

Scope of Work

Based on the information received to date through the RFQ, discussions with CBS staff, preliminary review of available prior planning documents, and the experience of our project team in preparing solid waste plans in Alaska and across the nation, we have developed a proposed scope of work for the development of the Solid Waste Management Plan. Work tasks are detailed below

Task 1 – Background Information

In order to more fully understand the existing solid waste system and to assess current and future programs, the consultant team will collect background information at the outset of the project. This information will be reviewed by the team and discussed with CBS representatives during a series of meetings over the project “kick-off week”. The kick-off week will serve as a mechanism to discuss preliminary findings from our review of background information, continue the data collection process, and identify project issues, goals, roles and responsibilities through discussions with a range of stakeholders. The following subtasks will be completed.

- Prepare a data request to be submitted to CBS. Information to be requested is expected to include:
 - Historical disposal and recycling records
 - Waste characterization data
 - Current service areas and waste generators served
 - Demographic projections
 - Existing solid waste and recycling ordinances and bylaws
 - Current contracts for collection, transportation, and disposal/recycling services
 - CBS labor costs
 - CBS Certificate of Convenience and Necessity
 - Grant program documents
 - Detailed current and historical solid waste budgets
 - Statement of net assets for FY2010-FY2013
 - Statement of revenues, expenses, and change in fund net assets for FY2010-FY2013
 - Equipment depreciation and replacement schedules
 - Current staffing schedule and staff organizational chart
- Review existing solid waste plans completed in 1991 and 1999.
- Review information received from the data request.
- Identify stakeholder groups for inclusion on the Solid Waste Advisory Committee (SWAC).
- Coordinate kick-off week meetings with CBS, to include meetings with groups such as:
 - Public Works and Maintenance and Operations personnel
 - Finance Department personnel
 - Other CBS staff representatives
 - Assembly members
 - Contracted private service providers
 - SWAC members
 - Other stakeholders we identify in discussion with CBS
- Develop kick-off meeting agendas for CBS review.

- Attend kick-off meetings and conduct interviews of stakeholder groups to identify key issues, needs, and opportunities. Four team members will attend the kick-off meetings, including our project manager, financial expert, facility engineer, and senior planner (not all team members will attend all meetings, and not all team members will be in attendance for the duration of the kick-off schedule).
- Conduct site visits and observe current solid waste system operations.

*Deliverables: Information request.
Kick-off week meeting agendas.*

Task 2 – Summarize Existing Solid Waste Management Practices

Following the kick-off meetings and an initial review of background information, the consultant team will develop a narrative summary of existing practices, which will serve as an initial chapter of the Solid Waste Management Plan. The summary may be supported by tables and graphics where appropriate.

Deliverable: Narrative summary of existing system.

Task 3 – Description of Waste Stream

To provide a baseline against which to evaluate existing practices and alternatives to be considered, the consultant team will assess the waste stream. The following subtasks will be completed.

- Compile historical waste and recycling quantities for CBS.
- Compile and review available local waste composition data. This data will be supplemented with waste composition data from similar communities and with similar programs if necessary.
- Calculate current and historical waste generation and recycling rates.
- Compile population projections and future waste quantity projections based on population change and historical trends.

Task 4 – Critical Public Policy Issues

An understanding of current public policy and issues as they relate to solid waste management now and in the future will provide additional information against which to evaluate alternatives in the Solid Waste Management Plan process. This task will consist of the following subtasks.

- Review existing ordinances and bylaws governing solid waste and recycling operations.
- Identify potential challenges and opportunities afforded by existing policies.
- Review available bear incident data and understand policies currently implemented or planned for implementation to address bear concerns related to solid waste management.

Task 5 – Initial System Assessment

This task will further build upon the information collected in Task 1 and the site visits completed during the kick-off week. The goal of this task is to synthesize available information regarding

existing services and programs, including both operational and financial aspects, and to evaluate the system against programs in other communities. This task will include the following subtasks.

- Evaluate the present organization, administration, and operation of solid waste management practices in CBS.
- Review the condition and suitability of existing infrastructure for continued use or potential expansion/enhancement.
- Utilize historical cost and rate structure data, to be provided by the City and Borough of Sitka, to construct a single all inclusive rate/cost model. This model shall have the ability to produce pro forma financial statement projections to include user rates under multiple scenarios.
- Benchmark current waste collection costs against other communities with similar collection programs.
- Benchmark current transfer and disposal costs against other communities with similar disposal arrangements.

An understanding of current system costs and rate structures is important at this project stage, and development of the cost model will be completed as part of this task. This cost model will be utilized to evaluate costs and rate impacts associated with future alternatives that may be considered in Task 7 as well. In developing the cost model, fund performance, budgets, and balances will be examined for adequate levels based on system conditions, anticipated needs, potential future events, and CBS budget policy. The cost model will consider the following elements:

- Capital and operating costs of facilities and programs
 - CBS's method of funding future facility costs (cash or debt)
 - CBS's cost of capital
 - CBS's current debt
- Forecast of CBS's waste stream, residential growth, and commercial waste generation and the impact of recycling
 - How will increased recycling impact fee revenue?
- Organization and operational consequences of proposed recommendations

The consultant team will work with CBS staff to develop an Excel-based rate model with the following general structural components:

- 1) Budget information related to contractor payments, operating costs, capital costs, and debt which will be translated into:
- 2) Revenue requirements, by operational area (e.g., solid waste, recycling, disposal, and general program expenses). The revenue requirements will be allocated to:
- 3) Service parameters (solid waste, and recycling collection, disposal, and account services, split by residential and commercial). The service parameters will be derived from:
- 4) Customer service data.

- 5) Rate construction, which pulls the relevant costs per service parameter to develop proposed rates.

The rate model will include benchmark forecasts of working capital (as defined by CBS, including designated and undesignated working capital) to aid in the future tracking of actual versus plan projections. We have assumed that CBS will provide a copy of its latest financial statements (in Excel format) to facilitate model development. The initial rate model will be presented to CBS staff for review and input. All directed changes will be incorporated into the rate model.

Deliverable: Cost / rate model.

Task 6 – Prepare Preliminary Solid Waste Plan

Based on the data collected and reviewed in Tasks 1 through 5, the consultant team will draft the background and existing conditions portions of the Solid Waste Management Plan. This preliminary Plan document will summarize findings regarding the current system and will provide guidance for the evaluation of alternatives in Task 7. Development of the preliminary Plan will include the following elements.

- Identify the advantages, disadvantages, strengths, and weaknesses of CBS's existing solid waste management system.
- Summarize primary issues and needs for future waste and recycling operations.
- Identify alternative strategies that may be appropriate to consider. Alternatives will be organized according to category such as program, policy, facility, administrative, and organizational.
- Develop narrative text supported by tables, charts, and diagrams to document the preliminary Plan. Detailed technical support and explanatory material will be placed in technical appendices.
- Prepare an Executive Summary in PowerPoint format to accompany the preliminary Plan for presentation purposes.
- Present the preliminary Plan to the SWAC for discussion and comment. Two project team members will attend the SWAC meeting.

*Deliverables: Preliminary Plan and Executive Summary for CBS and SWAC review.
SWAC meeting attendance.*

Task 7 – Analyze Alternatives

The alternatives for future facilities, programs, and services identified in Task 6 will be evaluated in this task. These alternatives address:

- Transport and disposal options for export of waste and recycling materials.
- Composting options to manage the organic portions of the waste stream.
- Traditional commodity recycling options, such as curbside and drop-off recycling services.

- Construction and demolition waste management options.

The consultant team will work with CBS staff to establish evaluation criteria for the alternatives to be considered, which may include but not be limited to the following: capital cost, operating cost, other required resources, environmental benefit, policy consistency, local control, community acceptability, practicality of implementation, time required to implement, and regulatory compliance.

To assess cost and rate impacts, alternatives will be evaluated using the cost model developed in Task 5. Future capital and operational costs and auxiliary program costs for proposed system changes will be compared to fund balances (both operating and reserve), projected revenues from tip fees, and other service fees over a twenty year time frame. Financial requirements by year will be detailed for any proposed or recommended changes. An “if then” analysis will be used to compare alternatives. This will provide CBS the ability to decide what system changes should be further considered for implementation.

We will also consider the operational impacts of the plan recommendations on waste and recycling service rates. Considerations will include the following:

- Impact on collection and disposal costs for any changes in the system.
- Increasing refuse and recycling collection operational efficiencies.
- Variable rate structure as a means to give economic incentives for self-haulers to subscribe to curbside waste collection and recycling.
- Increasing the effectiveness of residential and commercial recycling and the impact on fees.

Deliverable: Cost / rate models for alternatives.

Task 8 – Present Findings of Alternatives Analysis

The alternatives analysis will be summarized for presentation to CBS staff and the SWAC. This task will include the following subtasks.

- Develop conclusions and preliminary recommendations.
- Prepare a PowerPoint presentation summarizing the alternatives, conclusions, and recommendations.
- Present the findings to the SWAC for comment and discussion. A copy of the presentation will be provided several days in advance of the meeting to make interaction at the meeting more productive. Two project team members will attend the SWAC meeting.

*Deliverables: PowerPoint presentation summarizing alternatives analysis and recommendations.
SWAC meeting attendance.*

Task 9 – Prepare / Present Draft Final Plan and Make Recommendations

Based on the feedback from CBS staff and the SWAC regarding the findings of the alternatives analysis and the prior development of the preliminary Plan, the draft final Solid Waste Management Plan will be prepared. Development of the draft final Plan will include the following subtasks.

- Compile narrative text documenting and summarizing the alternatives analysis.

- Finalize narrative for recommendations and implementation steps.
- Compile the complete Plan report, to include the preliminary Plan prepared in Task 5 and the sections prepared in this task. Detailed technical support and explanatory material will be placed in technical appendices.
- Prepare an Executive Summary in PowerPoint format to accompany the draft final Plan for presentation purposes.
- Present the draft final Plan to CBS staff for review and comment.
- Present the revised draft final Plan to the SWAC for review and comment. Two project team members will attend the SWAC meeting.

*Deliverables: Draft final Plan and Executive Summary for CBS and SWAC review.
SWAC meeting attendance.*

Task 10 – Prepare Final Plan

Following receipt of comments from CBS staff and the SWAC on the draft final Plan, the Plan will be finalized and submitted to the Assembly for approval.

Deliverable: Final Plan report for Assembly approval.

Project Schedule

Based on the scope of work presented herein, the consultant team has developed the following proposed project schedule. The schedule assumes that a contract is executed, serving as authorization to proceed, by February 12, 2014.

TABLE 1. PROPOSED PROJECT SCHEDULE	
Project Activity	Completion Timeframe
Task 1 - Background Information	February 12-28, 2014
Project Kickoff Week	March 3-7, 2014
Task 2 - Summarize Existing Solid Waste Management Practices	March 10-21, 2014
Task 3 - Description of Waste Stream	March 24 - April 11, 2014
Task 4 - Critical Public Policy Issues	March 24 - April 11, 2014
Task 5 - Initial System Assessment	April 14 - May 9, 2014
Task 6 - Prepare Preliminary Solid Waste Plan	May 12-23, 2014
Present Preliminary Plan to SWAC	May 27-30, 2014
Task 7 - Analyze Alternatives	June 2 - July 3, 2014
Task 8 - Present Findings of Alternatives Analysis	July 7-25, 2014
Task 9 - Prepare Draft Final Plan	July 28 - August 22, 2014
Present Draft Final Plan to SWAC	August 25-29, 2014
Task 10 - Prepare Final Plan	September 2-19, 2014

Project Budget

Based on the scope of work identified herein, the consultant team has developed the hours and cost budget identified in Table 2. We propose to complete the scope of work for a not-to-exceed budget of \$214,875, billed on a time and materials basis. Additional meetings beyond those identified in the scope may be attended at an additional cost of \$7,640 to \$11,870 per meeting, depending on the team members participating in the meetings. Any additional costs will be approved by CBS in advance of incurring the cost.

TABLE 2. PROJECT BUDGET

Task	Labor Hours	Labor Cost	Travel Expenses	Total Cost
Task 1 - Background Information	226	\$38,795	\$7,069	\$45,864
Task 2 - Summarize Existing Solid Waste Management Practices	32	\$4,989	\$0	\$4,989
Task 3 - Description of Waste Stream	52	\$7,454	\$0	\$7,454
Task 4 - Critical Public Policy Issues	82	\$12,546	\$0	\$12,546
Task 5 - Initial System Assessment	132	\$21,648	\$0	\$21,648
Task 6 - Prepare Preliminary Solid Waste Plan	118	\$20,055	\$2,940	\$22,995
Task 7 - Analyze Alternatives	193	\$30,788	\$0	\$30,788
Task 8 - Present Findings of Alternatives Analysis	138	\$23,673	\$2,940	\$26,613
Task 9 - Prepare Draft Final Plan	134	\$22,189	\$2,940	\$25,129
Task 10 - Prepare Final Plan	21	\$3,225	\$0	\$3,225
Project Management	80	\$13,624	\$0	\$13,624
Project Total	1,208	\$198,986	\$15,889	\$214,875

Note: Travel expenses include travel by 4 team members in Task 1, and 2 team members in Tasks 6, 8, and 9.