Solid Waste and Recycling Specifications: Real World Issues

48th Annual Rutgers University Public Purchasing Educational Forum and Pre-Forum Seminar
Contracting Overview

How do I create a smart contract?
From the bid to the contract
Service Parameters

• What do you want to accomplish?
• If you don’t know what you want to do... don’t bother!!!!
Don’t Trust Specification Drafting to Lawyers
Service Parameters

- Materials to be collected
- Municipal demographic data
- Collection parameters
  - (be careful what you ask for, you may get it)
- Collection specifics
- Containers
- Collection schedules
- Ownership of recyclables
- Payment of solid waste disposal
- Vehicle requirements
Protective Measures

- Insurance
- Indemnification
- Specification violations
- Failure to collect or perform
- Performance bonds
- Corporate guarantee
- Letter of credit
- Liquidated Damages
Liquidated Damages

- Are Not Penalties
- Liquidated damages are reasonable estimation of the damages that are likely to actually result from a breach of contract.
- The precise amount is predetermined by the parties to the contract as compensation for breach of the contract.
The Bidding or RFP Process

Timing is everything!!!!!!!!!!
You must give yourself enough time

- At least 2 months to write specifications
- One month to deal with questions and to prepare addenda
- One month to deal with the award
- One month to deal with contingencies
- One month for the successful bidder to prepare
Bid or RFP?
Advantages/Disadvantages
And Finally

Keep the lawyers away from your specifications until you need them.