

**City of Derby Kansas
Request for Proposal**

Collection and Disposal of Residential Solid Waste, Recycling and Bulky Items from the
City of Derby

PROJECT: Solid Waste and Recyclables Collection Contract
Derby, Kansas

Submitted by:



Waste Management of Wichita
4330 West 31st South
Wichita, Kansas 67215
www.wm.com

Primary Contacts:

Gary Black, District Manger
4330 West 31st South
Wichita, Kansas 67215
Ph: 316-945-4849 Fax: 316-945-0729
Email: gblack@wm.com

Jeff Bontrager, Route Manager
4330 West 31st South
Wichita, Kansas 67215
Ph: 316-945-4849 Fax: 316-945-0729
Email: jbbontrager@wm.com

7.2 Qualifications

Respondent Qualifications

Waste Management is a company committed to making a difference for our employees, our customers, the environment and the communities we serve. As an industry leader, we commit our knowledge and experience to stewardship of the environment, tackling tough issues such as recycling and waste diversion, providing renewable energy and resource conservation, and safe collection and disposal of waste. We are an environmental company. What's more, we strive to be a trusted and valued community partner, and we commit our resources and resourcefulness to programs that build up our communities and our cities. As a company with nearly 50,000 employees and more than 20 million customers, we also commit our voice to calling for greater diversity and inclusion in the workplace and the world around us.



We collect the waste. As the leading provider of comprehensive waste and environmental services in North America, Waste Management collects approximately 74 million tons of solid waste a year from nearly 20 million residential, municipal, commercial, and industrial customers in the United States, Canada, and Puerto Rico. Our signature green trucks run thousands of routes every day. Coast to coast, our 354 collection operations provide services that range from residential trash pickup and curbside recycling to comprehensive environmental solutions for large corporations with multiple locations.

We recycle it. Waste Management is the largest provider of comprehensive recycling services in North America, managing nearly 8 million tons of recyclable material annually, including paper, cardboard, glass, plastics, metals, and electronics. Through our subsidiary WM Recycle America, we provide cost-efficient, environmentally sound recycling programs for municipalities, businesses, and households across the U.S. and Canada.

To encourage consumers to recycle and dispose of electronic devices in an environmentally responsible way, Waste Management collaborated with Sony in 2007 to establish a national recycling program for consumer electronics. The Sony Take Back Recycling Program allows consumers to recycle all Sony-branded products at no charge at 75 WM Recycle America eCycling drop-off centers throughout the U.S. The program is set to expand to at least 150 sites within a year. This is the first national recycling initiative in the U.S. to involve both a major electronics manufacturer and a nationwide waste management company. In addition to the Sony program most recently Waste Management has partnered with LG Electronics establishing a like program accepting

their LG products for free this program also allows other manufactures products to be accepted. The expansion goals of this program are to implement recycling collection points within 20 miles of 95 percent of the U.S. population. Electronics collected under this program will be processed at Waste Management facilities that are ISO 14001 and 9001 certified.

Waste Management also participates in the U.S. Green Building Council's LEED (Leadership in Energy & Environmental Design) certification program. LEED certification provides independent third-party verification that a building project meets the highest green building and performance measures. We are incorporating LEED guidelines into the building, design, and construction of our own facilities as well as into our service offerings to benefit our customers.

Waste Management is the premier choice for recycling and trash collections and the leader in the waste industry. We understand what is required to perform collections safely, efficiently, and working with the communities, we serve to help achieve the City of Derby's recycling goals.

Ability to Perform All Required Tasks

Waste Management has the knowledge and proven approach necessary to perform all required tasks and services. We do this every day all across the United States.

Demonstrated Professional Working Relationships with Municipalities/Public Solid Waste Agencies

Waste Management has developed strong working relationships with municipal and public solid waste agencies through out our market area and across the United States. A good example of this is our ongoing partnership with Metro Waste Authority on the Metro Methane Recovery facility where Waste Management is extracting landfill gas generating energy and providing revenue to MWA (a smart solution). This project has been ongoing since 1993. Waste Management prides itself on its community partnerships, our watching and working role, and community involvement.

COMMUNITY PARTNERSHIPS:

The responsibility to support.

We look for ways to partner with the communities we serve.

As a company, we focus our efforts on programs that make our communities cleaner, safer and stronger. We want to be a part of promoting

environmental awareness and enhancing the quality of life around us. The list of events

and organizations we support is as varied as the 5,000 communities in which we live and work.

Keep America Beautiful's Great American Cleanup

In 2005, Great American Cleanup volunteers cleaned up 180,150 total miles and 58,000 total acres coast to coast.

- 1,950 miles alongside railroad tracks cleaned
- 176,000 miles of roads, streets and highways cleaned
- 2,300 miles of rivers, lakes and shoreline cleaned
- 7,000 acres of wetlands cleaned and improved
- 51,000 acres of parks and public lands cleaned

Data courtesy of Keep America Beautiful

Waste Management is involved with several clean up efforts and beautification projects through out our market area donating our time, equipment and employees to improving our community. Some of our larger projects in our market area include as follows: Ronald McDonald House, Quivira Council of Boy Scouts, Sheltered Living, Rebuilding Together, youth athletics, and other services.

In 2005 and 2006, we conducted surveys with all types of people, from customers and employees to the general public, asking what they thought of Waste Management as a community partner and environmental steward. We found that those who know us best, such as customers and industry regulators, think most highly of us. We also found that our industry as a whole still has a long way to go to bolster its public reputation. Since the people of Waste Management live and work in the communities we serve, we are deeply connected to the life and vitality of those communities. We want to be good neighbors in every way, continuing to build a reputation as a community partner and environmental steward. We also want to serve our neighbors in ways that go beyond business relationships. In 2006, we developed the Waste Management Community Partners Volunteer Program to encourage and support employee participation in the communities where we live and work. As a company and as individuals, we are involved in thousands of ways, in thousands of communities, all year long.

From coast to coast, you'll find Waste Management involved in cleaning up thousands of miles of shorelines and beaches, adopting highways and roads, and providing materials and manpower for community cleanups. You'll find our local facilities giving time, services and financial support to community causes like building volunteer fire departments, renovating inner-city parks, providing campgrounds for scouts and revitalizing downtown areas. You'll see us involved in community programs through host agreements that help fund road projects, local school districts, rural area initiatives and school districts. You'll see our special event containers at festivals, fun runs and fund-raising events. Our local facilities, and the people they employ, contribute time and money to almost every civic organization imaginable, including chambers of commerce, Keep America Beautiful, Habitat for Humanity, United Way and Audubon Society.

WATCHING AND WORKING:

The responsibility to help.

One of our objectives is to help make our communities safer, and we are uniquely qualified to help achieve this. In a growing number of communities, Waste Management drivers are being trained to identify and report emergencies and suspicious activity along their collection routes.



Because our drivers are working at times when neighborhood and business crimes often occur, they are in an ideal position to spot and report these situations. Our *Waste Watch*[®] program enhances safety by giving emergency response agencies the benefit of extra eyes and ears in the community every day. Countless times, our drivers have reported

accidents, fires, suspected criminal activity and unusual situations before they ordinarily would have been detected. It is comforting to know we can watch out for each other in this way.

Similar Collection Projects in our Market Area and/or the United States

Waste Management of Iowa, Nebraska, Kansas and Missouri currently has over 100 municipal waste and recycling collection contracts. All of the municipalities in this service area we offer a variety of recycling options depending on the availability and type of market outlets for recyclable materials.

Current recycling services offered within our Market Area include

- o Single Stream
- o Curb sort recycling
- o Subscription recycling services
- o Commercial cardboard collection
- o One-Pass collection of trash and recyclables
- o 4 Processing centers for residential drop-off collection
- o Roll-off drop off collections points for residential and rural residents

Current Iowa and Kansas communities receiving recycling services from Waste Management include the following:

Agency	Floris	What Cheer	Adel
Blakesburg	Pulaski	Webster	Dallas Center
Batavia	Delta	Birmingham	Earlham
Fairfield	Hayesville	Bonaparte	Minburn
Kirkville	Harper	Cantril	Mitchellville
Lockridge	Hedrick	Keosauqua	Runnels
Pleasant Plain	Keswick	Milton	Waukee
Bloomfield	Martinsburg	Mt. Sterling	Atkins
Drakesville	Thornburg	Stockport	Belle Plaine
Conesville	Ely	Garrison	Keystone
Luzerne	Martelle	Nichols	Walford
Stratford	Kellerton	Osceola	Mt.Ayr
Paxico	Lebo	Wakefield	Riley
Ft. Riley	McFarland	Dension	Olsburg
Netawaka			

In addition to our vast coverage area through out our Market Area, our neighboring locations in the Minneapolis metro area have implemented several single stream collection routes and services. We have listed below some statistical information in regards to their success. We believe the City of Derby will be able to achieve similar if not greater success by partnering with Waste Management of Wichita. We believe this because we have been utilizing the same collection approach and systems to achieve greater participation and volumes through education and exceptional service.

Single-Stream Results

The City of Hopkins

The City of Hopkins implemented single-stream recycling in 2003. Hopkins hauls their own trash but contracts with Waste Management for recycling. In first quarter 2003, trash disposal was down 40 tons from first quarter 2002, which is a substantial savings in disposal cost. In first quarter 2003 recycling using the single-stream program is up 28 tons from first quarter 2002. This project remains successful today.

Hennepin Recycling Group: Brooklyn Center, Crystal, & New Hope

Hennepin Recycling Group completed a pilot project in 2001 and made a decision to bring single-stream to all of their communities. The City of Crystal has seen participation increases. In 2001, participation with two-sort recycling was at 45.3 percent. In 2003 for the same time frame, first quarter, participation with single-stream is at 64.9 percent. New Hope and Brooklyn Center have seen similar results. New Hope participation was 48.4 percent with two sort recycling in first quarter 2001 and 65.3 percent with single-stream recycling in first quarter 2003. Brooklyn Center had 43.4 percent participation in two sort recycling in first quarter 2001 and 67.8 percent participation in single-stream recycling in first quarter 2003.

Regionally, single sort (Single-Stream) has been implemented in the following Minnesota communities:

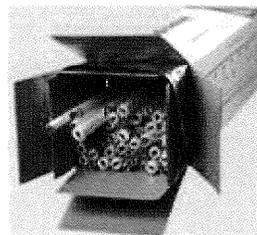
Andover	Birchwood	Bloomington
Brooklyn Center	Brooklyn Park	Burnsville
Cannon	Falls	Centerville
Circle Pines	Coon Rapids	Crystal
Dellwood	Denmark Township	New Hope
Pine Springs	Robbinsdale	St. Croix Beach
St. Mary's Point	West Lakeland Township	Willernie
Savage	Mahtomed	Lino Lakes
Hopkins	Hastings	Eden Prairie

Innovative Techniques to Increase Efficiency and Maximize Materials Recovery

Waste Management has long been an innovator in recycling. We were the first major solid waste company to focus on residential single-stream recycling that allows customers to mix recyclable paper, plastic, and glass in one bin for collection. The convenience of this method significantly increases participation in recycling by our customers. The volume of material processed in our approximately 30 single-stream facilities increased 7.3 percent over the previous year. In addition to our innovative single stream collection routes and processing centers, Waste Management has implemented several other innovative programs, outlined below, to help divert waste from landfills and offer sustainable solutions with added recycling convenience to our industrial, commercial, and residential customers.

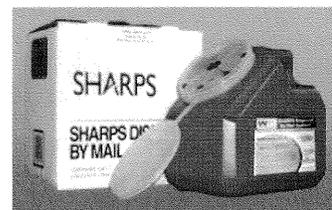
WM LampTracker®

In 2007, Waste Management acquired LampTracker®, the nation's first provider of mail-back recycling for fluorescent lighting. WM LampTracker® allows commercial and industrial customers to recycle fluorescent bulbs, which contain mercury, thereby safeguarding employee health and safety as well as ensuring compliance with environmental regulations. WM LampTracker® uses a specially engineered foil bag to securely contain residual mercury vapor during the storage and transport of fluorescent bulbs.



SHARPS

Sharps Compliance is an innovative developer of safe, confidential and cost-effective medical waste disposal systems. Sharps® has partnered with Waste Management to offer medical waste disposal to the communities they serve. Sharps®, located in Houston, Texas, manufactures and supplies disposal systems for needles, syringes and other medical waste generated in homes and businesses alike.



Waste Management and Sharps offer a variety of sizes of sharps mailback containers that provide the all users a total system for the safe disposal of sharps waste. Each system includes the sharps container, postage-prepaid return box, tracking form and destruction at a certified medical waste resource recovery facility.

eScrapTracker™

Businesses and institutions need to be concerned about what happens to their used computers because they contain toxic metals, which may make them subject to full hazardous waste regulation if land filled or incinerated. However, the good news is that these same computers are subject to reduced hazardous waste regulation if they are reused or recycled. Waste Managements eScrapTracker program provides an easy solution for commercial businesses to store and recycle their ewaste while thinking green and diverting ewaste from landfills.

Waste Management Inc. can provide a variety of these innovative and value-added services to the contract with MWA, including the management of universal waste generated by homeowners.

Resumes of Key Personal for Collection Operations

Gary Black

District Manager, Waste Management of Kansas, Inc. - Wichita

Background: Mr. Black is the District Manager for Waste Management of Kansas, Inc. in Wichita, Kansas. He has responsibility for the geographic area that includes all of Sedgwick County including Derby, Kansas. He currently oversees around 65 employees and 30+ routes. Mr. Black has over 20 years of experience in the Waste Removal industry. Mr. Black started as with his career with his family's business in Valley Center, Kansas, Sea Bea Trash Service. When his family sold their business to Waste Management in May of 1998 Mr. Black was serving as the General Manager. Mr. Black started his career with Waste Management as a Supervisor. Mr. Black moved into the District Manager position in Wichita after 9 months with the Company. Mr. Black has attended numerous training programs during his tenure with the company regarding operations, leadership and human resources.

Areas of Expertise Include:

- Strategic Operational Planning
- Productivity Improvement
- Incentive Pay Plans
- Acquisition Integration
- Transportation Cost Analysis
- Public Sector Contracts
- Safety
- Solid Waste and Facilities Operations

Greg Weber

Commercial and Roll-off Route Manager, Waste Management of Kansas – Wichita

Background: Mr. Weber is the Commercial and Roll-off Route Manager for Wichita, Ks. He is responsible for managing his employees in a variety of areas, including productivity and safety. He has been with Waste Management of Wichita for 19 years and has been in the solid waste industry 27 years. Greg has also completed an eight-day Route Manager/Customer service based corporate training module.

Areas of expertise:
Solid waste industry
Commercial driving experience
Driver training

Jeff Bontrager

Residential Route Manager, Waste Management of Kansas-Wichita

Background: Mr. Bontrager is the Residential Route Manager for Wichita, Ks. He is responsible for managing his employees in variety of areas and continues to focus on our safety goal of Zero safety incidents (Mission to Zero). He has been with Waste Management for 13 years, serving in a variety of positions including Commercial driver, Dispatcher, and Route Manager. Mr. Bontrager has been involved with our market area driver training process and is a certified trainer for 7 Habits of Highly Effective People.

Areas of Expertise include:

Solid Waste Operations

DOT Regulations

OSHA Regulations

KDHE Regulations

Driver Training

Safety Training

Jeremy Olsen

Public Sector Services Representative, Waste Management of Iowa Market Area

Background: Mr. Olsen is the Market Area Public Sector Services Representative for Waste Management of Iowa, Inc. He has responsibility for the geographic area that includes Iowa, Kansas and Nebraska and includes 70 municipality contracts. Mr. Olsen has over fourteen years of experience in the waste and recycling collection industry. Mr. Olsen started as route driver in Fairfield, Iowa, and served in various management positions including Site Supervisor in Burlington, IA, Route Manager for Fairfield IA, and Municipal Contract Manager of Iowa, Nebraska, Kansas. In addition to collection and public service experience, Mr. Olsen has worked in various recycling facilities and transfer stations in southeast Iowa in addition to two years experience maintaining and operating landfill equipment at Waste Managements facility in Bennington, Nebraska.

Areas of Expertise Include:

Liaison between Operations and Municipalities to ensure our Service Standards are met
Municipal Customer Satisfaction

Service Solutions

Modify Collection Programs to Municipality specific needs

5.0 Scope of work

5.1 Scope of Services. Waste Management agrees to provide all services as outlined in this proposal for the City of Derby. If awarded contract Waste Management will negotiate and compromise as needed for an acceptable agreement of both parties before entering a Franchise agreement with the City of Derby.

5.2 Summary of Required City Wide Services

INTERGATED MSW SERVICES COLLECTION

Waste Management will provide the following:

- Regular weekly collection of refuse in supplied carts by contractor of 96 or 64-gallon capacity. Default delivery of 96-gallon cart.
- Regular bi-weekly collection of recyclables in supplied cart by contractor of 96-gallon capacity. Cart has a divider in the middle to separate materials between fiber and non-fiber.
- On-call collection of abandoned waste (illegal dumping) will not be collected by Contractor. Contractor will provide dumpster for abandoned waste free of charge to the City of Derby for abandoned waste collected
- Emergency Services can be provided to the City of Derby thru our Green Team. This is a task force of Waste Management from around the country that is ready and mobilized for Disaster Services such as floods, tornadoes, labor disputes, and special projects. The cost of this service varies depending on type of services required and length of project but be assured this as a ready and waiting service that can be available with in 24-48 hours of notice.
- Roll-out service will be provided at no additional charge to all elderly residents (75+) years of age or residents who are physical disabled. Such requests will require approval by city and contractor.
- Waste Management will not compensate current trash haulers affected by award of RFP.
- It is in our best interest to promote recycling therefore by extending our recycling program to commercial businesses that would require residential-level service. Pricing for this service will be done on a case-by-case basis if serviceable, and will not exceed residential rate structure by more than 25%.

HAULING/TRANSPORTATION

Waste Management will provide the following:

- Transporting of all MSW collected with in the City will be provided by contractor and disposed of in approved and licensed landfill and/or transfer station. Transporting of all recyclables collected in the City will be provided by contractor and disposed of in approved and licensed processing center.
- All recyclables currently listed will be accepted. In the event we are able to expand or need to limit items for collections we will notify City and all residents of changes to recycling program.
- Our Employees are required to wear our supplied uniforms and safety gear at all times while servicing our customers.

CUSTOMER SERVICE, BILLING AND COMMUNICATIONS

Waste Management will provide the following:

City of Derby RFP Response

- Maintain required records of customer inquiries/complaints and respond to each within 24 hours. Please see our attached “Service Machine” processes included with this proposal.
- Route Manager Cell phone number will be made available to the City for extreme emergencies during non-business hours. This number is only for City Officials and the City Manager.
- Local toll free number will be provided on all billing statements. Phone number will be staffed by our call center which have live representatives 7:30 AM to 5PM Monday thru Friday. Residents will also have the functionality to leave messages after hours as well.
- Residents will be informed of collection services, collection day, and guidelines of our recycling program with a welcome letter prior to services starting. Letter will include a phone number if they have additional questions or concerns.
- Waste Management will not participate in any media interviews without the consent of the city regarding franchised services.
- In addition to welcome letter, education would be done with radio, and newspaper ads to help effectively communicate program awareness and drive participation for recycling.
- Quarterly billing will be provided in advance of collection services.

5.3 Cart Services. Scope of Exclusive, City Wide Services

Service (frequency)

- Residential MSW will be collected 1x weekly per residence. Any additional MSW exceeding cart limit will be billed to resident at the cost of \$2.00 per additional bag or can collected not to exceed 33-gallon in capacity per additional bag or can. This will help increase recycling participation by having a limit of MSW set out at the curb. Residents are more likely to recycle than pay additional fees for extra MSW that could be recycled.

Containers

- Default service level will be a 96 gallon wheeled cart
- Resident optional cart size will be 64 gallon wheeled cart.
- Additional carts will be provided upon request for an additional \$5.00 per month
- Alternatives for difficult to serve set out sites will be handled on a case-by-case bases. In the event where our residential provided carts are not a viable option we will allow resident to set out cans or bags for these limited situations to ensure they are getting the service level they require.
- Residents of Derby will be able to up or down grade their trash collection cart as needed for \$10.00 per up or down grade between 96 and 64 gallon carts.

Disposal/Processing facilities (landfill, RF, etc.); fees payable by contractor

- All residential MSW from the City of Derby collected under the franchise agreement will be disposed of properly in an approved and licensed sanitary landfill and/or transfer station.

- All landfill increases would be applied to 33% of contracted rate for perspective level of service.

Service Fee

- **Basic Service:**
 - 96 gallon cart 1x per week collection = \$22.90 Per month/resident**
 - 64 gallon cart 1x per week collection = \$19.90 Per month/resident**
- **Additional Service:**
 - 2nd 96 gallon cart 1x per week collection = \$5.00 Per month/resident**
 - 2nd 64 gallon cart 1x per week collection = \$5.00 Per month/resident**
- **Surcharge Roll out fee for residents who do not qualify for free roll out services:**
 - Door side service 1x per week collection = \$10.00 Per month/resident**

** Indicates Franchise Fee included in service fees

Automated Recyclables collection in carts (every other week)



- Default service level one 96-gallon divided cart for dual stream recycling paper in one compartment of cart, and plastic, and cans placed in the second compartment of cart.
 - Upon request additional cart can be provided for an additional fee of \$5.00** per cart
 - Alternatives for difficult to serve set out sites will be handled on a case-by-case bases. In the event where our residential provided carts are not a viable option we will allow resident to set their recyclables in clear plastic bags for collections in these limited situations to ensure they are getting the service level they require.
 - It has been from our experience that residents are better served with a larger cart for bi-weekly collections of recyclables.
- Waste Management will collect additional bags of recyclables as long as it is properly separated between fiber and non fiber in clear plastic bag for no additional charge and with in acceptable limits.

Disposal/Processing facilities (landfill, RF, etc.); fees payable by contractor

- All residential recycling from the City of Derby collected under the franchise agreement will be disposed of properly in an approved processing and shipment center.
- All annual CPI increases would be applied to 67% of the contracted rate for perspective level of service.
- Fees for recycling cart service (1-96-gallon cart) collection are included in the base service fees.
- Residents electing not to participate in recycling services will not receive a cart if resident notifies contractor prior to program implementation. After program

implementation if resident chooses to discontinue, or start recycling service there will be a \$10.00 removal or deliver fee.

5.3.1 Weekly Collection.

- All residents under the franchise agreement will receive weekly collection of residential MSW and, receive bi-weekly collections for their recyclables. Collection of recyclables will occur on their residential trash collection every other week. Collection of recyclables and MSW will occur Mon thru Friday between the hours of 6AM and 6 PM.

5.3.2 Surcharges.

- See preceding table or refer to service fees

5.3.3 Cart Specifications.

- New automated carts will be provided for both recycling and MSW collections. Included with this proposal is a chart with available colors for the city of Derby to choose from. Carts selected will be by an approved manufacturing acceptable to City and Contractor.

5.3.4 Cart Labeling.

- All carts will be will be delivered with educational materials outlining trash and recycling program in terms of what is acceptable and unacceptable. All cart replacement repairs will occur with in 48 hours of notification by resident to contractor.

5.3.5 Cart delivery, pick up and exchanges.

- After initial deliver of all 96 gallon carts residents will have option depending on their required service needs to up or down grade in cart size for a fee of \$10.00 per up or down grade. All up or down grades will be completed with in 5 working days upon notification by resident to contractor.

5.3.6 Contractor's difficult to-service options.

- Alternatives for difficult to serve set out sites will be handled on a case-by-case bases. In the event where our residential provided carts are not a viable option we will allow resident to set out cans or bags for these limited situations to ensure they are getting the service level they require
 - **5.3.6.1** Premises that are difficult to serve will be dealt with on a case-by-case basis by providing workable solutions that are acceptable to resident and contractor to achieve the service needs of these limited residents.

- **5.3.6.2** Contractor will seek workable solutions for all difficult to service residents, however if there is no safe or reasonable solution that can be provided Contractor will seek city approval in not providing service to these limited and unanticipated locations. It has been from our experience that we have always found a solution that both parties can mutually agree upon to ensure on going collections of these difficult to serve locations.

5.3.7 Special services

- **5.3.7.1.** Roll out services will be offered as outlined in this proposal under Scope of work.
- **5.3.7.2 Contractor** will provide weekly collection of on call bulky items for a set fee between contractor and resident. Starting fees for bulk items will be \$5.00 minimum depending on item to be collected.

5.3.2 Recyclables.

- Contractor will collect all recyclables as indicated on Form 2 Please see additional Paper Recycling Info and Aluminum can, Tin, and Plastic Recycling sheets supplied with this proposal. All acceptable recycling items will be separated between fiber and non-fiber and placed in our supplied dual split compartment cart.

5.4 Abandoned Waste Collection.

- Waste Management will supply free to the City of Derby up to an 8 cubic yard container for abandoned Waste Collection. Waste Management will dump container of abandoned waste free of charge to the City of Derby however collection of the abandoned waste will not be provided by Contractor.

5.5 Transportation and Disposal.

- Our proposed pricing included in this proposal includes disposal fees. If disposal costs increase percentage of disposal increase will be applied to 33% of collection service fee as a pass thru cost.

5.6 Recyclables Processing, Marketing and Diversion.

- Costs of processing have been included in our service fee. Contractor will retain all revenue generated by recyclables collected. If recycling disposal fees are increased percentage of increase will apply to 12% of contracted service fees.

5.7 Service Fee – Contractor’s Compensation (contract service fees v. customer rates.

- Contractor service fee billed to residents will include the 5% franchise fee to be paid to the City of Derby.

5.8 Subscription orders; billing and rate collection.

- Waste Management will bill all residents under franchise agreement in accordance with service fees on quarterly basis. Service fees billed will include the required mark up for the 5% franchise fee to be remitted to the City of Derby. Waste Management reserves the right to stop services on all delinquent accounts until payment has been made.

5.9 Public Education and Community Relations

- Waste Management will provide on going public education by utilizing radio, newspaper adds, and mailers to help increase participation.

5.10 Vehicles

- Upon entering Franchise Agreement Waste Management will include vehicle specifications to be utilized for the City of Derby. It is our intention to utilize two new trucks for the City of Derby.

5.11 Record-keeping, Reporting, and Surveys.

- Upon review and approval by Contractor and City of Franchise Agreement Waste Management will provide the necessary operational and financial records to the City of Derby pertaining to the City of Derby's residential trash and recycling collections.

5.12 Accessibility to Customers.

- Waste Management has a local office located in Wichita Kansas at 4330 W. 31st South. Office is open Monday thru Friday 8:00 A.M to 5:00 P.M. for customer inquires.

Financial Strength

Waste Management has sufficient financial resources to carry out the responsibilities and fulfill contractual obligations offered to the City of Derby. Waste Management currently serves nearly 22 million customers, as well as the communities where we work and live. Being the industry leader we have \$13.31 billion in revenue resulting in a Net income of \$1.16 billion, and total assets of \$20.175 billion. Additional information on Waste Management can be found in our 2007 annual report and 10K reports which are available upon request or from our website: <http://www.wm.com/wm/press/ekits.asp>.

FORM 2
MATERIALS PROCESSING FACILITIES

A. RECYCLABLES PROCESSING FACILITY

Contractor: International Paper
Location: 4300 W 29th St. S. **Operating Company:** _____
Owner: Manager Gil Hoover
Materials facility is permitted to accept: See attached recycling info sheets

Materials facility is prohibited from accepting:

Projected materials and capacity through term of Franchise Agreement and possible contract extensions:

Projected avg. daily tons: _____
Estimated number of trucks/bi-weekly collection from the City of Derby: _____

List all items included in recycling program (must include at least mixed paper [provide your definition], plastics labeled 1 & 2, and metal and aluminum cans).

B. MSW TRANSFER STATION(s)

Contractor Waste Disposal, LLC
Location: 5550 W 55th St. S. **Operating Company:** _____
Owner: Kent and Nancy Wilkens
Permitted tonnage limits: _____ **through which year?** _____
Any facility limitations under zoning, use permits, etc. _____
through what year? _____
Haul distance to facility from City _____

Alum can, Tin, and Plastic Recycling!

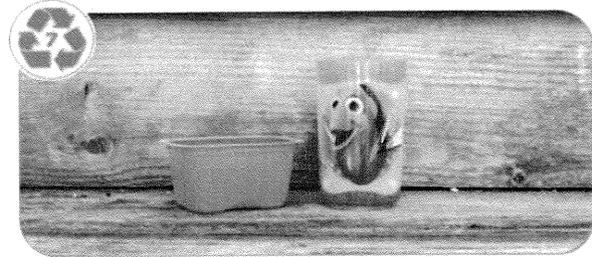
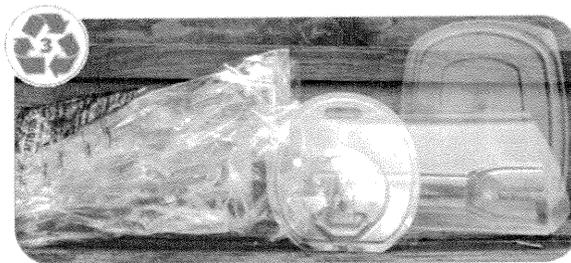
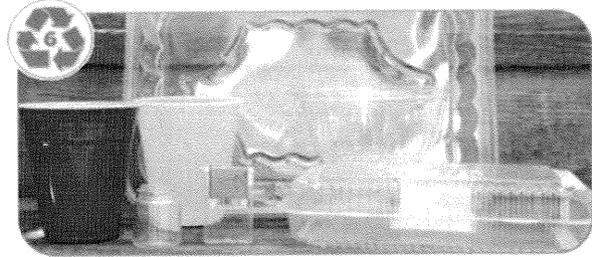


Aluminum Cans



Tin Cans

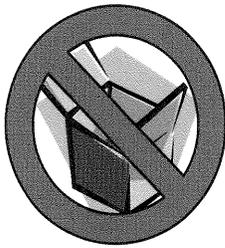
Plastics; #1 - #7; household containers



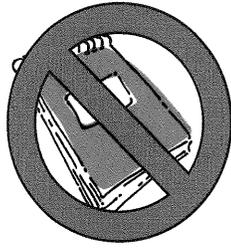
#1=PETE (soda & water containers), #2=HDPE (milk and detergent containers), #3=Viryl (Food wrap, blister packages), #4=LDPE (plastic bags, shrink wrap), #5=PP (bottle tops, refrigerated containers), #6=PS (throwaway utensils, meat packing), #7=OTHER (layered or mixed plastic)

Note: You do not need to take paper off the tin cans, and you do not need to remove bottle tops from soda containers.

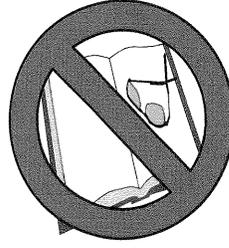
PAPER RECYCLING: info sheet



Corrugated
Cardboard



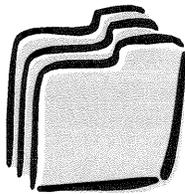
Chipboard
(Tablet Backing)



Books
(Hard & Softcover)



Brown
Envelopes



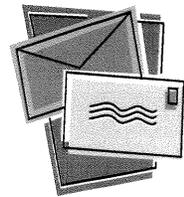
Manila
Folders



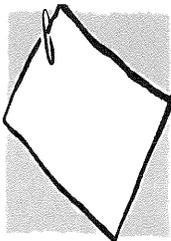
Newspaper



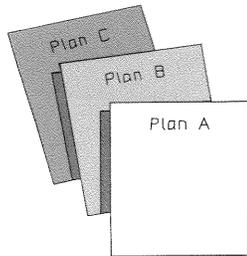
Phone Books



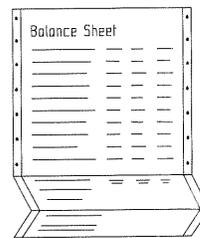
Glossy
Advertising



White Paper



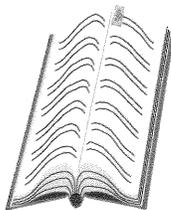
Colored Paper



Computer
Paper



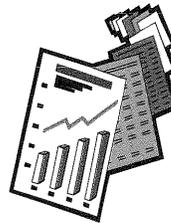
Envelopes
(please open)



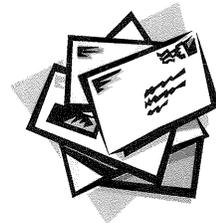
Magazines



Catalogs



Brochures



Opened Mail

Paper clips, staples, & rubber bands are OK!

Do not recycle paper goods used for food preparation, serving, or storage.

**FORM 3
EXCEPTIONS TO TERMS OF RFP**

Describe the following in the form below:

(1) **Exceptions to any terms of the Derby RFP**, including enforcement provisions, allocation of certain business risks as represented in the definition of “uncontrollable circumstances” (e.g. labor disturbances, fiscal impacts of change in law), requirements as to local employment preference, scope of criminal conduct clause, rights and remedies for breach of contract obligations, etc. *By submitting a proposal, Respondent waives the right to raise any exceptions not specifically included with its proposal.*

(2) **Proposed alternatives to any exceptions,**

(3) **Related cost** if the City chooses not to accept the exception or proposed alternative.

EXCEPTIONS TO TERMS OF RFP			
SECTION/PAGE REFERENCE	EXCEPTION	SUGGESTED ALTERNATIVE LANGUAGE	SERVICE FEE IMPACT IF NO CHANGE IS MADE

***See preceding page Attachment 1

**Attachment 1
To
Exceptions to RFP**

Page 2, Section – Intro 6- Respondent cannot agree to the indemnities set forth in the Franchise Agreement as no Franchise agreement has been provided. Respondent agrees to provide a “fault based indemnity” to City.

Page 2, Section- Intro 7- See exceptions identified below under the heading GP-8.1.

Page 6, Section 5.1-Respondent reserves the right to provide comments on the Franchise Agreement, which the City has not provided at this time.

Page 7, Section 5.2 Delete the following under heading “Collection” delete “ Compensation to current trash haulers for customer cancellation fees.

Page 10, Section 5.10- Respondent reserves the right to take exceptions to the general vehicle specifications. No Franchise Agreement was provided.

Page 10, Section 5.11 – Respondent reserves the right to take exceptions to the maintenance and reporting requirements required by the Franchise Agreement. No Franchise Agreement was provided.

Appendix 1

Page 20, GP-5.0- Respondent reserves the right to comment on any Franchise Agreement provisions not otherwise disclosed in the RFP. No form Franchise Agreement has been provided.

Page 20, GP-7.0. Delete first paragraph and replace with the following language, “The Contractor(s) selected shall indemnify, defend and hold harmless the City its officers, agents, and employees from and against any and all claims, liabilities, and losses (including damages to property and injuries to or death of persons, court costs and reasonable attorneys’ fees) resulting from Contractor’s willful misconduct or negligent performance of its obligations under Franchise Agreement, except to the extent such claims, losses or liabilities arise out of the negligence or willful misconduct of the City. Contractor’s negligent performance includes the negligent performance of Contractor and Contractor’s officers, employees, agents and subcontractors.

Page 20, GP-7.0 A General- delete the language in its entirety. No replacement language required.

Page 23, GP-8.1-C 2. a, b, c. Delete all endorsements contained in this section.

Page 23, GP- 8.a C 4. Delete the last sentence.

Appendix 3.

Page 35, Customer Service Agreement Template- When you must pay. Delete the following sentence- “We will pay you interest on overcharges (other than advance payments for subsequently canceled services) at 10 percent per annum from the date the overcharge was made until the date refunded”



March 11, 2009

City of Derby Kansas
611 Mulberry Road
Derby, Kansas 67037

Re: Exclusive Solid Waste Collection, Transportation and Recycling Services in the City of Derby

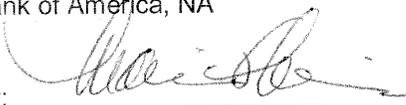
Ladies and Gentlemen:

We understand that Waste Management of Kansas, Inc. ("Contractor") of 4330 West 31st Street, Wichita, Kansas 67215 is submitting a bid proposal to provide Exclusive Solid Waste Collection, Transportation and Recycling Services in the City of Derby in response to the RFP. We hereby agree that in the event the City accepts the Contractor's proposal and awards the Franchise Agreement to the Contractor, then at the time of the execution of the contract, and upon receipt of a request to do so by Waste Management of Kansas, Inc., Bank of America, NA will furnish a Letter of Credit in the sum equal to \$2,300,000.00.

We hereby advise you that Bank of America, NA is duly licensed to do business in the State of Kansas.

We understand that this letter may be presented to the City of Derby Kansas with respect to Waste Management of Kansas, Inc.

Sincerely,
Bank of America, NA

By: 

Maria F. Maia
Managing Director

City of Derby

Section 7.2.2. Litigation Record

- 1) Certain Civil Litigation- Barbara Webb v. Waste Management of Kansas, Inc. personal injury matter 2004. Waste Management of Kansas, Inc. has also defended 8 different employment related matters over the five-year period. We will discuss these employment matters only in a confidential setting.
- 2) Criminal Actions- Respondent has not been involved in any criminal actions.
- 3) Administrative Proceedings-no administrative actions in the past five years.
- 4) Procurement or Contract Disputes- Various minor disputes
- 5) Revocations- Respondent has not been involved in a revocation action.
- 6) Class Actions- Respondent has not been a defendant in any class actions.
- 7) Labor Disputes- Respondent has not been involved in any labor dispute in the past 5 years.

Section 7.2.4 Environmental Record- Waste Management of Kansas, Inc. has not received any notices of violations. Respondent's affiliate Rolling Meadows Landfill, Inc. is a party to an Administrative Order with the Kansas Department of Health and Environment (KDHE) dated July 1, 2005. KDHE also issued a Notice of non-compliance to Rolling Meadows Landfill, Inc. on March 18, 2008.

Service Fee Proposal Form 6
Cart Collection for Single family Residential
Proposed Monthly Service Fees and Estimated Annual Service Fee Revenue

Proposer:

Line No.	Column A Cart Configuration	B Pre-determined Percent of proposed 90? gallon cart rate	C Monthly Service Fee***	D Number of Residential Customers	E Estimated Annual Service Fee Revenue
1	1-64 Gal Cart (smaller refuse cart)		\$12.40	1,516	225,581
2	1-96 Gal Cart (larger refuse cart)		\$15.40	6,068	1,121,366
3	1-96 Gal Split Cart (recyclable paper,		\$7.50	7,584	682,560
4	recyclable plastics & cans)				
5	Total			15,168	2,029,507

Rates include Franchise Fees ***

**FORM 7
SIGNATURE PAGE**

**RFP: EXCLUSIVE MUNICIPAL SOLID WASTE SERVICES FOR THE CITY OF
DERBY, KANSAS**

Proposals are due in the office of the City Manager, 611 Mulberry RD, Derby, KS 67037 not later than 2:00 P.M., CDT, Monday, March 2, 2009.

Questions about this RFP should be directed to Kathy Sexton at 316.788.3132 or to kathysexton@derbyweb.com.

Proposals must include the following items (original and 6 copies):

Information required by section 7 of this RFP with respect to evaluative criteria, including financial statements of Respondent and its guarantor and the following forms in accordance with Appendix 2:

- Form 2 Materials Processing Facilities
- Form 3 Exceptions to Terms of RFP (if any)
- Form 4 Letter of Intent of Letter of Credit Bank
- Form 5 Cost Justification
- Form 6 Service Fee Proposal

This Signature Page (Form 7) must be included with Respondent's submittal to validate Respondent's proposal. **Proposals submitted without this page will be deemed non-responsive.**

CHECK HERE IF RESPONDENT HAS ANY EXCEPTIONS TO THIS RFP.

CERTIFICATIONS, REPRESENTATIONS AND WARRANTIES

Authority; Commitment. As Public Sector Representative of the firm of Waste Management of Wichita, ("Respondent"), the attached Proposal ("Proposal") is submitted in response to a Request for Proposals for Exclusive Municipal Solid Waste Services in the City of Derby, Kansas, as it may have been supplemented and clarified as of the date of submission of this Proposal (collectively, the "RFP"), and that I executed the Proposal with full authority to do so. The Respondent will honor its Proposal for one year from its date. I further certify:

- a. Respondent has not, directly or indirectly, entered into any agreement, participated in any collusion, or otherwise taken any action in restraint of free, competitive bidding in connection with its Proposal.
- b. All statements contained in the Proposal and in this certification are accurate, truthful, complete, and made with full knowledge that in awarding a Franchise Agreement in substantially the form appended to the RFP as of the date of submission of the Proposal, including all addenda thereto (collectively the "Agreement"), the City will rely upon the truth of the statements contained in the Proposal and in the statements contained in this certification, representation and warranty.

- c. Respondent has read and understood the RFP and specimen Franchise Agreement, including program specifications, service standards and contractor's rights and obligations, and Contractor has based its Proposal on its obligations under the Agreement.
- d. Neither Respondent nor any person having a substantial interest in Respondent nor any subcontractor referred to in the Proposal is currently suspended or debarred from doing business with any government entity.
- e. Respondent has reviewed all of its present and pending engagements and in making this Proposal, and determined that no potential for conflict of interest or unfair advantage exists.
- f. Having carefully examined the RFP, the Agreement and all other documents included or referenced in the RFP, all information made available by the City, and being familiar with the work and the various conditions affecting the work, Respondent hereby offers to furnish all labor, vehicles, facilities, equipment, supplies and things necessary, proper or incidental to the provide services in accordance with the RFP and Agreement.
- g. No person or selling agency has been employed or retained by Respondent to solicit or secure the Agreement in expectation of receipt of a commission, percentage, brokerage or contingent fee, except *bona fide* employees or *bona fide* established commercial or selling agencies maintained by _____.
- h. Respondent submits herewith all forms required by the City, as checked on the preceding Signature Page, and acknowledges that omission of any required form, representation or warranty shall be grounds for rejection of its proposal.
- i. I acknowledge receipt of the following addenda (if any):

Addendum

No. 1

Date Feb 24th 2009 Title Addendum A

CONTRACTORS MUST COMPLETE THE FOLLOWING TO VALIDATE PROPOSAL

I hereby agree to furnish the articles and/or services stipulated in my proposal at the price(s) quoted, subject to the instructions and conditions in the Request for Proposal package. I further attest that I am an official officer representing my firm and am authorized to sign and submit this proposal. I further certify, represent and warrant as attached to this Signature Page.

Company: Waste Management of Wichita

Phone: 316-945-4849

Fax: 316-945-0729

E-mail: jolsen@wm.com

Name: Jeremy Olsen

Date: 3-16-09

Signature: 

Printed Name: Jeremy Olsen

Title: Public Sector Services Rep.

Street Address/PO Box: 4330 West 31st St
City, State & Zip Wichita, Kansas 67215

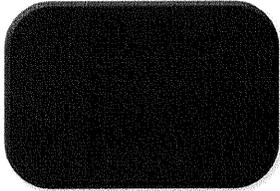
License No. (if applicable)

License Classification (if applicable)

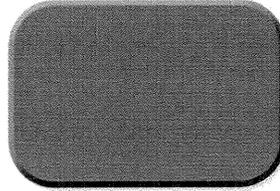


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shaping ideas in plastics™

Container Color Options



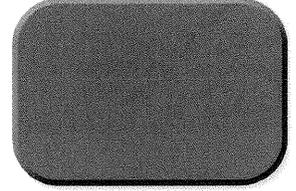
Dark Brown
#4400-7008



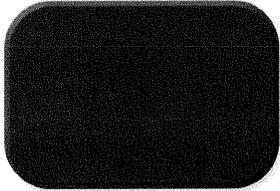
Medium Brown
#4400-8002



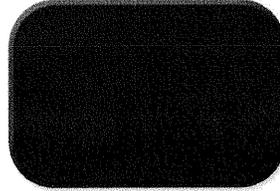
Dark Blue
#4400-4004



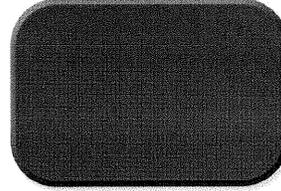
Municipal Blue
#4400-5266



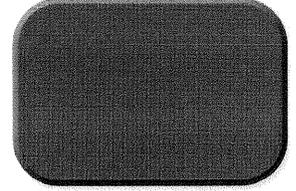
Medium Blue
#4400-3009



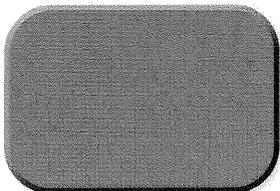
Burgundy
#4400-9006



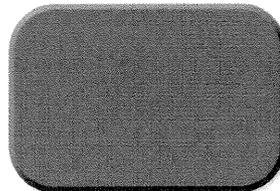
Dark Gray
#4400-6007



Gray
#4400-5149



Teal
#4400-6006



WM Green
#4400-5184



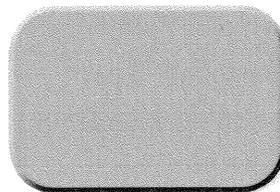
Olympia Green
#4400-9982



Dark Green
#4400-5088



Black
#19501

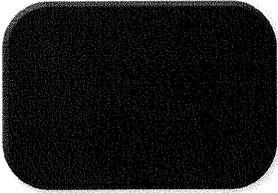


Yellow (Lid Only)
#4400-2502



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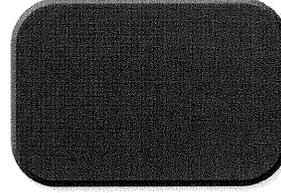
Commercial Container Color Options



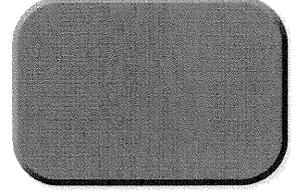
Dark Brown



Dark Blue



Dark Gray



WM Green



Dark Green



Black