

**Morris County  
Solid Waste Management Plan Amendment  
January 2008**

**Contract 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 Five (5) Years**

**Prepared for:**

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

# **MORRIS COUNTY BOARD OF CHOSEN FREEHOLDERS**

**Margaret Nordstrom**  
*Freeholder Director*

**Gene F. Feyl**  
*Deputy Freeholder Director*

**Douglas R. Cabana**

**William J. Chegwidden**

**John J. Murphy**

**James W. Murray**

**Jack J. Schrier**

**COUNTY ADMINISTRATOR**  
John Bonanni

# **MORRIS COUNTY MUNICIPAL UTILITIES AUTHORITY**

**Glenn Schweizer**  
*Executive Director*

**Larry Gindoff**  
*Solid Waste Coordinator*

## 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 December 18, 2007 proposal submitted by Waste Management of New Jersey, Inc. (WM), as adopted by resolution on January 8, 2008 by the MCMUA. The WM bid was submitted in response to a request for bids issued by the MCMUA on October 15, 2007 entitled, "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/or Intermodal Rail Containers To Disposal Facilities and Disposal Of All Solid Waste."

## 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 (3<sup>rd</sup> Cir. 1997), cert. Den., November 10, 1997).

### Solid Waste Management Plan Update

On April 13, 2002, NJDEP Commissioner Bradley Campbell signed Administrative Order No. 2002-10, which requires among other things, that the NJDEP revise, update and readopt the Statewide Solid Waste Management Plan. On January 3, 2006, NJDEP Commissioner Lisa Jackson formally adopted the Updated Statewide Solid Waste Management Plan which required each district to adopt and submit to the NJDEP an updated district solid waste plan. In response to this requirement, on April 11, 2007 the Morris County Board of Chosen Freeholders formally adopted a Morris County Solid Waste Management Plan amendment entitled, "Response to the January 2006 New Jersey Department of Environmental Protection Solid Waste Management and Sludge Management State Plan Update – March 2007."

In a certification dated October 10, 2007, NJDEP Commissioner Lisa Jackson certified the county's April 11, 2007 Plan amendment as approved in part and rejected in part. One of the requirements of the NJDEP certification is that Morris County shall submit a Plan amendment to the NJDEP that includes the county's latest contract for the operation of the MCMUA TS/MRFs, disposal facilities for the waste accepted at the TS/MRFs, and transporters used to haul the waste from the TS/MRFs to the selected disposal facilities. This document has been prepared as a Plan amendment to meet this requirement.

### **Transfer Stations Operation, Transportation and Disposal Bid**

October 15, 2007, 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/or 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 three sealed competitive bids on December 18, 2007 from Waste Management of New Jersey, Inc., J.P. Mascaro & Sons, and Veolia Environmental Services Solid Waste of New Jersey, Inc.

The bid of Waste Management of New Jersey, Inc., being the apparent lowest bidder for each of the four potential alternates bid, was reviewed by the MCMUA staff 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 advised that all material aspects of the bid of Waste Management of New Jersey, Inc. were satisfied and in compliance with the bid specifications in accordance with the Local Public Contracts Law, N.J.S.A. 40A:11-1 et seq. and that any immaterial defects may be waived by the MCMUA in its discretion. The MCMUA determined that it was in its best interests to award a contract 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 five (5) years to the lowest responsible bidder in accordance with the Local Public Contracts Law, N.J.S.A. 40A:11-1 et seq. In a resolution that was adopted by the MCMUA on January 8, 2008, the MCMUA Executive Director was authorized to enter into the contract for Alternate A contained in the bid documents 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 five (5) years to Waste Management of New Jersey, Inc.

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 January 8, 2008 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 Waste Management of New Jersey, Inc. dated December 18, 2007. This bid was submitted in accordance with the notice to bidders issued by the MCMUA on October 15, 2007 entitled "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/or Intermodal Rail Containers To Disposal Facilities and Disposal Of All Solid Waste."

The bid of Waste Management of New Jersey, Inc. provides for the operation of the two MCMUA transfer stations located in Parsippany-Troy Hills Township (Block 768; Lot 2.01 and Block 769; Lot 1) and Mount Olive Township (Block 4500; Lot 5) by Waste Management of New Jersey, Inc.

In addition and in accordance with the bid, Waste Management of New Jersey, Inc. and its transportation subcontractors will transport all the solid waste accepted at the two MCMUA transfer stations to the proposed disposal facilities. The proposed transportation subcontractors provided as part of this contract include the following 4 firms:

- Gary W. Gray, Inc., Delaware, NJ
- Kephart Trucking, Company, Bigler, PA
- WB Services, L.L.C. , Philadelphia, PA
- Vision Transport, Inc., South Kearny, NJ

Finally, Waste Management of New Jersey, Inc. will provide for the disposal of the solid waste accepted at the transfer stations and transported to the following six 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):

- GROWS North Landfill, Morrisville, PA
- Tullytown Resource Recovery Facility Landfill, Morrisville, PA
- Alliance Sanitary Landfill, Taylor, PA
- Grand Central Landfill, Pen Argyl, PA
- Keystone Landfill, Dunmore, PA
- Wheelabrator Falls, Inc. Resource Recovery Facility, Morrisville, PA

The performance of the contract shall commence after the execution of the contract, the submission by Waste Management of New Jersey, Inc. and/or its subcontractors 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 period of five years thereafter, unless sooner terminated in accordance with the contract documents.

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

## **Contract Executive Summary**

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/or Intermodal Rail Containers and Disposal of all Solid Waste Received at the Transfer Stations.

### **Introduction**

In an October 10, 2007 certification of an April 11, 2007 amendment to the Morris County Solid Waste Management Plan ("Plan"), the New Jersey Department of Environmental Protection ("NJDEP") required that Morris County submit a Plan amendment to the NJDEP that includes the county's latest contract for the operation of the Morris County Municipal Utilities Authority ("MCMUA") transfer stations/materials recovery facilities ("TS/MRFs"), disposal facilities for the waste accepted at the TS/MRFs, and transporters used to haul the waste from the TS/MRFs to the selected disposal facilities. 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 Waste Management of New Jersey ("WMNJ"). 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**

October 15, 2007, 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/or Intermodal Rail Containers and Disposal of all Solid Waste Received at the Transfer Stations." The MCMUA received three sealed competitive bids on December 18, 2007 in response to this request for proposals from Waste Management of New Jersey, Inc., J.P. Mascaro & Sons, and Veolia Environmental Services Solid Waste of New Jersey, Inc.

Bidders had the opportunity to submit proposals on four 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 five (5) years.
2. ALTERNATE B - 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 two (2) years, with three one year renewal extension periods. The determination of whether to authorize any of the one year renewal extension periods is within the sole discretion of the MCMUA.

3. ALTERNATE C - 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 five (5) years. 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.
4. ALTERNATE D - Combined operation of the two transfer 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 five (5) years. 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 its 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 bid of Waste Management of New Jersey, Inc., being the apparent lowest bidder for each of the four potential alternates bid, was reviewed by the MCMUA staff 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 advised that all material aspects of the bid of Waste Management of New Jersey, Inc. were satisfied and in compliance with the bid specifications in accordance with the Local Public Contracts Law, N.J.S.A. 40A:11-1 et seq. and that any immaterial defects may be waived by the MCMUA in its discretion. The MCMUA determined that it was in its best interests to award a contract 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 five (5) years to the lowest responsible bidder in accordance with the Local Public Contracts Law, N.J.S.A. 40A:11-1 et seq. In Resolution No. 08-05 that was adopted by the MCMUA on January 8, 2008, the MCMUA Executive Director was authorized to enter into the contract for Alternate A contained in the bid documents 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 five (5) years to Waste Management of New Jersey, Inc.

## Contract Specifications

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

- Contract Term – The contract term is a 5-year contract commencing on January 27, 2008 and terminating on January 26, 2013. There are no optional extensions provided as part of alternate A selected for this contract.
- Pricing – Table 1 - Pricing of Contract – below provides the WMNJ alternate A pricing for alternate A selected for this contract.

**Table 1 – Pricing of Contract – WMNJ Alternate A**

Time Period	Per Ton Operations Price	Per Ton Transport/ Disposal Price	Per Ton Total Cost
<b>Alternate A</b>			
<b>Year 1</b>	\$8.75	\$62.59	\$71.34
<b>Year 2</b>	\$9.01	\$64.06	\$73.07
<b>Year 3</b>	\$9.28	\$67.57	\$76.85
<b>Year 4</b>	\$9.56	\$69.14	\$78.70
<b>Year 5</b>	\$9.85	\$70.77	\$80.62

- Operations of the Transfer Stations -

The contractor WMNJ 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

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, and (3) it obtains prior written approval from the Authority of the Recycling Markets to be utilized.

As an incentive for the Contractor to separate and Market Recyclable Materials from County Solid Waste, the MCMUA will pay the Contractor an additional one-half (1/2) times the Per Ton Operations Price bid herein for each ton of Recovered Material separated and Marketed. In addition, the Contractor will be allowed to retain all revenues generated from the sale of Recovered Materials separated by it from County Solid Waste. The Contractor will not be paid the Per Ton Transportation/Disposal Price or any other transportation costs for the transportation disposal of Recovered Materials to recycling Markets.

Prior to utilizing any of the Contractor's vehicles to transport such Recovered Material, they must be tare weighed on the Authority's scale prior to leaving the Transfer Station Facilities. In addition, all Contractor's vehicles containing Recovered Material to be delivered to market must be weighed on the Authority's scales prior to leaving the Transfer Station Facilities. The Per Ton Operations price will have already been included in the payment to the Contractor since these Recyclable Materials, to be separated, will be delivered commingled with other County Solid Waste. As additional payment for Marketing the Recyclable Material, the MCMUA will pay Contractor one-half ( $\frac{1}{2}$ ) times the Per Ton Operations Price bid herein multiplied by the tonnage of material recovered.

In order to be paid for these Recovered Materials, the Contractor must Market the Recovered Materials at MCMUA approved recycling facilities and/or materials recovery facilities. In addition, copies of recycling weight receipts must be provided monthly to the MCMUA. The MCMUA reserves the right to terminate the Contractor's operations as related to the extraction of Recovered Materials from County Solid Waste at any time in its sole discretion.

Should the Contractor secure a market for which a Recovered Material has a negative value, the Contractor will be paid an additional one-half ( $\frac{1}{2}$ ) times the Per Ton Operations price bid herein for each ton of Recovered Material separated and marketed plus the full negative market value so long as the sum of such negative market value plus the one-half ( $\frac{1}{2}$ ) times the Per Ton Operations Price does not exceed the sum of the most current Approved Transportation/Disposal Per Ton Price.

All weight receipts shall indicate the market price for each ton of Recovered Material in addition to the number of tons and total price paid.

- Transportation Subcontractors – The transportation subcontractors to be utilized by WMNJ as part of this contract include the following four firms:
  1. Gary W. Gray, Inc., Delaware, NJ
  2. Kephart Trucking, Company, Bigler, PA
  3. WB Services, L.L.C. , Philadelphia, PA
  4. Vision Transport, Inc., South Kearny, NJ
  
- Disposal Facilities - The disposal facilities and subcontractors to be utilized by WMNJ as part of this contract include the following six firms/facilities:
  1. GROWS North Landfill, Morrisville, PA
  2. Tullytown Resource Recovery Facility Landfill, Morrisville, PA
  3. Alliance Sanitary Landfill, Taylor, PA
  4. Grand Central Landfill, Pen Argyl, PA
  5. Keystone Landfill, Dunmore, PA
  6. Wheelabrator Falls, Inc. Resource Recovery Facility, Morrisville, PA