp	Year 5
\$92.74	Total		\$97.85	\$77.71	\$77.85	\$74.80	\$71.46	\$67.19	\$67.40	Total	

Contract Executive Summary

Sealed Bids For Operating The Two Morris County Solid Waste Transfer Stations, Located In Parsippany-Troy Hills Township And Mount Olive Township, Including Providing Transportation Via Transfer Trailers And Alternatives For Intermodal Rail Containers And Disposal Of All Solid Waste Received At The Transfer Stations

Introduction

In accordance with N.J.A.C. 7:26-6:10(b)3, an amendment to the Morris County Solid Waste Management Plan (Plan) is required if a solid waste disposal contract in being entered into by a district or authority in order to include such contract within the Plan. The contract to be included in the Plan includes and incorporates not only the contract but the bid specification prepared by the MCMUA as well as the proposal submitted by Solid Waste Services, Inc. d/b/a J.P. Mascaro & Sons (Mascaro). Due to the large size of this contract, completely filling a 4-inch loose leaf binder, a contract executive summary document has been prepared to be used as an attachment to the Plan amendment that includes the contract in the Plan. One complete copy of the actual contract will be provided to NJDEP with the submission of this Plan amendment and a copy of the entire contract is also available for review by the public at the offices of the MCMUA.

Contract Specifications and Proposals

July 9, 2012, the MCMUA issued a notice to bidders seeking "Sealed Bids For Operating The Two Morris County Solid Waste Transfer Stations, Located In Parsippany-Troy Hills Township And Mount Olive Township, Including Providing Transportation Via Transfer Trailers And Alternatives For Intermodal Rail Containers And Disposal Of All Solid Waste Received At The Transfer Stations." The MCMUA received eight sealed competitive bids on September 13, 2012 in response to this request for proposals from the following firms:

- 1. Advanced Enterprises Recycling, Inc.
- 2. Blue Diamond Disposal, Inc.
- 3. Coastal Distribution, LLC, Coastal Distribution of Paterson, LLC
- 4. Waste Management of New Jersey, Inc.
- 5. Solid Waste Services, Inc. d/b/a J.P. Mascaro & Sons
- 6. Covanta 4Recovery, L.P.
- 7. Republic Services of NJ, LLC d/b/a Midco Waste
- 8. Interstate Waste Services of New Jersey, Inc.

Bidders had the opportunity to submit proposals on three possible alternates as described as described in the bid specifications and provided below:

1. ALTERNATE A - Combined operation of the two transfer stations, transportation of solid waste to final disposal facilities via over-the-road transfer trailers, and disposal of solid waste from the MCMUA's two transfer stations for a period of four (4) years, with a single one-year renewal extension period. The determination of whether to authorize the one-year renewal extension period is within the sole discretion of the MCMUA. Under Alternate A there will be no opportunity to modify either transfer station for the use of Intermodal Container loading.

- 2. ALTERNATE B Combined operation of the two transfer stations, transportation of solid waste from the transfer station situated in Parsippany-Troy Hills to an Intermodal Facility that will facilitate and transport Intermodal Containers by rail to final disposal facilities, transportation of solid waste from the transfer station situated in Mt. Olive Township to final disposal facilities via over-the-road transfer trailers, and disposal of solid waste from the MCMUA's two transfer stations for a period of four (4) years, with a single one-year renewal extension period. The determination of whether to authorize the one-year renewal extension period is within the sole discretion of the MCMUA. This alternate would require the successful bidder to modify the design and operations at the transfer station situated in Parsippany-Troy Hills for the loading and transportation of solid waste by intermodal rail containers and obtain all necessary approvals at its own cost. Transportation of solid waste to final disposal facilities from the transfer station situated in Parsippany-Troy Hills would be via over-the-road transfer trailers until such time that the successful bidder modifies the design and operations of the transfer station situated in Parsippany-Troy Hills and obtains all necessary approvals for the transportation of solid waste to final disposal facilities by intermodal rail containers. Under Alternate B there will be no opportunity to modify the Mt. Olive transfer station for the use of intermodal container loading.
- 3. ALTERNATE C Combined operation of the two transfers stations, transportation of solid waste from the two transfer stations to an Intermodal Facility that will facilitate and transport Intermodal Containers by rail to the final disposal facilities, and the disposal of solid waste from the MCMUA's two transfer stations for a period of four (4) years, with a single one-year renewal extension period. The determination of whether to authorize the one-year renewal extension period is within the sole discretion of the MCMUA. This alternate would require the successful bidder to modify the design and operations at the two transfer stations situated in Parsippany-Troy Hills and Mt. Olive Township for the transportation of solid waste by intermodal rail containers and obtain all necessary approvals at it own cost. Transportation of solid waste from the transfer stations situated in Parsippany-Troy Hills and Mt. Olive Township would be via over-the-road transfer trailers to final disposal facilities, until such time that the successful bidder modifies the design and operations of the transfer stations situated in Parsippany-Troy Hills and Mt. Olive Township and obtains all necessary approvals for the transportation of solid waste to final disposal facilities by intermodal rail containers.

The MCMUA determined that it was in its best interests to award a contract to the lowest responsible bidder in accordance with the Local Public Contracts Law, N.J.S.A. 40A:11-1 et seq. for "Alternate A" for the combined operation of the two transfer stations, transportation of solid waste to final disposal facilities via over-the-road transfer trailers, and disposal of solid waste from the MCMUA's two transfer stations for a period of four (4) years, with a single one-year renewal extension period. The determination of whether to authorize the one-year renewal extension period is within the sole discretion of the MCMUA.

The bids of Covanta 4Recovery, L.P. and J.P. Mascaro & Sons were both reviewed by the MCMUA staff, technical and legal counsel to determine compliance with the bid specifications in accordance with the Local Public Contracts Law, N.J.S.A. 40A:11-1, et seq. Counsel for the MCMUA concluded that the lowest bid, Covanta4Recovery, L.P. constituted a non-responsive and invalid bid due to a number of non waivable material defects, and that the second lowest bid, J.P. Mascaro & Sons, did not contain any material defects that prevented the MCMUA from awarding the contract to J.P. Mascaro & Sons as the "lowest responsible bidder."

In a resolution adopted by the MCMUA on October 16, 2012, the MCMUA Executive Director was authorized to enter into the contract with Mascaro for Alternate A" for the combined operation of the two transfer stations, transportation of solid waste to final disposal facilities via over-the-road transfer trailers, and disposal of solid waste from the MCMUA's two transfer stations for a period of four (4) years, with a single one-year renewal extension period. The determination of whether to authorize the one-year renewal extension period is within the sole discretion of the MCMUA.

Contract Specifications

This section of this document describes the primary terms of the contract between the MCMUA and Mascaro based on the selection of Alternate A from Mascaro's bid submission.

- <u>Contract Term</u> The contract term is a 4-year contract commencing on or about January 28, 2013 and terminating on January 27, 2017. Additionally, there is a single one-year renewal extension period. The determination of whether to authorize the one-year renewal extension period is within the sole discretion of the MCMUA.
- <u>Pricing</u> Table 1 Pricing of Contract below provides the contract pricing for Alternate A selected for this contract.

Table 1 - Pricing of Contract - Mascaro Alternate A

1 4.0.00 1 1 1.10.1.19 01 0 0 11.1.1.1.1.1.1.1.1.1.1.1.1.1.1.1								
	Per Ton	Per Ton Transport/	Per Ton					
Time Period	Operations Price	Disposal Price	Total Cost					
	Alternate A							
Year 1	\$10.57	\$56.62	\$67.19					
Year 2	\$10.57	\$56.62	\$67.19					
Year 3	\$10.57	\$56.62	\$67.19					
Year 4	\$10.57	\$56.62	\$67.19					
Year 5	\$10.57	\$56.62	\$67.19					

 Operations of the Transfer Stations - The contractor Mascaro will provide all necessary labor and equipment to operate the two MCMUA transfer stations and facilitate the transfer of waste to transfer trailers for delivery to disposal facilities.

In addition, the operations portion of the contract has materials recovery element in it providing an allowance for the recovery of materials (including construction and demolition waste) from the waste accepted at the facility. This materials recovery component is follows:

Extraction of Recovered Materials from County Solid Waste

As an incentive for the Contractor to separate and Market Recyclable Materials from County Solid Waste the Contractor will be allowed and encouraged to separate and Market Recovered Materials from County Solid Waste delivered to the Transfer Station Facilities provided (1) this does not violate any of the conditions or requirements of the Transfer Station Facilities' Solid Waste Facility Permits, (2) it does not interfere with the Contractor's obligations to perform the Work required under this Contract, (3) it obtains prior written approval from the Authority and (4) it is permitted in accordance with applicable law.

Regarding the potential extraction of recovered materials from County Solid Waste, under no circumstance shall the Authority pay more than the sum of the currently approved Per Ton Operations Price plus the currently approved Per Ton Transportation/Disposal Per Ton Price.

- <u>Transportation of Solid Waste</u> Mascaro proposed to use its own equipment and personnel to perform the transportation services required as part of the contract without the use of a transportation subcontractor.
- <u>Disposal Facilities</u> The disposal facilities and subcontractors to be utilized by Mascaro as part of this contract include the following three facilities:
 - 1. Commonwealth Environmental Systems Landfill, Hegins, PA
 - 2. Keystone Landfill, Dunmore, PA
 - 3. Pioneer Crossing Landfill, Exeter Township, PA